

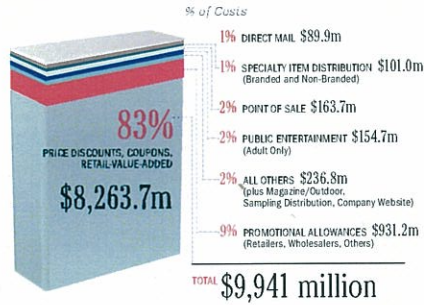
INDUSTRY SAYS:

“If you can market a product that kills people, you can sell anything.”

Chris Reiter, R.J. Reynolds Campaign Program Manager, US, 2003

Cigarette Marketing Expenditures

2008, in millions (USD)



THE TOBACCO INDUSTRY CLAIMS THAT IT DOES NOT MARKET TO CHILDREN AND THAT THE PURPOSE OF ITS ADVERTISING IS ONLY TO ENCOURAGE ADULT SMOKERS TO SWITCH BRANDS. US Federal Judge Gladys Kessler found this argument baseless, and concluded that tobacco advertising contributes to youth smoking. Despite increasing restrictions on marketing and advertising, tobacco companies continue to spend billions of dollars annually to maintain brand loyalty among current smokers, to influence young people to use tobacco, and to keep smokers addicted.

In 2008, \$9.9 billion was spent on cigarette advertising and promotion in the US alone, and an additional \$548 million was spent on smokeless tobacco marketing. This equated to more than \$34 being spent on tobacco marketing for every man, woman, and child in the US that year.

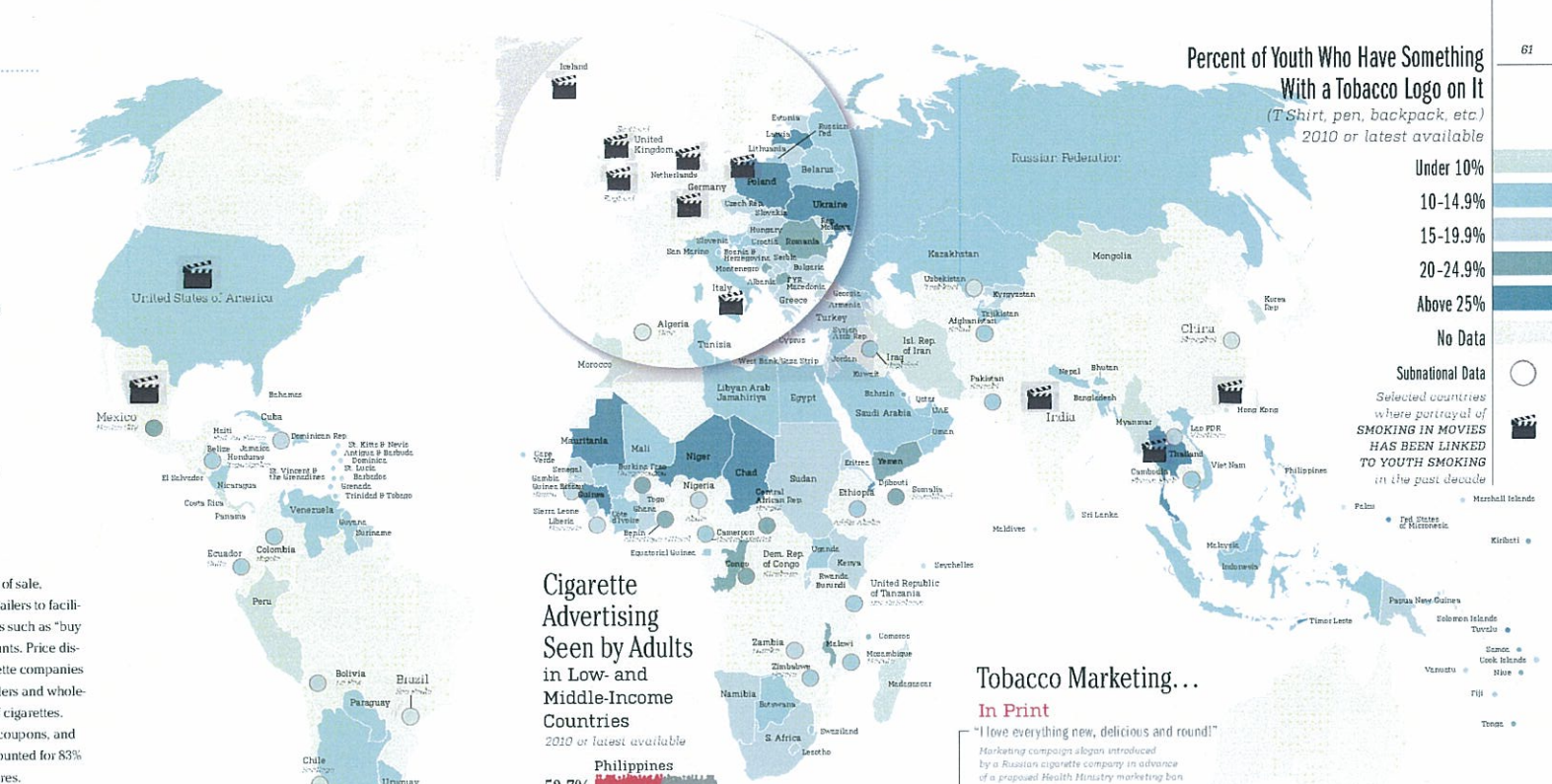
Mass media tobacco advertising is banned in many countries, but tobacco companies are utilizing other marketing techniques to attract and retain smokers. In some countries these methods

include advertisements at the point of sale, promotional allowances paid to retailers to facilitate product placement, promotions such as “buy one, get one free,” and price discounts. Price discounts include the costs that cigarette companies incur when they pay cigarette retailers and wholesalers to reduce the overall price of cigarettes. In the US in 2008, price discounts, coupons, and retail-value-added promotions accounted for 83% of all tobacco marketing expenditures.

In addition to these techniques, tobacco companies are actively engaged in brand-stretching and other strategies to avoid regulation and marketing bans. They also utilize the Internet and other new media. The Internet allows participation and engagement unlike any other form of media, and has great potential for tobacco advertising. Additional attention must be paid to the use of the Internet in cigarette marketing, particularly social media sites.

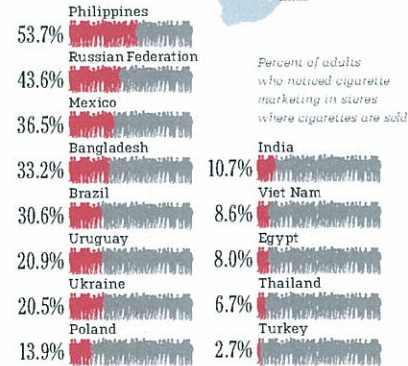
Continued implementation of the WHO FCTC and its provisions will increase comprehensive tobacco advertising, marketing, promotion, and sponsorship bans throughout the world.

British American Tobacco and Philip Morris researched the Chinese culture of gift giving and subsequently marketed cigarettes to strengthen the image of their brands while promoting the acceptability of cigarettes as a present and the social norm of giving gifts.



Cigarette Advertising Seen by Adults in Low- and Middle-Income Countries

2010 or latest available



Tobacco Marketing...

In Print

“I love everything new, delicious and round!”

Marketing campaign slogan introduced by a Russian cigarette company in advance of a proposed Health Ministry marketing ban on cigarettes, 2011



On Billboards

“Dying is better than leaving a friend: Sampoerna is a cool friend.”

Indonesian billboard campaign by the tobacco company FT Sampoerna, 2011

In Films

“Smoking in films encourages children to take up smoking. And that’s no surprise. That is why tobacco advertising was banned, because showing images of people, particularly glamorous young people, smoking encourages children to smoke.”

Deborah Arnott, Action on Smoking and Health, US, 2011

Online

“The Internet and social media websites are potentially the next frontier in tobacco company advertising strategy.”

Campaign for Tobacco-Free Kids, US, 2011