

Marketing & De-Marketing of Tobacco Products ?

Devesh Aggarwal

Assistant Professor, Department of Management,
Indira Gandhi University, Meerpur, Rewari, India
Email – deveshaggrcc@gmail.com

Abstract: *Everybody knows the harmful effects of Tobacco whether he/she consumes or not. Earlier the smoking was very popular and socially acceptable, Many People were not aware about the harmful effects of Smoking. But now a day, Government is trying very hard to make people aware about the negative effects of smoking, nonetheless the Tobacco products are getting popular day by day. Government has made many acts that prohibit the advertising or promotion of Tobacco products but the tobacco companies are also putting their efforts in increasing their sales or promoting their brands. The purpose of this paper is to discuss that despite being de-marketed by the government or NGOs what are the factors that are pushing up the demand of Tobacco products. We simply cannot say that Habit or Addiction can increase the sale when price of the product is soaring and government is spending so much on De-marketing. This paper is highlighting the factors that are persuading the people to buy a product that is reducing the quality and quantity of their very precious life. At last, the paper is concluded that the government will have to involve in taking strict actions or government should demarket the products in more effective way than the companies.*

Keywords: *Smoking, De-marketing, Tobacco products, Tobacco, Cigarette, WHO.*

1. INTRODUCTION:

Tobacco is killing more than 7 million people every year. There were 721 million smokers in 1980, 967 million in 2012, this number is growing very fast as it has reached to more than 1.1 billion. It is very surprising that How these numbers are growing. There are more reasons to not smoke than light up a cigarette like Health issues, Increasing price, restriction at public places etc. Almost every country has banned the promotion and advertising of tobacco products in any form. Tobacco products are being taxed at a very high rate just to lower the number of its consumers, But the number of consumers are increasing day by day. It means there is something that is creating demand of tobacco products among people. The governments are spending huge sum of money on de-marketing of tobacco products but all these efforts are not seems to be effective till now. Despite of ban on promotion of tobacco products, somewhere companies are doing promotions with the help of various methods to increase their sales revenue. Internationally the tobacco companies are spending plentiful amount of money on promotion. According to Centre for Disease control and prevention, in 2014, the cigarette and smokeless tobacco companies spent more than \$9 billion on advertising and promotional expenses in the United States alone. Scientific evidence shows that the advertising of tobacco creates demand among young people. They find it appealing and their liking towards cigarette increases.

A study based on data from the National Youth Tobacco Survey found that 90.7 percent of middle school and 92.9 percent of high school students were exposed to pro-tobacco ads in stores, in magazines or on the internet in 2011.

The three most heavily advertised brands—Marlboro, Newport, and Camel—were the preferred brands of cigarettes smoked by adolescents (aged 12–17 years) and young adults (aged 18–25 years) during 2008–2010.

Some Company's internal Statement shows that they do target the young persons. **Here are some statements:** Philip Morris: "Today's teenager is tomorrow's potential regular customer, and the overwhelming majority of smokers first begin to smoke while still in their teens...The smoking patterns of teenagers are particularly important to Philip Morris."

Lorillard Tobacco: "The base of our business is the high school student."

Philip Morris in 2014 considered India as the potential market. The company was seeing India's population of 1.3 billion as a very good opportunity. In 2014 the company infuriated the Health Official of India, by making a strategy. Company has made a strategy '**Within walking distance**'. Objective of this strategy was to ensure that every Indian Smoker should be able to buy Marlboro Cigarette within his walking distance. But the Company said that they are doing promotions according to Laws in India. Not only Philip morris, country's leading cigarette maker ITC Ltd. Also uses marketing methods that are illegal according to public health officials.

The industry always argues that the tobacco advertising aims at building brand image in the mind of Smokers and not promoting consumption of tobacco. Industry experts also says that we don't try to persuade young persons to start smoking and we don't stop smokers to not quit or to continue. Experts says that tobacco industry advertises to encourage the switching of brand in adult Smokers.

2. LITERATURE REVIEW:

Wakefield et.al(2002), examined when customer buys a pack he buys the contents and its associated imagery. Packaging plays an important part in promotion. Companies use cigarette pack as a promotion tool, Cigarette packaging plays an important role in establishing and driving brand image.

While et.al(1996), concluded in his Survey that, The cigarette brands on which the tobacco industry spent the greatest amount of money in media advertising during the year were Benson & Hedges & Silk cut. These Brands Benson and Hedges and silk cut were most frequently mentioned by smokers who were respondents in this survey. It proves that Advertisement of tobacco products were effective.

King et.al(2001), examined that the children should not be targeted while advertising of tobacco products, But there are evidences that the companies are targeting the young people with the help of Magazines. Studied the promotion of cigarette brands through Magazines. But in 1998 US master settlement agreement restrict the four large companies from advertising in Magazines.

Gilpin et.al(2007), Concluded that "Despite the success of tobacco control efforts in reducing youth smoking, tobacco marketing remains a potent influence on whether young adolescents become established smokers in young adulthood (18–21 years of age)."

Loomis et.al(2006), discussed that the nature of cigarette industry is very competitive, Companies have to spend money on promotions & Advertisements.by using the Point of Purchase (POP) method of advertising, the sale of tobacco products increased. It is a concern for the public health community.

David Hammond(2011), summarised that the packaging has a major influence on the consumer. The labelling with pictures & graphics has more impact than the text-only labelling. The large warnings along with pictures are more effective. Health warning on the packet can be the most direct way to communicate with the consumer.

Based on the Literature Review, it can be concluded that the cigarette companies are doing marketing, however Governments tried not to let them promote the tobacco products. Companies find loopholes in legal provisions or they just ignore them. Companies just want to increase their sales revenue.

3. FACTORS PUSHING UP DEMAND OF TOBACCO PRODUCTS OR HOW THE COMPANIES ARE GETTING ADVANTAGE:

Psychological Factors:

Many people start smoking in their teens and they become highly addicted to smoking when they reach their adulthood. Sometimes they try to quit smoking but it is a highly strong addiction that cannot be quit easily. There are many factors that lead to start smoking.

Teens or higher school students have peer-pressure, their friends often offer tobacco products to them. Teens accepts the offer due to pressure or due to socially accepted. Some Teens also influenced by behavior of adults so they want to act like them or to look mature they start smoking. Teens percept in their mind that Cigarette Smoking is very Cool, or they think that they look Cool while Smoking. Teen boys and girls take Smoking as an experiment, they think of Smoking as an experience that should not be missed. The Reasons of Smoking for Adults are different than that of Teens. Adults Smokes because of Stress, Anxiety, Pressure etc. so that he/she can feel relaxed. Mostly adults Smoke due to Personal Problems like Bad Marriage, Unemployment etc. Some people have misconceptions that Smoking can control their weights but they are unaware that the Smoking kills the sense of their Taste-buds that's why they lose weight due to less appetite.

Hoardings or Large Ads: It is a very common marketing strategy adopted by the companies. Companies place large Boards, Hoarding and signs at the place from where it is clearly visible from outside the stores. Young persons also get attracted by this because some companies put their hoarding nearby high schools or colleges.

Cigarette Packing: Tobacco companies see cigarette packets as an important element of marketing strategy. The packets are a great promotional tool, because pack stays with the buyer. After labelling Warning on the packets, there is enough space left on the packet, which can be use for promotion. Companies use good Graphics for attraction.

Free Distribution: Cigarette Companies distribute free tobacco products outside Nightclubs, pubs, & bars etc. Marlboro used this tactic in many countries, however there are restrictions on free distribution of tobacco products.

Media Advertising: Some countries are allowing the Companies to do media advertising with or without a little bit of restriction. Some companies project their products as tobacco-less only for advertisements just to promote their brands, but the real product is different from what is advertised.

Promotion through Movies: In Movies, Tobacco products are shown as a cool thing. For example, Lead actors are projected as Smoker and smoking is shown as the sensational activity. The camera is focused on the Cigarette Brand so that the people can recognize the brand. Young adults are the main target of these type of promotions.

Sporting Events: Tobacco companies try to promote their products through sports events. Companies sponsor the races and other events and put their brand mark on cars, bike etc.

Point of Purchase (POP) :This method is also termed as ‘Point of Sale’ (POS). Cigarette Companies are doing promotion through shop displays. Some Display of product is put in Grocery or Retail stores to attract the customer. Displays are put at the place where the customer’s attention can be caught like Counter tops, windows etc.

4. CONCLUSION:

It is observed from this paper that whatever laws, provisions that are made by the government, should be enacted properly. These Companies should be regulated properly so that Cigarette advertisement can be controlled in a effective way. It can be suggested from this paper that either government should strictly monitor the marketing policies of tobacco companies or the Tobacco products and other tobacco products should be totally banned. WHO Framework Convention on Tobacco Control was held in 2003 but no strictness in advertising has been witnessed till now. WHO can give strict directions to its member countries on tobacco advertising.

REFERENCES:

1. While, D., Kelly, S., Huang, W., & Charlton, A. (1996). Cigarette advertising and onset of smoking in children: questionnaire survey. *Bmj*, 313(7054), 398-399.
2. Wakefield, M., Morley, C., Horan, J. K., & Cummings, K. M. (2002). The cigarette pack as image: new evidence from tobacco industry documents. *Tobacco control*, 11(suppl 1), i73-i80.
3. Loomis, B. R., Farrelly, M. C., Nonnemaker, J. M., & Mann, N. H. (2006). Point of purchase cigarette promotions before and after the Master Settlement Agreement: exploring retail scanner data. *Tobacco control*, 15(2), 140-142.
4. King III, C., & Siegel, M. (2001). The Master Settlement Agreement with the tobacco industry and cigarette advertising in magazines. *New England Journal of Medicine*, 345(7), 504-511.
5. Hammond, D. (2011). Health warning messages on tobacco products: a review. *Tobacco control*, 20(5), 327-337.
6. Gilpin, E. A., White, M. M., Messer, K., & Pierce, J. P. (2007). Receptivity to tobacco advertising and promotions among young adolescents as a predictor of established smoking in young adulthood. *American Journal of Public Health*, 97(8), 1489-1495.

WEB REFERENCES:

- <https://www.tobaccofreekids.org/research/factsheets/pdf/0008.pdf>
- <http://www.who.int/mediacentre/factsheets/fs339/en/>
- https://www.cdc.gov/tobacco/data_statistics/fact_sheets/adult_data/cig_smoking/index.htm
- <http://www.hindustantimes.com/india-news/a-cigarette-within-walking-distance-marlboro-s-marketing-strategies-infuriate-indian-health-officials/story-KGC6iF0c59D8dQpo2dUQII.html>
- http://healthliteracy.worlded.org/docs/tobacco/Unit3/1why_people_smoke.html