

POSITION STATEMENT

Advertising and display of tobacco products in retail outlets



Summary statement

Tobacco is a unique consumer product. When used as intended on a long term basis, it causes the death of a majority of its users. In addition, it is addictive to users, so many have great difficulty ceasing use once established. As well as being harmful to users, it is an unacceptable hazard to others who are exposed to tobacco smoke. The dangerous nature of tobacco smoking justifies restrictions on its distribution and sale as well as the elimination of its advertising and promotion.

With the gradual increase in restrictions on the advertising of tobacco, retail outlets have become the main place where it is promoted. Some state and territory governments have recently moved to ban or severely restrict both the advertising of products at the point of sale and the size or type of product display permitted.

Ensuring that tobacco products are not advertised or displayed at retail outlets is part of a comprehensive approach to reducing the harm caused by tobacco. Banning point of sale advertising and display will reduce the uptake of tobacco by young people, assist recent quitters in avoiding relapse, and will signify that governments and health authorities take the dangers of tobacco seriously.

Recommendations

1. Australian Governments should legislate to eliminate all remaining forms of advertising of tobacco products at retail outlets.
2. Australian Governments should legislate to ensure that tobacco products are not displayed at retail outlets. This ban should include cigarettes, cigars, papers, filters and other items primarily designed for use by tobacco smokers.
3. Information displayed at tobacco retail outlets should be limited to a factual list of products available and their price. In addition, retail outlets should be required to prominently display a health warning advertisement and information on a readily available source of information on smoking cessation.

Two groups are likely to be the beneficiaries of eliminating point of sale advertising and display:

- Young people at risk of beginning to smoke
- Ex-smokers who have recently quit and may be influenced to start smoking again.

Background

In addition to the growing body of research on the marketing and promotion of tobacco products, much of the tobacco industry's own marketing research and strategies have become available as a result of documents released following litigation in the United States. Both sources are used in the review below.

Retail settings are the main channel of tobacco promotion in Australia

As restrictions on the advertising of tobacco in mass media and public places have increased in Australia, the retail setting has come to be the main way tobacco is marketed. Tobacco products are very widely available in supermarkets, convenience stores, tobacconists, licensed premises, gambling venues, service stations, through vending machines, and many other outlets. The tobacco industry has concentrated its large marketing spending on these retail settings. This mainly takes the following forms:^{1,2}

- Retailer rewards, retailer loyalty programs, rebates, and price supports
- In store display hardware and assistance with point of sale marketing
- Corporate advertising and alliance building.

“Retail marketing is therefore no longer the support mechanism, [but] the primary communication vehicle” (Philip Morris Australia).³

Tobacco packs are a form of advertisement

Tobacco packaging has become a central part of industry marketing strategy.

“The primary job of the package is to create the desire to purchase and try.”(Report to Liggett and Myers).⁴

As a consequence, packaging is carefully engineered to appeal to the industry's intended market segment and to convey the brand personality and qualities to intended targets. For example, light colours, especially blue and pastel shades, are universally used to signify the so-called low-tar “light” or “mild” brand variants. Green shades are often used for menthol variants to convey the concepts of freshness and mint flavour.

All tobacco companies segment their market and are aware that brand choices are made early in the life of a smoker. Since smokers almost universally begin smoking in adolescence, packaging that appeals to youth is critical.

For example, a Liggett and Myers document stated:

“16-21 – the formative years; smoking starts and brand preferences are developed”.⁵

Brands are constantly tested for acceptability by young people and innovations are designed to ensure they maintain their appeal amongst a group where fashions change rapidly. Similarly, packaging designed to appeal to women has been carefully developed. Cigarettes are often packaged in slim long packs, with pastel colours or extensive white space used to appear sophisticated and feminine.

“Some women admit that they buy Virginia Slims, Benson & Hedges etc when they go out at night to complement a desire to look more feminine and stylish. ...more fashionable feminine packaging can enhance the relevance of some of our brands”.⁶

A further illustration that packaging is a form of advertising is shown in the use of coordinated displays of packs or cartons. Collectively these are designed to form something approaching a billboard or poster when assembled on mass.

“An integrated package design can provide for a greater in-store presence. One package or a carton colour with integrated bulls-eye design can better compete as a family in today's cluttered in-store environment” (Lucky Strike marketing proposal).⁷

Pervasiveness of product display enhances acceptability

Tobacco products are available in a greater number of retail outlets than almost any other consumer product. In these outlets, they are also typically the most prominently displayed items, at eye level and close to cash registers or service points.⁸

This pervasiveness and regular exposure ensures that young people are familiar with packaging and images of brands well before they begin smoking. The extensive display helps tobacco to appear as a familiar, acceptable and normal retail product and lowers the barriers to purchase by new smokers. This acceptability to young people is further enhanced by placement of tobacco close to stock of toys, snack foods, confectionery and other items designed to appeal to young people.

Widespread display of tobacco products reinforces the attitude that tobacco is a normal, acceptable, product and that smoking is a harmless habit. Ensuring that tobacco products are not on display will help to change attitudes to smoking and make it clear that governments and health authorities take the hazardous nature of tobacco seriously and are determined to take strenuous measures to discourage it.

Displays may trigger relapse

In addition, displays make relapse more likely by those who have quit smoking. The sight of cigarettes may trigger cravings amongst recent quitters and lead to impulse purchase and subsequent relapse.

Tobacco industry and retailer claims disputed

The tobacco industry claims that it markets its products to adults only with the intention of promoting brand switching. Widespread retail displays are incompatible with this claim. Universal display must mean continuation of universal marketing, since virtually all members of the population are exposed to pack displays on a regular basis, not just smokers.

Evidence from a study in the USA indicates that adolescents who reported seeing retail marketing at least weekly were more likely to have experimented with smoking. The same study found that cigarettes were marketed more heavily in stores where adolescents shop, especially brands most popular with adolescent smokers.⁹

Evidence also shows that there is a very high level of brand loyalty among smokers and that nearly all know in advance what brand and variant of tobacco they plan to buy before going into a retail outlet.¹⁰ It follows from this that display of products is not necessary for the overwhelming majority of smokers. A price board of limited size listing available lines is sufficient for nearly all to make purchases without further assistance.

Approximately 15% of smokers do not smoke every day. This group includes new recruits who have not yet become regular smokers, those whose smoking is triggered by situations (e.g. weekend/social smokers) and those trying to quit. These groups are more likely to be triggered to buy through products on display and to do so impulsively.

Limited display as an alternative

Some state and territory governments have moved to restrict the area of tobacco product display or the number of packs of each line permitted to be on view. Evidence indicates that tobacco companies and retailers make strenuous efforts to circumvent or flout such provisions,¹¹ so they cannot be supported. Continued display in any form will perpetuate the perception that tobacco products are socially acceptable and like any other consumer item, despite being the only product that used as intended, kills almost two out of every three long term customers.¹²

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