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**ASH**  
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## **How the tobacco industry will exploit loopholes in an advertising ban**

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Abbott Mead Vickers (AMV BBDO Ltd) is one of Europe's largest and most successful advertising agencies. It does not handle tobacco accounts for ethical reasons. At the suggestion of Action on Smoking and Health, AMV BBDO organised a brainstorming involving five of its staff on 2nd October 1997. The objective was to understand how the tobacco industry might respond to the proposed advertising ban and to how it might exploit any exemptions or loopholes that may be included in the legislation. The main findings of the brainstorming are summarised below:

### ***Main points***

First a general point about smoker motivation. There is a *light side* to smoking in which it is viewed as a pleasurable, congenial habit and normal consumer pastime. There is also a *dark side* here it is viewed as a rebellious anti-establishment activity, tinged with personal destructiveness and nihilism -- and is, therefore, popular with teenagers. Banning mainstream 'above the line' advertising will act effectively against light-side motivation, but may do little to influence the dark side motivation. Great care is therefore needed to ensure that the dark side of smoking is tackled as well. This involves tackling the types of advertising that stimulate the dark side - for example product placement, some types of direct marketing and sponsoring role models. It also suggests a need to tackle this motivation head-on with anti-tobacco advertising and communication.

Tobacco companies are *most* worried about anything that prevents their ability to do *product placement* (for example payments to film stars or fashion magazines to use their products). This would deny them crucial *aspirational role models* and eventually render their products invisible. It was not clear that the current proposed legislation would do this. Product placement almost always reinforces dark-side motivation.

Similar concerns apply to a ban on *sponsorship*. The Directive text we examined does not clearly rule this out. There may be many subtle forms of sponsorship -- street names, buildings, clubs etc. The sponsorship may be in the form of concrete (literally) objects such as staircases at the Opera House etc.

Product placement has become much more sophisticated, especially in computer games. There are now two companies in London specialising in product placement in computer games. Computer games have a dark-side fascination and teenage appeal and are particularly good vehicles for placing cigarettes.

Point of sale promotion has become very big in the US -- tobacco accounts for US\$700 million point of sale spending. Considerations of profit per square foot will give way to creating an ambience that is stylish and expensive, and reinforces the brand, making the smoker feel part of a special clientele. In large stores, the part given over to smoking will have a special 'elite' feel - it will be like entering an up-market department within the store. Some of this styling may not project overt tobacco symbols but create a feel of quality and good living or iconography and role-models with which smokers may wish to associate.

To reinforce the action at the point of sale, there would be incentives to retailers and shop assistants. A retailer selling more cigarettes than the average for the previous six months would receive a bonus. The shop assistant would be encouraged to say, "and would you like some B&H, we have a special offer" and receive a bonus for each pack sold over a target.

The point of sale concept would be taken one stage further with dedicated shops -- like Levis operate. These would be vast, stylish emporia in which the smoker would luxuriate in his or her chosen brand and the identity that the brand has created for the smoker.

The importance of the pack design was underlined strongly. The pack creates an identity for the smoker as he or she holds the pack and displays it in public while smoking. Pack design will become more sophisticated with special 'rare' or collectors packs developed with iconography aimed to attract particular tastes and allow smokers greater 'individuality' in the identity they adopt. It is not clear whether the Directive as currently drawn would apply to the packet design - though the pack is certainly a particularly potent form of communication aimed at promoting tobacco.

Through direct mail the tobacco companies will promote the *righteous smoker* against the *sanctimonious State* and health groups. This will have two effects: at face value it will be mobilising smokers for campaigns against legislation or other tobacco control activities. Subliminally, it will be providing smokers with reasons why it is all right to smoke. That is, the industry will be coaching its customers in the defence of its product and justification of their smoking habit.

Taken to its logical conclusion, and probably not for several years, the strategy above will lead to the creation of clubs of 'alienated aggressive addicts' who will draw solidarity and strength from membership and identify with a struggle and come to see smoking as legitimate civil disobedience.

Direct marketing is expensive (minimum of 80-90p per contact) and will be used in a targeted manner. Its primary role would be *consolidation* and *activation* rather than *recruitment*. DM might be used at the points when the industry may lose smokers: for example immediately after New Year or No Smoking Day the companies would offer

special discount deal and free gifts to *break the will of those that have tried to quit*. It may be used to undermine health promotion campaigns.

Where direct marketing could become cheap and widespread would be in **electronic media** -- e:mail, conferences and the world wide web. Here there will be a challenge to hard sell --as this runs counter to (current) Internet culture, which stresses anarchy and anti-commercialism. One approach used in San Francisco ('Circuit Breaker') was to use a web site to create a guide to clubs. The actual clubs listed in the guide were all promoting Lucky Strike cigarettes.

**Merchandise** (clothes etc.) is very cost effective, because the smoker pays for the clothes and advertises the product. If an exemption for direct marketing allows merchandise catalogues to be sent directly to allegedly consenting smokers as 'private communication' this would become a major business.

**Loyalty and reward schemes** will become more sophisticated. The emphasis may shift from personal gifts for the smoker, to gifts aimed at their children or 'good causes', such as building a library or "in return for a million tokens, we will keep the Mappa Mundi in the UK". Loyalty schemes were thought unlikely to be useful for recruitment but would reinforce brand choice and consolidate smoking habits.

The use of **ambient media** is growing in popularity, though it was felt this would be captured by the advertising ban if the ban is widespread. These are things like golf holes, petrol pump handles, umbrellas, beer mats, urinals, even the shells of eggs. If the advertising ban does not extend to clubs and other 'private' premises, then this could become significant.

An exemption for advertising in **imported newspapers and publications** would allow some publications that are particularly tobacco dependent to move 'off-shore' from the EU and establish ownership and production if necessary, outside the EU. There could be a growth in the import of specific existing publications outside the EU, whose expansion would be financed by tobacco money. It was felt that Governments should name specific titles authorised for import.

As a form of direct 'personal communication', **sampling** will be increasingly used - there is a great deal of activity in this area already. This gives the tobacco company its best opportunity to recruit new smokers by giving away packs or even cartons. The role of sampling in recruitment of new smokers was stressed. The person offering samples will have role model qualities and, in the past, tobacco companies have increased nicotine levels in sample cigarettes to increase the rate of addictiveness. Sampling can be joined with inducements to take the sample and will be used to build databases - this clearly happens already. One approach to avoiding restrictions on sampling will be to dress this up as **market research**. One participant in the brainstorm noted that tobacco companies had often done market research with extremely large sample sizes - far larger than necessary to achieve statistical confidence.

***The text of the existing (1992) draft directive.***

A general feeling was that the existing Directive wording was too specific in its definition of advertising - especially by listing the types of communication meant (written, oral, cinema... etc.). This was unnecessary and defeated the purposes of a general prohibition with specified exemptions. It was also felt that even the unqualified word 'Communication' may be too specific, and that there should be a prohibition of 'everything' (any activity) that promotes tobacco or tobacco brands, including but not exclusively 'communication'. The exemptions would then be all that was permitted.

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