



POLICY BRIEF

THE HARMFUL IMPACTS OF UNHEALTHY FOOD SPONSORSHIP IN CHILDREN'S SPORTING SETTINGS: THE NEED FOR ACTION.

SUMMARY

Australian children and adults experience high rates of overweight and obesity, leading to heightened lifetime risk of a range of negative health problems and diseases. These high rates are due to increased intake of energy-dense (high fat and/or sugar) foods, together with inadequate physical activity.¹

Advertising activities, including sponsorship of sport and community events by food brands and products are known to positively shape children's food preferences. It is therefore unsurprising that food companies are increasingly taking up sponsorship of professional and grass-roots sporting clubs and events in our communities as a marketing opportunity.

This policy brief provides an overview of:

1. The growing body of evidence of the impact this kind of marketing activity has on children's brand attitudes, food preferences and diets;
2. The current and emerging profile of sports sponsorship as a marketing activity in Australia;
3. Legal, policy and program options for Australian federal and state governments to reduce children's exposure to this harmful marketing.

BACKGROUND – CHILDHOOD OBESITY IN AUSTRALIA

The prevalence of overweight and obesity among Australian children and adolescents increased significantly in recent decades. In 2011-2012, around one quarter of all children aged 5-17 years (25% of boys and 27% of girls) were either overweight or obese.² Since 1995, the proportion of obese boys in the 5-12 year age group increased significantly by three percentage points to 7%. For girls, there was a significant increase in the 13-17 year age group classified as overweight (up 6 percentage points to 18%).³

These high rates of childhood obesity are of huge concern, as they are linked to a range of negative health consequences in children.⁴ Obese children also have a 25–50% chance of becoming obese adults, and this chance increases to 78% for older obese adolescents.⁵ See the OPC's Policy Brief 'overweight and obesity in Australia' (at www.opc.org.au) for more information.

SPONSORSHIP OF ELITE SPORT

Across many industries, sponsorship is growing as a popular means of marketing.^{6,7} Over the last two decades, the corporate budgets allocated to marketing through sponsorship have grown exponentially.⁸ This investment reflects the unique ability of sponsorship activities to increase brand awareness, enhance brand reputation and increase sales.^{9,10}

McDonald's is one notable early adopter of sports sponsorship as a vehicle to enhance its image and achieve national and international visibility. As an Olympic sponsor from 1976, McDonald's was reported as perceiving the Games as a vehicle to increase its global marketing efforts.¹¹

Sport is an attractive sponsorship prospect for food companies for several reasons. It presents opportunities to reach target groups more efficiently than other mass media, enhances the image of the company through association with positive characteristics of a sport, or a successful athlete.¹² It is also unique in its ability to generate excitement and emotional attachment among consumers.¹³ It is posited by marketing academics that by partnering with sporting clubs, companies benefit from 'image transfer, whereby inherent positive values from an activity are transferred to the sponsor.'¹⁴ Image transfer in sports sponsorship most often relates to values of being healthy, young, energetic, fast, vibrant and predominantly masculine.¹⁵ Prominent examples of unhealthy food sponsorship of elite sport in Australia include KFC's long-time relationship with Cricket Australia, including the KFC T20 Big Bash League,¹⁶ and Hungry Jack's long-standing sponsorship of AFL and NRL clubs.¹⁷

SPONSORSHIP OF KIDS' (LOCAL) SPORT

Sponsorship of children's sport and activities by unhealthy food and beverage companies is also increasingly widespread, reaching community clubs as well as state and national bodies.¹⁸

While companies use sponsorship relationships to project an altruistic image, they in truth see sponsorship as a means not only to enhance national image but to "project the company as a caring organization involved with its community"¹⁹. Research into the motivations of corporations pursuing sport sponsorship, conducted at the emergence of this form of marketing in Canada, found that none of the respondents confused sponsorship with philanthropy, with respondents expecting sponsorship opportunities to offer product/service exclusivity, opportunities to increase brand awareness, and to reinforce company image.²⁰ Research into sponsorship behaviour within the food industry has noted that despite restaurant chains

such as McDonalds operating on a highly standardized, international business model, their success still requires them to be responsive to the needs of their local communities.²¹

Current Australian examples of sponsorship of children's sport include McDonald's partnership with Little Athletics Victoria, McDonald's sponsorship of Basketball Victoria's "Hooptime" junior development program (targeting children in grades 3-6 while at school), and Coke's partnership with Bicycle network Victoria's program to engage teenagers in cycling.

There is wide scope for food brands to reach children through sport, with Australian Bureau of Statistics data indicating that in the 12 months to April 2012, of the 2.8 million children aged 5 to 14 years, 1.7 million (60%) participated in at least one organised sport outside of school hours.²² Approximately two thirds (66%) of all children aged between 9 and 11 years participated in organised sport, higher than the participation rates of those aged 5 to 8 years and 12 to 14 years (56% and 60% respectively).²³ On average, children spent five hours in the school fortnight in organised sport outside of school hours.²⁴

Community sporting clubs may rely on such sponsorship arrangements or receive essential contributions that enable them to provide valuable opportunities to children. Transitioning from such relationships to healthier sponsorship arrangements poses a significant challenge, particularly to poorly resourced clubs.

IMPACTS ON CHILDREN

Exposure to the promotion of unhealthy food, including through local and elite sport sponsorship, affects children's food perceptions and preferences, impacting on their food preferences and diets. Systematic reviews of the evidence on food marketing to children, including through sport, have consistently concluded that it influences the types of food children prefer, demand and consume, and is likely to contribute to poor diets, negative health outcomes, weight gain and obesity in children.²⁵

This body of research has underpinned World Health Organisation ('WHO') recommendations that member states take active steps to reduce children's exposure to marketing for unhealthy

foods, including through sport.²⁶ The impacts of sport sponsorship by unhealthy food brands remain under-explored,²⁷ though studies have shown the effects of sponsorship in relation to other products, including tobacco, which demonstrate that sponsorship promotions can affect children's brand recall and recognition.^{28 29}

Australian research has found that for children aged 10-14, sponsorship of their sports club is associated with recall of sponsors and they are likely to think about sponsors when buying something to eat or drink. Children surveyed were likely to consider sponsors "cool".³⁰ Australian research showed that 85% of children surveyed thought that food and beverage companies sponsored sport to help out sports clubs and 59% liked to return the favour to these sponsors by buying their products.³¹

It is therefore unfortunate that Australian research reveals a majority (63%) of food sponsors of children's sport did not meet the criteria as healthy sponsors in 2011. It was also found that where food companies sponsor sports that are popular with children, the food products are generally unhealthy.³²

Children's perceptions and reactions to food sponsorship highlight the unethical and confusing nature of the promotional messages. The presence of unhealthy food branding and marketing in children's sport sends contradictory messages to children. By 'partnering' with junior sporting clubs food companies exploit children's vulnerability and engender positive relationships. The lack of appreciation of the commercial intent of the sponsorship, which is likely to be more pronounced in younger children,³³ is particularly concerning. Involvement in junior sports not only allows opportunities to introduce children to products, and also builds the goodwill of participants, parents and clubs,³⁴ forming positive associations with brands without even perceiving the presence of a promotional message.

POLICY ACTION REQUIRED

Consistent with the WHO recommendations, governmental action is required to ensure that Australian children's settings are free of unhealthy food promotions and branding, including through sport.³⁵

Presently, there are no initiatives in Australia to limit children's exposure to unhealthy food and drink advertising through sponsorship of junior sport. Although there are some minimal 'controls' on the advertising of unhealthy food to children (Responsible Children's Marketing Initiative (RCMI) and Quick Service Initiative (QSRI)), these do not apply to sponsorship of sport.

Further, the current self-regulatory codes are narrow in scope, with advertiser's successfully arguing before the Advertising Standards Board (ASB) that company branding, in the absence of actual depiction of food products, does not amount to food advertising and is therefore not an activity covered by the codes.³⁶ This leaves very wide scope for companies to promote their brands and products through sport. It is therefore vital that steps are taken to protect children from marketing of unhealthy food through their sporting clubs and codes, particularly at a time when one in four children is overweight or obese.

There is also very strong public support for restrictions on unhealthy food company sponsorship of sporting and community events, with 69% of Australian adults surveyed believing that sponsorship of children's sporting events by fast food chains should be restricted, if not stopped entirely.³⁷ This was consistent with earlier research.³⁸ Western Australian research has also shown that almost half of adult respondents think the promotion of fast foods is inappropriate at community events.³⁹ Around two-thirds of respondents in this study also agreed that promoting fast foods at community events sends contradictory messages to children and just a quarter of respondents considered it acceptable for children to be rewarded for participation with food vouchers.⁴⁰ Research also shows strong support for restriction sponsorship of professional broadcast sport, with research revealing that 55% of adults support restrictions on unhealthy food sponsorship of sporting events that may be watched by children.⁴¹

Currently, substantial government funding is being directed into Victorian communities, including through the National Partnership agreement on preventative health,⁴² to encourage healthy eating and prevent overweight and obesity through Healthy Together Victoria. Similar approaches are seeking to improve children's health in communities across Australia, including the Western Australian Live Lighter



initiative⁴³ and South Australian Obesity Prevention and Lifestyle program.⁴⁴ Ongoing sponsorship of children's sport by unhealthy products undermines these activities, as well as the efforts of schools and parents to encourage healthy lifestyles.

Australian Federal and State Governments must take active, cooperative steps to reduce children's exposure to advertising of unhealthy products by removing unhealthy food and drink sponsorship from sport, particularly children's sport. Specifically, governments should:

1. Take active steps to remove unhealthy food marketing, promotion and sponsorship of all children's and community sport, including by;
 - a. Assessing the prevalence of unhealthy food and beverage sponsorship of children's and community sport and the challenges faced by clubs who rely on sponsorship by unhealthy food and beverage companies;
 - b. Establishing a scheme to provide monetary incentives to children's sporting organisations and community clubs to reject unhealthy food sponsorship arrangements and forge relationships to transition sponsorship arrangements to other partners;
 - c. Develop, promote and disseminate healthy sponsor criteria to clubs to support them in meeting the challenge of forging alternative sponsorship arrangements and phasing out unhealthy food and beverage sponsors.

About the Obesity Policy Coalition

The Obesity Policy Coalition (OPC) is a partnership between the Cancer Council of Victoria, Diabetes Australia – Vic and the WHO Collaborating Centre on Obesity Prevention at Deakin University, with funding from VicHealth. The OPC advocates for evidence-based policy interventions and research to address the high rates of overweight and obesity in Australia, particularly in children.

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