

Retail Therapy:

Sportswomen in the Retail Game

2024

Transcript of Retail Therapy Episode 13

Nicola	Hello and welcome to our Retail Therapy podcast – I’m Nicola Conway – I’m a Senior Associate in Bird & Bird’s retail & consumer team. And today we’re talking about how, where and why the worlds of retail and women’s’ sports so often intersect, overlap and connect. And also, where the opportunities arise from this cross-over. I’m joined by Lereesa Easterbrook and Georgie Twigg who are two Senior Associates in our Sports Group in London and who also, together, co-lead of our Women’s sport practice. Would you like to both say hello and give a little intro?
Lereesa	Hello, very glad to be joining you today – I love both sport and shopping, so it really is the perfect podcast for me! I’m a Senior Associate in our Sports Group specialising in advising sports governing bodies and organisations on all kinds of regulatory and contentious matters from rule-drafting to regulatory challenges, disciplinary and safeguarding matters as well as more commercial disputes.
Georgie	Hi, I’m Georgie Twigg and I’m a Senior Associate in our Sports Group at Bird & Bird, focusing predominantly on commercial matters. Prior to being a lawyer, I was a professional sports person. And as Louise said, my two passions in life are sports and shopping. So delighted to be here today on your podcast.
Nicola	I feel like we all have that in common!
Lereesa	I know!
	Well welcome - It’s great to have you both on the podcast, I’ve been wanting to have you both on since about January when we did out 2024 predictions for retail and one of those predictions was that we would see continued and increasing synergies between the worlds of retail and women’s’ sport. And we particularly expected to see a fair bit of activity in the fashion and cosmetics sub-sectors of retail. So let’s start there - What are you each seeing in your worlds in terms of whether this prediction was right or wrong? Maybe we can start with you Georgie -

Georgie	<p>Yes well, I think we can safely say that the prediction was definitely a correct one. If we start by looking at influencers, for example, we're noticing brands pivoting way from working with more typical celebrity influencers and towards collaborating instead with female sporting ambassadors. And I think the reasons for this are that athletes are often perceived as quite trustworthy brand partners, and they also often have a loyal and more engaged fanbase. They're also generally considered to be more authentic across their social media, particularly when we look at female athletes out there. And that's an increasingly important consideration for retailers – to think really carefully about who they collaborate with – because as we have all seen in the past, some partnerships haven't always had the desired effect in the past when influencers or collaborators haven't really represented them well.</p>
Nicola	<p>100% we've seen in our commercial contracts practice the importance of not rushing to enter into a contract with an influencer or a brand ambassador because if you don't have watertight contractual provisions in place then you might not have enough control over what they post online or otherwise say about and how they use your name. This is quite a big issue reputationally, but also because when a brand ambassador does something wrong then both the brand ambassador but also the brand behind them can get into hot water with the regulators. And it's potentially reputationally damaging for both parties too.</p> <p>And another thing to keep in mind is that if you don't have a good contract in place, it can also mean that it's not that easy to get out that, or at least not cheap to get out of, when you want to.</p>
Lereesa	<p>Yeah, and another thing that creates risk is that – even when you can get out of that relationship – you have to remember from a reputational perspective that everything that the influencer has ever said about your brand but also about every other brand they've worked with can probably still be found online. And it's not always going to be positive if you haven't chosen a person carefully. So if you're a brand, it's much better to take more caution when choosing your brand affiliates in the first place and choose someone who aligns with the reputation and values of your brand. And for the reasons that Georgie said just now, a lot of the time now we're seeing that selection being in the athlete pool.</p>
Georgie	<p>And I guess, you know, going on from that, the reputational risks can also run both ways – if you're an athlete then you want to make sure that you are partnering with a brand that aligns with your own values and that will enhance your own brand and reputation and not be a cause of controversy.</p>
Lereesa	<p>Absolutely. That point about controversy immediately makes me think of the recent Bluebella #StrongIsBeautiful lingerie campaign featuring three of the Team GB rugby sevens Olympic squad. In the advert, the athletes are wearing quite sexy underwear paired with rugby boots and socks while playing rugby, and there has been a huge amount of public backlash and controversy surrounding that advert. So, you know, women's sports advocates like Martina Navratilova have labelled the campaign "regressive and sexist" and the charity Women In Sport criticised the campaign as being "highly sexualised" and have said that women don't need to be pretty on the pitch.</p> <p>Now obviously, there are two sides to every story. Blue Bellas defended the campaign. They've said the aim of it is to celebrate and normalise the beauty of strong and powerful bodies. But, you know, many do simply see it as reinforcing the idea that women need to be seen to be sexy even when playing sport.</p>

Nicola	<p>It's interesting isn't it because on the one hand we do want women in sport to be celebrated but it's very subjective in terms of what people think that looks like. And thinking more broadly I guess another takeaway from that is that a brand can't just get female athletes on board and expect automatic success – they really need to think carefully about how they're featuring that athlete in their campaign and more generally what the tone and messaging of the campaign as a whole comes out as.</p>
Georgie	<p>100% agreed, Nicola. And while it doesn't look like anyone has sought to criticise the athletes themselves for being part of the campaign and it seems that the athletes did believe in the message behind the campaign, some people have highlighted how some female athletes might not feel they can readily turn down offers from brands or have much creative say over the content of a campaign in circumstances where many sports-women are not high-earning and rely heavily on sponsorships and other commercial revenue as their main source of income to a much greater extent than many male athletes.</p> <p>There was also the controversy over the US Olympic kit for Paris when it was revealed to the public as the women's competition wear was fairly skimpy and high cut. I don't know if you both saw that. This highlighted the importance of getting athlete input into performance wear and making sure that performance wear is genuinely designed for performance purposes.</p>
Nicola	<p>Well, I think that's a key point isn't it. Women in sport need kit that's functional and designed for performance and comfort. So whilst they might be asking for something different to just being made to wear men's kit, as they've had to do in the past, they're not at the other extreme asking to be sexualised.</p>
Lereesa	<p>Yeah, I think that's a really important point. And there is a real issue in the availability of certain female specific sports kit so that is another retail issue that is crossing over into the sports sector. So I've seen in a recent questionnaire conducted by the BBC on elite female British athletes, it found that the majority of the equipment those athletes used was not specifically designed for women and instead was just a smaller version of men's kit, which doesn't take into account the differences in women's bodies.</p>
Nicola	<p>Yes, that is definitely an area of criticism that sports manufacturing brands and retailers are facing currently. I think female football boots is something that often crops up as being a problematic item of kit</p>
Lereesa	<p>Yes, that's right. I think the first models only came onto the market a few years ago and even now many retailers don't stock them and the few options that are available are priced very highly. So they're not necessarily that accessible. And that's having negative consequences.</p> <p>A recent survey of female footballs at top European clubs also found that more than 80% suffered with regular discomfort because of their boots, which is quite shocking really. The lack of female specific football boots has also been linked to the disproportionately high number of ACL injuries in the women's game showing how crucial it is to design sports kit that is specifically tailored for elite female athletes and women wanting to participate in sport more generally.</p> <p>And football boots aren't the only thing. There are things like protective wear in combat sports like gloves and guards not being properly designed for women and even where the piece of clothing is a specifically female item, like a sports bra, many women are still finding it difficult to find a good quality</p>

	sports bra. So there are a number of issues when it comes to female sportswear.
Georgie	Similarly, I think sport's governing bodies are also realising that it is time to rethink female sports kit given the fairly archaic rules in place requiring female athletes to wear certain items when competing even if they are not necessarily the best for their performance. We have therefore seen some really positive changes in this space recently, such as the All England Club relaxing its rules on white kit for females and England Hockey and the FIH changing their regulations so that female hockey players can choose whether or not to wear skorts or shorts when competing. And I loved seeing out in Paris at the Olympics, the GB women's team are now wearing a combination of skirts and shorts out on the pitch, which is fantastic to see.
Nicola	I think there's clearly a long way to go, but I think at least sports manufacturers and retailers and regulatory bodies, et cetera, are becoming more alive to the issues here. And it does sound like some progress is being made, which is great to hear. Since we've already touched on the topic of brand ambassadors, I wonder if we could pivot slightly onto brand sponsorships as well.
Georgie	Yeah, definitely. I think, you know, given the rise in popularity and exposure in women's sports, we're seeing a huge amount of new categories of sponsors in the sports sponsorship market, and one of those being retail and cosmetic brands. You know, I think this is happening because the women's sport audience has been found to be different to a typical men's sports audience. And this therefore opens up a different demographic for brands to target. Therefore, brands that typically may have avoided the sports-sponsorship market are now getting involved and realising that sport can open up a wide range of areas for retail and cosmetic brands to tap into. A further appeal to brands is that due to the fact that most women's sports are still growing, it also provides brands with the opportunity to have greater flexibility (than they would with the male equivalent) to be creative with the sponsorship and activations and to work more closely with the relevant athlete/club/team to get the most out of the sponsorship for everyone involved.
Nicola	I did see the Il Makiage's partnership with Arsenal Women. And also I see a fair bit of this in the luxury tier, where sponsorship models are huge. I read the other day that Emma Raducanu's list of sponsors is worth £9m and she's got some amazing luxury brands behind her like Dior and even Porsche. What other are some of the sponsorship examples that we've been seeing recently?
Lereesa	Yeah, so I think luxury brands are definitely becoming more interested in sports and following the trend that luxury watch brands have been doing for a long time. If you think of Roger Federer and Rolex and Longines and Equestria in sports. In terms of some of the more recent sponsorship examples we've been seeing, Formula One, they recently announced a landmark partnership with Charlotte Tilbury, which will see the brand become an official partner of the F1 Academy, which is an all-women junior series, Joie acquiring the stadium naming rights for the Manchester City women's team stadium, Glossier partnering with the WNBA, and even the upcoming Olympic Games will feature LVMH-sponsored athletes for the first time. And I think these sponsorship collaborations can have really good benefits both ways. So for the brands, it widens their consumer base, but the brands themselves provide teams and players with exposure to much bigger and more diverse audiences. And that can help them attract a wider fan base. It can positively impact the image of the teams and players and increase fan engagement too. So a positive continuing cycle there.

Georgie	Yeah, and it's fantastic to see. And within our sports practice at Bird & Bird, we're regularly advising our sports clients on how to structure their commercial rights programme, then the drafting and negotiation of those contracts and finally the implementation of them. We've certainly seen a shift from women's rights just being a tag along to the men's rights and rightsholders considering whether or not to unbundle the women's rights from the men's. Even if those rights aren't being unbundled, we are at least seeing that the rights associated with women's teams are now being valued accordingly and so if a sponsor is buying a package of rights for both men's and women's teams, it will be clear what value is attributed to each property.
Nicola	Good stuff – ok – so other than sponsorships...Lereesa, I wonder if I could pass back to you, what else are you seeing retail-wise that's crossing into the women's sports sector?
Lereesa	<p>Well, I think, as you mentioned earlier, Nicola, that there can be overlap with sports and cosmetics. We're seeing lots of brands creating or adding to sport-focused product lines. In cosmetics, for example, these are more waterproof SPF products for outdoor sports, waterproof mascaras marketed to swimmers, lots of supplements for athletes generally, as well as more post-workout products, both for athletes and other people wanting to participate in sport and exercise more generally.</p> <p>There's a lot of opportunity but I know that it can also be an area that could be fraught with legal risk, which I think is something that you advise on quite regularly, isn't it, Nicola?</p>
Nicola	<p>Yeah, we do a fair bit of advisory on this. Your point on cosmetics is definitely pertinent for our consumer work at the moment because regulators are really cracking down on companies who make unsubstantiated health claims. Where we see brands fall into hot water is where they make medicinal or physiological claims where a cosmetic claim is more accurate and appropriate.</p> <p>Let me give you an example – there's a big difference between saying that "this product re-builds your muscles post-workout" versus "this product soothes tired muscles post-work-out". The first is a medicinal claim and if you want to make a medicinal claim to say "this product literally re-builds or re-constitutes your muscles" you have to hold good scientific evidence that that product really does that. And you also have several other hurdles that you'd have to leap over before you could make a claim like that. The second -saying this will soothe tired muscles- that's a cosmetic claim which is much less barbed to make. The distinction might sound small but it's actually really important because if you are making unsubstantiated medical claims then you'll be at risk of regulatory investigation and possibly enforcement actions which you just really don't want. So when you're making claims about products that overlap into the sporting sphere, you just need to take extra care with any claims that you're making.</p>
Georgie	Yeah, and I guess that's the case with marketing sports supplements as well as just your cosmetic products. So moving away from cosmetics then and looking more at fashion, I think another thing that comes to mind when thinking about what crosses over into the sports sector is, a lot of retailers who haven't traditionally been associated with sports are adding sports lines. So examples that spring to mind include H&M, Uniqlo, even Tesco's. They haven't traditionally been known for sportswear, but they're making good headway in that space.
Lereesa	Yeah, definitely. And Uniqlo, for example, sponsors some really top athletes. So they're really going hard in that area. And on the flip side as well, you're

	<p>seeing lots of sports companies are adding fashion lines. So you've just got everyone from high street to high end to professional sportswear companies. They're all offering some sort of workout gear or athleisure wear.</p>
Nicola	<p>I can't believe how much Lacoste fashion we've seen at the tennis this year! I do love all of their stuff, and I'm a big fan of athleisurewear generally, so happy to see it.</p> <p>So my next question is - why do we think on the whole the retail and sporting worlds lend themselves so well to collaborations and overlaps?</p>
Georgie	<p>I think it's just that they're both consumer industries at the core. You know, their consumers are at the heart of the product. And the average consumer who has disposable income to be shopping things like beauty or fashion, probably also either plays a sport or has a gym membership or is interested in sport. So, you know, whilst they're shopping, it makes sense that they would buy and invest in that. And there are a lot of cross selling opportunities, I think.</p>
Nicola	<p>I think that's right – I joined the Third Space gym this year and they're really smart, they always have cute gym wear to buy in the lobby of the gym and I always see people stopping to browse on the way in and out so I'm sure they must be making good sales there.</p> <p>Sticking with gyms actually, obviously post-pandemic lots of people are relishing the opportunity to get back into gyms and yoga spaces and spinning studios and whatnot, and enjoying the social and community aspects of working out again. Do you think with gym memberships rising, we'll see fitness app subscriptions becoming less popular?</p>
Lereesa	<p>Yeah, I do think so. I mean, I think it's fair to say that one of the main drivers of why online or app-based fitness has been so popular recently or in recent years is because of COVID, because that took away a lot of other in-person options. But now we're back to normal. We're seeing lots of gyms, particularly luxury gyms, I think, like Third Space, like Equinox, spring up really fast. You know, I live in southwest London, and they've set up new Third Spaces in Wimbledon. There's one opening in Clapham Junction. So they really are everywhere. And I do think that means that a lot of people will cancel their independent fitness app subscriptions because they prefer to work out in a gym, particularly if it's a nice one. I know I would. And secondly, because most gyms now offer an app and online workouts as part of their overall membership as well. What do you think about that, Georgie?</p>
Georgie	<p>Yes. I know I do agree. I think with the general trend, I think the one caveat is, I think whilst fitness app subscriptions will dip, I don't think that they'll completely fail. And I think there is a market for them still simply because there will always be segments of society who really do just prefer to work out at home, or they just lead really busy lives, and it's just so much easier to wash out a gym session at home than traipsing to their gym or heading off to a class. And during COVID, lots of people invested in a home workout kit in their homes, and things like peloton bikes and things. So I just can't see it completely being extinguished. But yeah, certainly agree that the trend is that people are wanting that community space, going in person to go and get their exercise.</p>
Nicola	<p>All very valid points and to be honest good to hear that there's a place for both options co-existing so that there's something for everyone whatever your lifestyle or schedule looks like.</p>

	<p>Ok well I wish we could talk for longer because I do have other questions for you, but it is about that time! So let's close the episode with our fun little question – Georgie and then Lereesa - what's something that you purchased or were gifted recently that you love?</p>
Georgie	<p>Well, very excitingly, a new pram arrived at the weekend because we are expecting a little arrival at the end of September. So that was very fun getting that all out and working out how it all works and it's so yeah, exciting times.</p>
Nicola	<p>Georgie, have you seen those prams that you can jog with?</p>
Georgie	<p>Well, I know the three wheelers are meant to be very good for that. My husband has asked, but I mean, we live in a flat in London. We do not have space for more than one pram. So I had to put my foot down.</p>
Lereesa	<p>And I actually bought a couple of Sweaty Betty Sports Bras very recently. And I love them because they look nice, but they also provide a good amount of support. So when you're doing things like running or like playing tennis, they're really good for that. So I'd highly recommend. What about you Nicola?</p>
Nicola	<p>I haven't tried those, but I will. I've got a really nice zip up from there. So I should have a look at some of their other lines. But kind of on the same theme of this podcast, I have been really liking for a post-workout shake the Natural Kitchen Protein Powder. I like the Vanilla Flavour best. I don't know if this brand is independent from or somehow connected to Third Space but anyway it's sold in Third Space gyms. And if you mix it with blueberries and a tiny bit of almond butter and then whatever milk or liquid you prefer, it really tastes like blueberry muffin batter. So, so delicious.</p> <p>Alright that's the end of our episode – thanks for joining us! If you'd like to join us for more Retail & Consumer discussions, don't forget to subscribe or follow wherever you listen to your podcasts so that you're notified when the next episode goes live. Bye for now!</p>

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