Tobacco Retail Advertising FAQs

• **What is the tobacco retail advertising policy issue about?**

  The tobacco retail advertising issue refers to the marketing of cigarettes and other tobacco products at the point of sale – in convenience stores, gas stations and other retail outlets. As other forms of tobacco marketing have been restricted, tobacco companies increasingly have focused their efforts and their dollars to advertise and promote cigarettes, smokeless tobacco and other tobacco products in the retail environment. In fact, cigarette companies spent the majority of marketing dollars – about $7.3 billion\(^i\) in just 2010 – on strategies that facilitated retail sales.\(^ii\)

  Convenience stores are saturated with tobacco ads, branded materials and product displays. In one survey, 80 percent of retail outlets had interior tobacco product advertising, 60 percent had exterior tobacco product advertising, and over 70 percent had tobacco product functional items, such as display racks, counter mats, entrance and exit signs, and change cups.\(^iii\)

  Retail advertising and point of sale are so important that stores are even paid well for it.\(^iv\,v\)

  According to a Philip Morris sales manual, “we pay the retailer for performance on our behalf.”\(^vi\)

• **Why is this important?**

  Preventing tobacco use is important because about 9 out of 10 smokers start by age 18.\(^vii\) Each day more than 4,000 kids try smoking for the first time, and an additional 1,000 other kids become regular daily smokers.\(^ix\)

  Two out of 3 kids visit a convenience store at least once a week.\(^ix\) Studies show that teens are much more likely than adults to be influenced by promotional pieces in convenience stores.\(^x\)

• **How is the tobacco industry deceptive in their retail marketing practices?**

  It’s no surprise that stores where adolescents shop most often have more than three times the amount of cigarette ads and promotional materials outside of the stores and almost three times more materials inside, compared to other stores in the community.\(^xi\)

  Also, tobacco companies target lower-income, minority communities with point-of-sale marketing. In fact, point-of-sale ads in minority communities are more likely to advertise a cheaper price on cigarettes or provide better buy-one, get-one deals than in more affluent white communities.\(^xii\)

  According to a comprehensive review of the literature, published in 2007, there was more than double the amount (2.6 times more) of tobacco ads per person in areas with an African-American majority compared to white-majority areas.\(^xiii\)

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iii Wakefield, M, et al., Changes at the point of purchase for tobacco following the 1999 tobacco billboard advertising ban, University of Illinois at Chicago, Research Paper Series, No. 4, July 2000


