

HOW TO REPLACE BETTING BRANDING IN SPORT?

by Jamie Salmon



In August 2020, [Swansea City AFC announced its university namesake, as its new shirt sponsor](#) and thereby broke ties with a betting company. It will be the first of many football clubs who will have to follow suit and no doubt, like Swansea City, they will take a financial hit from the switch.

The [recent report](#) from the All Party Parliamentary Gambling Related Harm Group looks to eradicate all betting companies from sport sponsorships by the end of 2023. This will seriously affect all sports but most notably football, as, last season, [17 of the 24 Championship clubs had betting companies on their shirts](#). Thanks to COVID-19, the timing could not be worse, as getting brands to sign on the dotted line will be a much harder task. The Premier and Football League clubs will plead for more time, bearing in mind the financial calamity that COVID-19 has wrought but it will be futile in the end.

We have been here before, of course. When tobacco companies were banned from sponsorship in the early 2000s the market was very fearful of how it could replace the hundreds of millions of dollars they invested in sport, none more so than in Formula 1. As we now know, F1 was able to reposition itself and now has a raft of global brands as significant commercial partners and at a very significant cost.

In the UK, the World Snooker Championship was sponsored by a tobacco brand for 30 consecutive years, while cricket's one-day competition had 31 years of tobacco branding. Ditto golf, rugby union and league, horseracing, the list goes on. Alcohol companies have also been very visible, notably beer brands – Budweiser and Carling in football, Heineken and Guinness in rugby union, Stella Artois in tennis.



Unlike F1, for those sports just operating in the UK, the challenge to replace betting sponsorship revenue will be immense. Betting companies spend over £100m per season with the Premier League and EFL so when you add the other sports you can double that figure at least. Horseracing is the obvious example, which will have to work much harder in order to attract a new commercial audience; it's got a cluttered schedule every day, every week spread around over 50 courses. Boxing and darts are two other sports, which are heavily reliant on betting brand sponsorship.

Like F1, football clubs will have to present themselves in a different way to attract brand interest. My gut feeling is that clubs outside of the Premier League will become more focused on targeting brands and businesses that are located within their catchment area and strongly link the association with community initiatives. Further evidence of this is [Birmingham City's decision to support University Hospital Birmingham Charity as its shirt sponsor for this season.](#)

The effects of COVID-19 mean that people are spending more time in their local area than ever before, as they work from home more and thereby have a deeper engagement with their local community.

Football clubs could run programmes within local schools that teach boys and girls athleticism and co-ordination, which are skills for life not just sport, and attract a local brand to partner them alongside the local council. The local football club is often seen as a beacon within a given community so why not broaden the offering to physical wellbeing, as well as football schools and camps?

Swansea City's head of commercial, Rebecca Edwards-Symmons, commented: "This is the first year of not having a betting brand on our front of shirt in four years, which enables our Junior Jacks to wear the same shirt as their Swans' heroes. There is nothing better than having local, prestigious brands involved with us as a club and we look forward to a very successful forthcoming season."

All-in-all great for the kids and a win-win for all the commercial partners.

It is also as much of a challenge for the betting brands as it is for the rights holders. How are they going to replace their current exposure in what is a massively competitive market? Will they spend as much and will they just focus on social media/digital exposure directly to existing punters, as well as trying to lure the new ones in? Marketing Directors will be looking for exceptional creativity and innovation and thereby produce unique content in order to reach their audience, and I suspect the younger the better to capture their data. I can also see betting companies becoming even bigger spenders on corporate hospitality for their clients when COVID-19 allows.

It will be a huge hole that sport will need more than a few years to fill and I doubt it will ever be totally replaced. Furthermore, with the UK Government now having sorted tobacco and betting, it does beg the question: when will the politicians demand the same for alcohol brands to complete the hat-trick? - In the meantime, the race is on.

