

Commercial Giving to Sport for Good

Over a period of two years, Made by Sport conducted and commissioned research into how British business engages with sport for good. Given the convincing evidence of the power of sport to improve the lives of young people, and the proportion of businesses which engage with charitable activities, the results were surprising:

The evidence shows that for every £1 invested in sports-for-good charities, £6 is returned in social value. Yet our 2021 Newton research showed that despite significant investment into sport sponsorship, and into other charitable activities, only 0.5% of CSR activity at FTSE 100 firms target sport for good charities.

Headline Findings

- We reviewed approximately 1,600 CSR activities of 25 FTSE 100 companies.
- Only 13 companies engaged with sport through CSR, and we only found 28 instances of engagement with sport through CSR by those 13 companies.
- Looking deeper into those 28 activities, 5 were sponsorship or personal engagement, and 23 were activities that included some element of philanthropy.
- Looking into the 23 philanthropic activities, 15 of them were aimed only at increasing participation.

Conclusion

THEREFORE, WE CONCLUDED THAT LESS THAN 0.5% OF CSR ACTIVITY OF FTSE 100 FIRMS FOCUSES ON USING SPORT TO ACHIEVE SOCIAL OUTCOMES

The Methodology behind these findings is available on request.

FTSE 100 Investment into Sport in More Detail

- Sport sponsorship is a massive business –over \$50 billion a year, but is mainly in large sums into the Premiership and other elite teams and events globally.
- Company sponsorship into grassroots sport tends to come from small local companies supporting small local teams.
- There are very few examples of big business funding the grassroots – and when there is (Active Kids for example) it is usually for participation-based programmes and not for those delivering social outcomes.
- There are very few examples of an elite sponsorship of a team also filtering down to the grassroots in that sport / area.
- Over the past 15 years the FTSE 100 seem to have recognised sport within their CSR activity – a 2015 research report showed that 92 of them recorded at least one CSR practice through sport.
- However, when you dig deeper into this, the way they engage with sport through their CSR doesn't actually always benefit sport at all and very rarely supports sport for good.
- Broadly speaking there are three models of CSR engagement through sport by the FTSE 100:
 1. Philanthropy
 - Donating money to charities such as Sport Relief (so to charity but not to sports projects).
 - Donating money to sports teams, governing bodies, building facilities, or donating sports equipment.
 2. Sponsorship – of competitions or events.
 3. Personal engagement – employees ie running the Marathon in support of charity, but rarely in support of a sports charity.
- So, it is fair to say that the FTSE 100 talk about their support of sport through their CSR but actually, in the majority of cases, they use sport as a vehicle to support other causes.
- And where they do use their CSR directly to support outcomes within sport, it's mainly for participation opportunities (with a small number focusing on health and education outcomes).

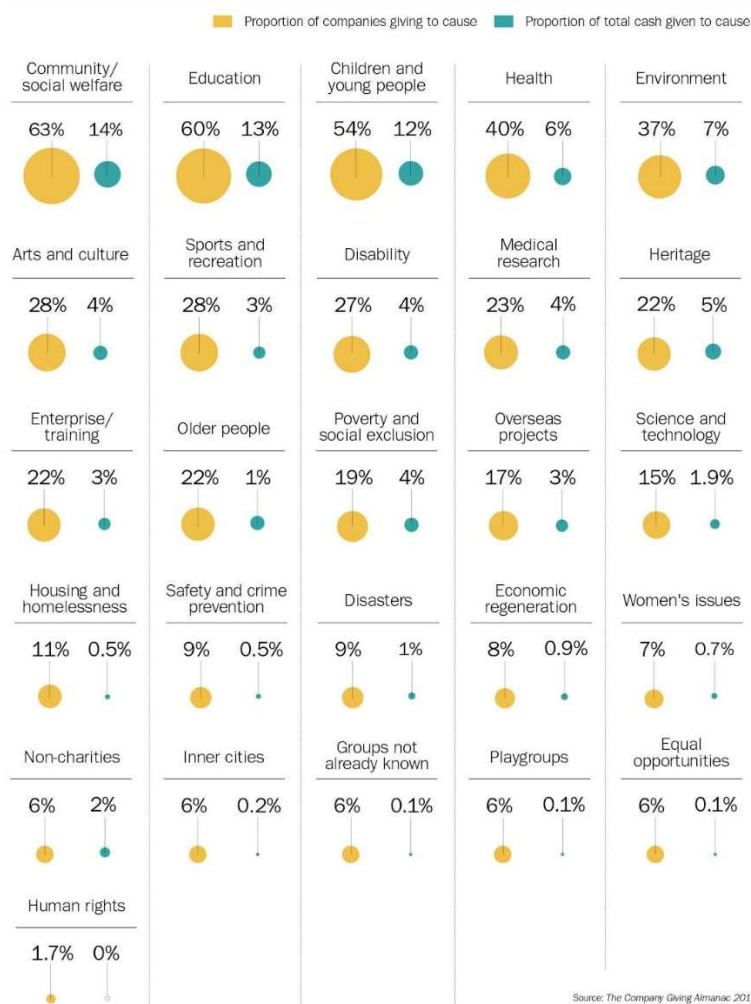
Other Useful Research

In addition to the research conducted by Newton on the FTSE 100, we also commissioned Keda Research to look more generally into commercial, charitable and public giving to sport for good.

Headlines from this research are as follows:

- Investing in sport for development can generate significant social return, with positive outcomes associated with physical health, mental health, education performance and reductions in crime. However, the **2019 CAF UK Giving Report found the sports and recreation category to be the least popular cause (2% of support), with the least amount of donations (1%) and the smallest median donations at £5.**
- **Many of the research reports on charitable giving do not even list sport as a category.** While there is evidence of the positive impact of grassroots / community sports programmes, this is not recognised as a distinct part of the voluntary sector.
- UK companies give £2.7 billion per year to good causes and are supportive of sports through sponsorship of high-profile professional events, as well as supporting their employees to be active and to use sport as a mechanism to fundraise for charity. However, a 2019 study on social return on investment in sport found that **despite 219 cases of employees fundraising through sport e.g. running a marathon, only 3 were to fundraise for a sports charity.** We believe there is a missed opportunity for companies to incorporate sport in their employee engagement programmes more strategically, where it can be the means for employees to fundraise, volunteer and to also be the cause that is funded to achieve a range of social outcomes for individuals and communities.
- The **Company Giving Almanac 2013 (no longer accessible) shows that 28% of companies support 'sport and recreation' causes but this category only receives 3% of the total cash given.** Support to other sectors is shown in the table below.
- Of companies supporting sport and recreation, 25% came from the consumer services sector, followed by 20% from the financial sector, 16% from the consumer goods sector and 15% from the industrial sector. Only 2% of companies supporting sport and recreation came from the telecoms and oil and gas sectors.

PROPORTION OF CASH GIVEN COMPARED TO NUMBER OF COMPANIES GIVING BY CAUSE



Conclusion

Made by Sport believe there is an opportunity to change the way the commercial world engages with sport and make it re-look at what CSR through sport actually means.

In order to achieve this, we hope that the sector can continue our work towards:

- Changing the perception of sport for development as something that companies and their employees can invest in.
- Packaging up the commercial benefits as well as the social benefits of investing in sport for development as well as professional sport, to encourage investment.
- Making the pathway to engage with sport for development easier.