VITA

Critique of “The Effect of Sponsorship of Football Leagues and Teams on Gambling Participation”

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ABOUT VITA CA

Vita CA is a research and strategy agency. Our evidence and insight help organisations improve the lives of their users. What makes us unique is our focus on understanding people's experiences and motivations, the human element behind the numbers and data. We believe change is possible for even difficult problems if we learn with the people who face them every day.

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DECLARATION OF INTERESTS

The report was commissioned by Clean Up Gambling, who paid for this report on the understanding that the content is not subject to control by them. Control sits solely with Vita CA Limited.

INTRODUCTION

If you are here reading this, then you have probably seen statements from the Betting and Gambling Council (BGC) and the English Football League (EFL) saying such things as 'A study from the University of Liverpool "concluded there was no evidence that sponsorship of clubs or leagues by betting operators influenced participation in betting"'. Unfortunately, these statements included no links to the quoted research article. The research has not been made available for scrutiny by other researchers or the public. It has not been published nor peer-reviewed at the point of writing this. Our commentary below shows why the research has not been published or peer-reviewed because, very simply, it is not good enough.

The report has been used by the EFL, the BGC, the gambling industry and their lobbyists to resist the calls for tougher regulation of gambling advertising and sponsorship of sports, and in particular football. The report was for the EFL. Professor Ian McHale of Liverpool University authored it. Prof. McHale is a statistician specialising in ranking and forecasting in sports. He has undertaken a significant amount of work for football clubs and leagues and bookmakers.[1] He is not an expert in public health or advertising and marketing research.

The report in question, 'The Effect of Football Leagues and Teams on Gambling Participation' is characterised as impartial and a rigorous statistical analysis of different data sets to investigate the "relationship between sponsorship and gambling participation and harm". It claims that there is minimal to no relationship between football sponsorship and participation in gambling.

This critique of the research challenges this outcome, the underlying analysis, the use of data sets and results. Arguably the data sets used could not answer such a question or find causal relationships. However, beyond that, there is a range of fundamental and very basic errors that make the analysis useless. Ultimately the quality of the research and its approach to the data forces one to ask if the analysis was undertaken to draw a pre-determined conclusion.

Analysing the data sets used in the research, if anything, the work should conclude that:

- Sports betting participation (and football GGY) has *increased* over the period 2012 to 2018, which incidentally corresponds to the massive increase in gambling advertising spend and gambling football sponsorship.

The McHale work is divided into three parts:

1. Gambling participation and problem gambling
2. Young people and gambling
3. Team and league sponsorship's impact on betting participation

[1] See: https://www.liverpool.ac.uk/management/staff/ian-mchale/

This critique will examine each part separately.

DISCUSSION

Gambling participation and problem gambling

The first section looks at overall gambling participation and problem gambling by examining two large-scale health surveys spanning the last two decades. The author goes on to make the following claims:

- Most gambling activities have seen a fall in participation rates.
- Participation in sports betting has remained stable at around 9%
- Problem gambling amongst football betters appears to be falling.

The data from 2007-2010 is from the British Gambling Prevalence Survey (BGPS) and the data from 2012 to 2018 is from the Health Surveys. The BGPS was a stand-alone survey on gambling behaviour. From 2012, the decision was made to discontinue the BGPS and instead include questions on gambling within the general national health surveys. The report on the first year of results from the Health Surveys states:

"We caution readers against viewing the combined health survey results as a continuation of the BGPS time series. This is because of the change of survey vehicle which could affect our ability to make direct comparisons."[2]

The methods and questions used in each survey were the same, but the survey vehicle was different. It is well evidenced that different survey vehicles generate different estimates using the same measures because they appeal to different types of people, with varying patterns of behaviour. In particular, the rates of gambling participation reported in the combined health survey series are typically lower than those reported in the BGPS series.[3]

McHale's report makes no mention of the comparability problems between the two surveys. The question we are forced to ask why the research is attempting to show time series effects using different data sets? For any validity in the analysis, the study should have only looked at the Health Survey data from 2012 to 2018. In any case the period 2012 to 2018 would have made greater sense in terms of identifying the impact of gambling sponsorship: in 2013/14 just 15% of clubs had a gambling shirt front sponsor; in 2017/18 that had risen to 45%. SkyBet started sponsoring the EFL in 2013/14.

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[2] Wardle, H., Seabury, C., Ahmed, H., Payne, C., Byron, C., Corbett, J. Sutton, R., *Gambling behaviour in England and Scotland: findings from the health survey for England 2012 and Scottish health survey 2012,* NatCen, prepared for the Gambling Commission <https://52.60.43.217/handle/1880/50217>, p.4

[3] Ibid

Additionally, the Health Survey data used for some years includes England and Scotland, some England, Scotland and Wales, with the last year being England only. The report does not state to which region its analysis applies.

Using two different data sets makes the analysis faulty before it even starts. Meaning that the conclusions made in the research are not accurate. Here one has to ask if this is not a deliberate attempt to use the data to show a pre-determined outcome.

Starting with the first claim, that overall gambling participation has decreased from 1999 to 2018. This is clearly seen when looking at, for example, the year 2010, where the 'any gambling' rate is much higher than for other years. There is a clear discontinuity between the data sets, clearly demonstrated by the drop in participation in any gambling activity (excluding National Lottery) from 56.37% to 42.98%. Using the data in this way shows an extremely unlikely drop in gambling participation of over 13% in 2 years. A more likely reason for the drastic drop is a change in survey methodology between the two data sets.

If we look only at Heath Survey data only, the decrease seen in the numbers comes from a massive fall-off in National Lottery participation from 52% in 2012 to 36% in 2018. Excluding the National Lottery, gambling participation has remained stable at over 40%. It is a well-established convention in gambling research to analyse participation rates with and without the National Lottery, as this tends to be a distinct form of participation.[4] Again, the question is why this convention has been ignored.

Additionally, examining 'participation in any sports betting (online or offline)' looking only at Health Survey data, we can see an increase from 7.63% in 2012 to 9.14% in 2018, an increase of 20%. This fact alone counters the arguments made in the article. During the period in question, the gambling marketing spending increased by 56% (to £1.5bn).[5] The only categories that had increased participation were those mentioned above and 'online betting with a bookmaker'.

With discussions on gambling harm moving from a 'safer gambling' approach that focuses on the individual to a public health one, increasing concern has been raised about people being drawn into higher-risk gambling products and the movement between products. The author does nothing to explain why sports betting is looked at in a vacuum.

However, if the author wanted to go down the targeted route, should he not be looking at football betting? It is impossible to do with the data sets used, as football betting is not separated out in terms of participation. McHale chooses not to include statistics which do separate out football betting. Indeed, it we look at the industry Gross Gambling Yield (GGY – stakes kept by gambling operators after paying out

[4] This convention is used in official reports for the Gambling Commission, for example: Gambling Commission, *Gambling participation in 2019: behaviour, awareness and attitudes* <https://assets.ctfassets.net/j16ev64qyf6l/7uIxjm1SNQMygdOFV2bzxN/ea74db1104925f015edb11db0596f98b/Gambling-participation-in-2019-behaviour-awareness-and-attitudes.pdf>.
[5] https://publications.parliament.uk/pa/ld5801/ldselect/ldgamb/79/7910.htm

winnings), the GGY from football betting over the period highlighted has steadily increased.[6]

The author continues the same analysis examining problem gambling rates. This analysis is also affected by all the issues mentioned above. The report claims there is a decline in problem gambling in the categories of “sports betting (in a bookmaker)”, “online betting with a bookmaker” and “any sports betting (online or offline)” between 2007 and 2018. The research concludes that “rates of problem gambling within activities containing football bettors has decreased from 7.52% to 3.14%”. However, if you look only at the Health Survey data, there is no consistent downward trend in problem gambling in these categories between 2012 and 2018.

Furthermore, the sample sizes of the subcategories are too small to determine statistically significant results. For example, there were approximately 270 online gamblers in sample in 2007, and of these approximately 10 problem gamblers. In 2010 there are approximately 560 online gamblers, and approximately 20 problem gamblers.

The conclusion that should be drawn from the data sets used is that sports betting participation increased in 2012-2018, and the industry, as noted above, made more of its GGY from football betting over the same period.

It is impossible to attribute changes in overall gambling participation and problem gambling to one specific factor, football sponsorship, in the context of wide-ranging changes to the gambling sector during this time. However, using McHale’s logic, a valid interpretation is:

> *the increase in sports betting participation and GGY from football betting comes from the increase in football sponsorship.*

Young people and gambling

In this part, the article attempts to draw “Insights from the 2020 Young People and Gambling Survey”, a survey of 1,645 11-to-16-year-olds across England and Scotland. This survey was undertaken by Ipsos Mori for the Gambling Commission.

The report appears to lose its way regarding what types of advertising and sponsorship it is trying to highlight and what effects it is trying to identify, ending up looking at any gambling participation and any gambling advertising and sponsorship.

The author claims that “There is no evidence having seen gambling advertising or sponsorship is associated with a raised level of participation in gambling”. There is insufficient data to make such a claim. The research would need to conduct a power test – based on the size of the effect the researcher expected to find – and draw an appropriate sample. With the problem gambling rates found in the report, statistical significance would only be detected in a sample of over 4,000, which is more than double the current sample.

[6] See https://www.statista.com/statistics/469751/gross-gambling-yield-football-in-great-britain-off-course/

Therefore, it is not surprising when no statistically significant results about anything are found. However, it may be noted that the raw figures do show higher 'problem gambling' rates amongst those who had seen gambling advertising than those who had not.

Importantly, the survey used to make the claims looked at a very atypical period, Covid-19 Lockdown. As sports, including football, were cancelled, it is unclear how any conclusions could be drawn from this period. There was presumably very little to bet on, and we know from other studies that general gambling behaviour changed during the lockdown period.[7]

What is clear is that the data set is inadequate to attempt to comment on the impact of football sponsorship on those aged 11-16.

Despite now looking at gambling participation and advertising in general, McHale fails to include the following findings from the Ipsos Mori survey regarding underage gambling, which give cause for concern:

- 37% of 11-16 year olds in England and Scotland have gambled in the last 12 months
- 1.9% of 11-16 year olds in England and Scotland are classified as 'problem' gamblers and 2.7% are classified as 'at risk' according to the DSM-IV-MR-J screen
- 58% of 11-16 year olds have ever seen or heard gambling adverts or sponsorship, of which 7% said this had prompted them to gamble when they weren't already planning to.[8]

The conclusion of this limited analysis of a single inadequate dataset is at odds with the wider evidence on the impact of gambling advertising and marketing. A peer reviewed systematic review and meta-analysis of the past two decades of empirical research found a positive association between exposure to gambling advertising and gambling-related attitudes, intentions, and behaviour, including problem gambling.[9] It is also at odds with the findings of the substantial research on the effects of gambling advertising on those age 11-24, commissioned on behalf of the Gambling Commission.[10]

Arguably the impact on those 18-24 is of concern, as this is a time of increased vulnerability to gambling harm due to life-course factors, and when gambling

[7] For example: Public Health England, *The impact of COVID-19 on gambling behaviour and associated harms. A rapid review* <https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1020748/Gambling_review_COVID_report.pdf>.

[8] https://www.ipsos.com/en-uk/2020-young-people-and-gambling-survey

[9] Ayoub Bouguettaya, Dermot Lynott, Adrian Carter et al., 'The relationship between gambling advertising and gambling attitudes, intentions and behaviours: a critical and meta-analytic review', *Current Opinion in Behavioral Sciences*, 31 (2020), 89–101.

[10] https://www.ipsos.com/sites/default/files/ct/publication/documents/2020-03/gambling-marketing-advertising-effect-young-people-exec-summary.pdf

becomes legal. That concern should be centred on this age group is a finding from Prof. McHale himself, based on analysis of a longitudinal data, in a separate study.[11]

Team and league sponsorship's impact on betting participation

In the final part of the research, the author attempts to test the "hypothesis that higher levels of exposure to betting sponsorship are associated with higher levels of betting participation". Data from a YouGov survey is used, which includes questions on gambling participation and interest in sports.

Analysis is undertaken to ascertain the relationship between gambling sponsorship of the team a fan supports and their participation in betting. In addition, there is analysis of the relationship between being a SkyBet customer and a team's participation in the EFL (as SkyBet sponsors the EFL). The analysis that follows is deeply flawed because the underlying assumptions are flawed.

It is not easy to try and understand what hypothesis this analysis is trying to explore. One thing becomes very clear; the author has little to no conception of how advertising, much less gambling advertising and sponsorship, work. The hypothesis seems to rely on the notion that sponsorships and advertising only influence fans if it is associated with the specific team they support. The belief seems to be that there is no influence by gambling sponsorship from the opposing team or from the advertising that is all around the ground, nor from gambling's association with the larger football experience.

For the author's hypothesis to work, we must make the assumptions that if you are a fan of a club that a gambling company does not sponsor, you are less likely to gamble because you do not see the gambling advertising on the pitch, and only see your own side's shirt sponsorship. Or that if you support a non-gambling sponsored league you somehow would not see any gambling ads. For the author's analysis to work, people would need to live in a world where their lives were so insulated that whom they support and whether they have gambling sponsors significantly affect what they see. However, this is not the world we live in. The assumption that support for a team determines the extent of exposure is deeply flawed, given the evidence of how much gambling promotion is all over football content of all kinds.

The only clear result from the data used in this section is that people who are "not a football fan" are much less likely to bet or be a SkyBet customer. Considering that betting on football makes up most of sports betting, this is not a surprising outcome.

Leaving aside the underlying flaws in hypothesis, these same results could as well be interpreted as:

[11] David Forrest and Ian G. McHale, 'Transmission of Problem Gambling Between Adjacent Generations', *J Gambl Stud*, 37/2 (2021), 711–22 <https://link.springer.com/article/10.1007/s10899-020-09977-8>

non-football fans see much less gambling ads/sponsorship and therefore are much less likely to gamble.

Of course, that is a nonsense conclusion (though possibly true) but would be equally defensible as the conclusion of this report.

There are several attempts to legitimise and dignify the analysis by undertaking statistical tests of significance throughout the research. These are commonplace in statistical analysis and are used to estimate the probability that a relationship observed in the data occurred only by chance. Interestingly, in this research is that the author is very selective in when these tests are done. They are undertaken when the results appear 'inconvenient' to the conclusion, which can then dismissed because they are not statistically significant. Results which support the author's view that gambling sponsorship has no effect and are not subject to the same statistical tests.

Additionally, the analysis looks at participation numbers, not problem gambling, harm, or impact on more vulnerable groups of people.

CONCLUSION

In short, the research uses the wrong kind of 'model' of how the impact of sports sponsorship works, and no meaningful assessment of harm. It misleadingly uses inappropriate data sets and selective statistical test to build arguments where there are none. The statistical analysis in the research pulls to mind the quote from former Prime Minister George Canning, "I can prove anything by statistics except the truth."

Examining the data provided in the research, the only supported results are:

- Sports betting participation (and as noted earlier, gambling companies GGY from football betting) has increased from 2012 to 2018. This matches the timeframe of the massive increase in gambling advertising spending and gambling football sponsorship. This suggests that gambling advertising and sponsorship influence betting participation.
- People who are "not a football fan" are much less likely to bet or be a SkyBet customer.

The first outcome is exactly what one would expect. No company would spend money on sponsorship and advertising with no return on investment. No advertising and marketing agency invest in any activity without metrics to say it works. To argue otherwise is to try and say that advertising does not work and that the gambling industry is spending a collective £1.5bn a year on advertising with no intent to see any return on that investment.

The second outcome is equally expected and has nothing to do with advertising or sponsorship.

Altogether this is a poor piece of research that does not manage to argue its points or make any valid conclusion. The only thing the research does is show the gambling industry's abuse of evidence and the influence of industry funding on research. It highlights the need for transparency in research, both in terms of funding and openly publishing work.