Tobacco Industry Marketing Tactics

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About Us
Tracking Tobacco Industry Marketing

• ANSR started this work in 2010
• Currently, the work is funded by ClearWay MinnesotaSM
• We use the information we gather to:
  – Build the evidence base
  – Inform tobacco control professionals
  – Inform tobacco control policy
Agenda

• Background: tobacco marketing regulation
• Direct to consumer marketing overview and examples
  – Email marketing
  – Web marketing
  – Social media marketing
  – Direct mail marketing
• Case studies:
  – Marlboro Black
  – Swisher Sweets digital marketing
Regulation of Marketing 101

- Marketing is largely treated as “speech” and is protected by the First Amendment
- Very difficult to regulate
Tobacco Advertising and Promotion Restrictions

- 1966: Cigarette warning labels required on packs
- 1971: Cigarette advertising banned from airways
- 1986: Smokeless Tobacco warning labels required
- 1997: End of Joe Camel
- 1998: Tobacco settlements
- 2009: Family Smoking Prevention and Tobacco Control Act
Regulation of Tobacco Advertising and Promotion

- MN Tobacco Settlement (1998)

These settlements are legal agreements between Attorneys General and the largest tobacco companies. Most smaller tobacco companies are not part of the settlements.
MN Tobacco Settlement

• Largest monetary recovery in state history
• $6.1 billion lump sum with ongoing payments in perpetuity
• Recovery of 33-million previously secret tobacco company documents
Settlements: No More Marketing to Children

- No more tobacco billboards.
- No more branded merchandise.
- No more ads in magazines with “high youth readership.”
- No more paid placement of cigarettes in movies.
In 2014, the tobacco companies spent $9.5 billion marketing cigarettes and smokeless tobacco products in the U.S.

• That is more than $26 million dollars per day
• In Minnesota, this translates to $115.8 million per year or more than $317,000 per day
Direct Marketing

• Direct marketing is one way companies can reach consumers
  – Opt-in and under the radar
  – Started in 1970s
  – Seen as a way to reach existing customers, recruit new customers, and build brand loyalty
  – Personalized, one-on-one communication
Direct Marketing

• There is evidence that this type of marketing is used to target:
  – Women
  – People of low SES status
  – Young adult smokers
  – Menthol smokers

Sources: Brown-Johnson et al., 2014; Richardson et al., 2014; Lewis et al., 2015
Direct Marketing

• These strategies are:
  – Harder to justify regulating.
  – Partially shield the industry from claims that they are targeting kids.
Direct Marketing Mediums

• Web
• Email
• Mobile technology
• Direct mail
• In-person recruitment
• Social media...
Web Marketing

- All of the largest tobacco companies operate “brand websites”
  - Access to (most of) these websites is restricted by age
- These websites serve a variety of purposes such as: sweepstake/contest promotion, coupon distribution, and social networking
See how the Ranch is serving up local flavor.
July, 2012
This contest featured over $4 million in music-themed prizes
WARNING: This product is not a safe alternative to cigarettes.

Camel Snus Website: July, 2013
Nothing about our cigarettes or packaging, including color, should be interpreted to mean that any cigarette is safer than any other cigarette. Nothing about our cigarettes will help you quit smoking.

SURGEON GENERAL’S WARNING: Smoking Causes Lung Cancer, Heart Disease, Emphysema, And May Complicate Pregnancy.

YOUR COUPON OFFER IS COMING UP IN: 13 SECONDS

YOU LEARN TO BE HUMBLE

February, 2013
WARNING: This product is not a safe alternative to cigarettes.

Camel Snus Website: July, 2013
I DIP 5 CANS A WEEK
OF Cope Original
IN Minnesota

IF I DIPPED LONGHORN INSTEAD
FOR A YEAR
WEEK MONTH YEAR
I WOULD SAVE
$811.20

AND THAT'S ENOUGH CASH FOR A LAWNMOWER

Jumpstart your savings today. Find a flavor | Get your coupon | Show your savings to friends

Longhorn website: July, 2013
WARNING: This product is not a safe alternative to cigarettes.

© 2013 AMERICAN SNUFF COMPANY
Meet Randy & Scooter. Just a couple regular guys with a camera, some free time and a shared interest in the manly sciences of crushin', smashin', shreddin', grindin', chainsawin', and blowin' stuff up.

**EPISODE 1:**
**WOOD CHIPPER**

**EPISODE 2:**
**STEAMROLLER**

**EPISODE 3:**
**WEDDING CRASH**
Grizzly website: July, 2013- “Wood chipper” video
Social Media Marketing

• Growing issue
• Larger tobacco companies avoid social media, smaller companies use the medium
WARNING: This product can cause mouth cancer.
Email Marketing

• Email marketing is primarily used to drive traffic to tobacco company websites. Emphasis on promotion of:
  – Sweepstakes
  – Coupons
  – New products
Email from Virginia Slims: January 2017

Subject line: “Grab your coupons and check out some wonderful winter recipes!”
Email from General Snus: December 2015

Subject line: “Celebrate the season with exclusive savings”
Email from Vuse: December, 2015

Subject line: “Order new VUSE Connect While Supplies Last”
Email from Grizzly: December, 2015

Subject line: “Happy Holidays from Grizzly”
Marlboro

ROCKIN' BOOTS

DESIGN 'EM. WIN 'EM. ROCK 'EM.

LAST DAYS TO ENTER

FOR A CHANCE TO WIN

CUSTOM BOOTS

CONCERT GIFT CARDS

DESIGN YOUR OWN

AT MARLBORO.COM

ENDS OCT 5TH

Email from Marlboro: September, 2014
Email from Marlboro “Flavor Makers”
September, 2014
Email from Marlboro “Black”
September, 2014
Tips for Leisure

This Week's Pursuit

Any Event is Tailgatable

$1,000 and Thousands of Other Prizes are Up for Grabs Every Day. Stop by Every Week to Indulge in Another Pursuit.

WEBER® Q® 120 GAS GRILL

Surgeon General Warning: Tobacco Smoke Increases the Risk of Lung Cancer and Heart Disease, Even in Nonsmokers.
Hey Betsy,

We are excited to introduce the dynamic duo of Blazing Fire and Arctic Ice. Blazing Fire is a sweet, hot, and spicy cigarillo that is best complimented by the chill of the arctic provided by its sibling, Arctic Ice.

This pair covers both ends of the spectrum with a blazing cinnamon taste so intense you can feel the fire and an extremely cold and frosty blast of icy mint. Choose which one is for you, or try them both! Just make sure you get your's before they're gone.

You can find more information about their location on our website.

Sincerely,
HEADS UP
OUR BAR TEAM
IS AT A HOTSPOT NEAR YOU

GET SPECIAL DOLLAR AFTER DARK OFFERS
AT ONE OF THESE LOCATIONS.

Pickle Park
7820 NE University Ave
Fridley, MN 55432
FEB. 14
9:30 PM - 1 AM (CT)

Dog House Bar and Grill
2029 Woodlynn Ave
Maplewood, MN 55109
FEB. 14
10 PM - 12:45 AM (CT)

Email from Marlboro: February, 2013
If you are unable to see the images below, click here to view.

To ensure delivery to your inbox, please add MarkTen@email.MarkTen.com to your address book.

This email is being sent to you because you certified that you are an adult smoker or e-vapor consumer 21+ and interested in receiving communications from NuMark LLC or Philip Morris USA and its affiliates. This email is intended for you and should not be forwarded. The MarkTen.com marketing website is restricted to adult smokers or e-vapor consumers 21+.

WARNING: This product is not intended for use by women who are pregnant or breast feeding, or persons with or at risk of heart disease, high blood pressure, diabetes, or taking medicine for depression or asthma. Nicotine is addictive and habit forming, and it is very toxic by inhalation. Nicotine can increase your heart rate and blood pressure and cause dizziness, nausea, and stomach pain. Inhaling of this product may aggravate existing respiratory conditions.

Light up the room a little longer.

Introducing the longer-lasting MarkTen® Extended Battery. Enjoy FourDraw® technology for a full draw with less interruption.

MARK TEN e-vapor

Email from MarkTen: October, 2014
Too often, adult tobacco consumers are asked to fund out-of-control spending through increases in tobacco taxes. Did you know that adult tobacco consumers paid more than $31 billion in tobacco excise taxes to the federal, state and local governments in 2013?

If you’re tired of picking up the government’s spending tab, and don’t want to be forced to pay even more, make sure you’re ready to vote in November.

Visit www.tobaccorights.com/Vote to learn more about tobacco taxes and other tobacco issues important to you before you cast your vote. You can also find information about:

- Registering to vote

VOTE NOVEMBER 4TH

Voter registration deadlines are quickly approaching. If you are not registered to vote, do so today!
Email from Marlboro, December, 2015

Subject line: Betsy, claim your coupon and get in on the action.

This email promotes multiple purposes: coupons, new product, and contests. Also, the new Marlboro app is promoted at the bottom.
Email Marketing: Observational Study

- January 2010-May 2015 (n=6,990)
- Companies use email to communicate as often as 8-9x per month
- Most common purposes: contest promotion (54%), promotion of website content (39%), and coupon promotion (16%)
- Emails promoting coupons were also nearly 2x more likely to promote menthol (95% CI: 1.52-2.37)
Direct Mail Marketing

• Primary vehicle for the distribution of tobacco coupons.

• Tobacco coupons are an important tobacco company strategy, they are used to:
  – Manipulate the price of tobacco products
  – Encourage users to try a new product or brand extension
  – Discourage quitting
Camel Snus coupon mailing.
January, 2012
“Tobacco industry marketing: an analysis of direct mail coupons and giveaways”

Published in Tobacco Control

Brock, B., Schillo, B.A., & Moilanen, M.
Direct Mail Marketing: Observational Study

- Analyzed a sample of 659 mailings (July, 2011-June, 2012)
- 85.6% contained at least one tobacco coupon
- The average estimated coupon value per mailing was $4.17
- Camel and Marlboro mailings heavily promoted snus, often alongside cigarettes
Mobile Apps

• Emerging issue
• Limited (so far!)
Camel App (The Oasis)

- **The Oasis**
- **Loading**

**Welcome Elizabeth**

- **$3.50 OFF A PACK OF CAMEL CIGARETTES**
- **GOOD ON ANY STYLE**
- **VOID WHERE PROHIBITED**

**Choose a Store**

Offers can only be redeemed at participating Minnesota stores.

**Coupon Terms**

- **VOID WHERE PROHIBITED**

**5 Minutes to Redeem**

Be at the register. You will have 5 minutes to hand your coupon to the clerk before the coupon expires.

**Re redeem Now**

- **Not Now**

**Holiday #372 / 747262**

2199 University Avenue W
Saint Paul, MN 55114
Marlboro App (MHQ)

HOLIDAY STATIONSTORE
5444 Nicollet Ave
Minneapolis, MN 55419-1928
0.92 miles away

WINNER ON 46TH
400 E 46th St
Minneapolis, MN 55419-5148
1.04 miles away

BOBBY AND STEVE’S-NICO...
5801 Nicollet Ave
Minneapolis, MN 55419-2403
1.07 miles away

CK FOOD & FUEL
4751 Nicollet Ave
Minneapolis, MN 55419-5508

HOLIDAY STATIONSTORE #372
2199 UNIVERSITY AVE W - SAINT PAUL MN 55114-1611
01/11/17 02:50:46 PM

$1.50 OFF ONE PACK
ANY STYLE  MARLBORO

4:57.67

UPC# 5 28200 00378 7

I'M DONE
Marlboro App (MHQ)
Coming soon! Grizzly App

**WARNING:** This product can cause mouth cancer.

**TROPHYSHOTS**

Whether it’s bucks, bass, or birds, Trophyshots is the most fun you can have showin’ off your outdoor trophies. Join the growing Grizzly Outdoor Corps community and show ’em you got game.

**COMING SOON**
Case Study: Marlboro Black

BE BOLD. GET BLACK.
Look for it at a store near you.
Marlboro

• Marlboro is one of the most valuable global brands
• Marlboro is the number one cigarette in the U.S.
  – 41% market share
COME TO
MARBORO COUNTRY.

SURGEON GENERAL'S WARNING: Cigarette Smoke Contains Carbon Monoxide.
Popular With Youth

Marlboro looks to regain market share lost to Newport and Camel.

Share of smokers age 18-25

60%

Marlboro 46%

Newport 19%

Camel 16%

Note: Share of smokers in this age group that named each brand as the one they smoked most often
Source: National Survey on Drug Use and Health
THE WALL STREET JOURNAL.
Marlboro Black

- Released in 2010
- A Cigarette for Millennials
- Cheaper price, usually $1-$1.50 less
- “Bold” marketing with “urban” feel
- Menthol emphasis: a direct challenge to Newport
Marlboro “Black” website: October, 2014
January 2017
Subject line: “The next chapter in bold menthol is here”
Popular With Youth

Marlboro looks to regain market share lost to Newport and Camel.

Share of smokers age 18-25

<table>
<thead>
<tr>
<th>Year</th>
<th>Marlboro</th>
<th>Newport</th>
<th>Camel</th>
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<tbody>
<tr>
<td>'05</td>
<td>50%</td>
<td>30%</td>
<td>20%</td>
</tr>
<tr>
<td>'10</td>
<td>46%</td>
<td>19%</td>
<td>16%</td>
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<tr>
<td>'14</td>
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<td>19%</td>
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</tbody>
</table>

Note: Share of smokers in this age group that named each brand as the one they smoked most often.
Source: National Survey on Drug Use and Health
THE WALL STREET JOURNAL.
Case Study: Swisher Sweets

• Available in many flavors, some are seasonal
• Cheap
• Number #2 cigar brand among youth aged 12-17
• Highly enhanced marketing campaign in last 1-2 years which relies heavily on social media marketing and online promotion
January 2017
swishersweets A new year filled with new blends is our resolution to you! 🎓
#StayTuned. #HappyNewYears #SwisherSweets

view all 31 comments

galactic.woodsman @swishersweets get down on them breakfast ones they sounded bomb. Making jokes and all. I'm down for a chicken and waffle one all day

maurer23gk Make a banana or limr flavor for 2017 🍌🏡

247__blazer__247 I need to have a 3 blunt breakfast exteno in my life facts

solo___dolo Need banana, mango, strawberry kiwi, lemonade & strawberry lemonade. The breakfast series of OJ & blueberry waffle gotta come out @swishersweets
day247 @SweetishEggs

Log in to like or comment.
swishersweets Our Monday #musthave is this #Swisher Snapback. On sale now in the #SwisherSweets gear store for $15! Click bio link now.

questforthecure I need that hat

thathomieshane We still want the breakfast series swishers please make it possible

dancingbear___ @nonamesandwich

bitanick_mma I need this snap

surf6b @kiidcannabis bro you need this hat!! RoT Swisher

ihatedezilove So does that surgeon general patch come off??

dank.inhales How much will a pack of swishers be in cali once the tobacco tax goes up

official_elmightyyg 

Log in to like or comment.
swishersweets It's #CyberMonday in the #SwisherSweets gear shop! 50% off on all items. Use code CyberMonday at checkout. Gear link in bio 📸 Tag a friend so they don’t miss this sweet deal! #ChristmasisComing
January 2017
January 2017
THE SWISHER SWEETS ARTIST PROJECT IS AN ONGOING INITIATIVE TO PROVIDE UNIQUE OPPORTUNITIES FOR ARTISTS TO CREATE, SHARE, AND PURSUE THEIR PASSION. FOR FANS, IT'S A WAY TO BE AT THE FOREFRONT OF WHAT'S NEW AND EMERGING IN THE WORLD OF MUSIC, ARTS, AND ENTERTAINMENT.
mirroredmedia

6th Street, Austin, ...

28 likes

mirroredmedia Shout out to our friends @SwisherSweets for comin' through with the rain ponchos! Come grab Swisher gear @vulcanatx as we kick off TuneCore's Indie Artist Forum today, 12pm-6pm. 21+. FREE.

#TuneCoreATX #SwisherATX

birrrry You have any extra swisher gear?
mirroredmedia
Vulcan Gas Comp...

26 likes

mirroredmedia Come grab some goodies from @SwisherSweets upstairs @VulcanATX.
Our event is free and 21+. #swisheratx #austin 🍾

maserati_skrill I remember this night. very dope

Log in to like or comment.
swishersweets Thank you for a great #SwisherArtistProject Takeover Austin! We'll be back for another #SwisherATX.
taxxin_ @dutchmasterscigars
parteeandbullshit Next time. @kidddryden
Rock Current

October 18 at 7:39am

Rock new releases 01 uk Island - Girl / #coverArt 02 au The Shak... See More

Like Comment

Joshua Hamilton Douglas Stanford

October 16 at 7:18pm

Dude your new tracks are insane! Keep it coming!

Like Comment

Hector Chella Lugo

September 5 at 3:35pm

You should make a song with flume!

Like Comment

Olivver the Kid

August 25

the full video of the liquor store performance for TuneCore & Swisher Sweets is up now! ❤️ watch me sing while a guy buys condoms.
https://www.youtube.com/watch?v=lgpMz0m3uKw

Convenience Store Sessions - Olivver the Kid

Episode #4 of Convenience Store Sessions featuring Olivver the Kid performing "Lucy," "I Want It" and "Not Going Home." CONVENIENCE STORE SESSIONS...

YOUTUBE.COM

Like Comment Share

126 people like this.

33 shares

Mac Montgomery $$$

Like Reply 1 August 25 at 2:28pm

Juliet Leroy This is beyond amazing.

Like Reply 1 August 25 at 2:33pm

Yary Alexander Arias Great concept!

Like Reply August 25 at 7:15pm

Lucas Guss Ye

Chat (5)
Key Takeaways

• The tobacco industry is very creative, knows how to reach consumers under our radar
• We are up against a powerful industry with lots of $$
• We should expose the tobacco industry at every chance we get
Want to take on the industry?

• Join us for:
  – Menthol Coalition meetings, last Wednesday of every other month (Feb 1) at NorthPoint Clinic
  – Statewide tobacco coalition, every month at ClearWay Minnesota
  – Follow our Instagram page @projectwatchansr

Gabriel@ansrmn.org
Betsy@ansrmn.org
651-646-3005
Thank You!