New Zealand’s proposed ban on alcohol sponsorship of sport: a cost-effective, pro-equity and feasible move towards reducing alcohol-related harm

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ARTICLE INFO

Article history:
Received 7 June 2021
Revised 22 June 2021
Accepted 2 July 2021
Available online 19 July 2021

Alcohol sponsorship
New Zealand alcohol marketing
SAFER

In New Zealand (NZ), alcohol causes an estimated 5.4% of all deaths, resulting in over 13,000 years of life lost annually. 1 Alcohol use drives health inequities and remains the leading cause of death among New Zealanders aged 15 to 49 years. 1 In 2005/06, alcohol’s varied harms had an estimated societal cost of NZ$5 billion (3% of GDP), 2 more than five times the alcohol excise revenue collected to address externalities.

Restricting alcohol marketing, including sports sponsorship, represents a highly effective and cost-effective measure to reduce alcohol harm. 3 Exposure to alcohol marketing is a causal factor in an earlier drinking onset and heavier drinking by young people. 4 Exposure to alcohol sports sponsorship is associated with heavier alcohol consumption by children and adult sporting participants. 5

Alcohol sponsorship of sport warrants specific attention. Sport is emotionally captivating, highly popular to diverse and broad audiences, generates large media audiences as well as replayed coverage and discussion (e.g., through news and sports programmes, and via live and online discussions). Alcohol brands are highly visible; these appear on players’ shirts, in media backdrops, are consumed in team changing rooms and feature in media product placements. 6 Featuring alcohol marketing messages within sporting events and in associated promotions draws on respondent conditioning by pairing alcohol brands with excitement, success and adventure. 7 Over time, brands come to evoke these emotions as they become embedded in people’s daily lives. The effects go beyond brand switching or reinforcing brand loyalty; positive attitudes towards alcohol in general increase following sponsorship exposure. 8

For young people, alcohol marketing also operates through vicarious learning. Although exposure to alcohol marketing harms people of all ages, young people are particularly vulnerable as they model behaviours they see demonstrated by sporting role models. Among NZ children, alcohol sponsorship is a major source of this marketing exposure. 9 Māori children (NZ’s indigenous population) have been shown to have five times greater rates of exposure to alcohol marketing than other children. 9

In May 2021, Green MP Chlöe Swarbrick announced a Private Member’s Bill that provides for an end to alcohol sponsorship of sport. The Bill acts on recommendations from three NZ Government-commissioned bodies 10-12 and the World Health Organization, 4 and proposes prohibiting: 1) alcohol advertisements during sports broadcasts; 2) alcohol advertising at sports venues; and 3) sponsorship of sports teams, athletes, events and venues. It begins to address successive Government failings to Māori under Te Tiriti o Waitangi (NZ’s constitutional document) to tackle alcohol’s longstanding, inequitable impacts. However, the Bill still needs to be successfully drawn at random from the ballot before it can be introduced to Parliament to begin the legislative process.

The Bill should be viewed as a first step towards comprehensive legislative restrictions on alcohol marketing. However, it requires
strengthening to enhance its effectiveness and mitigate risks. First, as the Bill focuses on professional broadcast sports only, alcohol sponsorship dollars may be redirected from professional to community-level sports. Further, as the Bill does not provide a definition of “sport”, alcohol sponsorship could be redirected to emerging sports, such as esports.13

Importantly, the Bill does not outline support to sporting organisations to assist the transition away from alcohol company funding. An excellent transition model exists in NZ, where a Crown agency was established to replace tobacco sponsorship when NZ’s Smokefree Environments Act 1990 banned this widespread marketing activity. This support will be crucial for clubs unable to identify non-alcohol sponsors.

New sponsors will enter the sports sponsorship market, just as they have done with tobacco14 and as a UK simulation study15 has predicted for alcohol. Further, global sponsorship revenue continues to increase year-on-year partly due to the rapidly evolving digital technologies associated with sports sponsorship. Thus, the significant return-on-investment provided by sports sponsorship will continue to attract sponsors.

In 2014, the total value of alcohol sponsorship of sport in NZ was estimated at NZ$21.3 million, of which 65% was direct cash contributions.16 In the highly unlikely event that replacement sponsors did not appear, replacing sponsorship revenue would require only a minimal increase in the existing alcohol levy – adding two to six cents per alcohol product sold. Our recommendations to strengthen the Bill are outlined in Table 1.

Despite these important refinements, the Bill represents a much-needed opportunity to support sporting organisations as important health-promoting settings. Ending alcohol sponsorship is a natural but critical step in improving the cultural, social, environmental, and economic wellbeing of clubs, players, spectators and wider society.

Table 1
Recommendations to strengthen the Sale and Supply of Alcohol (Harm Minimisation Amendment Bill)

| Recommendations to strengthen the Sale and Supply of Alcohol (Harm Minimisation Amendment Bill) |
|---------------------------------------------------------------|
| 1. Ending alcohol sponsorship of sport at all levels (broadcast and non-broadcast) |
| 2. Applying the broadest possible definition of “sport” |
| 3. Establishing a sponsorship replacement agency |
| 4. Reducing the wide range of exemptions provided in the Bill for international sporting events, especially in relation to allowing overseas participants to continue their alcohol sponsorship obligations in New Zealand |
| 5. Explicitly addressing the use of indirect advertising (brand-stretching and trademark diversification) as evidenced in countries where alcohol sponsorship is prohibited |
| 6. Extending the ban to non-sport alcohol sponsorship (e.g. music events) |
| 7. Establishing an independent monitoring agency that could oversee broader alcohol marketing regulation in the future |

Declaration of Competing Interest

Hoek has received travel funding to attend advisory group meetings at the Health Promotion Agency. Hoek is a member of Project Sunset Oceania, which is a network of public health researchers and advocates that support calls for phasing out the commercial sale of combustible tobacco products. Members of the network participate on a volunteer basis. Member of global Project Sunset group. Hoek received a $50 gift for giving a plenary address at the Dental Hygienists conference (April 2021). Jackson and Chambers have no competing interests.

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