

European Sponsorship Association

Alcohol Sponsorship Research

February 2009



Europe - North America - Asia Pacific - Africa



EUROPEAN SPONSORSHIP
ASSOCIATION



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Research Overview

The objectives of the research were to explore the attitudes towards alcohol sponsorship and current uptake of self-regulatory measures. The data has produced some compelling findings, of which the main issues are outlined below:

Comperio's findings suggest that self-regulation of alcohol sponsorship is commonplace at all levels and amongst all sectors of the industry, with more than half of those who have an alcohol sponsor instigating self-regulatory measures as to how it is implemented and activated.

Many respondents claim that they assess alcohol sponsorship on a case-by-case basis, with other organisations banning it along the lines of the target age of their events. Sampling activities and giveaways appear to be heavily monitored to ensure that activation of a sponsorship is handled responsibly.

It is widely accepted that rights holders and sponsors have an obligation to promote responsible attitudes towards alcohol and its consumption, and the feeling within the industry is that such bodies are currently responsible in their handling of this issue. Certainly, the findings of this survey would support this notion.

While specific measures to self-regulate alcohol sponsorships – such as contract clauses and responsible drinking campaigns – are not currently widespread, the industry has expressed a commitment to incorporate such measures in any future alcohol sponsorship deals. Encouragingly, those with current alcohol sponsorships are more likely to both include a clause in their contracts and to promote responsible drinking than those without an alcohol sponsor, and the same trend is evident for organisations / events that deal with younger age groups compared to those who deal only with over-18s.

The majority of respondents would prefer to self-regulate their alcohol sponsorship under guidelines by an industry body such as the European Sponsorship Association (ESA) rather than an external body unrelated to the marketing sector, suggesting that ESA should be encouraged to promote self-regulatory measures such as contract clauses and responsible drinking initiatives. Around half of the organisations surveyed would be affected if legal restrictions were imposed upon alcohol sponsorships (significantly more for those with current alcohol sponsorship deals), suggesting that a commitment to self-regulation and responsibility amongst rights holders and sponsors, supported by ESA, may be a more suitable way to tackle the issue of alcohol sponsorship in Europe.



Comperio Research was commissioned by the European Sponsorship Association (ESA) to provide a survey of European sports and cultural rights holders to investigate the issue of the sponsorship of events and organisations by alcohol brands.

The objectives of the research were to provide the following information for ESA:

- Types of sponsorships accepted by European rights holders
- Ways in which rights holders self-regulate their sponsorships
- Views and opinions on the current legislation and regulations of alcohol sponsorship
- Willingness of rights holders to support a responsible drinking campaign and instigate their own self-regulation of alcohol sponsorships in the future

The results were achieved through an online survey. A questionnaire comprising 22 questions was developed and designed by ESA and Comperio Research to sample rights holders across Europe. ESA members were emailed the survey and a link was also placed on the ESA website (www.sponsorship.org) so that visitors to the site could complete the questionnaire.

A total of **238** responses were recorded from respondents in a wide range of European countries including the UK, Portugal, France, Germany, Spain, Hungary and The Netherlands.

The margin of error of this sample size at a confidence level of 95% is: **+/- 6.3%**.

What does this mean?

This means we can say with 95% certainty that if you were to interview the same population multiple times, you would expect the results to be the same give or take 6.3%. The smaller the margin of error, the more confidence one has that the survey's reported percentages are close to the "true" percentages, that is the percentages if you interviewed the whole population.





Research Findings

	Scope *		Media Reach *	
	National	International	National	International
Do you have an alcohol sponsor?	26.7%	46.3%	26.0%	43.2%
Do you have any self-imposed policies or regulations regarding which type of product categories to accept sponsorship from?	49.1%	50.0%	47.4%	52.7%
Thinking about alcohol sponsorship, do you have any policies or regulations relating to how it is activated by the sponsor?	56.8%	56.0%	55.0%	59.4%
Do you include a clause in any contract relating to responsible marketing by an alcohol sponsor?	17.6%	27.8%	18.2%	25.7%
Would you be prepared to include a clause in any contract relating to responsible marketing by an alcohol sponsor?	87.5%	92.3%	87.3%	90.9%
Do you support a campaign to promote responsible drinking, linked to your events / organisation?	46.1%	44.4%	46.1%	44.6%
Would you be prepared to support a campaign to promote responsible drinking, linked to your events / organisation?	60.7%	66.7%	57.8%	70.7%
If restrictions were imposed upon alcohol sponsorships, could this affect your events and activities?	35.8%	72.2%	35.1%	63.5%

* "Scope" and "media reach" refer to Q1b (Which of the following best describes the scale or scope of your organisation / event?), and Q1c (Which of the following best describes the geographical reach (i.e. through the media) of your organisation / event?) of the survey.

- There are some significant differences between local / national organisations and events, and regional / global organisations and events, in their approach towards alcohol sponsorship (see comparison table above). International events (regional / global) are significantly more likely to have an alcohol sponsor than local or national ones. As such, if restrictions were imposed upon alcohol sponsorships, international events would be more noticeably affected.
- International events are currently more likely to have clauses in their contracts relating to responsible marketing by an alcohol sponsor, but both national and international events would be prepared to do so in the future.
- Encouragingly, events with international media reach are the most likely to have self-imposed policies regarding sponsorship, and to have policies related to sponsorship activation.



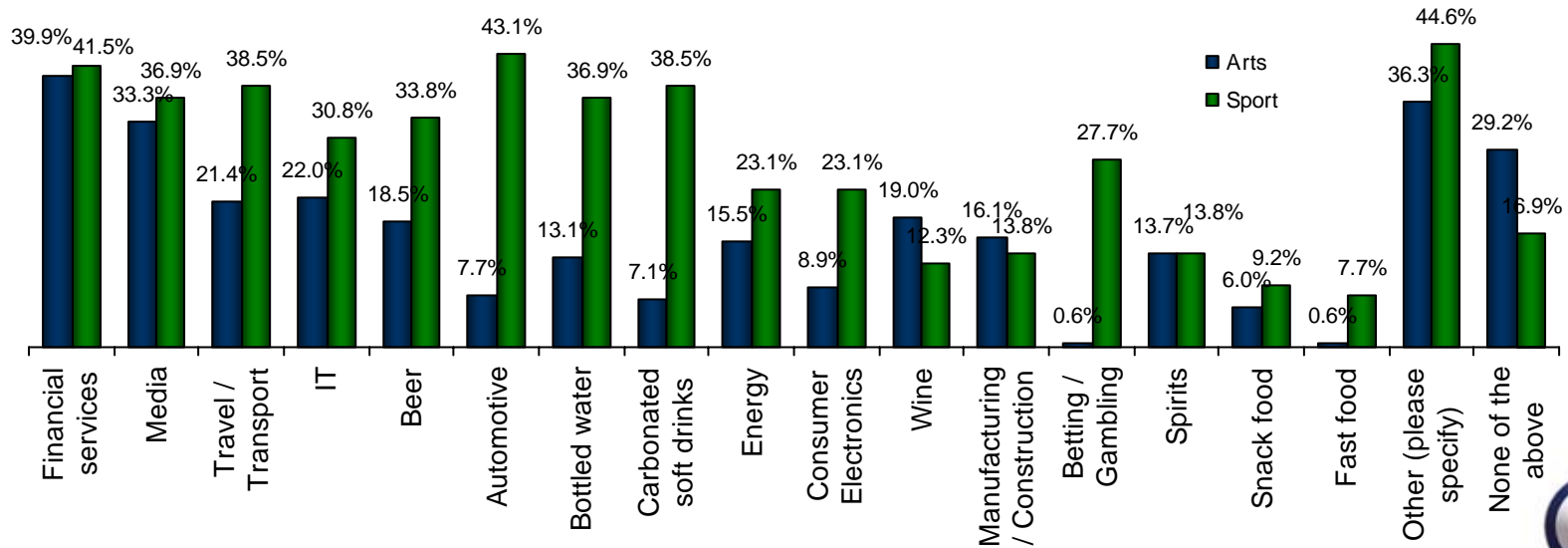
- There is a mixture of sports and culture-based respondents within the sample, the majority falling within the sphere of culture and the arts. Of the sports-based respondents, almost three-quarters of respondents represent governing bodies or public sector organisations involved in the regulation of sport. Although there are more cultural respondents than those in the sports sector, there were not found to be any significant differences in the results of the two sectors.
- The majority of organisations oversee events that cater for those under 18 as well as those over 18. 67.6% of events cater for all age groups, including those under 18, while 5.0% cater exclusively for under 18s. Only 27.3% of organisations / events cater exclusively for those over the age of 18.
- More than two-thirds of respondents' organisations or events are either local or national in their scope (69.3% combined). 16.0% of respondents are part of global organisations / events.
- The geographical reach of the organisation / event is in most cases wider than the scope or scale of the event. 22.3% of respondents claim that their organisation / event is global in its geographical reach, 4.3% more than those whose organisation or event is global in its scale or scope.
- The results of the research have been tested for bias from any of the sectors represented, and it has been found that no significant biases exist within the sample.

Organisation Profile	Sports	Cultural
Sub-sector	73.8% governing bodies	38.1% local / community projects
Age Range	50.8% over 18	78.0% appeal to all age groups
Scope	61.5% local or national	72.0% local or national
Media Reach	52.3% local or national	69.1% local or national



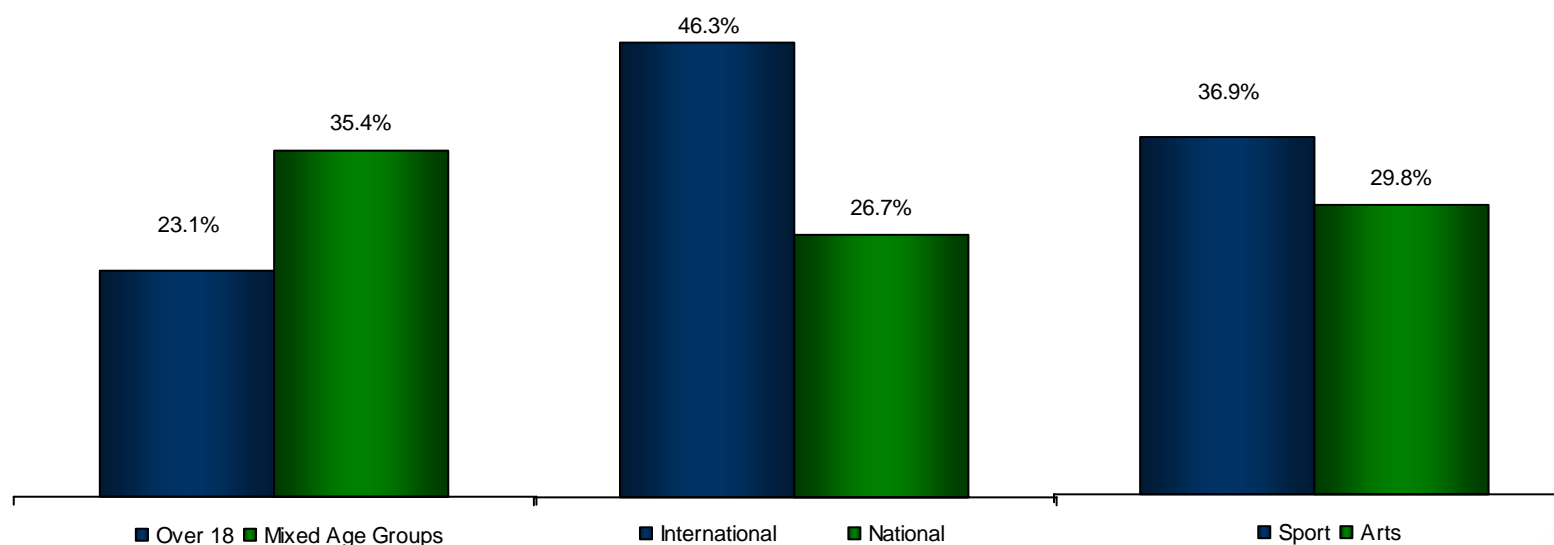
- Overall, financial services are the most common type of sponsor. 40.8% of respondents state that their organisation / event holds a sponsorship or supplier arrangement with a company from this sector, followed by media (34.5%) and travel / transport (26.5%).
- Financial services are almost equally popular within the arts and sports sectors. However, categories such as “automotive”, “bottled water”, “carbonated soft drinks” and “betting / gambling” are much more popular in the sports sector than the arts sector. Sporting respondents also hold more sponsorships on average than their arts counterparts (see chart below).
- Approximately one-third of respondents hold an alcohol sponsorship of some kind (31.5%). Almost one quarter of organisations surveyed hold a sponsorship or supplier arrangement with a beer brand (22.3%), making it the most popular type of alcohol product for sponsorship (16.8% wine, 13.9% spirits).
- Alcohol sponsorships are far more common than sponsorships involving other controversial categories such as betting / gambling (8.0%) and fast food (2.5%).

Sponsorship by Sector



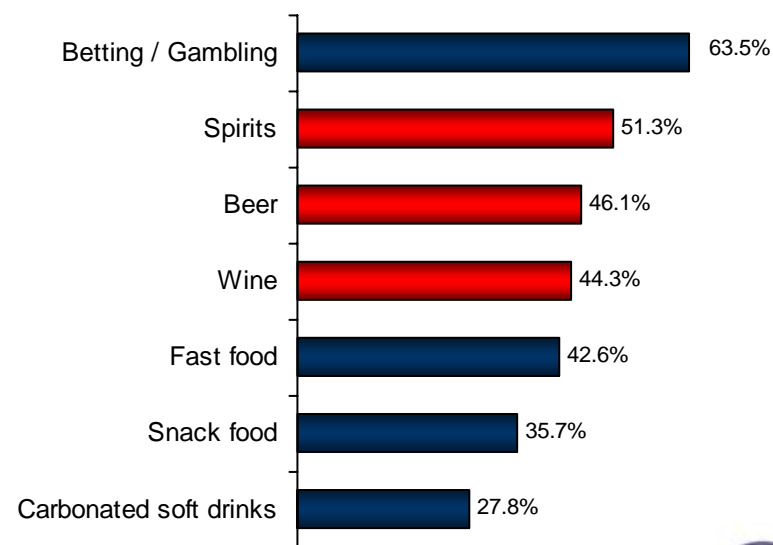
- Sports organisations are more likely than average to have alcohol sponsorships (36.9%, compared to a 31.9% average), while those in the cultural sector are slightly less likely (29.8%), perhaps due to the presence of more events aimed exclusively at younger age groups (youth theatre etc.).
- Interestingly, organisations / events that deal with younger age groups as well as older age groups (under / over 18), are more likely to hold alcohol sponsorships than those who only deal with those over the age of 18 (35.4% vs. 23.1%).
- 42.0% of respondents would consider a wine brand for sponsorship in the future, while more than a third of respondents would consider either beer (36.6%) or spirits (35.7%).
- Fast food and betting / gambling brands are the least appealing for those considering future sponsorships, with only 29.8% and 16.4% open to these categories respectively. Beer and spirits are only slightly more appealing than fast food and betting / gambling brands, emerging amongst the least popular categories to be considered for sponsorship in the future.

Alcohol sponsorship by type of organisation / event



- Almost half of the organisations / events surveyed impose their own regulations upon which product categories to accept sponsorship from (48.3%).
- Organisations / events that deal with under 18s as well as over 18s are more responsible in their sponsorship regulations than those who deal exclusively with those aged over 18. These respondents are significantly more likely to have self-imposed policies relating to the type of sponsorships to accept (54.7% vs. 33.8%).
- Betting / gambling is the most heavily regulated product category, with almost two-thirds of those who self-regulate having policies involving this category. Alcohol brands are the next most regulated category, with 51.3% regulating spirits, 46.1% beer and 44.3% self-regulating wine brands. Fast food, snack food and carbonated soft drinks are also self-regulated.
- More than half of those who have an alcohol sponsor have regulations relating to how it is activated by a sponsor (57.3%). 60.3% of those who would consider an alcohol sponsor in the future would impose policies upon sponsorship they took up. Interestingly, there are no significant differences in the policies relating to activation between the different product categories, including those with alcohol sponsors.
- Sampling activities are the most heavily regulated methods of sponsor activation, with 51.5% having policies to ensure the safe and responsible sampling of alcoholic products at their events. Almost half of respondents mention “giveaways”, “onsite sale of alcohol” and “signage”, while over a third also mention “distribution” and “exclusivity” as regulated activities.

Most Regulated Sponsorship Categories

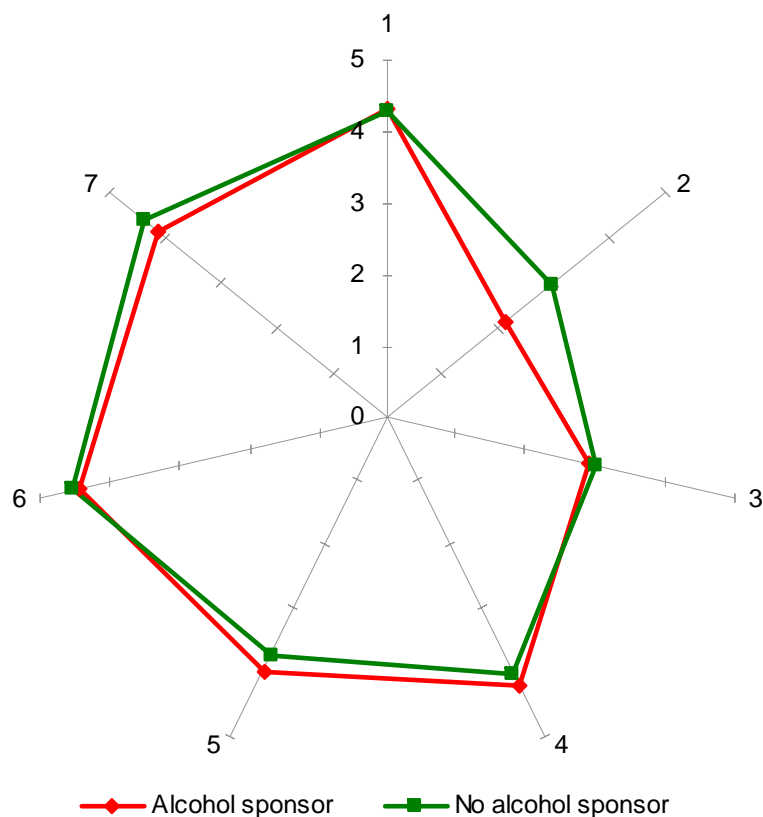


- The actual policies and regulations imposed by organisations on their sponsorships vary according to the type of event / organisation and the product category concerned. Below are some examples of the most commonly mentioned policies and regulations imposed:
 - ✓ *“Must not compromise or conflict with message of work or the nature of participants/audience eg. not if a youth project” (Community film-based project)*
 - ✓ *“Considered alongside responsible drinking initiatives” (National amateur sport association)*
 - ✓ *“Nothing related to our young people's activities, club events only” (National sporting charity)*
 - ✓ *“We have self imposed policies which promote healthy living” (Regional dance agency)*
 - ✓ *“According to organisation guidelines we are not permitted to use alcohol related sponsors” (National sporting governing body)*
- The most common form of self-regulation of alcohol sponsorship is to ban it altogether for varying reasons, but many respondents also assess on a case-by-case basis, depending on such variables as the age of the target audience of the event and ethical/healthy lifestyle commitments of the sponsor and event.
- Two thirds of respondents who have policies regarding alcohol sponsorship have banned it (66.7%), while more than half will only accept it for events targeted at the appropriately aged audience (55.6%). For a complete summary of the comments made regarding the self-regulation of alcohol sponsorships, see page 26.



- 87.8% of respondents strongly agree or agree that alcohol sponsors have a responsibility to promote good practice and responsible drinking in relation to an alcohol sponsorship. 80.3% believe that event organisers also have a responsibility in this area, indicating that both partners of the sponsorship deal are committed to the mutual responsibility of promoting good practice.
- The general consensus is that event organisers are currently responsible in the way they self-regulate sponsorship programmes (73.9% rating this 4 or 5, an average score of 4.1). As such, there is a reluctance to agree with the notion that there should be legislation controlling which events or organisations are sponsored by alcohol brands. Almost half of respondents disagree or strongly disagree with this notion (49.2%), while only 28.2% agree or strongly agree (an average of 2.7 out of 5).
- Those with alcohol sponsorship are more likely to claim that organisations / events are responsible in their self-regulation (an average of 4.2 out of 5 compared to 4.0 from those without an alcohol sponsor). Please see overleaf for an illustration of the differences between those with alcohol sponsorships and those without.
- Those without alcohol sponsorship appear more in favour of legislation regarding alcohol sponsorship, with 35.0% agreeing or strongly agreeing with the notion, compared to 13.3% of those with sponsorships.
- Conversely, those with alcohol sponsorships are more likely to claim that self-regulation is the best approach than those without such sponsorships (an average of 4.0 vs. 3.7). Overall, both groups believe strongly that self-regulation is the best option overall (65.3% vs. 63.8% agreeing or strongly agreeing with the notion of self-regulation), compared to legislation on the matter.
- There was a mixed response to the notion that marketing media should be delineated by reference to the percentage of an event's audience over the age of 18. More than a third of respondents agree or strongly agree with this statement (41.2%), while 29.0% disagree or strongly disagree. However, it is widely believed that the percentage measurement would be difficult to establish in relation to events and their media coverage. It is also worth noting that the percentage split for delineation was not specified in this question, though 70/30 was mentioned as an example.



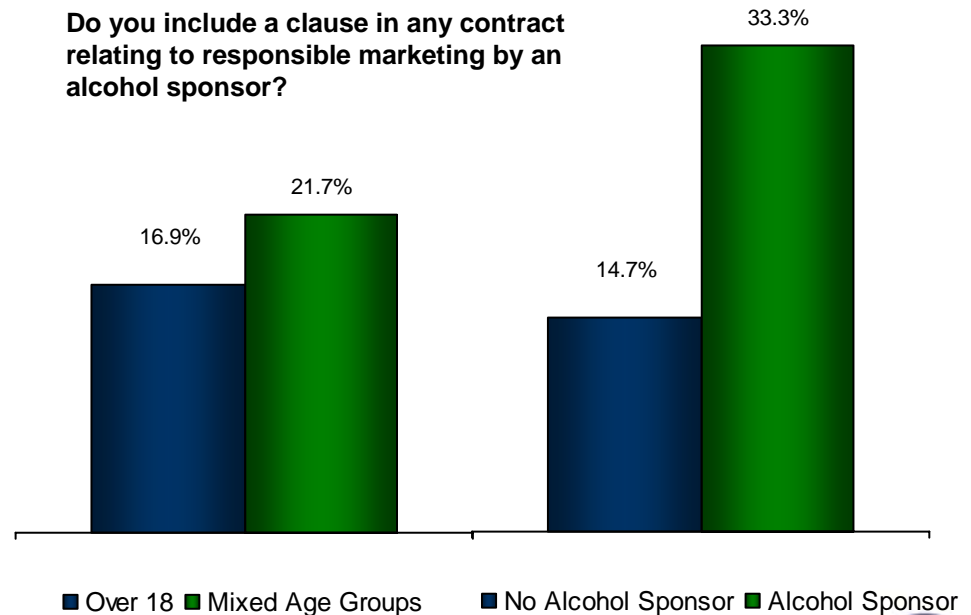


1. "Event organisers / organisations should be allowed to self-regulate who is appropriate to sponsor their events"
2. "There should be legislation controlling which events or organisations are sponsored by alcohol brands"
3. "Different types of alcoholic products (i.e. beer, wine and spirits) should be treated differently in terms of the regulation applied to them"
4. "Event organisers / organisations are responsible in their self-regulation of sponsors and sponsorship programmes"
5. "Self-regulation of sponsorship under guidelines from industry bodies such as the European Sponsorship Association is preferable to legislation imposed by an external body unrelated to the sponsorship / marketing sector"
6. "Alcohol sponsors have a responsibility to promote good practice and responsible drinking messages in relation to any alcohol sponsorship"
7. "Event organisers have a responsibility to promote good practice and responsible drinking messages in relation to any alcohol sponsorship"

- The chart above illustrates the difference in opinion between those with alcohol sponsorships and those without. It is evident that those with alcohol sponsorships are less likely to support the proposal of legislation controlling the type of sponsorships events or organisations can hold (point 2), while they are slightly more likely to agree that self-regulation is preferential (point 5), and that event organisers are responsible in the way in which they deal with alcohol sponsorship (point 4).

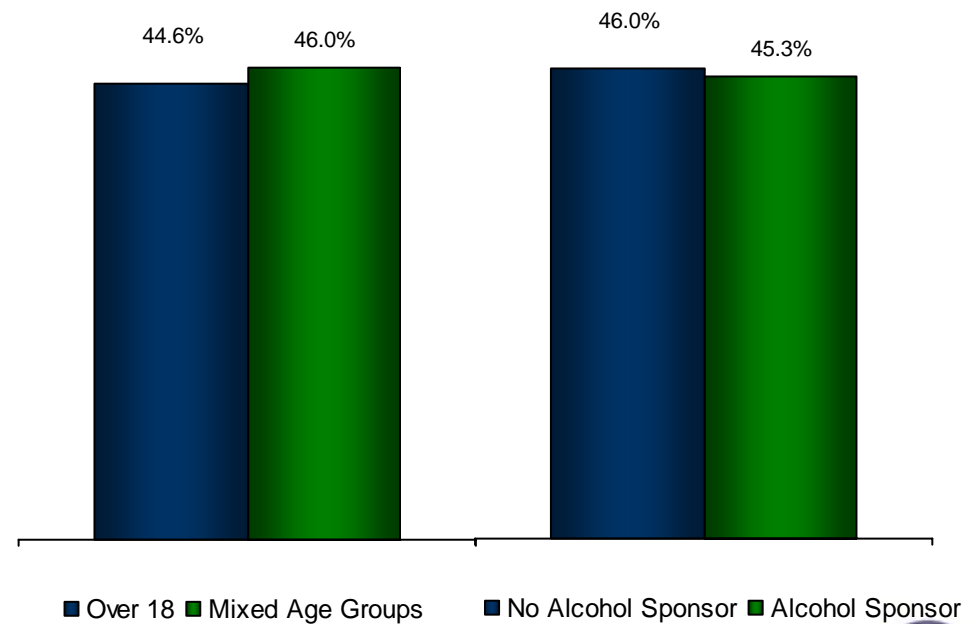


- Only 20.6% of organisations / events currently include clauses in their contracts relating to responsible marketing by alcohol sponsors. However, 70.2% of the overall sample would consider doing so in the future (88.4% of those who don't currently have a clause). Only 9.2% of the overall sample have not considered including a clause relating to this matter (11.6% of those who don't currently have a clause).
- One-third of those with alcohol sponsorships currently include clauses in their contracts relating to responsible marketing by alcohol sponsors, above the average for the sample (20.6%). 90.0% of those with alcohol sponsorships who don't currently include a clause in their contracts, would consider doing so in the future.
- Encouragingly, organisations / events that deal with all age groups are more likely to include clauses in their contracts relating to responsible marketing than those who only deal with those over the age of 18. 21.7% of those that deal with all age groups have clauses, compared to 16.9% of those who only deal with over-age patrons.
- It appears that whilst clauses in sponsorship contracts are not currently common-place, there is a willingness within the industry to instigate such policies in the future. More than 9 out of 10 (90.7%) of all respondents either do, or would consider in the future, including policies relating to responsible marketing by an alcohol sponsor. This is an encouraging figure, and supports the notion that the industry is looking to be proactive in its commitment to delivering responsible sponsorship to its audience.



- Almost half of the organisations / events surveyed support a campaign to promote responsible drinking (45.8%), while nearly two-thirds of those who don't currently, would consider doing so in the future (62.0%). Again, those organisations / events that deal with all age groups, including those under 18, are more likely to suggest that they would be prepared to support a responsible drinking campaign than those who only deal with over 18s (65.5% vs. 58.3%).
- Those that currently have an alcohol sponsor are more likely to state that they would be willing to support a responsible drinking campaign in the future (68.3%), than the average (62.0%). This suggests that those who are involved in alcohol sponsorship are committed to responsible promotions and partnerships.
- Overall, responsible drinking is an area that organisations and events appear keen to promote. There is already widespread support of responsible drinking campaigns with almost half of respondents involved at present. In total almost four out of five respondents either currently support a responsible drinking campaign, or would do so in the future (79.4%). This once again illustrates the willingness of the industry to promote responsible activity regarding alcohol sponsorship.

Do you support a campaign to promote responsible drinking, linked to your events / organisation?





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