

# Tobacco Advertising

Despite the estimated 438,000 premature deaths caused by tobacco use each year, the tobacco products continue to be one of the most heavily marketed and least regulated consumer products in the United States.

In 2005, the latest year for which information is available, the five largest cigarette manufacturers spent a total of \$13.11 billion – or more than \$35 million a day - to promote and advertise their products.

Absent the authority of the U.S. Food and Drug Administration (FDA) to regulate tobacco products, and only three states funding tobacco control programs at the minimum level recommended by the Centers for Disease Control and Prevention (CDC) in FY 2007 the tobacco company marketing campaigns are largely occurring without response.

## **What do the major cigarette companies spend their advertising dollars on?**

The largest single category of advertising expenditures in 2005 by far was price discounts paid to cigarette retailers or wholesalers to reduce the cost of cigarettes to the consumer. This category accounted for 74.6 percent (\$9.78 billion) of expenditures.

Coupons for discounted cigarettes, and retail value-added promotions, such as “buy one, get one free” were the second and third largest expenditures respectively.

The price of cigarettes has a very significant effect on youth smoking. Every 10 percent increase in the price of cigarettes reduces youth consumption by 7 percent.

Therefore price discounts and retail value-added promotions can negate the impact of state cigarette tax increases.

## **How does tobacco product advertising affect youth smoking?**

A study published in the May 2007 issue of the journal Archives of Pediatric and Adolescent Medicine found that retail cigarette marketing increased the likelihood that youth would start smoking; cigarette pricing strategies contributed to increases all along the smoking continuum, from initiation and experimentation to regular smoking; and cigarette promotions increased the likelihood that youth will move from experimentation to become regular daily smoking.

A 2002 study in the American Journal of Preventive Medicine concluded that youth who were highly susceptible to tobacco advertising and believed they could quit anytime were more likely to progress from experimentation to established smoking.

In its 2001 monograph “Changing Adolescent Smoking Prevalence,” the National Cancer Institute reviewed the evidence behind how tobacco advertising and promotional activities affect youth smoking initiation, and concluded that the studies show a causal relationship between tobacco marketing and smoking initiation seemed unassailable.

## **How do tobacco companies target diverse communities?**

Certain tobacco products are advertised and promoted disproportionately in diverse communities. Advertising and promotion of cigarette brands with names such as Rio, Dorado, and American Spirit have been marketed toward Hispanics and American Indians/Alaska Natives.

African American communities have been bombarded with cigarette advertising. Since the Master Settlement Agreement (MSA), the average youth in the United States is annually exposed to 559 tobacco ads, every adult female 617 advertisements and every African American adult 892 ads. Expenditures for magazine advertising of mentholated cigarettes, popular with African Americans, increased from 13 percent of total ad expenditures in 1998 to 49 percent in 2005.

## **How do tobacco companies market their products to women?**

Women have also been extensively targeted in tobacco marketing. Such marketing is dominated by themes of an association between social desirability, independence, weight control and smoking messages conveyed through advertisements featuring slim, attractive, and athletic models.

Partially as a result of this targeting, an estimated 178,000 women die from smoking-caused diseases each year.

As early as the 1920s, tobacco advertising geared toward women included messages such as “Reach for a Lucky instead of a sweet” to establish an association between smoking and slimness.

In January 2007, R.J. Reynolds introduced a new extension of its Camel brand of cigarettes targeted at women and some would argue teen girls called Camel No. 9. The cigarettes themselves come in a shiny black box with flowery hot pink or teal borders, and promotional giveaways for the product include berry lip balm, cell phone jewelry, purses and wristbands all in hot pink.

## **What are the state and federal laws governing tobacco product advertising?**

Eight states and the District of Columbia place some restrictions on tobacco advertising and promotion. Furthermore, 21 states and the District of Columbia restrict or virtually prohibit where free samples of tobacco products can be distributed to the general public.

States are limited in their ability to restrict cigarette advertising and promotion because of a provision in the Federal Cigarette Labeling and Advertising Act, originally passed in 1966, that preempts states and cities from further restricting the time, place and manner of cigarette advertising and promotion. This same legislation was amended in 1971 to ban certain means of advertising concerning cigarettes, such as advertising on radio and television.

Tobacco companies are allowed to deduct the cost of advertising and promotion from their taxes as a business expense, which saves them in excess of \$1 billion a year in taxes.