The Super Bowl Economy

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Oh so close. We are less than a week away from the biggest sporting event of the year, <u>Super Bowl</u> XLV from Dallas (technically Arlington), Texas. As we all know by now, this year's championship game features two of the most iconic teams in NFL history, the Green Bay Packers and the Pittsburgh Steelers. While many are expecting the game to be one of the closest in recent history, there's one Super Bowl topic that transcends the very game itself – <u>money</u>. More importantly, who's spending it and who's making it? Let's take a look at some of the economics surrounding the battle for the Lombardi trophy.

First and foremost, it's all about the fans. Every year <u>Super Bowl</u> related spending seems to get larger and larger, and this year is no different. According to Jeff Mosier of dallasnews.com, PricewaterhouseCoopers estimates that visitors to North Texas will shell out a Super Bowl record \$202 million on everything from hotel rooms, rental <u>cars</u> and stadium concessions. The previous record was \$195 from Super Bowl XLI in Miami Gardens.

Much of the record spending can be attributed to the expected record attendance at <u>Jerry Jones</u>' estimated \$1.2-plus billion new Cowboys Stadium, an awe-inspiring 105,000. With so many seats in the stadium you'd think that ticket prices might be somewhat reasonable (as far as Super Bowl tickets go) — not so much. A quick peek at secondary online marketplace StubHub shows that tickets prices range from \$2,300-\$295,000! The nearly \$300K seats are in the Hall of Fame Suites if you were wondering. Or if you'd rather stand outside the stadium and just watch the game on a big screen (and who wouldn't), you can partake for only \$200.

Now consider this, according to the Census Bureau, the median household income for residents of Green Bay and Pittsburgh are \$40,857 and \$37,461 respectively.

That means for the average household in GB or Pittsburgh to purchase two seats in the nosebleeds will cost them well over 10% of their annual income. Toss in a pair of airline tickets (let's ball park it at \$500 each), just one night in a moderate hotel (\$200), some food and drinks, and a Super Bowl hat each (\$25 for the hat), the estimated total to watch their beloved team at the Super Bowl on the cheap — with our rough calculations—is just under \$6000, or about 16% of the average annual household income for the fine residents of the Steel City. At least the weather should be nice, oh wait, it's supposed to snow in Dallas this week.