



## THE HILLSIDE FACTOR(Y) FOCUS: WHAT WE CAN LEARN FROM THE MOST EXPENSIVE SUPER BOWL COMMERCIALS

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As the most-watched TV broadcast in North America each year, Super Bowl Sunday offers some of the most expensive advertising slots, making itself beyond just a football game to become a battlefield for brand awareness.

Historically, Super Bowl commercials are filled with some iconic businesses that are also long-term stock-market winners (e.g., [PepsiCo](#), [McDonald's](#), [Apple](#)). They not only offer laughs, celebs and surprises to attract eyeballs but also often signal business and industry trends for investors and the like.



Source: "Pepsi: Gladiator with Beyonce, Britney Spears and Pink." [YouTube](#)

In relation to your equity portfolio, here are some of our takeaways from this year's commercial lineup:

### **Meta Is the Only Hillside Portfolio Company Advertising This Year**

Meta is our only portfolio company spending our money on Super Bowl airtime this year. With a hyper-scale advantage and industry-leading margin profile, [the commercial slot](#) is more than affordable for the social-media giant aiming to strengthen its leadership in next-generation computing platform, which could, one day, challenge the status quo of PCs and/or mobile devices. As co-owners of Meta, we look forward to a decent long-term return on marketing investment.

### **Digitalization & AI Are Reshaping On-the-Ground Operations**

On-the-ground operations are increasingly digitalized and "artificially intelligent" with the help of companies like [Samsara](#). We own Karooooo, another leading player focusing on the exactly same domain but totally different geographies (South Africa, Southeast Asia for Karooooo vs. North America for Samsara) and delivering more attractive financial results, in our opinion.



### The Beverage Industry Faces Lower Barriers to Entry

Three out of the four soft-drink sponsors (i.e., water-bottle brand [Cirkul](#), prebiotic soda brand [Poppi](#), canned water brand [Liquid Death](#)) on the list this year were founded within the last decade, which sort of echoes our growing concern over the invest-ability of beverage industry primarily due to lowering barrier to entry. All of the three startups compete for share of throat, to some degree, with LaCroix owned by National Beverage (one of our portfolio companies). Adding to the competitive threat here are upstarts over time – remember [Bubly vs. Bublé](#)?

### The Beer Industry Shifts Toward "Lighter" Drinking

In the crowded beer category, four out of the six participating brands promote “light” alcoholic drinking, indicating consumer preference for healthier, more premium options. We do not have direct exposure to premium beer, but it’s worth noting that Molson Coors stands out as the only peer on the list alongside long-time exclusive advertiser AB InBev. The Canadian-American multinational recently acquired the US commercialization rights for Fever-Tree (another portfolio company of ours). Hopefully, the only truly global premium mixer brand is going to see the expansion accelerate soon in its most important market – no [slow Monday](#), please!

### Final Thoughts

Super Bowl ads are more than just entertainment—they provide valuable insights into business trends and consumer behavior. From Meta’s marketing push to the growing competition in beverages and shifting preferences in beer, these trends offer important clues for investors.

As always, we focus on long-term value and strong financial fundamentals when making investment decisions.

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Join us on Thursday, February 20th, at 6:30 PM (Vancouver time) for our latest **Portfolio Management Update** where our team will be offering **live insights, updates, and answers to your questions**. [➔ Click Here](#) to reserve your spot now!

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THURSDAY, FEBRUARY 20, 2025  
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