Thwarting Tobacco Companies

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Considering the enormous harm tobacco products cause among their most loyal consumers, it is astounding and repugnant that tobacco product manufacturers continue to operate as fabulously profitable enterprises. These companies have used layer upon layer of defense and counter-offense to protect profits from effective public health measures for more than a generation (1-3). Slowly, however, progress in the curtailment of tobacco use is being made on a variety of fronts. An important sign of and contribution to this movement is the commitment of the American Society of Preventive Oncology, published in this issue, to an active advocacy role in developing a tobacco control policy. In taking this step, the Society is thwarting the tobacco companies (4).

A small window on the industry's consistently shabby behavior with regard to public health concerns was recently opened by a series of articles in the Journal of the American Medical Association about the current advertising campaign for the Camel brand of cigarettes. Camel, like Winston and Salem, is made by the R. J. Reynolds Tobacco Company. In recent years, Philip Morris has increased its market share in a declining domestic cigarette market, largely at the expense of Reynolds (5). The underlying dynamic behind this shift is not difficult to discern: the major Reynolds brands are used by older people, who are either dying or quitting smoking in large numbers. In contrast, Marlboro, a Philip Morris brand, has attracted young smokers, especially those just starting to smoke (6-8). While Marlboro had about one-fourth of the overall cigarette market during much of the 1980s, it accounted for one-half of the market in the age group 18-24 and as much as 70% of the market among high school seniors, with remarkably comparable shares among both sexes in adolescents (3, 9-10). To a great extent, Marlboro has been the nation's premier children's cigarette. Since most new smokers are teenagers (11), this popularity among the young has given Philip Morris a critically important competitive edge.

For cigarette makers, growth in corporate profits depends on recruiting new customers, and new customers are children. Camel, Winston, and Salem had stodgy images, so Reynolds faced either creating a wholly new cigarette or repositioning an existing brand. The company did, in fact, try to introduce a new brand, Uptown, for young African-Americans, but it encountered determined local opposition (12). However, its effort to reposition Camel has been an unqualified success in business terms.

Since 1988, a marketing campaign featuring a cartoon character, Joe Camel, has succeeded in winning Reynolds a substantial share of the teenage cigarette market. The campaign, built around ads for the "smooth character" himself, has included leaflets on cigarette packs with sophomoric "smooth moves" and premiums such as t-shirts, caps, sunglasses, playing cards, lighters, matches, mugs, calendars, and posters. The plethora of associated merchandise is reminiscent of the way Saturday morning cartoon shows are marketed. In a throwback to the very earliest forms of cigarette advertising, Reynolds has recently mounted an elaborate coupon program, called "Camel Cash," with a variety of theme-related merchandise. Taking a page from the Marlboro marketing machine (13), the primary advertising and merchandising campaign built around Joe Camel has been complemented by the sponsorship of motor sports such as automobile racing and motocross. Because of the stark absence of active enforcement of breaches in the federal law on cigarette advertising, the merchandise and the sports promotions are free of any warnings about the harm from smoking, and the sporting events regularly appear on television (13).

This effort has paid off handsomely. Camel sales have steadily risen among the young since the Joe Camel campaign began. Among 12- to 17-year-olds, the estimated market share went from less than 1% to 24.5% among males and 21.7% among females in California in 1990 (7-8). Much of the new market for Camel seems to have come at the expense of Marlboro.

Beyond this substantial accomplishment, Reynolds has probably sown the seeds for future recruitment to its brand. The cartoon character featured in the ads is so attractive to youngsters that 6-year-olds recognize Old Joe as often as they recognize Mickey Mouse (14), and adolescents are far more likely than adults to think the ads interesting and to think of Joe Camel as a friend (7).

The competition between Marlboro and Camel is like the competition between Coke and Pepsi: the mere fact of giant rivals going head to head stimulates the market to expand. Given the public health pressures against smoking, however, the expression of this phenomenon might instead be a leveling off of the declining smoking rates in the target group. This is, in fact, the observed pattern among high school seniors; smoking has held steady in this group for a number of years now, in contrast to declining trends among older age groups (11, 15). While this stabilization of smoking rates among teenagers preceded the entry of Camel onto the lists of children's cigarettes, Marlboro had already been doing a
Reynolds' success with Camel has become an embarrassment to the advertising industry. In a striking departure from prior positions, Advertising Age has called on Reynolds to abandon the Joe Camel campaign (16). Reynolds, however, will not give up a good thing voluntarily just because doing so would be sound public policy (17).

In fact, the Camel phenomenon threatens to metastasize to a new market segment, users of mentholated cigarette brands. Within the menthol cigarette market, Lorillard's Newport ("Alive with Pleasure") has a popularity among the young akin to that enjoyed by Marlboro, while the demographic characteristics of Salem and Kool customers are producing steady declines in sales of these brands. Brown and Williamson, which relies on Kool for over half of its profits from cigarettes ($755.6 million in 1990), has copied Reynolds' approach to repositioning Camel with the test marketing of a cartoon penguin character for Kool in Richmond, Virginia (18). The campaign is an update of the penguin character Will, which represented the brand from 1933 through 1960. This new creature has an attitude. Willie's younger cousin scowls from print and billboard ads, sporting a buzzcut, shades and day-glo sneakers while delivering such memorable lines as, "Read my beak" and "What's new, smooth, and totally Kool? (Hint: It ain't you.)" A review in Advertising Age mocked the company's pretension that it is not trying to attract children (19).

Despite behavior such as this from Philip Morris, Reynolds, Lorillard, and Brown and Williamson, the tobacco companies contend that they do not want minors as customers. In fact, the Tobacco Institute publishes a slick booklet on the subject (20) and, in response to pressure from public health and community leaders, Philip Morris and Reynolds are beginning to draw attention to this material through magazine advertisements (21) and billboards. However, the very message of their public service campaigns seems to be an invitation to children: the core idea is that smoking is an adult choice, rather than that there is no safe way to use tobacco. Moreover, these materials are the sheerest of window dressing compared to the profits the tobacco companies make from sales to children.

DiFranza and Tye have estimated that tobacco companies made $221 million in profit in 1988 from sales to customers under age 18 (22). Taking the companies at their word that they do not want underage customers, these monies can only be regarded as unwanted profits. At a minimum, then, these funds should be made available to state governments for the prevention of tobacco use among the young. Giving up these unwanted profits is only fair as long as Joe Camel, the Marlboro man, and Willie the penguin's younger cousin are at large, seducing children, and as long as merchants readily make cigarettes available to children (23).

It is unlikely that the companies will ever voluntarily set aside their unwanted profits in this manner. Therefore, a legitimate policy approach would be the creation of an "unwanted profits tax" on tobacco products, taking the money each company makes in profit on underage sales and giving it to public health agencies for prevention. This approach takes the companies at their word that they don't want to sell tobacco products to children. It skips over tiresome arguments about intention and simply takes account of the outcome. In practice, as sales to children diminish under this program, revenues from the unwanted profits tax for prevention would, appropriately, automatically dry up.

The new policy by the American Society of Preventive Oncology on tobacco and nicotine dependence will help the Society take a more active role in the development of tobacco control policy at the national level. The Society's carefully crafted statement covers a broad array of policy areas in the patchwork quilt that makes up the fabric of contemporary approaches to tobacco control. Active participation at the public policy level is essential for the Society to realize the goal embodied in its name, the prevention of cancer. Tobacco use will remain a major public health challenge for many years, but it is exciting to see the American Society of Preventive Oncology challenge the industry in the political arena and be willing to join in coalition on this issue with other groups. Only by coming together in such coalitions will we be able consistently to thwart the tobacco companies. In doing so, we will save many hundreds of thousands of lives both here and abroad.

References

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