

## Tobacco Advertising



Promoting A Future Without Tobacco  
11th World Conference on Tobacco OR Health

***Younger adult smokers have been the critical factor in the growth and decline of every major brand and company over the last 50 years... Younger adult smokers are the only source of replacement smokers... If younger adults turn away from smoking, the industry must decline, just as a population which does not give birth will eventually dwindle.*** ("Young Adult Smokers: Strategies and Opportunities," R.J. Reynolds Tobacco Company internal memorandum, 29 February 1984)<sup>1</sup>

***Today's teenager is tomorrow's potential regular customer, and the overwhelming majority of smokers first begin to smoke while still in their teens... The smoking patterns of teenagers are particularly important to Philip Morris.*** (1981 report by researcher Myron E. Johnson, sent to Robert E. Seligman, Vice President of Research and Development, Philip Morris)<sup>2</sup>

With millions of their customers either dying from tobacco-related illnesses or quitting each year, it is crucial for the financial health of the tobacco industry to keep recruiting new smokers. Since studies show that the majority of smokers begin before the age of 18, the logic of the industry dictates that it must somehow reach young people.

Each year, the tobacco industry spends billions of dollars around the globe on advertising, marketing and promotion. In the United States alone, with less than 5% of the world's smokers, tobacco companies spent over \$5.6 billion on advertising and promotional expenditures in 1997.<sup>3</sup> Recently disclosed industry documents reveal that the companies have carefully studied the habits, tastes and desires of their potential customers – including women, children and other historically low-smoking groups – and then used that research to develop products and marketing campaigns aimed at them.

### Studies Show That Advertising Increases Consumption & Appeals to Young People

Despite industry denials, the overwhelming majority of independent, peer-reviewed studies show that tobacco advertising leads to an increase in consumption.<sup>4</sup> Tobacco advertising also has a powerful effect among young people. Studies have shown that tobacco promotional activities are causally related to the onset of smoking in adolescents and that exposure to cigarette advertising is predictive of smoking among adolescents. Research has also shown that following the introduction of brand advertisements that appeal to young people, the prevalence of

use of those brands, and even the prevalence of smoking altogether, increases.<sup>5</sup>

- In the United States, an estimated 86% of U.S. teenagers who smoke use the three most heavily advertised brands – Marlboro, Camel and Newport – even though these brands constitute only 30% of the U.S. adult market.<sup>6</sup>

### Advertising Bans Reduce Tobacco Use While Partial Bans Have Proven Ineffective

- In four countries where advertising bans have been introduced as part of a comprehensive tobacco control policy (Finland, France, New Zealand and Norway), a recent study showed that per capita consumption of cigarettes dropped by between 14% and 37% after the implementation of the ban. Smoking prevalence among young people declined in three of the four countries and remained stable in the fourth.<sup>7</sup>
- A 1999 study published by the U.S. National Bureau for Economic Research examined data from 102 countries and found that partial bans were ineffective in reducing tobacco consumption. It found that per capita cigarette consumption in countries with comprehensive bans declined by about 8% while consumption rates

in countries without such bans declined by only about 1%. Furthermore, the rate of decline in smoking was much steeper in those countries with relatively comprehensive bans.<sup>8</sup>

Both the World Health Organization and the World Bank recommend that countries prohibit all forms of tobacco advertising and promotion. Such bans, if adopted globally, could reduce worldwide demand by around 7%. However if governments only ban tobacco advertising in one or two media, the industry will simply shift its advertising expenditures, with no effect on overall consumption.<sup>9</sup>

A number of governments have banned all forms of tobacco advertising, while others are instituting tough restrictions:

- Australia, Finland, France, Italy, New Zealand, Portugal, Singapore and Thailand, among others, have banned all tobacco advertising, promotion and sponsorship.
- In June 1998, the European Union agreed to phase out all direct and indirect tobacco advertising by 2006.

### Tobacco Companies Have Found Ways Around Partial Advertising Bans

As more and more countries impose total or partial bans on tobacco advertising, the industry has been adept at finding creative new ways to publicize their brands, especially with young people. Such "indirect advertising" methods include:

**Sports Sponsorship:** The tobacco companies link their products with health and athletic prowess, and reach a large number of young people, by sponsoring sporting events and teams.

**Promotional Items:** Tobacco companies put their cigarette logos on t-shirts, hats, backpacks and other consumer items popular with children. Such practices circumvent advertising restrictions and turn the wearers into walking billboards.

**Brand Stretching:** Tobacco companies are now moving beyond traditional promotional items to the marketing of other products with a shared brand name, such as Marlboro Classics clothing, Salem Power Station music stores and Benson & Hedges coffees and coffee shops. These new marketing ventures are designed to keep promoting tobacco brand names even when tobacco advertising is banned.<sup>10</sup>

**Samples:** In many countries, the companies give away free samples in areas where young people gather, such as at shopping malls, rock concerts and discos. Giving away an addictive product costs them little, and ensures them a steady stream of new customers.

**Entertainment:** The tobacco industry sponsors discos, rock concerts and other events popular with young people, and has encouraged the positive portrayal of smoking in movies. They have also begun to rely on global satellite, cable and internet advertising to circumvent national ad bans.<sup>11</sup>

### Tobacco Companies Will Fiercely Resist Attempts to Restrict Advertising

- The tobacco industry will lobby hard to defeat efforts to restrict advertising. In Argentina, for example, Philip Morris defeated a government effort to ban tobacco advertising and promotion by secretly orchestrating a campaign by advertising agencies and sports figures.<sup>12</sup>
- To undercut political support for strong marketing restrictions, tobacco companies will often offer to adopt voluntary codes of conduct which appear to offer significant concessions. However, these proposals are usually designed for public relations purposes, are rarely followed, and, once political pressure is reduced, are quickly ignored.<sup>13</sup>

### Tobacco Industry Arguments Against Advertising Restrictions

Tobacco companies consistently predict that ad bans will have severe economic impacts on advertisers, the media and the economy as a whole. In most cases, however, tobacco advertising constitutes a small percentage of total advertising revenue, minimizing the economic impact on media outlets currently accepting tobacco ads.

- Hong Kong imposed a total ban on tobacco advertising on television and radio in 1990. By 1996, advertising revenue at the two main television stations had increased more than 500%.<sup>14</sup>

- Thailand introduced a total ad ban in 1992, yet overall ad spending increased by 42% between 1993 and 1995.<sup>15</sup>

The tobacco industry also often invokes its right to "freedom of speech", arguing that any product that is legal to sell should be legal to advertise. Yet in most countries there are numerous precedents for prohibiting the promotion of certain harmful products. Around the world, governments have regularly banned or restricted advertising for other legal products, such as pharmaceuticals or alcohol.<sup>16</sup>

### Resources on the World Wide Web

ASH-UK, "Banning Tobacco Promotion: Ethical and Civil Liberties Issues," (November 1997)  
<http://www.ash.org.uk/papers/ethics.html>

Clive Bates and Luk Joossens, "Implementing the EU Tobacco Advertising Directive 98/43/EC: A Guide to Best Practice," ASH-UK (June 1999)  
<http://www.ash.org.uk/papers/dir9843ec.html>

Ross Hammond, "Tobacco Advertising & Promotion: The Need for a Coordinated, Global Response," *WHO's International Conference on Global Tobacco Control Law: Towards a WHO Framework Convention on Tobacco Control*, New Delhi, India, (7 January 2000)  
<http://www.who.int/toh/fctc/delhi/delhipapers.html>

Gallery of Tobacco Advertising Images from Around the World  
<http://www.tobaccofreekids.org/adgallery>

<sup>1</sup> See: <http://www.rirtdocs.com/pdfs/501431517-1610.pdf>

<sup>2</sup> See: [http://www.pmdocs.com/PDF/1000390803\\_0855.PDF](http://www.pmdocs.com/PDF/1000390803_0855.PDF)

<sup>3</sup> Federal Trade Commission Press Release, 28 July 1999. These figures do not reflect money spent by the industry on lobbying and public relations, some of which is also intended to promote their brands.

<sup>4</sup> For example, U.K. Department of Health, *Effect of Tobacco Advertising on Tobacco Consumption: A Discussion Document Reviewing the Evidence*, (London: Economics and Operational Research Division, Department of Health, October 1992) and Toxic Substances Board, *Health OR Tobacco: An End to Tobacco Advertising and Promotion* (Wellington, New Zealand: Department of Health, May 1989).

<sup>5</sup> Nicola Evans, Arthur Farkas, et al., "Influence of Tobacco Marketing and Exposure to Smokers on Adolescent Susceptibility to Smoking," *Journal of the National Cancer Institute*, Vol. 87 No. 20, October 1995; Richard W. Polley, S. Siddarth, et al., "The Last Straw? Cigarette Advertising and Realized Market Shares Among Youth and Young Adults," *Journal of Marketing*, Vol. 60, No. 2, April 1996; U.S. Centers for Disease Control, "Changes in the Cigarette Brand Preference of Adolescent Smokers, U.S. 1989-1993," *Morbidity and Mortality Weekly Report*, August, 1994.

<sup>6</sup> U.S. Centers for Disease Control and Prevention, "Changes in the Cigarette Brand Preference of Adolescent Smokers, U.S. 1989-1993," *Morbidity and Mortality Weekly Report*, August 1994.

<sup>7</sup> Luk Joossens, *The Effectiveness of Banning Advertising for Tobacco Products* (IICC, October 1997).

<sup>8</sup> Henry Saffer and Frank Chaloupka, "Tobacco Advertising: Economic Theory and International Evidence," National Bureau for Economic Research, Working Paper #6958, 1999; <http://www.uic.edu/~fjc/Presentations/Papers/W6958.pdf>

<sup>9</sup> World Bank, *Curbing the Epidemic: Governments and the Economics of Tobacco Control*, (1998); <http://www1.worldbank.org/tobacco/reports.htm>

<sup>10</sup> For example see "ASH Briefing on Brand-Stretching," (1998), <http://www.ash.org.uk/papers/brand.html>

<sup>11</sup> Ross Hammond, *Addicted to Profit: Big Tobacco's Expanding Global Reach* (Washington: Essential Action/SF Tobacco Free Coalition, 1998); <http://www.essentialaction.org/addicted/>

<sup>12</sup> *Veto of Anti-Tobacco Law, Case Analysis: Argentina*, Philip Morris, 7 December 1992; <http://www.pmdocs.com/getallimg.asp?DOCID=2023333155/3160>

<sup>13</sup> *A Long History of Empty Promises: The Tobacco Industry's Youth Anti-Tobacco Programs*, National Center for Tobacco Free Kids, 1999; <http://tobaccofreekids.org/research/factsheets/pdf/0010.pdf>

<sup>14</sup> "1995/96 Adspend by Media," *Media*, 7 February 1997.

<sup>15</sup> *Media*, 7 June 1996.

<sup>16</sup> ASH U.K., "Banning Tobacco Promotion: Ethical and Civil Liberties Issues," November 1997

<sup>17</sup> See <http://www.ash.org.uk/papers/ethics.html>