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TOBACCO MARKETING: WHAT'S IN STORE IN 2014

For most people, addiction to tobacco starts during their teenage years: nearly 90% of adult cigarette smokers report that they started smoking before turning 18.¹ That's definitely not news to the tobacco industry. As Philip Morris researchers noted in 1981: "Today's teenager is tomorrow's potential regular customer. And the overwhelming majority of smokers first begin to smoke while still in their teens."²

So how are kids influenced to use tobacco in the modern retail world? As noted in the 2012 Surgeon General's Report, "...promotion and advertising by the tobacco industry causes tobacco use including its initiation among youth."¹ But in case you're not one for proclamations, we hope our brief review of tobacco marketing, past and present, will give you better purchase on the issue.

GETTING RIGHT TO THE POINT (OF SALE)

Billboards and T.V. ads for cigarettes may be a thing of the past, but tobacco marketing occurs every day in stores.

Then: (As articulated by Philip Morris in 1995) "...as of 1996, the primary point of communication between ourselves and our consumer will be inside a retail outlet...In-store POS [point-of-sale] material, discounted stock units, on-pack premium offers, strategically located stock displays in-store (as well as in windows and showcases), need to be dominated by PML [Philip Morris Limited]."³

Image 1. Grab a pack of smokes at the check-out counter.



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Now: The tobacco industry spends more than \$8 billion nationally on cigarette advertising and promotion in tobacco retail stores, which equates to \$1 million per hour and represents 96% of total expenditures on advertising and promotion.⁴

Okay, so tobacco marketing occurs in stores. What does that have to do with kids?

IN-STORE ADS, PACKAGING AND PLACEMENT

Then: (1970 tobacco industry) "We have been asked by our client to come up with a package design... a design that is attractive to kids... While this cigarette is geared to the youth market, no attempt (obvious) can be made to encourage persons under twenty-one to smoke. The package design should be geared to attract the youthful eye... not the ever-watchful eye of the Federal Government."⁵

Now: Tobacco products sold in stores vary widely in sizes, shapes, colors, flavors, and prices. They're often displayed at young kids' eye level (three feet or lower) and placed near candy⁶ (Image 1). Stores that teens shop at the most have been found to contain more tobacco advertising than stores less frequented by teens.⁷ And a study of retail outlets in California found that, on average, stores had 25 pieces of in-store cigarette advertisements.⁸

Several studies show that exposure to in-store tobacco marketing of various types increases the likelihood that youth will initiate smoking and progress from experimentation to regular smoking^{9,10}; kids with the most exposure are the most likely to start and continue smoking.^{1,11,12}

In 2013, seven out of ten Oregon 11th grade students and six out of ten 8th grade students reported seeing an advertisement for tobacco products on a storefront or inside a store.

KID-FRIENDLY FLAVORS

Then: (1972 tobacco industry) "It's a well known fact that teenagers like sweet products. Honey might be considered."¹³

Now: Cigarettes are available with menthol flavoring, and other tobacco products, like e-cigarettes and little cigars, are available in hundreds of flavors. These include kid-friendly options, such as strawberry, chocolate, Cap'n Crunch®, and Gummi Bear® (Image 2).

Image 2. What is your favorite flavor?



While use of cigarettes among youth is declining, use of little cigars and e-cigarettes has remained steady or increased. In Oregon, use of non-cigarette tobacco products among 11th graders is twice that of cigarettes (18 percent use non-cigarette tobacco products; 9 percent smoke cigarettes). Use of e-cigarettes among high school students more than doubled from 2011 to 2013, increasing from 2 percent to 5 percent. About 8% of 11th grade students in Oregon smoke cigars, which are often flavored, and half of youth cigarette smokers are smoking menthol-flavored cigarettes.

STORE LOCATION AND DENSITY

Then: (1978 tobacco industry) "Our profile taken locally shows this brand



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[Newport] being purchased by...young adults (usually college age), but the base of our business is the high school student."¹⁴

Now: Research has shown that stores close to schools have more exterior tobacco advertising than stores further away.¹ Youth who live or go to schools in neighborhoods with the highest density of tobacco outlets (or with the highest density of retail tobacco advertising) have higher smoking rates compared to youth who live or go to schools in neighborhoods with fewer or no tobacco outlets.¹

PRICE

Then: (1994 tobacco industry) "...as we have seen, there is a direct correlation between youth smoking and tax increases..."¹⁵

Now: Price discounts and promotional allowances (paid to retailers, wholesalers, and others by the tobacco industry) totaled nearly \$7.8 billion in 2011 (92.7% of total U.S. cigarette advertising and promotional expenditures).⁴

Coupons. Pricing and promotions make tobacco products cheaper and more accessible, particularly for the most price-sensitive customers, including youth.¹ In Oregon in 2013, one-in-four young tobacco users reported receiving a tobacco coupon in the mail or over the Internet. In addition, one-in-four young adult tobacco users reported purchasing tobacco products using a tobacco industry coupon (Image 3).

Free Samples. Sampling allows young people to try tobacco products with no cost barrier. While Oregon law prohibits distribution of free tobacco products to people <18 years old, and free samples of smokeless tobacco to anyone <21 years (or distributed in any area in which people <21 years

Image 3. There's a coupon for that.



are allowed), currently, there is no such restriction on sampling of e-cigarette liquids.

FOR MORE INFORMATION

- Oregon Public Health Division's Tobacco Prevention and Education Program's web site: <http://public.health.oregon.gov/PreventionWellness/TobaccoPrevention/Pages/index.aspx>

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