Alcohol sponsorship of *Good Sports* clubs

Survey report

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A survey of alcohol sponsorship of *Good Sports* clubs

Report to the Victorian Health Promotion Foundation

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May 2012
Acknowledgments

The Australian Drug Foundation gratefully acknowledges the Good Sports clubs that “participated in the data gathering process that formed the basis of this study.

In addition ADF acknowledges the following people who assisted with the project:

- Dr Joseph Borlagdan advised on research methodology and development of the survey and interview format
- Mr Cameron Britt and Mr Rod Glenn-Smith assisted with the development of the survey and interview, and liaised with and recruited clubs to the study
- Ms Hayley Chalmers-Robinson and Mr Mark Stone conducted interviews with representatives of participating clubs
- Ms Jennifer Blackman analysed the quantitative data

The Victorian Health Promotion Foundation funded the study.
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Executive Summary

Background

Alcohol sponsorship is a feature of many elite sporting teams and events in Australia, including three football codes, cricket, golf, tennis, surfing, and horse and motor car racing, so for supporters and viewers of major national sports it is difficult to avoid exposure to alcohol marketing.

Several concerns have been raised regarding the impact of alcohol sponsorship in sport, including the exposure of young people to alcohol advertising, despite the fact that marketing of alcohol to young people is prohibited by all the codes that regulate advertising in Australia. In addition studies have indicated negative short- and long-term consequences of alcohol advertising on attitudes and behaviours around alcohol use by sports people who receive sponsorship from alcohol industry stakeholders.

Existing research has focused on sponsorships at the elite level of sport. A lack of data on community level sport means the extent, nature and significance of alcohol sponsorship at that level is not known. Developing such data is important to inform decision-making and policy development in this area.

In 2008, the Australian Government proposed a $25 million fund to ‘buyout’ alcohol sponsorship in community sporting clubs as part of the National Binge Drinking Strategy. In light of that proposal, a study was conducted by the Australian Drug Foundation, with funding from VicHealth, to explore the nature and extent of alcohol sponsorship in community sport and the possible effects of removing such sponsorship from community sporting clubs.

Project Aims

The aims of the project were:

- to enhance the understanding of the nature and extent of alcohol sponsorship of sport in Australia by providing a snapshot of current alcohol-related sponsorship arrangements with community sports clubs
- to quantify the level of alcohol-related sponsorship held by community sports clubs
- to identify attitudes towards the Commonwealth Government’s proposed buyout of alcohol sponsorship.
Method
Quantitative and qualitative data were collected using online surveys and interviews. Good Sports clubs from Victoria, New South Wales, Queensland and metropolitan South Australia were asked to complete an online survey about any alcohol sponsorship arrangements they may have, and their views on the proposed Government buyout. Further interviews were conducted with a subsample of the clubs to further explore the issues raised in clubs’ survey responses.

Key Findings

Extent and value of alcohol sponsorships
Nearly all Good Sports clubs receive an external sponsorship and nearly two-thirds of Good Sports clubs receive sponsorship from one or more sources involved in the broad alcohol industry.

I. 92.4% (n=644) of all respondent clubs received a sponsorship from an external source.

II. 68.5% of clubs that received a sponsorship (n=413; 63.3% of total respondents) are sponsored by a business that sells or distributes alcohol.

III. Alcohol related sponsorships were more common in rural, regional and remote areas than in metropolitan areas.

IV. The most popular form of sponsorship by alcohol related sources was cash (69.2%; n=305); followed by provision of discounted meals (36.3%; n=160); discounted function rooms (31.3%; n=138); discounted alcohol (21.5%; n=89); equipment (8.7% n=36) and other (12.40; n=51).

Sources of alcohol sponsorships
The most common source of alcohol sponsorships was licensed venues (91.8%; n=393) followed by alcohol retailers (38.5%; n=164) and alcohol producers (22.2%; n=94). A large proportion of clubs (47.4%; n=196) received alcohol sponsorships from more than one type of alcohol source, principally a combination of licensed venues and alcohol retailers.

Financial value of sponsorships from alcohol related sources

- Cash value: 39.6% of clubs received $1000 or less; 37.0% of clubs received between $1001-5000; 23.0% of clubs received more than $5001 in cash

- In-kind value: 59.7% of clubs received in-kind value of $1000 or less; 27.6% of clubs received an in-kind value between $1001-5000; 12.5% received in kind value greater than $5001.
Attitude to the proposed buyout of alcohol sponsorship

The proposed buyout was not supported by respondents. Just over one quarter of clubs was in favour, one in six clubs were opposed to it, and a majority of clubs was undecided. Clubs believed they lacked information they needed to make an informed decision.

- 16.5% of clubs (n=66) opposed the buyout
- 28.6% of clubs (n=114) supported the buyout
- 54.9% of clubs (n=219) were undecided

General Findings

I. The current understanding of alcohol sponsorship needs to be revised to account for the complex relationships between sporting clubs and the communities in which they are located;

II. Alcohol sponsorship in community sporting clubs is multi-dimensional. A variety of alcohol businesses provide support, and the support differs by the value and the form, and by the nature of reciprocal agreements with clubs.

III. Alcohol sponsorship in community sport is a complex transaction that can provide significant non-financial support to clubs including mutual relationships between the club, local businesses and the local community.

IV. Clubs reciprocate sponsorship in various ways, principally via signage at grounds and advertising in club newsletters and on club websites.

V. Alcohol sponsorship is perceived as problematic by some clubs; however for many it remains preferable to a government buyout due to its simplicity and perceived reliability over the long-term.

VI. A government buyout of alcohol sponsorship at club level may be more difficult than simply providing alternative financial support for a limited period of time as clubs are concerned about long term viability.
Recommendations

i. A buyout proposal must consider the potential negative effects of removing current relationships between clubs, sponsors and the local community.

ii. A buyout of alcohol sponsorship would need to provide greater financial security and sustainability than existing sponsorship arrangements.

iii. A buyout over a period of 4 years may not be sufficient to ensure the long-term sustainability of clubs.

iv. A buyout must be simple to administer and require few resources at club level.

v. A buyout should empower clubs to function as autonomously as possible.

vi. Apart from the proposed buyout, the government could seek ways of assisting sporting clubs to diversify their revenue and find alternative funding and sponsorship arrangements.

vii. Further research is required for a fuller understanding of the impact of alcohol sponsorship on community sporting clubs; in that light a useful comparison would be between clubs that are part of Good Sports and clubs that are not part of the program.
1 Introduction

1.1 Alcohol marketing and sport

Alcohol sponsorship and marketing are common in Australian sport at all levels, from elite to community sport. At an elite level, sponsorship by alcohol brands is a feature of many, particularly male, team sports (Australian Rules football, rugby, and cricket) and individual sports (tennis, golf, surfing, motor racing and horse racing). Very few major sporting competitions and events are not sponsored by an alcohol brand (Jones, Phillipson, & Lynch 2006). As media broadcast rules allow alcohol advertising during televised live sport, it is difficult for TV audiences to avoid exposure to alcohol advertising. The implicit, and at times explicit, message is that alcohol is an integral feature of watching or playing sport (Jones et al. 2006). At the community level, the consumption of alcohol by players after games, and by supporters during games, is commonplace. This strengthens the association between drinking and spectating, celebrating victory or commiserating in defeat. Many clubs and teams at the community level are sponsored by local alcohol retailers and venues.

Due to commercial confidentiality it is difficult to calculate the total expenditure of alcohol companies on marketing in sport. Total expenditure on alcohol advertising in Australia in 2008 is estimated at $128m, although it concerned advertising of products only, and not of alcohol outlets, or alcohol sponsorships or other forms of below-the-line promotion. USA spending on below-the-line promotion can be worth two or three times that of traditional advertising (National Preventative Health Taskforce 2009).

Sponsorship of sport is an important marketing vehicle for the broad alcohol industry. In the USA sports related alcohol advertising and sponsorship represents the bulk (between 60-80%) of the marketing budget (Center on Alcohol Marketing and Youth, 2006). In the first six months of 2009, the USA beer company Anheuser-Busch spent 80 per cent (approximately US$157,000,000) of its marketing budget on televised sporting events (Lefton 2009). Over the course of 2009, during an economic recession, the company spent over $350 million on sport (Ozanian 2000).

1.2 Alcohol marketing and drinking

Sponsorship of sport provides an opportunity for the alcohol industry to promote brands and products to a mass audience via naming rights to events, logos on team uniforms, signage on grounds, pourage rights at stadiums and general merchandising. Industry sponsorship activities raise a number of concerns regarding the potential negative impact on player and supporter drinking practices.

There is evidence to suggest that alcohol advertising influences both immediate and long-term brand preference, reinforces pro-drinking messages (Babor et al. 2010), and affects individuals’ drinking attitudes and behaviours (NPHT 2009).
There are particular concerns relating to young people’s exposure to alcohol advertising and merchandising. A loophole in the regulation of live televised sport broadcasts allows alcohol companies to evade the restriction on advertising during children’s viewing hours despite evidence that suggests alcohol marketing can have harmful effects (BMA 2009).

A study from the USA found that children aged 12–14 who owned alcohol-branded merchandise (ABM) were three times more likely than those without merchandise to have consumed alcohol and were 1.5 times more likely to be a current drinker (Hurtz et al. 2007). Thus owning alcohol branded merchandise is associated with increased risk of underage drinking (Hurtz et al. 2007).

Alcohol sponsorship of sportspeople can influence their drinking behaviours as athletes sponsored by alcohol interests can feel obliged to attend sponsors’ premises or to consume their products (O’Brien and Kypri 2008). Sponsored athletes were also found to be more likely to drink at risky levels, particularly if provided with free or discounted alcohol (O’Brien and Kypri 2008).

Currently there is public debate regarding the position of alcohol sponsorship in sport and whether governments should introduce legislation to remove alcohol advertising. Recommendations from the Australian National Preventative Health Taskforce (NPHT) and the World Health Organisation (WHO) are focused on the regulation of alcohol marketing and promotion (NPHT 2009; World Health Organisation 2007) with the NPHT proposing progressive bans (NPHT 2009).

Strong community support exists for the removal of alcohol sponsorship. A survey of community attitudes conducted by VicHealth found that 83 per cent of Victorians would support the removal of alcohol sponsorship from sports clubs if help was given to replace lost income (VicHealth 2009).

One possible effect of a ban on alcohol sponsorship of elite sport is a move by alcohol producers into community sport, as one Australian producer, Lion, has already done. Lion, which appears to be ‘locked out’ of elite sport sponsorship by its competitors, has targeted community sport through the Boags Draught loyalty program. Based on the value of beer purchases within clubs and from participating venues, the program gives clubs credits to spend in the online Lion shop (James Boags 2010). A Hahn Dry Taste for Sport competition from February–April 2010 provided clubs with ‘sponsorship packs’ with the total prize pool of cash and team kits worth $170,000. One prize was chosen by public votes and the other by the competition judges (Hahn Superdry 2011).

Evidence suggests alcohol industry sponsorship might affect drinking behaviours and associated risks of players, supporters and spectators of sport. However, little is known of the extent, nature and significance of alcohol sponsorship in community sport and further research is required in order to inform the development of policy to address the apparent risks.
1.3 Australian Government Community Sponsorship Fund

As part of the National Binge Drinking Strategy, in 2008 the Australian Government announced that it planned to allocate $25 million for a community sponsorship fund to “provide an alternative to alcohol industry sponsorship for local community sporting and cultural organisations” (Department of Health and Ageing, 2010). This ‘buyout’ was proposed for a period of four years as an alternative source of sponsorship for community sporting clubs. It was to be a voluntary scheme, although the detail of how it would operate was unknown at the time this study was conducted.

The proposal highlighted the absence of data addressing the extent and nature of alcohol related sponsorship in community sport. Consequently it is difficult to predict the effect of removing or altering such sponsorship arrangements. This study was constructed to provide a basis for understanding the attitudes of community clubs towards alcohol sponsorship and how a buyout may affect them.

The proposed sponsorship buyout is relevant to the Australian Drug Foundation (ADF) because of the ADF’s extensive involvement with community sport through its Good Sports program. Among other benefits the program assists clubs to develop reliable and lucrative sources of funding that do not rely on the promotion, sale or consumption of alcohol. In order to gain insight into how the buyout might affect sports clubs, and how it could best be structured, the ADF consulted with Good Sports clubs in this study that was funded by the Victorian Health Promotion foundation.

1.4 About the Good Sports Program

The Good Sports program is an initiative of the Australian Drug Foundation (ADF) that helps sporting clubs manage alcohol and reduce alcohol related problems including heavy drinking and underage drinking (Department of Health and Ageing 2010). A major aim is to reduce a club’s reliance on alcohol to fund club operations and thereby work towards “developing safer and healthier communities” (Australian Drug Foundation 2008). The Good Sports program operates in all Australian States and Territories.

Dedicated Good Sports Project Officers assist clubs to progress through three levels of accreditation. Level 1 requires compliance with the jurisdictional liquor licensing laws and regulations. Level 2 addresses clubs’ internal practices with a focus on alcohol management through its bar, functions, events and fundraising as well as strategies for food and transport. Club capacity building, through provision of (subsidised) Responsible Serving of Alcohol (RSA) courses, is a crucial component of the program, and at Level 2 all bar servers must be RSA trained. Level 3 is the policy development stage of the program. Clubs are expected to achieve Level 3 status within five years of registration with the program.
1.5 Structure of this report

The remainder of this report presents the aims, methods and results of this study as follows:

• Chapter 2 presents the aims and research questions guiding this study.

• Chapter 3 reports the methods that were used to conduct this study, including sampling and recruitment, and qualitative and quantitative data collection and analysis. The limitations of the study design are also addressed.

• Chapter 4 presents the quantitative survey findings on the extent of alcohol sponsorship in community sport and the businesses that provide sponsorships.

• Chapter 5 presents the quantitative survey findings of the forms of alcohol sponsorship in community clubs, reciprocal obligations of clubs, and the formality of sponsorship agreements.

• Chapter 6 presents qualitative data from open-ended survey questions and interviews regarding clubs’ perceptions of alcohol sponsorship. It includes how the sponsorship addresses clubs’ needs and concerns of alcohol sponsorship regarding club culture, autonomy, and junior sport.

• Chapter 7 presents the qualitative findings from open-ended survey responses and interviews, addressing the benefits of alcohol sponsorship for community engagement and partnerships. It includes clubs’ views on the relationship between licensed venue sponsorship and alcohol consumption, and reports how club conceptions of alcohol sponsorship might differ from the views of policymakers.

• Chapter 8 presents the quantitative and qualitative data from surveys and interviews regarding the extent of clubs’ support for the proposed buyout, followed by discussion of the conditions and concerns expressed on this issue.

• Chapter 9 discusses the key themes of the findings, with particular reference to their implications for the proposed government buyout.

• Chapter 10 presents the study’s conclusions and recommendations, as well as possibilities for future research.
# 2 Aims and research questions

The aim of the present study was to provide an understanding of the extent and nature of alcohol related sponsorship in community sporting clubs, and how these clubs view the proposed Federal Government buyout of alcohol sponsorship in community sport. The study was designed to be exploratory in nature, seeking to address the current gap in knowledge regarding alcohol related sponsorship in community sport, and how community clubs may view the proposed buyout of alcohol sponsorship.

The study was guided by the following research questions:

- What is the extent of alcohol related sponsorship among community sporting clubs?
- What are the sources of alcohol sponsorship at the level of community sport (e.g. licensed venue, alcohol retailer, alcohol producer)?
- What is the type and value of the support provided to community sporting clubs through alcohol related sponsorship?
- What would be the effect of a Government buyout of alcohol sponsorship on community sporting clubs?
3 Method

3.1 Research design

A mixed methods research design was used in this study, conducted in two concurrent stages. The first stage involved a national internet-based survey of Good Sports clubs to provide both quantitative and qualitative information about their current alcohol related sponsorship arrangements and views surrounding the proposed buyout.

The second stage involved follow-up structured interviews of a smaller subsample of clubs to explore some of the issues raised in the survey responses and for validation purposes. The two project stages are discussed further below.

3.2 Sample

Due to restrictions of time it was not possible to conduct a sampling of all community sporting clubs in Australia. Therefore a convenience sample of clubs was required, and the investigation was limited to clubs that were part of the Good Sports program. Good Sports clubs are not necessarily representative of all community sporting clubs, but due to their close relationship with the ADF it was thought a reasonable number would participate at short notice. The research Steering Group considered that limitation was not inappropriate because the aim of the study was to gather quality, in-depth data related to the participants’ understanding of the issue and it was consistent with the aim of qualitative research (Sandelowski 1995). Consequently, the results of this study may not be statistically representative of the broader population of community sports clubs and the findings must be viewed in that light. For further discussion of this issue see the Limitations section below.

A number of issues were considered when making sampling decisions. These included:

- the potential sensitivity regarding the issue of alcohol sponsorship for Good Sports clubs
- the risk of damaging the good relationship and level of trust built up with the Good Sports network over many years
- the opportunity to gain the highest possible response rate.

At the time over 4,000 clubs were involved with Good Sports although not all were fully engaged with the program. A club may have registered an interest in the program via email, but follow-up or direct engagement by program administrators with the club may not have occurred. The Steering Group agreed the study should be confined to accredited clubs (at Level 1, 2 or 3) and participating clubs (i.e. that had at least one formal meeting with a Good Sports Project Officer) rather than clubs that had registered interest in the program.
At the time of the study, Western Australia, Northern Territory and South Australia (rural) clubs were not part of the program. The Good Sports program in Tasmania was being relaunched as considerable numbers of clubs had been inactive.

On the basis of those criteria, it was agreed by the study’s Steering Group that a total of 2,242 accredited and participating clubs in Victoria, New South Wales, Queensland and metropolitan South Australia would represent the sample for the study.

Of the 2,242 clubs that were invited to complete the survey 701 began the survey and 697 clubs completed the survey (a response rate of approximately 28%).

Sampling for the interviews was conducted using volunteer and maximum variation sampling strategies (Liamputtong & Ezzy 2005). At the end of the online survey, participants were invited to volunteer to be interviewed. A number of participants volunteered, and maximum variation in club characteristics was sought in sampling from this volunteer group. The aim of the interviews was to capture diversity in clubs’ experiences and situations, allowing for information-rich cases to be selected. Clubs that represented a range of sponsorship types, sponsorship values and survey responses about the buyout, were chosen to ensure a varied sample to facilitate comparisons. See Appendix B for the characteristics of the clubs chosen for Stage 2 interviews. A subset of 30 clubs was selected to be interviewed initially but not all were included, as data saturation was reached after interviews with 14 clubs. See the Interviews section for more information.

### 3.3 Recruitment strategy

An email regarding the study with a link to the online survey was sent to all Good Sports clubs’ contacts in the sample. The club contact was always a committee member but their specific role was not stipulated so they were either a general committee member or an office holder (e.g. President, Secretary, Treasurer).

A reminder email was sent to all participants after the first week. Participants who completed the survey had the option of entering a draw to win one of three $500 Rebel Sport vouchers.

Recruitment for the interviews was conducted at the end of the online survey, whereby participants who completed the survey were prompted to nominate themselves to be contacted for an interview. Clubs that completed interviews were provided with a $200 Rebel Sport voucher as recognition of their time and participation.
3.4 Survey

Survey questions were developed in collaboration with the ADF research team and piloted with three Good Sports clubs, with additional feedback from the National State Managers of Good Sports and several Good Sports Project Officers. The survey was refined based on their comments. See Appendix A for the survey instrument. The survey consisted of a mix of closed questions where participants had to choose from a set of options, and open-ended questions permitting free written responses.

The survey was open to participating clubs for approximately two weeks between Monday 26 July 2010 and Monday 9 August 2010. It was estimated that the survey would take around 10 minutes to complete.

3.5 Interviews

Interviews were conducted to support the quantitative element of the project as well as to validate survey responses. The aim was to gain a more intensive understanding of alcohol sponsorship in community sporting clubs than was possible from the survey data alone. Through interviews we sought to capture further detail about the clubs’ sponsorship arrangements, their opinions of the buyout, and (where possible) sight any documentation confirming the sponsorship value indicated in survey responses.

The interviews took place on the telephone and followed a structured format guided by an interview schedule (see Appendix A). Participation in the interviews was voluntary, with the duration being approximately 30 minutes.

In total 14 interviews were conducted by phone by one interviewer. Originally it had been proposed that 30 interviews would be conducted; however, data saturation was reached after 14 interviews, whereby views and information were being repeated by interviewees and no new themes or codes were emerging from the data.

The characteristics of the clubs that participated in the Stage 2 interviews can be viewed in Appendix B. The majority of participant clubs were from AFL clubs, sponsored by licensed venues (also referred to as licensed premises) and from metropolitan areas.

Of those interviewed, five indicated they had written agreements with their sponsors. These interviewees were then asked if it was possible for the ADF to view the contract for validation purposes. Of the five clubs that had written agreements, three agreed to provide ADF with a copy of their contracts.
3.6 Data analysis

3.6.1 Quantitative data: Surveys

Survey participants who indicated that they had no sponsorship arrangements, or none with businesses that distribute alcohol, were surveyed no further and directed to the final page of the survey. The survey results presented in this report are based solely on the participants who indicated that their club did receive sponsorship from businesses that distribute or sell alcohol.

Participants who completed all but the last page of the survey (covering prize draw and contact information) were deemed to have completed the survey. Surveys were considered to be incomplete if Section Three (‘About your sponsors’) was not completed.

Four cases were removed from the data; three were removed for not proceeding beyond the first section and one was removed because of internally conflicting responses. As such, out of the 701 surveys started, 697 were completed and form the analysis below.

Descriptive statistics were produced for categorical variables in the survey, using frequency tables and cross-tabulations. Basic non-parametric between-group analyses were conducted using chi-square tests on data from several questions.

3.6.2 Qualitative data: Interviews and open-ended survey responses

Thematic analysis was conducted for the qualitative data from the interviews and the open-ended survey responses. Analysis was conducted with the aid of NVivo 8 data management software.

Interviews were recorded on a digital voice recorder and uploaded to a secure location on the ADF network. The use of NVivo 8 software to analyse the data directly from the audio files negated the need to transcribe interviews. This process involved the researchers listening to responses and directly coding the digital audio files during analysis.

Data analysis began by ‘open coding’ the data sources (audio recordings of interviews and text files of open-ended survey responses). This process involved grouping data into categories based on the concepts that were raised in the responses. A mixed approach of topic coding (open coding) and analytic coding (using a pre-defined coding scheme) was utilised. The meaning of each code was noted in the researchers’ memos, along with thoughts about how the code linked to the evolving theoretical understandings, in order to ensure consistency between the coding done by each of the members of the research team. Codes were then grouped into ‘nodes’ representing the themes that ran through the data.
3.7 Funding, ethical considerations and data management

Funding for this project was provided by VicHealth. Ethical conduct was a significant consideration during the project. Informed consent was sought from each participant before conducting both the surveys and the interviews. Given the sensitive nature of this project, and the investigation of some clubs’ financial records, maintaining the confidentiality of clubs was of utmost importance. Although the financial information of organisations was not subject to privacy laws, the sensitivity of this information required careful handling. The ADF therefore retained complete ownership over the identified data and participants were given assurances about the confidentiality of said data. No other parties were allowed access to the identifiable data, and only the de-identified, collective results were reported.

Participants were informed that their involvement in the survey would not have bearing on their Good Sports accreditation status. Participants who supplied their contracts with their sponsors were assured that the contracts would be used only for this study. Only ADF project staff had access to the contracts, and the documents were destroyed at the completion of the study.

3.8 Limitations

There were a number of limitations to this study. The sample is not representative of community sporting clubs as a whole and the results cannot be generalised to that broader population. Good Sports clubs are a specific group of sporting clubs that have chosen to address alcohol-related issues through the Good Sports accreditation process. Consequently they may have a greater awareness of issues relating to alcohol sponsorship and it is possible their views of alcohol sponsorship may differ from clubs not involved in the Good Sports program.

Clubs chose to participate in this study and it is possible that those who did did so because they felt that they had something to say regarding this issue. Therefore it is possible that the clubs that chose to complete the study are not representative of Good Sports clubs generally.

The views expressed through the surveys and interviews were provided by one member at the club and may not necessarily represent the view of the club as a whole.

It is also possible that there are differences in attitudes between clubs from sports, states and regions that have not been identified in this data. The data have not been weighted to account for those characteristics. For example, AFL and cricket clubs comprised the vast majority of the sample of survey respondents, and it is not known to what extent those sports are representative of other sports. Finally, this study was limited insofar as it involved asking about views on the proposed Government buyout of sponsorship and few details of that proposal were available to clubs.
4 Extent and types of alcohol sponsorship

This chapter presents the quantitative survey findings regarding the extent of alcohol sponsorship in community sport and the type of alcohol businesses that sponsor community sporting clubs (n=697). All clubs surveyed, and therefore all clubs that responded, were members of the Good Sports program.

4.1 Extent of alcohol sponsorship in community sport

The survey asked clubs whether they received any sponsorship. Sponsorship was defined as “an arrangement – or association – with a business or individual where your club receives support in return for promotional opportunities for that business. Support may come in the form of cash or ‘in-kind’ goods and services”.

Of the 697 Good Sports clubs that completed the survey, 92.4% (n=644) indicated that their club received some form of sponsorship. Of those, 68.6% (n=442) indicated that their sponsor/s distribute or sell alcohol. This equated to 63.3% of all surveyed clubs receiving some form of alcohol sponsorship.

Table 1 indicates that the proportion of clubs receiving alcohol sponsorship varied widely among sports. Bowls and golf showed the smallest proportion of clubs receiving alcohol sponsorship. However 40% of those clubs that received any sponsorship, received it from alcohol sponsorship. Netball and basketball indicated very high rates of alcohol sponsorship, although it must be noted that there was a small number of basketball clubs recruited for this study.

<table>
<thead>
<tr>
<th>Sport</th>
<th>% Clubs receiving sponsorship (count)</th>
<th>% Clubs receiving alcohol sponsorship (count)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Football (AFL)</td>
<td>98.4 (190)</td>
<td>77.7 (150)</td>
</tr>
<tr>
<td>Basketball</td>
<td>100 (9)</td>
<td>100 (9)</td>
</tr>
<tr>
<td>Bowls</td>
<td>86.4 (38)</td>
<td>43.2 (19)</td>
</tr>
<tr>
<td>Cricket</td>
<td>98.8 (165)</td>
<td>68.3 (114)</td>
</tr>
<tr>
<td>Football (soccer)</td>
<td>94.2 (65)</td>
<td>68.1 (47)</td>
</tr>
<tr>
<td>Golf</td>
<td>86.4 (19)</td>
<td>45.5 (10)</td>
</tr>
<tr>
<td>Netball</td>
<td>94.4 (67)</td>
<td>87.3 (62)</td>
</tr>
<tr>
<td>Rugby League</td>
<td>90.7 (39)</td>
<td>69.8 (30)</td>
</tr>
<tr>
<td>Rugby Union</td>
<td>100 (17)</td>
<td>64.7 (11)</td>
</tr>
<tr>
<td>Surf lifesaving</td>
<td>100 (24)</td>
<td>62.5 (15)</td>
</tr>
<tr>
<td>Tennis</td>
<td>81.8 (27)</td>
<td>51.5 (17)</td>
</tr>
</tbody>
</table>
When analysed by area (metropolitan, regional, rural, remote), no significant differences were found in the proportion of sporting clubs that received any form of sponsorship (Chi-sq = 2.109, p = 0.550). However, the proportion of clubs receiving alcohol sponsorship was found to be significantly different between areas (Chi-sq = 12.744, p = 0.005). In particular, the proportion of sporting clubs in regional areas which received alcohol sponsorship was far higher than the overall average rate, whereas the proportion of those in metropolitan areas was below the overall average.

A comparison of the responses from different states revealed similar results. While there was no significant difference in the proportion of clubs receiving any sponsorship, a significant difference (Chi-sq = 19.601, p < 0.001) was found for the proportion of clubs with alcohol sponsorship. As Table 3 indicates, New South Wales and South Australia had higher proportions of clubs with alcohol sponsorship than Queensland and Victoria.

### 4.2 Types of alcohol sponsorship

Respondents were also asked whether their alcohol sponsorship came from a licensed venue, alcohol retailer or alcohol producer. Eight respondents indicated that they received alcohol sponsorship but did not specify the source. While those responses were not counted as missing, they do not appear in the tables and figures below. A further 14 respondents did not provide answers for this section of the survey and were counted as missing.
Table 4 shows the proportion of sponsorship types received by clubs when analysed by sport. These results also demonstrate that while rates of clubs receiving sponsorship from licensed venues was relatively high across all sports, there was significant variation between the proportions of clubs in particular sports that receive sponsorship from retailers and producers.

Table 4: Clubs receiving different alcohol sponsorship types (by sport)

<table>
<thead>
<tr>
<th>Sport</th>
<th>Sponsorship from Licensed Venue % (count)</th>
<th>Sponsorship from Retailer % (count)</th>
<th>Sponsorship from Producer % (count)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Football AFL</td>
<td>93.1 (134)</td>
<td>45.8 (65)</td>
<td>34.5 (49)</td>
</tr>
<tr>
<td>Basketball</td>
<td>100 (8)</td>
<td>0 (0)</td>
<td>0 (0)</td>
</tr>
<tr>
<td>Bowls</td>
<td>70.6 (12)</td>
<td>58.8 (10)</td>
<td>29.4 (5)</td>
</tr>
<tr>
<td>Cricket</td>
<td>91 (101)</td>
<td>34.2 (38)</td>
<td>20 (22)</td>
</tr>
<tr>
<td>Football (soccer)</td>
<td>100 (47)</td>
<td>29.9 (14)</td>
<td>6.4 (3)</td>
</tr>
<tr>
<td>Golf</td>
<td>90 (9)</td>
<td>10 (1)</td>
<td>40 (4)</td>
</tr>
<tr>
<td>Netball</td>
<td>96.6 (56)</td>
<td>43.9 (25)</td>
<td>26.3 (15)</td>
</tr>
<tr>
<td>Rugby League</td>
<td>100 (30)</td>
<td>33.3 (10)</td>
<td>33.3 (10)</td>
</tr>
<tr>
<td>Rugby Union</td>
<td>81.8 (7)</td>
<td>36.4 (4)</td>
<td>18.2 (2)</td>
</tr>
<tr>
<td>Surf lifesaving</td>
<td>93.3 (14)</td>
<td>46.7 (7)</td>
<td>35.7 (5)</td>
</tr>
<tr>
<td>Tennis</td>
<td>93.1 (134)</td>
<td>45.8 (65)</td>
<td>34.5 (49)</td>
</tr>
</tbody>
</table>

Across all sports, as shown in Table 5, 91.8% (n=393) of clubs surveyed received sponsorship from licensed venues, 38.5% (n=164) received sponsorship from an alcohol retailer, and 22.2% (n=94) received sponsorship from an alcohol producer. There was some variation in the proportion of clubs receiving each type of sponsorship based on the geographical area in which they were located. In metropolitan areas clubs were slightly less likely to receive sponsorship from licensed venues, but were far more likely than clubs from rural, regional and remote areas to receive sponsorship from alcohol producers.

Table 5: Clubs receiving different alcohol sponsorship types (by area)

<table>
<thead>
<tr>
<th>Area</th>
<th>% Clubs receiving sponsorship from a licensed venue (count)</th>
<th>% Clubs receiving sponsorship from an alcohol retailer (count)</th>
<th>% Clubs receiving sponsorship from an alcohol producer (count)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Metropolitan</td>
<td>87.91 (160)</td>
<td>36.26 (66)</td>
<td>32.04 (58)</td>
</tr>
<tr>
<td>Rural</td>
<td>92.78 (90)</td>
<td>46.32 (44)</td>
<td>11.58 (110)</td>
</tr>
<tr>
<td>Regional</td>
<td>95.74 (90)</td>
<td>28.72 (27)</td>
<td>17.02 (16)</td>
</tr>
<tr>
<td>Remote</td>
<td>96.36 (53)</td>
<td>49.09 (27)</td>
<td>16.67 (9)</td>
</tr>
<tr>
<td>Total</td>
<td>91.8 (393)</td>
<td>38.5 (164)</td>
<td>22.2 (94)</td>
</tr>
</tbody>
</table>
Table 6 indicates fairly consistent rates of sponsorship from licensed venues across the states. However, there is some variation between states in relation to sponsorship from retailers and producers. Notably, 59.3% (n=16) of South Australian clubs demonstrated sponsorship from alcohol producers, which was a significantly higher rate than in other states.

<table>
<thead>
<tr>
<th>State</th>
<th>% Clubs receiving sponsorship from a licensed venue (count)</th>
<th>% Clubs receiving a sponsorship from an alcohol retailer (count)</th>
<th>% Clubs receiving a sponsorship from an alcohol producer (count)</th>
</tr>
</thead>
<tbody>
<tr>
<td>NSW</td>
<td>95.9 (117)</td>
<td>29.51 (36)</td>
<td>15.7 (19)</td>
</tr>
<tr>
<td>QLD</td>
<td>93.33 (28)</td>
<td>36.67 (11)</td>
<td>16.67 (5)</td>
</tr>
<tr>
<td>SA</td>
<td>96.3 (26)</td>
<td>48.15 (13)</td>
<td>59.26 (16)</td>
</tr>
<tr>
<td>VIC</td>
<td>89.11 (221)</td>
<td>42.11 (104)</td>
<td>21.95 (54)</td>
</tr>
<tr>
<td>Total</td>
<td>91.8 (393)</td>
<td>38.5 (164)</td>
<td>22.2 (94)</td>
</tr>
</tbody>
</table>

As demonstrated in Figure 1, overall it was most common for clubs to receive sponsorship from licensed venues alone. Several clubs did indicate, however, that they had multiple alcohol-related sponsors of different types (n=196). The most common combinations were licensed venues and alcohol retailers, licensed venues and alcohol producers, or all three.

Figure 1: Sources of Alcohol Sponsorship
<table>
<thead>
<tr>
<th>Alcohol Sponsorship Arrangement</th>
<th>% Clubs receiving alcohol sponsorship (count)</th>
</tr>
</thead>
<tbody>
<tr>
<td>One type of sponsor</td>
<td></td>
</tr>
<tr>
<td>Licensed Venue</td>
<td>47.0 (201)</td>
</tr>
<tr>
<td>Alcohol Retailer</td>
<td>2.6 (11)</td>
</tr>
<tr>
<td>Alcohol Producer</td>
<td>2.8 (12)</td>
</tr>
<tr>
<td>Two types of sponsor</td>
<td></td>
</tr>
<tr>
<td>Licensed Venue and Alcohol Retailer</td>
<td>26.6 (114)</td>
</tr>
<tr>
<td>Licensed Venue and Alcohol Producer</td>
<td>10.0 (43)</td>
</tr>
<tr>
<td>Alcohol Retailer and Alcohol Producer</td>
<td>0.9 (4)</td>
</tr>
<tr>
<td>Three types of sponsor</td>
<td></td>
</tr>
<tr>
<td>Licensed Venue, Alcohol Retailer and Alcohol Producer</td>
<td>8.2 (35)</td>
</tr>
</tbody>
</table>
5 Forms of sponsorship and reciprocal agreements

This chapter presents the quantitative survey findings exploring the different forms that alcohol sponsorship take in community sporting clubs, what clubs are expected to do in return for their sponsorship, and the nature of sponsorship agreements.

5.1 Financial value

Clubs were asked to indicate the annual cash and in-kind value of their alcohol sponsorship where this was known.

Figure 2: Cash sponsorship value

Figure 2 indicates:
- 22% of clubs (n=92) received zero cash
- 17.6% (n=73) received between $101-1000
- 37.0% (n=153) received between $1001-5000
- 23.0% (n=95) received more than $5001.

The median interval and modal interval for the annual amount of cash sponsorship received by clubs was between $1001 and $5000.
Figure 3 indicates:

- 27.1% of clubs (n=112) received zero value in-kind;
- 32.6% (n=135) received in-kind value of $101-1000
- 27.6% (n=114) received in-kind value of $1001-5000
- 12.5% (n=52) received in-kind value greater than $5001.

The median interval for the value of in-kind sponsorship received by clubs was between $1001-5000 annually and the modal interval was $100-1000 annually.

Consolidating the sponsorship value intervals into only two groups (‘$5000 or Less’ and ‘More than $5000’), the following tables indicate the proportion of sporting clubs receiving more than $5000 cash or in-kind support across the different areas (Table 8) and states (Table 9).

### Table 8: Clubs receiving cash/in-kind support of more than $5000 (by area)

<table>
<thead>
<tr>
<th>Area</th>
<th>% Clubs receiving cash support of more than $5000 (count)</th>
<th>% Clubs receiving in-kind support of more than $5000 (count)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Metropolitan</td>
<td>28.89 (52)</td>
<td>18.9 (34)</td>
</tr>
<tr>
<td>Regional</td>
<td>20.9 (19)</td>
<td>6.6 (6)</td>
</tr>
<tr>
<td>Rural</td>
<td>20.7 (19)</td>
<td>10.9 (10)</td>
</tr>
<tr>
<td>Remote</td>
<td>10.0 (5)</td>
<td>4.0 (2)</td>
</tr>
<tr>
<td>Total</td>
<td>23.0 (95)</td>
<td>12.6 (52)</td>
</tr>
</tbody>
</table>
Tables 8 and 9 indicate that there was significant variation in the proportion of clubs receiving more than $5000 cash and in-kind support based on their state and area. Clubs in metropolitan areas were more likely to receive more than $5000 in-kind and cash support annually than clubs in other areas. Clubs in remote areas were less likely to receive cash or in-kind support of over $5000 annually.

Clubs in New South Wales and Queensland were most likely to receive over $5000 cash support annually.

South Australia has the highest proportion of clubs receiving sponsorship from alcohol producers, and also the highest proportion receiving in-kind support of more than $5000 annually when compared to clubs from other states.

### 5.2 Sponsorship of individual players and teams

Participants were asked if any individual teams or players received alcohol sponsorship. However, analysis of responses indicated some confusion between the sponsorship of individual players and that of teams, so it is difficult to draw conclusions from this data. Some responses indicated that teams were sponsored mainly in the form of team clothing. Other responses indicated that individual players were sponsored by a licensed venue where the player was employed by that venue. Further exploration of this issue is required in light of the risks associated with sponsoring individual players (O’Brien and Kypri, 2008).

### 5.3 Type of support provided by sponsors

As illustrated in Figure 4, support from alcohol sponsors was most commonly provided in the form of cash (69.2%, n=305), followed by meal discounts (36.3%, n=160) and discounted function rooms (31.3%, n=138). Less frequently it was provided in the form of free or discounted alcohol, equipment and ‘other’ arrangements, such as prizes, merchandise, fundraising and support for events/functions.
Table 10 indicates how the type of support provided to clubs differed according to the type of business that provided the sponsorship.

However, it is important to note an error in the survey. Respondents who had indicated that they received no support from a licensed venue were forced to specify the type of support “this” sponsor provided, in order to continue with the survey. A number of respondents selected “other” and used the text field to point out that they wished to make no selection, e.g. “had to tick it to keep going” and “I said no above”. As a result, the data from this question must be regarded as unreliable.

Table 10: Type of support provided by alcohol sponsors, by sponsorship type

<table>
<thead>
<tr>
<th>Type of Support</th>
<th>% Clubs receiving sponsorship from a licensed venue (count)</th>
<th>% Clubs receiving sponsorship from an alcohol retailer (count)</th>
<th>% Clubs receiving sponsorship from an alcohol producer (count)</th>
<th>% Respondent (Count)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash</td>
<td>75.6 (297)</td>
<td>72.6 (119)</td>
<td>59.6 (56)</td>
<td>69.0 (305)</td>
</tr>
<tr>
<td>Equipment</td>
<td>8.9 (35)</td>
<td>11.0 (18)</td>
<td>14.9 (14)</td>
<td>8.1 (36)</td>
</tr>
<tr>
<td>Meal Discount</td>
<td>40.5 (159)</td>
<td>38.4 (63)</td>
<td>48.9 (46)</td>
<td>36.2 (160)</td>
</tr>
<tr>
<td>Alcohol Discount</td>
<td>20.6 (81)</td>
<td>23.2 (38)</td>
<td>31.9 (30)</td>
<td>20.1 (89)</td>
</tr>
<tr>
<td>Discounted Function Room</td>
<td>34.6 (136)</td>
<td>28.0 (46)</td>
<td>31.9 (30)</td>
<td>31.2 (138)</td>
</tr>
<tr>
<td>Other</td>
<td>11.2 (44)</td>
<td>14.6 (24)</td>
<td>13.8 (13)</td>
<td>11.5 (51)</td>
</tr>
</tbody>
</table>
Table 10 indicates that cash was the primary support offered by alcohol sponsors followed by discounts for meals, function rooms and alcohol. It was less common for alcohol sponsors to provide equipment, prizes and merchandise.

As we were interested in the extent to which alcohol product branding is present in clubs, and in what form, clubs receiving sponsorship from alcohol producers were asked an additional question regarding the kind of items they received featuring alcohol product brands or logos. Clubs reported that they received products and materials such as stubby holders, bottle openers, eskies, water bottles, sporting equipment and team clothing as well as alcohol and bar equipment (beer taps, mats, bar runners).

As explained above, the caveat placed upon this question means the data cannot be relied upon.

5.4 Manner in which clubs acknowledge sponsors

The requirements placed on clubs in return for sponsor support also appeared to differ depending on the type of business providing the sponsorship. Figure 5 below shows the overall survey findings of the manner in which clubs acknowledge sponsors. All clubs were required to promote the sponsor as part of the sponsorship arrangement. Clubs did so in a range of ways; predominantly through promotion on the club website, signage on ground facilities, advertising in club newsletters, promotional material inside the club room or via a sponsor’s award as seen in Figure 5.

Figure 5: Manner in which clubs acknowledge sponsors

Table 11 breaks down the data from Figure 5 according to alcohol sponsorship type.
Table 11: Manner in which clubs acknowledge sponsors

<table>
<thead>
<tr>
<th>Acknowledgement of Sponsors</th>
<th>% Clubs receiving sponsorship from a licensed venue (count)</th>
<th>% Clubs receiving sponsorship from an alcohol retailer (count)</th>
<th>% Clubs receiving sponsorship from an alcohol producer (count)</th>
<th>% All Respondent (Count)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Naming rights for a club event</td>
<td>16.0 (63)</td>
<td>17.7 (29)</td>
<td>13.8 (13)</td>
<td>15.8 (70)</td>
</tr>
<tr>
<td>Naming rights for a competition</td>
<td>7.4 (29)</td>
<td>8.5 (14)</td>
<td>11.7 (11)</td>
<td>7.0 (31)</td>
</tr>
<tr>
<td>Promotional material inside club rooms</td>
<td>42.2 (166)</td>
<td>47.6 (78)</td>
<td>64.9 (61)</td>
<td>41.9 (185)</td>
</tr>
<tr>
<td>Signage on ground facilities</td>
<td>63.4 (249)</td>
<td>70.7 (116)</td>
<td>60.6 (67)</td>
<td>60.9 (269)</td>
</tr>
<tr>
<td>Advertising in club newsletters</td>
<td>62.3 (245)</td>
<td>68.9 (113)</td>
<td>57.4 (54)</td>
<td>58.8 (260)</td>
</tr>
<tr>
<td>Promotion on the club website</td>
<td>66.2 (260)</td>
<td>61.6 (101)</td>
<td>73.4 (69)</td>
<td>63.1 (279)</td>
</tr>
<tr>
<td>Sponsor award</td>
<td>33.8 (133)</td>
<td>42.7 (70)</td>
<td>29.8 (28)</td>
<td>31.7 (140)</td>
</tr>
<tr>
<td>Other</td>
<td>26.2 (103)</td>
<td>25 (41)</td>
<td>23.4 (22)</td>
<td>25.6 (113)</td>
</tr>
<tr>
<td>None of the above</td>
<td>2.8 (11)</td>
<td>1.8 (3)</td>
<td>2.1 (2)</td>
<td>2.7 (12)</td>
</tr>
</tbody>
</table>

Table 11 indicates there was little difference in the way in which the various types of sponsors were acknowledged by clubs for their support: clubs advertised their association with alcohol retailers and licensed venues via ground signage, club newsletters and club websites reasonably equitably, while the link with alcohol producers was more likely promoted via club websites, club rooms and ground signage.

5.5 Formality of alcohol sponsorship agreements

Prior to this study the ADF understood sponsorship arrangements between clubs and sponsors were informal and the study sought to test that view. While that question was asked specifically about licensed venue sponsorship participants also responded to the question in relation to alcohol retailer and producer sponsorship. Due to the limitations associated with this particular question the result should be treated with caution. Of those that did respond, 61.3% (n=236) had informal agreement(s) with alcohol sponsors, and 34.0% (n=131) had written agreement(s). The remaining 4.7% (18) of respondents did not know how their alcohol sponsorship was arranged.

Informal sponsorship arrangements tended to be longstanding, with some clubs having deals that had been in operation for up to 50 years. There was a general belief among clubs that the arrangement...
would continue to be ongoing because they “believe [a] handshake should be enough”\(^1\) to secure a deal. This belief draws particular attention to the trust and loyalty present in these relationships.

The formality of sponsorship arrangements was followed up during the 14 interviews, finding seven had informal arrangements, five had written agreements, one did not know, and one did not respond to this question. Attempts were made by the interviewer to gain access to contracts to validate the value of sponsorship agreements; however, only three of the five formal agreements were received.

\(^1\) Rural NSW rugby league club with licensed venue, alcohol retailer and producer sponsorship, interview respondent
6  Club sponsorship: Needs and concerns

This section presents the qualitative data from open-ended survey questions and interviews regarding clubs’ perceptions of alcohol sponsorship. In particular, this section addresses clubs’ sponsorship needs and how alcohol sponsorship addresses these needs. It also examines clubs’ concerns regarding the legitimacy of alcohol sponsorship amid concerns of the potential impact on club culture, junior sport and club autonomy.

6.1  Difficulties in securing funding and sponsorship

Clubs consistently expressed a strong need to seek ongoing funding and sponsorship in order to support club operations. However, clubs felt they had few options in securing funding. External constraints, such as the paucity of funding sources available to community sporting clubs, particularly in smaller towns, was an issue:

“From a regional and rural point of view, in most cases, pubs or hotels are the only real option for sponsorship for sport.”

“Sponsors are hard to find; however, it is easier to find alcohol sponsors.”

Numerous respondents indicated that traditional fundraising approaches are no longer sufficient and they are required to seek sponsorship in order to continue operating:

“In this day an [sic] age, sponsorship is very critical for a club to survive above and beyond the traditional means of fund raising. e.g. subscription fees, canteen, raffles, bar (under normal circumstances)”

Internal constraints, such as staff and volunteers’ time, were also issues influencing sponsorship options:

“Unfortunately sponsorship money is hard to come by and as a community club, we do not have anyone with the time to ‘chase’ sponsorship from a lot of other sources.”

These comments indicate that both the availability and ease of securing funding are important considerations for community sporting clubs. However, clubs’ need for accessible sources of funding in their local area, and the lack of options they face often lead them towards accepting alcohol sponsorship.

2 Regional NSW water polo club with licensed venue sponsorship
3 Metropolitan VIC cricket club that does not have alcohol sponsorship
4 Metropolitan VIC AFL club with alcohol producer sponsorship
5 Metropolitan VIC AFL club with licensed venue sponsorship
6.2 Alcohol sponsorship and club survival and viability

Because of the limited options for funding as identified above, alcohol sponsorship was commonly identified as a particular form of sponsorship that contributed to a club’s ‘survival’, ‘sustainability’, ‘future’ and ‘viability’.

One respondent proposed alcohol sponsorship was so crucial to community sport that one (sporting clubs) was not possible without the other (alcohol sponsors):

“A lot of community clubs and sporting clubs would cease to exist, if there was no Sponsorship from Alcohol, Manufacturers and Liquor outlets.”

Other respondents reinforced the idea that alcohol sponsorship was essential for their club’s survival:

“My club is 1 of 10 in our alcohol named competition. We are all backed by clubs or pubs I would estimate the total sponsorship in excess 1.5 million. Without them we don't survive, simple as that; anyone who thinks we will has rocks in their head.”

“Our club would not survivor [sic] without this valuable ongoing yearly sponsorship, all our programs both junior & senior would fold.”

For many, alcohol sponsorship was a means to maintain existence. It was made clear by many participants that without this support many clubs would not continue to operate.

However, some clubs expressed openness to the possibility of alternative funding sources:

“It is currently required to assist our development until their [sic] is a better alternative we will continue to accept the funds.”

This comment suggests clubs are likely to continue with their current sponsorship arrangement until they are able to find a ‘better alternative’.

A constant theme through the survey and interviews alike was the concern clubs had for remaining viable in the long-term: the need to consider funding options that provide support to continue their immediate operations as well as long-term stability and sustainability. However, these concerns with funding security were coupled with the constraints relating to lack of sponsorship options and the lack of staff time they could allocate to doing so. As a result many clubs felt that alcohol sponsorship was a suitable, or their only, option.

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6 Metropolitan SA AFL club with licensed venue, alcohol retailer and producer sponsorship
7 Regional NSW rugby club with licensed venue and alcohol producer sponsorship
8 Metropolitan SA sports club with licensed venue and alcohol producer sponsorship
9 Metropolitan NSW cricket club with licensed venue sponsorship
6.3 Concerns regarding club culture and junior sport

A number of respondents were concerned about their club’s alcohol sponsorship, viewing it negatively and expressing such opinions as: “Alcohol sponsorships should be banned in community sport”\(^{10}\) and “[It] must be held largely responsible for the undesirable culture in many sporting clubs today”\(^{11}\). [This sensitivity may reflect their involvement in the Good Sports program.]

A number of respondents expressed particular concerns about the association between junior sport and alcohol. Numerous participants felt that young people should not be exposed to alcohol through sponsorship. Some commented on the importance of removing alcohol sponsorship from junior sport because it does not align with a ‘family friendly environment’ or a ‘healthy lifestyle’. Overall, a number of participants regarded the influence of alcohol sponsorship on young players as something to be avoided:

“...As a general principle, alcohol sponsorship should not be part of a Club which has junior teams/members.”\(^{12}\)

6.4 Club autonomy and alcohol sponsorship

A number of clubs were concerned about the constraints that their sponsorship arrangements placed on their autonomy. In particular, some clubs discussed the unspoken or assumed obligations they had to their sponsors. This included situations where sponsors had not specified their expectations of the club, and the clubs had their own perceptions of what they were expected to do in return for sponsorship. Clubs felt that they might lose sponsorship if they did not fulfil expectations such as attending the sponsor’s venue or purchasing supplies from their sponsor.

“Sporting clubs should not have to agree to drink at venues to ensure playing kits etc. & pubs etc. should not...hold sporting teams to ransom.”\(^{13}\)

As highlighted earlier, alcohol sponsorship is central to clubs’ primary concern of remaining viable, autonomous entities. However, this very arrangement can lead clubs to feel constrained in their actions, and place an unspoken pressure on them to promote their sponsor through club activities. As such, some clubs felt that they were caught in a ‘catch-22 situation’:

“...something that stops us... that sort of catch 22 situation, we’ll give you money if you come back here. if we can get away from that type of scenario through a buyout like this, I think it would be brilliant”\(^{14}\)

As is evident here, attitudes towards alcohol sponsorship were mixed. Participants saw alcohol sponsorship as necessary for their club’s ongoing viability, however they were also concerned at the impact sponsorship may have on club operations.

\(^{10}\) Metropolitan VIC table tennis club with no alcohol sponsorship
\(^{11}\) Remote VIC lawn bowls club with licensed venue sponsorship
\(^{12}\) Metropolitan VIC cricket club, no alcohol sponsorship, survey respondent
\(^{13}\) Regional centre, NSW soccer club with licensed venue sponsorship.
\(^{14}\) Interview with regional centre, NSW soccer club licensed venue sponsorship
7 Benefits of sponsorship: It’s more than money

This section presents the qualitative findings from open-ended survey responses and interviews, specifically addressing the benefits of alcohol sponsorship beyond financial and administrative concerns and into their roles of generating partnerships and community engagement. It is clear that many clubs don’t see alcohol sponsorship as leading necessarily to excessive alcohol consumption and they perceive tangible benefits to the whole community from such sponsorship.

7.1 Alcohol sponsorship and community engagement

Many participants wished to emphasise the complexity and wide-reaching social value of alcohol sponsorship in community sport, insisting that:

“there’s so much more to it than purely the alcohol sponsorship and the dollars that go into it.”

Clubs fear that removing the ties created through alcohol sponsorship arrangements in community sporting clubs could have a destructive effect on broader social connections and relationships within the community, as the quote below indicates:

“In Rugby League it is only Senior Clubs that benefit from Alcohol Sponsorship and as explained before our relationship with our sponsor runs deeper than alcohol subsidy and it would be devastating to have to sever ties with such a Community conscious organisation because of alcohol sponsorship.”

Alcohol sponsorship from licensed venues, which was the predominant source of sponsorship among the clubs surveyed, was viewed differently to sponsorship arrangements with retailers and producers. Specifically, clubs perceived licensed venue sponsorship to be less about alcohol and money and more about social connections and relationships because licensed venues provide the ‘fabric’ which holds communities together:

“...licensed venues (hotels and restaurants) offer a lot more to a community than simply alcohol and can be part of the social fabric of a community.”

Clubs valued the availability of function rooms and the venue itself as a social space in which to congregate; to ‘bond’ as a club, and engage with the wider community:

“[A] relationship with a licenced [sic] function venue benefits the club in terms of being a suitably sized and appointed venue, rather than its ability to sell alcohol.”

15 Metropolitan QLD rugby league club, sponsored by a licensed venue, liquor retailer and liquor producer, interview respondent, discussing local rural town
16 Regional QLD rugby league club sponsored by a licensed venue, survey respondent
17 Rural VIC AFL club with licensed venue sponsorship
“...the local hotel is a great place for people to socialise while enjoying a meal. It encourages the public who would not normally attend a club function, to interact with our club members which can in turn attract a larger supporter base for our club.”

Clubs articulated the benefits of licensed venue sponsorship to the community as a whole, emphasising how much they valued this relationship:

“The intrinsic link between the football club and the local hotel is vital to the wellbeing and social vitality of the local community in this rural area. If the links between the two were severed then this would be to the detriment of the community as a whole.”

This participant suggests the relationship between sporting clubs and the local hotel is important and it enriches the community by contributing to its ‘social vitality’. This highlights the fact that club members view the club as playing an important role within the community. In their eyes, it is more than (just) a sporting club:

“...a club... [is a] real focal point for the town... it’s a massive social hub too...I mean the sort of community spirit that brings and when the team’s going how much the community’s right behind it...”

This again highlights the ‘community spirit’ and inclusion that comes from the community connection with the sporting club. This is linked with the participants’ perception that the pub is the ‘community hub’ demonstrating the link between the licensed venue, the sporting club and the community.

7.2 “A partnership”

There was a distinct difference in the way clubs talked about the engagement with licensed venue sponsors compared to retailers and alcohol producer sponsors.

Alcohol producer sponsors were seen by some to have little relationship with clubs:

“...they want us to look after the sponsors. Sponsors...we don’t have anything to do with really...”

By contrast, clubs with licensed venue sponsorship referred to a sense of partnership or reciprocal support. Participants considered supporting their sponsors, which in most cases were local businesses, as an important part of the sponsorship relationship. This was demonstrated by the fact that the

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18 Metropolitan VIC AFL club with alcohol producer and licensed venue sponsorship
19 Remote VIC AFL/netball club sponsored by a licensed venue and liquor producer, survey respondent
20 Rural VIC AFL club with licensed venue sponsorship
21 Metropolitan QLD rugby league club, who are sponsored by a licensed venue, liquor retailer and liquor producer, interview respondent, discussing local rural town
22 Regional rugby league club with licensed venue sponsorship and alcohol producer association sponsorship – not identified in survey
sponsorship arrangement between clubs and licensed venues was described as a ‘partnership’ rather than a simple transaction:

“...a partnership between local business and a local community group that provides support and puts money back into the local community.”\(^{23}\)

This description of the ‘partnership’ shows the reciprocal nature of the relationship:

“The amount of sponsorship is not large but the reciprocal support between the club and small business in a small community is important and part of the small community ethos of working together to provide services that are not provided by government.”\(^{24}\)

A sense of ‘reciprocal support’ was present particularly in regional and rural communities where sponsors and sporting clubs joined forces in order to survive. Participants also discussed the fact that they liked to support the local community. Attending the venue was an important part of that as it provided a ‘visible presence’ of the club at the licensed venue, which in turn showed that the clubs supported the community and its local businesses:

“A local business supports us so we support them as with most sponsorships agreements.”\(^{25}\)

Participants also had a sense of loyalty to their sponsors with a number of longstanding arrangements – some going back 25 years or more. This loyalty may be another reason that they considered the arrangement to be a partnership in which they helped each other.

### 7.3 Licensed venue sponsorship and alcohol consumption

While there are concerns about the relationship between sporting clubs and alcohol, clubs themselves commented that the relationship with a licensed venue does not have to be an unhealthy association:

“Our players don’t go to the hotel to consume a ridiculous amount of alcohol - those days are long gone.”\(^{26}\)

This quote challenges traditional assumptions about licensed venue sponsorship and patronage. In the eyes of clubs, whether the obligation is formalised or not, it does not necessarily equate to drinking excessively, or drinking at all:

“The fact that an alcohol related company may do the sponsoring does not necessarily translate into producing alcoholics.”\(^{27}\)

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\(^{23}\) Metropolitan NSW soccer club with licensed venue and alcohol retailer sponsorship  
\(^{24}\) VIC AFL/netball club, remote region  
\(^{25}\) Remote VIC football/netball club with licensed venue sponsorship  
\(^{26}\) Remote VIC AFL/netball club sponsored by a licensed venue and liquor producer  
\(^{27}\) Metropolitan QLD cricket team with licensed venue sponsorship
“I think at the end of the day OUR committee has the sense to decide if our association with a particular sponsor is having a negative impact on our members. I believe that through the practices we have in place we encourage responsible use of alcohol.”

Good Sports clubs appear to have developed responsible alcohol self-management strategies, in which their relationships with licensed venues are integral:

“[It is]...A meeting place where we can monitor drinking behaviour [sic] of club members and provide substantial meals with the functions, ensure designated driver policies and keep members together as our own club rooms are not suited to club events with meals.”

While some clubs, as discussed above, identified concerns regarding club culture and exposure of junior players to alcohol, these findings indicate that many clubs feel their alcohol sponsorship relationships are not necessarily having a negative impact, and have the potential to have very beneficial effects.

7.4 Clubs’ conceptualisation of ‘alcohol sponsorship’

Participants in this study demonstrated that there was a discord between government policy conceptions and community-level conceptualisations of alcohol sponsorship. Participants viewed community-level alcohol sponsorship as distinct from ‘typical’ alcohol sponsorship arrangements, as illustrated by the quote below:

“I do not see that supermarkets with a licence and local restaurants as being ‘alcohol industry’.”

More specifically, clubs emphasised that there “needs to be a clear separation [sic] between alcohol sponsorship and restaurants/venues that sell alcohol. I believe both are very very different.”

Clubs felt that there was a need to distinguish between sponsorship transactions that focus on money and alcohol, as implied by traditional definitions, and the much more complex forms of support provided by licensed venue sponsorship in particular. Licensed venue sponsorship was generally seen to provide ‘much more than alcohol’ to sporting clubs, its members and the community:

“There needs to be an understanding and comment on the difference between straight out sponsorship by the provision of alcohol to a club and the benefits of having a local hotel in a small country town being a supporting sponsors [sic] who is on about more than just alcohol sales.”

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28 Rural NSW soccer club with licensed venue sponsorship
29 Rural VIC baseball club with licensed venue and liquor retailer sponsorship, survey participant
30 Regional VIC surf lifesaving club, sponsored by licensed venue, alcohol retailer and alcohol producer, survey respondent
31 Metropolitan VIC cricket club that is sponsored by a licensed venue, survey respondent
32 Remote VIC netball/football club with licensed venue sponsor, survey respondent
Clubs viewed licensed venues firstly as local businesses. The fact that they made or sold alcohol was secondary to their primary role in the community and their relationship with sporting clubs. This distinction was important to sporting clubs:

“The sponsors are not solely alcohol related, they are local businesses.”

These findings demonstrate the complexity of clubs’ conceptualisations of alcohol sponsorship and the benefits and drawbacks. Clubs view the benefits of alcohol sponsorship as extending beyond financial support and stability and into their community-building ethos.

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33 Regional NSW soccer club with licensed venue sponsorship
Attitudes towards the proposed ‘buyout’

This study was inspired by a proposed ‘buyout’ by the Federal Government of alcohol sponsorships in community sporting clubs, although at the time details regarding the proposal were limited. Overall, club responses indicated conditional support for the proposed buyout, although it was made clear by participants that they lacked the information necessary to make an informed decision. This chapter provides the quantitative and qualitative data from surveys and interviews regarding the extent of clubs’ support for the buyout, followed by a discussion of the main conditions and concerns expressed in relation to this issue.

Support for buyout

Survey respondents were asked if their club would take part in a Federal Government buyout of alcohol-related sponsorship. Those who indicated “Maybe” were given the option to outline the conditions that would need to be met.

As indicated in Table 12, more than one quarter of respondents (28.6%; n=114) said they would participate in the buyout, over half (54.9%; n=219) indicated “Maybe” and 16.5% (n=66) stated they would not take part.

<table>
<thead>
<tr>
<th>Response to taking part in government buyout</th>
<th>% Respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maybe</td>
<td>54.9 (219)</td>
</tr>
<tr>
<td>Yes</td>
<td>28.6 (114)</td>
</tr>
<tr>
<td>No</td>
<td>16.5 (66)</td>
</tr>
</tbody>
</table>

The data presented in Table 12 were combined with other club measures in the survey in order to analyse any interactions between various factors and willingness to be involved in the Government buyout.

<table>
<thead>
<tr>
<th>State</th>
<th>% Maybe (count)</th>
<th>% Yes (count)</th>
<th>% No (count)</th>
</tr>
</thead>
<tbody>
<tr>
<td>NSW</td>
<td>46.5 (53)</td>
<td>28.1 (32)</td>
<td>25.4 (29)</td>
</tr>
<tr>
<td>QLD</td>
<td>42.3 (11)</td>
<td>42.3 (11)</td>
<td>15.4 (4)</td>
</tr>
<tr>
<td>SA</td>
<td>74.1 (20)</td>
<td>14.8 (4)</td>
<td>11.1 (3)</td>
</tr>
<tr>
<td>VIC</td>
<td>58.2 (135)</td>
<td>28.9 (67)</td>
<td>12.9 (30)</td>
</tr>
<tr>
<td>Total</td>
<td>54.9 (219)</td>
<td>28.6 (114)</td>
<td>16.5 (66)</td>
</tr>
</tbody>
</table>
Although significant differences (Chi-sq = 15.795, p = 0.015) between states were found in responses to the question regarding the Government buyout, the results are not entirely clear. Proportionally, South Australia had the fewest respondents say they would take part in a Government buyout but also the fewest respondents say they would not. New South Wales had the greatest proportion of clubs stating that they would not support a buyout. This may be related to how NSW League (rugby) clubs are closely associated with (licensed) RSL clubs, a relationship which is not duplicated in other states. Of all the states, Queensland clubs appeared to be most supportive of the buyout; however, it is difficult to draw any real conclusions due to the small sample size.

Few differences were found between clubs depending on the source of the alcohol sponsorship they received. These differences are expressed in the Tables 14, 15 and 16.

Table 14: Support for buyout - licensed venue sponsorship

<table>
<thead>
<tr>
<th>Response to taking part in government buyout</th>
<th>% Maybe (count)</th>
<th>% Yes (count)</th>
<th>% No (count)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sponsored by a licensed venue</td>
<td>54.9 (200)</td>
<td>28.8 (105)</td>
<td>16.2 (59)</td>
</tr>
<tr>
<td>Not sponsored by a licensed venue</td>
<td>54.3 (19)</td>
<td>25.7 (9)</td>
<td>20.2 (7)</td>
</tr>
<tr>
<td>Total</td>
<td>54.9 (219)</td>
<td>28.6 (114)</td>
<td>16.5 (66)</td>
</tr>
</tbody>
</table>

(Chi–sq = 0.390, p = 0.823)

Table 15: Support for buyout - alcohol retailer sponsorship

<table>
<thead>
<tr>
<th>Response to taking part in a government buyout</th>
<th>% Maybe (count)</th>
<th>% Yes (count)</th>
<th>% No (count)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sponsored by a retailer</td>
<td>63.6 (98)</td>
<td>27.3 (420)</td>
<td>9.1 (14)</td>
</tr>
<tr>
<td>Not sponsored by a retailer</td>
<td>49.4 (121)</td>
<td>29.4 (72)</td>
<td>21.2 (52)</td>
</tr>
<tr>
<td>Total</td>
<td>54.9 (219)</td>
<td>28.6 (114)</td>
<td>16.5 (66)</td>
</tr>
</tbody>
</table>

(Chi-sq = 12.062, p = 0.002)

Table 16: Support for buyout - alcohol producer sponsorship

<table>
<thead>
<tr>
<th>Response to taking part in a government buyout</th>
<th>% Maybe (count)</th>
<th>% Yes (count)</th>
<th>% No (count)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sponsored by a producer</td>
<td>67.0 (61)</td>
<td>23.1 (21)</td>
<td>9.9 (9)</td>
</tr>
<tr>
<td>Not sponsored by a producer</td>
<td>51.3 (158)</td>
<td>30.2 (93)</td>
<td>18.5 (57)</td>
</tr>
<tr>
<td>Total</td>
<td>54.9 (219)</td>
<td>28.6 (114)</td>
<td>16.5 (66)</td>
</tr>
</tbody>
</table>

(Chi–sq = 7.567, p = 0.023)
When the ‘Yes’ and ‘Maybe’ responses are added together as ‘approval’ the positive result for clubs sponsored by a licensed venue was 84%; for those sponsored by a retailer it was 91%, and for those sponsored by a producer it was 90%. For most clubs a buyout of sponsorship was a credible option; although the approval was only definite for less than one-third of the ‘positive’ clubs, for two-thirds it was a qualified approval only. An interesting difference lay in the negative vote: a much higher proportion of clubs sponsored by a licensed venue rejected the buyout (16.2%) than those sponsored by retailers (9.1%) and producers (9.9%). Examining further interactions between variables and alcohol sponsorship type yielded only unreliable results.

Table 17 indicates that clubs receiving $5000 or less in cash sponsorship annually responded differently to the Government buyout than those receiving more than $5000 cash support annually.

Table 17: Support for buyout by sponsorship value

<table>
<thead>
<tr>
<th>Response to taking part in a government buyout</th>
<th>% Maybe (count)</th>
<th>% Yes (count)</th>
<th>% No (count)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sponsorship of $5000 or less</td>
<td>52.0 (159)</td>
<td>32.0 (98)</td>
<td>16.0 (49)</td>
</tr>
<tr>
<td>Sponsorship of $5000 or more</td>
<td>64.5 (60)</td>
<td>17.2 (16)</td>
<td>18.3 (17)</td>
</tr>
<tr>
<td>Total</td>
<td>54.9</td>
<td>28.6</td>
<td>16.5</td>
</tr>
</tbody>
</table>

(Chi-sq = 7.754, p = 0.021)

Table 17 indicates that clubs receiving higher values of cash sponsorship were less likely to be supportive of a Government buyout.

8.2 Conditions and concerns regarding buyout

In explaining their support or reluctance regarding the proposed Government buyout of alcohol sponsorship, participants expressed a number of conditions and concerns. These are outlined below.

8.2.1 Amount and duration of the fund and the financial stability of clubs

Respondents expressed concerns that neither the amount nor the duration of the proposed buyout would be sufficient to ensure the ongoing viability of their clubs. They felt that $25 million would not be adequate to meet the funding needs of all community sporting clubs in Australia.

"$25 million is a drop in the ocean for what is provided by alcohol related sponsors to community sport alone in Aust [sic]."

Clubs expressed similar concerns about the proposed timeframe of the buyout, as expressed by the participant quote below:

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34 Metropolitan SA cricket club with licensed venue, alcohol producer and retailer sponsorship
“If you are trying to faze [sic] out the alcohol related sponsorship it would need to be ongoing forever basically not just a promotional quick fix for 4 years only.”

Respondents emphasised that it would only be practical for them to accept the buyout if their clubs’ long-term financial needs were assured.

“GUARANTEED length of proposed funding initiative. Our sponsor has been onboard [sic] for 10 years now; would not abandon that sponsorship unless we knew that it would be replaced long term.”

“As long as the government could match the dollar value of current sponsorships it would not have a negative impact.”

These responses highlight the concerns that clubs had over the amount and duration of the proposed buyout, particularly in relation to the scheme’s ability to provide a viable and sustainable alternative to their existing sponsorship arrangements. Such responses reflect the shared feeling among clubs that they would not give up their current sponsorship if the buyout was not ongoing, long-term and reliable.

8.2.2 Relationships and social connection

A number of clubs indicated that their reluctance to support the proposed buyout extended beyond concerns about their financial stability and viability. Participants highlighted the detrimental impact the buyout may have on the relationships and social connections both within the club, and between club members, local business and the wider community.

“There are some longstanding, positive, relationships that have been built up over time. While these venues sell alcohol they also have places to eat and provide valuable event venues. To just ditch them would do more harm than good.”

That comment emphasises the importance of local social connections to community sporting clubs, and the important role that alcohol sponsorship plays in forming those connections. It also highlights the perception that dissolving the current relationships between clubs and their sponsors would have detrimental effects on all parties. Clubs expressed concern about the impact that a buyout may have on local businesses if they no longer had the support of the sporting club.

“The sponsor is the local pub, run by local people - we would need to ensure they are not disadvantaged too”

Such responses are indicative of the feeling of connection and mutual support that exists on a local level between sporting clubs and their sponsors. In these instances the value of alcohol-related sponsorship

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35 Rural VIC tennis club with licensed venue and alcohol retailer sponsorship
36 Metropolitan SA AFL club sponsored by a licensed venue and liquor producer, survey respondent
37 Regional VIC cricket club with licensed venue and alcohol retailer sponsorship
38 Regional NSW soccer club with licensed venue sponsorship
39 Metropolitan NSW soccer club with licensed venue sponsorship
extends beyond financial support to encompass a more complex system of relationships and social connection.

8.2.3 Impacts of “drying up” the club

Participants wondered about the ‘rules’ that would govern their participation in a buyout, such as whether they could sell or consume alcohol. It was a concern because alcohol is a source of revenue for clubs and respondents feared they may lose members, players and patrons if alcohol was banned. They emphasised members would drink alcohol regardless of the club’s involvement in the buyout:

“...past and non-playing members may not attend if there is [sic] not alcohol sales at the club.”  

“it’s not as if the players will sit in the dressing sheds after the game and have an orange juice”

Respondents were also concerned that ‘drying up’ the club through the buyout may mean that they would not be allowed to attend their local venues. A number of participants asked: “Can we still run events at the venue?” and “would the venue still be able to be involved in the social aspect?” Such questions indicate more information may be needed before clubs can make a clear decision on whether or not they would support the buyout. Those responses also highlight important issues for consideration in terms of the local-level social relationships that exist between clubs and sponsors, as outlined in the previous section.

8.2.4 Administrative burden

Participants were concerned about the administrative burden and ‘red tape’ that may be involved in a Federal Government buyout. Responses revealed a perception among clubs that having to negotiate with the government may result in a large amount of paperwork, a lack of growth potential, a difficult and inequitable application and reapplication process, and too many ‘strings attached’. These sentiments are expressed in the quotes below:

“Unfortunately, everytime [sic] the Gov't [sic] gets involved, we have another Overwhelming amount of paperwork and governance to deal with. Make it VERY SIMPLE and we might give it a go.”

“Easy to apply for. We don’t have to keep applying for $1500, he just pays up each year. Would that happen? We have applied for heaps of grants and never got anything. I think we would be greatly disadvantaged.”

Such quotes illustrate that unless the application and funding process for the buyout could be ‘very simple’, there would be little incentive for clubs to end their current sponsorship arrangements.

40 Remote VIC cricket club with licensed venue and alcohol producer sponsorship
41 Regional NSW soccer club with licensed venue sponsorship
42 Rural VIC cricket club with licensed venue sponsorship
43 Regional NSW soccer club with licensed venue sponsorship
44 Rural NSW AFL/netball club with licensed venue, alcohol producer and retailer sponsorship
45 Rural VIC motorsport club with licensed venue sponsorship
8.2.5 Trust in Government

A final issue related to the trustworthiness and reliability of the government. Clubs said they would regard any plan put forward by the government with caution, as they could not be sure whether it would come to fruition. Moreover, they perceived risk in assuming that a deal made with government would provide the security they required from a funding arrangement.

“clubs like ours simply cannot afford to take the risk on government... We have to rely on local sponsors.” 46

“Would not be able to commit to such a proposal as the government could change it’s [sic] mind and withdraw funding, leaving the club in a difficult financial position.” 47

The above quotes illustrate many clubs regard their local alcohol sponsors as far more trustworthy and reliable sources of funding than the Government and would be unwilling to trust the Government to support them through the proposed buyout.

46 Metropolitan VIC cricket club sponsored by a licensed venue and liquor retailer, survey respondent
47 Metropolitan NSW soccer club, sponsored by a licensed venue, survey respondent
9 Discussion

The current study provides a unique snapshot into the nature of alcohol sponsorship in Good Sports clubs. The following section discusses the overriding themes that emerged through the survey and interviews regarding respondents’ perceptions of alcohol sponsorship and the proposed government buyout.

9.1 Financial and administrative concerns

When discussing issues of alcohol sponsorship and the proposed Federal Government buyout, clubs raised administrative concerns relating to the duration, amount, fairness and reliability of funding arrangements. Ensuring long-term viability, autonomy and financial security was the primary concern of the sporting clubs involved in this study. To a large extent, these considerations were the underlying reason clubs sought and accepted sponsorships, and continued to rely on them even in cases where it was not regarded as the most desirable option.

Responses to surveys and interviews repeatedly reflected that core concern: ensuring clubs could remain viable entities with sufficient funding to carry out their operations over time. Secondary to that primary concern for viability was the desire for autonomy; clubs did not like to be constrained or have to compromise their values as a result of their funding arrangements.

Administrative issues underpinned many of the concerns expressed. While some clubs felt that alternative funding sources may be preferable in principle, they were concerned that the buyout scheme would entail too many risks, uncertainties and administrative hurdles to guarantee their viability and autonomy in practice. Overall, clubs felt that continuing with their alcohol sponsorships was preferable due to its simplicity and the trust they held in their current sponsors.

These findings suggest that any scheme to buy out alcohol sponsorship would need to be carefully designed in order to minimise administrative barriers and maximise its capacity to deliver adequate, reliable and equitable funding to community sporting clubs. Only then is it likely to be considered a viable alternative to the current sponsorship arrangements.

9.2 Alcohol sponsorship and ‘community’

One of the important findings of this study is the complexity and wide-reaching social value of alcohol sponsorship in community sport. Sporting clubs and their sponsors must be seen as integral parts of an organic community, with broad social benefits from their interaction and mutual support. This was seen to be an important feature of licensed venue sponsorship in particular, which was also the predominant form of alcohol sponsorship among the clubs surveyed. Removing the community ties created and
maintained by alcohol sponsorship arrangements in community sporting clubs could damage broader social connections and relationships within the community.

This has significant implications for the proposed buyout. Buying out alcohol sponsorship in community sport cannot be seen as a matter of substituting the financial value alone. How to maintain the various social benefits provided by local-level alcohol sponsorship would have to be considered in the design of a scheme to remove those sponsorships.

9.3 Concerns regarding alcohol sponsorship

Despite the many collateral benefits highlighted above, clubs also identified several worries they held regarding alcohol sponsorship of community sporting clubs. Some clubs were concerned about the constraints that their sponsorships placed on their autonomy, particularly if they felt compelled to attend certain venues or purchase supplies from their sponsor in order to maintain the agreement. A number of participants also raised concerns about the potential negative impact alcohol sponsorship could have on club culture, and particularly on junior players and teams.

These findings underpin support for some change in the funding arrangements of community sporting clubs, such as the proposed buyout. Drawing on the above issues around club autonomy and survival, however, it is clear that such a scheme would need to ensure the same or greater degree of financial security over time for clubs as is guaranteed by current alcohol sponsorship if it was to be seen as credible.

9.4 The conceptualisation of ‘alcohol sponsorship’

Current literature on alcohol sponsorship lacks a universal definition of what the term encompasses (Walliser, 2003). Recent studies have referred to alcohol sponsors as ‘alcohol companies’, ‘alcohol producers’ and in some cases ‘alcohol industry’ or specific brands. Such conceptualisations create and reinforce the idea that ‘alcohol producers’ are the only type of sponsor, with sponsorship arrangements that focus primarily on the provision of money and promotion of alcohol.

This study investigated the range of alcohol sponsors (producers, licensed venues and retailers) and found, in community sport, alcohol producers are the least common form of alcohol sponsor, contrasting with alcohol sponsors of elite sport teams and events. The category of ‘alcohol sponsorship’ is more complex than traditional definitions imply and there is a need to reconceptualise ‘alcohol sponsorship’ to capture the broader reality, particularly in the context of community sport.

Furthermore, these findings indicate the need to consider whether all forms of alcohol sponsorship should be treated equally under a scheme such as the proposed buyout, or whether there is a need for different conditions for different sources of alcohol sponsorships.
10 Conclusion and recommendations

This study provides an insight into the nature of alcohol sponsorship in community sporting clubs across Australia, albeit limited to Good Sports clubs. Its findings are important for a number of reasons. They provide an understanding of the different sources of alcohol sponsorship in community sport; an estimate of their financial value in cash and in-kind; and details of the reciprocal arrangements - what sponsors provide to clubs and what clubs are expected to do in return. Perhaps more importantly, however, this study has highlighted the complexity of the relationship between alcohol sponsors and community sporting clubs. Contrasting with the traditional view of alcohol sponsorship as being focused solely on the supply of money and alcohol products, this study revealed the role that local sponsorship arrangements play in creating and sustaining social connections between sporting clubs, local businesses and the wider community. Removal of local sponsorships may reduce the mutual support between sporting clubs and businesses that has developed over time, and may have a negative effect on broader community relationships.

The study also draws attention to practical issues that would arise for community sporting clubs under the proposed buyout. They included the unknown duration of the buyout period; the conditions under which it would operate; the possible administrative burden it would impose on clubs, and whether the proposed benefits would outweigh the potential costs. Participating clubs drew attention to the non-financial value of alcohol sponsorships and the implications that relinquishing local sponsorships might have for them. The complex nature of the benefits and constraints bring into question the value of a ‘buyout’ of local alcohol sponsorship to deal with the negative associations of the nexus between alcohol and community sport.

10.1 Recommendations

The following recommendations are made based on the findings of this study:

• The current understanding of alcohol sponsorship needs to be revised to account for the complex relationships between sporting clubs and the communities in which they are located;

• Potential negative impacts of removing alcohol sponsorship on community ties must be addressed in any buyout;

• A ‘buyout’ of alcohol sponsorship must consider different sources of sponsorships (licensed venue, alcohol retailer and alcohol producer) and different types of support provided clubs (financial, in-kind, reciprocal);

• A buyout of alcohol sponsorship in community sport must provide greater security and sustainability than is currently provided through alcohol sponsorship arrangements; otherwise it will not be taken up;
• Consideration must be given to the duration of the scheme and whether a 4-year program is sufficient to ensure the long-term sustainability of clubs. Clubs that believe they will be worse off when the scheme ends may not participate;

• Clubs need to know how a buyout would be implemented and the conditions they would have to meet i.e. whether clubs will still be allowed to attend licensed venues and buy, sell and provide alcohol.

• A buyout must be simple to administer at club level. If the process is considered to be unfair, lengthy or burdensome, it will not be viewed as preferable to current funding arrangements;

• A buyout should empower clubs by providing them with greater autonomy, stability and self-determination;

• Rather than providing financial support only the government could consider providing information to assist clubs to diversify their income and seek alternatives to alcohol sponsorship.

10.2 Future research

This study raises several potential areas for further research on the topic of community-level alcohol sponsorship. These include:

• Further research is required for a fuller understanding of the impact of alcohol sponsorship on community sporting clubs; in that light a useful comparison would be between clubs that are part of Good Sports and clubs that are not part of the program;

• Exploration of the issues raised in this study with a sample of non-Good Sports clubs;

• Investigation into the risks (if any) associated with licensed venue sponsorship of community sport clubs;

• Further identification of the variation in the sponsorship arrangements of different kinds of alcohol businesses (such as licensed venues, alcohol retailers, and alcohol producers) at the community sport level; and

• Further exploration into the potential unintended consequences of a Government buyout of alcohol sponsorship for community sports clubs.
References


BMA; see British Medical Association Board of Science


NPHT; see National Preventative Health Taskforce


VicHealth; see Victorian Health Promotion Foundation


Appendix A: Survey Instrument

*Appendix A is supplied as a separate PDF document.*
### Appendix B: Stage 2 Interview Schedule

#### About the type of sponsorship

*Background to these questions: We’re interested to gain a better understanding of how sponsorship arrangements come about.*

#### Follow up probing questions – depend on the type of sponsorship

<table>
<thead>
<tr>
<th>If they indicated they had sponsorship by a <strong>licensed venue</strong></th>
<th>Q6 – 8</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Can you tell us how did this relationship come about? Did you know each other?</td>
<td></td>
</tr>
<tr>
<td>2. How was it negotiated? Who made the first approach – the business or your club?</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>If they indicated they had sponsorship by a <strong>liquor retailer</strong></th>
<th>Q10 – 12</th>
</tr>
</thead>
<tbody>
<tr>
<td>3. Tell me about this liquor retailer – whereabouts is it? Who owns it?</td>
<td></td>
</tr>
<tr>
<td>4. <em>If a separate sponsor</em>, can you tell us how did this relationship come about? Did you know each other?</td>
<td></td>
</tr>
<tr>
<td>5. How was it negotiated? Who made the first approach – the business or your club?</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>If they indicated they had sponsorship by an <strong>alcohol producer</strong></th>
<th>Q 13 – 16</th>
</tr>
</thead>
<tbody>
<tr>
<td>6. Can you tell us how did this relationship come about? Did you know each other?</td>
<td></td>
</tr>
<tr>
<td>7. How was it negotiated? Who made the first approach – the business or your club?</td>
<td></td>
</tr>
<tr>
<td>8. <em>Prompt questions.</em> Was this deal arranged directly with an alcohol company?</td>
<td></td>
</tr>
<tr>
<td>9. <em>(If YES)</em> was your club approached by the company or did your club approach it?</td>
<td></td>
</tr>
<tr>
<td>10. OR, was this deal agreed at the association level?</td>
<td></td>
</tr>
<tr>
<td>11. <em>(If YES),</em> can you tell us a bit more about how this works?</td>
<td></td>
</tr>
<tr>
<td>12. Who has the final say in accepting or refusing this deal? Who would</td>
<td></td>
</tr>
</tbody>
</table>
Formality of the agreement

*Background to these questions: We’re interested to see how these arrangements are formalised.*

I’m going to ask some questions about the formalities of the arrangement itself.

13. how long has the sponsorship agreement been in place?

**Follow up probing questions – depending on if they indicated they have an informal agreement or written contract**

If they indicated they had **written agreement**

14. Is the contract specific about
   a. Cash amount
   b. In-kind products and services
   c. Duration

15. What terms and conditions are specified?

16. Is the contract honoured and monitored by the other party?

17. Part of this task is to be able to demonstrate examples of the range of sponsorship contracts. If the government is going to buy-out sponsorship they’ll need to have a good idea of what’s in the contracts. If you’re happy to provide this we won’t be passing it on to anyone else, it’s simply to help us write up our report. Would you feel comfortable with us having a look at the contract?

If they indicated they had **an informal verbal agreement**

18. You said that this was an informal verbal agreement, can you tell us more about this?

19. Is there a clear understanding about this agreement in terms of
   d. Cash amount
   e. In-kind products and services
   f. Duration of the agreement

20. Are there other terms and conditions specified? *Check the survey response to Q8, 12 and 15 to refer to any requirements on the club*
21. How do you ensure this arrangement is honoured by both parties?

22. Have you had any problems or disputes with this type of arrangement?

23. Is there anything unclear in the arrangement?

24. How would you exit the arrangement?

### Value of the agreement

*Background to these questions: We’re interested to clarify the value of the sponsorship and to see how these are recorded*

I’m going to ask some questions to clarify the value of the sponsorship.

#### Cash

1. You indicated that you receive cash support in the order of [range], for this sponsorship? Are you able to be more specific about the amount?

2. Can you explain how this cash amount is paid e.g. as a lump sum at a particular time of year or in the form of payments?

3. How is this cash amount recorded in your financial statements e.g. is it recorded under a pool of sponsorship income or it a separate item?

#### Social value

*If the club provided responses to Q21,*

4. Can you talk more about your response to this question

### Buy-out

*Background to these questions: these questions are intending to get a sense of the potential impact of the buy-out and any consequences*

I’m going to ask some questions about your views on the proposed government buy-out. We’re aware that we know very little at this stage about the buy-out.

1. How do YOU think a buy-out could work?
<table>
<thead>
<tr>
<th><strong>If they indicated they would take part in a buy-out</strong></th>
<th><strong>Q22 and 23</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>2. You indicated that given the option, your club would take part in a government buy-out. Did you want to make any further comment?</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>If they indicated they would NOT take part in a buy-out</strong></th>
<th><strong>Q22 and 23</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>3. You said that your club would not take part in a government buy-out. Did you want to make any further comments?</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>If they indicated they would maybe take part but subject to conditions</strong></th>
<th><strong>Q22 and 23</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>4. Did you want to tell us more about what you’d need in place before agreeing to take part in a government buy-out?</td>
<td></td>
</tr>
</tbody>
</table>

**General comments on alcohol sponsorship in sport**

<table>
<thead>
<tr>
<th><strong>Q24</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>5. Several clubs have mentioned concern about the impact of alcohol sponsorship in relation to junior sport – did you have any comments or thoughts about this? Is relevant to your club?</td>
</tr>
<tr>
<td>6. Go through your notes. Thinking over your responses, was there anything that you wanted to clarify?’</td>
</tr>
</tbody>
</table>

**Wrap up:**

**Thank the interviewee**

**Explain next steps**

The research team will be analysing the results of the online survey and the responses from the clubs who were interviewed. We had received over 680 responses to the online survey so there’s a lot of work to do. Clubs will be kept informed of progress. The intention is to provide a report to the funder VicHealth towards the end of the year.
### Appendix B: Characteristics of Clubs Participating in Stage 2 Interviews

<table>
<thead>
<tr>
<th>Ref</th>
<th>State</th>
<th>Location</th>
<th>Sport</th>
<th>Type of sponsorship</th>
<th>Written agreement</th>
<th>Contract provided</th>
<th>No of contracts</th>
<th>Contracts with</th>
</tr>
</thead>
<tbody>
<tr>
<td>P1</td>
<td>SA</td>
<td>metro</td>
<td>Rugby union</td>
<td>Retailer Producer</td>
<td>Not known</td>
<td>N</td>
<td></td>
<td></td>
</tr>
<tr>
<td>P2</td>
<td>VIC</td>
<td>rural</td>
<td>Cricket</td>
<td>Licensed venue</td>
<td></td>
<td>N</td>
<td>N</td>
<td></td>
</tr>
<tr>
<td>P3</td>
<td>SA</td>
<td>rural</td>
<td>Netball Tennis Cricket AFL</td>
<td>Retailer Licensed Venue</td>
<td>Not known</td>
<td>N</td>
<td></td>
<td></td>
</tr>
<tr>
<td>P4</td>
<td>VIC</td>
<td>Metro</td>
<td>Footy</td>
<td>Retailer Producer Licensed venue</td>
<td></td>
<td>N</td>
<td>N</td>
<td></td>
</tr>
<tr>
<td>P5</td>
<td>VIC</td>
<td>Metro</td>
<td>Footy</td>
<td>Retailer producer Venue</td>
<td>Y</td>
<td>N</td>
<td></td>
<td></td>
</tr>
<tr>
<td>P6</td>
<td>VIC</td>
<td>remote</td>
<td>Cricket</td>
<td>Licensed venue</td>
<td></td>
<td>N</td>
<td>N</td>
<td></td>
</tr>
<tr>
<td>P7</td>
<td>VIC</td>
<td>metro</td>
<td>Footy</td>
<td>Retailer Producer Licensed venue</td>
<td></td>
<td>Y</td>
<td>N</td>
<td></td>
</tr>
<tr>
<td>P8</td>
<td>QLD</td>
<td>metro</td>
<td>Rugby league</td>
<td>Retailer Producer Licensed venue</td>
<td></td>
<td>Y</td>
<td>Y</td>
<td>5 Venues producers</td>
</tr>
<tr>
<td>P9</td>
<td>NSW</td>
<td>regional</td>
<td>Rugby league</td>
<td>Venue</td>
<td></td>
<td>N</td>
<td>N</td>
<td></td>
</tr>
<tr>
<td>P10</td>
<td>NSW</td>
<td>Regional</td>
<td>Cricket</td>
<td>Venue</td>
<td></td>
<td>N</td>
<td>N</td>
<td></td>
</tr>
<tr>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>P11</td>
<td>NSW</td>
<td>metro</td>
<td>Rugby union</td>
<td>Producer Venue</td>
<td>Y</td>
<td>Y</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>P12</td>
<td>NSW</td>
<td>regional</td>
<td>Footy (and Netball)</td>
<td>Retailer Venue</td>
<td>Y</td>
<td>Y</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>P13</td>
<td>NSW</td>
<td>regional</td>
<td>Soccer</td>
<td>Venue</td>
<td>N</td>
<td>N</td>
<td></td>
<td></td>
</tr>
<tr>
<td>P14</td>
<td>NSW</td>
<td>Rural</td>
<td>Rugby league</td>
<td>Retailer Producer Venue</td>
<td>N</td>
<td>N</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>