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DRIVING ADDICTION: F1, Netflix and Cigarette Company Advertising **Executive Summary**



How much cigarette

company branding

are you exposed to?

Executive Summary

To ensure its survival, the tobacco industry needs to recruit new customers to replace those who quit or die; more than 8 million people are killed every year from tobacco use. Tobacco advertising is now restricted in many countries, leading the industry's marketers to find creative ways of reaching potential customers. Sponsoring Formula One, which is broadcast around the world and growing its audience, can help cigarette companies subvert national advertising restrictions.

Formula One is booming. Many races are setting attendance records and the sport is growing rapidly in the United States, a major market for the tobacco industry. The country will host three races in 2023 and sports channel ESPN, whose audience for Formula One races grew by 28% in 2022, agreed to pay a reported \$75 million* a year¹ to renew its broadcast deal for 2023-2025.

The audiences, however, are global. The Formula One Group reported a global TV audience of 445 million unique viewers in 2021, with an average of 70.3 million people tuned in to every race. The sport also boasted 49.1 million followers on social media, generating 7 billion video views. It claims to be the fastest-growing major sports league in the world.² The tobacco industry is along for the ride, benefiting

from F1's marketing strategies and growth. [In 2020, STOP reported a concerning increase in tobacco industry spending on F1 sponsorship](#), which had risen from historic lows to 9.4% of all team sponsorship by value, the highest share since 2011.³ This signaled the tobacco industry saw something new and valuable in F1 audiences.

[In 2021, STOP revealed efforts by F1 and, by extension, Philip Morris International \(PMI\) and British American Tobacco \(BAT\), to access younger audiences](#).⁴ Extensive use of social media promotion and involvement in esports helped the sport and its tobacco sponsors to reach more young people.

This report spotlights how F1's partnership with Netflix is delivering significant cigarette company branding into homes around the world, including in many countries where broadcast regulations prohibit tobacco advertising. Governments should remove the program to protect consumers from cigarette company marketing, to comply with a global tobacco control treaty and to enforce national advertising restrictions where applicable.

*Currency listed in U.S. dollars

Big Tobacco's newest marketing vehicle: Netflix

In 2019, the tobacco industry gained a new vehicle for promoting its brands and products: F1's partnership with Netflix and its hit series, "Formula 1: Drive to Survive." Both Ferrari's sponsor, PMI, and McLaren's sponsor, BAT, have been heavily featured in the series, with extended plotlines following the teams' drivers. Research suggests that PMI and BAT are reaching new audiences through the show, including people who don't otherwise watch F1 races.

In analysis undertaken for STOP, Formula Money found that cigarette company branding was present in about 33% of minutes broadcast in Season 4. In all, an estimated 1.1 billion minutes of footage streamed around the world contained tobacco-related content, with half of all episodes in Season 4 containing tobacco-related branding in the opening minute.

This tobacco-related content is concerning, given Netflix's global reach. The series, whose fifth season began on February 24, 2023, has been credited with bringing F1 to new audiences, including those that are targets of the tobacco industry, such as young people and women. Formula Money's research shows that "Drive to Survive" viewers were younger than F1-only viewers: About 16% of F1 fans are under age 34, while 46% of "Drive to Survive" viewers are under age 34. The show has also been credited with prompting a 30% increase in female interest in the sport.

Netflix also broadcasts the series in countries with laws banning tobacco advertising. In its quest to expand its markets and hook new users, the tobacco industry has arguably benefited from this added exposure. The popularity of "Drive to Survive" has given F1 sponsors, including cigarette companies, a big boost for their money.

Sponsorship spending—and cigarette company exposure—continues

F1's expansion into the Eastern Mediterranean region, China (though the Chinese Grand Prix is suspended until 2024⁵) and the United States aligns with the tobacco industry's playbook. Each of these

regions has been targeted by the industry with either cigarettes or newer nicotine and tobacco products.

The sport's successful expansion could be a key incentive for PMI and BAT to continue their F1 sponsorships. In the last year, PMI extended its lead as the biggest-spending cigarette company in F1 history. BAT looks set to become the second biggest spender of all time in 2023 if it does not reduce its spending this year.

While PMI did not advertise its products or corporate brand, Mission Winnow, on Ferrari team cars or livery in 2022, BAT charged full speed ahead. Vuse and Velo, its e-cigarette and nicotine pouch products, were the most prominent brands on the McLaren livery throughout the season. Branding for these addictive products appeared at 13 of 22 races—including in Mexico, despite the country having strong advertising restrictions. BAT also actively engages with F1 on social media and uses its F1 sponsorship to try to burnish its reputation by commissioning artists and engaging in corporate social responsibility initiatives related to the sport.

Conclusion

Formula One and its governing body, the Fédération Internationale de l'Automobile (FIA), have ignored public calls by STOP,⁶ civil society and youth organizations⁷ to protect young F1 fans and reject tobacco money. Alarm about youth uptake and addiction to electronic products,⁸ including those advertised through F1, is increasing, as have calls to restrict advertising and marketing of these products. Yet F1 continues to help cigarette companies advertise to millions worldwide, including to young people. By featuring tobacco brands in its coverage of F1, Netflix is complicit in extending Big Tobacco's reach.

It's now more important than ever for F1 to finally stop driving addiction and ban all tobacco sponsorship in the sport. Governments can pressure F1, particularly in places where races are held or broadcast. They can also enforce existing bans on tobacco advertising and sponsorship, including on social media and streaming platforms. Failure to do so creates the risk that every new fan of F1 may become a target for cigarette companies.

Key Findings

Formula Money researchers found that:

Tobacco sponsorship in F1 remains strong.

- BAT, which sponsors the McLaren team, is currently the third biggest-spending cigarette company ever at \$455.9 million. It looks set to become the second biggest spender of all time in 2023 if it does not reduce its spending this year. It is highly visible on the McLaren cars and livery and also actively exploits its F1 sponsorship away from the racetrack.
- Despite a reduction in spending, Ferrari sponsor PMI increased its lead as the biggest-spending cigarette company in F1 history. It is now estimated to have spent close to \$2.4 billion on the sport, more than half the total \$4.6 billion spent by all cigarette companies. Netflix's "Drive to Survive" helped PMI secure further coverage for its brands and messages in 2022 from its previous sponsorship expenditure.
- Cigarette companies spent an estimated \$40 million on F1 sponsorship in 2022. This is believed to be the lowest amount spent on F1 by cigarette companies since 1989. PMI's reduced spend is the sole factor, underlining the significance of PMI's spend in the sport.

F1 is expanding to audiences and regions the tobacco industry is keen to capture.

- The F1 calendar is rapidly expanding and will include 23 races for the first time in 2023. Four races will be held in the Eastern Mediterranean region and six in the Americas (three in the U.S., and one each in Brazil, Canada and Mexico).
- F1 is positioned to expand viewers in key regions the tobacco industry is targeting, including China, the Eastern Mediterranean and the U.S.
- Coverage of F1 returned to state broadcaster CCTV in China after shifting between channels for several years. The debut of Zhao Guanyu, China's first F1 driver, will likely boost this major audience.
- In the past two seasons, races have been added in Miami, Qatar and Saudi Arabia. Las Vegas is newly added for 2023.

Netflix is helping the industry reach younger people and women.

- Formula Money estimates that more than a billion minutes of viewed "Drive to Survive" Season 4 content contained tobacco-related branding.
- Half of all episodes of Season 4 contained tobacco-related branding in the opening minute of the broadcast, meaning that even viewers who turned off the show almost immediately were exposed.
- The branding featured in 33.4% of the show's total minutes broadcast of Season 4, so there is a one-in-three likelihood of a viewer being exposed to tobacco-related branding if they watch a single minute of the season.
- "Drive to Survive" reaches a wider audience than traditional F1 programming. Viewers are younger than F1-only viewers (46% are under age 34 versus 16% for F1), more affluent (69% earn more than \$100,000 versus 49% for F1) and are more likely to have children living at home (49% vs 21%).
- Each viewer is estimated to have been exposed, on average, to 34.7 minutes of programming containing branding related to a cigarette company.
- A single minute of historic F1 footage in Episode 6 featured five different cigarette brands: West, Gitanes, Rothman's, Camel and Marlboro.
- Exposure for tobacco brands looks set to continue with Season 5 of "Drive to Survive." Within the first five seconds of the 32-second teaser trailer, a Vuse e-cigarette logo is clearly visible on the sidepod of one of the McLaren cars.

Note: The content in this Executive Summary and report refers to tobacco company sponsorship in the 2022 Formula 1 race season and content streamed on Netflix during Season 4 of "Formula 1: Drive to Survive," which was broadcast in 2022 and focuses on events during the 2021 race season. In addition, it refers briefly to what is known about tobacco company sponsorship in advance of the 2023 race season.

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