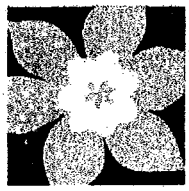
CAS - 12MC
C.P. - P.L. 112
Loi sur le tabac

Compilation de preuves traitant des effets de la publicité et de la promotion concernant le tabac, incluant les étalages au point de vente

Mémoire présenté à la Commission des affaires sociales, Assemblée nationale du Québec, pour l'étude du projet de loi 112, *Loi modifiant la Loi sur le tabac et d'autres dispositions législatives*



Canadian Cancer Society
Société canadienne du cancer

mai 2005

Volume 3

Société canadienne du cancer (2005), "Compilation de preuves traitant des effets de la publicité et de la promotion concernant le tabac, incluant les étalages au point de vente : Mémoire présenté à la Commission des affaires sociales, Assemblée nationale du Québec, pour l'étude du projet de loi 112, *Loi modifiant la Loi sur le tabac et d'autres dispositions législatives*"

Table des matières

ONGLET

Photos

1. Promotion du tabac au point de vente

2. Pharmacie de St. John's, Terre-Neuve, après l'interdiction des étalages de tabac visibles, 2004

3. Promotions du tabac au point de vente et à l'extérieur dans les pays étrangers

4. Promotion au point de vente de produits autres que le tabac

Dépenses de l'industrie du tabac pour les étalages au point de vente

5. Health Canada (Julie Rogers, Analyst, Access to Information and Privacy Centre) letter to Physicians for a Smoke-free Canada (Cynthia Callard, Executive Director) January 11, 2005.

6. McLellan, Anne (Ministre de la santé), Hansard, Chambre des communes, le 10 juin 2003, réponse à la question n° 222 au Feuilleton. La réponse était fondée sur l'information fournie à Santé Canada par les fabricants conformément aux exigences pancanadiennes du *Règlement sur les rapports relatifs au tabac.* http://www.parl.gc.ca/PDF/37/2/parlbus/chambus/house/debates/Han115-F.PDF

7. Pollay, R.W., "Tobacco Promotion Spending Patterns in Canada", Exhibit D-239, *JTI-Macdonald v. Attorney General of Canada*, Quebec Superior Court, 2002.

Publicité du secteur du commerce de détail / Articles portant sur la promotion au point de vente

8. Réclames provenant de : *Your Convenience Manager* [Canada] 1996-2004 (citations).

9. Compilation de réclames publiées dans : *Your Convenience Manager* [Canada] 1996-2004.

10. Benson, B., Kearney, M. "Counter Productive" *Your Convenience Manager* November/December 2000, p. 30-33.

11. Boles, S., "An outside chance; exterior merchandising delivers big profits" *Your Convenience Manager* (*Octane*) January/February 2005, p. 47-49.

12. Boles, S. "Displays That Entice" *Your Convenience Manager* November/December 2003, p. 34-36.

13. Headsup Media Inc. "Over 75% of convenience store customers buy on impulse!" 2005 (promotion for the company's point of sale signage).

14. Kaplun, Y. "Grabbing More Sales" *Your Convenience Manager* November/December 1997, p. 5-7.

15. Your Convenience Manager, "Petro-Canada Discovers the Power of the 6Ps Counter Attack" *Your Convenience Manager* November/December 2000, p. 35.

16. Your Convenience Manager, "P-O-P Signage - Take the road to more sales with point of purchase" *Your Convenience Manager* November/December 1996, p. 14.

17. Your Convenience Manager, "Why P-O-P's so Powerful; A recent study proves point-of-purchase items help people buy more" *Your Convenience Manager* January/February 1997, p. 14.

Rapports

18. Cancer Institute NSW [Australian State of New South Wales], "NSW Cancer Plan 2004-2006" July 2004. http://www.cancerinstitute.org.au/cancer_inst/campaign/plan_0406.pdf

19. European Community, Council of the European Union, "Council Recommendation of 2 December 2002 on the prevention of smoking and on initiatives to improve tobacco control" (2003/54/EC); Conseil de l'Union européenne, "Recommandation du Conseil du 2 décembre 2002 relative à la prevention du tabagisme et à des initiatives visant à renforcer la lutte antitabac".

20. Expert Panel on the Renewal of the Ontario Tobacco Strategy, "Actions will speak louder than words; Getting serious about tobacco control in Ontario; A Report to the Minister of Health from her Expert Panel on the Renewal of the Ontario Tobacco Strategy" February 1999, p.19.
http://www.otru.org/pdf/special/special_actions_eng.pdf

21. Northwest Territories Department of Health and Social Services, "A Territorial Law to Control Tobacco Use: What Do You Think?" (Discussion Paper) January 2003, p.16.
http://www.hlthss.gov.nt.ca/Features/Initiatives/tobaccopdf/nwttobaccodiscussionpaperJan03.pdf
Territoires du Nord-Ouest, Ministère de la Santé et des Services sociaux, « Une loi territoriale pour lutter contre le tabagisme : Qu'en pensez-vous? » janvier 2003.
http://www.hlthss.gov.nt.ca/Features/Initiatives/tobaccopdf/tobaccodisfr.pdf

22. Québec, Ministère de la Santé et des Services sociaux, "Pour notre progrès vers un avenir sans tabac : Développement de la législation québécoise contre le tabagisme; Document de consultation" janvier 2005.

23. Queensland Health, "The Tobacco and Other Smoking Products Act 1998 Review: Discussion Paper" May 2004. http://www.health.qld.gov.au/atods/documents/23179.pdf.

24. South Australia Department of Health, "Proposed Changes to Tobacco Point of Sale Displays: Discussion Paper" August 2004, p.3.

25. Special Committee on Tobacco Control, Legislative Assembly of Saskatchewan, "First Report" May 31, 2000, p.23. http://www.legassembly.sk.ca/committees/Archive/tcc/Docs/000531Tobacco.pdf

26. Standing Committee on Social Development, Legislative Assembly of Prince Edward Island, "Retail Sale of Tobacco Products" April 20, 2004, p.5. http://www.assembly.pe.ca/reports/2-1-62tobacco.pdf

27. United Kingdom Department of Health, "Government Response to the Health Select Committee's second report on the Tobacco Industry and the Health Risks of Smoking", October 2000.

28. United Kingdom Department of Health, "Smoking Kills: A White Paper on Tobacco" December, 1998.

29. U.S. Federal Trade Commission, "U.S. Federal Trade Commission Cigarette Report for 2002" 2004.

30. U.S. Department of Health and Human Services, *Women and Smoking: A Report of the Surgeon General*, Atlanta, Georgia: U.S. Department of Health and Human Services, Centers for Disease Control and Prevention, National Center for Chronic Disease Prevention and Health Promotion, Office on Smoking and Health, 2001.

31. U.S. Department of Health and Human Services, *Reducing Tobacco Use: A Report of the Surgeon General*, Atlanta, Georgia: U.S. Department of Health and Human Services, Centers for Disease Control and Prevention, National Center for Chronic Disease Prevention and Health Promotion, Office on Smoking and Health, 2000.

32.U.S. Department of Health and Human Services, *Tobacco Use Among U.S. Racial/Ethnic Minority Groups – African Americans, American Indians and Alaska Natives, Asian Americans and Pacific Islanders, Hispanics: A Report of the Surgeon General*, Atlanta: Georgia: U.S. Department of Health and Human Services, Centers for Disease Control and Prevention, National Center for Chronic Disease Prevention and Health Promotion, Office on Smoking and Health, 1998.

Tendances statistiques du tabagisme

33. Per capita cigarette consumption, age 15+, Canada, 1921-2004.

34. Environics Research Group Limited, "The Focus Canada Report 2003-4" Prepared for the Canadian Cancer Society.

Conférences

35. Fifth Asia Pacific Association for the Control of Tobacco (APACT) Conference, "The 1998 Subic Bay international declaration of support for action to control tobacco" Subic Bay, The Philippines, 23-26 November 1998, *Tobacco Control*, 1999;8(1):81.

36. International Policy Conference on Children and Tobacco, "Policy Recommendations" Washington, D.C., U.S.A., 17-19 March 1999, In: *INGCAT* Update 10, 1999, 2nd quarter.

37. Ninth World Conference on Lung Cancer, "IASLC 2000 Tokyo Declaration on Tobacco", [International Association for the Study of Lung Cancer] Tokyo, Japan, 2000.

38. Première Conférence internationale francophone sur le contrôle du tabac, Le Comité scientifique, "Déclaration de Montréal sur le contrôle du tabac", Montréal, 18 septembre 2002. http://www.cifcot.com/declaration/declaration.asp

39. Second European Conference on Tobacco or Health and First Iberoamerican Conference on Tobacco or Health, "Canarias Declaration" Las Palmas de Gran Canaria, Spain, 23-27 February 1999.

40. WHO European Ministerial Conference for a Tobacco-free Europe, "Warsaw Declaration for a Tobacco-free Europe", Warsaw, Poland, February 19, 2002; Conférence ministérielle européenne de l'OMS pour une Europe sans tabac, « La Déclaration de Varsovie : l'Europe montre la voie à suivre pour lutter contre le tabagisme » Varsovie, Pologne, 19 février 2002.

Documents de l'industrie

41. Alimentation Couche-Tard inc. "Mémoire présenté par Alimentation Couche-Tard inc." février 2005.

42. Imperial Tobacco Canada Ltée, Rothmans, Benson & Hedges Inc., JTI-Macdonald Corp., Représentations conjointes de Imperial Tobacco Canada Ltée, Rothmans, Benson & Hedges Inc., JTI-Macdonald Corp. portant sur le Document de consultation "Pour notre progrès vers un avenir sans tabac – Développement de la législation québécoise contre le tabagisme publié par Le Ministère de la Santé et des Services sociaux" 25 fevrier 2005.

43. JTI-Macdonald Corporation, "JTI-Macdonald Supports Reasonable Tobacco Regulation; Concerns About Impacts on Manitoba Retailers" April 15, 2002 (News Release).
http://www2.ccnmatthews.com/scripts/ccn-release.pl?/2002/04/15/0415039n.html

Études et littérature

44. Albers, A.B., Biener, L. "Adolescent Participation in Tobacco Promotions: The Role of Psychosocial Factors" *Pediatrics* 2003;111(2): 402-406.

45. Anderson, S.J., Glantz, S.A., Ling, P.M. "Emotions for sale: cigarette advertising and women's psycholosocial needs" *Tobacco Control* 2005;14:127-135.

46. Anderson, S., Hastings, G., MacFadyen, L. "Strategic marketing in the UK tobacco industry" *Lancet Oncology* 2002; 3:481-486.

47. Assunta, M., Chapman, S. "'The world's most hostile environment': how the tobacco industry circumvented Singapore's advertising ban" *Tobacco Control* 2004(Suppl 2): ii51-57.

48. Barnsley K., Jacobs M. "Tobacco advertising and display of tobacco products at point of sale: Tasmania, Australia" *Tobacco Control* 2000; 9:230-2.

49. Basil, M.D., Basil, D.Z., Schooler, C. "Cigarette Advertising to Counter New Year's Resolutions" *Journal of Health Communication* 2000;5:161-174.

50. Biener, L., Albers, A. "Young Adults: Vulnerable New Targets of Tobacco Marketing" *American Journal of Public Health* 2004;94(2):326-330.

51. Biener, L., Fowler, F.J., Roman, A.M., "1993 Massachusetts Tobacco Survey: Tobacco Use and Attitudes at the Start of the Massachusetts Tobacco Control Program" A report to the Massachusetts Department of Health. Boston: Center for Survey Research, University of Massachusetts, 1994.

52. Biener, L., Nyman, A.L., Kline, R.L., Albers, A.B. "Adults only: the prevalence of tobacco promotions in bars and clubs in the Boston area" *Tobacco Control* 2004;13:403-408.

53. Biener, L., Siegel, M. "Tobacco Marketing and Adolescent Smoking: More Support for a Causal Inference" *American Journal of Public Health* 2000;90(3):407-411.

54. Campaign for Tobacco-Free Kids, "Tobacco Marketing That Reaches Kids Point-of-Purchase Advertising and Promotions", June 18, 2002. http://tobaccofreekids.org/research/factsheets/pdf/0075.pdf

55. Canadian Cancer Society, "Tobacco Promotion at Point of Purchase, Including Product Displays, Should be Banned" January 17, 2005 (Fact Sheet).

56. Canadian Cancer Society, "A Submission to the Hon. Lea Stevens, Minister for Health, South Australia, Respecting the Discussion Paper Concerning Tobacco Promotion and Point of Purchase" September 8, 2004.

57. Canadian Cancer Society, "Rationale Supporting a Total Ban on Tobacco Displays and Signage at Point of Sale" A Brief Submitted to Manitoba Health, May 2002.

58. Canadian Cancer Society, "Controlling the Tobacco Epidemic: Selected Evidence in Support of Banning All Tobacco Advertising and Promotion, and Requiring Large, Picture-Based Health Warnings on Tobacco Packages", Summary, (Ottawa: Canadian Cancer Society, International Union Against Cancer, 2001).

59. Carter, S.M. "Going below the line: creating transportable brands for Australia's dark market" *Tobacco Control* 2003; 12(suppl III): iii87-94.

60. Carter, S.M. "New frontier, new power: the retail environment in Australia's dark market" *Tobacco Control* 2003;12(suppl III) :iii95-101.

61. Carter S. "Worshipping at the Alpine altar: promoting tobacco in a world without advertising" *Tobacco Control* 2001;10(4):391-3.

62. Celebucki, C.C., Diskin, K. "A longitudinal study of externally visible cigarette advertising on retail storefronts in Massachusetts before and after the Master Settlement Agreement" Tobacco Control 2002;11 (suppl II):ii47-53.

63. Choi, W.S., Ahluwalia, J.S., Harris, K.J., Okuyemi, K. "Progression to Established Smoking: The Influence of Tobacco Marketing" *American Journal of Preventive Medicine* 2002; 22(4):228-233.

64. Chung, P., Garfield, C.F., Rathouz P.J, Lauderdale, D.S., Lantos, J. "Youth Targeting By Tobacco Manufacturers Since The Master Settlement Agreement" *Health Affairs* 2002; 21(2): 254-263.

65. Cook, D., Edwards, C.A. "Cigarette Brand Variation Increases Since Legislation Reduces Point-of-Sale Promotion" *Health Promotion Journal of Australia* 2000;10(2):154-155.

66. Cunningham, R. "Banning Retail Displays and Signage" Paper presented to the Ontario Tobacco Control Conference 2004, Toronto, Ontario, May 6, 2004. http://tc.bmjjournals.com/misc/powerpoint.shtml .

67. Davis, R.M. "Fuel pump promos: continued" *Tobacco Control* 2001;10:389-393.

68. Dewhirst, T. "POP goes the power wall? Taking aim at tobacco promotional strategies utilized at retail" *Tobacco Control* 2004;13:209-210.

69. Dewhirst, T., Hunter, A. "Tobacco sponsorship of Formula One and CART auto racing: tobacco brand exposure and enhanced symbolic imagery through co-sponsors' third part advertising" *Tobacco Control* 2002;11:146-150.

70. Donovan, R.J., Jancey, J., Jones, S. "Tobacco point of sale advertising increases positive brand user imagery" *Tobacco Control* 2002;11:191-194.

71. Feighery, E.C., Ribisl, K.M., Achabal, D.D., Tyebjee, T. "Retail trade incentives: how tobacco industry practices compare with those of other industries" *American Journal of Public Health* 1999;89:1564-6.

72. Feighery, E.C., Ribisl, K.M., Clark, P.L., Haladjian, H.H. "How tobacco companies ensure prime placement of their advertising and products in stores: interviews with retailers about tobacco company incentive programmes" *Tobacco Control* 2003;12:184-8.

73. Feighery, E.C., Ribisl, K.M., Schleicher, N.C., Clark, P.I. "Retailer participation in cigarette company incentive programs is related to increases levels of cigarette advertising and cheaper cigarette prices in stores" *Preventive Medicine* 2004;38:876-84.

74. Feighery, E.C., Ribisl, K.M., Schleicher, N.C., Lee, R.E., Halvorson, S. "Cigarette advertising and promotional strategies in retail outlets: results of a statewide survey in California" *Tobacco Control* 2001;10:184-8.

75. Greaves, L. "Canada: demolishing the power walls" *Tobacco Control* 2003;12:7-8.

76. Harper, T. "Marketing life after advertising bans" *Tobacco Control* 2001;10:196-7.

77. Hastings, G., MacFadyen, L. "Keep Smiling: No One's Going to Die; An Analysis of Internal Documents from the Tobacco Industry's Main UK Advertising Agencies" London: Centre for Tobacco Control Research and Tobacco Control Resource Centre, British Medical Association, 2000. [Prepared for the U.K. House of Commons Select Committee on Health].

78. Henriksen, L., Feighery, E.C., Schleicher, N.C., Haladjian, H.H., Fortmann, S.P. "Reaching youth at the point of sale: cigarette marketing is more prevalent in stores where adolescents shop frequently" *Tobacco Control* 2004;13:315-318.

79. Henriksen, L., Feighery, E.C., Wang, Y., Fortmann, S.P. "Association of retail tobacco marketing with adolescent smoking" *American Journal of Public Health* 2004;94(12):2081-2083.

80. Henriksen, L., Flora, J.A., Feighery, E.C., Fortmann, S.P. "Effects on youth of exposure to retail tobacco advertising" *Journal of Applied Social Psychology* 2002;32:1771-89.

81. Johnston, L.D., O'Malley, P.M., Bachman, J.G., Schulenberg, J.E. "Cigarette Brand Preferences Among Adolescents" Monitoring the Future Occasional Paper 45, Ann Arbor, MI, U.S.A, Institute for Social Research, University of Michigan, 1999.

82. Kessler, D.A., Wilkenfeld, J.P., Thompson, L.J. "The Food and Drug Administration's Rule on Tobacco: Blending Science and Law" *Pediatrics*, 1997;99(6):884-887.

83. Luke, D., Esmundo, E., Bloom, Y. "Smoke signs: Patterns of tobacco billboard advertising in a metropolitan region" *Tobacco Control*, 2000;9(1):16-23.

84. MacFadyen, L., Hastings, G., MacKintosh, A.M. "Cross sectional study of young people's awareness of an involvement with tobacco marketing" *British Medical Journal* 2001;322:513-517.

85. McCarville, R., Bee, C. "Point-of-Purchase Techniques and Their Influence on Tobacco Consumption: A Review of Literature in Private Sector Journals" Prepared for the Centre for Behavioural Research and Program Evaluation, National Cancer Institute of Canada, 1999.

86. McKeown, David (Medical Officer of Health, City of Toronto), "Point-of-Sale Promotion of Tobacco Products" Memorandum to Toronto Board of Health, March 15, 2005.

87. Ontario Liberal Party, "The Health Care We Need: The Ontario Liberal Plan for Better Health Care" March 2003, p.19. http://www.ontarioliberal.ca/platform/health.pdf
Parti libéral de l'Ontario, « Les soins de santé qu'il nous faut : La stratégie des libéraux de l'Ontario en vue d'améliorer les soins de santé » mars 2003, p.19.

88. Ontario Tobacco Strategy Media Network. "Backgrounder: Point-of-Sale Promotion of Tobacco Products" May 2004.

89. Perry, C.L. "The Tobacco Industry and Underage Youth Smoking: Tobacco Industry Documents from the Minnesota Litigation" *Archives of Pediatric and Adolescent Medicine* 1999;153:935-941.

90. Piepe, A., Charlton, P., Morey, J., Yerrell, P., Ledwith, F. "Does sponsored sport lead to smoking among children?" *Health Education Journal* 1986;45(3):145-148.

91. Pollay, R. W. "Considering the Evidence, No Wonder the Court Endorses Canada's Restrictions on Cigarette Advertising" *Journal of Public Policy & Marketing* 2004;23(1):80-88.

92. Pucci, L.G., Joseph, H.M., Siegel, M., "Outdoor Tobacco Advertising in Six Boston Neighbourhoods: Evaluating Youth Exposure" *American Journal of Preventive Medicine*,
1998; 15(2): 155-159.

93. Rogers T., Feighery, E.C., Tencati, E.M., Butler, J.L., Weiner, L. "Community mobilization to reduce point-of- purchase advertising of tobacco products" *Health Education Quarterly* 1995;22:427-42.

94. Sargent, J.D., Dalton, M., Beach, M. "Exposure to cigarette promotions and smoking uptake in adolescents: evidence of a dose-response relation" *Tobacco Control*, 2000;9:163-168.

95. Sargent, J.D., Dalton, M., Beach, M., Bernhardt, A., Heatherton, T., Stevens, M. "Effect of Cigarette Promotions on Smoking Uptake Among Adolescents" *Preventive Medicine*, 2000; 30:320-327.

96. Sartor, F., (Minister Assisting the Minister for Health (Cancer), New South Wales [state in Austrlia]. "Cancer Plan Considers Point of Sale Restrictions on Tobacco" February 19, 2004 (Media Release). http://www.health.nsw.gov.au/news/2004/feb/19-02-04_sartor.html

97. Saskatchewan Coalition for Tobacco Reduction. "Presentation to the Law Amendments Committee, Province of Manitoba" August 8, 2002.

98. Smitherman, G. [Ontario Minister Of Health and Long-Term Care]. Remarks Presented at the Ontario Tobacco Control Conference May 5, 2004. http://www.health.gov.on.ca/english/media/speeches/archives/sp_04/sp_050604.html

99. Standing Committee on Social Development, Prince Edward Island Legislative Assembly. Transcript of Proceedings March 11, 2004, p.27. http://www.gov.pe.ca/photos/original/leg_03-11-04_2.pdf

100. Supreme Court of Canada, *Rothmans, Benson & Hedges Inc.* v. *Saskatchewan*, Reasons for Judgement, March 18, 2005. http://www.lexum.umontreal.ca/csc-scc/en/rec/html/2005scc013.wpd.html; Cour suprême du Canada, *Rothmans, Benson & Hedges Inc.* c. *Saskatchewan*, 18 mars 2005. http://www.lexum.umontreal.ca/csc-scc/fr/rec/html/2005csc013.wpd.html

101. Szilagyi, T. "Hungary: Tobacco ads forced back inside" *Tobacco Control*, 2004;13:8.

102. Terry-McElrath, Y, Wakefield, M., Giovino, G, Hyland, A., Barker, D., Chaloupka, F., Slater, S., Clark, P., Schooley, M., Pederson, L., Pechacek, T. "Point-of-purchase tobacco environments and variation by store type – United States 1999" *Morbidity and Mortality Weekly Report* 2002; 51:184-9.

103. Tilson Consulting, "Restrictions on the Retail Display of Tobacco Products: Policy Analysis" Prepared for Smoke-free Nova Scotia, August 2004.

104. Tofler, A., Chapman, S. "Some convincing arguments to pass back to nervous customers: the role of the tobacco retailer in the Australian tobacco industry's smoker reassurance campaign 1950-1978" *Tobacco Control* 2003;12:7-12.

105. Unger, J.B., Chen, X. "The role of social networks and media receptivity in predicting age of smoking initiation: a proportional hazards model of risk and protective factors" *Addictive Behaviors*, 1999;24(3):371-381.

106. Voorhees, C.C., Yanek, L.R., Stillman, F.A., Becker, D.M. "Reducing cigarette sales to minors in an urban setting: issues and opportunities for merchant intervention" *American Journal of Preventive Medicine*, 1998;14(2):138-142.

107. Wakefield, M.A., Terry-McElrath, Y.M., Chaloupka, F.J., Barker, D.C., Slater, S.J., Clark, P.I., Giovino, G.A. "Tobacco industry marketing at point of purchase after the 1998 MSA billboard advertising ban" *American Journal of Public Health* 2002;92:937-40.

108. Waterloo (Region of), Department of Public Health, "Point-of-Sale Promotion of Tobacco Products", Report PH-05-023 April 19, 2005; Algoma Health Unit Board, resolution re point-of-sale promotion, April 19, 2005.

109. Weir, J. "Tobacco Advertising: the New Zealand experience" Tobacco Control 1995; 4:90-91.

110. World Bank "Tobacco Control at a Glance" June 2003.

111. World Bank, "Tobacco at a Glance" March 2002.

J. Gottheil Marketing Communications Inc., "The Influence of Tobacco Power Wall Advertising on Children" A report for the Non-Smokers' Rights Association/and the Smoking and Health Action Foundation, March 2005.

Ontario Medical Association, "More Smoke and Mirrors : Tobacco Industry-Sponsored Youth Prevention Programs In the Context of Comprehensive Tobacco Control Programs in Canada; A Position Statement By The Ontario Medical Association" February 2002.

Impact promotionnel de l'emballage

112. Beede, P.C., Lawson, R.W., "Brand image attraction: the promotional impact of cigarettes packaging" *The New Zealand Family Physician* 1991;175-177.

113. Beede, P., Lawson, R., Shepherd, M., "The promotional impact of cigarette packaging: a study of adolescent responses to cigarette plain-packs" University of Otago, Dunedin, New Zealand 1992.

114. Canadian Cancer Society. "Marketing Professors Endorse Plain Packaging of Tobacco Products" May 23, 1994 (News Release), together with statements of 24 marketing professors; Société canadienne du cancer, « Des professeurs de marketing appuient la banalisation des emballages de produits du tabac » 23 mai 1994 (communiqué).

115. Canadian Cancer Society. "Putting Health First: the Case for Plain Packaging of Tobacco Products" Submitted to the House of Commons Standing Committee on Health, April 1994.

116. Canadian Cancer Society. "Responses to Arguments Against Plain Packaging of Tobacco Products; Submitted to Members of the Standing Committee on Health" May 24, 1994.

117. Canadian Medical Association. "Plain Packaging of Tobacco Products; Presentation to the House of Commons Standing Committee on Health" May 3, 1994; Canadian Medical Association. "Plain Packaging Will Help Stem Smoking Epidemic, Say Doctors" May 3, 1994 (News Release); Association médicale canadienne, « La banalisation des produits du tabac; Présentation au Comité permanent de la santé, Chambre des communes » 3 mai 1994; Association médicale canadienne, « La banalisation des produits du tabac contribuera à endiguer l'épidémie de tabagisme, affirment les médecins » 3 mai 1994.

118. Carr-Gregg, M.R.C., Gray, A.J., "'Generic' Packaging - A Possible Solution to the Marketing of Tobacco to Young People" *World Smoking & Health* 1993;18(2):11-13.

119. Centre for Health Promotion, "Effects of Plain Packaging on the Image of Tobacco Products Among Youth" November 30, 1993; Canadian Cancer Society, "Plain Cigarette Packaging - A Turn-Off for Teens!" (News Release) "Highlights" and "Fact Sheet" January 6, 1993.

120. Cunningham, R., Kyle, K. "The case for plain packaging" *Tobacco Control* 1995;4(1):80-86.

121. d'Avernas, J.R., Northrup, D., Foster, M.K., Burton, D., Ferrence, R., Pollard, J., Rootman, I., Flay, B.R. "Cigarette Packaging and Event Marketing Increases the Attractiveness of Smoking: A Study of Youth" Ontario Tobacco Research Unit, Working Papers Series No. 28, October 1997.

122. Donovan, R.J. "Smokers' and Non-Smokers' Reactions to Standard Packaging of Cigarettes" University of Western Australia 1993.

123. Gardner, B.B. "The Package as Communication" In Walter Stern, ed., Handbook of Package Design Research, John Wiley & Sons, 1981, pp.232-237.

124. Goldberg, M.E., Kindra, G., Lefebvre, J., Liefeld, J., Madill-Marshall, J. Marohardjono, N. Vredenburg, H. "When Packages Can't Speak: Possible impacts of plain and generic packaging of tobacco products" Expert Panel Report Prepared at the Request of Health Canada, March 1995.

125. International Union Against Cancer, "UICC Tobacco Control Fact Sheet: Generic Packaging" February 1996.

126. Lynn, B. "Color Research in Package Design" In Walter Stern, ed., Handbook of Package Design Research, John Wiley & Sons, 1981, pp.191-197.

127. Mahood, G. "Generic or Plain Pack Tobacco Packages: Moving Toward Real Bans on Tobacco Advertising" Paper presented to the 8th World Conference on Tobacco or Health, Buenos Aires, Argentina, April 1992.

128. Ontario Ministry of Health, "Presentation to the House of Commons Standing Committee on Health Hearings on Plain Packaging" May 10, 1994.

129. Pollay, R.W., "As Anyone Can Plainly See: Brand Imagery in Cigarette Packaging and Promotion; A Submission to Hearings on Plain Packaging of Tobacco Products, House of Commons, Standing Committee on Health" May 3, 1994.

130. RBJ Health Management Associates. "Impact of Plain Packaging of Tobacco on Youth Perceptions and Behaviour; Report of Study 1" June 1993.

131. Slade, J. "The pack as advertisement" *Tobacco Control* 1997;6:169-170.

132. Standing Committee on Health, House of Commons. "Towards zero consumption: Generic packaging of tobacco products. Report of the Standing Committee on Health" June 1994; Standing Committee on Health, "Health Committee Reports on Plain Packaging of Tobacco Products" June 21, 1994 (News Release).

133. "Rethinking Cigarette Packs for a New Age" *Tobacco International* March 1, 1991, pp. 14-17.

134. Trachtenberg, J.A., "Here's one tough cowboy" *Forbes*, February 9, 1987, pp.108-110.

Législation canadienne

135. Manitoba: *Loi sur la protection de la santé des non-fumeurs*, C.P.L.M. c.125, art. 7.1-7.3, http://web2.gov.mb.ca/laws/statutes/ccsm/s125f.php

136. Newfoundland and Labrador: *Standards of Pharmacy Practice (Sale of Tobacco)*, (Newfoundland and Labrador), Approved by the Newfoundland Pharmaceutical Association Council, June 19, 2000. http://www.npha.nf.ca/Documents/Standards/Standards-Tobacco%20Products.pdf

137. Nunavut: *Loi sur la réglementation de l'usage du tabac*, L.Nu. 2003, c.13.

http://www.nunavutcourtofjustice.ca/library/statutes/2003/Snu_2003_13.pdf

138. Saskatchewan: *The Tobacco Control Act*, S.S. 2001. c.T-14.1. http://www.qp.gov.sk.ca/documents/english/Statutes/Statutes/t14-1.pdf

139. Saskatchewan: *The Tobacco Control Regulations*, C.T-14.1, Reg 1. http://www.qp.gov.sk.ca/documents/english/Regulations/Regulations/t14-1r1.pdf

Traité international

140. *Convention cadre de l'OMS pour la lutte antitabac*, adoptée 21 mai 2003, en vigueur 27 février 2005.

141. Liste des pays qui ont signé/ratifié la *FCTC* au 16 mai 2005.

Législation étrangère

142. Iceland: *Tobacco Control Act*, http://eng.heilbrigdisraduneyti.is/laws-and regulations/nr/689. The pertinent article was enacted by Act. no.95/2001. The English translation of the Act is found on the website of Iceland's Ministry of Health and Social Security.

143. Ireland: Parts of the *Public Health (Tobacco) Act, 2002*, no. 6 of 2002, s.43. http://www.oireachtas.ie/documents/bills28/acts/2002/a602.pdf

144. Ireland: *Public Health (Tobacco) (Amendment) Act 2004*, no. 6 of 2004, s.14. http://www.oireachtas.ie/documents/bills28/acts/2004/A0604.pdf.

145. South Africa Department of Health, *Tobacco Products Control Draft Amendment Bill, Government Gazette* vol. 460, No. 25601, Notice 1513, October 17, 2003. http://www.info.gov.za/gazette/bills/2003/25601.pdf together with South Africa Department of Health "New Tobacco Bill Gazetted" October 16, 2003 (Media Release). http://www.doh.gov.za/mediaroom/index.html

146. United Kingdom: *Tobacco Advertising and Promotion Act 2002*, 2002 c.36, ss.8, 19.

147. United Kingdom: *Tobacco Advertising and Promotion (Point of Sale) Regulations 2004*, SI 2004 No.765. http://www.legislation.hmso.gov.uk/si/si2004/20040765.htm

Incidence des prix plus élevés/plus faibles sur la consommation du tabac

148. Canadian Cancer Society. "Compilation of Selected Evidence Regarding the Impact of Higher Tobacco Prices on Tobacco Use; A Submission Prepared for the House of Commons Standing Committee on Finance" September 2001. ("Summary" of 7 volumes, 303 tabs)

149. Canada, Ministère des Finances, "Le gouvernement annonce une hausse des taxes sur le tabac en vue de décourager le tabagisme" 17 juin 2002 (communiqué) http://www.fin.gc.ca/news02/02-052f.html

150. Canada, Ministère des Finances, "Hausses des taxes sur le tabac en vue de décourager l'usage du tabac " 1er novembre 2001 (communiqué). http://www.fin.gc.ca/news01/01-095f.html

151. Ontario, Ministère des Finances, "Le gouvernement de l'Ontario entreprend d'auters mesures destinées à rendre l'Ontario sans fumée " 18 janvier 2005 (communiqué).

152. Quebec, Cabinet de la vice-première ministre et ministre d'Etat à l'Économie, "Hausse de la taxe sur les produits du tabac et investissements importants dans la lutte au tabagisme" 17 juin 2002 http://communiques.gouv.qc.ca/gouvqc/communiques/GPQF/Juin2002/17/c7203.html

Tobacco

at a glance

Why is reducing use of tobacco a priority?

Tobacco is becoming **one of the single biggest causes of death worldwide.** By 2030 it is expected to kill 10 million people per year; half aged 35-69. The epidemic **is increasingly affecting developing countries,** where most of the world's smokers (82% or 950 million) live. Close to half of all men in low-income countries smoke daily and this has been increasing. For example, smoking prevalence among Chinese men increased from 40% in the 1950s to 63% in 1996 (Chinese Academy of Preventive Medicine 1996). Women's smoking rates are also increasing fast. By 2030, developing countries will account for 70% of all tobacco deaths. **Many deaths and much disease could be prevented by reducing smoking prevalence.**

Smoking and poverty. Episodes of ill health, the costs of health care, and premature death are frequently cited by poor people as their gravest concerns, and as the precipitating cause that pushes families into poverty. Smoking prevalence tends to be higher among men with less education and lower incomes, so they bear a greater health risk. Also, the opportunity cost of money spent on cigarettes is obviously higher for people living on low incomes – money spent on tobacco products could help feed families. Tobacco is often a significant part of family expenditure: low income households with at least one smoker in Bulgaria spent 10.4% of their total income on tobacco products in 1995; urban households in Tibet spent 5.5% of their monthly disposable income on tobacco products in 1992; and in China, smokers in 2,716 households in Minhang district spent 17% of household income on cigarettes (Gong et al, JAMA 1995, 274:1232-4).

The **harm from second-hand smoke** to others, especially unborn and young children, further justifies intervening to reduce tobacco use. 710 million children live in households where someone smokes (Lopez, WHO, 1999). Many smokers do not know their risks, begin smoking at very young ages and most later regret ever starting and would like to quit. For example, 61% of Vietnamese smokers surveyed in 1995 said they wanted to quit, and 44% had tried to quit (Jenkins et al, 1997). In China and in other developing countries, the average age at which people begin to smoke is falling from early 20s to teens. Nicotine is highly addictive, so it is important to **discourage smoking initiation,** especially among young people. Because many of the expected deaths from tobacco use will be among the 1.1 billion people who now smoke, persuading and helping **people to quit** is key to reducing disease and death from tobacco use.

Who is working on tobacco control?

Decreasing tobacco use is a priority for both the World Health Organization (WHO) and the World Bank as part of their missions to improve health and reduce poverty. WHO's "Tobacco Free Initiative" is the lead technical agency. Many other international and national agencies are partners.

Many countries are strengthening policies and interventions to reduce tobacco use. An International **Framework Convention on Tobacco Control** (FCTC) is being negotiated. It will agree on international standards and provide a framework for cooperation among nations.

National tobacco control efforts are usually led by the Ministry of Health, associations of physicians and other health groups, or dedicated anti-smoking groups. NGOs, women's groups, youth groups, lawyers, economists and environmentalists play key roles in some countries. Ministries of Finance, Economic Planning and Taxation are important, because higher tobacco taxes are the single most effective way to reduce use. Other stakeholders include: Ministries of Agriculture and farmers, Ministries of Labor and Industry, employee groups, Ministries of Education, media, retailers, and sports groups (sponsorship).

Cost Effective Interventions to reduce death and disease caused by tobacco use

Measures to reduce demand for tobacco products are highly cost effective – very high on the list of public health "best buys"

Objective: Reduce tobacco use, to reduce death and disease caused by tobacco use.

Interventions	Beneficiaries/Target Groups	Process Indicators
Higher taxes on cigarettes and other tobacco products	smokers potential smokers (especially youth)	✓ price of cigarettes/bidis etc (adjust for inflation) ✓ tax as % of final sales price
Non-price measures		
Bans/restrictions on smoking in public and work places: schools, health facilities, public transport, restaurants, cinemas etc.	non-smokers protected from second-hand smoke	✓ smoke-free public spaces and places
Comprehensive **bans on advertising and promotion** of all tobacco products, logos and brand names[1]	smokers and potential smokers (especially youth) societal attitudes to smoking	✓ laws, regulations, extent to which respected/enforced
Better consumer information: counter-advertising, media coverage, research findings	smokers and potential smokers societal attitudes to smoking	✓ knowledge of health risks, attitudes to smoking
Large, direct **warning labels** on cigarette boxes and other tobacco products	smokers	✓ % of box surface covered by label, message, color/font specifications
Help for smokers who wish to quit, including increased access to Nicotine Replacement (NRT) and other cessation therapies	smokers	✓ number of ex-smokers

Impact / surveillance indicators for tobacco use (from survey data):

adult smoking prevalence: % of people 15 and older who use any tobacco product at least once a day (daily/regular smoker) or occasionally, % who have ever smoked

intensity: average number of cigarettes (and other tobacco products) smoked/used daily

quit behavior: % who used to smoke, but currently do not smoke at all

youth use: % of young people who currently use any tobacco product (defined as having used a tobacco product on one or more days during the past 30 days),

initiation age: age at which current and ex-smokers first started to smoke at least one cigarette a day

Note: A Global Youth Tobacco Survey is being implemented in many countries with support from WHO and CDC. See: http://www.cdc.gov/tobacco/global/GYTS.htm (CDC website)

[1] If full bans are impossible, strong restrictions, and significant counter-advertising should be pursued.

The evidence shows: (useful information)

- The best results are achieved when a comprehensive set of measures to reduce the use of tobacco are implemented together. Many countries have succeeded in reducing smoking prevalence dramatically, and consequently reduced cancers, heart disease and other circulatory diseases, respiratory diseases, and low birth weight incidence.

- Price increases are the most effective and cost-effective deterrent – especially for young people and others with low incomes, who must, of necessity, be highly price responsive. A price rise of 10% decreases consumption by about 8% in low- and middle-income countries. Higher taxes will generate additional government revenue.

- In almost all countries, as people switch expenditures from tobacco to other goods, **there will <u>not</u> be net job losses.** As demand for tobacco products falls, jobs lost in tobacco farming, manufacturing and distribution, are offset by new jobs created in other sectors in response to changed expenditure patterns. Some countries (Malawi and Zimbabwe) and areas within other countries whose economies depend heavily on tobacco, may need help in adjusting if global consumption falls.

- Erosion in global demand for tobacco will probably be slow and gradual, in the face of growing population numbers, rising incomes, social norms, addiction, and advertising and promotion of tobacco use.

- **Most measures to reduce supply are ineffective** (prohibition, youth access restrictions, crop substitution efforts and trade restrictions). **Control of smuggling is the exception, and is the key supply-side measure to pursue.**

- Will poor smokers be hurt by tobacco product price increases? Those who decide to quit or cut back their use of tobacco products will gain health and income. People who do not reduce or quit smoking in the face of price increases will pay more. If this is an important issue, compensating tax/price cuts in other products (eg basic foods) might be considered, and/or targeted cessation programs.

- **Many smokers want to quit,** and could use help. Most people who quit do so without help, but nicotine addiction makes quitting very hard. Quit rates can be substantially increased through advice from health care providers, telephone "quit-lines", formal and informal support-groups, and cessation therapies including nicotine-replacement (NRT). Over-the-counter (non-prescription) sales improve access to NRT. There are many potential opportunities for cessation advice and support: e.g. as part of TB treatment.

- **What works for youth?** The most effective tool to reduce/deter use of tobacco products by young people: **price increases.** Bans on tobacco product sales to young people are difficult and costly to enforce. Policies should be tailored to affect the usual sources from which young people get their cigarettes or other tobacco products. For example, some countries have reduced youth access to tobacco products (especially cigarettes) by banning sales through vending machines. **Free distribution of tobacco products and promotional products (T-shirts, school note books etc) should be strictly banned.**

- **Health warnings** on cigarette packages should be large (cover at least 30% of the surface area), clear (e.g., black on white), in local languages, and have a set of specific required messages that change periodically. Information on the adverse health impact of tobacco use and the benefits of quitting should be widely disseminated.

- The tobacco industry argues that **advertising and promotion** affects market share and not overall prevalence levels, but countries that have implemented comprehensive bans on all advertising and promotion have reduced tobacco use much more quickly and to lower levels than other countries. Partial bans are not effective – if only a partial ban is politically feasible, then there is a very strong case for mandating counter-advertising (e.g the Fairness Doctrine in the USA, and in South Africa where the state radio corporation gave free air time every day for anti-smoking messages, while continuing to benefit from substantial cigarette advertising revenues.

- Efforts to reduce smoking face formidable obstacles: nicotine addiction; social pressures; aggressive cigarette marketing and promotion; other pressing health problems; overestimates of the economic importance of tobacco; and the vested interests of those who live and profit by cigarette sales. But there are many good success stories that could be replicated with political will, and broad support. **Modest action could save millions of lives and avert much disease, including among poor people, without long-term harm to economies.**

Resources

People in the World Bank and IMF

- HDNHE's tobacco team: Joy de Beyer, Ayda Yurekli, Sabrina Huffman. Armin Fidler is the HNP Sector Board member responsible for tobacco. Email: jdebeyer@worldbank.org, ayurekli@worldbank.org

- IMF fiscal department (Peter Heller and Emil Sunley), for help in assessing the potential for tobacco tax increases and discussion with Ministry of Finance and other tax authorities.

Documents and data

- "Curbing the Epidemic: Governments and the Economics of Tobacco Control", World Bank, 1999. Development in Practice Series. On line at: http://worldbank.org/tobacco, or hard copy from the World Bank Infoshop, or HDNHE's tobacco team. Short, readable and clear. Analyzes and summarizes the research and key economic and social issues relating to tobacco control. Also available in 13 other languages, and a "key messages" summary brochure, and powerpoint slides are available.

- "Tobacco Control in Developing Countries", Jha and Chaloupka (editors), OUP for the World Bank and WHO, 2000. Detailed background papers for "Curbing the Epidemic".

- http://worldbank.org/tobacco for economics of tobacco notes on selected countries, country-specific data, slide presentations, useful websites (see especially WHO/TFI and CDC)

- Details of tobacco control activities in health projects funded by World Bank from Sabrina Huffman, HDNHE, World Bank. Email: shuffman@worldbank.org

- NATIONS – National Tobacco Information Online System. A good data base of tobacco prevalence studies and other country-specific data developed by WHO/CDC/World Bank/American Cancer Society – http://www.cdc.gov/tobacco/nations.htm or through http://worldbank.org/tobacco or the WHO/TFI website.

"How to" toolkit for analysis of economic issues

Explains in detail how to analyze tobacco price/consumption relationship, tax rates and revenues, options for setting and administering tobacco taxes, smuggling, employment, and impact on the poor. Describes data needs and sources, analytic model specification, and interpretation of estimation results. Available (in draft) from World Bank tobacco team, and at http://worldbank.org/tobacco (click on Tools for Analysis)

Expanded versions of the "at a glance" series, with e-linkages to resources and more information, are available on the World Bank Health-Nutrition-Population web site: www.worldbank.org/hnp

THE INFLUENCE OF TOBACCO POWERWALL ADVERTISING ON CHILDREN

A report for the Non-Smokers' Rights Association/
and the Smoking and Health Action Foundation

March 2005

by J.GOTTHEIL MARKETING COMMUNICATIONS INC.
15 Sims Crescent Suite 300, Richmond Hill Ontario, L4B 1G9

OVERVIEW

RESEARCH REPORT, FINDINGS AND DATA

Table of Contents

Analysis and Key Findings 1
Approach 5
Tobacco companies 6
Tobacco competitors 7
Tobacco products & prices 12
Tobacco marketing 14
Tobacco marketing communications 15
Tobacco retailers 17
Tobacco customer base 18
POP advertising effectiveness 19
Tobacco POP advertising 20
Retail Services Institute 22
C-stores 23
C-store sales & profitability 24
Tobacco in C-stores 26
Tobacco POP advertising in C-stores 27
C-stores, Tobacco & Crime 29
Smokers in C-stores 30
Former smokers 31
Kids 32
Normalization in C-stores 33
Sources 35

Analysis and Key Findings

1. **Point-of-purchase displays are advertising and should be recognized as advertising. Moreover, point-of-purchase tobacco displays, or tobacco "power walls," arguably are and may have been for many years the most important advertising medium available to the tobacco industry.** Given that Canadian governments have expressed a commitment to stop tobacco advertising directed at children, the failure until recently of governments to prevent tobacco point-of-purchase advertising has left children vulnerable to this powerful marketing medium.

   Given the restrictions on tobacco advertising and distribution, and the elimination of sponsorship, the resources previously invested in other forms of tobacco advertising and promotion have been refocused on point-of-purchase. In the process, the convenience store remains the main distribution and marketing communications channel for tobacco manufacturers. This has created a mutual dependency between manufacturers and convenience stores.

   The concentration of marketing dollars at point-of-purchase is not just because of the limited options open to tobacco companies. We stress that point-of-purchase advertising has always been important to tobacco companies. A market study by Brown & Williamson, a sister corporation to Imperial Tobacco Canada Limited, Canada's largest tobacco company, shows "the store environment, especially displays inside stores, is the biggest source of advertising awareness for all cigarette trademarks."

2. **"Power walls" of tobacco product displays are very effective at reaching and influencing children and teens. Tobacco companies spend large sums of money on point-of-purchase advertising in convenience stores, especially near schools and malls where young people congregate.** Point-of-purchase is an effective communications channel because of its capacity to reach youth and its ability to generate tobacco brand awareness and image.

   Survey research commissioned for this report as well as research from existing sources, including tobacco industry documents, combine to expose the influence of power walls on children and teens. Our research found:

   - Over 60% of youth from non-smoking households believe that power walls might influence kids to try smoking;

- 85% of kids from non-smoking households spontaneously name convenience stores as a place that sells cigarettes;
- Over 40% of kids from non-smoking households can spontaneously name brands of cigarettes.

We surveyed youth from non-smoking households in order to minimize the influence that factors other than retail displays (e.g. parental or sibling smoking) might have on their answers. Because youth from non-smoking households are less likely to become smokers than youth with parents who smoke, and because the youth interviewed may have been (or thought they were) overheard or monitored by a parent, the impact of tobacco power wall advertising on youth may be understated by our survey.

In addition, tobacco power wall displays apparently influence kids more strongly than they influence adult smokers:

- Teens are more likely than adults to say they are influenced by promotional pieces in convenience stores (73% of teens vs. 47% of adults);
- While 62% of kids from non-smoking homes believe that power walls influence youth to try smoking, and 39% of all Ontario adults believe that power walls influence cigarette purchases, only 19% of Current smokers believe that power walls are a factor in continued smoking.

Power walls are also influencing some Former smokers and Current smokers who have quit or have tried to quit:

- 24% of Former smokers believe that power walls are a factor in continued smoking;
- 14% of Current smokers who have tried quitting believe that power walls are a factor in continued smoking.

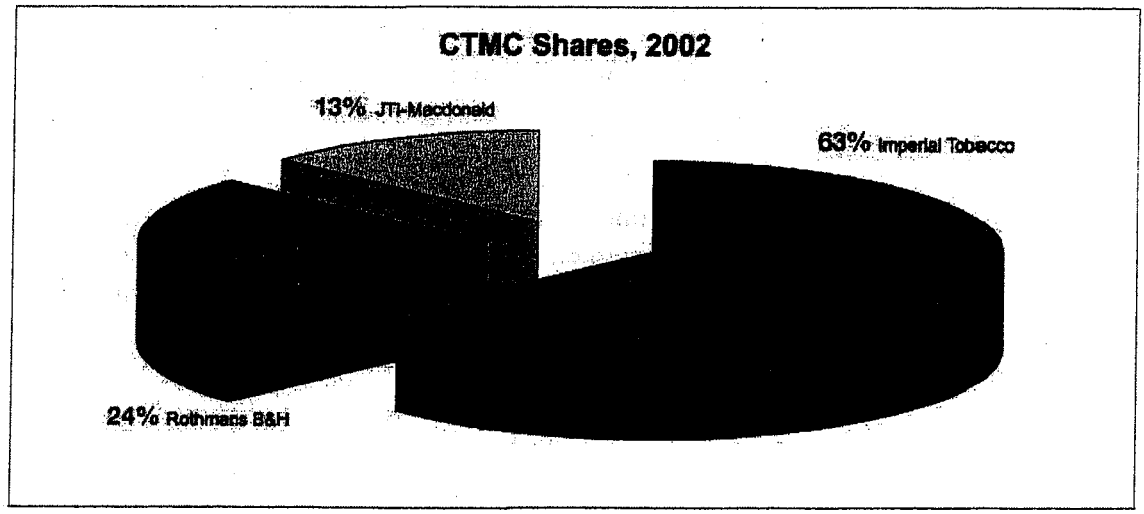
At first blush, these numbers may seem low. However, given the millions of smokers in the Ontario market, even if power walls influenced a small percentage of the market, the morbidity and mortality impact related to such influence would be substantial.

3. **Tobacco companies maintain that their point-of-purchase advertising has no impact on non-smokers and, in particular, that it has no impact on youth smoking. The manufacturers claim that power walls only target smokers, particularly those who might switch brands. Our surveys combined with existing research show that these claims do not make economic sense.**

By claiming to target only brand switchers, tobacco companies imply that they are not aiming to increase the size of their market, or to combat their market's decline. In fact, tobacco companies need new customers to survive. Children and teens, relapsed quitters and immigrants are virtually the industry's only source of replacements.

Tobacco companies are estimated to spend over $300 million annually in Canada on point-of-purchase advertising, displays and listing allowances ostensibly to influence only brand switchers. We are being asked to believe that they are spending close to $9,000 per convenience store to reach as few as 8 smokers per store who are brand switchers. That's over $1,000 per switcher, whose total value to the tobacco companies and convenience stores averages $600 a year (excluding the approximately 70% of price in taxes paid for cigarettes at retail). Even if there are close to 30 switchers per store (using a very high estimate of 14% of smokers being brand switchers), the average cost to the manufacturers is $300 per brand switcher.

In a concentrated market like cigarettes, where three companies dominate, the potential for brand cannibalization is high. "Cannibalization" is the term used to describe switching between two brands produced by the same manufacturer: the company does not gain from the brand switch. Imperial Tobacco, for example, with a market share of over 60%, is likeliest to have customers switch from one Imperial brand to another: a zero-sum game. And in the current climate of switching mainly to lower-priced brands, cannibalization costs money. People switch from a premium brand to a cheaper brand.



Even if tobacco manufacturers were targeting adults, in any product category, marketing communications directed to young adults will reach and influence teens. "Target" and "Direct" marketing are not exact sciences, and there is "spill" into adjacent groups in any such marketing campaign. In addition, the social and aspiration elements of teens include looking to their immediate elders (who are allowed to smoke) for brand cues. Smoking rates are highest among young adults, and teen smoking rates are not abating. Socially and logically, there is a connection.

Many convenience stores are more actively involved in tobacco marketing than merely benefiting from point-of-purchase contracts. Half of teen smokers illegally obtain their cigarettes in stores, not from friends or family. One-third of convenience stores illegally sell cigarettes to minors. This figure has grown since 1999.

4. **The retail losses predicted by the tobacco industry, and especially by convenience store operators, are unlikely to materialize. A ban on tobacco point-of-purchase advertising is not a prohibition on the sale of tobacco products. Tobacco is addictive. There will still be addicted smokers wanting to buy the product, with or without power walls and other tobacco displays.** While retailers may lose tobacco listing allowances in the short term, other companies and products will compete for the prime real estate behind the cash register. The back wall has been called the "center stage" of convenience stores. A medium so effective for tobacco companies can be expected to be effective for other manufacturers – and valuable.

Approach

Making at least 4 tobacco-purchasing trips per week, smokers are key convenience store ("c-store") customers. Smokers are very loyal to the c-stores they choose to frequent. 83% of Canadian smokers visit c-stores every month.

Making several trips per week, kids are key c-store customers, too. (Many kids visit c-stores more often than their parents think they do.) Kids are very loyal to the c-stores they frequent. 76% of Canadian kids aged 12 to 18 visit c-stores every month.

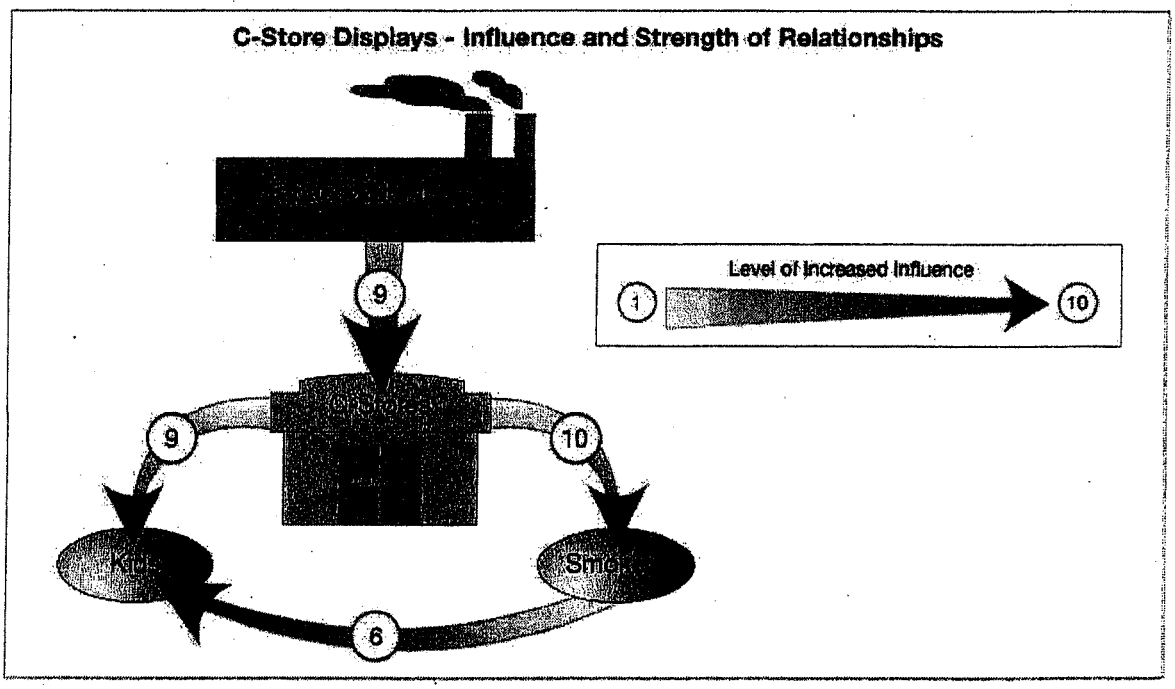
In assessing the effects of tobacco point-of-purchase ("POP") displays in c-stores, we need to consider several points of view:

- Tobacco companies as marketers
- POP advertising effectiveness, generally and for tobacco, on adults and teens
- Convenience stores (including those in gas stations), as both distributors and social agents, vis-à-vis smokers and teens
- Smokers, as both c-store customers and as social agents who influence kids
- Former smokers, as c-store customers and potential future smokers
- Current smokers who have attempted to quit
- Kids, as both c-store customers and potential smokers

This review of North American industry, government and academic research since 1999 concentrates on Canadian sources. Ontario data is shown where available.

We also incorporate data from two Ontario surveys commissioned in March 2005. These surveys gauge the effects of tobacco POP in c-stores:

- A major survey of Kids and parents from non-smoking households
- A short survey among Current and Former smokers, included Attempted quitters



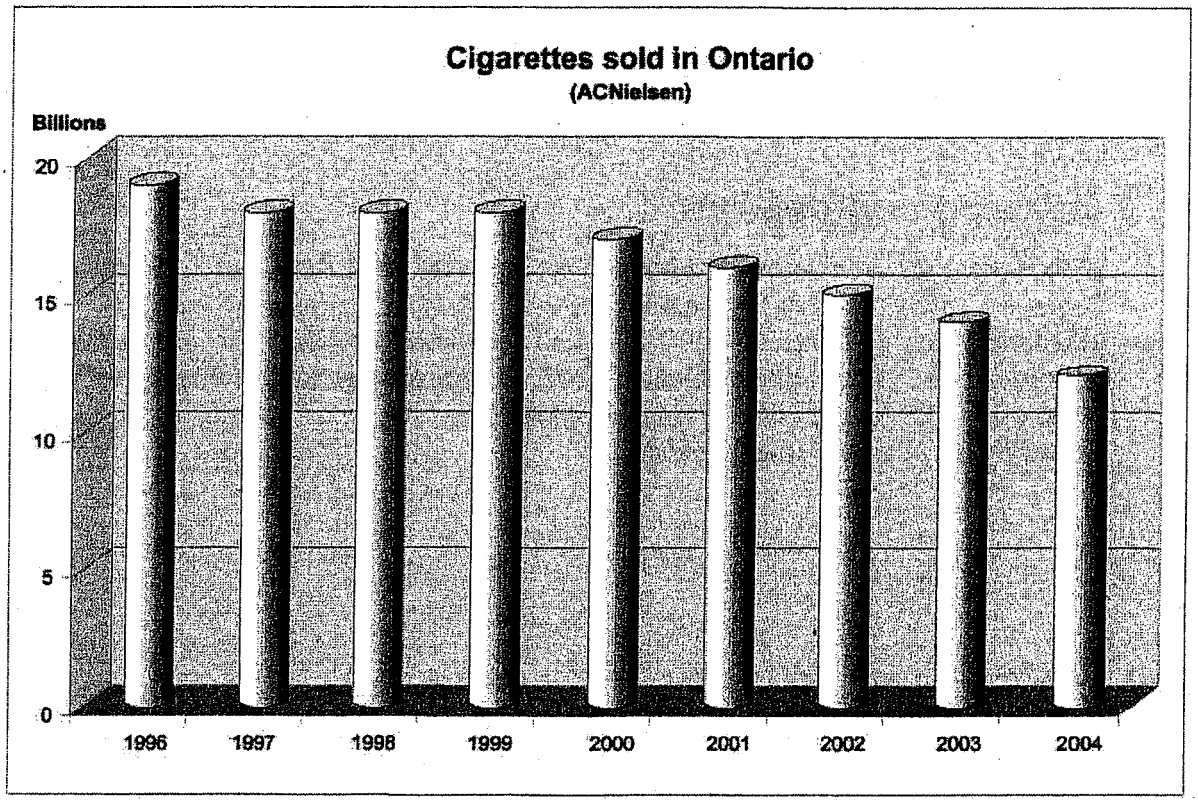
Tobacco companies

Warren Buffet has been called "the greatest investor in the world". He was a director of RJ Reynolds when he was famously quoted: "Tell you what I like about the cigarette business. Costs a penny to make, sell it for a dollar. It's addictive. And there is a fantastic brand loyalty."

NOTE: Market measurements for the Canadian industry are inconsistent. The Canadian Tobacco Manufacturers' Council (CTMC) consists of only the three largest companies, so smaller companies' data is not included in CTMC reports. Some smaller companies produce store brands for specific retailers, or distribute only regionally, so their sales don't appear in all retail reports.

Tobacco companies sold 12 billion cigarettes in Ontario in 2004, worth at least $4.2 billion at retail.

In Canada, tobacco is an industry in decline. Since 2000, the number of smokers in Canada has fallen by almost a million. According to ACNielsen, unit sales in Ontario were essentially flat until 1998, but have been declining at an increasing rate every year since. In 2004, unit sales declined by about 14% vs. 2003.



Total domestic tobacco sales by CTMC companies dropped between September 2002 and September 2003, with the biggest drop in tailor-made cigarette sales, which dropped 14% nationally. Sales of fine cut tobacco products were down 4% nationally.

2002-03	Tailor-made	Fine cut
Atlantic	-19%	-3%
Quebec	-17%	-11%
Ontario	**-14%**	**+3%**
West	-11%	+1%
National	-14%	-4%

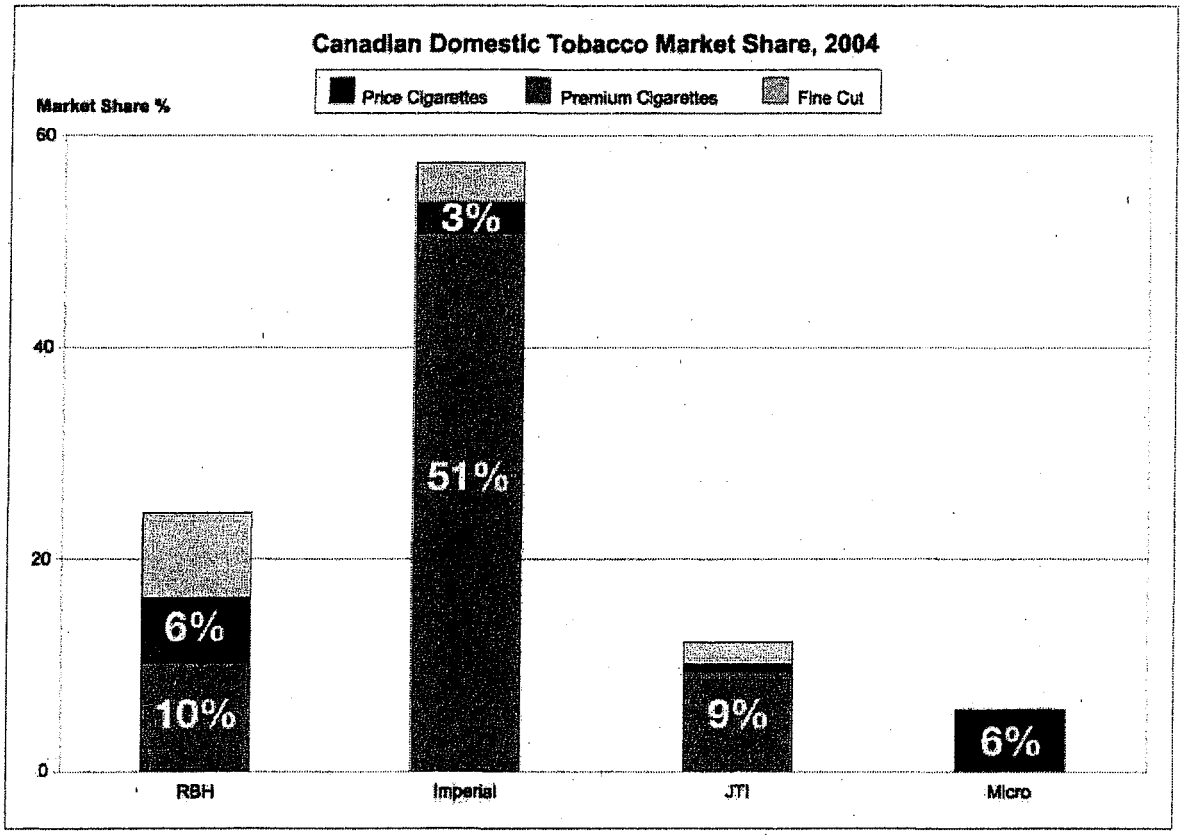
However, tobacco is an extremely profitable business. Despite the pressures the industry is under, *Canadian Business* magazine recently recommended Rothmans, Benson & Hedges (RBH) as a defensive investment, because it has stable and predictable profits, plus increasing dividends. RBH has seen increasing sales and cash flows in the past few years, and earnings at 24% of sales. (The average Canadian corporation has earnings at 7% to 8% of sales.) Sales increases in a declining market are due to RBH's quick move into lower-priced brands.

Year ended March 31 ($M)	2004	2003	2002
Sales, net of excise duty and taxes	$ 620.1	$ 575.5	$ 562.5
Cash flows from operations	225.6	137.3	183.9
Earnings before minority interest	151.1	144.9	144.5
Earnings for the year	90.3	86.7	91.5
Dividends paid	54.6	217.9	42.2

Tobacco competitors

Three large tobacco companies dominate the cigarette market in Canada: Imperial Tobacco Canada Limited; Rothmans, Benson & Hedges Incorporated; and JTI-Macdonald Corporation. In 1999-2000, their combined net sales were approximately $3 billion. For the year ending December 2002, combined sales for the "big three" were $3.2 billion. By March 2004, combined sales of the "big three" receded to $3 billion, eroded by new "micro" manufacturers.

With 57% of the total tracked domestic market in March 2004, Imperial Tobacco (ITL) sells more tobacco in Canada than any other manufacturer. ITL manufactures the two leading premium cigarette brands: du Maurier (35% market share) and Players (28% share). RBH has the second-largest portion of the domestic market (including roll-your-own) at 24%, while JTI-Macdonald is #3 in Canada with a 12% share.



ITL's head office is located in Montreal. Imperial operates cigarette manufacturing plants in Montreal and Guelph, Ontario, as well as four tobacco processing plants in Aylmer, Ontario. Imperial employs approximately 2,000 people across Canada. In 1999, net revenues totaled $1.7 billion. Brands in Canada:

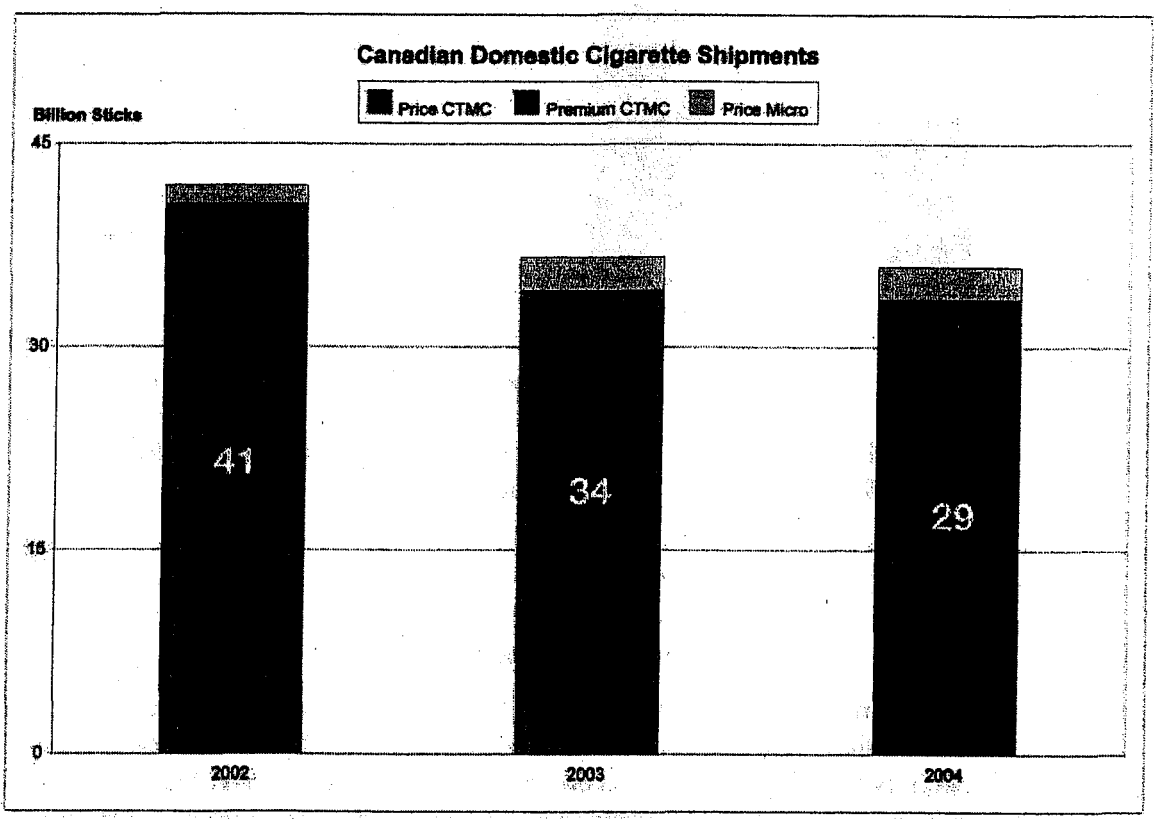
Avanti	du Maurier	Vogue
Medallion	Player's	Matinée
Cameo	John Player	
Peter Jackson	Sweet Caporal	

Rothmans, Benson & Hedges (RBH) is Canada's second largest tobacco company, with 16% of the Canadian cigarette market in 2001. Owned 60% by Toronto-based Rothmans Inc., it is the only publicly traded tobacco company in Canada. RBH has offices all over Canada, with approximately 780 employees. In 1999-2000, net sales of RBH totaled $533 million; by 2004 sales rose to $620 million. RBH has been gaining market share with its lower-priced brands. Cigarettes comprise 67% of sales; fine cut comprises 32%, and other tobacco products 1%. Brands in Canada:

Number 7	(24% of sales)	Accord
Benson & Hedges	(11% of sales)	Dunhill
Craven	(10% of sales)	Mark Ten
Rothmans	(9% of sales)	Oxford
Belvedere	(3% of sales)	Black Cat
Viscount	(3% of sales)	Peter Stuyvesant
Belmont Milds	(2% of sales)	Sportsman
Canadian Classics	(1% of sales)	Craven "A"
		Captain Black

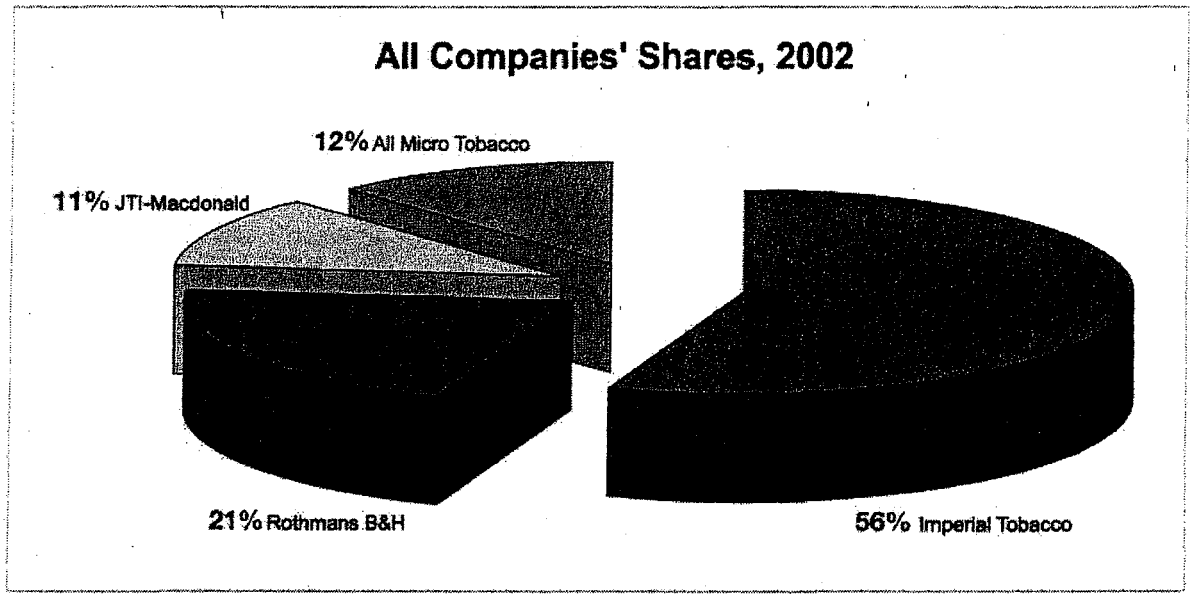
The #3 tobacco company in Canada is JTI-Macdonald Corporation, with a declining domestic market share of 12% in 2004. In 1999, JTI-Macdonald controlled 13% of the market in Canada. The company's market share is due mainly to one major cigarette brand, Export "A", the third largest selling brand in Canada (12% market share). The head office in Toronto employs 570 people.

After years of domination, Canada's main tobacco manufacturers are being challenged for market share for the first time in decades. The same has happened in the United States, where the discount brands have forced the major makers to introduce their own lower priced brands.



Discount products appear to have stabilized declining volume in Canada. Within the "big 3", discount brands are a key factor. RBH in particular has gained market share by moving into discount brands.

There are two dozen newer companies ("micro tobacco") processing cheaper imported tobacco. They captured up to 12% of the national cigarette market by 2002, up from just 2% in 2001. The new companies shared more than 18% of the Quebec market, and about 5% of Ontario's, by 2003. Typically these companies specialize in some way, either by regional distribution or by producing store brands.



The three largest micro competitors sell their generic offerings for $1 to $1.25 less a pack than leading brands.

Grand River Enterprises (GRE) exports 80% of its brands (such as Seneca) to USA. In Canada, GRE sells its cigarettes to non-natives through c-stores in every province east of Ontario. GRE brands for Canada include Sago, DK, and Putter's Light. Production has increased significantly:

- January 2001 4,500 cases of cigarettes
- January 2002 10,200 cases
- January 2003 25,600 cases (250 million cigarettes).

Tabac ADL sells its cigarettes almost exclusively off native reserves. ADL began manufacturing cigarettes in 1998. Brands include Virginia Select and Bailey's. According to a company partner, ADL is the fourth largest tobacco company in Canada, employing 175 people. In 2002, the Federal Business Development Bank (an arm of the federal government) declared ADL "Company of the Year" in the St-Jean region of Quebec.

Bastos du Canada produces its own brand, Smoking, as well as generic brands such as Gipsy (for Loblaws), Celesta (produced for Sobeys) and Dakar (for the Metro grocery chain in Quebec). The company employs 50 people.

Although competing with each other on a brand basis, tobacco companies consider government, with the "anti's" (their nick-name for the anti-smoking or tobacco control lobby), to be their biggest competitor. The antipathy between tobacco companies and legislators goes back several decades. The industry is required to submit detailed

operations data, increasingly so in recent years. The industry has come to operate in a "siege mentality".

While the industry is subject to close government scrutiny, the government does not share the information with third parties. Access to Information requests are almost always met with opposition by tobacco companies' lawyers. The tobacco companies often act in concert, from court cases to retailer education.

Tobacco companies appear to demand secrecy of their suppliers. We have found only one packaging designer (Thomas Pigeon) and one POP supplier (Admark) who list Canadian tobacco companies as clients.

JTI no longer has a Canadian website. Imperial Tobacco has hired Meyers Research Center, a US company, to conduct market research in Canada. "Off-shoring" may be a way of avoiding Canadian legislative scrutiny.

Tobacco products & prices

Cigarettes are the #1 product form sold. Cheaper make-your-own (MYO) or roll-your-own (RYO) products, cigars (a premium product) and smokeless tobacco are increasingly popular. (The terms "tobacco" and "cigarette" are virtually identical in this analysis: cigarettes account for 96% of all tobacco products sold in Ontario.)

As tobacco taxes have increased, tobacco companies have offered lower-priced brands to compensate. Discount price cigarettes manufactured by CTMC companies are called either "value for money" (or "VFM"), "price category" or "discount brands". In Ontario, these VFM brands grew from 6% in 2003 to 21% share of market volume by 2004; growth has been higher in other regions of Canada. One tobacco company estimates these price brands could reach 40% share.

In Canada, RBH has positioned Number 7 as its VFM brand and positioned Canadian Classics in the same price tier, while Imperial reduced the price of Peter Jackson and Matineé. JTI-Macdonald created two new value brands, Legend and Studio, and began selling them through an exclusive marketing agreement with Couche-Tard and Mac's stores.

As retail prices have climbed, a consumer switch to more affordable alternatives has accelerated. Sales figures from Imperial Tobacco Company Ltd./CTMC for 12 months ending September 2003 show that price brands posted the largest gains in the Canadian marketplace and comprised 13 of the top 20 tailor-made gainers.

All varieties of Number 7 held a 3.8% market share in 2003, a huge increase of almost 3 percentage points. Peter Jackson reached a 1.4% market share in 2003, up 1.2%. Studio captured 0.1% share, and Legend also reached 0.1% market share. These brands all gained share again in 2004, at the expense of established leading brands.

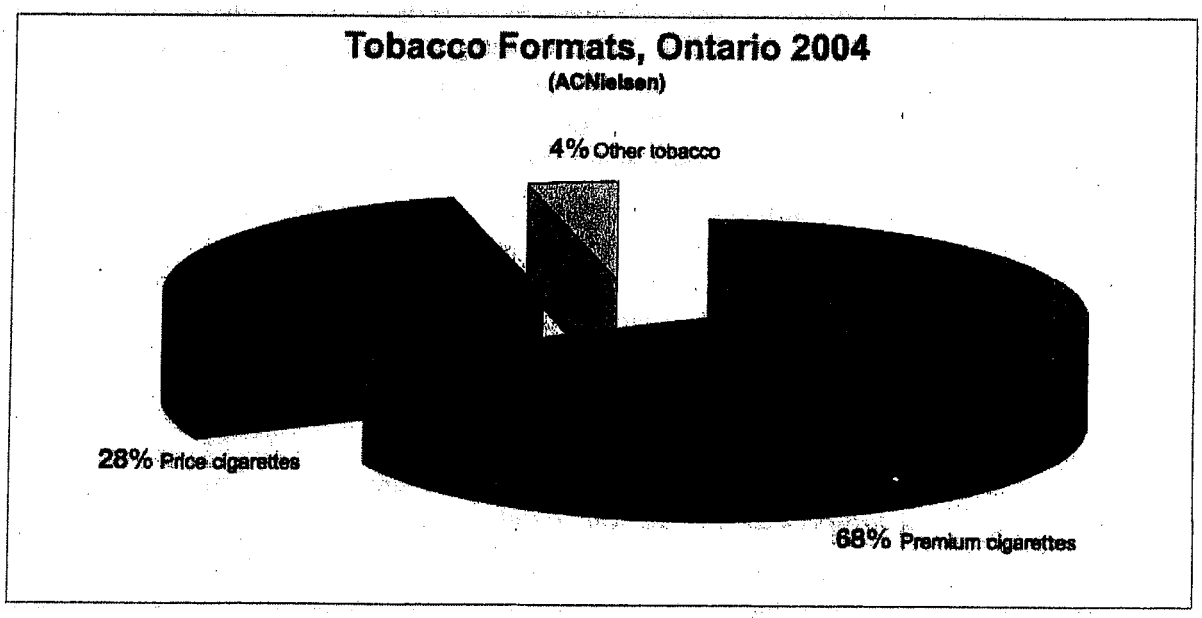
Top 20 SKU Gainers	Sep '03-'04 Share	Top 20 SKU Losers	Sep '03-'04 Share
Number 7	+6.9%	du Maurier	-5.6%
Peter Jackson	+4.7%	Players	-4.5%
Canadian Classics	+1.4%	Rothmans	-0.6%
Studio	+0.5%	Export "A"	-0.6%
Legend	+0.3%	Craven "A"	-0.2%

Over the past few years, as taxes on tobacco have increased, retail prices for product from the big three manufacturers have gone up accordingly, contributing to an erosion of sales volumes. The price increases (+14% in 2001, +15% in 2002, and +10% in mid-2003) prepared the Canadian market for discount alternatives. The sale of price brands has quickly grown to a significant market force, as consumers switch from tailor-made brands to lower priced brands, and escalating multi-level pricing in the market.

Average pack prices, Ontario	May '01	Nov '04
Total brands	$4.56	$8.06
Tier 1 price brands (original discount level)	$3.67	$6.85
Tier 2 price brands (recent deeper discount level)	NA	$6.55

The new tobacco companies are built largely on low-priced products. The share of discount cigarettes produced by micro manufactures (who are not part of CTMC) increased by an estimated 57% from mid-2002 to mid-2003.

The industry price category, including price cigarettes and fine cut tobacco, contributed 44% of total sales in the Atlantic region, 39% in Quebec, 25% of the West but only 11% of Ontario during the August-September 2003 reporting period. By 2004, price brands rose to 28% of the Ontario market.



Tobacco marketing

Global ownership allows the major tobacco companies to share marketing "best practices" around the world.

- Imperial Tobacco is a wholly-owned subsidiary of British American Tobacco (BAT), a UK-based tobacco company that also owns Brown & Williamson in the United States and has holdings on every continent. Brown & Williamson had a U.S. market share of 11% in 2000. In 2003, BAT produced 792 billion cigarettes worldwide, with a global market share of almost 15%.
- RBH is owned 40% by an affiliate of Altria (parent of Philip Morris). Altria is the biggest tobacco company in the United States, with a 48% market share in the first quarter of 2003. In 2003, Philip Morris accounted for about 15% of the global cigarette market.
- JTI-Macdonald is a wholly owned subsidiary of Japan Tobacco International, whose major shareholder is the Japanese government. JTI-Macdonald was formerly RJR-Macdonald, a wholly owned subsidiary of American tobacco company, RJ Reynolds International. In 1999, Japan Tobacco Incorporated bought RJR-Macdonald (and the rights to its Camel brand), and its named changed to JTI-Macdonald Corporation.

Tobacco companies state that their marketing communications are intended to influence only smokers who might switch brands.

Brand switchers are estimated to be anywhere from 4% or 5% (based on recent Canadian industry data) to 14% (from a recent US trade publication) of all smokers. The 4% figure is calculated from a Meyers Research Center survey cited by Imperial Tobacco; 5% comes from RBH's annual report. The figure has been rising recently as price brands become more popular.

"Brand" has a different meaning to tobacco companies than it has to most consumer packaged goods ("CPG") marketers. Most CPG marketers consider the name to be the brand: e.g., Blue, Tide, Listerine, Rice Krispies. Tobacco companies, however, consider the individual Stock-Keeping Unit ("SKU", a level of detail found on the UPC bar code) to be a "brand": e.g., Players Extra Light Regular is considered a different brand than Players Extra Light King Size. "Variety" or "family" are the terms tobacco companies use to describe what others might call a "brand", e.g., "all Players varieties" means combined Players SKU's.

Smokers are known to be loyal to both brand and SKU. We have observed a smoker leave a c-store empty-handed because his particular SKU was not available at that store: the same brand name, strength and pack size were available, but in a different length.

"Switching" may also have a different connotation to tobacco marketers than it has to most CPG marketers. Some researchers believe that new smokers (including kids and immigrants) and returning smokers (who had quit but have "relapsed") are included in the term "switchers" (i.e., from no brand to any brand).

Tobacco marketing communications

In each of 2001 and 2002, Canadian tobacco companies spent over $300 million on marketing communications ("marcom"), in addition to the money paid to retailers in listing allowances.

Reporting Period	Total spend ($M)
January – June, 2001	$140.2
July – December, 2001	$164.4
January – June, 2002	$171.7
July – December, 2002	$128.9

The vast majority of these funds are believed to be POP displays, signage, etc. In addition to POP, Canadian tobacco companies spend marketing dollars on:

- Controlled circulation magazines – Since October 2003, Imperial Tobacco has published *Rev*, with a circulation of 120,000 (also available online) to highlight Players.
- Imperial also has a program for du Maurier called *definiti*, which includes a publication, website with radio, celebrity endorsements, and bar promotions.
- Websites – including $2.5 million for mychoice.ca
- Other direct marketing
- Non-tobacco promotional products that display a tobacco brand element: golf balls, pocket knife, pen, blanket, banner, display booth, bag, ballot box, clock, port glass, pipe, and filter tip tubes.
- Events – Cigarette companies have hired models to promote products in bars and at outdoor events. RBH has a proprietary National Bar Program. Imperial has a separate subsidiary, Rumbling Wall Events.
- Sponsoring c-store and other retail industry associations – Imperial Tobacco, RBH, JTI and National Smokeless Tobacco Company all sponsored the recent Convenience U conference in Toronto. Imperial is a sponsor of the Canadian Federation of Independent Grocers' annual POP awards.

Tobacco companies often refer to their marketing communications as "consumer education", and attempts to limit tobacco marcom have been decried by the industry as contributing to consumer ignorance (as well as an assault on the constitutional right to free speech).

The economics of tobacco companies' marketing communications and sponsorships have been dissonant, when we compare the stated aims vs. the actual spending patterns or standard marketing practice.

- Typically, declining industries spend very little on marketing communications; the "Ad: Sales" ratio is typically at its lowest level for declining industries (vs. growth or mature industries). But in the tobacco industry, marcom spending by the major Canadian companies is increasing, while their market continues to shrink.
- Recently, du Maurier had a Product Knowledge contest among c-store operators. Cash prizes totaled $50,000. This program is being repeated in the near future. We have never seen a retailer Product Knowledge program with such high rewards.
- The du Maurier Arts Council was established to sponsor the arts in Canada. In 2000 – 2001, the program was extended to award bursaries to photographers. Five photographers shared under $40,000, or less than $8,000 each. The cost of the marketing communications announcing this initiative was $1.1 million.

Combining the funding for marcom and listing allowances, we get a national figure of $377 million in 2002. Assuming that about 80% of this is POP (displays, in-store advertising and listing fees) as per USA figures:

Canada	$377 million
80% on POP	$300 million
Ontario @33% of market	$100 million
C-stores @75% of sales	$75 million
8,400 c-stores in Ontario	$8,900/store
Listing allowances per c-store	$1,500/store
Displays, ads etc. per c-store	$7,400/store

If tobacco companies are spending about $300 million annually in Canada on POP marketing communications, displays and listing allowances to persuade only brand switchers, they are spending close to $9,000 per c-store to reach as few as 8 smokers per store who are brand switchers. That's over $1,000 per switcher, whose total value to the tobacco companies and c-stores averages $600 a year (excluding the approximately 70% in taxes paid for cigarettes at retail). Even if there are closer to 30 switchers per store (using a very high estimate of 14% of smokers being brand switchers), that average is $300 per brand switcher.

In a concentrated market like cigarettes, where a few companies dominate, the potential for brand cannibalization is high. "Cannibalization" is the term used to describe switching between two brands produced by the same manufacturer: the company does not gain from the brand switch. Imperial Tobacco, for example, with a share of 60% of the tailor-made market (excluding RYO), is likeliest to have customers switch from one Imperial brand to another: a zero-sum game. And in the current climate of switching mainly to lower-priced brands, cannibalization costs money: people switch from a premium brand to a cheaper brand.

Tobacco retailers

In addition to the $300 million for marcom, tobacco companies paid retailers listing fees of over $77 million in 2002. (This figure rose to $88 million in 2003.) Many such programs depend on the volumes of company product sold, rewarding retailers for selling more product.

Reporting Period	Total spend ($M)
January – June, 2001	$34.1
July – December, 2001	$40.4
January – June, 2002	$32.7
July – December, 2002	$44.5

Tobacco customer base

In the long term, the tobacco industry needs new smokers to survive.

- The national mortality rate from tobacco causes is at least 47,000 annually; this steadily reduces the customer base by almost 1% a year. Smokers have shorter life spans than non-smokers (8 years shorter, on average).
- Half of smokers eventually quit. Typically, smokers start before they're 19 years old and smoke for 34 years. (One-quarter of Ontario's adult population is former smokers who've quit.)
- Three-quarters of current smokers have tried to quit. Quitting usually takes several attempts.

Only one-tenth of people who have ever smoked regularly are dedicated smokers; most want to quit. The net effect in Ontario is an annual loss of up to 8% from the current customer base, approaching 40% over 5 years. Relapsed quitters, immigrants and kids currently aged 10 to 19 are the only replacements.

One scenario for Ontario in 2005:

Current adult smokers	2 million
16,000 tobacco deaths/year	- 16,000
75% attempt to quit; less than half succeed	- 425,000
Without replacement	1.5+ million
Half of 2004 quitters relapse	137,000
5% of kids currently 15-19 start smoking	20,000
4% of kids currently 10-14 start smoking	16,000
125,000 immigrants/year; 25% smoke	31,250
End of year	1.7+ million

POP advertising effectiveness

Manufacturers' displays and signage in stores are known as POP (for "point of purchase") or POS (for "point of sale"). In addition, manufacturers pay retailers for shelf space, conduct product knowledge programs with retail staff, and can pay retail staff extra commissions for promoting a product.

Promotional allowances paid to retailers are also known as slotting, display, or placement fees. These payments take several forms: cash, invoice and payables reductions, free equipment, prizes, etc. In return, retailers agree to stock and promote products per contract specifications. These requirements include keeping the product stocked on the shelf, and guarantee display placement (minimum "facings", height, location, etc.) The agreements can also specify price discounting, advertising placement locations and occasions, etc.

POP has been called "the last 3 feet of the marketing plan". Typically, two-thirds of shoppers do not make their final brand purchase decision until they're in the store. Few people use a written shopping list, particularly in c-stores. Although the category to be purchased is often decided in advance, POP can be a strong influence in final brand choice. Additionally, POP can drive impulse purchase at the category level, which is particularly prevalent in c-stores.

Point Of Purchase Advertising International ("POPAI") is the world's largest trade organization devoted to POP. POPAI claims that stores are an advertising medium, comparable to print and broadcast media.

According to a POPAI survey, in-store ads are highly effective:

- 40% of consumers recall the presence of in-store advertising.
- Consumers recalled in-store advertising for an average of 29% of all products purchased, with carbonated beverages, cigarettes and coffee enjoying the highest rates.
- 79% of respondents said that in-store ads provide "helpful" information; 59% indicated that they appreciate the degree to which in-store ads educate them about product benefits.
- 79% believe their store has the right amount of in-store advertising; an additional 10% say they want more in-store advertising.
- 69% indicated that window ads caught their attention and 43% of ads were found either at the aisle or cooler; 38% were seen outside.

More than half of all teenagers say they are influenced by in-store displays: banner/window signs influence 47%, and 44% are influenced by in-store promotional signage.

Tobacco POP advertising

Tobacco companies spend an estimated $300 million annually in Canada on POP presence, including listing fees of nearly $80 million. These figure has increased over time: in 1996, tobacco companies spent $60 million on in-store signage and retailer payments, and another $60 million on sponsorships and sponsorship communications. Now that sponsorships are banned, retail promotional allowances have increased.

US studies have found that retail displays increase average tobacco sales by 12% to 28%. Conversely, 4% to 6% of cigarette volume is lost when the counter doesn't communicate price or special products to smokers.

ACNielsen determined that 42% of retail outlets in Canada carried some form of tobacco POP advertising in 2003, up from 33% in 2002. In some cities, tobacco POP ad presence doubled in one year. 64% of chain c-stores, and 42% of independent c-stores, carried tobacco ads.

- Counter-top displays accounted for 68% of all tobacco brand ads in-store; one-third of all stores had these displays. These accounted for 79% of all ads in chain c-stores, 69% in gas stores, and less than 2/3 in independent c-stores.
- No one brand had ads in over one-third of stores visited. Players was the predominant brand advertised, in 28% of conventional chains, 16% of gas stores and 14% of independent c-stores.
- Danglers, shelf-talkers and other ad types were more widely available than in 2002 and captured a larger share of tobacco ads in the marketplace.
- Stores near schools or malls were slightly more likely to have tobacco POP advertising.
- Stores with tobacco POP ads carried an average of 2.4 pieces, up from 1.7 in 2003. Chain c-stores carried more such ads (3.3 pieces, on average) than gas and independents.

Following the ban on tobacco sponsorship, tobacco companies realigned their in-store merchandising. Traditionally predominant posters were replaced by counter-top displays. Danglers were more widely used in 2004 than ever before. Other "traditional" vehicles (like calendars and clocks) are making a comeback.

One industry publication advises: "As with any other aspect of tobacco sales, partnership with a distributor is crucial to gaining sales. Even if revenues are being shaved, having the best-advertised and priced tobacco products will ultimately result in more customer traffic and potential for unrelated purchases. This has made it vital for manufacturers to partner with retailers to optimize space and visibility for the category. Merchandising and marketing message space are at a premium and require strategic placement."

The US Department of Justice maintains that POP marketing helps tobacco companies create brand awareness and associated image. A market study by Brown & Williamson showed "the store environment, especially displays inside stores, is the biggest source of advertising awareness for all cigarette trademarks".

According to Philip Morris: "Retailers should focus on competitive pricing and value, responsibly merchandise the category in a well-organized and attractive presentation, ensure youths don't have access to cigarettes, focus on the profitability of premium brands, provide fast and friendly service, clearly communicate promotional value to consumers and efficiently manage inventory."

According to tobacco companies, in-store signage for tobacco products has no impact on non-smokers. Imperial Tobacco cites a Meyers Research Center survey of Canadian adults that found 99% had made their tobacco purchase decision before entering the store. (This figure may include non-smokers whose decision is to *not* purchase tobacco products.) As another proof, a spokesman for RBH recently stated that marijuana use is higher than cigarette smoking among youth, despite the lack of signage for marijuana.

Despite the addictive nature of tobacco and strong cigarette brand loyalty, there is an impulse aspect to cigarette purchase, which can be segmented by key target groups:

- Smokers could try a new brand (particularly lower-priced)
- Young Adult and Occasional smokers are less likely to have firm brand preferences
- Smokers who are trying to quit might be tempted back to the category (relapse)
- Former smokers who have quit might be tempted back to the category (relapse)
- Teens are tempted by POP to try smoking (new to category)

In one study comparing photographs of stores with no tobacco advertising vs. stores with advertising, students perceived easier access to tobacco products at the stores with tobacco advertising.

Retail Services Institute

RBH runs this program to manage relationships with retailers and bars. It includes:

- Printed materials, namely newsletters, pamphlets, brochures, instruction sheets, booklets and binders of loose sheets, all of an informative nature in relation to consulting and management services; educational services and insurance services for store operators; teaching materials, namely, newsletters, pamphlets, brochures, instruction sheets, booklets and binders of loose sheets, all of an informative nature in relation to consulting and management services, educational services and insurance services for store operators; calculators, layout IT for store layout.
- Audio tapes, namely pre-recorded audio tapes, video tapes, namely pre-recorded video tapes, bulletins, all of an informative nature in relation to consulting and management services, educational services and insurance services for store operators.
- Consulting and management services relating to the operation of stores, educational services, namely the provision to retailers of teaching materials namely newsletters, pamphlets, brochures, instruction sheets, booklets and binders of loose sheets, all of an informative nature; disseminating information relating to the operation of stores, namely the distribution of printed materials and teaching materials to retailers, namely newsletters, pamphlets, brochures, instruction sheets, booklets and binders of loose sheets, all of an informative nature.
- Insurance services, namely the recruitment of strategic partners and allies in the insurance field for direct provision of retail insurance services by such partners and allies to the retail trade, financial services, namely the recruitment of strategic partners and allies in the financial services field for direct provision of retail financial services by such partners and allies to the retail trade, promotional services, namely the recruitment of strategic partners and allies in the field of advertising and marketing for direct provision of retail advertising and marketing services by such partners and allies to the retail trade.

C-stores

Every day, 1.2 million Ontarians visit convenience stores.

In Canada, 40,000 stores sell cigarettes; 25,000 of these are c-stores. There are over 8,400 c-stores in Ontario. Most Ontario c-stores are independents; almost 3,000 outlets belong to chains.

Combining gas pumps with a c-store ensures c-store traffic; c-stores are being encouraged to gas and car wash facilities, and the major oil companies seldom open a new outlet without a c-store in it.

In addition, other retailers are developing new c-store concepts. Shoppers Drug Mart and The Bay are opening mini-c-stores in selected locations. Canadian Tire is opening "Q" stores, consisting of gas pumps in front of a 10,000 square foot "ultimate convenience centre". Pricing is at grocery store levels, rather than the higher "convenience" price level. Fresh food will be a primary difference vs. traditional c-stores; CTC has arrangements with Sobeys, Starbucks and Richtree/Movenpick.

Canada is "over-retailed", meaning there are more stores than the population requires, and the rate of store openings outstrips population growth.

Drug stores are considered the main retail category competitors to c-stores. Drug stores have been leveraging the packaged beverage categories to attract customers who would otherwise go to c-stores.

In Ontario, drug stores cannot sell tobacco products. Department stores are a key competitor to c-stores in the tobacco category, particularly on cartons of low-priced brands. The trend is toward single-pack sales, however (possibly driven by tax increases driving up the total price of a carton), ensuring tobacco sales for c-stores.

Nationally, nearly 20 million Canadians aged 12+ shop at c-stores every month. On average, these customers make at least 8 trips a month (2 trips weekly). Almost half of c-store customers are Heavy visitors, making 11 or more trips monthly (about 3 trips weekly), and accounting for over two-thirds of total monthly traffic in c-stores nationally.

'000's	All 12+	12-18	Smokers
Visit c-store in past month	19,795	2,322	5,203
Light (1-5 trips/month)	6,047	801	2,254
Medium (6-10/month)	4,425	571	1,290
Heavy (11+/month)	9,323	950	1,659

C-store sales & profitability

NOTE: Financial metrics for the Canadian industry are inconsistent. Some measurement systems and some stores do not include lotteries in their reports. Also, other sources of revenue – phone cards, ATM fees, gasoline, car wash – are often not included. ACNielsen data does not include these items, concentrating on scanned consumer packaged goods ("CPG's"). Also, retail association memberships are skewed toward chains, franchises and larger stores, which tend to have wider category selection and/or larger store area, which in turn have proportionally lower cigarette sales.

Total weekly c-store sales in Canada average $12,000 to $14,000. (This includes lottery revenues, phone cards and other categories, but not other sources of revenue such as gasoline or income from cash machines.) A few very large c-stores drive the higher figure; 14% of stores have sales higher than $25,000 per week. The range is very broad: over one-third of stores fall below $10,000 weekly.

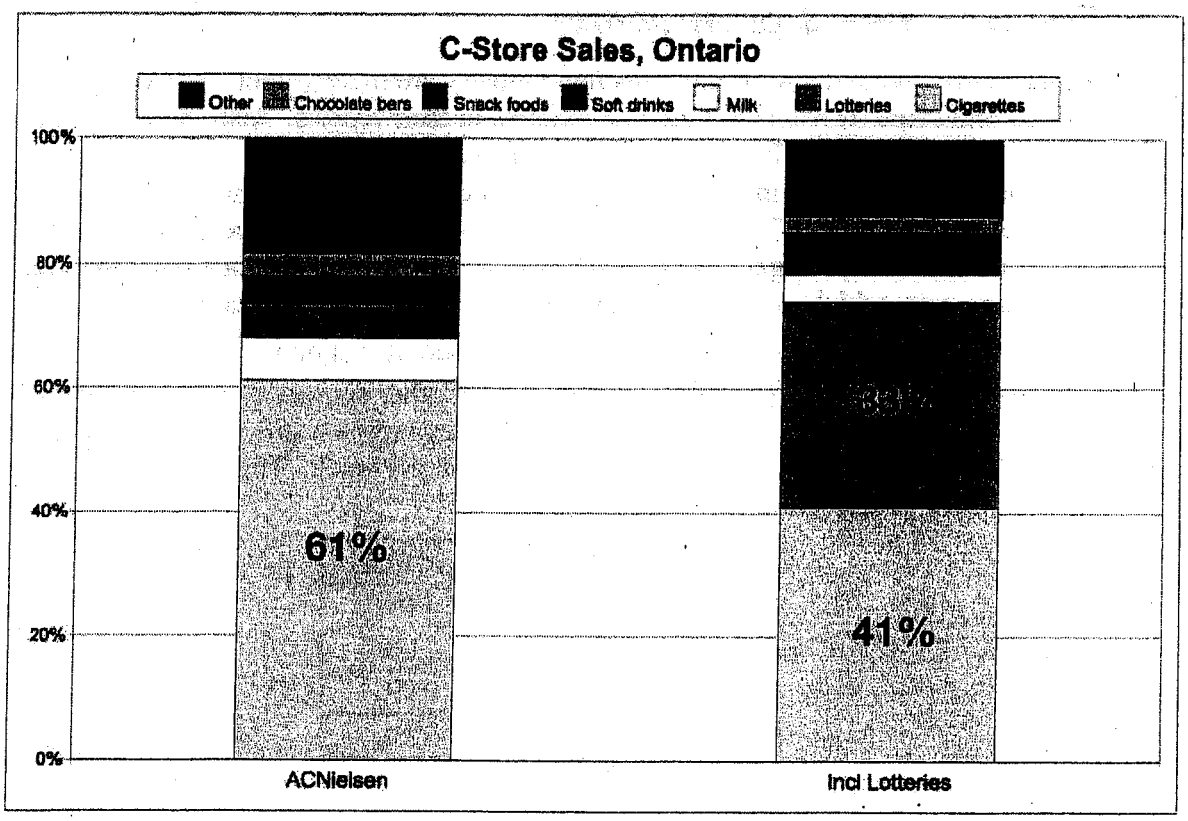
Total sales/week	% of stores
$25,000+	14%
$15 - $25,000	21%
$10 - $15,000	25%
$5 – $10,000	21%
Under $5,000	19%

Typically, most convenience stores process about 150,000 transactions a year, or 12,500 per month, and a great many of those customers are loyal visitors who shop more than once a week. The average transaction is $16.

- The average c-store size is 1,700 square feet.
- Cigarettes account for over 60% of sales (excluding lotteries). They make up the largest portion of total inventory value (30%+) and account for 26%+ of total gross margins. However, cigarettes require only about 2% of a c-store's area. (Note that over two-thirds of tobacco sales at the till are taxes.)
- We estimate Lotteries average 33% of total weekly sales; margins are typically 7%. (Including lotteries in c-store sales, cigarettes would be over 35% of sales – still the #1 category.)
- The major non-lottery categories – cigarettes, beverages, grocery and confectionery – account for 58% of total gross margin dollars.

As the range of merchandise available in c-stores expands, the percent of sales from key categories is diluted. Larger stores are less reliant on cigarettes. But tobacco is always the #1 category.

Interestingly, c-stores get most of their sales from two "adults-only" categories that kids can see but can't legally buy: tobacco and lotteries.



Small "mom & pop" c-stores are not highly profitable; margins 2% or lower are cited by the industry. Cigarettes, being the largest sales category and having high margins, are therefore crucial to small operators. In addition, listing allowances paid by tobacco companies are crucially important to these families.

Tobacco in C-stores

Now that drug stores in Ontario can no longer sell tobacco, c-stores and tobacco companies have become mutually dependent. C-stores have been described as being "the future" for the tobacco industry. Tobacco companies are visible supporters and vocal advisors of the c-store industry.

Tobacco companies are concentrating their marketing dollars at the point-of-sale to the extent that the store is their primary communication channel with customers.

According to NFO CF Group data for Imperial Tobacco, most cigarette smokers purchase tobacco at convenience, gas and smoke stores. Nationally, figures from July 2003 showed convenience retailers held 71% of the market, with Central Canada outlets commanding a 79% share.

In 2004, c-stores accounted for 73% of Ontario tobacco sales, and 65% of National volume.

C-retail shares	2003	2002
Canada	71%	70%
East	74%	71%
Central	79%	81%
West	56%	51%

In Ontario, c-stores are the primary distribution channel for tobacco products.

- Over 70% of all tobacco products are sold via c-stores
- Cigarettes account for over 60% of c-store's total sales (excluding lotteries, etc.)

The smaller the c-store, the more dependent it is on tobacco sales. Larger c-stores, which approach small grocery stores in size, offer more product mix, so their sales from other categories are relatively higher (although tobacco is still a leading category).

Total weekly sales of cigarettes in Canadian c-stores average between $3,200 and $4,900. 23% of convenience retailer operators report weekly cigarette sales of $1,000 or less; 36% report sales of more than $5,000.

Cigarette sales/week	% of stores
$7,000+	22%
$3 - $7,000	30%
$1 – $3,000	25%
Under $1,000	23%

Tobacco POP advertising in C-stores

ACNielsen estimates the average c-store receives $1,500 a year in listing allowances for stocking tobacco products. Anecdotal evidence suggests figures from $1,000 to as high as $10,000, with a figure of $4,000 to $5,000 cited by the Quebec c-store association. (Bear in mind that the chains, franchises and larger independents tend to be members of these trade associations, and that surveys of their members will be on the high side, since they sell higher volumes of tobacco and have more bargaining power.)

C-stores are unique among Ontario tobacco retailers in that the back wall, situated near the main entrance/exit, at the cash register, is virtually unavoidable by shoppers. Department and grocery stores do not have a consistently visible equivalent; cigarettes in these stores tend to be sold at a separate counter that is not necessarily seen by all shoppers.

Tobacco companies say that store displays are an important means for tobacco companies to capture (or retain) customers who switch brands. Switch-over sales occur due in large part to the ads and product displays on the back bar shelf behind the counter. Tobacco companies that do not have such space cannot adequately compete.

To quote one USA expert: "In order for c-stores to retain tobacco customers, the back bar should be set up as close to space-to-share as possible. Pricing must be in line with the competition and signage needs to be uncluttered and focused on top-selling brands." One retail consultant has called the back-bar "center stage".

Teens are more likely than adults to be influenced by tobacco promotional pieces in convenience stores (73% of teens vs. 47% of adults). Comparing our surveys of kids and adults, the impact of tobacco displays is at least twice as strong on kids:

- 35% of kids aged 11 to 18 think that c-store tobacco displays make kids try smoking; another 27% think it might
- 19% of adult smokers agree that c-store tobacco displays encourage people to continue smoking

Brands advertised most in c-stores:

2003	Chain c-stores	Independent c-stores	Gas c-stores
Players	28%	14%	16%
du Maurier	26%	12%	13%
Export "A"	18%	9%	10%
Benson & Hedges	13%	7%	7%
Others	38%	20%	19%

Tobacco ads in c-stores:

2003	Chain c-stores	Independent c-stores	Gas c-stores
% Stores Carrying Any Ad	63.6%	42.3%	44.3%
Average # All Ads In Store	*3.1*	*2.3*	*2.2*
% Stores With Counter-Top	53.4%	32.7%	36.4%
Ave. # Counter-Top Displays	*2.8*	*1.9*	*1.8*
% Stores With Danglers	8.9%	6.3%	4.9%
Average # Danglers In Store	*2.1*	*1.6*	*1.9*
% Stores With Shelf Talkers	6.9%	4.1%	4.1%
Ave. # Shelf Talkers In Store	*1.6*	*1.7*	*1.7*
% Stores With Posters	4.2%	2.7%	1.5%
Average # Posters In Store	*1.6*	*1.8*	*1.8*
% Stores With "Other" Ads	10.4%	7.6%	7.5%
Ave. # "Other" Ads In Store	*1.4*	*1.4*	*1.4*

C-stores, Tobacco & Crime

C-stores are using crime statistics related to cigarettes as part of their argument to keep power walls uncovered. Tobacco companies, and increasingly oil companies, support this.

The November 2004 *Tobacco Related Crime Study*, prepared by the Inkster Group for the OCSA, indicates that c-stores have experienced a 127% increase in break and enter incidents since 2001-02, while convenience gas bars have seen an increase of 29%. About 53% of reported crime events at c-stores involved cigarettes. The report also finds a very strong correlation between cigarette prices (driven largely by taxes) and c-store crimes: "The increase in tobacco-related crime appears to correspond with the increase in tobacco taxation." However, there are flaws in this study:

- Statistics are not compatible or directly comparable across jurisdictions; as the report states, "Unfortunately, there is a minimal consistency in the collection of crime statistics between the various police services." Some regions include residential break-ins with their retail crime statistics, for example.
- The c-store industry is publicizing the apparently very high correlation (0.97) between cigarette prices and the incidence of B&E and robberies. But as the report states, "However, more than three years of data, and data during years of no price increases, would be required to prove this statement."

Comparing USA vs. Canadian store layouts, we see that centralizing tobacco products near the cashier yields less crime. US stores often relegate the new discount brands to self-serve areas away from the cashier; the financial strength of the established tobacco companies allows them to keep the back-bar to themselves. One chain moved all cigarettes behind the counter; this reduced "grab-and-run" thefts and lowered shrinkage by US$200,000 in 2003.

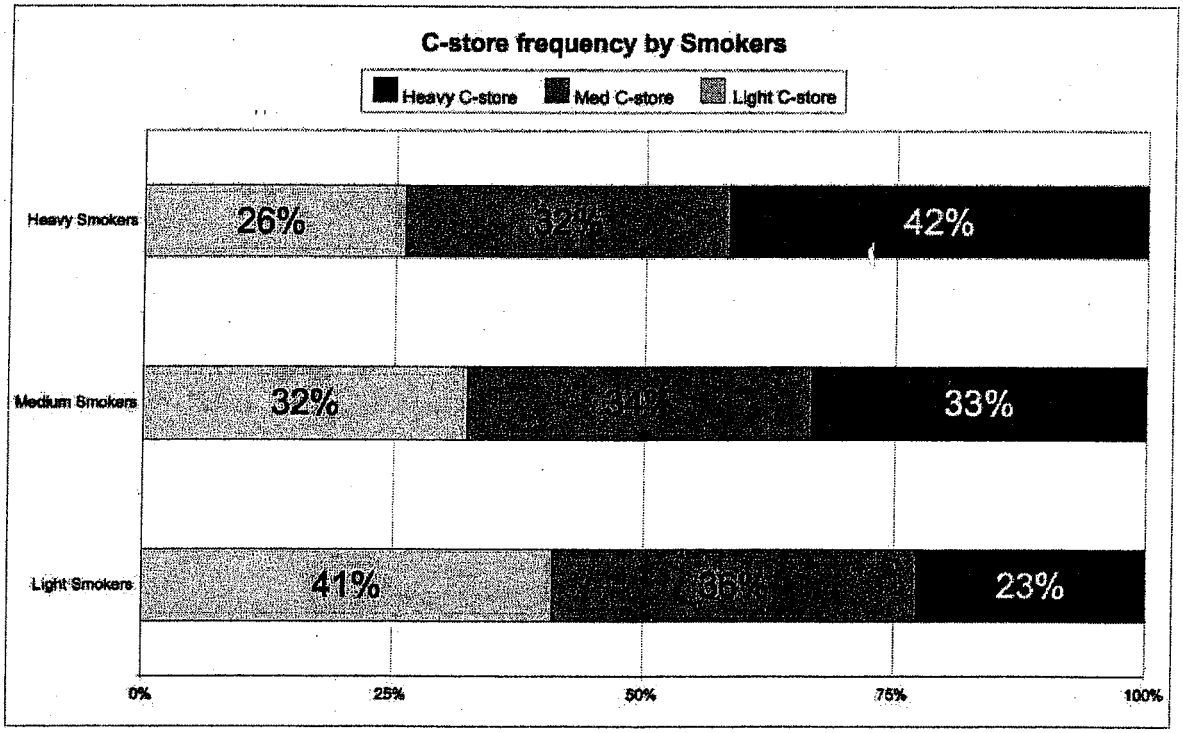
Smokers in C-stores

There are over 2 million smokers in Ontario, about one-quarter of the adult population.

With 4 to 6 tobacco-purchasing trips per week, the smoker is a key c-store customer. The customer base is strong and smokers are very loyal to the c-stores they choose to frequent. In addition, cigarette smokers purchase more soft drinks, coffee and snacks. (Adult non-smokers do not go to c-stores as often as smokers do.)

C-stores have become heavily dependent upon smokers. In planning a c-store, retailers are advised to plan 50% of their sales from the 2% of store area devoted to tobacco products, with a gross margin of 10% to 15%.

The more you smoke, the more often you go to c-stores. Also, smokers are more likely than other people to do most of their regular grocery shopping at c-stores.



Heavy smokers are also heavier consumers of many other products that c-stores rely on. PMB data indicates that heavier smokers are:

- Heaviest pop drinkers
- Heavier gum chewers
- Heavier chocolate candy consumers
- Heavier corn/tortilla chip consumers
- Heavier potato chip consumers
- Heavier candy/mint consumers
- Heavier "party mix" snack consumers
- Heaviest frozen snack & dessert consumers

Heavy smokers are only one-third of all smokers, but purchase two-thirds of all tobacco products. They smoke at least 10 packs a week, twice the average.

The average smoker spends at least $45 weekly on cigarettes alone, plus other products. Heavy smokers spend at least $70 weekly on cigarettes alone. **Each** smoker therefore represents annual cigarette sales of over $2,300, or a potential gross annual profit of at least $230 to the c-store owner.

We conducted a survey of over 330 Ontario adults who currently smoke or have quit smoking. Three-quarters of current smokers have tried to quit in the past. Nearly one-fifth of these smokers who have tried to quit believe that power walls in c-stores encourage them to continue smoking.

Former smokers

There are more former smokers than current smokers in Ontario. Half the adult population of the province has been regular smokers at some time.

One-quarter of former smokers believe that power walls in c-stores encourage them to continue smoking.

Kids

There are 5.4 million Canadian young people whose weekly incomes range from $66 for 12- and 13-year-olds to $374 for those 22 to 24 years of age.

In one survey, we focused on nearly 200 Ontario kids aged 11 to 18 who live in households where nobody uses tobacco products. (This removes smoking parents or siblings as a possible influence on the kids' knowledge of tobacco products.) Among these kids:

- 85% spontaneously name c-stores as a place that sells cigarettes. In addition, 16% know that gas stations sell cigarettes, and 30% name food stores.
- 77% go to c-stores at least once a week
- 41% can spontaneously name cigarette brands; half of these kids can name more than one brand (up to 7).
- 63% believe that cigarette displays in c-stores might influence kids to smoke

A study of 7th graders found that virtually all reported seeing tobacco advertising and promotions, and that 70% indicated receptivity to tobacco marketing materials beyond simple awareness (e.g., collecting, displaying, wearing or using tobacco promotional items).

44% of teen smokers buy cigarettes from a store; 56% rely on friends or family.

In 2003, one-third of c-stores sold cigarettes to minors. The rate of compliance with the law has deteriorated since 1999.

Normalization in C-stores

"Normalization" is a term used to describe the place of cigarettes in everyday life. Tobacco companies resist the "denormalization" of their products (via bans on advertising, sponsorship and displays) and their industry (via demands from "ethical" investors on pension and mutual funds to divest tobacco holdings).

The placement of tobacco products in proximity with other categories plays a role in tobacco consumption. Tobacco could be perceived as being as harmless as any other CPG; and the impact of the health warning messages on the packages might be blunted by this "halo effect".

Research shows that the more strongly a young person overestimates smoking rates, the more likely they are to start smoking: if they are influenced by smokers, advertising or other everyday observations to believe that smoking is common or popular, they are more likely to become smokers themselves. "Normalization" is believed to be a factor in youth perceptions that smoking is more common than it actually is.

Counter-top displays, being at the eye-level of young children, are particularly contentious. The tobacco industry and c-stores in Ontario have ceded that space, but believe they will retain the back wall.

Adult smokers outnumber kids by a ratio of 2:1 in Canada. Young adults aged 19 to 24, particularly young women, are the heaviest smokers in Canada, on a per capita basis. Kids don't have to look far to see a smoker, probably one they know, and likely one they admire.

Young smokers are well known to their peers. Although 16% of kids aged 15 to 19 are smokers, nearly 90% of all the kids in this age group know someone their age who smokes. Although younger kids are less likely to smoke, we still find one-quarter of those aged 12 to 14 knowing someone their age who smokes.

Many c-store operators know customers by name; many customers visit the same c-store every week for years. C-store owners are encouraged by the tobacco industry to leverage their personal relationships with customers to build loyalty and sales. In the words of one retail consultant, "... there is an opportunity to develop an oasis, where your customers will feel genuinely welcomed and valued."

Many c-stores use the word "smoke" in their names. Many c-stores still have old tobacco-sponsored signage associated with their names.

Looking at the dynamics of c-store traffic demographics, kids are in regular contact with smokers, particularly heavy smokers. Many people smoke just outside c-stores. Smokers are also heavy consumers of many of the products that kids buy most ... plus cigarettes.

Compared to the total population aged 12+:

- Kids and smokers are convenience stores' frequent customers
- Kids and heavier smokers are heaviest pop drinkers
- Kids and heavy smokers are heavier gum chewers
- Kids and heavy smokers are heavier chocolate candy consumers
- Kids and heavy smokers are heavier corn/tortilla chip consumers

- Kids and heavier smokers are heavier potato chip consumers
- Kids and heavy smokers are heavier candy/mint consumers
- Kids and heavy smokers are heavier "party mix" snack consumers
- Kids and smokers are heavier cough drop consumers
- Kids & heavy smokers are heaviest frozen snack & dessert consumers

Sources

This report is based on facts from a wide array of media: print, online, academic papers, legislative and legal proceedings, trade events, and databases. We also conducted two telephone surveys, and have accessed recent market surveys conducted by others.

ACNielsen
Advertising Age
Advertising Educational Foundation
Adweek
American Legacy Foundation
Anne Lavack, PhD, University of Regina
ash.org
BMO Nesbitt Burns
Brown & Williamson
Business Edge News
Canada-Ontario Business Service Centre
Canadian Association of Chain Drug Stores
Canadian Media Directors Council
Canada Newswire
Canadian Business
Canadian Press
Canadian Tobacco Manufacturers' Council
Canadian Tobacco Use Monitoring Survey
Capstone Research
CBC
conveniencecentral.ca
convenienceguru.com
Convenience U
Convenience Store Journal
CSP
Daniel Robinson, PhD, University of Western Ontario
Federal Trade Commission
Forbes
Fulcrum Publications
Globe & Mail
Guelph Mercury
Hamilton Spectator
Health Canada
House of Commons, *Edited Debates*
Howrey LLP
Imperial Tobacco
Inkster Group
Institute of Medicine
Ipsos Reid
ITWAL
Journal of Applied Social Psychology

JTI
Karrys Wholesale Distributors
Marketing
Legislative Assembly of Manitoba
Meyer & Associates
Montreal Gazette
National Convenience Store Distributors Association
National Association of Convenience Stores
National Post
New England Journal of Medicine
NFO CF Group
Now
Ontario Convenience Stores Association
Ontario Campaign for Action on Tobacco
Ontario Lottery & Gaming Corporation
Ontario Tobacco Research Institute
OTS Media Network
Physicians for a Smoke-free Canada
Point Of Purchase Advertising International
Print Measurement Bureau
PROMO Magazine
Quebec Superior Court
Reuters
Richard Pollay, PhD, University of British Columbia
Rothmans, Benson & Hedges
Saturday Night
Simcoe Reformer
Simmons Media Research
Smoke-Free Nova Scotia
Smoke & Mirrors: The Canadian Tobacco War
Statistics Canada
Strategy
Thunder Bay Chronicle
Tilson Consulting
Tobacco Control
tobaccodocuments.org
tobaccofreekids.org
US Centers for Disease Control
US Department of Justice
US Distribution Journal
Vue
Wall Street Journal
Winnipeg Free Press
Your Convenience Manager
Youth Culture Group
Youthography

KID'S SURVEY

RESEARCH REPORT, FINDINGS AND DATA

Objectives & method

The Non-Smokers' Rights Association commissioned J. Gottheil Marketing Communications to assess tobacco product "power walls" and displays in convenience stores (also known within the industry as "c-stores").

Among the objectives was to discover whether (and if so, to what extent) the presence of tobacco products and communications in c-stores influences Ontario's young people, either by creating brand awareness for tobacco products or by encouraging them to smoke.

This survey identifies and analyzes:

- Kids' unaided awareness of where cigarettes are available at retail
- Kids' convenience store shopping frequency
- Kids' unaided awareness of cigarette brand names
- Whether peers smoke
- Whether cigarette displays in convenience stores encourage peers to smoke.

We conducted a telephone survey in March 2005 among Ontario kids aged 11 to 18, and their parents, in non-smoking households. The interviews were conducted by Telepoll Canada of Toronto. Sampling & Modeling Research Technologies of Markham provided the sample.

- Kids in this age range are the pending customers for tobacco companies.
- We selected **non-smoking** households to minimize the influence of factors other than retail displays.
- We set quotas to ensure the sample reflected the regional and youth populations within Ontario.
- Telephone is the most cost-effective method for collecting unaided awareness data.

The sample of 194 households mirrors the Ontario population and delivers statistics accurate to within 7 percentage points, at 95% confidence ("19 times out of 20").

In accordance with market research industry standards, we interviewed these children only with a parent's permission.

Record of contact

The detailed report appears in Appendix A.

The random sample totaled 12,000 phone numbers. The refusal rate was 56%. The net effective incidence of qualified respondents is 10%.

Sample structure

The detailed report appears in Appendix B.

The sample has quotas to ensure that Age and Region within Ontario are representative.

Questionnaire

The questionnaire appears in Appendix C. Wherever possible, we replicated existing question formats from authoritative sources (e.g., Print Measurement Bureau, Canadian Tobacco Use Monitoring Survey) to ensure comparability with other sources. In addition, we pre-tested the survey, incorporating advice from Telepoll managers experienced in child interviewing.

We asked parents:

- Occupational screen (to minimize bias, we excluded homes of employees in sensitive industries: tobacco, c-stores, other tobacco retailers, marketing services, media)
- Verify **non-smoking** household
- Household includes kids aged 11 to 14 or 15 to 18 (to establish representative age quota)
- How often kids in key age groups go into convenience/variety stores
- Household demographics.

We asked kids:

- Age (to verify quota)
- Types of stores where they have seen cigarettes (unprompted)
- How often they go into convenience/variety stores
- Which brands of cigarettes they can think of (unprompted)
- Whether they know any kids their age who smoke
- Whether cigarette displays in convenience stores could encourage kids to try smoking.

Analysis

We have cross-tabulated the data on all dimensions. We have also counted store and brand awareness levels per respondent, conservatively calculated average frequency of kids' c-store visits, and assessed correlations.

Executive summary

Kids from non-smoking households are a strong test case: they are not influenced by in-home smoking factors, and are less likely to become smokers than kids whose parents smoke. We can presume that tobacco awareness is as high, or higher, among kids from smoking homes.

Over 40% of kids from non-smoking households can spontaneously name cigarette brands. Among kids aware of cigarette brands, half can name 2 or more (and up to 7) brands each. In addition, some mention package colours or visuals.

The total brand awareness repertoire among these kids exceeds 20 brands. Two brands dominate kids' unaided awareness: Players (22%) and du Maurier (18%). (These two brands are also those advertised most in c-stores' POP, according to ACNielsen.)

While unaided cigarette brand awareness increases with age, it is apparent in kids as young as 11.

Almost two-thirds of kids from non-smoking households believe that kids their age might try smoking if they see cigarette displays in c-stores. This is a consistent belief that crosses all ages and is **not** impacted by a kid's level of "smoking knowledge" or by their frequency of c-store visits.

Over half of kids from non-smoking households know someone their own age who smokes cigarettes. This occurs among children as young as 12. However, young smokers do not always influence their peers' cigarette brand awareness: over one-quarter of the kids who **don't** know any young smokers **can** name cigarette brands. Therefore, c-stores must still be a factor in cigarette brand awareness among kids.

The vast majority (85%) of Ontario kids from non-smoking households spontaneously recall c-stores as a place they've seen cigarettes. (Only 30% recall grocery stores; only 16% recall gas stations.) In other words, these kids can spontaneously recall 1 or 2 types of cigarette retailers, on average.

Over three-quarters of kids visit c-stores at least once a week, or conservatively at least 5 times a month, on average. Most go once or twice per week; less than one-quarter of kids visit c-stores less than once a week. Kids clearly are key customers for c-stores.

Many parents do not know how often their kids actually go into convenience stores. In over one-quarter of non-smoking households, the kids claimed to go into c-stores more frequently than their parents indicated.

Note that kids' responses in this survey could be understated: kids may have been (or thought they were) overheard or monitored by a parent.

Conclusions

Brand awareness is of prime importance to marketers. In particular, unaided awareness (i.e., spontaneous mention of a brand name) is crucial: it conveys how strong the brand is, how successful marketing communications programs have been, and brand preference. Since children in non-smoking households can spontaneously name any cigarette brands, we can presume that current tobacco marketing communications indeed influence kids.

Tobacco companies recognize that c-stores are their primary channel in Ontario, in terms of both sales and building brand awareness.

The vast majority of smokers start before they're 19 years old. Kids are therefore important to tobacco companies, as potential customers.

C-store displays of cigarettes are influencing kids in Ontario. Furthermore, kids believe that these displays are a factor in kids' smoking.

Clearly, the power walls are communicating the availability of tobacco products. And the number of brands that kids know correlates with their knowledge level of where cigarettes are available. The cigarette retail system therefore has a strong influence on brand awareness.

Kids' awareness of cigarette brands increases with their frequency of c-store visits. Even allowing for other influences (such as knowing kids who smoke), c-stores are playing a role in informing kids about tobacco products.

Kids' knowledge of tobacco generally increases with age. This may reflect acquaintance with "legal" young adult smokers, but it could also reflect the cumulative influence of c-store visits over time.

Having peers who smoke is **not** a consistent factor in cigarette brand awareness among kids. Therefore, other factors (including c-store displays) must be affecting kids.

Kids whose peers smoke believe more strongly that c-store displays of cigarettes encourage kids to smoke.

Detailed findings

Stores where kids see cigarettes (unaided)

The vast majority (85%) of Ontario kids from non-smoking households spontaneously recall c-stores as a place they've seen cigarettes.

Convenience/corner/variety store	85%
Food store/grocery store/supermarket	30%
Gas station	16%
Other (specified)	11%
None/Don't know	7%

In addition, one-third spontaneously recalls food stores. And one in six is aware that gas stations stock cigarettes.

"Other" mentions include department stores (including Wal-Mart, Zellers and Giant Tiger) and shopping malls.

Only 7% cannot recall any retail outlets that sell cigarettes.

Put another way, Ontario kids from non-smoking households can spontaneously recall 1 or 2 types of cigarette retailers, on average.

Analyzed by Age, older kids (aged 17 or 18) generally are aware of more types of stores that stock cigarettes, but the correlation between age and number of stores recalled is not significant.

Age	# of stores selling cigarettes
11	1.3
12	1.5
13	1.4
14	1.2
15	1.4
16	1.4
17	1.6
18	1.7
Total Average	***1.4***

The number of cigarette brands that kids can name increases with their knowledge of where cigarettes are available.

Frequency of kids visiting c-stores

Nearly half of Ontario kids from non-smoking households say they visit c-stores once a week. Less than one-quarter of kids visit less frequently.

Never	11%
Less than once/week	11%
Once/week	47%
Twice/week	14%
3+ times/week	17%

We estimate that Ontario kids from non-smoking households visit c-stores **at least** 5 times a month, or at least 1.4 times weekly, on average.

There are no consistent differences in c-store patronage frequency by Age. While the youngest kids (aged 11) go slightly less often and the oldest kids (aged 18) go to c-stores most often, there is considerable variation in between, and the differences by age range are not significant.

Age	# of c-store visits per week
11	1.1
12	1.5
13	1.2
14	1.4
15	1.1
16	1.4
17	1.5
18	1.8
Overall Average	***1.4***

Comparing the responses of parents with their kids, we see over one-quarter of parents underestimating how often their kids visit c-stores. 26% of parents think their kid never goes to a c-store, but most of these kids actually **do** go to c-stores. But in nearly half (45%) of cases, kid and parent give the same response.

Table %'s	**Parents think Kid goes to c-store:**					
Kids claim:	**Never**	**<1/wk**	**1/wk**	**2/wk**	**3+/wk**	***Row totals***
Never	**10%**	1%	1%	--	--	***11%***
Less than 1/week	2%	**3%**	6%	--	1%	***11%***
Once/week	9%	4%	**22%**	7%	4%	***47%***
Twice/week	3%	--	5%	**4%**	3%	***14%***
3+ times/week	3%	3%	2%	3%	**6%**	***17%***
Column totals	***26%***	***11%***	***36%***	***13%***	***14%***	***100%***

NOTE: Columns & rows subject to rounding

Frequency of kids' c-store visits correlates with their awareness of cigarette brands.

Unaided awareness of cigarette brands

Over 40% of Ontario kids from non-smoking households can spontaneously name cigarette brands.

One brand	21%
Two	11%
Three	5%
Four	3%
5 to 7 brands	3%

Among kids from non-smoking households who can name cigarette brands, half can name two or more brands. A few kids can name over four brands.

Two brands dominate kids' unaided awareness: Players (22%) and Du Maurier (18%). The total brand awareness repertoire among these kids exceeds 20 brands.

Players/Light	22%
du Maurier	18%
Marlboro	8%
Camel	7%
Peter Jackson	4%
Belmont	3%
Benson & Hedges	3%
Colts	2%
Craven	2%
Export	2%
Kool/Green	2%
Matinee	2%
Number 7	2%
Rothman	2%
Captain Black	1%
Dunhill	1%
Legend	1%
Lucky 7	1%
Rockport	1%
Vantage	1%
Victory	1%
Virginia Slims	1%
Misc.	2%

In addition, a small percentage of kids from non-smoking households can name cigarette package colours or visual design elements.

Just the red ones

Red pack, blue one, brown one, white one

The one with the fisher guy on it

The one with the moose, there is also a red and white one

Awareness of cigarette brands increases with Age. Kids under 15 are aware of fewer brands, while those 15 plus are aware of more brands, increasing to over 2 brands among 18-year-olds. However, we do see kids as young as 11 aware of cigarette brands.

Age	Average # of brands
11	0.1
12	0.3
13	0.3
14	0.5
15	1.1
16	0.9
17	1.3
18	2.3
Overall Average	*0.8*

As noted above, the number of brands that kids know correlates with their knowledge of where cigarettes are available.

# of store types selling cigarettes	Average # of brands
None	0.1
One	0.7
Two	0.8
Three	1.7
Overall Average	*0.8*

Frequency of kids' c-store visits impacts their awareness of cigarette brands. Kids who visit c-stores at least twice a week have above-average awareness levels of cigarette brands.

C-store frequency	Average # of brands
Less than once/week	0.3
Once/week	0.7
2+ times/week	1.0
Overall Average	*0.8*

Knowing kids who smoke

Over half (52%) of kids aged 11 to 18 from non-smoking households know someone their own age who smokes cigarettes.

Not surprisingly, older kids are more likely to know peers who smoke. However, kids as young as 12 know kids their age who smoke.

While the kids who know young smokers are likely to know more brands, we still see:

- One-quarter of those who **don't** know smokers **can** name one or two brands
- Half of those who know smokers cannot name any brands.

Column %'s	**Know Kids who Smoke**	
# of Brands mentioned	**Yes**	**No**
None	47%	73%
One	22%	20%
Two	15%	6%
Three	9%	0%
Four	5%	0%
5 to 7	3%	0%
Totals	*100%*	*100%*

This means that having peers who smoke is **not** a consistent factor in cigarette brand awareness among kids. Therefore, other factors (including c-store displays) must be affecting kids.

Kids whose peers smoke believe more strongly that c-store displays of cigarettes encourage kids to smoke.

Beliefs re cigarette displays in c-stores

Over 60% of Ontario kids from non-smoking households believe that cigarette displays in c-stores could influence kids to try smoking.

Yes	35%
Maybe	27%
No	37%
Don't know	1%

This question stands alone, in a sense: there are **no** strong correlations between this belief and other knowledge or activities related to c-stores and cigarettes.

This belief does not vary consistently by kids' ages. Younger (11 or 12) and older (17 or 18) kids are a bit more skeptical. Kids aged 14 and 15 are those most likely to agree.

Age	**Yes**	**Maybe**	**No**
11	17%	38%	**46%**
12	40%	16%	**44%**
13	36%	28%	36%
14	**46%**	21%	33%
15	**49%**	26%	26%
16	32%	39%	29%
17	13%	25%	**63%**
18	33%	27%	**40%**
Total	*35%*	*28%*	*38%*

NOTE: Row %'s

Awareness of stores that sell cigarettes is not related to this belief.

Averages	**# of stores selling cigarettes**
Yes	1.4
Maybe	1.5
No	1.4

C-store patronage frequency does not affect this belief.

Averages	**# of c-store visits per week**
Yes	1.4
Maybe	1.2
No	1.4

Awareness of cigarette brands has no relationship to this belief.

	Average # of brands
Yes	0.7
Maybe	0.9
No	0.8

Knowing kids who smoke has a ***slight*** impact on this belief that c-store displays encourage youth to smoke. Kids whose peers smoke are more likely to say "Yes", while those who don't know young smokers are more likely to say "Maybe".

Column %'s	**Know Kids who Smoke**	
	Yes	**No**
Yes	**40%**	30%
Maybe	23%	**33%**
No	38%	37%
Totals	*100%*	*100%*

Column %'s

Appendix A – Record of Contact

Where respondents filtered out:

No kids aged 11 to 18	79% of Ontario households
Household occupations	15% of households with kids
Use tobacco products	26% of households with kids

TOTAL DIALED	**12,000**
Not in service	544
Fax/modem line	126
Business line	10
Wrong/Other number	187
GOOD NUMBERS	**11,126**
Busy (5 attempts)	19
No answer (5 attempts)	566
Answering machine/voice mail (5 attempts)	876
CONTACTED	**9,665**
Language problem	425
Household refusal	1,682
Respondent refusal	2,969
Respondent not available	38
Hard appointment	76
Soft appointment	252
No appointment, call again	519
COOPERATIVE	**3,704**
Quota filled: Area	1,071
Disqualified: No kids in age groups	2,091
Disqualified: Occupation	84
Disqualified: Use tobacco products	120
Quota filled: Age	66
Partial complete; call back to speak to kid	22
Parent refused to let kid answer questions	34
QUALIFIED	**216**
Partial complete break-off	22
COMPLETES	**194**

Appendix B – Sample structure

Region

There was a quota to ensure regional proportions per Ontario population.

416 (Toronto).....24%	705 (Central East).....25%
519 (Southwest).....14%	807 (Northwest).....2%
613 (East) 13%	905 (Horseshoe) 23%

Age

There was a quota to ensure proportional age spread.

11 years old..... 12%	15..... 18%
12..... 13%	16..... 14%
13..... 13%	17..... 8%
14..... 13%	18..... 8%
Sub-total 11 to 14 .. 52%	Sub-total 15 to 18 .. 48%

Household income

As expected per Statistics Canada and Health Canada data, non-smoking households in Ontario skew to higher incomes. (This reflects educational attainment: non-smokers tend to be better educated, and the better educated tend to have higher incomes.)

Under $25K..... 6%

$25K to $50K..... 18%

$50K to $75K..... 29%

Over $75K..... 47%

Appendix C – Questionnaire

Good , I'm _____ of Telepoll Canada.
We're conducting a survey with parents and kids about convenience and variety store shopping.

May I speak to an adult from your household?

_ 1 YES
2 CALL BACK
3 NO/DON'T KNOW/REFUSED

1. How many children are there in your household, aged....
[READ LIST]?

__ 11 to 14 years
__ 15 to 18 years

2. Do you, or does anyone living in your household, work in...
[READ LIST]

1 YES
2 NO

0 DK/REF

_ Advertising, marketing or market research
_ TV, radio, magazines or newspapers
_ A convenience store or variety store
_ A gas station
_ A grocery store or supermarket
_ Tobacco growing
_ Cigarette manufacturing, distribution or promotion

3. Does anyone who lives in your household use tobacco products?

_ 1 YES
2 NO

0 DK/REF

4. To the best of your knowledge, how often do/does your child/ren aged _____ go into convenience stores (also known as variety stores or corner stores)?
[READ LIST]

__ 1 Never
2 Once a week
3 Twice a week
4 More than twice a week
5 OTHER [SPECIFY]

0 DON'T KNOW/REFUSED

Our survey is to determine whether tobacco displays in convenience stores are influencing kids who live in non-smoking families.
I have 6 quick questions to ask a child.

May I speak to a child aged _____.

[IF PARENT EXPRESSES CONCERN: It's OK if you listen on another line.]

_ 1 YES
2 CALL BACK
3 NO/DON'T KNOW/REFUSED

Hi, my name is _____.

5. How old are you?

__

99 REFUSED

5.1 May I speak to a child who is between 11 and 18 years of age?

_ 1 YES - COMING TO PHONE
2 YES - CALL BACK
3 NO/DON'T KNOW/REFUSED

6. What types of stores have you ever seen cigarettes in?
[DO NOT READ LIST]

__ __ __ __

1 CONVENIENCE/CORNER/VARIETY STORE
2 FOOD STORE/GROCERY STORE/SUPERMARKET
3 GAS STATION
4 OTHER [SPECIFY]

0 NONE/DK/REF

7. How often do you go into convenience stores, variety stores or corner stores?
[READ LIST]

_ 1 Never
2 Once a week
3 Twice a week
4 More than twice a week
5 OTHER [SPECIFY]

0 DON'T KNOW/REFUSED

8. Which names or types of cigarette products can you think of?
PROBE: Any other names of cigarettes you remember seeing in a store?

_____
_____
_____
_____
— — — — —

9. Do you know anyone your age who smokes cigarettes?

_ 1 YES
2 NO

0 DK/REF

10. Do you think other kids your age will try smoking if they see cigarette displays in convenience stores, variety stores, or corner stores?

_ 1 YES
2 MAYBE
3 NO

9 DK
0 REF

THANK CHILD & ASK TO SPEAK TO A PARENT

[PAGE FORWARD]>>

I have just a few questions to classify your family's answers.

11. In total, how many people live in your household, including yourself?

__

12. Which age range are you in?

_ 1 Under 35
2 35 to 49
3 50 plus

0 DK/REF

13. Is your total household income, from all sources...
[READ LIST]

_ 1 Under $25 thousand
2 $25 to $50 thousand
3 $50 to $75 thousand
4 Over $75 thousand

0 DK/REF

ADULTS SURVEY

RESEARCH REPORT, FINDINGS AND DATA

Objectives & method

The Non-Smokers' Rights Association commissioned J. Gottheil Marketing Communications to assess tobacco product "power walls" and displays in convenience stores (also known within the industry as "c-stores").

Among the objectives was to discover whether (and if so, to what extent) the presence of tobacco products and communications in convenience stores influences key groups of Ontario adults:

- Current smokers – to continue smoking
- Current smokers who are trying to quit – to continue smoking
- Former smokers – to resume smoking

This short survey identifies and analyzes:

- Incidences of current and former smokers
- Current smokers who've attempted to quit
- Situations in which aspiring quitters relapse
- Whether tobacco product displays in convenience stores encourage continuance.

We commissioned POLLARA to include our questionnaire on their omnibus telephone survey in March 2005. Their sample of 686 Ontario adults yielded 331 current and former smokers. Omnibus surveys also collect respondent demographics and statistically weight the results to census data, ensuring representative results.

The sample of 331 mirrors the Ontario category population and delivers statistics accurate to within 5 percentage points, at 95% confidence ("19 times out of 20").

Sample structure

The detailed report appears in Appendix A.

Questionnaire

The questionnaire appears in Appendix B. We replicated existing question formats from the Canadian Tobacco Use Monitoring Survey to ensure comparability.

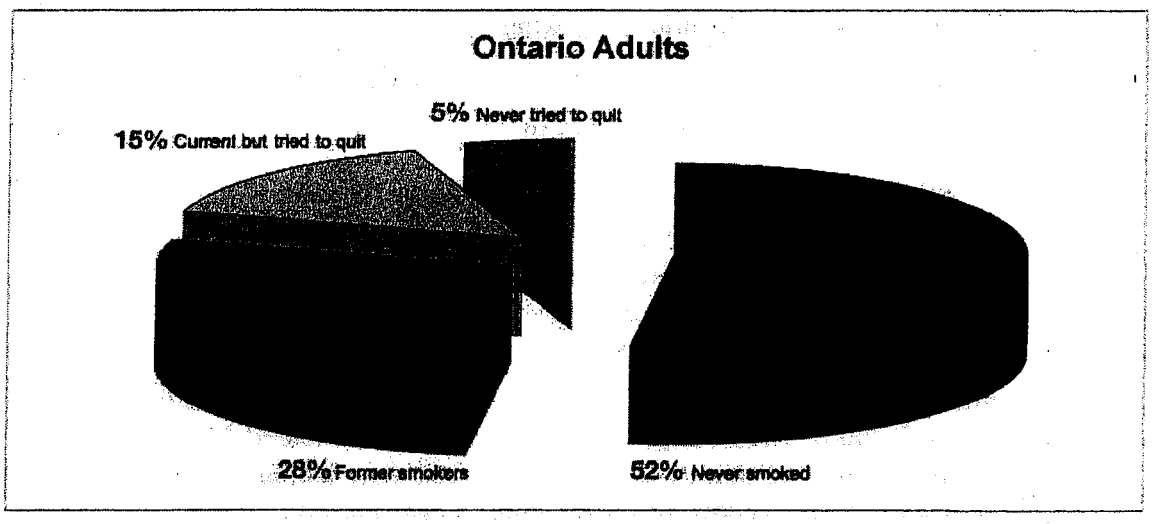
Analysis

We have cross-tabulated the data on all dimensions. We have conducted a content analysis and coded the verbatim responses.

Executive summary

Nearly half of Ontario adults have been regular smokers at some point in their lives.

Current smokers comprise almost half of all Ontario adults who have ever smoked; Former smokers comprise over half of all Ontario adults who have ever smoked. Put another way, Former smokers comprise about one-quarter of Ontario's total adult population, and outnumber Current smokers.



Over three-quarters of Current smokers have tried to quit smoking. Remembering the last occasion that they resumed smoking, the key triggers are: stress, social settings (particularly bars) and workplace influences. One-fifth of those who have tried to quit smoking mention that it's hard to quit (or, conversely, easy to relapse), or simply that a sensory cue (sight, smell) triggered a craving.

One-fifth of Current and Former smokers agree that the tobacco product displays in convenience stores encourage people to continue smoking:

- Former smokers 24% agree
- Attempted quitters 14% agree
- Never quit 19% agree

Conclusions

Tobacco companies need new customers. Only one-tenth of people who have ever smoked regularly are dedicated smokers; most want to quit. Almost 1% of smokers die each year. Relapsed quitters, immigrants and kids currently aged 10 to 19 are the only replacements.

Anecdotally, we know that Former smokers found quitting very tough. Smokers usually need to make several attempts to quit. In this survey, the relapse periods mentioned range from one month to 4 years. As such, even Former smokers are potential customers for the tobacco companies.

While c-stores are not specifically mentioned as a relapse "trigger" location, there is a level of belief among Current and Former smokers that the tobacco product displays in c-stores play a role in encouraging people to continue smoking.

Given the restrictions on tobacco advertising and distribution, the convenience store is both the main Ontario distribution channel and the main marketing communications channel for manufacturers. According to a study by Brown & Williamson (an affiliate of Imperial Tobacco): "the store environment, especially displays inside stores, is the biggest source of advertising awareness for all cigarette trademarks". And impulse purchase is a factor in the tobacco category, particularly among young and occasional smokers.

Smokers appear to be in denial about the effects of power walls. Other recent Ontario surveys with kids and adults indicate higher levels of agreement with the idea that power walls influence tobacco purchase:

- Over 60% of kids from non-smoking households believe that kids their age might try smoking if they see cigarette displays in c-stores.
- 39% of adults (including non-smokers) believe that power walls influence cigarette purchase.

Other research indicates that adults tend to minimize or understate the impact of marketing communications:

- Three-quarters of Canadian adults claimed they weren't influenced by advertising when choosing products.
- A product's brand awareness level among consumers is typically higher than its ad awareness level.
- Most Ontario adults don't even perceive power walls to be a form of advertising; rather, they see power walls simply as product displays.
- Ontario adults are far more likely to believe that power walls influence kids (33%) than adults (6%).

Detailed findings

Smoking history

Nearly half of Ontario adults have been regular smokers at some point in their lives.

Current smokers comprise 42% of all Ontario adults who have ever smoked; Former smokers comprise 58% of all Ontario adults who have ever smoked.

Current smokers tend to be younger than Former smokers. With the exception of newer smokers under 25, those who have Never tried quitting tend to be 45 to 64 years old.

Demographics

A key demographic difference between Current and Former smokers is Education. Former smokers are most likely to have post-secondary education. Correspondingly, Former smokers have higher incomes. On the other hand, Current smokers who have Never tried to quit are largely high school educated and have lower incomes than either Former smokers or Current smokers who have tried to quit.

	Former smokers	Current, Tried to quit	Never tried to quit
18-24 years	11%	8%	**13%**
25-34	17%	20%	17%
35-44	21%	22%	10%
45-54	21%	23%	**37%**
55-64	14%	14%	**17%**
65+ years	17%	13%	7%
Elementary school	6%	9%	6%
High school	27%	**41%**	**52%**
Community college	25%	**30%**	26%
University	**28%**	15%	13%
Post-graduate, professional	**14%**	5%	3%
< $25,000	12%	14%	**22%**
$25,000 to $50,000	25%	**30%**	**35%**
$50,000 to $75,000	22%	**26%**	22%
$75,000 +	**40%**	30%	22%

Column %'s

Attempt to quit

Over three-quarters of Current smokers have tried to quit smoking. Remembering the last occasion that they resumed smoking, the key triggers are: stress, social settings (particularly bars) and workplace influences.

Situations cited in the most recent relapse:

Stress	20%
Alcohol: in a bar, drinking	19%
Hard to quit/easy to start	15%
With friends	9%
At work	8%
Craving (sight, smell)	7%
Alone/lonely	6%
Recall time/place only	6%
After hospital stay/health problem	4%
Bored	2%
Gained weight	2%
At school	1%
Don't recall	4%

Multiple mentions allowed

The detailed verbatims appear in Appendix C.

Although it's beyond the scope of this analysis, we have discovered that reasons for relapse vary by demographics. Stress, alcohol, health, and work mentions appear to be stronger factors in different age and education groups, and vary by gender.

Influence of c-store displays

One-fifth of Current and Former smokers agree that the tobacco product displays in convenience stores encourage people to continue smoking.

Former smokers are most likely to agree with this concept.

	Current + Former	Former smokers	Current, Tried to quit	Never tried to quit
Very strongly	11%	13%	10%	3%
Fairly strongly	9%	11%	4%	16%
NET STRONGLY	***20%***	***24%***	***14%***	***19%***
Not very strongly	13%	12%	13%	16%
Not at all	63%	59%	69%	65%
Don't notice displays	1%	1%	1%	--
DK	3%	4%	3%	--

Column %'s

The rate of agreement with this concept does not vary appreciably or consistently by demographic group. Regardless of education, e.g., most Current and Former smokers do not see c-store displays influencing peoples' decision to continue smoking.

Appendix A – Sample structure

	All Ontario	Current + Former Smokers
Male – 18 to 34	15%	18%
Male – 35 to 54	19%	21%
Male – 55+	14%	15%
Female – 18 to 34	12%	11%
Female – 35 to 54	23%	24%
Female – 55+	15%	12%
Toronto CMA	25%	24%
Rest of Ontario	75%	26%
One person HH	17%	20%
2+ people in HH	83%	80%
Kids under 10 in HH	24%	21%
Kids 10 to 17 in HH	21%	19%
Elementary/secondary	37%	43%
Post-secondary	63%	57%
Under $50,000	40%	43%
$50,000 to $75,000	23%	21%
$75,000 +	38%	36%

Appendix B – Questionnaire

1. Have you smoked 100 cigarettes or more in your life?

Yes	CONTINUE
No	SKIP TO NEXT SECTION
DK/REF/OTHER	CONTINUE

2. Are you: (READ LIST)?

Currently a smoker	CONTINUE
A former smoker who's quit	SKIP TO Q.5
DK/REF/OTHER	SKIP TO NEXT SECTION

3. Have you ever attempted to quit smoking?

Yes	CONTINUE
No	SKIP TO Q.5
DK/REF	SKIP TO NEXT SECTION
OTHER (SPECIFY)	SKIP TO Q.5

4. I'd like you to think back to the last time you tried to quit smoking. Now, what do you remember about the occasion when you **started** smoking again? PROBE When was it, where, who you were with, what were you doing?

_____

_____

5. Do you feel that the tobacco product displays in convenience stores or variety stores encourage people like you to *continue* smoking? Would you say: READ LIST

Very strongly
Fairly strongly
Not strongly
Not at all
DK
REF
OTHER (SPECIFY)

Appendix C – Relapse occasions – Verbatims

QUESTION: …think back to the last time you tried to quit smoking. Now, what do you remember about the occasion when you **started** smoking again? PROBE When was it, where, who you were with, what were you doing?

A baseball game in my community – friends watching baseball

A change in my life and I started smoking again

All by myself

At a bar having an alcoholic beverage

At a bar with friends.

At a party

Because I was drinking

Because they were sitting there

Big relief on the family; I was moody

Do not want to quit

Felt lonely so I started to smoke

Gone out to a bar

Had a depressed feeling alone

Having beer

I became bored waiting for a friend to visit, had cravings and started again

I gained 60 pounds; that's why I went back to it

I just decided I'd try it again

I was hospitalized for 6 weeks and smoked again when I got home.

I was with friends at school

I'd taken a flip and smashed my ribs

In the house, one or two months ago

It was unpleasant

My mother passed away

My spouse is an alcoholic, he started drinking again, and I started smoking

Out having a drink

Quit 1998, started again in 2002

Quit for 4 months, and started again due to stress.

Quit New Years Eve 1985 and started again June 1989

Quit for a month -- just a natural thing

Regretting it

Routine

Started back just because of the craving

Started drinking with some friends

Stress (4 mentions)

Stress level at work

That it was not a big surprise

Very difficult

Was drunk

What you were doing [working]

With a friend that smokes

Work

Working -- with my co-workers

Working midnight shift in cafeteria, got a whiff of cigarette and started again

MORE SMOKE AND MIRRORS:

Tobacco Industry-Sponsored Youth Prevention Programs In the Context of Comprehensive Tobacco Control Programs in Canada

A Position Statement

By

The Ontario Medical Association

February 2002

ACKNOWLEDGEMENTS

This paper was prepared by Michael Perley, Director of the Ontario Campaign for Action on Tobacco and tobacco policy advisor to the Ontario Medical Association, with direction and support from Dr. Ted Boadway, Executive Director, Ontario Medical Association. Valuable comments and contributions were obtained from members of the OMA committee on Population Health, as well as from members of the OMA Board of Directors.

The Ontario Medical Association also wishes to express its gratitude to a number of organizations for material from analyses of tobacco industry-sponsored programs they have already prepared and, in some cases, published. These include the critiques of "Operation ID," "Operation ID/School Zone" and "Wise Decisions" prepared by the Quebec Coalition for the Control of Tobacco, separate analyses by the Media Network at Cancer Care Ontario, and the review of "Wise Decisions" prepared for the Ontario Lung Association.

Valuable material about the history of voluntary industry programs in Canada was drawn from "Smoke and Mirrors: the Canadian Tobacco War," by Canadian Cancer Society Senior Legal Counsel Rob Cunningham. The editorial assistance of Jeff Henry, Director of Communications & Design Services, was particularly appreciated.

Please Note:

This paper may be reproduced for use as an advocacy document providing authorship is acknowledged.

Web site: www.oma.org ISBN: 0-919047-41-6

TABLE OF CONTENTS

Executive Summary

1. Introduction: Best Practices in Tobacco Control

2. The Programs

    1. "Operation ID" (OID) and "Operation ID/School Zone" (OID/SZ)

    2. "Wise Decisions" (WD)

3. Why Tobacco Industry-Sponsored Sales to Minors Prevention Programs Don't - And Can't Work

4. Why Tobacco Industry-Sponsored Decision-Based School Prevention Programs Don't and Can't Work

5. Conclusion and Recommendations

Appendices

A. Members of the Canadian Coalition for Responsible Tobacco Retailing

B. Operation ID School Zone Community Partners

EXECUTIVE SUMMARY

For over a decade, federal, provincial, state and local authorities in both Canada and the United States have implemented and evaluated a wide range of tobacco control programs and identified best practices. These authorities, and health agencies with similar goals, have concluded that tobacco control must be comprehensive and must include, at a minimum, local community programs; chronic disease prevention; school programming; tobacco control policy enforcement; media advocacy; smoke-free spaces; cessation assistance and counter-marketing programs.

Experience to date has shown that comprehensive tobacco control programs based on best practices can dramatically reduce both consumption and disease incidence.

Reducing youth access to tobacco industry products is a component of most comprehensive tobacco control programs, but there is considerable doubt whether reducing youth access in fact reduces youth consumption.

In recent years, the tobacco industry has faced unprecedented legal and regulatory challenges. In response, the industry has developed and disseminated two programs - "Operation ID" and "Operation ID/School Zone" - allegedly aimed at reducing youth access to tobacco products by encouraging retailers to demand ID, and is testing a school-based program - "Wise Decisions" - designed to teach decision-making skills about tobacco use.

The Ontario Medical Association has undertaken a comprehensive review of these programs, including examination of tobacco industry documents, program materials and independent research. The OMA concludes that:

- Tobacco industry documents make clear that their youth access programs have little or nothing to do with reducing youth smoking.
- The failure of these programs is inevitable because they are voluntary.
- Programs based on presentation of ID do not substantially reduce youth access.
- Youth access and educational programs target the wrong outcome, access, rather than consumption.
- To seriously address youth tobacco use, the tobacco industry must endorse comprehensive tobacco control best practices, which it has not done.
- Many retailers will not forego income provided by illegal sales-to-minors, and some retailers believe that if they do not sell tobacco to young people, competitors will.
- By emphasizing the adults-only status of tobacco use, tobacco industry programs reinforce young peoples' desire to use tobacco.
- Member companies of the same coalition supporting these programs in Canada are also lobbying against tobacco display restrictions.
- School-based programs teach children that there is a "decision" to be made about tobacco use, rather than clearly demonstrating that there is no safe level of tobacco use.
- The "Wise Decisions" program contains no information about the harmful effects of tobacco or the tobacco industry's well-documented denial of health effects, or its history of marketing to young people.

To address these concerns, the OMA recommends that all parties interested in reducing tobacco use endorse a comprehensive tobacco control program. The OMA further recommends that all community groups and associations that have endorsed these programs, be asked to withdraw their endorsement or withhold such endorsements if asked. The OMA will work with the Canadian Medical Association and other interested parties to ensure that this statement receives broad dissemination. Finally, the OMA recommends that all such tobacco industry-sponsored programs be carefully monitored in the future.

The OMA's detailed recommendations are as follows:

1. Since none of Operation ID (OID), Operation ID/School Zone (OID/SZ) or Wise Decisions (WD) occupy a legitimate position in best practices-based tobacco control strategy, the OMA recommends that all groups, associations and other interested parties which have formally endorsed them, be asked to withdraw their endorsement. If they have been contacted but not yet endorsed the program, we recommend that such endorsements be withheld. The OMA will be contacting such groups, associations and other interested parties in this regard.

   To help expedite the implementation of this recommendation, the OMA will work with the Canadian Medical Association, other provincial medical associations, and interested health agencies and non-governmental health organizations (NGOs), to ensure that this statement receives the widest possible dissemination. Further, we will be forwarding the statement to federal, provincial and territorial ministries of health and education.

2. The OMA further recommends that a tobacco industry youth program monitoring network be established among provincial/territorial and federal ministries of health and NGOs with a particular interest in tobacco control, in order to

provide continuous monitoring and assessments of future tobacco industry programs of the type represented by OID, OID/SZ and WD, and to alert community groups and other interested parties who may be approached by such programs, of the results of these assessments. The OMA further recommends that funding for this network be provided from the five-year, $480 million tobacco control fund announced in 2001 by Health Canada.

3. The OMA recommends that Canadian federal, provincial and local governments, and all groups, associations, and other parties interested in reducing tobacco use, formally endorse the concept of comprehensive tobacco control (including prevention, protection, cessation and denormalization), and that they support and/or undertake the following measures as appropriate at their respective level of jurisdiction:
   - Restoration of tobacco taxation to at least pre-1994 levels and printing of tax-paid markings directly on tobacco packages.
   - Plain packaging of all tobacco industry products.
   - Elimination of all wording and slogans on tobacco packages, with the exception of brand names, factual health warnings and ingredient information.
   - Disclosure by the tobacco industry of all product ingredients, additives and smoke emissions by brand.
   - A ban on all in-store tobacco-related advertising and/or information.
   - A ban on all types of displays of tobacco industry products, together with a requirement that such products be placed out-of-sight behind retail counters.
   - Identification and implementation of effective curriculum-based anti-tobacco school education programs.
   - A requirement that all indoor workplaces and public places be 100 per cent smoke free, with no allowance for designated smoking rooms, even with separate ventilation.
   - Implementation of a comprehensive, evidence-based, nationwide cessation system to assist smokers of all ages in the quitting process.
   - A ban on chewing tobacco and snuff.
   - A requirement that the tobacco industry disclose marketing and research information, provincial and federal financial statements, and that the industry provide a complete list of retail outlets and wholesale distributors.
   - Initiation of legal action by federal and provincial governments, supported by any necessary legislation, to recover health-care costs caused by tobacco industry products, and the pursuit of criminal investigations and any resulting legal action arising from industry involvement in smuggling.
   - Intensive and sustained mass media-based and community-based counter-advertising and public education campaigns based on campaigns that have been shown to be effective elsewhere.
   - Adequate funding for comprehensive provincial and federal arms'-length research, monitoring and evaluation systems to measure the implementation and outcomes of comprehensive tobacco control interventions.

"the key 15-19 age group is a must for RBH"

- *RBH-1134 Strategic Plan 1997/98 Sales & Marketing* quoted in opening statement of the Government of Canada's defence of the legal challenge to the *Tobacco Act* by JTI-McDonald Corp., Imperial Tobacco Limited and Rothmans, Benson & Hedges Inc. (RBH)

1. Introduction: Best Practices in Tobacco Control

This position statement is intended as an assessment and evaluation of the merit, and reasons behind, three tobacco industry-sponsored programs that have allegedly been prepared to reduce youth tobacco consumption. The OMA's concerns about the merits of these programs and our assessment of whether current evidence supports their validity, will become clearer throughout the course of this analysis. To begin with, however, we wish to place our concerns in the context of what is known today about the best methods of reducing tobacco use. These methods, usually referred to collectively as "best practices in comprehensive tobacco control," have been in development in the United States and Canada for over a decade. Together with our assessment of the programs themselves, this brief review of best practices will, we hope, assist the reader in determining not only whether the programs themselves work, but whether they have any legitimate place in mainstream tobacco control programming.

The reduction of tobacco use, particularly among young people, is an objective shared by the vast majority of Canadians (including many who smoke). The exceptions are those who benefit financially from increasing the use of tobacco - tobacco growers, product manufacturers, wholesalers, smugglers, retailers and their various suppliers. Based on this consensus, all levels of government and non-governmental health organizations (NGOs) and other interested agencies have worked for decades to develop effective tobacco control interventions via legislation, fiscal policy, mass media communications, community activism and broad-based education. This collective endeavour has led to a reduction in tobacco use to an average of about one in four Canadians, down from one in two several decades ago.

An important feature of the effort to reduce the use of the number one cause of preventable morbidity and mortality in Canada has been the diversity of means employed to accomplish this goal. Throughout the late 1980s and most of the 1990s, many jurisdictions developed, implemented and evaluated various combinations of tobacco control interventions, to the point where

the essentials of what is now called "comprehensive tobacco control" are well defined. As we will see, many jurisdictions have complemented the basic elements of comprehensive tobacco control by additional initiatives, particularly those in the area of legislative policy reform.

In an effort to consolidate existing knowledge about best practices in tobacco control, the U.S. Centers for Disease Control and Prevention (CDC) published a major report in August 1999[1] that reviewed best practices for comprehensive tobacco control programs based on experience during the past decade in several U.S. states. This document was based on published evidence-based practices and experiences in various U.S. jurisdictions, notably programs in the states of California and Massachusetts. To be successful, the CDC concluded that a comprehensive program must have some level of activity in each of the following areas:

- local community program development;
- chronic disease prevention programs;
- school program activities, including evidence-based curricula, teacher training, parental involvement and cessation services;
- enforcement of tobacco control policies;
- state wide programs, including media advocacy and smoke-free spaces;
- counter-marketing programs;
- cessation programs;
- surveillance and evaluation; and
- administration and management.

While best practices concepts were being refined and implemented in the U.S., similar activities had been taking place in some parts of Canada. The federal government began the process by setting up the National Strategy to Reduce Tobacco Use in the early 1990s. In 1993-1994, the Ontario Ministry of Health produced the Ontario Tobacco Strategy (OTS), founded on the three principles of prevention, protection and cessation. The OTS's legislative centerpiece, the *Ontario Tobacco Control Act (*the *Act)*, made retail sales to minors under age 19 illegal, required a number of public places to be smoke-free, banned tobacco sales in pharmacies and from vending machines, and required reports on the activities of tobacco wholesalers and distributors. Compliance procedures and non-compliance penalties, including prohibition of the right to sell tobacco, were central components of the *Act.*

The OTS was one of the first provincial strategies to incorporate the comprehensive approach to tobacco control in Canada, working from U.S. best practice models. This approach has been further validated, refined and expanded throughout North America, to the point where the concept is now embodied in emerging international instruments, such as the Framework Convention on Tobacco Control being developed by the World Health Organization, and tobacco control programs either implemented or proposed by the Government of Canada and a number of other Canadian provinces.

A central concern in virtually every jurisdiction that has embarked on tobacco control efforts has been the need to reduce youth access to tobacco. Legislative tools used to reduce youth access include statutory requirements that retailers may not sell to minors, that identification must be obtained from anyone who may be under the age of majority (usually 18 or 19), and that certain signs must be posted stating that such sales are illegal. Governments which have implemented sales-to-minors regulations, supportive health agencies, and tobacco control analysts have generally agreed that sales to minors restrictions should be included in comprehensive tobacco control programs. However, serious questions have arisen as to whether youth access restrictions reduce youth tobacco consumption, and whether even very high rates of retailer compliance with such restrictions actually prevent young people from obtaining tobacco products. Some attention has been paid to these issues in the research literature. In the United States, the Independent Task Force on Community Preventive Services is preparing an assessment of youth access restrictions, including laws that regulate and enforce bans on selling tobacco products to minors. Laws that prohibit minors from purchasing, possessing or consuming these products will also be considered.[2] In anticipation of the conclusions of this review, a 1999 assessment of the research literature completed by the American Non-Smokers' Rights Foundation (ANRF), concluded in part that:

"There are numerous studies demonstrating that aggressive efforts to enforce age-of-sale laws can succeed in reducing the percentage of merchants who sell tobacco products to minors. Most of these efforts involve some combination of merchant education and enforcement activities, such as sting operations. However, there is also evidence that merchants quickly return to old habits when vigilant efforts at sustaining high compliance are no longer in place.

A more central question, however, is whether increasing the number of merchants who comply with age-of-sale laws accomplishes the more important aim of reducing underage tobacco consumption. If restricting supply via enactment and enforcement of youth access laws does little to change youth consumption of tobacco, then devoting frequently limited resources to accomplishing higher rates of merchant compliance may be misguided."[3]

A common conclusion in the studies reviewed by the ANRF, and in those reviewed in a similar analysis prepared for the Ontario Tobacco Strategy Media Network at Cancer Care Ontario (CCO) in November 2000, is that in the absence of a consistent, sustained and effective enforcement regime, sales-to-minors restrictions are not effective in reducing consumption, and do not significantly reduce young people's ability to obtain cigarettes. As the CCO analysis states, "*A decade of experience in implementing laws prohibiting tobacco sales to minors in many jurisdictions, both as part of comprehensive strategies and as stand-alone measures, has proven that retailer compliance is not an accurate measure of youth* ***access*** *(author's emphasis) to tobacco. Only a few retailers continuing to sell to minors can mean that tobacco products remain readily accessible; moreover, social contacts are also an important source of supply for youth.*

There is limited evidence from a few uncontrolled studies that restrictions on youth access to tobacco products ***can*** *(author's emphasis) reduce youth consumption - but only when adequately enforced."*[4]

Public health agencies routinely subject programs to peer review by colleagues through evaluations published in the standard research literature. This process is regarded as essential by any agency genuinely seeking to refine a program and account for resources expended. The OMA has been unable to locate any evaluations of tobacco industry-sponsored youth prevention programs in the standard peer review literature. In a review of Philip Morris' "Action Against Access" program, commissioned by the company in 1997, former U.S. Senator Warren Rudman found that two-thirds of U.S. retailers surveyed did not believe that tobacco companies are really committed to preventing sales to minors. Senator Rudman also found that most retailers used their own evaluation to determine a tobacco purchaser's age, instead of relying on tobacco industry-provided calendars showing "cut-off" dates.[5]

Restrictions on sales to minors as an effective youth access prevention tool pale in comparison to the effectiveness of increased tobacco taxes (perhaps the most effective deterrent of youth consumption)[6, 7], and the core elements of "traditional" comprehensive tobacco control programs implemented by states such as California and Massachusetts (higher prices, plus intensive and sustained mass media, legislation banning smoking in public places and work places, intensive community activism, coalition building, and education).

An indication of the kind of results that can be achieved by effective comprehensive tobacco control programs can be found in the state of California, which has the longest-running comprehensive program in North America. For the period 1988 to 1997, lung cancer rates in California declined 14 per cent, compared to a 2.7 per cent decline in eight comparison states and municipalities elsewhere in the United States. From 1989 to 1996, there were 58,900 fewer deaths from heart disease in California, and total direct medical cost savings of $497 million, compared to total tobacco control program costs of $411 million. Even more strikingly, when California's total program costs for 1990 to 1998 are compared with savings in direct medical costs and in indirect costs such as foregone income and lost productivity for the same period, the comparison is $836 million on program expenditures versus $8.4 billion on total cost savings.[8] (All figures are in U.S. dollars)

One of the fundamental lessons taught by California's experience is the critical importance of changing the status and acceptability of tobacco in the adult world as a pre-condition to successfully reducing young people's tobacco use. The state's experience is reviewed in a September 20, 2001 presentation to Ontario Health and Long-Term Care Minister Tony Clement by staff of the state's Department of Health Services Tobacco Control Section. The presentation notes at the outset that the goal of the state program is to change social norms about tobacco through a "denormalization" strategy based on

"reducing the social acceptability of:

- *Tobacco use*
- *Exposure to ETS*
- *Availability of tobacco to children*
- *Saturation of the community with tobacco images."*[9]

The primary importance of focusing on change in the adult world is underlined by the Tobacco Control Section's conclusion that "*lasting change in youth behavior regarding tobacco can only be secured by first changing the adult world in which youth grow up.*"[10]

Elsewhere in the U.S., comprehensive programs have:

- Reduced total consumption in Massachusetts by 35 per cent - four times the national average.
- Achieved substantial short-term declines in youth tobacco use in Florida.
- Helped make Arizona youth less susceptible to using tobacco, and achieved significant reductions in adult prevalence.[11]

A similar emphasis on the importance of change in the adult world to reducing youth consumption can be found in Ontario. In 1998, former health minister Elizabeth Witmer convened an expert panel to assess how to revise the Ontario Tobacco Strategy referred to earlier.[12] This expert panel based its work on existing best practices evaluations and experiences from jurisdictions already mentioned. The panel also devoted considerable attention to the CDC's recommendation about the need for enforcement of tobacco control policies (i.e. legislative restrictions) by adding some important requirements to its comprehensive plan that included:

- Plain packaging.
- Health warning inserts in packages.
- The elimination of deceptive package labeling, for example "light" and "mild" (now under way under the auspices of former federal minister of health Allan Rock).
- A requirement that all tobacco products be placed out-of-sight behind counters at point-of-sale.
- A ban on the sale of chewing tobacco and snuff (which serve as an introduction to nicotine addiction for a small, but significant, percentage of the adolescent population).
- A requirement that tax-paid markings be printed directly on tobacco packages.

The panel's recommendations also included greatly expanded cessation programs for the province, and pointed to a number of reasons why the Government of Ontario should sue the tobacco industry to recover health-care costs paid by the province as a result of tobacco use.

Shortly thereafter, the Tobacco Control Program Group at Health Canada, in addition to citing all of the central elements of comprehensive tobacco control under federal jurisdiction in its planning documents, added the need for new regulations pertaining to product modification and the enforcement of existing restrictions on advertising and promotion, including sponsorship advertising.[13]

Elsewhere in Canada during the past three years, comprehensive tobacco control strategies have been either proposed and implemented (in British Columbia), partially proposed and/or partially implemented (Nova Scotia, New Brunswick, Quebec, Newfoundland and Saskatchewan), or are under active development either at the programming or legislative level (Alberta).

Throughout many of these program and policy development exercises, a new and increasingly common theme has been emerging: the public disclosure of tobacco industry tactics. These tactics include the industry's use of scientific disinformation concerning the consequences of tobacco use, evaluation of youth behaviour and marketing of tobacco products to young people, the facilitation of tobacco smuggling, and opposition to virtually every significant legislative and policy component of comprehensive tobacco control.

The 1990s amounted to a unique decade in the number and variety of comprehensive initiatives undertaken in tobacco control, including legislation, programs, litigation and media coverage directed at the past and present tactics, strategies and behaviour of the North American tobacco industry.[14] During the same period, a large and growing number of international, national, state, provincial, and independent scientific reports and analyses continued to document rapidly increasing knowledge of the multiple effects of tobacco on the human organism. Legislation at the national, state and local levels, in both Canada and the U.S., significantly reduced the exposure of smokers and non-smokers alike to second-hand smoke, identified as the third leading cause of preventable morbidity and mortality in both countries. Major restrictions on direct and indirect tobacco advertising were implemented in both the U.S. and Canada. Anti-tobacco media campaigns proliferated.

In perhaps the most dramatic development of the decade, litigation against the U.S. tobacco industry by four states (Florida, Texas, Mississippi and Minnesota), and a subsequent Master Settlement Agreement between the remaining 46 states and U.S. tobacco companies, led to the release of over 35 million pages of internal tobacco industry documents. These documents reveal that the industry has long known of the negative effects of its products upon the human organism, and has developed a variety of lobbying and public relations strategies designed to deny these effects. They also demonstrate that the industry has challenged scientists and researchers whose work proves these negative effects, and has recruited "experts" to promote tobacco industry views alleging, for example, the inadequacy of the science demonstrating second-hand smoke to be a human health risk.[15, 16, 17] Industry funding of think-tanks and research groups, such as Canada's Fraser Institute and the U.S. Cato Institute, has been revealed. These groups have served as vehicles to promote industry challenges to health science conclusions about the effects of tobacco use, and to underwrite its ongoing attacks on both public and private-sector critics in both countries. Evidence of widespread links between tobacco companies and the hospitality industry has also emerged.

In the face of such challenges to its legitimacy and long-term survival, the tobacco industry has not sat idle. In the past several years, the industry in Canada has embarked on a well-orchestrated and co-ordinated campaign to rehabilitate its image, to ingratiate itself with various community groups, and to create the impression that it shares a goal that is strongly supported by virtually all Canadians: the need to prevent young people from smoking. As it mounts an international attack on the credibility

of the science demonstrating second-hand smoke health consequences,[18] and attacks virtually every proven effective tobacco control intervention proposed by governments or suggested by the health community, the industry has simultaneously devoted significant resources to presenting itself as a community partner seriously concerned about the problem of youth smoking.

The basic implausibility of this concern is evident in one simple fact: research demonstrates that almost 90 per cent of regular smokers begin using tobacco at or before the age of 18.[19] Actually stopping young people from smoking would be tantamount to self-destruction for the industry. At the same time, any overt effort to recruit new young clients to replace those who have quit using industry products, or died from using them, would guarantee both Canada-wide public outrage and severe government reprisals against the industry. Rather than passively defending itself against repeated charges and evidence concerning its interest in recruiting younger smokers, the tobacco industry has adopted a proactive strategy of increasingly endorsing and promoting its own version of youth access restriction and youth education programs.

The industry's public attitude toward the matter of youth access to tobacco products can be found in comments made by former Canadian Tobacco Manufacturers Council President Robert Parker, to a hearing of an all-party committee of the Saskatchewan legislature in March 2000, as the committee considered tobacco control legislation for that province: *"No we don't market to children; we don't think that children should smokewe do not want or need the business of underage smokers."*[20] Despite Mr. Parker's denial of the industry's need for "underage smokers," the tobacco industry has in fact spent a great deal of time and resources on assessing and evaluating the behaviour of young people, determining how to reach them, and creating various pro-smoking messages and icons (i.e. Joe Camel) to carry these messages.[21, 22] As previously mentioned, it has also opposed some of the most demonstrably effective youth tobacco control interventions, notably higher prices, advertising restrictions and smoke-free spaces.

A more likely and well-documented explanation for the industry's interest in youth prevention can be found in a 1991 U.S. Tobacco Institute discussion paper, made public during the Minnesota court case, which reads in part as follows:

"The youth program and its individual parts support the Institute's objective of discouraging unfair and counter-productive federal, state and local restrictions on cigarette advertising, by:

- *Providing ongoing and persuasive evidence that the industry is actively discouraging youth smoking and independent verification that the industry's efforts are valid.*
- *Re-enforcing the belief that peer pressure - not advertising - is the cause of youth smoking.*
- *Seizing the political centre and forcing the anti-smokers to an extreme (as happened when the antis attacked the industry at the time of the launch.)*

This strategy is fairly simple:

1. *Heavily promote opposition to youth smoking.*
2. *Align industry with broader more sophisticated view of the problem, i.e. parental inability to offset peer pressure.*
3. *Work with and through credible child welfare professionals and educators to tackle the "problem."*
4. *Bait anti-tobacco forces to criticize industry efforts. Focus media attention on antis' extremism. Anticipate and blunt antis' strongest points.*
5. *Establish the sense of a growing, well-accepted program by encouraging a proliferation of small, local projects; and appropriate co-ventures with other (Tobacco Institute) allies. Avoid dependency on any one organization."*[23]

Together with other industry documents cited throughout this analysis, this passage is critical to an understanding of the real objectives behind the tobacco industry's promotion of youth prevention programs.

The Canadian versions of the industry's youth prevention strategy are "Operation ID," (OID) its related program "Operation ID - School Zone" (OID/SZ), and "Wise Decisions," (WD).

2. The Programs

1. **"Operation ID" (OID) and "Operation ID/School Zone" (OID/SZ)**

Launched in 1996 by Canadian tobacco companies and a number of retail and labour organizations grouped under the Canadian Coalition for Responsible Tobacco Retailing (see Appendix A), OID is described as a program designed *"to help retailers and their staff uphold the law and put an end to the illegal sale of tobacco to minors."*[24] Kits are made available to

retailers which contain signs stating that a potential purchaser must show ID and that the retailer displaying signage does not sell to minors, together with "*information on tobacco regulations and suggestions for managers and clerks on dealing with underage customers.*"[25]

A variation of OID, OID/SZ, is described as being targeted at retailers within a one kilometre radius of schools. Evidence of the dissemination of one or both of these programs has appeared in retail outlets in all 10 provinces. OID staff have informed the Ontario Tobacco Research Unit that the program is operating in 7,000 communities in Canada. The OID Website states that *"more than 93,000 Operation ID kits have been distributed to retailers across Canada.*". If the OID figures are correct, then each community in which the organizers claim the program is running has received an average of just over 13 kits each. Even if the largest communities have received the largest number of kits, it is hard to conclude that comprehensive coverage of retail tobacco outlets across Canada has been achieved.

A key feature of the OID/SZ program variation is the solicitation of community organizations to lend their names to publicity and advertising released into participating communities. A typical example of an OID/SZ launch occurred in late November 2000 in Kingston, Ontario. Newspaper ads announced the advent of the program to Kingston, noting that stores located next to schools had received special display materials and other supports to help them comply with the laws restricting the sale of tobacco to minors.[26] The ads contained the logos of the Greater Kingston Chamber of Commerce, the Boys and Girls Club of Greater Kingston, the Kingston Jaycees, the Kingston KIMCO Voyageurs hockey club, and the *Kingston Whig Standard.* Advertising in the *Whig Standard* featured the logos of the Chamber of Commerce, the Kingston JCs, Junior Achievement, the *Whig Standard,* itself and the Municipality of Greater Kingston.

Throughout 2001, OID/SZ advertising continued to appear in local Kingston media, containing the names of additional service clubs and other community organizations alleged to be "working with" the program. Following the November 2000 launch of the program, staff at the Kingston, Frontenac, Lennox and Addington Health Unit watched its spread with some concern: the program had no capacity to be enforced, and the advertising made no mention of the harmful effects of tobacco use, nor the tobacco industry's long history of misinformation about the effects of its products. In late 2001, this concern led health unit staff to contact some of the organizations cited in the advertising as "working with" the OID/SZ program. Staff were informed by the Kingston Police Department that the Department was not sponsoring the program. Big Sisters informed the health unit that it was not supporting the program, and Big Sisters was concerned to see its name in OID/SZ program advertising.

It is not surprising that community groups with an interest in the welfare of young people would see a program ostensibly designed to reduce youth access to tobacco as laudable, and that they would allow their names to be publicly associated with the program. Once service clubs and other community associations whose names have been publicly associated with OID/SZ are informed about the evidence concerning the tobacco industry's development of youth access programs, the OMA would expect most, if not all, to reconsider their association with the program.

The community organizations lending their names to OID/SZ in Kingston were reflective of the types of organizations that have endorsed the program in other Canadian communities. (See a complete list in Appendix B). Of the 134 individuals and organizations named as "community partners" on the program's Web site, only five[27] have any direct association with the health community. Nowhere in the Kingston advertising or, for that matter, in any other local, regional, or national OID or OID/SZ advertising, are there any endorsements from medical professionals, medical organizations (i.e. the Canadian Medical Association or its provincial divisions), ministries of health, hospitals, medical/scientific researchers specializing in tobacco control issues, or any of the leading NGOs involved in tobacco control policy and advocacy across Canada (such as the Canadian Cancer Society, Heart and Stroke Foundation of Canada, Canadian Lung Association, Canadian Public Health Association, or any of their regional affiliates).

In an April 2001 program announcement,[28] OID, Imperial Tobacco Limited, JTI-McDonald Corp., and Rothmans Benson and Hedges Inc. announced that they had put aside competitive issues and donated the use of their retail display space across the country to raise public support for tobacco retailers:

"Starting April 1, 2001, representatives from each tobacco company will install public awareness posters in their allocated display spaces and retail outlet across Canada. These posters will be displayed for three months."

This apparently straightforward announcement bears closer scrutiny:

- One might conclude from this statement that the companies intended to provide new space for OID signage, which would otherwise have been taken up by displays of tobacco products. The OMA has been unable to identify any retail locations in which displays of tobacco products were removed from their key location behind counters and replaced by OID signage.

- The statement can be read as inferring that space which the retailer would normally use for tobacco-related advertising was to be donated to OID. In fact, tobacco companies are not allowed to advertise their products directly to the public. Their ability to place sponsorship advertising has been severely restricted since October 2000 by federal regulations which require removal of company names and logos from sponsorship advertisements, thus significantly diminishing their value as tobacco advertising vehicles.

- Even if this type of initiative were effective in reducing smoking prevalence and consumption among youth (the key indicators of whether any youth-oriented tobacco control intervention is successful), the limitation of the display period to three months would have guaranteed its failure, since the need to sustain tobacco control interventions over long periods of time has been well-documented by best practices research.

Before proceeding to a more general discussion of the reasons why the credibility, authenticity and effectiveness of these programs must be questioned, we will briefly review the other major tobacco industry youth-focused program being rolled out across Canada.

2. **"Wise Decisions" (WD)**

This tobacco industry-sponsored program is designed by a Toronto consulting firm, Cunningham Gregory and Company, and is being pilot-tested in a number of Canadian communities. In at least one Toronto school board, free computers are being offered to schools that agree to test the program.

The program manual examines attitudes, decisions and influences that, according to the authors, affect the decisions of students in grades 6-8 to smoke or not to smoke. The document is written for teachers, divided into four thematic units, and "*explores the influence of family, friends, the world around us, and the student's ability to promote a healthy, smoke-free lifestyle.*"[29]

WD lessons focus on young people's personal attitudes toward smoking, the factors that influence these attitudes, the influence of family and friends upon their decisions, the decision-making process and health lifestyles. A heavy emphasis is placed throughout on communication skills.

The program provides no information on the harmful effects of tobacco, the conduct of the tobacco industry in opposing tobacco control interventions, or the industry's history of researching the behaviour of young people to determine their attitudes towards smoking and how to prepare them to become adult smokers.

One WD unit asks students if they agree with quotations like "smoking cigarettes will lead to diseases that kill" and "smokers can be healthy individuals," without mentioning that there is actually a correct answer. Teachers are urged to be uncritical of students and their opinions: *"It is imperative that teachers make it clear from the onset that they will not be evaluating the student's attitudes or decisions in this program. Rather, they will be assessing the students' understanding of the decision-making process and of the influences upon them as they make decisions."*[30]

WD is reminiscent of an R.J. Reynolds (RJR) school-based education program, "Right Decisions. Right Now," which was launched in the U.S. in 1991. The RJR program material notes that smoking is a risk factor, like "*many factors statistically associated with an individual's chances of developing disease.*"[31] It states that kids smoke because of "*the power of peer pressurea very strong influence,*"[32] and reinforces the industry's central position that there are many behaviours adults engage in that young people should not. While there is no evidence that the "Right Decisions" program had any influence on tobacco use in the United States, Canadian representatives of RJR-Macdonald Inc. (now JTI Inc.) have referred to the need for youth education programs in Canada and that these programs "*require a dialogue like our U.S. 'Right Decisions. Right Now.'*" program.[33]

3. Why Tobacco Industry-Sponsored Sales to Minors Prevention Programs Don't - And Can't - Work

The OMA's analysis of tobacco industry-sponsored youth prevention programs and changes in youth prevalence and consumption in Canada lead to nine major conclusions about the authenticity and effectiveness of these programs:

- **If the tobacco industry is serious about stopping young people from smoking, it must endorse control measures recognized as current best practices in tobacco control.** It must abandon the misleading and ineffective approach embodied in youth prevention programs, endorse comprehensive measures as described earlier, and use its national network of sales representatives to do unannounced compliance checks on retailers and severely penalize those found to be selling to minors by such means as refusing to supply product. It must stop promotional payments to retailers that the industry makes in exchange for the placement of tobacco displays at point-of-sale. The industry must also agree to eliminate all types of in-store promotions, product displays and attractive packaging.

In fact, the industry, either directly or through its allies in the retail and hospitality industries, has actively opposed effective tobacco control policies for years. Where they have willingly complied, or at least remained silent, we can safely assume that tobacco companies were aware that the measure proposed would not be effective in reducing tobacco consumption. The industry's lack of opposition to youth access restriction initiatives is a case in point.

- **The failure of programs like OID and OID/SZ is inevitable because they are voluntary.** There are no incentives for merchants to comply with these programs. There is no enforcement regime, and no penalties for non-compliance.

In fact, the Canadian tobacco industry has a long history of promoting voluntary measures as a means of forestalling the risk of increased regulation. The Canadian industry's reaction to a major U.S. report on the health effects of smoking is a case in point. Following the release of the landmark report of the U.S. Surgeon General's Advisory Committee on Smoking and Health in January 1964, the Canadian tobacco industry announced a code of voluntary restrictions on its own advertising. The code's main tenets, and its central weakness, are best summarized by the Canadian Cancer Society's senior legal counsel, Rob Cunningham:

"Advertising was to be directed to adults, models were to be at least 25 years old, health claims in ads were restricted, athletes and celebrities were not to be used, and poster or bulletin-board advertising was not to be 'immediately adjacent' to schools. No advertising was to 'state or imply that cigarette smoking is essential to romance, prominence, success or personal advancement.' Not surprisingly, the use of the word ***essential*** *meant that this provision would be completely ineffective at curbing lifestyle advertising."*

Cunningham points to a number of other examples of the voluntary code's ineffectiveness:

- *"The rule limiting expenditures to 1971 levels was altered to allow for inflationary increases. [This was a very significant weakening of the code.]*
- *Avoid inhaling was added to the end of the package warning. [This measure was meaningless and comparable to advising a person consuming a soft drink to avoid swallowing.]*
- *In 1980, an attempt to have carbon monoxide levels listed on packages ended up with manufacturers merely undertaking to lower the levels without printing anything on the package.*
- *In 1982, then-federal health minister Monique Bégin tried to ensure that there were 500 metres between ads and school property, but this restriction was never implemented.*
- *When Bégin wrote to the Canadian Tobacco Manufacturers Council (CTMC) requesting that ads appearing on closed-circuit television be removed, the CTMC replied with an alternative interpretation of the code, that the ban on television advertising did not apply to closed-circuit TV.*
- *When the public and Bégin complained about ads placed within 200 metres of schools, as the voluntary code prohibited, the industry placed the blame on advertising agencies and billboard companies.*
- *In 1996, the tobacco industry weakened its voluntary code to permit advertising inside stores near schools after a ruling found that such advertising was a violation of the code."*[34]

- **Programs requiring potential youth purchasers to show ID don't work.** The Ontario Tobacco Research Unit's November 6, 2001 report entitled *"Monitoring the Ontario Tobacco Strategy,"* stated in part that "*In recent years, there have been no significant changes in the percentage of students in (Ontario) asked for ID.*"[35] Major fluctuations in compliance with sale-to-minors legislation have been observed across various retail sectors in Ontario and elsewhere. For example, while supermarket and independent convenience store compliance increased in Ontario from 1999 to 2000, gas station and chain-outlet compliance decreased in the same period.[36] Yet, OID materials are displayed by all these classes of outlets. In an example from Quebec, the percentage of retailers who observed sales-to-minors restrictions in Chicoutimi/Jonquiere (an area particularly targeted by the OID/SZ program) decreased from 72.2 per cent in 1999 to 64.5 per cent in 2000, according to a national survey.[37]

OID representatives have tried to claim credit for positive changes in compliance with sales-to-minors restrictions. In a March 8, 1999 letter to the Ontario Lung Association's London program co-ordinator, OID/SZ Manager Anne Viau cited statistics from an A.C. Neilson study to the effect that in Ontario, retailer compliance with sale-to-minors restrictions was measured at 69.4 per cent in 1997, up from 62.2 per cent in 1995. Ms. Viau then pointed out that over 20,000 OID kits had been distributed during the previous two years in Ontario, and implied credit to the OID program for the increase in compliance. In fact, according to independent analysis by the Ontario Tobacco Research Unit,[38] there had been an increase in retailers willing to sell to minors in Ontario from 26 per cent in 1996 to 31 per cent in 1997.

In a further example of an unjustified claim of credit for increased compliance, the same letter referenced a "successful pilot project" of OID/SZ launched in 1998 in Kelowna, British Columbia, and stated that the program caused an increase in "retailer compliance" from 74 per cent to 92 per cent. What the letter did not mention was whether there was any change in the ability of Kelowna's young people to actually obtain cigarettes, or whether there was any real

change in youth smoking prevalence, or consumption, as a result of this pilot project. It was also not clear who determined this change in retailer compliance, or who conducted so-called "mystery visits" to retailers described in an October 2, 1998 OID/SZ news release about the Kelowna experience, which Ms. Viau cited in her letter.

While Ms. Viau clearly implied that the change in retailer compliance in Kelowna was directly due to the OID/SZ program, the British Columbia government had recently embarked on an aggressive provincewide tobacco control program, including mass media-based public education and increased sales-to-minors enforcement. It is at least as likely that the provincial program had more of an effect on retailer compliance - if indeed the effect took place - than that the local OID/SZ program had any effect at all.

A further factor undermining the potential success of ID-based youth access programs is that many young people today have access to false ID. Therefore, basing a sales-to-minors restriction program on production of ID guarantees that many underage youth will still successfully purchase tobacco. Easy access to false ID also may serve to indemnify retailers who sell to teenagers by offering a legal defence that ID was in fact checked.

Even if the weaknesses in retail ID-based programs were to be corrected, there remains the fact that the majority of adolescents may in fact get cigarettes from non-commercial sources:

"One recent survey found that 73.7 per cent of 8th, 9th and 10th graders who reported having ever smoked obtained their most recent cigarette from a friend or family member, as compared with 22.6 per cent who obtained it from a commercial source."[39]

These contradictory statistics and questionable claims mirror results from other research done in the United States on similar tobacco industry-sponsored, voluntary retailer compliance programs. In a 1996 article in the *American Journal of Public Health*, researchers looked at the success of the U.S. Tobacco Institute's "It's the Law" campaign, which utilized an approach to reducing retailer sales-to-minors very similar to OID. The authors found that the program was not associated with a significant reduction in illegal sales either through vending machines or from over-the-counter sources. As noted earlier, it has now been confirmed that the actual purpose of the "It's the Law" program was to improve the low public image of the tobacco industry, while legitimizing certain industry lobbying efforts.[40]

- **Youth access and educational programs target the wrong outcome.** These programs do not have changes in youth prevalence or consumption as their desired outcome. Their focus is instead on the number of retailers who are willing to sell to minors, or the type of decision-making process used by young people when they think about smoking. While many jurisdictions have sales-to-minors restrictions in place, teenage smoking rates often remain stable, even when "effective" youth access programs are implemented.[41] The available literature suggests that nothing short of a 90 to 95 per cent compliance level will produce any change in youth prevalence or consumption rates.[42] Tobacco industry-sponsored youth prevention programs inevitably focus on the behaviour of the victims of the tobacco epidemic, rather than those responsible for manufacturing, marketing and promoting tobacco products, namely the industry itself. If OID or OID/SZ fails, it is the retailer who is blamed.[43]

  Paradoxically, "success" under the WD program would be measured by the number of young people who, having taken the program, conclude that there is a legitimate decision to be made between smoking and not smoking. For some children who have never previously entertained the thought of smoking, WD may in fact represent an introduction to the possibility of smoking.

- **Many retailers are reluctant to forgo the substantial income provided by illegal sales-to-minors.** To be clear about the dependence of the industry on the youth market, it is important that we understand the magnitude of this market. In a mid-November 2001 filing as part of the U.S. government's attempt to recover civil damages from tobacco companies under the Racketeer Influenced and Corrupt Organizations Act (RICO), the U.S. Justice Department filed hundreds of pages of testimony from expert witnesses. These include economists from the Massachusetts Institute of Technology, who testified that the U.S. "youth-addicted population," defined as those who began smoking before age 21, has contributed as much as $926 billion dollars (U.S.) to tobacco industry revenue between 1954 and 2000. According to another calculation in the testimony, more than half of cigarette sales in the U.S. today are to people who began smoking after 1971.

  Taking into account the 10-to-one population differential between the United States and Canada, and the fact that the implementation, timing and diversity of youth access restriction laws in Canada and the U.S. are not dissimilar, it is reasonable to suggest that the magnitude of cigarette sales to the under-21 age group in Canada during the same period may have amounted to one tenth of the U.S. figure, or as much as $92 billion (U.S.). Given the higher price of cigarettes in Canada for much of the period, this estimate is no doubt conservative.

- **It is also the case that when there is no clear and consistent enforcement of youth access restrictions, merchants often believe that if they refuse to sell tobacco to minors, their competitors will do so.** Legitimate youth access programs (i.e. properly mandated programs enforced by public health authorities) include aggressive enforcement, merchant education, compliance checks, and stiff penalties for non-compliance, including withdrawal of the right to sell tobacco following multiple convictions (i.e. under the Ontario Tobacco Control Act).[44, 45, 46] While there is some evidence that enforced programs in some jurisdictions have been accompanied by modest reductions in youth consumption, other programs have shown no change, or an actual increase.[3, 47, 48] Researchers point to inadequate enforcement as the primary cause of these mixed results.

- **The tobacco industry's own documents make clear that the objective of youth access programs has little or nothing to do with reducing youth smoking.** In a Philip Morris memo produced at the same time as the Tobacco Institute discussion paper cited on page 8, a company analyst described the criteria for judging the success of the company's "It's the Law" program (the main components of which are found in OID and OID/SZ):

"As we discussed the ultimate means for determining the success of ("It's the Law") will be:

1. *A reduction in legislation introduced and passed restricting or banning all sales and marketing activities;*
2. *Passage of legislation favourable to the industry;*
3. *Greater support from business, parent, and teacher groups."*[49]

- **By emphasizing that tobacco use is an adults-only behaviour, programs like OID and OID/SZ reinforce the desirability of tobacco use to young people who are experimenting with adult behaviours.** Tobacco industry documents repeatedly emphasize the importance of defining smoking as an adult behaviour. Two internal Philip Morris documents are particularly good examples of the positioning of tobacco use as an adult behaviour:

"Our objective is to communicate that the tobacco industry in not interested in having young people smoke and to position the industry as 'a concerned corporate citizen' in an effort to ward off further attacks by the anti-tobacco movement."[50]

A frequently-quoted summary from a New York advertising agency working for the tobacco industry in the mid-1970s concisely summarizes how the industry should reach young starter smokers:

"In the young smoker's mind, a cigarette falls into the same category with wine, beer, shaving, wearing a bra (or purposely not wearing one), declaration of independence, and striving for self-identityThus, an attempt to reach young smokers, starters, should be based, among others, on the following major perimeters:

- *Present the cigarette as one of the few initiations into the adult world.*
- *Present the cigarette as part of the illicit pleasure category of products and activities.*
- *In your ad create a situation taken from the day-to-day life of the young smoker but in an elegant manner. Have this situation touch on the basic symbols of the growing-up, maturity process.*
- *To the best of your ability, (considering some legal constraints), relate the cigarette to pot, wine, beer, sex, etc."*[51]

- **Members of the same industry coalition that supports OID and OID/SZ, are also lobbying to prevent the banning of point-of-sale tobacco displays.** These displays, which include the large "power walls" of cigarette packages behind retail counters containing quantities far larger than that necessary to supply consumers on a daily basis, are visible to all consumers. Point-of-sale promotions like power wall displays send a message to young people that tobacco is just as accessible as candy or newspapers, and children see such displays every time they go into a corner store, including stores next to schools targeted by OID/SZ. Tobacco companies have never adopted any voluntary restrictions on retail displays, including in stores near schools. It is also important to understand that Canadian tobacco companies reward retailers for these displays.

The OMA has learned that the Saskatchewan Committee for Responsible Tobacco Retailing, a group that has been lobbying intensively to have Saskatchewan's legislative ban on point-of-sale promotions eliminated, has identified itself as a subcommittee of the Canadian Coalition For Responsible Tobacco Retailing, the major coalition which sponsors OID and OID/SZ. This fact, together with internal industry documents such as that quoted at the outset of this analysis, clearly demonstrate the hypocrisy inherent in claims by the tobacco industry and its retail allies that they do not support sales to minors. The Saskatchewan legislation is designed to have tobacco placed out of sight behind counters in retail sales outlets. This move would have no effect on the ability of adults - the industry's alleged target audience - to obtain

tobacco products, but would remove a powerful message, repeated tens, if not hundreds, of thousands of times across the country every day to young people who go into corner stores and local convenience outlets, that tobacco is a normal consumer product just like any other.

In summary, there is no credible, independent evidence that shows that voluntary, tobacco industry-sponsored programs like OID and OID/SZ have any sustained or significant effect upon either youth consumption or retailer compliance. In fact, many in the tobacco control community believe that voluntary, industry-sponsored programs like OID and OID/SZ are not simply public relations programs designed to improve the industry's image: they may be designed to make tobacco products appeal to teenagers by presenting tobacco as a "forbidden fruit," which should only be legally available to adults.

4. Why Tobacco Industry-Sponsored Decision-Based School Prevention Programs Don't - and Can't - Work

Although at first glance the concept of a program that provides decision-making advice to young people concerning tobacco use might appear to be a useful activity, the "Wise Decisions" (WD) program is based on highly questionable premises:

- **First, the program's core message tries to establish the notion that the appropriate approach to tobacco use by young people is to "decide" whether to use it.** There are many benign activities in which young people engage, about which they are not encouraged (or able) to make independent decisions: regular attendance at school is the first and most obvious. The Quebec Coalition for Tobacco Control has noted that, "*every year, 18,000 underage Quebeckers start to smoke. Of these, (a relatively small number) will die in a car accident or from suicide. But 4,500 will eventually die from a smoking-related disease. Who would dream of telling a child that he has to "decide" on whether or not to drive carelessly or to commit suicide?*"[52] Telling young people they must make a decision regarding smoking, without informing them of the high risk of premature death and disease from tobacco use, is just as irresponsible.

- **The term "decision" invokes the notion of "freedom of choice," which, next to its repeated statements that its products are legal, is the tobacco industry's preferred description of the "habit" of smoking.** The term conceals the harsh reality of addiction and the fact that most smokers want to quit but are unable to do so.[53]

- **An Ontario Lung Association analysis of WD's content[54] points to a number of practical problems:**

- The program itself does not contain any pertinent information about the risk of tobacco use and the behaviour of the tobacco industry necessary for students to make an informed decision. While the program does direct students and teachers to various Internet sites, including Physicians for a Smoke-free Canada (www.smoke-free.ca) and the Lung Association (www.on.lung.ca), schools would have to have curriculum computer labs available and time provided to complete these activities, if these Web sites are to be investigated. Most schools and teachers do not have the resources or time to complete these activities as outlined.

- In the "Approach" section of the WD document (page iii), the authors say "*to encourage open, honest and uncritical student dialogue and interaction, the teacher must provide an open and uncritical environment.*" As noted earlier, most of the activities in this program are open-ended, with no right answers. A major flaw in this method is that there is a "right answer" for this subject: do not use tobacco industry products.

- The program contains no process or pathway leading students to not use tobacco products. For example, there is no declaration at the end of the program in which students sign a contract not to smoke (research indicates this affirmation is an important element in preventing young people from smoking). There are many structural faults, such as the absence of instructions on how to set up peer groups. Finally, the lessons require a major amount of time to complete: under the new Ontario curriculum, for example, teachers will only be able to spend six to seven 40-minute classes on the Healthy Living component, during which time they also need to cover alcohol and other drugs, as well as leave time for evaluation.

5. Conclusion and Recommendations

At best, Operation ID, Operation ID School Zone, and Wise Decisions may be ineffective diversions which siphon resources away from truly effective tobacco control interventions. At worst, they position tobacco industry products as desirable badges of adulthood, encourage young people to smoke, and give a misleading impression to governments, community groups, parents, teachers and other interested parties that the tobacco industry sincerely embraces the need to prevent young people from using its products. Part of the purpose of these programs may also be to create the appearance of an industry co-

operating with, or even championing, widely held societal goals about preventing young people from smoking. This posture may in turn be motivated by the industry's desire to avoid potential future liability in lawsuits or cost-recovery actions.

What is clear is that there is a significant gap between the demonstrated lack of effectiveness of these programs in reducing youth smoking, and the efficacy of best practices in tobacco control as identified by both Canadian and international authorities, practices whose implementation has been directly or indirectly opposed by the tobacco industry and its allies in many jurisdictions.

It is anticipated that the tobacco industry will continue to disseminate these programs, and continue with its efforts to rehabilitate its image and portray itself as a good corporate citizen. Accordingly,

1. The OMA recommends that Canadian federal, provincial and local governments, and all groups, associations, and other parties interested in reducing tobacco use, formally endorse the concept of comprehensive tobacco control (including prevention, protection, cessation and denormalization), and that they support and/or undertake the following measures as appropriate at their respective level of jurisdiction:
   - Restoration of tobacco taxation to at least pre-1994 levels and printing of tax-paid markings directly on tobacco packages.
   - Plain packaging of all tobacco industry products.
   - Elimination of all wording and slogans on tobacco packages, with the exception of brand names, factual health warnings and ingredient information.
   - Disclosure by the tobacco industry of all product ingredients, additives and smoke emissions by brand.
   - A ban on all in-store tobacco-related advertising and/or information.
   - A ban on all types of displays of tobacco industry products, together with a requirement that such products be placed out-of-sight behind retail counters.
   - Identification and implementation of effective curriculum-based anti-tobacco school education programs.
   - A requirement that all indoor workplaces and public places be 100 per cent smoke free, with no allowance for designated smoking rooms, even with separate ventilation.
   - Implementation of a comprehensive, evidence-based, nationwide cessation system to assist smokers of all ages in the quitting process.
   - A ban on chewing tobacco and snuff.
   - A requirement that the tobacco industry disclose marketing and research information, provincial and federal financial statements, and that the industry provide a complete list of retail outlets and wholesale distributors.
   - Initiation of legal action by federal and provincial governments, supported by any necessary legislation, to recover health-care costs caused by tobacco industry products, and the pursuit of criminal investigations and any resulting legal action arising from industry involvement in smuggling.
   - Intensive and sustained mass media-based and community-based counter-advertising and public education campaigns based on campaigns that have been shown to be effective elsewhere.
   - Adequate funding for comprehensive provincial and federal arms'-length research, monitoring and evaluation systems to measure the implementation and outcomes of comprehensive tobacco control interventions.

2. Since none of Operation ID, Operation ID/School Zone or Wise Decisions occupy a legitimate position in best practices-based tobacco control strategy, the OMA recommends that all groups, associations and other interested parties which have formally endorsed them, be asked to withdraw their endorsement. If they have been contacted but not yet endorsed the program, we recommend that such endorsements be withheld. The OMA will be contacting such groups, associations and other interested parties in this regard.

   To help expedite the implementation of this recommendation, the OMA will work with the Canadian Medical Association, other provincial medical associations, and interested health agencies and non-governmental health organization (NGOs), to ensure that this statement receives the widest possible dissemination. Further, we will be forwarding the statement to federal, provincial and territorial ministries of health and education.

3. The OMA further recommends that a tobacco industry youth program monitoring network be established among provincial/territorial and federal ministries of health and NGOs with a particular interest in tobacco control, in order to provide continuous monitoring and assessments of future tobacco industry programs of the type represented by OID, OID/SZ and WD, and to alert community groups and other interested parties who may be approached by such programs, of the results of these assessments. The OMA further recommends that funding for this network be provided from the five-year, $480 million tobacco control fund announced in 2001 by Health Canada.

Appendix A

Members of the Canadian Coalition for Responsible Tobacco Retailing

- Retail Council of Canada
- The Canadian Association of Independent Grocers
- National Convenience Stores Distributors Association (formerly the Association of Tobacco and Confectionery

Distributors)
- The Canadian Council of Grocery Distributors
- The Canadian Tobacco Manufacturers' Council
- The Retail Wholesale Canada/USWA
- The Graphic Communications International Union
- The Ontario Convenience Store Association
- The Ontario Korean Business Men's Association
- Association des Détaillants en Alimentation du Québec (ADA)
- Association des Marchands Dépanneurs et Epiciers du Québec
- Canadian Federation of Independent Grocers

Appendix B

Operation ID School Zone Community Partners include:

- AFÉAS du Saguenay-Lac-Saint-Jean-Chibougamau
- Atlantic Hockey Group
- Big 105 FM
- Border Radio Station
- Boys & Girls Clubs of Nova Scotia
- Boys & Girls Clubs of Prince Edward Island
- Boys and Girls Club of Greater Kingston
- Boys and Girls Club of Moncton
- Boys and Girls Clubs of New Brunswick
- Brandon Chamber of Commerce
- Brandon Family YMCA
- Brandon Friendship Center
- Brandon Health Inspector
- Brandon Police
- Brandon Regional Health Authority
- Brandon School Division #40
- Brandon Sun
- Brandon Wheat Kings Hockey Club
- Building Healthy Families Society of Kelowna
- Cape Breton Family YMCA
- Cape Breton Industrial Board of Trade
- Cape Breton Post
- Cape Breton Regional Police - East Division Boys and Girls Club
- CBRM Radio Stations - K-94FM, 950AM, CJCB AM
- Central Alberta Crime Stoppers
- Central Okanagan Boys & Girls Club
- Central Okanagan Community Health Advisory Committee
- Central Okanagan Crimestoppers
- CFCY Radio
- Chamber of Commerce of Kelowna
- Chambre de commerce de Chicoutimi
- Chambre de commerce de Jonquière
- Charlottetown Guardian
- Charlottetown Police Department
- Chicoutimi Junior Chamber of Commerce
- Chicoutimi Police Department
- CHTN Radio
- City of Charlottetown
- City of Kelowna
- City of Moncton
- City of Penticton
- CJAB Radio
- CKRS Radio
- Club de hockey les Saguenéens de Chicoutimi
- Codiac Regional RCMP
- Kingston KIMCO Voyageurs Hockey Club
- Kingston Whig-Standard
- La Fédération des Comités de parents du Nouveau-Brunswick
- L'Acadie Nouvelle
- Le Quotidien de Chicoutimi
- Magic '93 Radio
- Mayor Billy Joe MacLean and the Town of Port Hawkesbury
- Mayor John Morgan and the Cape Breton Regional Municipality
- Metro Radio Group
- Metro St. John's MHAs
- MLA Brian Boudreau (Cape Breton-The Lakes, NS)
- MLA Cecil Clarke (Cape Breton North, NS)
- MLA Dave Wilson (Cape Breton East, NS)
- MLA Ken MacAskill (Victoria, NS)
- MLA Manning MacDonald (Cape Breton South, NS)
- MLA Ron Chisholm (Guysborough-Port Hawkesbury, NS)
- MLA Russell MacKinnon (Cape Breton West, NS)
- MLA Sindi Hawkins (Okanagan West, BC)
- MNA Stéphane Bédard (Chicoutimi, QC)
- Moncton Big Brothers and Big Sisters
- Moncton Wildcats Hockey Club
- MP André Harvey (Chicoutimi-Fjord, QC)
- MP Jocelyne Girard-Bujold (Jonquière, QC)
- MP Rick Borotsik (Brandon-Souris, MB)
- New Waterford Family Resource Centre
- Newfoundland Herald
- Okanagan Similkameen Health Region
- Penticton and Wine Country Chamber of Commerce
- Penticton First Baptist Church
- Penticton Herald
- Penticton School District #67
- Port Hawkesbury Reporter
- Power 104 FM

- Community Cares Outreach Program
- Conférence des chambres de commerce du Saguenay
- Constable Graham Smith of the Cape Breton Regional Municipal Police Service
- Greater Charlottetown Chamber of Commerce
- Greater Kingston Chamber of Commerce
- Greater Moncton YMCA
- Halifax Boys and Girls Club
- Halifax Herald
- Halifax Mooseheads Hockey Club
- Halifax Regional Municipality
- Halifax Regional Police
- Harvard Broadcasting
- Hon. Drew Caldwell, Minister of Education and MLA Brandon East, MB
- Hon. Jane Purves, Minister of Education, NS
- Hon. Jeffrey Lantz, Minister of Education, PEI
- Jaycees of Canada
- Jaycees of Kelowna & District
- Jonquière Police Department
- Jonquière School Board
- Junior Achievement of Kingston & District
- Junior Achievement of South Saskatchewan
- Kelowna Daily Courier
- Kelowna Health Unit
- Kingston Jaycees
- Progrès-Dimanche
- RCMP - Kelowna Detachment
- RCMP - Penticton Detachment
- RCMP - Port Hawkesbury Detachment
- RCMP - Red Deer City Detachment
- Red Deer Rebels Hockey Club
- Regina Patriots Hockey Club
- Regional District of Central Okanagan
- Regional District of the Okanagan Similkameen
- Rives-du-Saguenay School Board
- Royal Canadian Air Cadets - Penticton
- Royal Newfoundland Constabulary
- Saskatchewan Roughrider Football Club
- Screaming Eagles Hockey Club
- Steele Communications
- St. John's Boys and Girls Club
- St. John's Junior Chamber/Jaycees
- St. John's, Mount Pearl & District Big Brothers and Big Sisters
- STORA ENSO
- Strait Area Chamber of Commerce
- Street Level Youth Centre
- Syndicat des infirmières du nord-est québécois
- Times & Transcript (Moncton)
- Tom Bast Sports
- Town of Riverview
- Ville de Chicoutimi
- Ville de Dieppe
- Ville de Jonquière
- Whitney Pier Youth Centre
- YMCA/YWCA of Kelowna and Westbank
- 101.5 The Hawk FM
- 97 Magic FM & E-Z Rock 800

(See www.operationid.com)

Partners in the retailing, wholesaling, distributing and manufacturing sectors include

- Imperial Tobacco Canada Ltd.
- JTI-Macdonald Corp.
- Rothmans, Benson & Hedges Inc.
- Petro Canada
- Murphy's Drug Stores
- HDS Retail North America
- TRA Convenience Store Group
- Irving Oil
- Pharmasave Drugs Ltd.
- Giant Tiger
- Chevron Canada Ltd.
- Sobeys Inc.
- Silcorp Ltd.
- The Bay
- Canadian Tire
- Green Gables Stores
- Ultramar
- Zellers
- Tiger Express Convenience Stores
- Provigo
- Imperial Oil
- Needs Convenience Stores
- Shoppers Drug Mart
- Sunoco
- T.R.A. Food Maritimes
- Federated Co-Operatives Ltd.
- Heatley Trading Co. Ltd.
- Shoppers Wholesale Food Co.
- Co-Op Atlantic
- South Main Grocery
- Karrys Wholesale Distributors
- Lumsden Brothers Ltd.
- Beckers.
- Red Deer Co-op Ltd.
- Lawton Drugs
- The Cigar Merchant Inc.
- Loeb
- Kwik-Way
- Bulkley Valley Wholesale Ltd.
- Crouse & Choat Wholesale Ltd.
- Geo Weiner Inc.
- Gorman Distributing Ltd.
- N.D. Cameron Ltd.
- Pioneer
- Omni Foods
- Independent Food Store Association

- Alimentation Couche-Tard Inc.
- Mac's Convenience Stores
- Jean-Paul Beaudry Ltée
- Servinor Inc.
- J.L. Deslières & Fils Inc.
- Alexandre Gaudet Ltée
- Métro-Richelieu Inc.
- Oscar Poulin & Fils Ltée
- J.B. Cadrin Inc.
- A & P
- Raymond Hamel & Fils Inc.
- Langlois & Langlois
- Distribution Des Érables
- J. Arthur Rioux Enr.
- Mr. Gas
- Husky/Mohawk Oil
- IGA
- René Tessier Ltée
- Grossiste Sue Shang Inc.
- F. Vermette Ltée
- J.W. Picard Ltée
- London Drugs Limited
- Shell Canada
- Safeway Canada
- Regina Co-ops
- Real Canadian Superstores
- Express 24 Foodmarts
- Save-On Foods
- Baine Johnston Corporation
- Fas Gas
- Duncan Grocery
- Deblois Food Distributors
- Giesebrecht's Ltd.
- Snelgrove's Wholesale Ltd.
- Young's Wholesale Ltd.
- E.L. Budgen Ltd.
- J&F Distributors Ltd.
- Courtney's Wholesale Conf. Ltd.
- Lanzarotta Wholesale Grocers
- Wallace & Carey Ltd.
- Morton Clarke & Co. Ltd.
- Carol-Wabush Distributing Co.
- T.R.A. Maritimes
- Tannis Food Distributors
- Agora Food Merchants
- Goulding's Wholesale Ltd.
- J.B. Hand & Sons Ltd.
- Meisner Wholesale Confect. Ltd.
- Northmar Distributors Ltd.
- Massey Wholesale Ltd.
- The Quickie
- Ritchie's Wholesale Ltd.
- Core-Mark International Inc.
- The Independent Wholesale Ltd.
- W.R. McRae Company Ltd.
- Métro P. E. Prix
- Métro Richelieu Robert Blackburn
- Bi-Way
- Dominion Stores
- Real Canadian Superstore
- H.Y. Louie Co. Ltd.
- T.R.A. Newfoundland

References

1. U.S. Centers for Disease Control and Prevention. Best Practices for Comprehensive Tobacco Control Programs. Atlanta GA: U.S. Department of Health & Human Services, Centers for Disease Control and Prevention, National Center for Chronic Disease Control and Prevention and Health Promotion, Office on Smoking and Health, August 1999.

2. Task Force on Community Preventive Services. "Recommendations regarding interventions to reduce tobacco use and exposure to environmental tobacco smoke." Am J Prev Med 2001; 20(2S).

3. America Non-Smokers' Rights Foundation. "Restricting Youth Access to Tobacco: Does It Reduce Youth Tobacco Consumption? A Summary of Research Findings." February 10, 1999. Accessible at www.no-smoke.org/youth3.html.

4. Tilson Consulting for OTS Media Network - Cancer Care Ontario. "The Impact of Selected Comprehensive Tobacco Control Programs on Youth Tobacco Use: A Comparative Analysis". November 2000.

5. Doug Levy, "Tobacco plan has some success," USA Today, July 2, 1997, p. D1.

6. Canadian Cancer Society. "Compilation of Selected Evidence Regarding the Impact of Higher Prices on Tobacco Use: A Submission Prepared for the House Of Commons Standing Committee on Finance." Volumes 1-7. September 2001.

7. The damage to industry sales caused by tax increases has long been recognized by the industry. In a 1987 memorandum, a Philip Morris employee reviewed the impact of price increases earlier in the decade on Philip Morris sales: "The 1982-83 round of price increases caused 2 million adults to quit smoking and prevented 600,000 teenagers from starting to smoke. Those teenagers are now 18-23 years old, and since about 70% of 18-21 year-olds and 35% of older smokers smoke a PM brand, this means that 700,000 of those adult quitters had been PM smokers and 420,000 of the non-starters would have been PM smokers...We were hit disproportionately hard. We don't need to have that happen again." (emphases in original text). Myron Johnston to Jon Zoler, September 1987, Bates No. 2022216179. Quoted in "Danger: PR in the Playground," Action on Smoking and Health (UK), 2001.

8. Shimizu, Robin (Assistant Chief) and Lloyd, Jon (Chief, Data Analysis and Evaluation Unit), Tobacco Control Section, Department of Health Services, State of California. Presentation for Minister of Health, Ontario, Canada. September 20, 2001, pp. 11-12. Sources cited in this presentation include:
Fichtenberg, Caroline M. and Glantz, Stanton A. "Association of the California Tobacco Control Program With Declines in Cigarette Consumption and Mortality from Heart Disease." New England Journal of Medicine 2000; 343:1772-77;
Fichtenberg, et al. New England Journal of Medicine 2001; 344:1797-1799;
Lightwood, et al. Circulation 1997; 96:1089-1096;
Lightwood, et al. Pediatrics 1999; 104:1312-1330.

9. Shimizu, Ibid, p. 2.

10. Shimizu, Ibid, p. 2.

11. Tilson Consulting, op cit, pp. 9-13, 17-18.

12. "Actions Will Speak Louder Than Words: Getting serious about tobacco control in Ontario." A Report to the Minister of Health from her Expert Panel on the renewal of the Ontario Tobacco Strategy. February 1999. (see http://www.camh.net/otru, click on 'Documents').

13. Health Canada. Tobacco Control Program: Healthy Environments and Consumer Safety Branch, Operational Planning, 2001-2002.

14. Canadian and American tobacco companies are inter-related:
· Imperial Tobacco of Canada, with 70% of the Canadian cigarette market, is now a wholly owned subsidiary of UK-based British American Tobacco (BAT), which bought out minority shareholders in 2000. BAT's U.S. subsidiary is Brown & Williamson, which has a market share of 10.5% (2000) in the United States, and also manufactures several major international brands for export (notably Lucky Strike). Brown & Williamson was a key member of the now-defunct Tobacco Institute and the Council for Tobacco Research. BAT and Philip Morris are the two main players in the world cigarette market.
· Rothmans, Benson & Hedges (RBH) is Canada's No. 2 tobacco company, with a particular strength in the roll-your-own segment, which it dominates. It has 21.5% of the total tobacco market (roughly 18% of the manufactured cigarette market in 2001). RBH has two shareholders: Philip Morris (40%) and Rothmans Inc. (60%). Rothmans Inc. is a publicly held company, listed on the Toronto Stock Exchange, with no single controlling shareholder. RBH has traditionally relied on Philip Morris for technical and strategic advice. Philip Morris is the dominant US tobacco firm, with a market share of 50.5% (2000 figures).
· JTI-Macdonald is Canada's No. 3 tobacco company, with a single major brand: Export 'A', and a declining market share of about 12%. JTI-Macdonald is a wholly owned subsidiary of Japan Tobacco International, whose major shareholder is the Japanese government. JTI-Macdonald was formerly (until 1999) known as RJR-Macdonald, and was owned by R.J. Reynolds, the No. 2 tobacco company in the United States. In 1999, R.J. Reynolds sold all of its non-US interests to Japan Tobacco, including RJR-Macdonald and rights to the flagship Camel brand.

15. Samet, Johnathan M. and Burke, Thomas A. "Turning Science into Junk: The Tobacco Industry and Passive Smoking." American Journal of Public Health. Volume 91, No. 11, November 2001: 1742-1744.

16. Yach, Derek, and Bialous, Stella Aguinaga. "Junking Science to Promote Tobacco." American Journal of Public Health. Volume 91, No. 11, November 2001: 1745-1748.

17. Ong, Elisa K. and Glantz, Stanton A. "Constructing 'Sound Science' and 'Good Epidemiology': Tobacco, Lawyers and Public Relations Firms." American Journal of Public Health. Volume 91, No. 11, November 2001: 1749-1757.

18. Samet et al, op.cit.; Yach et al, op. cit.; Glantz et al, op.cit.

19. U.S. Centers for Disease Control. "Preventing Tobacco Use Among Young People: A Report of the Surgeon General." 1994.

20. See the full text of Parker's comments to the hearing at http://www.legassembly.sk.ca/tcc/Docs/000307Tobacco.htm.

21. Cunningham, Rob. "Smoke and Mirrors: The Canadian Tobacco War." International Development Research Centre. Ottawa, Canada. 1996, pp. 165-173.

22. See especially Pollay, R.W. Targeting tactics in selling smoke: Youthful aspects of twentieth-century cigarette advertising. Journal of Marketing Theory and Practice, 3, 1-22, 1995, and Pollay, R. W. and Lavack, A. The targeting of youth by cigarette marketers: Archival evidence on trial. In L. McAlister & M.L. Rothschild (Eds.), Advances in consumer research, pp. 266-271. Provo, Utah: Association for Consumer Research.

23. Discussion paper found at:
http://www.tobacco.org/Documents/910129TIMNO164422ythpgm.html - Document ID: TIMNO164422/4424, Document Date: 19910129, Case Name: Minnesota Attorney General. Quoted in "Operation ID School Zone - Part 1." Background document, Ontario Tobacco Strategy Media Network, June 12, 2001.

24. See www.operationid.com.

25. See www.operationid.com.

26. Kingston Whig Standard, November 30, 2000.

27. Brandon Health Inspector, Brandon Regional Health Authority, Central Okanagan Community Health Advisory Committee, Kelowna Health Unit, Okanagan Similkameen Health Region.

28. See www.operationid.com.

29. Cunningham Gregory and Company. "Wise Decisions." 2001.

30. Ibid, p. II.

31. Quoted in American Non-Smokers' Rights Foundation, op. cit., p. 3.

32. Although friends and peers were identified by 38% of those responding to the 2000 Canadian tobacco use monitoring survey as the group with most responsibility for youths starting to smoke, other influences added up to a significantly higher percentage. Twenty-two percent assigned responsibility to young people themselves, 17% to parents, 13% to the tobacco industry, and 10% to a combination of other influences such as celebrities and other adults.

33. RJR-MacDonald Inc.: Key discussion points, Ottawa-November 5, 1996, p. 1.

34. Cunningham, op. cit., pp. 61, 69, 300.

35. Ontario Tobacco Research Unit. "Monitoring the Ontario Tobacco Strategy: Progress Toward Our Goals, 2000/2001." Seventh Annual Monitoring Report, November 6, 2001, p. 43.

36. Ibid p. 42.

37. See www.operationid.com, "% retailers refusing to sell by region - measurement of retailer compliance with respect to the Tobacco Act and provincial tobacco legislation," AC Nielsen, March 2001. Dr. Tom Abernathy, executive director of Ontario's Central West Health Planning Information Network, and a long-time analyst of youth restrictions, offered the following comments on the AC Nielsen figures: "The results are inconsistent and impossible to interpret. There is no clear trend either among individual communities or between them. In fact, since confidence levels are not reported with the percentages, there is no way to tell whether or not any differences exist at all. Second, because evaluation methods are not available, we do not know if (1) the merchants who took part in the program were self selected; (2) if the same merchants always participated in the different surveys, (3) what methods were used to measure compliance (i.e. the time of day, age and sex of test shoppers, mix of different types of establishments). There is also no way anyone could confirm the results by independent evaluation. Taken together, these issues create questions about the industry's claims of success and exclude this approach from consideration as a 'best practice for tobacco control'."

38. Ontario Tobacco Research Unit. "Monitoring the Ontario Tobacco Strategy: Progress Toward Our Goals." Fourth annual report, 1997/98.

39. Wolfson, M. et al. "Adolescent smokers' provision of tobacco to other adolescents." American Journal of Public Health, April 1997: 87 p. 649. Quoted in "Key Insights from Select Experts" - Philip Morris USA YSP Department, 1998.

40. Jason L, et al. "Active enforcement of cigarette control laws in the prevention of cigarette sales to minors." Journal of the American Medical Association 1991; 226: 3159 - 3161.

41. Rigotti, N. et al. "The Effect of Enforcing Tobacco-Sales Laws on Adolescents' Access to Tobacco and Smoking Behaviour." New England Journal of Medicine, 337:1044-1051, 1997.

42. Difranza, J. et al. "A model for the efficient and effective enforcement of tobacco sales laws." American Journal of Public Health 88 (1998): 1100-1101.

43. A November 15, 2001 story in the Charlottetown Guardian on ODI/SZ contains an admission from the program's regional consultant in Charlottetown that the compliance rates of retailers refusing to sell tobacco to minors in the Maritimes, including PEI, had dropped "a bit" compared to the fall of 2000. Instead of attributing the compliance decline to the ineffectiveness of their program, both the consultant and the national manager for Operation ID OID/SZ, Anne Viau, attribute the decline to the fact that "retailers have a lot on their plate and they need to be reminded," and that the changeover rate of young clerks is very high.

44. Lewit EM, et al. "Price, public policy, and smoking in young people". Tobacco Control 1997, 6 (suppl2):S17-S24.

45. Hinds M.W. "Impact of a local ordinance banning tobacco sales to minors." Public Health Reports 1992; 107:356-358.

46. Chaloupka F, Grossman M. "Price, Tobacco Control Policies, and Youth Smoking," Cambridge, MA 02138: National Bureau of Economic Research; 1996.

47. Forster JL, et al. "The Effects of Community Policies to Reduce Youth Access to Tobacco." Tobacco Control 1998; 38:1193-1197.

48. Monitoring the Ontario Tobacco Strategy: Progress Toward Our Goals 1997/1998. Fourth Annual Report.

49. Slavitt, J. "TI (Tobacco Institute) Youth Initiative." February 12, 1991. (Philip Morris memo, available from http://www.pmdocs.com/getallimg.asp?DOCID=2500082629).

50. Lieber, C. "Youth Campaign for Latin America." September 23, 1993. (Philip Morris memo available from http://www.pmdocs.com/getallimg.asp?DOCID=2503016523/6524).

51. Ted Bates (advertising agency) New York. "What we have learned from people: a conceptual summarization of 18 focus group interviews on the subject of smoking." May 26, 1975, quoted in "Danger! PR in the Playground-Tobacco Industry Initiatives on Youth Smoking.", October 2000 (available at http://www.ash.org.uk/html/advspo/pdfs/playgroundreport.pdf).

52. DiFranza, J. and McAfee, T. "The Tobacco Institute: Helping Youth Say 'Yes' to Tobacco." Journal of Family Practice 34, 6 (1992), quoted in Coalition Québécoise Pour le Contrôle du Tabac, "Tobacco Industry Prevention Programs: 'Wise Decisions'," August 2001.

53. Coalition québécoise, op cit, p. 8.

54. Zacour, R. "Re: Review of Wise Decisions." Letter to Alan McFarlane, Ontario Lung Association, April 9, 2001.

LIBRARY ADDICTION RESEARCH FOUNDATION DRUG ALCOHOLISM
CHTR
HV 574 134

Brand image attraction: the promotional impact of cigarette packaging

Park C. Beede BA, MBA; Rob W. Lawson BA, MSc, PhD

Park Beede has been a lecturer in the Department of Marketing at the University of Otago since 1987, and is currently completing a PhD in the field of consumer products marketing. He held a similar post in Chicago, Illinois, specialising in marketing management.

Rob Lawson is senior lecturer in the Department of Marketing at the University of Otago. His teaching experience includes both New Zealand and the United Kingdom. Rob specialises in consumer behaviour and has been active in consumer research programmes involving social issues and cause-related marketing strategies.

(NZ Family Physician 1991, 175-177)

Abstract

The relationship between cigarette promotion and adolescent smoking behaviour remains mired in controversy. In this study, 568 adolescents in Dunedin, New Zealand, participated in group interviews investigating promotional effects of cigarette packaging. Through discussion, respondents revealed that cigarette packaging plays a substantial role in promoting distinct images associated with specific cigarette brands. In direct response to a proposal requiring cigarette brands to be marketed in 'plain' packs, participants predicted a decrease in the rate of smoking initiation among children due to the "dull and boring" appearance of the packs. While debate concerning tobacco promotion has focused on the influence of media advertising, this paper provides evidence indicating that packaging plays a major, perhaps primary role in the promotion of cigarettes.

Introduction

Numerous studies have investigated the effects of cigarette advertising and promotion upon smoking behaviour. The issue has prompted ongoing debate, with studies often proposing conflicting conclusions[1, 2] and even emphasising the inconclusive state of current research[3]. Although the effects of cigarette promotion remain uncertain, evidence suggests that peer pressure is a major influence in the initiation of smoking behaviour among adolescents[2, 4, 5].

Many recent studies on smoking initiation have focused on the attitudes and opinions of adolescents. Fisher and Magnus[6] report that adolescents believe cigarette advertisements intentionally promote the initiation of smoking and that children are susceptible to this influence. Cigarette promotions may be one source of unique self-images which adolescents associate with smoking behaviour[7]. The link between self-image and product use has been well-established in research literature[8-11].

Another important development in smoking behaviour research identifies distinct images associated with cigarette brands. Chapman and Fitzgerald[1] argue that investigations into cigarette smoking require a conceptual shift from generic smoking behaviour to influences classified by cigarette brand. Ritchie[12] found substantial differences in adolescent smokers' awareness of and preferences for particular cigarette brands. Increasingly, evidence suggests that attractive brand images are a major factor in the initiation of smoking.

Impact of cigarette brand images

Cigarettes, in particular, project very strong brand images. Bourne[13] asserts that "the cigarette belongs to a class of product in which it is hard to differentiate one brand from another by attributes; hence attributes are ascribed largely through reference-group appeal built up by advertising". Peer groups establish desired brands which members use to associate themselves with the group. Grubb and Grathwohl[10] summarise the role of product symbolism which influences consumption in order to enhance self-image and acceptance within reference groups.

Although advertising is most often identified as the main tool in promoting brand images, product packaging has emerged as one of the most important elements of the promotion strategy, often overshadowing the effects of advertising[14]. Cigarette packaging, independent of advertising, communicates brand image messages similar to those portrayed through advertising. Coordinated with advertising, packaging cues are designed to reinforce images portrayed through advertising. Fry[9] proposes that the relationship between personality and cigarette brand choice provides an opportunity to improve marketing efforts in product and package design.

Adolescents are especially prone to the influences of brand images. Research in adolescent consumer skills suggests that the brand, as opposed to the product type, is a primary factor in children's purchase requests. Furthermore, it appears that brand loyalties are established at an early age, an opportunity for effective promotion of a brand's image[15]. For products such as cigarettes, package display may be especially effective in promoting brand images to adolescents. Rossiter[16] has shown that visual cues, such as package colours and type style, strongly influence children's preferences for certain types of products.

In order to test the promotional effects of cigarette packaging, a method of comparing brand images is required. Cooper[17] asserts that brand images are brought to life through descriptions of people, life-styles, and other qualities which personify the brand. These profiles represent consumers' beliefs and feelings about brands. In this study, we investigate the impact of cigarette packaging in promoting brand images.

Method

A survey of adolescent attitudes was administered through the use of focus group interviews conducted in eight Dunedin-area secondary schools. Following parental consent, third-form students were recruited to participate in the discussions, resulting in 80 focus group sessions comprising 568 students. Limited information regarding descriptive data and smoking behaviour was collected through a short questionnaire administered prior to each group discussion.

Cigarette packs were obtained and constructed for the purpose of discussion during the interviews. Brand packs from New Zealand and the United States were obtained while plain packs were constructed to the same physical specifications of their branded counterparts, however, devoid of all colour and brand markings (other than the brand name presented in plain typeface). Each interview focused on a display of three cigarette packs from one of the following groups: N.Z. brand packs, U.S. brand packs, N.Z. plain packs, and U.S. plain packs. The U.S. cigarette packs were obtained to control for students' prior exposure to N.Z. cigarette brands and advertising.

Discussions were designed for participants to develop stereotype profiles of smokers associated with each brand of cigarette on display. Differences observed among brand packs would be compared to user-profiles associated with plain pack brands. The true purpose of the interviews was not identified, and participants were assured of confidentiality. Discussions were concluded with a direct query for participants' opinions toward promotional effects of cigarette packaging. After each

Address: Park C. Beede, Department of Marketing, University of Otago, PO Box 56, Dunedin

interview had been completed, students participated in a discussion concerning the health risks associated with cigarette smoking.

The interviews were conducted during class time and teachers were not present during the discussions. Each focus group session was audio-taped to facilitate subsequent review and analysis.

Results

Perceptions of smokers by brand

A review of user-profiles associated with each brand resulted in the identification of descriptive terms which were common across brands or unique to specific brands. Analysis of the user-profiles context resulted in the establishment of 57 categories of 'descriptive variables'. Across all brands, frequencies of descriptive variables were factor analysed to identify distinct user-profile stereotypes. This statistical technique identifies a relatively small number of factors that can be used to represent relationships among sets of many interrelated variables.

The results of this analysis produced seven composite user-profiles, summarised in Table 1. Students perceive a variety of stereotype images representing cigarette smokers. Descriptive labels have been assigned to the profiles illustrating main components of each stereotype.

Table 1.—Stereotype profiles of cigarette brand smokers

Label	User-Profile Descriptors		Brand Associated With Profiles
Young Kiwi Joker	Young Not married Pacific Islander Maori Student Labourer Interested in cars	Surfie Type Flirt Unsophisticated Friendly Immature Unintelligent	Pacific (N.Z.)
Pensioner	Retired English Non-Professional	Gardener Grouchy Snobbish	Barclay (U.S.) Vantage (U.S.)
Aristocrat	Older Male Higher class	Golfer Not Macho	Kent (U.S.)
Club Med	Jamaican Confident	Exciting Sophisticated	Malibu (U.S.) Tareyton (U.S.)
Old Hippie	Any age Lower class	Beach bum Mature	Peter Jackson (N.Z.) Sportsman (N.Z.)
Loafer	Dole beneficiary Partier	Non-active Unconfident	Winfield (N.Z.)
Suburbanite	Middle age Female Family oriented	Professional Quiet Active	Pall Mall (N.Z.)

These user-profiles were highly correlated with various brands and pack types, illustrating students' perceptions about the similarities and differences in brand images promoted through packaging. To compare relative perceptions of brand images, a cluster analysis technique was applied. The clustering procedure identifies relatively homogeneous groups of objects, which, in this case, resulted in nine distinct groups of cigarette smoker images.

Details of the cluster analysis are presented in Table 2. The largest group consists primarily of plain packs. Virtually no differences were perceived among typical smokers of packs in this group. Furthermore, also indicated in Table 2, this group lacks association with any distinct user-profile identified by the factor analysis.

The remaining clusters illustrate the differences among images projected by the brand packs. From Table 2, it is apparent that brand packs clustered into eight distinct groups, each strongly associated with a user-profile. These groups correspond to similarities and differences observed among "sets" of cigarette package cues—brand names, logos and symbols, and colour schemes. A summary of pack descriptions by cluster is presented in Table 3.

Table 2.—Similarities in cigarette pack images

Similar brands grouped together		Profile group associated with
(1) Barclay,		Pensioner
(2) Belair, Carlton, Doral,	Lark, Tareyton, Vantage,	Pensioner (slight association)
(3) Kent,	Kent,	Aristocrat
(4) Malibu,		Club Med
(5) Ben. & Hedges, John Brandon, Peter Jackson, Peter Jackson,	Rothmans Sportsman, Sterling,	Old Hippie
(6) Pacific,		Young Kiwi Joker
(7) Pall Mall,		Suburbanite
(8) Winfield,		Loafer
(9) Barclay, Belair, Carlton, Doral, Kool, Kool, Lark, Malibu, Tareyton, Vantage,	Ben. & Hedges, John Brandon, Pacific, Pall Mall, Rothmans, Sportsman, Sterling, P. Stuyvesant, P. Stuyvesant, Winfield,	No association with a distinct profile.

, N.Z. brand packs
, U.S. brand packs
, N.Z. plain packs
, U.S. plain packs

Table 3.—Cigarette pack characteristics per group

Group	Physical characteristics of group
(1)	Beige pack with maroon and gold trim. "Imperial" coat of arms.
(2)	Variety of two-tone colours, all including white.
(3)	Patterned bronze foil with royal blue trim and a symbol depicting a castle. Corresponding plain pack indicates a strong brand name association.
(4)	Sky blue and white. Descriptions indicate a strong brand name association.
(5)	Variety of dark, rich colours. All brand names are printed in a fancy, intricate style. Group includes one plain pack.
(6)	Red and white. Brand name in large, plain, contrasting style.
(7)	Red and white. Brand name in large, plain, contrasting style.
(8)	Red and white. Brand name in large, plain, contrasting style.
(9)	Plain packs are white with black print. Two brand packs are included, both featuring white packs with little contrasting trim colour.

Opinions toward plain pack cigarettes

At the conclusion of each focus group session, participants were queried for responses to plain pack cigarettes and their effects upon smoking behaviour. Throughout all 80 focus groups, students expressed consistent opinions that plain packs would discourage smoking initiation among children.

Plain packs were perceived to be dull and boring, and consequently would deter curiosity and interest among children. As such, students reasoned that smoking initiation would decrease as peers direct less attention towards cigarettes.

Discussion

The focus group discussions reveal adolescents' perceptions associated with cigarette smoking. In comparison to brand packs, plain pack cigarettes elicited consistently vague images of stereotype smokers. Profiles of plain pack cigarette smokers were extremely similar across all plain pack brands. As the amount of distinct 'image information' is reduced among brands, illustrated by the plain packs, the promotional impact diminishes.

The design variety of brand packs, however, such as brand name style, pack colours and brand symbols, promotes unique images which attract potential smokers to the image of

smoking a particular brand of cigarettes. The promotional power of cigarette packs was illustrated by the diverse descriptions of 'typical' smokers associated with differing brands.

The variety of user-profiles associated with differing brands ranged from images of young persons similar to themselves to profiles distinctly different. For example, both Pacific and Winfield brands, featuring red packs with white trim and prominent brand names, elicited young, 'rebellious" profiles. The Pacific brand name prompted descriptions of Maori and Pacific Islander smokers, whereas the stereotype Winfield smoker identified in this study is consistent with the image reported by Fisher and Magnus[6] and Ritchie[12]. In contrast to these images, the U.S. brand, Kent, uses a bronze foil pack to promote an aristocratic image, while Barclay, in beige, maroon, and gold with a coat of arms, prompted an image of an English pensioner. These examples correspond with acknowledged principles of colour effects in symbolic communication.

Highlighting the promotional impact of packaging alone, U.S. packs elicited equally distinct user-profile images as compared to N.Z. brands. Since the students indicated no prior knowledge of the U.S. packs presented in the focus groups, effects of promoting brand images through packaging appear even in the absence of any advertising activity. This observation is not surprising, as the format of most cigarette advertising emphasises display of the pack. Voluntary agreements in many Western countries prohibit cigarette advertising from promoting attractive lifestyles associated with usage of the brand. Thus, the majority of adverts feature prominent illustrations of the cigarette packs.

Conclusions and Recommendations

Adolescents' attraction toward smoking cigarettes is two-fold. One type of influence consists of an attraction to the "generic" behaviour of smoking cigarettes, comprising the major focus of previous research into smoking behaviour. However, a second important influence also serves as an attraction to smoking cigarettes. The promotion of unique brand images may enhance adolescents' susceptibility to smoking specific brands of cigarettes. Separate from the "generic" influence of smoking, cigarette brands acquire symbolic value within the context of social groups. Thus, peer group influence will reinforce use of acceptable brands and discourage use of brands perceived to be inappropriate.

The combined effects of a "generic" attraction to smoking and the appeal of desirable brands may outweigh potential counter-effects of anti-smoking campaigns. Most smoking prevention and cessation campaigns address issues related to the health implications of smoking behaviour. As a result, the influence of brand images presents a unique appeal unchecked by anti-smoking campaigns. In order to increase the effectiveness of health and tobacco campaigns, efforts should be undertaken to reduce the influence of brand image appeal.

While steps have been taken to diminish the impact of cigarette advertising, equal attention should now be directed towards regulating the promotional role of cigarette packaging. The results of this study indicate that cigarette packaging functions in the same promotional role as advertising messages. Therefore, efforts to limit cigarette promotions should include regulation of cigarette packaging. One method of reducing promotion effects through packaging may be the implementation of cigarette plain packs.

Acknowledgements

This research was supported by a grant from the Department of Health.

References

1. Chapman S, Fitzgerald B. Brand preference and advertising recall in adolescent smokers: some implications for health promotion. American Journal of Public Health, 1982; 72 (5): 491-4.
2. Jenkins J. Tobacco advertising and children: some Canadian findings. International Journal of Advertising, 1988; 7 (4) 357-67.
3. Moschis GP. Point of view: cigarette advertising and young smokers. Journal of Advertising Research, 1989; 29 (Apr/May): 51-60.
4. Hill D. Peer group conformity in adolescent smoking and its relationship to affiliation and autonomy needs. Australian Journal of Psychology, 1971; 23 (2): 189-99.
5. Bewley BR, Bland JM, Harris R. Factors associated with the starting of cigarette smoking by primary school children. British Journal of Preventative and Social Medicine, 1974; 28: 37-44.
6. Fisher D, Magnus P. Out of the mouth of babes . . . the opinions of 10 and 11 year old children regarding the advertising of cigarettes. Community Health Studies, 1981; 5 (1): 22-6.
7. Bewley BR, Bland M. The child's image of a young smoker. Health Education Journal, 1978; 37: 236-44.
8. Dolich IJ. Congruence relationships between self images and product brands. Journal of Marketing Research, 1969; 6 (Feb): 80-4.
9. Fry JN. Personality variables and cigarette brand choice. Journal of Marketing Research, 1971; 8 (Aug): 298-304.
10. Grubb EL, Grathwohl HL. Consumer self-concept, symbolism, and market behaviour: a theoretical approach. Journal of Marketing, 1967; 31 (Oct): 22-7.
11. Sirgy MJ. Self-concept in consumer behaviour: a critical review. Journal of Consumer Research, 1982; 9: 287-300.
12. Ritchie J. Commerce or con: young people and cigarette advertising. Community Health Studies, 1988; 12 (1): 9-15.
13. Bourne FS. Different kinds of decisions and reference-group influence. In: Perry Bliss, ed., Marketing and the Behavioural Sciences, Boston: Allyn and Bacon, Inc., 1963: 247-55.
14. Meyers HM. Determining communication objectives for package design. In Walter Stern, ed., Handbook of Package Design Research. New York: John Wiley & Sons, Inc., 1981: 22-38.
15. Ward S, Wackman DB, Wartella E. How Children Learn to Buy. Beverly Hills: Sage Publications, Inc., 1977: 189.
16. Rossiter JR. Visual and verbal memory in children's product information utilization. Advances in Consumer Research, 1976; 3: 523-7.
17. Cooper P. Symbiosis: the consumer psychology of branding. ADMAP, 1979; 15 (November): 578-86.

COLLEGE SOUVENIRS

Members' ties $11 + $1.38 = $12.38
Old-style wide ties $5 + 63 cents = $5.63
Fellows' ties $8 + $1.00 = $9.00
Cufflinks $6 + 75 cents GST = $6.75
Lapel badges $3 + 38 cents GST = $3.38
Cards 30 cents + 4 cents = 34 cents
(white with College crest)

Please add $1 to each order for P & P + order from RNZCGP, 23 Palmer Street, Wellington.
Cheques should be crossed and made payable to RNZCGP.

DRUG ADDICTION RESEARCH FOUNDATION ALCOHOLISM & LIBRARY TORONTO

UNIVERSITY OF OTAGO

PO BOX 56 Dunedin New Zealand

Tel. (024) 791-100
Fax. (024) 741-607

THE PROMOTIONAL IMPACT OF CIGARETTE PACKAGING:

A STUDY OF ADOLESCENT RESPONSES TO CIGARETTE PLAIN-PACKS

Department of Marketing

Park Beede
Rob Lawson
Mike Shepherd

Abstract

The relationship between cigarette promotion and adolescent smoking behaviour remains mired in controversy. In this study, 568 adolescents in Dunedin, New Zealand, participated in focus groups investigating the promotional effects of cigarette packaging. Through discussion, respondents revealed that cigarette packaging plays a substantial role in promoting both appealing and unappealing images associated with specific cigarette brands. In direct response to a proposal requiring that cigarette brands be marketed in 'plain' packs, participants predicted a decrease in the rate of smoking initiation among children due to the "dull and boring" appearance of the packs. While the debate concerning tobacco promotion has focused on the influence of advertising, this paper provides evidence indicating that packaging plays a major, perhaps primary role in the promotion of cigarettes.

UNIVERSITY OF OTAGO

PO BOX 56 Dunedin New Zealand

Tel. (024) 791-100
Fax. (024) 741-607

Executive Summary of the Plain-Packs Study

A major study was conducted to investigate adolescent attitudes toward cigarette packaging, (i.e., use of a brand name, colour scheme, logos and symbols, etcetera). A series of focus group interviews were utilised to examine associations which develop between packaging stimuli and respondents' perceptions about both the brand and the product. The packaging stimuli were classified into two distinct categories; one set of stimuli represented normal market packages while the second set represented "generic" or "plain-pack" packaging. The plain-packs were produced in typical generic form and were consistent across all brands, excluding the actual brand name. It was proposed that the plain-pack cigarette packages would elicit a lesser proportion of recalled impressions and information due to a substantial lack of cues available to the respondent. This would result in greater confusion in the respondent's ability to assign learned associations to the assorted brands and thus reduce the promotional impact of brand images.

The results of the interviews indicate that respondents develop substantially different associations and stereotypes relative to different brand stimuli. While the branded packs elicited very distinct user profiles, respondents exhibited a great deal of difficulty in differentiating user profiles of plain-pack brands. In the case of unfamiliar stimuli (foreign and plain-packs), greater attention became focused upon the few cues which were available to differentiate the brands, primarily the brand name and brand logos. As compared to the branded packs, the overall lack of cues available on the plain-packs resulted in a shift of respondents' evaluations from the brand level to the product category level. The findings suggest that consumer evaluations occur at two "levels"; one level is focused upon product category attributes and a second level prompts consumers to evaluate individual brands. Thus plain-pack cigarettes will inhibit attraction based on brand image. This should lead to greater evaluation of smoking as a "generic" behaviour and therefore detract from a potential positive image associated with cigarettes.

Furthermore, when presented with unfamiliar stimuli (foreign cigarette packs), respondents' attention appears to focus first on brand image cues. When these cues are removed, a significant increase in respondents' abilities to recall a greater proportion of information was observed. Thus, information such as health warnings, will have a substantially greater degree of impact when presented on plain-packs.

Contents

		Page
1.0	Background of the Plain-Packs Study	1
2.0	Objectives of the Plain-Packs Study	2
3.0	Research Methodology	3
4.0	Characteristics of the Sample Group	5
5.0	Summary of results	7
5.1	Comparison of brand and plain packaging	7
5.2	Aided recall of cigarette advertising	8
5.3	Unaided recall of brand and plain packaging	9
5.3.1	Brand names	9
5.3.2	Brand logos and symbols	11
5.3.3	Health warnings	11
5.3.4	Pricing bar codes	13
5.3.5	Pack contents	13
5.3.6	Other text	13
6.0	Conclusion	16
Appendices		18

1.0 Background of the Plain-Packs Study

In September 1989 a discussion paper was prepared by Dr. Murray Laugesen entitled "Tobacco Promotion Through Product Packaging". The subject of this paper is an exploration of the promotional attraction of cigarette packaging which becomes integrated with all other forms of promotional presentation aimed at the consumer. Continued presentation of brand logos, symbols, colour schemes, and all other physical cues which communicate a brand image will serve to reinforce other elements of promotional campaigns. For example, the distinct red and white colour scheme of Winfield packaging may serve as a cue which initiates recall of a Winfield advertisement.

In addition to its role of cuing advertisement recall, package stimuli may serve as a promotional tool in itself. Certain colour schemes and symbolism appeal to specific consumer groups, independent of any other promotional information. Consumers have learned to differentiate products based on any available information and as such package stimuli will serve to attract some consumers and repel others. Through learned associations in the consuming environment, package stimuli will function as a promotional effect independent of any other information.

The current legislative forum on smoking has raised a number of significant issues. A major direction undertaken by the Department of Health supports a complete ban on tobacco advertising and promotion. In light of this policy, it appears contradictory to exclude cigarette packaging from the scrutiny of promotional activities. This report summarises the results of a study which attempts to isolate and identify the promotional impact of cigarette packaging.

The purpose of this study arises from a proposal calling for a requirement that all cigarette packaging be presented in a plain, standardised format. The term "plain-pack" has been designated to describe a package form of white background and black lettering. The form derives from the origins of "generic" products, a marketing phenomenon which arose during the late seventies. The term "generic" packaging has been avoided, however, because it implies a distinct alternative within a differentiated product category. "Plain-packs" represent an artificially structured market environment in which alternative brands must be presented adhering to consistent specifications. The only variation among brands would obviously include the spelling of the individual brand names.

2.0 Objectives of the Plain-Packs Study

The overall objective of the research project focuses on a better understanding of the "promotional" impact generated by cigarette packaging. The ability to isolate and identify this effect required a thorough analysis of adolescent consumption of cigarettes. A rigorous literature review was undertaken of both the medical and marketing fields to best ascertain the relevant variables which should be considered. As a result, an adolescent sample was chosen because:

(a) Inexperience with the product leaves them more open to brand image influence because habits from use are not established.

(b) Peer group pressure (the predominant initial influence) is characterised by accepted self-images associated with perceived brand images. Visible use of the brand allows smokers to reinforce qualities they believe to be valued by their reference group. Following initial attraction to the brand, the source of satisfaction shifts to the actual cigarette and long term behaviour develops.

(c) Both domestic and foreign brands are used to distinguish between those brands which have a known advertising context, and those which do not, thus isolating package presentation from other promotional effects.

Given the establishment of the criteria defined above, a number of research objectives were defined. These research objectives are as follows:

(1) Develop a profile of relevant variables associated with the smoking behaviour of adolescents.

(2) Explore adolescent attitudes towards cigarette brands and identify the role of package presentation as an antecedent of these attitudes.

(3) Explore adolescent attitudes towards the "plain-packs" proposal and its impact upon smoking behaviour.

(4) Measure the "connection" between cigarette advertising and packaging cues.

(5) Measure the degree of recall stimulated by both branded packaging and plain packaging.

(6) Measure the impact of health warning information relative to the surrounding stimuli presented on the packaging.

The profile of adolescents and their smoking behaviour allows a consistency check with previous research in this area. The role of packaging stimuli in the development of attitudes towards cigarette brands can be identified through consumer profiles associated with both brand and plain packs. The "connection" between packaging and advertising represents the degree to which cigarette packaging may serve to cue recall of brand advertising. Adolescents' ability to recall package stimuli in both the brand and plain forms illustrates how package stimuli are perceived and processed. Finally, the perception of health warning information is an extremely vital issue. This study serves to identify the impact of health warnings relative to their package environment.

3.0 Research Methodology

Given the criteria of the study and the objectives to be achieved, it was determined that a qualitative, group interview approach would be the most appropriate method. A basic questionnaire was developed to provide some structure to the interviews and to facilitate certain response methods. The structure of the interviews and the questionnaire was developed from an extensive literature review performed in this area.

The main focus of the interviews involved an analysis of adolescent brand attraction which could be attributed to package stimuli. Overwhelming evidence exists in literature to suggest that consumers are attracted to brands in which the perceived image supports and reinforces some aspect of their own self image. Conversely, consumers will reject brands where the image is not consistent with the way they see themselves. This effect is especially prevalent in consumption experiences where usage of the product is very visible, for example, driving a car. In the case of cigarettes, past research clearly indicates that a primary factor in the initiation of smoking behaviour is peer pressure in group situations.

This concept of visible consumption identifies purchase and use where the benefits of a positive brand image can be identified as the "reason" for purchase in much the same manner as the expected benefits to be gained through actual usage of the product. In the case of cigarettes, the attraction to smoking may be two-fold; adolescents may be attracted to the image associated with a particular brand which serves to induce trial, and then through product usage satisfaction becomes focused on the actual product itself. This was supported in the interviews. In a total of 567 students which were interviewed, less than five students remarked that they enjoyed the taste of their first cigarette.

Brand image represents a perception derived from a variety of integrated cues. Advertising, the type of people who use the brand, price, packaging, and any other information will have an integrated effect upon a consumer's perception of what the brand represents. In order to isolate the potential effect of packaging, four groups of package "stimuli" were developed to be used in the interviews. Cigarette packs were obtained and created to establish the following sets:

(a) 10 New Zealand brand packs.

(b) 10 New Zealand plain packs.

(c) 10 United States brand packs.

(d) 10 United States plain packs.

The criteria utilised to define presentation of the plain packages evolved from the paper "Tobacco Promotion Through Product Packaging". The basic theme of the plain-packs indicated white background packs with black printing. No other colours would be available to differentiate brands. While the individual brand names would obviously be retained, size and typeface styles would be consistent across all packs. All logos and symbols unique to the brand would be censored. Any other information, such as health warnings, pack size, and tar and nicotine contents would also be presented consistently across packs. An illustrated outline of the format for the plain-packs is appended to this report.

The differences between the domestic and foreign cigarette packs represent the learned meanings about brands through exposure to advertising, observation of usage, personal experience, and so on. The New Zealand packs will initiate responses which are integrated with information adolescents have gained through advertising, friends, etcetera. The American packs, however, should isolate the effects of package stimuli and adolescents' learned associations relative to those stimuli.

The relative acceptance and rejection of brand image can be measured by the consistency of brand image attributes with self image attributes. A research technique which has been utilised in a majority of literature in this area involves a style of question known as semantic differentials. Derived from examples in previous smoking behaviour research, a preliminary questionnaire was developed employing semantic differentials to differentiate brands based on packaging. The basic premise suggested that a significant difference among the ratings of branded packs would represent the promotional attraction associated with package stimuli. Conversely, the plain-packs should register much less differentiation due to the lack of package stimuli.

Preliminary focus groups, however, revealed that the structured format of the semantic differentials was not suitable for application to adolescents. Consequently it was determined that a focus group approach would be utilised. Also, the focus of the discussions would be shifted from themselves to portrayals of "typical consumers" in order to alleviate apprehensions of embarrassment and encourage participation. Literature supports that respondents will project qualities of themselves into third-person profiles.

This format was then tested again in a high school setting and final adjustments made. A total of 80 group interviews were conducted over a period of three weeks. Eight Dunedin area high schools allowed access to third form classes (average age 13 years) and interviews were held in the normal environment of the school. Class sizes ranged from 20 to 30 students which allowed for each session to split into four individual discussion groups. Each group was led by a single moderator using the semi-structured questionnaire appended to this report.

Finally, a methodological point should be noted. Due to the potential sensitivity of exposing adolescents to cigarettes, each interview session was concluded with a discussion concerning the dangers of smoking and drug use. Local athletic personalities were brought in to discuss relevant issues with the students and hopefully eliminate any potential for the students to have gained a positive exposure to smoking through their participation in the study. Discussions among whole classes were conducted following the group interviews and did not bias participants' responses.

4.0 Characteristics of the Sample Group

Selected characteristics of the adolescents participating in this study are outlined in the following sections.

(1) A total of 80 group interviews were conducted.
The number of participants per group ranged from 3 to 8.
The total number of adolescents participating in the study resulted in 567 individual cases.

(2) Self-reported descriptive characteristics include:

	Number	%
Sex		
Male	285	50.3
Female	278	49.0
Missing data	4	0.7
Age		
12 years	95	16.8
13 years	454	80.1
14 years	12	2.1
Missing data	6	1.1
Ethnic Background		
European	467	82.4
Maori	28	4.9
Pacific Islander	17	3.0
Other	48	8.5
Missing data	7	1.2
Educational Intentions		
Finish fifth form	16	2.8
Finish sixth form	20	3.5
Finish seventh form	162	28.6
Probably attend University	263	46.4
Uncertain at this time	100	17.6
Missing data	6	1.1

(3) Self-reported smoking characteristics include:

	Number	%
Families in which someone smokes		
Family member does smoke	282	49.7
Family member does not smoke	281	49.6
Missing data	4	0.7
Respondents who smoke		
Respondent does smoke	56	9.9
Respondent does not smoke	505	89.1
Missing data	6	1.1
Respondents' smoking behaviour		
Less than a pack a month	37	6.5
About a pack a month	5	0.9
About a pack a week	5	0.9
Two or three packs a week	1	0.2
About a pack a day	2	0.4
Non-responses	517	91.2
Description of smoking behaviour		
Do consider themselves a heavy smoker	0	0.0
Do not consider themselves a heavy smoker	50	8.8
Non-responses	517	91.2

5.0 Summary of results

5.1 Comparison of brand and plain packaging

Each focus group was presented a display containing a set of five cigarette packs. Each display unit consisted of two control packs and three experimental packs. If the control packs presented brand packaging, the experimental packs presented plain packaging, and vice versa. Discussion touched first on the control packs and then focused on the experimental packs. The time allowed for the discussion averaged 15 to 20 minutes.

The purpose of the discussions revolved around the relationship between brand image and self image. Consumer attention is directed towards stimuli which is perceived to represent an image similar to their own. Conversely, brand images which are perceived to be very different from their own will not generate much interest. This continual exposure to information forms the basis of consumers' evaluation of brands. Through learned associations, combinations of marketing cues will project different images. The brand-user profiles developed by the focus group participants represent the degree of differentiation perceived in the brand images. Furthermore, since less information, or cues, would be available in the evaluation of plain-packs, much less differentiation between brand-user profiles would be generated.

Discussions were initiated with the introduction of general topics to place respondents at ease. Examples of how differing product types can be associated with different types of people directed respondents to the task at hand. A brief discussion regarding respondents' perceptions of the control packs present in the display focused the discussion upon cigarettes. Elaborating upon respondents' reported smoking behaviour in the previous section, an estimated two-thirds of the sample group had tried smoking cigarettes at least once. All respondents could identify having seen cigarette advertising somewhere.

The major emphasis of the discussions was then directed towards developing descriptive profiles for smokers of each of the three experimental brands in the display. A significant difference appears in the ability of respondents to profile typical users of brand packs and users of plain packs. Differentiated descriptive profiles were easily developed for brand packs which were perceived to be different. For the New Zealand brands, respondents utilised known information from advertising, interaction with users of particular brands, package styling, etcetera, to develop these profiles. However, when the same brands were presented in plain-pack form, the descriptive profiles were significantly less differentiated than the brand profiles. These data indicate that package stimuli, such as colour, symbols, and styling, serve as cues which initiate recall of additional information about the product and the brand. Without this additional information, less and more ambiguous information about the brand is recalled.

Furthermore, respondents who were exposed to only United States brands exhibited the same response patterns. The descriptive profiles of brand pack users were substantially more differentiated than users of the plain-pack cigarettes. This indicates that even in the lack of any additional information about the product, package stimuli serve to communicate information about the brand through learned associations consumers develop with experience related to that or similar product categories. Thus package stimuli serves a promotional role in its ability to communicate information to the consumer.

Finally, each discussion ended with direct questioning pertaining to the proposed issue of plain packaging for cigarettes. An overwhelming majority of respondents expressed a consistent opinion as to the potential effect of plain-packs upon their peers. Respondents' attitudes indicate that they believe plain-packs would have a substantial impact upon preventing trial and initiation of smoking behaviour. Consistent descriptions suggested that the plain-packs would be boring and unattractive, of no interest to kids, and not "cool". However, they also reported that a change to plain-packs would probably have very little effect upon the smoking behaviour of existing smokers. Current smokers were perceived to care little about packaging because they were "hooked" on cigarettes. Also, having previous experience with their preferred brands, current consumers would remember "things" about the brand even if it was made to look more plain.

Each discussion group was audio-taped and transcribed into scripts. The scripts have been reviewed and analyzed among the group leaders for consistency in interpretation. The collected data is being processed for a specific content analysis regarding the results of the discussions.

5.2 Aided recall of cigarette advertising

Following the discussion section of the interviews, participants of each group were presented with a series of five "masked" cigarette adverts collected from readily available magazines. In each advert, the respondents were asked to identify the brand being advertised. One application of this exercise illustrates the relative exposure of cigarette brand advertising to adolescents and its subsequent impact. Participants' differing recall levels for the five brands support the findings summarised in the previous section. Higher levels of recall would be expected for brands which are popular among adolescents and conversely lower levels of recall for brands which are not popular.

The five cigarette brands featured in the adverts and their corresponding recall rates were as follows:

	Cigarette Brand	% Recall
1)	Benson & Hedges	5 %
2)	Peter Jackson	26 %
3)	Peter Stuyvesant	6 %
4)	Rothmans	33 %
5)	Winfield	36 %

It is clearly evident from the data that adolescents, both currently smokers and non-smokers, do perceive cigarette advertising. Furthermore, as seen in the previous section on packaging stimuli, adolescents do discriminate cigarette advertising and differentiate various cues in the formation of attitudes towards cigarette brands. This conclusion supports the assertion that cigarette advertising does communicate information to non-smokers. Prior to actual product trial, potential smokers will learn to prefer some brands and reject others based on brands' perceived images.

5.3 Unaided recall of brand and plain packaging

The next section of the group interviews focused on an unaided recall of packaging stimuli. Respondents were asked to recall information from the three experimental packs which had been presented during the earlier analysis. Each person, individually and unaided, attempted to illustrate as much information as they could recall from the packets. Approximately ten minutes were allocated for this exercise and most respondents completed well within this time. The results yielded a total of 1373 recall sheets available for analysis in which at least partial information from the pack was recalled. A further 355 recall sheets were left completely blank.

Objective assessment of recall was obtained by classifying the information illustrated on the package response forms. Stimuli were discriminated by their presence and accuracy. Results are summarised under the following headings:

1) brand names
2) brand logos and symbols
3) health warnings
4) pricing bar codes
5) pack contents (numbers)
6) other text (tar and nicotine content)

5.3.1 Brand names

No significant difference was found in respondents' ability to recall brand names of plain and branded packs. The recall rates are as follows:

	Percentage of packs recalled
Brand packs	74.8
Plain packs	77.0

The slight increase in recall rates of the plain-packs may be attributed to the novelty of the "strange" package. However, the difference may also be attributed to the relative lack of stimuli present on the plain-packs, resulting in a greater attention and focus on the brand name and other available cues. Of all available information, respondents recalled the brand name more than any other cue. Considered in relation to other results presented below, this observation is indicative of the manner in which respondents' perceive and process information.

The findings suggest brand information is learned and recalled before other elements on the package, such as the health warning. The brand name, along with associated colours and logos, may be processed as an overall image which cues the respondent's attitude towards a brand. This continuous theme was reinforced during the discussion session which reported plain-packs to be dull and boring, and yet more accurate information tended to be recalled from the plain-packs than the brand packs. Even with unfamiliar stimuli, represented by the foreign cigarette packs, more information was recalled from the plain-packs.

	Percentage of Brand Names Recalled	
	N.Z. packs	U.S. packs
Brand packs	80.1	69.3
Plain packs	83.0	71.5

Among recalled brand names, respondents' spelling was slightly more accurate for the brand packs than the plain packs. This too is somewhat surprising as it may have been anticipated that the printing consistency and legibility of plain-packs would have resulted in more accurate recall. However, again this finding supports the proposition that adolescents perceive brand stimuli as some "associated set", and that brand colours and symbols generate greater interest and result in more accurate recall under the cue of a brand name. When the data is examined by country, the greater degree of recall is attributed to the U.S. packs only. Given respondents' unfamiliarity with the brand names, the "brand" packs may present a more distinct image. The plain-packs, on the other hand, may lack distinction and result in a less accurate recall of brand name spelling.

	Percentage of Brand Names Recalled	
	Correctly spelled	Correctly positioned
Brand packs	79.0	89.9
Plain packs	77.0	94.1

	Percentage of Names Correctly Spelled	
	N.Z. packs	U.S. packs
Brand packs	77.4	80.9
Plain packs	82.1	71.6

As expected, style and positioning of the brand name was slightly more accurate for the plain-packs given the consistency of presentation across all packs.

5.3.2 Brand logos and symbols

The data in this section were interpreted from the variety of brand logos and symbols which could be identified and discriminated. The most confident measure of respondent recall indicates that the recall rate for the U.S. packs was slightly greater than the recall rate for the N.Z. packs.

	Percentage of packs with brand logos recalled
N.Z. packs	31.8
U.S. packs	38.1

This finding is consistent with the relationship described above indicating that respondents focused greater attention on brand image information when presented with unfamiliar stimuli.

5.3.3 Health warnings

Respondents' recall for the presence of health warnings was significantly greater for plain-packs as compared to brand packs.

	Percentage of packs recalled with health warnings
Brand packs	63.8
Plain packs	74.0

The most significant difference between the N.Z. and U.S. packs was found in the recall rates of health warnings.

	Percentage of Warnings Recalled	
	N.Z. packs	U.S. packs
Brand packs	79.4	45.2
Plain packs	82.3	65.0

Across both categories there exists a higher recall rate for the plain-packs. This finding supports the assumption that respondents will perceive a greater proportion of information when less stimuli are presented. However, the incidence of recall was significantly greater for the N.Z. packs which is again consistent with traditional learning theory and brand stimuli. The N.Z. packs represent familiar stimuli, and therefore more information can be retained and recalled. In the case of unfamiliar stimuli, represented by the U.S. packs, attention and interest is focused on "primary cues" which results in greater perception and recall of brand image information and lesser perception and recall of health warning information.

This relationship is further supported by the accuracy of recall as detailed below.

	Percentage of Warnings Recalled	
	Correctly worded	Correctly positioned
N.Z. brand packs	20.7	94.4
N.Z. plain packs	19.9	97.8
U.S. brand packs	2.0	60.0
U.S. plain packs	1.5	62.9

These findings illustrate the major differences which exist between the N.Z. packs and the U.S. packs. When respondents are exposed to familiar stimuli (N.Z. brand packs), their recall ability for "neutral" or non-brand image information increases. When exposed to unfamiliar stimuli (U.S. packs), however, recall rates are dramatically reduced as attention appears to focus more towards brand image cues, such as brand name and logo.

The process of perception and recall is further borne out by detailed analysis of the order by which respondents were able to recall pack information. Each respondent illustrated three packs, and the recall rates of health warnings by order of recall are as follows.

	Percentage Recall Rate of Health Warning by Order		
	Brand pack	Plain pack	Significance
First pack recalled	68.0	73.6	N.S.
Second pack recalled	61.9	72.1	Sig. @ .03
Third pack recalled	58.5	77.6	Sig. @ .001

These findings clearly indicate that as respondents attempt to recall larger sets of information (more pack stimuli), a significant difference in the recall rate of health warnings improves with the plain-packs. It would appear that the relative lack of stimuli on the plain-packs resulted in a much better recall rate of "non-brand" or "neutral" cues. With the brand packs however, the recall rate indicates more focus on the "brand" or "primary" cues. This trend is consistently reflected in the data presented below.

5.3.4 Pricing bar codes

The findings for the pricing bar codes are largely consistent with the results obtained for the health warnings.

	Percentage of Pricing Bar Codes Recalled	
	Correctly recalled	Correctly positioned
Brand packs	22.6	33.3
Plain packs	33.0	48.0

These findings indicate an attention and perception pattern consistent with that observed for the health warnings. Perhaps surprising, in this case the stimuli represent an assumed "neutral" symbol which provides no information to the respondent. This pattern is also supported in the following results presented below. Overall, these findings indicate that during initial exposures to new stimuli, "non-brand" cues, or information not directly related to brand image, will receive less attention and are less likely to be committed to memory.

5.3.5 Pack contents

Once again, recall of "neutral" information was significantly greater for the plain-packs. Accuracy of recall was also significantly greater for the plain-packs as indicated by the positioning data.

	Percentage of Pack Contents Recalled	
	Correctly recalled	Correctly positioned
Brand packs	26.7	33.2
Plain packs	46.4	60.3

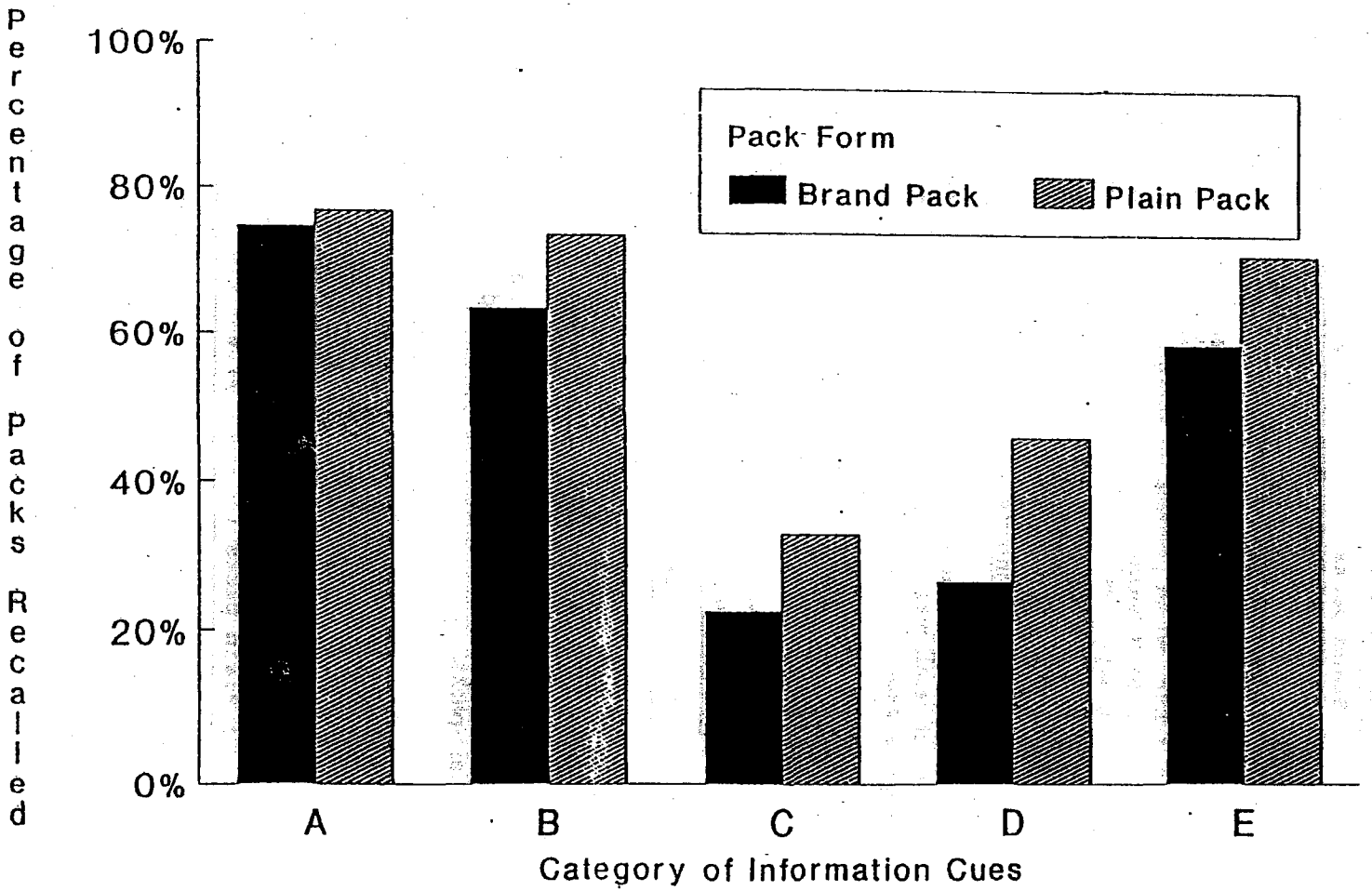
5.3.6 Other text

This measure refers primarily to recall of tar and nicotine content information present on the packs. As seen above, both total recall and accuracy of recall were significantly higher with plain-packs.

	Percentage of Tar Contents Recalled	
	Correctly recalled	Accurately recalled
Brand packs	59.2	12.7
Plain packs	71.6	29.3

Percentage of Packs Recalled with Cues

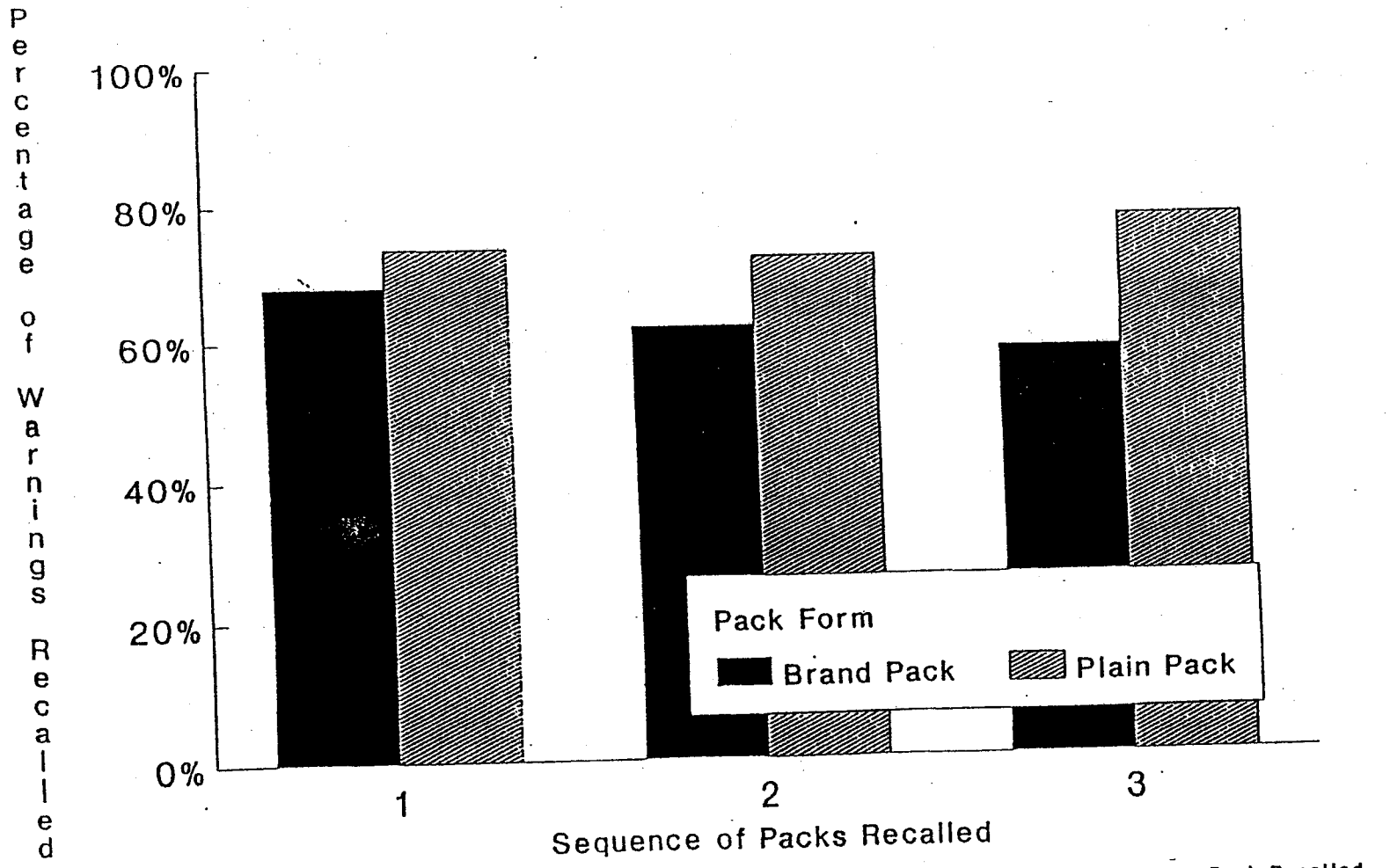
Brand Packs versus Plain Packs



A: Brand Names
B: Health Warnings
C: Bar Codes
D: Pack Contents
E: Tar and Nicotine Contents

Sequential Recall of Health Warnings

Brand Packs versus Plain Packs



1: First Pack Recalled
2: Second Pack Recalled
3: Third Pack Recalled

6.0 Conclusion

The purpose of this investigation focused on the promotional impact of cigarette packaging. A sample of 576 adolescents were interviewed to explore the effects of various packaging forms.

A summary of results include:

A) Cigarette packaging communicates information to current and potential users through cues such as colour, type style, brand logos and symbols, and so on. Collectively, these cues function to promote the brand by projecting an image perceived to be appropriate or inappropriate to the particular motives of the smoker (current or potential). In the case of adolescent smoking behaviour, peer group identification functions as a primary motive and thus the promotional impact of packaging cues is quite substantial.

The relative impact of packaging stimuli has been explored in this study. The results indicate that the amount of information which is communicated through packaging cues is directly associated with the amount and type of cues presented on the package. Based on the four types of cigarette packs used in the study, respondents' abilities to interpret and discriminate information about individual brands can be summarised as follows:

Style of Cigarette Pack	Amount of Information
N.Z. Brand Packs	Very High
U.S. Brand Packs	High
N.Z. Plain Packs	Low
U.S. Plain Packs	Very Low

Thus packaging cues function to promote an image about the brand which is perceived and evaluated by both users and non-users of the product. Brand images which are perceived to be similar with a person's self image is more likely to be evaluated positively and may even serve to induce brand trial. If the brand image is substantially appealing, the evaluation of product use (consequences of smoking) may be greatly overshadowed by the allure of the brand.

B) Respondents' abilities to retain and recall information about cigarette packs is directly associated with their familiarity/unfamiliarity with the packs. When exposed to familiar stimuli (N.Z. brand packs), respondents recalled the greatest proportion of information about the pack. Conversely, unfamiliar stimuli (U.S. packs) elicit substantially lesser recall. Furthermore, with unfamiliar stimuli, attention appears to focus on brand image cues. When these cues are removed, retention and recall of a greater proportion of information was achieved.

The practical implications of this finding suggest that as adolescents develop and are exposed to cigarettes and advertising, their attention will first be drawn towards brand image cues. Perception, retention, and recall of health warning information will be less likely than impressions about the brand. Presentation of cigarettes in plain-packs would increase the probable impact and retention of the health warning message.

C) Following from the previous point, respondents' abilities to recall health warning information was significantly improved for the plain-packs. When brand image cues are removed, a greater proportion of available information can be retained, and consequently the health warnings achieved a greater impact. These findings support previous studies which indicate that health warnings presented in a contrasting box are more effective than the present form.

This trend is further supported by the sequential recall of health warnings. As respondents attempted to recall a larger set of pack stimuli, health warnings were recalled substantially less than brand image cues, such as brand name. When presented in plain-pack form however, respondents' abilities to recall health warnings was significantly improved over the brand packs.

D) Cigarette advertising communicates information which is perceived by both smokers and non-smokers. Cues such as colour, lay-out and design, etcetera, project information about the potential congruency between the brand image and a person's self image. The more similar these images are perceived to be, the more likely a person will take notice and retain impressions from the advertising.

As a result, in the absence of brand cues presented through advertising and promotions (presenting brands in plain-pack form), consumers will be substantially less likely to notice and retain favourable impressions about the brand when exposed to advertising.

E) Finally, in direct response to the cigarette plain-packs proposal, adolescents indicated that they found the packs to be "dull and boring". They felt the packs would be unattractive to young adolescents and children and would therefore serve to lessen curiosity about smoking.

A very astute observation which appeared consistently throughout the interviews indicated that plain-packs would have very little effect towards the smoking behaviour of current smokers. In this case, smoking behaviour had developed into an addicted routine and thus packaging would have virtually no impact. However, in the case of young, inexperienced non-smokers, plain-packs would serve as a substantial deterrent to the initiation of smoking behaviour. As a result, the proposal received overwhelming support by the majority of the sample group.

CANADIAN CANCER SOCIETY | SOCIÉTÉ CANADIENNE DU CANCER

NEWS RELEASE COMMUNIQUÉ

Pour diffusion: 10 h, le 23 mai 1994

Des professeurs de marketing appuient la banalisation des emballages de produits du tabac

Selon vingt-trois professeurs de marketing, d'un bout à l'autre du Canada, il est probable que la banalisation des emballages réduirait la consommation de produits du tabac. Ces professeurs ont signifié leur appui à la Société canadienne du cancer (SCC), et nous en faisons part au public aujourd'hui.

Ronald E. Turner, professeur à la School of Business de l'Université Queen's, à Kingston, et co-auteur de l'ouvrage didactique "Marketing Management", indique que la banalisation des emballages entraînerait une réduction de la demande. "On ne peut donner trop d'importance à l'emballage, si l'on tient compte du rôle qu'il joue pour ce qui est de retenir l'attention du consommateur et de lui plaire", déclare M. Turner.

Michel Laroche, professeur de marketing à l'Université Concordia, à Montréal, également auteur d'un ouvrage didactique en marketing, est aussi d'avis que l'emballage banalisé aura un effet sur la consommation de produits du tabac. L'étiquetage des paquets est une forme de promotion du contenu, en ce sens que sa nature et son but se rapprochent de la publicité", indique-t-il.

"Il est absurde d'affirmer que les adolescents ne subissent pas l'influence des emballages colorés et frappants qui sont habilement associés à des images puissantes", estime John D. Bishop, professeur de marketing et de déontologie des affaires à l'Université Trent, à Peterborough. M. Bishop ajoute que les compagnies de tabac "ne devraient pas avoir le droit d'utiliser des techniques de marketing aussi puissantes."

M. Philippe Chapuis, Ph.D. et professeur de marketing à l'Université du Québec à Hull, avalise également la banalisation des emballages : "Il faudrait que tous les paquets de cigarettes se ressemblent. Sans différentiation, les consommateurs pas encore fixés chercheront d'autres façons de s'identifier et de se valoriser. Je suis prêt à débattre de la question avec quiconque."

OFFICE OF PUBLIC ISSUES *BUREAU DES QUESTIONS D'INTÉRÊT PUBLIC*

44 Marché By Ward Market, #230, Ottawa, Ontario K1N 7A2 Tel (613) 234-9539 Fax (613) 234-0246

Lorsque le Premier ministre a annoncé, le 8 février 1994, que la taxe sur les produits du tabac serait réduite, il a déclaré ce qui suit : "Grâce à des mesures législatives, des règlements et des programmes d'éducation, le gouvernement mettra en oeuvre des mécanismes pour dissuader les Canadiens, en particulier les jeunes gens, de commencer ou de continuer à fumer [...] Nous [...] examinerons la faisabilité d'un projet de banalisation des emballages de cigarettes, et nous demanderons également au Comité permanent de la santé de la Chambre des communes du formuler des recommandations à cet effet."

Depuis le 12 avril 1994, le Comité permanent de la santé de la Chambre des communes tente de déterminer si la banalisation des emballages de produits du tabac en réduirait effectivement la consommation. La prochaine réunion du Comité doit avoir lieu le 25 mai.

- 30 -

Renseignements : Ken Kyle, directeur, Bureau des questions d'intérêt public, SCC, à la maison lundi, au (613) 837-2508; ou au travail mardi, au (613) 241-9539.
Renseignements en français ou en anglais.

CANADIAN CANCER SOCIETY | SOCIÉTÉ CANADIENNE DU CANCER

NEWS RELEASE COMMUNIQUÉ

For release: 10:00 a.m., May 23, 1994

Marketing Professors Endorse Plain Packaging of Tobacco Products

Twenty-three professsors of marketing across Canada are of the view that it is likely that plain packaging would reduce tobacco use. These endorsements were forwarded to the Canadian Cancer Society (CCS) and are being released today.

Ronald E. Turner, Professor of Queen's University School of Business in Kingston and co-author of the textbook "Marketing Management" says that plain packaging would decrease tobacco demand.. "The importance of packaging cannot be overemphasized, considering the functions it performs in attracting and satisfying customers", adds Turner.

Michel Laroche, Professor of Marketing at Concordia University in Montreal, also a marketing textbook author, agrees that plain packaging will impact consumption. He states, "Labelling on the package is a form of promotion of the contents, in the sense that it is similar in nature and intent to advertising."

John D. Bishop, Professor of Marketing and Business Ethics at Trent University, Peterborough, states: "It is absurd to claim that teenagers are not affected by colourful, flashy packaging that has been carefully associated with powerful images." Bishop adds that tobacco companies "should not be allowed use of such a powerful marketing technique".

Dr. Philippe Chapuis, Professor of Marketing, University of Quebec at Hull agrees with plain packaging: "Il faudrait que tous les paquets de cigarettes se ressemblent. Sans différenciation, les consommateurs pas encore fixés chercheront d'autres façon de s'identifier et de se valoriser. Je suis prêt à débattre de la question avec quiconque."

OFFICE OF PUBLIC ISSUES *BUREAU DES QUESTIONS D'INTÉRÊT PUBLIC*

44 Marché By Ward Market, #230, Ottawa, Ontario K1N 7A2 Tel (613) 234-9539 Fax (613) 234-0246

When the Prime Minister announced on February 8, 1994 the tobacco tax rollbacks, he said: "Through legislation, regulation and education, the government will take action to discourage Canadians, especially children, from taking up smoking or continuing to use tobacco products. . .We will. . . examine the feasibility of requiring plain packaging of cigarettes and will also ask the House of Commons Standing Committee on Health to make recommendations in this area."

Since April 12, 1994, the House of Commons Standing Committee on Health has been examining whether the plain packaging of tobacco products would contribute to reducing tobacco consumption. The next scheduled meeting will be on May 25.

- 30 -

Contact: Ken Kyle, Director of Public Issues, CCS
at home on Monday at (613) 837-2508
or at the office on Tuesday at (613) 241-9539
in English or French

[This tab contains expert opinions from 24 marketing professors expressing the view that it is more likely than not that than plain packaging would reduce smoking.]

1. Rolando Arellano, Professeur, Département de Marketing, Université Laval, Québec, PQ
2. Wes Balderson, Associate Professor, University of Lethbridge, Lethbridge, Alberta
3. John D. Bishop, Professor of Marketing and Business Ethics, Trent University, Peterborough, Ont.
4. Alain Bouchard, Professeur, Administrateur, Université du Québec à Chicoutimi, Chicoutimi, PQ
5. Gilles Boucher, Professeur, Université de Moncton, Moncton, Nouveau Brunswick
6. Philippe Chapuis, PhD, professeur de Marketing, Université du Québec à Hull, Hull, PQ
7. Carole Duhaime, professeur Agrégée, Ecole des Haute Etudes Commerciale, Montréal, PQ
8. Katherine Gallagher, Assistant Professor, Marketing, Memorial University of Newfoundland, St. John's, Newfoundland
9. D.F. Gardiner, Professor, Commerce, University of British Columbia, Vancouver, B.C.
10. Elko J. Kleinschmidt, Associate Professor, McMaster University, Hamilton, Ontario
11. David Large, PhD, Assistant Professor, Marketing, University of Ottawa, Ottawa, Ontario
12. Michel Laroche, Professor of Marketing, Concordia University, Montreal, Quebec
13. Dr Gaston LeBlanc, professeur de marketing, Université de Moncton, Moncton, New Brunswick
14. Dr. Lindsay Meredith, Professor and Director, Graduate Programs, Faculty of Business, Simon Fraser University, Burnaby, B.C.
15. Benny Rigaux-Bricmont, professeur de marketing, Université Laval, Québec, PQ
16. Guy Robert, professeur de marketing, Université du Québec à Chicoutimi, Chicoutimi, PQ
17. Philip Rosson, Professor, Dalhousie University, Halifax, Nova Scotia
18. Jean Roy, Professeur, Université du Québec à Chicoutimi, Chicoutimi, PQ
19. Peter D. Sianchuk, Assistant Professor of Commerce, Mount Allison University, Sackville, N.S.
20. Richard Sparkman, Associate Professor of Marketing, Acadia University, Wolfville, N.S.
21. M.V. Thakor, PhD, Assistant Professor, Marketing, Concordia University, Montreal, Quebec
22. Ronald E. Turner, Professor, Queen's University, School of Business, Kingston, Ontario
23. Douglas C. Wet, Associate Professor, University of Calgary, Calgary, Alberta
24. Dr. Judy Zaichkowsky, Associate Professor, Simon Fraser University, Burnaby, B.C.

L'adoption de l'emballage neutre obligera la vente des produits du tabac dans des paquets normalisés de couleurs ternes. L'avertissement et l'indication de la teneur en goudron, nicotine et monoxyde de carbone demeureront présents. Seul le nom de la marque de commerce apparaîtra en caractères ordinaires à l'encre noire, tous les autres signes caractéristiques seront interdits.

À mon avis, l'emballage neutre des produits du tabac, en plus de modifier la part du marché des diverses marques, aura une incidence sur la diminution de la demande.

Nom : Rolando Arellano

Poste : Professeur Dép de Marketing

Établissement : Université Laval

Commentaires :

Signature

12/5/94
Date

Veuillez envoyer cette page, par télécopieur ou par la poste, à M. Ken Kyle, Société canadienne du cancer, 44, Marché By Ward, pièce 230, Ottawa (Ontario) K1N 7A2, télécopieur (613) 241-4125, téléphone (613) 241-9539.

19 -05- 1994

Plain packaging would require that all tobacco packages be sold in standardized dull-coloured packages. The warning and tar/nicotine/carbon monoxide listings would continue to appear. Trademarks and other distinguishing features would be prohibited except for the brand name appearing in a standard font in black ink.

In my view, it is more likely than not that plain packaging of tobacco products would have some impact on decreasing demand in addition to any affect it would have on market share.

Name: WES BALDERSON

Position: ASSOCIATE PROFESSOR

Institution: UNIVERSITY OF LETHBRIDGE

Comments:

I AGREE WITH THE POSITION TAKEN BY THE CANADIAN CANCER SOCIETY

Signature

May 2/94
Date

Please fax or mail this page to Ken Kyle, Canadian Cancer Society, 44 by Ward Market, Suite 230, Ottawa, Ontario, K1N 7A2, Fax: 613-241-4125, Tel: 613-241-9539.

Plain packaging would require that all tobacco packages be sold in standardized dull-coloured packages. The warning and tar/nicotine/carbon monoxide listings would continue to appear. Trademarks and other distinguishing features would be prohibited except for the brand name appearing in a standard font in black ink.

In my view, it is more likely than not that plain packaging of tobacco products would have some impact on decreasing demand in addition to any affect it would have on market share.

Name: JOHN D. BISHOP

Position: Prof of Marketing + Business Ethics

Institution: Trent University

Comments:

It is absurd to claim that teenagers are not affected by colourful, flashy packaging that has been carefully associated with powerful images. Such packaging is symbolic and the power of symbols on people cannot be underestimated.

Corporate punters of deadly, addictive drugs that can also kill bystanders should not be allowed use of such a powerful marketing technique!

John D Bishop
Signature

May 2, 1994.
Date

Please fax or mail this page to Ken Kyle, Canadian Cancer Society, 44 by Ward Market, Suite 230, Ottawa, Ontario, K1N 7A2, Fax: 613-241-4125, Tel: 613-241-9539.

L'adoption de l'emballage neutre obligera la vente des produits du tabac dans des paquets normalisés de couleurs ternes. L'avertissement et l'indication de la teneur en goudron, nicotine et monoxyde de carbone demeureront présents. Seul le nom de la marque de commerce apparaîtra en caractères ordinaires à l'encre noire, tous les autres signes caractéristiques seront interdits.

À mon avis, l'emballage neutre des produits du tabac, en plus de modifier la part du marché des diverses marques, aura une incidence sur la diminution de la demande.

Nom : Bouchard Alain

Poste : professeur, administrateur

Établissement : OAC

Commentaires :

Signature

94.04.02.
Date

Veuillez envoyer cette page, par télécopieur ou par la poste, à M. Ken Kyle, Société canadienne du cancer, 44, Marché By Ward, pièce 230, Ottawa (Ontario) K1N 7A2, télécopieur (613) 241-4125, téléphone (613) 241-9539.

L'adoption de l'emballage neutre obligera la vente des produits du tabac dans des paquets normalisés de couleurs ternes. L'avertissement et l'indication de la teneur en goudron, nicotine et monoxyde de carbone demeureront présents. Seul le nom de la marque de commerce apparaîtra en caractères ordinaires à l'encre noire, tous les autres signes caractéristiques seront interdits.

À mon avis, l'emballage neutre des produits du tabac, en plus de modifier la part du marché des diverses marques, aura une incidence sur la diminution de la demande.

Nom : Gilles Boucher

Poste : Professeur

Établissement : Université de Moncton

Commentaires : Oui, je suis d'accord avec la position adoptée par la Société canadienne du cancer. Continuez votre bon boulot.

C.B.

Signature

5/5/94
Date

Veuillez envoyer cette page, par télécopieur ou par la poste, à M. Ken Kyle, Société canadienne du cancer, 44, Marché By Ward, pièce 230, Ottawa (Ontario) K1N 7A2, télécopieur (613) 241-4125, téléphone (613) 241-9539.

L'adoption de l'emballage neutre obligera la vente des produits du tabac dans des paquets normalisés de couleurs ternes. L'avertissement et l'indication de la teneur en goudron, nicotine et monoxyde de carbone demeureront présents. Seul le nom de la marque de commerce apparaîtra en caractères ordinaires à l'encre noire, tous les autres signes caractéristiques seront interdits.

À mon avis, l'emballage neutre des produits du tabac, en plus de modifier la part du marché des diverses marques, aura une incidence sur la diminution de la demande.

Nom : CHAPUIS Philippe Ph.D.

Poste : Professeur de Marketing.

Établissement : UQAH

Commentaires : Je suis d'accord avec cette réflexion
Il faudrait que tous les paquets de cigarettes
se ressemblent. Sans différenciation les
consommateurs pas encore fixés chercheront
d'autres façons de s'identifier et de s'valoriser
Je suis prêt à débattre de ce question avec
quiconque

Signature

26/4/94.
Date

Veuillez envoyer cette page, par télécopieur ou par la poste, à M. Ken Kyle, Société canadienne du cancer, 44, Marché By Ward, pièce 230, Ottawa (Ontario) K1N 7A2, télécopieur (613) 241-4125, téléphone (613) 241-9539.

L'adoption de l'emballage neutre obligera la vente des produits du tabac dans des paquets normalisés de couleurs ternes. L'avertissement et l'indication de la teneur en goudron, nicotine et monoxyde de carbone demeureront présents. Seul le nom de la marque de commerce apparaîtra en caractères ordinaires à l'encre noire, tous les autres signes caractéristiques seront interdits.

À mon avis, l'emballage neutre des produits du tabac, en plus de modifier la part du marché des diverses marques, aura une incidence sur la diminution de la demande.

Nom : CAROLE DUHAIME

Poste : PROFESSEURE AGRÉGÉE

Établissement : École des hautes études commerciales

Commentaires :

C Duhaime
Signature

1er mai 1994
Date

Veuillez envoyer cette page, par télécopieur ou par la poste, à M. Ken Kyle, Société canadienne du cancer, 44, Marché By Ward, pièce 230, Ottawa (Ontario) K1N 7A2, télécopieur (613) 241-4125, téléphone (613) 241-9539.

Plain packaging would require that all tobacco packages be sold in standardized dull-coloured packages. The warning and tar/nicotine/carbon monoxide listings would continue to appear. Trademarks and other distinguishing features would be prohibited except for the brand name appearing in a standard font in black ink.

In my view, it is more likely than not that plain packaging of tobacco products would have some impact on decreasing demand in addition to any affect it would have on market share.

Name: KATHERINE GALLAGHER

Position: ASSISTANT PROFESSOR, MARKETING

Institution: MEMORIAL UNIVERSITY OF NEWFOUNDLAND

Comments:

While I cannot by any means claim to be an expert on tobacco marketing, it is my opinion, based on what I have read and observed, that plain packaging of tobacco products would make those products less attractive to consumers, particularly adolescents.

K. Gallagher
Signature

May 16/94
Date

Please fax or mail this page to Ken Kyle, Canadian Cancer Society, 44 by Ward Market, Suite 230, Ottawa, Ontario, K1N 7A2, Fax: 613-241-4125, Tel: 613-241-9539.

Plain packaging would require that all tobacco packages be sold in standardized dull-coloured packages. The warning and tar/nicotine/carbon monoxide listings would continue to appear. Trademarks and other distinguishing features would be prohibited except for the brand name appearing in a standard font in black ink.

In my view, it is more likely than not that plain packaging of tobacco products would have some impact on decreasing demand in addition to any affect it would have on market share.

Name: [illegible]

Position: [illegible]

Institution: [illegible]

Comments:

Signature

Date

Please fax or mail this page to Ken Kyle, Canadian Cancer Society, 44 by Ward Market, Suite 230, Ottawa, Ontario, K1N 7A2, Fax: 613-241-4125, Tel: 613-241-9539.

Plain packaging would require that all tobacco packages be sold in standardized dull-coloured packages. The warning and tar/nicotine/carbon monoxide listings would continue to appear. Trademarks and other distinguishing features would be prohibited except for the brand name appearing in a standard font in black ink.

In my view, it is more likely than not that plain packaging of tobacco products would have some impact on decreasing demand in addition to any affect it would have on market share.

Name: Kleinschmidt

Position: Assoc Prof

Institution: McMaster University

Comments:

I agree generally with the tone of your report. Packaging as part of the product promotion aspect of a marketing strategy will have at least a marginal impact on some segments. Neutralizing this parameter may reduce the attractiveness of the offering to the younger segment of potential/actual smokers. But don't expect too much!

Signature

Mar 3 1994

Date

Please fax or mail this page to Ken Kyle, Canadian Cancer Society, 44 by Ward Market, Suite 230, Ottawa, Ontario, K1N 7A2, Fax: 613-241-4125, Tel: 613-241-9539.

Plain packaging would require that all tobacco packages be sold in standardized dull-coloured packages. The warning and tar/nicotine/carbon monoxide listings would continue to appear. Trademarks and other distinguishing features would be prohibited except for the brand name appearing in a standard font in black ink.

In my view, it is more likely than not that plain packaging of tobacco products would have some impact on decreasing demand in addition to any affect it would have on market share.

Name: DAVID LARGE, PH.D.

Position: ASSISTANT PROF. (MARKETING)

Institution: U. OF OTTAWA

Comments:

MAKES A LOT OF SENSE TO ME.

Signature

APR 26/94

Date

Please fax or mail this page to Ken Kyle, Canadian Cancer Society, 44 by Ward Market, Suite 230, Ottawa, Ontario, K1N 7A2, Fax: 613-241-4125, Tel: 613-241-9539.

Plain packaging would require that all tobacco packages be sold in standardized dull-coloured packages. The warning and tar/nicotine/carbon monoxide listings would continue to appear. Trademarks and other distinguishing features would be prohibited except for the brand name appearing in a standard font in black ink.

In my view, it is more likely than not that plain packaging of tobacco products would have some impact on decreasing demand in addition to any affect it would have on market share.

Name: MICHEL LAROCHE
Position: PROFESSOR OF MARKETING
Institution: CONCORDIA UNIVERSITY

Comments:
LABELLING ON PACKAGE IS A FORM OF PROMOTION OF THE CONTENTS (IN THAT SENSE SIMILAR IN NATURE AND INTENT TO ADVERTISING). THIS IS CLEARLY STATED IN MOST TEXTBOOKS ON MARKETING (INCLUDING MINE).

Signature

2 May 1994
Date

Please fax or mail this page to Ken Kyle, Canadian Cancer Society, 44 by Ward Market, Suite 230, Ottawa, Ontario, K1N 7A2, Fax: 613-241-4125, Tel: 613-241-9539.

L'adoption de l'emballage neutre obligera la vente des produits du tabac dans des paquets normalisés de couleurs ternes. L'avertissement et l'indication de la teneur en goudron, nicotine et monoxyde de carbone demeureront présents. Seul le nom de la marque de commerce apparaîtra en caractères ordinaires à l'encre noire, tous les autres signes caractéristiques seront interdits.

À mon avis, l'emballage neutre des produits du tabac, en plus de modifier la part du marché des diverses marques, aura une incidence sur la diminution de la demande.

Nom : Dr. Gaston LeBlanc

Poste : Professeur de marketing

Établissement : Université de Moncton.

Commentaires : En marketing il est reconnu que l'emballage affecte directement les ventes d'un produit. Cette relation a été établie depuis déjà les années 1950. Par ailleurs le slogan Advertising doesn't sell - Packaging sells est utilisé par plusieurs personnes d'affaires. Il est grand temps que les entreprises qui font la mise en marché des produits du tabac reconnaissent leur responsabilité sociale et qu'ils s'adaptent aux réalités du marché

Gaston LeBlanc
Signature

Le 2 mai 1994
Date

Veuillez envoyer cette page, par télécopieur ou par la poste, à M. Ken Kyle, Société canadienne du cancer, 44, Marché By Ward, pièce 230, Ottawa (Ontario) K1N 7A2, télécopieur (613) 241-4125, téléphone (613) 241-9539.

Plain packaging would require that all tobacco packages be sold in standardized dull-coloured packages. The warning and tar/nicotine/carbon monoxide listings would continue to appear. Trademarks and other distinguishing features would be prohibited except for the brand name appearing in a standard font in black ink.

In my view, it is more likely than not that plain packaging of tobacco products would have some impact on decreasing demand in addition to any affect it would have on market share.

Name: Dr. Lindsay Meredith

Position: Professor & Director, Graduate Programs

Institution: Faculty of Business Admin. Fraser University

Comments:

Dr. L. Meredith

Signature

May 9/94

Date

Please fax or mail this page to Ken Kyle, Canadian Cancer Society, 44 by Ward Market, Suite 230, Ottawa, Ontario, K1N 7A2, Fax: 613-241-4125, Tel: 613-241-9539.

L'adoption de l'emballage neutre obligera la vente des produits du tabac dans des paquets normalisés de couleurs ternes. L'avertissement et l'indication de la teneur en goudron, nicotine et monoxyde de carbone demeureront présents. Seul le nom de la marque de commerce apparaîtra en caractères ordinaires à l'encre noire, tous les autres signes caractéristiques seront interdits.

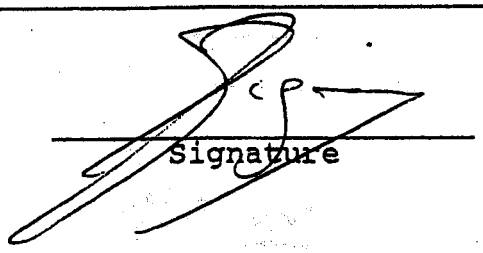
À mon avis, l'emballage neutre des produits du tabac, en plus de modifier la part du marché des diverses marques, aura une incidence sur la diminution de la demande.

Nom : RIGAUX - BRICMONT Benny

Poste : Professeur de marketing

Établissement : UNIVERSITÉ LAVAL

Commentaires : Il s'agit d'une démarche fort judicieuse que j'appuie sans aucune réserve. Il faut tout mettre en œuvre pour combattre ce fléau social.



Signature

29/4/94

Date

Veuillez envoyer cette page, par télécopieur ou par la poste, à M. Ken Kyle, Société canadienne du cancer, 44, Marché By Ward, pièce 230, Ottawa (Ontario) K1N 7A2, télécopieur (613) 241-4125, téléphone (613) 241-9539.

L'adoption de l'emballage neutre obligera la vente des produits du tabac dans des paquets normalisés de couleurs ternes. L'avertissement et l'indication de la teneur en goudron, nicotine et monoxyde de carbone demeureront présents. Seul le nom de la marque de commerce apparaîtra en caractères ordinaires à l'encre noire, tous les autres signes caractéristiques seront interdits.

À mon avis, l'emballage neutre des produits du tabac, en plus de modifier la part du marché des diverses marques, aura une incidence sur la diminution de la demande.

Nom : Guy Robert

Poste : Professeur de marketing

Établissement : Univ. du Québec à Chicoutimi

Commentaires :

Guy Robert
Signature

29 avril 1994
Date

Veuillez envoyer cette page, par télécopieur ou par la poste, à M. Ken Kyle, Société canadienne du cancer, 44, Marché By Ward, pièce 230, Ottawa (Ontario) K1N 7A2, télécopieur (613) 241-4125, téléphone (613) 241-9539.

Plain packaging would require that all tobacco packages be sold in standardized dull-coloured packages. The warning and tar/nicotine/carbon monoxide listings would continue to appear. Trademarks and other distinguishing features would be prohibited except for the brand name appearing in a standard font in black ink.

In my view, it is more likely than not that plain packaging of tobacco products would have some impact on decreasing demand in addition to any affect it would have on market share.

Name: Philip Rossm

Position: Professor

Institution: Dalhousie University

Comments:

P. J. Rossm

Signature

May 2, 94

Date

Please fax or mail this page to Ken Kyle, Canadian Cancer Society, 44 by Ward Market, Suite 230, Ottawa, Ontario, K1N 7A2, Fax: 613-241-4125, Tel: 613-241-9539.

L'adoption de l'emballage neutre obligera la vente des produits du tabac dans des paquets normalisés de couleurs ternes. L'avertissement et l'indication de la teneur en goudron, nicotine et monoxyde de carbone demeureront présents. Seul le nom de la marque de commerce apparaîtra en caractères ordinaires à l'encre noire, tous les autres signes caractéristiques seront interdits.

À mon avis, l'emballage neutre des produits du tabac, en plus de modifier la part du marché des diverses marques, aura une incidence sur la diminution de la demande.

Nom : Jean Roy

Poste : Professeur

Établissement : Université du Québec à Chicoutimi

Commentaires : Il s'agit d'une opinion et non d'un fait scientifiquement démontré.

Toutefois, l'article ci-joint démontre le sérieux de cette position.

Solidairement

Signature

28 04 94

Date

Veuillez envoyer cette page, par télécopieur ou par la poste, à M. Ken Kyle, Société canadienne du cancer, 44, Marché By Ward, pièce 230, Ottawa (Ontario) K1N 7A2, télécopieur (613) 241-4125, téléphone (613) 241-9539.

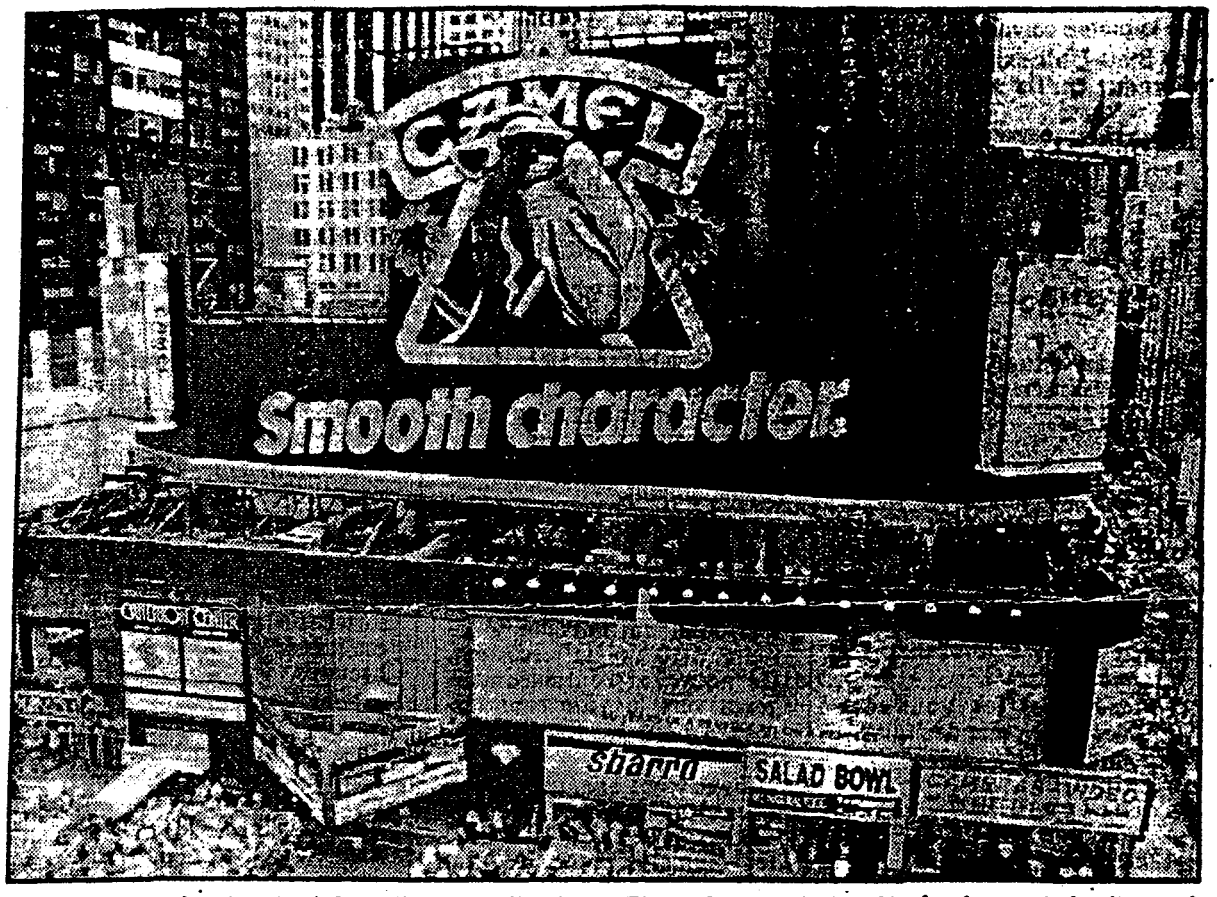
Département des sciences économiques
et administratives DSEA

Jean Roy
Professeur
Marketing

Université du Québec à Chicoutimi

555, boulevard de l'Université, Chicoutimi
Québec CANADA G7H 2B1

Tél.: (418) 545-5268 - Télécopieur: (418) 545-5012



Les publicités de «Joe Camel», telle que celle-ci, sur Times Square, à New York, risquent de disparaître du paysage américain. PHOTO REUTER

LA PRESSE, MONTRÉAL, VENDREDI 13 AOÛT 1993

Washington s'en prend au chameau fumeur

Agence France-Presse

WASHINGTON

■ *Joe Camel*, le chameau fumeur et décontracté créé par la marque de cigarettes du même nom en 1987, va peut-être devoir disparaître des publicités, en raison de son trop grand succès auprès des jeunes, selon la Commission fédérale sur le commerce (Federa Trade Commission).

À la suite d'une plainte déposée en 1991 par une association antitabac, le personnel de la commission a recommandé aux cinq membres qui la composent d'interdire le chameau fumeur afin de protéger les adolescents, voire les enfants, contre les dangers du tabagisme.

Selon une étude de l'Association médicale américaine, les enfants de six ans connaissent aussi bien le personnage de Joe Camel que Mickey, preuve du succès de la campagne de Camel à laquelle le fabricant a consacré 23 millions de dollars l'an dernier.

Camel, propriété de RJR Nabisco, est l'une des rares grandes marques à avoir progressé sur le marché du tabac aux États-Unis, en 1992, et détient un tiers du marché chez les moins de 18 ans. «Si nous avions cru un seul instant que cette campagne publicitaire pouvait conduire les enfants à fumer, nous n'aurions pas attendu une décision de la FTC pour la changer», a indiqué RJR Nabisco.

En tout état de cause, la décision de la commission n'interviendra pas avant plusieurs mois et pourrait entraîner une bataille juridique de plusieurs années, car il s'agirait de la première interdiction d'une campagne publicitaire par la FTC.

Le personnage de Joe Camel a été créé en 1974 par un artiste britannique pour une campagne publicitaire destinée au marché français.

Plain packaging would require that all tobacco packages be sold in standardized dull-coloured packages. The warning and tar/nicotine/carbon monoxide listings would continue to appear. Trademarks and other distinguishing features would be prohibited except for the brand name appearing in a standard font in black ink.

In my view, it is more likely than not that plain packaging of tobacco products would have some impact on decreasing demand in addition to any affect it would have on market share.

Name: PETER D. SIANCHUK

Position: ASSISTANT PROFESSOR OF COMMERCE

Institution: MOUNT ALLISON UNIVERSITY

Comments:

I support the position that the CCS is taking on this issue. If tobacco companies are allowed to sell an addictive drug that kills, then certain restrictions must apply. Product packaging is indeed one of the most important elements in the marketing mix. It is a widely researched topic. Packaging helps to define a products personality, augmenting other marketing variables. Plain packaging would result in the tobacco manufacturers shifting greater resources towards pricing, distribution and promotional programs. They have already shown a great deal of ingenuity in circumventing legislation. Cost of health care outweigh tobacco profits. Plain packaging won't solve the problem but it is a step in the right direction.

[signature]

Signature

May 24, 1994

Date

Please fax or mail this page to Ken Kyle, Canadian Cancer Society, 44 by Ward Market, Suite 230, Ottawa, Ontario, K1N 7A2, Fax: 613-241-4125, Tel: 613-241-9539.

Plain packaging would require that all tobacco packages be sold in standardized dull-coloured packages. The warning and tar/nicotine/carbon monoxide listings would continue to appear. Trademarks and other distinguishing features would be prohibited except for the brand name appearing in a standard font in black ink.

In my view, it is more likely than not that plain packaging of tobacco products would have some impact on decreasing demand in addition to any affect it would have on market share.

Name: Richard Sparkman

Position: Associate Prof. Marketing

Institution: Acadia University

Comments:

Tobacco products have no positive attributes. They are sold through image only. A plain package would make it difficult to market positive brand image.

Packages are used to tie cigarettes to other products which can be legally advertised. Packages also are used to associate cigarettes with positive images such as race cars and sporting events. This is accomplished throug color and design. plain packages would eliminate this conection.

Tobacco companies have decades of experience, unlimited funds, political conections, and the ability to punish marketing organizations which work against them. Write a law which will stand up under pressure.

Richard Sparkman

Signature

10 May 1994

Date

Please fax or mail this page to Ken Kyle, Canadian Cancer Society, 44 by Ward Market, Suite 230, Ottawa, Ontario, K1N 7A2, Fax: 613-241-4125, Tel: 613-241-9539.

Plain packaging would require that all tobacco packages be sold in standardized dull-coloured packages. The warning and tar/nicotine/carbon monoxide listings would continue to appear. Trademarks and other distinguishing features would be prohibited except for the brand name appearing in a standard font in black ink.

In my view, it is more likely than not that plain packaging of tobacco products would have some impact on decreasing demand in addition to any effect it would have on market share.

Name: M.V. THAKOR, Ph.D.

Position: ASSISTANT PROFESSOR, MARKETING

Institution: CONCORDIA UNIVERSITY, MONTREAL, QUEBEC

Comments:

Although I am not an expert in this area, the cumulative evidence that plain packaging would reduce youth start-up, and cigarette consumption overall appears compelling.

M Thakor
Signature

8th June
8th May, 1994
Date

Please fax or mail this page to Ken Kyle, Canadian Cancer Society, 44 by Ward Market, Suite 230, Ottawa, Ontario, K1N 7A2, Fax: 613-241-4125, Tel: 613-241-9539.

Plain packaging would require that all tobacco packages be sold in standardized dull-coloured packages. The warning and tar/nicotine/carbon monoxide listings would continue to appear. Trademarks and other distinguishing features would be prohibited except for the brand name appearing in a standard font in black ink.

In my view, it is more likely than not that plain packaging of tobacco products would have some impact on decreasing demand in addition to any affect it would have on market share.

Name: RONALD E. TURNER

Position: PROFESSOR

Institution: QUEEN'S UNIVERSITY SCHOOL OF BUSINESS

Comments:

MY VIEWS ARE REPRESENTED BY THE FOLLOWING QUOTATIONS FROM THE KOTLER-TURNER TEXT "MARKETING MANAGEMENT" (WHICH I CO-AUTHOR):

— In recent times, packaging has become a potent marketing tool. Well-designed packages can create convenience value for the consumer and promotional value for the producer.

— The importance of packaging cannot be overemphasized, considering the functions it performs in attracting and satisfying customers.

THUS, IT SEEMS REASONABLE TO BELIEVE THAT PACKAGING CAN INFLUENCE POTENTIAL NEW CUSTOMERS, AS WELL AS EXISTING CUSTOMERS.

R.E. Turner

Signature

April 29, 1994

Date

Please fax or mail this page to Ken Kyle, Canadian Cancer Society, 44 by Ward Market, Suite 230, Ottawa, Ontario, K1N 7A2, Fax: 613-241-4125, Tel: 613-241-9539.

Plain packaging would require that all tobacco packages be sold in standardized dull-coloured packages. The warning and tar/nicotine/carbon monoxide listings would continue to appear. Trademarks and other distinguishing features would be prohibited except for the brand name appearing in a standard font in black ink.

In my view, it is more likely than not that plain packaging of tobacco products would have some impact on decreasing demand in addition to any affect it would have on market share.

Name: Douglas West

Position: Associate Professor

Institution: University of Calgary

Comments:

D. C. West

Signature

May 12/94

Date

Please fax or mail this page to Ken Kyle, Canadian Cancer Society, 44 by Ward Market, Suite 230, Ottawa, Ontario, K1N 7A2, Fax: 613-241-4125, Tel: 613-241-9539.

Plain packaging would require that all tobacco packages be sold in standardized dull-coloured packages. The warning and tar/nicotine/carbon monoxide listings would continue to appear. Trademarks and other distinguishing features would be prohibited except for the brand name appearing in a standard font in black ink.

In my view, it is more likely than not that plain packaging of tobacco products would have some impact on decreasing demand in addition to any affect it would have on market share.

Name: Dr. Judy Zaichkowsky
Position: Associate Professor
Institution: SFU.

Comments:

I believe you are underestimating the tobacco industry & their creativity and over estimating the will of Government.

Cigarettes should be banned period. The weakness of government was currently displayed in their treatment of taxes. Consumers will not go for the ideas expressed in this document & government will not support it. Consumers WANT identity to their cigarettes.

Zaichkowsky
Signature

May 9/94
Date

Please fax or mail this page to Ken Kyle, Canadian Cancer Society, 44 by Ward Market, Suite 230, Ottawa, Ontario, K1N 7A2, Fax: 613-241-4125, Tel: 613-241-9539.

Faculty of Business Adm.
Simon Fraser University
Burnaby B.C. V5A 1S6.

Putting Health First:

The Case for Plain Packaging of Tobacco Products

A Submission to the House of Commons
Standing Committee on Health

CANADIAN CANCER SOCIETY

SOCIÉTÉ CANADIENNE DU CANCER

April, 1994

For more information contact:
Ken Kyle
Director of Public Issues
Canadian Cancer Society
44 By Ward Market, Suite 230
Ottawa, Ontario
K1N 7A2
Tel: (613) 241-9539
Fax: (613) 241-4125

Putting Health First:

The Case for Plain Packaging of Tobacco Products

A Submission to the House of Commons
Standing Committee on Health

CANADIAN CANCER SOCIETY

SOCIÉTÉ CANADIENNE DU CANCER

April, 1994

A quarter of a century ago, the House of Commons health committee concluded:

"...it is equally clear that the production, distribution and sale of cigarettes should no longer be considered in the same light as the production, distribution and sale of other products. It seems reasonable to introduce whatever steps are feasible to progressively eliminate the promotion of cigarette sales...The cigarette stands unique among health and social problems. Therefore, society is justified in seeking unique solutions...it is clearly contrary to the public interest for the use of a harmful product to be actively promoted..."

Report of the House of Commons Standing Committee on Health, Welfare and Social Affairs on tobacco and cigarette smoking, 1969 (The Isabelle Report).

Executive Summary

"Plain packaging", sometimes called "generic packaging", is the standardization tobacco product packaging so that the only packaging differentiation between products is the brand name. This measure removes packaging's alluring, attractive features.

Governments in Canada as well as major voluntary and professional health organizations are committed to a comprehensive approach to control the tobacco epidemic, which currently kills over 38,000 Canadians a year. A third of all cancer deaths are the result of the use of tobacco industry products. A truly comprehensive plan includes the prohibition of tobacco sales to children, control on environmental tobacco smoke in the workplace and in public places, decreased affordability of the product through higher excise taxes, and a total ban on tobacco advertising and promotion. While many aspects of tobacco advertising were eliminated in Canada when Parliament enacted the *Tobacco Products Control Act* in 1988, an important type of tobacco advertising -- the tobacco pack itself -- was not included at that time.

Attractive packaging can enhance tobacco sales. Marketing experts point out that this is particularly important for self-selected impulse purchases or when the imagery is an important aspect of the product. These factors are important with first-time teen smokers.

Following this executive summary is a listing of 18 reasons why the Standing Committee on Health should recommend plain packaging legislation. With little cost to government, plain packaging can make a major contribution to reducing tobacco consumption and the prevalence of tobacco use. Through reducing tobacco advertising, reducing positive brand imagery, sending strong public education messages, reducing tobacco smuggling and enhancing the environment, plain packaging could in a major way help mitigate the damage to public health from the recent tobacco excise tax rollbacks.

Empirical research in Australia, New Zealand, the United States and Canada provides evidence for plain packaging's enormous potential to reduce tobacco use.

Plain packaging could be legislated by either the federal or provincial governments. The federal government regulates aspects of tobacco packages through the *Tobacco Products Control Act*, the *Consumer Packaging and Labelling Act*, and the *Excise Act*. It also has responsibility for trademarks. The tobacco industry often asserts that a proposed law is unconstitutional in an effort to block important legislation. However the industry's record in court is not good --

0 wins and 5 losses. A 1990 GATT panel decision involving tobacco laws stated that "generic packaging" measures would not infringe GATT provisions.

This report also deals with four traditional tobacco industry arguments against plain packaging.

Further, the report presents the international importance of government action in Canada on plain packaging.

Table of Contents

Executive Summary ii

Recommendations 1

Summary List of Reasons Which Support Plain Packaging 3

Introduction 4

Packaging as Part of the Marketing Mix for Consumer Products 5

What is Plain Packaging? 6

The Importance of Plain Packaging 10
- Eliminates Package as Advertising 10
- Reduces Effect of Past Advertising 15
- Decreases Impact of Foreign Advertising 16
- Decreases Impact of Sponsorships 17
- Decreases Impact of Shelf Displays 19
- Reduces Positive Brand Imagery 20
- Creates Negative Brand Imagery 29
- Sends a Strong Public Education Message 29
- Influences Consumer Perception of Quality and Taste 30
- Reduces Smuggling 31
- Improves Effectiveness of Warnings 32
- Improves Effectiveness of Public Education 33
- Results in Fewer Products on the Market 34
- Eliminates Extraneous Writing 34
- Costs Government Almost Nothing to Implement 35
- Facilitates Further Regulatory Measures 36
- Improves the Indoor and Outdoor Environment 36
- Reduces Tobacco Consumption and Prevalence 37

Impact of Tobacco Advertising Generally 42

Support for Plain Packaging 43

Legislative Mechanisms to Implement Plain Packaging 49

Progress So Far Towards Plain Packaging 51

Responding to Tobacco Industry Arguments 52

Standardized Tobacco Products 56

International Importance of Action by Canada on Plain Packaging 57

Conclusion 59

Selected Bibliography 60

Appendices

1. Mock-Up of Possible Plain Pack
2. Mock-Up of Plain Package Recommended in Australia
3. Lorillard advertisements
4. Sample Sponsorship Promotions
5. Westvaco advertisement
6. Ensocoat advertisement
7. Packaging in Export "A" brand family
8. Excerpt from 1992 U.S. Surgeon General's Report
9. Samples of Extraneous Writing Appearing on Cigarette Packages
10. Excerpt from 1993 Ontario Plain Packaging Study
11. Excerpt from 1994 U.S. Surgeon General's Report on Advertising
12. Article by Richard W. Pollay and Anne M. Lavack
13. Excerpt, Imperial Tobacco Fiscal '80 Media Plans
14. Schedule I, Part I to *Hazardous Products Act*

Figures

1. Excerpt from Rothmans Inc. 1991 Annual Report
2. Black Cat packaging as featured in the 1989 Rothmans Inc. Annual Report

Recommendations

1. The federal Minister of Health should introduce legislation without delay to provide the federal government with the authority to implement plain packaging. The necessary regulations should then be introduced immediately afterwards.

2. In the absence of timely action by the federal government, provinces should adopt legislation to require plain packaging.

3. Plain packaging requirements should include the following characteristics:

   - the brand name shall be printed in black ink and in a standardized font and type size. The location of the brand name shall be restricted, possibly just to one small end of the package.

   - trademarks other than the brand name (such as logos and symbols) shall be prohibited from appearing on packaging.

   - placement of the information required by the *Consumer Packaging and Labelling Act* shall be restricted to one side and the font, size and colouring of this information shall be standardized.

   - the package shall have an unattractive base colour (on the inside and the outside) and shall have no writing or markings other than warnings required by law, the information required by the *Consumer Packaging and Labelling Act*, tax-paid markings required by tax laws, and other matters required by law. Manufacturers would retain the ability to place bar codes on packages.

   - all packages shall be standardized in terms of size dimensions, packaging material, method of opening, embossing, and texture.

   - cigarettes and tobacco sticks shall not be sold in packages containing fewer than 20 units. Fine-cut and smokeless tobacco shall not be sold in quantities of less than 20 grams.

- the requirements for plain packaging shall apply to carton wrappings and any other form of packaging seen by consumers, such as foil or cellophane wrappings.

- decorative elements and attached information (such as promotional pamphlets) shall be prohibited.

- plain packaging shall apply to all forms of tobacco products, with implementation priority given to cigarettes and fine-cut tobacco.

4. Plain packaging should also apply to tobacco paraphernalia, namely cigarette papers, cigarette tubes, cigarette holders, cigarette makers, and cigarette filters.

5. The government should regulate the labelling of packages to control the use of words such as slim, thin, light, mild, deluxe, select, and special.

Summary List of Reasons Which Support Plain Packaging

1. Eliminates Package as Advertising
2. Reduces Effect of Past Advertising
3. Decreases Impact of Foreign Advertising
4. Decreases Impact of Sponsorships
5. Will Decrease Shelf Displays
6. Reduces Positive Brand Imagery
7. Creates Negative Brand Imagery
8. Sends a Strong Public Education Message
9. Influences Consumer Perception of Quality and Taste
10. Reduces Smuggling
11. Improves Effectiveness of Warnings
12. Improves Effectiveness of Public Education
13. Will Result in Fewer Products on the Market
14. Eliminates Extraneous Writing
15. Costs Government Almost Nothing to Implement
16. Facilitates Further Regulatory Measures
17. Improves the Indoor and Outdoor Environment
18. Reduces Tobacco Consumption and Prevalence

Introduction

Smoking is the leading preventable cause of disease, disability, and premature death in Canada today. Tobacco industry products kill more Canadians than do AIDS, drinking and driving, all other car accidents, murder, suicide and accidental poisonings combined. More than 38,000 lives per year are needlessly lost. Tobacco is the only product legally available on the market which can be lethal when used exactly as the manufacturer intends.

Tobacco would never be permitted on the market today if it were a new product. While many, including the Canadian Cancer Society, support a smoke-free society, an outright ban on the sale of tobacco is presently unrealistic. Tobacco's highly addictive nature and widespread tobacco use render this option impossible. What is possible, however, is to do everything feasible to minimize tobacco use.

The present need for action is all the more necessary given the recent unprecedented declines in the retail price of tobacco in many parts of Canada due to tobacco tax rollbacks. Unless strong measures are implemented to mitigate the impact of lower prices, thousands of otherwise avoidable cases of disease and early death will occur.

A comprehensive plan is required to curb the epidemic caused by tobacco use. This plan should include high tobacco tax levels, plain packaging, a total ban on tobacco advertising and promotion, effective health warnings, a total ban on smoking in workplaces and public places, enforced restrictions on the sale of tobacco to minors, controls on tobacco outlets such as by a ban on sales in pharmacies and from vending machines, a ban on smokeless tobacco and on candy cigarettes, and effective public education programmes discouraging tobacco use. Among this list, plain packaging could have a greater impact on reducing tobacco consumption than any measure other than tobacco taxation. The impact would likely be much greater on new starters than those who are already addicted to tobacco products.

This report contains a detailed presentation of the evidence and arguments supporting the implementation of plain packaging legislation.

Packaging as Part of the Marketing Mix for Consumer Products

Elements of a marketing strategy together are known as the "marketing mix". The elements have often been divided into and described as the four P's: price, place, promotion and product. Price deals with the price at which at a product is sold and includes strategies such as discounts, coupons and introductory offers. Place deals with the distribution system and the locations at which the product is available. Promotion includes all forms of advertising and promotion, including broadcast, print, outdoor, direct mail, sponsorships, promotional products and contests, signage and shelf displays at retail. Product refers to what the consumer purchases, and may include perceived intangible benefits.

Packaging is an integral part of the product and is a medium for promotion. Packaging serves three principal purposes: to protect the product and facilitate its handling, to make the product seem desirable, and to convey information.[1]

An attractive package design will enhance sales. This can be done through lettering styles, colour, graphics, and symbols, all of which try to influence the potential consumer to perceive the product as the marketer intends. One survey of marketing specialists found that 95.4% of respondents considered packaging as a form of media.[2]

University of British Columbia Professor Richard Pollay suggests that packaging design takes on greater importance when "a) it is an impulse as opposed to a planned purchase; b) the product is self-selected as opposed to introduced by a salesperson; and c) the product is sold on the basis of imagery".[3] In the case of first-time teen smokers, all three of these characteristics are present.

---

[1] One commentator describes packaging as having seven functions, two technical (protection and distribution), and five marketing (attraction, attribution, information, positioning, handling): Philippe Devismes, Packaging Mode d'emplois (Paris: Dunod, 1991), section 3.2.

[2] Ibid.

[3] RBJ Health Management Associates, "Impact of Plain Packaging of Tobacco on Youth Perceptions and Behaviour: Report of Study 1" (June 1993), p.26, citing a communication with Richard Pollay. Dr. Pollay is an expert in the marketing of tobacco.

The literature on packaging contains numerous references to packaging's pronounced role. "Packaging must protect what it sells, and sell what it protects."[4] "What must be realized is that all of package design is media - it is the silent salesman with a silent sales pitch, and it sells through more than the visual senses."[5] "In the case of a consumer product package, the consumer should be motivated by the package design to purchase the product it contains."[6] "[Packaging] is a deliberate effort to win customers, as a politician's speech is a deliberate attempt to win the votes of his audience."[7] "[T]he package is a symbolic communication that tells consumers something about the product it contains. The package also often communicates at a very subjective level: it produces not firm knowledge but a feeling."[8]

What is Plain Packaging?

Plain packaging removes the alluring, attractive aspects from tobacco product packages. Packages are standardized so that the only principal distinguishing feature is the brand name.

The brand name should appear in a standard font on all brands and appear in black ink. While the brand name has appeared on the front of mock-up plain packages used for research (Appendix 1), it might be more effective to require the brand name to only appear on one of the package's small ends. This minimizes the prominence and impact of the brand name itself while still ensuring that the name is contained on the package. Having the brand name on the front, instead of the side, may distract a consumer's attention from the warning.

Attractive package colours are prohibited. Instead, the package would appear in a specified colour. While many have suggested that the plain package should be white, the best colour is may be a different choice. White suggests purity and cleanliness. A dull, unalluring colour is preferable. Appropriate market research should be done to determine which colour maximizes the unattractiveness of the package.

---

[4] J.H. Briston and T.S. Neill, Packaging Management (Great Britain: Gawer Press Ltd., 1972), p.1.

[5] Robert L. Glazier, "Matching Supplier Knowledge to Consumer Needs" in Effective beverage marketing through better packaging (New York: American Management Association, 1968), vol. 118, p.3-5.

[6] David J. Freiman, "A Reappraisal of Consumer Package Performance" in Consumer Oriented Packaging (New York: American Management Association, 1967), vol. 106, p.13-16.

[7] Burleigh B. Gardner, "The Package as Communication" in Waltern Stern, ed., Handbook of Package Design Research (U.S.A.: John Wiley & Sons, 1981), p.232.

[8] Ibid., p.234.

Instead of having most of the package covered with an unattractive colour, a better option would be to use the space for a larger health warning, to contain both federal and provincial health warnings, to provide more detailed health information (possibly a 1-800 QUIT information line), or to provide a more detailed listing of toxic constituents. Appendix 2 reproduces a package featuring detailed health information which had been recommended by the Centre for Behavioural Research in Cancer in Australia.

Package sizes, materials and opening methods should be standardized to minimize marketing efforts of tobacco companies to differentiate their products. For example, there is no need for flip tops and tear-top soft packs in addition to the standard slide/shell package style.[9]

Many different types of package configurations have been introduced to boost marketing. Long slim packs containing "slims" products are targeted at women. Wide flat containers known as "Flat 50's" were popular gifts several decades ago. In France, Philip Morris has test marketed an oval hinge lid pack.[10] Matinée cigarettes have been marketed in Canada in attractive round cylinders. King size packages and cigarettes allow a smoker to perceive he is getting more value for his money. (If indeed there really is more tobacco in a king size cigarette, the smoker is getting the opportunity to consume more toxins and carcinogens.) Plain packaging can curb all of these marketing strategies.

Player's and Export "A" cigarette brands have recently been sold in flat metal tins of 25 cigarettes. When these tins are then used for other storage purposes around the home, they continue to provide an advertising message. Moreover, they facilitate consumption of smuggled cigarettes. Smokers can transfer cigarettes from a contraband package into the tin thereby decreasing public awareness that smuggled product is being consumed.

"Kiddie packs" (packages containing fewer than 20 cigarettes) should be prohibited. A number of provinces already have existing or pending legislation to stipulate a minimum package size. House of Commons Bill C-11, which amends the *Tobacco Sales to Young Persons Act*, will prohibit "kiddie packs" across Canada.

---

[9]Flip-tops have a relatively small market share in Canada.

[10]n.a., "News · Views · Trends" World Tobacco (March 1993) p.3.

While one option is to suggest that all cigarette packages should contain the same number of cigarettes, another option is to continue to permit packages containing either 20 or 25 cigarettes.[11]

Another option to consider is to require the package to have inconvenient package dimensions. This would make it more difficult for the package to fit in a shirt or jacket pocket or in a purse. It would also make it more difficult for teenagers to hide the package from parents or teachers. It would also increase the visibility of the plain package carrying a prominent health warning; many smokers may be conscious about not displaying these packages in public.

In addition to having a minimum package size for cigarettes, tobacco sticks should not be sold in packages of fewer than twenty. Further, fine cut and smokeless tobacco should not be sold in packages containing less than 20 grams. Further size standardization requirements for these products could be required.

Embossing on the package should be prohibited. Manufacturers often do this to enhance the visibility and impact of the brand name or other trademark on the package, or to give a special tactile quality to the package. Embossing should still be a government option for health warnings or other messages required by law.

The texture of the package should be controlled. For example, a glossy finish (even of an unattractive colour) may render a package more enticing.

Plain packaging prevents any extraneous writing, markings or messages from appearing on packages. Examples of such markings are descriptive words such as "Finest Canadian Tobacco" or "Traditional Taste • Reduced Irritation." It would also present the inclusion of calendars printed on the package shell.

Plain packaging would not prevent the inclusion of messages required by law, such as the *Consumer Packaging and Labelling Act* (name and address of manufacturer, and description of package contents, e.g. "25 cigarettes"), the *Tobacco Products Control Act* (federal health message and listing of toxic constituent levels), the *Excise Act* and provincial tobacco tax laws (tax-paid marking). Manufacturers would not be prevented from placing bar codes on their packages.

---

[11] A stipulated maximum of 25 cigarettes may curb marketing activities. For example, Rothmans, Benson & Hedges Inc. had a "30 cigarettes for the price of 25" promotional offer during 1986: Rothmans Inc., Annual Report 1987, p.9.

Plain packaging laws should regulate the colour, placement, font and size of the information required by the *Consumer Packaging and Labelling Act*. Otherwise, companies might include the brand's name in a corporate name. The corporate name can then be used on the package to promote the product, as is the case now with corporate name sponsorships. Without restrictions, the corporate name could be printed on the package in large letters and in a stylized script, as is currently the case with Matinée cigarettes.[12]

Plain packaging would contain requirements to control and render unattractive the foil wrappings found with cigarettes. Any cellophane wrappings would have to be colourless, except for the duty-paid marking on a tear strip.[13] Decorative elements, such as a leather covering, would be prohibited. Attaching information or promotional pamphlets would also be forbidden.

Plain packaging should apply to all tobacco products, including cigarettes, fine-cut tobacco, cigars, tobacco sticks, pipe tobacco, smokeless tobacco, and raw leaf tobacco packaged for retail sale. If it is necessary to stagger implementation dates, priority should be given to cigarettes and fine cut tobacco given their dominance of the tobacco market.

Plain packaging should also apply to tobacco paraphernalia, namely cigarette papers, cigarette tubes, cigarette holders, cigarette makers, and cigarette filters. For smokers who use these accessories, the packaging of these products can have an impact similar in some respects to the packaging of tobacco products.

Plain packaging would not prevent manufacturers from exercising their common law duty to warn consumers of the hazards of their products. While manufacturers would be prevented from putting their own messages on packages, nothing would prevent companies from enclosing a leaflet providing more detailed health information.

Plain packaging would not reduce the amount of information presently found on a package and available to consumers. Existing information would remain and would be enhanced if the health messages or the list of toxic constituents were expanded.

[12]The corporate name "Allan Ramsay and Company Ltd." appears in large letters. The address used is Imperial Tobacco's address.

[13]Alternatively, the cellophane wrapping could contain a message discouraging tobacco use.

The Importance of Plain Packaging

Plain packaging is wise public policy supported by at least 18 reasons.[14] Each of these will be described below.

Eliminates Package as Advertising

The package is the most important advertising medium for tobacco products. An average smoker will remove the pack from a pocket or purse 20-25 times per day. Across Canada, based on total market size, that works out to about 50 billion times per year.[15] The package is opened and a cigarette is removed. At other times, the pack will sit on coffee tables, desks, car dashboards, and other places. Whenever and wherever a package is displayed, it promotes the product. And it does so with the endorsement of a smoker who may be an influential role model as a parent, sibling, teenage or adult friend, co-worker, employer, or community leader.[16] Every smoker is a living advertisement for tobacco. Plain packaging would curb this advertising.

Researchers of an important New Zealand study concluded that "cigarette packaging functions in the same promotional role as advertising messages" and that the "regulation of cigarette promotion should encompass cigarette packaging."[17]

The industry trade journal *World Tobacco* made these comments regarding the growing importance of tobacco packaging:

> "...limitations on advertising will inevitably mean that increasing use will be made of tobacco packs themselves to get brand messages across.
>
> Cigarette packs have always been the main point of differentiation between brands, and from now on they will have to work harder than ever, not only at the point of sale to provide increased

---

[14]The organization of this section is based on Rob Cunningham, "The Case for Plain Packaging" Notes for an Address to Tobacco-Free Canada: First National Conference on Tobacco or Health, October 22, 1993, Ottawa.

[15]Total market size (for 1993) is taken from a 1994 Imasco Ltd. report to stock analysts.

[16]This point is made in Garfield Mahood, "Generic or "Plain Pack" Tobacco Packages: Moving Toward Real Bans on Tobacco Advertising" An address to the 8th World Conference on Tobacco or Health, Buenos Aires, April 1992.

[17]Park Beede and Rob Lawson, "Brand image attraction: the promotional impact of cigarette packaging" New Zealand Family Physician 1991; 18:175-177.

> 'stand out', but also whilst in use to communicate the values of the brand to the consumer - to reassure and build loyalty. This is particularly so because of the role of cigarettes as 'badge products' with which the consumer identifies personally and which he uses to communicate his own identity to others."[18]

This quotation alone provides a strong justification for the adoption of plain packaging. But the evidence is far more extensive. *Tobacco International*, another industry trade journal, reported the following:

> "A tobacco product's package is an increasingly important line of communication to consumers. The 'look' and 'feel' of a cigarette or cigar pack has a meaning to the purchaser that can be just as vital as the intrinsic attributes of the tobacco product itself."[19]

> "The cigarette pack: an important message carrier...
> ...In this struggle to win over smokers, the pack and its message have become increasingly important weapons.
> ...advertising will be restricted or even prohibited...This will make the pack itself an important advertising medium. The role of the cigarette pack as the creator and bearer of an image will be more significant than ever.
> During the 90's, the traditional cigarette pack will not be good enough for the selling job it will have to do. If it cannot be shown and marketed in advertising as before, it must carry the whole message itself. And when more and more popular brands vie for space on the tobacconist's shelves, the demand for a design that sells will be greater than ever before."[20]

Research on plain packaging in New Zealand[21] found that the brand name was significantly less likely to be recalled on plain packs of U.S. cigarette brands compared to the same brands in branded packages.

While the *Tobacco Products Control Act (TPCA)* bans much of tobacco advertising in Canada, it has a loophole permitting trademarks on packages. Plain packaging would close this loophole and stop the effect of package as advertising influencing smokers and potential smokers.

---

[18]Robin Joy, "Regulations create design limitations" World Tobacco (May 1992) p.17. The article also included a photograph of a Medallion package and the caption "WARNING: Cigarette-pack design can be seriously damaged by health warnings, as on this Canadian brand from 1989."

[19]Jonathan Bell, "Offset and the Art of Fine Packaging" Tobacco International (15 July 1990) p.56.

[20]Staff Report, "Rethinking Cigarette Packs For a New Age" Tobacco International (1 March 1991) p.14.

[21]Park Beede and Rob Lawson, "The effect of plain packages on the perception of cigarette health warnings" Public Health 1992; 106:315-322.

Since the *Tobacco Products Control Act* came into force in 1989, manufacturers have redesigned the packages of many leading brands so that they are more modern, up-to-date, and effective advertising instruments. Matinée, du Maurier, Rothmans, Belvedere, Craven "A" and Number 7 have been redesigned. Export "A" was redesigned with a "Smooth New Look" ("Une Nouvelle Allure") just before the ad ban came into place.[22] Successive Rothmans Inc. Annual Reports have commented on package redesigns and the applicable consumer response:

> "RBH continues to explore new cigarette marketing initiatives. Newly designed packaging for the Rothmans and Craven trade-mark families have recently been introduced in Western Canadian markets. Initial consumer acceptance of the new design is promising, and national roll-out of both product lines is anticipated as the year progresses."[23]

> "Craven "A" packaging has been redesigned to incorporate a contemporary "wave" motif, with positive consumer acceptance in its initial launch area of Alberta. Extra Lights and Ultra Lights were introduced, and produced positive sales results without eroding the market share of established Craven brands."[24] (See Figure 1).

> "Our major trade-marks continue to respond positively to new and more aggressive marketing initiatives.
> ...
> A new "wave" motif on Craven "A" packaging, which met with strong positive consumer acceptance across Canada, has now been expanded to all products within the Craven brand family...Craven Menthol, Craven Special Mild and Craven Ultra Mild. Early indications are that consumers are enthusiastic about this pack contemporization program.
> Our key 100mm segment entry, Benson & Hedges, continues to strengthen its position as the market leader in this growing segment.
> A new, more contemporary design for Belvedere products...a major RBH brand in the Maritime Provinces and in Quebec...has assisted this trademark's resurgence. Measures to improve the performance of our two other strong regional brands, Mark Ten and Number 7, are planned for the next fiscal year."[25]

> "A design of the times:
> The modern Craven look has been so successful, it is now seen on the entire trade-mark family"[26]

---

[22]"Smooth New Look" and "Une Nouvelle Allure" appeared on point of sale advertisements featuring the new package designs.

[23]Rothmans Inc., Annual Report 1990 p.5.

[24]Rothmans Inc., Annual Report 1991 p.5.

[25]Rothmans Inc., Annual Report 1992 p.5-6. A caption under a photograph on page 5 added: "The success of the new, more contemporary Craven design has led to its expansion across the entire trade-mark family."

[26]Rothmans Inc., Annual Report 1993, p.5.

The importance of the packaging is further demonstrated by the following excerpts from court testimony and from formerly secret tobacco industry documents:

"Q. Would you argue that as much--virtually as much--time, energy and expense goes into the creation of a package of the brand than the advertisement itself?..."
A. ...I would say its as important, more and more so."

Donald Brown, Imperial Tobacco Marketing Vice-President under questioning from Crown counsel, October 4, 1989[27]

"...the act of smoking the actual cigarette is only part of the whole ritual. Smoking is very often--particularly among young adults--carried out in social situations--bars and restaurants. The pack is taken out, perhaps even the cigarette is handed around."

Peter Hoult, former RJR-Macdonald President and C.E.O.[28]

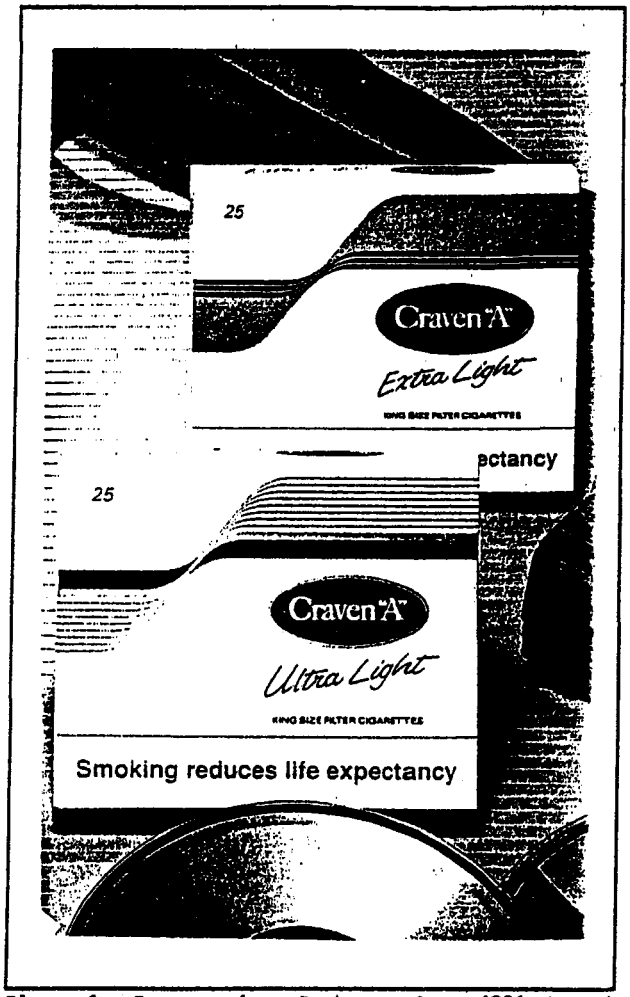


Figure 1 Excerpt from Rothmans Inc. 1991 Annual Report, p.5.

"The pack will always be the star of the presentation...
...
The pack will be featured as the hero of the advertisement"

du Maurier, Trademark, F'81 advertising, May 5, 1980[29]

[27] RJR-Macdonald Inc. v. Attorney General of Canada, transcript, p.1050.

[28] RJR-Macdonald Inc. v. Attorney General of Canada, transcript, (27 September 1989) p.396.

[29] Imperial Tobacco Ltd., Exhibit AG-35, RJR-Macdonald Inc. v. Attorney General of Canada, p. 19,25.

"Package attractiveness and degree of fit with the smoker's image have a lot to do with selection.

Graphic design, lettering, colors, etc., work together to create an image. Changing any single element may change the whole image."[30]

"The Importance of Packaging

The packaging of cigarettes is an easily accessible means for smokers to discriminate among brands. Whether or not a package is attractive and fits in with the smokers' image has quite a lot to do with brand choice:

"The package makes a hell of a difference. If any of those (concept brands) had something other than Brand X and a white package that would have been my first choice right off. . .(M: 6-12)

"Just looking at the package, it looks like a heavier cigarette because it looks like a man should be carrying it. . .looks like more his cigarette than hers." (W: 1 or less)

"When I started smoking Export A I started smoking them because I liked the color of the pack." (M: U5)

"Dunhills. When they first brought out their package, it was embossed which most of the cigarettes aren't. It has a heavier feel. It gave the impression of substance. . .It gave a luxurious appearance. I tried it for awhile and didn't like them." (M: U5)

"Package color makes a difference. Yellow is relaxing, bright, good." (W: 6-12)

"They remind me of the old yellow package Matinee that had problems with filters. . .The color turns me off." (M: 6-12)

:Package looks classy." (M: 6-12)

[Belvedere] really look good in your pocket too. Nice blue. One of the best package ideas." (M: 6-12)

Graphic design, colors, lettering, etc. combine to form a picture smokers constantly carry in their minds

Project Eli, Focus Groups, Final Report, July 1982[31]

---

[30]Marketing Systems Inc. for Imperial Tobacco Ltd., "CB11", Exhibit AG-40, RJR-Macdonald Inc. v. Attorney General of Canada, p.22. This study involved six focus groups of adult smokers in Toronto.

[31]Ibid., p.38-39. "W" refers to a woman focus group participant, "M" refers to a man. The numbers refer to the tar in the cigarette smoked by the participant and the tar grouping in which the smoker was classified.

The importance of colour in the marketing of cigarettes is evidenced by the following excerpt which dealt with executional considerations for the Player's International Tennis Championships (a tobacco sponsored event):

> "Make major use of Player's (blue) colours to enhance the connection with Player's cigarettes"
> Imperial Tobacco Ltd., 1980[32]

Appendix 3 reproduces some Lorillard advertisements published in *Tobacco Reporter* promoting Kent and Style brands to distributors/retailers. One ad stated in part:

> "Announcing the re-launch of KENT...a new look for a great Classic. Dynamic new packaging that clearly communicates three great tasting styles of KENT in an elegant family presentation."[33]

The above excerpts illustrate the sophisticated marketing techniques of the tobacco industry. Plain packaging can put a stop to this behaviour.

Reduces Effect of Past Advertising

While the TPCA addresses tobacco advertising, past advertising still can have a present impact on consumer impressions. Advertising has a "store of value".[34] Depending on how long a person has been smoking, the collective impact of past advertising may have built up over a few years or several decades. (While the *TPCA* banned most advertising effective January 1, 1989; some advertisements at point of sale were permitted until January 1, 1993.)

The link between packaging and past advertising is evidenced by the statements of Peter Hoult, former President and C.E.O. of RJR-Macdonald. Hoult has testified that the imagery of advertising has built up over 50 years. "It's just like the song, you know, "The memory lingers on". So, therefore, the imagery of the originating ads, as it were, isn't really lost out

---

[32]Exhibit AG-29, "Player's Tennis" RJR-Macdonald Inc. v. Attorney General of Canada, p.29.

[33]"Portraits of Profit" Tobacco Reporter (November 1990) p.7 (advertisement).

[34]Michael R.C. Carr-Gregg and Alan J. Gray, "'Generic' packaging - a possible solution to the marketing of tobacco to young people" Medical Journal of Australia 1990;153:685-6 at p.685.

there. It's sort of complemented or completed by packaging."[35] Plain packaging can break this link which serves as a reminder of the imagery.

One small Australian study illustrates the "store of value" created by advertising and sponsorships and the images evoked by the mere appearance of a package. The study found that teenagers participating in focus groups were aware that distinct images were associated with various brands. The study stated in part:

> "*Winfield* was described as "posh"...*Marlboro* raised images of Formula 1 racing, cowboys, "rugged", the outback and mountain climbing...*Holiday* was regarded as...portraying a fun, sun-sand-surf, carefree image, ...trying to say to people 'it's different'...*Dunhill* was said to have a ritzy, upmarket look evoking images of class, royalty and Porsches...*Vogue* was unfamiliar to subjects [but] nevertheless was confidently regarded as being a product used by elegant women in their thirties."[36]

Decreases Impact of Foreign Advertising

The *Tobacco Products Control Act* (*TPCA*) does not prohibit tobacco advertising in foreign magazines distributed in Canada (examples include *Newsweek*, *Cosmopolitan*, and *Playboy*). Nor does the Act prevent rebroadcast of coverage of tobacco sponsored events, such as Winston car racing. Nor does the Act prevent the showing of foreign produced movies containing paid placements of cigarettes by the manufacturer, such as the payment by Philip Morris for Marlboro to appear in "Superman II".[37] While these advertisements constitute only a small fraction of the total tobacco advertising and promotion once exposed to Canadians, and while many U.S. brands are not distributed in Canada, plain packaging will decrease the impact of these advertisements.[38] The strong link between the advertisement and the brand will be significantly reduced.

---

[35] RJR-Macdonald v. Attorney General of Canada, transcript, (27 September 1989) p.402.

[36] Centre for Behavioural Research in Cancer, "Paper 10: Effects of warning label design on the attractiveness of cigarette packs to adolescents" in Health Warnings and Contents Labelling on Tobacco Products. Report prepared for the Ministerial Council on Drug Strategy Tobacco Task Force, (Melbourne: Anti-Cancer Council of Victoria, 1992). As a cautionary note, it should be pointed out that the study involved only two focus groups, one of five teenagers aged 15-16, and one of three teenagers aged 14-15 years.

[37] The Marlboro cigarettes were smoked by Lois Lane. Paid cigarette placements have been included in at least 15 major films: Joe Tye, "Cigarette ads in kids movies" Tobacco and Youth Reporter 1989; 4(1) 1-2; P. Magnus, "Superman and the Marlboro woman" New York State Journal of Medicine 1985; 83: 342-343.

[38] The overall impact of these advertisements in the first place should not be given too much emphasis. The Canadian firms import these products from their American sister firms.

Canadian tobacco manufacturers have long argued that spillover advertising from the U.S. will result in an increase in imports and harm the market share of Canadian firms. In fact, imports have decreased significantly instead of increased.[39] In any event, plain packaging will curb the effectiveness of these ads. Then assuming the industry's claim is true that plain packaging will not have any impact on consumption[40], one may think that some or all manufacturers would support plain packaging. The major threat of foreign competition posed by advertising would be eliminated.

Decreases Impact of Sponsorships

Corporate name sponsorships are widespread because of an exception in the *TPCA* and the way in which the exception is being interpreted. The effectiveness of the ban on tobacco advertising has been significantly reduced. In 1993, the industry spent about $50 million on sponsorships,[41] up from about a reported $17.5 million in 1987.[42]

Sponsorship promotions use the names of shell corporations which include a tobacco brand name. These corporate names are then used in promotions which essentially are tobacco advertisements. Promotions for Player's Ltd. racing or tennis use a blue similar to the blue found on Player's cigarettes. Promotions for du Maurier jazz or golf use red. Promotions for Matinée use a combination of yellow and other colours which are similar to that found on the package.

Sponsorship promotions use lettering styles similar to, but just slightly different than what appears on the package. Further, logos similar to package logos are also used on sponsorship promotions.

---

[39]In 1988, before the TPCA came into force, 567.3 million cigarettes were imported into Canada from the U.S. (661.2 million worldwide). Imports have been lower every year since. In 1993, imports from the U.S. were 240.8 million, a 57.6% decrease from 1988. In 1993, imports from around the world were 271.4 million representing a 58.9% decrease from 1988. Throughout this period, cigarette imports comprised less than 1% market share in Canada. Source: Statistics Canada, "Imports by Commodity", Catalogue No. 65-007, 1988-1993.

[40]Richard Brennan, "Minister promises plain pack smokes", Ottawa Citizen (8 April 1994), p.A3.

[41]Rob Parker, President, Canadian Tobacco Manufacturers' Council, appearing before the Ontario Standing Committee on Social Development, Hansard, (17 February 1994) p.S-1204.

[42]Minutes and Proceedings and Evidence of the Legislative Committee on Bill C-204 and Bill C-51 (20 January 1988) p.21:20, 21:21.

Many sponsorship promotions are particularly blatant product advertisements. For example, the Ottawa Civic Centre has blue signs with the words in white print "PLAYER'S LTD. RACING". "PLAYER'S" appears in large letters while "RACING" is so small that it is unreadable by many in the arena. There is no other information on the sign: no details about any particular event or date.

The sponsorships associated with a particular brand appear to be deliberately selected based on the brand's target market. Player's and Export "A", which compete for the young male market, sponsor car racing. Player's also sponsors men's tennis. Export "A" also sponsors a number of other sporting events, including speed boat racing. du Maurier has an upscale target market and sponsors jazz festivals, a variety of arts events, and golf. Matinée, the leading brand targeted at women, sponsors women's tennis. These tournaments often feature star players who are teenagers and who are admired by thousands of impressionable girls. Matinée also sponsors the Matinée Fashion Foundation, an entity which gives money to fashion designers. It appears, however, that far less money is actually donated than is spent in colourful advertisements promoting the fact that donations are made.

The tobacco lobby openly acknowledges that sponsorships have a dual purpose: to promote the event in question, and to promote the product concerned.[43]

Plain packaging is expected to contribute significantly to breaking the link between the event sponsorships and the tobacco products being promoted. (Reproductions of some sponsorship materials are contained in Appendix 4).

A Canadian study by RBJ Health Management Associates stated that plain packaging would negate the impact of sponsorships:

> "[Sponsorships] effectively advertise the cigarette as well as the event. With a ban on direct advertising, the only way remaining to make that link explicit is through package design. With plain packaging, that link would not be possible."[44] (emphasis added)

[43]Rob Parker on "Centrepoint", CBC Radio, (10 April 1992).

[44]RBJ Health Management Associates, "Impact of Plain Packaging of Tobacco on Youth Perceptions and Behaviour: Report of Study 1" (June 1993), p.29. This study combined interviews with marketing experts, a literature review and theoretical analysis of the anticipated impact of standard packaging on sales to young people.

Plain packaging would not prevent manufacturers from making philanthropic contributions to the community. It will simply stop the use of those contributions as a mechanism to promote the leading preventable cause of disease and death in Canada.

Decreases Impact of Shelf Displays

The *TPCA* does not prevent tobacco products from being prohibited for sale at retail. Since the passage of this *Act* there has been an increase in the amount shelving allocated to tobacco, including counter-top displays. These displays are important promotional vehicles. They are at eye level, sometimes beside the candy rack. They are displayed for all who pass by the check out counter, whether smoker or not, whether adult or minor. A smoker is given a strong reminder of the opportunity to purchase cigarettes and as a result may make an "impulse" purchasing decision. More frequent purchasing usually increases individual consumption.

A teenage potential smoker is continually exposed to this promotion. The social acceptability of the option to smoke is enhanced.

An ex-smoker, or a smoker trying to quit, is presently faced with a barrage of pro-smoking promotions when he or she enters a tobacco retailer. Given the addictiveness of tobacco, further stimuli weakening the motivation to be smoke-free is highly counter-productive and objectionable.

Self-service counter top displays increase the access of tobacco to minors. Some young people steal products from these display units.

Tobacco companies recognize the importance of shelf displays. The industry pays retailers for the right to promote its products in this manner.

An advertisement for a packaging materials company in a tobacco industry trade journal illustrates just how important shelving can be. The ad (reproduced in Appendix 5) was headed "Westvaco products make the best-looking packages in the world" and stated:

> **"For soft packs, WESTVACO'S STERLING(R) coated one-side paper gives you a smooth, white finish that makes your brilliant graphics really stand out on store shelves.**
>
> ...

We'll show you how Westvaco products can do your sales a world of good."[45]

Another ad (Appendix 6) stated:

"Do you know why even these packs are made of ensocoat? Of course there are several reasons. Like whiteness. A lot of the sales appeal relies on the whiteness of the pack. Ensocoat is the whitest of all SBS boards."[46]

The following excerpt from the Philip Morris 1986 Annual Report provides further indication of the importance of retail shelving.

"Our brands continue to benefit from improved visibility and availability at retail. We gained greater share of retail inventory, increased our display space at supermarkets and other high volume outlets, and substantially improved the placement of our display fixtures in all other retail categories."[47]

The Nova Scotia legislature has prohibited self-service displays.[48] No other jurisdiction in Canada is known to have taken a similar step. On a voluntary basis, the Big V pharmacy chain in Southwestern Ontario placed its cigarettes on shelves below counter height.

Plain packaging will curb the incentive to have--and the effectiveness of--shelf displays. Unattractive packages would not likely be prominently displayed. And for any displays which remain, instead of the colours of a particular brand standing out, plain packaging will result in the health warnings being prominent.

Reduces Positive Brand Imagery

The marketing of cigarettes is the marketing of trademarks. Tobacco companies create, promote and sell images. The actual tobacco may be secondary for a starting smoker. The images may include status, wealth, sex appeal, glamour, sophistication, slimness, manhood, social acceptability, athleticism and health.

---

[45]"Westvaco products make the best-looking packages in the world." World Tobacco (September 1990) p.96 (advertisement).

[46]"Do you know why even these packs are made of ensocoat?" Tobacco Reporter (February 1993) p.13. (advertisement)

[47]Philip Morris Companies Inc., Annual Report 1986 p.4.

[48]Tobacco Access Act, Statutes of Nova Scotia 1993, chapter 14, section 6. The Government has announced that the Act will come into force on April 15, 1994.

Advertising and packaging mold and propagate those images. Packaging is an integral part of the perceived product being purchased. Plain packaging, combined with the ban on advertising, would remove those images and consequently one of most important contributors to smoking initiation by youth. (Confidential Imperial Tobacco research shows that the median ages of onset are 15.2 for males and 14.7 for females. Moreover, 20% of male smokers and 22% of female smokers begin regular cigarette use by age 13.)[49]

A package represents a badge for a smoker, particularly a teenage one. When a pack is taken out of a pocket and opened to remove a cigarette, the pack is visible for all to see. The pack may be passed around for others to have a smoke. The pack makes a statement about the smoker and how she (or he) wants others to see her (or him). For teenagers, this is extremely important. Peer pressure is intense. Marketing experts agree that teens, as compared to adults, are

> "more influenced by the product through its package, advertising, and role models who use the product. In seeking their identity, teens define themselves, in part, by the brand of clothes they wear, whether they smoke, and if so, the kind of cigarette they smoke, the music they listen to, etc. In addition, youth perceptions are also more easily influenced than are adult perceptions, which are more entrenched."[50]

A child or teenager must know at least one brand name to be able to purchase his or her first cigarette pack. As Laugesen states, "[a]ttractive packaging helps the new smoker choose a brand with an image which conforms to his or her self-image."[51] Inexperience with cigarettes leaves the new teenage smoker more open to brand image influence because habits from use are not established.[52]

---

[49]Supplementary Report by Jeffrey E. Harris, Exhibit AG-197, p.14-15, RJR-Macdonald Inc. v. Attorney General of Canada. The data was based on Imperial Tobacco's "Monthly Monitor" research.

[50]RBJ Health Management Associates, "Impact of Plain Packaging of Tobacco on Youth Perceptions and Behaviour: Report of Study 1" (June 1993), p.9.

[51]Murray Laugesen, "Tobacco Promotion Through Product Packaging", paper prepared for the New Zealand Toxic Substances Board (September 1989) p.5.

[52]Park Beede, Rob Lawson, Mike Shepherd, "The promotional Impact of Cigarette Packaging: A Study of Adolescent Responses to Cigarette Plain-Packs" Paper presented to the Australian and New Zealand Association and Management Educator's Conference, Launceston, Australia, 1991.

One RJR-Macdonald document described the Export "A" target market as those who "look for peer group acceptance in their brand selection" and who "look for symbols that will help to reinforce their independence and individuality".[53]

Plain packaging will remove a package's ability to falsely fulfil these aspirations (while at the same time leading the teenager on a treadmill to a lifetime of smoking and subsequent disease and death).

Since "[c]hoice is almost entirely influenced by imagery factors,"[54] no imagery means fewer choices. Fewer choices means the alternative of not smoking will become more attractive since it will have fewer competitors. Further alternatives include the use of a nicotine patch or nicotine gum.

Without the manipulative imagery created by tobacco marketers, consumers would generally be unable to differentiate available cigarettes. The critical importance of imagery to cigarettes is exposed in this statement by Donald Brown, Marketing Vice-President and now President of Imperial Tobacco Ltd.:

> "The product itself...is very interesting, because in the cigarette business there is very little to distinguish, particularly in Canada, because we all use the same kind of tobacco, we do not flavour our tobaccos. So the discrimination in product terms, pure blind product terms, without any packaging or name around it is very limited. You can tell if it's very mild or very strong, and you might get some case characteristics that are different. But it's very difficult for people to discriminate, blind tested. Put it in a package and put a name on it, and then it has a lot of product characteristics."[55]

The same point was expressed 18 years earlier in a confidential Imperial Tobacco document entitled "1971 Matinée Marketing Plans":

> "In a market with minimal product differentiation, advertising becomes a disproportionately important part of the marketing mix as compared to most other mass consumer products."[56]

---

[53]Exhibit AG-15, RJR-Macdonald Inc. v. Attorney General of Canada, "Export "A" Brand Long-Term Strategy, October 21, 1987, p.5.

[54]Imperial Tobacco Ltd., 1971 Matinée Marketing Plans (Marked "Confidential"). Exhibit AG-204, in RJR-Macdonald Inc. v. Attorney General of Canada, p.7.

[55]RJR-Macdonald Inc. v. Attorney General of Canada, transcript, (28 September 1989), p.661.

[56]Imperial Tobacco Ltd., "1971 Matinée Marketing Plans, Exhibit AG-204, RJR-Macdonald Inc. v. Attorney General of Canada, p.18. (The document was marked "confidential". Each copy was individually numbered.)

The following American anecdotal comment on the cigarette Eve further illustrates how important image is to product differentiation:

> "A truck driver pulls his 18-wheeler up to a roadside bar and grill, kills the ignition, climbs stiffly down from his cab, and enters the alcohol dispensing premises. He walks up to the bar, is welcomed cheerfully by his professional brotherhood, and orders a beer. He is soon an indistinguishable member of that solid fraternity and feels the desire to light a cigarette. He pulls out a pack, lights up, passes the pack around. At least he tries to, but everybody has withdrawn from his vicinity and he suddenly feels an icy exclusion from the friendly crowd. His brand is Eve.
>
> Eve is a slim cigarette made from a blend of tobaccos strikingly similar to that of many other brands on the market, with similar average moisture content and similar tobacco aggregate residues. Yet the package contributes a personality to that product that is so distinctly unique in its positioning that its implications on the poor trucker's personality are devastating. The reality: just another cigarette. The perceived reality: a totally feminine product.[57]

Trademarks are a company's most valuable asset. Without trademarks, the major tobacco companies would be worth only a fraction of their current value. *Forbes* magazine has estimated that the worldwide value of the Marlboro trademark to Philip Morris at $10 billion.[58] Commenting on the image component of this trademark's value, *Forbes* states that "Smoking Marlboros is a kind of downpayment on achieving that American dream."[59]

The collective value of cigarette trademarks in the Canadian market has been estimated at more than $1 billion.[60]

Tobacco companies fight vigorously over the control of trademarks in Canada. Though not necessarily well known, there are dozens of recorded legal cases evidencing these battles.

The 1993 RBJ Health Management Associates study on plain packaging, which included interviews with marketing experts, expressed this statement:

> "In summary, for tobacco, it is the general opinion of experts that media models, image through association (via sponsorship), role models who use the product, family smoking behaviour, and peer smoking behaviour establish the image for the product, and the package is the reminder and badge for

---

[57]Walter Stern, ed., Handbook of Package Design Research (John Wiley & Sons, 1981), p.5.

[58]Jeffrey A. Trachtenberg, "Here's one tough cowboy" Forbes (9 February 1987) p.108 at 110.

[59]Ibid. at 110.

[60]Rob Cunningham, "The Case for Plain Packaging" Address to Tobacco-Free Canada: First National Conference on Tobacco or Health, October 22, 1993, Ottawa.

that image. As a reminder, the package reinforces the image. As a badge, the package serves as the mechanism through which the image is transferred to the user of the product."[61]

The report also stated: "A strong feeling was expressed by marketing experts that the removal of the 'badge' for the image will go a long way to reducing the appeal of smoking for youth. It breaks a critical link to other promotions. However, this will only occur if the package design is one that makes the package unappealing and provides no cues to other images from sponsorship, advertising, role models."[62]

The following statements and document excerpts provide further examples of the power of packaging:

"Q. So you're actually saying that young adults influence what their friends think of them, some do, by the brands they smoke, because of the packages they flash.
A. I think that's true of cigarettes, I think it's true of beer, and I think it's true of clothing, and I think it's true of most of the consumer goods that young people buy. They buy it with their friends in mind...Clearly, the package does communicate the cigarette they're smoking and we believe that people choose their cigarettes according to what those cigarettes are, and that includes imagery."

Peter Hoult, former President and C.E.O. of RJR-Macdonald Inc. under cross examination by Crown counsel[63]

"The trademarks have interestingly remained relatively the same in people's minds. Player's means full flavour, masculine and younger, as does Export. Rothmans and du Maurier and brands of that nature are sort of mid-range, king size, more up scale brands, smoked deeply by men and women, and then you get the milder trademarks of Matinée and Craven "A" are still perceived as low, milder trademarks."

Donald Brown, Imperial Tobacco Marketing Vice-President.[64]

"Consumer Research has clearly shown that the current Matinée package unquestionably contributes to the brands image of femininity and mildness."

Confidential Imperial Tobacco document[65]

---

[61]RBJ Health Management Associates, "Impact of Plain Packaging of Tobacco on Youth Perceptions and Behaviour: Report of Study 1" (June 1993), p.11.

[62]RBJ Health Management Associates, "Impact of Plain Packaging of Tobacco on Youth Perceptions and Behaviour: Report of Study 1" (June 1993), p.20.

[63]RJR-Macdonald Inc. v. Attorney General of Canada, transcript, (27 September 1989), p.396-397.

[64]RJR-Macdonald Inc. v. Attorney General of Canada, transcript, (28 September, 1989), p.657.

[65]Imperial Tobacco Ltd., "1971 Matinée Marketing Plans, Exhibit AG-204, RJR-Macdonald Inc. v. Attorney General of Canada, p.44. (The document was marked "confidential". Each copy was individually numbered.)

> "And the style of that [Matinée Special Mild] package is very -- is very fashionable and I would be concerned just the package alone would be perceived to be female and older because of the response we had to the pack design."
>
> Donald Brown, Imperial Tobacco Marketing Vice-President, Oct. 2, 1989.[66]

> "...If you launched a slim diameter, longer cigarette and asked people who it was for, they would immediately say: "Women", because it tends to be the kind of thing people think women would use: fashionable, long and slim. In fact, there are slim cigarettes on the market that are targeted towards women smokers."
>
> Donald Brown, Vice-President of Marketing for ITL, Sept. 28, 1989.[67]

Donald Brown also testified that packaging helps to create the image for the consumer.[68] Peter Hoult also testified that the colour of the package is important information.[69]

The following excerpt from the 1989 Rothmans Inc. Annual Report is also revealing (this was the first Annual Report after the advertising ban was in effect):

> "[T]he more restrictive legislative environment truly forces our Company to be more creative in the areas of packaging design and new product development in order to capitalize on changing market opportunities. One such initiative was our launch in 1988 of BLACK CAT cigarettes in an innovative package design which is unique in the Canadian market. Despite the lack of traditional advertising support, this product launch has met with significant consumer acceptance."[70]

A product's name on its own can make a significant contribution to creating an image. Numerous brands in Canada provide examples. "Player's" and "Sportsman" suggest athleticism. "Virginia Slims" (no longer available in Canada), "Matinée Slims", "Craven 'A' Superslims" and "Contessa Slims" suggest that smokers of those brands are slim or will become slim. This plays on an insecurity of many teenage girls. "Kool" suggests social acceptability. To some, "Pall Mall" may invoke images of London, England.

---

[66] RJR-Macdonald Inc. v. Attorney General of Canada, transcript, p.750.

[67] RJR-Macdonald Inc. v. Attorney General of Canada, transcript, p.661-2.

[68] RJR-Macdonald v. Attorney General of Canada, transcript, (4 October 1989) p.1050.

[69] RJR-Macdonald Inc. v. Attorney General of Canada, transcript, (27 September 1989) p.365-6.

[70] Rothmans Inc., Annual Report 1989, p.4.

Around the world, the brand name of cigarettes is used with packaging and advertising to create an image. In Africa, "Nelson" captures all of the credentials of the highly admired leader Nelson Mandela. "West" is marketed in Russia and plays on the aspirations of many East Europeans for the material wealth found in Western countries. Other brands include "Long Life" (Taiwan), "Life" (Malawi), "Hollywood" (Brazil), Prince (Denmark), Elle (Australia), Ambassade (Zaire), Parisiennes (Argentina), Sport (Mexico) and "Malibu" (U.S.).[71]

A brand name may suggest a particular kind of quality by using words such as "Select" or "Special". Examples of such brands include John Player's Special, Macdonald Select Ultra Mild, Macdonald Special, Macdonald Select Special Mild, du Maurier Special Mild, Rothmans Special Mild 100's, Craven Special Mild Menthol.

Trademarks other than a brand name may appear on packages in the form of graphics or illustrations. These shape a brand's image and contribute to the attractiveness of the product. For example, "Black Cat" features an animal which appears to be a black panther. This suggests aggressiveness, invincibility and individualism. See Figure 2. Another example is the heraldic crest featured on Benson & Hedges packages. This is consistent with the upscale, high status sophisticated image the brand seeks to create. The word "Deluxe" in "Benson & Hedges 100's Deluxe Ultra

Figure 2 Black Cat packaging as featured in the 1989 Rothmans Inc. Annual Report (p.5).

[71] "How the Brands Ranked" World Tobacco (September 1991) p.60; Gregory N. Connolly, "Freedom From Aggression: A Guide to Resisting Transnational Tobacco Companies' Entry Into Developing Countries" in American Cancer Society, Selected Papers From the 8th World Conference on Tobacco or Health: Building a Tobacco-Free World (March 30 - April 3, 1992), p.143.

Light" further contributes to this image, as does the gold packaging and the scripted lettering style.

Other trademarks (symbols) appearing on packages include the sailor and ships on "Player's" (known as "Hero" because of the word included on his cap), the unicorn on "Peter Jackson", the Camel and Egyptian setting on "Camel", the coat of arms and the phrase (not currently in use) "By appointment to Her Majesty the Queen" on "Dunhill", the winged horse on "Matinée" and the attractive Scottish woman on "Export 'A'" (known as the Macdonald lassie). States Donald Brown:

> "The symbols that are on the package also reassure the smoker that it is Player's. The Hero symbol...is very important to smokers..."[72]

As previously noted, colours are an important part of package design. Gold (Benson & Hedges, Dunhill) or silver (du Maurier Special Mild), or a superior finish, are intended to associate the product with an upscale image. Soft pastel colours are commonly used for brands targeted to women.

Graphics on a package can also be influential. The lines with smooth curves on Export "A" Smooth further reinforce the perception that the smoker will obtain a smooth smoke. On Player's Light Smooth, the angular "V" points to and highlights the brand name. In recognition of the value of graphics, companies often go to the trouble of trademarking them.

Packaging has a significant impact on consumer perceptions as to the "mildness" or "lightness" of the product. The colouring of "Regular" "Medium", "Light" "Extra Light" brands in a brand family becomes progressively lighter. (See Appendix 7.) Packages of "light" cigarettes feature a lighter shading, or may include more white. In fact, the use of white on extra mild cigarettes is common in many countries.[73]

Peter Hoult testified in court that his company deliberately produces lighter-coloured packages for milder cigarettes adding that "the packaging is a most important means of communication and consumers have an expectation that the lighter the pack...or the total pack get-up, the lighter the cigarette."[74]

---

[72] RJR-Macdonald Inc. v. Attorney General of Canada, transcript, (28 September 1989), p.650, referring to the launch of Player's Light in 1976.

[73] Patrick Knight, "Bar Codes for High Quality in Brazil" World Tobacco (May 1991) p.40.

[74] RJR-Macdonald v. Attorney General of Canada, transcript, (27 September 1989), p.399.

The use of packaging to help create a perception of "lightness" is common for many consumer products. "Blue Light" beer has a lighter label than "Blue". The same is true for Diet Coke and Coke, for President's Choice Ranch Light and Ranch salad dressing, for Becel Light and Becel margarine, and for hundreds of other products.

The tragedy with consumers perceiving that a cigarette is "light", "mild" or "ultra mild" is that many consumers perceive that these products are safe or safer for health. The truth is that there is no such thing as a safe cigarette. An Imperial Tobacco document commented on low tar and nicotine brands:

> "We have evidence of virtually no quitting among smokers of those brands, and there are indications that the advent of ultra low tar cigarettes has actually retained some potential quitters in the cigarette market by offering them a viable alternative."[75]

Other documents from the trial indicate tobacco companies actively market some cigarettes as healthier products. At the same time and under oath, company executives deny that low tar and nicotine products are any better for health.[76] Two of many examples of misleading marketing are:

> "The objective for Medallion is to associate the brand with the lowest recognized level of mildness (ultra mildness) and "safety" with as little sacrifice or trade-off on image elements.
>
> . . .
>
> Positioning
> Reinforce Medallion's lowest tar, "safest" perception."
>
> Confidential Imperial Tobacco document[77] (Emphasis in original)

> "Rationale. As consumers shift from full-flavour cigarettes to brands with lower "tar" and nicotine levels, they will desire as much flavour and satisfaction as possible while easing their concerns about the smoking/health controversy. Because there are many new and established brands competing in this

---

[75]Imperial Tobacco Ltd., "Response of the Market and of Imperial Tobacco to the Smoking and Health Environment", Exhibit AG-41, RJR-Macdonald v. Attorney General of Canada.

[76]Imperial Tobacco Vice President of Marketing Donald Brown under cross-examination by Crown Counsel Roger Baker, October 3, 1989, p.911-913; RJR-Macdonald Vice-President Peter Hoult under cross examination by Crown Counsel Roger Baker, September 27, 1989, p.503-507 in RJR-Macdonald Inc. v. Attorney General of Canada, transcript.

[77]Imperial Tobacco Ltd., "Medallion" Exhibit AG-24 RJR-Macdonald Inc. v. Attorney General of Canada, p.3. The document was marked "Personal and Confidential" on every page.

> segment, it will be necessary to aggressively communicate that Export "A" Lights is the only brand that has successfully combined full flavour and lightness in one cigarette."
> RJR-Macdonald Inc. document[78]. (emphasis in original)

In a legal case involving the registration of "The Mild One" as a trademark, R.J. Reynolds referred to "mild" and argued that "mild has a pleasant, smooth taste, lack of harshness and hotness".[79]

Plain packaging would contribute to an elimination of the deception that low tar and nicotine cigarettes are safer for health.

Creates Negative Brand Imagery

Plain packaging, if done properly, will not only remove positive imagery associated with a brand and its packaging, but it will create negative imagery. An unattractively coloured package suggests that the product itself is unappealing. Instead of being a badge of honour, the ugly pack will be a source of embarrassment. Smoking will become even more socially unacceptable. Marketing professor William Leiss of Simon Fraser University is of the view that plain packaging would signal social disapproval.[80] This will decrease consumption.

Evidence that the imagery associated with cigarettes can be successfully changed is found in the history of Marlboro cigarettes. Once marketed as a woman's cigarette, the brand was repositioned in 1954 with the image it retains today.[81]

Sends a Strong Public Education Message

Plain packaging in itself would send a strong message that tobacco is an extraordinarily distinct product. Characterized and treated differently from other tobacco goods, tobacco would

---

[78] RJR-Macdonald Inc. v. Attorney General of Canada, Exhibit AG-14.

[79] R.J. Reynolds Tobacco Co. v. Rothmans, Benson & Hedges Inc. (1991), 40 Canadian Patent Reporter (3d) 278 (Trade Marks Opposition Board), reversed (1993), 47 Canadian Patent Reporter (3d) 439 (Federal Court, Trial Division).

[80] Cited in RBJ Health Management Associates, "Impact of Plain Packaging of Tobacco on Youth Perceptions and Behaviour: Report of Study 1" (June 1993), p.29.

[81] Jeffrey A. Trachtenberg, "Here's one tough cowboy" Forbes (9 February 1987) p.108.

be singled out as an undesirable product. Many teens would think that if cigarettes have to be packaged like that, then they must really be bad for you.

The inconsistent messages sent by the promotion of a hazardous product were recognized back in 1969 by the House of Commons Standing Committee on Health, Welfare and Social Affairs. The Isabelle Report stated, "young people can hardly be expected to believe that governments really consider cigarette smoking to be hazardous if they allow unlimited cigarette promotion... whatever its purpose, any type of cigarette promotion implies that the use of cigarettes is desirable and presumably harmless, and a priori, adds to the cultural acceptability of smoking."[82]

Influences Consumer Perception of Quality and Taste

Packaging affects consumer perception of product quality. Even though the product on the inside may be unchanged, the appearance of the package on the outside can affect perceptions.

Many consumers feel that a restaurant meal tastes better if it is served in an aesthetically pleasing manner. Many consumers perceive that "no-name" or generic products found in supermarkets are of inferior quality to identical or virtually identical brand name products, yet the only real difference is packaging.

Recent research into plain packaging has found that teenage smokers who said that they were more interested in taste and freshness of the product than in the package also said "that the plain package looked 'cheap' and expressed concern that the cigarettes inside might also be cheap, stale or substandard in some other way."[83]

If consumers believe cigarettes to be of inferior quality, some may choose to stop smoking altogether, or to smoke less, or to use a nicotine delivery alternative (gum or patch).

---

[82]Canada, House of Commons, "Report of the Standing Committee on Health, Welfare and Social Affairs on Tobacco and Cigarette Smoking" (1970), (Isabelle Report) p.31, 33.

[83]Centre for Health Promotion, "Effects of Plain Packaging Among Youth" University of Toronto, November 30, 1993, p.viii.

Reduces Smuggling

Plain packaging could make a significant contribution to reducing smuggling. Any packages which did not appear in the standardized format would be instantly recognizable as illicit at a distance. Law enforcement authorities could quickly identify contraband, whether packages or cartons.

Plain packaging would also help honest consumers to identify contraband and to refuse to accept it. Some retailers have sold contraband at full price to unwitting consumers.

Plain packaging would also help prevent manufacturers from once again fuelling the contraband market by exporting vast quantities of product to upstate New York. There would be no legitimate demand in the U.S. for the "ugly packs". Manufacturers would have an even more difficult time justifying sudden rises in exports. Further, the distinctive character of the packages may help law enforcement authorities on the American side to trace the illegitimate product.

Plain packs would also prevent distribution of the refillable Export "A" Smooth and Player's Light Smooth cigarette metal tins. These products recently appeared on the market.

In a major report released in January, 1994,[84] the Canadian Cancer Society recommended that plain packaging be implemented as part of the federal government's anti-smuggling strategy. The report was widely endorsed by the health community, including the National Campaign for *Action* on Tobacco.

The control of smuggling is an important part of a comprehensive tobacco control programme. Smuggling undermines successful high-tax policies discouraging consumption. Further, it puts pressure on governments to slow the increase in tax rates, or as has been the case in Canada, to lower taxes.

There is no doubt that higher prices have an impact on discouraging consumption, especially among youth. For every 10% increase in the real price of tobacco, the corresponding

---

[84]Canadian Cancer Society, "Protecting Health and Revenue: An Action Plan to Control Contraband and Tax-Exempt Tobacco" (January, 1994). See also the French version: Société Canadienne du Cancer, "La protection de la santé publique et du Trésor national: un plan d'action pour contrôler la contrebande et le tabac exempt de taxes" (janvier, 1994).

consumption decrease is 4% generally and 14% among price-sensitive teens.[85] The price-elasticity for a price decrease is similar. An excerpt from the 1992 U.S. Surgeon General's Report dealing with the price elasticity of tobacco is found in Appendix 8. The price-consumption relationship is also discussed in the Canadian Cancer Society report on tobacco smuggling.[86]

Improves Effectiveness of Warnings

By removing other messages competing for the viewer's attention, plain packaging would improve the effectiveness of the health warning messages. Package colours and markings distract the viewer's attention from the warnings.[87] There are a number of studies which have empirically demonstrated this impact. And the greater the impact of health warnings, the more likely a smoker will have and be receptive to the information which might prompt a decision to quit or to smoke less. As well, a potential smoker may never begin smoking.

Warnings have an impact not only on their primary target (the smoker) but also secondary targets (anyone who sees the package). These secondary targets can be very important, since they can discourage tobacco use by the smoker. A smoker's friends, children, spouse and co-workers can all exert such influence.

Attractive packages camouflage the inherently dangerous nature of tobacco.

New Zealand research (Beede et al.)[88] found that recall rates of health warnings were significantly higher for plain packs than for branded packages. Recall was also significantly higher for tar and nicotine content information.

Research in Ontario involving 129 adolescents aged 12-17 years found that 40% reported that plain packs enhanced the believability of the health warning. (Seven per cent reported that

---

[85]E.M. Lewit and D. Coate, "The potential for using excise taxes to reduce smoking" (1982) Journal of Health Economics 1:121-145.

[86]Canadian Cancer Society, "Protecting Health and Revenue: An Action Plan to Control Contraband and Tax-Exempt Tobacco" (January, 1994), p.8-13.

[87]C. Zerner, "Graphic propositions: The efficacy of imagery and the importance of warnings in cigarette advertising." Tobacco Products Litigation 1:471-485.

[88]Park Beede, Rob Lawson and Mike Shepherd, "The promotional Impact of Cigarette Packaging: A Study of Adolescent Responses to Cigarette Plain-Packs" Paper presented to the Australian and New Zealand Association and Management Educator's Conference, Launceston, Australia, 1991.

believability would be decreased; 53% said it would have no effect). Selected explanations of participants reporting enhanced believability said this was because "the health warning stands out more", "the package looks more serious" and the package "looks like death".[89]

The RBJ Health Management Associates study (which included interviews with marketing experts) concluded that plain packaging is likely to increase the prominence, as well as the believability, of the health warnings.[90]

Improves Effectiveness of Public Education

The federal government has recently announced that $185 million over the next three years will be spent on the largest anti-smoking campaign in Canadian history. Given the impact that the tobacco tax reductions will likely have on increasing smoking rates, it is essential that public education efforts be as effective as possible.

Plain packaging can assist. Eliminating the pro-smoking messages reduces the competition for the messages discouraging smoking. Health promotion is provided with an enhanced environment in which to succeed. It will be easier for the pro-health messages to have a meaningful impact on recipients. No longer will there be rival images about the status, weight loss, sex appeal and social acceptability that smoking can purportedly bring.

The efforts of Canadian Cancer Society volunteers to reach Canadians each year with cancer education messages would be enhanced. For example, we devote major resources into developing smoking prevention programs in schools and workplaces. Our goal is to help Canadians to choose healthy lifestyles. In the long run, cancer prevention efforts are more effective than attempting to cure individuals once they have cancer.

---

[89]Centre for Health Promotion, "Effects of Plain Packaging Among Youth" University of Toronto, November 30, 1993, p.19-20.

[90]RBJ Health Management Associates, "Impact of Plain Packaging of Tobacco on Youth Perceptions and Behaviour: Report of Study 1" (June 1993), p.29.

Results in Fewer Products on the Market

Plain packaging will reduce the ability of manufacturers to differentiate their products. The market will not be able to sustain the more than 140 cigarette brand variations[91] now available from the three major companies, let alone the various package dimensions in which these variations are available. Such a course of events is implied by tobacco lobbyist Rob Parker:

> "Plain packaging would remove the only device by which the manufacturers can compete among themselves, which is the package design. It becomes a very moot point over what the choice is between one brand and another if the package designs, as a matter of law, are virtually identical."[92]

It is possible that some imported brands will no longer be shipped so as to avoid the new regulatory requirements. (In 1989, Philip Morris stopped sending products to Canada to avoid reporting the ingredients of their products to the government and to avoid displaying the health warnings required by Canadian law.[93])

If a consumer's preferred brand is no longer available on the market, he or she may choose to quit smoking altogether instead switching to another product: "The consumer might say, if I can't smoke my brand, then I won't smoke at all."

Eliminates Extraneous Writing

The package has been a medium for a variety of promotional activities by manufacturers. They have used packaging to display advertising messages, such as the following (see Appendix 9):

- The back of Export "A" Smooth products features snow-capped mountains and the inscription "Export "A" Smooth; Made with naturally mellowed, premium tobacco for a smooth, full flavour. Fabriquées avec du tabac de qualité, naturellement adouci pour un goût velouté et plein de saveur."

---

[91]The number is probably considerably higher.

[92]Rob Parker, President, Canadian Tobacco Manufacturers' Council, appearing before the Ontario Standing Committee on Social Development, Hansard, (17 February 1994) p.S-1202.

[93]Marina Strauss, "Philip Morris to withdraw seven cigarette brands" Globe and Mail (4 April 1989).

- Player's Light Smooth features the slogan "Traditional Taste • Reduced Irritation". In French, the Player's Légère Veloutée package states "Goût traditionnel • Moins irritant".

- Numerous brands, such as Export "A" and Player's, feature calendars on the inside slide portion of the package. Calendars provide an incentive for consumers to carry around their package. And whenever a package is convenient, a smoker is more likely to have a cigarette. This increases daily consumption.

- Although not currently the practice, package slides have in the past carried promotions for tobacco sponsored events.[94]

- Notwithstanding the TPCA, stickers or markings have appeared on Black Cat and Mark Ten cigarettes indicating they were priced at a discount.

- In 1991, after the federal government increased tobacco taxes by $6.00 per carton, the industry responded by using the slide portion of the package to help generate industry sponsored opposition to the tax increase. The slide was modified so it could be used as a protest postcard to the Prime Minister.

- In the past, Matinée cigarette cartons have featured a photograph of an athletic woman playing tennis.[95]

With plain packaging legislation in place, none of these marketing and promotion techniques would be possible.

Costs Government Almost Nothing to Implement

In sharp contrast to many programmes and initiatives across the range of government activity, plain packaging would cost government little to implement. This would leave the government free to spend available money on other tobacco control measures, including public

---

[94]Imperial Tobacco Ltd., "Foreword to F'85 Marketing Plans for Players, Exhibit AG-219, RJR-Macdonald Inc. v. Attorney General of Canada, p.5.

[95]Exhibit AG-36, "Strictly Confidential" (1983), RJR-Macdonald v. Attorney General of Canada, p.5, contains a heading "Packages/Cartons as 'Media'" and states "We will continue to use packages to announce our sponsorships, we will use inserts for more than new brand launches and we will be introducing carton images i.e. imagery on the sides of cartons."

education. These other measures would synergistically complement the implementation of plain packaging.

Given the benefits of plain packaging to smuggling control and the protection of tobacco tax evasion, plain packaging would likely result in a net fiscal benefit to the government. Indeed both levels of government would benefit given that contraband affects both federal and provincial revenue.

Facilitates Further Regulatory Measures

As plain packaging reduces tobacco consumption as well as the number of smokers, the larger non-smoking population and the smaller smoking population would likely generate increased political support for the adoption of other tobacco control measures. One example is restricting smoking in workplaces and public places.

Plain packaging would single out tobacco industry products for distinctive treatment. This would send a message to policy decision makers, namely that tobacco should be viewed and regulated in a manner far different from every day consumer products.

Plain packaging would highlight to retailers the uniquely dangerous nature of tobacco, and would increase the motivation to prevent the sale of tobacco to minors.

Improves the Indoor and Outdoor Environment

The authority to regulate packaging would bring with it the ability to minimize the environmental impact of package waste. Approximately 2 billion cigarette packages are thrown out each year. Certain types of paper products which are recyclable or which biodegrade easily can be prescribed. Rules could also be made to control cellophane and foil. (The metallic component to foil wrappings is of particular environmental concern.) Certain types of harmful inks and package finishes (e.g. gloss) could be prohibited. The weight of packaging materials could be prescribed. In Germany, there has been discussion of how proposed general packaging controls might impact on tobacco products packages.[96]

---

[96]"Recycling levy on the cards in Germany" World Tobacco (May 1991) p.43; Robin Joy, "Regulations Create Design Limitations" World Tobacco (May 1992) p.17.

Plain packaging would reduce the number of cigarettes smoked. This would in turn reduce the amount of environmental tobacco smoke (ETS) and its consequent harmful effect on non-smokers, especially children. ETS has been classified by the U.S. Environmental Protection Agency as a Class A carcinogen. ETS is a cause of lung cancer and other diseases in otherwise healthy non-smokers.

A reduction in smoking would also reduce the amount of waste created by packaging (including cellophane and foil wrappings) and cigarette butts. Similarly there will be a reduction in the large amount of wood burned in "curing" tobacco and in producing paper for cigarettes.

Aspects of the environmental consequences caused by tobacco use were described in the *Canada Gazette* when revisions to the new health warnings were finalized:

> "It is estimated that empty packages disposed of by smokers contribute approximately 15,000 metric tonnes in waste. For every 1% per year decline in consumption as a result of these Regulations, it is estimated that the following reductions might occur: 150 metric tonnes in packaging, 107 metric tonnes of cigarette butts, 4.3 metric tonnes of inhaled tar, 0.3 metric tonnes of inhaled nicotine, 4.3 metric tonnes of inhaled carbon monoxide, 8.6 metric tonnes of environmental tar, 3 metric tonnes of environmental carbon monoxide.[97]

Reduces Tobacco Consumption and Prevalence

While the case for plain packaging presented so far in this report is compelling, there is yet more evidence that plain packaging will result in a decrease in smoking. The impact of plain packaging will be greater on those who are potential starters than on existing smokers. Given the highly addictive nature of nicotine, it is acknowledged that there will be a segment of smokers for whom plain packaging will have little or no impact on their behaviour.

In one study, a group of Marlboro smokers was offered Marlboro cigarettes but in plain packages. The results were dramatic. States researcher Srully Blotnick:

> "The proof is that when we offered them Marlboros at half price - in generic brown boxes - only 21% were interested, even though we assured them that each package was fresh, had been sealed at the factory and was identical (except for the different packaging) to what they normally bought at their local tobacconist or cigarette machine."[98]

---

[97] "Regulatory Impact Analysis Statement" Canada Gazette Part II, Vol. 127, No. 16 (11 August 1993) p.3290.

[98] Jeffrey A. Trachtenberg, "Here's one tough cowboy" Forbes (9 February 1987) p.108 at 109.

Forbes magazine had these comments on the results:

> "How to account for the difference? Simple. Smokers put their cigarettes in and out of their pockets 20 to 25 times a day. The package makes a statement. The consumer is expressing how he wants to be seen by others.
>
> In a sense, the brand image often appeals to the socially insecure. Says Blotnick: "They use the cigarettes as part of their wardrobe, the way some use costume jewelry or a watch."[99]

A New Zealand study (Beede et al.)[100] involving 568 adolescents aged 12-14 examined the impact of plain packs compared to branded packs. The adolescents found the plain packs to be "dull and boring". As part of the study, the subjects were shown unfamiliar U.S. brands. The adolescents provided descriptive profiles of the expected users of the brands; the profiles differed significantly from the profiles for users of the same U.S. brands appearing in plain-packs. Virtually all plain packs lacked any association of a distinct profile.[101] "This indicates that even in the lack of any additional information about the product, package stimuli serve to communicate information about the brand through learned associations consumers develop with experience related to that or similar product categories."[102]

The study concluded that "plain-packs would serve as a substantial deterrent to the initiation of smoking behaviour."[103] The researchers commented:

> "The packaging cues function to promote an image about the brand which is perceived and evaluated by both users and non-users of the product. Brand images which are perceived to be similar with a person's self image is more likely to be evaluated positively and may even serve to induce brand trial. If the brand image is substantially appealing, the evaluation of product use (consequences of smoking) may be greatly overshadowed by the allure of the brand."
>
> . . .

---

[99] *Ibid.*

[100] Park Beede, Rob Lawson, Mike Shepherd, "The promotional Impact of Cigarette Packaging: A Study of Adolescent Responses to Cigarette Plain-Packs" Paper presented to the Australian and New Zealand Association and Management Educator's Conference, Launceston, Australia, 1991.

[101] Park Beede and Rob Lawson, "Brand image attraction: the promotional impact of cigarette packaging" New Zealand Family Physician 1991; 18:175-177.

[102] Park Beede, Rob Lawson and Mike Shepherd, "The promotional Impact of Cigarette Packaging: A Study of Adolescent Responses to Cigarette Plain-Packs" Paper presented to the Australian and New Zealand Association and Management Educator's Conference, Launceston, Australia, 1991, p.7.

[103] *Ibid.*, p.17.

> . . .in the absence of brand cues presented through advertising and promotions (presenting brands in plain-pack form), consumers will be substantially less likely to notice and retain favourable impressions about the brand when exposed to advertising."[104]

An important 1993 study conducted by the University of Toronto's Centre for Health Promotion and funded by the Canadian Cancer Society provides some significant evidence about the potential impact of plain packaging. The study results were based on the responses of 129 smokers and non-smokers between the ages of 12 to 17 who completed questionnaires and participated in focus groups in the Ontario communities of Toronto, Peterborough and Barrie. The following is an excerpt from the study highlights:[105]

"Findings to date have led to the following conclusions:

1. **Plain packaging makes the package, and therefore the product, less interesting.**

- Youth who took part in the study said that the package can make or break an image. Use of dull colours removes the flair and appeal, and reduces visibility on the shelf.
- Words like ***wimpy, boring, loser*** were used to describe the buyer of plain packaged cigarettes.
- Words like ***smart, fun, popular*** were used to describe the buyer of brand packaged cigarettes.
- The only time participants could imagine smoking cigarettes from a plain pack was when they were "mad or depressed and want to be alone" whereas they would smoke cigarettes from brand packages when they were "happy and with friends and want to be cool".
- The vast majority of teens indicated they would rather be seen with a brand package.

2. **Packaging has a greater influence on youth who are contemplating smoking onset as compared to youth who are already smoking regularly.**

- The literature review and experts agreed that factors influencing onset are different than those maintaining the behaviour and that marketing strategies have more impact in influencing onset.
- However, focus groups found that even established smokers who said that they were more interested in taste than package reported that the plain package looked "cheap" and expressed concern about the quality of the product inside.
- In general, younger and newer smokers felt that fewer would smoke if all cigarettes were sold in plain packages.

---

[104] Ibid., p.16, 17.

[105] Canadian Cancer Society, Ontario Division, "Highlights: Study of the Effect of Plain Cigarette Packaging Among Youths" (6 January 1994).

- On average, more than 2/3 of non-smokers ages 12-15 stated that fewer would smoke if cigarettes were sold in plain packages."

3. **Plain packaging is important as part of a comprehensive strategy, including high costs, restrictions on sales and banning all forms of promotion of tobacco products, to reduce smoking onset among youth.**

- A substantial proportion of teens thought fewer people their age would smoke if cigarettes were sold only in plain packages. As well, 38% of older teens held that view."[106]

The study also found that most people their age would pay less for plain packs than branded cigarettes.[107] A large percentage of respondents preferred being seen with brand packages instead of plain packages (78%-97% depending on smoking/non-smoking status and brand in question).[108] Participants felt that buff coloured plain packs (described as "old" "antique" and even "death") was worse than white (which gave the impression of cleanliness, crispness, and freshness).[109] Participants rated plain and brand packs on nine bipolar attributes: ugly - attractive, boring - exciting, old fashioned - modern, awful - nice, cheap looking - expensive looking, for old people - for young people, dull-colourful, nerdy-cool, will attract young people to smoke - will turn young people off smoking. The study found that "[w]ithout exception, plain packs were rated significantly lower (more negative) than brand packs."[110] (See Appendix 10.)

A Melbourne, Australia focus group study involving 66 persons aged 12-20 years (mean age 15.4) provides further support for the potential effectiveness of plain packs. Participants

---

[106]Ibid., p.2.

[107]Centre for Health Promotion, "Effects of Plain Packaging Among Youth" University of Toronto, November 30, 1993, p.ix.

[108]Centre for Health Promotion, "Effects of Plain Packaging Among Youth" University of Toronto, November 30, 1993, p.15.

[109]Centre for Health Promotion, "Effects of Plain Packaging Among Youth" University of Toronto, November 30, 1993, p.19.

[110]Centre for Health Promotion, "Effects of Plain Packaging Among Youth" University of Toronto, November 30, 1993, pp.vi, 15-17.

were presented with plain packs of Marlboro, Peter Jackson and Benson and Hedges.[111] The study concluded that plain packaging "would detract from the image of cigarettes".[112] The following is an excerpt from the study's report:

> **"Unsolicited Information**
> Reactions to these packs were initially surprise, interest, amusement and disbelief ("are these real?"). Many participants commented that they were boring, unattractive ("they look yucky", cheap or looked like recycled paper. Participants (smokers) from several groups said that they wouldn't buy them, (I'd scab, man, I wouldn't buy them"). Several participants commented that they couldn't tell the packs apart and one person remarked, "how do you ask for a packet of Winfield Blue if they're not blue?" One person felt that they were an improvement because there was less advertising. Another participant said that the design was a contradiction, "it's like saying: don't buy me".
>
> **Responses to Specific Questions**
> Participants reported noticing that the packs contained the same information and warnings as Pack 1, and that all the packs looked the same. The unattractiveness of the packets and/or that they were dull and boring were mentioned by the majority of groups ("they look cheap and nasty", "ugly", "not exciting", "plain", "too similar", "like school uniforms").
>
> **First Impression**
> Some participants (both smokers and non-smokers) reported that they reduced the effectiveness of the promotional strategies ("they take away the company look", "the image is lost", "off-putting", "like medicine", "the warning is the first thing that strikes you, not the brand"). Other comments included, "wouldn't be cool with these boxes", "I would be embarrassed to hold them", and "people would feel like rejects if they carried these".[113]

Evidence of the potential impact of plain packaging exists from the sale of house generic brands in Canadian grocery outlets. These products, manufactured by Bastos du Canada Ltée, have been unable to secure more than 1% market share. This is despite the fact that they have retailed at prices lower than name brands. Bastos manufactures cigarettes for about 15 clients (mainly Quebec grocers). Sales in 1993 were about 200 million cigarettes, only about 0.2% of

---

[111]The brand name appeared on the packs in black ink on sand-coloured background. No other brand logos appeared on the packs. A warning appeared on the top 25% of the pack, health information covered the entire back of the pack, and expanded information regarding tar, nicotine and carbon monoxide appeared on the entire right side of the pack. The warning and information appeared in black on white.

[112]"Adolescents' reactions to cigarette packs modified to increase extent and impact of health warnings" in Centre for Behavioural Research in Cancer, Health Warnings and Contents Labelling on Tobacco Products. Report prepared for the Ministerial Council on Drug Strategy Tobacco Task Force (Melbourne: Anti-Cancer Council of Victoria, 1992), p.121 at 125.

[113]"Adolescents reactions to cigarette packs modified to increase extent and impact of health warnings" in Centre for Behavioural Research in Cancer, Health Warnings and Contents Labelling on Tobacco Products. Report prepared for the Ministerial Council on Drug Strategy Tobacco Task Force (Melbourne: Anti-Cancer Council of Victoria, 1992), p.123.

the 50 billion unit tobacco market in Canada.[114] Each client grocer/retailer sells their house cigarettes in packages coloured to their choosing. But these packages do not feature national brand names, nor do they typically have sophisticated, alluring packaging design features.

The potential impact of plain packs was recognized in an editorial in the British publication *Marketing*:

> "Legislation on packaging could really undermine cigarette brands. What would happen if manufacturers were forced to sell their goods in packs without logo, called perhaps, "20 Govt standard, Type A, Low Tar".[115]

In Canada, the major brewers moved to a standard shaped bottle. This constraint alone has a significant impact on marketing ability., even though brand labelling on the bottle was not changed and advertising and promotion of beer is permitted. The following is an excerpt from the *Globe and Mail*:

> "it would also make it much harder for the beer companies to market the different brands of beers, since most observers agree that their beers taste much the same.
>
> 'From a marketing perspective, it's boring" to move to a single beer bottle, said Larry Gee, an executive vice-president with the Liquor Control Board of Ontario.
>
> 'If you don't differentiate through the packaging, outside of the light and dry beers, what else is there to say?' he asked. 'It's tough to be a me-too [product] and get an edge.'
>
> ...
>
> Since marketing is so important to selling beer, the bottle designs became an important tool to pitch the product in the 1980s, when competition from U.S. imports was minimal."[116]

Impact of Tobacco Advertising Generally

While this report deals with plain packaging, some general reference to the impact of tobacco advertising on smoking behaviour should be made.

To this end, Appendix 11 contains an excerpt on advertising from the 1994 U.S. Surgeon General's report. Appendix 12 reproduces an article of Professors Richard W. Pollay and Anne

---

[114]Gilbert Cantin, Bastos du Canada Ltée, personal communication with Rob Cunningham, March 31, 1994.

[115]Alan Mitchell, "No smoke without brand fire" Marketing (28 February 1991) (editorial).

[116]Marina Strauss, "Brewers draft plan for standard bottle" Globe and Mail (3 December 1991) p.B4.

M. Lavack, regarding the evidence obtained at the trial looking at the TPCA's constitutionality.[117]

Appendix 13 contains excerpts from an Imperial Tobacco document indicating the target markets for its major brands. In some cases, the most important target markets are those aged 12-17 based on the weightings assigned by the company.

It is worth noting that recent research published in the *Journal of the American Medical Association* provides further evidence of the impact of tobacco advertising. The research found that Joe Camel, the cartoon character which promotes Camel cigarettes, is as well recognized as Mickey Mouse among six year olds.[118]

Support for Plain Packaging

Plain packaging has widespread and increasingly vocal support from the health community not only in Canada, but around the world.[119] Developments on this public health initiative in Canada are being reported and actively monitored internationally.[120]

Health Minister Diane Marleau has strongly supported plain packaging, saying she wants to move on it as quickly as possible. Describing cigarettes as "poison", she said "We feel it would do a lot to discourage young people especially from taking up smoking." To her credit,

---

[117]Richard W. Pollay and Anne M. Lavack, "The Targeting of Youths by Cigarette Marketers: Archival Evidence on Trial" in Leigh McAlister and Michael L. Rothschild, eds., Advances in Consumer Research, vol. 20, (Provo, UT: Association for Consumer Research, 1992, p.266-271. See also National Clearinghouse on Tobacco and Health, "Selected Compilation of Excerpts from Court Testimony and Exhibits from the Tobacco Industry Challenge to the Tobacco Products Control Act" (30 June 1990).

[118]P.M. Fisher et al., "Brand logo recognition by children aged 3 to 6 years. Mickey Mouse and Old Joe the camel. Journal of the American Medical Association 1991;266(22):3145-8. See also J.R. Difranza et al., "RJR Nabisco's cartoon camel promotes Camel cigarettes to children" *Journal of the American Medical Association* 1991; 266(22):3149-53.

[119]See European Bureau for Action on Smoking Prevention, "The Labelling of Tobacco Products in the European Union" (December 1993), p.24.

[120]Action on Smoking and Health, "International" ASH Bulletin 1994(4) (16-28 February 1994) p.5; European Bureau for Action on Smoking Prevention, "Canada: Renewed Call for Plain Packaging for Cigarettes" Smoking Prevention, newsletter no.23, p.21; European Bureau for Action on Smoking Prevention, "Canada: Appel pour des pacquets de cigarettes" Prévention du Tabagisme, Newsletter No.23, p.21.

the Minister said she realizes the tobacco industry is going to fight attempts to bring in plain packages but "I'm prepared to take on the tobacco industry."[121]

Eight of Canada's ten provincial governments are on record as publicly supporting plain packaging.[122] The only provinces which have not expressed support are Quebec and New Brunswick. There has been no indication that these two provinces have expressed opposition. It is just that they have yet to take a position.

The Canadian Medical Association first expressed its support for plain packaging in 1986 when it recommended to the federal government that tobacco products be sold in plain, standard-size packages.[123] The Non-Smokers' Rights Association and the Canadian Council on Smoking and Health expressed public support for plain packaging in 1988.[124]

Nationally, the following organizations are among those endorsing plain packaging:[125]

Canadian Association of Hospital Auxiliaries
Canadian Cancer Society
Canadian Chiropractic Association
Canadian Council on Smoking and Health
Canadian Dental Association
Canadian Home and School and Parent-Teacher Federation
Canadian Hospital Association
Canadian Lung Association
Canadian Medical Association
Canadian Nurses Association
Canadian Pharmaceutical Association
Canadian Physiotherapy Association
Canadian Public Health Association
Canadian Teacher's Federation
Non-Smokers' Rights Association

---

[121]Richard Brennan, "Minister promises plain-pack smokes" Ottawa Citizen (8 April 1994) p.A3. See also "Marleau backs plain packages" Globe and Mail (8 April 1994) p.A3A; Heather Bird, "Smokes packs plain by '95" Ottawa Sun (8 April 1994) p.42.

[122]Martin Mittelstaedt, "Plain cigarette package favoured" Globe and Mail (11 March 1994).

[123]Canadian Medical Association, "CMA Policy Summary; Smoking and Health: 1991 Update" printed in Canadian Medical Association Journal 1991; 144(2) 232A-232D.

[124]Canada, Minutes of Proceedings and Evidence of the Legislative Committee on Bill C-204 and bill C-51 (21 January 1988) p.22:19, 22:32, 22:43-44.

[126]National Campaign for Action on Tobacco, "Warning: Treat the Epidemic Like an Epidemic" (1989) (Pamphlet).

Physicians for a Smoke-Free Canada
The Canadian Association of Optometrists
The Canadian Society of Respiratory Therapists
The College of Family Physicians of Canada
The Royal College of Physicians and Surgeons of Canada
United Church of Canada

Other supportive organizations include the Canadian Oncology Society[126] and the Addiction Research Foundation.[127]

Plain packaging was endorsed by the National Conference on Tobacco or Health held in Ottawa in October, 1993. The applicable conference resolution stated:

> "That all federal, provincial and territorial governments pass legislation requiring the plain packaging of tobacco products."[128]

In Ontario, Bill 119 was considered by the Standing Committee on Social Development. At hearings around the province, many individuals and groups expressed strong support for plain packaging. At the conclusion of the hearings, there was agreement among members of all three parties (NDP, Liberal, Progressive Conservative) regarding the importance and potential effectiveness of plain packaging. This led to amendments to the bill in committee clarifying the authority of the government to require plain packaging.

In Ontario, the following organizations have been among those in the campaign supporting plain packaging:[129]

Association of Local Official Health Agencies
Canadian Cancer Society, Ontario Division
College of Dental Hygienists of Ontario
Concerns Canada
Council for a Tobacco-Free Ontario

---

[126]Canadian Oncology Society, "Cancer Specialists Say Next Move on Plain Packs is Chrétien's" (3 March 1994) (news release).

[127]Roberta G. Ferrence and Marilyn A. Pope, "Access to Tobacco By Minors: Policy Recommendations for the Province of Ontario" (Toronto: Addiction Research Foundation, September 1991).

[128]Tobacco Free Canada First National Conference on Tobacco or Health, Conference Resolutions (October 22, 1993), p.3.

[129]Ontario Campaign for Action on Tobacco, "Give Kids a Chance" (1992) (Pamphlet); Ontario Campaign for Action on Tobacco, "Organizations Supporting the 8 Prescription Plan to GIVE KIDS A CHANCE" (6 April 1994) (memo).

Heart and Stroke Foundation of Ontario
Non-Smokers' Rights Association
Ontario Association of Children's Aid Societies
Ontario Campaign for Action on Tobacco
Ontario Cancer Treatment and Research Foundation
Ontario Chiropractic Association
Ontario Federation of Home and School Associations
Ontario Lung Association
Ontario Medical Association
Ontario Naturopathic Association
Ontario Physical and Health Education Association
Ontario Public Health Association
Physicians for a Smoke-Free Canada
Registered Nurses Association of Ontario
The Ontario College of Family Physicians

In British Columbia in 1990, the then Opposition Health Critic Dr. Tom Perry introduced a private member's bill which would have required plain packaging. The bill stipulated that no distributor or retailer shall sell "a tobacco product unless the tobacco product, the method of packaging and the package in which it is contained conform to the stipulations of this Act." Further, the bill provided that "Tobacco and tobacco products packages...shall be sold in a plain white package with the brand name printed only on the small ends of the package."[130] Perry supported plain packaging in the Legislature on July 13, 1990.[131] He also supported it on July 14, 1989 as part of his eight point plan to reduce tobacco use.[132]

Plain packaging has received extensive newspaper support in Ontario where the issue has been up for legislative consideration: *Globe and Mail*,[133] *Ottawa Citizen*,[134] *Toronto Star*,[135] *[Kingston] Whig-Standard*,[136] *London Free Press*,[137] *[Brantford] Expositor*,[138]

---

[130]Bill M224-1990 (B.C.), Children's Tobacco Addiction Protection Act. The bill was not adopted.

[131]Tom Perry, British Columbia Debates of the Legislative Assembly (13 July 1990) p.10944.

[132]Tom Perry, British Columbia Debates of the Legislative Assembly (14 July 1989).

[133]"Getting teenagers off the weed" Globe and Mail, (13 November 1991) p.A18.

[134]"False images of smoking lethal" Ottawa Citizen (23 November 1991) p.B6; "We'll huff 'n' puff and shut your store down" Ottawa Citizen (6 February 1993).

[135]"Turning teens off cigarettes" Toronto Star (18 November 1991) p.A16.

[136]Harvey Schacter, "Perversity and generic cigarette packages" Kingston Whig-Standard (21 December 1991).

[137]"Making tobacco habit socially unacceptable" London Free Press, (22 November 1991) p.A12.

[Sudbury] Northern Life,[139] *Sault Star*,[140], *Welland-Port Colborne Tribune*[141] and *Hamilton Spectator*.[142]

A 1992 nation-wide poll by Insight Canada Research found that 64% of Canadians (including 63% of smokers) supported "requiring tobacco to be sold in plain packages with only the brand name and health warning on the pack".[143] Plain packaging was supported in every province. A 1992 Environics survey in Ontario found that 64% of smokers and 63% of non-smokers would support plain packaging.[144]

In Australia, the Ministerial Council on Drug Strategy requested a report on the feasibility of implementing plain packaging for all tobacco products.[145] This report has not yet been completed. In the meantime the Council (which includes the Health Ministers from the various states) had agreed to implement new health warnings and information on packages as follows:

- "health warnings printed on the "flip top", occupying at least 25 per cent of the front of the pack;
- detailed explanations for consumers of each health warning, together with a National QUIT line telephone number, taking up the whole of the back of each pack; and

---

[138]"It's time for the ugly pack" The [Brantford] Expositor, (23 November 1991) p.A12.

[139]"Generic packaging would turn teens off tobacco" [Sudbury] Northern Life (1 May 1992) p.4.

[140]"Colourless cigarette packages" Sault Star (30 April 1992).

[141]"Bland wrappers for cigarettes: An idea to consider" Welland-Port Colborne Tribune (10 January 1994).

[142]"Here's to the day cigarettes come in a plain brown wrapper" The [Hamilton] Spectator (13 February 1993).

[143]Insight Canada Research, "Smoking in Canada: Sales to Minors" Report on the Findings of a Nation-Wide Survey Conducted on Behalf of The Canadian Cancer Society, The Heart and Stroke Foundation of Canada, and The Canadian Council on Smoking and Health (November 1992), Table 12.

[144]Environics Research Group "Attitude Toward Tobacco: Survey Completed for the Heart and Stroke Foundation of Ontario, the Canadian Cancer Society--Ontario Division, and the Ontario Lung Association" (1992). See also Danielle Bochove, "Cigarette poll finds support for plain packs; Equal numbers of smokers, non-smokers surveyed favour generic wrapping" (26 October 1992).

[145]Hon. Peter Staples, MP, Australian Minister for Aged, Family and Health Services, in a letter to Konrad Jamrozik, Australian Council on Smoking and Health, June 1, 1992; National Campaign Against Drug Abuse, "Tobacco Labelling Reforms Give Consumers More Information" (18 April 1992) (news release).

- information - on one entire side of the pack - to help consumers more readily understand the tar, nicotine and carbon monoxide content of that brand."[146]

The proposal was weakened severely as a result of tobacco industry pressure. It is anticipated that only part of the back of the package will carry information, and not the entire back. Had the above proposal been implemented, much progress towards plain packaging would have been made.

In Australia, a survey of smokers and recent ex-smokers asked whether the respondents would "approve or disapprove of rules to make cigarettes less colourful and attractive." Some 60% approved, 17% disapproved, and 24% were unable to give an opinion. Those who disapproved or could not say were then asked "If it could be shown that less colourful cigarette packets would lead to fewer young people taking up smoking, would you then approve or disapprove?" The overall response was 60% approval (unconditional), 27% approval (if uptake reduced), 4% disapproval, and 9% can't say. Total approval thus surpassed disapproval 87% to 4%.[147]

In New Zealand, a key Health department official recommended to the country's Toxic Substances Board that plain packages be implemented as a measure to reduce tobacco use.[148]

A report prepared by the European Bureau for Action on Smoking Prevention, an organization established by the Commission of the European Communities, describes plain packs as an effective tobacco control measure which would enhance health warnings.[149] The report notes that health advocates around the world are calling for plain packaging.

---

[146]National Campaign Against Drug Abuse, "Tobacco Labelling Reforms Give Consumers More Information" (18 April 1992) (news release).

[147]"Demand among smokers for more health information and other pack modifications to discourage smoking" in Centre for Behavioural Research in Cancer, Health Warnings and Contents Labelling on Tobacco Products. Report prepared for the Ministerial Council on Drug Strategy Tobacco Task Force (Melbourne: Anti-Cancer Council of Victoria, 1992). The sample consisted of 508 respondents, 91% of whom were smokers and 9% of whom had quit within the previous six months.

[148]Murray Laugesen, Principal Medical Officer (Health Promotion), New Zealand Department of Health, paper prepared for the Toxic Substances Board (September 1989).

[149]European Bureau for Action on Smoking Prevention, "The Labelling of Tobacco Products in the European Union" (December 1993), p.24. Chapter 8 (at p.24) is entitled "Plain Packaging - The Most Effective Health Warning".

Legislative Mechanisms to Implement Plain Packaging

Legally, plain packaging could be imposed by either the federal or provincial level of government. The federal government already regulates aspects of tobacco packages through the *Tobacco Products Control Act*, the *Consumer Packaging and Labelling Act*, and the *Excise Act*. It also has responsibility for trademarks.

The tobacco industry challenged the constitutionality of the *Tobacco Products Control Act* in the courts. This act bans advertising and requires health warnings to appear on packages. The Quebec Court of Appeal ruled that the Act was not an infringement of the *Canadian Charter of Rights and Freedoms*. The court also ruled that the Act was within federal jurisdiction and was not within the exclusive jurisdiction of the provinces.

From a provincial perspective, the three justices on the Quebec Court of Appeal agreed that the *TPCA* would also have been valid had the Act been a provincial law. This is consistent with an earlier decision of the B.C. Supreme Court[150] holding that a province has the constitutional ability to ban tobacco advertising.

The Canadian Tobacco Manufacturer's Council (CTMC) suggests that the federal government has constitutional jurisdiction over packaging,[151] even though the industry is currently before the Supreme Court of Canada arguing that the *TPCA* (which regulates tobacco packaging) is a provincial responsibility. The industry questions provincial authority to implement plain packaging.[152]

It is worth noting that the tobacco industry frequently asserts that a law is unconstitutional in an effort to block passage of important legislation. They threaten to take tobacco control initiatives to court. But so far the industry's record in court is a poor one, with 0 wins and 5

---

[150] Benson & Hedges (Canada) Ltd. et al. v. Attorney-General of British Columbia, [1972] 5 W.W.R. 32, 27 D.L.R. (3d) 257, 6 C.P.R. (2d) 182 (B.C.S.C.).

[151] In an October 14, 1993 letter from Canadian Tobacco Manufacturers' Council Vice-President Jacques Larivière to Rob Cunningham, Larivière cites "Ottawa's jurisdiction over packaging through such statutes as the Consumer Packaging and Labelling Act and the Tobacco Products Control Act."

[152] Anita Elash, "Grier fumes at feds over wrapping" Toronto Sun (March 11, 1994).

losses. Unsuccessful challenges have been made to the federal ban on tobacco advertising[153] (under appeal), to new federal health warnings,[154] and to a provincial ban on tobacco advertising.[155] The tobacco industry funded front organization, the Smokers' Freedom Society, has supported unsuccessful challenges to a City of Toronto smoking by-law,[156] and to a workplace smoking prohibition in the federal public service.[157]

It is worth noting that in a GATT panel decision involving tobacco laws, it was explicitly stated that "generic packaging" was among those measures which would not infringe GATT's provisions.[158]

In Canada, Parliament has a number of legislative options to implement plain packaging. First, amendments can be brought forward to amend the *Tobacco Products Control Act*. Second, the exemption for tobacco in the *Hazardous Products Act* can be removed. Given that tobacco is already listed as a restricted product under this *Act*,[159] removing the exemption would give the federal government instant authority to prescribe plain packaging. Another alternative would be to add tobacco to the list of what is covered under the *Food and Drugs Act*. Once this was done, plain packaging could be required through regulations under this statute. Finally, the exemption for nicotine in Bill C-7, the *Controlled Drugs and Substances Act*, could be removed. Along with other amendments to the bill, the new Act would then provide another mechanism through which plain packaging could be required.

The three statutes mentioned, as well as Bill C-7, all come under the responsibility of the federal Minister of Health.

---

[153] RJR-Macdonald v. Attorney General of Canada (1993), [1993] R.J.Q. 375, 53 Q.A.C. 79, 102 D.L.R. (4th) 289, 48 C.P.R. (3d) 417 (Quebec Court of Appeal) reversing (1991), 82 D.L.R. (4th) 449, 37 C.P.R. (3d) 193 (Quebec Superior Court) (sub nom. Imperial Tobacco Ltd. c. Canada (P.G.) (1991), [1991] R.J.Q. 2260 (C.S., Chabot J.)). Leave to appeal to S.C.C. granted October 14, 1993 (S.C.C.).

[154] RJR-Macdonald Inc. and Imperial Tobacco v. Attorney General of Canada and five intervenors (March 3, 1994, S.C.C., 9:0).

[155] Benson & Hedges (Canada) Ltd. et al. v. Attorney-General of British Columbia, [1972] 5 W.W.R. 32, 27 D.L.R. (3d) 257, 6 C.P.R. (2d) 182 (B.C.S.C.).

[156] Rigg v. Toronto (City) (1989), 46 M.P.L.R. 113 (Ont. High Court of Justice, Van Camp J.).

[157] Jourdain v. Canada (Treasury Board), [1989] 3 F.C. 507, 31 F.T.R. 91, 62 D.L.R. (4th) 29 (T.D.).

[158] See Gregory N. Connolly, "Freedom From Aggression: A Guide to Resisting Transnational Tobacco Companies' Entry Into Developing Countries" in American Cancer Society, Selected Papers From the 8th World Conference on Tobacco or Health: Building a Tobacco-Free World (March 30 - April 3, 1992). The GATT panel decision was released in November, 1990.

[159] Schedule I, Part II, section 4.1.

By whatever mechanism is chosen, the applicable statute should provide the government complete control over the product and its promotion, importation and packaging, as is presently the case which products under the *Hazardous Products Act*. Such legislation would be "permissive" in style instead of restrictive. In other words, the only acceptable products and product marketing would be that which the government permits, not that which it prohibits. Public statements by Health Minister Diane Marleau and by Solicitor General Herb Gray indicate the government intends to come forward with this type of legislation.

The federal government could move quickly to require plain packaging by removing the exemption for tobacco in the *Hazardous Products Act*. The applicable bill would only be a few lines long. With the exemption removed, all that would have to be done would be to adopt regulations under the Act.

It is worth noting that in 1969, the Isabelle Report recommended that "production, advertising and sale of all tobacco products be brought under a revised Tobacco Restraint Act or under the Food and Drugs Act."[160]

Plain packaging could be required under existing provincial tobacco control laws in two provinces. In British Columbia, all the government has to do is adopt a regulation under the *Tobacco Product Act*[161]. In Nova Scotia, plain packaging could be required under the *Tobacco Access Act*[162] provided that "packaging" is included as "promotional material." In Ontario, Bill 119, the *Tobacco Control Act* is awaiting third reading approval. This bill gives the provincial government complete regulatory authority over packaging.

Progress So Far Towards Plain Packaging

A number of legislative measures have been introduced which will bring plain packaging closer to reality. As noted, "kiddie packs" will be banned nationally with the passage of Bill C-11.

---

[160]Canada, House of Commons, "Report of the Standing Committee on Health, Welfare ad Social Affairs on Tobacco and Cigarette Smoking" (1970), (Isabelle Report) p.38. The Tobacco Restraint Act has since been repealed by the Tobacco Sales to Young Persons Act.

[161]Revised Statutes of B.C. 1979, chapter 403. The Act will be renamed as the Tobacco Sales Act when the Tobacco Product Act Amendment Act, 1992 comes into force.

[162]Statutes of Nova Scotia 1993, chapter 14.

The most important development is the set of new warnings to be required on packages sold by manufacturers and importers after September 12, 1994.[163] The warnings must be in black and white, be at the top of the package, cover a display area of 25% of both the front and the back of the package,[164] and be surrounded by a 3-4mm border. The resulting total area used by the warning and the border varies between 33.68% and 39.35% depending on the package size.[165] On the side of the package, the listing of tar, nicotine and carbon monoxide will be required to appear in black and white.

The new warnings will make notable progress towards stripping the package of its enticing, trust-building qualities. The new warnings will provide a solid foundation to move forward to the next logical step, plain packaging.

Responding to Tobacco Industry Arguments

The tobacco industry is opposed to plain packaging. One industry spokesperson in Australia has said, "We see this as one of the biggest issues that is facing tobacco, particularly from a corporate affairs point of view; in Australia and right across the globe."[166] One industry trade journal featured an illustration of packages featuring a package with the existing Australian warning, a package with the proposed warning and information, and a plain package. The headline to the illustration said "Evolution of a Marketing Nightmare," a suitable indication of the industry's view of plain packaging.[167]

Responses to anticipated industry arguments are as follows:

1. Trademarks are a competitive tool by which manufacturers compete with each other.

---

[163]These are described in Tobacco Products Control Regulations, amendment, SOR/93-389.

[164]Each warning cannot be less than 12 cm^2.

[165]Imperial Tobacco Ltd, "Memorandum of Argument of the Applicant Imperial Tobacco Limited" (September 13, 1993) filed in the Supreme Court of Canada, p.2.

[166]Martin Riordan, Corporate Affairs Manager, W.D. & H.O. Wills, quoted in Glenn A. John, "De-facing Brands Are Darkening Horizons" Tobacco International (1 February 1994) p.21.

[167]See Ibid., p.22-23.

At present, the Canadian tobacco industry is not competitive. The industry operates as an oligopoly. One company dominates and had 67% of domestic market share in 1993.[168]

Regardless of any impact of plain packaging on competition, such an impact is subsidiary to the public health benefits which would result.

2. Plain packaging represents a confiscation of trademarks.[169]

The tobacco industry in Canada can afford a reduction in sales which would result from plain packaging. In 1993, the industry set an all-time record for profitability, despite lower unit sales volumes. Sales in 1994 are expected to increase and positively affect profit because of the rollback in tobacco taxes.

Governments have prohibited many products and activities without compensation being paid to the manufacturer. Vending machines have been prohibited in Nova Scotia. Bill 119 in Ontario will ban vending machines and will bar pharmacies from selling tobacco. The federal *Tobacco Sales to Young Persons Act* bans most vending machines. The *TPCA* prohibits most goods (such as lighters, hats or gym bags) carrying a tobacco brand name or trademark. In all of these cases, government has not or will not pay compensation.

Schedule I to the *Hazardous Products Act* lists a long line of products which have been prohibited, from lawn darts to specified types of asbestos (see Appendix 14). Government does not pay compensation to manufacturers when a product is prohibited.

There is no doubt the government has the authority to ban tobacco outright. If this happened, tobacco manufacturers would not be paid compensation. Surely then the industry has no sound basis to object to the government taking less intrusive action by continuing to permit the product but requiring packages to conform to prescribed packaging criteria.

---

[168] Taken from a 1994 Imasco Ltd. report to stock analysts.

[169] In Martin Mittelstaedt, "Ontario plans steps to restrict tobacco use" Globe and Mail (23 October 1992) A1 at A2, CTMC Vice-President Jacques Larivière says "Trademarks are an essential part of the marketing approach anywhere in the world. The confiscation of those trademarks raises some fundamental questions."

3. Trademarks are a form of expression protected by the *Canadian Charter of Rights and Freedoms*.

If plain packaging infringes the protection of freedom of expression, the measure would nevertheless be constitutional because it is a "reasonable limitation" on such protected rights (pursuant to section 1 of the *Charter*). Commercial expression such as trademarks are hardly at the core of historic and fundamental freedom of expression. Commercial expression has been recognized by the courts as deserving less protection than other forms of expression.

The ban on tobacco advertising has been upheld as constitutional and as a reasonable limit by the Quebec Court of Appeal. The industry has appealed the case to the Supreme Court of Canada.

The Supreme Court of Canada has upheld numerous laws as reasonable limits. These include a ban on hate propaganda aimed at protecting identifiable groups, a ban on prostitution solicitation/advertising in order to curb street side nuisance, obscenity laws to prevent degradation of women, roadside spot checks to curb drinking and driving, and toy advertising aimed at children. Given that tobacco is the leading preventable cause of disease and premature death in Canada, the case that plain packaging and other tobacco control measures are reasonable limits is powerful indeed.

In one highly relevant case, the Ontario Court of Appeal considered a provincial law requiring that margarine be coloured differently than butter. The purpose of the law was to protect the economic health of the dairy industry. A unanimous Court held that if the law infringed freedom of expression, it was nevertheless justifiable as a reasonable limit. The Supreme Court of Canada refused to give the margarine industry permission to appeal to the top court.[170]

The Supreme Court of Canada has already spoken of the public health importance of controlling tobacco. In rejecting the tobacco industry's arguments to block the new warnings because of the cost involved, a unanimous Court stated:

> "[A]ny public interest in maintaining the current price of tobacco products cannot carry much weight. This is particularly so when it is balanced against the

[170] Re Institute of Edible Oil Foods v. Ontario (1989), 64 D.L.R. (4th) 380 (Ontario Court of Appeal), leave to appeal to Supreme Court of Canada refused September 6, 1990 (S.C.C.).

> undeniable importance of the public interest in health and in the prevention of the widespread and serious medical problems directly attributable to smoking. ...The public interest in health is of such compelling importance that the applicants for a stay must be dismissed..."[171]

The industry often invokes "freedom" as part of the arguments used to defend its cancer-causing activity. What must be noted, however, is that there is no freedom in addiction or in a cancer ward. The overwhelming majority of smokers begin smoking before the age of responsibility. When a smoker becomes older and desires to quit, he or she is often unable to. Addiction, the antithesis of freedom, has set in. Imperial Tobacco research shows that in 1989, 43% of smokers attempted to quit (possibly in the previous year), 49% intended to quit, and only 1.8% had actually quit.[172]

Michael Pertschuk, former U.S. Federal Trade Commissioner, succinctly responds to the tobacco industry's view of freedom:

> "There's a genuine recognizable freedom at stake in this debate: the freedom of consenting mature adults, spared the psychological manipulation of Madison Avenue, fully informed by a free and responsive media, to choose to smoke in the privacy of their homes. That's a freedom worthy of some respect. The rest is grotesque propaganda."[173]

4. There is no reason to believe that plain packaging would have any impact on tobacco consumption.

In making this assertion, the industry has no credibility. The industry's record of denials is as shocking as it is unacceptable. The industry denies that smoking causes lung cancer or any other disease, that anyone has ever died from smoking, that second-hand smoke is harmful, that smoking is addictive, that the new health warnings will have any incremental impact, or that the industry has ever marketed to minors. Recently, the industry has also on occasion denied that higher prices have had any impact on consumption.

---

[171] RJR-Macdonald Inc. and Imperial Tobacco v. Attorney General of Canada and five intervenors (March 3, 1994, S.C.C., 9:0), p.48.

[172] Imperial Tobacco Limited, "The Canadian Tobacco Market at a Glance", Exhibit AG-31 RJR-Macdonald Inc. v. Attorney General of Canada, p.2.

[173] Michael Pertschuk, "Strategy and Tactics" paper delivered at the Conference on Smoking and Reproductive Health, San Francisco, 1985.

For plain packaging, the believability of the industry's position is further strained when the financial benefits of the measure to the industry are noted. The industry will save large amounts of money spent on package design and market research. It will save on printing costs given that the process will be much simpler. It will save money by spending less on sponsorships, shelf displays, and other promotions. Further, given that plain packaging will likely result in fewer products on the market, the cost of implementing future revisions to health warnings will be reduced.[174]

Standardized Tobacco Products

While this report is concerned with plain packaging, some discussion of the importance of standardized cigarettes is warranted.

Standardizing cigarettes would take away some of the marketing techniques used on the products themselves. Flavourings such as menthol, which facilitate smoking initiation, could be prohibited. Controls should exist over other additives put in cigarettes.

Cigarettes should be of a standard length and width (this would address "slims" cigarettes aimed at women, as well as "King size" cigarettes).

Trademarks now appear on cigarettes themselves. This provides further reinforcement of the brand's imagery and should be removed.

Consideration should be given to requiring cigarettes to be of a standard unattractive colour. The present widespread use of white may create images of purity and cleanliness. Perhaps at a minimum, only unbleached paper should be permitted. The feasibility of having non-white cigarettes is illustrated by "More" which uses brown paper.

The cork-like appearance of most filters may suggest to consumers that the filter works effectively at removing all harmful substances. Such a belief, of course, is mistaken. On some brands, especially brands targeted at women, the filter is white. Perhaps requirements should be made to stipulate a specific appearance for the filter.

[174]The industry claims its cost of implementing new health warnings required by September 12, 1994 is $30 million: Imperial Tobacco Ltd., "Application for Stay, Memorandum of Argument" (13 September 1993) filed in the Supreme Court of Canada at p.2 citing an affidavit of William E. Sanders.

On Silk Cut, a brand presently not available in Canada, the filter apparently feels like satin. This enhances the brand's image.

Cigarettes should be required to be made "fire-safe" so that they are far less likely to ignite other materials if left unattended. Fire-safe technology exists, but manufacturers have not marketed cigarettes in this form because the taste is reportedly unacceptable to consumers.[175]

International Importance of Action by Canada on Plain Packaging

Plain packaging would set a world precedent for control of transnational tobacco industry products. Once the measure was implemented in Canada, other foreign jurisdictions would likely follow.

Canada is recognized as a world leader in the fight against tobacco. States the *Wall Street Journal*: "Canada is widely seen as a model for governments trying to reduce smoking through a combination of regulation and taxation."[176] Other countries have followed Canada's lead in a number of tobacco control areas. Hong Kong's Dr. Judith Mackay attests that Canada is vital to global tobacco control efforts.[177]

Canada was the first country in the world to ban smoking on flights under two hours. The United States and numerous other countries followed suit to the extent that smoke-free skies is increasingly the norm. The International Civil Aviation Organization has recommended that all international flights be smoke-free by 1996.

Canada's law banning tobacco advertising was used as a model for subsequent legislation adopted in New Zealand and in Thailand. The Canadian example was also cited in Lithuania and France and has been referred to by various European countries supporting an advertising ban in the European Community.

---

[175]This issues was discussed in a March 27, 1994 broadcast of 60 Minutes.

[176]G. Pierre Goad, "Canada's Tobacco-Ad Ban is Overturned by Judge" Wall Street Journal (29 July 1991).

[177]Matthew D. Pavelich, "International Activist Pursues Partnerships in Fight against Tobacco Epidemic" Leadership 1993; 2:6,25. (Canadian publication.) Dr. Mackay is the founding Executive Director of the Hong Kong Council on Smoking and Health. In 1989, she established the Asian Consultancy on Tobacco Control.

Canada's new warnings have been cited by Australia as that country proceeds with significant revisions to its warnings.

When tobacco companies register a victory in Canada, the industry is quick to let the world know. When the Quebec Superior Court said the ban on tobacco advertising was unconstitutional, the industry in Europe was advertising this fact. The advertisements did not mention that the decision was under appeal or that the advertising ban remained in force pending the appeal. Indeed, on appeal, the decision was overturned.

The industry has moved quickly to use the tobacco tax rollbacks in Canada to deter other countries from increasing their tobacco taxes.

The magnitude of the global consequences arising from tobacco industry products is without precedent. States a representative of the World Health Organization:

> "WHO estimates that this pandemic is currently killing about three million a year, but, if current smoking trends persist, the total will grow to ten million a year by the 2020's, with seven million of those deaths in developing countries. The World Bank has estimated that these ten million tobacco-caused premature deaths a year will exceed the expected annual total from AIDS, tuberculosis, and complications of childbirth *combined*."[178]

Placed in this context, the case for the implementation of plain packaging in Canada is all the more convincing.

---

[178]Neil E. Collishaw, "What Canadians can do to end the tobacco pandemic", Notes for a presentation to Tobacco-Free Canada: First National Conference on Tobacco or Health (22 October 1993) p.1.

Conclusion

A quarter of a century ago, the House of Commons Standing Committee on Health, Welfare and Social Affairs stated that "it is clearly contrary to the public interest for the use of a harmful product to be actively promoted."[179]

In 1987, the Minister of National Health and Welfare, the Hon. Jake Epp, stated that "Promotion of an addictive toxic substance which contributes to 35,000 deaths each year in Canada is simply incompatible with responsible public health policy. Action is long overdue...I do not believe we need more studies, we do not need more deaths, we do not need more disabilities; we need immediate action including preventive education campaigns, and concrete efforts to strip tobacco of its alluring image."[180]

The Canadian Cancer Society agreed with the Health Committee in 1969. The Society agreed with Health Minister Epp in 1987. And tobacco control remains today as one of our five national priorities. Given the importance of branded packaging to the promotion of tobacco products, and given the enormous risk of cancer from tobacco use, our conclusion is that plain packaging both would be necessary and desirable public policy. The urgency of the public health disaster caused by tobacco use is acute. The time for action is now. The future health of a generation of youngsters hangs in the balance.

[179]Canada, House of Commons, Report of the Standing Committee on Health, Welfare and Social Affairs on tobacco and cigarette smoking. House of Commons Session 1969-70 (Isabelle Report), p.30.

[180]Hon. Jake Epp, Minutes of Proceedings and Evidence of the Legislative Committee on Bill C-204 and C-51 (10 December 1987) p.16:69.

Selected Bibliography

General Literature on Packaging

Philippe Devismes, *Packaging Mode d'emplois* (Paris: Dunod, 1991).

J.H. Briston and T.S. Neill, *Packaging Management* (Great Britain: Gawer Press Ltd., 1972), p.1.

Robert L. Glazier, "Matching Supplier Knowledge to Consumer Needs" in *Effective beverage marketing through better packaging* (New York: American Management Association, 1968), vol. 118, p.3-5.

David J. Freiman, "A Reappraisal of Consumer Package Performance" in *Consumer Oriented Packaging* (New York: American Management Association, 1967), vol. 106, p.13-16.

Waltern Stern, ed., *Handbook of Package Design Research* (U.S.A.: John Wiley & Sons, 1981).

Articles in Journals and Selected Other Periodicals

Park Beede and Rob Lawson, "The effect of plain packages on the perception of cigarette health warnings" *Public Health* 1992; 106: 315-322.

Park Beede and Rob Lawson, "Brand image attraction: the promotional impact of cigarette packaging" *New Zealand Family Physician* 1991; 18:175-177.

Jonathan Bell, "Offset and the Art of Fine Packaging" *Tobacco International* (15 July 1990) p.56.

Canadian Medical Association, "CMA Policy Summary; Smoking and Health: 1991 Update" printed in *Canadian Medical Association Journal* 1991; 144(2) 232A-232D.

Michael R. C. Carr-Gregg and Alan J. Gray, "'Generic' packaging--a possible solution to the marketing of tobacco to young people" *Medical Journal of Australia* 1990; 153:685-686. Reprint: *World Smoking and Health* 1993; 18:2, 11-13.

J.R. Difranza et al., "RJR Nabisco's cartoon camel promotes Camel cigarettes to children" *Journal of the American Medical Association* 1991; 266(22):3149-53.

P.M. Fisher et al., "Brand logo recognition by children aged 3 to 6 years. Mickey Mouse and Old Joe the camel. "*Journal of the American Medical Association* 1991;266(22):3145-8.

Bill Heard, "Pack Redesigns: Not for Faint-hearted" *World Tobacco* (May 1991) p.37.

Glenn A. John, "De-facing Brands Are Darkening Horizons" *Tobacco International* (1 February 1994) p.20-24.

Robin Joy, "Regulations create design limitations" *World Tobacco* (May 1992) p.17.

Patrick Knight, "Bar Codes for High Quality in Brazil" *World Tobacco* (May 1991) p.40.

P. Magnus, "Superman and the Marlboro woman" *New York State Journal of Medicine* 1985; 83: 342-343.

n.a., "How the Brands Ranked" *World Tobacco* (September 1991) p.60.

n.a., "News • Views • Trends" *World Tobacco* (March 1993) p.3.

n.a., "Recycling levy on the cards in Germany" *World Tobacco* (May 1991) p.43.

Richard W. Pollay and Anne M. Lavack, "The Targeting of Youths by Cigarette Marketers: Archival Evidence on Trial" in Leigh McAlister and Michael L. Rothschild, eds., *Advances in Consumer Research*, vol. 20, (Provo, UT: Association for Consumer Research, 1992, p.266-271.

Staff Report, "Rethinking Cigarette Packs for a New Age" *Tobacco International*, (1 March 1991), 14-17.

Jeffrey A. Trachtenberg, "Here's one tough cowboy" *Forbes* (9 February 1987) p.108-110.

Joe Tye, "Cigarette ads in kids movies" *Tobacco and Youth Reporter* 1989; 4(1) 1-2.

C. Zerner, "Graphic propositions: The efficacy of imagery and the importance of warnings in cigarette advertising" *Tobacco Products Litigation* 1:471-485.

Studies, Papers and Presentations

Park Beede, Rob Lawson and Mike Shepherd, "The promotional Impact of Cigarette Packaging: A Study of Adolescent Responses to Cigarette Plain-Packs" Paper presented to the Australian and New Zealand Association and Management Educator's Conference, Launceston, Australia, 1991.

Canadian Cancer Society, "Protecting Health and Revenue: An Action Plan to Control Contraband and Tax-Exempt Tobacco" (January, 1994). Société Canadienne du Cancer, "La protection de la santé publique et du Trésor national: un plan d'action pour contrôler la contrebande et le tabac exempt de taxes" (janvier, 1994).

Canadian Cancer Society, Ontario Division, "Highlights: Study of the Effect of Plain Cigarette Packaging Among Youths" (6 January 1994).

Canadian Oncology Society, "Product Labelling - The Case for Plain Packaging", Appendix to brief submitted to the Ontario Standing Committee on Social Development, (1 February 1994).

Michael Carr-Gregg, "The marketing of tobacco through imaging" Submission from the Coalition Against Tobacco Advertising and Promotion to the New Zealand Toxic Substances Board (April 1989).

Centre for Behavioural Research in Cancer, *Health Warnings and Contents Labelling on Tobacco Products.* Report prepared for the Ministerial Council on Drug Strategy Tobacco Task Force (Melbourne: Anti-Cancer Council of Victoria, 1992).

Centre for Health Promotion, "Effects of Plain Packaging Among Youth" University of Toronto, November 30, 1993 (With Funding from the Canadian Cancer Society).

Neil E. Collishaw, "What Canadians can do to end the tobacco pandemic", Notes for a presentation to *Tobacco-Free Canada: First National Conference on Tobacco or Health* (22 October 1993).

Gregory N. Connolly, "Freedom From Aggression: A Guide to Resisting Transnational Tobacco Companies' Entry Into Developing Countries" in American Cancer Society, *Selected Papers From the 8th World Conference on Tobacco or Health: Building a Tobacco-Free World* (March 30 - April 3, 1992).

Rob Cunningham, "The Case for Plain Packaging" Notes for an Address to Tobacco-Free Canada: First National Conference on Tobacco or Health, October 22, 1993, Ottawa.

European Bureau for Action on Smoking Prevention, "The Labelling of Tobacco Products in the European Union" (December 1993).

Roberta G. Ferrence and Marilyn A. Pope, "Access to Tobacco By Minors: Policy Recommendations for the Province of Ontario" (Toronto: Addiction Research Foundation, September 1991) (With financial assistance from the Ontario Ministry of Health).

Murray Laugesen, "Tobacco promotion through product packaging" Paper prepared for meeting of the Toxic Substances Board" (September, 1989). [Principal Medical Officer (Health Promotion), Department of Health, Government of New Zealand]

Garfield Mahood, "Generic or "Plain Pack" Tobacco Packages: Moving Toward Real Bans on Tobacco Advertising" An address to the 8th World Conference on Tobacco or Health, Buenos Aires, April 1992.

n.a., "New Zealand study: Plain cigarette packs turn young people off" *The [Addiction Research Foundation] Journal* (1 February 1991).

Ontario Campaign for *Action* on Tobacco, "Backgrounder - Generic Cigarette Packages" November 4, 1991.

RBJ Health Management Associates, "Impact of Plain Packaging of Tobacco on Youth Perceptions and Behaviour: Report of Study 1" (June 1993). (With funding from the Canadian Cancer Society, Ontario Division).

RBJ Health Management Associates, "Impact of Plain Packaging of Tobacco on Youth Perceptions and Behaviour: Report of Study 1 – Highlights" (June 1993). (With funding from the Canadian Cancer Society, Ontario Division).

Newspaper Articles

Henry Aubin, "Are 'generic' packs cigarettes' future?" *The [Montreal] Gazette* (8 November 1989).

Heather Bird, "Smokes packs plain by '95" *Ottawa Sun* (8 April 1994) p.42.

Danielle Bochove, "Cigarette poll finds support for plain packs; Equal number of smokers, non-smokers surveyed favour generic wrapping" *Globe and Mail* (October 26, 1992).

Richard Brennan, "Minister promises plain pack smokes" *Ottawa Citizen* (8 April 1994) p.A3.

Anita Elash, "Grier fumes at feds over wrapping" *Toronto Sun* (March 11, 1994).

Bruce Gitelman, "Valuable Assets at risk" *Globe and Mail* (3 November 1992) (letter).

n.a., "Marleau back plain package for cigarettes" *Globe and Mail* (8 April 1994) p.A3A.

n.a., "Packaging influential" *[Pembroke] Observer* (10 January 1994).

Presse Canadienne, "L'Ontario souhaite imposer des paquets de cigarettes à emballage neutre" *La Presse* (11 mars 1994) p.A10.

Martin Mittelstaedt, "Health Minster's move shocks tobacco industry" *Globe and Mail* (9 April, 1994) p. A5.

Martin Mittelstaedt, "Ontario plans steps to restrict tobacco use; Generic packages, licencing of stores considered to cut smoking in half" *Globe and Mail* (23 October 1992) p.A1, A2.

Marina Strauss, "Brewers draft plan for standard bottle" *Globe and Mail* (3 December 1991) p.B4.

Marina Strauss, "Philip Morris to withdraw seven cigarette brands" *Globe and Mail* (4 April 1989).

Press Editorials

Alan Mitchell, "No smoke without brand fire" *Marketing* (28 February 1991). (British publication)

"It's time for the ugly pack" *The [Brantford] Expositor*, (23 November 1991) p.A12.

"Getting teenagers off the weed" *Globe and Mail*, (13 November 1991) p.A18.

"Here's to the day cigarettes come in a plain brown wrapper" *The [Hamilton Spectator* (13 February 1993).

Harvey Schacter, "Perversity and generic cigarette packages" *Kingston Whig-Standard* (21 December 1991).

"Making tobacco habit socially unacceptable" *London Free Press*, (22 November 1991) p.A12.

"False images of smoking lethal" *Ottawa Citizen* (23 November 1991) p.B6.

"We'll huff 'n' puff and shut your store down" *Ottawa Citizen* (6 February 1993).

"Colourless cigarette packages" *Sault Star* (30 April 1992).

"Generic packaging would turn teens off tobacco" *[Sudbury] Northern Life* (1 May 1992) p.4.

"Turning teens off cigarettes" *Toronto Star* (18 November 1991) p.A16.

"Bland wrappers for cigarettes: An idea to consider" *Welland-Port Colborne Tribune* (10 January 1994).

Other Items

Canadian Cancer Society, Ontario Division "Plain Cigarette Packaging - A Turn Off for Teens!" (6 January 1994) (news release).

Canadian Oncology Society, "Cancer Specialists Say Next Move on Plain Packs is Chrétien's" (3 March 1994) (news release).

Michel Descôteaux, Public Affairs Director, Imperial Tobacco Ltd., letter to Rob Cunningham, October 26, 1993.

Ensocoat, "Do you know why even these packs are made of ensocoat?" *Tobacco Reporter* (February 1993) p.13 (advertisement).

Environics Research Group, "Attitude Toward Tobacco: Survey Completed for the Heart and Stroke Foundation of Ontario, the Canadian Cancer Society--Ontario Division, and the Ontario Lung Association" (1992).

European Bureau for Action on Smoking Prevention, "The Labelling of Tobacco Products in the European Union" (December 1993), p.24.

European Bureau for Action on Smoking Prevention, "Canada: Renewed Call for Plain Packaging for Cigarettes" *Smoking Prevention*, newsletter no.23, p.21.

European Bureau for Action on Smoking Prevention, "Canada: Appel pour des pacquets de cigarettes" *Prévention du Tabagisme*, Newsletter No.23, p.21.

Insight Canada Research, "Smoking in Canada: Sales to Minors" Report on the Findings of a Nation-Wide Survey Conducted on Behalf of The Canadian Cancer Society, The Heart and Stroke Foundation of Canada, and The Canadian Council on Smoking and Health (November 1992).

Jacques LaRivière, Vice-President, Canadian Tobacco Manufacturers' Council, letter to Rob Cunningham, October 14, 1993.

Lorillard, "Lorillard is doing it with style and you can, too!" *Tobacco Reporter* (February 1992) p.41.

Lorillard, "Portraits of Profit" *Tobacco Reporter* (November 1990) p.7 (advertisement).

National Campaign Against Drug Abuse, "Tobacco Labelling Reforms Give Consumers More Information" (18 April 1992) (news release, Australia).

National Campaign for *Action* on Tobacco, "Warning: Treat the Epidemic Like an Epidemic" (1989) (Pamphlet).

National Clearinghouse on Tobacco and Health, "Selected Compilation of Excerpts from Court Testimony and Exhibits from the Tobacco Industry Challenge to the Tobacco Products Control Act" (30 June 1990).

Ontario Campaign for *Action* on Tobacco, "Give Kids a Chance" (1992) (Pamphlet).

Ontario Campaign for *Action* on Tobacco, "Organizations Supporting the 8 Prescription Plan to GIVE KIDS A CHANCE" (6 April 1994) (memo).

Philip Morris Companies Inc., *Annual Report 1986.*

"Regulatory Impact Analysis Statement" *Canada Gazette Part II*, Vol. 127, No. 16 (11 August 1993) p.3290.

Rothmans Inc., *Annual Report 1987.*

Rothmans Inc., *Annual Report 1989.*

Rothmans Inc., *Annual Report 1990.*

Rothmans Inc., *Annual Report 1992.*

Rothmans Inc., *Annual Report 1993.*

Hon. Peter Staples, MP, Australian Minister for Aged, Family and Health Services, in a letter to Konrad Jamrozik, Australian Council on Smoking and Health, June 1, 1992.

U.S. Department of Health and Human Services, *Preventing Tobacco Use Among Young People: A Report of the Surgeon General* (Atlanta, Georgia: U.S. Department of Health and Human Services, Public Health Service, Centers for Disease Control and Prevention, National Center for Chronic Disease Prevention and Health Promotion, Office on Smoking and Health, 1994).

Westvaco, "Westvaco products make the best-looking packages in the world." *World Tobacco* (September 1990) p.96 (advertisement).

Parliamentary Proceedings

British Columbia, *Debates of the Legislative Assembly* (13 July 1990) p.10944; (14 July 1989).

British Columbia, *First Report of the Select Standing Committee on Health and Social Services to the Second Session of the 35th Parliament*, (26 March 1993).

Ontario, Standing committee on social development, *Hansard*, 17 February 1994, especially page S-1202, and other days during consideration of the *Tobacco Control Act.*

Canada, House of Commons, Report of the Standing Committee on Health, Welfare and Social Affairs on tobacco and cigarette smoking. House of Commons Session 1969-70 (Isabelle Report).

Canada, House of Commons, *Minutes of Proceedings and Evidence of the Legislative Committee on Bill C-204 and bill C-51* (1987, 1988).

Federal Legislation

Tobacco Products Control Act, Revised Statutes of Canada, 1985 (4th Supplement), chapter 14.

Tobacco Products Control Regulations, SOR/89-21 as amended.

Tobacco Sales to Young Persons Act, Statutes of Canada, 1993, chapter 5.

Consumer Packaging and Labelling Act, Revised Statutes of Canada, Chapter C-38.

Food and Drugs Act, Revised Statutes of Canada 1985, chapter F-27, as amended.

Hazardous Products Act, Revised Statutes of Canada 1985, chapter H-3, as amended.

Tobacco Products Control Act, Revised Statutes of Canada, 1985 (4th Supplement), chapter 14.

Tobacco Products Control Regulations, SOR/89-21 as amended.

Tobacco Sales to Young Persons Act, Statutes of Canada, 1993, chapter 5.

Bill C-7 (Canada), *Controlled Drugs and Substances Act* first reading February 2, 1994 (Minister of Health).

Bill C-11 (Canada), *An Act to amend the Excise Act, the Customs Act and the Tobacco Sales to Young Persons Act*, first reading February 10, 1994 (Minister of National Revenue).

Provincial Legislation

Tobacco Product Act, Revised Statutes of British Columbia, 1979, chapter 403, as amended by the *Tobacco Product Amendment Act, 1992* (name to be changed to the *Tobacco Sales Act*).

Tobacco Product Regulation, B.C. Regulation 258/272, as amended by B.C. Regulation 347/89.

Tobacco Access Act, Statutes of Nova Scotia, 1993, chapter 14.

Bill 119 (Ontario), *Tobacco Control Act, 1993*, first reading November 22, 1993 (Ms. Grier).

Bill M224-1990 (B.C.), *Children's Tobacco Addiction Protection Act* (Dr. Perry).

Court and Tribunal Decisions

Benson & Hedges (Canada) Ltd. et al. v. Attorney-General of British Columbia, [1972] 5 W.W.R. 32, 27 D.L.R. (3d) 257, 6 C.P.R. (2d) 182 (B.C. Supreme Court).

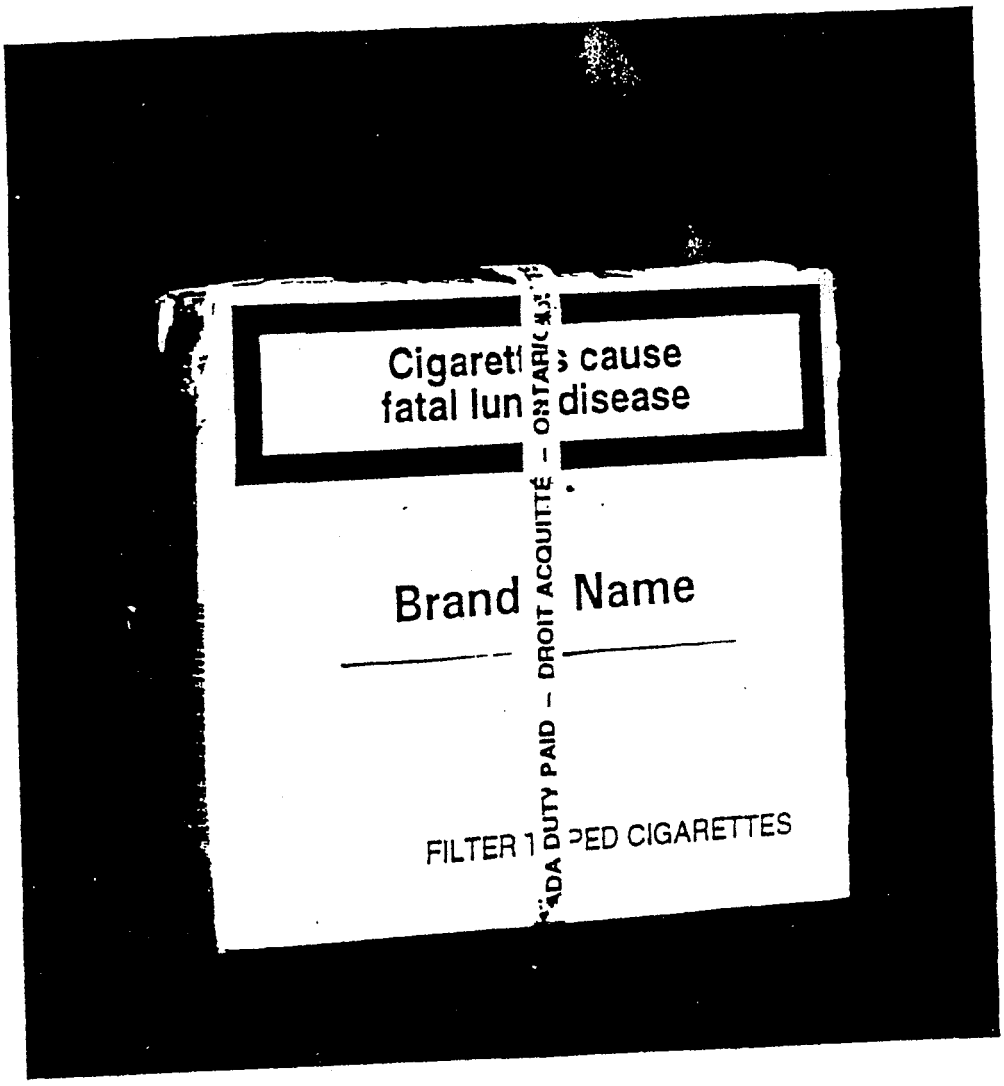
Institute of Edible Oil Foods v. Ontario (1989), 64 D.L.R. (4th) 380 (Ontario Court of Appeal), leave to appeal to S.C.C. refused, September 6, 1990 (S.C.C.).

RJR-Macdonald v. Attorney General of Canada (1993), [1993] R.J.Q. 375, 53 Q.A.C. 79, 102 D.L.R. (4th) 289, 48 C.P.R. (3d) 417 (Quebec Court of Appeal) reversing (1991), 82 D.L.R. (4th) 449, 37 C.P.R. (3d) 193 (Quebec Superior Court) (sub nom. *Imperial Tobacco Ltd. c. Canada (P.G.)* (1991), [1991] R.J.Q. 2260 (C.S., Chabot J.)). Leave to appeal to S.C.C. granted October 14, 1993 (S.C.C.).

RJR-Macdonald Inc. and Imperial Tobacco v. Attorney General of Canada and five intervenors (March 3, 1994, S.C.C., 9:0).

Court Proceedings

Exhibits and Testimony from the trial in *RJR-Macdonald v. Attorney General of Canada* (No. 500-05-009755-883) in the Quebec Superior Court in Montreal, 1989-1990. The exhibits and testimony were used concurrently for *Imperial Tobacco Ltd. v. Attorney General of Canada* (No. 500-05-009760-883), a case heard, argued and decided at the same time.


Cigaret s cause
fatal lun disease
Brand Name
FILTER 1 PED CIGARETTES
DA DUTY PAID – DROIT ACQUITTÉ – ONTARIO

WARNING – CIGARETTES ARE ADDICTIVE

Player's

Poisonous Contents/Contenus Toxiques

Average
Cancer-causing Tar 10 mg
Nicotine 1.0 mg
Carbon Monoxide 10 mg

Moyenne
Goudron cancérogène 10 mg
Nicotine 1.0 mg
Monoxide de carbon 10 mg

WARNING
CIGARETTES ARE ADDICTIVE

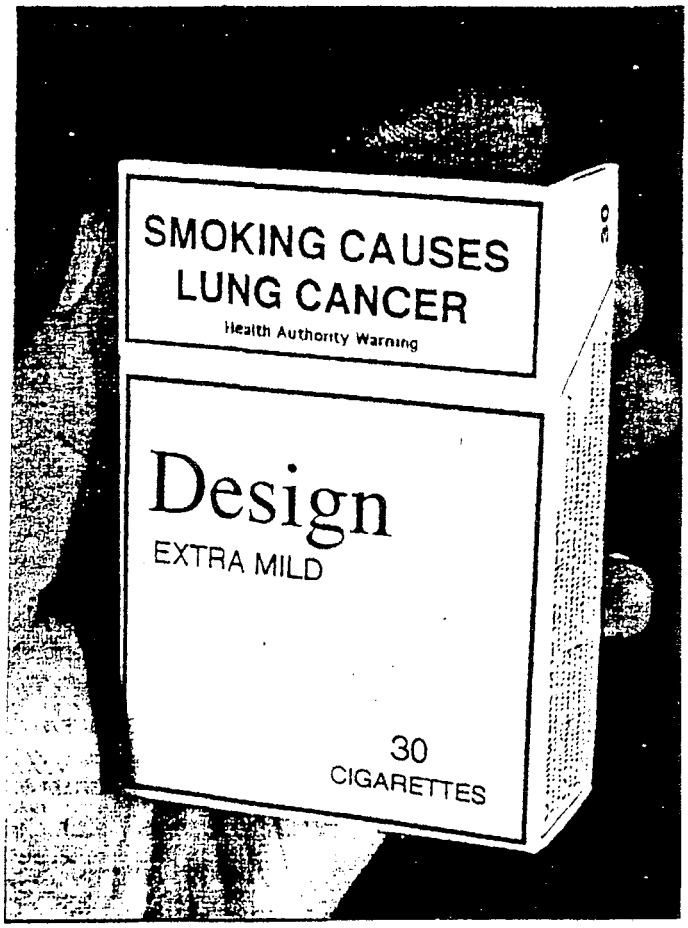
Player's

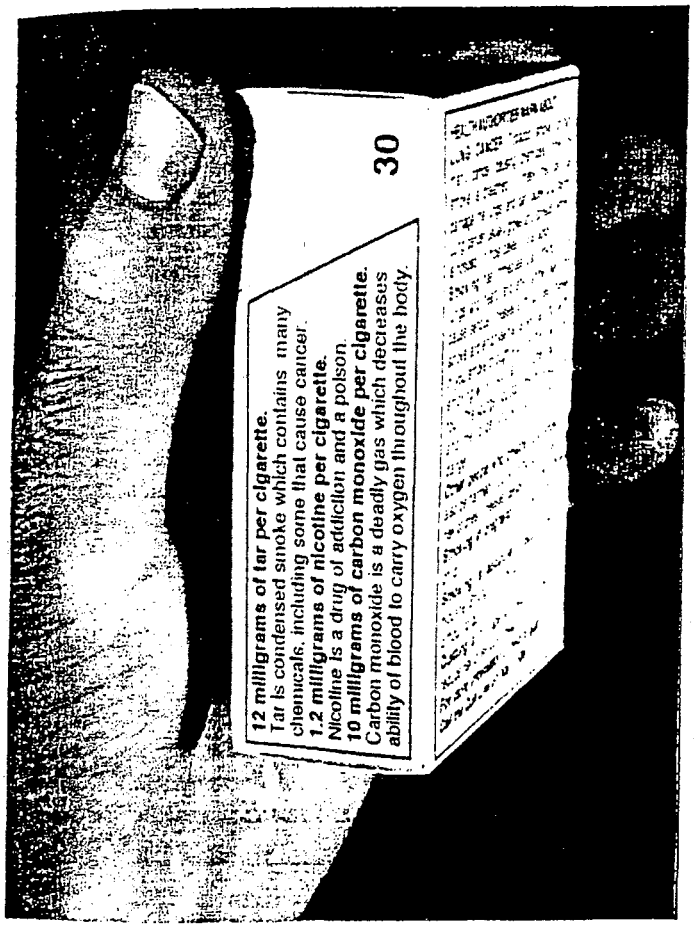
Poisonous Contents (Average)		
Cancer-causing Tar	Nicotine	Carbon Monoxide
10 mg	1.0 mg	10 mg

only 3 of the toxic constituents are shown here.

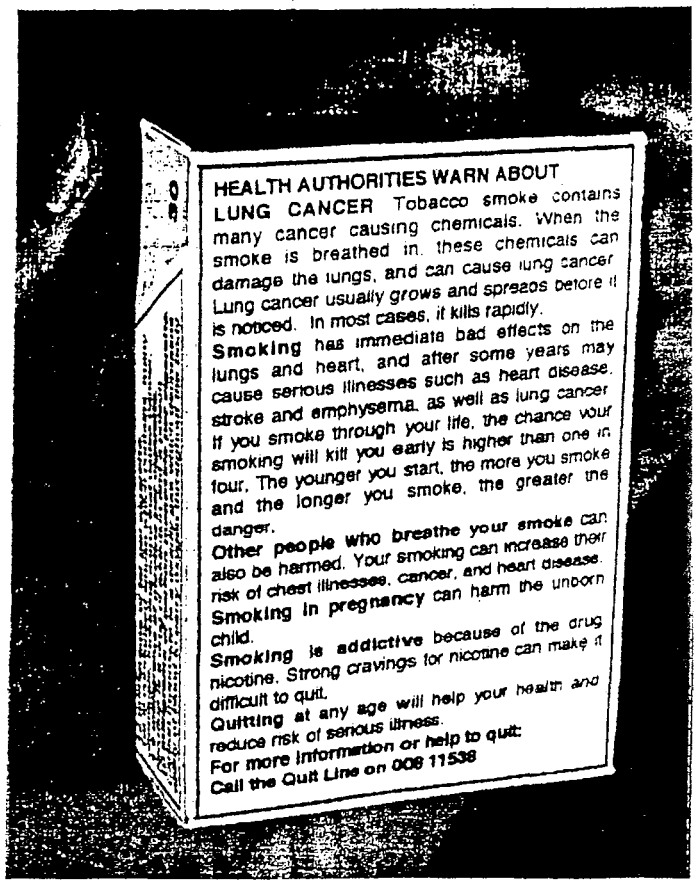
Right: Example of front-of-pack recommendations

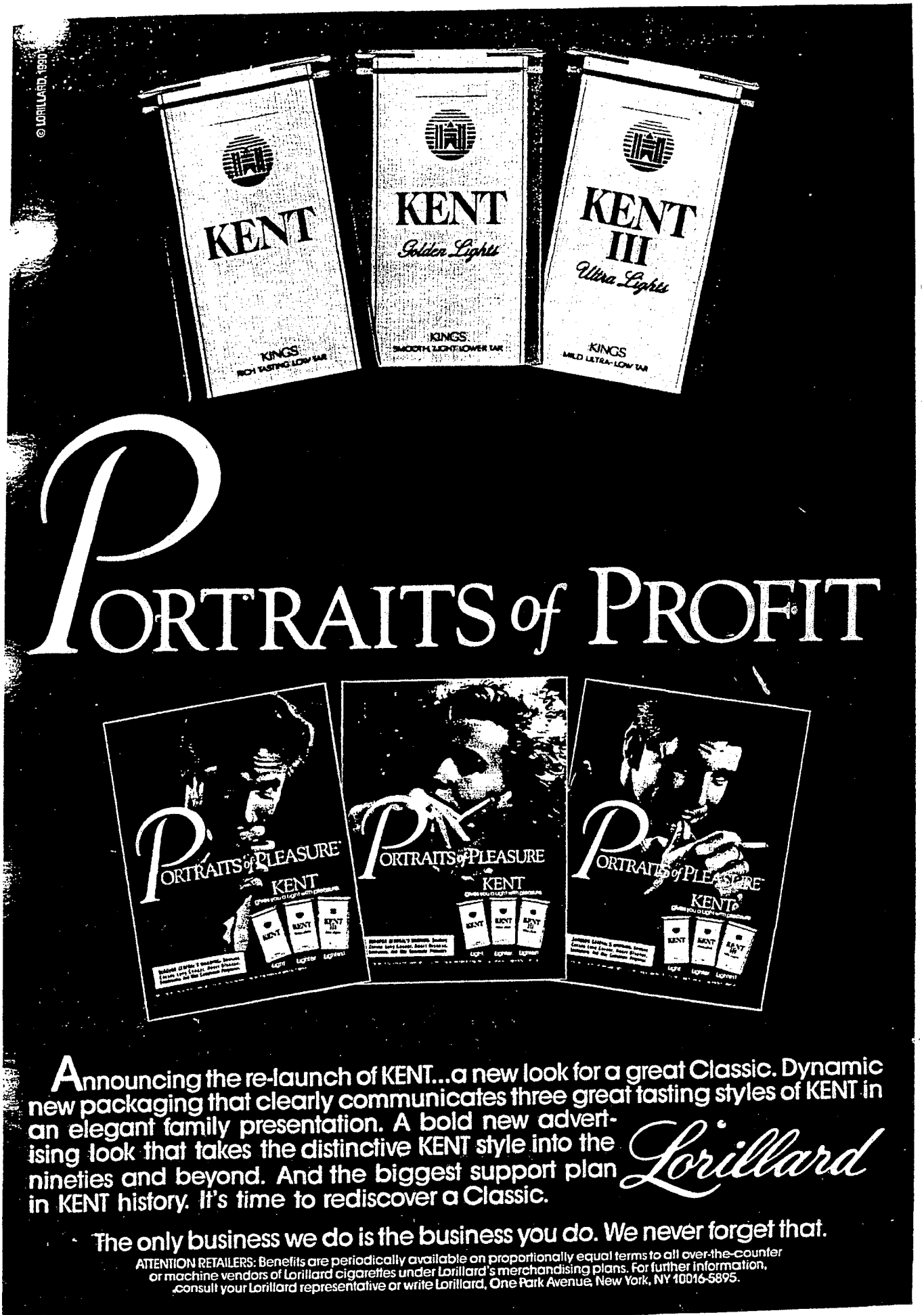
Below: Example of side-of-pack recommendations





Right: Example of back-of-pack recommendations



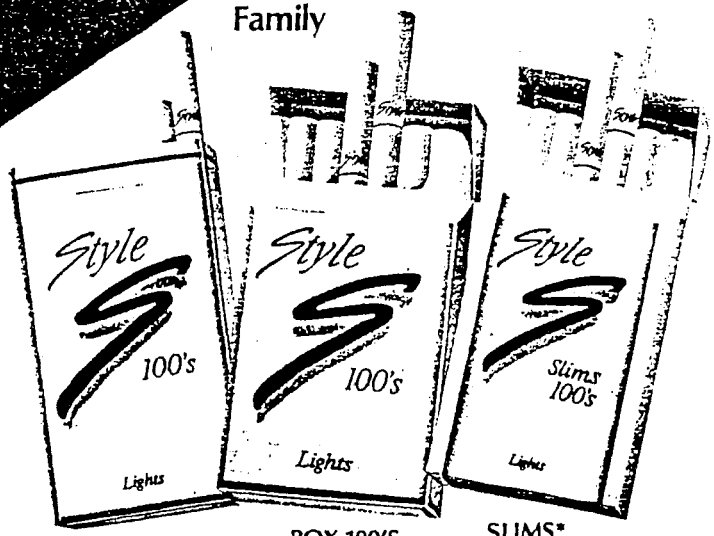

© LORILLARD, 1990
KENT
KINGS
KENT
Golden Lights
KINGS
KENT
III
Ultra Lights
KINGS
PORTRAITS of PROFIT
PORTRAITS of PLEASURE
KENT
Light
Lighter
Lightest
Announcing the re-launch of KENT...a new look for a great Classic. Dynamic new packaging that clearly communicates three great tasting styles of KENT in an elegant family presentation. A bold new advertising look that takes the distinctive KENT style into the nineties and beyond. And the biggest support plan in KENT history. It's time to rediscover a Classic.
Lorillard
The only business we do is the business you do. We never forget that.
ATTENTION RETAILERS: Benefits are periodically available on proportionally equal terms to all over-the-counter or machine vendors of Lorillard cigarettes under Lorillard's merchandising plans. For further information, consult your Lorillard representative or write Lorillard, One Park Avenue, New York, NY 10016-5895.

LORILLARD IS DOING IT WITH STYLE

AND YOU CAN, TOO!

Introducing...

The ONLY Full Line Female Sub-Generic Priced Brand Family



SOFT 100'S BOX 100'S SLIMS*

Also available in Menthol

Style Has...

- Unique Packaging
- Exciting Image-Oriented Advertising
- High Frequency Retail Promotions
- Dynamic Merchandising Support

Style Is...

- An Exciting Retail Opportunity
- Long-Term Sales Growth
- Increased Profitability

*Slims Available In Limited Areas

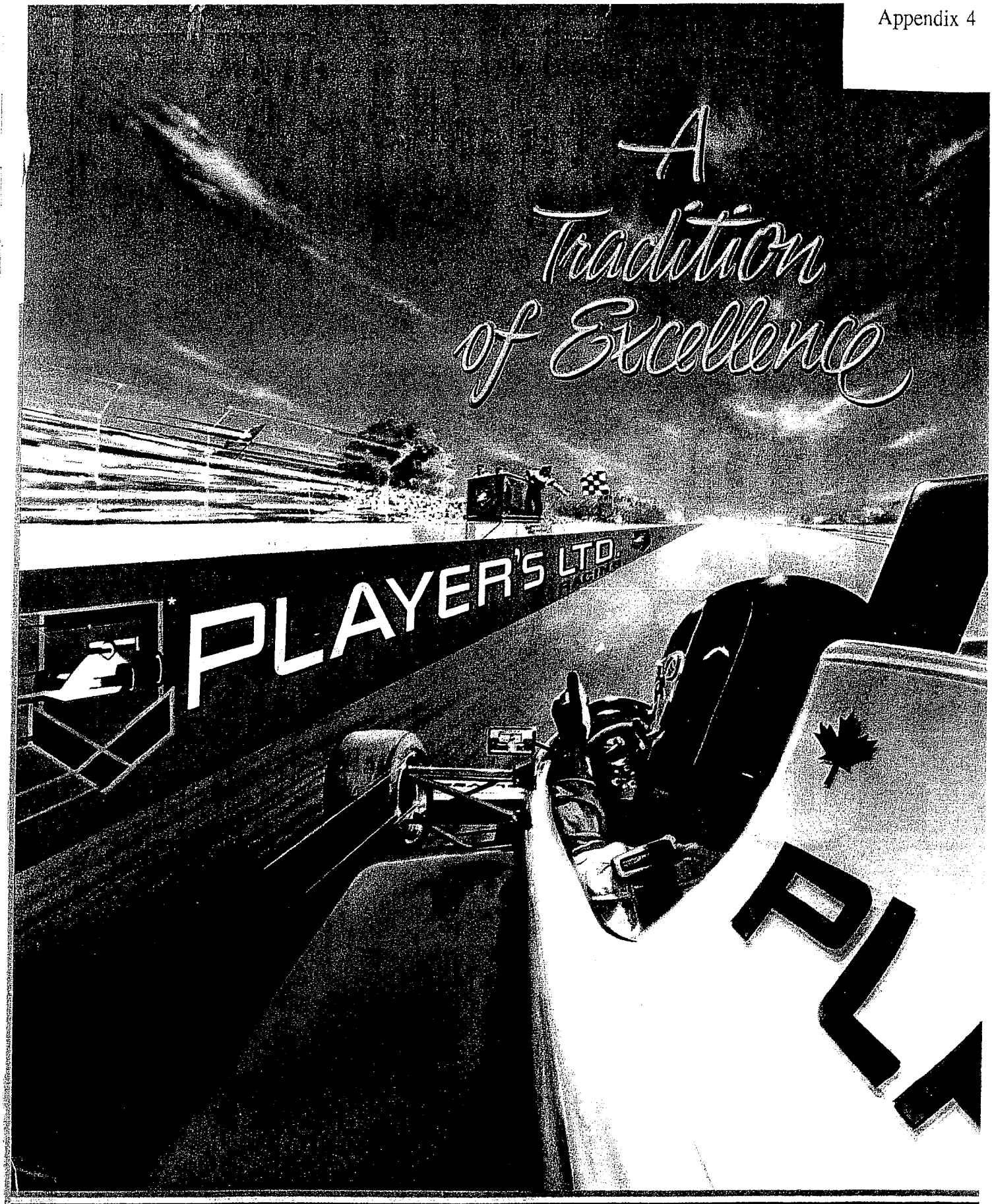
Do It With Style!

Lorillard

The only business we do is the business you do. We never forget that.

ATTENTION RETAILERS: Benefits are periodically available on proportionally equal terms to all over-the-counter or machine vendors of Lorillard cigarettes under Lorillard's merchandising plans. For further information, consult your Lorillard representative or write Lorillard. One Park Avenue, New York, NY 10016-5895.

© LORILLARD 1990



Watch Player's Ltd./Toyota Atlantic Championship Racing on TSN

*Trade Marks - PLAYER'S LTD.

Appendix 4

BENSON & HEDGES INC.
International Fireworks Competition

du Maurier
Ltd.

Westvaco products make the best-looking packages in the world.

All over the world, tobacco products in Westvaco paper and board sell better because they look better.

For flip-top boxes and outer cartons, our PRINKOTE® premium bleached board is not only whiter, brighter and smoother, but stronger, too.

For soft packs, Westvaco's STERLING® coated one-side paper gives you a smooth, white finish that makes your brilliant graphics really stand out on store shelves.

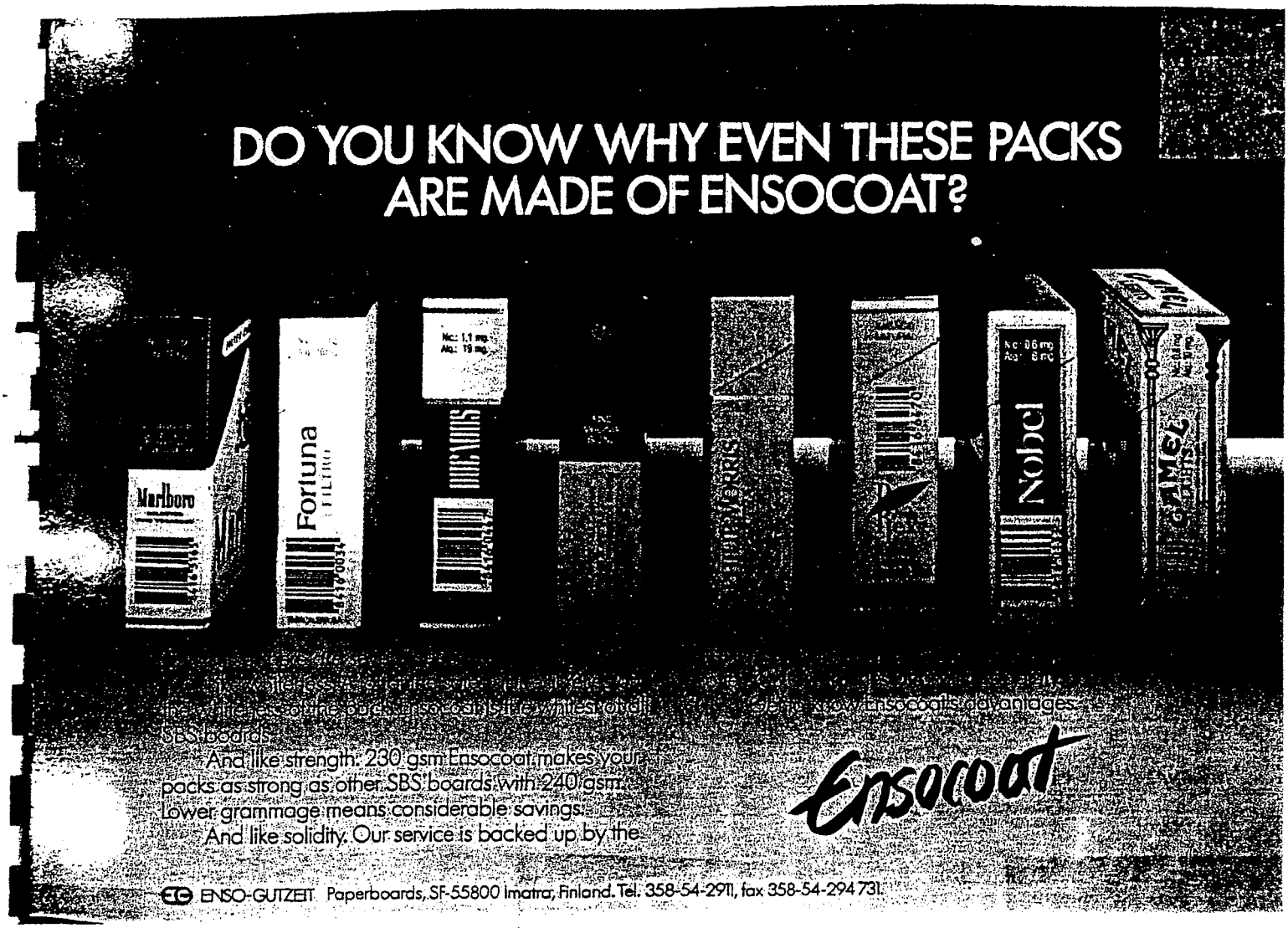
Both are made with the famous Westvaco consistency that eliminates annoying and costly production line problems.

For more information, contact Westvaco Worldwide, 299 Park Avenue, New York, NY 10171, USA. Telephone (212)688-5000. FAX (212)644-9790. Telex ITT 429184 WES UI.

We'll show you how Westvaco products can do your sales a world of good.

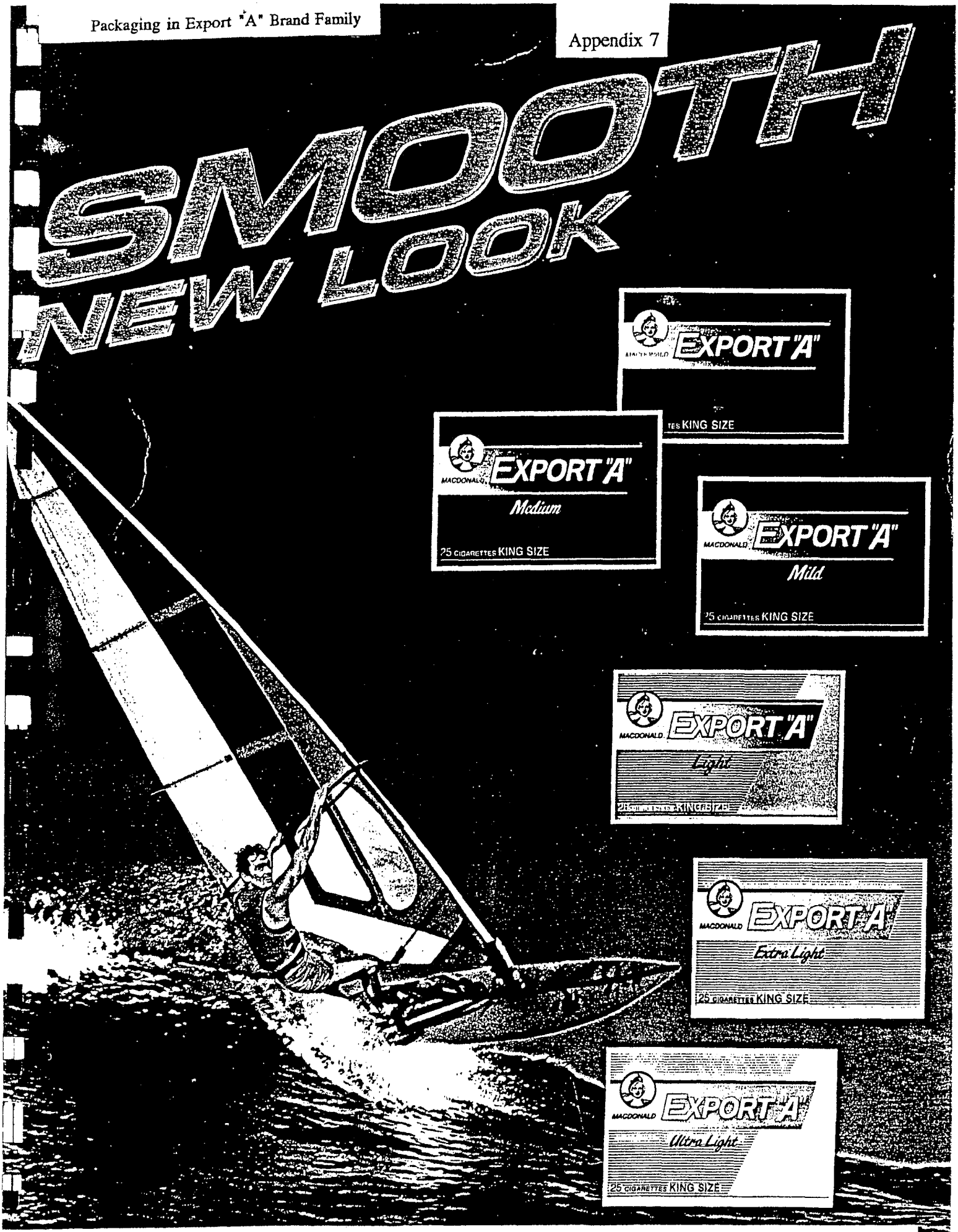
Westvāco

Offices in New York, Charlotte, Chicago, Los Angeles, Brussels, Hong Kong, Sydney, Tokyo, Toronto.
©1990 Westvaco Corporation.


DO YOU KNOW WHY EVEN THESE PACKS ARE MADE OF ENSOCOAT?
Marlboro
Fortuna
FILTRO
Nobel
SBS boards.
And like strength. 230 gsm Ensocoat makes your packs as strong as other SBS boards with 240 gsm.
Lower grammage means considerable savings.
And like solidity. Our service is backed up by the
Ensocoat
ENSO-GUTZEIT Paperboards, SF-55800 Imatra, Finland. Tel. 358-54-2911, fax 358-54-294 731.

Packaging in Export "A" Brand Family

Appendix 7



WARNING: Health and Welfare Canada advises that danger to health increases with amount smoked – avoid inhaling.

Responses to Arguments Against Plain Packaging of Tobacco Products

Submitted to the Members of the Standing Committee on Health
May 24, 1994

by
the Canadian Cancer Society

Responses to Arguments Against Plain Packaging

This document outlines a number of arguments which have been put forward in opposition to plain packaging of tobacco products. A response follows each argument.

List of Arguments

1. There is no evidence that there will be any impact on smoking. Packaging only affects market share. 3

2. There will be a major job loss in the packaging industry. 7

3. Plain packaging will make it easier to produce counterfeit cigarettes and thus increase smuggling. 8

4. The government should delay plain pack regulations until we see the impact of the new health warnings. 9

5. The government should wait until the Department of Health's plain packaging study is finished at the end of 1994. 10

6. Plain packaging should be implemented on a pilot project basis in part of the country. 10

7. Tobacco manufacturers will have significant costs to convert their packaging. . . . 10

8. Smoking has been falling at the same rate in Canada as in the United States, even though Canada has had far more taxation and regulation. This demonstrates that regulation is an ineffective method of reducing tobacco use. 11

9. In the U.S., generic cigarettes have gained a significant market share. 12

10. Plain packaging may even increase smoking among youth. 12

11. Inventory control and customer service would be made more difficult for retailers. 12

12. Manufacturers might decrease their prices, which in turn will lead to an increase in consumption. 12

13. Smokers could put cigarettes in other forms of packaging. 13

14. Children obtain their first cigarettes one at time. They become addicted before they become loyal to a particular brand. 13

15. Marijuana and other drugs are sold in plain packs but that has not prevented those drugs from being consumed. 14

16. Plain packaging might infringe the Charter of Rights and Freedoms. The government should wait until the Supreme Court of Canada rules on the constitutionality of the *TPCA* 15

17. Public education is the answer. 16

18. Packaging never made anyone buy something they did not want. 16

19. There has been a growing consumer market in raw leaf tobacco and this product has no packaging at all. 17

20. To reduce costs, manufacturers might begin to use foreign leaf tobacco in their cigarettes. This raw leaf contains more pesticides and thus presents increased health risks. 17

21. In Britain, "Death" brand cigarettes are the most popular cigarettes among youth. 17

22. The study funded by Canadian Cancer Society is flawed. 17

23. Plain packaging for tobacco sets a dangerous precedent. If it's tobacco today, what will be next? 18

24. If tobacco is really that harmful, it should be banned altogether. 18

25. Trademarks are a competitive tool by which manufacturers compete with each other. 19

27. Plain packaging represents a confiscation of trademarks without compensation. . . 19

28. Plain Packaging Would Infringe Canada's International Trade Obligations. 20

29. As teenagers begin smoking through obtaining single cigarettes, addiction will set in before brand loyalty is established. 21

1. **There is no evidence that there will be any impact on smoking. Packaging only affects market share.**

In examining the question of the impact of plain packaging on consumption, something needs to be said about the burden of proof. By definition, the probability that plain packaging would reduce tobacco use is somewhere between 0% and 100%. What percentage is necessary for a legislator to act? A 100% certainty is unattainable. A 1% possibility would be too remote. In civil cases in the courts, decisions are made on the "balance of probabilities", or more than 50%. In other words, the real question to be asked is whether the desired result is "more likely than not" to occur. In terms of tobacco control, there is a strong argument to be made that not even the 50% threshold needs to be reached because of the enormous damage to public health caused by tobacco use. The greater the public purpose at stake, the lower the evidentiary burden required.

Parliamentarians have often supported or advocated laws where the level of "proof" was equal to or less than the existing evidence supporting plain packaging. Take the following examples:

- Pornography laws seeking to prevent sexual exploitation of women
- The ban on hate propaganda to protect identifiable groups from discrimination
- Strengthening young offender laws to reduce crime
- Increasing jail terms for violent offences to deter crime
- Restrictions on the advertising of professionals, such as doctors and dentists in order to protect the public

A separate question from the burden of proof is the onus of proof. Should the onus lie with the supporters or the opponents of plain packaging? Given the reasonable presumption that advertising can affect overall demand, and given the enormous magnitude of the health consequences of tobacco use, a strong argument exists that the onus should fall on the opponents of plain packaging.

As has been presented in oral and written evidence before the House of Commons Standing Committee on Health, there is a sufficient and growing body of evidence supporting the view that plain packaging would decrease tobacco use. A thorough review of much of the evidence is presented in the written brief of the Canadian Cancer Society entitled "Putting Health First: The Case for the Plain Packaging of Tobacco Products". The evidence includes the following:

- Five studies concluding that plain packaging would have an impact on decreasing tobacco use. Four of these are empirical (Australia, New Zealand, Canada, and a study involving Marlboro cigarettes).

- Twenty-three Canadian university marketing professors have publicly stated that it is more likely than not that plain packaging would decrease tobacco use.

- In contrast to countless other consumer products, no-name cigarettes sold by Loblaws and others have been a dismal failure, despite lower retail prices. The overall market share for "house" cigarettes is minuscule -- at about 0.2%.

- An editorial in *Marketing Magazine* (a Canadian publication) states that plain packs would work and that it would be "naive" to think otherwise. *Marketing* magazine in Britain (a different publication) recommended plain packs as a tobacco control measure.

- Plain packaging is supported by many newspaper editorials, by a large number of provincial, national and international health organizations, and by eight of ten provincial Ministers of Health.

- Marty Rothstein, the head of the prominent advertising firm MacLaren LINTAS, has said that plain packaging would work.

- A spokesperson for Rototone Gravure Services Inc., a firm allied with the industry, admitted that packaging would have an impact on overall demand, and not just market share.

- Numerous tobacco company marketing documents, statements during court testimony, and annual reports refer to the importance of packaging and how it contributes to an image. These images include, for example, femininity and the perception that the brand is milder and thus safer for health.

- Articles in tobacco industry trade journals describe the importance of packaging, including "the creator and bearer of an image".

- Plain packaging will reduce tobacco use through the following ways:

  - Eliminating package as advertising
  - Decreasing impact of past advertising
  - Decreasing impact of sponsorships
  - Decreasing impact of shelf displays
  - Reducing positive brand imagery
  - Creating negative brand imagery
  - Sending a strong public education message
  - Influencing consumer perception of quality and taste
  - Reducing smuggling
  - Improving effectiveness of warnings
  - Improving effectiveness of public education
  - Resulting in fewer products on the market
  - Eliminating extraneous writing
  - Costing government almost nothing, thus leaving funds available
  - Facilitating further regulatory measures

The tobacco industry argues that advertising and packaging only affect market share. This argument is absurd. This is like saying political candidates only try to get supporters of other political parties or candidates to switch. In reality, a candidate does not only seek votes of a rival's supporters (increasing market share). A candidate will also seek votes from among those who have just become old enough to vote, who have never voted, who vote occasionally, who have voted in the past but are thinking there is no point in voting, who have stopped voting, or who are new Canadians. In municipal elections where voting participation is lower (perhaps 30%, a rate comparable to smoking), it becomes all the more important to seek votes from those who would otherwise not vote. Just as election advertising can contribute to voting behaviour, tobacco advertising is a factor in smoking behaviour.

Another illustration is magazines. Store racks feature magazines with alluring covers designed to attract a customer's attention. Some purchases may result from a customer deciding that "today I want a magazine and I'll go into the store and decide which one I want." But often the purchase will result from a decision inspired by the magazine cover. While it is true that plain magazine covers would not stop people reading magazines, it would likely decrease the number of magazines sold.

If advertising can only affect market share, then why do monopolies advertise? Bell Canada actively promoted long distance calling even when it was the sole provider.

Even if packaging only affected market share, tobacco products must compete for market share with nicotine substitutes, such as "the patch" and nicotine gum. As well, Wrigley's spearmint gum is currently being advertised in Canada as a substitute for cigarettes. Increased sales will come at the expense of cigarettes.

In the case of traditional types of tobacco advertising, an increasing number of countries are rejecting the tobacco industry's argument that tobacco advertising only affects market share. A number are passing laws that prohibit tobacco advertising. The industry's view was rejected in Canada in 1969 by the House of Commons Standing Committee on Health, Welfare and Social Affairs, and in 1988 by committees of the House of Commons and the Senate when the *Tobacco Products Control Act* was passed.

In some countries in which a monopoly has sold tobacco, there has nevertheless been tobacco advertising at some time. Examples of such countries include Austria, Denmark, Thailand, Turkey and Kenya. If advertising did not affect overall sales, then why would tobacco monopolies advertise?

The tobacco industry needs new smokers to replace those who are dying or quitting. The industry acknowledges its interest in new (albeit they claim it is only adult) smokers. The industry is vigorously proactive; it does not sit passively by and hope for the best.

A study by the New Zealand Toxic Substances Board examined the relationship between advertising and tobacco consumption trends in 33 countries between 1970 and 1986. The study concluded "Total tobacco promotion bans for health reasons are on average, accompanied by falls in tobacco consumption which occur four times faster than in partial ban countries."

A recent study by the Government of the United Kingdom, known as the "Smee Report" concluded that advertising bans do have an impact on consumption, and that the ban on advertising in Canada had an impact on decreasing consumption.

There are numerous tobacco industry documents which provide admissions that advertising can influence the aggregate smoking level. Here are excerpts from two documents which became public during the trial in Montreal considering the constitutionality of the *Tobacco Products Control Act*:

> "...Imperial Tobacco is embarking on a proactive program. Perhaps for the first time, the mandate under consideration is not limited simply to maximizing the ITL franchises; it is now to include as well serious attempts to combat those forces aligned in an attempt to significantly diminish the size of the tobacco market in Canada.
>
> This is the underpinning of the Project Viking. There are, in fact, two components to the program, each having its own purposes, but also overlapping with the other in informational areas:
>
> - Project Pearl is directed at expanding the market, or at very least forestalling its decline. It examines attitudes and issues with the potential to be addressed via advocacy. It looks at the needs of smokers specifically.
>
> - Project Day represents the tactical and by which ITL may achieve competitive gains within the market of today and in the future. Unmet needs of smokers that could be satisfied by new or modified products, products which could delay the quitting process, are pursued."

> "Strategically, it would seem that reducing quitting is the most viable approach. But it would also seem that a product solution may not be sufficient on its own. An advocacy thrust may be necessary; disaffected smokers do need some reassurance that they are not social pariahs."

In making the assertion that neither a ban on tobacco advertising nor plain packaging would have any impact on consumption, the industry's credibility must be called into serious question. The industry has a long record of denials. The industry denies that smoking causes lung cancer or any other disease, that anyone has ever died from smoking, that second-hand smoke is harmful, that cigarettes are addictive, that the new health warnings will have any incremental impact, or that the industry has ever marketed to minors. Recently, some industry spokespersons have even denied that higher tobacco taxes have had any impact on consumption.

The annual packaging cost for the tobacco industry is about $100 million. For plain packaging, the industry's position should be further questioned when the financial benefits of such a measure to the industry are considered. The industry will save large amounts of money

currently spent on package design and market research. It would save on packaging costs if the process were simpler. It will save money by spending less on sponsorships, shelf displays, and other promotions. Further, given that plain packaging will likely result in fewer products on the market, the cost of implementing future revisions to health warnings will be reduced.[1] The vigour of tobacco industry opposition to plain packs is testimony to its potential effectiveness as a tobacco control measure. Given that the industry would save vast sums, why would the industry oppose plain packs if there would be no impact on sales?

Why is it that all three major companies operating in Canada oppose plain packaging? If the measure were implemented, a company's market share would either increase, decrease or remain unchanged. While it is understandable that the one or two companies which will lose market share would be opposed to plain packaging, why are the one or two companies which would most likely gain market share also be opposed? If plain packaging would have no impact on market share, then no company should be opposed to it, given the cost savings.

2. There will be a major job loss in the packaging industry.

Plain packaging requirements could maintain the current level of employment in the packaging industry. The complexity of packaging and the number of colours required could be maintained, and even enhanced.

Tom Shea of Shorewood Packaging testified before the House of Commons Standing Committee on Health that under plain packaging regulations, the rotogravure printing process will still be used. This highly-sophisticated process is necessary to prevent odours the ink from tainting the cigarettes in the pack.

The number of colours presently used on packages varies. On one brand family with about 25% market share (du Maurier), it appears that only three colours are used. Other brands use more colours.

A multicolour printing process could still be used under plain packaging, for example: basic brown background, black printing, the warning could have a yellow background with a yellow red marker word such as "attention" or "danger". Health related photographs could be used, for example -- a pair of lungs. In Iceland, for example, tobacco warnings come with such illustrations. The inside sliding portion of the package, which is currently blank, could contain detailed health information, in both official languages. It could also carry a listing of the levels of the dozens of carcinogenic or toxic constituents found in tobacco smoke. (Only three are presently listed on the side.) A "QUIT" telephone line could be printed, as has recently been adopted in Australia.

Tobacco companies commonly use a "jobs" argument when opposing tobacco control measures. In 1988, the tobacco industry and its allies in the advertising industry forecasted large job losses if the ban on tobacco advertising were adopted. However, once the federal *Tobacco*

Products Control Act was in place, these job losses never occurred.

Under plain packaging rules, the volume of ink sold by Prescott-based Kromacorp would likely increase. Most of the package would be covered by a dull unattractive colour. This is in contrast to the current situation where much of the space on many packages is currently white without any ink.

Even if a single colour were used for plain packs (black on white), the argument that the packaging companies would have to move to the United States is open to question. Companies would face a tremendous increase in cost because of the high American dollar. Further, there would be the loss of experienced workers and the expense of retraining, the expense of moving major equipment, increased transportation costs, increased expenses dealing with customs, and possibly tariffs at the border.

In the case of Shorewood Packaging, the company's most productive and efficient facilities are found in Smith Falls and Brockville. Why would the company move its multicolour presses to less efficient American plants, especially with a high American dollar? Even if all of Shorewood's packaging for the Canadian tobacco industry were moved to U.S. facilities, the remaining 35% of Shorewood's production in Smiths Falls and Brockville could remain in Canada. This may be enough to keep at least one of these plants open, especially when export sales for the company are growing.

In testimony before the Health Committee, a representative of Lawson Mardon Packaging testified that most businesses want a captive packaging plant close to their manufacturing operation. Kromacorp, a liquid ink producer, testified that if a business has not been in it (tobacco) for years, they will not get into it. Both of these comments undermine the prediction that packagers would move to the United States.

Further, producing plain packages in the United States would flag the issue in that country. U.S. media or members of Congress could take issue with the fact that an American company and American workers were producing plain packages for Canada but not for the United States. They might ask -- "Why should public health in the U.S. receive inferior treatment to Canada? Why should Americans receive less effective health warnings on tobacco products -- even on American cigarettes -- to that received by Canadians?" The Canadian arms of the multinational tobacco industry could avoid such a potentially disastrous situation by ensuring that packaging suppliers for Canadian plants remain in Canada.

3. Plain packaging will make it easier to produce counterfeit cigarettes and thus increase smuggling.

Given the decrease in tobacco taxes, the profit potential once available to smugglers is no longer present. If current prices were sufficient to induce significant smuggling, then such smuggling would be happening now. Smugglers would bring over branded tobacco products and

would not have to worry about counterfeiting.

The Excise Act provides authority to require prominent difficult-to-copy tax-paid markings. This could take the form of a hologram, such as what appears on a credit card or on a $20 bill. The hologram could even contain a health message. Further, Bill C-11 (currently before Parliament) is amending the Excise Act so that tax-paid markings can also be required directly on cigarettes. This will be a further impediment to counterfeiting.

It has been argued that plain packaging will make it simpler for counterfeiters to reproduce packages and pass them off as the real thing. This argument can be completely undercut by enhancing the complexity of the health warning and other messages appearing on the package. Warnings could be made multicolour with an accompanying illustration or photograph. A longer list of toxic constituents and more detailed health information could be added, including on the inside of the package. Together, these requirements would make it even more difficult to counterfeit a package than is presently the case.

Tobacco company lawyers would move quickly to shut down any counterfeit operations. These lawyers have not hesitated in the past to stop trademark infringements. Since brand names would still appear on plain packages, trademark law gives industry lawyers the authority to take action against counterfeiters. Even when tobacco taxes were higher, the percentage of the illicit market which was counterfeit was extremely small. Whenever a problem arose, the tobacco companies would have an economic incentive to stop counterfeiting because somebody else would be profiting. This is in contrast to the recent smuggling experience in which Canadian tobacco company exports fuelled the contraband market since almost all exports returned to Canada.

4. The government should delay plain pack regulations until we see the impact of the new health warnings.

For every one-day delay, additional Canadians will die unnecessarily from a tobacco-caused disease. Delays in the implementation of plain packaging result in more young people starting to smoke and becoming addicted to a lethal toxic product. In addition, there is the influence of plain packaging on the number of cigarettes smoked daily, the motivation to quit, and the prevention of relapse among former smokers.

The harm caused by smoking is epidemic in nature. Needless delays to address the epidemic result in otherwise avoidable cases of disease and premature death.

The industry opposed the new warnings saying that there was no proof that the warnings would be any more effective than what was currently on the package. Now many opponents of plain packaging are saying that the government should wait to evaluate the new warnings.

Regardless of the magnitude of the impact of the new warnings, the impact will not come close to offsetting the significant increase in smoking as a result of the major decrease in tobacco taxes.

The impact of the new warnings really should have no bearing on the conclusion as to whether or not plain packaging regulations should be adopted. If the impact of the warnings is small, the need for plain packaging as a further measure to reduce smoking is even stronger. If the short-term impact is large, such as a 10% decrease in tobacco consumption, then this suggests that additional packaging regulations could have a great effect.

In any event, it would take a number of years to fully measure the impact on prevalence rates and consumption levels of health warnings. It would take a long time before all smokers would have seen the warnings on the package at the time they made the decision to begin smoking. Given the highly addictive nature of nicotine, it takes time for tobacco control measures to have an impact.

5. The government should wait until the Department of Health's plain packaging study is finished at the end of 1994.

There is sufficient evidence to begin to proceed with plain packaging now. Any delays will result in needlessly high levels of smoking, especially among young smokers, and in preventable future cases of disease and death.

6. Plain packaging should be implemented on a pilot project basis in part of the country.

For the reasons described above, it would be unethical for government to delay this health promotion measure for part of its citizenry. Otherwise preventable disease, disability and death would occur.

The implementation of plain packaging in Canada could be considered a pilot project for the world. With only 27 million people of the world's population of greater than 5 billion, plain packaging in Canada would allow the entire world to evaluate its impact. After all, both the multinational tobacco industry and the diseases caused by tobacco use are global in scope.

7. Tobacco manufacturers will have significant costs to convert their packaging.

In contrast to the industry's view, one colour plain packaging would be a major cost saver for the tobacco industry. It would save tens of millions of dollars on the estimated $100 million spent annually on packaging.[2] As well, the industry will save significant sums from reduced expenditures on package design, market research, sponsorships and other promotions.

While plain packaging presents an opportunity for the tobacco industry to reduce costs, the government has a choice. It can either allow the tobacco industry to save on costs, or instead in can protect jobs in the packaging industry. As was discussed above, multicoloured warnings and photographs on a package could maintain or actually increase jobs in the packaging industry.

Smoking costs the health care system large amounts annually. This outweighs any implementation costs for the industry.

8. Smoking has been falling at the same rate in Canada as in the United States, even though Canada has had far more taxation and regulation. This demonstrates that regulation is an ineffective method of reducing tobacco use.

Per capita consumption (age 15+) has fallen faster in Canada than in the United States. See Murray J. Kaiserman and Byron Rogers, "Tobacco Consumption Declining Faster in Canada than in the U.S." *American Journal of Public Health* 1991;81:902-904.

Canada has fallen from among the countries highest in per capita consumption of manufactured cigarettes in the early 1980s -- when consumption was higher here than in the US -- to a country tied to 20th place in 1990 at per capita consumption on 1700. The US in 1990 was in 11th place at 2200 cigarettes per capita.[3]

In terms of a decrease in prevalence, and according to Imperial Tobacco data, the largest prevalence decrease in the last 22 years has occurred since the *Tobacco Products Control Act* has been in force in 1989. The following lists the average annual percentage decline in prevalence for three periods: 1971-82, when public education was the principal tobacco control strategy; 1983-1988 when tax increases raised the real price of tobacco; and 1989-1993 when further tax increases occurred and advertising restrictions and new health warnings were implemented.

	1971-82	1983-88	1989-93
Average Annual Prevalence Decline	0.67%	0.78%	1.16%
Proportional Average Annual Prevalence Decline	1.43%	1.98%	3.33%

The proportional decline in smoking prevalence during the regulatory years is significantly greater than the non-regulatory years. (Sources for data: Imperial Tobacco Ltd., "The Canadian Tobacco Market at a Glance" (1989); Imasco Ltd. Annual Report 1993, p.18.)

9. In the U.S., generic cigarettes have gained a significant market share.

In the United States, "generic" cigarettes refer to lower priced brands; they do not refer to plain packages. These generic brands still feature brand names and attractive package colours. As well, these brands are advertised, sometimes heavily. Generic cigarettes are differentiated from higher priced "premium" brands such as Marlboro and Winston.

10. Plain packaging may even increase smoking among youth.

For this argument to be true, then it would also be true that attractive packages discourage consumption, a proposition that few, if any, would agree with. If plain packs would really increase smoking among youth, then health groups would not be supporting the measure and the tobacco industry would not be opposing it.

If there was a product or package which would have increased sales within a particular segment, the tobacco industry would have introduced the product especially if there would have been savings on packaging costs.

Some argue that rebellious teenagers will act contrary to what they are told. This will not always be the case, as unfortunately illustrated by the tens of thousands of teenagers who have done exactly what countless pro-smoking advertisements suggest they do.

11. Inventory control and customer service would be made more difficult for retailers.

Under plain packaging, boxes containing tobacco products and distributed by wholesalers could still carry trademarks and brand colours. Boxes stored in a retailer's back room could also feature brand colours and trademarks. The only stipulation would be that these boxes not be exhibited at retail.

Some retailers have suggested that if all brands looked the same, it would become very difficult to serve customers. This could easily be addressed; for example, by stacking the brands on the shelves in alphabetical order.

12. Manufacturers might decrease their prices, which in turn will lead to an increase in consumption.

At present, manufacturers sell their products for about $8.00 per carton of 200 cigarettes. When wholesaler and retailer margins and taxes are added in, the retail price in Ontario and Quebec turns out to be about $23.00 per carton.

If manufacturers reduce their price by a large amount, such as $1.00 per carton, there will only be a relatively small impact on the final retail price, namely a decrease of $1.00 on a price of $23.00.

The Informetrica study (1990) commissioned by the Canadian Tobacco Manufacturers' Council did in fact substantiate the price elasticity of demand for tobacco. Specifically, the conclusion was that "a 10% rise in the price of cigarettes ... produces a 6 to 8 per cent reduction in the number of cigarettes consumed per adult". Therefore, if a $1 increase occurred in the price of a carton of cigarettes sold in Ontario, which represents an approximate increase of 4%, then according to the Informetrica findings this would result in about a 2.8% decrease in consumption.

If price decreases do occur, either the federal or provincial government could step in and raise tobacco taxes by a corresponding amount. In the example used here, an increase of $1.00 per carton could be implemented. Thus while in the end the retail price to the consumer would remain unchanged, the federal government would benefit by raising about $270 million, not including GST. The constant retail price would ensure that there is no impact on smuggling or consumption.

Nothing prevents manufacturers from decreasing prices in the absence of plain packaging. A package of Export "A" was recently seen in an Ottawa store featuring a 50 cent discount on a package of 25.

13. Smokers could put cigarettes in other forms of packaging.

Smokers, like other consumers, value convenience. It is likely that only a small proportion would transfer their cigarettes into cigarette cases. Even if all smokers did so, plain packaging would still have accomplished significant results. The package would no longer be an advertising medium or the bearer of an image. Plain packaging would also advance the objectives of reducing the impact of sponsorships, shelf displays, foreign advertising, and sending an important public education message.

It should be noted that at present, the *TPCA* makes it illegal to place a tobacco trademark on anything other than a tobacco product. It is thus illegal to place a tobacco brand name or other trademark on cigarette case.

14. Children obtain their first cigarettes one at time. They become addicted before they become loyal to a particular brand.

While many young smokers may have their first few cigarettes one at time, not all will. Some will purchase a package. This latter group may include starters who are slightly older than average at 15-17 years of age.

In any event, plain packaging can decrease the motivation to obtain a first cigarette, such as from a friend. Plain packaging will reduce positive peer pressure and will create negative peer pressure. The images associated with smoking (whether sophistication, social acceptability, status, slimness, sex appeal or otherwise) will be undermined and affect the likelihood that the first cigarette will be tried.

Plain packaging would reduce curiosity about smoking.

The addictive qualities of nicotine have different impacts on different individuals. For many, it will be extremely difficult to quit while for others the impact will not be nearly as strong. There is a significant segment of young starters who will become brand loyal before addiction sets in.

Plain packaging will decrease smoking in ways other than onset. It will increase the motivation to quit, in part because health warnings will be more effective. It will increase the peer pressure to quit, including from a smoker's children, friends and co-workers. It will decrease daily consumption since smokers will be want to seen less often in certain public places with their "ugly" packages.

The study by the Centre for Health Promotion, University of Toronto found that plain packaging would discourage smoking among non-smokers aged 12-15. This age group is the critical one for smoking onset.

15. Marijuana and other drugs are sold in plain packs but that has not prevented those drugs from being consumed.

Plain packaging will of course not eliminate smoking. This is far from realistic, especially given the highly addictive nature of nicotine. Plain packaging, however, is likely to reduce smoking.

The rate of consumption of marijuana and other drugs is significantly lower than for tobacco.

If marijuana was legalized, sold in attractive packages, prominently displayed in countless retail stores, and actively promoted, it is more than reasonable to expect that the rate of marijuana use would increase noticeably.

Some industry allies have argued that plain packaging might actually increase smoking. If this were true, logic would conclude that if marijuana were sold in attractive packages, consumption of drugs would decrease. Few, if any observers would accept this proposition.

16. Plain packaging might infringe the Charter of Rights and Freedoms. The government should wait until the Supreme Court of Canada rules on the constitutionality of the *TPCA*.

If plain packaging infringes the protection of freedom of expression, it would nevertheless be constitutional as a "reasonable limitation" on such protected rights (pursuant to section 1 of the *Charter*). Commercial expression such as trademarks are hardly at the core of historic and fundamental freedom of expression. Commercial expression has been recognized by the courts as deserving less protection than political or artistic expression.

The ban on tobacco advertising has been upheld as constitutional and as a reasonable limit by the Quebec Court of Appeal. The industry has appealed the case to the Supreme Court of Canada.

The Supreme Court of Canada has upheld numerous laws as reasonable limits. These include a ban on hate propaganda aimed at protecting identifiable groups, a ban on prostitution solicitation/advertising in order to curb street side nuisance, obscenity laws to prevent degradation of women, roadside spot checks to curb drinking and driving, and toy advertising aimed at children. Given that tobacco is the leading preventable cause of disease and premature death in Canada, the case that plain packaging and other tobacco control measures are reasonable limits is powerful indeed.

The Toronto law firm of Fasken, Campbell Godfrey has given its opinion that plain packaging would survive a constitutional challenge in the courts by the tobacco industry.

In one highly relevant case, the Ontario Court of Appeal considered a provincial law requiring that margarine be coloured differently than butter. The purpose of the law was to protect the economic health of the dairy industry. A unanimous Court held that if the law infringed freedom of expression, it was nevertheless justifiable as a reasonable limit. The Supreme Court of Canada refused to give the margarine industry permission to appeal to the top court.[4]

The Supreme Court of Canada has already spoken of the public health importance of controlling tobacco. In rejecting the tobacco industry's arguments to block the new warnings because of the cost involved, a unanimous Court stated:

> "[A]ny public interest in maintaining the current price of tobacco products cannot carry much weight. This is particularly so when it is balanced against the undeniable importance of the public interest in health and in the prevention of the widespread and serious medical problems directly attributable to smoking. ...The public interest in health is of such compelling importance that the applicants for a stay must be dismissed..."[5]

17. Public education is the answer.

While public education measures can contribute to decline in tobacco use, it is only a partial solution. It should be part of a comprehensive strategy to reduce to tobacco use which includes taxation and regulation. The World Health Organization recommends such a comprehensive approach.

Public education alone is inadequate. Despite public education for decades, smoking rates remain alarmingly high, including among youth. For many youth, who feel invincible, they will continue to smoke no matter how many times they are told that smoking is bad for health. That is why legislative interventions are necessary.

In reality, plain packaging itself is an outstanding form of public education. It sends a message that cigarettes are unique among consumer products. Further, a plain package can be an excellent vehicle to carry enhanced public education messages, such as more detailed health information or a longer list of toxic contents.

It is curious that many allies of the tobacco industry do not object to public education anti-smoking measures as the way to reduce smoking, yet they deny that pro-smoking advertising messages can work. Indeed, the tobacco industry is on record as saying that public education can no more influence people to stop smoking than can advertising influence people to smoke.

Other areas of public health show how public education alone did not result in the desired behaviour modification. For years, public education efforts tried to persuade drivers to wear their seat belts. But when mandatory legislation came in, seat belt use increased significantly.

For drinking and driving, tougher penalties brought in through legislation resulted in decreased drunk driving. The legislation accomplished results which public education alone did not achieve.

18. Packaging never made anyone buy something they did not want.

This argument is illogical and has no meaning. For example, a price discount never makes anyone buy something they did not want either. Thus a $10,000 reduction on the price of a new car would not make a purchaser buy the car if the purchaser did not want it. But the price discount can certainly influence how much a person wants the car.

The same is true for packaging. Packaging contributes to the image of a cigarette brand, whether slimness, manhood, status, social acceptability, sex appeal, sophistication, or otherwise. Impressionable teens typically choose to begin smoking for one of these image reasons.

19. There has been a growing consumer market in raw leaf tobacco and this product has no packaging at all.

The growth in sales of raw leaf tobacco in recent years is strictly because of lower retail prices caused by lower tax rates on raw leaf tobacco compared to cigarettes. The market share for Consumer sales of raw leaf tobacco remains extremely small.

20. To reduce costs, manufacturers might begin to use foreign leaf tobacco in their cigarettes. This raw leaf contains more pesticides and thus presents increased health risks.

Canada could simply adopt a regulation prohibiting cigarettes containing tobacco on which certain types of pesticides were used.

21. In Britain, "Death" brand cigarettes are the most popular cigarettes among youth.

"Death" cigarettes are a novelty item. The company which makes them is forecasting only a minuscule 1994 market share of 6/100ths of 1%.[6] These cigarettes are nowhere close to being the most popular among youth.

22. The study funded by Canadian Cancer Society is flawed.

The study was well conducted. A Scientific Advisory Committee oversaw the research. The Committee had representatives from the Centre for Health Promotion of the University of Toronto, York University, the University of Illinois at Chicago, Ryerson Polytechnic University, RBJ Health Management Associates, Vantage Research, and others. As well, academics from the University of Ottawa and the University of Western Australia served as consultants to the project.

There is a critique of the study prepared by Concordia psychology professor Zalman Amit. Mr. Amit has a longstanding association with the tobacco industry. He acknowledges that he was paid by the industry to do his critique. As well, he was retained by the industry in 1989 to prepare an expert witness statement for use in the industry's attempt to overturn the ban on tobacco advertising in the courts.

The Centre for Health Promotion of the University of Toronto has prepared a reply to Mr. Amit's critique.

23. Plain packaging for tobacco sets a dangerous precedent. If it's tobacco today, what will be next?

Tobacco is a unique product. If it was a new product today, it would not be allowed on the market. No other product has a similar status. Further, no other product legally available on the market is hazardous when used exactly as the manufacturer intends. As well, there is no safe level of consumption. Tobacco is toxic and carcinogenic. It is highly addictive. And unlike other products with potentially dangerous attributes, such as cars, cigarettes do not have a socially beneficial use.

The ban on tobacco advertising was introduced in Parliament in 1987 and passed in 1988. At the time, opponents argued that if tobacco advertising were banned, the precedent would lead to advertising bans for many other goods and services. The intervening period has clearly shown that this has not happened.

As was noted in testimony before the Committee, the "slippery slope" argument was once used as a justification to deny women the vote. "If you give the vote to women, children will be next -- and then cats and dogs. Before long, puppies will rule the world".

24. If tobacco is really that harmful, it should be banned altogether.

This is an unrealistic alternative. While many support the objective of a smoke-free society, an outright ban on tobacco would be impractical. Millions of Canadians are addicted to nicotine. A large contraband market would quickly develop, thus undermining the objective of the ban.

Pro-tobacco interests know that it is unrealistic that tobacco be banned and also know that tobacco will remain a legal product. They then use the argument that since tobacco is a legal product, it should be treated like other legal products. Regulations to restrict its use are argued as being unacceptable.

Many support the legalization of marijuana. If Parliament amended laws to permit this, should there automatically be a right to advertise and attractively package this product?

A complete ban on tobacco would make things even worse for manufacturers, wholesalers, and retailers, just as it would for suppliers of packaging, ink and cylinders. Instead of just a partial reduction in their tobacco-related sales, these industry sectors would lose 100%.

25. Trademarks are a competitive tool by which manufacturers compete with each other.

At present, the Canadian tobacco industry is not competitive. The industry operates as an oligopoly. One company, Imperial Tobacco, dominates and had 67% of domestic market share for cigarettes in 1993.[7]

Regardless of any impact of plain packaging on competition, the impact is subsidiary to the public health benefits which would result.

26. Foreign manufacturers, whose "spillover" advertising continues notwithstanding the TPCA, will have a competitive advantage.

This argument is directly contradicted by the written submissions of foreign tobacco companies. Philip Morris and British-American Tobacco Company Limited both objected to plain packaging on the grounds that it would be a barrier protecting Canadian companies. They argue that plain packaging would prevent penetration of the Canadian market because their brands would not have their current distinctiveness.

Plain packaging would also break the link between "spillover" advertising and the product itself. To the benefit of Canadian companies, foreign advertising would be rendered less effective.

In 1987 and 1988, the tobacco industry vigorously argued that the ban on tobacco advertising would result in large quantities of imported American products entering Canada because of "spillover" advertising. This has not happened. American imports, which have long had a market share of less than 1%, have actually decreased since the advertising ban came into effect.

27. Plain packaging represents a confiscation of trademarks without compensation.

The tobacco industry in Canada can afford a reduction in sales which would result from plain packaging. In 1993, the industry set an all-time record for profitability, despite lower sales. Sales and profits in 1994 are expected to increase because of the reduction in tobacco taxes.

Trademarks are not being confiscated by the government. The government is not going to start using tobacco trademarks, as would be the case for example if tobacco companies were nationalized. Further, tobacco trademarks will still exist and available for use. Nothing will prevent any trademark from appearing on boxes/containers used for wholesale distribution. Further, the brand name will still be able to appear on consumer packages, albeit in a standardized letter style, colour and size.

Governments have prohibited many products and activities without compensation being paid to the manufacturer. Vending machines have been prohibited in Nova Scotia and compensation was not paid. Bill 119 in Ontario will ban vending machines and will bar pharmacies from selling tobacco. The federal *Tobacco Sales to Young Persons Act* bans most vending machines. The *TPCA* prohibits most goods (such as lighters, hats or gym bags) carrying a tobacco brand name or trademark. In all of these cases, government has not or will not pay compensation.

Schedule I to the *Hazardous Products Act* lists a long line of products which have been prohibited, from lawn darts to specified types of asbestos. Government does not pay compensation to manufacturers when a product is prohibited.

There is no doubt the government has the authority to ban tobacco outright. If this happened, tobacco manufacturers would not be paid compensation. Surely then the industry has no sound basis to object to the government taking less intrusive action by continuing to permit the product but requiring packages to conform to prescribed packaging criteria.

While the industry says it would seek compensation, it must be noted that the industry has never paid compensation to any customers who have contracted emphysema or lung cancer because of industry products. In fact, the customers have paid the industry.

28. Plain Packaging Would Infringe Canada's International Trade Obligations.

GATT contains an exception permitting contraventions of the treaty in order to protect human health. This exception was used in 1990 in upholding Thailand's ban on tobacco advertising. Other international agreements, including NAFTA, contain health exceptions.

A full rebuttable to the arguments that plain packaging would infringe international trading obligations can be found in the legal opinion of Fasken Campbell Godfrey.

It must be noted that plain packaging would apply equally to all tobacco products, whether domestically or foreign produced. This principle of "national treatment" is consistent with GATT and international trade principles.

The 1990 GATT decision stated "The Panel noted that contracting parties may, in accordance with Article III:4 of the General Agreement, impose laws, regulations and requirements affecting the internal sale, offering for sale, purchase, transportation, distribution or use of imported products provided they do not thereby accord treatment to imported products less favourable than that accorded to "like" products of national origin."

"...A ban on the advertisement of cigarettes of both domestic and foreign origin would normally meet the requirements of Article III:4." Even if the requirements were not met, the panel stated that tobacco advertising would be justified as a health exception. Few would argue that

packaging is a form of advertising. The panel "noted that Thailand had already implemented some non-discriminatory controls on demand, including information programmes, bans on direct and indirect advertising, warnings on cigarette packs, and bans on smoking in certain public places." Restrictions on supply would also be acceptable: overall supply of cigarettes, retail availability and price.

It should be noted that U.S. Trade Representative Mickey Kantor has said that the United States would no longer oppose other countries which ban tobacco advertising or enact other health measures, even if they violate trading agreements with the U.S. This position suggests that many of the industry's international trade arguments are without a remedy even if their arguments were correct.

29. As teenagers begin smoking through obtaining single cigarettes, addiction will set in before brand loyalty is established.

While it is true that a number of young smokers purchase their first few cigarettes one at time (which is illegal), not all do. Some children purchase a whole pack and plain packaging is expected to make an important difference with them. This latter group may include starters who are slightly older than the average starters, say 15-17 years of age. The study by the Centre for Health Promotion, University of Toronto, found that plain packaging would discourage smoking among non-smokers aged 12-15. This age group is the critical one for smoking onset.

The Health Committee report could obtain a recommendation that the mechanisms currently being established by the federal government to enforce the *Tobacco Sales to Young Persons Act* also include a mandate to enforce the *Excise Act* which prohibits the sale of single cigarettes.

Many young people will get their single cigarettes from other young people who, in general, are even more brand conscious than older Canadians according to available data. An August 1992 survey by the Canada Health Monitor (by Price Waterhouse) showed that among Canadians aged 15+, smokers used the following brands:

Player's	24%
du Maurier	22%
Export "A"	13%
total	59%

Among those ages 15 to 24, the breakdown was:

du Maurier	35%
Player's	32%
Export "A"	15%
total	82%

This shows a much stronger brand identification among young people than among the smoking population in general. It would be reasonable therefore to assume that plain packaging as a method to decrease positive brand imagery could potentially have a greater impact on youth than adults.

Plain packaging will reduce general positive peer pressure for tobacco use and will contribute towards negative peer pressure. The images associated with smoking -- whether sophistication, social acceptability, status, slimness, sex appeal or otherwise -- will have been undermined and will affect the risk that a first cigarette will be tried. Plain packaging is reasonably expected to decrease the motivation to purchase that single cigarette or request one from a friend.

Plain packaging is reasonably expected to increase the motivation of young people to quit smoking because health warnings will be more effective due to increased prominence.

The addictive qualities of nicotine have different impacts on individuals. For many, it will be extremely difficult to quit while for others the impact will not be as strong. There is a significant segment of young starters who will become brand loyal before addiction sets in. For these individuals, plain packaging should make a significant difference.

Endnotes

1. The industry estimates its cost of implementing new health warnings required by September 12, 1994 at $30 million: Imperial Tobacco Ltd., "Application for Stay, Memorandum of Argument" (13 September 1993) filed in the Supreme Court of Canada at p.2 citing an affidavit of William E. Sanders.

2. Tom Shea, Shorewood Packaging, made this estimate in speaking to the media April 19, 1994.

3. Murray J. Kaiserman and Carole Ducharme-Danielson, "Global per Capita Consumption of Manufactured Cigarettes, 1990", Chronic Diseases in Canada, Vol. 13, No 4, July-August 1992, p.73.

4. *Re Institute of Edible Oil Foods v. Ontario* (1989), 64 D.L.R. (4th) 380 (Ontario Court of Appeal), leave to appeal to Supreme Court of Canada refused September 6, 1990 (S.C.C.).

5. *RJR-Macdonald Inc. and Imperial Tobacco v. Attorney General of Canada and five intervenors* (March 3, 1994, S.C.C., 9:0).

6. "A product to die for" *CTN* (25 February 1994) p.11.

7. Taken from a 1993 Imasco Ltd. annual report.

Canadian Medical Association
Association médicale canadienne

TELEPHONE/TÉLÉPHONE
(613) 731-9331
1 800 267-9703

FAX/TÉLÉCOPIEUR
(613) 731-1755

PO Box/C.P. 8650
Ottawa ON
K1G 0G8

1867 Alta Vista
Ottawa ON
K1G 3Y6

BRIEF
MÉMOIRE

LA BANALISATION DES PRODUITS DU TABAC

Présentation au

Comité permanent de la santé, Chambre des communes

Ottawa (Ontario)

Le 3 mai 1994

Renseignements : Marc Desmarais
Département des communications et relations gouvernementales (613) 731-9331

ASSOCIATION MÉDICALE CANADIENNE

L'Association médicale canadienne (AMC) est le porte-parole de la profession médicale au Canada. Fondée en 1867, l'AMC a pour mandat de jouer un rôle de chef de file auprès des médecins et de promouvoir les normes les plus élevées de santé et de soins de santé pour les Canadiens.

Pour le compte de ses membres et de la population canadienne, l'AMC exerce toute une gamme de fonctions, notamment favoriser l'élaboration de politiques et de stratégies de promotion de la santé et de prévention des maladies et des accidents, faciliter le changement au sein de la profession médicale, et ouvrir la voie et servir de guide aux médecins pour les aider à influencer les changements dans la prestation des soins de santé, à les gérer et à s'y adapter.

L'AMC est un organisme de participation facultative représentant la majorité des médecins au Canada par l'entremise de dix associations médicales provinciales et de deux associations territoriales (divisions), ainsi que de 39 organisations médicales affiliées.

TABLE DES MATIÈRES

INTRODUCTION 1

CONSIDÉRATIONS 2

(1) L'accoutumance au tabac 2

(2) Les coûts pour la société du cancer causé par le tabac 3

(3) La banalisation des produits du tabac 5

(4) L'appui de la population 9

(5) La politique publique antérieure 9

(6) La prochaine politique publique sur la santé 10

CONCLUSION 12

INTRODUCTION

Depuis le début des années 1960, l'Association médicale canadienne (AMC), pour le compte des médecins qui en sont membres dans tout le Canada et dans l'intérêt de la santé de tous les Canadiens et Canadiennes, fait des pressions pour que soient imposées des restrictions à la publicité et à la vente des produits du tabac.

L'usage de la cigarette est la cause première des décès et des maladies évitables au Canada. Le tabagisme est la cause de près de 40 000 décès au Canada chaque année. Aucun autre produit non interdit par la loi, utilisé selon les directives, ne produit des effets aussi dévastateurs.

Les coûts pour la société des maladies et des incapacités provoquées par le tabagisme sont atterrants. Au Canada, le coût du traitement du cancer du poumon s'élève à lui seul à 300 millions de dollars par année.

L'AMC s'inquiète particulièrement de l'influence des produits du tabac sur les jeunes. De plus en plus, on s'entend pour dire que l'obligation de vendre les cigarettes dans des emballages banalisés ou génériques devrait être une des mesures importantes adoptées par le gouvernement dans tout plan global visant à mettre un terme à l'épidémie du tagagisme. Cette proposition a été soutenue par de nombreux groupes d'intérêt du secteur de la santé, dont bon nombre ont comparu devant ce comité.

CONSIDÉRATIONS

Il est question dans le présent mémoire de trois aspects du tabagisme et de ses effets sur la santé ayant un lien avec l'étude du Comité :

- les coûts économiques pour la société de l'accoutumance au tabac, ainsi que des maladies et des décès attribuables au tabac, et leurs conséquences tant pour les victimes du cancer que les autres patients;

- la banalisation des produits du tabac; et

- la politique gouvernementale antérieure et prochaine.

(1) L'accoutumance au tabac

De grands organismes de santé, dont le bureau du *Surgeon General* américain, l'Organisation mondiale de la santé, la Fondation de recherche sur l'alcoolisme et la toxicomanie du Canada et l'AMC, savent depuis de nombreuses années que la nicotine entraîne une forte accoutumance. Les patients répètent constamment à leur médecin qu'ils ont essayé de nombreuses fois d'arrêter de fumer — certains réussissent, mais la plupart se découragent, comme l'atteste le taux de rechute élevé que rapportent les programmes de renoncement au tabac. Il existe des preuves

indéniables des symptômes de sevrage et de l'état de besoin intense provoquant l'échec chez la plupart dans leur lutte contre l'accoutumance au tabac. Les programmes de renoncement au tabac semblent connaître un succès plus élevé, mais tous reconnaissent les fortes caractéristiques d'accoutumance de la drogue qu'est la nicotine, présente dans tous les produits du tabac.

(2) Les coûts pour la société du cancer causé par le tabac

Malgré le refus des fabricants de tabac d'admettre le lien démontré entre l'usage du tabac et la santé, les effets sur la santé de l'usage du tabac sont énormes et sont bien reconnus dans le monde médical et scientifique.

La relation entre le tabagisme et les maladies qu'il provoque a été l'une des questions les plus fouillées dans l'histoire de la science médicale. Les preuves ont été recueillies de façon systématique depuis 50 ans. En 1988, lorsque l'AMC a comparu devant le Comité sénatorial des affaires sociales, des sciences et de la technologie, qui étudiait à la fois la Loi sur la santé des non-fumeurs (projet de loi C-204) et la Loi réglementant les produits du tabac (projet de loi C-51), elle a remis aux sénateurs une liste des près de 8 000 rapports scientifiques liant directement le tabagisme au cancer et aux nombreuses autres maladies et conditions associées à l'usage du tabac. Le nombre de rapports scientifiques a doublé depuis. Faut-il s'étonner dès lors que la conclusion de ces études, qui ont coûté des millions de dollars, soit que le tabagisme tue?

Les répercussions sur les coûts de l'accoutumance au tabac au Canada sont énormes. Plus de 100 000 nouveaux cas de cancer sont signalés annuellement au Canada, dont le tiers sont attribuables à l'usage du tabac. Chacun de ces nouveaux cancéreux a besoin de services de diagnostic et de traitement, ce qui alourdit de plus en plus le fardeau de la maladie sur la population canadienne et grève à la limite nos établissements de santé déjà financièrement surchargés. La composition de la population canadienne change : la population augmente et la proportion de personnes âgées s'accroît. L'on prévoit que, dans dix ans, les nouveaux cas de cancer exigeront une hausse de 50 % des services de diagnostic et de traitement.

Un récent article du *Journal de l'Association médicale canadienne* (15 octobre 1993), qui rapporte les travaux du D[r] Bill Evans, du Centre régional du cancer d'Ottawa, expose clairement le problème. Le D[r] Evans a travaillé pendant deux ans avec une équipe de chercheurs à Statistique Canada, la première équipe de recherche au monde à appliquer un modèle de micro-simulation aux coûts des soins de santé. Résultat : une évaluation hautement crédible des coûts de l'incidence du cancer du poumon, à lui seul, sur le système de santé du Canada — soit 300 millions de dollars par année.

Et ce n'est là qu'une fraction du coût total. Des coûts tout aussi élevés sont entraînés par les autres maladies provoquées par le tabagisme, notamment l'emphysème, les cardiopathies, l'asthme et les autres types de cancer. À ces sommes viennent s'ajouter les coûts sociaux tels les jours de bonne qualité de vie et de productivité perdus.

(3) La banalisation des produits du tabac

Il faut comprendre qu'il ne suffit pas d'une seule stratégie pour régler le problème du tabagisme. On ne pourra réussir qu'en lançant une attaque tous azimuts. La banalisation des produits du tabac constituerait une étape importante en vue de réduire le nombre croissant de jeunes Canadiens et Canadiennes qui, dès le début de leur vie adulte, sont déjà accoutumés à la cigarette.

L'AMC a déclaré en 1986 que la banalisation des produits du tabac devrait être un élément critique de tout plan global visant à réduire la consommation de tabac au Canada, surtout chez les jeunes.

Le paquet banalisé ou générique est brun pâle ou blanc et les caractères en noir seulement. Ni le design, ni les couleurs, ni les marques de commerce du fabricant n'y apparaissent. Dans les dispositions législatives concernant l'emballage banalisé, on n'autoriserait rien d'autre sur le paquet ou à l'intérieur que le nom du produit en caractères génériques, les avertissements concernant le risque ou la santé, le nom du fabricant et les renseignements sur le contenu, dont la quantité de goudron et de nicotine.

Nous, médecins, ne sommes pas des experts en marketing. Nous croyons savoir cependant que l'emballage est partie intégrante de la publicité. Des recherches faites aux États-Unis, en Australie, en Nouvelle-Zélande et au Canada montrent de plus en plus que la publicité influence

directement la consommation, surtout chez les adolescents. C'est de ce groupe dont nous devrions nous inquiéter particulièrement puisque la très grande majorité des fumeurs prennent l'habitude du tabac avant de devenir adultes.

Une étude publiée en février 1994 dans le *Journal of the American Medical Association* au sujet de l'initiation au tabac chez les adolescentes, conclut que la façon prudente pour les services de santé publics de prévenir une autre hausse de l'accoutumance au tabac chez les jeunes consiste à agir au plus vite pour étendre l'interdiction de la publicité du tabac à toutes les formes de publicité et de promotion.

Les résultats d'une étude de l'automne 1993 par le Département de promotion de la santé de l'Université de Toronto pour le compte de la Société canadienne du cancer indiquent que la population appuie fortement l'adoption d'une politique visant la législation de l'emballage banalisé, dans le cadre d'un plan global visant à réduire la consommation du tabac. Si l'emballage banalisé est exclus d'un tel plan, on raterait une importante occasion de briser effectivement un lien critique et puissant qui transfère aux fumeurs les images transmises par d'autres stratégies promotionnelles.

De même, dans une étude réalisée en 1987 en Nouvelle-Zélande, le Département de marketing de l'Université d'Otago conclut que, comme l'emballage des cigarettes joue le même rôle promotionnel que les messages publicitaires, la réglementation de la promotion de la cigarette devrait englober l'emballage des cigarettes.

Avant l'entrée en vigueur de la Loi réglementant les produits du tabac, l'emballage servait beaucoup dans les annonces publicitaires. La publicité la plus importante aujourd'hui apparaît sur le paquet de cigarettes même. D'après les principes du marketing, il y a une forte association entre l'apparence et la promotion de l'emballage et l'image du produit. Il existe également des preuves selon lesquelles les adolescents sont plus sensibles à la publicité et à la promotion des «produits d'image» et que les jeunes sont en général plus facilement influencés par la publicité que les adultes.

Pour en arriver à une décision à ce sujet, le Comité doit débattre de la question du «fardeau de la preuve», soit déterminer jusqu'à quel point il faut des preuves avant d'agir. Du fait que le lobby pro-tabac continue de réfuter des preuves scientifiques accablantes — les produits du tabac provoquent l'accoutumance, causent des maladies et des décès et sont la cause première des décès évitables — on peut croire qu'il ne reconnaîtra jamais la suffisance des preuves pour justifier l'intervention de l'État au sujet de l'emballage.

Dans le domaine de la santé, les preuves scientifiques sont recueillies peu à peu, sur une longue période, jusqu'à ce que le poids des preuves accumulées permette de décider raisonnablement à quel moment il faut prendre des mesures de prévention de la maladie ou modifier le diagnostic ou le traitement. Le degré de preuve nécessaire pour justifier l'action est inversement proportionnel à la gravité du problème exigeant une action. Si un problème est très sérieux, on intervient fréquemment même si les preuves sont moindres. Le rapport risques–avantages justifie une telle mesure.

En ce qui concerne la modification du comportement, il est notoirement difficile d'élaborer des preuves irréfutables de la façon d'influencer les personnes.

Il existe par ailleurs une preuve concluante de la relation entre le changement de comportement et la publicité. L'emballage constitue de la publicité. Il existe de plus en plus de preuves que l'emballage influence effectivement les ventes. L'AMC estime qu'il existe maintenant des preuves suffisantes pour justifier l'intervention de l'État sur la question de la banalisation des produits du tabac, qui est un des éléments d'une stratégie globale de réduction totale.

L'AMC est d'avis que l'emballage banalisé contribuerait à l'atteinte de plusieurs objectifs dans la lutte pour la réduction de la consommation du tabac :

- le paquet ne serait plus un outil publicitaire important pour les fabricants de tabac;
- une telle mesure donnerait du poids et de la crédibilité aux avertissements relatifs à la santé publique contre l'usage du tabac (l'emballage banalisé pourrait être de loin le meilleur avertissement);
- on atténuerait le caractère positif de l'image de marque;
- les commerçants ne seraient plus aussi portés à mettre en évidence les paquets, ce qui diminuerait l'efficacité de la présentation;
- il serait également plus difficile pour les fabricants de tabac de contourner l'interdiction de la publicité sur le tabac;

- l'emballage différencierait le produit passé en contrebande du produit vendu au pays (si les paquets vendus au Canada étaient banalisés, il serait très difficile de dissimuler le produit de contrebande); et
- la banalisation des produits du tabac montrerait clairement que le gouvernement du Canada croit dans la promotion de la santé et dans la prévention de la maladie, et qu'il appuie vigoureusement ces principes.

(4) L'appui de la population

Il a été démontré que les Canadiens et les Canadiennes, y compris les fumeurs, appuieraient la banalisation des produits du tabac puisque tous se rendent compte qu'il s'agit d'une mesure importante pour prévenir l'accoutumance au tabac chez les enfants et chez les jeunes. Dans un sondage Environics de 1992 commandé par la Fondation des maladies du cœur du Canada, on a noté que 64 % des fumeurs et 63 % des non-fumeurs au Canada ont déclaré qu'ils appuieraient des mesures législatives exigeant que les cigarettes soient vendues dans un paquet banalisé dont l'étiquette ne mentionnerait que le nom du produit, la liste des ingrédients et les avertissements relatifs à la santé.

(5) La politique publique antérieure

Le Canada est un chef de file mondial en ce qui concerne le tabagisme et son effet sur la santé et il est reconnu dans le monde entier comme un pays déterminé à réduire la consommation de

tabac parmi ses citoyens. Malheureusement, la réduction récente des taxes sur le tabac par le gouvernement fédéral pourrait bien mettre en péril la réputation enviable du Canada. L'AMC a exercé de fortes pressions contre la réduction des taxes sur le tabac, parce qu'elle reconnaît, de concert avec d'autres groupes de pression du secteur de la santé, que le prix élevé des produits du tabac était l'un des principaux facteurs de dissuasion chez les jeunes. De récents rapports ont révélé que la consommation de tabac monte en flèche, ce qui vient confirmer les pires crainte du secteur de la santé. La décision que le Comité aura à prendre sur la banalisation des produits du tabac ne sera pas facile. Le gouvernement fédéral ne peut se permettre de reculer lorsqu'il lui faut prendre des décisions difficiles pour protéger la santé des Canadiens et des Canadiennes.

(6) La prochaine politique publique sur la santé

En réaction aux compressions budgétaires rigoureuses, les gouvernements de tous les niveaux adoptent des stratégies de promotion de la santé publique et de prévention pour améliorer la santé des Canadiens et Canadiennes. L'AMC soutient depuis longtemps que, si nous voulons éliminer les principaux risques à la santé publique comme la consommation de tabac, nous devons prendre de nombreuses mesures dans de multiples milieux avec de nombreux partenaires, dont le moindre n'est sûrement pas l'État. Le Canada a réalisé d'excellents progrès pour réduire l'exposition de la population au tabac. Il nous faut continuer. Les coûts pour les soins de santé, les effets sur la santé publique, les maladies et les incapacités engendrées par l'accoutumance au tabac, sont énormes et de longue durée.

Il faudra mettre en oeuvre la banalisation des produits du tabac pour en connaître précisément les effets, et non simplement en parler. L'AMC estime qu'il existe suffisamment de preuves pour dire qu'une telle mesure devrait être une partie intégrante de toute stratégie globale d'éradication de l'habitude de fumer.

Il existe des exemples passés dans le domaine de la santé publique où, peu à peu, de petites modifications des politiques d'intérêt public ont fini par susciter des progrès importants en matière de santé publique. Par exemple, les efforts des gouvernements pour réduire les décès attribuables aux accidents de la circulation ont appris certaines bonnes leçons aux décideurs.

L'AMC a été la première en 1973 à proposer l'installation de systèmes de retenue du conducteur et des passagers. À ce moment-là, on disait que cela ne fonctionnerait jamais : la loi ne pourrait jamais être appliquée, les fabricants ne vendraient pas de voitures, il y avait des preuves selon lesquelles la ceinture de sécurité pouvait constituer une violation des droits personnels, il y aurait des contestations juridiques. Voilà le cycle habituel des débats sur ce genre de question. À mesure que la population se sensibilise aux dangers critiques pour la santé, elle commence à appuyer et à exiger des mesures de protection pour la santé. Les provinces et les territoires ont donc l'un après l'autre adopté des mesures législatives sur la ceinture de sécurité jusqu'à ce que, maintenant, elle soit obligatoire dans tout le pays. L'effet a été spectaculaire dans nos salles d'urgence surchargées pour ce qui est de la réduction du nombre de traumatismes. Il n'est pas toujours facile au début de montrer preuves à l'appui que de nouvelles stratégies s'imposent. Mais, comme dans le cas de la ceinture de sécurité, il faut

se demander jusqu'à quel point il faudra apporter des preuves avant que la société accepte qu'un tel dispositif peut sauver des vies? Combien de preuves faut-il pour persuader les législateurs d'adopter des politiques qui, même si elles sont controversées, contribueront à sauver des vies? Le risque de faire face à une contestation de bon nombre de ces grandes décisions portant sur la santé publique est minimal comparativement aux avantages possibles découlant de la prévention de milliers de toxicomanies et de milliers de décès.

CONCLUSION

Même si nous n'arriverons ni facilement ni rapidement à mettre un frein à l'épidémie de maladies et de décès causés par le tabac, la lutte doit se poursuivre. Il faut essayer et évaluer toutes les mesures raisonnables.

L'AMC est d'avis que les preuves à l'appui de la banalisation des produits du tabac sont suffisamment indicatives, sinon concluantes. L'Association estime que, étant donné les énormes coûts humains sous la forme de souffrances et de décès, ainsi que le coût élevé pour notre système de santé et les contraintes énormes exercées sur nos programmes de santé et sociaux, le gouvernement fédéral se doit d'agir d'une manière courageuse et innovatrice.

Ce n'est pas le moment de se dérober devant des choix difficiles. La santé des Canadiens et des Canadiennes est en jeu. Le lobby pro-tabac ne sera jamais convaincu par les preuves montrant à quel point ces produits sont mortels lorsqu'ils sont utilisés précisément comme prévu. Les

fabricants s'entêtent plutôt à refuser de reconnaître le tort énorme causé par le tabac. Cela est compréhensible, étant donné que l'avenir même de l'industrie du tabac est en jeu.

Encore une fois, l'usage du tabac est la cause première des décès et des maladies évitables au Canada. Au nom de leurs patients, les médecins du Canada pressent le Comité d'appuyer la banalisation obligatoire des produits du tabac.

L'AMC fait la recommandation ci-après pour appuyer la banalisation des produits du tabac à titre d'un des éléments d'une stratégie à plusieurs volets visant à lutter contre l'épidémie que constitue le tabagisme :

L'AMC RECOMMANDE, À TITRE D'UN DES ÉLÉMENTS D'UNE STRATÉGIE EN PLUSIEURS VOLETS VISANT À LUTTER CONTRE L'ÉPIDÉMIE DU TABAGISME, QUE LE GOUVERNEMENT DU CANADA ADOPTE DES MESURES LÉGISLATIVES VISANT À RENDRE OBLIGATOIRE LA BANALISATION DE TOUS LES PRODUITS DU TABAC.

Canadian Medical Association
Association médicale canadienne

TELEPHONE/TÉLÉPHONE
(613) 731-9331
1 800 267-9703

FAX/TÉLÉCOPIEUR
(613) 731-1755

PO Box/C.P. 8650
Ottawa ON
K1G 0G8

1867 Alta Vista
Ottawa ON
K1G 3Y6

NEWS RELEASE
COMMUNIQUÉ

Mardi, le 3 mai 1994

LA BANALISATION DES PRODUITS DU TABAC CONTRIBUERA À ENDIGUER L'ÉPIDÉMIE DE TABAGISME, AFFIRMENT LES MÉDECINS

(Ottawa) - Le président de l'Association médicale canadienne (AMC), le Dr Richard Kennedy, a déclaré aujourd'hui au Comité permanent de la santé, de la Chambre des communes, que de plus en plus, on s'entend pour dire que l'imposition de l'obligation de vendre les cigarettes dans des paquets banalisés ou génériques devrait faire partie intégrante de la stratégie du gouvernement fédéral visant à endiguer l'épidémie de tabagisme.

«L'AMC s'inquiète particulièrement du sort des jeunes Canadiens, car des preuves croissantes montrent que la publicité sur les cigarettes, comme celle que l'on retrouve sur les emballages, influence directement l'usage du tabac chez les moins de 20 ans», a déclaré le Dr Kennedy, un respirologue praticien de Calgary.

Il a souligné les coûts atterrants qu'entraînent pour la société les maladies et les incapacités provoquées par le tabac. «Le cancer du poumon, à lui seul, coûte plus de 300 millions de dollars par année au système de santé, et contribue ainsi à grever à la limite nos établissements de santé déjà financièrement surchargés.»

Le Dr Kennedy a déclaré au Comité que la relation entre le tabagisme et les maladies qu'il provoque a été l'une des questions les plus fouillées dans l'histoire de la science médicale. «L'usage de la cigarette est la cause première des décès et des maladies évitables au Canada, et entraîne près de 40 000 décès chaque année. Nul autre produit non interdit par la loi, utilisé selon les directives, ne produit des effets aussi dévastateurs.»

L'AMC recommande l'adoption d'une loi visant à rendre obligatoire la banalisation de tous les produits du tabac. «C'est maintenant qu'il faut agir», d'ajouter le Dr Kennedy. «Le gouvernement ne peut se permettre de reculer lorsqu'il lui faut prendre des décisions difficiles pour protéger la santé des Canadiens et des Canadiennes.»

-30-

Pour renseignements : Mary Colbran-Smith, (613) 731-9331 ou 1 (800) 267-9703, poste 2304

"Generic" Packaging—A Possible Solution to The Marketing of Tobacco to Young People

by Michael R.C. Carr-Gregg and Alan J. Gray

In New Zealand, although tobacco consumption has fallen by 17% over the past five years and is expected to fall further this year, 15% of all deaths in New Zealand (over 4,000 persons each year) are directly attributable to cigarette smoking. This omits deaths as a result of passive smoking as well as those caused by pipe smoking. The cost of excess hospital admissions in New Zealand in 1989 as a result of smoking has been estimated to be $NZ100 million,[1] and Maori women have the highest rates of lung cancer in the world.[2] Tobacco advertising and promotion have been identified as a priority area in the Government's efforts to stem the tobacco epidemic.

Brand Imaging and Tobacco Marketing

One of the keys to successful product marketing is to endow it with its own personality (or brand image). In the anonymous world of supermarkets, consumers are no longer buying from a shopkeeper they know well, and brand names and images developed by marketing experts tend to take the place of the trusted shopkeeper of past decades.

This brand imaging is one of the cornerstones of the international tobacco industry's marketing strategy. It depends upon promoting a strong brand personality with selling appeal (e.g., Dunhill — sophistication, wealth, and royal approval). The image is promoted through advertisements, signage, and sports sponsorship, always linked with the product name and a particular shape, color, and style of packaging.

Tobacco companies outbid health authorities by spending $40 on advertising to every $1 spent on communicating the health problems of smoking.

There is ample evidence that, in the past, advertising has created a very strong association between the appearance of the packaging and the image created by the advertising. This has produced what could be called a "store of value" in the package design. In itself, the package design is a form of advertising.

The importance of package image was well illustrated in a *Forbes* magazine article about Marlboro cigarettes, which stated that it is the image that attracts Marlboro smokers. The article quoted a researcher who, having interviewed large numbers of Marlboro smokers, concluded that talk of product difference is a rationalization:[3] "The proof is that when we offered them Marlboro at half price—in generic brown boxes—only 21% were interested, even though we assured them that each package was fresh, had been sealed at the factory, and was identical (except for the different packaging) to what they normally bought."

The article continued by saying that brand image often appeals to the socially insecure and the cigarette package is used as part of a wardrobe.[3] It follows that if these crutches are removed, cigarette sales could be expected to decline.

Smokers put their cigarettes in and out of their pocket 20 to 25 times a day, and the appearance of the package makes a statement. The consumer is expressing how he or she wants to be seen by others, in the same way as some use costume jewelry or a watch. The package itself has enormous significance.

Legislation aimed at restricting

Michael R.C. Carr-Gregg, PhD, Social Biology Resources Center, Carlton, Victoria, Australia; Alan J. Gray, MB, ChB, FRACP, FRACR, Medical Director, Mary Potter Hospice, Newtown, Wellington, New Zealand.

Source: *Medical Journal of Australia* 1990; 153:685-686. ©Copyright 1990 *The Medical Journal of Australia*—reproduced with permission.

cigarette advertising in an effort to reduce positive cigarette imagery will be doing only part of the job if it does not remove the package image, which has been promoted through billions of dollars in advertising. David Sweanor, a world expert in the anti-tobacco movement, has suggested that removal of the brand image could do for tobacco what an end to advertising and the removal of identifying insignia could do to the luxury car market.

Generic Packaging

A generic package is a simple, plain (black and white) package with a description (for example, cigarettes) of the product, detail of content, a health warning, along with tar and nicotine content, and the name of the manufacturer. Such packages are already on sale in New Zealand and are marketed to the customer as a "no frills," low-cost product through one large supermarket chain.

The rationale for generic packaging. In some countries, following either the signing of a voluntary agreement or the imposition of a ban on tobacco advertising and promotion, the tobacco industry has attempted to circumvent the ban by a number of ingenious marketing ploys. Among these are "piggy back" advertising, parallel marketing, and product placement in motion pictures.

"Piggy back" advertising occurs when a tobacco brand name is inserted incidentally into an ad for another product such as the "Marlboro" logo painted on the side of a Formula 1 racing car on billboards promoting "Shell" petroleum products. This billboard is on display throughout New Zealand, despite the existence of a voluntary code that expressly prohibits tobacco advertising on billboards.

Another maneuver developed by the industry is known as parallel marketing, the practice of placing cigarette brand names and logos on nontobacco products, such as Dunhill watches and briefcases. In Norway, following the imposition of a tobacco advertising ban, Camel cigarette ads were replaced by advertising for Camel boots, which naturally sported the same Camel logo.[4] In Sweden, Belgium, and other countries which prohibit tobacco advertising but allow tobacco trademarks, consumers can join a Camel adventure tour, buy a Gauloise cigarette lighter, and wear Marlboro Classics outdoor clothing.[5]

Smokers put their cigarettes in and out of their pockets 20-25 times a day, and the appearance of the package makes a statement.

Generic packaging would lessen the impact of such devious marketing techniques and consequently make it harder for tobacco companies to circumvent any ban on tobacco advertising. If all tobacco products looked alike—except for a generically lettered brand name—there would be less incentive to pay for prominent retail displays or have a brand featured in a movie or other public performance. Furthermore, less would be gained by using sponsorships to promote cigarette brands, since identification with colors, trademarks, and so on, would become impossible.

The stipulation of generic packaging would also remove any advantage to cigarette brand names advertised in foreign publications or on the sides of international racing yachts coming into the port of a country that has banned tobacco advertising in its domestic media. Since the advertised image would be very different from the one that appears in the marketplace, this advertising would lose much of its impact.

A further advantage of generic packaging would be that government health warnings would be more visible; there would be significantly less "clutter" and less scope for the tobacco industry to disguise the health message by package design and color schemes, as has been attempted by the tobacco industry in Canada.[6]

Opponents to legislation banning tobacco advertising claim that tobacco is a legal product and that therefore it should be legal to advertise it. This ignores the fact that in New Zealand, tobacco cannot legally be sold to those under 16 years of age. It seems anomalous therefore to continue to advertise tobacco to this population.

Others argue that the health risks of smoking are such that the best course of action would be to ban the sale of tobacco products altogether, yet the history of prohibition makes it clear that this is simply not a viable option. It drives the problems underground, creates a black market in tobacco, and sets up new problems for health authorities.

At present, tobacco companies outbid health authorities by spending $40 on advertising their products to every $1 that is spent communicating

the health problems of smoking. This undermines the health message in the young consumer's mind.[2]

Conclusion

Tobacco is the only legal consumer product on the market which is linked to death when used as the manufacturer intended. Tobacco products should be clearly differentiated from normal consumer products. Cleverly designed and enticing packaging should not be allowed to promote a product if government has decided to end product promotion in order to achieve a higher standard of health for its people.

References

1. Gray AJ, Reinken JA, Laugesen M. The cost of cigarette smoking in New Zealand. *N Z Med J* 1988; 101:270-273.
2. Department of Health. Toxic Substances Board. Health or Tobacco—An End to Tobacco Advertising and Promotion. Wellington Government Printing Office. May 1989:17-18.
3. Trachtenberg JA. Here's one tough cowboy. *Forbes Magazine.* Feb. 9 1987:109-111.
4. Schmidt F. Germany: a bankrupt health policy towards smoking. *N Y State J Med* 1985; 83:1340-1341.
5. Conley J. Unwilling to butt out. *The Age.* Feb. 26, 1990:5.
6. Sweanor DT. Submission to the Social Services Select Committee on the Smoke Free Environments Bill, Parliament Buildings. Wellington, New Zealand. June 21, 1990:20.

Reprinted by permission.

EFFECTS OF PLAIN PACKAGING ON THE IMAGE OF TOBACCO PRODUCTS AMONG YOUTH

November 30, 1993

PREPARED BY:
Centre for Health Promotion,
University of Toronto

WITH FUNDING FROM:
The Canadian Cancer Society

TABLE OF CONTENTS

ACKNOWLEDGEMENTS iii

EXECUTIVE SUMMARY iv

INTRODUCTION 1

- Background and Rationale 1
- This Report 2

METHOD 3

- Design 3
- Recruitment 3
- Structured Interview (Quantitative) Component 4
- Focused Discussion (Qualitative) Component 5
- Debriefing 5
- Analyses 5
- Study Limitations 6

RESULTS 8

- Data Return 8
- Description of Sample 8
- Impact of Plain Packs on Product Image 12
- Impact of Plain Packs on Smoking Behaviour 20
- Importance of Plain Packaging Relative to Other Measures 22
- Impressions of Who Funded the Research 22

DISCUSSION AND CONCLUSIONS 23

REFERENCES 28

LIST OF TABLES

TABLE 1:	DATA RETURN	8
TABLE 2:	SMOKING STATUS OF RESPONDENTS	9
TABLE 3:	NUMBER OF CIGARETTES SMOKED PER DAY (daily smokers only)	10
TABLE 4:	NUMBER OF CIGARETTES SMOKED PER WEEK (weekly smokers only)	10
TABLE 5:	BRAND OF CIGARETTES USUALLY SMOKED	11
TABLE 6:	HOW AND WHERE CIGARETTES ARE OBTAINED	11
TABLE 7:	PERCENT OF SMOKERS AND NONSMOKERS WHO FAVOURED BEING SEEN WITH BRAND PACKAGES OF CIGARETTES VERSUS PLAIN PACKAGES	16
TABLE 8:	PERCENT OF SUBJECTS WITH VARIOUS LEVELS OF RECALL ON BRAND VERSUS PLAIN PACKAGING OF PLAYERS CIGARETTES - AGE, GENDER & SMOKING STATUS COMBINED (n = 129)	17
TABLE 9:	PERCENT OF SUBJECTS WITH VARIOUS LEVELS OF RECALL ON BRAND VERSUS PLAIN PACKAGING OF DU MAURIER CIGARETTES - AGE, GENDER & SMOKING STATUS COMBINED (n = 129)	20
TABLE 10:	PERCENT OF SMOKERS AND NONSMOKERS RANKING THE FOLLOWING STRATEGIES AS THE MOST EFFECTIVE WAY TO REDUCE SMOKING AMONG YOUNG PEOPLE	22

LIST OF FIGURES

FIGURE 1:	AVERAGE RATINGS OF PACKAGE ATTRIBUTES FOR PLAIN VERSUS BRAND PACKAGES OF PLAYERS CIGARETTES -- SMOKERS	18
FIGURE 2:	AVERAGE RATINGS OF PACKAGE ATTRIBUTES FOR PLAIN VERSUS BRAND PACKAGES OF PLAYERS CIGARETTES -- NONSMOKERS	18
FIGURE 3:	AVERAGE RATINGS OF PACKAGE ATTRIBUTES FOR PLAIN VERSUS BRAND PACKAGES OF DU MAURIER CIGARETTES -- SMOKERS	19
FIGURE 4:	AVERAGE RATINGS OF PACKAGE ATTRIBUTES FOR PLAIN VERSUS BRAND PACKAGES OF DU MAURIER CIGARETTES -- NONSMOKERS	19
FIGURE 5:	PERCENT OF SUBJECTS WHO WOULD PAY MORE, THE SAME AMOUNT, AND LESS FOR PLAIN PACKAGES OF CIGARETTES AS COMPARED TO BRAND PACKAGES (N-128)	20
FIGURE 6:	LIKELY EFFECT OF PLAIN PACKAGING ON SMOKING AMONG YOUTH -- PERCEPTIONS OF SMOKERS (N = 97)	21
FIGURE 7:	LIKELY EFFECT OF PLAIN PACKAGING ON SMOKING AMONG YOUTH -- PERCEPTIONS OF NONSMOKERS (N = 32)	21

ACKNOWLEDGEMENTS

The Centre for Health Promotion would like to thank all of the people who contributed to this project, and especially to:

- The Canadian Cancer Society, for recognizing the importance of this research and for providing funding to carry it out.

- RBJ Health Management Associates, 460 Frederick St., Kitchener, Ontario, N2H 2P5, for providing project leadership on development of the research design and measurement instruments, for co-ordinating the qualitative and quantitative components of the project, for completing the quantitative analyses portion of the research, and for integrating the results of the research with expert opinion and theory.

- Vantage Research Group, Inc., 2005 Sheppard Avenue East, Suite 100, Willowdale, Ontario, M2J 5B4, for scheduling and conducting the focus groups and for completing the qualitative analyses.

- The members of the Scientific Advisory Committee, for providing overall project direction and for reviewing draft reports.

  Irving Rootman, Ph.D., Director, Centre for Health Promotion, University of Toronto (Principal Investigator and Chair)

  Josie d'Avernas, M.Sc., Partner, RBJ Health Management Associates

  Roberta Ferrence, Ph.D., Senior Scientist, Social and Evaluation Research, Addiction Research Foundation, and Director, Ontario Tobacco Research Unit, University of Toronto

  Mary Foster, Ph.D., Professor, School of Business Management, Ryerson Polytechnic University

  Gail Lindsay, Co-ordinator - Public Issues, Canadian Cancer Society, Ontario Division

  David Northrup, M.A., Manager, Institute for Social Research, York University

  Marilyn Pope, B.Sc., Research and Development Associate, Prevention and Health Promotion Research & Development Department, Addiction Research Foundation of Ontario

  Dennis Raphael, Ph.D., Associate Professor, Department of Behavioural Science, Faculty of Medicine, University of Toronto

  Eric Single, Ph.D., Director of Policy and Research, Canadian Centre on Substance Abuse

- Dr. Rob Donovan, Department of Management, University of Western Australia, and Dr. Dee Burton, Prevention Research Centre, University of Illinois at Chicago, for reviewing draft reports and for providing advice on the research design.

EXECUTIVE SUMMARY

Proponents of plain cigarette packaging argue that the positive images associated with smoking contribute to young people smoking, and that such images are reinforced by cigarette packaging. The belief is that removing or weakening such images through plain packaging would reduce smoking among youth.

Plain packages are light brown or white packages with black printing only. No colour, trademarks or unique print fonts are used. Plain packs include only the brand name (in standard font), risk warnings, and product contents information.

A literature review, interviews of experts in marketing and tobacco research, and group interviews of youth were used for this study, to examine the hypothesis that plain packages will project less positive imagery of tobacco products as compared to brand packages. Twenty-seven expert interviews were completed, and twenty groups of 12-17 year old smokers and nonsmokers (129 individuals) were held. A combination of qualitative and quantitative data was collected in these interviews. The tendency to offer socially acceptable responses was minimized by keeping subjects unaware of the sponsor and purposes of the research until the end of the interview.

The data provided substantial support for the hypothesis that the positive images associated with smoking are reinforced by cigarette packaging. The following conclusions were drawn.

Plain packaging can effectively break the link to other advertising and promotions.

Marketing theory postulates that several factors play a role in the decision to try a product, or to use a particular brand of a product. These are represented in marketing theory by the 4 P's: product, price, place and promotion. All of these ingredients are necessary for successful marketing of a product. However, for undifferentiated products such as tobacco, promotion is relatively more important. In Canada, many promotional strategies have been curtailed by legislation. The Tobacco Products Control Act prohibits advertising of tobacco products, sale of single cigarettes, giving away of free samples, and places some restrictions on sponsorship. When restrictions are placed on a strategy within a category of the marketing mix (as represented by the four P's), as has occurred for promotion of tobacco products, other strategies within that category are put in place to compensate. In the case of tobacco, ***promotion*** of the product is accomplished in a variety of indirect ways, the most prominent of which is through sponsorship of sporting and cultural events. The blatant connection of advertising for such events with the colours and designs used on tobacco packages is the industry's response to the need to promote its product in the face of restriction on direct advertising. Package design is a key element that allows these tactics to succeed. Since event advertising cannot show or mention cigarettes or tobacco, the package itself is the only mechanism remaining to make the link explicit between the package and the imagery created via sponsorship advertising.

Plain packaging makes the package, and therefore the product, less interesting in its own right.

While advertising and other promotional strategies are the most powerful image-makers for a product, experts in marketing and youth we interviewed indicated that the package can make or break an image. Use of dull colours removes the flair and appeal. It also reduces visibility on the shelf.

Results of the group interviews of youth provided strong support for the proposition that the image of brand packaged cigarettes is more positive than that of plain packaged cigarettes. Words used to describe the buyer of a brand package were most often positive -- "smart", "fun", "always has the latest thing", "popular", "outgoing", "cares about appearances", "well-respected", "partier". Words used to describe the buyer of a plain package were very different -- "wimpy", "a goody-goody", "buys the cheapest", "boring", "loser", "out of it". Other spontaneous comments about plain packages included that it makes smoking look "more serious" because the package is more serious. The only time some participants could imagine smoking cigarettes from a plain pack was when they are "mad or depressed and want to be alone", whereas they would smoke cigarettes from brand packages when they are "happy and with friends and want to be cool". When shown a brand pack of a popular brand of cigarettes and a plain pack of the same cigarettes, the vast majority of youth indicated that they would prefer to be seen with the brand pack. In addition, youth rated plain and brand packs on nine bipolar attributes: ugly-attractive, boring-exciting, old fashioned-modern, awful-nice, cheap looking-expensive looking, for old people-for young people, dull-colourful, nerdy-cool, will turn young people off smoking-will attract young people to smoking. Without exception, plain packs were rated significantly lower (more negative) than brand packs. Mean ratings for brand packs were positive, while mean ratings for plain packs were negative. These findings held for males and females, younger and older youth, and smokers and nonsmokers alike.

Packaging has a greater influence on youth as compared to adults.

Support for this conclusion comes primarily from the literature review and expert interviews. Experts agreed that teens are more image driven than adults. Therefore the influence of promotional strategies, and the use of package design to reinforce those images and give youth a badge for transfer of those images, are likely to be much stronger for teens than adults. Experts interviewed agreed that teens are more responsive to advertising and promotion of "image" products. In seeking their identity, teens define themselves, in part, by the brand of clothes they wear, whether they smoke, and if so, the kind of cigarette they smoke, the music they listen to, etc. In addition, youth perceptions are more easily influenced than are adult perceptions, which are more entrenched. Research from Australia, which included pre-teen, teen, and adult smokers, supports this conclusion.

Packaging has a greater influence on youth contemplating smoking onset as compared to youth already smoking regularly.

For smokers, the addictive properties and other properties of the product (taste, "harshness") quickly become more important than the package. Results from the group interviews supported this conclusion. Regular smokers reported that packaging is less important as a vehicle for "coolness" than did smokers. They reported being more interested in the taste and freshness of the product than the package. Interestingly however, these smokers also reported that the plain package looked "cheap" and expressed concern that the cigarettes inside might also be cheap, stale or substandard in some other way. In addition, other research has found that smokers are generally unable to differentiate between brands on the basis of taste, suggesting that brand choice is related more to promotion/image than taste/freshness.

Plain packaging is important as part of a comprehensive strategy to reduce smoking onset among youth, but is insufficient on its own.

Product image is a very important factor in youth decisions to smoke particular brands of cigarettes. Results from this research suggest that putting cigarettes in plain packages may reduce youth smoking. A substantial proportion of teens interviewed thought fewer people their age would smoke if cigarettes were sold only in plain packages. This proportion was higher among younger teens, where over two-thirds were of that opinion. Only 38% of older teens held that view, with 62% indicating that plain packages would have no impact. More nonsmokers (53%) than smokers (36%) believed that plain packaging would result in fewer people smoking. When asked how much they thought people their age would be willing to pay for the same cigarettes in a plain package if a brand package costs about $5.00, the majority indicated an amount less than $5.00.

The extent to which these estimated effects are due to the less positive image portrayed by plain packs, or due to the increased prominence of the health warning, cannot be conclusively determined from this study. This question will never be completely answered, given that these two mechanisms for impact are inextricably linked. However, it appears from our research that the image pathway is more influential to youth than is the information pathway.

Of course, more than product image contributes to decisions to try cigarettes. Other key factors include rebellion, curiosity, opportunity and direct peer pressure. Cost is an important factor inhibiting onset, as is restricted availability. In our research, cost was identified as the most important factor, followed by making it harder for youth to buy cigarettes.

Other components of a comprehensive campaign include enhancing individual skills to resist influences to smoke, promoting smoke-free environments at home and school, and effectively restricting or banning all forms of promotion of tobacco products.

In conclusion, the results of this study provide strong support for public policy to legislate plain packaging, as part of a comprehensive plan to reduce tobacco use. By excluding plain packaging from such a plan, an important opportunity would be missed to effectively break a critical and powerful link that transfers the images portrayed via other promotional strategies, to the user of cigarettes.

INTRODUCTION

BACKGROUND AND RATIONALE

Proponents of plain cigarette packaging argue that the positive images associated with smoking contribute to young people smoking, and that such images are reinforced by cigarette packaging. The belief is that removing or weakening such images through plain packaging and prominent health warnings would reduce smoking among youth.

In March of 1993, the Centre for Health Promotion at the University of Toronto submitted a proposal to the Canadian Cancer Society for a study to examine the likely impacts of plain packaged cigarettes on tobacco consumption. This study began with a literature review and interviews with experts in marketing and tobacco research. Results from this first phase of the research suggested that package design has the greatest impact during transition stages in the uptake process (i.e., among contemplators, experimenters, irregular smokers). Once smoking becomes regular, addiction becomes a major factor sustaining the behaviour, thus likely diluting the impact of package design for such individuals. Therefore, the second phase of the research, which included a series of group interviews, was limited to youth between the ages of 12 and 17 (where the majority of smoking onset occurs), and only to those contemplating smoking, experimenting or smoking regularly.

The hypotheses were as follows:

1. Plain packages will project less positive imagery of tobacco products than brand packages.

2. Plain packages will increase attention to, recall and believability of health warning information as compared to brand packages, by removing competing stimuli from the package.

3. Subjects will be less likely to choose cigarettes offered in plain packages compared to those offered in brand packages.

It was expected that the appeal of smoking would be reduced through lower levels of positive imagery, enhanced attention, recall and believability of health warnings on plain packages as compared to brand packages. These effects would prevent smoking onset and/or promote cessation among youth who were experimenting with tobacco or thinking about starting.

THIS REPORT

This report describes the results of a collection of qualitative data, quantitative data, expert opinion and theory to assess the impact of plain packaging on imagery projected by the cigarette package, and the impact of plain packaging on tobacco use among current smokers and those contemplating smoking in the 12 to 17 year old age group (i.e., hypotheses 1 and 3). A separate report addresses the impact of plain packaging on recall and believability of health warning information.

METHOD

DESIGN

Forty-seven experts in marketing and researchers in tobacco use reduction and health promotion were contacted by telephone. These individuals were selected to represent a range of areas of expertise, including package design, social marketing, advertising, and tobacco research. Of 47 people contacted, 27 interviews were completed. A 30 minute telephone interview was requested, to discuss the role of packaging in the overall marketing mix, and to obtain expert opinion about the likely impact of plain packaging of tobacco and health warnings on packages, on tobacco consumption. All those who agreed to be interviewed were sent an advance letter listing the interview questions. See Appendix A for a list of those contacted and Appendix B for the interview questions[1]. The interview questions served to guide the interview, but were not meant to be strictly adhered to. The interviewer tailored the questions to the specific areas of expertise of the individual. Thus, some people provided in-depth information in some areas, and did not respond in others.

A literature search and review was completed to identify and document research findings specific to plain or generic packaging, as well as literature on information processing and attitude-behaviour relationships.

Information from expert interviews, empirical evidence and theoretical foundations guided the design of group interviews of 12-17 year olds. These group interviews included a structured interview component (i.e., individual questionnaires) and a focused group discussion. Twenty focus group sessions were scheduled in three different locations in Ontario, including 12 sessions in Toronto, four in Peterborough, and four in Barrie. Separate sessions were held for boys and girls, and for subjects aged 12-15 and 16-17. Groups were also conducted separately for nonsmokers (but contemplating starting), and for smokers (regular smokers and experimenters), including 12 groups for smokers and 8 groups for nonsmokers. Three senior facilitators were chosen and trained to conduct the interviews. The initial age requirement for younger subjects was changed from 12-13 to 12-15, due to low recruitment rates among 12 and 13 year olds.

RECRUITMENT

Potential participants were reached through consulting directories used by professional focus group recruiting firms. The following specifications for recruitment were given:

- 20 groups: 12 in Toronto, 4 in Peterborough, 4 in Barrie
- 10 groups with 12-15 year olds, 10 groups with 16-17 year olds
- 10 groups with girls only and 10 groups with boys only

---

1 *Appendices to this report appear under separate cover and are available from the Centre for Health Promotion, University of Toronto, (416) 978-1809.*

- 12 groups with regular/experimenting smokers and 8 groups with nonsmokers contemplating smoking.

- no confirmed nonsmokers among recruits.

In a telephone interview, potential candidates were asked if they smoked regularly, were experimenting with cigarettes or thinking about smoking. These questions were asked within the context of several other questions in order to mask the true purpose of the study. Subjects indicating they did not smoke and never intended to smoke were disqualified. Also disqualified were subjects who had participated in other focus groups on smoking and subjects who had participated in any focus groups in the last 6 months.

Subjects who qualified for the study were invited to participate in a focus group session "to market test new packaging for a popular consumer product". To mask the purpose of the study, participants were not made aware of the nature of the consumer product.

Prior to their participation in the group interview, parental consent was required for the younger subjects. At the time of giving consent for their children to participate in the group interview, parents were debriefed regarding the purpose of the research. Subjects remained blind to the intentions of the research until after the interview. A schedule of groups is provided in Appendix C (under separate cover). Appendix D contains the recruiting questionnaire used initially in Toronto.

STRUCTURED INTERVIEW (QUANTITATIVE) COMPONENT

The group interview included two components: a structured interview which included the collection of quantitative data examined on an individual basis, and a focused discussion which consisted of the collection of qualitative data examined on a per group basis. Below is a summary of these procedures. See Appendix F (under separate cover) for a detailed outline of procedures followed for both components.

In the structured interview, participants were asked to complete individual questionnaires to assess smoking status, preferred brand of cigarettes, age, gender, and reasons for participating in study. Questions on the survey also measured the impact of plain packaging on recall, perceptions and behavioural intentions of current smokers and those contemplating onset. A slide presentation of pairs of cigarette packages was included, where subjects indicated which of each of 15 pairs of cigarette packages they would least like to be seen with. Pair presentations allowed comparisons between plain and brand packages of 3 brand of cigarettes (du Maurier, Players and Craven A). A recall exercise involved displaying a package of cigarettes for 20 seconds, then removing it and asking subjects to draw everything they remembered from the package on a page with outlines of the front, back, top, bottom and sides of a package on it. Each subject completed four such exercises: for du Maurier cigarettes in brand packages, du Maurier cigarettes in plain packages, Players cigarettes in brand packages and Players cigarettes in plain packages. The presentation order was rotated for each group to equalize demand effects of the task. A copy of the questionnaire is included in Appendix E (under separate cover).

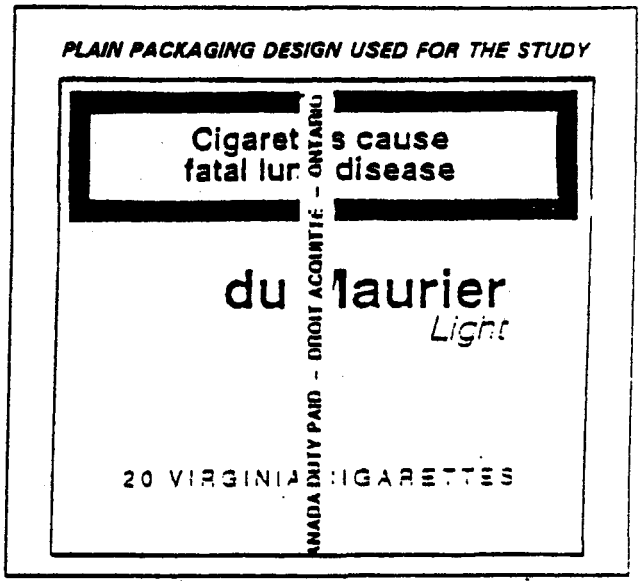
Most of the questionnaire was completed at the start of the group session, before much group interaction occurred, so that group effects would not bias responses. The questionnaire was developed in consultation with the Scientific Advisory Committee.

Packages used for display purposes were professionally produced by Peter Oliver and Company Inc. to look as it they were just purchased (including plastic wrap and "Canada duty paid" band). Plain packages were buff colour with black printing in standard font. Only the brand names, health warning label and UPC code appeared on these packages. Players and du Maurier were selected because they are the two most popular brands smoked by youth in Canada. Craven A was also displayed for some of the questions as an unpopular brand to assess differences in images between popular and unpopular brands. All packages carried the warning "cigarettes cause fatal lung disease", covering the top 25% of the package front and back, with a black border around it, in black lettering on a white background. This presentation is to be introduced in the near future in Canada, rotating eight different messages. The same warning message was used on all packages in this study to enable us to examine the impacts of plain packaging without the confound of variations in warning message content.

FOCUSED DISCUSSION (QUALITATIVE) COMPONENT

The focused discussion component of the group concentrated on brand images and their relationship to perceptions, attitudes and behaviour around smoking. Participants were introduced to the concept of image by using a car example. Regardless of age or sex, teenagers have very clear ideas about who drives what kind of car. The conversation then moved to a discussion of cigarette package images through the use of word lists and collages. Finally, participants discussed their answers to some questions regarding the impact of plain packages on smoking attitudes, perceptions and behaviour.

PLAIN PACKAGING DESIGN USED FOR THE STUDY



DEBRIEFING

To avoid bias in responses given by participants, they were not told of the sponsor of the research or the purposes of the research until the end of the interview. At that time, participants were informed about the sponsor of the research. In addition, a short discussion of the negative effects of smoking was conducted, and 3 educational pamphlets promoting nonsmoking were handed out. This was to ensure that the group interview in no way encouraged participants to look more favourably upon smoking. Participants each received $20.00 for their participation.

ANALYSES

Qualitative analyses involved reviewing video tapes from all sessions and group meetings of the three facilitators to arrive at common themes and conclusions.

The majority of analyses undertaken for the interpretation of the quantitative data involved frequencies and cross-tabulations using the SPSS/PC+ statistical analysis program. All analyses were completed separately by age, gender and smoking status. Groups were combined for reporting purposes when no significant differences were found by age group, gender or smoking status.

One-way analysis of variance procedures were conducted on the average attribute ratings of cigarette packages to detect differences across age and gender, within the smoking and nonsmoking focus groups. In addition, paired T-tests were performed to detect differences between the average ratings assigned to the brand versus plain packages of cigarettes. Chi-Square tests of significance were performed to detect differences in the level of recall of brand name information across age and gender within the smoking and nonsmoking focus groups. Chi-Square tests were also performed to detect differences in recall between brand and plain packages of cigarettes.

A codebook was developed for coding the quantitative data from the individual questionnaires. A scoring system was devised to code the level of recall of various components on cigarette packages (i.e., brand name, health warning, logos/graphics, tar/nicotine content, "Light" label, UPC code, and other elements). The scoring system included the following categories: 1 = full memory of element, correct location; 2 = full memory of element, wrong location; 3 = partial memory of element, correct location; 4 = partial memory of element, wrong location; and 5 = no memory of element.

With regards to the recall of brand name information, full memory of the element required that an individual remembered the correct spelling of the brand name and that it appeared on all three dimensions of the package (i.e. front/back, sides, top/bottom). Partial memory of the brand name included incorrect spellings of the brand name and partial memory where it appeared on the dimensions of the package. Recall of the location of the brand name was limited to the ability to remember the brand name as it appeared on the front or back of the package.

STUDY LIMITATIONS

Study limitations are discussed to identify areas for improvement to guide further work in this important area. The most serious limiting factor in this research is the small sample size, particularly in the nonsmoker groups.

The study pilot tested a procedure which provides a direct measure of the effect of packaging on product choice. Subjects[2] were offered a choice of products as payment for participating in the research. The choices included a compact disk of choice, four free passes to a movie of choice, or four packages of cigarettes. Half of the 16-17 year old participants were offered cigarettes in plain packages and half were offered cigarettes in brand packages. If cigarettes in plain packages are less appealing to youth, we would expect fewer people in the "plain packs payment" condition to choose

2 *This procedure was restricted to 16 and 17 year old participants.*

cigarettes as compared to those in the "brand packs payment" condition. No significant difference was found, although for males, the results were opposite in direction to those expected. That is, more males chose the plain packaged cigarettes as their payment option than did males offered brand packaged cigarettes. Females showed no difference in the number who chose cigarettes between the two conditions. The novelty effect might explain these findings. Plain packs may have been more attractive as a payment option in this experimental setting because they are not currently available elsewhere. If they were widely available, the results might have been very different. A small sample size (20 males, 29 females) also limits confidence in these results. This procedure should be repeated with controls for the novelty effect confound and with a larger sample size before conclusions are drawn.

In addition to the inability to control for the novelty effect, demand characteristics within some of the procedures posed another potential threat in this study. On the recall exercise, subjects were asked to draw all they remember of four different packs of cigarettes, presented one at a time. Once a person learns that they are to draw the package, this is likely to affect how they review the second and subsequent packages they are shown. Analyses of level of recall on subsequent presentations did in fact show that memory was improved on the second presentation, and improved further on the third and fourth presentations. While unable to prevent these demand effects, we rotated the order of presentation of the packs for each group, thus equalizing the bias across the four package designs examined (du Maurier brand, du Maurier plain, Players brand, Players plain).

Another form of demand characteristic that was necessary to control for was the propensity for subjects to give what is perceived to be the "right" response or the response the interviewer is looking for. To minimize this effect, attempts were made to keep subjects blind to the purposes of the study and the sponsor until the end of the interview. Just before debriefing, subjects were asked who they thought sponsored the research. Most reported a tobacco company, government or an advertising agency, indicating we were generally successful in keeping people blind to the purposes of the research until the end of the interview. However, in a few cases (especially in Peterborough and Barrie) parents informed the participants in advance of the purpose of the study.

Finally, the need for rapid recruitment was central to our decision to use a recruiting firm to obtain our sample. Representativeness of this sample to Ontario youth as a whole must be assessed to determine the generalizability of these findings. We propose to obtain a school-based sample representative of the Ontario population in a follow-up study to this one, and will compare the sample in this study to that sample on a range of background variables to assess representativeness of this sample.

RESULTS

Detailed results of the expert interviews and literature review are available in a separate report.[3] These results are integrated into the ***Discussion and Conclusions*** section of this report.

DATA RETURN

Twenty focus groups of youth were conducted between August 16 and 25, 1993. One-hundred and twenty-nine teenagers between the ages of 12 and 17 participated in the sessions. Subjects from focus groups conducted in the Toronto comprised 56% of the sample. Focus groups in Barrie and Peterborough accounted for 25% and 19% of the sample, respectively. Table 1 summarizes the return of quantitative data from participants by gender, age and smoking status.

TABLE 1: DATA RETURN

SMOKING STATUS		MALE		FEMALE	
		12-15	16-17	12-15	16-17
Smoker	(n=97)	22	20	26	29
Non-smoker	(n=32)	7	12	9	4
TOTAL	**(N=129)**	**29**	**32**	**35**	**33**

In the proposal, the study design called for a sample size of 160 participants, or approximately 20 cases for each sub-group by gender, age and smoking status. The number of subjects who participated in some of the focus group sessions was less than anticipated, due to "no shows". Although the proportion of participants by gender and age group was similar, the nonsmoker groups had significantly fewer subjects for the analyses of quantitative data as compared to the smoker groups. This variability was due in part to fewer focus group sessions for nonsmokers and the need to re-classify 15 nonsmokers as smokers based on their survey responses pertaining to smoking behaviour.

The quantitative data collected from participants during the group interviews was very complete. The standard protocol developed for the facilitators helped ensure completeness of responses.

DESCRIPTION OF SAMPLE

Background information on the subjects was collected to determine the representativeness of the sample. The group participants represented a range of ages from 12 to 17. In terms of socio-economic status, there was a skew to the lower levels, which is consistent with who is smoking in general. The ethnic mix in the Toronto groups appeared to represent the larger population.

---

3 *See Impact of Plain Packaging of Tobacco on Youth Perceptions and Behaviour, June, 1993. available from the Centre for Health Promotion, University of Toronto, (416) 978-1809.*

Subjects provided information on their smoking status, social networks (including the number of friend and family members who smoke), and parent occupations. Subjects identified as smokers were also asked to report on their preferred brand of cigarettes, how often they smoked, and where/how they get their cigarettes.

SOCIAL NETWORKS

Approximately 80% of subjects reported having one to three adults (i.e. people 18 and over) living with them in their home, and the remainder reported having four or more adult figures (7%), or none at all (12%). Just over one-half of subjects who lived with at least one adult reported that no adults living in the house were smokers, and about 31% reported one adult smoker.

About one-half of subjects reported having one to three children (i.e. people under 18 years of age) living with them in their home, while just under one-third reported that no children lived in the house with them. Of those subjects who reported living with at least one child, nearly one-half reported that none of the children smoked, while over one-half reported that one or two children in the household were smokers.

Approximately equal proportions of participants reported that some or most of their friends smoked (i.e. 42% and 44% respectively). The remaining 15% reported that all of their friends smoked.

SMOKING STATUS

Smoking status identified in the recruitment telephone call was confirmed based on individual responses to questions pertaining to smoking behaviours. Those participants who reported never having smoked a whole cigarette or reported having tried smoking in the past, but had not smoked in the past month were classified as nonsmokers for the analyses of quantitative data. Subjects who reported smoking daily, weekly or within the last month, and who provided information on brand preferences and methods of obtaining cigarettes were identified as smokers for the analyses. Based on this criterion, 15 participants from focus group sessions for nonsmokers were re-classified as smokers. Table 2 summarizes the smoking status of subjects by gender and age.

TABLE 2: SMOKING STATUS OF RESPONDENTS

SMOKING STATUS	*MALE*		*FEMALE*		*TOTAL (n = 129)*
	12-15 (n = 29)	*16-17 (n = 32)*	*12-15 (n = 35)*	*16-17 (n = 33)*	
Never smoked	24%	25%	17%	12%	19%
Tried, but do not smoke now	0%	13%	9%	0%	5%
Smoke less than once/week	3%	3%	9%	0%	4%
Smoke weekly	41%	25%	23%	27%	29%
Smoke daily	31%	34%	43%	61%	43%
TOTAL:	*100%*	*100%*	*100%*	*100%*	*100%*

Approximately one-quarter of focus group participants were identified as nonsmokers, the majority of whom reported never having smoked a whole cigarette. The remaining three-quarters of participants were identified as regular or experimenting smokers, most of whom were daily smokers. The largest proportion of daily smokers were females between 16-17 years of age.

SMOKING FREQUENCY

Daily and weekly smokers were asked to report on how often they smoked. Table 3 summarizes the number of cigarettes smoked per day for those subjects who reported smoking daily.

TABLE 3: NUMBER OF CIGARETTES SMOKED PER DAY (daily smokers only)

# CIGARETTES SMOKED DAILY	*MALE*		*FEMALE*		*TOTAL (n = 55)*
	12-15 (n = 9)	*16-17 (n = 11)*	*12-15 (n = 15)*	*16-17 (n = 20)*	
1 - 7	44%	9%	40%	30%	31%
8 - 15	22%	9%	34%	35%	27%
16 or more	33%	81%	27%	35%	41%
TOTAL:	*100%*	*100%*	*100%*	*100%*	*100%*

The majority of daily smokers reported smoking less than 16 cigarettes per day, although older subjects smoked more cigarettes per day as compared to younger subjects. In particular, 35% of older females reported smoking 16 or more cigarettes per day compared to 27% of 12 to 15 year old females, while 81% of 16 to 17 year old males reported smoking more than 16 per day compared to 33% of 12 to 15 year old males.

Table 4 summarizes the number of cigarettes smoked per week for those subjects who reported smoking weekly.

TABLE 4: NUMBER OF CIGARETTES SMOKED PER WEEK (weekly smokers only)

# CIGARETTES SMOKED WEEKLY	*MALE*		*FEMALE*		*TOTAL (n = 37)*
	12-15 (n = 12)	*16-17 (n = 8)*	*12-15 (n = 8)*	*16-17 (n = 9)*	
1 - 7	83%	100%	75%	77%	84%
8 - 15	0%	0%	0%	11%	3%
16 or more	17%	0%	25%	11%	14%
TOTAL:	*100%*	*100%*	*100%*	*100%*	*100%*

Over three-quarters of weekly smokers reported smoking less than seven cigarettes per week, followed by 14% who reported smoking more than 16 cigarettes per week. These results suggest that there may be some smokers who smoke fairly heavily on weekends (i.e. social smokers), but do not smoke daily.

PREFERRED BRAND

Table 5 shows the cigarette brand preferences of smokers.

TABLE 5: BRAND OF CIGARETTES USUALLY SMOKED

BRAND NAME	*MALE (n=41)*	*FEMALE (n=55)*	*TOTAL (n=96)*
Players	15%	15%	15%
du Maurier	49%	47%	48%
Other brands	0%	5%	3%
No particular brand‡	37%	33%	34%
TOTAL:	*100%*	*100%*	*100%*

‡ Includes combinations of the above or other brands, such as:
Players and du Maurier = (6%)
du Maurier and others = (6%)

Nearly one-half of smokers preferred to smoke du Maurier cigarettes, with no differences observed by gender or age. Of the one-third of smokers who reported smoking no particular brand, some reported smoking a combination of du Maurier and another brand (e.g. Players and Craven A).

METHODS OF OBTAINING CIGARETTES

Table 6 shows the number of smokers who buy their own cigarettes, get someone else to buy cigarettes for them, or who get cigarettes from friends or family members.

TABLE 6: HOW AND WHERE CIGARETTES ARE OBTAINED

CATEGORY	*MALE*		*FEMALE*		*TOTAL (N=96)*
	12-15 (N=21)	*16-17 (N=20)*	*12-15 (N=26)*	*16-17 (N=29)*	
Buy own†	57%	80%)	65%	76%	70%
Get someone else to buy‡	19%	20%)	27%	28%	24%
Get from friends	33%	30%)	54%	51%	44%
Get from parents	5%	5%)	8%	17%	9%
Get from siblings	5%	5%)	4%	7%	5%

NOTE: Column percentages do not total 100%, as subjects may have selected more than one category

† Corner store = 93%
Drug store = 9%
Vending machine = 6%
Other = 15%

‡ Friends = 78%
Parents = 30%
Siblings = 4%

Over two-thirds of smokers buy their own cigarettes, almost all of whom purchase them from corner stores. Other places where individuals reported buying their own cigarettes included donut shops, gas stations, restaurants, pool hall, bakery, and duty free from the United States.

Nearly one-half of smokers reported getting cigarettes from friends, while few smokers reported getting their cigarettes from parents or siblings. On the other hand, one-quarter of smokers reported that someone else buys cigarettes for them, primarily friends or parents.

In general, more females reported getting their cigarettes from friends, or getting someone else to buy their cigarettes, as compared to males. Overall, more older smokers reported buying their own cigarettes.

Although retailers are breaking the law when they sell cigarettes to anyone under the age of 18, none of the participants, regardless of age, reported having trouble buying cigarettes. There are retailers who routinely flaunt the law and sell to minors. The grapevine makes these sources well-known. In addition, some smokers reported having regular "suppliers", including their own parents, their friends' parents or older friends. If money is a problem, participants reported that retailers will often sell singles or 3 for a dollar smokes. Others sell under-the-table contraband cigarettes. Chinatown was reported as a well-known location for cheap cigarettes in Toronto. Group discussions made it clear that the underground economy for cheap cigarettes is flourishing and is accessible to even the youngest age groups.

IMPACT OF PLAIN PACKS ON PRODUCT IMAGE

To test the hypothesis that plain packages project less positive imagery of tobacco products as compared to brand packages, this study included five measures to assess the impact of packaging on the desirability of a product: word lists, collages, package preference (i.e. brand versus plain); package ratings; and recall of product brand name information.

At the beginning of the focused discussion, participants were asked to think about brand image. The moderators tried to help participants distinguish between the concrete characteristics of a product and the images a product or a package conjures up. In general, the male respondents, especially some of the younger ones, found it more difficult to conceptualize beyond the concrete than did the females. By way of example, cars were used as a vehicle for discussing different images. In one example used, most participants, regardless of age, sex or smoking status, chose a Honda Prelude over a Buick station wagon as the car they prefer to own. While the girls talked about "looking better" in a Honda, the boys talked about "going faster" and the Honda being "worth more". The more developed "stretching" ability of the female participants was evident throughout most groups. While some boys were able to conceptualize at a high level, this ability was very uneven across groups.

WORD LISTS

Participants were given word lists that "describe a person who would buy X brand of cigarettes packaged this way" (see Appendix G for the word list). They were asked to circle all the words or phrases that apply or to write in other words or phrases that are appropriate. The packages shown included Players in a brand package, Players in a plain package, du Maurier in a brand package and du Maurier in a plain package. The order of presentation was systematically varied for each group.

In general, the words chosen to describe the buyer or user of a brand package were positive:

smart	athletic	fun	popular
cool, with it	buys the best	always has the latest thing	

In addition, there were some "peer pressure" words chosen. For example, "keeps to themselves" and "leader, decides what the group will do" and "will try anything" were often chosen to describe a brand package smoker. These were described as positives as they characterize someone with confidence and worthy of respect. On the other hand, "follower", "worried about what friends think", "on of the crowd" and "cares about doing the right thing" were chosen to describe someone who smokes cigarettes from a brand pack to be accepted. Participants accepted this as normal behaviour for people their age.

Additional words written in were consistent with these themes:

preppy	rocker	outgoing	partier
regular person	not picky	well-respected	young
regular smoker	pressured	bully	has style
cares about appearances		fun to be with	

The words used to describe users of the same cigarettes in plain packages were very different. This person was described as:

wimpy	gross	boring
a goody-goody	buys the cheapest	geeky
will try anything		

Group discussion uncovered two kinds of people who would buy plain packaged cigarettes. The more common kind was someone who is such a "loser" that he/she has no ideas what is cool and will smoke anything. The other type is someone who is above peer pressure and the mainstream definition of what constitutes coolness. They would smoke from plain packages to make a statement about how independent they are. For example, Cher is typically seen as someone who could buy the plain package and make it work for her.

Additional words written in by participants follow these same themes:

loser	unemployed	old
dirty	reserved	out of it
50's type person	beginner	likes new things
frugal	light smoker	cheap
just beginning	nerd	jerk
strange	uninteresting person	stupid
independent	trying to quit	fat
dull	no life	loner
mind of their own	desperate	
cares more for the product than the package		
not worried about social ideals/judgements		

COLLAGES

Participants were then shown collages of teenagers, younger children, celebrities and cars.

When shown the "peer" board with pictures of teenagers their own age, they were asked to pick out the smokers and the nonsmokers. The findings were consistent across groups, regardless of age, sex, smoking status or location. A boy in a white t-shirt leaning against a car was always identified as a smoker because "he has an attitude" that says "look at me. I'm cool". He "wants to be noticed"; "he'll try anything". He has that "James Dean rebel look".

A boy with a dog was also usually characterized as a smoker because he looked "laid back", a "loner", and the picture itself looked like "a cigarette ad". One participant worked out an elaborate scenario in which the boy had been kicked out by his girlfriend and had gone outside to be alone with his dog and have a smoke. Others concurred that they often smoke when walking their dogs or when feeling upset or under stress.

A girl in the middle of the collage was usually seen as a nonsmoker because she looked athletic and healthy, "like she just came from a major workout", "white teeth and a big smile", "high on life", "very wholesome", "goody-goody". When asked to describe goody-goodies, they were characterized as "never doing anything wrong", "not making mistakes", or more graphically as someone "whose shit doesn't stink". Similarly, a boy in a hockey uniform was defined as a nonsmoker because he "is a serious athlete". Girls on a bicycle were usually typed as nonsmokers because "they are having too much fun" and "look outdoorsy".

In terms of which smokers would choose a brand package and which would choose a plain package, participants agreed that the boy in the white t-shirt was definitely a brand smoker and probably du Maurier. He "wants to be noticed", "looks popular", "outgoing", and "a leader". The only possible plain package smoker was the boy with the dog. He was described as "a back to nature kind of person", a "loner", someone who "doesn't care what people think". These results clearly indicated that anyone who would consider smoking cigarettes from a plain package would not be an image-driven individual.

The second collage showed a number of younger children. Participants were asked to decide which of these children would become smokers. One boy in the collage was regularly identified as a future smoker because he looked like he was already cool. Two boys with a recycling box were sometimes identified as future smokers because "they have the right clothes". On the other hand, some saw them as nonsmokers, because they exemplify a social conscience about environmental protection or as someone put it "because they are environmental geeks". Several respondents saw two young girls pouring tea as potential smokers, but only with a long cigarette holder because they looked so "prissy". A boy in a football helmet was identified as a future nonsmoker because he is athletic, a "browner", a "goody-goody".

There was general agreement that young kids just starting to smoke would choose brand packages over plain packages because when pre-teens start to smoke, they do so to be part of the crowd, to be noticed, or as a vehicle for "coolness".

Participants were then shown a collage of celebrities from television, movies and rock music. Those picked as smokers included those that had that smoking "look", including anything associated with being a "rebel", with "leather", "motorcycles" and "roughness", feeling "unhappy" or "under stress", and looking "messy" or unkempt. Those whose teeth are "too white", who look too "goody-goody" or "California wholesome" were labelled as nonsmokers.

Participants assumed that most of the celebrities, if they smoked, would smoke from brand packages because they could afford to smoke what they wanted. However, if anyone would smoke from a plain package, it would be Cher because she was seen as "outrageous" and likes doing outrageous things. She was seen as so successful that she is above being judged based on the package she purchases. Some also chose Paulie Shore as a plain packs smoker because he is "crazy" and Mike Myers because he "doesn't care what people think" and "likes to shock people".

Finally, participants were shown a collage of cars and asked which drivers were likely to be smokers. Most chose cars that are racy and/or associated with young people (sports cars, pick up trucks). Any that were assumed to be family cars were not chosen as having drivers who smoke.

The responses to these collages demonstrated that the image of a smoker is so well-developed in the minds of teenagers that regardless of age, sex, smoking status or location, most of the same pictures were chosen. Not only were the same reasons given for the choices made, but virtually the ***same words were used.*** These data make it clear that smoking is an image activity for teenagers, and that the package is an important component of that image.

GROUP DISCUSSION

Group discussion found that the 16-17 year olds differed from the 12-15 year olds in the importance of the package in the decision to smoke or continue smoking. Most of the 16-17 year olds had reached the stage of "addiction". They had started smoking as early as 6 years of age and most classified themselves as regular smokers by the time they reached high school. For these regular smokers, packaging was no longer seen as a vehicle for coolness. They were also more interested in taste and freshness of the product itself than in the package. As long as the cigarettes were the same quality, that was reported to be all that mattered to them. It was interesting, however, that because the plain package looked "cheap" to most participants, there was question about whether the cigarettes were also "cheap", "stale", or substandard in some other way. Despite their rejection of the package as an important part of smoking, older youth readily agreed that packaging was important to younger and newer smokers.

Overwhelmingly, the participants in all groups strongly disliked the plain packages. The buff colour was seen to be even worse than white would be, because buff says "old", "antique", even "death", while white would give the impression of cleanness, crispness and freshness. Some indicated that if they had to buy their cigarettes in plain packages, they would take them out of the box and put them in their pocket. It's a "fraud", and "imitation", and "antique", "retarded". They are "for idiots like Al Bundy and Woody Allen".

Another negative feature of plain packages was that they made smoking look "more serious". Participants reported that the colourful packages make smoking look fun, while the plain packs are "death-like", look like "a prescription medicine box". Plain packages were seen as desirable only for on-and-off smokers or for old people. Some participants reported that the only time they could imagine smoking from these packages is if they were "mad or depressed and want to be alone". On the other hand, cigarettes in brand packages were reported as desirable when people "are happy and with friends and want to be cool".

PACKAGE PREFERENCES

Participants were shown slides depicting a brand pack and plain pack of cigarettes, and asked to identify which package they would prefer to be seen with. Six slides were shown, depicting two brands known to be popular among youth (i.e. Players and du Maurier) and one less popular brand (i.e. Craven A). Half of the pairs depicted current health warnings and half contained newer and more prominent health warnings. Table 7 shows the percent of smokers and nonsmokers who favoured being seen with brand packages of Players, du Maurier or Craven A cigarettes over plain packages of the same type.

TABLE 7: PERCENT OF SMOKERS AND NONSMOKERS WHO FAVOURED BEING SEEN WITH BRAND PACKAGES OF CIGARETTES VERSUS PLAIN PACKAGES

TYPE OF BRAND AND PLAIN PACKAGES DEPICTED IN SLIDES	*SMOKERS (N = 96)*	*NONSMOKERS (N = 32)*	*TOTAL (N = 128)**
du Maurier, current warnings	89%	94%	90%
Players, current warnings	86%	90%	91%
Craven A, current warnings	85%	87%	86%
du Maurier, new warnings	94%	94%	94%
Players, new warnings	93%	97%	94%
Craven A, new warnings	86%	78%	84%

The large majority of smokers and nonsmokers (i.e. 75% to 100%) favoured being seen with brand packages of Players, du Maurier and Craven A cigarettes over plain packages of the same type. Analyses by age indicated that younger smokers and nonsmokers tended to rate their preference for brand packages of cigarettes slightly higher than older subjects. No gender differences were observed.

The results of subject preferences for current health warnings versus newer and more prominent health warnings are presented in another report.

PACKAGE RATINGS

Participants were asked to rate brand and plain packages of Players and du Maurier cigarettes on a scale of 1-5 for each of nine different bi-polar attributes: ugly/attractive; boring/exciting; old fashioned/modern; awful/nice; cheap looking/expensive looking; for old people/for young people; dull/colourful; nerdy/cool; and, will attract young people to smoke/will turn young people off smoking.

To control for novelty effects and demand characteristics, the package rotation order was varied. Four different rotation orders were chosen, and five focus groups were assigned to each rotation.

Average ratings for the seven attributes were calculated for each package of cigarettes presented, across age and gender. A higher score represents a more positive image rating. Figures 1-4 show the average attribute ratings for plain versus brand packages of Players and du Maurier cigarettes, separated for smokers and nonsmokers. All differences between plain and brand packages were highly significant ($p < .001$)

RECALL OF BRAND NAME INFORMATION

Another measure to assess the impact of packaging on product image involved determining the level of recall subjects had of the brand name information on brand versus plain packages of cigarettes. Individual drawings of four different cigarette packages were examined and coded based on the level of recall of the brand name information (see Methods section of this report).

Tables 8 and 9 show the percent of subjects who recalled varying degrees of brand name information on plain and brand packages of Players and du Maurier cigarettes. No significant differences in level of recall by age, gender or smoking status were found. Thus, these tables combine these groups. Appendix H (under separate cover) includes tables broken down by age, gender and smoking status.

A statistical comparison of the percent of subjects who recalled varying levels of product brand name information on brand versus plain packages of Players and du Maurier cigarettes demonstrated no significant differences in the level of recall between brand and plain packages. This conclusion held true when analyzed for the full sample and for sub-groups by smoking status and age.

Overall, the majority of subjects were able to partially remember the product brand name on the cigarette packages, either misspelling the name or forgetting to include the name on the side panels of the package. Few participants were unable to recall the location of the product name on the front of the package, and few did not remember the brand name at all.

TABLE 8: PERCENT OF SUBJECTS WITH VARIOUS LEVELS OF RECALL ON BRAND VERSUS PLAIN PACKAGING OF PLAYERS CIGARETTES - AGE, GENDER & SMOKING STATUS COMBINED (n = 129)

LEVEL OF RECALL	BRAND PACKAGE	PLAIN PACKAGE
1. Full memory of name and location	21%	31%
2. Full memory of name, wrong location	1%	0%
3. Partial memory of name, correct location	70%	64%
4 Partial memory of name, wrong location	6%	3%
5. No memory of name or location	2%	2%

FIGURE 1: AVERAGE RATINGS OF PACKAGE ATTRIBUTES FOR PLAIN VERSUS BRAND PACKAGES OF PLAYERS CIGARETTES - SMOKERS

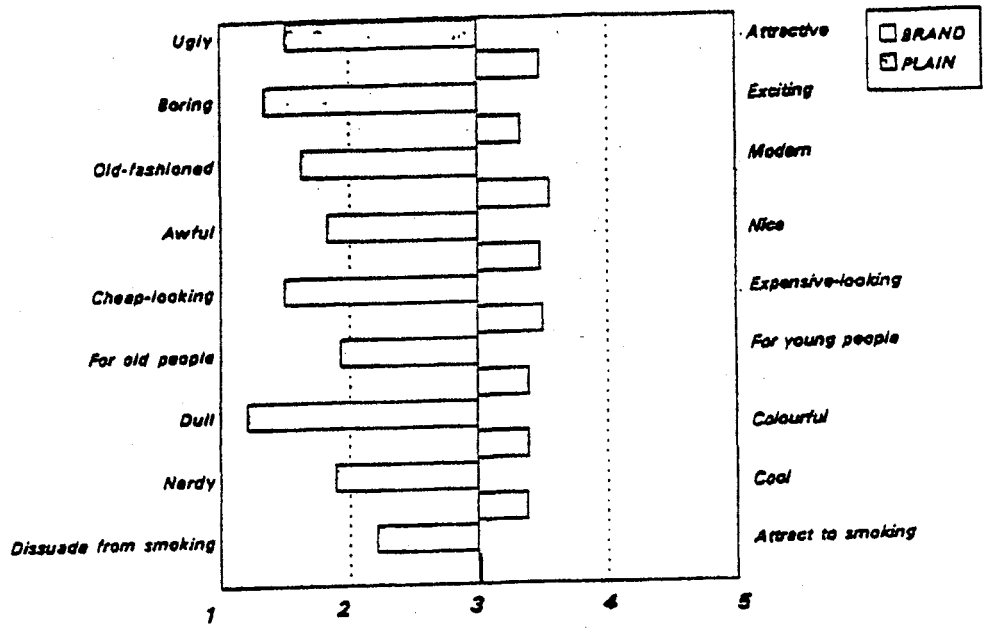


FIGURE 2: AVERAGE RATINGS OF PACKAGE ATTRIBUTES FOR PLAIN VERSUS BRAND PACKAGES OF PLAYERS CIGARETTES - NONSMOKERS

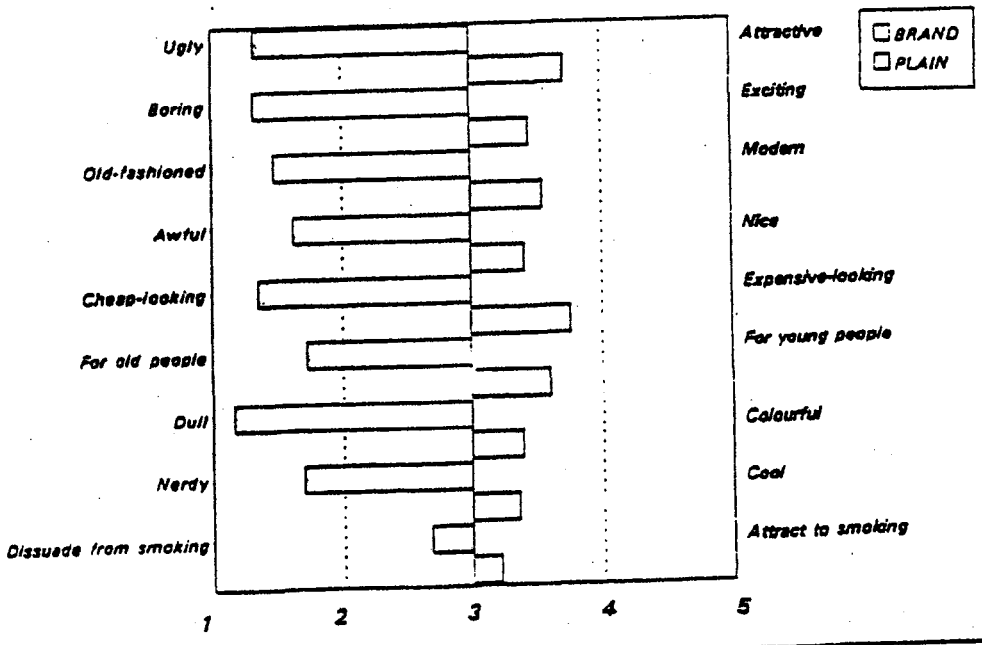


FIGURE 3: **AVERAGE RATINGS OF PACKAGE ATTRIBUTES FOR PLAIN VERSUS BRAND PACKAGES OF DUMAURIER CIGARETTES – SMOKERS**

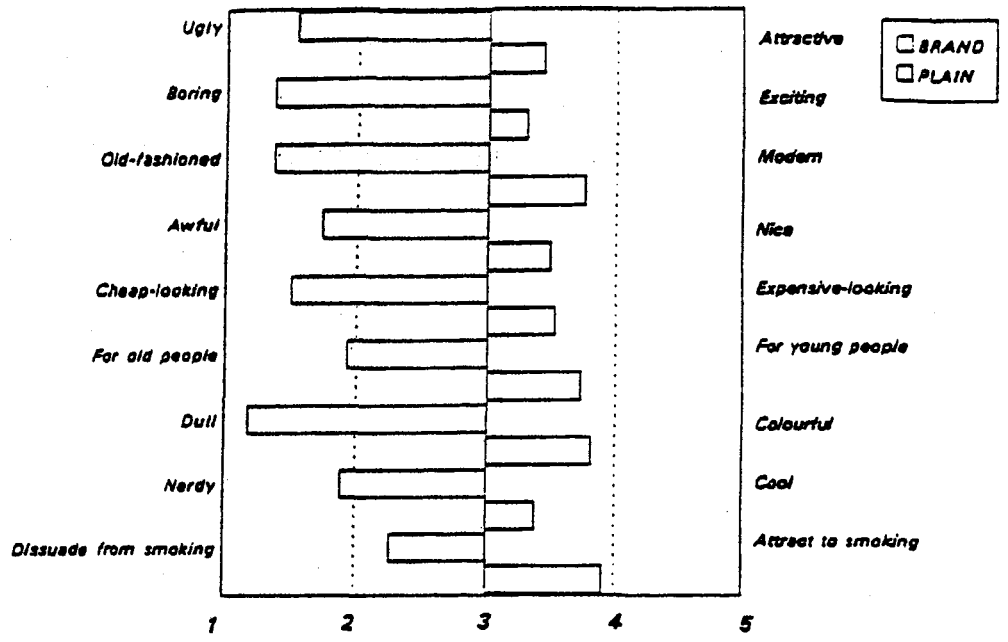


FIGURE 4: **AVERAGE RATINGS OF PACKAGE ATTRIBUTES FOR PLAIN VERSUS BRAND PACKAGES OF DUMAURIER CIGARETTES – NONSMOKERS**

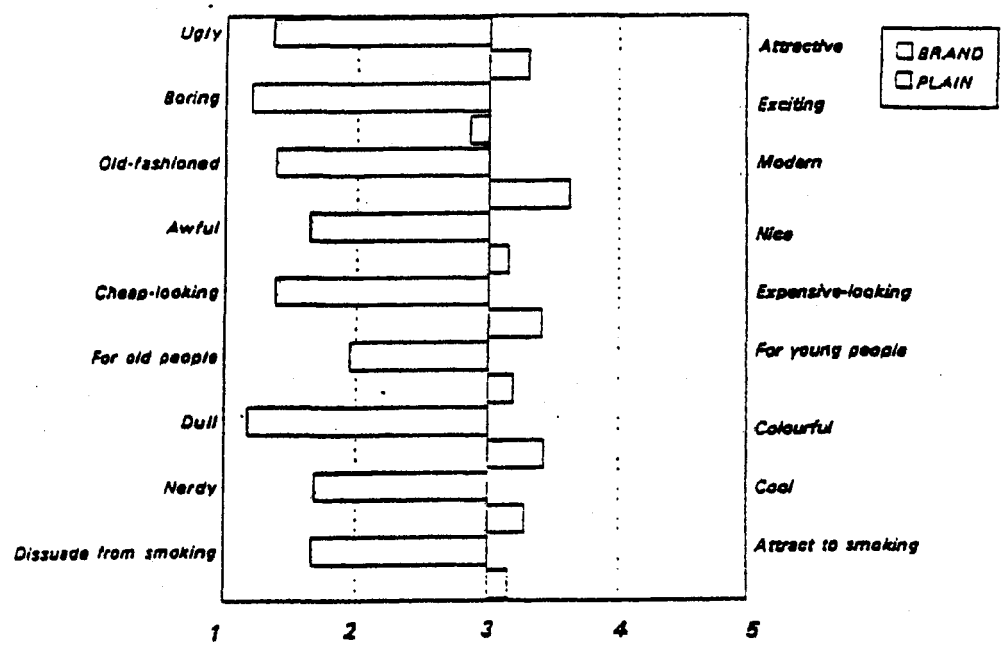


TABLE 9: PERCENT OF SUBJECTS WITH VARIOUS LEVELS OF RECALL ON BRAND VERSUS PLAIN PACKAGING OF DU MAURIER CIGARETTES - AGE, GENDER & SMOKING STATUS COMBINED (n = 129)

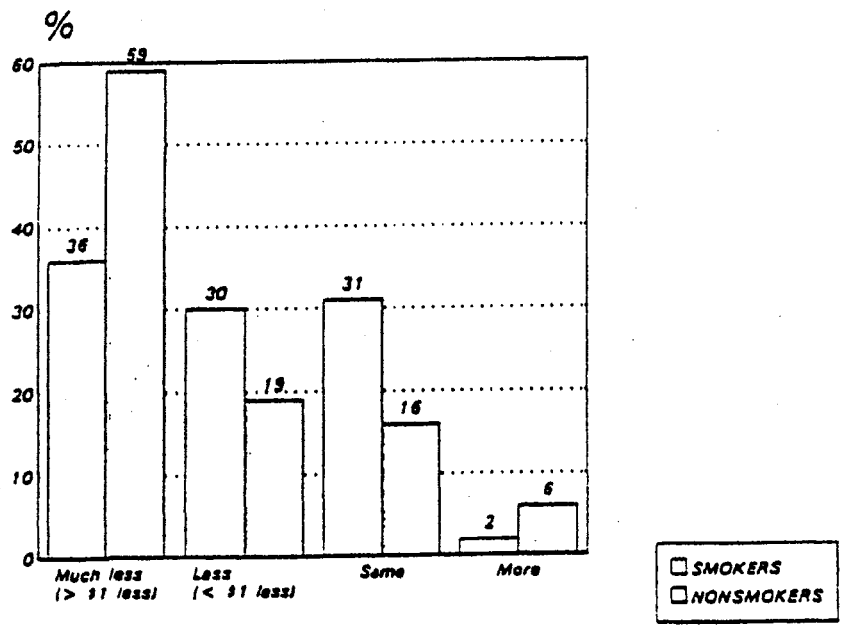
LEVEL OF RECALL		BRAND PACKAGE	PLAIN PACKAGE
1.	Full memory of name and location	13%	14%
2.	Full memory of name, wrong location	0%	0%
3.	Partial memory of name, correct location	72%	79%
4.	Partial memory of name, wrong location	9%	3%
5.	No memory of name or location	6%	4%

IMPACT OF PLAIN PACKS ON SMOKING BEHAVIOUR

PRICE WILLING TO PAY FOR PLAIN PACKS

To gather data relevant to the hypothesis that subjects will be less likely to choose cigarettes when offered in plain packages as compared to when offered in brand packages, participants were asked to estimate how much they thought people their age would be willing to pay for a plain package of cigarettes if a regular package costs $5.00. Figure 5 summarizes the responses of smokers and nonsmokers in relation to the going price of a regular brand package of cigarettes.

FIGURE 5: PERCENT OF SUBJECTS WHO WOULD PAY MORE, THE SAME AMOUNT, AND LESS FOR PLAIN PACKAGES OF CIGARETTES AS COMPARED TO BRAND PACKAGES (N = 128)



Most participants indicated a price between $3.00 and $4.50, substantially less than the going price for cigarettes sold in brand packages. Some offered as a reason that the plain packages would be cheaper to make. The smaller group who chose $5.00 as the price tended to be the older participants and smokers, who felt that the product was what mattered, not the package.

Participants were asked to rate the perceived effect of plain packaging on the smoking behaviour of young people. In particular, they were asked to report whether more, fewer or the same number of people their age would buy cigarettes if sold in plain packages. Figures 6 and 7 summarize the findings for smokers and nonsmokers.

FIGURE 6: LIKELY EFFECT OF PLAIN PACKAGING ON SMOKING AMONG YOUTH – PERCEPTIONS OF SMOKERS (N=97)

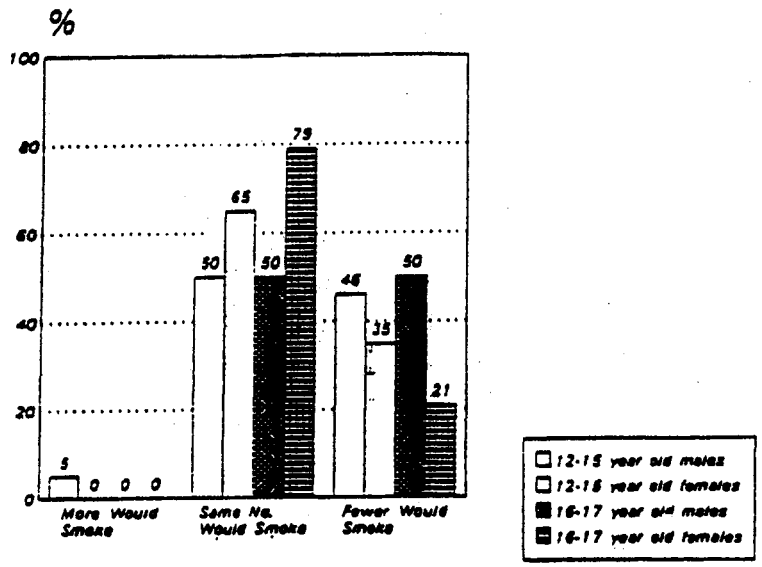
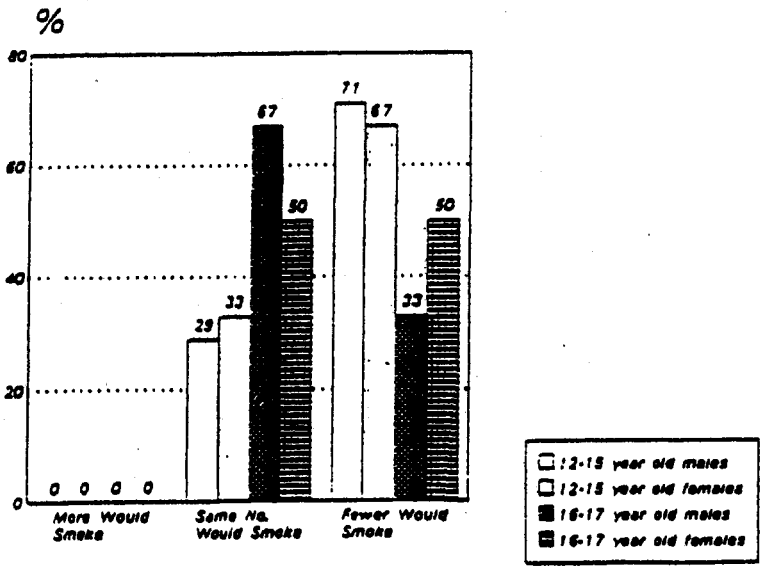


FIGURE 7: LIKELY EFFECT OF PLAIN PACKAGING ON SMOKING AMONG YOUTH – PERCEPTIONS OF NONSMOKERS (N=32)



Over one-half of participants reported that the same number of young people would buy cigarettes if sold in plain packages, including nearly two-thirds of smokers. In general, younger and newer smokers felt that fewer would smoke, while older smokers were more likely to feel there would be no impact, if all cigarettes were sold in plain packages.

IMPORTANCE OF PLAIN PACKAGING RELATIVE TO OTHER MEASURES

Participants were asked to rank five different strategies for their effectiveness in reducing smoking among young people. Table 10 shows the percent of smokers and nonsmokers ranking five strategies to reduce smoking among young people.

TABLE 10: PERCENT OF SMOKERS AND NONSMOKERS RANKING THE FOLLOWING STRATEGIES AS THE MOST EFFECTIVE WAY TO REDUCE SMOKING AMONG YOUNG PEOPLE

STRATEGIES TO REDUCE SMOKING AMONG YOUNG PEOPLE	SMOKERS (N = 97)	NON-SMOKERS (N = 32)	TOTAL (N = 121)
Make cigarettes cost more	45%	47%	45%
Make it harder for young people to buy cigarettes	32%	34%	32%
Include more information about smoking and health	11%	13%	11%
Make packages less colourful	10%	3%	8%
Make more no-smoking areas	7%	3%	6%

Most respondents reported "making cigarettes cost more" as the most effective way to reduce smoking. Lack of funds to buy cigarettes is a major problem for this age group and raising the price may make it an insurmountable problem for some. The second most frequent mention was "making it more difficult to get cigarettes", but only if the law is enforced. Currently, anyone can get cigarettes. Making packages less colourful (i.e., plain packaging) was deemed to be less effective. "Making more no smoking areas" was also considered to have little impact, because smokers reported being willing to go outside regardless of the weather. Similarly, "more information on smoking and health" was perceived to have little impact because participants felt they already knew it all and have heard it all before at school. Only nonsmokers thought this strategy might have some impact.

IMPRESSIONS OF WHO FUNDED THE RESEARCH

Prior to and during the group interview, efforts were made to keep participants blind to the purpose of the study and to the agency funding the research, as a means to ensure the validity of their responses. At the end of each focus group session participants were debriefed as to the intentions of the study and the groups conducting the research. When asked about the sponsor most participants in Toronto groups indicated a tobacco company, an advertising agency or the government. However, in Peterborough and Barrie, more participants named a health group. The reasons relate to the information given during recruitment and advance mailing of consent forms as opposed to how the groups were conducted. Despite the different ideas about sponsors between Toronto and the other centres, the attitudes, beliefs and opinions were consistent. This suggests that social desirability was not a concern. That is, participants did not appear to colour their responses to suit the perceived objectives of the sponsor.

DISCUSSION AND CONCLUSIONS

The results of expert interviews, literature review and group interviews conducted to date have provided strong support for the following conclusions:

Plain packaging can effectively break the link to other advertising and promotions.

Plain packaging undermines positive product images conveyed via other promotional strategies by removing cues connecting the package to these other promotions. With a ban on direct advertising, plain packaging can severely undermine the ability of sponsorship advertising (which currently uses colours and fonts similar to those on cigarette packages) to link that advertising to the cigarette brand.

Support for this conclusion comes primarily from the responses of experts in marketing. Marketing theory postulates that several factors play a role in the decision to try a product, or to use a particular brand of a product. These are represented in marketing theory by the 4 P's, referred to as the marketing mix: product, price, place and promotion. All of these ingredients are necessary for successful marketing of a product. However, for undifferentiated products such as tobacco, promotion is relatively more important. This is evident in tobacco industry documents, such as the Imperial Tobacco 1971 Marketing Plan, which states:

> *"In a market with minimal product differentiation, advertising becomes a disproportionately more important part of the marketing mix as compared to most other mass consumer products"*
>
> ***(p. 18, as reported in Pollay & Lavack, 1992)***

Package design is an important element of promotion. Other promotion strategies include direct advertising, sponsorship of sporting or cultural events, incentives and giveaways (including sampling to encourage trial behaviour), use of media role models, and real life role models who smoke. All promotional strategies use ***imagery***, which aims to create an image for the user of the product through association with activities that are refined, fun, risky, etc.

In Canada, many of these promotional strategies have been curtailed by legislation. The Tobacco Products Control Act prohibits advertising of tobacco products, sale of single cigarettes, giving away of free samples, and places some restrictions on sponsorship. When restrictions are placed on a strategy within a category of the marketing mix (as represented by the four P's), as has occurred for promotion of tobacco products, other strategies within that category are put in place to compensate. In the case of tobacco, ***promotion*** of the product is accomplished in a variety of indirect ways, the most prominent of which is through sponsorship of sporting and cultural events. Such sponsorship promotes an image by association of the product with the attributes of the event, as well as with the people who participate in these events. For example, Players sponsors car races and, by association, creates an image of the Players smoker as one who likes to take risks. du Maurier sponsors more refined sports such

as golf, and various musical and arts events, which, by association, creates an image of a du Maurier smoker as one who is refined and wealthy. Shell company names (e.g., Matinee Fashion Foundation) are displayed at these sporting and cultural events and in signage advertising these events. In some cases, these advertisements are posted months in advance of an event, and stay up for weeks or months after the event. Some even remain permanently displayed, particularly promotions related to annual events such as the Benson and Hedges "Symphony of Fire" annual fireworks display. Together with the use of colours and logos similar, or identical to the brand colours and logos (the only thing missing is the explicit mention of cigarettes), such event advertisements effectively become advertisements for the product.

The blatant connection of advertising for such events with the colours and designs used on tobacco packages is the industry's response to the need to promote its product in the face of restriction on direct advertising. For today's adults, both memory traces of past direct advertising campaigns and package design link the event promotion to a cigarette brand. For tomorrow's adults, who have not been exposed to direct advertising, the only remaining link would be to package design and colour. Thus, package design is currently a key element that allows these tactics to succeed. Industry reports support this analysis, such as one published in *Tobacco International* that states that, as advertising restrictions increase, the pack itself will become increasingly significant as the "creator and bearer of an image" (TI Staff Report, 1991). Plain packaging would break, or substantially weaken, this very important link between the package and the imagery created via other promotions.

Marketing experts agree that promotion strategies establish an image for the user of the product, and repeatedly reinforce that image. The package is the reminder cue for that image, and the badge that transfers that image to the users. Plain packaging breaks a crucial link between advertising and the badge. It is like removing the label from designer jeans.

Empirical evidence from New Zealand suggests that brand name is the most prominent cue on cigarette packages (Beede & Lawson, 1992). In our work, approximately 90% of the participants remembered the brand name in a drawing exercise in which cigarette packages were shown, then withdrawn and subjects were asked to recall as much detail as they could. Also similar to the New Zealand study, we found no difference in the level of recall on brand as compared to plain cigarettes. The New Zealand study, however, examined both New Zealand cigarettes and U.S. cigarettes. They found no difference for New Zealand packs (likely due to familiarity), but did find lower recall of brand name on U.S. plain packs as compared to U.S. brand packs.

Plain packaging makes the package, and therefore the product, less interesting in its own right.

While advertising and other promotional strategies are the most powerful image-makers for a product, experts in marketing and youth we interviewed indicated that the package can make or break an image. Use of dull colours removes the flair and appeal. It also reduces visibility on the shelf.

Results of the group interviews of youth provided strong support for the proposition that the image of brand packaged cigarettes is more positive than that of plain packaged cigarettes. Words used to describe the buyer of a brand package were most often positive -- "smart", "fun", "always has the latest thing", "popular", "outgoing", "cares about appearances", well-respected", "partier". Words used to describe the buyer of a plain package were very different -- "wimpy", "a goody-goody", "buys the cheapest", "boring", "loser", "out of it". Other spontaneous comments about plain packages included that it makes smoking look "more serious" because the package is more serious. The only time participants could imagine smoking cigarettes from a plain pack was when they were "mad or depressed and want to be alone", whereas they would smoke cigarettes from brand packages when they are "happy and with friends and want to be cool". When shown a brand pack of a popular brand of cigarettes and a plain pack of the same cigarettes, the vast majority of youth indicated that they would prefer to be seen with the brand pack. In addition, youth rated plain and brand packs on nine bipolar attributes (ugly-attractive, boring-exciting, etc.). Without exception, plain packs were rated significantly lower (more negative) than brand packs. These findings held for males and females, younger and older youth, and smokers and nonsmokers alike.

Packaging has a greater influence on youth as compared to adults.

Support for this conclusion comes primarily from the literature review and expert interviews. Young people are particularly vulnerable to the influence of marketing strategies that use imagery. The U.S. Surgeon General, in commenting on advertisements for alcohol products, said:

> *"Our young people, in their search for identity, their doubts about their own popularity and sexual attractiveness, are particularly vulnerable to the lure of tantalizing promises (in ads) -- however false."*
>
> ***Novello, 1993***

Testimony heard from tobacco executives during the Quebec Superior Court hearing appealing the constitutionality of the Tobacco Products Control Act (1989) indicated that some young people try to influence what their friends think of them by the brand they smoke, and they communicate that information by the package they flash:

> *"I think that's true of cigarettes, I think it's true of beer, and I think it's true of clothing, and I think it's true of most of the consumer goods that young people buy. They buy it with their friends in mind.. Clearly, the package does communicate the cigarette they're smoking and we believe that people choose their cigarettes according to what those cigarettes are, and that includes imagery".*
>
> ***Testimony, Sept. 27, 1989***

Experts agreed that teens are more image driven than adults. Therefore the influence of these promotional strategies, and the use of package design to reinforce those images and give youth a badge for transfer of those images, are likely to be much stronger for teens than adults.

Experts interviewed agreed that teens are more responsive to advertising and promotion of "image" products. In seeking their identity, teens define themselves, in part, by the brand of clothes they wear, whether they smoke, and if so, the kind of cigarette they smoke, the music they listen to, etc. In addition, youth perceptions are more easily influenced than are adult perceptions, which are more entrenched.

Packaging has a greater influence on youth contemplating smoking onset as compared to youth already smoking regularly.

For smokers, the addictive properties and other properties of the product (taste, "harshness") quickly become more important than the package.

Results from the group interviews supported this conclusion. Regular smokers reported that packaging is no longer a vehicle for "coolness", but rather, it is the act of smoking that is cool. They reported being more interested in the taste and freshness of the product than the package. Interestingly however, these smokers also reported that the plain package looked "cheap" and expressed concern that the cigarettes inside might also be cheap, stale or substandard in some other way.

Plain packaging is important as part of a comprehensive strategy to reduce smoking onset among youth, but is insufficient on its own.

Product image is a very important factor in youth decisions to smoke particular brands of cigarettes. For tobacco, product image is formed through media models who smoke, sponsorship of sporting and cultural events, and real life role models who smoke. The cigarette package is central in each of these mechanisms for image formation. For media and real life role models who smoke, the package identifies the brand. For sponsorships, the package is the only mechanism remaining to draw the link between event advertising and a particular brand of cigarettes.

Results from this research suggest that putting cigarettes in plain packages may reduce youth smoking. A substantial proportion of teens interviewed thought fewer people their age would smoke if cigarettes were sold only in plain packages. This proportion was higher among younger teens, where over two-thirds were of that opinion. Thirty-eight percent of older teens held that view, with 62% indicating that plain packages would have no impact. Nonsmokers (53%) were more likely than smokers (36%) to believe plain packaging would decrease the number of young people who smoke. When asked how much they thought people their age would be willing to pay for the same cigarettes in a plain package if a brand package costs about $5.00, the majority indicated an amount less then $5.00.

Of course, more than product image contributes to decisions to try cigarettes. Other key factors include rebellion, curiosity, opportunity and direct peer pressure. Cost is an important factor inhibiting onset, as is restricted availability. In our research, cost was identified as the most important factor, followed by restricting youth access to tobacco.

Other components include enhancing individual skills to resist influences to smoke, promoting smoke-free environments at home and school, reducing availability (through cost increases, restrictions on sales, education of parents) and effectively restricting or banning all forms of promotion of tobacco products.

In conclusion, the results of this study provide strong support for public policy to legislate plain packaging, as part of a comprehensive plan to reduce tobacco use. By excluding plain packaging from such a plan, an important opportunity would be missed to effectively break a critical and powerful link that transfers the images portrayed via other promotional strategies, to the user of cigarettes.

REFERENCES

Beede, P., & Lawson, R. (1992). The effect of plain packages on the perception of cigarette health warnings. *Public Health, 106,* 315-322.

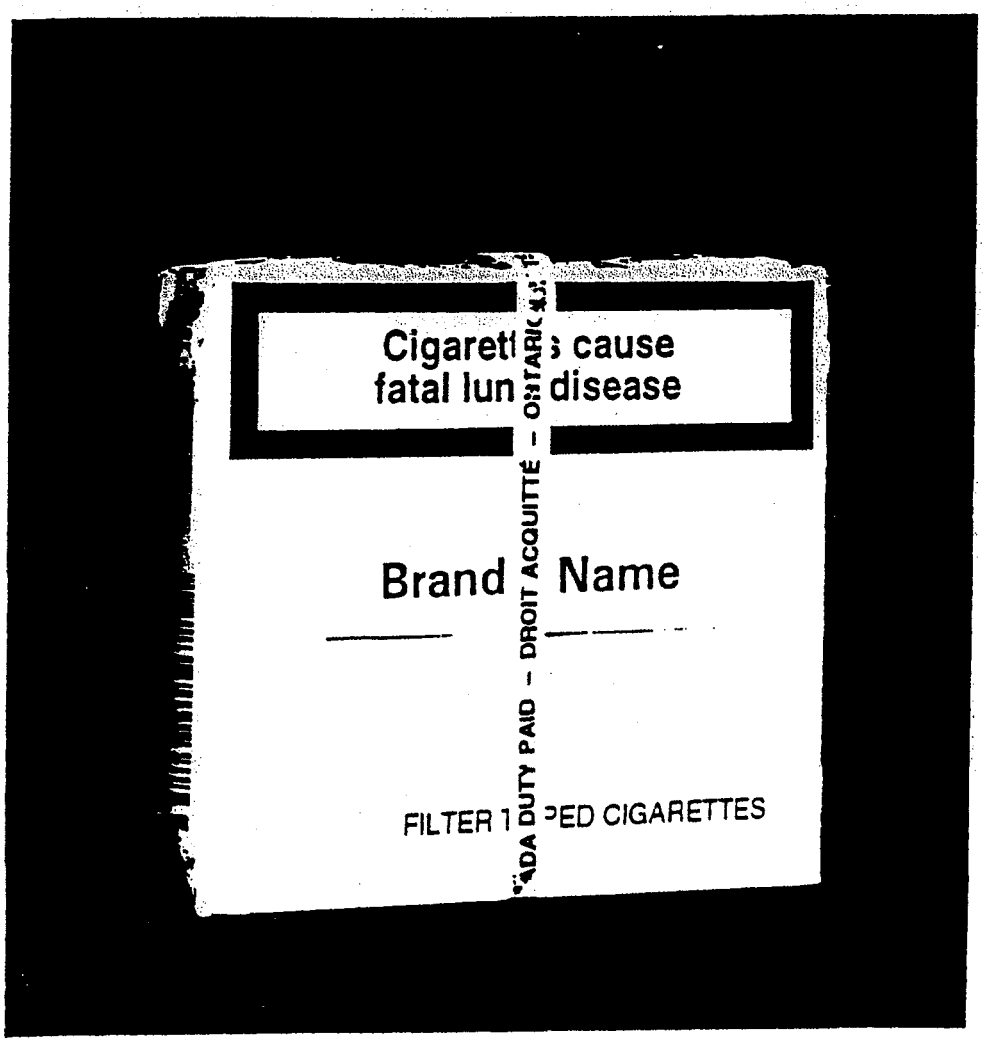
Novello, A. C. (1993) *Keynote Address at the National Prevention Conference Convened by the Center for Substance Abuse Prevention*. Washington, D.C., February 8, 1993.

Pollay, R.W. (1993). Personal communication, May 10.

Pollay, R.W. & Lavack, A.M. (1992). The Targeting of Youths by Cigarette Marketers: Archival Evidence on Trial: To appear in McAllister, L. & Rothschild, M. (Eds.). *Advances in Consumer Research*, Vol. 20.

Testimony of Mr. Hoult, Executive Vice President, RJ Reynolds Tobacco Company, under questioning of lawyer Baker, September 27, 1989, Vol. 4. pp 396-397 ***Imperial Tobacco Ltd. v. Attorney General of Canada, Quebec Superior Court***, No. 500-05-009760-883.

Tobacco International Staff Report (1991). Rethinking Cigarette Packs for a New Age. *Tobacco International,* March 1, 14-17.


Cigarett s cause
fatal lun disease
Brand Name
FILTER T PED CIGARETTES
DA DUTY PAID – DROIT ACQUITTÉ – ONTARIO

CANADIAN CANCER SOCIETY | SOCIÉTÉ CANADIENNE DU CANCER

ONTARIO DIVISION

1639 Yonge Street
Toronto, Ontario
M4T 2W6
Telephone: 416-488-5400
Facsimile: 416-488-2872

DIVISION DE L'ONTARIO

1639, rue Yonge
Toronto, Ontario
M4T 2W6
Téléphone: 416-488-5400
Télécopieur: 416-488-2872

For Immediate Release --
January 6, 1993

PLAIN CIGARETTE PACKAGING - A TURN-OFF FOR TEENS!

Preliminary results of a major study on plain cigarette packaging reveal that plain packaging can reduce the influence cigarette manufacturers have on kids through sponsorship of sports and cultural events. Because of the ban on cigarette advertising, the most prominent way in which tobacco products are now promoted is through sponsorship of events like jazz festivals and car races. By connecting advertising for such events with the colours and designs used on tobacco packages, the industry effectively promotes its product.

The study, EFFECTS OF PLAIN PACKAGING ON THE IMAGE OF TOBACCO PRODUCTS AMONG YOUTH, is one of the first of its kind in the world. It was prepared by the Centre for Health Promotion, University of Toronto with funding from the Canadian Cancer Society.

The study shows **plain packaging would break, or substantially weaken, the link between the package and other promotions.** Other key findings include:

- **Plain packaging makes the package, and therefore the product, less interesting.**
- **Packaging has a greater influence on youth who are contemplating smoking onset as compared to youth who are already smoking regularly.**
- **Plain packaging is important as part of a comprehensive strategy, including high costs, restrictions on sales and banning all forms of promotion of tobacco products, to reduce smoking onset among youth.**
- **Packaging has a greater influence on youth as compared to adults.**

...2

Patron: (Colonel) The Honourable Henry N.R. Jackman, C.M., K. St. J., LL. D., Lieutenant Governor of Ontario
President: Norman C. Achen, B.Sc., F.I.C.B. Treasurer: Ronald J. White, C.A. Executive Director: Penny E. Thomsen
The Canadian Cancer Society is a national, community-based organization of volunteers, whose mission is the eradication of cancer and the enhancement of the quality of life of people living with cancer.
La Société canadienne du cancer est un organisme bénévole national, à caractère communautaire, dont la mission est l'éradication du cancer et l'amélioration de la qualité de vie des personnes atteintes du cancer.

"The major conclusion of the study," says John Ronson, volunteer spokesperson with the Canadian Cancer Society, "is that, on average, more than two-thirds of non-smokers (ages 12 to 15) stated fewer would smoke if cigarettes were sold in plain packages. Since the vast majority of new smokers are teens, this is really encouraging news for all of us who have worked so long and so hard on finding ways to prevent young people from starting to smoke."

Based on the findings, the researchers maintain that: "...the results of this study provide support for public policy to legislate plain packaging as part of a comprehensive plan to reduce tobacco use. By excluding plain packaging from such a plan, an important opportunity would be missed to effectively break a critical and powerful link that transfers the images portrayed via other promotional strategies to the user of cigarettes."

The Canadian Cancer Society is a member of the Steering Committee of the Ontario Campaign for Action on Tobacco (OCAT) and works with other health organizations to eliminate and reduce tobacco use.

For more information, contact:
Carol Jamieson, Manager, Communications
(416) 488-5400

CANADIAN CANCER SOCIETY
SOCIÉTÉ CANADIENNE DU CANCER

ONTARIO DIVISION

1639 Yonge Street
Toronto, Ontario
M4T 2W6
Telephone: (416) 488-5400
Facsimile: (416) 488-2872

DIVISION DE L'ONTARIO

1639, rue Yonge
Toronto (Ontario)
M4T 2W6
Téléphone: (416) 488-5400
Télécopieur: (416) 488-2872

HIGHLIGHTS

STUDY OF THE EFFECT OF PLAIN CIGARETTE PACKAGING AMONG YOUTHS

PURPOSE OF THE STUDY

The Canadian Cancer Society funded the Centre for Health Promotion at the University of Toronto to conduct a study which would determine whether:

- the positive imagery, and therefore the appeal, of smoking for teens would be reduced by plain packaging
- the attention to, recall and believability of health warnings would be enhanced by plain packages

It was expected that plain packaging would prevent smoking onset and/or promote cessation among youth who were experimenting with tobacco or thinking about starting.

RESULTS

The preliminary results are based on:

- interviews with experts in marketing
- a review of literature on human behaviour and tobacco use influences
- the responses of 129 smokers and non-smokers between the ages of 12 to 17 who completed questionnaires and participated in focused group interviews Toronto, Peterborough, and Barrie

...2

Patron: (Colonel) The Honourable Henry N.R. Jackman, C.M., K. St. J., LL. D., Lieutenant Governor of Ontario
President: Norman C. Achen, B.Sc., F.I.C.B. Treasurer: Ronald J. White, C.A. Executive Director: Penny E. Thomsen
The Canadian Cancer Society is a national, community-based organization of volunteers, whose mission is the eradication of cancer and the enhancement of the quality of life of people living with cancer.
La Société canadienne du cancer est un organisme bénévole national, à caractère communautaire, dont la mission est l'éradication du cancer et l'amélioration de la qualité de vie des personnes atteintes du cancer.
Charitable Organization No. 0000067-11

Findings to date have led to the following conclusions:

1. **Plain packaging makes the package, and therefore the product, less interesting.**

   - Youth who took part in the study said that the package can make or break an image. Use of dull colours removes the flair and appeal, and reduces visibility on the shelf.
   - Words like ***wimpy***, ***boring***, ***loser*** were used to describe the buyer of plain packaged cigarettes.
   - Words like ***smart***, ***fun***, ***popular*** were used to describe the buyer of brand packaged cigarettes.
   - The only time participants could imagine smoking cigarettes from a plain pack was when they were "mad or depressed and want to be alone" whereas they would smoke cigarettes from brand packages when they were "happy and with friends and want to be cool".
   - The vast majority of teens indicated they would rather be seen with a brand package.

2. **Packaging has a greater influence on youth who are contemplating smoking onset as compared to youth who are already smoking regularly.**

   - The literature review and experts agreed that factors influencing onset are different than those maintaining the behaviour and that marketing strategies have more impact in influencing onset.
   - However, focus groups found that even established smokers who said that they were more interested in taste than package reported that the plain package looked "cheap" and expressed concern about the quality of the product inside.
   - In general, younger and newer smokers felt that fewer would smoke if all cigarettes were sold in plain packages.
   - On average, more than 2/3 of non-smokers ages 12-15 stated that fewer would smoke if cigarettes were sold in plain packages.

3. **Plain packaging is important as part of a comprehensive strategy, including high costs, restrictions on sales and banning all forms of promotion of tobacco products, to reduce smoking onset among youth.**

   - A substantial proportion of teens thought fewer people their age would smoke if cigarettes were sold only in plain packages. As well, 38% of older teens held that view.
   - Participants indicated that cost is the most important factor inhibiting onset, followed by restricted youth access to tobacco. Other components include reducing availability, through cost increases and restrictions on sales, and banning all forms of promotion of tobacco products.

...3

4. **Plain packaging can effectively break the link to other advertising and promotions.**

- The Tobacco Products Control Act prohibits advertising of tobacco products, sale of single cigarettes, giving away of free samples, and places some restrictions on sponsorship.
- The most prominent way in which tobacco products are now promoted is through sponsorship of sports and cultural events, such as jazz festivals and car races.
- By connecting advertising for such events with the colours and designs used on tobacco packages, the industry effectively promotes its product.
- Plain packaging would break, or substantially weaken, that link between the package and other promotions.

5. **Packaging has a greater influence on youth as compared to adults.**

- Experts maintain that young people are particularly vulnerable to the influence of marketing strategies that use image to sell a product.
- Testimony of tobacco executives during the Quebec Superior Court hearing appealing the constitutionality of the Tobacco Products Control Act (1989) indicated that some young people try to influence what their friends think of them by the brand they smoke, and they communicate that by the package they flash.

In addition, the researchers found that plain packaging increases the prominence of health warnings and may increase the believability of health warnings. Evidence on the impact of plain packaging on memory of health warnings is inconclusive at this time.

Based on the findings, the researchers maintain that:

> **"...the results of this study provide support for public policy to legislate plain packaging as part of a comprehensive plan to reduce tobacco use. By excluding plain packaging from such a plan, an important opportunity would be missed to effectively break a critical and powerful link that transfers the images portrayed via other promotional strategies to the user of cigarettes."**

CANADIAN CANCER SOCIETY

The Canadian Cancer Society is a national, community-based organization of volunteers, whose mission is the eradication of cancer and the enhancement of the quality of life of people living with cancer. It is a member of the Steering Committee of the Ontario Campaign for Action on Tobacco (OCAT) and works with other health organizations to eliminate and reduce tobacco use.

CENTRE FOR HEALTH PROMOTION

The mandate of the Centre for Health Promotion, University of Toronto includes research, education and service in the field of health promotion.

CANADIAN CANCER SOCIETY
SOCIÉTÉ CANADIENNE DU CANCER

ONTARIO DIVISION
1639 Yonge Street
Toronto, Ontario
M4T 2W6
Telephone: 416-488-5400
Facsimile: 416-488-2872

DIVISION DE L'ONTARIO
1639, rue Yonge
Toronto, Ontario
M4T 2W6
Téléphone: 416-488-5400
Télécopieur: 416-488-2872

FACT SHEET

REPORT OF A STUDY ON THE INFLUENCE OF PLAIN PACKAGING ON TEEN SMOKING

TEENS AND SMOKING

- Each year more than 13,000 Ontarians die from tobacco use. In other words, one person dies from tobacco use every 40 minutes in Ontario.
- 80% of all lung cancers are caused by tobacco. Lung cancer leads to death in almost nine out of ten people, usually within two years of diagnosis.
- Smokers usually are addicted before the age of 20.
- According to the Addiction Research Foundation, 24% of students in Grades 7 to 13 smoke.
- Between 1977 and 1991, the percentage of young people trying tobacco for the first time before Grade 9 dropped from 89% to 69%. Between 1991 and 1993, that percentage rose from 69% to 75%.
- Between 1991 and 1993, smoking increased significantly among students in Grade 7, from 6.1% to 9.4%. This is a 50% increase.
- At ages 15-19, the smoking rate of women exceeded that of men in 1991. 20% of the women in this age group, compared with 12% of the men, were regular smokers. Moreover, while the proportion of smokers among men aged 15-19 declined since 1966, the smoking rate for their female contemporaries rose.
- Marketing experts say that for products like tobacco, promotion is the most important factor in influencing a consumer's decision to try a product or to use a particular brand. This leads many to believe that packaging, as a key promotional tool, influences the decision to smoke.

Patron: (Colonel) The Honourable Henry N.R. Jackman, C.M., K. St. J., LL. D., Lieutenant Governor of Ontario
President: Norman C. Achen, B.Sc., F.I.C.B. Treasurer: Ronald J. White, C.A. Executive Director: Penny E. Thomsen
The Canadian Cancer Society is a national, community-based organization of volunteers, whose mission is the eradication of cancer and the enhancement of the quality of life of people living with cancer.
La Société canadienne du cancer est un organisme bénévole national, à caractère communautaire, dont la mission est l'éradication du cancer et l'amélioration de la qualité de vie des personnes atteintes du cancer.
Charitable Organization No. 0000067-11

The case for plain packaging

Rob Cunningham, Ken Kyle

Abstract

Plain packaging of tobacco products, also known as generic packaging, is a new tobacco control tool that is being considered by governments in Canada. Plain packaging legislation would require the removal of all attractive aspects of tobacco packaging and would standardise colour, brand name depiction, size, materials, and opening methods. Four empirical studies provide evidence that plain packaging would contribute to a decrease in the use of tobacco products. The many ways in which implementation of plain packaging would benefit tobacco control efforts are discussed, including reasons why consumption would decrease. Responses to the principal arguments put forth by the tobacco lobby against plain packaging are presented.

(*Tobacco Control* 1995; 4: 80–86)

Keywords: packaging, plain (generic); Canada

Introduction

The plain packaging of tobacco products is currently under intense debate in Canada. In the spring of 1994, the House of Commons Standing Committee on Health held extensive public hearings on the subject. After the hearings, on 21 June 1994, the Committee released a report recommending the implementation of plain packaging providing that a continuing Federal Government study supports available evidence that the measure will reduce smoking. In a news release of 15 September 1994, Canada's provincial Ministers of Health "expressed support of the Federal Minister's commitment to plain packaging, and urged her to proceed with the introduction as quickly as possible."

The hearings produced an unprecedented examination of plain packaging, a new tobacco control measure with tremendous potential. Throughout the process, tobacco industry opposition was exceptionally vigorous. The industry retained lawyers, lobbyists, and various other consultants to help its cause. It also went to great lengths to coordinate new allies in the packaging industry, including companies that print packages, make paperboard, manufacture ink, and engrave printing cylinders.

This article is a condensed version of briefs drafted by the authors for the Canadian Cancer Society and submitted to the Health Committee. Given the relative newness of the plain packaging issue, it was thought that a comprehensive summary of the case for plain packaging, as well as responses to the principal arguments against the measure, would be of value to the international tobacco control community.

Canadian Cancer Society
Ottawa, Ontario, Canada
R Cunningham
K Kyle

Correspondence to: Ken Kyle, Canadian Cancer Society, 44 By Ward Market, Suite 230, Ottawa, Ontario, Canada, K1N 7A2

What is plain packaging?

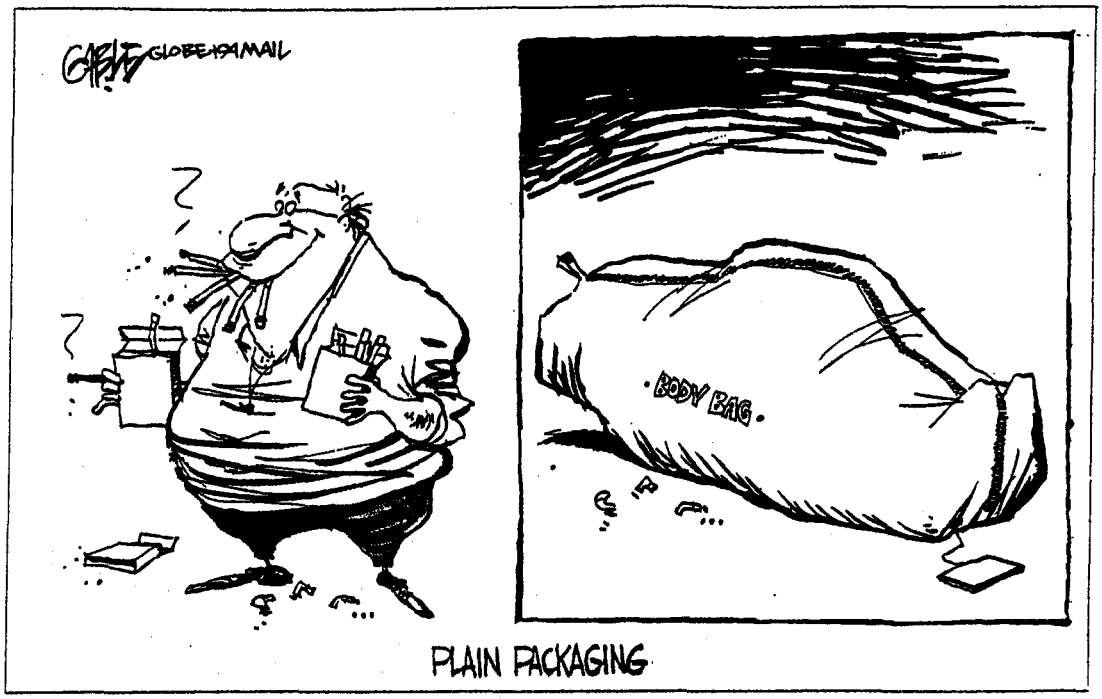
Plain packaging, sometimes referred to as generic packaging or standardised packaging, means removing the attractive, promotional aspects of tobacco product packages. The only distinguishing feature remaining would be the brand name, which would appear in a standardised font, size, colour, and location on the package. Plain packaging would apply to all forms of tobacco products, to carton wrappings, and to tobacco paraphernalia such as cigarette carrying cases and packages of cigarette papers.

Other than the brand name, trademarks and logos would be prohibited. There would be no extraneous writing, markings, or messages on packs. The base colour of the package, other than health warning messages, would be dull and unappealing. Package sizes, materials, and opening methods would be standardised to minimise marketing efforts to differentiate products. As a result, flip tops, tear-top soft packs, oval hinge lid packs, slim packs, "flat 50s," round cylinders, and packages containing fewer than 20 cigarettes ("kiddie packs") would all be prohibited. Likewise, embossing on the package would not be permitted, with the possible exception of health warning messages, and the texture of the package would be controlled. (A glossy finish, even of an unattractive colour, may render a package more enticing.)

Plain packaging would not prevent the use of computerised bar codes or the inclusion of information required by law, such as the name and address of the manufacturer, a description of package contents (such as "25 cigarettes"), the listing of toxic constituent levels, and tax-paid markings.

Potential benefits of plain packaging

There is substantial evidence that plain packaging would contribute to a reduction in tobacco consumption and help change the social context in which smoking is judged. The major arguments in support of plain packaging are summarised below. Packaging regulations could also be used to benefit the environment by ensuring the use of biodegradable paper



By Brian Gable, reprinted with permission of The Globe and Mail, *Canada's national newspaper*

products and controlling harmful inks, package finishes and the metallic component of foil wrappings.

REDUCTION OF TOBACCO CONSUMPTION

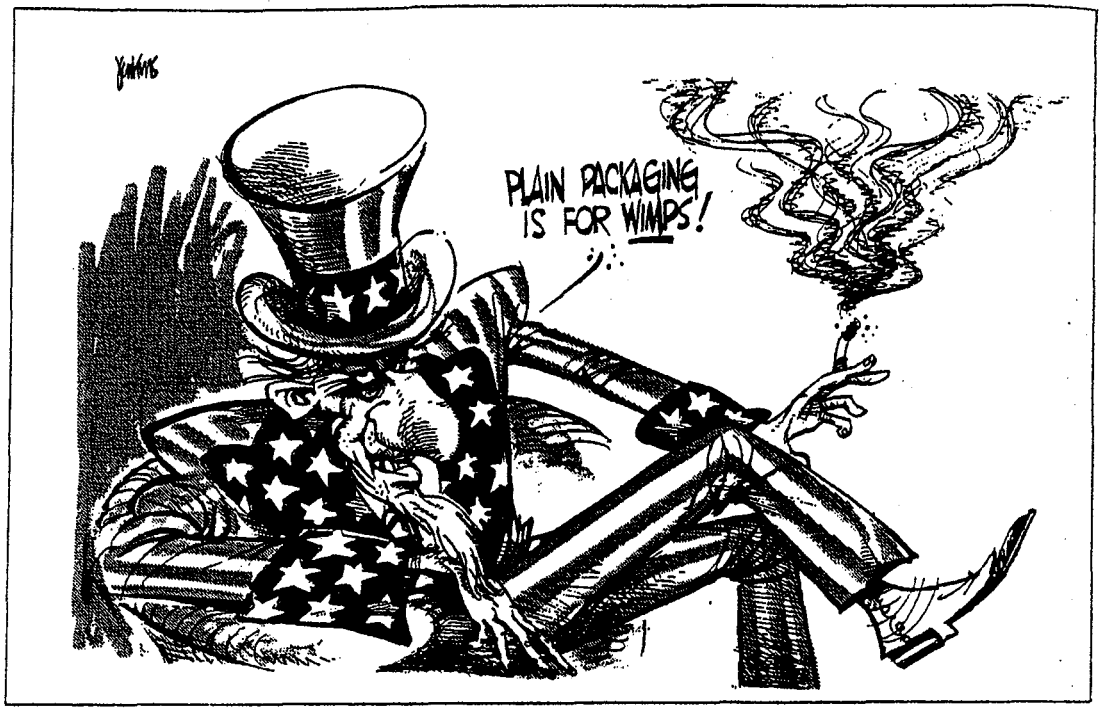
There are four empirical studies which provide evidence that plain packaging would likely reduce tobacco use – from the US involving Marlboro smokers,[1] New Zealand,[2–4] Australia,[5] and Canada.[6] The US study tested the impact of Marlboro brand imagery on smokers. The New Zealand study examined the relationship between the promotional impact of cigarette packaging and adolescent smoking behaviour. The Australian study explored the reactions of adolescents to proposed changes in cigarette packaging. The Canadian study examined whether plain packaging would project less positive images of tobacco products than do brand packages. Three other studies are in progress – two in Canada and one in Australia. Twenty four marketing professors from Canadian universities have also publicly stated their view that it is more likely than not that plain packaging would reduce tobacco use.[7]

Additional evidence that plain packaging would decrease consumption can be found in the experience in both Canada and the US with generic brands. In the US, generic cigarettes have failed to gain a significant market share, indeed the term "generic" cigarettes is often used to refer to lower priced brands, as differentiated from higher priced "premium" brands such as Marlboro and Winston. These generic brands include some brands with fairly plain packaging but also other discounted brands with conventional brand names and packaging (so-called "branded generics"). Many of these discounted brands are advertised, sometimes heavily. Although discounted brands have achieved a sizable market share in the US (30% in 1992[8]), the market share of the truly generic, plain-packaged cigarettes is low. In Canada, no-name unbranded cigarettes sold by chain supermarkets have been a dismal failure, despite lower retail prices. The overall market share for "house" cigarettes is only 0.2%.

The process of smoking initiation itself suggests a valuable role for plain packaging. Children usually obtain their first cigarettes one at a time, before they are brand loyal. The process of initiation involves transformation from experimentation to regular use, a transformation that can take months, or even years. Plain packaging can help interrupt or prolong this process, and in so doing reduce the likelihood that the individual will become a long-term smoker.

ELIMINATION OF PACKAGE AS ADVERTISING

Much evidence has been presented in other publications that tobacco advertising increases aggregate demand for tobacco products.[9–13] The package itself is a form of advertising; as a New Zealand study concluded: "Cigarette packaging functions in the same promotional role as advertising messages".[3] The growing importance of packaging to the tobacco industry is clear: *Tobacco International*, an industry trade journal, called the package "an important message carrier" and concluded that "in this struggle to win over smokers, the pack and its message have become increasingly important weapons".[14] *World Tobacco*, another industry journal, pointed out that "limitations on advertising will inevitably mean that increasing use will be made of tobacco packs themselves to get brand messages across."[15] This article also included a



By Anthony Jenkins, reprinted with permission of The Globe and Mail, *Canada's national newspaper*

photograph of a Medallion package and the caption: "WARNING: Cigarette-pack design can be seriously damaged by health warnings, as on this Canadian brand from 1989". Plain packaging would eliminate the package as an important form of advertising.

Tobacco companies create, promote, and sell images such as status, wealth, sex appeal, glamour, sophistication, slimness, manhood, femininity, social acceptability, athleticism, and health. Advertising and packaging mold and propagate those images. A package represents a badge for a smoker, particularly a teenage one. When a pack is taken out of a pocket and opened to remove a cigarette, the pack is visible for all to see. The pack may be passed around for others to have a smoke. Packs make a statement about how smokers want others to see them. Plain packaging eradicates the positive imagery associated with a particular brand, and in so doing, eliminates the role of the cigarette package as a "badge". Instead of being a badge of honour, an ugly pack would discomfort certain smokers. Plain packaging thus would not only diminish positive imagery but also would create negative imagery discouraging smoking.

REDUCTION OF THE IMPACT OF TOBACCO INDUSTRY PROMOTIONAL EFFORTS

Advertising

In addition to eliminating the role of the package itself as a valuable form of advertising, plain packaging would reduce the impact of advertising campaigns, even in countries with an advertising ban. Advertising has a "store of value".[10,16] Despite the existence of a tobacco advertising ban, past advertising can continue to influence consumers, depending on how long they have been smoking. Tobacco executive Peter Hoult commented, "It's just like the song, you know, The memory lingers on'."[17] Plain packaging breaks the link between past advertising campaigns and the continuing advertising presented by the package.

Plain packaging would also serve to diminish the impact of foreign advertising. This is of particular relevance in countries such as Canada that ostensibly have an advertising ban but continue to permit foreign advertising. In Canada, some forms of foreign tobacco advertising remain legal: advertising in foreign magazines distributed within the country; the broadcast of foreign tobacco-sponsored events, such as car racing; and the showing of foreign-produced films containing paid placements of cigarettes. Plain packaging would dramatically decrease the impact of such promotions by breaking the association between the product as advertised from abroad and the product sold at home.

Ironically, one of the arguments used by the Canadian tobacco industry in opposing plain packaging is that foreign manufacturers, through "spillover" advertising in Canada, would have a competitive advantage. This argument is directly contradicted by the written submissions of foreign tobacco companies to the House of Commons. Philip Morris and British-American Tobacco objected to plain packaging on the grounds that it would serve as a market barrier *protecting* Canadian companies. They argued that plain packaging would prevent penetration of the Canadian market because their brands would no longer have their current distinctiveness.

Sponsorships

Although the sponsorship of sports, arts, and cultural events by tobacco companies was to have been banned in Canada in 1989 under the Tobacco Products Control Act (TPCA), spon-

sorships of these events, using brand colours, have not only continued but expanded. Plain packaging would diminish the link between sponsorship promotions and the tobacco products being promoted. By eliminating the prime motivation for tobacco companies in sponsoring such events – tobacco product promotion – plain packaging would greatly discourage such activity without necessitating further legislation and without pitting the arts, cultural, and sporting communities against the health lobby.

Shelf displays

Shelf displays, often positioned at eye level at the checkout counter, are designed to increase the attractiveness of cigarettes and to remind consumers of the opportunity to purchase the product. Faced with this barrage of pro-smoking promotion, the motivation not to smoke of an ex-smoker or a smoker trying to quit is inevitably weakened. Self-service counter-top displays also increase minors' access to tobacco, whether by purchase or theft. Unattractive packages are less likely to be prominently displayed; and even if they continue to be, plain packaging curbs the value of shelf displays.

ENHANCEMENT OF PUBLIC EDUCATION EFFORTS

Serves as a strong public education vehicle

Plain packaging itself is an outstanding form of public education. Plain packaging presents an unparalleled opportunity to change the social acceptability of tobacco use. It sends the message that tobacco is a truly distinct product. By being characterised and treated differently from other consumer goods, tobacco would be singled out as a socially undesirable, lethal product.

Improves effectiveness of other public education tools, including package warnings

Eliminating the pro-smoking messages implicit in the package design and written on the package would reduce the "noise" of the promotional messages against which public education messages have to compete. In Canada, for example, manufacturers have displayed messages such as: "Made with naturally mellowed, premium tobacco for a smooth, full flavour" and "Traditional taste". Calendars have also been included on packages. Plain packaging would outlaw these initiatives. Health promotion efforts would thus be given an environment more conducive to success.

Similarly, plain packaging improves the visibility of health warning messages by removing other messages that compete for the viewer's attention. Research in New Zealand found that recall rates of both health warnings and tar and nicotine content were significantly higher for plain packs than for branded packages.[4] The greater the impact of health warnings, the more likely a smoker will be receptive to the information and will change behaviour as a consequence. The absence of promotional writing would also enable tobacco packages to carry more detailed health information and a longer list of toxic contents.

INFLUENCE ON CONSUMER PERCEPTION OF QUALITY AND TASTE

Packaging affects consumer perception of product quality. Even though the product itself may be unchanged, the appearance of the package can affect perceptions of the product inside. Some consumers perceive that "no-name" or generic products found in supermarkets are of inferior quality to virtually identical brand name products, when the packaging is basically the only difference.

Research into plain packaging has found that teenage smokers who claimed that they were more interested in the taste and freshness of the product than in the package also said "that the plain package looked 'cheap' and expressed concern that the cigarettes inside might also be cheap, stale or substandard in some other way".[6] Consumers who perceive cigarettes to be of inferior quality to their previous product, and faced with no viable alternative (branded package), may adjust their behaviour by smoking less.

FEWER PRODUCTS ON THE MARKET

Plain packaging reduces the ability of manufacturers to differentiate products. According to Canadian tobacco industry lobbyist Rob Parker, "Plain packaging would remove the only device by which the manufacturers can compete among themselves, which is the package design. It becomes a very moot point over what the choice is between one brand and another if the package designs, as a matter of law, are virtually identical."[18] The market would not be able to sustain the hundreds of brand variations now available, let alone the various package dimensions in which these variations are available. If they are unable to obtain their preferred product, some smokers may respond by smoking less or quitting altogether.

COSTS GOVERNMENT ALMOST NOTHING TO IMPLEMENT

Plain packaging would cost the taxpayer virtually nothing – the costs of implementation would be borne by the manufacturer or the consumer, or both. Although manufacturers would incur some one-off costs to convert their packaging, plain packaging would mean continuing reduced expenditures on package design, market research, sponsorships, and other promotions. In Canada, a tobacco industry estimate of C$30 million for the conversion works out to about C$0.015 per package. Any costs could, of course, be passed on to the customer.

It must be remembered that, although plain packaging presents an opportunity for the tobacco industry to reduce printing costs, governments have a choice. Governments

could choose *not* to lower packaging costs by maintaining the complexity of the package design through multicoloured warnings, for example, and thereby protect jobs in the domestic packaging industry.

REDUCTION OF SMUGGLING

If plain packaging succeeded in helping to control smuggling, it could also increase government revenue. Smuggling undermines the benefits of high tobacco taxes. In jurisdictions that have implemented higher levels of tobacco taxation than their neighbours, plain packaging could make a significant contribution to reducing cigarette smuggling because any package not appearing in the standardised format would be instantly recognisable as illicit. Law enforcement authorities could quickly identify contraband from a distance. Some retailers also sell contraband at normal retail prices to unwitting consumers. Plain packaging would help honest consumers to identify contraband and would give them the opportunity to refuse to accept it.

The tobacco industry argues that plain packaging would actually encourage contraband by making it easier for counterfeiters to reproduce packages. Contrary to their claims, the complexity of the package design could be maintained with plain packaging, as mentioned above. A sophisticated tax-paid marking, such as a hologram similar to those found on credit cards, could further hinder counterfeiting.

The Canadian experience shows, however, that even when tobacco taxes were high, the percentage of the contraband market that was copycat was extremely small. One likely explanation is that tobacco company lawyers would move quickly to shut down any copycat operations; they have not hesitated in the past to stop certain trademark infringements. Because brand names would still appear on plain packages, trademark law gives industry lawyers the authority to initiate action against counterfeiters.

Responses to arguments against plain packaging

In opposing the implementation of plain packaging in Canada, numerous arguments were advanced by the tobacco industry and others. Below are responses to arguments against plain packaging that were not addressed in detail above.

JOB LOSSES IN PACKAGING AND RELATED INDUSTRIES

Plain packaging would not necessarily decrease employment in the packaging industry. The complexity of tobacco packaging could be maintained or enhanced. During testimony before a parliamentary committee in Canada, a packaging industry spokesperson said that the use of the rotogravure printing method, a sophisticated process that prevents ink odours from tainting cigarettes, would still be used.

The number of colours on the package could be maintained by increasing the number of colours used in the warning – for example, in addition to the basic brown background and black printing on the package, the warning could be printed on a yellow background or with a yellow or red marker word, such as "Danger". Health-related pictures, such as a pair of lungs, could be used. The inside sliding portion of the package could contain detailed health information. It could also carry a listing of the levels of the dozens of carcinogenic and toxic constituents found in tobacco smoke. A reference to a "QUIT" telephone line could also use colour (the telephone number for a QUIT line is now required on the rear face of cigarette packs in Australia.[19])

Under plain packaging, the volume of ink sold by ink companies could increase because most of the package would be covered by a dull, unattractive colour. Currently much of the space on many packs is white without any ink.

Canadian packaging companies suggested to the House of Commons Health Committee that they might move production to the US if plain packaging was required. This threat should be seriously questioned, even if single colour packages were required. Companies would lose experienced workers and would have the expense of retraining, moving major equipment, dealing with customs, and paying tariffs. Transportation costs would also increase as would the risks of foreign currency fluctuations.

Another deterrent to exporting production is that producing plain packages in another country could call attention to the issue in that country. The media and government might object to the fact that a domestic company and workers were producing plain packages for a foreign country but not for its own citizens. They might ask, "Why should public health at home receive inferior treatment to that accorded another country?"

INVENTORY CONTROL AND CUSTOMER SERVICE MADE DIFFICULT FOR RETAILERS

Under plain packaging legislation, crates and boxes containing tobacco products for distribution by wholesalers, and not seen by consumers, could still carry trademarks and brand colours. Boxes stored in a retailer's back room could also feature brand colours and trademarks. The only stipulation would be that these boxes not be exhibited at retail.

Some retailers have also suggested that if all brands looked the same, it would become very difficult to serve customers. This problem could easily be addressed by stacking the brands on shelves in alphabetical order.

TRADEMARKS ARE COMPETITIVE TOOLS BY WHICH MANUFACTURERS COMPETE; PLAIN PACKAGING REPRESENTS CONFISCATION OF TRADEMARKS WITHOUT COMPENSATION

At present, the tobacco industry in Canada operates as an oligopoly and is not price competitive. Regardless of any impact of plain

packaging on competition, the impact would be subordinate to the public health benefits that would result. Numerous hazardous or undesirable items, from asbestos to cigarette vending machines, have been prohibited or restricted by legislation without compensation.

Tobacco industry trademarks, however, would not be confiscated by government. Governments are not going to start using tobacco trademarks, as would be the case, for example, if tobacco companies were nationalised. Tobacco trademarks would still be available for use. Nothing will prevent any trademark from appearing on boxes/containers used for wholesale distribution. Further, the brand name would still be permitted on consumer packages, albeit in a standardised letter style, colour, and size.

INFRINGEMENT OF INTERNATIONAL TRADE OBLIGATIONS

Plain packaging would apply equally to all tobacco products, whether domestic or foreign. This principle of "national treatment" is consistent with the General Agreement on Tariffs and Trade (GATT) and other international trade agreements. Furthermore, the current US Administration has stated that it will not challenge the tobacco control laws of foreign countries, even if they infringe international agreements to which the US is a party, as long as they treat domestic and foreign cigarettes in the same fashion. In addition, the GATT and the North American Free Trade Agreement contain health exceptions. The GATT health exception was used in 1990 to uphold Thailand's ban on tobacco advertising.

INFRINGEMENT OF PROTECTION OF FREEDOM OF EXPRESSION

If plain packaging infringes protection of freedom of expression under the Canadian *Charter of Rights and Freedoms*, it would nevertheless be a reasonable and justifiable limit on that freedom given the enormous burden on public health caused by tobacco products. Commercial expression, such as trademarks, is hardly at the core of the historic and fundamental right of freedom of expression. In a number of countries such as Canada, commercial expression has been recognised by the courts as deserving less protection than political, religious, or artistic expression.

A DANGEROUS PRECEDENT: TOBACCO TODAY, WHAT NEXT?

Tobacco is a unique consumer product. If it were a new product today, it would not be allowed on the market. Tobacco is toxic, carcinogenic, and addictive. No other consumer product legally available on the market *kills* when used exactly as the manufacturer intends, and there is no safe level of consumption. For these reasons, tobacco merits legislative and regulatory treatment different from all other products.

The argument that implementing such a restrictive measure for tobacco will inevitably lead to further draconian measures by government was used during the debate in 1988 over the proposed ban on tobacco advertising in Canada. At the time, opponents argued that, if tobacco advertising was banned, the precedent would lead to advertising bans for other goods and services. This has not happened.

IF PRICES DECREASE, CONSUMPTION WOULD INCREASE

If manufacturers did decrease their prices, governments would step in and raise tobacco taxes by a corresponding amount. The constant retail price would ensure that there is no increase in consumption.

CONSUMPTION WOULD INCREASE AMONG THE YOUNG

Some opponents of plain packaging have argued that it might *increase* smoking among the young, being an even more effective badge of teenage rebelliousness than an attractive, branded package. For this argument to be true, however, the corollary – that attractive packages discourage consumption – would also have to be true. The latter is a proposition with which few industry executives would agree. Given the millions of dollars tobacco companies spend on package design and market research, if there were such a tobacco product or package that would increase sales within a particular population segment, while reducing packaging costs, the tobacco industry would have introduced it themselves.

The argument has also been made that the popularity of "Death" brand cigarettes among youth in the UK and elsewhere proves that plain packs would not result in a decrease in youth smoking. "Death" cigarettes, however, are a novelty item and are in no way plain packs. As in the case of conventional brands, its packaging plays a major role in defining the brand's image and in making the brand attractive to its users. Moreover, the company that makes them is forecasting only a minuscule 1994 market share of 0.06%.[20]

SMOKERS COULD PUT CIGARETTES IN OTHER FORMS OF PACKAGING

Most smokers, like other consumers, value convenience. Only a small proportion would likely transfer their cigarettes into cigarette cases. Even if all smokers did so, plain packaging would still have accomplished significant results. Plain packaging would continue to reduce the impact of sponsorships, shelf displays, and foreign advertising, while sending an important public education message.

PACKAGING NEVER MADE ANYONE BUY SOMETHING THEY DID NOT WANT

This argument has no meaning. A price discount never makes anyone buy something they did not want either. A $10 000 reduction

in the price of a new car, for example, would not make a purchaser buy a car if the purchaser did not want one. But a price discount can certainly influence the individual's level of desire for the object. The same is true for packaging. Packaging contributes to the image conveyed by a cigarette brand, and thereby serves to heighten the individual's desire to have the product.

SALES IN RAW LEAF TOBACCO, WITH NO PACKAGING, HAVE INCREASED

Sales of raw leaf tobacco in Canada have grown because its lower tax rate makes the retail price favourable compared with manufactured cigarettes. The market share for consumer sales of raw leaf tobacco remains small.

IT HAS NOT STOPPED SALES OF MARIJUANA AND OTHER DRUGS

The rate of consumption of marijuana and other drugs is significantly lower than that of tobacco. If marijuana were legalised, sold in attractive packages, prominently displayed in countless retail stores, and actively promoted, it is reasonable to expect that the rate of marijuana use would increase.

LEGISLATION SHOULD BE DELAYED UNTIL THE IMPACT OF THE NEW CANADIAN HEALTH WARNINGS IS MEASURED

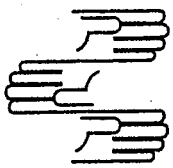
With every delay, more young people will begin smoking and more smokers, who might otherwise have been influenced to quit, will remain in the market. This will translate into additional preventable deaths caused by tobacco in the future. The Canadian tobacco industry vigorously opposed the new health warnings, arguing that there was no proof that stronger warnings would be any more effective than the old ones. The industry now says that plain packaging should wait until an evaluation is made of the new warnings. This is plainly an industry stalling tactic.

Conclusions

The weight of evidence on numerous fronts clearly indicates that plain packaging can be expected to result in a decrease in tobacco consumption. The package is a form of advertising, an increasingly important form in jurisdictions, such as Canada, where media advertising has been banned but tobacco company sponsorships continue. Plain packaging would eliminate the positive imagery associated with the brand and would break the link between the package and the sponsorship promotions. Plain packaging would also enhance public education efforts and itself would send the message that tobacco is a unique consumer product, meriting distinct legislative and regulatory control. Although the tobacco industry has opposed the implementation of plain packaging – citing everything from job losses in the packaging and printing industries, to an infringement of trade laws, to a resultant increase in cross-border smuggling – convincing counter-arguments have been presented. Plain packaging represents an as yet untried tobacco control tool with tremendous potential.

The authors gratefully acknowledge the editorial assistance of Melodie Tilson.

1 Trachtenberg JA. Here's one tough cowboy. *Forbes* 1987 Feb 8: 108–10.
2 Beede P, Lawson R. The effect of plain packages on the perception of cigarette health warnings. *Public Health* 1992; 106: 315–22.
3 Beede P, Lawson R. Brand image attraction: the promotional impact of cigarette packaging. *NZ Fam Phys* 1991; 18: 175–7.
4 Beede P, Lawson R, Shepherd M. The promotional impact of cigarette packaging: a study of adolescent responses to cigarette plain-packs. Paper presented to the Australian and New Zealand Association and Management Educators' Conference, Launceston, Australia, 1991.
5 Adolescents' reactions to cigarette packs modified to increase extent and impact of health warnings. In: *Health warnings and contents labelling on tobacco products.* Melbourne, Australia: Anti Cancer Council of Victoria, 1992.
6 University of Toronto Centre for Health Promotion. *Effects of plain packaging among youth.* Toronto, Ontario: University of Toronto Centre for Health Promotion, 30 November 1993.
7 Marketing professors endorse plain packaging of tobacco products (press release). Ottawa, Ontario: Canadian Cancer Society, 1994 May 23.
8 Shapiro E. Trend toward quitting smoking slows as discount cigarettes gain popularity. *Wall Street J* 1993 April 1: B1, B8.
9 Foote E. Advertising and tobacco. *JAMA* 1981; 245: 1667–8.
10 Pollay RW. The functions and management of cigarette advertising. *History of advertising archives,* Working paper, Faculty of Commerce, University of British Columbia, 1989.
11 Tye JB, Warner KE, Glantz SA. Tobacco advertising and consumption: evidence of a causal relationship. *J Public Health Policy* 1987; 8: 492–508.
12 UK Department of Health. *Effect of tobacco advertising on tobacco consumption: a discussion document reviewing the evidence.* London: Department of Health, Economics and Operational Research Division, 1962.
13 US Department of Health and Human Services. *Preventing tobacco use among young people. A report of the Surgeon General.* Atlanta, Georgia: Public Health Service, Centers for Disease Control and Prevention, Office on Smoking and Health, 1994 (US Government Printing Office No S/N 017-001-00491-0.)
14 Staff Report. Rethinking cigarette packs for a new age. *Tobacco Int* 1991 Mar 1: 14.
15 Joy R. Regulations create design limitations. *World Tobacco* 1992 May: 17.
16 Carr-Gregg M, Gray AJ. 'Generic' packaging – a possible solution to the marketing of tobacco to young people. *Med J Aust* 1990; 153: 685–6.
17 *RJR-Macdonald v. Attorney General of Canada,* transcript, 1989 Sep 27: 402.
18 Rob Parker, President, Canadian Tobacco Manufacturers' Council, appearing before the Ontario Standing Committee on Social Development. *Hansard* 1994 Feb 17: S-1202.
19 Chapman S. Industry down again down under. *Tobacco Control* 1995; 4: 17–18.
20 A product to die for. *CTN* 1994 Feb 25: 11.



THE ONTARIO TOBACCO RESEARCH UNIT

UNITÉ DE RECHERCHE SUR LE TABAC DE L'ONTARIO

Cigarette Packaging and Event Marketing Increases the Attractiveness of Smoking: A Study of Youth

Working Papers

Cigarette Packaging and Event Marketing Increases the Attractiveness of Smoking: A Study of Youth

Working Papers Series No. 28

Josie R. d'Avernas, MSc;[a] David Northrup, MA;[b] Mary K. Foster, PhD;[c] Dee Burton, PhD;[d] Roberta Ferrence, PhD;[e] John Pollard, BA[b], Irving Rootman, PhD;[a] and Brian R. Flay[f]

[a]Centre for Health Promotion, University of Toronto

[b]Institute for Social Research, York University

[c]Ryerson Polytechnic University

[d]School of Public Health, University of Illinois at Chicago

[e]Ontario Tobacco Research Unit and Addiction Research Foundation

[f]Prevention Research Center, University of Illinois at Chicago

OCTOBER 1997

The opinions expressed in this paper are those of the authors and do not necessarily reflect the views of the Ontario Tobacco Research Unit or any organization with which the authors are affiliated.

All rights reserved. No part of this document may be reproduced in any form or by any means for any purpose without the prior written permission of the author(s).

Suggested Citation: Josie R. d'Avernas, David Northrup, Mary K. Foster, Dee Burton, Roberta Ferrence, John Pollard, Irving Rootman and Brian R. Flay. Cigarette packaging and event marketing increases the attractiveness of smoking: A study of youth. Ontario Tobacco Research Unit, Working Paper Series #28, Toronto, 1997.

INTRODUCTION

Most smokers begin experimenting with cigarettes during adolescence,[1] and many go on to become addicted to tobacco.[2 3 4] The magnitude of the role played by tobacco marketing in promoting this experimentation is not well-established, though it is well-accepted that it plays a role.[5 6 7] Opinions aside, the *data* are remarkably consistent in two key areas of inquiry: awareness of tobacco promotion and advertising among children and adolescents is high,[8 9 10] and major marketing thrusts to specific target groups correspond to increases in smoking initiation in those target groups.[11]

Since tobacco products cannot be easily differentiated based on differences in taste, smell or appearance, promotion is key in encouraging purchase.[12] Promotion increases awareness of the product and associates it with images, activities, and events that are appealing and desirable. At the time of this study, there were notable contrasts between the United States and Canada in the way tobacco products were promoted. In the United States, marketing and promotion was sophisticated and broad, including direct advertising on billboards and in magazines, sponsorship of sporting and cultural events, sale or give-away of promotional merchandise, point-of-purchase displays, and packaging. In Canada, promotion was more subtle and circumscribed as a result of restrictions on direct advertising, occurring primarily through the sponsorship of sporting and cultural events and point-of-purchase displays. Through the formation of "shell" companies bearing names very similar to tobacco brands (e.g., du Maurier Ltd., Player's Ltd., Matinée Fashion Foundation Ltd.), tobacco companies advertise events they sponsor, using names, colours, logos and font styles that are similar to those on cigarette packaging.[a] This study examines the extent to which this has resulted in event advertising that is mistaken for cigarette advertising by youth.

This study also examines the role of packaging in promotion and image creation. In product categories where consumers have little or no previous experience -- in this case, adolescent

[a] Since the time of this study, significant changes have occurred in the regulatory framework for tobacco advertising and promotion, in both the U.S. and Canada.

nonsmokers contemplating starting -- brand image is an important trigger for purchase. Brand image is created in advertising, in other promotional activities, in an individual's role models and the brand they smoke, and in the way the brand is packaged.[13 14]

To the extent that package design creates and reinforces brand images, then downplaying these images via ***plain packaging*** may reduce smoking. Plain packaging would eliminate the use of unique logos, fonts or colours on the package. The tobacco industry has acknowledged that as advertising restrictions increase, the package itself will become increasingly significant as "the creator and bearer of the image."[15] In a New Zealand qualitative study of 550 13 year old students, Beede and Lawson[16] found that plain packages were considered "dull and boring" by this age group, and reduced curiosity about smoking. This paper replicates and extends this work in the Canadian and American contexts. It addresses the following research questions:

1. To what extent do youth recognize sponsored event advertising as advertising for tobacco products? To what extent to they recognize it as advertising for an event or activity?

2. Do plain cigarette packages project less positive imagery than regular packages?

3. Do plain packages increase attention to, believability of, and recall of health warning information compared to regular packages?

4. What effect will plain cigarette packaging will have on youth smoking, according to youth?

METHODS

This study used both quantitative and qualitative methods. To the extent that the results and conclusions drawn from one method support the results and conclusions from the other, overall confidence in the conclusions is greatly enhanced.[17 18 19]

FOCUS GROUP DISCUSSIONS

A total of 339 people participated in 52 focus group discussions. Forty group discussions were conducted in various locations in Ontario and 12 were held in Chicago.

Ontario

Forty focus groups were held, with a total of 269 youth participating. Four groups were held in each of five medium-sized cities, and 20 groups were held in a large metropolitan area. Groups included a cultural mix that was roughly representative of the cities the groups were held in. Youth who participated ranged in age from 12 to 17. Groups were held separately for males and females, and for smokers and nonsmokers contemplating smoking. Group size ranged from 6 to 12. Potential candidates were identified through existing directories maintained by a focus group recruiting firm. Questions about smoking status were asked in the context of several other questions in order to mask the true purpose of the study. Those indicating they did not smoke and never intended to smoke were disqualified, as were those who had participated in any other focus groups in the last six months or any focus groups, ever, on the topic of smoking.

Youth who qualified for the study were invited to participate in a focus group session "to market test new packaging for a popular consumer product." To avoid bias in responses given by participants, they were not told of the sponsor or the purposes of the research until the end of the focus group. A short discussion on the effects of smoking was conducted at the end of the session

and educational materials were distributed to ensure that the group discussion in no way encouraged participants to look more favourably on smoking. Participants received payment for their participation. All focus groups were 1.5 to 2 hours long.

Focus group discussions investigated brand imagery, attributes of smokers of plain-packaged and regular-packaged cigarettes, recall of health warning information on plain and regular packages, perceived impact of plain packaging on smoking behaviour of youth, and youth awareness of the sponsorship of events by tobacco companies. Plain and regular packages were used for display purposes throughout the discussion. Plain packages were beige with black printing in a standard font. Only the brand names, health warning label, tar and nicotine levels and UPC code appeared on these packages. Du Maurier and Player's brands were used for the study, as these are the most popular brands among Canadian youth. A detailed description of procedures and results of the focus groups is available.[20]

Chicago

Twelve focus groups were held, with a total of 70 adolescents participating. The Chicago focus groups were similar in composition to those conducted in Ontario in terms of age, sex and group size, but differed in terms of smoking status and ethnic mix. All participants in Chicago were smokers, reporting smoking "on a regular basis", or "on a fairly regular basis." Four groups were composed of African-Americans, four of Caucasians, and four were mixed, with about 50% Hispanics. The recruiting firm used in-person recruitment at convenience stores, fast-food restaurants and other teen hangouts, using questions similar to those used in Ontario to mask the smoking criterion. Participants received payment for their participation. All focus groups were 1 to 1.5 hours long.

Half of the group sessions consisted of focused group discussion; half consisted of quantitative assessments (paper-and-pencil ratings). Discussion and ratings centred on comparisons of three types of cigarette packages: regular (real), plain (beige with black lettering and no brand imagery) and novel (full colour and attractive, but distinctly different in design from the real

package). Camel, Marlboro and Newport brands were used, as these are the most popular brands among U.S. adolescents. A de-briefing with information on cessation strategies concluded the session, to ensure that the discussion was not interpreted as encouraging or condoning smoking behavior.

CLASSROOM SURVEY

A significant threat to generalizability of findings from focus group research stems from the fact that participants are self-selected and therefore not necessarily representative of the general population. Qualitative analyses are also subject to interpretive bias and require verification with quantitative data. To supplement the qualitative study 2132 students from 71 Ontario classrooms and 10 Chicago classrooms were surveyed.

Ontario

A random sample of Ontario students in grades seven and nine was surveyed. The population of students was stratified according to geographical location (Metropolitan Toronto, Northern Ontario, Western Ontario and Eastern Ontario) and a stratified, clustered sample using home rooms as sampling units was drawn. Within each of the two grade strata, students were proportionally allocated among the four regional strata. Results from the Ontario component of 1,559 youth are generalizable to the Ontario population of Grade 7 and 9 students. Results are accurate to within 2.5 percentage points, 19 times out of 20.

Each student completed an interviewer-guided questionnaire in a classroom setting. The questionnaire included items about the students' background, their attitudes about and use of tobacco, their awareness of tobacco sponsorship, their attitudes about plain and regular cigarette packages, and their view of the believability of current health warnings on cigarette packages.

Parental information and consent forms were obtained for all participants. Data collection occurred between November, 1994 and January, 1995. In Ontario, 43% of the sample was in Grade

7 and 57% in Grade 9. Eight percent of Grade 7s and 28% of Grade 9s reported smoking at least one cigarette in the last month. One percent of Grade 7s and 19% of Grade 9s reported smoking daily. A detailed report of procedures and results of this survey is available.[21]

Chicago

The Chicago school-based study consisted of a stratified random sample of all Chicago public schools, drawn within school type (high school/elementary and regular/specialized). A total of 577 students in 10 Chicago schools participated. All students were in the 7th, 8th, 10th or 11th grade. Assessments took place in a classroom setting. Questionnaires with computerized scan sheets were administered anonymously. Responses centred on comparisons of three types of cigarette packages: regular (real), plain (beige with black lettering and no brand imagery) and novel (full colour and attractive, but distinctly different in design from the real package).

Of the 577 students, 60% described themselves as aged 14 or under and 40% as aged 15 and over; 71% described themselves as black, 10% as white, 9% as Hispanic, 5% Asian and 6% Other. With respect to smoking status, 23% reported that they had smoked cigarettes within the past year. Of these, 46% smoked only a few times a month or less; 16% a few times a week, 19% a few times most days, 14% about a half a pack a day, and 6% a pack or more a day.

RESULTS

1. To what extent do youth recognize sponsored event advertising as advertising for tobacco products? To what extent to they recognize it as advertising for an event or activity?

Ontario

During the time period of this study, direct advertising of tobacco products was prohibited

in Canada under the *Tobacco Products Control Act*[b]. During the time of the ban, a primary means of marketing tobacco products was through sponsorship of sporting and cultural events, with event advertising making the link to tobacco products through the use of names, logos, colours and fonts similar to those found on cigarette packages. An "event advertising poster" procedure was conducted in both the classroom survey and focus groups. Students in the classroom survey were shown three posters, one at a time and in random order, depicting events sponsored by beer companies and tobacco companies. The posters were the du Maurier Jazz Festival, Player's Ltd. Racing, and Labatt's Blue Jays Baseball. In all posters, the words were modified to make them unreadable so students would use the imagery, colours and fonts to identify the meaning of the poster rather than the words. Students were shown the poster and asked to write down "what you think this poster is about." The interviewer told students there were no right or wrong answers, and that they should write down as many ideas as they could think of. This experiment was done very early in the survey so that responses to other questions would not contaminate the results.

Focus group participants saw the same posters, wrote down their impressions of what each poster was about, then discussed those impressions.

Most students (about 85%) offered a literal description of the poster, as expected. However, other responses were also offered (Tables 1 and 2). These included responses that identify the product (e.g., "it's about smoking"), responses that identify the brand name (e.g., "it's the Player's racing car"), responses that associate a lifestyle with the ad (e.g., "people who smoke do fun and dangerous things like race cars"), and responses that identify the event or activity (e.g. "It's about the Jazz Festival").

---

b In September of 1995, the Supreme Court of Canada struck down key sections of that legislation, leading to a lifting of the ban that had been in place since 1989. It was replaced in 1997 by the *Tobacco Act*.

TABLE 1: Ontario Student Recognition of Product, Brand, Lifestyle Connection and Event Associated with Player's Ltd. Racing Poster

Proportion of students who:	Overall	Smoking Status			Grade		Sex	
		Non	Light	Daily	7	9	M	F
	%	%	%	%	%	%	%	%
Mentioned cigarettes	53	50	67	61*	48	56*	45	60*
Mentioned brand name	51	46	69	68*	38	60*	38	63*
Made lifestyle connection	20	19	21	27	16	23*	19	21
Mentioned event advertised	<1	<1	<1	<1	<1	<1	<1	<1
n	1559	1,243	220	96	637	922	753	801

*indicates significant difference between groups (p <.001)
Ontario school sample, n = 1559

TABLE 2: Ontario Student Recognition of Product, Brand, Lifestyle Connection and Event Associated with du Maurier Jazz Festival Poster

Proportion of students who:	Overall	Smoking Status			Grade		Sex	
		Non	Light	Daily	7	9	M	F
	%	%	%	%	%	%	%	%
Mentioned cigarettes	12	11	17	16*	8	15*	12	13
Mentioned brand name	16	13	25	28*	6	23*	12	20*
Made lifestyle connection	4	4	5	7	3	5	4	4
Mentioned event advertised	<1	<1	<1	<1	<1	<1	<1	<1
n	1559	1,243	220	96	637	922	753	801

*indicates significant difference between groups (p <.001)
Ontario school sample, n = 1559

Less than one percent of young people mentioned the event being advertised by these posters. A significant proportion, however, interpreted the posters as advertisements for cigarettes. Fifty-three percent said the Player's Ltd. Racing ad was about cigarettes and 12% said the du Maurier Jazz Festival ad was about cigarettes. The brand name was mentioned equally as frequently. In fact, it was common for students to mention the brand name and cigarettes in the same line (e.g., Player's cigarettes, du Maurier cigarettes).

For both the Player's Ltd. Racing and the du Maurier Jazz Festival posters, smokers were more likely than nonsmokers to link the poster to cigarettes and to mention the brand name. Grade nine students were more likely than Grade seven students to link the posters to cigarettes and to mention the brand name.

2. Do plain cigarette packages project less positive imagery than regular packages?

Ontario

In the Ontario school survey, posters depicting regular and plain-packaged cigarettes were displayed beside each other. Half the classes (randomly determined) saw Player's cigarettes on the poster, and half saw du Maurier. Students were requested to respond to a series of statements by choosing either the regular or the plain package as the package best described by the statement.

Sixty-four percent said they liked regular packages better than plain packages; 86% found the plain package more boring; and 78% found it uglier (Table 3). Smokers were significantly more likely to report liking the regular package better than were nonsmokers (70% versus 60%).

TABLE 3: Ontario Student Responses to Statements About Regular and Plain Cigarette Packages

Question	Regular Package %	Plain Package %	No Difference %
Which do you like better?	64	8	28*
Which is more boring?	5	86	9*
Which is uglier?	8	78	14*
Which has cigarettes that cool kids would smoke?	64	5	31*
Which would you more like to be seen with?	50	5	45*

*indicates significant difference between groups ($p<.001$)
Ontario school sample, n = 1559

Students were also asked which package has cigarettes that taste better, which package has cigarettes that would keep them from gaining weight, and which package has cigarettes that would be more likely to make them sick. For these items, the majority indicated there was no difference. Therefore, students understood that the product was the same but were nevertheless susceptible to the more positive imagery projected by the regular packages.

Chicago

In Chicago focus groups, each of nine packages (real, plain and novel versions of Camel, Marlboro and Newport) was passed around the group in sequence. Youth examined each package and rated it using four-point bipolar attributes. Real cigarette packages were rated by both younger

and older Chicago youth smokers participating in the focus groups as more attractive, exciting, modern, for young people, expensive looking, colorful, and cool than plain packages (Table 4). They were also reported to be more likely to turn young people on to smoking. The novel packages were closer in appeal to the real packages than to the plain packages, suggesting that an appealing package design, whether recognized and associated with imagery from other sources or not, portrays a more positive imagery than does a plain package.

TABLE 4: Chicago Youth, Average Ratings of Various Package Types by Age

Descriptor	12-13 year olds			16-17 year olds		
	Real	Novel	Plain	Real	Novel	Plain
ugly-attractive	2.9	2.6	1.5	2.8	2.4	1.4
boring-exciting	2.8	2.5	1.5	2.6	2.4	1.3
old fashioned-modern	3.0	2.6	1.5	2.7	2.5	1.5
cheap-expensive looking	3.0	2.6	1.6	2.9	2.3	1.5
for old-for young people	3.0	2.6	1.7	2.7	2.4	1.7
dull-colorful	2.8	2.7	1.4	2.7	2.7	1.3
nerdy-cool	3.0	2.5	1.6	2.6	2.3	1.6
turn people onto-turn people off smoking	3.0	2.6	1.8	2.8	2.4	1.6

Chicago focus group sample, n = 70

Data from the Chicago school study, including both smokers and nonsmokers support these findings. Table 5 shows the choices of students who viewed slides of three different types of packages. Here students simply circled a letter to tell which package looked best. Again, a majority of students consistently selected the real package as the one that looked best (58% to 80%). As in the focus group assessments, the plain packages were least likely to be chosen, with the novel packages falling in the middle.

TABLE 5: Percent of Chicago Students Selecting Various Package Types by Age and Brand

Brand	<15 year olds			15+ year olds		
	Real %	Novel %	Plain %	Real %	Novel %	Plain %
Marlboro	61.0	31.0	6.8	57.8	24.8	16.5
Newport	63.8	30.2	4.9	73.0	16.8	9.9
Camel	80.2	14.3	4.9	72.0	17.2	10.4

Chicago school sample, n = 573

3. Do plain packages increase attention to, believability of, and recall of health warning information compared to regular packages?

Ontario

A "warning recall" experiment was part of the classroom survey. Classes were randomly presented with a poster with one of six pictures on it: du Maurier regular package, du Maurier plain package (white), du Maurier plain package (beige), Player's regular package, Player's plain package (white) and Player's plain package (beige). All packages displayed the warning "Smoking can kill you." This warning was chosen because focus group results showed that it was judged as most effective by youth in stopping young people from smoking. After showing the poster for about one minute, it was removed and students were asked to record everything they could remember about the cigarette package they just saw. Students' comments were coded into six categories: colour of package described, health warning recited, brand name mentioned (Player's or du Maurier), cigarette type mentioned (e.g., filter-tipped), pack size mentioned (e.g., 20 cigarettes), and information from side panel mentioned (tar, nicotine and carbon monoxide levels). Following this, students looked at pictures of plain and regular-packaged cigarettes side by side and were asked to indicate "which

makes the health warning look more serious" and "which makes the health warning easier to see."

When packages were shown and then withdrawn, the feature most often recalled by students was the health warning (83%), followed by brand name (77%). It was also the element most often mentioned first (40%) followed by colour (25%).

There was no difference in recall of the health warning between plain and regular packages for nonsmokers and light smokers. However, significantly more daily smokers mentioned the health warning on the plain package (82%) than on the regular package (62%) ($p<.001$). Although recall of the warning was not much affected by plain packaging, perceived seriousness and visibility of the warning was. Fifty-three percent of students said plain packages made the health warning look more serious compared to 19% who felt that way about regular packages ($p<.001$). Fifty-one percent said plain packages made the health warning easier to see, but only 29% said this about regular packages ($p<.001$).

Chicago

A similar "warning recall" experiment was conducted in Chicago focus groups. Each of nine packages (real, plain and novel versions of Camel, Marlboro and Newport) was passed around the group in sequence and removed from view. For each package, participants were asked to write down the first thing they remember about the package, then to write down everything else they remember.

Warning recall results from the Chicago sample contrast sharply with the Ontario results. None of the 12-13 year olds and only 2% of the 16-17 year old Chicago participants listed the health warning as the first thing they recalled about the packages that had been shown and removed from view. Only 3% of younger adolescents and 8% of older adolescents mentioned the warning label as any part of their extended recall. When one examines the prominence of the Canadian warnings (top portion of each face of the package) in comparison to the American warnings (small type on side of package), this result is not surprising. Recall did not vary by package type.

4. What effect will plain cigarette packaging will have on youth smoking, according to youth?

Ontario

In the school survey, posters depicting regular and plain-packaged cigarettes were displayed beside each other. Half the classes (randomly determined) saw Player's cigarettes on the poster, and half saw du Maurier. Students were asked to compare regular and plain packages according to which they thought would make people their age start smoking, which people their age would be willing to pay more for, and which would turn people off from smoking. Most students felt that regular packages were more likely to encourage smoking than plain packages (62% versus 6%), and that young people would pay more for them (60% versus 4%). Almost half felt that plain packs would turn them off smoking, compared to regular packs (43% versus 5%). The remainder felt there was no difference (Table 6). Non-smokers were more likely than smokers to report that cigarettes in plain packages would turn people their age off smoking.

TABLE 6: Ontario Student Responses to Statements About Regular and Plain Cigarette Packages

Question	Regular Package %	Plain Package %	No Difference %
Which would make people your age start smoking?	62	6	32*
Which would people your age be willing to pay more for?	60	4	36*
Which would turn people like you off smoking?	5	43	52*

* indicates significant difference between groups ($p<.001$)
Ontario school sample, n = 1559

In both the Ontario classroom survey and the Ontario focus groups, students were asked what they thought would happen if all cigarettes were sold in plain packages: whether students who smoke would smoke more, less or the same, and whether students who don't smoke would be more likely, less likely or equally likely to start smoking. One quarter (25%) of students thought plain packaging would make smokers smoke less, and one third (35%) thought plain packaging would make it less likely that nonsmokers would start. Most of the remainder (71% and 62%) thought it would make no difference. Smokers were more likely than nonsmokers to say plain packaging would make no difference to the amount young smokers smoke (85% versus 67%) or to the likelihood of nonsmokers starting (77% versus 58%).

Chicago

In the Chicago focus groups, a quasi-behavioural test was completed. Nine packages (real, plain and novel versions of Camel, Marlboro and Newport) were displayed, and students were asked to give their top three choices for "which package you would most like to take home today." They did not actually get the packages to take home with them, but were offered cash instead.

There were striking differences in package preferences. Most youth in each age group preferred the real package (88% and 73% respectively for younger and older respondents). A minority chose the novel package (13% and 21%) and very few chose the plain package (Table 7).

TABLE 7: Chicago Youth Selecting Various Package Types by Age

Package Type[1]	12-13 year olds	16-17 year olds
Real	88	73
Novel	13	21
Plain	0	6

[1] First choice from a selection of 9 choices (3 package types by 3 brands)
Chicago focus group sample, n = 65

DISCUSSION

A growing body of evidence suggests that tobacco advertising and promotion is a contributing factor to adolescent smoking uptake. [22] [23] [24] [25] [26] [27] [28] [29] Tobacco is an undifferentiated, image product: undifferentiated, because different brands of the product are not noticeably different on the basis of the product itself; image, because it is sold for the image it projects to the user. These images are created by advertising and promotion, which takes many forms, including direct advertising, ads for tobacco company-sponsored events that use colours, fonts and logos that connect the ad to the product, and packaging. Cigarette packaging serves as the badge for these images, that transfers the image, created from advertisements, promotions and real life role models who use the product, to the user.

Even with the restrictions on direct advertising of tobacco products in Canada that were in place over the time of this study, youth perceived that tobacco ***product*** advertising was occurring, through the advertising of events sponsored by tobacco companies, notably Player's Ltd. Racing and the du Maurier Jazz Festival. This is particularly true for Player's, with colours, font and even shapes making fairly blatant connections to the cigarette package itself. That over one half of students associated the Player's Ltd. Racing ad with cigarettes, despite the fact that the poster did not have the word "Player's" on it indicates the high degree of success that Player's has had in maintaining a profile for their company and their product, despite the ban on advertising cigarettes. Given that the purpose of the advertising ban was to eliminate cigarette advertising, these results indicate the Player's, and to a lesser extent, du Maurier, have successfully circumvented the spirit of the law.

These ads, like direct advertising for tobacco, are perceived as "lifestyle" ads, portraying imagery of fun, sophistication, wealth, and independent lifestyles. When writing about the Player's advertisement, students often linked it to a flashy lifestyle, making comments about fast cars, fun and smoking. The cigarette package reinforces this imagery and serves as a badge to transfer that imagery

to the user.[13 14] This "badge" function is important to youth, and the package design can enhance or reduce this function. While youth see no difference between cigarettes in regular or plain packages in terms of the likelihood of cigarettes in each package keeping them from gaining weight, harming them as they get older, or making them sick, they are, nevertheless, susceptible to the image associated with regular packages, saying cool kids smoke cigarettes in regular packages, regular packages are more likely to make their peers begin smoking, and they prefer to be seen with regular packages. In contrast, plain packages are seen as boring and ugly, and the health warnings appears both more prominent and more serious on them. Novel, interesting packaging was more appealing to youth than plain packaging, but not as appealing as the real packaging, suggesting that the link to other promotions is important, but not the only thing influencing appeal. In other words, there seem to be two distinct negative factors about plain packages that reduce the appeal of smoking to youth: their lack of brand identification, and their lack of flair.

Youth believe that the negative (or neutral) imagery projected by plain packages will translate to fewer people their age smoking. Nonsmokers are more likely to report that plain packaging would turn people their age off smoking, consistent with the notion that packaging is more salient to nonsmokers and light smokers, and that once the habit is established, the product itself becomes more salient and the packaging becomes relatively less important.

The results of this study contribute to a growing body of evidence suggesting that restrictions on advertising and promotion - including requiring that cigarettes be sold in plain packages - will reduce the positive imagery associated with tobacco products. Of course, more than product image contributes to decisions to try cigarettes. Other key factors include rebellion, curiosity, opportunity and direct peer pressure[30]. Restrictions on advertising and promotion, including plain packaging, form one plank in a comprehensive platform of strategies to protect youth from starting to smoke.

ACKNOWLEDGEMENTS

This project was a joint initiative of the University of Toronto, University of Illinois at Chicago, and York University. It was funded by the Robert Wood Johnson Foundation and the Canadian Cancer Society.

We thank the members of the Scientific Advisory Committee who provided valued input on the design of the study, analysis strategy and interpretation of the data: Dennis Raphael from the University of Toronto, Eric Single from the Canadian Centre for Substance Abuse, Rob Donovan from the University of Western Australia. We also thank Gar Mahood from the Non-Smokers' Rights Association, Marilyn Pope from the Addiction Research Foundation, Gail Lindsay from the Canadian Cancer Society and Penny Evans from the Canadian Cancer Society for their input at strategic points in the course of the studies.

REFERENCES

1. *Preventing Tobacco Use among Young People: A Report of the Surgeon General.* Washington, DC: US Department of Health and Human Services, Public Health Service; 1994.

2. Russell, M. The nicotine addiction trap: A 40 year sentence for four cigarettes. *British Journal of Addiction.* 1990; 85: 293-300.

3. *Preventing Tobacco Use among Young People: A Report of the Surgeon General.* Washington, DC: US Department of Health and Human Services, Public Health Service; 1994.

4. *Survey on Smoking in Canada, Cycle 1. Fact Sheet #5: Profile of Youth Aged 15-19.* Ottawa: Health Canada, August 1994.

5. Pierce, J.P., Gilpin, E., Burns, D.M., Whalen, E., Rosbrook, B., Shopland, D., & Johnson, M. Does tobacco advertising target young people to start smoking? Evidence from California. *Journal of the American Medical Association.* 1991; 266: 3154-3158.

6. Pierce, J.P., Lee, L. & Gilpin, E.A. Smoking initiation by adolescent girls, 1944 through 1988: An association with targeted advertising. *Journal of the American Medical Association.* 1994; 271: 608-611.

7. Pollay, R.W. Pertinent research and impertinent opinions: Our contributions to the cigarette advertising policy debate. *Journal of Advertising.* 1994; 22: 110-117.

8. DiFranza, J.R., Richards, J.W., Paulman, P.M., & Wolf-Fillespie, N. RJR Nabisco's cartoon camel promotes camel cigarettes to children. *Journal of the American Medical Association.* 1991; 266: 3149-3153.

9. Fischer, P.M., Schwartz, M.P., Richards, J.W., Goldstein, A.O., & Rojas, T.H. Brand logo recognition by children aged 3 to 6 years: Mickey Mouse and Old Joe the Camel. *Journal of the American Medical Association,* 1991; 266; 3145-3148.

10. *Youth Smoking Survey.* Ottawa: Health Canada; 1994.

11. Pierce, J.P. & Gilpin, E.A. A historical analysis of tobacco marketing and the uptake of smoking by youth in the United States: 1890-1977. *Health Psychology.* 1995; 14

(6): 500-508.

12. Testimony by Mr. Hoult, Executive Vice President, RJ Reynolds Tobacco Company, under questioning by lawyer Baker, September 27, 1989, Vol 4, pp 396-397 *Imperial Tobacco Ltd. V. Attorney General of Canada, Quebec Superior Court,* No. 500-05-009760-883.

13. Beede, P. & Lawson, R. The effect of plain packages on the perception on cigarette health warnings. *Public Health.* 1992; 106: 315-322.

14. Carr-Gregg, M. & Gray, A.J. "Generic" packaging - a possible solution to the marketing of tobacco to young people. *The Medical Journal of Australia.* 1990; 153: 685-686.

15. Tobacco International Staff Report. Rethinking cigarette packs for a new age. *Tobacco International.* 1991; March 1: 14-17.

16. Beede, P. & Lawson, R. The effect of plain packages on the perception on cigarette health warnings. *Public Health.* 1992; 106: 315-322.

17. Cresswell, J. *Research Design: Qualitative and Quantitative Approaches.* Thousand Oaks, CA: Sage, 1994.

18. Babbie, E. *The Practice of Social Research,* Sixth Edition, Belmont, CA: Wadsworth Publishing. 1992; pp. 234-235.

19. Neuman, W.L. *Social Research Methods: Qualitative and Quantitative Approaches,* Second Edition, Boston: Allyn and Bacon. 1994, pp. 17-31.

20. Foster, M.K., *Focus Group Report, Plain Packaging Study,* Toronto: University of Toronto Centre for Health Promotion. 1994.

21. Northrup, D.A. & Pollard, J. *Plain Packaging of Cigarettes, Event Marketing to Advertise Smoking and Other Tobacco Issues: A Survey of Grade Seven and Grade Nine Ontario Students.* Toronto: Institute for Social Research, York University. 1995.

22. Altman, D.G., Levine, D.W., Coeytaux, R., Slade, J. & Jaffe, R. Tobacco promotion and susceptibility to tobacco use among adolescents aged 12 through 17 in a nationally representative sample. *American Journal of Public Health.* 1996; 86 (11): 1590-1593.

23. Burns, D.M., Lee, L, Vaughn, J.W., Chiu, Y.K. & Shopland, D.R. Rates of smoking initiation among adolescents and young adults, 1907-81. *Tobacco Control.* 1995; 4

(Suppl 1): S2-S8.

24. Evans, N., Farkas, A., Gilpin, E., Berry, C. & Pierce, J. Influence of tobacco marketing and exposure to smokers on adolescent susceptibility to smoking. *Journal of the National Cancer Institute,* 1995; 87 (20): 1538-1545.

25. Gilpin, E.A., Pierce, J.P., & Rosbrook, B. Are adolescents receptive to current sales promotion practices of the tobacco industry? *Preventive Medicine.* 1997; 26: 14-21.

26. Lynch, B.S. & Bonnie, R.J. (Eds.) *Growing Up Tobacco-Free: Preventing Nicotine Addiction in Children and Youths.* Washington, DC: National Academy Press; 1994.

27. Schooler, C., Feighery, E. & Flora, J.A. Seventh graders' self-reported exposure to cigarette marketing and its relationship to their smoking behavior. *American Journal of Public Health.* 1996; 86: 1216-1221.

28. US Department of Health and Human Services. Trends in smoking initiation among adolescents and young adults - United States, 1980-1989. *Centres for Disease Control and Prevention Morbidity and Mortality Weekly Report,* 1995; 44(28): 521-525.

29. White, D., Kelly, S., Huang, W., & Charlton, A. Cigarette advertising and onset of smoking in children: Questionnaire survey. *British Medical Journal,* 1996; 313: 398-399.

30. Flay, B.R., d'Avernas, J.R., Best, J.A., Kersell, M.W. & Ryan, K.B. Cigarette smoking: Why young people do it and ways of preventing it. In McGrath, P.J. & Firestone, P. (Eds.) *Pediatric and Adolescent Behavioral Medicine*, New York: Springer, 1983.

The Ontario Tobacco Research Unit (OTRU) has established several series of publications aimed at the communication of new and up-to-date information in the tobacco control field. The target audience for these publications includes tobacco researchers, programmers, policy analysts and control advocates.

Current series include: Literature Reviews, Working Papers (describing original research), Annotated Bibliographies, and Special Reports. Material appearing in these series undergoes peer review before being published.

These publications provide contributors with an opportunity for rapid peer-review and publication of completed work-in-progress. The publications are disseminated on a limited basis, using a mailing list maintained by OTRU. This list includes researchers, government agencies, non-governmental health organizations, and persons known to be interested in tobacco control issues, primarily located in Ontario.

Publication of material by OTRU does not preclude subsequent publication in another forum, such as a peer-reviewed journal. OTRU does not put any restrictions on the subsequent use of material it publishes and the copyright resides with the author(s).

For more information on any of these OTRU publications, please contact The Ontario Tobacco Research Unit, 33 Russell Street, Toronto, Ontario, M5S 2S1 or call Paola Greco at 416-595-6888. OTRU can also be reached by FAX at 416-595-6068 or by email (otru@arf.org).

The Ontario Tobacco Research Unit (OTRU) was established by the Ministry of Health in July 1993. Its mission is to undertake a program of research, development and dissemination of knowledge about effective tobacco control programs and policies. It will assure that existing knowledge is critically evaluated, summarized appropriately, and made available in the most useful form. In collaboration with individuals, groups, and agencies interested in and responsible for developing tobacco reduction programs and policies, the OTRU will lead in the identification of priority areas for knowledge development. The OTRU will produce a program of research based on these identified priorities. Finally, the OTRU will ensure that knowledge is disseminated widely to programmers and policy makers, to the research community and, where appropriate, to the general public.

OTRU Working Papers are published to provide the tobacco research community with timely and relevant information. For more information, please contact our office.

Ontario Tobacco Research Unit
33 Russell Street
Toronto, Ontario M5S 2S1
Tel. (416) 595-6888
FAX (416) 595-6068
e-mail: otru@arf.org
http://www.arf.org/otru

Principal Sponsor: Centre for Health Promotion, University of Toronto
Co-Sponsors: Addiction Research Foundation of Ontario; Central West Health Planning Information Network; KFLA/Queen's University Teaching Health Unit; University of Waterloo

SMOKERS' AND NON-SMOKERS' REACTIONS TO STANDARD PACKAGING OF CIGARETTES

By Robert J Donovan

University of Western Australia

1993

ABSTRACT

Proponents of standard packaging of cigarettes argue that, among the contributors to young people smoking, are the positive images associated with cigarettes, and that such images are reinforced by sophisticated cigarette packaging. Standard packaging therefore, by removing or weakening such images, would then lessen prevalence and/or per-smoker consumption.

Two previous studies (Beede & Lawson, 1991; CBRC, 1992) reported that adolescents describe standard packaging as "dull" and "boring". However neither of these studies distinguished the reaction of smokers versus non-smokers, and neither included adult smokers and non-smokers. This study compared independent samples of 11-49 year old smokers' and 11-29 year old non-smokers' ratings of standard packaging with ratings of current cigarette packs. Respondents also rated the likely impact of standard packaging on their and others' smoking behaviour, and on the overall image of smoking as well as brand images.

Respondents were asked to rate the packs on 11 bipolar (positive-negative) attributes (eg *awful-pleasant).*The standard packs were rated significantly less appealing than the current packs. The mean rating on all attributes for standard packaging were clearly negative whereas the mean ratings for the current packs were generally positive.

INTRODUCTION

Efforts by health authorities and anti-tobacco groups to reduce tobacco use, have included: tobacco advertising and sponsorship bans or restrictions; mandatory warnings on cigarette packs and advertising materials; increased taxation; public education campaigns; and, to protect non-smokers from environmental tobacco smoke, smoking bans in areas such as the workplace, public transport, and public buildings. Following the successful implementation of all or most of the above in countries such as Australia, Canada and New Zealand, attention is now being directed toward the *packaging* of tobacco, with advocacy efforts now underway for the introduction of *standard* packaging of tobacco products. Standard packaging refers to packaging where all brand identification is removed except the brand name, where all packs are the same colour, and where all brand names and other information on the pack is in the same typeface for each brand. Standard packaging is similar to 'plain packs' or 'generic' packaging for supermarket products.

In marketing, packaging serves a promotional role as well as the functional roles of product protection, stacking, etc (Kotler, 1999). Packaging is particularly important in generating and/or reinforcing previously established product category and brand images for non-essential products such as cigarettes. Packaging provides a link to other advertising and serves to uniquely differentiate one brand from another (Meyer, 1981; RBL...1993). To the extent that cigarette packaging contributes to an image of smoking as 'cool', 'sexy', and 'glamourous', and to the extent that these images facilitate smoking adoption and maintenance, the introduction of standard packaging should contribute to a decline in smoking, and especially amongst young people (Mahood, 1992). Mahood (1992) also argues that standard packaging would enhance the impact of health warnings because of less distraction due to the absence of brand image cues. A study by Beede & Lawson (1992) showed that health warnings were better recalled for standard packs than for current brand packaging.

Two studies of adolescents' reactions to standard packaging, one in New Zealand (Beede and Lawson, 1991) and one in Australia, (CBRC (Centre for Behavioural Research in Cancer), 1992), found that adolescents considered standard packaging to be 'dull' and 'boring'. The authors concluded that standard packaging was likely to detract from the 'glamorous', 'exciting' image of smoking and hence likely to act as a deterrent to smoking. However the CBRC study gathered only qualitative data from a relatively small sample of smokers (n=32) and non-smokers (n=34), and the New Zealand study.... Both studies excluded adults, and neither distinguished between smokers and non-smokers in reporting their data. It would be expected that adult smokers might be less affected by standard packaging than younger smokers, and that standard packaging would have a deterrent effect on trial for younger non-smokers but lessen consumption amongst younger smokers. This study included adult smokers (18-49 years) and non-smokers (18-29 years) (Adult smokers 50 years and over and non-smokers 30 years and over were excluded on the grounds that these groups' future smoking behaviour probably would be minimally affected by standard packaging).

This study attempted to experimentally determine whether or not standard packaging *is* seen to be less attractive (exciting etc) than current packaging . The study also measured: smokers' expectations of the effect of standard packaging on their and other smokers' smoking behaviour, non-smokers' expectations of the effect on their and other non-smokers' likelihood of taking up smoking, smokers' and non-smokers' expectations of the effect of standard packaging on the

overall 'image' of smoking and brand image, and smokers' and non-smokers' attitude toward the introduction of standard packaging.

METHODOLOGY

A monadic design was used to assess people's perceptions of three types of packaging (see Figure 1): 1. standard packaging; 2. current packaging; and 3. current packs with new warnings being considered by the Australian state governments. This third condition was included to assess the extent to which pack images would be affected by the new warnings that covered the whole back of the pack and occupied a larger proportion of the front of the pack. Respondents were randomly allocated to one of these three pack types.

Sampling

A mall intercept procedure was used with pre-assigned quotas for age, sex and smoking status. Such surveys have been found to yield comparable data to household probability samples (Community Health Studies ref). A total of 1070 persons took part in the study: 556 smokers and 514 non-smokers.

The sample was as follows:

TABLE 1: STUDY DESIGN

	AGE			
	11-17	18-29	30-49	Total
SMOKERS				
Current	61	60	69	190
Warnings	50	72	68	190
Same	63	48	65	176
Total	174	180	202	556
NON-SMOKERS				
Current	88	91	*	179
Warnings	87	73	*	160
Same	84	91	*	175
Total	259	255	*	514
TOTAL	433	435	202	1070

Each cell contained approximately equal proportions of males and females. The overall sex breakdown was as follows:

Male smokers N=279	26% of the total sample
Female smokers N=277	26%
Male non-smokers N=247	23%
Female non-smokers N=267	25%

The smoking characteristics of smokers are shown in Tables 1.3 (11-17 year olds amount smoked), 1.6 (smoking status of adults), 1.9 (18-49 year olds amount smoked), and 1.12 (brand

mainly smoked) in Appendix III. Just under half (47%) of the 11-17 year old smokers smoked less than 7 cigarettes per week; over 80% of adult smokers classified themselves as 'regular' rather than 'occasional' smokers; and 51% of adult smokers smoked 20 or more cigarettes per day.

The study was carried out in two shopping centre locations in each of Sydney and Melbourne, one with a largely blue collar catchment area and one with a largely white collar catchment area. The pack ratings conditions were spread across interview locations.

For 11-13 year olds, only those accompanied by a parent were approached so that parental permission could be obtained for the interview.

Questionnaire And Procedure

Respondents who satisfied the screening requirements and who agreed to be interviewed were seated in a private area with only the interviewer present. Parents of young respondents were not present for the screening nor the interview.

The interview consisted of two sections:

Pack Attribute Ratings: respondents were presented with photographs of an array of six brand packs and were asked to rate the packs "as a group" on the 11 bipolar attributes shown in Figure 3. The attributes were based on previous research by the Centre for Behavioural Research in Cancer (1992).

The six most popular brands in Australia in May 1992 were featured (Shoebridge, 1992) (These were also the six 'mainly' smoked brands reported by our sample). 5" by 7" photographs of the front and back of each pack were mounted on 40" by 16" cardboard folders so that all the six brand packs could be seen as a group.The photos showed the packs 'life-size' in the palm of a male hand. (see Figure 2). It can be noted that three of the brands (Winfield, Peter Jackson and Benson & Hedges) are positioned primarily on image, while the other three (Longbeach, Horizon and Holiday) are economy brands. The standard packs were executed in the two colours that appear most associated with cigarette packaging (red and blue), but in lighter shades than in the more saturated colours of the current packs. It was felt that using two colours would allow greater generalisability of the results. Respondents were shown only one standard pack colour. Colours were alternated across respondents.

The instructions for the pack rating question were as follows:

'CURRENT' PACK CONDITION: "*Here is a number of cigarette brands currently on the market. Considering these brands' packaging as a group, how would you rate the appearance of the packaging on the following?*"

NEW WARNINGS CONDITION: "*Here is a number of cigarette brands currently on the market. YOU CAN SEE THAT THE BACKS OF THE PACKS ARE TOTALLY COVERED BY CIGARETTE WARNINGS AS REQUIRED BY NEW REGULATIONS. Considering these brands' packaging as a group, how would you rate the appearance of the packaging on the following?*"

STANDARD PACKAGING CONDITION: "*Here is a number of cigarette brands currently on the market. YOU CAN SEE THAT THE BACKS OF THE PACKS ARE TOTALLY COVERED BY CIGARETTE WARNINGS AS REQUIRED BY NEW REGULATIONS. YOU CAN ALSO SEE*

THAT THE PACKAGING FOR ALL BRANDS IS THE SAME APART FROM THE BRAND NAMES. Considering these brands' packaging as a group, how would you rate the appearance of the packaging on the following?"

The additional instructions for the *new warning* and *standard packaging* respondents were designed to pre-empt any speculation as to why the packaging was different, and hence about the aims of the study.

Respondents were first presented with the bipolar alternatives and asked: "*Would you say they are....or....?"* Those who chose one or the other were then asked: "*Would that be very or quite....?"*

ii Perceived Impact Of and Attitude Toward Standard Packaging: After the attribute ratings, respondents in the current and warnings conditions then were shown the standard packaging. All respondents were asked for their perceptions of the effect of standard packaging on smokers and non-smokers. They also were asked whether they thought the standard packaging would affect the image of smoking per se, and the images of brands. Smokers were asked whether they would be likely to smoke more, less, or the same if all cigarettes, including their brand, were to appear in standard packaging. Non-smokers were asked whether they would be more or less likely to take up smoking, or whether there would be no change in their likelihood of smoking if all cigarettes were to appear in standard packaging. Finally, respondents were asked whether they approved, disapproved, or had no feelings either way about cigarettes being 'required to be packed' in standard packaging. This question was asked in two ways, alternated across respondents: 1) a neutral format stating that health authorities have recommended the requirement; and 2) a format stating that health authorities have recommended the requirement because research has shown that such packaging would discourage children from taking up smoking.

RESULTS

Pack Image

The results are summarised for smokers and non-smokers in Figures 4 and 5 respectively, which show for each packaging type, the net percentage nominating one or other of the bipolar alternatives (ie excluding "can't say" responses - which, for the total sample, were less than 10% for all attributes except 'for young/old people' (27%); 'attract/turn off young people' (23%); 'good/poor tasting' (26%); 'good/poor value for money' (13%)).

Figures 4 and 5 indicate that standard packaging is clearly distinguished from the current and new warnings packaging, for both smokers and non-smokers, on all of these attributes except *poor/good value for money*. Although *net* percentages of both smokers and non-smokers find the new warnings packs *attractive, pleasant, colourful, stylish* etc, the new warning packages are substantially less appealing than the current packs.

Discriminant Analysis of Differences in Pack Ratings

To determine whether the pack ratings varied by age group or pack type, a series of Discriminant Analyses was conducted, the ratings obtained from smokers were analysed separately to those of non-smokers. The output from these analyses is shown in Tables 2 and 3, and Figures 3 and 4.

Given two or more groups' perceptions with respect to a number of attributes, discriminant analysis can be used to determine the extent to which these perceptions discriminate between the groups ie the extent to which the perceptions are different overall, and which attributes are more or less discriminatory. The analysis also determines, as does factor analysis, the number of underlying dimensions represented by the attributes. The discriminant analysis also determines the extent to which the attributes discriminate between the groups and yields a 'perceptual map' showing the similarity between the groups on the basic dimensions represented by the attributes.

In this study, discriminant analysis was used to assess the extent to which the perceptions (ie attribute ratings for each type) discriminated between the pack types. The resulting perceptual map shows the overall similarity between the groups (in terms of their ratings), and hence between the pack types.

Tables 2 and 3 provide the F statistics and significances between pairs of groups, based on the Mahalanobis distances between groups. This indicates which groups are different to which other groups.

TABLE 2: DISCRIMINANT ANALYSIS SUMMARY: SMOKERS

	Under 18+	18-29	30+
F Statistics And Significance Of Differences Between Ratings Of:			
C and S[1]	34.3 *	15.5 *	18.8 *
W and S	15.1 *	8.3 *	17.4 *
C and W	3.7 *	5.0	2.4 **

	Current packs	Warning Packs	Standard Packs
F Statistics And Significance Of Differences Between Ratings Made By:			
< 18's and 18-29's	0.8 (ns)	1.9 (ns)	2.5 **
< 18's and 30+	1.1 (ns)	1.5 (ns)	1.8 (ns)
18-29's and 30+	1.4 (ns)	1.7 (ns)	0.6 (ns)

1. *C = Current Packs, W = Warning Packs, S = Standard Packs.*
* *Significant at .01 level.*
** *Significant at .05 level.*
NS *Not significant.*

TABLE R.4: DISCRIMINANT ANALYSIS SUMMARY: NON-SMOKERS

	Under 18+	18-29
F Statistics And Significance Of Differences Between Ratings Of:		
C and S[3]	24.1 *	23.8 *
W and S	16.6 *	19.8 *
C and W	1.8 (ns)	1.0 (ns)

	Current packs	Warning Packs	Standard Packs
F Statistics And Significance Of Differences Between Ratings Made By:			
< 18's and 18-29's	0.9 (ns)	1.9 (ns)	2.1 **

3. *C = Current Packs, W = Warning Packs, S = Standard Packs.*
* *Significant at .01 level.*
** *Significant at .05 level.*
NS *Not significant.*

Figures 3 and 4 provide an indication of the nature of these differences by showing:

i. A plot of the groups by pack type, based on their group centroids on the two discrimiant functions.

ii. Vectors representing the correlation between each attribute and the disciminant functions. The longer the vector, the more the explanatory power that variable has in discriminating between the groups.

The discriminant analysis indicated that the 11 attributes (or vectors) can be represented by two basic or underlying dimensions.

The relative importance of each attribute (vector) in discriminating between the groups' perceptions is reflected in the length of the vector. For example, *colourful-dull* is far more important than the attribute *boring-exciting.*

The relative position of each group on each attribute (vector) can be obtained by dropping a perpendicular from the group point to that vector. Hence, for Figure 3, the ranking of the groups on *attract young people-turn off young people,* is: C(under 18), C(18-29), C(30+), W(under 18), W(30+), S(18-29), W(18-29), S(30+), S(under 18).

Overall, the discriminant analysis showed that for both smokers and non-smokers:

(a) **Statistically significant** differences between the groups were evident;

(b) **Two** functions were found to be statistically significant in discriminating between the groups;

(c) The **first** (horizontal) function accounts for the **majority** (about 80%) of the variance between the groups.

Tables R.3 and R.4 show that, *amongst both smokers and non-smokers*:

i. The ratings of **standard packs** are significantly different from the ratings of **current packs**. This is true for all age groups.

ii. Whilst the size of the difference is not quite as large, the ratings of **standard packs** are significantly different to the ratings of **warning packs**.

iii. 11-17 year olds were more affected by the standard packaging than 18-29 year olds.

There is little doubt, therefore, that the standard packs evoke a significantly different image than either the **existing** packs or the **new warning** packs.

The differences between **current packs** and the **warning packs** were not as large:

i. Amongst *non-smokers* in both age groups, there was **no** significant difference between the ratings of **current** versus **warning** packs.

ii. Amongst smokers, however, in all age groups, the ratings of **current** packs versus **warning** packs were found to be significantly different at the .01 level for the two younger groups, and at the .05 level for over 30s. Obviously, smokers are more sensitive than non-smokers to this change in pack style, although over 30s appear to be less sensitive to the increased space on the pack devoted to warnings.

iii. Overall, these findings suggest that the warning packs are not seen as being *vastly* different to existing packs although younger smokers are clearly more sensitive to these changes.

In terms of the nature of the differences between the groups, all of the variables except one (see below) showed discriminating power (ie significant differences between the pack types). The attributes are shown below in descending order of significance:

* Colourful/dull
* Attractive/unattractive
* Awful/pleasant
* Stylish/pleasant
* Likely to attract young people/likely to turn young people off
* Cheap/expensive
* OK to be seen with/not OK to be seen with
* Good tasting/poor tasting
* For young people/for old people
* Boring/exciting

Only one variable showed no significant difference between the ratings of the pack types by age group: "*good/poor value for money*".

Essentially, the images of the packs were largely consistent between smokers and non-smokers:

* In comparison to current packs, the **standard** pack is clearly seen as:
  - Less colourful
  - Less attractive
  - Not as expensive
  - Less OK to be seen with
  - More likely to turn young people off
* The **warning** packs varied from the existing packs in a similar fashion. However, the extent of this difference was not as great, with the most significant difference between the existing and warning packs being the stronger perception that the warning packs may "*turn young people off*".

Impact on 11-17 year olds

The discriminant analysis show that the relative impact of standard packaging on several of the image attributes has been substantially greater for 11-17 year old smokers than for older smokers. However there was little difference between non-smoking 11-17 year olds and 18-19 year olds. For example:

TABLE R.2: SELECTED STANDARD PACKAGING RATINGS BY AGE

	Smokers			Non-smokers	
	11-17	18-29	30+	11-17	18-29
% Stating... Old fashioned	92%	71%	72%	76%	79%
Unattractive	92	71	78	88	82
Awful	87	69	66	77	73
For old people	71	46	35	67	62
Not OK to be seen with	71	49	37	79	74
Turn young off smoking	66	46	46	77	76

PERCEIVED IMPACT OF STANDARD PACKAGING ON PEOPLE WHO SMOKE

Prompted: Respondents were presented with the alternatives: *All would smoke more, Most would smoke more, Some would smoke more, No effect either way on any smoker, All would smoke less, Most would smoke less, Some would smoke less, and Some would quit.* They were asked: *"In terms of amount smoked, how do you think this standard packaging would affect people who smoke?"* These results are shown in Table r.6.Just over half of the total sample would expect "no effect" (51.5%), 38% expect at least "some" to smoke less, and 7.5% expect "some" to quit. This polarisation occurs across age, smoking status and sex, although there are some differences: age of *smoker* is linearly related to "no effect": 45% of 11-17 year olds; 54% of 18-29 year olds; and 68% of over 30s.

TABLE R.6: PERCEIVED EFFECT OF STANDARD PACKAGING ON AMOUNT SMOKED

	% Total Sample
All/most/some smoke more	1.5%
No effect	51.5%
All/most smoke less	13%
Some smoke less	25%
Some would quit	7.5%
Can't say	1.5%
TOTAL	100%

Image brand smokers, across all three age groups, were more likely than economy brand smokers to expect a decrease in consumption, and, conversely, economy brand smokers were more likely to expect "no effect":

TABLE R.7: PERCENTAGE PERCEIVING "NO EFFECT" ON CONSUMPTION BY TYPE OF BRAND SMOKED BY AGE

	% No Effect	
	Image Brands	Economy Brands
11-17 year olds	42%	56%
18-29 year olds	51%	69%
30-49 year olds	64%	75%

Adult heavy smokers were slightly more likely than adult light and medium smokers to expect "no effect".

PERCEIVED IMPACT OF STANDARD PACKAGING ON PEOPLE 'WHO DON'T YET SMOKE'

"What effect, if any, do you think this standard packaging would have on children and teenagers who don't yet smoke, in terms of taking up smoking?". The response categories presented to respondents were:

More likely to take up smoking
Less likely to take up smoking
No effect

The results are presented in Table R.8:

TABLE R.8: PERCEIVED IMPACT OF STANDARD PACKAGING ON LIKELIHOOD OF SMOKING AMONGST CHILDREN AND TEENAGERS WHO DON'T YET SMOKE

	% Total Sample
Less likely to take up smoking	71%
No effect/can't say	28%
More likely to take up smoking	1%
TOTAL	100%

The perceived 'less likely' effect decreased with age for smokers (11-17: 74%: 18-29: 66.5%; 30+: 62%), but not for non-smokers (11-17: 74%; 18-29: 74.5%). Furthermore, there was no difference between 11-17 year old smokers and non-smokers.

11-17 year old economy brand smokers were significantly more likely than 11-17 year old image brand smokers to expect a lesser likelihood: 83% versus 60%.

PERCEIVED IMPACT OF STANDARD PACKAGING ON SELF AND SMOKING BEHAVIOUR

6.1 Smokers' Perceived Impact on Their Smoking Behaviour

Smokers were asked: "If all cigarettes, including your brand, were in standard packs like these, do you think you would smoke more, the same, or less?". (The order of 'more' and 'less' was alternated across respondents). The results are summarised below in Table R.9:

TABLE R.9: SMOKERS' PERCEIVED IMPACT OF STANDARD PACKAGING ON THEIR SMOKING CONSUMPTION

Would smoke...	% Total Smokers
More	.5%
Less	30%
Same/can't say	69%
TOTAL	100%

Those who thought they would smoke less gave the following sorts of reasons: health warnings; "unattractive", "not exciting" pack; and the pack being "embarrassing". Those who claimed the packaging would have no effect on them stated that: the pack was "irrelevant"; they were "addicted" to smoking; and they "enjoy" smoking.

An expectation of smoking less was negatively related to age:

* 11-17 : 39% less;
* 18-29 : 28%;
* 30+ : 23%.

Image brand smokers were significantly more likely to say 'less' than were economy brand smokers (35% versus 21%), although the difference decreased by age:

TABLE R.10: SMOKERS' PERCEIVED LIKELIHOOD OF SMOKING LESS BECAUSE OF STANDARD PACKAGING AS A FUNCTION OF TYPE OF BRAND SMOKED

	BRAND TYPE	
% less...	Image	Economy
11-17 years	45.5%	22%
18-29 years	34%	23%
30-49 years	23.5%	20%

Amount smoked was negatively correlated with stating 'less', and across all age groups. For the total sample of smokers, the results were: light 39%, medium 31%, heavy 18%.

Non-smokers' Perceived Impact on Their Likelihood of Taking up Smoking

Non-smokers were asked: "*If all cigarettes, including your brand, were in standard packs like these, do you think you would be more likely to take up smoking in the future, less likely, or would it have no effect?*". (The order of 'more' and 'less' was alternated across respondents). The results are summarised below:

TABLE R.11: NON-SMOKERS' PERCEIVED IMPACT OF STANDARD PACKAGING ON THEIR LIKELIHOOD OF TAKING UP SMOKING

	% Total Non-smokers
Less	54%
No effect/can't say	46%
More	
Total	100%

There was a significant difference by age:

* 11-17 year olds: 62.5% less;
* 18-29 year olds: 45% less.

Those who stated they were 'less likely' gave the following sorts of reasons (Table 1.59): "unattractive" pack; "unfashionable" pack; and health warnings. Those who stated "no effect", stated that they "didn't like smoking anyway"; they would not smoke 'regardless" of the pack; and health concerns.

7. PERCEIVED IMPACT OF STANDARD PACKAGING ON THE IMAGE OF SMOKING

Prompted: *"Some people have said that some cigarette brands, for example Marlboro and Benson & Hedges, have clear images in people's minds. Do you think that standard packaging like this would strengthen, weaken, or have no effect*

on the images that some brands have?" These responses appear in Table 1.64.

7.1 Impact on Overall Image of Smoking

Smokers and non-smokers differed significantly here:

TABLE R.12:PERCEIVED IMPACT OF STANDARD PACKAGING ON THE OVERALL IMAGE OF SMOKING BY SMOKING STATUS

	% Smokers	% Non-smokers
Negative	48%	63%
No effect	29%	23%
Positive	14%	-
Can't say	9%	14%
Total	100%	100%

It is interesting that while almost half the smokers consider that standard packaging would have a negative impact on the image of smoking, 14% of smokers consider there would be a positive impact. This contrasts with non-smokers, where less than .5% stated a positive impact. It may well be that these positive responders have interpreted the question differently: ie in the sense of the "socially" negative image of smoking being improved, while negative responders are referring to the "glamorous" etc image of smoking being lessened. It should be noted that these positive responders were mainly younger smokers: 20% of 11-17 year olds; 19% of 18-29 year olds; but only 4% of 30-49 year olds.

Image brand smokers were significantly more likely than economy brand smokers to anticipate a negative effect: 53% versus 37%, with a consistent difference across all age groups:

TABLE R.13: PERCEIVED NEGATIVE IMPACT OF STANDARD PACKAGING ON IMAGE OF SMOKING BY TYPE OF BRAND SMOKED BY AGE

	BRAND TYPE	
	% Image	% Economy
% negative		
11-17 years old	49%	22%
18-29 years old	53%	35%
30-49 years old	58%	48%
TOTAL	53%	37%

Table 1.64 shows that a clear majority of smokers and non-smokers, of all age groups and both sexes, think that standard packaging would weaken "the images that some brands have":

TABLE R.14: PERCEIVED IMPACT OF STANDARD PACKAGING ON BRAND IMAGES

	% Total Sample
Weaken	74%
No effect/can't say	24%
Strengthen	2%
TOTAL	100%

30-49 year old smokers were less likely than other groups to expect a weakening: 66% versus 74% for the total sample, as were smokers overall relative to non-smokers: 68% versus 81%. Image brand smokers across all three age groups were significantly more likely than economy brand smokers to expect a weakening effect:

TABLE R.15: PERCEIVED WEAKENING IMPACT OF STANDARD PACKAGING ON BRAND IMAGE BY TYPE OF BRAND SMOKED BY AGE

	BRAND TYPE	
	% Image	% Economy
% weaken		
11-17 years old	72%	60%
18-29 years old	73%	65%
30-49 years old	67%	58%
TOTAL	71%	60%

Lighter smokers were more likely to expect a weakening (73%) versus heavier smokers (62% of heavy smokers). This applied across all three age groups.

ATTITUDE TOWARD STANDARD PACKAGING

This question was asked in two ways:

i. *"Some health authorities have recommended that all cigarette brands be required to be packed in similar packs like this. Would you approve, disapprove, or do you have no feelings either way?"*. The order of approve, disapprove was alternated across respondents.

ii. *"Some health authorities have recommended that all cigarette brands be required to be packed in similar packs like this BECAUSE RESEARCH HAS SHOWN THAT THEY WOULD DISCOURAGE CHILDREN FROM TAKING UP*

SMOKING. Would you approve, disapprove, or do you have no feelings either way?". The order of approve, disapprove was alternated across respondents.

Table 1.67 shows that significantly more non-smokers than smokers have *unqualified* approval (66% versus 41%), and that *unqualified* approval amongst smokers increases with age: 11-17: 34.5%; 18-29: 40.5%; 30+: 47%. These levels of smokers' approval are higher than those obtained in a Morgan poll in March 1992. In th Morgan poll, *unqualified* smoker approval for a sample of smokers of all ages 16+ was 37%. Although there were a number of differences in procedure, it may well be that *unqualified* approval of standard packaging amongst smokers is increasing.

Table 1.70 shows that *qualified* approval increases to 64% for smokers and 74% for non-smokers. Male non-smokers were significantly less likely than female non-smokers to approve (65% versus 84%), as were 11-17 year old smokers versus older smokers: 50% versus 70%. These levels of *qualified* approval are substantially less than those found in the Morgan poll: 81% for smokers and 89% for non-smokers. However our methodology used *independent samples* whereas the Morgan technique asked the qualified question only of those who indicated disapproval or no opinion to the unqualified question. The latter method probably yields greater acquiescence due to social psychological effects such as 'reciprocal concession' (Cialdini, 1984).

Image brand smokers were significantly more likely than economy brand smokers to give qualified approval (70% versus 54%), but there was no difference for unqualified approval.

CONCLUSIONS

9.1 Standard Packaging Effects

* For both smokers and non-smokers, the standard packs are clearly distinguished from the current packs and the new warnings packs on the attributes used in the study. Whereas the current packs tend to be seen as "stylish", "colourful", "for young people" etc, the standard packs are seen to be "old fashioned", "dull", "for old people" etc. There appears little doubt that standard packaging like that used in this study would detract from positive images associated with current cigarette packaging.

* Standard packaging appears to have more impact on 11-17 year old smokers and non-smokers than on older smokers and non-smokers.

* While the new warnings packs are seen by smokers to be significantly less "attractive", "colourful" etc than the current packs, the new warnings packs nevertheless attract more positive ratings than negative ratings on most of the attributes. Furthermore they are equally likely to be rated as "OK to be seen with" (current packs: 70%; new warnings packs: 69.5%). The new warnings packs will have substantially less impact on the positive images associated with cigarette packs than would standard packaging.

* There is a general perception amongst about half those aged 11-29 years, both smokers and non-smokers, and amongst almost one third of 30-49 year old smokers, that standard packaging would lead to a substantial proportion of smokers smoking less or even quitting. Furthermore, approximately two-thirds of smokers of all ages, and almost three in four of non-smokes expect that standard packaging would make it less like that children and teenagers who don't yet smoke, would take up smoking. These data suggest that many smokers and non-smokers see the positive images associated with smoking and cigarette packaging as contributing to smoking adoption and consumption.

* Almost 40% of 11-17 year old smokers and approximately one in four adult smokes 'thought' they would smoke less if all brands were in standard packaging. While many other factors contribute to actual consumption, these data suggest some lessening of consumption under standard packaging.

* Overall, the data suggest that standard packaging could lead to a lessening in consumption amongst current smokers, and a lessening in uptake amongst non-smokers. The main factor appears to be a lessening or negation of the positive images associated with smoking and cigarette brands through a lessening or negation of the positive images associated with cigarette packaging.

Overall, these results suggest that, although the new health warnings may have a cognitive impact in their own right (CBRC, 1992), they have only limited impact on the positive images of the current packs, especially relative to standard packaging. If positive pack images are a significant contributor to smoking attitudes, intentions and behaviour, then a shift to standard packaging will have a far greater impact than simply a shift to the new warning packs. At the same time, it is likely that the design features of the new warning packs will lessen the positive images associated with the current packs.

REFERENCES

Beede, P. and R. Lawson (1992). The effect of plain packages on the perception of cigarette health warnings. Public Health, 106, 315-322.

Beede, P. and R. Lawson (1991).

Centre for Behavioural Research in Cancer (1992). Health warnings and contents labelling on tobacco products. Melbourne: Anti-Cancer Council of Victoria.

Cialdini, Robert, B. (1984). Influence: The new psychology of modern persuasion. New York: Quill.

Mahood, Garfield (1992). Generic or "plain pack" tobacco packages: Moving toward real bans on tobacco advertising. 8th World Conference on Tobacco or Health, Buenos Aires.

RBJ Health Management Associates (1993). Impact of plain packaging of tobacco on youth perceptions and behavior: Report of study 1. Canadian Cancer Society.

Shoebridge, Neil (1992). Is this the fag-end for smoke ads? Business Review Weekly, November 6, pps 85-86.

CHAPTER TWENTY

The Package as Communication

Burleigh B. Gardner

To begin with, we must recognize that a package performs two functions: (1) as a container for the product and (2) as a communication that will influence the purchaser.

The first area is critical and involves many considerations. The package must protect the product, must facilitate its use, must facilitate shipping, handling, and distribution, and must be feasible in terms of cost and technology. This is a field for specialists such as packaging engineers and is outside the scope of this chapter.

The second function, that of communication, has over the last 50 years become increasingly critical, especially in the broad field of consumer products. Every package that we see on the shelves of the supermarket, drug store, the liquor store, or any retail outlet is a visual communication, a complex set of symbols that has an impact on the customer. The purpose of this communication is to make the potential customer desire the product. It is a deliberate effort to win customers, as a politician's speech is a deliberate attempt to win the votes of his audience. In a consuming society in which every customer has a multitude of choices, the importance of the package as a communication is well understood. This is so well understood by everyone (including customers) that probably every package we use has been designed by some expert, and a vast number of them have also been studied by researchers to determine consumer reaction.

In the last few decades a major field

of package design research has developed. It is composed of hundreds of firms, consultants, and research specialists, with a wide variety of techniques for studying the communications aspect of packaging. Probably every consumer research organization in the country has studied packaging in one way or another.

The various methods of this research are all based on certain assumptions about the package as a communication and what is important about it. Each has its use and each rationale has some truth to it. Each seems, however, to be only a partial truth. There is no one technique from which researchers can say that any package will overcome all the others in winning the minds and dollars of consumers. In fact, we are in a state in which what we *don't know* about the consumer's mind and how to research it is greater than what we do know. All assumptions are only partial assumptions or relevant only to certain situations, and research can at best only eliminate the gross errors and increase the odds of success.

With these limits in mind, I will discuss further some of the theories and methods of research, but will not attempt to go into detail on any one method. These are covered more adequately in other chapters by specialists thoroughly familiar with each.

WHAT DO WE MEAN BY COMMUNICATION?

I addressed this question earlier as follows:[1]

> When we talk about a package as a communication, we are referring to a very complex set of reactions in the mind of the beholder, all of which contribute to a feeling about the product inside. The nature of this feeling can contribute to the anticipation of what the product will be like and the satisfaction it will provide. In the case of many food and beverage products the package may actually affect the sensory response to the product. Thus the same soft drink in different bottles may taste differently. With high-volume consumer items, where there are many competing brands, even subtle differences in package communication can have an important impact on sales.

The package becomes a symbol that penetrates the mind and triggers meanings that often are not put into words and that to some degree may vary from person to person. With us a package may have some generalizable meanings because in our culture we have all been exposed to it in similar contexts. Since as far as we know most symbolic meanings are learned, however, many package symbols will mean something different in different cultures. A package or a logo that is rich in meaning to Americans will have entirely different meanings to aborigines who have had no experience with the product. (That is not to say that there are no symbols with universal meanings due to the human condition. Phallic symbols, for example, appear widely, and they appear early in man's history.)

Within our culture, however, a package, a name, a logo, tell the consumer many things and arouse feelings or expectations that are relevant to whether he will accept or desire and use the product. The problem of package research lies in part in studying this symbolic meaning and how it will affect the sale of the product.

When we talk about a package as communication we are talking of its symbolic meaning. To quote Dr. Sidney J. Levy from his article, "Symbols for Sale:"[2]

> Several years of research into the symbolic nature of products, brands, institutions, and media of communication make it amply clear that consumers are able to judge grossly and subtly the symbolic language of different

objects and then to translate them into meanings for themselves.

Consumers understand that dark colors are symbolic of more 'respectable' products; that browns and yellows are manly; that reds are exciting and provocative.

Dr. Levy further describes a study of symbolic meaning:

In a recent study of two cheese advertisements for a certain cheese, one wedge of cheese was shown in a setting of a brown cutting board, dark bread and a glimpse of a chess game. The cheese wedge was pictured standing erect on its smallest base. Although no people were shown, consumers interpreted the ad as part of a masculine scene, with men playing a game, being served a snack.

The same cheese was also shown in another setting with lighter colors, a suggestion of a floral bowl, and the wedge lying flat on its longer side. This was interpreted by consumers as a feminine scene, probably with ladies lunching in the vicinity. Each ad worked to convey a symbolic impression of the cheese, modifying or enhancing established ideas about the product.

This study could easily be of two packages, each of which would change the impressions of the product.

The significance of the symbolic communication of the package and its effect on perception of the product was also shown in an experiment in which the same beer was bottled in three different types of bottles: the usual long-necked brown bottle, a short, "export" brown bottle, and a clear bottle. In a taste test, a group of beer drinkers rated each beer on a special semantic differential, and there was a clear difference perceived among the three. Clearly, the package was affecting the perceived taste.

All of this reiterates the point that the package is a symbolic communication that tells consumers something about the product it contains. The package also often communicates at a very subjective level; it produces not firm knowledge but a feeling.

When dealing with symbolic communication, we are dealing with the processes of the mind. The eye is only a link in the communication system that transmits external stimuli that the eye perceives, to the mind, which interprets these stimuli. Dr. Edwin Land of Polaroid recently reported research that shows that the eye transmits only variations in grey (not color) and that the brain translates these into form and color. He claims that the eye transmits only a chaotic series of impulses and that the brain organizes them into forms with structure and meaning.[3]

It is important to keep this in mind with some types of perceptual research such as eye movement and pupil dilation research used in advertising and package studies. In such research we are seeking measurable physiological responses that can tell something about what is going on in the mind that is relevant to our interests. To judge the meaning of such measures when studying a package involves a number of assumptions that may or may not be true.

WHAT A PACKAGE SHOULD DO

As a communication a package has several functions to fulfill. First, it must be visible in in its setting. If it is not seen, the customer will pass it by. Conventional wisdom tells us that of several competing brands the one most readily seen will get the customer's attention and hence the sales. In usual supermarket merchandising the goal of a brand is to get as much shelf facing as possible, with the assumption that a row of many packages will get more attention and sales than a single package. Also, the package that stands out perceptually will get more attention and sales than one that blends into the background.

This is one of the partial assumptions of package research that is not always true. Theoretically, it assumes that the customer looking at grocery shelves or a similar display is making a random search and that the first package to be perceived will be chosen. The housewife in the supermarket has ideas about brands and prices that enter into her search for a given product. If she can't find one she wants, she will keep on looking, or not buy, or settle for a second choice. With a new brand its product visibility may be especially important, since until it attracts attention to itself, it will not be noticed or bought. When purchasers think of all brands as being essentially the same, shelf visibility is probably very important since the shopper has an attitude approaching random search and has no influencing attitudes about brands.

A number of methods have been widely used to test for package visibility. For example, a test subject may view a test display through a tachistoscope to control rigidly the viewing time to a limited number of seconds. The subject then names the perceived brands. If the package being tested is named more often than the other brands in the test scene, then it is considered to be more attention-getting.

In these tests it is rare for a package being tested to get a dramatically higher score than competitive brands. If the experiment uses a large sample, even small differences can be considered statistically significant, but small differences are probably of no practical importance.

There is one problem with these tests: the subjects are not actually shopping with a purpose in mind. They are participating in an experiment. In testing, the subjects are sometimes afterwards asked to select samples of the brands tested as gifts. The choices made often do not reflect the measurements of perception in the test situation. At best there is only partial confirmation since in an actual choice situation the factors of brand perception and choice enter in.

With packages in shelf displays at retail, the shopper actually is receiving an extraordinary volume of competing signals. These comprise a chaos of visual impressions that the brain must organize into a meaningful structure. At our present state of knowledge it is believed that every visual impulse is received and interpreted by the brain, which selects those impulses to which it will give attention. The process is analogous to tuning a radio set to receive only certain stations: the brain "tunes in on" certain things that the eye brings to it, and tunes out, that is ignores, the rest.

Thus a shopper can walk through a supermarket with 10,000 items on display and select (and pay attention to) only a few. The shopper may pass down every aisle, stopping to consider a few selected items here and there and successfully ignoring the rest. Amidst the welter of competing impressions it is doubtful if a package can get attention unless the mind-set of the shopper is ready to let the impression in.

This is not to say that the shopper will only attend to the things that are appropriate to that shopping trip. The mind has a wide range of interests that can be reached. For example, experience has shown that a jumble of items in a shopping cart with a "Sale" sign will attract attention and sell items that the shopper was not originally intending to buy. Many other merchandising techniques try to get past the barriers in the mind to attract attention.

A package should communicate in a way that will make the customer want

it. All the elements in the design should be geared to that objective. Furthermore, it should try not to express conflicting ideas. A package design should be viewed with the following questions in mind:

1 What does it intend to say about the product?
2 To whom does it want to say it?
3 How well does it say it, and to what kind of people?
4 What does it say to others?

Since a package is usually speaking to a wide variety of people and may have mixed purposes, such as to change or reinforce a brand image, to retain old customers, and to gain new customers, its message can easily be confused or can be a compromise and not the best possible message for any audience or for any purpose. Communication is always simpler for a brand that is targeted to a limited audience and that has a specific purpose.

The package designer works with symbols that range from those with a commonality of meaning, such as descriptive words that all literate people understand, to elements with less agreed-on meanings or that arouse subjective reactions that are not defined in any dictionary. Some of these meanings may be detrimental to what the designer intends to communicate. To quote again from my earlier speech:

> Now let's consider the elements in a package configuration which affect its communication. One of the first to be considered is the material itself. Studies show that there are distinct differences in the meanings and imagery evoked by different materials. Thus, metal arouses feelings different from plastic, paperboard, or glass. Each evokes a different set of associations ranging from descriptive realism, i.e., hard, brittle, to the non-rational, emotion-laden ideas such as purity and warmth. This means that starting with the choice of materials, the designer is beginning to create a communication which will, in its ultimate form of the completed package, reach into the mind of the consumer and influence his reactions to both package and contents.
>
> Next is the influence of form, the actual shape of the package. Different geometric shapes have different evocative meanings. A cube is different from a sphere or a pyramid in the non-rational feelings each evokes. For example, comparing a sphere and a pyramid we find the sphere is more soft, feminine, delicate, while the pyramid is more masculine, aggressive, strong, and even harsh. Although the reactions to the basic forms can be readily established, the design often is a complex form whose meaning cannot be entirely anticipated and must be determined by research.
>
> Color is another factor which contributes strongly to the communication. If the package (apart from the label) is to any extent visible, its color carries a wide range of meanings. Thus, white speaks of purity, cleanliness, coldness, while red is warm, exciting, harsh, and even dangerous. There are variations in the meanings from one end of the spectrum to the other and for different variations in lightness and saturation.
>
> Finally, there is the problem of the label which usually carries the main burden of the communication. When considered first as a visual configuration (apart from the actual words), the label combines both two-dimensional form and color. Here the influence of different colors is very important both in themselves and as they interact with the forms to create a configuration.
>
> The goal of the design of package and label should be to have all the different elements blend together to communicate desirable qualities or feelings. Since other factors may often impose basic materials or shapes, it is possible to use color and form especially in the label to set the dominant themes. This requires a high order of skill in manipulating forms and colors for their symbolic values, not merely for artistic effects.

Let us consider some examples showing what the package communicates. In one case, a design for a box of sanitary napkins used a scene of brown plants and grasses blowing in the wind. The whole was dominated by irregular forms and shades of brown. When women were asked what ideas the package brought to mind, the general feelings were of disturbance and unease. As one woman put it "I would call it a menstrual storm." In contrast, another package with a simple floral design in pink and white evoked feelings of serenity, comfort, and relaxation. Clearly, for a sanitary napkin the package should be soothing, not stimulating.

In another test, a design for a small kitchen appliance was tested in two forms. In one form it was only in stainless steel. The other was the identical form but with a small logo in gold-colored metal on the side. The model with the touch of gold was felt to be of somewhat better quality than the plain model.

Other research has shown that color affects the perception of weight.[4]

To conclude, the package is a complex bundle of symbols that interact with the complex mechanisms of the mind. It is only this interaction that gives the package any meaning to the individual, and this meaning is what is important to the producer of the product or to the merchant who sells it. Research, therefore, must deal with two very complex systems and there are no simple or even complex techniques that tell us with certainty what the effects will be.

REFERENCES

1 Burleigh B. Gardner, "The Package As A Communication," a speech prepared for the 1967 International Marketing Congress, American Marketing Association, Toronto, Ontario, Canada.

2 Sidney J. Levy, "Symbols for Sale," *Harvard Business Review*, 37, No. 4 (July–August 1959), pp. 120, 121.

3 Edwin H. Land, "Our Polar Partnership with the World Around Us," *Harvard Magazine*, (January–February 1978), pp. 23–26.

4 Benjamin Wright, "The Influence of Hue, Lightness, and Saturation on Apparent Warmth and Weight," *The American Journal of Psychology*, 25, (June 1962), pp. 232–241.

When Packages Can't Speak:

Possible impacts of plain and generic packaging of tobacco products

EXPERT PANEL REPORT

Prepared at the request of

Health Canada

March 1995

March 1995

The Honourable Diane Marleau
Minister of Health

Dear Ms. Marleau:

It is our pleasure to present you with the Expert Panel Report, **When Packages Can't Speak: Possible impacts of plain and generic packaging of tobacco products**. We have prepared this Report to the best of our professional abilities and expertise within the budget and time parameters established.

There is no longer any debate on the intrinsic harmfulness of tobacco and smoking. In this spirit, we are confident that our Report will assist you in taking further actions toward evaluating the appropriateness for the Government to develop legislation on plain and generic packaging for tobacco products and thereby reduce consumption.

Respectfully submitted,
Panel of Experts and we have signed,

Dr. Marvin E. Goldberg,
Bard Professor of Marketing
Pennsylvania State University

Dr. John Liefeld,
Professor of Consumer Studies
University of Guelph

Dr. Gurprit Kindra,
Professor of Marketing
University of Ottawa

Dr. Judith Madill-Marshall,
Associate Professor of Marketing
Carleton University

Mr. Jacques Lefebvre,
President
Tribu Lintas Inc., Montréal

Ms. Nanistya Martohardjono,
Creative Director
Spencer Francey Peters Inc., Toronto

Dr. Harrie Vredenburg,
Associate Professor of Marketing
and Strategic Management
University of Calgary

TABLE OF CONTENTS

PREAMBLE

EXECUTIVE SUMMARY 1

1. INTRODUCTION 17

2. BACKGROUND 18

3. LITERATURE REVIEW 21

4. PRELIMINARY QUALITATIVE STUDY 37

5. RESEARCH STRATEGY, OBJECTIVES AND DESIGN 43

6. STUDIES AND RESULTS 51

- 6.1 National Survey of Teens: Knowledge, Attitudes, Beliefs and Smoking Behaviours 53
- 6.2 Word Image Survey 77
- 6.3 Visual Image Experiment 87
- 6.4 Recall and Recognition Experiment 103
- 6.5 Conjoint Experiment 111

7. ANALYSIS OF INDUSTRY EFFECTS 131

8. SYNTHESIS AND CONCLUSIONS 149

APPENDIX A - EXPERT PANEL MEMBERS' CURRICULUM VITAE 163

APPENDIX B - PRELIMINARY QUALITATIVE STUDY: METHODOLOGY 169

APPENDIX C - PRELIMINARY QUALITATIVE STUDY: SUMMARY AND INTERPRETATION 183

APPENDIX D - NATIONAL SURVEY OF TEENS: METHODOLGY 217

APPENDIX E - NATIONAL SURVEY OF TEENS: QUESTIONNAIRE 227

APPENDIX F - NATIONAL SURVEY OF TEENS: SCREENING INTERVIEW 271

APPENDIX G - NATIONAL SURVEY OF TEENS: DESCRIPTION OF SAMPLE ... 277

APPENDIX H - NATIONAL SURVEY OF TEENS: UNBRANDED PACKAGES ... 285

APPENDIX I - WORD IMAGE SURVEY: PACKAGES ... 289

APPENDIX J - PILOT STUDY: SELECTION OF PACKAGE TYPES ... 293

APPENDIX K - PILOT STUDY: QUESTIONNAIRE ... 297

APPENDIX L - PILOT STUDY: IDENTIFICATION OF CONVERGENT IMAGES ... 307

APPENDIX M - VISUAL IMAGE PILOT STUDY: DEPENDENT MEASURE ... 319

APPENDIX N - VISUAL IMAGE EXPERIMENT: PICTURES ... 327

APPENDIX O - RECALL AND RECOGNITION EXPERIMENT: IMAGES ... 365

APPENDIX P - CONJOINT EXPERIMENT: SCRIPT AND PICTURES ... 371

APPENDIX Q - CONJOINT EXPERIMENT: METHODOLGY ... 381

APPENDIX R - ANALYSIS OF INDUSTRY EFFECTS: THEORETICAL FRAMEWORK, METHODOLOGY AND HISTORICAL PERSPECTIVE ... 387

REFERENCES ... 423

PREAMBLE

Health Canada commissioned a panel of seven experts to examine current, plain and generic packaging of tobacco products and its role in marketing, consumer choice, and uptake or cessation of smoking.

The Expert Panel consisted of the following members:

Dr. Marvin E. Goldberg
Bard Professor of Marketing
Department of Marketing
Pennsylvania State University
University Park, Pennsylvania

Dr. Gurprit S. Kindra
Associate Professor of Marketing
Faculty of Administration
University of Ottawa
Ottawa, Ontario

Mr. Jacques Lefebvre
President
Tribu Lintas Inc.
Montréal, Québec

Dr. John Liefeld
Professor of Consumer Studies
Department of Consumer Studies
University of Guelph
Guelph, Ontario

Dr. Judith Madill-Marshall
Associate Professor of Marketing
School of Business
Carleton University
Ottawa, Ontario

Ms. Nanistya Martohardjono
Creative Director
Spencer Francey Peters Inc.
Toronto, Ontario

Dr. Harrie Vredenburg
Associate Professor of Marketing
and Strategic Management
Faculty of Management
University of Calgary
Calgary, Alberta

This membership provided coverage of the fields of marketing research, marketing strategy, marketing to youth, strategic management, consumer behaviour and package design (see Appendix A).

The Expert Panel first met in Ottawa on June 20–21, 1994, to discuss Health Canada's Study Framework and to frame the overall research objectives and the research studies to be undertaken. Subsequently, frequent meetings and conference calls were held as the work progressed. Members prepared initial drafts of one or more portions of the Report, according to their individual areas of expertise, but the Expert Panel as a whole was responsible for the content of all sections and for integrating them into the final Report.

The Expert Panel members are grateful to all persons and organizations that contributed to this project:

- The Federal-Provincial-Territorial Working Group for overseeing the Study Framework.
- The Office of Tobacco Control, of the Health Protection Branch of Health Canada for providing administrative and clerical support.
- Consulting and Audit Canada for providing meeting support and editing services.
- Generations Research Inc. and Canada Market Research Ltd. for undertaking and conducting the different qualitative and quantitative studies and experiments.

EXECUTIVE SUMMARY

INTRODUCTION

As part of its comprehensive response to the smuggling of tobacco products, the Government of Canada unveiled its National Action Plan to Combat Smuggling in February 1994. The four-part Plan included measures to reduce smoking, known as the Tobacco Demand Reduction Strategy. At that time, the Minister of Health announced that her Department would look into plain and generic packaging as an additional measure to control tobacco products. Health Canada developed a Study Framework in consultation with the provinces and territories that would examine current, plain and generic packaging of tobacco products and its role in marketing, consumer choice, and uptake and cessation of smoking. As part of the Study Framework, Health Canada commissioned a panel of seven experts to develop the research objectives, the plain and generic packaging models for testing, and the protocols for evaluating the packaging of tobacco products and to submit a report on the findings and conclusions to the Minister of Health regarding the possible impacts of the plain and generic packaging of tobacco products.

In addition, the House of Commons Standing Committee on Health reviewed the issue of plain packaging of tobacco products in the spring of 1994. The Committee issued, on June 21, 1994, its Report, entitled: *Towards zero consumption: Generic packaging of tobacco products*. It recommended that the Minister of Health implement legislation requiring plain and generic packaging for tobacco products, if the results of Health Canada's study provided evidence that plain and generic packaging would be effective in reducing the uptake and consumption of tobacco products.

The Expert Panel Report, entitled "*When Packages Can't Speak: Possible impacts of plain and generic packaging of tobacco products*", was presented in March 1995 to the Minister of Health, the Hounourable Diane Marleau. For the purposes of the Report, **plain and generic packaging** is defined as **packaging on which the surface graphics currently used to differentiate brands have been standardized.** A **brand** is a name, term, sign, symbol or design, or a combination of, that identifies a good or service and differentiates it from another good or service. All cigarette package variations used in the studies and experiments retained brand names and some included health warning messages.

LITERATURE REVIEW

Packaging, in addition to the physical protection of the good and facilitation of its usage and consumption, has several specific promotional purposes (Morrison, 1994: p.14–15; Hawkins, Best and Coney, 1992: p.441; Gershman, 1987: p.36–38). Packaging is the "least expensive

form of advertising" (Gershman, 1987: p.33), and is the most effective when it works in harmony with the positioning of a brand (Opatow, 1984). For first time purchasers, packaging is almost as important as the product itself (Opatow, 1984). Opatow has called the product's logo or trademark "a form of shorthand" for the product's attributes, benefits and projected image. **"No single factor is as important at the point of sale as the package itself....** The package is the manufacturer's last chance at a customer" (Gershman, 1987: p.34–35).

Plain and generic packaging would appear to "work" if the intent is to replace positive brand imagery with negative brand imagery. With plain and generic cigarette packages the conspicuousness of the choice of cigarette brand, and thus the brand's value as a symbol of belonging to a particular reference group, would decrease (Trachtenberg, 1987). Such packaging is expected to break the perceptual connection between perceived need or want, and the satisfaction of that need or want through cigarette consumption (Opatow, 1984). It would reduce brand awareness as a cue for first-time purchase choices by inexperienced buyers. Brand recognition would be hampered, as visual cues are diminished at point-of-purchase. Plain and generic packaging would be consistent with the ban on tobacco advertising and likely heighten the believability of warning messages (Beltramini, 1988).

Theoretically, plain and generic packaging should strike at the very process of adolescent decision making related to cigarette adoption. But presently there is little empirical evidence to support this theory. Most of the plain and generic packaging studies examined consumer desire to purchase plain-packaged goods (generics) given a choice between a brand name package and the less expensive, plain packaged alternative (Maxwell, 1984; McEnally and Hawes, 1984; Harris and Strang, 1985; Wilkes and Valencia, 1985). There have been very few studies about the effects of plain and generic packaging on consumer behaviour in which the whole product class was packaged in plain and generic containers.

To date, four studies have been conducted on plain packaging of cigarettes: the so-called Marlboro study (Trachtenberg, 1987), the New Zealand study (Beede and Lawson, 1992; Beede et. al., 1991), the Australian study (Centre for Behavioral Research in Cancer, 1992) and the University of Toronto study (Centre for Health Promotion, 1993). All four studies produced some evidence to support the hypothesis that plain and generic packaging made cigarettes less attractive and appealing. No comparable study providing contrary evidence is known to exist.

The study of consumer behaviour is limited by methodological concerns about validity and reliability. Virtually all consumer behaviour research is conducted in a contrived environment with simulated purchases, or through vignettes describing product decisions. The results may approximate real consumer behaviour but probably would not replicate it. Attempts to alleviate this problem and improve external validity by using questionnaires to record previous

purchases are also subject to recall bias (Kindra et. al., 1994). A limitation of the research conducted on the effects of advertising on behaviour is that it studies affects in a positive direction. In other words, marketing research has focused on how advertising positively affects attitudes and induces behaviour change. Any evaluation of plain and generic packaging would require studying how a lack of promotional packaging and branding can negatively affect attitudes and convince individuals not to smoke.

Despite the paucity of research on the effectiveness of plain and generic packaging in the reduction of the demand for tobacco products, the general theory of consumer behaviour suggests that plain and generic packaging of tobacco products could contribute to the breaking of the nexus between brand and its image. But a number of questions remain to be answered:

- What would be the potential impact of plain and generic packaging on images of and attributes about smoking and brands?
- How would teens react to the concept of plain and generic packaging?
- What would be the potential impact of plain and generic packaging in the presence of other product attributes, such as price and brand?
- What colour(s) would be least attractive to consumers?
- Would standardized, plain and generic packaging enhance or diminish the recognition, recall and impact of health warnings?
- Would the potential effects of plain and generic packaging be similar for adults as well as youth?
- Would the potential impact be similar for potential and existing smokers?
- What would be the potential impact of plain and generic packaging on tobacco industry strategies?

PRELIMINARY QUALITATIVE STUDY

To supplement the literature review of reported research findings and opinion, and to prepare itself for the design of rigorous studies, the Expert Panel considered it desirable to conduct a qualitative exploratory study. Therefore, qualitative focus groups were chosen to:

- supplement the published literature and provide current insights into smoking and youth;
- provide input to the development of alternative plain and generic package designs;
- assist in the conception and design of more rigorous research that would assess the potential impact of plain and generic packaging on smoking uptake or cessation; and,
- most importantly, give the Panel a "feel" for the research problems it was about to tackle.

Panel conducted ten focus groups with teenagers, six in Toronto (English) and four in

Montreal (French). Respondents were recruited to ensure a balance of early teen (grade 6) and teen (grade 8) levels, gender, and smoking status (smokers and non-smokers).

The Expert Panel learned about how teenagers talk, think and feel about smoking; about their perceptions of the role of smoking in peer relations and in families; and about their knowledge of cigarette brands, cigarette promotion and advertising, etc. The Panel suspects that the affective responses of these teenagers to plain and generic packaging indicates that such packaging might have an impact on the uptake and cessation of smoking among the teenage population (and possibly the cessation by adults). The magnitude of the impact is impossible to estimate on the basis of a limited number of focus groups. But the affective indications garnered by these exploratory focus groups provided sufficient grounds to proceed to more sophisticated and quantitative measurement of the potential impact of plain and generic packaging on smoking uptake or cessation. The Panel also derived insight that helped it design research that would employ measurement processes capable of teasing out the potential impacts of plain and generic packaging.

RESEARCH OBJECTIVES AND STRATEGY

In marketing and social research, no single study or research method by itself can provide definitive answers to the research question, "What will consumers do if?" Without the benefit of field experiments, such research can only determine what consumers would "**say**" they would do if. In this case, the Panel had to ask consumers what they would do if all cigarettes were only available in the same plain and generic packages. The Panel could not measure what consumers will do - it could only measure what they say they would do, what they say they think about plain packaging, what they say they think about the idea, etc. Thus, this type of research question is much more difficult to answer than the types of research questions physical scientists typically ask. They can measure what molecules do if, but they cannot **ask** the molecules what they would do if?

Science advances by building up a weight of evidence over many studies (replications) and many methods of investigating the same research question. Each method of investigation has different advantages and limitations with respect to generalizability, accuracy, reliability and validity. It is therefore imperative to employ a number of different research methodologies in a number of different studies, each addressing the same research questions in a different way. **The advantage of this strategy is that when the results of the different methods and studies converge to produce similar conclusions, then the combined weight of evidence greatly reduces uncertainty about or criticism of the generalizability, accuracy, reliability and validity of any one study on its own.**

From its expertise in consumer behaviour, the Expert Panel determined that knowledge, beliefs, attitudes and images that consumers hold about products and brands are **intervening**

variables that can be used to predict future purchase behaviours. Consequently the Panel devised a multi-method, multi-study strategy based on a variety of measures of awareness, recall, recognition, knowledge, attitudes, beliefs and imagery. Measures of the impact of plain and generic packaging on these intervening variables could then be used to assess the likely impact of such packaging on the uptake and cessation of smoking.

The research objectives of the panel were:

- to assess the potential impact of plain and generic packaging of cigarettes on the likelihood of smoking uptake;
- to assess the potential impact of plain and generic packaging of cigarettes on the recognition and recall of health warning messages on cigarette packages;
- to assess the potential impact of plain and generic packaging of cigarettes on the likelihood of cessation of smoking;
- to evaluate alternative designs for plain and generic packaging of cigarettes in terms of their potential impact on the uptake or cessation of smoking; and
- to project possible industry responses to plain and generic packaging by examining historical evidence and theory of competition regarding the actions of companies in industries characterized by increasing commoditization.

To tackle these five overall objectives, the Expert Panel conceived a battery of six different studies employing five methodological approaches.

Study	Method
1) National Survey	Survey - direct questioning / within-subject design
2) Word Image Survey	Survey - direct questioning / within-subject design
3) Visual Image Experiment	Experiment - direct questioning / within and between-subject design
4) Recall and Recognition Experiment	Experiment - direct questioning / between-subject design
5) Conjoint Experiment	Experiment - indirect questioning / within-subject design
6) Analysis of Industry Effects	Analysis of precedents of industry competitive and strategy activities in commodity industries

Each of the first five studies addresses similar research questions derived from the first four research objectives above. These research questions concern the impact of plain and generic packaging on the intervening variables - awareness, recall, recognition, knowledge, beliefs, attitudes and images. The Analysis of Industry Effects study, which employs historical

evidence about company and industry level competitive strategy, and marketing and economic theory, was developed specifically to address the fifth research objective above.

NATIONAL SURVEY

The purpose of the National Survey was to assess the knowledge, attitudes and beliefs held by smoking and non-smoking teenagers, 14–17 years old, regarding smoking, brands, brand images, plain and generic packaging, and perceived impact of such packaging on teenagers. To achieve this, a questionnaire was developed, pretested, and administered to a sample of 1,200 teenagers recruited through mall intercept procedures throughout Canada. The National Survey was also used as a vehicle for execution of the Word Image Survey and the Visual Image Experiment. A survey method of administration was used, but split sampling was used to provide for experiments within the survey. Thus different groups of respondents were exposed to different stimuli. This experimental approach reduces the limitations of direct questioning by controlling the stimuli or response framework of the respondent. Both the Word Image and the Visual Image approaches were imbedded in the sampling design for the national survey and administered as within-subject studies. The purpose of these studies was to test the hypothesis that plain and generic packaging would dampen or mute the linkage between a brand and its related imagery - that is, that such packaging might work to diminish the ability of a brand to be associated with a particular image.

In considering all data and information derived from the National Survey of Teens, several conclusions can be drawn. First, three quarters of Canadian youth who are not anti-smokers will smoke at least one puff or more of a tobacco cigarette in the next year. More than half of them currently smoke on average anywhere from 3.4 to 13 cigarettes per day despite the fact that they know and believe cigarettes are harmful (87%). They smoke to fit in with friends and to be cool. Those who now smoke infrequently and irregularly would increase their smoking if they were around smoking friends more often. The top two brands smoked by teenagers are du Maurier and Player's. Less committed smokers (infrequent/irregular smokers), choose these brands primarily because their friends smoke them. The influence of friends is still important but less so to more committed smokers' choice of brands. As smokers become more regular/frequent smokers, taste becomes the most mentioned reason for brand choice, followed by "it's the one my friends smoke."

Second, the survey showed that packaging is an important cue in brand identification for Canadian teens. Even teens who are not committed to smoking yet (the vulnerable/naive and experimenters), can identify several brands solely on the basis of package cues only, that is, with no brand name associated with the package. Package design alone, without brand name, provides enough information for almost all teens to recognize the two top teen cigarette brands in the Canadian market. The average teen in the population of interest in this study could recognize almost half of cigarette brands on the basis of package cues only. When

asked how cigarette companies get teens to notice their brand, the most common answer is package design.

Third, teenagers in the target population reported mixed views about what they believe would be the impact of plain and generic packaging. Fairly large proportions report that having cigarettes available only in such packaging would: bother them a lot (23.8%); result in fewer teenagers starting smoking (49.3%); result in teenagers smoking less (36.2%); and result in more teenagers stopping smoking (38.2%). Less committed smokers, the vulnerable/ naive and experimenters, are not bothered as much by the idea of plain and generic packaging and are more likely to believe that it would make a difference in the number of teens who would start, the amount smoked and the number who would stop. While these results suggest that sizeable numbers of teens believe such packaging would make a difference, it must not be forgotten that large proportions of teens said that they would not be bothered very much by such packaging (62.7%), and that it would not change the number who would start smoking (45.5%), the amount smoked (58.8%) or the number who would stop (45.2%). Also, very few respondents (5.6%) believe that making cigarette packages less colourful would be the best way to keep young people from smoking. Most believe that making cigarettes cost more (46.8%) or making it harder for young people to buy cigarettes (24.5%) would work best.

A close examination of these responses suggests that effects will be more marginal than large. This is because: only about 30-40% believe plain and generic packaging would make a difference; and, the difference they believe it would make is small in magnitude (i.e., only a few less would start). It must be noted, however, that the vulnerable/naive and smoking experimenters in the study are more likely than frequent/regular smokers to believe that such packaging will have an effect. This finding indicates that such packaging is likely to have more of a deterrent effect on teens in these groups. All evidence from the various facets of the National Survey of Teens is consistent in that it points to plain and generic packaging having a slight to perhaps moderate effect on smoking uptake among Canadian teens.

WORD IMAGE SURVEY

The purposes of the Work Image Survey were: to determine whether teenagers see image differences depending on whether a brand is packaged in the current package, a plain white package of a plain white package with "lungs" symbol; and to determine whether teenagers see image differences depending on whether a teenager smokes cigarettes of any type, or a particular brand, in this case either du Maurier or Matinée. In this study, one half of the national survey sample was exposed to one brand in its current package and semantic differential scales (words) were used to measure the image the respondent associated with that brand. This was followed by the brand in a plain white package, and finally a plain package with pictures of diseased lungs. The other half of the sample was exposed to a different brand in the same order of package versions. The analysis focussed on the identification of

differences (if any) between the patterns response to the semantic differential scales between the three types of packages.

It can be concluded that there is a significant difference in the images that Canadian teens have of teenagers who smoke cigarettes (no brand specified) compared with those who smoke either du Maurier or Matinée. Further, a teenager who smokes du Maurier is seen in a significantly different way from one who smokes Matinée. Lastly, it can also be concluded that there is a significant difference in the images that Canadian teens have of teenagers who smoke du Maurier and Matinée in the current, plain and lungs packages. Teenagers who smoke these brands in the current package are seen in a more positive way than those who would smoke the brand in the plain package or the lungs package.

It would appear therefore that packaging cigarettes in plain and generic packages would reduce the abilities of brands to differentiate themselves from each other and therefore the ability to link images with the brand. From the Expert Panel's knowledge of consumer behaviour, it can conclude on the basis of this evidence that plain and generic packaging might lessen the ability of the package to convey positive differentiated images to Canadian teens.

VISUAL IMAGE EXPERIMENT

The purpose of the Visual Image Experiment was to operationalize a measure that would assess the capacity plain and generic packaging might have to reduce differences in the perceived visual images associated with different brands of cigarettes. In this study respondents in the national survey sample were exposed to pictures of different types of persons (smokers). Pictures of different versions of brands were placed on these pictures of people, in the lower right hand corner. The order of brands, package types and persons-types were rotated. The response variable was the question, "Consider this (picture). Is (brand name) **in this package** right or wrong for this (woman/man)?" A five category multichotomous response (definitely right to definitely wrong) was measured. Differences in the response frequencies between the three types of packages were the focus of the analysis.

The Visual Image Experiment included six person-types and three brands:

- Matinée: a) Consistent image-sophisticated woman
  b) Inconsistent image-biker
- du Maurier: a) Consistent image-teenage girl
  b) Inconsistent image-fisherman
- Benson & Hedges: a) Consistent image-businessman
  b) Inconsistent image-teenage boy

Also, the Visual Image Experiment included three package types: current package; white plain package "plain"; and white plain package with lungs symbol "lungs".

The findings noted in this study support the hypothesis that plain and generic packaging and even more, plain and generic packaging plus the lungs symbol, can serve to minimize the unique brand images that have been constructed over time and the perception of the actual packages of cigarettes. As an example, du Maurier is seen as appropriate for teens and inappropriate for fishermen/laborer types, but only as long as the current brand is juxtaposed with these person-types. These differences (which reflect niches in the marketplace) disappear when plain packages are juxtaposed with the teenager and fisherman/laborer type.

The same pattern is observed when current and plain packages are juxtaposed with: the sophisticated female and the biker; and with the businessman and the teenage male. Given what the Expert Panel believed would be the enduring badge value of the brand name alone (which remained on the package), these results appear to be quite powerful. The change to a plain package overrides the brand name, even in the short-term setting of the experiment. Moreover, the findings seem quite robust inasmuch as they are consistent across brands, question order and questionnaire place.

Denuding cigarette packages of major elements of their brand markings (other than their name) appears to limit teenagers' capacity to associate specific images with specific brands. Under these circumstances, these brands lose their badge value and self-defining characteristics. When these characteristics represent key motivators in teenagers' decisions to smoke, then it seems reasonable to conclude that plain and generic packaging can be a useful strategy in attempting to demarket cigarettes to teenagers because it would make it more difficult to build or maintain brand equity. Finally, the lungs symbol uniformly led to that package being perceived as least appropriate for the consistent person/image.

RECALL AND RECOGNITION EXPERIMENT

The purpose of Recall and Recognition Experiment was to measure the effects of different versions of plain and generic packaging for cigarettes on: recognition of brand information; recall of the presence of health warning messages on packages; and recall of the content of health warning messages.

In this study teenage respondents were presented with a number of pictures on a computer screen with a four-second exposure. The pictures showed four items, one of which was a package of cigarettes. After seeing the first picture, respondents were asked to recall from the picture all the information they could (brand, type of cola, headline on the magazine, health warning message on the package, etc.). Second, several direct questions addressed the recognition and recall of the brand, presence of health warning message, and content of health

warning message on the cigarette package. Then the process was repeated with a second and third picture. This experiment utilized a between-subject design in which each respondent was exposed to only one package type (plain white or the current package) for each of three brands. The order of brands was rotated. Experimental control was very high and the between-subject design ensures high validity of the measurements. The analysis focusses on the differences in recognition and recall between the three types of packages.

Recall of the particular brand names appeared to be dependent upon the specific learned associations the teenagers had developed. In particular, the familiar red du Maurier package appeared to draw the subjects' attention, as recall of du Maurier was much higher for those teens who saw the current package than for those who saw the plain package. The fact that du Maurier was the only brand recalled by a substantial number of subjects is not surprising inasmuch as it is the brand that teens tend to favour and are most familiar with.

Only one health warning message, "Smoking can kill you", was recalled by a substantial number of subjects. This is clearly the message that contains the words for which subjects are most likely to have a low perceptual threshold. "Kill" and "you" no doubt readily rivet a subject's attention. By comparison, it is not surprising that the message "Tobacco smoke causes fatal lung disease...", was not well recalled by many. Its length and jargon-like wording makes it more difficult to notice and recall. It is more difficult to understand why the message, "Cigarettes are addictive," was recalled by so few subjects. It may be that its wording is "boring."

More subjects recalled the "Smoking can kill you" message when it was on the plain package than when it was on the Player's package. It may be that the absence of a competitive message facilitates unaided recall. For the aided recall question, both the "Smoking can kill you" (on the Matinée package) message and the "Tobacco smoke causes fatal lung disease..." (on the Player's package) message were matched by more subjects to the correct brand when they were viewed on the current package. These results suggest that the current package served as a more meaningful cue than the plain package, at least in two of the three cases. Of course outside of this limited experiment, the health warning messages are rotated regularly and not linked to particular brands. In this sense the results associated with this measure may be misleading.

The finding that very few subjects noticed two of the three brands and two of the three health warning messages suggests that the four second exposure to the images was not sufficient. It makes intuitive sense that with a minimal amount of exposure time, the one brand and the one message that were recalled were the ones the subjects could most easily readily identify - du Maurier and "Smoking can kill you". With longer exposure times, the same patterns observed in these instances might well be noted with the other brands and messages.

CONJOINT EXPERIMENT

The purpose of the Conjoint Experiment was to assess the potential effects of plain and generic packaging by employing a different measurement approach (indirect questioning) in the presence of other product attributes in addition to package type. The Conjoint Experiment considered the following attributes: package type (five); brand (four); price (four levels); and peer influence (friends smoke/do not smoke).

This experiment was executed in two modes: (1) for 200 non-smoking teens the response question was, "Which _____ would encourage you most to start smoking?", and (2) for 200 smoking teens and 100 adult smokers, the response question was, "Which _____ would encourage you most to stop smoking?". This indirect questioning approach helps protect against "demand effects and subject artifacts". The respondent is asked merely to indicate a preference between two products, each described by several attributes. This is very much like the decisions consumers make everyday when choosing between products in a store. It is more realistic because the task of the respondent is similar to the choice tasks they face in everyday life.

Assuming that demand effects and subject artifacts were minimal in the measurement process, the Conjoint Experiment provides the following conclusions.

For non-smoking and smoking teens, and adults, price is perceived to be the most important attribute influencing the uptake or cessation of smoking. There is little difference in the relative importance in the utility values between teen and adult smokers. Package type (current vs plain) is generally as important or more important than brand influence with respect to the uptake or cessation of smoking and more important than peer influences, except for teenage non-smokers.

In order of importance for inhibiting the uptake of smoking and encouraging the cessation of smoking, the lungs package received higher utility scores than any of the other plain package designs, but also had the highest standard deviations, indicating greater disagreement among respondents about this package design. For teenagers, the pink plain package was second highest in utility and the yellow-green was third highest in utility. For adults, the yellow-green was second highest and the pink third highest in utility. Excluding the lungs version, there is little difference between the other four plain package versions—plain white, yellow-green, buff, or pink.

The analysis of utility scores by sex and age reveals differences in the effects of brands between teens with respect to encouraging uptake among non-smokers and encouraging cessation among smokers. The brands that are revealed as significantly related to these tendencies can be tied rather explicitly to the nature of their promotional activities: for

example, du Maurier/females (predominantly the arts); Player's/males (predominantly sports). The analysis of utility scores by sex and age reveal that females are likely to be much more influenced by the lungs package design; this influence is not shared by the males.

Taken as a whole, the findings of the Conjoint Experiment suggest that plain and generic packaging will, to some unknown degree, encourage non-smokers not to start smoking and smokers to stop smoking. The absolute extent of this influence cannot be estimated without field experimentation under controlled conditions.

ANALYSIS OF INDUSTRY EFFECTS

The mandate of the Expert Panel included assessing the potential impact of plain and generic packaging on consumers from a marketing perspective. In addition to how consumers themselves are likely to react to such packaging, other important factors that would affect consumers are the potential competitive and strategic actions of the tobacco industry in response to a plain and generic packaging environment.

The purpose of the Analysis of Industry Effects study was to use marketing, strategic management and economic theory to identify potential responses of the tobacco industry to plain and generic packaging, and to speculate on possible adaptation scenarios by the industry as a whole and by individual firms within the industry. This study also considers the impact of plain and generic packaging on other sectors of the Canadian economy dependent on tobacco-related business. This study adopts a historical perspective to examine the potential reactions of the tobacco industry, in Canada and the United States, to external threats in their institutional environment. The strategic adaptation patterns emerging from this historical analysis are used as guides to predict future strategic adaptation patterns of the tobacco industry.

It is speculated that the tobacco industry would collaborate to preserve legitimacy by increasing its control and dissemination of smoking-and-health information, by threatening to pull out its business in Canada, by challenging the introduction of plain and generic packaging under NAFTA and GATT, and by attempting to forge coalitions with other tobacco-related sectors. Individual firm competitive strategies to maintain market share would intensify by shifting from "pull" strategies to primarily "push" strategies at the retail level through increased shelf space competition, preferential sales support and greater retail margins. Tobacco companies would integrate vertically by acquiring retail chains and direct marketing operations. Other possible industry effects and responses include price discounting, increased corporate reputation building through sponsorships, and product differentiation and innovation.

SYNTHESIS OF FINDINGS AND CONCLUSIONS

The mandate of the Expert Panel was to examine current, plain and generic packaging of tobacco products and its role in marketing, consumer choice, and the uptake and cessation of smoking. To accomplish this task the Panel devised a multi-method, multi-study strategy composed of six different research approaches. The multi-study, multi-method strategy succeeded in multiplying the weight of evidence applicable to the research questions. **In nearly all cases, the findings converge - that is, the findings of more than one study combine to support each other with respect to the potential effects of plain and generic packaging on the consumer decision-making process intervening variables.**

Each brand tested has a strong and unique image in its current package. These images are dampened when the same brand is presented in the plain or lungs packages. There are significant differences in the images associated with plain and generic packages compared with the current packages. The plain white and lungs package versions generated more negative images about smoking and smokers. Of the various versions of plain packages, the lungs version generated the most negative images about smoking and smokers. Current packages have the least perceived utility to encourage smokers to stop smoking and the lungs package has the most, with the other plain packages falling in between. Current packages have the most perceived utility while the lungs, plain white and other coloured packages have much less utility for encouraging non-smokers to start smoking. **The strength and convergence of these findings in four of the five studies suggest that plain and generic packaging would have a noticeable impact by limiting the capacity of consumers to associate specific and positive images with specific brands.** The strength of the lungs version of plain packaging should be viewed with caution inasmuch as it is possible for some teenagers to adopt images and symbols in unexpected ways. The potential of strong symbols like the lungs symbol to be adopted as badges or cult symbols would require further investigation.

Recall and recognition of two brands (du Maurier and Player's) is very high among all teens. Current cigarette packages with the brand name removed, but all colour and graphic elements present, are well recognized by teens. When clothed in a plain package, du Maurier was much less likely to be recalled in the Recall and Recognition Experiment. Recall and recognition of Player's and Matinée did not drop as much, but of course their current packages are much less different from plain and generic packages than is the highly distinctive red du Maurier package. Most teens agree that smoking is harmful to health, but recall of health warning messages was not higher when displayed on plain packages except for the "Smoking can kill you" message. **The evidence regarding recall, recognition, awareness and knowledge dimensions would suggest that plain and generic packaging would lead to lowered recall, recognition and knowledge of brands, but may not have significant effects with respect to the recall and recognition of health warning messages.**

Because of the possibility of too short an exposure time in the Recall and Recognition Experiment, further investigation of the effects of plain and generic packaging on the recognition and recall of health warning messages would be warranted.

In the Conjoint Experiment, teens and adults considered price to be the most important attribute in influencing them or others like them both not to begin to smoke and to stop smoking. Teenagers in the National Survey echoed this view by saying that packaging is the least important attribute influencing the uptake or cessation of smoking. Smokers tend to deny the importance of packaging, while non-smokers give it more importance. **But**, in the Conjoint Experiment, for both smokers and non-smokers, the perceived utility of the packaging attribute, while not as important as price, was approximately equal to the perceived utility of brand name by itself, and greater than peer influence. In the National Survey, large proportions of teens say that plain and generic packages would reduce the number of teens who would start smoking and the amount smoked, and would increase the number of teens who would stop smoking. **These findings suggest that packaging, while not the most important attribute related to uptake or cessation decisions, would be important and would have perceived utility for encouraging teen and adult smokers to stop smoking, and for discouraging non-smoking teens from starting to smoke.**

The National Survey findings reveal that teens who smoke more have different beliefs about a number of issues than teens who smoke infrequently. These heavy smoking teens more easily deny the harmful effects of smoking and more readily state that plain and generic packages would not be an effective deterrent. The Conjoint Experiment revealed little difference in the relative utility values of any of the attributes and their levels between smoking and non-smoking teens. In the Conjoint Experiment females assigned higher/lower utility to the lungs package with respect to stop/start smoking, than did males. This finding was supported by the findings of the Visual Image Experiment. **These findings suggest that the impact of plain and generic packaging would vary across the population. For some groups it would have greater effect than for others.** The Conjoint Experiment revealed that adult smokers and teen smokers have very similar views regarding the relative utility of price, package type, brand and peer influence, except that adults gave slightly higher utility to the lungs package to encourage them to stop smoking. **This finding suggests that the impact of plain and generic packaging may be similar among smoking adults and smoking teens.**

The combined weight of evidence exceeds the sum of its parts. Virtually all the findings of these five studies converge on the following conclusions.

> **Plain and generic packaging of tobacco products (all other things being equal), through its impact on image formation and retention, recall and recognition, knowledge, and consumer attitudes and perceived utilities, would likely depress the incidence of smoking uptake by non-smoking teens, and increase the incidence of**

> **smoking cessation by teen and adult smokers. This impact would vary across the population. The extent of change in incidence is impossible to assess except through field experiments conducted over time.**

These conclusions are tempered by the caveat, all **other things being equal**. The tobacco industry and other firms whose revenues would be affected by the introduction of plain and generic packaging can be expected to initiate strategies to ensure that all other things are not equal.

> **Plain and generic packaging of tobacco products would have a significant impact on the tobacco industry which would lead to significant effects on the industry's corporate strategies and competitive actions. The tobacco industry would sustain losses to its dwindling supply of legitimacy and cigarette marketers would have fewer marketing strategy variables to induce the purchase of tobacco products. The tobacco industry would collaborate to preserve industry legitimacy and individual firms would be extremely innovative in their competition for a declining but still lucrative cigarette market. Plain and generic packaging of tobacco products would have corollary effects on other sectors dependent upon tobacco-related business.**

1. INTRODUCTION

As part of its comprehensive response to the smuggling of tobacco products, the Government of Canada unveiled its National Action Plan to Combat Smuggling in February 1994. The four-part Plan included measures to reduce smoking, known as the Tobacco Demand Reduction Strategy. At that time, the Minister of Health announced that the Department would look into plain packaging as an additional measure to control tobacco products. Health Canada developed a Study Framework in consultation with the provinces and territories that would examine current, plain and generic packaging of tobacco products and its role in marketing, consumer choice, and uptake and cessation of smoking. As part of the Study Framework, Health Canada commissioned a panel of seven experts to develop the research objectives, the plain and generic packaging models for testing, and the protocols for evaluating the packaging of tobacco products and to provide a report on the findings and conclusions to the Minister of Health regarding the possible impacts of the plain and generic packaging of tobacco products.

In addition, the House of Commons Standing Committee on Health reviewed the issue of plain packaging of tobacco products in the spring of 1994. The Committee issued, on June 21, 1994, its Report, entitled: *Towards zero consumption: Generic packaging of tobacco products*. It recommended that the Minister of Health implement legislation requiring plain and generic packaging for tobacco products, if the results of Health Canada's study provided evidence that plain and generic packaging would be effective in reducing the uptake and consumption of tobacco products.

The following is the Report of the Expert Panel, entitled *When Packages Can't Speak: Possible impacts of plain and generic packaging of tobacco products* presented to the Minister of Health, the Honourable Diane Marleau.

2. BACKGROUND

It is believed by some health groups that plain and generic packaging for tobacco products would be an effective deterrent to product allure and make tobacco product differentiation and promotion difficult.

For the purposes of this Report, **plain and generic packaging** is defined as **packaging on which the surface graphics currently used to differentiate brands have been standardized. A brand** is a name, term, sign, symbol or design, or a combination of, that identifies a good or service and differentiates it from another good or service. All package variations used in these studies and experiments retained brand names and some included health warning messages.

Prior to the following Report, there have been few studies that have examined the potential impacts of plain and generic packaging of tobacco products on the rates of uptake (initiation) and cessation of smoking. Rather, previous studies have dealt primarily with either attitudes of purchasers toward plain and generic packaging or noticeability of health warning messages. Individually, those studies do not provide a conclusive case for the effect of plain and generic packaging on uptake or cessation rates. Nevertheless, collectively there is sufficient evidence to warrant further study on the issue, particularly from a marketing perspective.

To contribute to the better understanding of this issue, Health Canada developed a Study Framework to examine further plain and generic packaging of tobacco products. The purposes of the research are to evaluate the role of packaging as an inducement to purchase tobacco products, and to evaluate the potential effects of plain and generic packaging on uptake and cessation of smoking. The Study Framework does not deal with the health issues related to tobacco.

An important part of the Study Framework was the convening of an Expert Panel of "credible, experienced and unbiased specialists" in the fields of marketing research, marketing to youth, strategic management, consumer behaviour, and package design. The Expert Panel consisted of academics as well as practitioners.

The Expert Panel was charged with the task of responding to a number of questions and recommending the necessary studies to be undertaken. It was provided with the authority and responsibility necessary to develop protocols, conduct studies and provide a report on the findings and conclusions to the Minister regarding the possible impacts of plain and generic packaging of tobacco products.

The Study Framework was overseen by a Federal-Provincial-Territorial Working Group. The Working Group was to provide advice and guidance to the Expert Panel.

Health Canada provided overall support to the Expert Panel, either directly or by contracted services, and contracted all studies, thereby assuming fiscal and other administrative and clerical responsibilities pertaining to the Study Framework. Specifically, studies were contracted on a competitive basis according to guidelines established by Public Works and Government Services Canada.

3. LITERATURE REVIEW

3.1 INTRODUCTION

3.2 CONSUMER BEHAVIOUR

3.2.1 Role of Reference Groups in Adolescent Consumer Behaviour

3.3 THE MARKETING MIX

3.3.1 Price

3.3.2 Advertising and Promotion

3.3.3 Brand Strategies

3.3.4 Location

3.3.5 Packaging

3.4 PLAIN AND GENERIC PACKAGING

3.5 CONCLUSIONS

3. LITERATURE REVIEW

3.1 INTRODUCTION

The purposes of this section are: to locate and assess the importance of previous studies to the present one; and to place the issue of plain and generic packaging in its proper context by examining directly relevant theories and concepts in the areas of marketing and consumer behaviour.

The plain and generic packaging of tobacco products would result in a major change in the external operating environment of the tobacco products industry in Canada. Numerous studies point out that cigarettes are essentially differentiated (Porter, 1980) on the basis of lifestyle advertising and packaging (Bissell, 1994; Blum, 1983; Callahan, 1991; Chapman, 1986; Taylor, 1984). This is especially true for Canada because all local cigarette brands use only Canadian grown flue-cured Virginia tobacco mainly from the Niagara region of Ontario, with a small quantity coming from Quebec (Aubin, 1989). In the absence of physical differentiation in tobacco blends of the different brands sold in Canada, cigarettes can only be identified by consumers on the basis of nicotine delivery content. In testimony before the Quebec Supreme Court, Roy Ronald Brown, Vice-President of Marketing, Imperial Tobacco Ltd., stated:

> ... in the cigarette business, there is very little to distinguish (between different brands' tobacco), particularly in Canada, because we all use the same kind of tobacco, we do not flavour tobacco.... You can tell if it's very mild or very strong, and you might get some case characteristics that are different. But it's very difficult for people to discriminate blind-tested. Put it in the package and put a name on it, then it has a lot of product characteristics (Aubin, 1989: B3).

In the same hearing before the Crown, Aubin (1989) quotes Peter Hoult, Vice-President of RJR-Macdonald Inc., Canada, on the functions of cigarette packaging. According to Hoult, packaging served as a reminder of the imagery that the same brand had sought to achieve through advertising - making consumers recall the scenes and images on billboards and in magazines. The package colour delivered a message about a cigarette's strength - the lighter the colour, the lighter it was in terms of tar and nicotine. Hoult also stated that the cigarette industry relied on consumer surveys that showed that most smokers, particularly young ones, see the cigarette package as part of a ritual to project their own image and obtain peer approval by making a social statement. In a test (reported in *Forbes* magazine, Feb. 9, 1987), 1,546 smokers of Philip Morris (U.S.A.'s Marlboro brand, whose cowboy motif makes it the most successful "image" cigarette brand in history) were offered Marlboro at half price in generic brown boxes. Even though the smokers had been told the cigarettes were real

Marlboro and sealed in the same factory, only 21% were interested in these bargains (Aubin, 1989). In 1985, when Australian Health Ministers voted to increase the size of health warnings to 20% of the package surface, front and rear, the industry spokesperson protested that dictating what goes on the label infringes on the product's major selling angle, since the label is the image of the package, and image is what was sold. (Chapman, 1986). When the Canadian *Tobacco Products Control Act* sought to increase the health warning size to 25% of the package surface, it provoked a similarly strong reaction and legal action from the industry. In short, consumers don't buy a distinctive taste so much as they buy a distinctive image.

3.2 CONSUMER BEHAVIOUR

Consumer goods are commonly classified as **search** goods and **experience** goods (Forker & Ward, 1993). Search goods are usually durable goods that carry a high market value, and whose advertising provides *factual information* about the product's attributes which can often be tested before the consumer makes the final purchase decision (Forker & Ward, 1993). Experience goods, on the other hand, such as cigarettes, are goods for which the consumer is not willing to pay search costs prior to purchase, since these products are inexpensive and the risks from a poor decision are low (Forker & Ward, 1993). In experience goods, promotion is less factual and more impressionistic, since product differences are low and the objective is to encourage experimentation. Given that consumers are less inclined to search out all attributes, they may be more receptive to implied attributes that are difficult or impossible to evaluate even after experiencing the good. Thus the potential for gains through advertising and packaging for such allusive and non-substantive attributes may be considerable (Forker & Ward, 1993). Consumers experiment with alternatives and, after acquiring a reasonable set of experiences, will potentially develop stable purchasing habits, depending on the nature of their experiences.

In the purchasing of any product, consumers tend to go through a sequential decision-making process. The basic steps in this process are: activation, *search* and evaluation, intention, decision, and consumption (Kindra, Laroche and Muller, 1994: p.40–60).

Activation refers to the moment when potential consumers perceive an existing gap between what they need and desire, and what they possess to fulfil those needs and desires. Consumers then **search** for and **evaluate** their options. Knowledge of brands used by opinion leaders, peers, friends, family members and other reference groups is influential in this selection process. **Intention** is reached once consumers have chosen a particular brand to purchase based upon its perceived ability to deliver the attributes most important to them. The actual **decision** to consume is made when consumers purchase the product. **Consumption** takes place when the product is being used. Repurchasing is driven by the perceived successful fulfilment of consumers' particular needs and desires (Hawkins, Best and Coney, 1992: p.441).

This model can be applied to the purchase and consumption of tobacco products. During the activation stage, potential smokers - most of whom are adolescents - may identify a gap between their self-image and their reference groups (Lackman and Lanasa, 1993; Peterson and Rollins, 1987; Stafford, 1966). When evaluating their options, many youths see smoking as a way of improving their image vis-à-vis their peers. The tobacco product intended for purchase represents a desired personality for the soon-to-be smoker (Bearden and Etzel, 1982). Neophyte smokers may either purchase or accept from a friend their first cigarettes. Once consumers begin to smoke they are most likely to develop a strong brand loyalty (Raj, 1985) and they will seldom re-visit the first three stages of the model. Repurchasing of a tobacco product is reinforced by its perceived image utility and the psycho-physiological addiction to nicotine.

One way of reducing the prevalence of smoking is to prevent non-smokers from starting. Preventing the uptake of smoking might benefit from "altering" the decision-making process at the intention stage. Theoretically, plain and generic packaging of tobacco products might modify the consumer decision-process by changing the potential smokers' information base (Pollay and Lavack, 1993: p.268; Beede and Lawson, et al. n.d. - quoted in Standing Committee First Report, 1994: p.10).

The above decision-making model assumes "deliberation" or cognitive elaboration - mostly in early stages of product adoption. The model implies that after "habituation" is established consumers will tend to skip the first three stages of the process; that is, the depletion of the product will, with little or no subsequent deliberation, lead to repurchase.

It is generally held that the likelihood of extensive deliberation depends on: the level of motivation (arising primarily from consumer involvement with product/product issues and perceived relevance of product/product issues); and the ability to deliberate (depending primarily on information availability and capacity and opportunity to deliberate). "Habituation" and brand loyalty are conducive to low-involvement decision-making. In other words, once consumers have settled on a brand and acquired a degree of brand loyalty, reminder of the need and internal stimulation (i.e., recognition of product depletion), is sufficient to trigger need awareness and subsequent purchase. Habit formation thus occurs when a purchase is made with partial or no information search and without evaluation of alternate brands.

According to the Elaboration Likelihood Model of Persuasion proposed by Petty and Cacioppo (Petty, Cacioppo, and Goldman, 1981; Petty, Cacioppo, and Schumann, 1983), when the target market does not possess motivation or ability to conduct extensive deliberations, aspects of information source and product context alone can lead to an attitude change and subsequent behaviour modification. By removing or discouraging "negative" source and context cues, one would expect a shift in consumer attitudes.

For the Canadian tobacco products industry, with severely restricted direct promotional opportunities, the peripheral route of persuasion - effective projection of source quality (attractive packages, for example) and positive contextual associations (sports, fashion, arts, music and cultural sponsorships) - remains wide open. Furthermore, this route of persuasion may be the more efficient one anyway, since tobacco products, like many other low cost, undifferentiated products, cannot depend on central routes of persuasion involving logical, cognitive reasoning. It follows, therefore, that by restricting the creative and promotional aspect of tobacco product packaging, the peripheral route to persuasion may be considerably narrowed.

3.2.1 Role of Reference Groups in Adolescent Consumer Behaviour

There are 2.6 million teenagers in Canada. The average teen has a weekly income of $115 per week, watches television 17 hours per week, and listens to radio 13.5 hours per week (Kindra et al., 1994: p.477; Moore and Stephens, 1975). Adolescents are most susceptible to the effects of reference groups and socialization; they are active risk-takers and tend to be experimenters. Adolescents are more vulnerable to and far more interested in advertising than adults (Marney, 1993: p.18). Teenagers, 12–16 years old, often want to appear to be "grown-up"; therefore, advertising targeted at young adults (18–24 years old) will tend to have equal appeal to adolescents (Aitken et al., 1985: p.785; Marney, 1993).

Reference groups provide consumers with three types of influence: informational, utilitarian and value expressive (Kindra et. al., 1994; Bearden and Etzel, 1982: p.184). **Information influence** is based on the desire to make informed decisions. **Utilitarian influence** is reflected in attempts to comply with the wishes of others to achieve rewards or avoid punishments. **Value expressive influence** is characterized by the need for psychological association with a person or group, and is reflected in the acceptance of the positions and opinions expressed by others.

For would-be cigarette smokers - especially those in their adolescence - utilitarian and value-expressive reference group influences are crucial (Bearden and Etzel, 1982: p.187). If adolescents feel that certain types of behaviour will result in rewards or punishments from others, and these outcomes are viewed as important, they will find it useful to meet the expectations of these referents. The notion of utilitarianism and enhancing one's image among an adolescent's peer group may help explain why adolescents take up smoking, drinking or drug abuse - because it will be rewarded by their reference group (Callahan, 1991; Bearden and Etzel, 1982).

For adolescents, the most important reference groups are peer groups and family (Lackman, Conway and Lanasa, 1993; Peterson and Rollins, 1987; Stafford, 1966). One report showed that 29.9% of smokers chose a brand based upon information received from a relative or a

friend (Harris, 1989/AG-196). "Having a 'best friend' who smokes (was) a strong predictor of adolescent smoking" (Nutbeam, nd; 22/AG-128).

Foxman et al. (1989) observe that parental influence is higher with high-risk products than with benign products. Within families, the probability that adolescents will smoke, the frequency and volume of their smoking, and the brand that they smoke is closely related to the smoking behaviour of older adults in the family (Lackman, Conway and Lanasa, 1993; Millar and Hunter 1991). Foxman et al. (1989) also concluded that the influence of the mother is greater than that of the father - an indication that the tobacco manufacturers' marketing of cigarettes specifically to females might have a strong, indirect impact on adolescents' acceptance of the product.

3.3 THE MARKETING MIX

The primary marketing tools used to influence the behaviour of consumers include price, advertising and promotion, branding, location and packaging.

3.3.1 Price

Whereas price is recognized as a major variable in all consumer purchasing (Tellis, 1988: p.134), it is considered by some to be the most important factor in determining the prevalence of smoking (House of Commons, 1992:xv). Adolescents and young adults are more sensitive to price than the general population (Lewit, Coate and Grossman, 1981 as cited in AG-130). This is, of course, not surprising considering the lower discretionary incomes and (perhaps) "infirm habituation" of these groups. Pipe (1991: p.44–45) has concluded that hefty price increases of cigarettes from 1986 to 1993 (resulting from an aggressive taxation policy) contributed to the drop in smoking prevalence. Similarly, it has been argued that the recent reduction in the retail price of cigarettes will likely result in increased levels of cigarette consumption (Fennell, 1994: p.14–16).

It is worth noting that price is one variable in the marketing mix that is, through taxation, most susceptible to government influence. Interestingly, tobacco companies in Canada "absorb" the taxes uniformly to maintain similar levels of prices for their products. In other words, cigarettes are priced to maintain "stability" and "status-quo" in the market place. This type of "don't-rock-the-boat" pricing strategy is generally found in stable or declining markets. The motive behind this strategy is to maintain price stability and thus avoid destructive price wars. Competition in such cases, tends to focus on non-price aspects of the marketing mix such as packaging, image and location.

3.3.2 Advertising and Promotion

Advertising and promotion are two of the basic tools used by marketers to affect consumer behaviour. Advertising is aimed at sales generation over the long term by gradually changing public awareness, attitudes, perceptions and images. Promotions (coupons, samples, rebates, contests, discounts, premiums and prizes) are short-term merchandising tactics aimed at immediate sales (Kinnear, et al. 1995, chapter 15).

Advertising messages can range from predominately rational to predominately emotional appeals. **Rational** advertisements are product-oriented, promote product attributes, and are intended to influence perception of performance. **Emotional** messages are indirect, peripheral and promote a brand image designed to fit the desired self-image of targeted consumers. The latter is a "lifestyle" approach to selling a brand and is grounded in social learning theory (Bandura, 1977; Kindra et al., 1994). The term "lifestyle" is defined as "... a consumer's pattern of activities, interests and opinions which is consistent with this person's needs and values" (Kindra et al., 1989: p.181). A consumer's lifestyle implies a tendency on the part of the consumer to behave in a predictable manner in response to specific marketing efforts.

A review of 212 tobacco advertising and tobacco consumption investigations concluded that advertising increased total tobacco sales (U.K. Department of Health, 1992; p.16; Harris, 1989: 28, 34, 38/AG-200; Chapman, 1985; AG-20, 28, 34, 38). Even in situations involving monopolies with 95% of market share, advertising was used to expand market size (Tucker, 1982: 204, *Tobacco Quarterly*, 1979). Lifestyle advertising, when used to promote cigarettes, attempts to promote positive associations with smoking and reinforce its social acceptability (Pollay 1989: p.12). Since brand switching is not widespread, due to high brand loyalties (Pollay and Lavack, 1993: p.267; Tellis, 1988: p.2; Raj, 1985), targeting brand switchers makes little sense. Typical target markets for tobacco products are "young males 15–25," "young females 15–25," "latent quitters" and "down-switchers" (Pollay and Lavack, 1993: p.266-267; Pollay, 1989: 13, 16, 28).

In Canada, the growth of Imperial Tobacco Ltd. and its two established brand families, du Maurier and Player's, has been attributed largely to its efforts to target and attract teenage smokers:

> If the last ten years have taught us anything, it is that **the industry is dominated by the companies who respond most effectively to the needs of younger smokers**. Our efforts on these brands will remain on **maintaining their relevance to smokers in these younger groups** in spite of the (poor) share performance they may develop among older smokers. (FY'88 Marketing Plan of Imperial Tobacco Ltd. as cited in Pollay, 1989: p.16, and Pollay and Lavack, 1993: p.267; emphasis in original).

Sports sponsorship - especially televised sports sponsorship - is a relatively inexpensive and cost-effective form of "advertising" for many, including tobacco manufacturers. It has a significant impact upon children and adolescents (Ledworth, 1984). Sports sponsorship may suggest society's approval of smoking and predispose children as young as six to smoking (Action on Smoking and Health, 1992: p.12–13; Aitken et al. 1986: p.203). Sponsorship capitalizes upon the "sleeper effect" of advertising (Harris, 1989) and allows other marketing activities to build upon young consumers' prior dispositions as they grow older (Tellis, 1988: p.135).

3.3.3 Brand Strategies

Branding is an important marketing tool. A brand represents a colour, name, sign, symbol or any combination of these used to distinguish one competing product from another. More importantly, **brand names** serve as heuristics for consumers: they summarize a large "chunk" of data in an organized, familiar way which helps the consumer process product information (Bettman and Jacoby, nd: p.138). Most important, however, is a **brand's image**. Packaging is often designed to reinforce brand image. In fact, brand imaging is the most important purpose of packaging (Opatow, 1984).

Also believed to play a strong mediating role in the effectiveness of marketing is **brand awareness** (Raj, 1985; Tellis, 1988; Hoyer and Brown, 1990; Mark and Silverman, 1992; Percy and Rossiter, 1992; Fader and Schmittlein, 1993). Hoyer and Brown find that in situations where a well-known brand was presented next to two unknown brands, consumers were significantly more likely to choose the familiar brand. In situations where all three brands were unknown, subjects tended to make choices based on other product attributes. Hoyer and Brown also note that consumers choosing among unknown brands sampled a greater variety of brands and were more likely to make subsequent purchase decisions based on perceived quality. Subjects selecting among known and unknown brands continued in their tendency to choose the known brand without sampling other brands and without regard to perceived quality. The authors conclude that brand awareness provided a convenient cue for the purchase choices - especially first-time purchase choices - of inexperienced buyers.

The existing **brand equity** of cigarettes is important largely for smokers since cigarette purchases are marked by habit persistence (Forker & Ward, 1993). Brand equity also plays an important part in product diffusion through opinion leaders when advertising and promotion avenues are constrained (Aaker, 1991). Habit persistence refers to normal repetition or purchase decisions with slight deviations. This is truer for products that are frequently purchased and have a low economic value. Habit persistence is a composite index of consumers' socioeconomic status, preferences, and understandings of the current state of the market and alternatives (Forker & Ward, 1993). The two major purchasing bias information avenues are: changing habits and encouraging experimentation (only where the risk of trial is

low, as in cigarettes). This information changes consumers' states of knowledge about a particular product by either providing new knowledge or changes in perceptions about current knowledge (Aaker, 1991; Keller, 1993). With the Canadian ban on advertising and promotion of tobacco products, however, and the contemplated prohibition of differentiated packaging, these avenues would be closed to the cigarette manufacturers.

Mark and Silverman (1992) conclude that marketing also reinforced **brand loyalty**. The empirical evidence suggests that high market-share brands tend to possess high levels of brand loyalty and higher purchase frequency, thus protecting them from share erosion (Raj, 1985; Ehrenberg, 1988, 1991; Fader and Schmittlein, 1993). Advertising also tends to be effective in increasing the volume purchased of a particular brand by loyal consumers, but has no significant role in affecting brand switching (Tellis, 1988; Mark and Silverman, 1992).

A purchase-decision model developed by Percy and Rossiter (1992) differentiates between **brand recognition** and **brand recall** and stresses that awareness at the point of purchase does not need to include brand recall. All that is needed, the authors suggest, is that consumers have some idea of the visual presentation of the product's package (Percy and Rossiter, 1992: p.264). Recall of the actual product name is not usually necessary, because when a brand is recognized through visual cues at the point of purchase, brand awareness is triggered without any need for brand recall.

Brand attitude is another construct affecting purchase behaviour (Forker and Ward, 1993; Percy and Rossiter, 1992). It is a complex variable that is related to consumer motivation. Brand attitude is comprised of a **cognitive** and an **affective** component. The cognitive component guides behaviour and reflects the consumers' levels of involvement with the product and the purchase decision. Although not uncontested, there is also the view that cognitive elaboration (knowledge and thought processes) is a necessary precondition for affective, that is, negative or positive "feelings" toward a given brand. The progression from cognitive to affective is said to eventually lead to formation of intention and subsequent actual behaviour. Low involvement purchases occur where only trial experience and low levels of information are needed to complete a purchase; high levels of involvement require information search and conviction prior to purchase. The affective component of brand attitudes energizes the consumers' purchase behaviours and is the motivation behind the purchase decision.

If first-time or young cigarette buyers were positively motivated to smoke in order to satisfy the psychological needs of identity formation, social approval and independence, then low-involvement lifestyle ads would be most effective in inducing them to purchase cigarettes. Tobacco companies have promoted lifestyle images of wealth, sex appeal, glamour, slimness, femininity, masculinity, fitness, well-being, sophistication, success and social attractiveness as all being associated with various brands of cigarettes (Bissell, 1994; Callahan, 1991; Pollay, 1990; Chapman, 1986; Taylor, 1984; Blum, 1983).

The literature clearly shows that cigarette advertising and brand imaging were getting through successfully to pre-pubescent and adolescents alike (Aitken et al., 1991; Aitken et al., 1986; Aitken et al., 1985; Botvin et al., 1991; Chapman, 1986; Klitzner et al., 1991; Pollay and Lavack, 1993). More than half of 8–11 year-olds recognized major brands of cigarettes through brand imagery in the absence of brand names (Aitken et al., 1987: p.619). One of the most successful branding strategies the tobacco industry has employed is the advertising of brands specifically targeted at females, projecting the imagery of smoking as symbolic of female emancipation (Ernster, 1985). Specifically, this tactic increased the uptake of smoking in a target population whose initiation rate had been in steady decline, and whose overall prevalence was less than that for males (Pierce, Lee and Gilpin, 1994).

Children tend to equate smoking with adult-like behaviour. This assertion is consistent with Bandura's (1977) theory of social learning in which adolescents learn behaviour by observing role models. Cigarette advertising appears to predispose youth to smoke and reinforce under-age smoking (Aitken et al., 1991: p.383 and Klitzner et al., 1991: p.296). The under-age market share for Camel cigarettes has grown from less than 1% to 33% since the R.J. Reynolds Tobacco Company started using the cartoon character "Joe Camel" (Konrad, 1991).

3.3.4 Location

The location or place at which purchases are made is another important part of the marketing mix. Location only provides utility if products are available when and where the consumer wants them (Kinnear, Bernhardt and Krentler, 1995: p.10). Manufacturers of consumables often choose an intensive distribution strategy of selling their products through all responsible and suitable outlets that can and will sell them. There is no reason to believe that tobacco manufacturers would behave differently. Retail stores, especially small convenience and variety stores, are the most common place of purchase of cigarettes.

Within the outlets, producers attempt to maximize their shelf space and in-store exposure. **Product proliferation** - a manufacturer's strategy of maximizing shelf space allocated to its brands and thereby increasing the probability of purchase of one of its products - is aided by packaging. One brand of cigarettes could have several variants, largely differentiated by packaging. In addition, in-store advertising, promotions and product packaging provide search and evaluation information to first-time buyers (Bettman, Payne and Staelin, n.d.: 19).

The location of products within a store also influences purchase behaviour. Generally, the more visible a product is, the greater the chance it will be noticed and purchased (Gagnon and Osterhaus, 1985; MacZinko, 1985). The common, behind the checkout counter placement of cigarettes serves three locational advantages: last minute "reminders" to the consumer; enhanced visibility; and reduced pilferage. This favourable placement may also stimulate impulse buying, since 58% of tobacco purchases are not specifically planned (Popai Study, 1987).

The location of cigarettes at the checkout is also consistent with a **push marketing** strategy - that it, high-level promotion at each step of the distribution channel, including point-of-purchase promotion of well-known products with identifiable images (Kinnear et al. 1995: p.493).

A U.S. study suggests that small stores proximal to schools serve as a primary site for adolescent tobacco acquisition and experimentation (Barovich et al., 1991). Also, one survey reports that significant numbers of smokers (28.3%) chose a brand based upon information first learned in a store (Harris, 1989: 13/AG-196).

3.3.5 Packaging

Packaging, in addition to the physical protection of the good and facilitation of its usage and consumption, has several specific promotional purposes (Morrison, 1994: p.14–15; Hawkins, Best and Coney, 1992: p.441; Gershman, 1987: p.36–38):

- creating and sustaining brand awareness, image and appeal;
- reinforcing all other marketing communications;
- encouraging ready recognizability and product uniqueness;
- informing the consumer about a brand's characteristics;
- widening or narrowing a product's appeal;
- enhancing product performance;
- aiding in product proliferation;
- providing a symbol of corporate recognition;
- protecting a brand from copying and counterfeiting; and
- reminding satisfied, repeat purchasers of their brand's identity.

Packaging is the "least expensive form of advertising" (Gershman, 1987: p.33), and is the most effective when it works in harmony with the positioning of a brand (Opatow, 1984). For first time purchasers packaging is almost as important as the product itself (Opatow, 1984). Opatow has called the product's logo or trademark "a form of shorthand" for the product's attributes, benefits and projected image. **"No single factor is as important at the point of sale as the package itself....** The package is the manufacturer's last chance at a customer" (Gershman, 1987: p.34–35).

It has been reported that there is a lag of 2.4 years, on average, between consumption of first cigarette and the formation of a daily smoking habit (Toxic Substances Board, 1989: 46/AG-200). Both packaging and sponsorship play a vital role in maintaining consumer awareness and brand image during this lag period (Tandemar, 1992: p.17). It would seem logical, therefore, that packaging would be a key component of any tobacco control and smoking prevention strategy targeted at youth. Dissuasive packaging, or plain and generic packaging, deserves serious consideration.

3.4 PLAIN AND GENERIC PACKAGING

Tobacco companies appear to position their products and promote brand images to capitalize upon adolescent perceived needs and wants. These brand images are reinforced by packaging. Taking away the highly distinctive packaging would substantially diminish this reinforcement.

The Canadian Cancer Society (April 1994) recommends that the Government of Canada legislate plain and generic packaging of tobacco products in order to eliminate the package as a promotional tool and accentuate health warning labels. A plain and generic package of cigarettes would be standardized in size, printing, construction, texture and colour. Labelling would be restricted to brand name, health warning, contents, number of cigarettes and bar codes (Canadian Cancer Society, 1994).

Plain and generic packaging would appear to "work" if the intent is to replace positive brand imagery with negative brand imagery. With plain and generic cigarette packages the conspicuousness of the choice of cigarette brand, and thus the brand's value as a symbol of belonging to a particular reference group, would decrease (Trachtenberg, 1987). Such packaging is expected to break the perceptual connection between perceived need or want, and the satisfaction of that need or want through cigarette consumption (Opatow, 1984). It would reduce brand awareness as a cue for first-time purchase choices by inexperienced buyers. Brand recognition would be hampered, as visual cues are diminished at point-of-purchase. Plain and generic packaging would be consistent with the ban on tobacco advertising and likely heighten the believability of warning messages (Beltramini, 1988).

It must be ascertained beforehand, however, that plain and generic packages that accentuate warning labels would not actually be turned into a heuristic with which rebellious teenagers would identify in their search for expression and peer approval (Standing Committee Minutes, 1994, 7: p.12; Centre for Behaviourial Research in Cancer, 1992: p.41). For example, according to Gordon, Finlay and Watts (1994), the least attractive colour for packaging branded products would be purple - but would this finding hold true for plain packaged cigarettes?

Theoretically, plain and generic packaging should strike at the very process of adolescent decision making related to cigarette adoption. But presently there is little empirical evidence to support this theory. Most of the plain and generic packaging studies examined consumer desire to purchase plain-packaged goods (generics) given a choice between a brand name package and the less expensive, plain packaged alternative (Maxwell, 1984; McEnally and Hawes, 1984; Harris and Strang, 1985; Wilkes and Valencia, 1985). There have been very few studies about the effects of plain and generic packaging on consumer behaviour in which the whole product class was packaged in plain and generic containers.

To date, four studies have been conducted on plain packaging of cigarettes: the Marlboro study (Trachtenberg, 1987), the New Zealand study (Beede and Lawson, 1992; Beede et. al., 1991), the Australian study (Centre for Behavioural Research in Cancer, 1992) and the University of Toronto study (Centre for Health Promotion, 1993). All four studies produced some evidence to support the hypothesis that plain and generic packaging made cigarettes less attractive and appealing. No comparable study providing contrary evidence is known to exist.

The earliest plain packaging study - the so-called Marlboro study - reportedly concludes that smokers associate themselves and their self-images with a particular brand of cigarettes as represented by the package. It suggests that the sales of cigarettes could be expected to decline if the attractiveness of the cigarette package were eliminated (Trachtenberg, 1987).

The New Zealand study focusses on adolescents and their perception of plain-packaged cigarettes. Branded packages were associated with specific consumer self-images and lifestyles; plain packages were not. Plain packaging of cigarettes significantly improved adolescents' recall of health warning messages on packages; inhibited the promotional value of packages; and rendered other forms of advertising, such as sponsorship, less effective (Beede and Lawson, 1992). The authors conclude that dull, boring, plain packages would inhibit smoking initiation amongst teenagers (Beede and Lawson, n.d.: 5).

The Australian study corroborates the New Zealand findings that plain packaging would help reduce the positive images associated with cigarette consumption and thus reduce smoking amongst adolescents (Centre for Behavioural Research in Cancer, 1992).

Finally, preliminary results of the University of Toronto study indicate that plain and generic packaging would affect adolescents contemplating and experimenting with smoking more than it would affect regular smokers who were addicted. Specifically, this study concludes that plain and generic packaging removes the imagery associated with, and appeal of, branded cigarettes for adolescents. The researchers believe that such packaging would be an important part of a comprehensive tobacco control program (Centre for Health Promotion, 1993).

The study of consumer behaviour is limited by methodological concerns about validity and reliability. Virtually all consumer behaviour research is conducted in a contrived environment with simulated purchases, or through vignettes describing product decisions. The results may approximate real consumer behaviour but probably would not replicate it. Attempts to alleviate this problem and improve external validity by using questionnaires to record previous purchases are also subject to recall bias (Kindra et. al., 1994).

A limitation of the research conducted on the effects of advertising on behaviour is that it studies the effects only in a positive direction. In other words, marketing research has focussed on how advertising positively affects attitudes and induces behaviour change. Any

evaluation of plain and generic packaging would require studying how a lack of promotional packaging and branding can negatively affect attitudes and convince individuals not to smoke.

Finally, it is difficult to generalize from only four studies, and even more difficult, in this case, considering that only one of the four studies was conducted in Canada. Given that many research findings - especially in consumer behaviour - are not transferable across cultural boundaries, more work would need to be done in Canada (Hawkins, Best and Coney, 1992: p.34–44).

3.5 CONCLUSIONS

Despite the paucity of research on the effectiveness of plain and generic packaging in the reduction of the demand for tobacco products, the general theory of consumer behaviour suggests that plain and generic packaging of tobacco products could contribute to the breaking of the nexus between brand and its image. But a number of questions remain to be answered:

- **What would be the potential impact of plain and generic packaging on images of and attributes about smoking and brands?**
- **How would teens react to the concept of plain and generic packaging?**
- **What would be the potential impact of plain and generic packaging in the presence of other product attributes, such as price and brand?**
- **What colour(s) would be least attractive to consumers?**
- **Would standardized, plain and generic packaging enhance or diminish the recognition, recall and impact of health warnings?**
- **Would the potential effects of plain and generic packaging be similar for adults as well as youth?**
- **Would the potential impact be similar for potential and existing smokers?**
- **What would be the potential impact of plain and generic packaging on tobacco industry strategies?**

4. PRELIMINARY QUALITATIVE STUDY

4.1 OBJECTIVES

4.2 DESIGN AND EXECUTION

4.3 WHAT THE EXPERT PANEL LEARNED

4.4 THE BOTTOM LINE

4. PRELIMINARY QUALITATIVE STUDY

4.1 OBJECTIVES

To supplement the literature review of reported research findings and opinion, and to prepare itself for the design of rigorous studies, the Expert Panel considered it desirable to conduct a qualitative exploratory study. Research reports are abstractions from reality. The written word, no matter how well crafted, is incomplete in revealing the symbolism, meanings, and semiotics of reality. Thus, before attempting to design research geared toward its specific research objectives, the Expert Panel desired a "reality" check. Therefore, qualitative focus groups were chosen to:

- supplement the published literature and provide current insights into smoking and youth;
- provide input to the development of alternative plain and generic package designs;
- assist in the conception and design of more rigorous research that would assess the potential impact of plain and generic packaging on smoking uptake or cessation; and
- most importantly, give the Panel a "feel" for the research problems it was about to tackle.

4.2 DESIGN AND EXECUTION

The Expert Panel conducted two pretest groups in order to develop topics and protocols for the main focus group exploratory phase. These pretests allowed the Panel to fine tune the protocol and procedure. When it was satisfied that the protocol and procedure would be productive, the Panel conducted 10 focus groups with teenagers, six in Toronto (English) and four in Montreal (French). Respondents were recruited to ensure a balance of early teen (grade 6) and teen (grade 8) levels, gender, and smoking status (smokers and non-smokers). Participant recruitment procedures, participant characteristics, group composition and the focus group protocol are described in Appendix B. Several members of the Expert Panel attended all of the focus groups, in both languages, while other members of the Panel attended all groups in English or in French. The focus groups were videotaped. Summaries of the Panel's analyses are found in Appendix C.

Focus groups can be used for a variety of purposes (Calder, 1977): exploratory, clinical and phenomenological. In this situation, the Panel used the qualitative focus groups for both exploratory and phenomenological purposes. For exploration, focus groups are used to generate scientific constructs and validate them against everyday experience. For phenomenological purposes, qualitative focus groups are used to understand the everyday experience of consumers.

Qualitative research in general, and the focus group variant of qualitative approaches, do not provide, nor are they intended to provide, scientific conclusions. As Bobby Calder states:

> But there is concern about the subjectivity of the technique, and a feeling that any given result might have been different with different respondents, a different moderator, or even a different setting....focus group research should be regarded as preliminary. Results should not be generalized without further quantitative research (Calder, 1977: p. 353).

Indeed, focus group methods are subjective, and do not employ representative samples. In line with these cautions, therefore, the following summary of focus group findings should be regarded as preliminary and subject to verification by further quantitative research.

4.3 WHAT THE EXPERT PANEL LEARNED

Words alone are unable to fully capture the "insights" and "understandings" one derives from listening to respondents discuss, in their own words, questions of interest to a research designer. The insights and understandings that the Panel derived from the 10 focus groups are imbedded in and permeate the subsequent design and measurements in the Panel's quantitative studies. The following points detail the insights and understandings the Panel derived from the focus group phase.

A high proportion of the respondents had at least experimented with smoking. They suggested that it is easy to get cigarettes if they want to. They steal them from parents; they buy them from corner stores known to sell to under-age teens; and they get them from friends. While most teens believe smoking to be illicit and know that stores cannot sell cigarettes to minors, they perceive access to cigarettes to be easy and have developed a number of ways to:

- procure cigarettes;
- repackage cigarettes to make them more difficult for parents and teachers to discover (e.g., audio cassette cases); and
- use cigarettes as a symbol of transition from childhood to adulthood with their peer groups.

These teenagers view the process of starting to smoke as being largely unaffected by the brand, package, or promotional activities of cigarette sellers. The issue to them is "to smoke or not to smoke," which in turn is dominated by peer influence and parental acceptance or rejection. The particular brand is not involved with the initiation of smoking. In fact many of them have no idea of the brand which they first smoked. The first instances of smoking occur when someone else provides the cigarette - a friend, sibling, parent, relative, etc. The issue of brand only becomes involved later, when the teens first attempt to buy cigarettes.

Then, they have to specify a brand, so they name one they have heard of. As suggested below, this brand specification is driven by brand awareness.

Because the uptake of smoking is the beginning of a new behaviour, many models of health behaviour modification are not applicable. These models are based on stages people go through in overcoming a negative behaviour, such as an addiction to tobacco, drugs or alcohol. In the uptake, or initiation, situation these teenagers are involved in an entirely different process. They are not contemplating the cessation of a behaviour; rather they are driven to seek some sort of social approval or, "adulthood," by beginning a behaviour. Or they may be involved in trying not to develop an addiction in the midst of the peer pressures and moving into adulthood.

The uptake of smoking involves several complex factors, such as peer pressure and expressing individualism (making statements about the self in relation to peers, parents or authorities). This process is described by McCracken (1992). It appears that in most first trials of smoking, there are few package, brand, or brand promotion elements present. Most teens receive their first cigarette from a friend, so there is no brand choice involved. As noted above, the issue is "to smoke or not to smoke." Thus in the initial trial, brand and package are probably minor components influencing the process. Later however, if the smoking trial persists, teens will attempt to buy cigarettes themselves. At this stage teenagers have to be able to specify a brand. (We learned, however, that teenagers know about corner stores that sell cigarettes one by one, in which case teens ask for a single cigarette, not a package, and the brand is not really involved.) Then when purchase and repurchase begins, brand, brand awareness and brand image become involved, not in the decision whether to smoke or not, but in **which** cigarette to smoke. This "buying" stage seems to occur very early in the career of a smoker - after all one can only buy or "bum" off friends or siblings for so long before the welcome is worn out. This may occur as early as after the first cigarette or as late as the 100th cigarette. When teens do make their first purchase they will most likely choose the brand that their friends smoke.

For the teens who do smoke, two brands dominate - du Maurier and Player's. There appears to be a high degree of brand awareness of du Maurier and Player's brands among both female and male smoking and non-smoking teenagers, even younger ones. Awareness of other brands is much lower than these two. For the females, du Maurier is by far the best known brand; for males, primary brand awareness is split between Player's and du Maurier.

Most of the males were knowledgeable about the Player's automobile racing promotions. The females were unable to spontaneously connect du Maurier with promotional events or activities. Among males and females there was some awareness of the Benson & Hedges sponsorship of a fireworks show which had taken place earlier in the summer.

Overall, du Maurier was the best known and most recognized brand among both males and females. It is important to note that the du Maurier package is the only red package on the market. Red is more visible at a distance and perhaps more symbolic of rebellion. No other package has such a distinctive colour that can be recognized at a distance, when kids flash packages in the alleys, behind the mall, and the other places where they surreptitiously smoke.

These teenagers did not have well-developed images connecting brand names with images of people and lifestyles. The most dominant connections appeared to be between brands and gender. Some cigarette brands are clearly viewed as "male" (Player's, Export "A"). Other brands were associated with "female" (Matinée). Age also appeared to be a factor in connecting brands with brand images. Some brands were associated with older people while others were associated with younger people.

These teens say that plain and generic packaging would not stop kids (like themselves) from starting smoking or make them stop smoking. But when presented with different plain and generic package designs, the verbal and physical responses were universally negative. Grimaces, squirming in their seats, laughter, and verbal involuntary exclamations such as dull, boring, ugly, weird, plain, cheap, sick, dumb, stupid, disgusting, funny, gay and dorky were common. Thus what teenagers say (socially appropriate response biases) about the concept of plain and generic packaging contradicts their emotional, feeling and affective responses to plain packages.

Smoking and non-smoking teenage respondents had similar emotional reactions to plain and generic packages. The universal negative affective response to plain and generic package designs suggests that the potential impacts of such packaging might be similar for both the uptake and cessation processes.

4.4 THE BOTTOM LINE

The Expert Panel learned about how teenagers talk, think and feel about smoking; about their perceptions of the role of smoking in peer relations and in families; and about their knowledge of cigarette brands, cigarette promotion and advertising, etc. The Panel suspects that the affective responses of these teenagers to plain and generic packaging indicates that such packaging might have an impact on the uptake and cessation of smoking among the teenage population (and possibly the cessation by adults). The magnitude of the impact is impossible to estimate on the basis of a limited number of focus groups. But the affective indications garnered by these exploratory focus groups provided sufficient grounds to proceed to more sophisticated and quantitative measurement of the potential impact of plain and generic packaging on uptake or cessation. The Panel also derived insight that helped it design research that would employ measurement processes capable of teasing out the potential impacts of plain and generic packaging. These insights are encapsulated in the research strategy developed, which is elaborated in the next section of this Report.

5. RESEARCH STRATEGY, OBJECTIVES AND DESIGN

5.1 PREAMBLE

5.2 RESEARCH STRATEGY

5.3 RESEARCH OBJECTIVES

5.4 STUDIES UNDERTAKEN

5.4.1 The National Survey

5.4.2 The World Image Survey

5.4.3 The Visual Image Experiment

5.4.4 The Recall and Recognition Experiment

5.4.5 The Conjoint Experiment

5.4.6 The Analysis of Industry Effects

5.5 SUMMARY

5. RESEARCH STRATEGY, OBJECTIVES AND DESIGN

5.1 PREAMBLE

At its first meeting (June 21, 1994), the Expert Panel framed its overall research objective as designing studies that would isolate the effect of plain and generic packaging on the likelihood of reduced uptake (by teens) and the likelihood of increased recognition and recall of health warning messages (by teens). At the conclusion of this first meeting, the Panel specified in a workplan these four elements:

- a general literature review;
- a qualitative focus group study of the attitudes among youths about packaging, to derive insights that would assist in the design of the affect and perception studies;
- an affect study to measure the affective consequences of cigarette packaging on youth; and
- a perception study to measure heightened attention and recall of health warnings related to plain and generic packaging.

Over the next three months a more precise and complete understanding of the research challenges was developed as the Panel digested the available research literature and conducted the qualitative focus group study. Based on the insights gained from these two activities the Panel developed a comprehensive research strategy.

5.2 RESEARCH STRATEGY

At a meeting on August 25, based on what had been learned, the Panel defined a research strategy and a more detailed specification of the types of data and analysis needed to complete its work. This and the following section present this research strategy and the revised research objectives.

In marketing and social research, no single study or research method by itself can provide definitive answers to the research question, "What will consumers do if?" Without the benefit of field experiments, such research can only determine what consumers would "say they would do if." In this case, the Panel had to ask consumers what they would do if all cigarettes were only available in the same plain and generic packages. The Panel could not measure what consumers will do - it could only measure what they say they would do, what they say they think about plain and generic packaging, what they say they think about the idea, etc. Thus, this type of research question is much more difficult to answer than the types of research questions physical scientists typically ask. They can measure what molecules do if, but they cannot ask the molecules what they would do if?

From its expertise in consumer behaviour, the Panel determined that knowledge, beliefs, attitudes and images that consumers hold about products and brands are **intervening variables** that can be used to predict future purchase behaviours. (Of course, no one would argue that they are perfect predictors of future behaviours, for a number of well-known reasons.) Building on this expertise, the Expert Panel adopted a strategy to measure the impact of plain and generic packaging on these intervening variables and thereby permit an assessment of the potential impact of such packaging on the uptake and cessation of smoking. These measurements can be made directly through experimentation and other methods that don't force the Panel to rely on simply asking "How do you think plain and generic packaging will affect how you view this brand of cigarettes?"

Science advances by building up a weight of evidence over many studies (replications) and many methods of investigating the same research question. Each method of investigation has different advantages and limitations with respect to generalizability, accuracy, reliability and validity. No one method is free of limitations. Limitations generate uncertainties about generalizability, accuracy, reliability, and validity. It is therefore imperative to employ a number of different research methodologies in a number of different studies, each addressing the same research questions in a different way. **The advantage of this strategy is that when the results of the different methods and studies converge to produce similar conclusions, then the combined weight of evidence greatly reduces uncertainty about or criticism of the generalizability, accuracy, reliability and validity of any one study on its own.** On the other hand, if the results do not converge there is good reason to question whether the research is measuring well that which it is supposed to measure. In other words, by putting the research questions into different forms and methods, the Panel has increased the degree of confidence available to support the findings and conclusions no matter what they turn out to be.

Consequently the Expert Panel devised a multi-method, multi-study strategy based on a variety of measures of awareness, recall, recognition, knowledge, attitudes, beliefs and imagery. Measures of the impact of plain and generic packaging on these intervening variables could then be used to assess the likely impact of such packaging on the uptake and cessation of smoking.

5.3 RESEARCH OBJECTIVES

The revised research objectives of the panel were:

- to assess the potential impact of plain and generic packaging of cigarettes on the likelihood of smoking uptake initiation;
- to assess the potential impact of plain and generic packaging of cigarettes on the recognition and recall of health warning messages on cigarette packages;

- to assess the potential impact of plain and generic packaging of cigarettes on the likelihood of cessation of smoking;
- to evaluate alternative designs for plain and generic packaging of cigarettes in terms of their potential impact on the uptake or cessation of smoking; and
- to project possible industry responses to plain and generic packaging by examining historical evidence and theory of competition regarding the actions and alternatives of companies in industries characterized by increasing commoditization.

5.4 STUDIES UNDERTAKEN

To tackle these five overall objectives, the Expert Panel conceived a battery of six different studies employing five methodological approaches.

Study	Method
1) National Survey	Survey - direct questioning / within-subject design
2) Word Image Survey	Survey - direct questioning / within-subject design
3) Visual Image Experiment	Experiment - direct questioning / within and between-subject design
4) Recall and Recognition Experiment	Experiment - direct questioning / between-subject design
5) Conjoint Experiment	Experiment - indirect questioning / within-subject design
6) Analysis of Industry Effects	Analysis of precedents of industry competitive and strategy activities in commodity industries

Each of the first five studies addresses similar research questions derived from the first four research objectives outlined earlier. These research questions concern the impact of plain and generic packaging on the intervening variables - awareness, recall, recognition, knowledge, beliefs, attitudes and images. The Analysis of Industry Effects study, which employs historical evidence about company and industry level competitive strategy and marketing and economic theory, was developed specifically to address the fifth research objective.

The following subsections provide an overview of the primary purposes the five studies, which gathered new primary data. For more detailed descriptions of these studies and their findings, refer to section 6. See section 7 for a description of the purposes, methodology and findings of the Analysis of Industry Effects study.

5.4.1 The National Survey *(See section 6.1 for details)*

The purpose of the National Survey was to assess the knowledge, attitudes and beliefs held by smoking and non-smoking teenagers, 14–17 years old, regarding smoking, brands, brand images, plain and generic packaging, and perceived impact of such packaging on their peers. To achieve this, a questionnaire was developed, pretested, and administered to a sample of 1,200 teenagers recruited through mall intercept procedures throughout Canada.

The National Survey was also used as a vehicle for execution of the Word Image Survey and the Visual Image Experiment. A survey method of administration was used, but split sampling was used to provide for experiments within the survey. Thus different groups of respondents were exposed to different stimuli. This experimental approach reduces the limitations of direct questioning by controlling the stimuli or response framework of the respondent. Both the Word Image and the Visual Image approaches were imbedded in the sampling design for the National Survey and administered as within-subject studies.

5.4.2 The Word Image Survey *(See section 6.2 for details)*
AND
5.4.3 The Visual Image Experiment *(See section 6.3 for details)*

These studies share a common purpose but a different response variable. The purpose of these studies was to test the hypothesis that plain and generic packaging would dampen or mute the linkage between a brand and its related imagery - that is, that such packaging might work to diminish the ability of a brand to be associated with a particular image. These two studies were designed with this in mind.

In the Word Image Survey, one half of the national sample was exposed to one brand in its current package and semantic differential scales (words) were used to measure the image the respondent associated with that brand. This was followed by the brand in a plain white package, and finally a plain package with a picture of diseased lungs. The other half of the sample was exposed to a different brand with the same order of package versions. The analysis focussed on the identification of differences (if any) between the patterns of response to the semantic differential scales between the three types of packages.

In the Visual Image Experiment, respondents in the national sample were exposed to pictures of different types of people (smokers). Pictures of different versions of brands were placed in the lower right hand corner of these pictures of people. The order of brands, package types and people types were rotated. The response variable was the question, "Consider this (picture). Is (brand name) **in this package** right or wrong for this (woman/man)?" A five-category multichotomous response (definitely right to definitely wrong) was measured. Differences in the response frequencies between the three types of packages were the focus of the analysis.

5.4.4 The Recall and Recognition Experiment *(See section 6.4 for details)*

The purpose of this experiment was to measure the effects of different versions of plain and generic packaging for cigarettes on:

- recognition of brand information;
- recall of the presence of health warning messages on packages; and
- recall of the content of the health warning messages.

In this experiment teenage respondents were presented with a number of pictures on a computer screen, with a four-second exposure. The pictures showed four items, one of which was a package of cigarettes. After seeing the first picture, respondents were asked to recall from the picture all the information they could (brand, type of cola, headline on the magazine, warning message on the package, etc.). Second, several direct questions addressed the recognition and recall of the brand, presence of health warning, and content of health warning on the cigarette package. Then the process was repeated with a second and third picture. This experiment utilized a between-subject design in which each respondent was exposed to only one package type (plain white or the current package) for each of three brands. The order of brands was rotated. Experimental control was very high and the between-subject design ensures high validity of the measurements. The analysis focusses on the differences in recognition and recall between the three types of packages.

5.4.5 The Conjoint Experiment *(See section 6.5 for details)*

The purpose of the Conjoint Experiment was to assess the potential effects of plain and generic packaging by employing a different measurement approach (indirect questioning) in the presence of other product attributes in addition to package type.

The Conjoint Experiment considered the following attributes:

- package type (five);
- brand (four);
- price (four levels); and
- peer influence (friends smoke/do not smoke).

This Experiment was executed in two modes: (1) for 200 non-smoking teens the response question was, "Which _____ would encourage you most to start smoking?" and (2) for 200 smoking teens and 100 adult smokers, the response question was, "Which _____ would encourage you most to stop smoking?" This indirect questioning approach helps protect against "demand effects and subject artifacts." The respondent is asked merely to indicate a preference between two products, each described by several attributes. This is very much like

the decisions consumers make everyday when choosing between products in a store. It is more realistic because the task of the respondent is similar to the choice tasks they face in everyday life.

5.4.6 The Analysis of Industry Effects *(See section 7 for details)*

The mandate of the Expert Panel includes assessing the potential impact of plain and generic packaging on consumers from a marketing perspective. In addition to how consumers themselves are likely to react to such packaging, other important factors that will affect consumers are the potential competitive and strategic actions of the tobacco industry in response to a plain and generic packaging environment.

The purpose of this study was to use marketing, strategic management and economic theory to identify potential responses of the tobacco industry to plain and generic packaging, and to speculate on possible adaptation scenarios by the industry as a whole and by individual firms within the industry. This study also considers the impact of plain and generic packaging on other sectors of the Canadian economy dependent on the tobacco-related business - such as growers, wholesalers, distributors, retailers, packaging manufacturers, etc. The methodology of this study differs in an important way from the other studies. It does not employ primary data. Instead it is based on synthesizing theory and historical precedent from the tobacco and other industries to project possible actions and responses by the tobacco industry.

5.5 SUMMARY

Based on understandings of the problems, achieved through the review of literature and the qualitative focus group exploratory studies, the Expert Panel developed a multi-method, multi-study research strategy, refined the research objectives, and designed the final studies. A multi-method, multi-study strategy increases the credibility of this Report by identifying the convergence of findings and results, and helps to avoid drawing incorrect conclusions based on the findings of only one study or methodology. Combined, these studies address the likelihood that plain and generic packaging will impact the rates of uptake and cessation of smoking, the recognition and recall of health warning messages, and the relative impact of different types of plain and generic packaging.

6. STUDIES AND RESULTS

6.1 National Survey of Teens: Knowledge, Attitudes, Beliefs and Smoking Behaviours

6.2 Word Image Survey

6.3 Visual Image Experiment

6.4 Recall and Recognition Experiment

6.5 Conjoint Experiment

6.1 NATIONAL SURVEY OF TEENS: KNOWLEDGE, ATTITUDES, BELIEFS AND SMOKING BEHAVIOURS

6.1.1 Introduction and Purpose

6.1.2 Methodology

6.1.3 Description of the National Sample of Teenagers

6.1.4 Smoking Beliefs, Patterns and Behaviours of the Teens in Canada

6.1.5 Knowledge of Cigarette Brands and Cigarette Promotions

6.1.6 Perceived Impact of Plain Packaging on Youth Smoking Behaviours

6.1.7 Conclusions

6.1 NATIONAL SURVEY OF TEENS: KNOWLEDGE, ATTITUDES, BELIEFS AND SMOKING BEHAVIOURS

6.1.1 Introduction and Purpose

The purpose of the National Survey was to assess the knowledge, attitudes and beliefs held by smoking and non-smoking teenagers, 14–17 years old, regarding smoking, brands, plain and generic packaging, and perceived impact of such packaging on teenagers. To achieve this, a questionnaire was developed, pretested, and administered to a sample of 1,200 teenagers recruited through mall intercept procedures throughout Canada.

From its expertise in consumer behaviour, the Panel determined that knowledge, beliefs, attitudes and images that consumers hold about products and brands are **intervening variables** that can be used to predict future purchase behaviours. The key contribution of the National Survey of Teens was the measurement of these variables in a national sample of teens which resulted in much-needed baseline data regarding the target groups' knowledge, beliefs, behaviours and stated attitudes about the probable effects of plain and generic packaging on cigarette consumption. Because there has been no previous national comprehensive study on these issues undertaken in Canada, this portion of the Expert Panel's research was built upon earlier qualitative work done on a much smaller scale with small samples of youth. (See, for example, Section 3 of this report; Centre for Health Promotion, University of Toronto 1994; McCracken 1992.) These advantages of the national survey are important, but potential disadvantages must also be noted—any survey only deals with *reported* perceptions and behaviours.

6.1.2 Methodology

Following are the highlights of the methodology used in conducting the National Survey of Teens component of the Expert Panel research strategy. These highlights are brief and non-technical in orientation; a technical section describing the methodology in detail is available in Appendix D.

Highlights

- The sample consisted of 1,200 respondents aged 14–17 from across Canada who are vulnerable to starting smoking or who are already smoking. Anti-smoking teens were excluded because consumer behaviour research and theory show that strongly negative anti-smoking attitudes make it unlikely that those holding such attitudes are probable candidates for beginning smoking.

- Data were collected in 14 Canadian cities in 5 regions of Canada. Checks showed the samples to be representative of the age and gender of the Canadian teen population.

- Data were collected through mall intercept interviews lasting an average of 28 minutes each. Mall intercepts allowed teens to be interviewed in a neutral environment; presentation of test materials; and quick collection of data from a national sample.

- The National Survey interview was designed by the Expert Panel during the fall of 1994 (see Appendix E). The interview schedule was divided into a number of key sections:

  - a screening interview was used to determine eligibility for participation in the survey;
  - a section measuring knowledge of cigarette brands, packaging and promotions;
  - a section encompassing a Word Image Survey to measure teenagers' images of cigarette smokers, brands in current packages and plain packages (see section 6.2);
  - a section encompassing a Visual Image Experiment to measure images held by teens about cigarette brands (see section 6.3);
  - a section measuring the demographic and family background of respondents;
  - a section measuring respondents' smoking behaviours; and
  - sections measuring beliefs and attitudes about plain and generic packaging, and the perceived impact of such packaging on youth smoking behaviours.

- The pretest included 10 complete interviews conducted in French and 10 in English, as well as 100 pretests of 1 section of the interview to test content, flow, length and perceived respondent fatigue. The flow of the questionnaire was then streamlined and some questions were reworded to avoid respondent confusion or ambiguous responses.

- Data collection included the following procedures:

  - Potential respondents were approached in each mall by a qualified interviewer and were screened for age and whether they were an anti-smoker or a member of the target population (see Appendix F).
  - In total, 6213 contacts were made in the malls. Of these, one-third (2066) were disqualified because they did not meet the age criterion; 15.4% (954) were disqualified because they were confirmed anti-smokers. Thirty percent (1861) refused the screener so it was unknown whether they would have qualified or not. This left 1332 contacts who qualified for the study. Of these, 1200 agreed to participate in the research (90%).
  - If qualified, respondents were asked to participate, assured of anonymity and confidentiality, and led to the interview location in the mall with the promise of $10 when the interview was complete.
  - Qualified respondents were interviewed by a trained interviewer.
  - At the conclusion of the interview, respondents were given a chance to make any comments they wished about the survey or smoking, given the $10 and a brochure from Health Canada outlining the effects of smoking on health, then thanked for their cooperation.

- Data collection procedures worked well, as evidenced by little missing data and interviewer observations that respondents were interested in the research and did not become fatigued or bored.

6.1.3 Description of the National Sample of Teenagers

Following are the highlights describing the teenagers in the sample in terms of age, gender, educational background, income, participation in extra-curricular activities, first language, and family composition. More detailed descriptions with figures are available in Appendix G.

Highlights

- The average age of teenagers in this study is 15.4 years.

- Equal numbers of males and females participated in this study (601 men and 599 women).

- Almost ninety-four percent (93.6%) of the sample are in grades 8 through 12.

- Respondents complete an average of 1.2 hours of homework each weeknight and 1.3 hours each weekend.

- The average mark earned by the respondents in the survey on their last report card is B.

- Almost two thirds of the sample earn money of their own (64.8%), averaging $64.85 per week.

- About three quarters of respondents participate in extra-curricular activities.

- English is the first language of 66.1% of the sample; French of 24.9%.
- Almost two thirds (64.8%) of the sample live in a traditional family consisting of mother, father and perhaps siblings.
- About two thirds of the sample live with at least one other person who smokes cigarettes.

6.1.4 Smoking Beliefs, Patterns and Behaviours of the Teens in Canada

Highlights

- Almost three quarters of the sample will smoke one puff or more of a tobacco cigarette in the next year.
- A very large proportion of the respondents to this study (44.6%) are frequent/regular teen smokers who smoke more than once per day.
- Thirteen percent (13%) are infrequent/regular smokers (smoke anywhere from a few times per week to once per day).
- Seventeen percent (16.7%) are infrequent/irregular smokers (smoke a few times per year to up to once per month).
- Twelve percent (11.5%) are experimenters (have experimented with smoking in the past and indicate they might take a puff in the future), and eleven percent (10.8%) were classified as vulnerable/naive (have not smoked in the past but indicate they might in the future).
- Practically one hundred percent (99.7%) said the reason they might start smoking or would smoke is to be cool or fit in.
- About three quarters (74.1%) of the sample reported that their best friend(s) smoke cigarettes.
- Almost ninety percent (87.3%) of the sample believe that cigarettes are harmful.
- Non-smokers in the sample (vulnerable/naive, experimenters, and those who have quit smoking) believe that smoking is more harmful than do the respondents in any of the smoking categories.

- Over forty percent (43.4%) of the respondents know someone who has died or been very ill because they smoke.
- Half (49.7%) of the respondents look up to or admire someone who smokes.

Introduction and Analysis

This section reports on smoking patterns and behaviours of teenagers in Canada and teenagers' beliefs about and experiences with the effects of smoking. In this research, smoking patterns and behaviours were examined to determine if teenagers who have different smoking patterns:

- exhibit different knowledge about cigarette brands and packages;
- exhibit different beliefs and attitudes about plain and generic packaging; and
- have different beliefs about the perceived impact of plain and generic packaging on youth smoking behaviours.

Very recent research in the consumer behaviour literature has developed a useful typology for analyzing teenagers with regard to their smoking behaviour (Pechman and Knight 1994) . This typology was adapted for the current study and divides teenagers into five major groups:

- anti-smokers—those who are opposed to smoking and indicate they have never smoked one puff or more of a tobacco cigarette and would not smoke in the future for any reason (these teens were excluded from the study);
- vulnerable/naive—those who have not smoked in the past but indicate they might possibly take a puff sometime in the future. Also included in the vulnerable/naive group are teens who have not smoked a puff of a tobacco cigarette in the past and say they would definitely not smoke a puff or more in the next year, **but** when asked what are some reasons that might encourage them to start smoking, **do give a reason**;
- experimenters—those who have experimented with smoking in the past and indicate they might take a puff in the future;
- smokers—divided into three subgroups in this study:
  - infrequent/irregular smokers (smoke a few times a year to about once a month),
  - infrequent/regular smokers (smoke a few times a week up to once a day), and

- frequent/regular smokers (smoke more than once per day); and

- ex-smokers—those who smoked in the past but who do not currently smoke.

These categories were used in this research to group teenagers according to smoking behaviours. As well, teenagers were asked to categorize themselves in terms of their smoking behaviours, and asked a number of questions about how often they smoke, brands smoked, circumstances where they smoke and so on. Key results are reported in this section.

Smoking Behaviours

The majority of the sample indicated that they will probably or definitely smoke some time during the next year (74%). Approximately equal proportions said that they "probably would not" (13.7%) and "definitely would not" (12.3%) smoke one puff or more of a cigarette during the next year. However, when asked what are some reasons that might encourage them to smoke, all of the "definitely would not" group gave some reasons or conditions under which they might start smoking, that is, they were open to the idea of smoking under certain circumstances. Both of these groups are considered vulnerable to smoking because they are not totally opposed to it. (Teenagers who had never smoked said they definitely would not take a puff of a tobacco cigarette in the next year, and said "no... I will never smoke" when asked for reasons that might encourage them to start smoking, were classed as committed anti-smokers and excluded from this research.) When asked "What are some reasons that might encourage you to start smoking?" virtually all respondents said "to be cool" or "to fit in with friends" (99.7%). Almost three quarters (74.1%) of the sample reported that their best friend(s) smoke(s), and almost ninety percent (89.8%) reported that their other friends smoke.

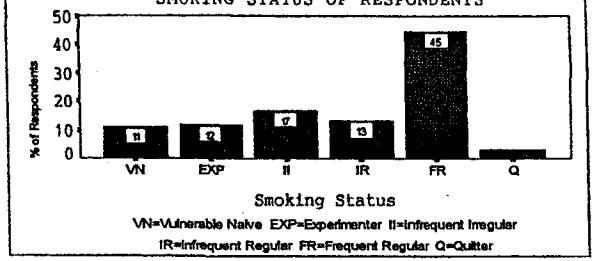
Smoking Status

Respondents were classified into categories according to their smoking status on the basis of the typology introduced above. Figure 1 summarizes the smoking status of teenagers in the study. Of the teenagers who are not anti-smokers in Canada, a very large proportion (44.6%) are frequent/regular smokers who smoke more than once per day. Thirteen percent (13%) are infrequent/regular smokers who smoke anywhere from a few times a week to once per day. This group appears to reflect a teen smoking pattern in which a female or male might smoke once per day at lunch hour, for example, to keep parents from discovering the smoking activity. A similar proportion smoke less frequently and less regularly—the infrequent/irregular smokers (16.7%) smoke anywhere from a few times per year to up to once per month. This

likely reflects a pattern of smoking at teen gatherings or with friends very occasionally. Twelve percent (11.5%) are experimenters, and eleven percent (10.8%) are classified as vulnerable/naive. These two groups together account for between twenty and twenty-five percent of the sample—they are not really smokers but exhibit various degrees of vulnerability in that they are open to trying a puff for various reasons or are actively experimenting already.

FIGURE 1

SMOKING STATUS OF RESPONDENTS



The three groups of smokers (infrequent/irregular, infrequent/regular and frequent/regular) were asked different types of questions concerning teenage smoking behaviour. Brief descriptions of these three groups are given below, including how much the respondents smoke, what brands, etc.

Infrequent/Irregular smokers

On average, the infrequent/irregular smokers smoked about 6.4 cigarettes in the last month. Almost twenty percent (19.1%) smoked no cigarettes, and half (50.8%) smoked 2 cigarettes or less. All infrequent/irregular smokers were asked what kinds of things they are doing when they smoke. The top three things to do while smoking are: hanging out with friends (67.8%); partying (32%); and drinking (16%). The three brands smoked most among this group are du Maurier (57%), Players (20%) and Export A (4%). Reasons given for choosing this brand most often include: "it is the one my friends smoke" (48%); "I like the taste" (20%); and "someone gave it to me and I just kept smoking it" (8.6%). Teens in this group currently smoke relatively little, but they do smoke, and are therefore likely candidates to become more committed smokers. They were asked what would encourage them to start smoking more regularly or more frequently, and what would encourage them to quit smoking. Almost one quarter (23.1%) of this group said that nothing would make them smoke

more than they currently do—they see themselves as very occasional smokers who will not become more frequent/regular smokers. The remainder gave a variety of factors that would encourage more regular/frequent smoking. Almost forty percent (38.7%) mentioned they would smoke more: if around smokers or friends that smoked more; if their friends started smoking or smoked more; or, to fit in with peers. Eleven percent (11.1%) said that increased stress or problems in their lives would cause them to smoke more. Other reasons cited included: if it became less hazardous to their health (4%); and if parents allowed them (1.5%). The most common reason respondents gave that would encourage them to quit smoking was health related—38.5% mention general health reasons, including if family members, friends or they themselves got sick. Only 4% said nothing would make them quit smoking.

Infrequent/Regular smokers

Infrequent/regular smokers have been smoking for an average of 20 months. Almost half (47.7%) have been smoking for a year or less. The most common reason given for starting smoking was "all my friends smoke so I tried it too," mentioned by 50% of this group. Almost forty percent (37.8%) said they were just experimenting, and 5.8% said it was the thing to do at parties. The teenagers in this group smoke an average of 3.4 cigarettes per day. More than half say that the brand they smoke most often is du Maurier (54.5%), twenty-eight percent (28.2%) say Players, and ten percent (9.6%) say Export A. The reason for smoking this brand include "I like the taste" (41.7%), "it's the one my friends smoke" (26.3%), and "someone gave me one and I just kept smoking it" (9.7%). More than two thirds (67.1%) of this group have tried to quit smoking before. Health-related concerns were the reasons given that would encourage these smokers to quit (35.6%).

Frequent/Regular smokers

Frequent/regular smokers have been smoking an average of 3 years. Sixteen percent (16.1%) have been smoking a year or less. The most common reason given for starting smoking was "all my friends smoke so I tried it too," mentioned by 41.2% of this group. About one third (34.4%) said they were just experimenting, and 5.8% said that everyone in their family smokes. The teenagers in this group smoke an average of 13 cigarettes per day. The brands smoked most often are du Maurier (50.8%), Players (28.8%) and Export A (15.5%). The reason for smoking the preferred brand include, "I like the taste" (55.4%), "it's the one my friends smoke" (14.4%), and "it just got to be a habit" (11.2%). Almost seventy percent (69.5%) of this group have tried to quit smoking before. Health-related reasons were the most common inducements cited for quitting (36%).

Relationships Between Smoking Status and Selected Demographic Variables

Age

As one might expect, age is related significantly to smoking status (χ^2=80.9, p≤.0001) with older teens more likely to be frequent/regular smokers and younger teens more likely to be in the vulnerable/naive and experimenter categories. (Similarly, grade in school is related to smoking status.)

Gender

There appears to be no relationship between gender and smoking status among teenagers aged 14–17 in our study.

School marks

There is a statistically significant relationship between marks received in school and smoking status (χ^2=107.1, p≤.0001). Students receiving lower marks (C, D, F) are more likely to be regular/frequent smokers. Smoking status is also significantly related to the hours of homework done by teens both on weeknights (F=7.2, p≤.0001) and on weekends (F=7.1, p≤.0001). The amount of homework done by teenagers is inversely proportional to the amount smoked. The least committed smokers (the vulnerable/naive, experimenters and infrequent/irregular) do more homework than the most committed smokers (the infrequent/regular and frequent/regular smokers).

First language

There is a statistically significant relationship between the language first learned and smoking status. Those for whom French is the first language are more likely to be frequent/regular smokers than others (χ^2=30.0, p≤.05).

Family composition

There is a statistically significant relationship between smoking status and family composition (χ^2=100.7, p≤.0001), where frequent/regular smokers are underrepresented in traditional families and overrepresented in single parent and other family types. As also expected, teens who live with at least one person who smokes are much more likely to be frequent smokers (χ^2=59.0, p≤.0001) than those who do not.

Average earnings

Regular/frequent smokers on average earn significantly more per week than do teenagers in the other smoking categories (F=5.9, p≤.0001). Frequent/regular smokers

earn $80.49 per week on average, compared with the $44.25 earned on average by the vulnerable/naive or the $41.36 earned by experimenter. (Infrequent/irregular smokers and infrequent/regular smokers earn significantly more on average than the vulnerable/naive or experimenters, but significantly less than the frequent/regular smokers.)

Participation in extra-curricular activities

Smoking status is significantly related to participation in extra-curricular activities by teenagers (χ^2=32.0, p≤.0001). A higher proportion of frequent/regular smokers do not participate in extra-curricular activities (33%) than is true in any of the other groups (i.e., 14% of the vulnerable/naive, 19% of the experimenters, 19% of the infrequent/irregular smokers, and 21% of the infrequent/regular smokers do not participate in extra-curricular activities).

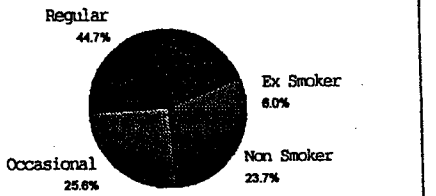
Self-described smoking status

Respondents were asked to categorize themselves as a non-smoker, an occasional smoker, a regular smoker, an ex-smoker or put themselves in an "other" category (see Figure 2). The majority (44.7%) class themselves as regular smokers. A high proportion (25.6%) view themselves as occasional smokers, and almost twenty-four percent (23.7%) see themselves as non-smokers.

There is a statistically significant relationship between the smoking categories based on how much respondents report smoking and how they would classify themselves. Those who classify themselves as non-smokers are much more likely to be classified into the vulnerable/ naive or experimenter categories. Those who classify themselves as occasional smokers are much more likely to be classified as infrequent/irregular or infrequent/regular smokers. Those who classify themselves as regular smokers are most likely found in the frequent/regular smoking status category.

FIGURE 2

SELF-DESCRIBED SMOKING STATUS



Beliefs about and experience with the harmful effects of smoking

All respondents were asked to give a number on a ten-point scale, in which 0 is not harmful at all and 10 is very harmful, to describe how harmful they think cigarettes are. Most respondents believe that cigarettes are quite harmful—the mean response was 7.8 on the scale. Values below the mid-point (5) of the scale represent beliefs that cigarettes are not very harmful—only four percent circled any of these scale values. Almost ninety percent (87.3%) believe that cigarettes are harmful (circled a number more than 5 on the scale), and only 8.7% circled the mid-point. There is a statistically significant relationship between smoking status and beliefs about how harmful cigarettes are (F=14.7, p≤.0001). Not surprisingly, the vulnerable/naive and experimenters believe that cigarettes are more harmful (the mean on the harmful scale for the vulnerable/naive was 8.6, for the experimenters, 8.5). Infrequent/irregular smokers averaged 7.9, the infrequent/regular smokers averaged 7.4, and the frequent/regular smokers averaged 7.5 on the scale. Smokers who had quit smoking also reported significantly greater beliefs in the harmful effects of cigarettes (averaging 8.2 on the scale).

Sizeable proportions of teenagers have had negative experience with the possible health consequences of smoking—almost half the sample reported that they know someone who has died or been very ill because they smoke (43.4%). Similarly, about half reported that someone they look up to or admire smokes (49.7%). The people most often mentioned here were close relatives and friends such as father (19.9%), mother (14.4%), and friends (15%), rather than people not known personally, such as actors (2%), musicians/rockstars (8%).

6.1.5 Knowledge of Cigarette Brands and Cigarette Promotions

Highlights

- On average, teenagers in the sample could recall almost five (4.8) cigarette brands with no aids provided to them.
- Almost ninety percent of teens provided top of mind unaided recall of both du Maurier (88.8%) and Players (87.7%).
- The more that teenagers smoke, the more brands they are aware of—frequent/regular smokers are aware of about 5.8 brands on average.
- Even those who were not smokers (the vulnerable/naive and experimenters) were aware of 2–3 brands—the vulnerable/naive teens are aware of 2.8 brands and the experimenters are aware of 3.5 brands.

- Cigarette packages **without the brand name** provided considerable identifying information to teens about the brand. Teens in the study were able to identify almost half (4.2) of the nine brands tested using package information only, the brand name having been removed.

- Almost all teenagers in the study recognized two cigarette brands from the package design cues only—ninety percent (90.5%) correctly identified du Maurier and 87% correctly identified Players.

- The more that teenagers smoke, the more brands they can correctly identify from package design cues. However, even those who are in the vulnerable/naive and experimenter categories could identify 2–3 brands on the basis of package design only.

- The majority of teens who correctly identified each cigarette brand responded that the things the cigarette company does to make them notice the brand are package-related.

Introduction and Analysis

This section reports on that part of the questionnaire designed to measure teenagers' knowledge about cigarette brands, packaging and promotions. This information was gathered from the national sample because consumer behaviour theory and research shows that knowledge is an important (but of course not sufficient), predictor of a final brand purchase in many purchase decisions. Obviously, it is difficult to buy a product or brand of which one is not aware. So, part of marketing strategy for most organizations is to make their products easily identifiable to consumers by designing distinctive, attractive packages and brand names. This strategy increases the chance that a particular brand will become known to the consumer and become part of the targeted consumer's "awareness set" of brands that might be considered in a purchase decision. It is important to understand potential consumers' knowledge of different cigarette brands and packages because these are used to identify individual brands and differentiate one brand from another. The remainder of this section summarizes teenagers' awareness of different cigarette brands and their ability to identify different cigarette brands on the basis of package information only.

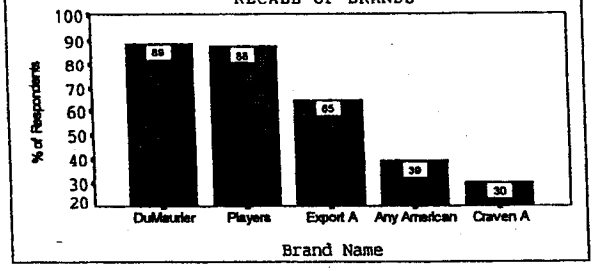
Teenagers' Awareness of Cigarette Brands

At the beginning of the survey, all respondents were asked to recall all the brands of tobacco cigarettes that they could think of. No memory aids were provided at this stage of the interview and no mention of any brands had yet occurred, because this was the first question in the interview. On average, teens could name almost five brands (4.8). Males could recall statistically significantly (t=4.6, p≤.0001) more

brands (5.0) on average than females (4.5). Figure 3 shows the brands most frequently recalled and the proportion of mentioning.

FIGURE 3

RECALL OF BRANDS



Almost ninety percent of teens recalled du Maurier (88.8%) and Players (87.7%). Almost two thirds mentioned Export A (64.9%). An American brand of cigarettes was mentioned by thirty-nine percent of teenagers (39.4%) and Craven A was named by almost one third (30.4%). Very few respondents (less than 1%) recalled Belmont, Blackcat, Medallion or Select. As expected, there is a significant relationship between smoking status and recall of brand names (F=83.0, p≤.0001). Significantly fewer cigarette brands were recalled by the vulnerable/naive (2.8) and experimenters (3.5) than by irregular/infrequent smokers (4), frequent/irregular (5) and frequent/regular (5.8) smokers.

Identifying Brands On the Basis on Current Package Information Only

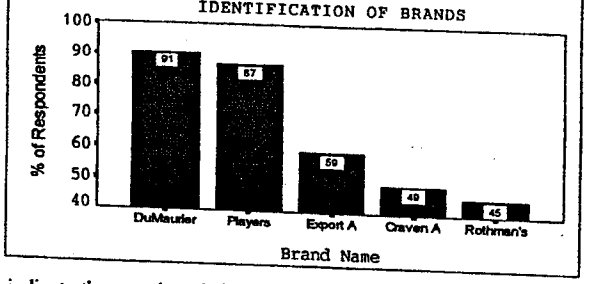
Question 2 in the National Survey attempted to measure the saliency of cigarette packages **without brand names** to provide identifying information about the cigarette brand to Canadian teenagers (see Appendix H for unbranded packages). The brand name was removed from nine cigarette packages:

(1) Belvedere
(2) Craven A
(3) Export A
(4) Matinee
(5) Number 7
(6) du Maurier
(7) Players
(8) Rothman's
(9) Benson and Hedges.

Respondents were asked: "Now I would like to show you some pictures of cigarette packages. Please tell me the brand name that belongs to each package that I point to." Teens, on average, correctly identified almost half (4.2) of the nine brands. Figure 4 summarizes the ability of teens to recognize current cigarette packages without the brand name cue.

FIGURE 4

IDENTIFICATION OF BRANDS



Results indicate that two brands in particular are recognized by **the current cigarette package without the brand name cue** by almost all teenagers. Ninety-one percent (90.5%) correctly identified du Maurier and eighty-seven (87%) correctly identified Players. The third most correctly identified brand was Export A (59.3%). The three least correctly identified brands were Number 7 (11.1%), Benson and Hedges (17.0%), and Belvedere (23.5%). The average number of correctly identified brands was 4.2. Males could identify significantly ($t = 6.2$, $p \leq .0001$) more packages (4.6) than females (3.8). Not surprisingly, as teenagers move from the vulnerable/naive and experimental stages of smoking into more frequent and regular smoking behaviours, they become much more proficient at identifying cigarette brands from package designs without the brand name attached to it ($F=115.0$, $p \leq .0001$). Even those who are really non-smokers are able to identify between 2–3 cigarette brands strictly on the basis of package design **when the brand name is removed** that is, the vulnerable/naive group recognized 2.1 brands on average while experimenters recognized 2.9 on average. Regular/frequent smokers are much more sophisticated, as they were able to identify 5.4 brands from package design only.

How Cigarette Companies Get Teens To Notice Their Brands

For each brand that teens were able to identify correctly on the task described above, the respondent was asked, "What does this cigarette company do to make you notice this brand?" Responses were recorded verbatim and then categorized after data collection and coding were complete. If the respondent mentioned factors such as size or shape of package, colours, symbols, logo on package, design, name, shapes,

lettering, brightness, catchy, bright, unique, or different packaging, these responses were coded as package-related approaches that the company used to make teens notice the brand. Similarly, responses such as magazine advertising, billboards, TV commercials, store window ads or advertising in stores were categorized as "advertising approaches." "Promotion approaches" included lighters and T-shirts. "Sponsorship approaches" included sponsoring events (unspecified) or any sports or cultural events. "Other" included such responses as high class image, the warning, nothing, and don't know (this was the largest component of the other group).

For all brands, "package approaches" were the first thing mentioned by the majority of respondents who correctly identified the brand. Since the majority of teens in the sample identified correctly the du Maurier and Players brands, the majority of the sample were asked this question of these two brands. More than half (56.3%) of respondents who correctly identified du Maurier first mentioned some aspect of package design as the way the company makes them notice the brand. Similarly, 55.8% of the Players respondents mentioned some aspect of package design as the way the company makes them notice the brand. In fact, for the top six recognized brands, the majority of teens (more than 50%) in each case said that the company uses package-related things to make them notice the brand.

It might be argued that package-related items might be overstated by respondents due to a response set created by asking respondents to identify a brand based only on package cues without the brand name. While there may be truth to this, a counterbalancing argument is that sizeable proportions reported that they could not name anything that the company did to make them notice the brand. Since these respondents could name nothing the company did, yet they could identify the brand, they must utilize package cues. This effect understates the importance of package cues in our study.

6.1.6 Perceived Impact of Plain and Generic Packaging on Youth Smoking Behaviours

Highlights

- Almost two thirds (62.7%) of respondents said it would not bother them very much if cigarettes were available only in plain and generic packages. Twenty-three percent (23.3%) said that it would bother them a lot. Having cigarettes available only in plain and generic packages would bother experimenters and the vulnerable/naive the least, and infrequent/regular and frequent/regular smokers the most.

- Respondents believe that having cigarettes available only in plain and generic packages would have an effect on the number of teenagers who would start smoking. More than one third (35.8%) believe that a few less would start smoking

and 13.5% believe that a lot fewer would start smoking, while 45.5% believe that it would not change the number of teenagers who would start smoking.

- The more frequent and regular smokers are more likely to believe that plain and generic packaging would make no difference, while the vulnerable/naive and experimenters are more likely to believe that a few less would start smoking.

- The majority of teens in the study believe that having cigarettes available only in plain and generic packages would not make any difference to the amount that teenagers smoke. Almost sixty percent (58.8%) reported that teenagers would smoke about the same amount. More than one third think that teenagers would smoke a little less (29.9%) or a lot less (6.3%).

- The more frequent and regular smokers are more likely to believe that plain and generic packaging will make no difference to the amount that teens would smoke, while the vulnerable/naive, smoking experimenters and infrequent/irregular smokers are more likely to believe that teens would smoke a little less. Infrequent/regular and frequent/regular smokers reported that it would not change the amount that teens smoke.

- A sizeable proportion of respondents reported that having cigarettes available only in plain and generic packages would have a positive effect on the number of teens who would stop smoking. Almost forty percent (38.2%) believe that more teenagers would stop smoking. Almost half (45.2%) believe that it would not affect the number who will stop smoking, and the remainder believe that such packaging would result in fewer teenagers stopping smoking.

- The more frequent and regular smokers are more likely to believe plain and generic packaging would make no difference to the number of teens who stop smoking, while the vulnerable/naive and smoking experimenters are more likely to believe that a few more would stop smoking.

- Teenagers in the study do not believe that making cigarettes available only in plain and generic packages would be the most effective way to help keep young people from smoking. Almost half (46.8%) believe that increasing the cost of cigarettes would work best. About one quarter (24.5%) said that making it harder for young people to buy cigarettes would work best; 13% said more information about smoking and health; 10% said making more non-smoking areas; and 5.6% said making cigarette packages less colourful would work best. Further, almost half (44.9%) reported that making cigarette packages less colourful would be the least successful way to help keep young people from smoking.

Introduction and Analysis

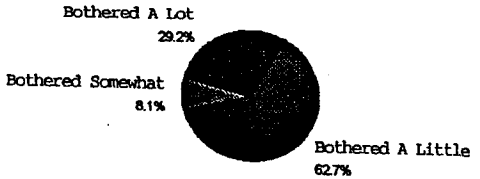
An important part of the survey was designed to measure how teenagers themselves view plain and generic packaging and its possible and probable effects on their own and other teenagers' smoking behaviours. No previous large-scale studies have examined what Canadian teenagers themselves believe and feel about plain and generic packaging. This knowledge is important in assisting policy makers to predict the likely effects of such packaging on this target group. Of course, it is critical to recognize that: any survey can measure only what respondents wish to report about their attitudes and behaviours; and the youths in the survey responded from a point of view anchored in the current world—that of well-known branded and differentiated packages. Nonetheless, this portion of the survey provides necessary baseline data from the target group about teenagers' own perceptions of the likely impact of cigarettes sold in plain and generic packages. The possible effects of the respondents' frame of reference being the current world were minimized as much as possible within the constraints of survey design. The sections of the survey measuring respondents' beliefs and attitudes about various aspects of plain and generic packaging were placed near the end of the questionnaire; all respondents were familiar with the concept of such packaging by that time. They had all been exposed to various versions of plain and generic packages, and the interviewer opened the "Plain Package Issues" section of the survey by showing a selection of possible plain and generic package designs and saying, "We are almost finished I'd like to ask you a few more questions about your views on what you think might happen if all cigarettes in Canada were packaged in plain packages like these...". The following summarizes major findings on teenagers' views of plain and generic packaging and its possible impact on teenage smoking behaviour.

Feelings About Plain Packages

All respondents were asked if it would "bother you" if cigarettes were available only in plain packages. Responses were gathered on a ten-point scale and as shown in Figure 5 almost two thirds (62.7%) reported that it would bother them little (circled 4 or less on the scale). Twenty-nine percent (29.2%) circled responses on the high end of the scale (6 or more on the 10 point scale) showing that it would bother them a lot. The remainder (8.1%) reported it would bother them somewhat (circled 5 on the scale). There are significant differences in how much it would bother respondents to have cigarettes available only in plain packages depending on the smoking status of the respondent ($F=17.3$, $p \leq .0001$). On average, having cigarettes available only in plain and generic packages bothers experimenters and the vulnerable/naive the least (means 1.9 and 2.1 respectively), and infrequent/regular and frequent/regular smokers the most (means 4.3 and 4.1 respectively). There is no statistical relationship between age and how much packaging all cigarettes in plain and generic packages would bother respondents.

FIGURE 5

HOW BOTHERED RESPONDENTS WOULD BE IF CIGARETTES WERE AVAILABLE ONLY IN PLAIN PACKAGES

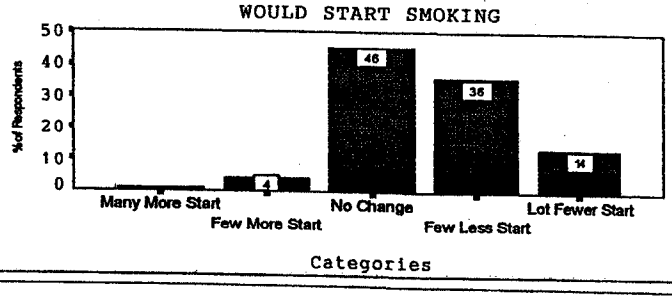


How Plain and Generic Packaging Would Affect the Number of Teenagers Who Would Start Smoking

Respondents believe that having cigarettes available only in plain and generic packages would have an effect on the number of teenagers who would start smoking. As shown in Figure 6, more than one third (35.8%) believe that a few less would start smoking and 13.5% believe that a lot fewer would start smoking. Only 5.2% reported that more teenagers would start smoking, while 45.5% believe that it would not change the number of teenagers who would start smoking. There are no statistical relationships between respondent age and gender, and whether the respondents believe that plain and generic packaging would affect the number of teens who would start smoking. There is a significant relationship between smoking status of respondents and whether they believe that such packaging would affect the number of teens who would start smoking (χ^2=30.1, p≤.05). The more frequent and regular smokers are more likely to believe it would make no difference, while the vulnerable/naive and smoking experimenters are more likely to believe that a few less would start smoking.

FIGURE 6

EFFECTS ON NUMBER OF TEENS WHO WOULD START SMOKING



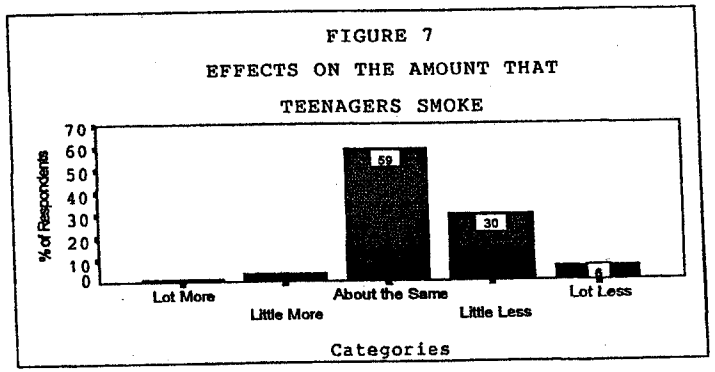
Plain and Generic Packaging Would Affect the Amount That Teenagers Smoke

The majority of teens in the study believe that having cigarettes available only in plain and generic packages would not make any difference to the amount that teenagers smoke. As shown in Figure 7, almost sixty percent (58.8%) reported that teenagers would smoke about the same amount. More than one third think that teenagers would smoke a little less (29.9%) or a lot less (6.3%).

Very few think that plain and generic packaging would increase the amount that teenagers smoke - 1.6% say teenagers would smoke a lot more, while 3.4% say teenagers would smoke a little more. There are no statistical relationships between respondent age and gender, and whether respondents believe that plain and generic packaging would affect the amount that teens would smoke. There is a significant relationship between smoking status of respondents and whether they believe that such packaging would affect the amount that teens would smoke (χ^2=34.3, p≤.05). The more frequent and regular smokers are more likely to believe that plain and generic packaging would make no difference, while the vulnerable/naive, smoking experimenters and infrequent/regular smokers are more likely to believe that teens would smoke a little less. Infrequent/regular and frequent/regular smokers are more likely to report that it would not change the amount that teens smoke.

FIGURE 7

EFFECTS ON THE AMOUNT THAT TEENAGERS SMOKE



How Plain and Generic Packaging Would Affect the Number of Teenagers Who Would Stop Smoking

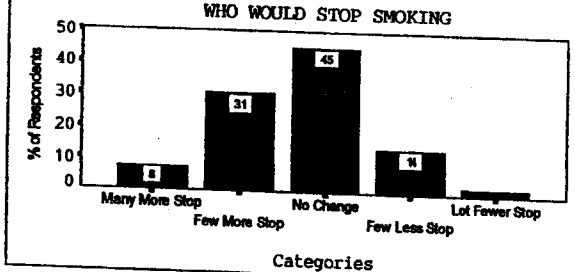
A sizeable proportion of respondents reported that having cigarettes available only in plain and generic packages would have a positive effect on the number of teens who

would stop smoking. As shown in Figure 8, almost forty percent believe that more teenagers would stop smoking (7.7% say many more will stop, 30.5% say that a few more would stop). Almost half (45.2%) believe that it would not affect the number who would stop smoking, and the remainder believe that such packaging would result in fewer teenagers stopping smoking (14.2% believe that a few less would stop).

There are no statistical relationships between respondent age and gender, and whether the respondents believe that plain and generic packaging would affect the number of teens who would stop smoking. There is a significant relationship between smoking status of respondents and whether they believe that such packaging would affect the number of teens who would stop smoking (χ^2=25.2, p≤.05). The more frequent and regular smokers are more likely to believe it will make no difference, while the vulnerable/naive and smoking experimenters are more likely to believe that a few more would stop smoking.

FIGURE 8

EFFECTS ON THE NUMBER OF TEENAGERS WHO WOULD STOP SMOKING

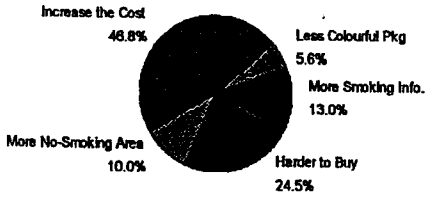


What Might Keep Young People From Smoking

Teenagers in the study do not believe that making cigarettes available only in plain and generic packages would be the most effective way to help keep young people from smoking. Respondents were shown a card with five things listed on it that might help keep young people from smoking and were asked which would work best, second best, third best, fourth best and least. As shown in Figure 9, almost half (46.8%) believe that making cigarettes cost more would work best. About one quarter (24.5%) said that making it harder for young people to buy cigarettes would work best; 13% said more information about smoking and health; 10.0% said making more non-smoking areas; and 5.6% said making cigarette packages less colourful would work best. Further, almost half (44.9%) reported that making cigarette packages less colourful would be the least successful way to help keep young people from smoking.

FIGURE 9

WHAT WOULD WORK BEST TO KEEP YOUNG PEOPLE FROM SMOKING



6.1.7 Conclusions

In considering all data and information derived from the National Survey of Teens, several conclusions can be drawn. First, three quarters of Canadian youth who are not anti-smokers will smoke at least one puff or more of a tobacco cigarette in the next year. More than half of them currently smoke on average anywhere from 3.4 to 13 cigarettes per day despite the fact that they know and believe cigarettes are harmful (87%). They smoke to fit in with friends and to be cool. Those who now smoke infrequently and irregularly would increase their smoking if they were around smoking friends more often. The top two brands smoked by teenagers are du Maurier and Players. Less committed smokers (infrequent/irregular smokers), choose these brands primarily because their friends smoke them. The influence of friends is still important but less so to more committed smokers' choice of brands. As smokers become more regular/frequent smokers, taste becomes the most mentioned reason for brand choice, followed by "it's the one my friends smoke."

Second, the survey showed that packaging is an important cue in brand identification for Canadian teens. Even teens who are not committed to smoking yet (the vulnerable/naive and experimenters), can identify several brands solely on the basis of package cues only, that is, with no brand name associated with the package. Package design alone, without brand name, provides enough information for almost all teens to recognize the two top teen cigarette brands in the Canadian market. The average teen in the population of interest in this study could recognize almost half of cigarette brands on the basis of package cues only. When asked how cigarette companies get teens to notice their brand, the most common answer is package design.

Third, teenagers in the target population reported mixed views about what they believe would be the impact of plain and generic packaging. Fairly large proportions report that having cigarettes available only in such packaging would: bother them a lot (23.8%); result in fewer teenagers starting smoking (49.3%); result in teenagers smoking less (36.2%); and result in more teenagers stopping smoking (38.2%). Less committed smokers, the vulnerable/naive and experimenters are not bothered as much by the idea of plain and generic packaging and are more likely to believe that it would make a difference in the number of teens who would start, the amount smoked and the number who would stop. While these results suggest that sizeable numbers of teens believe such packaging would make a difference, it must not be forgotten that large proportions of teens said that they would not be bothered very much by such packaging (62.7%), and that it would not change the number who would start smoking (45.5%), the amount smoked (58.8%) or the number who would stop (45.2%). Also, very few respondents (5.6%) believe that making cigarette packages less colourful would be the best way to keep young people from smoking. Most believe that making cigarettes cost more (46.8%) or making it harder for young people to buy cigarettes (24.5%) would work best.

A close examination of these responses suggests that effects will be more marginal than large. This is because: only about 30-40% believe plain and generic packaging would make a difference; and the difference they believe it would make is small in magnitude (i.e., only a few less would start). It must be noted, however, that the vulnerable/naive and smoking experimenters in the study are more likely than frequent/regular smokers to believe that such packaging will have an effect. This finding indicates that such packaging is likely to have more of a deterrent effect on teens in these groups.

All evidence from the various facets of the National Survey of Teens is consistent in that it points to plain and generic packaging having a slight to perhaps moderate effect on smoking uptake among Canadian teens. Since the groups most likely to be affected by such packaging—the vulnerable/naive and experimenters—are the ones going through smoking-uptake decision making, plain and generic packaging should have an effect on smoking uptake and cessation among Canadian teens.

In generalizing from these findings, it is important to remain cognizant of both the **primary advantage** of the National Survey (increased comfort in the "representativeness" of the answers recorded) and a **primary disadvantage** (decreased comfort in the validity of responses where respondents were asked questions of the future, not of the past or present).

6.2 WORD IMAGE SURVEY

6.2.1 Introduction and Purpose

6.2.2 Methodology

6.2.3 Highlights

6.2.4 Images of the du Maurier Smoker

6.2.5 Images of the Matinee Smoker

6.2.6 Word Image Differences Between Teen Smokers by Brands Smoked

6.2.7 Conclusions

6.2 WORD IMAGE SURVEY

6.2.1 Introduction and Purpose

The purposes of the Word Image Survey were: to determine whether teenagers see image differences depending on whether a brand is packaged in the current package, a plain white package or a plain white package with a "lungs" symbol; and to determine whether teenagers see image differences depending on whether a teenager smokes cigarettes of any type, or smokes a particular brand, in this case either du Maurier or Matinee.

One of the most important functions of branding is to create an image for an individual company's product. In the case of cigarettes, du Maurier and Players are the brands of choice for young people. Smokers of these brands likely hold images of these particular brands that are consistent with how they see themselves and how they want others to see them. One of the purposes of plain and generic packaging would be to try to break down some of these images. So the word image section of the questionnaire measured whether respondents hold different images of teenagers who smoke a brand packaged in the three different forms of packaging tested. It also measured whether respondents see differences in images between two brands (du Maurier and Matinee) and whether respondents see differences between teenage cigarette smokers and smokers of du Maurier and Matinee.

6.2.2 Methodology

An important section of the National Survey measured: teenagers' impressions of teenagers who smoke cigarettes (no brand specified); and teenagers' impressions of teenagers who smoke two brands of cigarettes - du Maurier (the top brand that teenagers know about and smoke), and Matinee (a much less well-known brand among teens) - packaged in three alternate package types. All respondents were asked to complete the statement, "In general, teenagers who smoke cigarettes are..." This statement was followed by 15 nine-point semantic differential items (i.e., insecure/secure; uncool/cool; mature/immature) and respondents were instructed to circle a number for each item which would describe **their** impressions of teenagers who smoke cigarettes. To assess teenagers' impressions of teens who smoke du Maurier and Matinee in different package types, respondents were subsequently asked to complete the statement, "In general, teenagers who smoke du Maurier (or Matinee) cigarettes packaged this way are..." This statement was followed by 15 nine-point semantic differential items (i.e., insecure/secure; uncool/cool; mature/immature) and respondents were instructed to circle a number for each item which would describe **their** impressions of teenagers who smoke du Maurier (or Matinee) cigarettes packaged in this way. To minimize respondent burden, six hundred respondents completed this question for: the du Maurier current package; the du Maurier plain package; and the du Maurier lungs package.

The remaining six hundred respondents completed this question for: the Matinee current package; the Matinee plain package; and the Matinee lungs package. These packages are shown in Appendix I. These two plain package designs were chosen for use in the National Survey of Teens after pretesting a number of designs (see section 6.3.2).

It could be argued that a major limitation of this measurement is that survey respondents make their image judgments from the frame of reference of the current world, where differentiated packages are the norm and familiar to all. Given this, what is the likely impact on measurement of the images of plain packages? Because plain packages still have the brand name on them, respondents are able to identify brands; because they bring images of these differentiated brands to their assessment of the image of a teen who would smoke brand X in a plain and generic package, they would be more likely to see little difference in the image of a teen who smokes brand X in a current package or a plain and generic package. So, any image differences that are perceived among different package designs for the same brand are likely to be understated using this methodology, not overstated. In fact, teens often commented during the pretest after completing the task for the current package and shown the plain and generic one(s), "Well, it's the same brand, so can I just write down the same answers as for the current package?" Looking back to previous answers was not allowed. The results below show the findings.

6.2.3 Highlights

- There is a significant difference in the images that Canadian teens have of teenagers who smoke du Maurier in the current, plain, and lungs package. The current du Maurier package has the most positive image on almost all dimensions among the teenage respondents in the study. The lungs package generally has the most negative image and the plain package is seen as in-between.

- There is a significant difference in the images that Canadian teens have of teenagers who smoke Matinee in the current, plain, and lungs package. The current Matinee package has the most positive image on almost all dimensions among the teenage respondents in the study. The lungs package generally has the most negative image and the plain package is seen as in-between. Special mention should be made of the "tough/wussy" dimension—the current brand package is seen as wussy compared with the lungs package, which is seen as comparatively tough.

- There is a significant difference in the image of the teenage smoker (no specific brand) and one who smokes either du Maurier or Matinee.

- There is a significant difference in the image of the teenage du Maurier smoker and teenage Matinee smoker.

6.2.4 Images of the du Maurier Smoker

The 600 respondents who were shown the three package types for the du Maurier brand were divided into two groups depending upon whether they had first been exposed to the word (described in this section) or visual images (described in 6.3). This was done to help control any biasing effects on the Word Image Survey that might result from respondent exposure to different visual images of people with these two brands in the visual image research component.

Figure 10 summarizes the profiles of smokers of the du Maurier current package; the du Maurier plain package; and of the du Maurier lungs package, for the respondents who participated in the Word Image Survey first. Figure 11 summarizes the profiles for the respondents who participated in the Visual Image Experiment first.

The profiles show that the current package has the most positive image on almost all dimensions (except "controlled/independent") in the du Maurier word-first group and "lazy/hardworking" in the du Maurier visual first group. The lungs package generally has the most negative image and the plain package is seen as in-between.

Multi-variate MANOVA analysis of these profiles shows that there is no order effect - that is, it makes no difference whether the respondent was exposed to the visual image or the word image study first. This analysis also shows a highly significant "pack" effect; i.e., for du Maurier cigarettes, the three vectors of semantic differential scores are different (Wilks=.604 $p \leq .0001$). This shows that as a triplet, there are significant differences in the profiles of the images for the three packages taken as a group, but not if the differences occur between only two of the package types or among all three. Follow-up MANOVA analysis between the pairs shows that the profile for the current du Maurier package is significantly different from the plain package (Wilks=.796, $p \leq .0001$), and that the profile for the plain package is significantly different from the profile for the lungs package (Wilks=.765, $p \leq .0001$). Of course, it follows that the profile for the current package is significantly different from the profile for the lungs package. Checking of the fundamental assumptions behind MANOVA (i.e., homogeneity of the covariance matrices and normality of the individual variables), has been done for this and all subsequent MANOVA analyses reported here. There is no reason to suspect the significance tests are seriously disturbed by any violations of these assumptions.

Figure 10

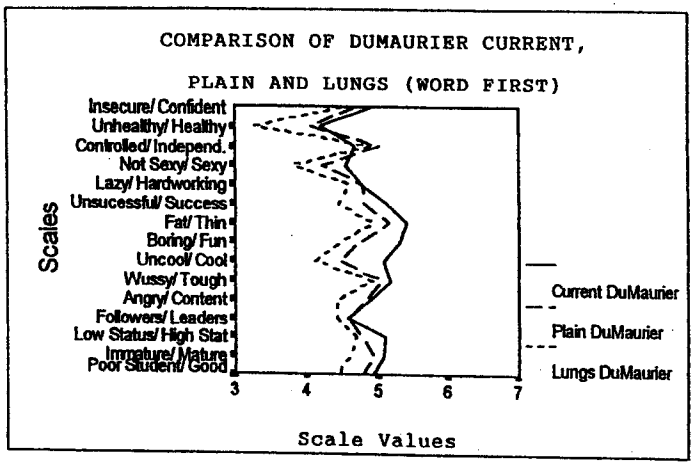
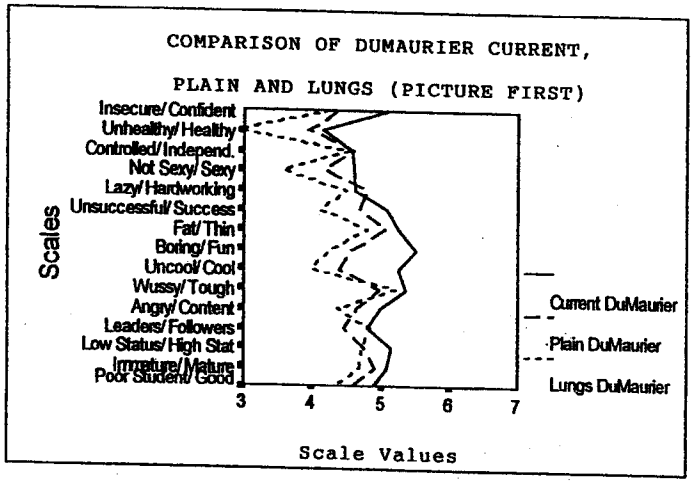


Figure 11



5.2.5 Images of the Matinee Smoker

As with du Maurier smokers, the 600 respondents who were shown the three package types for the Matinee brand were divided into two groups depending upon whether they had first been exposed to the Word Image Survey or the Visual Image Experiment.

Figure 12 below summarizes the profiles of smokers of the Matinee current package, the Matinee plain package, and the Matinee lungs package for the respondents who participated in the Word Image Survey first. Figure 13 summarizes the profiles for the respondents who participated in the Visual Image Experiment first.

The profiles show that the current package has the most positive image on almost all dimensions (except tough/wussy in both the Matinee Word Image Survey first and Visual Image Experiment first groups). The lungs package generally has the most negative image and the plain package is seen as in-between. Special mention should be made of the "tough/wussy" dimension - the current brand package is seen as wussy compared with the lungs package, which is seen as comparatively tough.

Multi-variate MANOVA analysis of these profiles shows that there is no order effect - that is, it makes no difference whether the respondent exposed to the visual image or the image study first. This analysis also shows a highly significant "pack" effect; i.e., for Matinee cigarettes, the three vectors of semantic differential scores are different (Wilks=.658, $p \leq .0001$). Again, this shows that as a triplet, there are significant differences in the profiles of the images for the three packages taken as a group, but not if the differences occur between only two of the package types or among all three. Follow-up MANOVA analysis between the pairs shows that the profile for the current Matinee package is significantly different from the plain package (Wilks=.857, $p \leq .0001$), and that the profile for the plain package is significantly different from the profile for the lungs package (Wilks=.756, $p \leq .0001$). Of course, it follows that the profile for the current package is significantly different from the profile for the lungs package.

Figure 12

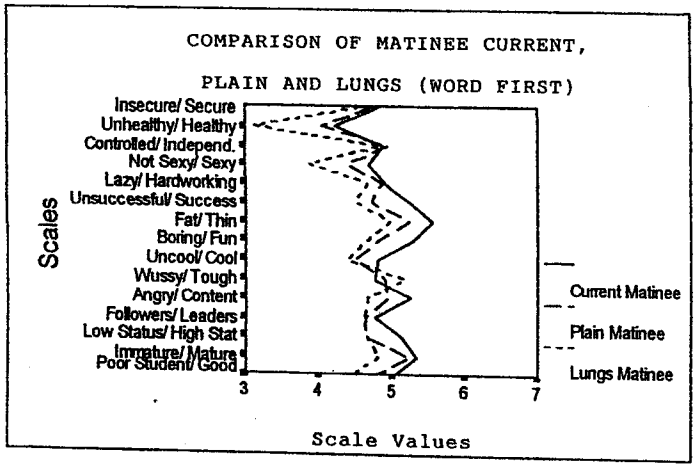
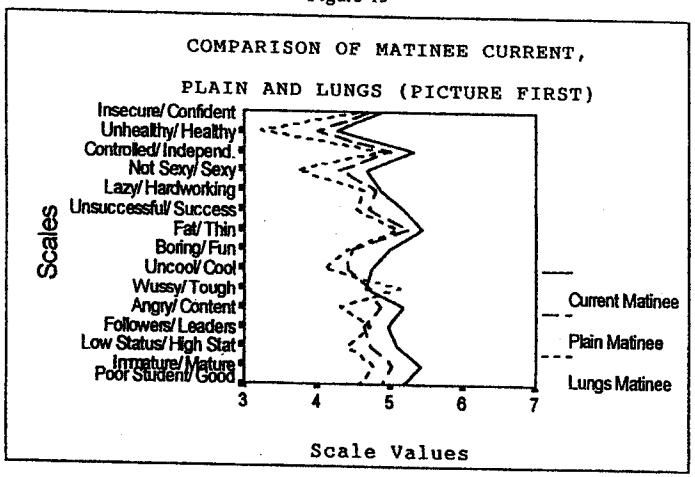


Figure 13

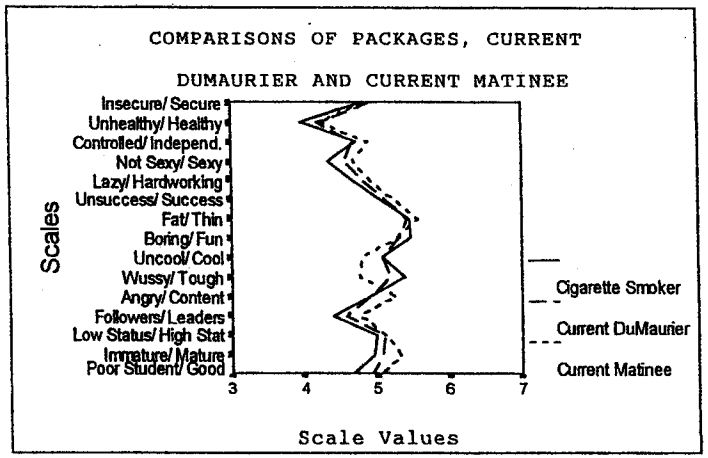


6.2.6 Word Image Differences Between Teen Smokers by Brands Smoked

Figure 14 summarizes the respondents' image profiles of teenagers who smoke cigarettes (no brand specified), of du Maurier and Matinee. MANOVA analysis shows that the image profiles of current du Maurier and current Matinee smokers do differ significantly (Wilks=.917, p≤.0001). MANOVA analysis of the teenage cigarette smoker and the teen smoker of the du Maurier brand shows that the profile of image differences (pooled across orders, interpretable given the absence of an interaction), is significantly different from zero (Wilks=.866, p≤.0001). In other words, the profiles of "the teen cigarette smoker" and "teen du Maurier smoker" are significantly different. Similarly, MANOVA analysis reveals a significant difference (Wilks=.766, p≤.0001) between the "teen cigarette smoker" and the "teen Matinee smoker" (pooled across orders because there is no order effect).

These analyses show that teens see a difference between teenagers who smoke cigarettes (no brand specified) and those who smoke the du Maurier brand or the Matinee brand. The **brand itself adds something to the image of the teen cigarette smoker**. Further, the du Maurier and Matinee brands are seen as significantly different, so choosing a particular brand allows one to project a differentiated image.

Figure 14



6.2.7 Conclusions

It can be concluded that there is a significant difference in the images that Canadian teens have of teenagers who smoke cigarettes (no brand specified) compared with those who smoke either du Maurier or Matinee. Further, a teenager who smokes du Maurier is seen in a significantly different way from one who smokes Matinee. Lastly, it can also be concluded that there is a significant difference in the images that Canadian teens have of teenagers who smoke du Maurier and Matinee in the current, plain and lungs packages. Teenagers who smoke these brands in the current package are seen in a more positive way than those who would smoke the brand in the plain package or the lungs package.

It would appear therefore that packaging cigarettes in plain and generic packages would reduce the abilities of brands to differentiate themselves from each other and therefore the ability to link images with the brand. From the Expert Panel's knowledge of consumer behaviour, it can conclude on the basis of this evidence that plain and generic packaging might lessen the ability of the package to convey positive differentiated images to Canadian teens. To the extent that teens attempt to use a particular cigarette brand as a badge of their own self-image, a particular brand would become a less useful instrument. It is important to note that if differentiated brand images are decreased by plain and generic packaging, teens still would be left with images of the teen cigarette smoker. To the extent that this image is one that teens wish to convey to the world, they will choose to smoke or not irrespective of brand.

6.3 VISUAL IMAGE EXPERIMENT

6.3.1 Introduction

6.3.2 Pilot Studies

6.3.3 Visual Image Experiment

6.3.4 Conclusions

6.3 VISUAL IMAGE EXPERIMENT

6.3.1 Introduction

Can plain and generic packaging change the images associated with cigarettes and cigarette smokers? This study was based on the assumption that if such packaging can reduce differences in the perceived images associated with different brands of cigarettes, then the badge value of each cigarette will be minimized.

Teenager's who point to a brand favoured by themselves and their peers typically feel that using the brand and being seen with it is instrumental in their self-definition. A prototype comment might be: "This is the brand I smoke and my friends smoke, and not the one my parents or older generations smoke."

To the extent that plain and generic packaging "denudes" the package of its unique characteristics, the motivation to use it for badge value and self-definition will be reduced. In the end, if all cigarette brands and packages look alike, it would be considerably harder for teenage smokers to point to one brand of cigarettes as being unique and self-definitional and another as being antithetical to them. To the extent that badge value and self-definition are key motivators of teenage smoking, the expectation would be that the level of teen smoking would be reduced if plain and generic packaging were the rule. From the cigarette manufacturers' side, developing niche markets for various brands would become more difficult, thereby constraining market segmentation strategies.

The purpose of the Visual Image Experiment was to operationalize a measure that would assess the capacity plain and generic packaging might have to reduce differences in the perceived visual images associated with different brands of cigarettes. The measure was imbedded in the National Survey of Teens administered to 1,200 teenagers across Canada (see section 6.1).

6.3.2 Pilot Studies

Selection of Package Types

An essential task prior to the final experiment involved the selection of the package types to be focussed upon. To identify the package(s) most likely to be used in the final study, a pilot study was conducted that included four versions of plain and generic packaging that had been previously considered in focus groups (see section 4). Based on inputs from these focus groups, one version which had incorporated a "lungs" symbol (described below) was altered to convey the intended message with greater clarity. In

addition, a buff colour was added. In all, five different packages were incorporated in the pilot study (see Appendix J).

The packages were presented to a sample of 152 Toronto teenagers who either smoked or indicated a strong interest in smoking. Aside from the brand name in a simple font, each of the original four versions had no brand markings on the package: one was coloured pink, a second, buff; a third, yellow/green; and a fourth, plain white. As noted above, a fifth package incorporated a symbol of a burning cigarette positioned vertically, going straight into bronchial tubes that led to two diseased lungs. It was placed on a plain white background. The packages were shown to each teenager individually. They were asked to rank the packages in terms of how much each one would discourage them from smoking. Analysis focussed on the package teens identified first as the one that would "most discourage" them from smoking (see Appendix K; questions 14 and 15).

There was considerable convergence, with 86% of the sample identifying the white package with the "lungs" symbol. The white package was selected as the "basic" plain package, to complement the more elaborate white package with "lungs" symbol. To summarize, the pilot study led to a decision to include three package types to be assessed in the Word Image Survey and Visual Image Experiment:

- the current version of a package;
- a plain white version; and
- a lungs version with a cigarette and lungs symbol on a white background.

Identification of Convergent Visual Cigarette Images

An early pilot study in the effort to identify those brands for which teens had convergent images involved 17 teenage smokers in a Vancouver high school. In this preliminary test, teens were asked to "match" five brands of cigarettes (Export "A", Benson & Hedges, Player's, du Maurier and Matinée), with five "person-types" (teenage male, teenage female, businessman, biker, middle-aged female). In a separate section of the questionnaire, three brands (Rothmans, Dunhill and Craven "A") were listed, and using an open-ended procedure, the teens were asked to generate a description of the type of person that would smoke each brand.

For the matching task, Benson & Hedges was most closely associated with a businessman (9 of 17 respondents); du Maurier was most closely associated with a teenage girl (9 of 17); and Export "A" was most closely associated with a teenage boy (9 of 17); the remaining eight responses for these three brands were scattered across the remaining brands. Matinée was associated most with a teenage female (8 of 17) and secondarily with a middle-aged female (5 of 17). Player's was associated most with a

teenage male (7 of 17) and secondarily with a biker (5 of 17). The most frequent open-ended responses regarding Rothman's linked that brand to both a blue collar worker (5 of 17) and a teenage male (5 of 17). Craven "A" was linked most often to older females (14 of 17). Dunhill was linked most often to teenage females (9 of 14).

Many of these results (e.g., Benson & Hedges - businessman, du Maurier - teenage female), suggested clearly convergent views, while some did not. Both the insights and the puzzles that emerged from this early effort led to the next step in identifying those brands for which teens had clearly convergent images.

The follow-up pilot effort was part of the same study, described above, administered to 152 Toronto teenagers (see Appendix K; question 13). This study was instrumental in determining which of eight cigarette brands elicited a maximal amount of convergence in terms of the perceived image associated with each. The ten brands (see Appendix L), including a "slim" and a "light" version of two brands were:

- du Maurier,
- Export "A",
- Matinée,
- Matinée Slims,
- Benson & Hedges,
- Capri (an American cigarette),
- Player's,
- Player's Light,
- Craven "A", and
- Rothman's.

The teenagers were shown one package at a time and at the same time were also shown eight (black and white, 5" x 6") pictures of the following "person-types" (see Appendix L):

- a teenage male, approximately 16-years old;
- a teenage female, approximately 16-years old;
- an active, sporty, sexy-looking female on a motorcycle, about 23 years old;
- a heavy-set, bearded "biker," about 35-years old, with bare arms sporting a large tattoo;
- a handsome, suited businessman, about 45–50 years old;
- a sophisticatedly dressed, attractive female, about 35-years old;
- an older, heavier set, grey-haired female, about 65-years old; and
- a fisherman, sporting overalls and a cap, about 60-years old.

As noted above, respondents viewed all eight photos together, and were shown one brand package of cigarettes at a time (order randomized). They were asked which of the persons in the photographs "...was the person most likely to smoke this brand?" (They were subsequently asked: "Who was second most likely?" and "Who was third most likely?") Analysis focussed on the respondents' first choice.

As noted in Table 1, the greatest degree of convergence was noted for:

- *the businessman*—When presented with Bensen & Hedges, 40% of the respondents indicated that they felt that it was the businessman who was most likely to smoke that brand. The only other brand that was seen as relevant to the businessman was Rothman's (28%).

- *the sophisticated 35-year-old female*—When presented with Matinée or Matinée Slims the respondents clearly indicated they felt it was the sophisticated 35-year-old female who would be most likely to smoke Matinée (40%) and Matinée Slims (50%). The American cigarette, Capri, was also seen as appealing to this person-type, with 36% indicating that she would be the one most likely to smoke Capri.

- *the teenage female*—When presented with du Maurier, 26% of the sample identified the teenagefemaleas the one most likely to smoke that brand. The American brand, Capri, was also seenas appealing to the teenage female (17%).

Table 1
Person Most Likely to Smoke These Brands

	du Maurier	Export "A"	Matinée	Matinée Slims	Benson & Hedges	Capri	Player's	Player's Light	Craven "A"	Roth-mans
Teenage Male	38%	5%	4%		3%	3%	30%	23%	7%	4%
	(57)	(8)	(4)		(4)	(4)	(28)	(14)	(11)	(6)
Teenage Female	26	2	10	7	1	17	7	13	3	1
	(39)	(3)	(9)	(4)	(1)	(26)	(6)	(8)	(5)	(2)
23-yr-old female	13	6	4	10	6	27	7	8	3	3
	(20)	(9)	(4)	(6)	(9)	(41)	(6)	(5)	(5)	(4)
Biker	10	26	2	2	8	1	30	17	22	18
	(14)	(40)	(2)	(1)	(12)	(1)	(28)	(10)	(33)	(27)
Businessman	7	11	11	5	40		7	12	13	28
	(11)	(16)	(10)	(3)	(61)		(6)	(7)	(20)	(43)
35-yr-old female	4	5	40	50	13	36	4	10	7	9
	(6)	(7)	(37)	(30)	(20)	(54)	(40)	(6)	(11)	(13)
Older lady	2	9	23	23	19	18	1	7	16	13
	(3)	(14)	(21)	(14)	(29)	(27)	(1)	(4)	(25)	(20)
Fisherman	1	36	5	2	10		14	10	28	24
	(2)	(55)	(5)	(1)	(15)		(13)	(6)	(42)	(37)
TOTAL*	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
n	(152)	(152)	(92)	(60)	(152)	(152)	(92)	(60)	(152)	(152)

* Errors due to rounding

Matinée, du Maurier and Benson & Hedges were the three brands selected for further study in the visual image section of the National Survey.

The same data from Table 1 was used to identify three person-types that were meaningfully different from each of the three identified above:

- The biker was selected as meaningfully different from the 35-year old female. When considering Matinée, only 2% linked that cigarette to the biker. Similarly, when considering Matinée Slims, only 2% linked that cigarette to the biker.

- The fisherman was selected as meaningfully different from the teenage female. When considering du Maurier, only 1% identified the fisherman as the one most likely to smoke that brand.

- The teenage male was selected as meaningfully different from the businessman. When considering Benson & Hedges, only 3% of the sample selected the teenage male as the one most likely to smoke that brand.

Development of the Dependent Measure

Two questions, one focussing primarily on the badge value of brands and packages, and a second focussing primarily on the self-definitional properties of brands and packages were developed. In a pilot study (see Appendix M), both measures generated very similar results. A follow-up with 10 teens in Toronto and 10 in Montréal (conducted as part of the pretest of the national survey; see section 6.1.2) assessed both of these measures. The question focussing on badge value appeared to be too long and somewhat confusing to the teenagers. As a result, the self-definitional question was selected. As described below, the question utilized was "Is [brand of cigarette] in this package right or wrong for this man/women?"

6.3.3 Visual Image Experiment

Using the information derived from the pilot studies, the final Visual Image Experiment included, as described above, six "person-types" and three brands:

- Matinée: a) Consistent image–sophisticated woman
  b) Inconsistent image–biker
- du Maurier: a) Consistent image–teenage girl
  b) Inconsistent image–fisherman
- Benson & Hedges: a) Consistent image–businessman
  b) Inconsistent image–teenage boy

Also as described above, the Visual Image Experiment included three package types: current package; white plain package "plain"; and white plain package with lungs symbol "lungs" (see Appendix N).

Experimental Design

More formally, the study involved a mixed experimental design with two within-subject factors and three between-subjects factors.

The two within-subject factors were:

- Package-type (3 levels: current, white, lungs); and
- Image consistency (2 levels: consistent, inconsistent).

The three between-subjects factors were:

- Brand (3 levels: du Maurier, Matinée, Benson & Hedges);
- Question order (2 levels: questions re consistent image posed first; questions re inconsistent image posed first); and
- Question place (2 levels: visual image questions placed early in questionnaire (see Appendix E); question 4a-c, 5a-c; visual image questions placed late in questionnaire: question 36a-d).

The within-subject factors, package-type and image consistency, represented the key independent variables of substantive interest. Of the between-subjects factors, brand was described above; question order and question place are elaborated below in the procedure section.

The question that generated the dependent measures is described below. It was posed to each subject six times: for the consistent image linked to the current, white and lungs packages and for the inconsistent image linked to the same three packages.

The question itself, very similar to one of the two posed in the U.S. pilot study, was, "Is [brand of cigarette] in this package right or wrong for this man/woman?" A five-point response scale was provided ranging from: "Definitely right for this person" (1) to "Definitely wrong for this person" (5). Note that the scoring in this report is reversed from the scoring on the questionnaire. Thus, as reported, the higher the score, the more appropriate the brand is for the person juxtaposed with it.

Sample

As described earlier, the subjects in this study were the 1,200 respondents for the National Survey - teenagers who either smoked or indicated some interest in smoking.

Procedure

As noted above, brand was a between-subjects factor, so that a given subject was asked to consider **either** du Maurier, Matinée **or** Benson & Hedges. Both consistency and package type were within-subject factors, so that each subject was presented with both the consistent and the inconsistent images associated with the particular brand. In either case, the image was first juxtaposed with the current package, next with the white package, and then finally with the lungs package. After viewing each package juxtaposed with each image (for a total of six), the subject was asked how right or wrong they felt that brand in that package was for the person or image portrayed.

The order in which the consistent and inconsistent set of images were presented was a between-subjects factor. Half the subjects viewed the consistent set of images first and the inconsistent set second, the reverse was true for the remaining half.

Last, the place where the Visual Image Experiment was inserted into the National Survey was a between-subjects factor. For half the subjects, it was inserted close to the beginning of the questionnaire, where little if any bias from preceding questions might occur. For the remaining half of the subjects, it was inserted toward the end of the questionnaire. This was necessary to allow counterbalancing with the Word Image Survey, also part of the National Survey. This counterbalancing permitted an assessment of possible bias for both tests, as a function of where in the questionnaire they occurred.

Hypotheses

H1—For the consistent set of person/images, mirroring today's brand environment, the plain package will be viewed as significantly less appropriate than the current package. This outcome would directly reflect the potential utility of removing brand markings (except for the name) in reducing the unique brand image conveyed by cigarette packages.

H2—The lungs package will be perceived as significantly less appropriate than the plain package for the consistent set of person/images. This outcome would confirm evidence from the pretests that teens regard this symbol as particularly offputting. (See H6 for a consideration of the lungs package and inconsistent person/images.)

H3—The current package will be viewed as significantly more appropriate for the consistent person/image than for the inconsistent person image. This outcome would mirror current perceived brand images, expanding upon findings related to H1.

H4—Given the reduced perceived appropriateness of the plain package for the consistent person/images, this package will not be seen as significantly more appropriate for the consistent person/images than for the inconsistent person/images. This outcome would anticipate the absence of differences in perceived brand images given the prevalence of plain and generic packages.

H5—For the inconsistent set of images, the plain package will be seen as somewhat more appropriate (or less inappropriate) than the current package. Removing the brand markings that cue people to the brand image would tend to reduce the perceived inappropriateness of the image. However, given the uniqueness and extremity of these inconsistent images, this package effect is expected to be a weaker one relative to the package effect for the consistent person/images.

H6—No hypothesis is advanced regarding the perceived appropriateness of the lungs package for the inconsistent person/images. In this instance, two influences are likely to be operating in opposite directions: removing the brand markings may make the package less inappropriate for the inconsistent person/images; nevertheless, to the extent that the lungs package is seen as negative/offputting, it may be seen as more inappropriate for anyone, including the inconsistent person/images.

Results

The SAS general linear models procedure for a repeated measures analysis of variance was utilized. Main effects and higher order interactions were examined to assess the overall pattern of results. Planned contrasts were structured to test a priori hypotheses. Given the sample size of 1,200, the degrees of freedom were such that statistical significance was relatively easy to achieve and could be derived as a function of very small differences between the means in question. This had to be kept in mind in assessing the import of any particular finding. The package-by-consistency interaction, central to this experiment, was significant; ($F=19.25$, $p \leq .0001$; Wilks Lambda for relevant means; see Table 2).

Table 2
Consistency by Package Interaction
(Mean scores on a 5-point scale)

n = 1,200	Current	Plain	Lungs
Consistent Image	3.87	2.73	1.84
Inconsistent Image	2.49	2.70	2.48

Planned contrasts for the three package types juxtaposed with the consistent images indicated that compared with the current package (mean=3.87), the plain package was seen as less appropriate (mean=2.73) for the person-types portrayed; (F=638.59, p≤.0001; H1). In turn, compared with the plain package, the lungs package was seen as even less appropriate (mean=1.84); for the consistent person-types portrayed (F=528.29, p≤.0001; H2). As hypothesized, the current packages of cigarettes were seen as significantly more appropriate when paired with the consistent person/image pictured (mean=3.87) than when paired with the inconsistent person/image (mean=2.49, F=635.46, p≤.0001; H3). Also as hypothesized, this significant difference is eliminated when the plain package is paired with the consistent and inconsistent images (mean for consistent images=2.73; mean for inconsistent images=2.70; F=0.46, p>.10; H4).

Relative to the current package, the plain package was seen as somewhat more appropriate (less inappropriate) for the inconsistent image (white package mean=2.70; current package mean=2.49; F=18.91, p≤.0001; H5). Although no hypothesis was advanced for the comparison between the lungs package and the other two packages, the lungs package was viewed as less appropriate for the inconsistent image than was the plain package (lungs package mean=2.48; plain package mean=2.70; F=22.36, p≤.0001). It is important to remember, however, that the mean differences with regard to the inconsistent images are fairly small and significance is easily attained as a result of the sample size. The means for the current package and the lungs package were virtually identical (2.49, 2.48 respectively) and not statistically different from one another (F=0.13).

Further analyses of higher order interactions were pursued to detect whether the basic

patterns observed with regard to the package-by-consistency results would be substantively altered. The package-by-consistency-by-brand interaction was significant (F=3.19, p≤.05). However, as indicated by the means presented in Table 3, the pattern for each brand is essentially the same as was observed for the package-by-consistency results.

Table 3
Package Type
(Mean scores on a 5-point scale)

		Current	Plain	Lungs
Benson & Hedges				
	Consistent	3.94	2.59	1.88
	Inconsistent	2.61	2.68	1.99
Matinée				
	Consistent	4.13	2.87	1.82
	Inconsistent	1.84	2.52	2.85
du Maurier				
	Consistent	3.54	2.73	1.80
	Inconsistent	3.03	2.88	2.58

For all three brands, contrasts indicate that the plain package was seen as less appropriate for the consistent image than was the current package. In turn, the lungs package was viewed as less appropriate than the plain package. For all three brands, the contrast between the current package when juxtaposed with the consistent and inconsistent images was highly significant. Each brand was seen as more appropriate for the consistent than for the inconsistent image portrayed. As hypothesized, for all three brands the mean difference was substantially reduced when the plain package was juxtaposed with the consistent and inconsistent images. For Benson & Hedges and du Maurier these contrasts were no longer significant; for Matinée the difference remained significant, if much reduced.

In sum, while the package-by-consistency-by-brand interaction was statistically significant, this significance was largely because of the large sample size and not

because there was a meaningful shift in the pattern of the results from brand to brand.

The next step in the analysis was to assess the possibility of an interaction as a function of **order** (consistent image first versus inconsistent image first) or **question place** (early or late in questionnaire). The four-way interaction for consistency-by-package-by-order-by-place was not significant ($F=1.02$, $p>.10$).

The patterns of data appear to be remarkably robust. For all brands, for both question orders and for both question placements, as predicted, the removal of the brand markings by introducing a plain package led subjects to view the brand as less appropriate for the consistent person/image. In turn the introduction of the lungs symbol onto the plain package makes the brand even less appropriate for the consistent person/image.

Similarly, for all brands, question orders and question placements, the current package was viewed as significantly more appropriate when juxtaposed with the consistent person/image than with the inconsistent person/image. In all these contrasts, the difference was substantially reduced when comparing the plain package with the consistent and inconsistent person/images. The removal of the brand markings tended to result in the plain package being viewed as somewhat less inappropriate for the inconsistent person/image. However, these differences were small, and less consistently viewed across the various comparisons.

For completeness in reporting the results of this experiment, two additional statistically significant interactions are discussed below:

- While the three-way interaction for package-by-order-by-place was significant ($F=4.46$, $p\leq.05$) these patterns do not provide much insight inasmuch as the data is collapsed across the two levels of consistency. In any case, the pattern of the variables is consistent across all comparisons, with the current package evaluated as more appropriate than the plain package, which in turn was evaluated as more appropriate than the lungs package, regardless of order or place. Once again, statistical significance is achieved by virtue of the large degrees of freedom, with very small actual differences in the patterns between the means.

- The five-way interaction for package-by-consistency-by-brand-by-order-by-place was just significant at the $p\leq.05$ level. But in this instance as well, the data patterns for the package-by-consistency set of means were remarkably consistent. Across all 12 sets of comparisons (3 brands by 2 orders by 2 places), the juxtaposition of the three packages with the consistent person/image yielded the same pattern of results: the plain package was viewed as less appropriate than the lungs package. In 11 of 12 cases, the current package was seen as more appropriate for the consistent than for the

inconsistent person/image. The single exception (which was less than one would expect due to chance variation) was noted when the du Maurier brand was evaluated later in the questionnaire, and in the order where the consistent image was presented first and the inconsistent image second. In this single instance, du Maurier in the current package was viewed as being about equally appropriate for both the consistent and inconsistent person/images. In all except the latter instance, as predicted, the comparable difference for the plain packages (for consistent and inconsistent images) was considerably smaller or reversed.

6.3.4 Conclusions

The findings noted in this experiment support the hypothesis that plain and generic packaging and even more, plain and generic packaging plus the lungs symbol, can serve to minimize the unique brand images that have been constructed over time and the perception of the actual packages of cigarettes. As an example, du Maurier is seen as appropriate for teens and inappropriate for fishermen/laborer types, but only as long as the current brand is juxtaposed with these person-types. These differences (which reflect niches in the marketplace) disappear when plain packages are juxtaposed with the teenager and fisherman/laborer type.

The same pattern is observed when current and plain packages are juxtaposed with: the sophisticated female and the biker; and with the businessman and the teenage male. Given what the Expert Panel believed would be the enduring badge value of the brand name alone (which remained on the package), these results appear to be quite powerful. The change to a plain package overrides the brand name, even in the short-term setting of the experiment. Moreover, the findings seem quite robust inasmuch as they are consistent across brands, question order and questionnaire place.

Denuding cigarette packages of major elements of their brand markings (other than their name) appears to limit teenagers' capacity to associate specific images with specific brands. Under these circumstances, these brands lose their badge value and self-defining characteristics. When these characteristics represent key motivators in teenagers' decisions to smoke, then it seems reasonable to conclude that plain and generic packaging can be a useful strategy in attempting to demarket cigarettes to teenagers because it would make it more difficult to build or maintain brand equity. Finally, the lungs symbol uniformly led to that package being perceived as least appropriate for the consistent person/image.

A typical caveat for the findings of any study is that alternative explanations for the results observed remain possible. One such alternative is experiment demand effects. Teenage subjects might have become aware of the goals of the study and shaped their answers so as to conform to what they thought the hypotheses were. A number of the results, however, would argue against such an interpretation. For one, the pattern of responses that were obtained late

in the questionnaire, after the subjects had considerable opportunity to assess the goals of the study, were no different from the pattern of responses obtained very early in the questionnaire. Further, altering the order in which the questions were posed by presenting either the consistent or inconsistent images first, generated no significant differences in the pattern of responses. Thus the responses noted could not be attributed to the mental set generated by that specific question order. Lastly, subjects seemed to calibrate their responses quite differently for the consistent and inconsistent images. They tended to make much smaller adjustments from package to package with the inconsistent images than with the consistent images. This suggests they were giving careful thought to their responses and not answering in any formula-like manner.

6.4 RECALL AND RECOGNITION EXPERIMENT

6.4.1 Purpose

6.4.2 Hypotheses

6.4.3 Methodology

6.4.4 Results

6.4.5 Conclusions

6.4 RECALL AND RECOGNITION EXPERIMENT

6.4.1 Purpose

This study was intended to assess teenagers' attention to different aspects of cigarette packages. In particular, it focussed on any attentional differences that might occur as a function of the nature of the package, either the package currently available on the market or the plain white package with minimal brand identification.

6.4.2 Hypotheses

Null hypotheses, suggesting the absence of differences between those viewing either of the two types of packages, "current" or "plain," were structured for the following variables:

- unaided recall of the cigarette brand;
- aided recall of the cigarette brand;
- unaided recall of the health warning message; and
- aided recall of the health warning message.

6.4.3 Methodology

A pretest was conducted in Toronto with 152 teenagers, aged 14–17, who smoked or were seriously considering smoking. This was the same sample as used in the pilot study (described in section 6.3) to determine which package types would be used in the Word Image and Visual Image study components of the final National Survey (see Appendix K; questions 3-12).

Subjects were exposed to computer presented pictures of either current or plain versions on a tabletop, with either three or five additional objects. They were exposed to these images for either four, six or eight seconds. The goals of this pretest were to determine the appropriate levels of objects and times to use for the final Recall and Recognition Experiment. Although the results of this pretest were less convergent than the Expert Panel had hoped, they suggested that using three items as background to the cigarette packages and exposing the subject to an image for four seconds would be optimal.

In the final study each respondent privately viewed a total of three images projected one at a time on a computer monitor (see Appendix O). Each image was displayed for four seconds and showed a tabletop with four items on it: a can of soda pop, a bottle of a headache remedy, a magazine, and a cigarette pack. For each image a different brand of each product was displayed. The three cigarette brands displayed were: Matinée, du Maurier and Player's.

The order in which each of the three brands were shown to subjects was rotated.

The final Recall and Recognition Experiment was conducted in Vancouver with 400 teenagers who either smoked cigarettes or were seriously considering smoking cigarettes within the next year. It was conducted immediately prior to the Conjoint Experiment with the same respondents who participated in that study.

Half the subjects saw the three cigarette brands in their current packages. The remaining half saw the three cigarette brands in the plain package, with minimal brand identification. After each image was displayed the subjects were asked to respond to the following:

- "Please tell me all the objects you recall seeing." (Unaided recall of product category and brand)
- "What brand of_____ did you see?" (Unaided brand recall)
- "Thinking about the___ can you recall its brand (name)?" (Aided brand recall for items not identified previously by brand)
- "What did the health warning of the cigarette pack say?" (Unaided recall health of message)
- In a "matching" task, subjects were shown the three packages all at once, with each of the health messages covered over and asked to indicate which package displayed which of three health messages separately listed on a sheet of paper. (Aided recall of health message)

Additionally, in order to disguise the focus on the health warnings on the cigarettes packages, the following were interspersed as "foils":

- "Please describe what was on the cover of the magazine."
- "Was the cola diet or regular?"
- "Was the headache remedy regular strength or extra strength?"

The exact same set of questions were posed for each of the three images that each subject was exposed to.

6.4.4 Results

Unaided recall of cigarette brand

Almost two thirds (66%) of the teenage subjects recalled seeing the du Maurier brand, but less than 3% recalled seeing either the Matinée or Player's brands. More (82%) of those who saw the familiar red du Maurier package recalled the brand name, as compared with only 51% who saw du Maurier in the plain package (χ^2=43.24, p≤.0001, 1df).

Aided recall of cigarette brand

The number of additional subjects recalling each brand name under the aided recall probe (14 for du Maurier, 3 for Player's, and 2 for Matinée) were too few to warrant additional analyses of brand recall.

Unaided recall of health warning message

The warning, "Smoking can kill you," which was the one on the Matinée package, was the only one recalled by a meaningful number of subjects. Overall, 44% of the teenagers recalled this message, with a somewhat higher percentage (50%) of those seeing the plain package recalling the message, relative to 38% of those seeing the current package (χ^2=6.05, p≤.05, 1df). By contrast, only 4% recalled the warning, "Cigarettes are addictive," on the du Maurier package and only 3% recalled the warning, "Tobacco smoke causes fatal lung disease..." The latter two percentages were too few to warrant additional analyses by package type.

Aided recall of health warning message

For two of the three health warnings/brands, more of those viewing the current packages were able to match warning and package, as compared with those who had seen the plain package. For the warning, "Tobacco smoke causes fatal lung disease...," 58% of those viewing the current Player's package were able to match message and brand, compared with just 46% of those who viewed the plain Player's package (χ^2=6.49, p≤.0001, 1df). For "Smoking can kill you," 55% of those who viewed the current Matinée package were able to match message and brand, compared with just 42% who viewed the plain Matinée package (χ^2=6.50, p≤.0001, 1df). Close to 50% of both those exposed to the current and the plain packages of du Maurier were able to match the warning, "Cigarettes are addictive," and the du Maurier brand. The difference between the two groups was negligible (χ^2=0.20, p>.10, 1df).

6.4.5 Conclusions

Recall of the particular brand names appeared to be dependent upon the specific learned associations the teenagers had developed. In particular, the familiar red du Maurier package appeared to draw the subjects' attention, as recall of du Maurier was much higher for those teens who saw the current package than for those who saw the plain package. The fact that du Maurier was the only brand recalled by a substantial number of subjects is not surprising inasmuch as it is the brand that teens tend to favour and are most familiar with.

Only one health warning message, "Smoking can kill you", was recalled by a substantial number of subjects. This is clearly the message that contains the words for which subjects are most likely to have a low perceptual threshold. "Kill" and "you" no doubt readily rivet a subject's attention. By comparison, it is not surprising that the message "Tobacco smoke causes fatal lung disease...", was not well recalled by many. Its length and jargon-like wording makes it more difficult to notice and recall. It is more difficult to understand why the message, "Cigarettes are addictive," was recalled by so few subjects. It may be that its wording is "boring."

More subjects recalled the "Smoking can kill you" message when it was on the plain package than when it was on the Player's package. It may be that the absence of a competitive message facilitates unaided recall.

For the aided recall question, both the "Smoking can kill you" message (on the Matinée package) and the "Tobacco smoke causes fatal lung disease..." message (on the Player's package) were matched by more subjects to the correct brand when they were viewed on the current package. These results suggest that the current package served as a more meaningful cue than the plain package, at least in two of the three cases. Of course outside of this limited experiment, the health warning messages are rotated regularly and not linked to particular brands. In this sense the results associated with this measure may be misleading.

To summarize, at least one warning, "Smoking can kill you," was better recalled when it was on the plain package where the rest of the package had fewer "competing" messages. The teens favourite brand, du Maurier, was recalled less when it was in a plain package as opposed to the familiar red package.

The finding that very few subjects noticed two of the three brands and two of the three health warning messages suggests that the four second exposure to the images was not sufficient. It makes intuitive sense that with a minimal amount of exposure time, the one brand and the one warning that were recalled were the ones the subjects could most easily readily identify - du Maurier and "Smoking can kill you". With longer exposure times, the same patterns observed in these instances might well be noted with the other brands and messages.

The methodology utilized in this study involved exposing subjects very briefly to the stimuli under consideration and assessing the degree to which they were able to recall these stimuli. Extrapolating to a more natural long-term setting, the logic is that smokers may give the health warning message on their package a quick glimpse a few times a day. Consider the results presented above for unaided recall of the "Smoking can kill you" message. The reasoning is that occasional glimpses of a health warning message on an uncluttered plain white package may generate more attention and better recall of the message, relative to when it is viewed on a more cluttered regular package with many more "competing" messages. If this proves to be the case, the expectation is that the message may have at least a little more potential for persuasive impact. Similarly, if teenagers pay less attention to a package of du Maurier when it is "denuded" of its trademark red colour, the expectation is that over the long run they may lose some interest in the brand. To the extent that all packages look the same, the expectation is that they might lose some interest in all brands. Of course, as with any short- term study, these extrapolations to the long term and to variables other than attention and recall can only be suggestive and not definitive.

6.5 CONJOINT EXPERIMENT

6.5.1 Introduction

6.5.2 Methodology

6.5.3 Objectives

6.5.4 Execution

6.5.5 Findings

6.5.6 Relationships of Utility Values to Sex and Age

6.5.7 Conclusions

6.5 CONJOINT EXPERIMENT

6.5.1 Introduction

Since the mid 1970s, conjoint analysis has received increasing acceptance in commercial and academic research (Wittink & Cattin, 1989). The accelerated acceptance of conjoint measurement and analysis has been assisted by the introduction of several computer programs that integrate the entire process, from generating the experimental designs to be evaluated, to creating choice simulations used to predict consumer decisions across a wide variety of product and service categories (Bretton Clark, 1988; Sawtooth Software, 1988).

Conjoint is both a method of measurement and a method of analysis (Axelrod & Frendberg, 1990). It is a multivariate technique used specifically to understand how consumers develop preferences for products and services based on the simple premise that consumers evaluate the utility of a product or service idea (real or hypothetical) by combining the separate amounts of utility provided by each attribute. It is unique among multivariate methods in that the research first constructs a set of products or services by combining the possible attributes at various levels. These products are then presented to respondents who provide **only their overall evaluations** of the product or service. The researcher asks the respondent to perform a very realistic task - choosing between different products and services. This avoids many of the **subject artifacts** and **demand effects** (Carlopio et al., 1983) of traditional compositional approaches in which respondents' separate evaluations of each attribute level are aggregated to form estimates of respondent preferences.

Conjoint analysis is a form of traditional experimentation. In situations involving human behaviour, researchers often need to conduct "experiments" with factors that they control. For example, in this situation what are the relative effects of brand, package type, price, and whether friends smoke the brand or not? Conjoint analysis was developed from the need to analyze effects of variables (which can be controlled), that are often qualitatively specified or weakly measured (Green and Srinivasan, 1978; Green & Wind, 1975). It is actually a family of techniques and methods, all theoretically based on models of information integration and functional measurement (Louviere, 1988).

In conjoint analysis the use of experimental design in the analysis of consumer decisions has two objectives:

- To determine the contributions of predictor variables and the values of these separate levels on the determination of consumer preferences. For example, how much does package design encourage smoking? Which plain and generic package design will most encourage non-smokers not to start smoking, and smokers to stop smoking?

- To establish a valid model of consumer judgments that is useful in predicting consumer acceptance of any combination of attributes (Hair et.al., 1992).

Conjoint analysis differs from other multivariate techniques in three distinct areas (Hair et al., 1992): its decompositional nature, the fact that estimates can be made at the individual level, and, the flexibility in terms of relationships between dependent and independent variables.

Compositional vs. decompositional techniques

Conjoint analysis employs a "decompositional model." Knowing respondents' choice preferences between pairs of objects, and knowing the characteristics of the objects presented to respondents (manipulated through an experimental design), these preferences are decomposed to determine **how much** utility is associated with each level of each attribute.

Conjoint analysis differs from "compositional models," such as discriminant analysis or regression, where the researcher collects respondents' judgments about each level of each attribute (e.g., favourability toward price levels, colour, style, etc.) and then combines these ratings to **compose** an overall preference, and then tries to develop a predictive model.

Separate models for each respondent

Conjoint differs from almost all other multivariate methods in that it can be carried out at the level of the individual respondent, meaning that the researcher can develop a separate model for predicting the preference of each respondent. Most other methods of analysis take measures from each respondent but can only perform an analysis using all respondents combined. Most importantly, individual level models can be used to simulate a market, that is, to predict how a group of respondents would respond to a product or service with a particular set of attributes and values.

Types of relationships

Most multivariate methods require the assumption of linear relationships between the predictor and the dependent variables (preference). Conjoint analysis is not hamstrung by this assumption. It can make separate predictions for the effects of each level of the independent variables and does not assume that the dependent variable increases (or decreases) in equal amounts for each unit change in the predictor variables. Thus conjoint analysis can handle any type of non-linear relationship, even the complex curvilinear relationship in which one value is positive, the next negative and the third positive again (Hair et al., 1992).

In summary conjoint measurement and analysis is a powerful alternative to traditional systems of measurement and analysis. It is less subject to subject artifacts and demand effects (Carlopio et al., 1983). It employs the best elements of experimental design; it is decompositional rather than compositional; and it can simulate markets. In this study the Expert Panel employed conjoint analysis in the sense of triangulation. It is a different form of measurement and analysis applied to the same research questions being approached with traditional survey (National Survey) and experimental studies (Visual Image Experiment and Word Image Survey imbedded in the National Survey and the Recall and Recognition Experiment). Should the results of all three types of measurement - survey, classical experiment and conjoint analysis - provide results that converge on the same findings and conclusions, confidence in the results is multiplied threefold.

6.5.2 Methodology

Traditional conjoint measurement provides a quantitative estimate of the importance of each attribute compared with the others, and the relative importance of each level of each attribute compared with the other levels. For example, brand is an attribute, and different brands (e.g., du Maurier, Matinée, Rothman's, etc.) are different levels of the attribute brand. Or the attribute may be type of package and the levels are the current package design for the brand, and each of several versions of plain and generic packaging are the levels of the attribute package type. Respondents were asked to make overall judgments about pairs of products with different combinations of brand, package type, price level or other attributes. These overall consumer judgments, combined with the researchers' knowledge of the different combinations (experimental design) of attribute levels to which each respondent was exposed and judged, were then decomposed to estimate the relative utility of each level of each attribute (Green and Tull, 1978). Thus instead of direct questioning, respondents were asked to indicate their preference between products which are combinations of the attributes. By knowing the experimental stimuli to which respondents were exposed, the researchers could deduce their underlying utilities for each level of each attribute.

There are many varieties of conjoint measurement and analysis. The experimental model can be designed to estimate both main effects and interactions between different attributes. Most commonly, conjoint models estimate only main effects. In collecting the data, the researcher must choose between the **pairwise** or **full profile** approach (Aaker and Day, 1990). The pairwise approach presents the respondents with stimulus pairs of products, each with a different combination of the attribute levels. A full profile method presents all possible pairs of stimuli to the respondents, with each product having a different combination of levels of the attributes. The pairwise approach has greater inherent measurement validity because its more difficult for respondents to discover the purposes of the researcher; thus subject "demand effects" are mitigated (Carlopio et al., 1983). The pairwise approach is also an

easier response task for respondents. The product stimuli can be presented in various ways - written descriptions, pictorial representations or the physical product itself. Green and Srinivasan (1978) argue that the written and particularly the pictorial approaches are likely the best methods.

Even with pairwise presentation of stimuli, however, the demands on respondents may be too high, especially if there are many attributes and levels, since the number of pairs of judgments required may be very high. To reduce the demands of measurement, hybrid conjoint models were developed (Green, Goldberg and Montemayor, 1981). These combine both the compositional approach of traditional utility estimation with the decompositional approach of conjoint measurement. In an adaptive hybrid approach, respondents are first asked direct questions about attributes and their levels. The respondents' responses to these direct questions are used to develop a preliminary estimate of the respondents' utilities for each attribute and each level of each attribute. Then a pairwise conjoint stage follows in which the pairs presented to the respondents are selected using the prior knowledge of the explicitly measured utilities. This way, the number of pairs that need to be presented can be reduced because the researchers can zero in more quickly on each respondent's utilities with high levels of statistical accuracy.

In this experiment, ACA (adaptive conjoint analysis), developed by Sawtooth Software (Johnson, 1987), was employed. ACA is computer-administered: the questions are asked on a computer screen, and as respondents answer, the computer algorithms learn about them in order to develop an initial experimental design unique to each respondent that will efficiently learn best, in the pairwise section, about respondents' utilities. In this version of a hybrid approach, the respondents are first asked to rate separately the importance of each attribute level for each attribute. They are then asked to rate the importance of each attribute compared with the other attributes. Their responses to these questions are used to develop a preliminary model of the respondents' utilities for each attribute and each level of each attribute. Then the computer algorithm selects a pair of products with attribute levels that should most reduce uncertainty about the respondents' utilities. The respondents indicate a preference between the first pair. The computer then instantly recalculates the respondents' utility model in order to select next pair of products with attribute levels that again would best reduce uncertainty about the respondents' utilities. This process continues and additional pairs are presented until certainty about the respondents' utility values reaches statistically acceptable level(α=0.05). If respondents are inconsistent in their judgments, additional pairs will be presented until a researcher-determined preset maximum of pairs is reached. For this experiment the preset maximum was set at 30 pairs.

ACA has a second capability that is very useful. After data are collected from a sample, the sample can be used to simulate a market; that is, the researcher can specify different product versions and test them for share of preference in the market represented by the sample of

respondents. In other words, ACA can be used to simulate brand or product choice or preferences.

ACA has several advantages over other conjoint systems. An important advantage for this experiment is that the respondents' interactions with the computer system are interesting and enjoyable, so respondents' become more involved with the task. Second, ACA provides methods for recalculating the utility estimates in a variety of forms. For the purposes of this research, one of these forms, called "diffs," provides each attribute's level's utility scores in a way in which it is not affected by the number of other levels present in the choice environment. This removes the "model size" effect and allows direct comparison of the utility values of levels between different attributes.

In a typical conjoint experiment, respondents are presented with pairs of products with attributes that mostly already exist in the marketplace and are known to the respondents. In some cases new attributes or levels of attributes (e.g., package colours or designs) may be new to the respondents. To the degree that respondents discern that the focus of the study is on the new attribute or attribute level, which they have never seen in the marketplace, they may begin to guess at the researchers intent and the study's purpose. The higher the level of respondent "guessing," especially correct "guessing," about the intent of the study, the greater the potential for subject artifacts and demand effects to bias the measurements (Carlopio et al., 1983). In addition, this Experiment was vulnerable to respondents being able to surmise the purpose of the experiment (except for the adult sample), because it was administered to teen subjects immediately following the Recall and Recognition Experiment, which also sensitized them to the new idea of plain and generic packaging.

6.5.3 Objectives

The overall study objective was to estimate the relative utility of a number of attributes of cigarettes, including brand, price, type of package and peer influence, for both current and several versions of plain and generic packaging and across several brands. Using ACA this was done without directly asking respondents about plain and generic packaging and also allowed simulation of the impact of package type in order to predict the effects of various versions of such packaging on consumer preferences. The specific objectives of this conjoint study were:

- to compare the effects of current and different versions of plain and generic packaging - in the presence of brand and price information and statements about whether friends smoke the brand or not - with respect to the **non-smoking teens'** perceptions of "which cigarette encourages you most to **start** smoking";

- to compare the effects of current and different versions of plain and generic packaging - in the presence of brand and price information and statements about whether friends smoke the brand or not - with respect to the **smoking teens'** *perceptions* of "which cigarette encourages you most to **stop** smoking";

- to compare the effects of current and different versions of plain and generic packaging - in the presence of brand and price information and statements about whether friends smoke the brand or not - with respect to the **adult** smokers' perceptions of "which cigarette encourages you most to **stop** smoking"; and

- to use the obtained utility estimates for the teen smoker, teen non-smoker and adult samples to simulate the potential impact of each version of plain and generic packaging.

6.5.4 Execution

Four attributes with 17 levels were employed in this study:

- Brand:
  - Craven "A"
  - Player's
  - Matinée
  - du Maurier
  - Rothman's

- Package Type:
  - Type A - current package design
  - Type B - plain white (plain)
  - Type C - lungs/plain white (lungs)
  - Type D - Yellow-green
  - Type E - buff
  - Type F - pink

- Price:
  - $2.50 per pack
  - $3.80 per pack
  - $5.20 per pack
  - $6.50 per pack

- Peer Influence:
  - Friends smoke this brand.
  - Friends don't smoke this brand.

ACA version 4.0 was employed as the base conjoint system. This was a new graphical version developed by the Adaptive Technologies Group (Cleveland Ohio). Operating under a Windows 3.1 GUI environment, respondents were presented with a combination of pictorial and linguistic stimuli. The package types were presented in pictorial and linguistic form, and the brands, prices, and peer influence levels were presented in linguistic form. (See Appendix P for script and pictures of sample screens used in the computer-administered conjoint data collection.)

The combined ATG/ACA computer measurement system was administered to a sample of approximately 400 teenagers (14–17 years old) and 100 adults (30–50 years old), in early January, in Vancouver. (See Appendix O.)
The achieved, usable samples from this field operation were:

- Teen - Non-Smoker N = 195
- Teen - Smokers N = 203
- Adult - Smokers N = 97

(Note: For teens, a smoker was one who smokes at least one cigarette per week; for adults, a smoker was one who smokes at least one-half pack per day.)

For experimental research, in which there is no attempt to generalize to a population, these sample sizes are above norms, and provide adequate statistical power. The characteristics of these samples are shown in Table 4. In summary, the samples were reasonably balanced in terms of sex and age, and drawn from the greater Vancouver area.

Table 4
Selected Demographic Characteristics of the Conjoint Experiment Samples

	Teen Non-Smokers	Teen Smokers	Adult Smokers
Sex			
Female	95	99	49
Male	100	104	49
Total	195	203	98
Age			
14	67	51	-
15	54	57	-
16	39	48	-
17	35	47	-
30-39	-	-	58
40-50	-	-	40
City			
Vancouver	42	39	-
Suburbs	156	152	-
Missing	5	4	-

6.5.5 Findings

The findings of the Conjoint Experiment are presented in three sub-sections, one each for teen non-smokers, teen smokers, and adult smokers. The distinction between smokers and non-smokers is as follows.

Teenage Non-Smokers

The mean utility values for each level of each attribute are presented in Table 5. The response question for non-smoking teens was, "Which cigarette (of each pair presented) would encourage you most to **start** smoking?" The mean values, given the "diff's" scoring to control for the difference in the number of levels between attributes, have no absolute value in and of themselves. They are interpreted by examining the relative utilities of each level of each attribute.

Table 5
N, Means and Std Deviations
Diffs. Utility Values for Non-smoking Teens
N = 195

Variable	Mean	Std Dev
Craven "A"	23	25
Player's	58	35
Matinée	29	30
du Maurier	73	42
Rothman's	23	29
Current (Type A)	72	36
Plain (Type B)	34	27
Lungs (Type C)	7	20
Yel/Grn (Type D)	22	25
Buff (Type E)	19	23
Pink (Type F)	29	31
Price $2.50	161	64
Price $3.80	114	46
Price $5.20	54	26
Price $6.50	1	8
F yes	68	37
F no	3	14

The mean utility values reveal that the price attribute had greater impact on perception of which cigarette would encourage non-smoking teens to start smoking. The two lowest price levels, $2.50 and $3.80 per pack, had the highest utility values. The attributes and levels with the next most impact on their perception of which cigarette would encourage uptake were brand—du Maurier—and package type—the current packaging (Type A). The third most influential variable that would encourage uptake was peer influence—the fact that their friends also smoked that cigarette.

Within the package type attribute, the version that would least encourage non-smoking teens to start smoking is the lungs version (Type C). Buff (Type E) also was low in perceived utility regarding uptake. The other plain versions (B, D and F) were rather similar in utility but also much lower than the current packaging regarding uptake. The

current package (Type A) was most encouraging with respect to uptake.

It is important to note that the standard deviations are large compared with the means. Thus, variability in utilities between these individuals is very high. The two attributes with the highest utility levels (price and peer influence) also had the highest standard deviations, indicating a higher disagreement among the respondents with respect to these attributes.

The simulation abilities of ACA were used to project the effect of the different versions of plain and generic packaging, given each individual's utility values. In the simulations, one for each of the five brands, six products were specified. Brand, price and peer influence were specified the same for each product brand. Only package type was varied. Thus the research question was, which of six products would have the greatest effect on encouraging non-smoking teens to start smoking. A separate simulation was conducted for each of the five brands. The results are presented in Table 6.

Table 6
Teenage Non-Smokers
Simulation Results - Effect of Type of Package for Holding Brand, Price and Peer Influence Constant
N = 160

Package Type	Share of Encouragement to Start Smoking (%)	Standard Error (%)
Current package	22.05	0.38
Plain white (plain)	16.84	0.26
Lungs/plain white (lungs)	14.09	0.24
Yellow-green	15.47	0.20
Buff	15.31	0.22
Pink	16.24	0.26

In these simulations the "correlation" factor was set at 0.10. This parameter allows the researcher to screen out respondents who were the most inconsistent in their responses and whose utility values were less stable. The result is that the sample size is reduced when "inconsistent" respondents are excluded from the simulation. For this analysis the 0.10 cut off resulted in a reduction in sample size from 195 to 160.

These simulation results reveal that with respect to encouraging non-smoking teens to start smoking, the current package design has the greater share of encouragement and the lungs design has the least share of encouragement. All versions of the plain package are very similar in the degree that they do not encourage non-smoking teens to start smoking compared with current package. There is little difference between any of the versions of plain and generic packages with the exception of the lungs version.

Teenage Smokers

The mean utility values for each level of each attribute are presented in Table 7. The response question for Non-Smoking Teens was, "Which cigarette would encourage you most to stop smoking?"

Table 7
N, Means and Std Deviations
Diffs. Utility Values for Teenage Smokers
N = 203

Variable	Mean	Std Dev
Craven "A"	57	40
Player's	32	34
Matinée	55	40
du Maurier	20	30
Rothman's	52	40
Current (Type A)	14	31
Plain (Type B)	24	31
Lungs (Type C)	96	51
Yel/grn (Type D)	37	34
Buff (Type E)	28	30
Pink (Type F)	40	35
Price $2.50	4	21
Price $3.80	44	27
Price $5.20	96	42
Price $6.50	151	57
F yes	12	27
F no	42	36

The high price attribute levels have the highest utility with respect to encouraging teen smokers to stop smoking. The lungs package design also has a high utility value with respect to cessation, about the same utility as a $5.20 price. But by examining the ranges of utility values, it is clear that price has the greatest impact with respect to encouraging teenage smokers to quit smoking. Brand and package type also exhibit wide ranges between the attribute utility values. The current package design would have the least impact on encouraging cessation and the lungs version the greatest, but the other versions of plain and generic packaging would also have a much greater impact than the current package design. With respect to brand, Craven "A", Matinée, and Rothman's have a greater impact on encouraging cessation, while du Maurier and Player's brands have the least impact.

It is important to note that the standard deviations are large compared with the means, even larger on average than for the non-smoking teens (average of 35 vs 30 points). Thus variability in utilities between teen smokers is greater than for teen non-smokers.

The ACA simulation results for the teenage smoker sub-sample are presented in Table 8.

Table 8
Teenage smokers
Simulation Results - Effect of Type of Package for Holding Brand, Price and Peer Influence Constant
N = 155

Package Type	Share of Encouragement to Stop Smoking (%)	Standard Error (%)
Current package	13.32	0.42
Plain white (plain)	14.27	0.34
Lungs/plain white (lungs)	26.81	0.85
Yellow-green	15.56	0.33
Buff	14.38	0.31
Pink	15.65	0.33

It should be noted that controlling for the most inconsistent respondents with a "correlation" cutoff of 0.10 resulted in a slightly greater loss of respondents compared with the teenage non-smoker sub-sample. Teenage smokers are more inconsistent in their judgments in a conjoint task. Possibly many of them are struggling with their

addiction. Second, it should be noted that although the lungs package design had the highest utility with respect to encouraging cessation among smokers, it also had the highest standard error. Thus, there was more variability for this package design among these more consistent smokers than for the other package designs. Third, it must be noted that in this teenage smoking subpopulation, there is little difference in the utility of the plain and generic package versions and the current package with respect to impact on their perceptions of which would encourage them more to stop smoking. The current package design is less encouraging regarding cessation than the plain and generic packages (excluding the lungs version), but not by much.

Adult Smokers

The mean utility values for each level of each attribute are presented in Table 9. The response question for these smoking adults was, "Which cigarette would encourage you most to **stop** smoking?"

The highest utility for "stopping" smoking is a price of $6.50. The lungs package has the next highest utility (109), followed closely by a price of $5.20. The current package (Type A) has a very low utility for encouraging these adults to stop smoking. Other than the lungs package type, the other plain and generic packages were all relatively equal in utility with respect to encouraging cessation. The yellow-green version was higher in utility for encouraging these adults to stop smoking, and the plain package had the least utility of the plain and generic type packages.

Table 9
N, Means and Std Deviations
Diffs. Utility Values for Adult Smokers
N = 98

Variable	Mean	Std Dev
Craven "A"	45	33
Player's	38	47
Matinée	48	39
du Maurier	36	40
Rothman's	43	40
Current (Type A)	6	16
White (Type B)	28	31
Lungs (Type C)	109	65
Yel/grn (Type D)	39	28
Buff (Type E)	26	23
Pink (Type F)	37	41
Price $2.50	3	17
Price $3.80	47	28
Price $5.20	100	42
Price $6.50	152	62
F yes	8	22
F no	32	24

In summary, high prices would have the greatest impact on encouraging these adults to stop smoking; the lungs version of packaging also has a strong impact. The other plain and generic type packages also would have modest impacts on encouraging cessation.

It is important to note that the standard deviations are large compared to the means, about the same magnitude as for the teen smokers. These high standard deviations reveal high inter-subject variability in the relative importance of these attributes and levels with respect to encouraging cessation.

The ACA simulation results for the adult smoker sub-sample are presented in Table 10. It should be noted that the controlling for the most inconsistent respondents at a

"correlation" cut-off of 0.10 resulted in a loss of 27 respondents. Second, it should be noted that although the lungs package design had the highest utility with respect to encouraging them to stop smoking, it also has a standard error almost twice as large as for the other levels of the attributes. Respondents were more inconsistent in evaluating the degree to which the lungs package would encourage them to stop smoking. Third, it must be noted that in this adult smoking population there is little difference in the utility of the plain and generic and current package versions with respect to impact on their perceptions of which would encourage them more to stop smoking. Thus, current package design is less encouraging regarding cessation than the plain and generic packages (excluding the lungs version), but not by much.

Table 10
Adult Smokers
Simulation Results—Effect of Type of Package for Holding Brand, Price and Peer Influence Constant
N = 71

Package Type	Share of Encouragement to Stop Smoking (%)	Standard Error (%)
Current package	13.32	0.42
Plain white (plain)	14.27	0.34
Lungs/plain white (lungs)	26.81	0.85
Yellow-green	15.56	0.33
Buff	14.38	0.31
Pink	15.65	0.33

6.5.6 Relationships of Utility Values to Sex and Age

Do boys and girls, women and men have different utility patterns for these attributes and levels? Do older teens have different utility values than younger teens, or do older adult smokers have different utility values than younger ones? To answer these questions, the respondents' utility scores for each of the 17 attribute levels were employed as dependent variables and an analysis of variance (ANOVA) was conducted with sex and age as independent variables. These models were run separately for teen non-smokers, teen smokers and adults.

Of the 102 ANOVAs involved, only 14 revealed differences significant at α=0.05 level. It

should be noted that 5 of these 14 might have occurred by chance. Many of these differences confirm prior expectations based on data reported in the literature. The differences can be summarized as follows:

- Teen males have higher average utility scores for the current package (Type A) than do teen females.
- Teen smoking females have a higher average utility score for the lungs package than do the male teen smokers (104 vs 88). Thus the teenage females attribute greater influence to this package design in encouraging cessation than do male teen smokers.
- Younger adult smokers (30–39) had higher average utility scores for the lungs package type than the older adult smokers.
- Female non-smoking teens had significantly higher utility scores for the Matinéeand du Maurier brands in encouraging uptake, while non-smoking males had significantly higher utility scores for the Rothman's brand to encourage uptake. In addition, in this non-smoking group, du Maurier and Rothman's had significantly higher utility scores among the 16 and 17 year-olds than among the 14 and 15 year-olds.
- Among adult smokers, Player's, Matinéeand du Maurier were significantly more encouraging regarding cessation among the older group (40–50) than among the younger adults (30–39).
- Finally, among the non-smoking teen group, females had much higher utility scores for "friends smoke the cigarette" than did the males. In this case, female teens are more susceptible to peer influences than males.

6.5.7 Conclusions

Assuming that demand effects and subject artifacts were minimal in the measurement process, this Conjoint Experiment provides the following conclusions:

For non-smoking and smoking teens, and adults, price is perceived to be the most important attribute influencing the uptake or cessation of smoking. There is little difference in the relative importance in the utility values between teen and adult smokers. Package type (current vs plain and generic) is generally as important or more important than brand influence with respect to the uptake or cessation of smoking and more important than peer influences, except for teenage non-smokers.

In order of importance for inhibiting the uptake of smoking and encouraging the cessation of

smoking, the lungs package received higher utility scores than any of the other plain package designs, but also had the highest standard deviations, indicating greater disagreement among respondents about this package design. For teenagers, the pink plain package was second highest in utility and the yellow-green was third highest in utility. For adults, the yellow-green was second highest and the pink third highest in utility. Excluding the lungs version, there is little difference between the other four plain package versions - plain white, yellow-green, buff, or pink.

The analysis of utility scores by sex and age reveals differences in the effects of brands between teens with respect to encouraging uptake among non-smokers and encouraging cessation among smokers. The brands that are revealed as significantly related to these tendencies can be tied rather explicitly to the nature of their promotional activities - e.g., du Maurier/females (predominantly the arts); Player's/males (predominantly sports). The analysis of utility scores by sex and age reveal that females are likely to be much more influenced by the lungs package design; this influence is not shared by the males.

While the lungs package design appears, on the surface, to be the most effective in encouraging cessation among teen and adult smokers, or to encourage non-smoking teens not to start, this effectiveness is stronger for females than for males. There is high variability between respondents in the perceived utility of these attributes and levels with respect to influencing the uptake or cessation of smoking. Thus, the impact of plain and generic packaging would be uneven across the population.

If it is assumed that the subject artifacts and demand effects are substantial, then the likely effect is that for teen non-smokers the importance of the plain and generic packages regarding the uptake of smoking is, on average, over-estimated. Therefore, plain and generic packaging may not inhibit the uptake of smoking as much as suggested by these findings. For the smokers, the likely bias effect is to under-estimate the effect of plain and generic packaging on the cessation of smoking. Thus, smokers may be encouraged to stop smoking by plain and generic packaging more than they are willing to admit to themselves.

Taken as a whole, these findings suggest that plain and generic packaging will, to some unknown degree, encourage non-smokers not to start smoking and smokers to stop smoking. The absolute extent of this influence cannot be validly determined by research that is dependent on asking consumers questions about what they think or what they might do if all cigarettes were sold in the same plain and generic packages.

7. ANALYSIS OF INDUSTRY EFFECTS

7.1 INTRODUCTION

7.2 METHODOLOGY

7.3 LITERATURE REVIEW OF ORGANIZATIONAL ADAPTATION AND OBJECTIVES

7.4 POSSIBLE STRATEGIC INDUSTRY ADAPTATION RESPONSES

7.4.1 Collaborative Strategies for Preservation of Legitimacy

7.4.2 Competitive Strategies for Market Share

7.4.3 Strategies of Growth and Risk-diffusion

7.4.4 Other Effects and Dilemmas

7.5 CONCLUSIONS

7. ANALYSIS OF INDUSTRY EFFECTS

7.1 INTRODUCTION

The purposes of this section are: to analyze theoretically the impacts of a plain and generic packaging environment on the tobacco industry; and to predict possible strategic adaptation scenarios by the industry as well as by individual firms within the industry. The impact of these changes on the other sectors of the Canadian economy dependent upon tobacco-related business - e.g.., growers, wholesalers, distributors and retailers, packaging manufacturers, etc. - is also briefly discussed.

The following discussion of the tobacco products manufacturing industry focusses primarily on cigarettes as the overwhelmingly largest component of this industry's production. The terms, **tobacco industry, cigarette industry,** and **tobacco products industry,** are used interchangeably and each refers to the tobacco products manufacturing companies.

7.2 METHODOLOGY

This study adopts an historical perspective to examine the potential reactions of the tobacco products industry, in Canada and the United States to external threats in their institutional environment. The U.S. experience is important because the smoking-and-health controversy started there and policy changes in the United States impact upon Canadian public policy and vice-versa. The historical data is derived from archival records on the tobacco industry in Canada and the United States which include: published books and reports on the tobacco industry; published academic research in various disciplines; magazine articles; publications of corporations and trade associations; special reports and public transcripts of hearings and debates of government agencies; reports and press releases of special interest groups, nonprofit organizations and investment analysts; and news items in Canadian and U.S. daily new papers. The strategic adaptation patterns emerging from this historical analysis are used as guides to predict future strategic adaptation patterns of the tobacco industry. A detailed description of the theoretical framework, methodology and historical perspective are found in Appendix R.

7.3 LITERATURE REVIEW OF ORGANIZATIONAL ADAPTATION AND OBJECTIVES

In order to cope with external change, management has three types of options - strategic, structural and performance (Child, 1972). **Strategic options** refer primarily to the organizational flexibility in terms of the business domains which the organization can enter into. This choice is quite varied for private corporations but constrained and narrow for public

sector or Crown corporations. Companies are capable of entering different markets and also influencing the formation of markets and societal values in their own interests (Galbraith, 1979; Lindblom, 1977; Perrow, 1979; Reid, 1976). **Structural options** refer to the rearrangement of internal structural frameworks and processes intended to channel organization competencies, resources and commitments in support of the new strategies suited to an altered environment (Bower, 1972). Organization structure, rewards, performance measurements, definitions of managerial jobs, and career precedents are the levers through which the top management controls organizational decision-making and operations. **Performance options** refer to organizational slack. Organizational adaptation requires slack (Cyert & March, 1963) involving at least a temporary reduction in performance. Strategic and structural retooling requires a certain learning period before such changes can reach their potentials. The organization may choose to ignore some misalignments by temporarily reducing some performance standards.

Empirical research shows that **organizational adaptation** is a dynamic process that is a function of a mix of both environmental determinism and strategic choice resulting from relative strength and type of power or dependency between the organization and its environment (Hrebeniak & Joyce, 1985). (The theoretical basis for this assertion is more fully developed *in the Appendix* P.) Thus, both strategic choice and environmental determinism provide thrusts for change: each is both a cause and a consequence of the other in the adaptation process.

Organizations are expected by society to do ***well*** **(efficiency)** and to do social ***good*** **(legitimacy)** (Miles & Cameron, 1982). Management and economic literature often ignore legitimacy, since it is difficult to measure due to its intangible and subjective nature (Davidson, 1992; Mahon, 1989). Legitimacy requires measuring the congruence of activities of organizations with the values of the superordinate system, that is, the societal institutions within which it is embedded.

Organizations have several possible alternatives for managing their legitimacy (Perrow, 1979): modify their goals and methods to conform to societal values; influence societal values to conform to their purposes and methods; and avoid the process of direct comparison by becoming identified with symbols, values or institutions that have a stronger basis in social reality than either the source of the threat or the particular subset of values it champions. As can be seen in Appendix P in the discussion on strategic adaptation, the tobacco industry has tended to attempt to concentrate on the second alternative, rather than trying to change in response to changes in societal values. To a limited extent, the companies have followed the third alternative by removing the word "tobacco" from their names and diversifying substantially into non-tobacco businesses. Legitimacy and efficiency, the two indicators of effectiveness, are often interdependent. The extent of this interdependence is likely to vary with the social and economic importance and prominence of the organization. Thus, large

and visible organizations, such as the "big three" Canadian cigarette manufacturers, must bear the brunt of reconciling this duality. These firms control substantial economic resources and power to influence political events in a market-oriented society.

In addition to economic efficiency (Caves, 1977; Porter, 1980), and legitimacy (Parsons, 1960; Perrow, 1979; Pfeffer & Salancik, 1978), large organizations are driven by objectives of **growth** (Penrose, 1980) and **security** (Miles & Cameron, 1982). External events such as the Sloan-Kettering study of 1953 that linked smoking to cancer and the U.S. Surgeon General's Report in 1964, threatened the legitimacy of the traditional business of the tobacco industry. By threatening this legitimacy, these changes also threatened the industry's economic efficiency (the ability to compete and make profits and earn high returns for investors), security and growth. In order to continue to meet these business objectives, the industry adopted a series of strategies to enable it to continue on paths of acceptable-risk and legitimate growth coupled with acceptable returns. (See Appendix P for a discussion of these strategies within the framework of the external events in the operating environment of the tobacco industry since the early 1950s.) Since the influence of U.S. events and the strategies of U.S. tobacco companies (two of the "big three" Canadian cigarette companies are owned by U.S. companies and the third has an affiliate in the U.S.), cannot be separated from the Canadian context, the discussion is framed within the historical development of the smoking-and-health controversy in Canada and United States. The following section uses the theoretical framework outlined above and the historical industry behaviour described in Appendix R to speculate on likely strategic adaptation scenarios that may be adopted by the Canadian tobacco industry in response to a plain and generic packaging environment.

7.4 POSSIBLE STRATEGIC INDUSTRY ADAPTATION RESPONSES

Tobacco products firms, like all business corporations, seek to achieve objectives of the legitimate pursuit of acceptable-risk economic efficiency (profits) and growth. With the external environment becoming even more threatening for the cigarette industry within a plain and generic packaging environment, the strategies of legitimacy defense, competitive market share, and risk diffusion would likely be escalated. While collective industry strategies are likely to be the same as the historical collaborative industry strategies, possible changes in individual market shares and pursuit of market share are more complex. Companies in stronger market positions may actually stand to benefit from a plain and generic packaging environment. Those firms already in possession of larger market shares, companies with higher margins or companies with a diversified portfolio of established brands which gives them high margins may have the capability of doing better in the absence of avenues of differentiating their packaging. A decline in aggregate demand and consumption of cigarettes would differentially affect different companies, and some companies may support plain and generic packaging eventually, while others would oppose it even after it is in place. This happened in the 1960s in the United States when some companies such as Philip Morris (PM)

and R.J. Reynolds (RJR) established large shares for filter and low-tar cigarettes while the others lost out. It may be difficult to get industry cooperation when such cooperation would differentially benefit or harm different firms. It is likely though that smaller companies would follow the lead of the larger Imperial Tobacco Co. (ITC). On the other hand, PM (the parent company of Rothman's-Benson & Hedges) has been known to follow unpredictable and predatory strategies to gain market share, especially when the external environment is changing (as it did historically during the smoking-and-health controversy). Even though ITC has a dominant 65% market share in Canada, the other two companies are subsidiaries of large multinational conglomerates.

A possible speculation is that plain and generic packaging would change cigarettes into commodities. Canadian cigarettes, unlike the differently blended American brands, are all made from the same Niagara grown flue-cured Virginia leaf, and taste identical (Aubin, 1989; Callahan, 1984). It may therefore be assumed that cigarettes would become an undifferentiated commodity with plain and generic packaging and be subject to commodity theory. According to this theory, however, manufacturers of a commodity would collaborate to promote and market a commodity only if these efforts would lead to an increase in the total market from which everyone would benefit (Forker & Ward, 1993). Nevertheless, cigarettes would always differ from true commodities and the industry would not collaborate on competitive strategies for two reasons. First, experience goods may be classified along a continuum with cooperative and predatory goods as the two ends (Forker & Ward, 1993). Cooperative goods cannot be differentiated, and advertising increases total demand but does not affect market shares of individual brands. There is no incentive to promote individually because other competitors would gain equally without paying their shares. Predatory goods are those that can be differentiated and for which marketing promotional activity leads to changes in market shares even though the total market is difficult to increase. Industries would support generic collaborative promotion programs only for cooperative goods where all would gain but not for predatory goods where only some would gain at the cost of others. The ones that gain may be already better placed in terms of market share or retail and distribution networks. Cigarettes are a classic case of a predatory product. The total cigarette market in Canada has been declining at the rate of 3% to 4% per annum. In a declining market, there is little incentive for manufacturers to band together to jointly spend money on any kind of promotion. Every producer has an incentive to try to obtain a larger share of the declining market in order to continue to pursue objectives of growth and risk diffusion through effective capacity utilization.

Second, even though cigarette packaging would be generic, the brand names would continue to be used. These brand names have existing brand equity and stocks of consumer goodwill. This brand equity of cigarettes is important to the future strategies of the companies because cigarette purchases are marked by habit persistence (Forker & Ward, 1993). Even without advertising, promotion and distinctive packaging, it may take decades for these brand equities

to fade or recede far enough in consumers' minds to substantially reduce brand preference (Aaker, 1991). Meanwhile, companies would endeavour to maintain these brand associations and equities through other forms of corporate reputation enhancements, such as endowments for the arts and through sports and cultural sponsorships - although without distinctive branded colour and logo packaging, it would be more difficult to create sponsorship-brand links through corporate sponsorships when only the actual name would be available to make the linkage. Corporate reputations have been seen to have had a major impact as secondary stimuli in the creation of brand equity (Aaker, 1991; Keller, 1993). In this case, corporate reputations would become the primary sources of brand equity creation. In short, the cigarette companies can be expected to collaborate on protection of legitimacy as they have done in the past, but wage predatory wars for individual market share through market strategies of price and distribution manipulation, as well as by projecting desirable corporate reputations. At the same time, the companies would continue to find growth opportunities by expanding overseas and by diversifying into other businesses. The following sections examine possible strategic adaptation scenarios that the industry can be expected to follow subsequent to a plain and generic packaging environment.

7.4.1 Collaborative Strategies for Preservation of Legitimacy

Even though most people recognize the linkage between smoking and health problems, the industry can not afford to do so. An acknowledgment of the causal linkage between smoking and health problems would leave the industry no justification for existence. Therefore, the following collaborative strategies would be based upon a denial of the cause and effect of smoking on health.

The Creation and Control of Smoking-and-health Information

The Council for Tobacco Research (CTR) and especially the Tobacco Institute (TI) in the United States have become the central clearinghouses of information relating to the smoking-and-health controversy, not only for the U.S. government agencies but also for the Canadian federal agencies (Taylor, 1984). Due to the vastly larger sizes of the U.S. market and earnings of the U.S. tobacco firms, the industry associations in the United States have always been better-funded than the Canadian Tobacco Manufacturers' Council (CTMC) and have provided much larger amounts of research funds for control of smoking-and-health information. There may also exist an implicit understanding between the CTMC and the CTR and TI under which CTMC would share information on the smoking-and-health controversy generated by the U.S. industry associations. However, the Canadian "big three" cigarette manufacturers, through the CTMC, could be expected to continue to provide research grants to universities, independent research institutions, individuals, etc., to continue to be the first ones to know of any smoking-and-health related developments. This would provide them with the time to create strategies to react to any adverse findings or information.

The Lobbying and Co-optation of Gatekeepers in the Institutional Environment

This has been the immediate focus of legitimacy defense mounted by the Canadian tobacco industry, with substantial support from the U.S. tobacco industry. The CTMC has put forth the following arguments in newspaper reports:

- Plain and generic packaging would not have any impact upon smoking behaviour in Canada (Mittelstaedt, 1994).
- Plain and generic packaging would take away each member firm's abilities to protect its brands from competitors.
- Plain and generic packaging would not reduce smoking in Canada: it would only impact negatively on Canadian-produced cigarettes as smuggling of attractively packaged popular U.S. brands is stepped up across the border. Robert Parker, President of the CTMC said that it would be easier to hide smuggled cigarettes in generic packages (Mittelstaedt, 1994). The two arguments of increased smuggling of attractively packaged U.S. brands and hiding of smuggled cigarettes in generic packages appear to be contradictory.
- Such packaging would result in loss of employment and revenues for the provincial and federal governments.
- The industry claims to have spent C$50 million since 1989 to comply with various packaging regulations on larger health warnings and would be unable to afford any more expenditure (Mittelstaedt, 1994).
- Plain and generic packaging would amount to expropriation of the brands of cigarette companies, for which the industry would demand compensation running into billions of dollars (Mittelstaedt, 1994). The U.S. tobacco companies (mainly PM and RJR), hired Carla Hills, former U.S. Trade Representative and Julius Katz, former U.S. Deputy Trade Representative, to make a representation to the House of Commons Standing Committee on Health in May 1994 that the expropriation of trademarks were illegal under Chapter 17 of NAFTA and that the Canadian government would be faced with huge expropriation compensation payments under Chapter 11 of NAFTA (*Globe & Mail*, 1994(a); Parker, 1994). The main concern of the U.S. industry is the precedent that would be followed by other countries, since Canada is seen as a world trend-setter in tobacco control (*Globe & Mail*, 1994(a)). The Canadian government has consistently maintained that the exemptions on health and social services issues are provided for under NAFTA. The industry, however, continues to argue against these exemptions (Campbell, 1994). Katz and Hills also told the Standing Committee on Health that the proposed plain and generic packaging was illegal under GATT (*Globe & Mail*, 1994(a)).

Plain and generic packaging would be a major threat to the legitimacy of cigarettes, and the tobacco industry can be expected to follow collaborative political strategies to fight its implementation forcefully. The support demonstrated by the U.S. tobacco industry in calling in Hills and Katz to present strongly the tobacco industry position to the House of Commons Committee is probably one of the strongest political actions ever taken by the Canadian tobacco industry. This may be a portent of a battle in which the CTMC and individual companies will litigate against expropriation of trademarks under NAFTA and demand significant compensation. Parker of the CTMC has stated that the Canadian government can ill afford to pay the billions that the industry would demand (Parker, 1994). The CTMC would also actively lobby against the implementation of plain and generic packaging of tobacco products. The CTMC is well aware of the fact that the tobacco lobby is not strong in the Canadian government, unlike in the United States, where tobacco state senators chair several important committees. Consequently, the Canadian tobacco industry can be expected to use the power of the U.S. tobacco lobby to bring about increasing pressure from political forces in the United States using the trade interfaces between Canada and the United States as has already been observed.

Coalition Building

The tobacco industry could also be expected to continue to forge coalitions with activists for freedom of speech and for smokers' rights; labour unions and ethnic communities (which is a more important factor in the United States than in Canada); tobacco growers who are already protesting further attempts by the government to curb cigarette demand; retailers and wholesalers of cigarettes; and ancillary industries such as the packaging industry. Several packaging and printing companies in Ontario have already protested that they would be forced to shut down and lay off hundreds of workers as a result of plain and generic packaging of tobacco products (Morton, 1994). These coalitions are likely to become stronger and more active as the government pursues this initiative.

7.4.2 Competitive Strategies for Market Share

As mentioned above, the tobacco industry is still the most profitable business for the diversified "big three" Canadian tobacco manufacturers. The companies could be expected to continue to collaborate to retain legitimacy while they fight for market share in a declining market. They may be expected to pursue the following competitive strategies.

Control Over Distribution and Retail Trade

Advantages from perceived differences created in the past through advertising and packaging may persist for a considerable time after the removal of branded packaging. In cigarettes, the covert and often denied objective of the industry is to achieve adoption by new young smokers, since addiction already keeps established smokers buying the product. Because the availability of advertising and differentiated packaging serve to make market entry easier for new competitors, prohibiting these serves to raise barriers to entry. Consequently, the established cigarette companies with high market shares in this mature industry would not suffer as much from plain and generic packaging as the smaller companies or any new entrants. It is not likely that new firms would enter a declining industry, and therefore market shares would probably remain essentially static subsequent to the introduction of plain and generic packaging. There may be a shift of market share in favour of the major brands at the expense of minor brands due to customer confusion at retail outlets - without distinctive packaging, customers would ask for the "top of mind" brand. This would favour ITC, which currently holds the dominant share. With no avenues to advertise (except indirectly through U.S. media available in Canada), promote or differentially package the brands it is speculated that cigarette companies would have few incentives to introduce new brands into the market.

For convenience goods like cigarettes, the retailer is needed to provide information for consumers to obtain product differentiation. The objective of convenience goods promotion is to create repeat purchase, through promotion and advertising, that is more emotional and lifestyle oriented. In the absence of advertising and promotion outlets (and with the weakening of the link between corporate sponsorship and branded package), the cigarette industry may be expected to provide greater incentives to retailers to provide more and better shelf space for their brands in order to provide availability to the buyer in the store. Thus, adding plain and generic packaging to the prohibition of tobacco advertising is likely to encourage cigarette marketers to shift from primarily "pull" marketing strategies to primarily "push" marketing strategies. The emphasis would likely shift to shelf-space allocation competition, efficient distribution systems, strong market support or trade sales organizations, and point of purchase promotion. (Branded "sleeves" and branded cigarette cases are obvious candidates, but this is the area in which real ingenuity and innovation may be expected.) Cigarettes are sold through convenience stores, supermarkets and large retail chains. Within this retail group, the retailers traditionally have little latitude to differentiate the products they sell, and leave the differentiation to the manufacturers, who advertise the brand and "pull" the product through the distribution channel. When, as in the case of cigarette manufacturers operating in a plain and generic packaging environment, the manufacturer is unable to achieve brand differentiation, then retailers acquire greater power in the marketing channel. A powershift (Toffler, 1990) to the retailers from the manufacturers could be expected.

In the case of predatory commodities, where advertising and promotion does not result in increased total sales for the industry, companies are likely to try to control wholesale and retail channels of the commodity (Forker & Ward, 1993). This strategy can take on the following dimensions:

- **Higher margins for wholesalers** - Due to the declining cigarette market in Canada, new entrants into the wholesale market would be unlikely. Existing wholesalers may continue in this business as they diversify into other business domains to compensate for declining cigarette sales. Thus, if a company is able to capture preferred wholesalers by offering higher margins, other companies may not be able to set up or find new wholesalers to compete with that company.

- **Exclusive distribution contracts** - Companies would enter into exclusive distribution contracts with wholesalers to ensure that they do not distribute brands of competitors.

- **Higher margins for retailers to obtain greater shelf space** - Companies would offer higher margins for retailers to persuade them to stock larger quantities of their brands and to actively favour them at the point of sale (by sales clerks). Without any distinguishing packaging, larger shelf space and personal selling would become more important for companies in retail outlets. Since the companies would have no avenues of providing information to consumers about their brands through advertising, promotion or colourful branded packaging (and would save funds normally spent on packaging and advertising), larger shelf space would become important as a visibility device for brands, and financial inducements to retailers to favour brands would increase in importance. This may be expected to lead to margin wars among the cigarette companies. PM (Rothman's-Benson & Hedges) entered the U.S. market in 1932 by offering higher margins to wholesalers and retailers, and may possibly attempt to increase market share through these measures again. PM has been known to adapt quickly and successfully to changing environments and take advantage of changes by gaining market share.

- **Control of retail chains** - Imasco already owns Shoppers Drug Mart through which it sells ITC's products. This would appear to be an ideal strategy for other companies who could attempt to buy and control captive retail outlets. Unfortunately for the industry, Ontario's recent Bill 119 prohibits tobacco sales in pharmacies. Imasco has vowed to fight this law in the courts (*Calgary Herald*, 1994(a)), but it is speculated that this could be an ongoing trend across Canada. In response, Wal-Mart has already declared that it will

not stock cigarettes at any of its 122 stores in Canada (*Calgary Herald*, 1994(a)). Wal-Mart, the second largest retailer in the world, still sells cigarettes in its U.S. stores, however. The industry would gradually be restricted in the retail outlets it can sell through, and companies would attempt to buy retail chains without pharmacies to ensure that these chains sell only their own cigarette brands.

- **Direct marketing** - It is conceivable that cigarettes may be prohibited from over-the- counter sales. PM has been preparing for this eventuality in the United States by setting up databases of smokers. Canadian tobacco companies are prevented from undertaking promotional campaigns that PM has used in the United States to create these databases. It is likely that the Canadian companies would attempt to acquire databases of smokers from independent market research agencies.

Pricing strategies

Although cigarette sales are considered relatively inelastic, with lower brand preferences as a result of plain and generic packaging price may become an important factor in the future. One way of inducing the consumer to experiment with different brands or to entice the new smoker would be through price cuts. With a substantial reduction in Canadian federal tax on cigarettes having taken effect in 1994, small reductions of prices by cigarette companies would be noticeable by consumers, especially the critical young smoker. The cigarette companies have high profitability and cash reserves to undertake these price wars in addition to dealer margin wars (especially after realizing substantial savings from plain and generic packaging). Although the industry has refrained from price wars thus far, PM has broken this pattern with a substantial price reduction in the United States in 1993. In a declining market, it is speculated that cigarette marketers may well adopt more price-cutting strategies. These would be particularly attractive to a minor brand marketer who is seeing sales deteriorate appreciably from brand confusion at the retail level because of plain and generic packaging. Cutting price would make the brand distinctive (and desirable to young smokers) and would maintain sales. Major brand marketers may not respond aggressively to a small competitor's price strategy until this strategy begins to seriously affect the major brand marketer's sales.

It is also plausible that the three major cigarette manufacturers would tacitly agree to not attempt to shift existing market shares. It would be in the interests of the majors to hold or increase prices to boost profits for all in a declining market. Since the demand for cigarettes, especially among committed smokers, is relatively inelastic, small price increases may not have as much impact on sales and market shares. Whether or not the industry will engage in price wars is partially dependent on the effect plain and generic

packaging would have directly on smoking uptake by young people. If smoking uptake by young people (the most elastic segment of the market) declines, tacit holding of prices and market shares, is a more probable industry response than is a price war.

Corporate Reputation Building

While the cigarette companies would rely heavily on existing brand equities as well as on inducing experimentation through price cuts, they would endeavour to establish umbrella corporate reputations to sell the brands (Aaker, 1991). This is an avenue that would be still open for tobacco companies. They would pursue generic corporate image advertising and also sponsor cultural and arts and entertainment foundations. The du Maurier Arts Foundation of ITC has recently stepped up its advertising campaign in the national press, with the advertisements in the same red colour as its cigarette package. Companies would try to boost this expenditure immediately to leave indelible impressions about their package colours on consumer minds that can be triggered by similar coloured corporate image advertisements in the future. Expenditure made by tobacco industry on promotion of the arts has a disproportionately high impact in projecting the companies as the patrons of the arts (Taylor, 1984). Cigarette companies could be expected to boost their expenditures on promotion of cultural events and groups in order to create a positive image of cultural sophistication and patronage among its consumers. While this may not entice new smokers (since the linkage between the sponsorship and the package would be weaker), existing smokers may prefer to smoke brands of a company with a better reputation (Aaker, 1991). Companies could also undertake to build corporate reputations by increasing their visibility as good corporate citizens through socially responsive actions in the communities in which they operate. Socially responsible investment funds constituted US$625 billion in investments in 1991 (Kinder, Lydenberg & Domini, 1993). Most of these funds do not invest in tobacco related companies. There are, however, many investment funds that are on the borderline and may invest in these companies if they show positive actions toward social responsibility.

Product innovation

It would appear that without avenues to promote new brands, product innovation and new segmentation strategies would not be feasible. However, Canadian companies may have an opportunity to better discriminate their brands on taste. All Canadian cigarettes have traditionally been produced with the same Niagara-grown flue-cured Virginia blend. In the absence of non-tangible, brand image-based distinguishing attributes, there may be an opportunity for companies to import different tobacco blends and distinguish their cigarettes from those of competitors through physical product differentiation. Tobacco imports could become increasingly important as these companies step up

exports. Canadian cigarette companies also may experiment with innovations around zero-nicotine blends that would be less addictive and less harmful and that may result in increased domestic and export demands from consumers seeking lower nicotine levels. With plain and generic packaging, cigarette manufacturers may look to any "loopholes" in the legislative framework that would allow them to differentiate their product. In addition, separately sold branded cigarette cases may become available in explicitly coloured and branded package liners. Also, actual cigarette papers may be branded much more boldly in brand colours than the discreet brand name in small print as is currently the case. Opportunities to display brand identification would be uncovered in ways that are impossible to predict but could be highly innovative.

Individual political strategies

At the individual level, some companies may be expected to undertake political strategies commensurate with their power in the Canadian economy. PM has already threatened to pull all of its other businesses, including Kraft Foods, Miller Brewing and General Foods, out of Canada if plain and generic packaging is introduced (*Globe & Mail*, 1994(b)). In a letter to the House of Commons Standing Committee on Health, William Webb argues that plain and generic packaging may set a precedent for high fat and high cholesterol packaged and branded foods that it produces and markets in Canada. There are precedents for this type of corporate behaviour: PM's attacks on the film made by Peter Taylor on the smoking related deaths of ex-Marlboro advertising men (Taylor, 1984); its advertising withdrawal from magazines that published articles on the smoking-and-health controversy (Davidson, 1992); its abrupt firing of the advertising agency Saatchi & Saatchi from one of its General Foods' accounts, worth some US$80 million, because of the agency's creation of television advertisements for Northwest Airlines promoting its non-smoking flights; and its attacks on Northwest Airlines itself by sending thousands of letters to its database of smokers denigrating the airline for its poor on-time performance and its transgressions of Federal Aviation Administration Standards. Guy Smith of PM is quoted in Davidson (1992: p.196) as saying, "I would suggest that organizations that discriminate against one third of the adult population (smokers) do so at their own economic and political peril." Furthermore, Davidson (1992: p.196) also quotes a spokesman of the TI as saying, "If we're attacked, we're not going to roll over and play dead. The sooner our adversaries, friendly or otherwise, learn that, the less difficulty they're going to find themselves in" (Davidson, 1992). This may be an indication of the determined reaction that could be expected from the industry and also from the individual firms to a plain and generic packaging environment.

7.4.3 Strategies of Growth and Risk-diffusion

While the cigarette companies collaborate to hold onto their rapidly eroding legitimacy, and compete to garner higher market shares in a declining market, risk diffusion is likely to become the focus of future strategies. The institutional environment of the Canadian tobacco industry will clearly become more threatening with plain and generic packaging. The risk diffusion strategies that the cigarette companies would follow can be expected to be a continuation of the strategies they have followed over the last 40 years—expansion overseas and diversification.

Expansion Overseas

Canadian tobacco companies have been small players in international markets, even though their parent companies, BAT Industries UK, PM and RJR have expanded overseas. It is likely that Canadian companies would become more aggressive in expanding their operations in the still expanding markets of the Third World and Eastern Europe.

Diversification

The tobacco industry undoubtedly is planning for the long-term decline of the industry. Domestic sales were 42% lower in 1991 than in 1982 (*Levesque Beaubien Geoffrion*, 1993). Despite PM's threat to withdraw its other packaged foods businesses out of Canada and throwing thousands of workers out of jobs (*Globe & Mail*, 1994(b)), it is more likely that PM would allocate greater resources to these non-tobacco businesses and that it would look for other avenues of diversification. It is also likely that ITC and RJR-MacDonald would increasingly look for non-tobacco diversification. An early move in this area may be an attempt by the three companies to acquire non-pharmacy based retail chains in order to gain control over the retail business. The cigarette companies may also try to acquire market research and direct marketing companies in the event that over the counter sales of cigarettes are banned.

A plain and generic packaging environment and the responsive strategies of the tobacco industry would have impacts on the other sectors of the Canadian economy. These are discussed in the following section.

7.4.4 Other Effects and Dilemmas

The introduction of plain and generic packaging would affect other sectors dependent on tobacco-related business. The following arguments are not explored in depth, but are highlighted as potential dilemmas resulting from the predicted adaptation strategies of the tobacco industry as a consequence of the introduction of plain and generic packaging.

Exports to the Third World

Faced with hostility, falling sales, advertising bans, possible plain and generic packaging, and possible price wars of the sort PM initiated in U.S. markets, tobacco companies are seeking more hospitable environments in Asia, Africa and Eastern Europe (especially in the former Soviet Union). Markets in the ex-communist country present high growth opportunities (*Economist*, 1992). Both PM and RJR are following aggressive policies of promotion and questionable advertising practices to achieve success in Third World markets (Levin, 1990).

Increasing exports to the Third World could be an undesirable side effect of plain and generic packaging. The lack of information and health programs in many Third World countries could lead to a health crisis of epidemic proportions. In these countries, the link between health and smoking is not so well-known to smokers. Third World governments have other pressing problems such as hunger and poverty to address before allocating scarce resources for tobacco control measures and anti-smoking campaigns. Even the United Nations (UN) has not resisted the spread of tobacco farming and cigarettes in the developing world. The World Health Organization's (WHO) concerns for public health has been overidden by the economic growth imperatives of the other arms of the UN—the United Nations Development Program (UNDP) and the Food and Agricultural Organization (FAO), both of which have historically supported tobacco as a cash crop yielding one of the highest returns on agricultural investment in many developing countries (Huebner, 1981). While the FAO has traditionally extolled the economic benefits of tobacco, the WHO has discussed the social and economic costs of smoking (Taylor, 1984). Only recently have the two begun to combine perspectives and weigh the benefits against the costs. The World Bank has also only recently changed its policy on tobacco, stopping loans for tobacco production, processing or marketing in favour of lending to countries in order to help them diversify away from tobacco (World Development Report, 1993).

Third World countries are less able to undertake coordinated action to curb smoking. Political and economic interrelationships make tobacco an important link in their economies - employment, trade, revenue, advertising and promotion. Lax tobacco control measures and anti-smoking policies, and inadequate resources for enforcement have allowed, the tobacco multinationals to flout advertising codes and sell high-nicotine and high-tar cigarettes in Third World countries (Ross, 1980). The governments of many developing countries are even more dependent on tobacco due to huge balance of payment deficits, high energy costs, chronic food shortages, lack of hard currency for imports, soaring food prices, runaway inflation, enormous debts, rising expectations on the part of their people and possibilities of political unrest (Taylor, 1984). Tobacco is a cash crop that unlike cotton, cocoa, coffee, tea, sugar, and groundnuts is not subject to

fluctuations of world commodity prices, mainly due to the U.S. price support program for tobacco; it therefore provides governments with steady revenues, export earnings, foreign exchange and development. Advertising policies adopted by the tobacco multinationals in developing countries are designed to lure the younger smokers, despite expressed corporate policies to the contrary (Fritschler, 1983; Taylor, 1984).

Tobacco Farmers

There were 1,383 tobacco farm families in Ontario and Quebec in 1989, plus another 58 in the Atlantic area. Ninety percent of these farms are concentrated in Ontario. Canada produces 99% of its own tobacco consumption. Through an Ontario Tobacco Growers' Marketing Board, the acreage is controlled in order to maintain tobacco prices. The geographical concentration and the relatively small number of Canadian tobacco growers have allowed private organizational controls to function with minimal government intervention, and Canada does not, therefore, have any price support system. This is not due to any substantial difference in government policies, which are committed to a stable agricultural policy through a commitment to help farmers organize through cooperatives and marketing boards. The average size of a tobacco farm in Canada is much larger than in the United States, and the small number of farmers eases the government's task if it chooses to regulate growers or cooperate with them (Friedman, 1975). The total tobacco grown has dropped to 64 million kilos in 1992 from 80 million kilos in 1982 (Tobacco in Canada, 1982 and 1992). As a result, a number of farmers have closed down their farms or switched to other crops. This trend is likely to escalate if domestic sales would decline with the introduction of plain and generic packaging.

Retailers and Ancillary Sectors

It is speculated that retailers of tobacco products would not be affected substantially by a plain and generic packaging environment. According to a Wal-Mart spokesperson, cigarettes are a loss-leader for retail stores (*Calgary Herald*, 1994(a)), and it is not likely that retailers would strongly protest plain and generic packaging or be financially affected. As discussed above, plain and generic packaging may shift distribution channel power to retailers, resulting possibly in better financial outcomes.

Other sectors that may be affected by the introduction of plain and generic packaging include producers of printing inks, printers of cigarette packages, shipping firms and cardboard manufacturers. Although there would undoubtedly be some short term displacement and rationalization, if the economy continues to expand at its current rate of 3% to 4% per year, the overall effects on these firms would unlikely be long-lasting.

Smuggling of Cigarettes from the United States

It is speculated that illegal U.S. imports through smuggling may rise, since brand awareness of U.S. brands is high. Canadians frequently visit the United States and read U.S. magazines with cigarette advertising. The American brands may acquire a certain cachet and status and attract premium prices in Canada. Traditionally American cigarettes have never been popular with Canadian smokers, who prefer unflavoured Canadian cigarettes. The impact of plain and generic packaging on smuggling has yet to be determined.

7.5 CONCLUSIONS

Overall, plain and generic packaging of tobacco products would have an important impact on the tobacco industry and would lead to significant effects on industry corporate strategies and competitive action. The tobacco industry would sustain losses to its dwindling supply of legitimacy, and cigarette marketers would have fewer marketing strategy variables to induce the purchase of tobacco products. The tobacco industry can be expected, before this eventuality, to put up a strong fight to preserve industry legitimacy, and individual firms can be expected to be extremely innovative in their competition for the declining but still lucrative cigarette market. Plain and generic packaging of tobacco products would have corollary effects on other sectors dependent upon tobacco-related business.

8. SYNTHESIS AND CONCLUSIONS

8.1 POTENTIAL IMPACT OF PLAIN AND GENERIC PACKAGING

8.1.1 Synthesis of Findings

8.1.2 Conclusions - Impact on Consumers

8.2 POTENTIAL RESPONSES BY INDUSTRY

8.2.1 Summary

8.2.2 Conclusions - Industry Responses

8. SYNTHESIS AND CONCLUSIONS

The mandate of the Expert Panel was to examine current, plain and generic packaging of tobacco products and its role in marketing, consumer choice, and the uptake and cessation of smoking. To accomplish this task the Panel devised a multi-method, multi-study strategy composed of six different research approaches. The focus of five of these studies was the potential impact of plain and generic packaging on a number of intervening variables in the consumer decision process (see sections 3 - Literature Review and 5.2 - Research Strategy). The intervening variables employed in these studies were awareness, recognition, recall, knowledge, attitudes and beliefs, and images. These intervening variables may be logically and positively connected to the likelihood of a reduction in smoking "uptake" or an increase in smoking "cessation." Thus the findings of these five studies regarding the potential effects of plain and generic packaging on these intervening variables enable assessment of the possible impact of plain and generic packaging of cigarettes on the uptake and cessation of smoking. These five studies focussed on teenagers, with the exception of the Conjoint Experiment, in which the possible impact on cessation by adult smokers was also examined. The focus of the sixth study was the analysis of possible industry effects of plain and generic packaging and possible strategic responses by the tobacco industry to a plain and generic packaging environment. Subsection 8.1 synthesizes the findings of the five studies regarding the impact of plain and generic packages on the intervening variables and then presents overall conclusions. Subsection 8.2 presents a summary and conclusions from the Analysis of Industry Effects study.

8.1 POTENTIAL IMPACT OF PLAIN AND GENERIC PACKAGING

8.1.1 Synthesis of Findings

The important findings of each of the five consumer-focussed studies - National Survey, Word Image Survey, Visual Image Experiment, Recall and Recognition Experiment, and Conjoint Experiment - are combined and synthesized in Chart I. The rows of Chart I represent dimensions of variables that might intervene in the consumer decision-making process. For example, rows 1–3 are dimensions of the imagery of cigarette brands and packages. Rows 4–6 are dimensions of consumer recall, awareness, recognition and knowledge of cigarette brands and health warning messages. Rows 7–8 report findings regarding the importance of packaging relative to other product attributes as influencers of smoking uptake or cessation. Finally, row 9 explores differences between groups - how packaging might affect subgroups of consumers differentially.

CHART I
SUMMARY OF FINDINGS BY STUDY

		National Survey	Word Image Survey	Visual Image Experiment	Recall and Recognition Experiment	Conjoint Experiment
IMAGE	1. Differences in brand images between current and plain packages		1. The current package for both du Maurier and Matinée has a more positive image than either plain white or lungs packages.	1. Lungs and plain white packages are perceived less appropriate for the consistent image. 2. Plain packaging may serve to isolate the brand from its current image, over time. 3. Denuding of brand markings appears to limit capacity to associate specific images with specific brands.	1. du Maurier awareness much higher in current package than in plain package.	1. Current packages have the least perceived utility for helping smokers stop smoking, while lungs packages have the highest perceived utility. 2. The lungs package has the least perceived utility to encourage non-smokers to start smoking, while the current package has the highest perceived utility.
	2. Differences in brand images between different versions of plain packages		1. The lungs has the most negative image, then the plain white, then the current for du Maurier. 2. For Matinée, the lungs package is most negative except on the "tough/wussy" dimension where it is seen as tougher than the current brand. The plain white pack is in the middle.	1. Lungs package perceived to be less appropriate than the plain white package for the consistent image. 2. (See 2 above). 3. (See 3 above).		1. Of the plain package versions, the lungs package has much greater perceived utility to help smokers stop smoking. 2. Little difference in perceived utility between the various plain coloured packages.
	3. Differences in brand images between brands		1. Teen respondents see a significant difference in the image of the teenage smoker who smokes (no specified brand), and one who smokes either du Maurier or Matinée. 2. Teen respondents see a significant difference in the image of a teenage du Maurier smoker and a teenage Matinée smoker.	1. Each brand has its own strong and distinct image.		1. du Maurier has the highest utility for encouraging non-smokers to start smoking and least perceived utility for helping smokers to stop smoking. 2. Player's also high in utility for encouraging non-smokers to start and low in helping smokers to stop. 3. Craven "A", Matinée and Rothman's, compared to du Maurier and Player's, have equally low utility to encourage smokers to stop or non-smokers to start smoking.

		National Survey	Word Image Survey	Visual Image Experiment	Recall and Recognition Experiment	Conjoint Experiment
RECALL AWARENESS	4. Recall and awareness of brands	1. On average teens can recall with no aids, about five brands of cigarettes. 2. Almost 90% provided top of mind unaided recall of both du Maurier and Player's.			1. Recall of du Maurier much higher than Matinée or Player's. 2. Less likely to recall du Maurier brand when shown in plain package than in current package.	1. One possible reason for differences in perceived utility between du Maurier and Player's, and the other three brands, is higher awareness of du Maurier and Player's among teens.
	5. Knowledge of brands	1. Cigarette packages without the brand name provide considerable identifying information to teens about brands. 2. Teens identify almost half of 9 brands tested using package information only, with brand name removed. 3. Almost all teens recognize two brands, du Maurier and Player's, from package design cues only.				1. One possible reason for differences in perceived utility between du Maurier and Player's, and the other three brands, is greater knowledge of du Maurier and Player's among teens.
	6. Recall of health warning messages and beliefs about the harmful effects of smoking	1. Canadian teens believe that tobacco cigarettes are harmful (87%).			1. The "smoking can kill you" message was the only message recalled by a significant proportion. 2. Unaided recall of "smoking can kill you" warning message higher when displayed on plain package than on current package. 3. A contrary result was that aided recall of health warning message higher when displayed on current package than on plain package.	

		National Survey	Word Image Survey	Visual Image Experiment	Recall and Recognition Experiment	Conjoint Experiment
RELATIVE IMPORTANCE	7. Beliefs about the relative utility of other attributes of cigarettes	1. Teens did not believe that making cigarettes available in plain packages was the most effective way to help keep young people from smoking. Almost 1/2 believed that making cigarette packages less colourful would be the least successful, of five different things, to help keep young people from smoking. 2. Almost 1/2 believe that making cigarettes cost more would work best.				1. Price is a more important attribute to teens and adults than package type, brand or peer influence. 2. For teens and adults, brand name is slightly more important attribute than package type. 3. Peer influence is less important than price, brand or package type. 4. High variability in relative utilities for brand, price, package type and peer influence across both teen and adult samples.
	8. Beliefs about plain packaging and its relative importance	1. Almost 2/3 say it would not bother them very much if cigarettes were available only in plain packages. 2. Almost 1/2 of respondents believe that having cigarettes available only in plain packages will affect the number of teens who will start smoking. 3. The majority of Canadian teens in the study believe that having cigarettes available only in plain packages will affect the amount that teens smoke. 4. Almost 40% believe that having cigarettes available only in plain packages will have a positive effect on the number teens who would stop.				1. The Conjoint Experiment suggests that package types are almost as important as brand name with respect to perceived utility in encouraging the uptake and cessation of smoking.

		National Survey	Word Image Survey	Visual Image Experiment	Recall and Recognition Experiment	Conjoint Experiment
GROUP DIFFERENCES	9. Differences between teens based on smoking status and gender; and, between teens and adults	1. Non-smokers (vulnerable/naive, experimenters, and those who have quit), believe smoking is more harmful than do respondents in any of the other smoking categories. 2. The more teens smoke, the more brands they are aware of. 3. The more teens smoke, the more brands they can correctly identify from package design cues. 4. Having cigarettes available only in plain packages bothers experimenters and vulnerable/naive the least and infrequent/regular and frequent/regular smokers the most. 5. The more frequent and regular smokers are more likely to believe that plain packaging will make no difference to the number teens who would start. Vulnerable/naive and experimenters are more likely to believe that a few less would start. 6. More frequent and regular smokers are more likely to believe plain packaging will make no difference in the amount teens smoke, while vulnerable/naive, experimenters and infrequent/regular smokers are more likely to believe teens would smoke a little less. 7. More frequent/regular smokers are more likely to believe plain packaging will make no difference to the number of teens who would stop smoking. 8. No relationship between gender and smoking status.		1. Female teens were affected more by the lungs^packages than the male teens.		1. Little difference between smoking and non-smoking teens with respect to the pattern of relative utility of each version of plain packaging, brands, price, or peer influence. 2. Teen males have higher(start) or lower (stop) relative utilities for the current package type than do teen females. 3. Teen female smokers have higher perceived utility for the lungs package with respect to encouraging them to stop. 4. Adult smokers rated the lungs package slightly higher in perceived utility than teen smokers to help stop smoking.

The columns of Chart I represent the five consumer studies conducted by the Expert Panel. The cells of Chart I present thumbnail statements of the important findings that each study contributes to understanding the effects of plain and generic packaging of tobacco products, relative to current packages, for each of the 9 dimensions described.

The National Survey of Teens provides important findings regarding 6 of the 9 response dimensions. The Word Image Survey contributes insights about 3 of the 9 response imensions. The Visual Image Experiment provides important findings regarding 4 of the 9 response dimensions. The Recall and Recognition Experiment contributes insights regarding 3 of the 9 response dimensions. Finally, the Conjoint Experiment provides important findings regarding 8 of the 9 response variables.

In many instances a particular study contributes more than one finding regarding a response variable. A total of fifty-seven of the most important findings are presented in Chart I. Thus the multi-study, multi-method strategy succeeded in multiplying the weight of evidence applicable to the research questions. **In nearly all cases, the findings converge - that is, the findings of more than one study combine to support each other with respect to the potential effects of plain and generic packaging on the consumer decision-making process intervening variables.**

Image Dimensions (rows 1-3)

In the first three rows of Chart I, all of the findings converge. Each brand tested has a strong and unique image in its current package. These images are dampened when the same brand is presented in the plain or lungs packages. There are significant differences in the images associated with plain and generic packages compared with the current packages. The plain white and lungs package versions generated more negative images about smoking and smokers. Of the various versions of plain packages, the lungs version generated the most negative images about smoking and smokers. Current packages have the least perceived utility to encourage smokers to stop smoking and the lungs package has the most, with the other plain packages falling in between. Current packages have the most perceived utility while the lungs, plain white and other coloured packages have much less utility for encouraging non-smokers to start smoking. **The strength and convergence of these findings in four of the five studies suggest that plain and generic packaging would have a noticeable impact by limiting the capacity of consumers to associate specific and positive images with specific brands.** The strength of the lungs version of plain packaging should be viewed with caution inasmuch as it is possible for some teenagers to adopt images and symbols in unexpected ways. In this regard it can be noted that in the National Survey, the lungs package was viewed by teens as more "tough" and less "wussy" (the only semantic dimension of the fifteen measured that has more positive connotations). The potential

of strong symbols like the lungs symbol to be adopted as badges or cult symbols would require further investigation.

Recall, Recognition, Awareness and Knowledge Dimensions (rows 4-6)

The National Survey, Recall and Recognition Experiment, and Conjoint Experiment provide findings regarding the potential impact of plain and generic packaging on these dimensions. Recall and recognition of two brands (du Maurier and Player's) is very high among all teens. Current cigarette packages with the brand name removed, but all colour and graphic elements present, are well recognized by teens. When clothed in a plain package, du Maurier was much less likely to be recalled in the Recall and Recognition Experiment. Recall and recognition of Player's and Matinée did not drop as much, but of course their current packages are much less different from plain and generic packages than is the highly distinctive red du Maurier package. Most teens agree that smoking is harmful to health, but recall of health warning messages was not higher when displayed on plain packages except for the "Smoking can kill you" message. **The evidence in this group of findings would suggest that plain and generic packaging would lead to lowered recall, recognition and knowledge of brands, but may not have significant effects with respect to the recall and recognition of health warning messages.** Because of the possibility of too short an exposure time in the Recall and Recognition Experiment, further investigation of the effects of plain and generic packaging on the recognition and recall of health warning messages would be warranted.

Importance of Packaging Relative to Other Attributes (rows 7-8)

There is significant convergence in the findings in the National Survey and the Conjoint Experiment. In the Conjoint Experiment, teens and adults considered price to be the most important attribute in influencing them or others like them both not to begin to smoke and to stop smoking. Teenagers in the National Survey echoed this view by saying that packaging is the least important attribute influencing the uptake or cessation of smoking. Smokers tend to deny the importance of packaging, while non-smokers give it more importance.

But, in the Conjoint Experiment, for both smokers and non-smokers, the perceived utility of the packaging attribute, while not as important as price, was approximately equal to the perceived utility of brand name by itself, and greater than peer influence. In the National Survey large proportions of teens say that plain and generic packages would reduce the number of teens who would start smoking and the amount smoked, and would increase the number of teens who would stop smoking. **These findings suggest that packaging, while not the most important attribute related to uptake or**

cessation decisions, would be important and would have perceived utility for encouraging teen and adult smokers to stop smoking, and for discouraging non-smoking teens from starting to smoke.

Differences Between Teens by Smoking Status, Gender, and Between Teens and Adults (row 9)

The National Survey findings in row 9 reveal that teens who smoke more have different beliefs about a number of issues than teens who smoke infrequently. These heavy smoking teens more easily deny the harmful effects of smoking and more readily state that plain and generic packages would not be an effective deterrent. The Conjoint Experiment revealed little difference in the relative utility values of any of the attributes and their levels between smoking and non-smoking teens. In the Conjoint Experiment females assigned higher/lower utility to the lungs package with respect to stop/start smoking, than did males. This finding was supported by the findings of the Visual Image Experiment. **These findings suggest that the impact of plain and generic packaging would vary across the population. For some groups it would have greater effect than for others.**

The Conjoint Experiment revealed that adult smokers and teen smokers have very similar views regarding the relative utility of price, package type, brand and peer influence, except that adults gave slightly higher utility to the lungs package to encourage them to stop smoking. **This finding suggests that the impact of plain and generic packaging may be similar among smoking adults and smoking teens.**

8.1.2 Conclusions - Impact on Consumers

The combined weight of evidence exceeds the sum of its parts. Virtually all the findings of these five studies converge on the following conclusions.

Plain and generic packaging of tobacco products (all other things being equal), through its impact on image formation and retention, recall and recognition, knowledge, and consumer attitudes and perceived utilities, would likely depress the incidence of smoking uptake by non-smoking teens, and increase the incidence of smoking cessation by teen and adult smokers. This impact would vary across the population. The extent of change in incidence is impossible to assess except through field experiments conducted over time.

These conclusions are tempered by the caveat, **all other things being equal.** The tobacco industry and other firms whose revenues would be affected by the introduction of plain and generic packaging can be expected to initiate strategies to ensure that all other things are not

equal. For this reason, the Expert Panel also conducted the Analysis of Industry Effects study. This study examined the potential responses and reactions of industries and firms that would be affected, should plain and generic packaging be implemented. The following subsection summarizes and presents conclusions from the Analysis of Industry Effects study.

8.2 POTENTIAL RESPONSES BY INDUSTRY

8.2.1 Summary

The Analysis of Industry Effects study used economic, strategic management and marketing strategy theory to analyze historical archival materials on the tobacco industry's past adaptation strategies to changes in its operating environment. This analytical framework was used to predict possible industry and individual firm reactions to a plain and generic packaging environment.

It is speculated that industry reaction to plain and generic packaging would take two distinct forms. The tobacco industry would collaborate on strategies designed to help preserve the legitimacy of the industry in the wake of such a major onslaught on legitimacy as the introduction of plain and generic packaging represents. At the same time, the tobacco industry would continue to compete, in whatever way remains possible, for market share in this declining but still lucrative market.

The tobacco industry's attempts to preserve legitimacy would take the form of greater activity on the part of the industry to create and control smoking-and-health information through industry organizations such as the Canadian Tobacco Manufacturer's Council in Canada, and the Council for Tobacco Research and the Tobacco Institute in the United States. The tobacco industry would also increase its lobbying efforts using increasingly "hard ball" tactics. Threats to pull diversified non-tobacco businesses controlled by the industry out of Canada would be heard more frequently and loudly. Legal challenges based on NAFTA, GATT and trademark expropriation can be expected, and these would be strongly supported by the U.S. tobacco lobby. The tobacco industry would attempt to forge coalitions with all groups (such as packaging and printing companies) that would be affected, in order to highlight the economic effects of plain and generic packaging.

In terms of individual firm competitive strategies to maintain market share, there would be a shift from primarily "pull" marketing strategies to primarily "push" marketing strategies. The emphasis would likely shift to the retail level with shelf space competition, preferential sales clerk support and greater retail margins. Distribution channel power would shift to the retailer, especially where retailers are chains. It is speculated that there may be tobacco companies integrating vertically into retailing by acquiring non-pharmacy retail chains and direct marketing operations.

It is also speculated that there is a possibility that, as plain and generic packaging would be introduced, there may be some price discounting, especially by minor brand marketers who are likely to lose market share more quickly due to point-of-sale confusion and lack of opportunities to differentiate their product. Major brand marketers would not have strong incentives to discount, as market shares are likely to remain static or additional shares from minor brands would accrue to the major brands. Major brand marketers would not respond aggressively to a small competitor's price strategy until this strategy begins to seriously affect the major brands' sales.

It is clear that plain and generic packaging would effectively result in a removal of differentiation between cigarette brands, at least in the long run when existing brand equity erodes. Therefore, it is likely that tobacco manufacturers would put increasing emphasis on corporate reputation building. While brand colour and logo memories are still fresh, corporate sponsorship to strongly link the corporate name and the brand colour and logo would pay off. As colour and logo memories fade under plain and generic packaging, tobacco companies would continue corporate name sponsorship in order to gain from the positive association with the sponsored event. It is speculated as well that cigarette marketers would be extremely innovative in exploring new ways to differentiate their products within the plain and generic packaging environment.

At the individual level, some companies may be expected to undertake political strategies commensurate with their power in the Canadian economy. While doing this, the tobacco industry would likely step up its diversification strategies into new unrelated business opportunities and into vertical integration and new market development overseas. Furthermore, plain and generic packaging would have several other side-effects such as increased exports to the Third World, decline of tobacco farming in Canada and economic effects on ancillary sectors.

8.2.2 Conclusions - Industry Responses

Plain and generic packaging of tobacco products would have a significant impact on the tobacco industry which would lead to significant effects on the industry's corporate strategies and competitive actions. The tobacco industry would sustain losses to its dwindling supply of legitimacy and cigarette marketers would have fewer marketing strategy variables to induce the purchase of tobacco products. The tobacco industry would collaborate to preserve industry legitimacy and individual firms would be extremely innovative in their competition for a declining but still lucrative cigarette market. Plain and generic packaging of tobacco products would have corollary effects on other sectors dependent upon tobacco-related business.

APPENDICES

APPENDIX A

EXPERT PANEL MEMBERS' CURRICULUM VITAE

GOLDBERG, MARVIN E.

Currently Irving and Irene Bard Professor of Marketing at Pennsylvania State University, Dr. Goldberg holds a BA in Political Science and Sociology from McGill University, an MA from Columbia University and a PhD from the University of Illinois. His research has focussed on the use of marketing for positive social goals. He has published extensively in a wide range of academic journals including the *Journal of Consumer Research*, the *Journal of Consumer Psychology*, the *Journal of Marketing Research*, the *Journal of Public Policy and Marketing*, *Psychology and Marketing* and the *Journal of Experimental Psychology*. Prior to joining Penn State, Dr. Goldberg was Professor of Marketing at McGill University. He has served as President of the Society for Consumer Psychology. He now serves on the Editorial Boards of the *Journal of Consumer Research*, the *Journal of Consumer Psychology*, *Psychology and Marketing*, and *Public Policy & Marketing*.

KINDRA, GURPRIT S.

Presently, Dr. Kindra is affiliated with the University of Ottawa as Associate Professor of Marketing. Within the context of consumer behaviour, his current research interest lies in the area of health and the environment. His articles have been published in journals such as *International Journal of Research in Marketing* and *OPTIMUM*. He is also co-author of the award-winning text *Canadian Perspectives on Consumer Behaviour*. Dr. Kindra is a recognized consultant in the public sector. His current projects include: *The New World Economic Order: Implications for International Marketing*; *Marketing Countries for FDI and Tourism*; *Promoting Responsible Health Care Consumption: Issues and Strategies*; and *Marketing Strategies for Canada's Healthy Environment Program*. Dr. Kindra is also a frequent consultant to the Government of Cuba.

LEFEBVRE, JACQUES

Currently President of Tribu Lintas Inc., an advertising agency member of the Lintas Worldwide network, Mr. Lefebvre is a seasoned marketing practitioner having worked both on the client and agency side. Prior to his present position, he was President of Publicité Ronalds-Reynolds, and prior to that, President, Founder and Partner of a fully-integrated marketing, advertising, sales promotion and graphic arts company. Mr. Lefebvre brings a vast array of practical marketing experience through past and current appointments: past President of L'Association des agences de publicité du Québec (A.A.P.Q.); current President of La Confédération générale de la publicité (C.O.G.E.P); current Vice-Chairman of the Canadian Advertising Foundation, an organization responsible for the Advertising Standards Council and Le Conseil des normes de la publicité; and, Board Member for Le Mondial de la publicité Francophone.

LIEFELD, JOHN P.

Dr. Liefeld is currently Professor and Acting Chair of Department of Consumer Studies, University of Guelph. Dr. Liefeld's research is published in major marketing and consumer research journals and in conference proceedings. His scholarly research is focussed on consumer decision-making and information processing, and on research methods. Research grant funding from the Social Sciences and Humanities Research Council (SSHRC) supports this research. Dr. Liefeld also is a Special Analysis Consultant with Market Facts of Canada, and has worked with many Canadian firms in the areas of research design and advertising claim support research. Dr. Liefeld is a member of and participates in many marketing and advertising associations, including the Association for Consumer Research, the Marketing Division of the Administrative Sciences Association of Canada, the Academy of Marketing Science, and the Professional Marketing Research Society.

MADILL-MARSHALL, JUDITH

Professor Madill-Marshall holds a PhD in Business Administration (Marketing) from the University of Western Ontario. She is Associate Professor of Marketing, School of Business, Carleton University. Professor Madill-Marshall's research focusses on consumer behaviour and innovation adoption. She has published more than 25 articles in refereed journals and conferences, including the *Journal of the Academy of Marketing Science*, *Industrial Marketing Management*, the *Journal of Direct Marketing*, the *Journal of Income and Wealth*, and *Advances in Consumer Research*. She has taught marketing research, consumer behaviour and marketing strategy in graduate, undergraduate and executive management development programs in Canada and Eastern Europe. Professor Madill-Marshall is also co-director, Centre for Social Marketing, and Supervisor of Graduate Programs, School of Business, Carleton University.

MARTOHARDJONO, NANISTYA

As Design Director for Packaging and Brand Identity with Spencer Francey Peters, Nanistya Martohardjono has designed and art-directed for a diverse group of clients, including The Second Cup, Vincor International, Canada Packers, Esso, Neilson Dairy, Fisons Consumer Health and Rogers Cantel. Ms. Martohardjono's knowledge and expertise is reflected in packaging for Kaufman Footwear; re-positioning Eaton's Vanity Fair brand; developing identity and packaging for Black's Photography; design management for Canada's Oshawa Foods; and re-designing various products for Ciba-Geigy Self-Medicated Products. Ms. Martohardjono has lectured at O.C.A. and George Brown College, conducted design seminars for the Packaging Association of Canada on the Power of Brand Identity, and has been a member of judging panels for numerous competitions, including the OSGDA. Her work has received awards and merits from The Art Director's Club, *Studio Magazine*, *I.D. Magazine*, Graphics Publications and the Design Effectiveness Awards. She is a graduate of Capilano College in Vancouver.

VREDENBURG, HARRIE

Dr. Vredenburg is Associate Professor of Marketing and Strategic Management at the University of Calgary. He holds a BA in History from the University of Toronto, an MBA from McMaster University and a PhD from the University of Western Ontario. His research has focussed on strategic aspects of marketing and management. Currently, Dr. Vredenburg holds two research grants from the Social Sciences and Humanities Research Council (SSHRC) for research on organizational strategy and the environment. He has published in a variety of journals, including the *Journal of the Academy of Marketing Science*, the *Journal of Applied Behavioral Science*, *Industrial Marketing Management*, and the *Journal of Direct Marketing*. Prior to joining the University of Calgary, Dr. Vredenburg was with the Faculty of Management at McGill University. Before embarking on an academic career he worked as a marketing manager for the American Express Company. He served two terms as Vice-President of the Miami-based Academy of Marketing Science, and has served as a consultant on organizational strategy and marketing strategy.

APPENDIX B

PRELIMINARY QUALITATIVE STUDY:

METHODOLOGY

This appendix is excerpted from the Technical Report prepared by Generations Research Inc.

METHODOLOGY FOR "A QUALITATIVE STUDY ON ATTITUDES AND ACTIVITIES REGARDING SMOKING AND REACTION TO PLAIN (GENERIC) PACKAGING OF TOBACCO PRODUCTS". (AUGUST, 1994)

Methodology

The methodology for the above mentioned study was focus groups, conducted with individuals of each of the subsets of the target audience. These focus groups included 5 - 6 participants, and lasted approximately 60 - 90 minutes. There were six English-speaking groups and four French-speaking groups. The groups were divided into male and female groups according to the following:

	Toronto (English) Case 1	Toronto (English) Case 2	Montreal (French) Case 1	Montreal (French) Case 2
Boy (Grade 6)		Yes		Yes
Boy (Grade 8)	Yes	Yes	Yes	
Girl (Grade 6)		Yes		Yes
Girl (Grade 8)	Yes	Yes	Yes	

The focus groups followed the general moderator's guide, with revisions which resulted from the briefing session and the pretesting guide. The group discussions were conducted by skilled and experienced moderators. This allowed insight into the strengths and weaknesses of each particular brand, image or packaging option by probing beneath and beyond the first responses.

For these reasons, all three of the moderators were extremely experienced with dealing with teenagers, as well as evaluating social issues. This experience enabled the discussion to be somewhat unstructured, including, but not limited to, the approved discussion outline. As indicated above, Eric Villain conducted both English and French boys' discussions while Goody Gerner conducted the English girls' discussions and Guylaine Bakerdjian conducted the French girls' discussions. Eric and Goody work together regularly, conducting English and French portions of the same studies, while Guylaine has also worked regularly with Goody Gerner conducting French portions of social issues studies (e.g., for Break-Free All Stars, Health and Welfare Canada) and private sector projects. Because of this, the moderators have developed a strong rapport and are able to communicate the nuances of teenagers' reactions to various issues.

For the present study, the recruiting was extremely important. The RFP called for the sample to include both current and past/infrequent smokers. Because it is anticipated that young people might be hesitant to admit to this behaviour, we used experienced researchers who have recruited other teenagers and youth for many projects. The recruiters were given a written introduction, assuring the youth of the confidentiality of their responses and indicating to them that we are recruiting many other teens who have previously given us this type of information (smoking history). Although parental permission was obtained prior to interviewing the youth by telephone (as required by Professional Marketing Research Society guidelines); the youth were assured that their responses would not be disclosed to their parents. We have used this type of procedure in the past and have found it to be effective in identifying and recruiting young people. Utilizing mini-groups instead of larger groups was recommended to facilitate group interaction and more closely resemble the respondents' "natural setting" (i.e. smaller groups of friends). A copy of the recruiting screener has been appended to this methodology, for reference purposes.

In each location, the groups were conducted in a one-way mirror facility. The moderator sat with her/his back to the clients' viewing room while respondents faced the mirror, in order to see and record non-verbal responses. A video operator was positioned in the corner of the room in order to obtain adequate video tape of the groups. As is the case with standard one-way mirror facilities, respondents typically forgot about the operator within five minutes of the groups. Both the moderator and the video operator were dressed appropriately (jeans, running shoes, etc.) so as to not look overly professional to the teens interviewed.

The groups were conducted on the following dates:

Toronto: August 24 and 25, 1994

Montreal: August 23, 1994

SCREENER #1290

Hello, my name is _____ from Generations Research Inc., a Canadian market research firm. In our business we are frequently asked by clients to gather opinions to help develop new and existing products and services. From time to time we schedule interviews where people like yourself are invited to a session lasting up to an hour and a half to give opinions and ideas.

Today we are speaking with boys and girls who are just entering grade 6 or grade 8.

1a. Do you have any children of this age in your household?

[ ] Yes
[ ] No ---> TERMINATE

1b. And what grade is this child entering?

[ ] Grade 6] WATCH
[ ] Grade 8] QUOTAS

1c. Is this child a girl or a boy?

[ ] Girl] WATCH
[ ] Boy] QUOTAS

2a. Has your child ever attended a consumer discussion group, an interview or survey which was arranged in advance and for which you received a sum of money?

[ ] Yes
[ ] No ---> SKIP TO Q3a

2b. IF YES, ASK

How long ago was it? _____ TERMINATE IF IN THE PAST 6 MONTHS

2c. How many groups has he/she attended _____

What topics did they discuss _____

_____

TERMINATE IF ANY SOCIAL ISSUES SUCH AS SMOKING OR DRUGS MENTIONED OR IF ATTENDED MORE THAN 3 GROUPS

3a. Would you allow your child to participate in this group discussion?

[ ] Yes
[ ] No ----> TERMINATE

3b. Because we are interested in obtaining a representation of families in our study, could you please tell me how many people live in your household?

_____

3c. And what is your average household income before taxes?

[ ] Under $20,000
[ ] $20,000 to $29,999
[ ] $30,000 to $39,999
[ ] $40,000 to $49,999
[ ] $50,000 or over ——> TERMINATE

4. Now I must speak to this child to examine his/her views on some different topics. May I have a word with him/her?

[ ] Yes
[ ] No —> TERMINATE

IF CHILD IS UNAVAILABLE ARRANGE FOR A CALL BACK

RE-INTRODUCE YOURSELF

Hi, I'm _____ from Generations Research, a Canadian market research firm. I am organizing a discussion group with 7 (teens) (kids) like yourself to examine different subjects. Everything you say to me, or in the group itself is completely confidential and will not be discussed with your parents or teachers.

5. Would you be interested in attending this group?

[ ] Yes
[ ] No —> TERMINATE

I am going to ask you some questions to understand your views on certain subjects. Don't be afraid to be honest with me. Nothing will be said to your parents.

6. Have you or your friends used a swear word in the past week?

[ ] Yes
[ ] No

7a. Have you or your friends ever tasted a beer?

[ ] Yes —> CONTINUE
[ ] No —> SKIP TO Q8

7b. Have you had a beer in the past month?

[ ] Yes
[ ] No

8a. Have you or your friends ever tried smoking?

[ ] Yes
[ ] No —> TERMINATE

8b. Have you tried smoking?

[ ] Yes
[ ] No —> TERMINATE

8c. Have you smoked a whole cigarette yourself in the past month?

[ ] Yes] WATCH
[ ] No] QUOTAS

9a. Have you or your friends ever cheated on a test or exam at school?

[ ] Yes —> CONTINUE
[ ] No —> SKIP TO Q10a

9b. Did you or your friends cheat in the school year that just ended?

[ ] Yes
[ ] No

10a. Do you brush your teeth on a regular basis (at least twice a day)?

[ ] Yes
[ ] No

10b. Do you floss your teeth on a regular basis (at least twice a week)?

[ ] Yes
[ ] No

ENSURE THAT THE CHILD IS NOT TOO SHY TO ATTEND THE GROUP

11. What type of music do you listen to?

_____

12. What do you like to do in your spare time?

_____

13. Name four things you can do with water other than drink it.

_____

_____

SPEAK TO PARENTS TO CONFIRM DATE AND TIMES

SPECIFICATIONS - TORONTO

GROUP 1 AND 2 - HAVE SMOKED AT LEAST ONE WHOLE CIGARETTE THEMSELVES IN THE PAST MONTH.

GROUP 1 - MALES, GRADE 8 & 9 GROUP 2 - FEMALES, GRADE 8 & 9

GROUPS 3 - 6 - HAVE TRIED SMOKING IN THE PAST BUT HAVE NOT SMOKED A WHOLE CIGARETTE IN THE PAST MONTH

GROUP 3 - MALES, GRADE 7 GROUP 4 - FEMALES, GRADE 7
GROUP 5 - MALES, GRADE 8 & 9 GROUP 6 - FEMALES, GRADE 8 & 9

DATES AND TIMES

GROUPS 1, 3, 5 (BOYS)

WEDNESDAY AUGUST 24, 1994
1:00 P.M., 3:00 P.M., 5:00 P.M.

GROUPS 2, 4, 6 (GIRLS)

THURSDAY AUGUST 25, 1994
11:00 A.M., 1:00 P.M., 3:00 P.M.

GENERATIONS RESEARCH INC.
2345 YONGE STREET, SUITE 710
TORONTO

SPECIFICATIONS - MONTREAL

GROUP 1 AND 2 - HAVE SMOKED AT LEAST ONE WHOLE CIGARETTE THEMSELVES IN THE PAST MONTH.

GROUP 1 - MALES, GRADE 8 GROUP 2 - FEMALES, GRADE 8

GROUP 3 AND 4 - HAVE TRIED SMOKING IN THE PAST BUT HAVE NOT SMOKED A WHOLE CIGARETTE IN THE PAST MONTH

GROUP 3 - MALES, GRADE 6 GROUP 4 - FEMALES, GRADE 6

DATES AND TIMES:

AUGUST 23, 1994

GROUP 1 AND 3 (MALES) 1:00 P.M. AND 3:00 P.M.

GROUP 2 AND 4 (FEMALES) 5:00 P.M. AND 7:00 P.M.

INTERVISION MARKETING
3490 DANDURAND
ROSEMONT

DISCUSSION GUIDE

1. Introduction

- Introduction of moderator
- Purpose of meeting, opinions, no right or wrong answers, respect opinion of others as well as share your own
- Not like school
- Interested in not only what you think but how you feel about issues
- I am going to ask you to think a little differently once in a while. It will be fun.
- Explanation of room, mirror, microphones, video tape
- Confidentiality - parents will never be told about conversation
- Introduction of participants, first names

2. Background

- What's hot, what's not - sports entertainment, any new sports?
- Sports, games played, activities...movies last seen
- Celebrities, which ones, Why?
- Music, what do you listen to? Why?
- (PROBE CONTROVERSIAL CELEBRITIES LIKE SLASH, AXEL ROSE, KURT COBAIN, EDDIE VEDDER, ETC.) What do you think of them doing drugs? Swearing in songs? Smoking?
- Are they any "cooler"? etc...

3. Smoking

- What do you think about smoking? Why?
- What is your perceived image of smoking and people who smoke? (Does it make them look stronger, cooler, etc.)
- Think about the celebrities you admired earlier, do you know if they smoke? How would you feel if they did/didn't? Would it change your opinion of them?
- Do you know the physical ramifications of smoking? What are they?
- Where did you learn about them?
- Do you believe them? Why? Why not?

SMOKER GROUP

- Who first introduced you to cigarettes?
- Why did you start smoking?
- Where do you get your cigarettes? Are they hard to get?
- Is smoking fun/enjoyable/rewarding?
- When do you usually smoke? (PROBE FOR ALONE, WITH FRIENDS, AT SCHOOL, AT PARTIES, ETC.)

4. Packaging

a) Current Brands

MODERATOR WILL BRING FORWARD CURRENT PACKAGES OF DuMAURIER, PLAYERS AND MATINEE ALL TOGETHER. RESPONDENTS WILL BE ASKED TO WRITE INITIAL RESPONSES, DISCUSSION WILL FOLLOW

- What is the first thing that comes to your mind when you see these packages? Why?
- What type of person do you think would smoke these? Why?
- How do you see this brand as being different from other brands? Why?
- How does the packaging reflect your image of the brand? Why?

SMOKER GROUP

- What brand do you smoke? Why?
- What makes you choose that brand over others? Why?
- Is the brand very important to you or will you smoke what is available? Why? Why not?

b) Plain Packages

MODERATOR WILL BRING FORWARD PLAIN PACKAGES OF DuMAURIER, PLAYERS AND MATINEE ALL TOGETHER. RESPONDENTS WILL BE ASKED TO WRITE INITIAL RESPONSES, DISCUSSION WILL FOLLOW

- What is the first thing that comes to your mind when you see these packages?
- Is it different than with this brand's current packaging?
- What type of person do you think would smoke these cigarettes?
- Does the different package change your image of the brand? How? Why?

c) First Ugly Package

MODERATOR WILL BRING OUT FIRST UGLY PACKAGE. RESPONDENTS WILL BE ASKED TO WRITE INITIAL RESPONSES, DISCUSSION WILL FOLLOW ORDER OF PACKAGES WILL BE ROTATED

- What do you think about these cigarettes?
- How does the package make you feel? Why?
- What is the first thing you think of when you see this package?

d) Second Ugly Package

MODERATOR WILL BRING OUT SECOND UGLY PACKAGE. RESPONDENTS WILL BE ASKED TO WRITE INITIAL RESPONSES, DISCUSSION WILL FOLLOW

- What do you think about these cigarettes?
- How does the package make you feel? Why?
- What is the first thing you think of when you see this package?

e) Third Ugly Package

MODERATOR WILL BRING OUT THIRD UGLY PACKAGE. RESPONDENTS WILL BE ASKED TO WRITE INITIAL RESPONSES, DISCUSSION WILL FOLLOW

- What do you think about these cigarettes?
- How does the package make you feel? Why?
- What is the first thing you think of when you see this package?

BRING OUT ALL 3 UGLY PACKAGES. FOR EACH PACKAGE TYPE ASK:
- What type of person do you think would smoke these cigarettes?
- Does this package change your image of the brand? How? Why?
- What do you think about the colours of the package? How does it make you feel?
- What do you think about the symbols on the package (lung and cigarette)? How does it make you feel?

5. Health Warnings

- Of the packages we have shown you, what was on the packages other than the brand name? (PROBE FOR HEALTH WARNINGS AND TOXIC CONSTITUENTS MESSAGES)
- Which packages were these the most memorable on?
- What do you think about these health warnings?
- Does it make you feel any different about smoking/ people who smoke?
- Do they tell you anything you did not already know? Does it make the health concerns seem more real?
- Do you believe these messages? Why? Why not?
- IF NO: What do you need to hear to believe them? How could we make these messages more believable to you?
- How do you feel about putting information about toxic chemicals on cigarette packages?
- Will that make you feel any different about smoking them/people who smoke them?
- Do you believe them? How can we make them more believable?
- (IF NOT DISCUSSED:) What do you think about the lung and cigarette symbol?
- Does it make the health warning stronger/more believable?

6. The Idea of Plain Packaging

MODERATOR WILL BRING OUT PLAIN AND UGLY PACKAGING

- I would like to look at these packages again. What do you think about the concept of selling cigarettes in plain or ugly packaging?
- Does it make the brands seem less attractive? Why?
- Does it make the cigarettes themselves seem less attractive or glamorous? Why?

INDIVIDUAL WRITTEN RESPONSES
- Which packaging - plain or ugly - do you feel is most effective to discourage smoking?
- Please rate these packages from ugliest to least ugliest.
- Next to ranking give a 1 - 10 score where 10 = ugly, 1 = attractive.
- Do you think these packages would effect your personal decision to start smoking? How? Why?
- What else could we do to stop teens like yourself from starting to smoke?

7. Promotion and Selling of Cigarettes

- How did you learn about the different brands of cigarettes sold today?
- Have you seen them advertised? Where? What did you think about these advertisements?
- Do you remember any specific promotion or event sponsored by cigarette companies?
- What did you think of these promotions?
- Were they effective? (Did they make you more aware of that brand of cigarette?)
- Did you think that they were appropriate? Should a cigarette company be sponsoring that type of event?

PROMOTION DISCUSSION WILL BE INTRODUCED AT ANY TIME, WHEN THE TOPIC IS INTRODUCED BY RESPONDENTS

Reaction to Specific Promotions

MODERATOR WILL BRING OUT SAMPLES OF PROMOTION PIECES AND PASS THEM AROUND THE GROUP. INDIVIDUAL WRITTEN RESPONSES FIRST.

- What do you think of cigarette companies sponsoring events like these? Why?
- Were you aware that they did sponsor events? How?
- Does this effect how you feel about this brand of cigarettes?
- Does this make smoking or the cigarettes themselves seem more glamorous/sophisticated/attractive? Why?

APPENDIX C

PRELIMINARY QUALITATIVE STUDY: SUMMARY AND INTERPRETATION

SUMMARY AND INTERPRETATION

1. There is high degree of brand awareness among all of these groups. There is a high degree of awareness of the Player's racing promotions. There is some awareness of Benson & Hedges sponsorship of the Fireworks Show. There is no awareness of du Maurier promotions, even though du Maurier is the best known brand because it is the brand most smoked by kids - according to these kids. It's got to be the red package that at some time became a symbol tied to the rebellion and expressions of self which the uptake process involves. No other brand has such a distinctive colour that can be recognized at a distance when kids flash packages in the alleys, behind the mall, and the other places where they surreptiously smoke.

2. They do not have well-developed images connecting brands with types of people and lifestyles. The best connections are between brands and gender. du Maurier is clearly smoked-by the females; for males, it's a mixture of du Maurier or Player's. Age is also connected with brand images, but not as strongly as gender.

3. They see the uptake process as being unaffected by promotion or packaging, as primarily a matter of being seen as a smoker or not. Peer situations, and parental acceptance or rejection, appear more important in the uptake situation. It is also clear that the Prochaska model does not fit the uptake situation. Contemplators in the Prochaska model apply to people contemplating a cessation of an addiction, that is, the stopping of a behaviour - not the starting of one. The stages refer to "solving" or the "cure" of an addiction or dysfunction. It is psychotherapy-based and deals with overcoming a negative behaviour situation (e.g., addition to tobacco, drugs, alcohol, etc.). In the uptake situation individuals are not contemplating cessation of an addiction; rather they are being driven from the outside instead of by a conscious decision to seek pleasure in smoking. It would appear from these focus groups that none of these subjects, even those who admit to smoking, are even in the pre-contemplation stage of the Prochaska model. The children smokers do not yet admit that they have an addiction. And those in the initial stages of uptake are involved in an entirely different process, which McCracken tries to elaborate in very qualitative form.

4. The uptake process has several factors associated with it: peer pressure, expressing individualism, making statements about the self in relation to parents or authority (see McCracken). It is clear that in most first trials there are little package, brand or brand promotion elements. Most kids receive their first cigarette from friends. There is no brand choice - the choice is simply to smoke or not to smoke. Therefore, in the uptake process brand and package are very minor components. This means that changing the package will not have any major effect on the decision(s) to smoke or not to smoke. But when the person reaches the state of buying cigarettes, then brand and package will become more important. This will occur very early in a smoker's career. Maybe as early as after the first cigarette, or maybe not until 50th or 100th cigarette. Often the first

purchases will be "from friends"; so brand and package will not be involved. Its only when the first purchase is from a store that brand and package come into play. At that time the brand will 99% of the time be the brand that the friends smoke.

5. They say plain packaging would not stop kids from starting or stopping - yet there is a universal negative reaction to the plain and ugly packages. Thus while plain and generic packaging will not have major effects, it will be another nail in the coffin of smoking, as over the last decade there have been many different types of nails (anti-smoking bylaws, etc.), and each contributes to the observed decline in the percentage of the population that smoke.

6. Data must be checked regarding the types of colour blindness and the percentage of the population that has each type, because a package that was thought to be yellow was perceived as green by many subjects to the point where one referred to it as green in the discussions. It is critical to avoid advocating a colour that may be misread by too high a proportion of the population because they suffer from one type of colour blindness.

7. Only two brands seen as "kid's" brands: du Maurier (females and males) and Player's (males).

SUMMARY OF MALE FOCUS GROUPS IN TORONTO

By John Liefield

I MALES, GRADE 8 (Smoked Cigarettes in Last Month)

NOTE: For this group the packages were not real packs but two-dimensional renditions mounted on boards.

Smoking—Images, Behaviours and Knowledge
- bad for you, disgusting smell, on your hair
- all have friends who smoke
- most people start smoking because they think their cool to smoke
- maybe to the people who are smoking they think it's cool
- starting to smoke: a lot of people like the danger of sneaking around, like not getting caught by their parents, teachers
- lot of girls smoke to make them look, not masculine, but "tougher"

Packaging - Current Brands
- Player's - Mini Mart has it on their store, my dad - he smokes, smells really bad, once it gets into your system it's really bad for you
- do not really have brand images associated with different types of people or life styles
- du Maurier - uncle, French, my friend smokes that kind, they're smaller, easier to hide in your pocket, anybody would smoke these

Packaging - Plain Packs
- just cigarettes, dull, cigarettes are addictive, colours are dull
- images: dead person, dull and boring person, cheaper

Packaging - Ugly - Lungs
- more colour warning more people to stay away, cigarettes will clog up your lungs, more attractive than the other one, deadly
- that's sure more attractive than the other one, that will make young kids that smoke want to smoke more, like make them think that they are doing something bad - encourage them
- its talking down to people to use such images
- it would be better to show "before and after"

Packaging - Ugly - Pink
- not great colours that go well together, female cigarettes because there is lots of pink, warning messages more visible, cheaper package, warning is more flashy, leather biker guy will not pull out a pink package of cigarettes

Packaging - Ugly - Yellow (Warning in red borders)

- bad colours, warning sticks out more, colours nicer than the pink, older, dull
- images: person who smokes these is older, drives a K-car

Packaging - Ugly - Yellow (Warning in white with a red border)

- see warning better two colours brings warning out more
- images - younger,drives a small car

Health Warnings

- well aware of the warning messages on packages
- most people don't care if there is warning there, if they are going to smoke they are going to smoke
- probably everyone who smokes knows its bad for them
- "cigarettes are addictive" is not really a good warning
- high awareness in the group about the wording of many of the warning messages
- one subject: "there is over 3,600 chemicals in cigarettes"

About the Idea of Plain Packaging

- price is more important than packaging
- if they were the same price will buy the coloured ones
- packaging won't matter, should make it harder to buy them, put them under the counter
- if all packages the same, it wouldn't matter, people who smoke will still smoke them
- images: older person who would not care
- "If I smoked it probably would not make a difference"
- you could just take them out of the package and put them in something else
- a few of them thought it would matter, but majority thought it would not matter
- thought they should make the cigarettes an ugly colour rather than the package

Promotion and Selling

- spontaneous recognition of Player's as sponsor of both Tennis and Car Racing
- aware of the anti-smoking commercials - "you need to have something more realistic"

Miscellany

- if you go into practically any variety store, if there is nobody in there they will sell them to you

Ratings Order

- Lungs - Plain - Pink - Yellow (red) - Yellow (White-red)-Current

Overall Impression

- This was quite a genuine group, except for one, the littly guy in the red cap.
- While some of these respondents say that plain packaging wouldnt matter, there is universal disgust with the plain and ugly packaging.
- There was a strong negative reaction to all forms of plain or ugly packages. It turns them off.

II MALES, AGED 11–12 (Have Smoked, But Not in Last Month)

Smoking - Images, Behaviours and Knowledge

- some people smoke because friends do, because of peer pressure
- tried smoking by stealing from parents
- trial in groups, not individually
- knew the name of the brand they first tried, knew that Player's are strong, knew the names of 7 brands and seemed to have images for several of them, say that most people smoke du Maurier and Player's
- bad kids at school smoke and do drugs
- friends that smoke, smoke du Maurier
- say that smoking is stupid
- knew that prices are have been reduced, say more kids smoke them because they are cheaper now
- some stores sell cigarettes to kids, even when they know its not for parents.
- were aware that cigarettes have different strengths
- kids get cigarettes from their friends, or kids sell cigarettes to other kids, at the stores they sell cigarettes to kids one at a time or if no one is watching

Packaging - Current Brands

- images: saw different brands as associated with different age groups

Packaging - Plain Packs

- these are weird, boring, plain, cheaper (to make packages)
- people might buy the "wrong" cigarettes
- at first would slow smokers down but then when they got used to them they would probably smoke more again
- elderly people would smoke these
- these would make kids think twice, but say these packages would not make kids stop smoking, instead higher prices would make kids stop smoking

Packaging - Ugly - Lungs

- cancer, less people would smoke, senseless, pathetic, kill you
- two say fewer kids would start smoking with these packs, the "bad kids" would not stop but some of the kids that follow the bad kids would stop
- one said it will not affect kids they would just laugh at them
- one said "wouldn't bother me," people are addicted anyway

Packaging - Ugly - Yellow Colour

- they should make one the colour of tar
- gross, toxic, ugly, dumb, weird
- would be worse if it had the picture of the lungs on it
- say - kids would hide these packs from their friends
- one kid saw these packs as "green" - need to check with colour blindness types to see

how our proposed colours relate to the different types of colour blindness

Packaging - Ugly - Pink
- sick, dumb, stupid, disgusting, geeky
- no one would buy these, nobody likes that colour, anybody who smokes those is a fag
- no distinct images about the types of people who would smoke these

Health Warnings
- warning messages are unbelievable
- that's nothing, people just laugh at them, these don't turn anybody off
- you have to smoke lots of cigarettes to die
- three of four said the lungs do not make the warning messages more believable
- were aware of new warning messages - but say they don't bother people

About the Idea of Plain Packaging
- kids would laugh at smokers with using ugly or plain packages - currently they don't laugh at them
- plain or ugly packages would make people think twice
- say kids are going to smoke anyways, they would think about it but a couple might stop

Promotion and Selling
- billboards
- high familiarity with anti-smoking commercials on TV
- see them in the stores
- can't remember any ads for cigarette brands
- remember posters and ads for promotions, player-INDY, they sponsor a car and if they in they get lots of money for it
- three kids have watched car races on TV and remember the cigarette sponsors
- one remembered a driver in a TV commercial who drove a Player's' car, remember the names of several drivers
- no recollection of du Maurier promotions

Miscellany
- people will make special holders for cigarettes to avoid using the packages
- should make the cigarettes themselves ugly, make them tar coloured or green
- ideas to reduce smoking: more nicotine, ID cards to purchase

Ratings Order (ugliest to least ugly)
- Pink - Green - Lungs - Plain - Current

Overall Impression
- Had strong negative response to all forms of plain or ugly packaging.

- While they say this won't matter, the strong negative response to packages suggests plain packaging will have some effects.

III MALES, GRADE 8 (Have Smoked, But Not in Last Month)

Smoking - Images, Behaviours and Knowledge
- celebrities you take away the cigarette and he looks pretty cool, but most of them don't really care if their rock stars smoke
- sources of cigarettes: stole it off Mom, from a friend, grandmother gave me one, older brother smokes
- all first trials were with friends
- everyone in gang knows which convenience stores sell to kids
- du Maurier and Player's Light were the brands tried and smoked by friends
- one says he knows kids who mix cigarettes with hash
- anticipate they will smoke again, peer pressure
- they say that du Maurier is most used, that most kids start off with du Maurier
- knew the package colours of several different brands
- cigarettes give a "head rush", you get all dizzy and you blurt words out

Packaging - Current Brands
- Matinée would be smoked by old people, don't see ads for them
- see billboards for Player's and du Maurier

Packaging - Plain Packs
- plain, boring, can't tell them apart, just say smoking will kill you, colours not noticeable, doesn't stand out at all
- will not make kids stop smoking, government is living in the 60's, scare techniques will not work, will not stop me
- brands won't matter as much any more
- store owners will get confused

Packaging - Ugly - Lungs
- first reaction was laughter
- funny, good funny, people will laugh, dumb, looked bad
- some people may think twice because of the picture, would then still go and buy them, it won't matter, they will still be using them
- if it looked like the lungs were exploding my friends would like them, it might go the wrong way, people might buy them because they would think it was cool
- old people would smoke these, losers

Packaging - Ugly - Pink
- more noticeable, more for women, the pink is dull, makes warning stand out more, gay, cheap colours, probably burn the package when their finished
- if they were all this colour you would have no choice if you were addicted to them

- would hide the package, keep them in a different box
- but people would still buy them

Packaging - Ugly - Yellow
- what is it with these idiots, ugly, boring, stupid, dull, stupid, look like shit, dull boring
- will not affect peoples buying but may make them keep them hidden in their pockets
- "fags" and old people would smoke these

Health Warnings
- not believable, but do believe that cigarettes are addictive
- some awareness of the wording of different health warnings
- won't stop people from smoking because it' a habit, won't stop kids from starting because they don't care
- people will not read the toxic ingredient messages

About the Idea of Plain Packaging
- prices will work better to stop kids from smoking
- do not think packaging will stop people from buying
- can't really do anything by manipulating packages, but might with anti-smoking commercials

Promotion and Selling
- were aware that Player's sponsors race cars
- doesn't make the brand cooler but you just see them more often so you know about them
- unaware of any sponsorships by du Maurier
- aware of Marlboro sponsorship of race cars
- all of them have watched races on TV and several have watched several races
- 1 knew than Benson & Hedges sponsored the Fireworks show

Miscellany
- images of different brands or types of packages mainly thought about in terms of the age of the smoker
- Player's is the "girls" brand (also Matinée)
- du Maurier is the "boys" brand

Ratings Order (ugliest to least ugly)
- Green - Pink - White - Lung - Current

Overall Impression
- Group was blasé, very hard to see what they really felt or believed (probably a result of the size of the group (6), and the mixed racial composition of the group - one black, one latin, one indeterminate, and 3 anglos).
- Gut reaction is that they disliked the Yellow, Pink and Plain designs and that while they would not admit it, if all packages were in the same ugly packages they would be less desirable ("fagots" and old people would smoke those).
- Strong negative reaction to all forms of plain or ugly packages, whatever the colour.

IV MALES, GRADE 8 (Smoked Whole Cigarette Last Month)

Smoking - Images, Behaviours and Knowledge
- smoking is a drug but it takes a long time to do damage
- smoking does not make a celebrity cooler or less cool, it's their life, it's a personal decision
- "I know a lot of people who smoke and I still like them—it doesn't affect me." (this sentiment very general)
- first trial - with friends, or with parents
- first trial - du Maurier, Rothman's, unsure, probably du Maurier
- first trial - Mom gave it to me, got it from friends
- in my school a lot of people smoke, and my mom and dad asked me if I had tried it, so my Dad gave me one, Craven "A"
- very knowledgeable about brands
- most popular are du Maurier and Player's
- Matinée for old ladies, du Maurier for girls because they put holes in the filters, Player's for boys
- they look at their friends, and they say well lets try it, and they try it, and they probably don't really like it at first, but they do it just to fit in, they do it a couple of times, and after a while they get addicted, it doesn't matter if they are dangerous or not, they say well one cigarette won't do it, they do it again, well two won't do, and then after a while they get addicted
- several of these kids have used tape cassette holders to carry their cigarettes
- if you haven't tried anything, you'll still be curious, when you see other people smoking it will still make you curious
- some stores sell one cigarette at a time to kids for like a quarter

Packaging - Current Brands
- anybody would smoke these (Player's), Dumaurier would be the most popular, Matinée are for the elderly, sissies
- they are plain everyday cigarette packages

Packaging - Plain Packs
- dull, not colourful, boring, does not appeal, no-name has taken over, boring, boring in capital letters

Packaging - Ugly - Lungs
- no more deterring, better idea, more direct, needs to be realistic, a real picture of lung covering the whole package, cheesy, not realistic
- TV more effective combined with this

Packaging - Ugly - Pink

- strong physical (negative reaction) initially to the packages
- faggy, wimpey, gay, gay, gay, how stupid, who dreams up these things, same cigarettes, same packages it's just a colour, strawberry short cake
- packages don't really matter
- cigarettes are addictive, your still going to buy them (this said by the one who also said that he could avoid being addicted)
- ingenuine

Packaging - Ugly - Yellow (Green)

- fairly boring, gay, dorky but still cigarettes, boring, still the same just different colour, same, boring yellow package
- will not affect kids starting or continuing to smoke
- it's the cigarette that counts, not the package

Health Warnings

- warnings useless, if your addicted your going to smoke
- warning messages must be more graphic, cigarettes cause painful death
- it's a waste of space, because no ones going to care
- you could also fall off a cliff

About the Idea of Plain Packaging

- kids get started on a brand because it is given to them, brand choice is not really involved in the starting to smoke stage
- well they look at their friends, and they say well lets try it, and they try it, and they probably don't really like it at first, but they do it just to fit in, they do it a couple of times, and after a while they get addicted, it doesn't matter if they are dangerous or not, they say well one cigarette won't do it, they do it again, well two won't do, and then after a while they get addicted
- for kids it may confuse them, but once told them that these are cigarettes it won't matter, cigarettes are cigarettes, if they are dull like this it probably doesn't make a difference
- if they changed the cigarettes then people might be affected
- the package doesn't count, it's whether you smoke or not
- you can put the cigarettes into a different package or holder
- raising the prices would have a stronger affect on whether kids smoke
- if all packaging is ugly then non-smokers will not disparage smokers for the ugly packages because they will know that its not the smokers choice to choose and ugly package
- brands would become less significant

Promotion and Selling

- much awareness of the anti-smoking commercials on TV
- like the previous groups there seems to be an undercurrent that what you see on TV is believable
- anti-smoking commercials can provide more graphic images of the consequences of smoking and the long term effects
- know that advertising is only American Brands, and that's its illegal to advertise
- are aware of sponsorships - marlborough pensky team, players, export A races, writing on the cars, know Paul Tracy as Canadian driver on the Pensky team
- they think that stores are named after cigarettes, have seen stores named players and export A (They see the signs for convenience stores where the store name is small and the sign has the cigarette brand large but think the name of the store is the name of the cigarette.)
- all have seen car races on TV this year, several each
- one subject could name 5 Canadian drivers
- unaware of du Maurier promotions
- some were aware of Benson & Hedges Fireworks show

Miscellany

- "have a lot of friends, and if they stop, and they are big smokers you know, and they stop, you know, then I'd probably stop you know, but if I see one of my friends and they don't care and they start lighting up one after another, then I probably will not care
- are we wasting our time? No

Ratings

- Pink - Green (Yellow) - White - Lungs - Current

Overall Impression

- This group, on the surface again gave the socially appropriate response—packaging will not affect the decision to start smoking or to quit smoking. But it is clear that the plain and ugly packages are in their minds "plain and ugly."
- Had strong negative reaction to all forms of plain or ugly packaging and to the concept of plain and generic packaging.

SUMMARY OF MALE FOCUS GROUPS IN TORONTO

By Marvin Goldberg

I GRADE 8 (Smoked Cigarette in Last Month)

Perceived Target Segments

- du Maurier seen as most popular
  - kids our age, grade 7–8
  - lights are especially for young girls
- Matinée
  - Grandmother smokes matinee - weak
  - for elderly - even if desperate, I wouldn't smoke them
- Player's
  - for anyone, ok for young guys

Plain Packs

- First reactions
  - Look boring
- Would it stop kids, get them to think twice before smoking? Would people change brands? Can you show this package and still be cool? All the responses are negative: the package is not seen to have an influence in this way
- It's the cigarette, not the package

Green Pack

- First reaction
  - pretty boring, gay, dorky, but still cigs
- Would it make you think twice before trying?
  - no
  - if worried about it... hide them in little package, like cassette box, so teachers won't find it
  - would make it easier, wouldn't have to worry about your image, since they're all the same
- What king of person would smoke these
  - same sort of persons that smokes regular pack.
  - it's cigarette that counts, not the package

Pink Packs

- First reactions
  - same cigarettess, different packages
  - faggy color, still cigarettes
  - what will work is hard hitting messages showing real persons who have died, like hard-hitting drinking and driving messages
- If hang around school and smoke these, will non-smokers laugh? Two say yes; others say pack will not make a difference: "Non-smokers will know that smoker had no choice in selecting these - not his fault."

Lungs

- A little more deterrent than one with cool graphics, but not really going to change the minds of anyone -- they know it's bad they know it's addictive. The thing is they want to try it; they get addicted. Its not that they don't know - everyone knows.
- It's has more to do with the person's inner strength. Package may deter a very few but not the mass majority.
- It's a good idea. You should fill the whole package with it. With a different, more realistic lung. Very cheesy as is. Use a real picture of a lung. The whole lung covered with black. It would start deterring, then you'd have to do the (anti)-commercials. Everybody watches TV. Plaster the TV with commercials with lungs being filled with tar and people dying because they smoke. Then people are going to go "oh-oh," especially kids. (Assume that's who they're trying to get to, not people who already smoke.)
- Shows you what's going to happen to you. It's better than just the colours. Won't stop people. I don't smoke though. (In response) It would make me thing twice about taking some puffs with a friend.
- It makes a little more impact. It's a lot better than the colours. You see a picture. Should be bigger picture. Make the whole pack ... more realistic. As is?? A little cheesy. Make it look a little more realistic... black.
- If it was more realistic it might stop people from smoking.
- Colours not as effective.
- I would have second thoughts if a guy pulled out a more realistic picture of a lung.
- Make the whole package, wrapper inside, like this.

Promotions

- Aware of Player's, Export "A", Marlboro sponsorships; all saw race on TV this year
- Logo for store near me is a cigarette logo -- Player's A: stores are named for cigarettes

Health Warnings

- First reactions
  - health warnings need to be stronger
  - "cigarettes will kill, not can kill"
  - waste of space-no one cares
- Toxic constituents
  - never even notices.
  - if listed clearer on face? - several say would be important.
  - warnings need to be scarier in some way

Rank

- Pink and green are seen as ugliest.

Conclusions

These kids were very involved and very thoughtful in their responses. There is a consensus regarding the fact that while the pink and green colours are unappealing, they would not stop anyone from starting, or stop anyone now smoking cigarettes. The lengthy discussion regarding the lungs symbol is intriguing. They do think the symbol has potential, except that it is too attractive/cheesy in its present form; hence they do not rate it as very ugly. The boys in this group represent a critical segment: older kids who are just experimenting. Based on their comments the lungs idea, has not been given a fair shot yet.

II GRADE 6 (Have Smoked, But Not in Last Month)

Some of the first comments these kids made suggest they were not the contemplators to focus on. Three of four indicated that they would not try smoking again: "We tell our parents smoking is stupid - trying it was stupid." Only one of the four indicated clearly that he liked it the first time he tried it and would try it again; his responses consistently stood apart.

When shown the regular brands in original packaging and asked what they think of, and who smoked these brands, these kids are not hooked into the imagery of the brands. They notice the new warning labels; one or two talk of "death" as the warnings remind them of why they shouldn't smoke. They seem "anti-" cigarettes. They talk of stronger or weaker cigarettes associated with the different brands, but no real sense of brand images, perhaps due to the absence of advertising over the past 3(?) years. When asked what type of person smoked these, they refer to individuals they know ("my aunt"), and as a function of the type of cigarette (stronger one) - not brand identity. What makes a brand different? - "the amount of nicotine."

Plain Packages

- First reactions
  - weird, plain, cheaper
  - at first wouldn't be too interested, then would get used to them
  - these might slow people down a little, but then they'd get used to them
  - kind of person who would smoke these: elderly people

Lungs

- First reactions
  - people would think of lung cancer and less people would smoke.
  - some or bad kids will still smoke, but good kids won't go along.
  - all say less kids would smoke these; the one obvious smoker/outlier suggests (somewhat uncomfortably) that people are just going to laugh at it, and says, somewhat defiantly, "it wouldn't bother me"
  - black lungs would be more effective
  - would take longer to get used to cigarette packs with lungs on them

Green Packs

- First reactions
  - gross, ugly, dumb, toxic, weird
  - would take a long time to get used to these
- Would kids buy these?
  - all agree, not as much
- Three of four
  - lungs added to this colour would be even worse
  - guys would hide this pack in front of others
  - would throw away pack and use another
- Type of people who would smoke these
  - geeks, people with glasses
  - everybody would buy them but would get rid of pack

Pink

- First reactions
  - disgusting ,weird, dumb, stupid
- Who would buy these
  - no one.
  - put lungs on this
  - turns you off
  - I don't want to smoke pink things -- whoever smokes these are faggots
  - not quite as gross without green warning label on this pack
- Who would smoke these?
  - Anyone, just throw away package.
- If all guys had same package, would people laugh at them?
  - yes
  - You don't have to buy the pack
  - just ask someone for a cigarette
  - you don't have to worry about the pack (note: this perspective from the young - smoker)
- Would this packaging strategy work?
  - packs would make us think twice
  - a few might stop - but others wouldn't
  - plain packs aren't all that bad; coloured ones are worse; gross lungs would make it even worse
  - smoker: to get kids to stop: should just stop cigarettes. I've been here for a while, I've already gotten use to these packages

Ratings

- Three of four pick pink as worse than green, which is second choice.

Promotions

- Most are aware of a few
  - Indy, Benson & Hedges "fire."
  - They concur they make cigarette companies "look cool."

III GRADE 8 (Have not Smoked in Last Month)

The impression one gets from this group in particular is that there is a facade in their responses that is never really dented. (Note: Toward end of session, when queried about warning re smoking during pregnancy, responses are bravado in tone: "we don't care, we're not pregnant.")

Early comments

- most kids start off with du Maurier
- get head rush when smoke - it's fun
- health messages - believe it but don't care

Plain packs

- First reactions
  - notice health message
  - boring, plain
  - can't tell them apart
- Will these stop you from smoking or get you to think twice about smoking? All agree it will stop no one, slow no one down - brands would be less important

Pink Packs

- First reactions
  - stands out, more noticeable
  - for women
  - gay
  - cheap colours
- Would you think twice about buying these?
  - no, but would burn package when finished
  - no, you want what's inside the gay package, not the gay package
- If all cigs were like this and you had no choice?
  - people would keep cigs in foil only, or get own box
  - friends already make big fire and burn packages
- Would these stop you from smoking? All say no

Lungs

- First reactions
  - all giggle on seeing package
  - attempt macho tone as their answer
  - it's dumb (smile self-consciously)
  - I like looking at the picture
  - it's funny/good funny
- Would it get you to thing twice before smoking? Some say yes
  - looks rough/baddest logo
  - more people would think twice
- Would it stop your friends from smoking? Not really.
- What if a real lung was shown?
  - a real lung might get people not to buy the cigarettes.
  - a realistic, awful looking lung would be really funny, my friends would like it. It would be cool
  - might make young people, teens, think twice
  - The larger picture of the lung might take attention away from the warning
- Who smokes these?
  - old people who are addicted

Green

- First reactions
  - funny
  - gayer than gold packs
  - super bore
  - like shit
- Would these stop people from buying? Get people to think twice about buying?
  - just more reason to burn packs
  - looks dull and boring
  - no; they'll just think twice about getting caught with the packages in thier pockets
  - If you're going to get beat up, you'll get beat up even more if you have these
- What type of person smokes these?
  - fags, old people
  - dead people; bury people with these
- If these ugly packs don't stop kids what will?
  - Maybe even-stronger warnings - like "smoking is suicide"

(Note: this tactic is known to be ineffective, yet this is what they come up with. It suggests that you can trust kids' ability to introspect and report on their thoughts only so much - perhaps especially this group especially.)

- What can be done to stop kids from smoking? Anything with the package?
  - not really

Ratings

- green and pink are the ugliest
- What if the lung was placed on green or pink package?
  - it would make it uglier

- it would be the ugliest
- like a 12; make it gayer; transvestites might like it

SUMMARY OF FEMALE AND MALE FOCUS GROUPS IN MONTREAL

By Jacques Lefebvre

MALES AGED 8-11

neral

- On the subject of people smoking, most kids were neutral. Two expressed a negative outlook on smoking.
- Majority have smoked first cigarette with a friend or relative.
- Majority indicate that it is ease to buy cigarettes from convenience stores.

Identification of Brand Packs

- Spontaneous
  - no particular or specific images or personalities evoked from various packs
  - one kid says lungs become black
  - brands tried and mentioned: du Maurier, Export "A", Matinée and Player's

White Plain Packs

- Spontaneous
  - The fact that all packs are white might imply in their minds mild cigarettes, not strong
  - If packs were all like that, there may be a bit of confusion at the convenience store
- Some probing
  - No change in brand perception.
  - Might discourage some people

Pink Packs

- Spontaneous
  - Most think its awful
  - Pink is Fif - Gay
  - Those that can't stop smoking would still buy these packs
  - No brand difference

Green Packs

- Spontaneous
  - Disgusting feeling
  - A bit less ugly than pink

Lungs

- Spontaneous

- Majority got the message-bad for lungs.
- Would buy anyway - would smoke anyway
- Better looking than pink packs

Overall Comparisons
- With probing
  - All packs ugly
  - Pink is the ugliest
  - People would buy and throw away the pack (danger for a sleeve marketing approach)
  - On health messages - confusion and indifference
  - None of this to have impact on uptake or purchase
  - One suggested to have the actual cigarette in pink
  - Once all packs in pink, people would continue to smoke
  - Overall score - pink is the ugliest; green is the second ugliest

On Sponsorships
- Spontaneous
  - Respondents matched: Player's with Formula I racing,
    Matinée with Tennis International,
    Marlboro with car racing, and
    Player's with Jacques Villeneuve's car.

Key Observations
- These kids are too young to be articulate on such issues.
- Impact of sponsorship is immense on this age group - they were able to recall without mistake and without probing 4 distinct events.
- Although young, they expressed reservations on the effect of such packaging once they would be all the same and people would get used to this new universe.

II MALES AGED 12–15 (Smoked Cigarettes in Last Month)

General
- On people smoking, most are indifferent
- No image or petition about these people

On the Uptake
- First cigarette with parents, sisters, brothers and friends
- First smoked because others did - to do like others
- Some claim it is now more difficult to buy
- Others claim it is fairly easy by shopping around to different convenience stores
- Brands named spontaneously: Export "A", du Maurier, Craven "A", Matinée, Mark Ten, Benson & Hedges and Marlboro.
- brands smoked: Player's, Export "A" and du Maurier.

Idendified Brand Packs
- Spontaneous
  - Nothing particular expressed
  - Not even notes on health messages
- With probing
  - They expressed opinions on health messages
  - Would not pay attention to these messages

White Plain Packs
- Spontaneous
  - Not appealing - Looks like war cigarettes
  - Puts emphasis on health messages
- After probing
  - Would purchase anyway
  - Wouldn't affect me
  - Would create confusion at the store
  - Looks like welfare cigarettes

Pink Packs
- Spontaneous
  - Cheap looking - Gay - Fif.
- With probing
  - After time pink might become normal if everyone had pink packages
  - Initially might discourage me but after time might become normal

Green Packs
- Spontaneous
  - Somewhat ugly but a bit more colourful than white
- With probing
  - Would not stop me from buying
  - Would create confusion at store level

Lungs
- Spontaneous
  - More appealing
  - Quite appealing
- With probing
  - Design would motivate to buy more than other packs
  - Something to look at when handling pack

Overall Comparisons
- With probing
  - All brands look the same yet would still change brands depending on price
  - Health messages more apparent on white plain packs

- Not much can be done on packaging to discourage smoking
- Overall score - pink is the ugliest; green/lungs is second ugliest

On Sponsorships
- Spontaneous
  - Respondents matched: du Maurier with the Jazz Festival, Matinée with Tennis International, and Player's with car racing.

Key Observations
- Again, high and correct recall of event sponsorship.
- An interesting reference to war or welfare cigarettes in plain packs.

III FEMALES AGED 8–11 (Smoked Cigarettes in Last Month)

General
- Other peoples smoking leave them indifferent.

On the Uptake
- Majority were influenced by others to try smoking.
- Other members of family smoke.
- Fairly easy to purchase.
- Spontaneous
  - Brands mentioned: Export "A", du Maurier, Player's, Rothman's and Craven "A".
- With probing
  - Most popular brands: du Maurier, Player's and Export "A"
  - Recall of packs' colours: Blue - Export "A"
    Green & orange - Craven "A"
    Red - du Maurier
    Blue- Player's

Identified Brand Packs
- Spontaneous
  - No particular comments.
  - Most were familiar with these brands.
- With probing
  - Somewhat aware of health messages.
  - Would not have impact or intent.

White Plain Packs
- Spontaneous
  - Confers a neutral feeling.
  - A dull image
  - Would not be as good a cigarette as in the regular packs
  - Some confusion about brand identificatio

Pink Packs
- Spontaneous
  - Pink is soft.
  - Might encourage me to smoke.
  - Majority like pink as a colour.
- With probing
  - "Kitsch" feeling
  - Might not discourage people to smoke
  - No boy would use such a pink pack

Green Packs
- Spontaneous
  - Nicer colours and more appealing than others
  - Would encourage me to purchase

Lungs
- Spontaneous
  - Discouraging for smokers
  - Illustrates smoking is bad for your lungs
- With probing
  - Might have impact on stopping
  - Visual provokes concern for our lungs
  - Lung design ugly enough

Overall Comparisons
- Best package to discourage - the lung design.
- Key word to discourage people from smoking - "Toxic."
- Majority of these kids would like to see a pack with the word toxic very big and the ugly ingredients listed under. Best way to discourage smoking.

On Sponsorships
- No specific event mentioned
- Reference to hockey rink signs for Player's and du Maurier

Key Observations
- Considering the young age of this group, it is interesting to note their focus on the impact of the word "toxic"

General
- Indifference as to people smoking

On the uptake
- Most have tried smoking because of friends
- To do like others, to be fashionable
- Majority would not wish to quit at this stage
- Easy to purchase cigarettes
- Spontaneous brands recalled: Player's, du Maurier and Belvedere
- Most popular brands: du Maurier and Player's

Identified Brand Packs
- Spontaneous
  - Aware of health messages.
- With probing
  - Would make an effort not to read warning.
  - Why read something negative - will smoke anyway.

White Plain Packs
- Spontaneous
  - All look the same - would bother me
  - Won't change anything
- With probing
  - Confusion at store level
  - Won't affect brand image

Pink Packs
- Spontaneous
  - Pink might be more appealing to younger children
- With probing
  - No boy would like this
  - would simply change the pack
  - would use a sleeve or a metallic case

Green Packs
- Spontaneous
  - Not as nice as B & W.
  - More colourful, somewhat appealing
- With probing
  - Won't discourage people from smoking
  - You don't buy for the package - you buy to smoke
  - Majority noted that the word "TOXIC" would discourage them from smoking

Lungs
- Spontaneous
  - More original, more appealing
  - More appealing than all other designs

- With probing
  - Provokes thinking
  - Could be made more repulsive
  - "Toxic" is a powerful word

Overall Comparisons
- Packs most likely to discourage smoking:
  - lungs (most likely)
  - pink
  - green
  - white (least likely)
- Re-do lungs to make more repulsive
- Add toxic warning - the best way to discourage uptake

On Sponsorships
- Spontaneous
  - Respondents matched: Matinée with Tennis International
    Player's with car racing
    du Maurier with the Jazz Festival
    Benson & Hedges with the Fireworks show.
  - A lot of this is a waste of time, will not stop people from smoking

Key Observations
- An interesting and particular attention paid to the word "Toxic."
- Again, reference to the possible use of a sleeve or metallic pack.
- Again, high and correct recall of event sponsorship.

SUMMARY OF FEMALE FOCUS GROUPS IN TORONTO

By Judith Madill-Marshall

1 FEMALES, GRADE 8 (Smoked in Last Month)

Evaluation

Excellent focus group - age group showed much consideration of smoking - would support including this age group in the study - 13 year olds.

Important Ideas Emerging

- Does smoking make heros cooler? No
- Smoking in general
  - negative
  - dirty habit
  - bad habit, hurts everyone, yellow hands would make me reconsider
  - but if someone wants to do it - they should be able to
- Friends/family
  - bothers me to be around people who are smoking
- High knowledge of physical effects of smoking
  - they sound as if believe it
- High proportion who have parents who smoke or have smoked.
- All had friends who smoke.
- OK to have cigarette now and then
- Why smoke?
  - peer pressure
  - friends ask do you want to smoke
  - most smoked with friends as first try
  - ages ranged from 11-13 for first try
  - most said tried lately
- Curiosity was a big factor - no fear of addiction with a couple of tries.
- Most more likely to smoke with friends now that they've tried:
  - would be outside, after school, not in someone else's house in case get caught.
  - don't want to buy pack
  - seen as group activity
- Get smokes from stores, friends or parents - not hard to get.
- Parents perceived as not liking it if they found out, but they wouldn't treat as major infraction.

Cigarette Knowledge and Brand Images

- Almost all said they tried du Maurier, all know the brands
- What they say about brand packages
  - almost all say things like disgusting
  - negative things
  - worried about teeth, etc.
- Matinée Slims
  - upper class, yuppies, adults, conservative
  - smoked by rich, lawyers, business people
  - they would not pick these - the package does not appeal
  - more for women
- Player's
  - gamblers would smoke, everyone, fat guys who watch football
  - picture of sailor means working kind of guy
  - most wouldn't pick by package - if tasted good then they would
  - picture says this is a mans cigarette
- du Maurier
  - unanimity that teenagers would pick these,
  - bright, no pictures of men, etc.
  - Nice bright package
  - No pictures, looks cooler
  - package for guys or girls - no stereotypes
- All would pick du Maurier themselves - two say it doesn't matter.

Package Design Reactions

- White plain packages
  - no-name, cheaper, plain, bland, boring
  - what brand are they?
  - difficult to pick out
  - warning jumps out at you more
  - real smokers would smoke these because brands don't look like they are for certain people.
  - change image of brands - don't look as good as used to.
  - right now can tell if person is smoker because recognize all cigarette brands and packages.
  - almost all think fewer would smoke these.
  - plain would be for anyone.
- All think that if cigarette paper itself was changed it would make a difference.
- Lungs
  - 1.5+ people didn't know what it was
  - suspected government manipulation
  - irritating
  - this is a legal product
  - picture should be better
  - mixed reaction as to whether it would turn people off
  - picture is seen as threatening, disgusting
  - some thought it would be a joke; some thought would make people think twice

- these kids would have tried anyway
- these are for heavy smokers

• Green
- dull, minty, lemon, boring
- boxes for sanitary napkins
- no-name, ugly
- nicotine on fingers
- same effect as white, but not so bright
- cheaper, don't look as appealing as current box
- these are for smokers, old people

• Pink
- for girls
- sanitary boxes
- tacky
- turn guys off
- design is awful, warning doesn't contrast as much
- is for women
- obnoxious, etc.
- pink is gross colour for package of cigarettes
- guys wouldn't buy or would take evasive action
- mixed reaction on whether girls would even buy

Which of Plain Package Would They Buy?
• yellow likely
• don't like pink or lungs
• if wanted to stop, they would buy lungs

Will Changing the Package Make a Difference?
• will likely make small difference

Warnings
• more effective with lungs, then white, yellow and pink.
• most don't think warnings make much difference, believe the messages though, but don't care.
• Many said lungs would be most effective in their opinion in discouraging smoking.
• Ugliest scores are mixed but for most, lungs in middle with pink, yellow rated uglier than lungs and white, than current.
• How did they learn about them?
- magazine ads, family, friends, stores.
- don't know cigarette.
- sponsorships
• Reported that they don't put cigarettes much in other packages; neither do guys, in their experience.

II FEMALES, GRADE 6 (Have Smoked, But not in Last Month)

Evaluation
- one very low participator - really said almost nothing
- two that know each other were high participators
- weak focus group overall, kids are pretty young - probably wouldn't get much out of them in future research

Important Ideas Emerging
• Do cool kids smoke?
- yes but they are not really cool
- they spout back the bad stuff re smoking
- cool people swear more than geeks

These kids are around family who smoke and drink, but at this age they don't believe you need to do it to have good time. Still think it's crazy to smoke. All have family who smoke - parents, grandparents, etc.
• Knowledge of physical effects of smoking
- much less verbal about effects
- lung cancer is main knowledge
- yellow teeth, fingers, lungs get black
• How try cigarettes?
- with friends, uncle gave puff to one when she was five
- very young but potential smokers
- all know how to get them - from stores
- two kids say most kids their age smoke outside, in parks, in washrooms
• Why smoke?
- cool
- peer pressure
- friends offer them a lot
• Brand knowledge
- three have high knowledge because family and friends smoke
• Brand images
- not a well-developed sense of differences between the brands
- don't volunteer much about different brands
- most people their age smoke du Maurier and Player's

When pushed they come up with images consistent to Group 1: much less verbal. Packages do give these kids ideas about who would smoke each.

Package Design Reactions
• White plain packages
- plain, would prefer the current ones, old times, plain
- people who really want cigarette badly would buy them

- people would still smoke it as long as same cigarette as before
- new starters wouldn't like them or they would buy them because would think there was no taste to them
- don't get same feelings about which cigarettes are appropriate for which people
- anything is cool for "Joey" so wouldn't matter if he smoked them

• Lungs
-lung looks like candlestick, half a brain, so this would be for romantic person
- no major reaction, words like "dumb." You have to push to get them to say it would make a difference

• Yellow
- elicits a laugh
- stupid, plain, dull

• Pink
- girls, women, girly cigarette
- don't like as well as normal
- Guys wouldn't want to try it

Lungs would be picked by people who were trying to quit; Group 1 also mentioned this.

They keep commenting that a cigarette is a cigarette, but current packages look a lot better to smoke than any of the plain ones.

They remember warnings - know them pretty well.

In rankings, Lungs gets mixed reviews again.

They don't know of any sponsorships for cigarette companies

Not a particularly exciting focus group. Overall, in spite of young age, their knowledge of smoking, packages, etc., is much more sophisticated than mine. Friends who smoke do seem to display packages as a badge.

III FEMALES, GRADE 8 (Have Smoked, But Not in Last Month)

Evaluation

Cool kids smoke. Of this group, almost all tried with friends the first time. Quite a few reported that friends smoke joints also. Much peer pressure from older kids to smoke both joints and cigarettes. Not very talkative on this topic. Why would a kid want to smoke - some want to act cool.

• Knowledge of physical consequences
- heart disease, lung cancer
- not terribly verbal
- health warnings don't help

Self-confessed that they might be smokers: didn't object when asked if they would likely be smoking in future.

• Most tried du Maurier
- their friends all smoke it
- easy to buy and they knew where to go

Reactions to Current Packages

• had to drag it out of them - not a verbal group - when pressed would say mostly negative things, addictive etc.
• Most would smoke du Maurier or Player's, not Matinée Slims because not familiar. Older people, rich would smoke. Can see an image from package when pushed - name, writing and design makes up part of image to them.
• Brand images less well developed than in group 1, but are very similar.

Package Design Reactions

• White
- plain, boring, not appealing
- wouldn't attract anybody
- think it will affect people - turn them off

• Lungs
- corny
- picture would be interpreted as if you're trying to turn me off smoking
- will turn people off, scare them
- won't care
- mixed reaction as to effect - who cares, etc., vs won't make any difference, just a picture

• Yellow
- gross, yellow, plain
- no-name, boring
- fingers will turn out like this
- mixed reaction about difference it would make in influencing uptake among their age group

• Pink
-guys wouldn't go flashing around this sort of box
-some kids flash them - others don't
-brownish colour is real turn-off

Guys won't have image they want. Girls won't either, but package won't matter.

Most say a person won't quit because of the package. Some think it might be cool to have lungs package. Again, reaction to lungs is not clear - some think it will have effect, others not; it is hardly ever seen as ugliest.

Kids have seen magazine ads for cigarettes; knowledge of sponsorships is limited - racing

cars only one mentioned.

Some Overall Thoughts

Most say package won't change people's behaviour, yet all prefer the brightly coloured current packages, while perceiving the plain and ugly as boring, old, etc. Most would prefer to have the current colours. Kids would be less likely to flash plain packages, might also flash one with a picture.

Lungs is all over the map in terms of kids' reactions to it. The yellow, white and pink are ugly (seen as boring and plain). This is the ultimate horror as far as kids are concerned. Lungs generates support but also reaction that some will find it cool or manipulative.

APPENDIX D

NATIONAL SURVEY OF TEENS: METHODOLOGY

This appendix is excerpted from the Technical Report prepared by Canada Market Research Ltd.

6. National Survey of Teens: Final Study

6.1 METHODOLOGY

a. Interviewing Methodology

In total, 1200 mall-intercept interviews were conducted with teenagers 14 to 17 years of age.

Respondents were screened for qualification on the mall floor and then qualified respondents were invited into the interview area to complete the survey. They were offered $10 as an incentive to participate in the study.

b. Respondent Qualifications

Participants who qualified for the study were teenagers 14 to 17 years of age who claimed that they definitely or probably would smoke one puff or more of a cigarette during the next year or who could think of a reason that might encourage them to start smoking.

c. Quotas

Quotas were established by gender as follows ...

- 50% male, 50% female

d. Qualification Rate

Overall, 58% of teenagers 14 to 17 years of age qualified for the study. The incidence of qualification was highest in Montreal and Quebec City and lowest in Halifax, as shown in the chart on the following page.

e. **Dates, Times and Location**

The 1200 interviews were conducted between December 28th, 1994 and January 11th, 1995. The interviews were distributed as shown in the chart below.

City	Number of Interviews Completed	Incidence of Qualificiation
	#	%
St. John's, Nfld	75	48
Halifax, NS.	75	45
Montreal	151	71
Quebec City	99	71
Trois Rivieres	50	55
Toronto	200	63
London	75	67
Peterborough	75	52
Sudbury	50	58
Calgary	100	55
Winnipeg	50	56
Regina	50	57
Vancouver	100	52
Vernon	50	54
TOTAL	1200	58

The mall locations used in this study were:

- St. John's: Sobey's Square
- Halifax: Downsview Mall
- Montreal: Le Boulevard
  Les Promenades, St. Bruno
- Quebec City: Carrefour Neufchatel
- Trois Rivieres: Carrefour Trois-Rivieres Ouest
- Toronto: Woodbine Centre,
  DonMills Centre
  Harwood Mall
  Whitby Mall
  Five Points Mall
- Peterborough: Portage Place Mall
- London: Westmount Mall
- Sudbury: City Cenre
- Calgary: Malborough Mall
- Winnipeg: Garden City Mall
- Regina: Sherwood Village Mall
- Vancouver: Metrotown Centre
  Vernon: Polson Place

e. **Interview Length**

The interviews ranged from 15 to 46 minutes in length. On average, the interviews were of 28 minutes duration.

6.2 FIELD PROCEDURES

a. Briefing Procedures

All interviewers participated in a briefing for this study that was given by their supervisor. Senior, supervisory staff from Research House conducted a telephone briefing with mall supervisors and were available to answer questions as needed. The briefings involved the following steps:

- A review, by the supervisors, of the purpose of the National Survey of Teens, the total number of interviews to be achieved per mall and the quotas established for the study.
- A review of the Interviewer/Supervisor instructions.
- A question by question review of the questionnaire to familiarize interviewers with its content and flow. Interviewers were instructed on the field materials to be used at each question, if any; the skip patterns applicable to various questions; and the correct probing techniques to be used.

  During this initial review of the questionnaire, and at every other stage of the briefing, interviewers were also encouraged to ask questions of their supervisor to clarify any areas of confusion with respect to the administration of the questionnaire.
- Every interviewer was involved in a practice session during which they conducted mock-interviews.
- Following this, individual interviewers re-reviewed the questionnaire to gain sufficient familiarity with the content and flow to be able to conduct the interview in a smooth and efficient manner.

b. Supervision

A supervisor was in the interviewing area at all times and monitored each interviewer's work by listening to interviews and reviewing completed questionnaires.

After each interview session during the first two days of field work, the supervisor checked 100% of each interviewer's work.

Thereafter, supervisors monitored 10% all interviews and subjected each completed questionnaire to a careful edit procedure to check for possible mistakes.

c. Verification

Canada Market Research verified 10% of the interviews. In total, 120 participants were re-contacted by telephone two weeks after the completion of the survey and asked demographic questions to determine whether or not they had participated in the study. All 120 indicated that they had participated in the study, and all fell within the demographic target specified for the study.

d. Quality Control

To control for duplications, at each mall respondents were asked if they had participated in a study in this mall in the past month, or if they knew anyone who had.

Supervisors also checked the questionnaires to ensure that respondent names and addresses were not duplicated.

In some malls, supervisors also kept a written record of participants and asked each screened individual for identification prior to conducting the study.

6.3 CODING AND DATA ENTRY PROCEDURES

The questionnaires completed for this final study were coded. The coding procedure began January 6th and all coding was completed January 17th, 1995.

In developing the code lists for this study, 220 questionnaires were tabbed. The coding department also subjected the questionnaires to a careful edit to check the quality of the interviewing.

Fifteen code lists were developed for this study, copies of which are appended. Initial codes were opened based on 3% of tabbed questionnaires. Code lists were held open until the study was finalized.

Data entry commenced on January 16th and was completed on January 23rd, 1995.

The data entry involved the following procedures:

- Data entered using *ACCESS* data entry software
- 100% verification
- Data cleaned using visual scan and logic checks
- Data provided on diskette in ASCII, SPSS and SAS formats

6.4 SUMMARY: OVERALL REACTION TO NATIONAL SURVEY OF TEENS FINAL STUDY

The National Survey with Teens proceeded very smoothly. The interviews began December 28th, while teenagers were still out of school for the Christmas break, but without the distraction of pre-Christmas shopping.

Although the average interview was 28 minutes in length, most teenagers did not become inattentive or fatigued. Three factors may have contributed to this. The first was their general interest in the topic. The second was the flow of the questionnaire, with a variety of tasks introduced at different points in the interview. The third was the nature of the tasks themselves, including self-completed ratings, evaluation of different packages and reaction to pictures of people and cigarette packages. This variety of tasks generally kept the teenagers' interest.

APPENDIX E

NATIONAL SURVEY OF TEENS: QUESTIONNAIRE

This appendix is excerpted from the Technical Report prepared by Canada Market Research Ltd.

THE NATIONAL INTERVIEW

KNOWLEDGE OF BRANDS

We are now ready to begin the actual interview. We'd first like to talk with you about some different kinds of tobacco cigarettes.

1. Please tell me all the brands of tobacco cigarettes that you can think of. PROBE: Any others?

CIRCLE BELOW. DO NOT SHOW ANY VISUALS AT THIS POINT IN THE INTERVIEW.

	(17)
I don't really remember any brands	1
Accord	2
Avanti	3
Belvedere	4
Benson & Hedges	5
Cameo	6
Craven A	7
DuMaurier	8
Dunhill	9
Export A	0
MacDonald	X
	(18)
Mark 10	1
Matinee	2
Medallion	3
Number 7	4
Players	5
Peter Jackson	6
Rothman's	7
Select	8
Vantage	9
Discount	0
Any American*	X
Other (PLEASE SPECIFY)	Y

_____

_____

* ANY AMERICAN INCLUDES CAMEL, WINSTON, SALEM, MARLBORO, MORE, KENT, LUCKY STRIKE.

2. Now I would like to show you some pictures of cigarette packages. Please tell me the brand name that belongs to each package that I point to. SHOW EACH RESPONDENT SHEET OF UNBRANDED CIGARETTE PACKS AND ASK EACH RESPONDENT TO IDENTIFY THE BRAND NAME (UNAIDED).

3. FOR EACH BRAND CORRECTLY IDENTIFIED, ASK: "What does this cigarette company do to make you notice this brand? (PROBE: IF SAY ADVERTISE ASK: What kind of advertising?) (RECORD RESPONSE ON LINE PROVIDED FOR THAT BRAND)

	Q2				Q3 Things Done	
	Correct	Incorrect	Don't Know			
Belvedere	1	2	3	(210)	_____	(220-9)
Craven A	1	2	3	(211)	_____	(230-9)
Export A	1	2	3	(212)	_____	(240-9)
Matinee	1	2	3	(213)	_____	(250-9)
Number 7	1	2	3	(214)	_____	(260-9)
BLANK	1	2	3	(215)	_____	(270-9)
DuMaurier	1	2	3	(216)	_____	(310-9)
Players	1	2	3	(217)	_____	(320-9)
Rothman's	1	2	3	(218)	_____	(330-9)
Benson and Hedges	1	2	3	(219)	_____	(340-9)

PICTURE/IMAGE SECTION

4. People often choose different products to say something about themselves. Now I will show you pictures of people and different brands of cigarettes in different types of packages. For each picture I show you, I will ask you if the brand and package is right or wrong for them. Does it give off the right image for them?

SHOW PHOTO S3 OF MAN AND REGULAR BENSON & HEDGES PACKAGE.

4a. Consider this Business Man. Is Benson & Hedges in this package right or wrong for this man? Please use the choices on this card (HAND CARD D.)

	(1010)
Definitely right for this person	1
Probably right for this person	2
In the middle	3
Probably wrong for this person	4
Definitely wrong for this person	5

NOW SHOW PHOTO S4 OF MAN AND PLAIN WHITE BENSON & HEDGES PACKAGE.

4b. Do you think Benson & Hedges in this package is right or wrong for this man? Please use the choices on this card again (HAND CARD D.)

	(1011)
Definitely right	1
Probably right	2
In the middle	3
Probably wrong	4
Definitely wrong	5

NOW SHOW PHOTO S5 OF MAN AND BENSON & HEDGES LUNG PACKAGE.

4c. Do you think Benson & Hedges in this package is right or wrong for this man? Please use the choices on this card again (HAND CARD D.)

	(1012)
Definitely right	1
Probably right	2
In the middle	3
Probably wrong	4
Definitely wrong	5

SHOW PHOTO N3 OF BOY AND REGULAR BENSON & HEDGES PACKAGE.

5a. Consider this teenage boy. Is Benson & Hedges in this package right or wrong for this boy? Please use the choices on this card (HAND CARD D.) Do you think Benson & Hedges in this package is ... (READ LIST)

	(1013)
Definitely right for this person	1
Probably right for this person	2
In the middle	3
Probably wrong for this person	4
Definitely wrong for this person	5

NOW SHOW PHOTO N4 OF BOY AND PLAIN WHITE BENSON & HEDGES PACKAGE.

5b. Do you think Benson & Hedges in this package is right or wrong for this boy? Please use the choices on this card again (HAND CARD D.) Do you think Benson & Hedges in this package is ...

	(1014)
Definitely right for this person	1
Probably right for this person	2
In the middle	3
Probably wrong for this person	4
Definitely wrong for this person	5

NOW SHOW PHOTO N5 OF BOY AND BENSON & HEDGES LUNG PACKAGE.

5c. Now do you think Benson & Hedges in this package is right or wrong for this boy? Please use the choices on this card again (HAND CARD D.)

	(1015)
Definitely right	1
Probably right	2
In the middle	3
Probably wrong	4
Definitely wrong	5

PAGE 7/8 BLANK

DEMOGRAPHICS AND FAMILY

In the next section, we would like to ask you a few questions about yourself and your family to help us analyze the information that you are giving us.

8. What grade are you in at school? Grade _____ (610-611)
Don't Attend School 99

9a. Do you earn any money of your own?

(612)
No 1 PLEASE SKIP TO Q10a
Yes 2

9b. On average, about how much money do you make per week? (IF DON'T KNOW, OBTAIN BEST GUESS.)

_____ DOLLARS (614-617)

10a. Do you play sports, belong to a team or club, participate in music, or do any other kind of extra-curricular activities?

(618)
No 1 PLEASE SKIP TO Q 11
Yes 2

10b. What kinds of things do you do? (PLEASE SPECIFY)

_____ (621-632)

_____

11. How many hours of homework do you typically do ... (READ.) (IF DON'T KNOW, BEST GUESS)

on a week night? _____ HOURS (633-4)

on the weekend? _____ HOURS (635-6)

12. On your last report card, what was your average? (RECORD AVERAGE GRADE OR PERCENT)

(637)
As 1
Bs 2
Cs 3 or ☐ Average % (369-40)
Ds 4
Fs 5

13. What language did you first speak at home as a child?

(641)
English 1
French 2
(Other, Please specify) 3

_____

14. Who do you live with, either all or part of the time? (PROBE:) Who else? (PROBE:) Anyone else? (DO NOT READ LIST) (CIRCLE AS MANY AS APPLY UNDER Q14 BELOW)

15. Of the people you live with, tell me who smokes cigarettes?

	Q14	Q15		
	(641)	Smoke	Don't Smoke	
Mother	1	1	2	(671)
Father	2	1	2	(672)
Brother(s)	3	1	2	(673)
Sister(s)	4	1	2	(674)
Step Mother	5	1	2	(675)
Step Father	6	1	2	(676)
Grandmother	7	1	2	(677)
Grandfather	8	1	2	(678)
Other (Write)		1	2	(679)

_____

16. Which of the following people that you know smoke? (READ LIST, CIRCLE AS MANY AS APPLY.)

	(710)
Best Friend(s)	1
Other Friend(s)	2
Other Schoolmates	3
Other Relatives	4

SMOKING EXPERIENCE

Now we would like to ask you a few questions about your OWN experiences smoking tobacco cigarettes. We are not asking questions about smoking of any other substances.

17. How would you describe yourself? As ... (READ LIST)

	(720)
a Non Smoker	1
an Occasional Smoker	2
a Regular Smoker	3
an Ex Smoker	4
Other: (PLEASE SPECIFY)	5

_____

18a. How often do you smoke cigarettes now? (SHOW CARD C)

	(722)	
Don't smoke currently	1	GO TO 18b.
a few times a year	2	GO TO GROUP 4 Q23 to Q28
about once a month	3	
a few times a month	4	
about once a week	5	
a few times a week	6	GO TO GROUP 5 Q29 to Q35
once a day	7	
more than once a day	8	

18b. Was there a time when you smoked at least one pack of cigarettes a week but don't smoke now?

	(723)	
No	1	GO TO GROUP 2 Q19
Yes	2	GO TO GROUP 3 Q20 to Q22

Group 2: Non-Smoker

19. How likely would you be to smoke if all your friends smoked and they all encouraged you to smoke? SHOW CARD D.

	(724)
Definitely Would Smoke	1
Probably Would Smoke	2
Not Sure	3
Probably Would Not Smoke	4
Definitely Would Not Smoke	5

GO TO Q36.

Group 3: Regular smoker who quit

20. You indicated that you used to be a tobacco smoker but quit? About how many cigarettes did you used to smoke a day before you quit?

____ cigarettes per day (727-728)

or ____ cigarettes per week (731-733)

(734)

or One pack a day 1
Two packs a day 2

21. What brand did you smoke most? (DO NOT READ LIST.) (ONE MENTION ONLY)

	(808)	
I don't really remember any brands	1	GO TO Q36
Accord	2	
Avanti	3	
Belvedere	4	
Benson & Hedges	5	
Cameo	6	
Craven A	7	
DuMaurier	8	
Dunhill	9	
Export A	0	
MacDonald	X	
	(809)	
Mark 10	1	
Matinee	2	
Medallion	3	
Number 7	4	
Players	5	
Peter Jackson	6	
Rothman's	7	
Select	8	
Vantage	9	
Discount	0	
Any American*	X	
Other (PLEASE SPECIFY)	Y	

_____

* ANY AMERICAN INCLUDES CAMEL, WINSTON, SALEM, MARLBORO, MORE, KENT, LUCKY STRIKE.

22. Why this brand? (DO NOT READ LIST.) (CIRCLE ALL THAT APPLY.)

	(909)
It is the one my friends smoke(d)	1
It is the one my parents smoke(d)	2
Someone gave me one and I just kept smoking it	3
I liked the taste	4
It just got to be a habit	5
I liked the image	6
I liked the package	7
Other (Please specify)_____	8

_____

_____

GO TO Q36

Group 4: Infrequent smoker

23. You indicated that you sometimes have a cigarette. About how many cigarettes did you smoke last month?

_____CIGARETTES (741-743)

24. What kinds of things are you doing when you smoke? (DO NOT READ LIST) (CIRCLE ALL THAT APPLY)

(744-755)

Hanging out with my friends	01
Partying	02
Drinking	03
Other (Please specify)_____	04

_____

_____

25. What brand do you smoke most? (DO NOT READ LIST.) (ONE MENTION ONLY)

(806)

I don't really remember any brands	1 GO TO Q27
Accord	2
Avanti	3
Belvedere	4
Benson & Hedges	5
Cameo	6
Craven A	7
DuMaurier	8
Dunhill	9
Export A	0
MacDonald	X

(809)

Mark 10	1
Matinee	2
Medallion	3
Number 7	4
Players	5
Peter Jackson	6
Rothman's	7
Select	8
Vantage	9
Discount	0
Any American*	X
Other (PLEASE SPECIFY)	Y

_____ (810)

I don't have a regular brand that I smoke most often	1

* ANY AMERICAN INCLUDES CAMEL, WINSTON, SALEM, MARLBORO, MORE, KENT, LUCKY STRIKE.

26. Why this brand? (DO NOT READ LIST.) (CIRCLE ALL THAT APPLY.)

(909)

It is the one my friends smoke(d)	1
It is the one my parents smoke(d)	2
Someone gave me one and I just kept smoking it	3
I liked the taste	4
It just got to be a habit	5
I liked the image	6
I liked the package	7
Other (Please specify)_____	8

_____

_____

27. What would encourage you to start smoking more regularly or more frequently?

_____ (924-935)

_____

28. What would encourage you to quit smoking?

_____ (936-947)

_____

GO TO Q36

Group 5: Regular Smoker

29. How long have you been smoking cigarettes?

_____ MONTHS (761-762) OR _____ YEARS (763-764)

30. Why did you start smoking cigarettes? (DO NOT READ LIST) (CIRCLE ALL THAT APPLY.)

	(765-766)
Just experimenting	01
Was the thing to do at parties	02
All my friends smoke so I tried it too	03
All my family smoke	04
Other (PLEASE SPECIFY)	05

_____

_____

31. About how many cigarettes do you smoke a day?

_____CIGARETTES PER DAY (778-779)

(780)

or One Pack 1

Two packs 2

32. What brand do you smoke most? (DO NOT READ LIST.) (ONE MENTION ONLY)

	(806)	
I don't really remember any brands	1	GO TO Q34a
Accord	2	
Avanti	3	
Belvedere	4	
Benson & Hedges	5	
Cameo	6	
Craven A	7	
DuMaurier	8	
Dunhill	9	
Export A	0	
MacDonald	X	
	(809)	
Mark 10	1	
Matinee	2	
Medallion	3	
Number 7	4	
Players	5	
Peter Jackson	6	
Rothman's	7	
Select	8	
Vantage	9	
Discount	0	
Any American*	X	
Other (PLEASE SPECIFY)	Y	

_____

* ANY AMERICAN INCLUDES CAMEL, WINSTON, SALEM, MARLBORO, MORE, KENT, LUCKY STRIKE.

33. Why this brand? (DO NOT READ LIST.) (CIRCLE ALL THAT APPLY.)

	(909)
It is the one my friends smoke(d)	1
It is the one my parents smoke(d)	2
Someone gave me one and I just kept smoking it	3
I liked the taste	4
It just got to be a habit	5
I liked the image	6
I liked the package	7
Other (Please specify)_____	8

_____

_____

34a. Have you ever tried to quit before?

	(951)
No	1
Yes	2

35. What would encourage you to quit smoking?

_____ (952-963)

_____

GO TO Q36.

BELIEFS AND ATTITUDES ABOUT CIGARETTES, SMOKING AND SMOKERS

I'd like you to fill out the next part of the survey on your own. Here are the questions and a pencil. I will wait right here for you to finish this part, then we can go on with a few more interview questions. If you have any questions as you are going along, please ask me about them.

36a. Below is a statement about teenagers who smoke cigarettes. Complete the sentence to describe your own impressions of teenagers who smoke cigarettes by circling a number from 1 to 9 on each of the scales listed after the statement.

In general, teenagers who smoke cigarettes are:

insecure	1	2	3	4	5	6	7	8	9	confident	(411)
unhealthy	1	2	3	4	5	6	7	8	9	healthy	(412)
controlled by others	1	2	3	4	5	6	7	8	9	independent	(413)
not sexy	1	2	3	4	5	6	7	8	9	sexy	(414)
hardworking	1	2	3	4	5	6	7	8	9	lazy	(415)
unsuccessful	1	2	3	4	5	6	7	8	9	successful	(416)
fat	1	2	3	4	5	6	7	8	9	thin	(417)
boring	1	2	3	4	5	6	7	8	9	fun to be with	(418)
uncool	1	2	3	4	5	6	7	8	9	cool	(419)
tough	1	2	3	4	5	6	7	8	9	wussy	(420)
angry	1	2	3	4	5	6	7	8	9	content	(421)
leaders	1	2	3	4	5	6	7	8	9	followers	(422)
higher status	1	2	3	4	5	6	7	8	9	lower status	(423)
mature	1	2	3	4	5	6	7	8	9	immature	(424)
poor student	1	2	3	4	5	6	7	8	9	good student	(425)

PLEASE RETURN QUESTIONNAIRE TO INTERVIEWER.

INTERVIEWER: Please check for completeness.

36b. Below is a statement about teenagers who smoke DuMaurier cigarettes. Complete the sentence to describe your own impressions of teenagers who smoke DuMaurier cigarettes in this type of package by circling a number from 1 to 9 on each of the scales listed after the statement.

SHOW CURRENT DUMAURIER PACKAGE. LEAVE IN VIEW.

SELF COMPLETE

In general, teenagers who smoke DuMaurier cigarettes are:

insecure	1	2	3	4	5	6	7	8	9	confident	(431)
unhealthy	1	2	3	4	5	6	7	8	9	healthy	(432)
controlled by others	1	2	3	4	5	6	7	8	9	independent	(433)
not sexy	1	2	3	4	5	6	7	8	9	sexy	(434)
hardworking	1	2	3	4	5	6	7	8	9	lazy	(435)
unsuccessful	1	2	3	4	5	6	7	8	9	successful	(436)
fat	1	2	3	4	5	6	7	8	9	thin	(437)
boring	1	2	3	4	5	6	7	8	9	*fun to be with*	(438)
uncool	1	2	3	4	5	6	7	8	9	cool	(439)
tough	1	2	3	4	5	6	7	8	9	wussy	(440)
angry	1	2	3	4	5	6	7	8	9	content	(441)
leaders	1	2	3	4	5	6	7	8	9	followers	(442)
higher status	1	2	3	4	5	6	7	8	9	lower status	(443)
mature	1	2	3	4	5	6	7	8	9	immature	(444)
poor student	1	2	3	4	5	6	7	8	9	good student	(445)

PLEASE RETURN QUESTIONNAIRE TO INTERVIEWER.

INTERVIEWER: Please check for completeness. Then remove pack.

36c. As you may already know, the government is thinking of making cigarette companies sell cigarettes in plain packages. Below is a statement about teenagers who would smoke DuMaurier cigarettes packaged in this plain sort of way.

SHOW DUMAURIER PLAIN PACKAGE. LEAVE IN VIEW.

SELF COMPLETE

Complete the sentence to describe **your own impressions** of teenagers who would smoke DuMaurier cigarettes **packaged this way** by circling a number from 1 to 9 on each of the scales listed after the statement.

In general, teenagers who would smoke DuMaurier cigarettes packaged this way are:

insecure	1	2	3	4	5	6	7	8	9	confident	(451)
unhealthy	1	2	3	4	5	6	7	8	9	healthy	(452)
controlled by others	1	2	3	4	5	6	7	8	9	independent	(453)
not sexy	1	2	3	4	5	6	7	8	9	sexy	(454)
hardworking	1	2	3	4	5	6	7	8	9	lazy	(455)
unsuccessful	1	2	3	4	5	6	7	8	9	successful	(456)
fat	1	2	3	4	5	6	7	8	9	thin	(457)
boring	1	2	3	4	5	6	7	8	9	fun to be with	(458)
uncool	1	2	3	4	5	6	7	8	9	cool	(459)
tough	1	2	3	4	5	6	7	8	9	wussy	(460)
angry	1	2	3	4	5	6	7	8	9	content	(461)
leaders	1	2	3	4	5	6	7	8	9	followers	(462)
higher status	1	2	3	4	5	6	7	8	9	lower status	(463)
mature	1	2	3	4	5	6	7	8	9	immature	(464)
poor student	1	2	3	4	5	6	7	8	9	good student	(465)

PLEASE RETURN QUESTIONNAIRE TO INTERVIEWER.

INTERVIEWER: Please check for completeness. **Then remove pack.**

36d. Here is another type of package.

SHOW DUMAURIER PACKAGE WITH LUNGS. LEAVE IN VIEW.

SELF COMPLETE

Complete the sentence to describe **your own impressions** of teenagers who would smoke DuMaurier cigarettes **packaged this way** by circling a number from 1 to 9 on each of the scales listed after the statement.

In general, teenagers who would smoke DuMaurier cigarettes packaged this way are:

insecure	1	2	3	4	5	6	7	8	9	confident	(511)
unhealthy	1	2	3	4	5	6	7	8	9	healthy	(512)
controlled by others	1	2	3	4	5	6	7	8	9	independent	(513)
not sexy	1	2	3	4	5	6	7	8	9	sexy	(514)
hardworking	1	2	3	4	5	6	7	8	9	lazy	(515)
unsuccessful	1	2	3	4	5	6	7	8	9	successful	(516)
fat	1	2	3	4	5	6	7	8	9	thin	(517)
boring	1	2	3	4	5	6	7	8	9	fun to be with	(518)
uncool	1	2	3	4	5	6	7	8	9	cool	(519)
tough	1	2	3	4	5	6	7	8	9	wussy	(520)
angry	1	2	3	4	5	6	7	8	9	content	(521)
leaders	1	2	3	4	5	6	7	8	9	followers	(522)
higher status	1	2	3	4	5	6	7	8	9	lower status	(523)
mature	1	2	3	4	5	6	7	8	9	immature	(524)
poor student	1	2	3	4	5	6	7	8	9	good student	(525)

PLEASE RETURN QUESTIONNAIRE TO INTERVIEWER.

INTERVIEWER: Please check for completeness. **Then remove pack.**

Q36e/f BLANK

PLAIN PACKAGE ISSUES

We are almost finished, I'd like to ask you a few more questions about your views on what you think might happen if all cigarettes in Canada were packaged in plain packages like these--SHOW SELECTION OF PACKAGES (BUFF OR PINK OR YELLOW/GREEN AND LUNG AND WHITE).

37. Would it bother you if all cigarettes were available only in plain packages? SHOW CARD E. (CIRCLE # GIVEN BY RESPONDENT.)

Not bother you at all — Bother you a lot

0 -- 1 -- 2 -- 3 -- 4 -- 5 -- 6 -- 7 -- 8 -- 9 --10 (1110)

38a. (READ SLOWLY) If cigarettes were available only in plain packages like these, how would it affect the number of teenagers who would start smoking? Do you think that ... SHOW CARD F.

(1111)

Many more would start smoking	1
A few more would start smoking	2
It wouldn't change the number of teenagers who start smoking	3
A few less would start smoking	4
A lot fewer would start smoking	5

38b. How would these plain packages affect the amount that teenagers smoke? Would they smoke ... SHOW CARD G.

(1112)

A lot more	1
A little bit more	2
About the same	3
A little less	4
A lot less	5

38c. How would it affect the number of teenagers who would stop smoking? (SHOW CARD H.)

(1113)

Many more would stop smoking	1
A few more would stop smoking	2
It wouldn't change the number of teenagers who stop smoking	3
A few less would stop smoking	4
A lot fewer would stop smoking	5

39. HAND CARD I. On this card is a list of things that might help keep young people from smoking. Which one do you think would work best to keep people your age from smoking. What would work second best? Third best? Fourth best? What would work least?

	Work Best	2nd Best	3rd Best	4th Best	Work Least
Making cigarettes cost more	1	1	1	1	1
Making packages less colourful	2	2	2	2	2
More information about smoking and health	3	3	3	3	3
Making it harder for young people to buy cigarettes	4	4	4	4	4
Making more no-smoking areas	5	5	5	5	5
	(1114)	(1115)	(1116)	(1117)	(1118)

PERCEIVED IMPACT ON YOUTH SMOKING BEHAVIOURS

Now we are going to ask you a few questions about cigarettes in general.

40. How harmful do you think cigarettes are? (SHOW CARD J.)

Not at all harmful — Very harmful

0 -- 1 -- 2 -- 3 -- 4 -- 5 -- 6 -- 7 -- 8 -- 9 --10 (1120)

41. How do you think the following people would feel about you smoking? (READ FIRST GROUP IN THE LIST AND SAY:) Do you think they would approve, disapprove or do you think they don't care? (READ REST OF LIST)

	Approve	Disapprove	Don't Care	DK	N/A	
Parent(s)	1	2	3	4	5	(1121)
Best Friend(s)	1	2	3	4	5	(1122)
Other Friend(s)	1	2	3	4	5	(1123)
Other Schoolmates	1	2	3	4	5	(1124)
Brothers or Sisters	1	2	3	4	5	(1125)
Other Relatives	1	2	3	4	5	(1126)

42. Has anyone you know died or been very ill because they smoke?

(1131)

Yes	1
No	2

43. Does anyone you really look up to or admire smoke?

(1132)

No	1
Yes:	2

WHO? (WRITE IN)

_____ (1133-34)

44. Who do you think sponsored this study? DO NOT PROBE. ACCEPT "DON'T KNOW"

_____ (1141-52)

INTERVIEWER CONCLUDES INTERVIEW BY GIVING $5 AND DEPARTMENT OF HEALTH DOCUMENT ON EFFECT OF CIGARETTE SMOKING AND SAYING:

Thanks very much for your assistance in this study - we appreciate it very much. Here is the $10 we promised you for your help and also some information on smoking and health from Health and Welfare Canada. Do you have any last questions or comments you would like to add to what you've already said.

(1153)

No	1
Yes	2

IF NO - Thanks again.

IF YES, TRY TO ANSWER OR RECORD COMMENT BELOW.

_____ (1154-1165)

_____

THE END

VERSION: 11 (1177-1178)

ENTREVUE MENÉE À L'ÉCHELLE NATIONALE

CONNAISSANCE DES MARQUES

Nous pouvons maintenant commencer l'entrevue. J'aimerais d'abord parler avec toi de différentes marques de cigarettes.

1. Nomme-moi toutes les marques de cigarettes auxquelles tu peux penser. SONDEZ: Y en a-t-il d'autres?

   ENCERCLEZ-LES CI-DESSOUS. À CE STADE DE L'ENTREVUE, NE MONTREZ AUCUNE ILLUSTRATION.

	(17)
Je ne peux en nommer aucune	1
Accord	2
Avanti	3
Belvedere	4
Benson & Hedges	5
Cameo	6
Craven A	7
DuMaurier	8
Dunhill	9
Export A	0
MacDonald	X
	(18)
Mark 10	1
Matinee	2
Medallion	3
Number 7	4
Players	5
Peter Jackson	6
Rothman's	7
Select	8
Vantage	9
Discount	0
Toutes cigarettes américaines*	X
Autre (VEUILLEZ SPÉCIFIER)	Y

_____

_____

* TOUTES CIGARETTES AMÉRICAINES Y COMPRIS CAMEL, WINSTON, SALEM, MARLBORO, MORE, KENT, LUCKY STRIKE.

2. J'aimerais maintenant te montrer quelques photos d'emballages de cigarettes. Pourrais-tu me dire quelle est la marque qui correspond à chaque emballage que je montre du doigt? MONTREZ À CHAQUE RÉPONDANT LA FEUILLE SUR LAQUELLE SE TROUVE LES PAQUETS NON IDENTIFIÉS ET DEMANDEZ À CHAQUE RÉPONDANT D'IDENTIFIER LA MARQUE (SANS AIDE).

3. POUR CHAQUE MARQUE CORRECTEMENT IDENTIFIÉE, DEMANDEZ: "Par quels moyens ce fabricant de cigarettes te fait-il connaître cette marque? (SONDEZ: SI LE RÉPONDANT MENTIONNE LA PUBLICITÉ, DEMANDEZ: Quel genre de publicité?) (INSCRIVEZ LA RÉPONSE SUR LA LIGNE PRÉVUE À CET EFFET POUR CETTE MARQUE)

	Q.2			Q.3 Moyens pris		
	Correct	Incorrect	Ne sait pas			
Belvedere	1	2	3	(210)	_____	(220-9)
Craven A	1	2	3	(211)	_____	(230-9)
Export A	1	2	3	(212)	_____	(240-9)
Matinee	1	2	3	(213)	_____	(250-9)
Number 7	1	2	3	(214)	_____	(260-9)
BLANK	1	2	3	(215)	_____	(270-9)
DuMaurier	1	2	3	(216)	_____	(310-9)
Players	1	2	3	(217)	_____	(320-9)
Rothman's	1	2	3	(218)	_____	(330-9)
Benson and Hedges	1	2	3	(219)	_____	(340-9)

SECTION PHOTOS/IMAGE

4. Les produits que nous achetons contribuent à communiquer aux autres un message à notre sujet. Je vais te montrer des illustrations de différentes personnes et de différentes marques de cigarettes dans différents genres d'emballages. Pour chaque illustration que je vais te montrer, je te demanderai si la marque et l'emballage conviennent à cette personne. Est-ce qu'ils créent une image qui lui correspond?

MONTREZ LA PHOTO N3 DU GARÇON ET DE L'EMBALLAGE BENSON & HEDGES ORDINAIRE.

4a. Regarde cet adolescent. Crois-tu que Benson & Hedges, **dans cet emballage**, est une marque qui convient à ce garçon? Utilise les options énumérées sur cette carte. (REMETTEZ LA CARTE D). Crois-tu que Benson & Hedges, dans cet emballage, est une marque... (LISEZ LA LISTE)

	(1010)
qui lui convient certainement	1
qui lui convient probablement	2
qui lui convient plus ou moins	3
qui ne lui convient probablement pas	4
qui ne lui convient certainement pas	5

MONTREZ MAINTENANT LA *PHOTO N4* DU GARÇON ET DE L'EMBALLAGE BENSON & HEDGES NEUTRE BLANC.

4b. Crois-tu que Benson & Hedges, **dans cet emballage**, est une marque qui convient à ce garçon? Utilise encore les options énumérées sur cette carte. (REMETTEZ LA CARTE D). Crois-tu que Benson & Hedges, dans cet emballage, est une marque...

	(1011)
qui lui convient certainement	1
qui lui convient probablement	2
qui lui convient plus ou moins	3
qui ne lui convient probablement pas	4
qui ne lui convient certainement pas	5

MONTREZ LA PHOTO N5 DU GARÇON ET DE L'EMBALLAGE BENSON & HEDGES AVEC LES POUMONS.

4c. Crois-tu que Benson & Hedges, **dans cet emballage**, est une marque qui convient à ce garçon? Utilise encore les options énumérées sur cette carte. (REMETTEZ LA CARTE D).

	(1012)
Lui convient certainement	1
Lui convient probablement	2
Lui convient plus ou moins	3
Ne lui convient probablement pas	4
Ne lui convient certainement pas	5

MONTREZ LA PHOTO S3 DE L'HOMME ET DE L'EMBALLAGE BENSON & HEDGES ORDINAIRE.

5a. Regarde cet homme d'affaires. Est-ce que Benson & Hedges, **dans cet emballage**, est une marque qui convient à cet homme? Utilise les options énumérées sur cette carte. (REMETTEZ LA CARTE D).

	(1013)
Lui convient certainement	1
Lui convient probablement	2
Lui convient plus ou moins	3
Ne lui convient probablement pas	4
Ne lui convient certainement pas	5

MONTREZ MAINTENANT LA PHOTO S4 DE L'HOMME ET DE L'EMBALLAGE BENSON & HEDGES BLANC NEUTRE.

5b. Crois-tu que Benson & Hedges, **dans cet emballage**, est une marque qui convient à cet homme? Utilise encore les options énumérées sur cette carte. (REMETTEZ LA CARTE D).

	(1014)
Lui convient certainement	1
Lui convient probablement	2
Lui convient plus ou moins	3
Ne lui convient probablement pas	4
Ne lui convient certainement pas	5

MONTREZ LA PHOTO S5 DE L'HOMME ET DE L'EMBALLAGE BENSON & HEDGES AVEC LES POUMONS.

5c. Crois-tu que Benson & Hedges, **dans cet emballage**, est une marque qui convient à cet homme? Utilise encore les options énumérées sur cette carte. (REMETTEZ LA CARTE D).

	(1015)
Lui convient certainement	1
Lui convient probablement	2
Lui convient plus ou moins	3
Ne lui convient probablement pas	4
Ne lui convient certainement pas	5

LES PAGES 7 ET 8 (QUESTIONS 6 ET 7) ONT ÉTÉ OMISES

DONNÉES STATISTIQUES ET FAMILLE

J'aimerais maintenant te poser quelques questions sur toi et ta famille afin que nous puissions analyser l'information que tu nous as fournie.

8. En quelle année scolaire es-tu? _____ Année (610-611)
   Ne va pas à l'école 99

9a. As-tu un revenu personnel?

(612)
Non 1 PASSEZ À LA QUESTION 10a
Oui 2

9b. Environ combien d'argent gagnes-tu par semaine en moyenne? (SI NE SAIT PAS, OBTENEZ LA MEILLEURE ESTIMATION).

_____ DOLLARS (614-617)

10a. Pratiques-tu un sport, fais-tu partie d'une équipe ou d'un club, fais-tu de la musique ou pratiques-tu un autre genre quelconque d'activité parascolaire?

(618)
Non 1 PASSEZ À LA QUESTION 11
Oui 2

10b. Quels genres d'activités pratiques-tu? (VEUILLEZ SPÉCIFIER)

_____ (621-632)

_____

11. Combien de temps consacres-tu ordinairement à tes travaux scolaires ... (LISEZ.) (SI NE SAIT PAS, OBTENEZ LA MEILLEURE ESTIMATION)

un soir de semaine? _____ HEURES (633-4)
en fin de semaine? _____ HEURES (635-6)

12. Quelle était la moyenne de ton dernier bulletin scolaire? (INSCRIVEZ LA MOYENNE DES NOTES OU DES POURCENTAGES)

(637)
A 1
B 2
C 3 ou ☐ Moyenne des % (639-40)
D 4
F 5

13. Quelle est ta langue maternelle?

(641)
Anglais 1
Français 2
(Autre, veuillez spécifier) 3

_____

14. Avec qui demeures-tu, soit toujours, soit une partie du temps? (SONDEZ:) Avec qui d'autre? (SONDEZ:) Avec quelqu'un d'autre? (NE LISEZ PAS LA LISTE) (ENCERCLEZ TOUTES LES RÉPONSES PERTINENTES SOUS Q.14 CI-DESSOUS)

15. Et parmi les personnes avec qui tu demeures, quelles sont celles qui fument des cigarettes?

	Q.14	Q.15		
	(642)	Fume	Ne fume pas	
Mère	1	1	2	(671)
Père	2	1	2	(672)
Frère(s)	3	1	2	(673)
Soeur(s)	4	1	2	(674)
Belle-mère	5	1	2	(675)
Beau-père	6	1	2	(676)
Grand-mère	7	1	2	(677)
Grand-père	8	1	2	(678)
Autre (Inscrivez)		1	2	(679)

_____

16. Qui fume parmi les personnes que tu connais? (LISEZ LA LISTE. ENCERCLEZ TOUTES LES RÉPONSES PERTINENTES)

(710)
Ton/tes meilleur(s) ami(s) 1
Un autre/d'autre(s) ami(s) 2
D'autres camarades de classe 3
D'autres membres de ta parenté 4

EXPÉRIENCE AVEC LE TABAC

Nous aimerions maintenant te poser quelques questions concernant ta PROPRE expérience de la cigarette en tant que fumeur. Nous ne traiterons pas d'autres substances.

17. Comment te décrirais-tu? Es-tu ... (LISEZ LA LISTE)

	(720)
un non fumeur	1
un fumeur occasionnel	2
un fumeur régulier	3
un ex-fumeur	4
Autre (VEUILLEZ SPÉCIFIER)	5

_____

18a. À quelle fréquence fumes-tu présentement? (MONTREZ LA CARTE C)

	(722)	
Ne fume pas actuellement	1	PASSEZ À LA QUESTION 18b
quelques fois par année	2	PASSEZ AU GROUPE 4 QUESTIONS 23 À 28
environ une fois par mois	3	
quelques fois par mois	4	
environ une fois par semaine	5	
quelques fois par semaine	6	PASSEZ AU GROUPE 5 QUESTIONS 29 À 35
une fois par jour	7	
plus d'une fois par jour	8	

18b. Es-tu un ex-fumeur qui a déjà fumé au moins un paquet de cigarettes par semaine?

	(723)	
Non	1	PASSEZ AU GROUPE 2, QUESTION 19
Oui	2	PASSEZ AU GROUPE 3, QUESTIONS 20 À 22

Groupe 2: Non fumeurs

19. À quel point est-il probable que tu fumes si tous tes amis fumaient et s'ils t'encourageraient à fumer? MONTREZ LA CARTE D.

	(724)
Je fumerais certainement	1
Je fumerais probablement	2
Je n'en suis pas sûr	3
Je ne fumerais probablement pas	4
Je ne fumerais certainement pas	5

PASSEZ À LA QUESTION 36.

Groupe 3: Ex-fumeurs qui fumaient régulièrement.

20. Tu as répondu que tu es un ex-fumeur. Environ combien de cigarettes fumais-tu par jour?

_____ cigarettes par jour (727-728)

ou _____ cigarettes par semaine (731-733)

(734)

ou Un paquet par jour 1

Deux paquets par jour 2

21. Quelle marque de cigarette fumais-tu le plus souvent? (NE LISEZ PAS LA LISTE) (UNE SEULE MARQUE)

(808)

Je ne m'en souviens pas 1 — PASSEZ À LA QUESTION 36

Accord 2
Avanti 3
Belvedere 4
Benson & Hedges 5
Cameo 6
Craven A 7
DuMaurier 8
Dunhill 9
Export A 0
MacDonald X

(809)

Mark 10 1
Matinee 2
Medallion 3
Number 7 4
Players 5
Peter Jackson 6
Rothman's 7
Select 8
Vantage 9
Discount 0
Toutes cigarettes américaines* X
Autre (VEUILLEZ SPÉCIFIER) Y

_____

* TOUTES CIGARETTES AMÉRICAINES Y COMPRIS CAMEL, WINSTON, SALEM, MARLBORO, MORE, KENT, LUCKY STRIKE.

22. Pourquoi avais-tu choisi cette marque? (NE LISEZ PAS LA LISTE) (ENCERCLEZ TOUTES LES RÉPONSES PERTINENTES)

(909)

C'était celle que mes amis fumaient 1
C'était celle que mes parents fumaient 2
Quelqu'un m'en a donné une et j'ai adopté la marque 3
J'aimais son goût 4
J'en ai pris l'habitude 5
J'aimais l'image qu'elle projetait 6
J'aimais l'emballage 7
Autre (Veuillez spécifier) _____ 8

_____

_____

PASSEZ À LA QUESTION 36

Groupe 4: Fumeurs qui fument à l'occasion

23. Tu as mentionné que tu fumes de temps en temps. Environ combien de cigarettes as-tu fumées au cours du mois dernier?

_____ CIGARETTES (741-743)

24. Quels genres d'activités fais-tu lorsque tu fumes? (NE LISEZ PAS LA LISTE) (ENCERCLEZ TOUTES LES RÉPONSES PERTINENTES)

(744-755)

Je suis avec des amis 01
Je suis à une fête/un party 02
Je bois 03
Autre (Veuillez spécifier) _____ 04

_____

_____

25. Quelle marque de cigarettes fumes-tu le plus souvent? (NE LISEZ PAS LA LISTE) (UNE SEULE MARQUE)

(808)

Je ne m'en souviens pas 1 — PASSEZ À LA QUESTION 27

Accord 2
Avanti 3
Belvedere 4
Benson & Hedges 5
Cameo 6
Craven A 7
DuMaurier 8
Dunhill 9
Export A 0
MacDonald X

(809)

Mark 10 1
Matinee 2
Medallion 3
Number 7 4
Players 5
Peter Jackson 6
Rothman's 7
Select 8
Vantage 9
Discount 0
Toutes cigarettes américaines* X
Autre (VEUILLEZ SPÉCIFIER) Y

_____ (810)

Je n'ai pas de marque régulière que je fume le plus souvent 1

* TOUTES CIGARETTES AMÉRICAINES Y COMPRIS CAMEL, WINSTON, SALEM, MARLBORO, MORE, KENT, LUCKY STRIKE.

26. Pourquoi as-tu choisi cette marque? (NE LISEZ PAS LA LISTE) (ENCERCLEZ TOUTES LES RÉPONSES PERTINENTES)

	(909)
C'est celle que mes amis fument(fumaient)	1
C'est celle que mes parents fument(fumaient)	2
Quelqu'un m'en a donné une et j'ai adopté la marque	3
J'aimais son goût	4
J'en ai pris l'habitude	5
J'aimais l'image qu'elle projetait	6
J'aimais l'emballage	7
Autre (Veuillez spécifier) _____	8

27. Qu'est-ce qui pourrait t'inciter à fumer plus régulièrement ou plus souvent?

_____ (924-935)

_____

28. Qu'est-ce qui pourrait t'inciter à cesser de fumer?

_____ (936-947)

_____

PASSEZ À LA QUESTION 36.

Groupe 5: Fumeurs réguliers

29. Depuis combien de temps fumes-tu des cigarettes?

_____ MOIS (761-762) OU _____ ANNÉES (763-764)

30. Pourquoi as-tu commencé à fumer des cigarettes? (NE LISEZ PAS LA LISTE) (ENCERCLEZ TOUTES LES RÉPONSES PERTINENTES)

	(765-766)
Je ne faisais qu'expérimenter	1
Tout le monde le faisait lors de fêtes/party	2
Tous mes amis fument, alors j'ai essayé	3
Toute ma famille fume	4
Autre (VEUILLEZ SPÉCIFIER)	5

_____

_____

31. Environ combien de cigarettes fumes-tu par jour?

_____ CIGARETTES PAR JOUR (778-779)

(780)

ou Un paquet 1

Deux paquets 2

32. Quelle marque fumes-tu le plus souvent? (NE LISEZ PAS LA LISTE) (UNE SEULE MARQUE)

(808)

Je ne m'en souviens pas	1	PASSEZ À LA QUESTION 34a

Accord	2
Avanti	3
Belvedere	4
Benson & Hedges	5
Cameo	6
Craven A	7
DuMaurier	8
Dunhill	9
Export A	0
MacDonald	X

(809)

Mark 10	1
Matinee	2
Medallion	3
Number 7	4
Players	5
Peter Jackson	6
Rothman's	7
Select	8
Vantage	9
Discount	0
Toutes cigarettes américaines*	X
Autre (VEUILLEZ SPÉCIFIER)	Y

_____

* TOUTES CIGARETTES AMÉRICAINES Y COMPRIS CAMEL, WINSTON, SALEM, MARLBORO, MORE, KENT, LUCKY STRIKE.

33. Pourquoi as-tu choisi cette marque? (NE LISEZ PAS LA LISTE) (ENCERCLEZ TOUTES LES RÉPONSES PERTINENTES)

	(909)
C'est celle que mes amis fument(fumaient)	1
C'est celle que mes parents fument(fumaient)	2
Quelqu'un m'en a donné une et j'ai adopté la marque	3
J'aimais son goût	4
J'en ai pris l'habitude	5
J'aimais l'image qu'elle projetait	6
J'aimais l'emballage	7
Autre (Veuillez spécifier) _____	8
_____	
_____	

34. As-tu déjà essayé de cesser de fumer?

	(951)
Non	1
Oui	2

35. Qu'est-ce qui pourrait t'inciter à cesser de fumer?

_____ (952-963)

_____

PASSEZ À LA QUESTION 36.

CROYANCES ET ATTITUDES CONCERNANT LES CIGARETTES, LE TABAGISME ET LES FUMEURS

J'aimerais que tu remplisses toi-même la prochaine partie du questionnaire. Voici le questionnaire et un crayon. J'attendrai ici que tu finisses cette partie, puis nous continuerons avec quelques questions supplémentaires. Si tu as des questions à me poser, n'hésite pas à le faire.

36a. Voici un énoncé concernant les adolescents qui fument des cigarettes. Complète la phrase afin de décrire **tes propres impressions** des adolescents qui fument des cigarettes et ce, en encerclant un chiffre de 1 à 9 sur chacune des échelles qui suivent l'énoncé.

En général, les adolescents qui fument des cigarettes sont:

Peu sûrs d'eux	1	2	3	4	5	6	7	8	9	Sûrs d'eux	(411)
En mauvaise santé	1	2	3	4	5	6	7	8	9	En bonne santé	(412)
Influençables	1	2	3	4	5	6	7	8	9	Indépendants	(413)
Peu sexy	1	2	3	4	5	6	7	8	9	Sexy	(414)
Travailleurs	1	2	3	4	5	6	7	8	9	Paresseux	(415)
N'ont pas de succès	1	2	3	4	5	6	7	8	9	Ont du succès	(416)
Gros	1	2	3	4	5	6	7	8	9	Minces	(417)
Ennuyeux	1	2	3	4	5	6	7	8	9	Amusants	(418)
Pas cool	1	2	3	4	5	6	7	8	9	Cool	(419)
Des durs	1	2	3	4	5	6	7	8	9	Des tendres	(420)
Mécontents	1	2	3	4	5	6	7	8	9	Contents	(421)
Des meneurs	1	2	3	4	5	6	7	8	9	Des suiveurs	(422)
D'un statut plus haut	1	2	3	4	5	6	7	8	9	D'un statut plus bas	(423)
Matures	1	2	3	4	5	6	7	8	9	Immatures	(424)
De mauvais étudiants	1	2	3	4	5	6	7	8	9	De bons étudiants	(425)

VEUILLEZ RENDRE LE QUESTIONNAIRE À L'INTERVIEWEUR.

INTERVIEWEUR: Veuillez vous assurer que la question a été entièrement complétée.

36b. Voici un énoncé concernant les adolescents qui fument des cigarettes Matinee Slims. Complète la phrase afin de décrire tes propres impressions des adolescents qui fument des cigarettes Matinee Slims contenues dans ce genre d'emballage, et ce, en encerclant un chiffre de 1 à 9 sur chacune des échelles qui suivent l'énoncé.

MONTREZ L'EMBALLAGE DE MATINEE SLIMS ACTUEL. LAISSEZ-LE EN VUE.

À COMPLÉTER PAR LE RÉPONDANT

En général, les adolescents qui fument des cigarettes Matinee Slims sont:

Peu sûrs d'eux	1	2	3	4	5	6	7	8	9	Sûrs d'eux	(431)
En mauvaise santé	1	2	3	4	5	6	7	8	9	En bonne santé	(432)
Influençables	1	2	3	4	5	6	7	8	9	Indépendants	(433)
Peu sexy	1	2	3	4	5	6	7	8	9	Sexy	(434)
Travailleurs	1	2	3	4	5	6	7	8	9	Paresseux	(435)
N'ont pas de succès	1	2	3	4	5	6	7	8	9	Ont du succès	(436)
Gros	1	2	3	4	5	6	7	8	9	Minces	(437)
Ennuyeux	1	2	3	4	5	6	7	8	9	Amusants	(438)
Pas cool	1	2	3	4	5	6	7	8	9	Cool	(439)
Des durs	1	2	3	4	5	6	7	8	9	Des tendres	(440)
Mécontents	1	2	3	4	5	6	7	8	9	Contents	(441)
Des meneurs	1	2	3	4	5	6	7	8	9	Des suiveurs	(442)
D'un statut plus haut	1	2	3	4	5	6	7	8	9	D'un statut plus bas	(443)
Matures	1	2	3	4	5	6	7	8	9	Immatures	(444)
De mauvais étudiants	1	2	3	4	5	6	7	8	9	De bons étudiants	(445)

VEUILLEZ RENDRE LE QUESTIONNAIRE À L'INTERVIEWEUR.

INTERVIEWEUR: Veuillez vous assurer que la question a été entièrement complétée. Puis enlevez le paquet.

36c. Comme tu le sais peut-être déjà, le gouvernement pense obliger les fabricants de cigarettes à les vendre emballées de façon neutre ou générique. Voici une liste d'énoncés concernant les adolescents qui fumeraient des cigarettes Matinee Slims emballées de façon neutre ou générique.

MONTREZ L'EMBALLAGE MATINEE SLIMS NEUTRE OU GÉNÉRIQUE. LAISSEZ-LE EN VUE.

À COMPLÉTER PAR LE RÉPONDANT

Complète la phrase afin de décrire tes propres impressions des adolescents qui fumeraient des cigarettes Matinee Slims emballées de cette façon et ce, en encerclant un chiffre de 1 à 9 sur chacune des échelles qui suivent l'énoncé.

En général, les adolescents qui fumeraient des cigarettes Matinee Slims emballées de cette façon sont:

Peu sûrs d'eux	1	2	3	4	5	6	7	8	9	Sûrs d'eux	(451)
En mauvaise santé	1	2	3	4	5	6	7	8	9	En bonne santé	(452)
Influençables	1	2	3	4	5	6	7	8	9	Indépendants	(453)
Peu sexy	1	2	3	4	5	6	7	8	9	Sexy	(454)
Travailleurs	1	2	3	4	5	6	7	8	9	Paresseux	(455)
N'ont pas de succès	1	2	3	4	5	6	7	8	9	Ont du succès	(456)
Gros	1	2	3	4	5	6	7	8	9	Minces	(457)
Ennuyeux	1	2	3	4	5	6	7	8	9	Amusants	(458)
Pas cool	1	2	3	4	5	6	7	8	9	Cool	(459)
Des durs	1	2	3	4	5	6	7	8	9	Des tendres	(460)
Mécontents	1	2	3	4	5	6	7	8	9	Contents	(461)
Des meneurs	1	2	3	4	5	6	7	8	9	Des suiveurs	(462)
D'un statut plus haut	1	2	3	4	5	6	7	8	9	D'un statut plus bas	(463)
Matures	1	2	3	4	5	6	7	8	9	Immatures	(464)
De mauvais étudiants	1	2	3	4	5	6	7	8	9	De bons étudiants	(465)

VEUILLEZ RENDRE LE QUESTIONNAIRE À L'INTERVIEWEUR.

INTERVIEWEUR: Veuillez vous assurer que la question a été entièrement complétée. Puis enlevez le paquet.

36d. Voici un autre genre d'emballage.

MONTREZ L'EMBALLAGE MATINEE SLIMS AVEC LES POUMONS. LAISSEZ-LE EN VUE

À COMPLÉTER PAR LE RÉPONDANT

Complète la phrase afin de décrire **tes propres impressions** des adolescents qui fumeraient des cigarettes Matinee Slims **emballées de cette façon** et ce, en encerclant un chiffre de 1 à 9 sur chacune des échelles qui suivent l'énoncé.

En général, les adolescents qui fumeraient des cigarettes Matinee Slims emballées de cette façon sont:

Peu sûrs d'eux	1	2	3	4	5	6	7	8	9	Sûrs d'eux	(511)
En mauvaise santé	1	2	3	4	5	6	7	8	9	En bonne santé	(512)
Influençables	1	2	3	4	5	6	7	8	9	Indépendants	(513)
Peu sexy	1	2	3	4	5	6	7	8	9	Sexy	(514)
Travailleurs	1	2	3	4	5	6	7	8	9	Paresseux	(515)
N'ont pas de succès	1	2	3	4	5	6	7	8	9	Ont du succès	(516)
Gros	1	2	3	4	5	6	7	8	9	Minces	(517)
Ennuyeux	1	2	3	4	5	6	7	8	9	Amusants	(518)
Pas cool	1	2	3	4	5	6	7	8	9	Cool	(519)
Des durs	1	2	3	4	5	6	7	8	9	Des tendres	(520)
Mécontents	1	2	3	4	5	6	7	8	9	Contents	(521)
Des meneurs	1	2	3	4	5	6	7	8	9	Des suiveurs	(522)
D'un statut plus haut	1	2	3	4	5	6	7	8	9	D'un statut plus bas	(523)
Matures	1	2	3	4	5	6	7	8	9	Immatures	(524)
De mauvais étudiants	1	2	3	4	5	6	7	8	9	De bons étudiants	(525)

VEUILLEZ RENDRE LE QUESTIONNAIRE À L'INTERVIEWEUR.

INTERVIEWEUR: Veuillez vous assurer que la question a été entièrement complétée. **Puis enlevez le paquet.**

LES QUESTIONS 36e/f ONT ÉTÉ OMISES

QUESTIONS SUR L'EMBALLAGE GÉNÉRIQUE

Nous avons presque terminé., j'aimerais te poser quelques questions supplémentaires concernant ton point de vue sur ce qui, d'après toi, pourrait se produire si toutes les cigarettes, vendues au Canada, étaient emballées dans un emballage neutre ou générique comme ceux-ci -- MONTREZ LA SÉLECTION D'EMBALLAGES (CHAMOIS OU ROSE OU JAUNE/VERT ET AVEC LES POUMONS ET BLANC).

37. Est-ce que cela te dérangerait si toutes les cigarettes étaient vendues seulement dans des emballages neutres ou génériques? MONTREZ LA CARTE E. (ENCERCLEZ LE NOMBRE DONNÉ PAR LE RÉPONDANT).

Ne me dérangerait pas du tout — Me dérangerait beaucoup

1 — 2 — 3 — 4 — 5 — 6 — 7 — 8 — 9 — 10 (1110)

38a. (LISEZ LENTEMENT). Si les cigarettes étaient vendues seulement dans des emballages neutres ou génériques comme ceux-ci, à quel point cela affecterait-il le nombre d'adolescents qui **commenceraient** à fumer? Crois-tu que... MONTREZ LA CARTE F.

(1111)

Beaucoup plus d'adolescents commenceraient à fumer 1
Un peu plus d'adolescents commenceraient à fumer 2
Cela ne changerait pas le nombre d'adolescents qui commencent à fumer 3
Un peu moins d'adolescents commenceraient à fumer 4
Beaucoup moins d'adolescents commenceraient à fumer 5

38b. De quelle façon ces emballages neutres ou génériques affecteraient-ils la quantité que les adolescents fumeraient? Fumeraient-ils... MONTREZ LA CARTE G.

(1112)

Beaucoup plus 1
Un peu plus 2
À peu près autant 3
Un peu moins 4
Beaucoup moins 5

38c. De quelle façon cela affecterait-il le nombre d'adolescents qui **cessent** de fumer? (MONTREZ LA CARTE H).

(1113)

Beaucoup plus d'adolescents cesseraient de fumer 1
Un peu plus d'adolescents cesseraient de fumer 2
Cela ne changerait pas le nombre d'adolescents qui cessent de fumer 3
Un peu moins d'adolescents cessent de fumer 4
Beaucoup moins d'adolescents cesseraient de fumer 5

39. MONTREZ LA CARTE I. Cette carte comporte une liste de facteurs qui pourraient aider à empêcher les adolescents de fumer. Quel est celui qui, d'après toi, serait le plus efficace pour empêcher les gens de ton âge de fumer? Quel serait le deuxième plus efficace? Le troisième plus efficace? Le quatrième plus efficace? Quel serait le moins efficace?

	Le plus efficace	Le 2ième plus efficace	Le 3ième plus efficace	Le 4ième plus efficace	Le moins efficace
Hausser le prix des cigarettes	1	1	1	1	1
Rendre les emballages moins colorés	2	2	2	2	2
Donner plus d'information sur le tabac et la santé	3	3	3	3	3
Rendre l'achat de cigarettes plus difficile pour les adolescents	4	4	4	4	4
Désigner un plus grand nombre de sections non fumeurs	5	5	5	5	5
	(1114)	(1115)	(1116)	(1117)	(1118)

IMPACT PERÇU SUR LES HABITUDES DES JEUNES FUMEURS

Maintenant, j'ai quelques questions à te poser sur les cigarettes en général.

40. À quel point crois-tu que les cigarettes sont nocives pour la santé? (MONTREZ LA CARTE J.)

Pas du tout nocives — Très nocives

1 — 2 — 3 — 4 — 5 — 6 — 7 — 8 — 9 — 10 (1120)

41. Quelle est, selon toi, l'opinion des personnes suivantes à propos de la cigarette en ce qui te concerne? (LISEZ LE PREMIER GROUPE DE LA LISTE ET DITES:) Crois-tu qu'ils approuveraient que tu fumes, qu'ils désapprouveraient ou crois-tu que cela ne leur ferait rien d'une façon ou d'une autre? (LISEZ LE RESTE DE LA LISTE)

	Approuve-raient	Désap-prouve-raient	Cela ne leur ferait rien	NSP	S/O	
Ton ou tes parent(s)	1	2	3	4	5	(1121)
Ton ou tes meilleur(s) ami(s)	1	2	3	4	5	(1122)
Ton ou tes autre(s) ami(s)	1	2	3	4	5	(1123)
D'autres camarades de classe	1	2	3	4	5	(1124)
Tes frères ou soeurs	1	2	3	4	5	(1125)
D'autres membres de ta parenté	1	2	3	4	5	(1126)

42. Connais-tu quelqu'un que la cigarette a tué ou a rendu gravement malade?

(1131)
Oui 1
Non 2

43. Y a-t-il une personne que tu admires qui fume?

(1132)
Oui 1
Non 2 QUI? (INSCRIVEZ-LE)

_____ (1133-34)

44. Qui a commandité ce sondage, selon toi? NE SONDEZ PAS. ACCEPTEZ "NE SAIT PAS".

_____ (1141-52)

INTERVIEWEUR: CONCLUEZ L'ENTREVUE EN REMETTANT AU RÉPONDANT 10 $ ET UN DOCUMENT DU MINISTÈRE DE LA SANTÉ SUR LES EFFETS DE LA CIGARETTE EN LUI DISANT:

Je te remercie beaucoup d'avoir participé à ce sondage - nous t'en sommes très reconnaissants. Voici les 10 $ que je t'ai promis ainsi que de l'information sur la cigarette et la santé publiée par Santé et Bien-être Canada. Aurais-tu d'autres questions à me poser ou des commentaires à ajouter?

(1153)
Oui 1
Non 2

SI NON - Merci encore.

SI OUI, ESSAYEZ DE RÉPONDRE OU INSCRIVEZ LES COMMENTAIRES CI-DESSOUS.

_____ (1154-65)

_____

FIN

VERSION: 16 (1177-1178)

Version	Q5	Q6	Q7	Q35a	Q35b	Q35c	Q35d	Q35e	Q35f
1	Current duMaurier	Plain White duMaurier	Lungs duMaurier	Photo L3 of woman Malmes Slims	Photo L4 of woman Malmes Slims	Photo L5 of woman Malmes Slims	Photo O3 of man Malmes Slims	Photo O4 of man Malmes Slims	Photo O5 of man Malmes Slims
2	Current duMaurier	Plain White duMaurier	Lungs duMaurier	Photo O3 of man Malmes Slims	Photo O4 of man Malmes Slims	Photo O5 of man Malmes Slims	Photo L3 of woman Malmes Slims	Photo L4 of woman Malmes Slims	Photo L5 of woman Malmes Slims
3	Current duMaurier	Plain White duMaurier	Lungs duMaurier	Photo B3 of man Benson & Hedges	Photo B4 of man Benson & Hedges	Photo B5 of man Benson & Hedges	Photo N3 of man Benson & Hedges	Photo N4 of man Benson & Hedges	Photo N5 of man Benson & Hedges
4	Current duMaurier	Plain White duMaurier	Lungs duMaurier	Photo N3 of man Benson & Hedges	Photo N4 of man Benson & Hedges	Photo N5 of man Benson & Hedges	Photo B3 of man Benson & Hedges	Photo B4 of man Benson & Hedges	Photo B5 of man Benson & Hedges
5	Current Malmes Slims	Plain White Malmes Slims	Lungs Malmes Slims	Photo P3 of woman DuMaurier	Photo P4 of woman DuMaurier	Photo P5 of woman DuMaurier	Photo O3 of man DuMaurier	Photo O4 of man DuMaurier	Photo O5 of man DuMaurier
6	Current Malmes Slims	Plain White Malmes Slims	Lungs Malmes Slims	Photo O3 of man DuMaurier	Photo O4 of man DuMaurier	Photo O5 of man DuMaurier	Photo P3 of woman DuMaurier	Photo P4 of woman DuMaurier	Photo P5 of woman DuMaurier
7	Current Malmes Slims	Plain White Malmes Slims	Lungs Malmes Slims	Photo B3 of man Benson & Hedges	Photo B4 of man Benson & Hedges	Photo B5 of man Benson & Hedges	Photo N3 of man Benson & Hedges	Photo N4 of man Benson & Hedges	Photo N5 of man Benson & Hedges
8	Current Malmes Slims	Plain White Malmes Slims	Lungs Malmes Slims	Photo N3 of man Benson & Hedges	Photo N4 of man Benson & Hedges	Photo N5 of man Benson & Hedges	Photo B3 of man Benson & Hedges	Photo B4 of man Benson & Hedges	Photo B5 of man Benson & Hedges

For the rest of the versions: Move Q36a-f to front of questionnaire where Q4/5/6/7 are now, and move Q4/5/6/7 to back of questionnaire where 36a-f is now. Change column numbers 1010–1015 where a text move necessitates. Renumber questions as follows:

Q36a = Q4a
Q36b = Q4b
Q36c = Q4c
Q36d = Q5a
Q36e = Q5b
Q36f = Q5c
Q6/Q7 BLANK

Q4 = Q36a
Q5 = Q36b
Q6 = Q36c
Q7 = Q36d
Q36e/f BLANK

Version:	Q4a	Q4b	Q4c	Q5a	Q5b	Q5c	Q36a	Q36b	Q36c	Q36d
9	Photo L3 of woman Matinee Slims	Photo L4 of woman Matinee Slims	Photo L5 of woman Matinee Slims	Photo O3 of man Matinee Slims	Photo O4 of man Matinee Slims	Photo O5 of man Matinee Slims	Same as Q4	Same as Q5 Current DuMaurier	Same as Q6 Plain White DuMaurier	Same as Q7 Lungs DuMaurier
10	Photo O3 of man Matinee Slims	Photo O4 of man Matinee Slims	Photo O5 of man Matinee Slims	Photo L3 of woman Matinee Slims	Photo L4 of woman Matinee Slims	Photo L5 of woman Matinee Slims	Same as Q4	Same as Q5 Current DuMaurier	Same as Q6 Plain White DuMaurier	Same as Q7 Lungs DuMaurier
11	Photo S3 of man Benson & Hedges	Photo S4 of man Benson & Hedges	Photo S5 of man Benson & Hedges	Photo N3 of man Benson & Hedges	Photo N4 of man Benson & Hedges	Photo N5 of man Benson & Hedges	Same as Q4	Same as Q5 Current DuMaurier	Same as Q6 Plain White DuMaurier	Same as Q7 Lungs DuMaurier
12	Photo N3 of man Benson & Hedges	Photo N4 of man Benson & Hedges	Photo N5 of man Benson & Hedges	Photo S3 of man Benson & Hedges	Photo S4 of man Benson & Hedges	Photo S5 of man Benson & Hedges	Same as Q4	Same as Q5 Current DuMaurier	Same as Q6 Plain White DuMaurier	Same as Q7 Lungs DuMaurier
13	Photo P3 of woman DuMaurier	Photo P4 of woman DuMaurier	Photo P5 of woman DuMaurier	Photo Q3 of man DuMaurier	Photo Q4 of man DuMaurier	Photo Q5 of man DuMaurier	Same as Q4	Current Matinee Slims	Plain White Matinee Slims	Lungs Matinee Slims
14	Photo Q3 of man DuMaurier	Photo Q4 of man DuMaurier	Photo Q5 of man DuMaurier	Photo P3 of woman DuMaurier	Photo P4 of woman DuMaurier	Photo P5 of woman DuMaurier	Same as Q4	Current Matinee Slims	Plain White Matinee Slims	Lungs Matinee Slims
15	Photo S3 of man Benson & Hedges	Photo S4 of man Benson & Hedges	Photo S5 of man Benson & Hedges	Photo N3 of man Benson & Hedges	Photo N4 of man Benson & Hedges	Photo N5 of man Benson & Hedges	Same as Q4	Current Matinee Slims	Plain White Matinee Slims	Lungs Matinee Slims
16	Photo N3 of man Benson & Hedges	Photo N4 of man Benson & Hedges	Photo N5 of man Benson & Hedges	Photo S3 of man Benson & Hedges	Photo S4 of man Benson & Hedges	Photo S5 of man Benson & Hedges	Same as Q4	Current Matinee Slims	Plain White Matinee Slims	Lungs Matinee Slims

NOTES:

Please watch in **Q36a** and **Q36d**

Consider this woman—L3 / L4 / L5 (photos)

Consider this biker—O3 / O4 / O5 (photos)

Consider this businessman—for S3 / S4 / S5

Consider this teenage boy—for N3 / N4 / N5

Consider this teenage girl for P3 / P4 / P5

Consider this fisherman for—Q3 / Q4 / Q5

APPENDIX F

NATIONAL SURVEY OF TEENS: SCREENING INTERVIEW

This appendix is excerpted from the Technical Report prepared by Canada Market Research Ltd.

CANADA MARKET RESEARCH LTD., 1235 BAY ST. STE 300, TORONTO M5R 3K4 TEL 364-9222

CMR# 4585 **SCREENING INTERVIEW** December 21, 1994

VALIDATION
Supervisor: _____
Date: _____

STUDY	RESP	CARD	CELL
	1234	56	78
4585		01	11

QUESTIONNAIRE APPROVAL

Field	___	Coding	___
DP	___	Operations	___
		Researcher	___

RESPONDENT NAME: _____
ADDRESS: _____
_____
TELEPHONE NUMBER: _____
INTERVIEWER'S NAME: _____
DATE OF INTERVIEW: _____

INTERVIEWING TIME:
Start: _____
Finish: _____

Hi, we are doing a study on teenagers and cigarette smoking. We'd like to ask you to be part of our study. All the answers you give will be completely confidential - no one will be told about any of your answers and your name will not be connected with your answers at all. First, I'd like to ask you two questions to see if you fit into one of the categories we need to include in the study. IF RESPONDENT DOES NOT SAY 'NO THANKS', PROCEED AS FOLLOWS. IF RESPONDENT SAYS 'NO THANKS', RECORD AS A REFUSAL BEFORE SCREENING AND PROCEED WITH RECRUITING.

A. INTERVIEWER INDICATES GENDER OF RESPONDENT:

	(10)
Male	1
Female	2

B. How old are you? (SHOW CARD A)

	(11)	
13 or under	X	TERMINATE
14	1	
15	2	
16	3	
17	4	
18 or over	X	TERMINATE

C. Have you ever smoked one puff or more of a tobacco cigarette?

	(12)
No	1
Yes	2

D. At any time during the next year do you think that you will smoke one puff or more of a cigarette? (SHOW CARD B)

	(13)	
Definitely Yes	1	GO TO INSTRUCTION F
Probably Yes	2	GO TO INSTRUCTION F
Probably Not	3	GO TO QE
Definitely Not	4	GO TO QE

E. What are some reasons that might encourage you to start smoking? (DO NOT READ LIST.) (CIRCLE ALL THAT APPLY). Can you tell me them now so that I can record them on the questionnaire.

	(14)	
No... I will never smoke	1	TERMINATE
If all my friends smoked	2	CONTINUE
If my friends pressured me to smoke	3	CONTINUE
If the price was reduced	4	CONTINUE
If they found a cure for cancer	5	CONTINUE
Other (PLEASE SPECIFY)		

_____

_____

CONTINUE INTERVIEW IF GIVE INDICATION THEY MIGHT START FOR ANY REASON.

F. We would like to interview you as part of our study - this will involve an interview right here in the mall - the questions which I will ask will take about 30 minutes. We will be interviewing a large number of teenagers across Canada and will be only reporting about what you say as part of this larger group. We would offer you $10 in cash as a way of thanking you for your help. Will you participate in our study?

	(15)	
YES	1	PROCEED AS FOLLOWS
NO	2	SAY Thanks. RECORD REFUSAL.

CMR#4585 **ENTREVUE DE SÉLECTION** Le 21 décembre 1994

VALIDATION
Superviseur:_____
Date:_____

ÉTUDE	RÉP.	CARTE	CELLULE
	1 2 3 4	5 6	7 8
4 5 8 5		0 1	16

QUESTIONNAIRE APPROVAL
Field ___ Coding ___
DP ___ Operations ___
Researcher ___

DURÉE D'ENTREVUE:
Début: _____
Fin: _____

NOM DU RÉPONDANT: _____

ADRESSE: _____

_____

NUMÉRO DE TÉLÉPHONE: _____

NOM DU INTERVIEWEUR: _____

DATE DE L'ENTREVUE: _____

Dans le présent document, le masculin comprend le féminin.

Bonjour, nous effectuons un sondage sur les adolescents et la cigarette. Nous aimerions que vous y participiez. Toutes vos réponses resteront entièrement confidentielles - elles ne seront divulguées à personne et votre nom n'y sera pas relié. J'aimerais tout d'abord vous poser deux questions afin de savoir si vous correspondez à l'une des catégories de sujets relatives à notre sondage. SI LE CANDIDAT ACCEPTE DE RÉPONDRE, PROCÉDEZ COMME SUIT. SI LE CANDIDAT REFUSE DE RÉPONDRE, INSCRIVEZ REFUS AVANT LA SÉLECTION ET PASSEZ À UN AUTRE CANDIDAT.

A. INTERVIEWEUR: INDIQUEZ LE SEXE DU RÉPONDANT:

	(10)
Masculin	1
Féminin	2

B. Quel âge as-tu? (MONTREZ LA CARTE A)

	(11)	
13 ans ou moins	X	TERMINEZ
14 ans	1	
15 ans	2	
16 ans	3	
17 ans	4	
18 ans ou plus	X	TERMINEZ

C. As-tu déjà fumé une ou plusieurs bouffées d'une cigarette normale?

	(12)
Non	1
Oui	2

D. Crois-tu que tu fumeras une ou plusieurs bouffées de cigarette au cours de la prochaine année? (MONTREZ LA CARTE B)

	(13)	
Certainement	1	PASSEZ À L'INSTRUCTION F
Probablement	2	PASSEZ À L'INSTRUCTION F
Probablement pas	3	PASSEZ À LA QUESTION E
Certainement pas	4	PASSEZ À LA QUESTION E

E. Quelles sont les raisons qui pourraient t'encourager à commencer à fumer? (NE LISEZ PAS LA LISTE) (ENCERCLEZ TOUTES LES RÉPONSES PERTINENTES). Peux-tu me les nommer maintenant afin que je les inscrive sur le questionnaire.

	(14)	
Je ne fumerai jamais	1	TERMINEZ
Si tous mes amis fumaient	2	CONTINUEZ
Si mes amis m'incitaient à fumer	3	CONTINUEZ
Si le prix des cigarettes baissait	4	CONTINUEZ
S'il existait un remède contre le cancer	5	CONTINUEZ
Autre (SPÉCIFIEZ)		

POURSUIVEZ L'ENTREVUE SI LE RÉPONDANT SEMBLE ÊTRE UN FUMEUR POTENTIEL, QUELQUE SOIT LA RAISON.

F. Nous aimerions t'interviewer dans le cadre de notre sondage - ici même, dans le centre commercial. L'entrevue durera environ 30 minutes. Nous interrogerons un grand nombre d'adolescents partout au Canada et tes réponses feront partie d'un rapport basé sur les résultats globaux. Nous t'offrons 10 $ en argent comptant en guise de remerciement. Acceptes-tu de participer à notre sondage?

	(15)	
OUI	1	PROCÉDEZ COMME SUIT
NON	2	DITES: Merci. INSCRIVEZ REFUS.

APPENDIX G

NATIONAL SURVEY OF TEENS:

DESCRIPTION OF SAMPLE

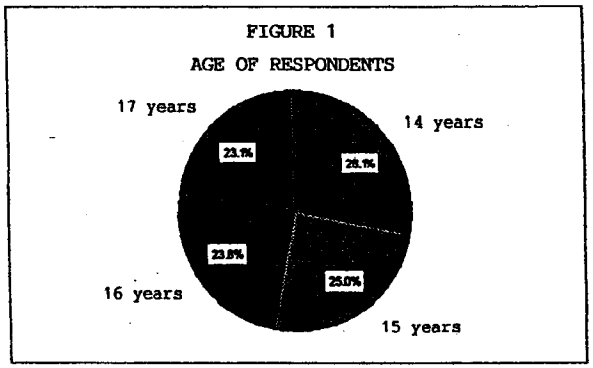
DETAILED DESCRIPTION OF THE NATIONAL SAMPLE OT TEENS

Age

The average age of the sample is 15.4 years. Figure 1 shows an approximately equal age distribution, with the exception that it is skewed slightly toward younger respondents, with twenty-eight percent (28.1%) aged 14, twenty-five percent (25.0%) aged 15, twenty-four percent (23.8%) aged 16 and twenty-three percent (23.1%) aged 17.

FIGURE 1

AGE OF RESPONDENTS

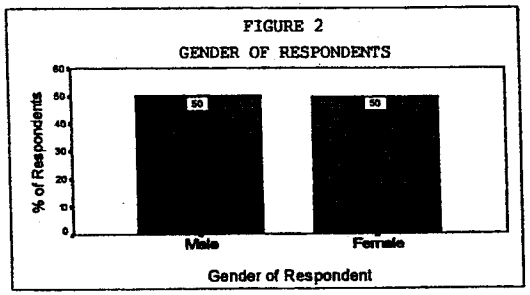


Gender

Figure 2 indicates an equal number of males and females in the sample. The sample included 601 males and 599 females.

FIGURE 2

GENDER OF RESPONDENTS



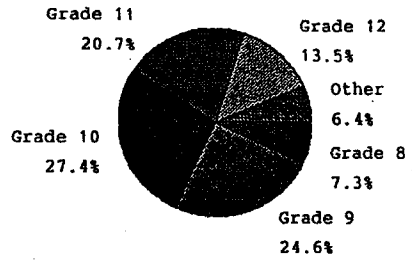
Educational Background

Grade at School

The majority of the respondents (96.5) are in school. Figure 3 shows the distribution of respondents according to grade at school. The majority of the sample respondents (93.6%) are in grades 8 through 12 . Only 2.8% are in other grades in the public school system or else in community college or some other educational institution. Very few (3.6%) of the teenagers in the sample are not in school.

FIGURE 3

RESPONDENTS' GRADE LEVEL IN SCHOOL



Homework

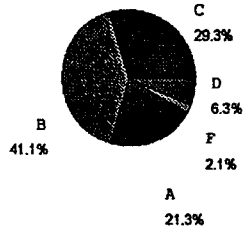
The teens reported that they do an average of 1.2 hours of homework on weeknights (71.7 minutes) and 1.3 hours (78.1 minutes) on weekends. On weeknights, eleven percent do no homework, while about two thirds (64.7%) do one hour or less. Almost one third (30.0%) reported that they do no homework on weekends, while about one third (35.1%) do between 10 minutes and one hour . About one third (30.8) do between one hour and 4 hours. The remainder (4.1%) do more than four hours of homework on average on the weekend.

Report Card Marks

The teenagers in the study reported the average marks they received on their last report card. Forty percent of respondents reported their average in letter grade form, while sixty percent reported it as percentage grade. In order to combine these responses, the percentages were categorized into letter grades using the following equivalencies (obtained from Ms. Sheila Meggs, Head of the Department of English, Canterbury High School, Ottawa, Ontario): A = 80% plus, B = 70-79%, C = 60-69%, D = 50-59%, F = 49% or less. The modal respondent grade was B, with forty-one (41.1%) percent reporting about a B average. Twenty-one percent (21.2%) reported an A average and twenty-nine percent reported a C average (29.2%). About eight percent (8.4%) reported D and F average marks. Figure 4 shows the mark distribution of respondents.

FIGURE 4

RESPONDENTS' MARKS IN SCHOOL



Income

Almost two thirds of the sample (64.8%) earn money of their own . The average amount earned on a weekly basis ranges from $2 to $600, but averages $64.85.

Participation in Extra-Curricular Activities

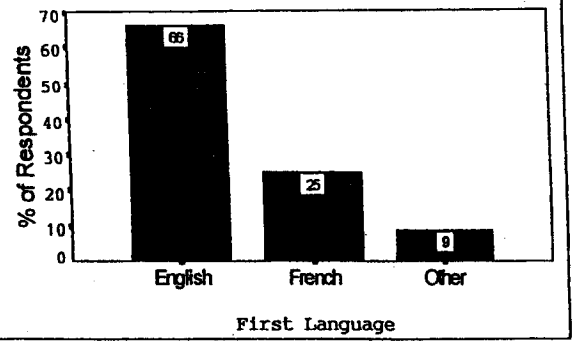
Three quarters of the respondents participate in extra-curricular activities. Many activities were reported, including playing a variety of sports, belonging to teams or clubs, participating in music, student council, etc.

First Language

Two thirds of the sample (66.1%) reported that English was the language they first spoke at home as a child; One quarter (24.9%) reported that French was their first language. The remaining 8.9% of the sample reported first learning a large variety of other languages including but not limited to Italian (1.5%), Spanish (1.3%), and Eastern Indian (1%). Figure 5 shows the first language distribution of respondents.

FIGURE 5

FIRST LANGUAGE OF RESPONDENTS

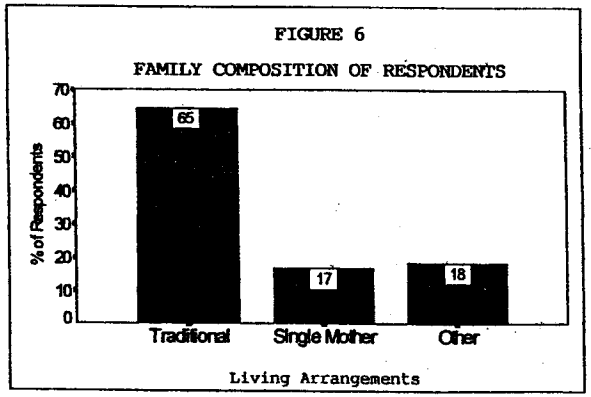


Family Composition

The majority of respondents (64.8%) live in traditional family types with a mother, father, and perhaps siblings . About 16.8% live in single-parent families headed by a mother. The remainder (18.3%) live in other family types including single-parent families headed by fathers, reconstituted families, and so on. A high proportion of Canadian teens in the sample (67.1%) live with at least one family member who smokes. More than one third (35.3%) live with a smoking mother; slightly less (29.8%) live with a smoking father; 14.9% live with at least one brother who smokes; and 14.8% live with at least one sister who smokes. Figure 6 shows the family composition of respondents.

FIGURE 6

FAMILY COMPOSITION OF RESPONDENTS



Conclusions

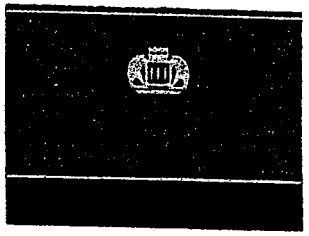
The sample effectively encompassed the target population of Canadian teenagers aged 14–17. The average age was 15.4 years and males and females were represented in equal proportions. The majority of the sample are in school, live in traditional families with at least one other person who smokes, participates in extra-curricular activities, and earn money of their own outside school.

APPENDIX H

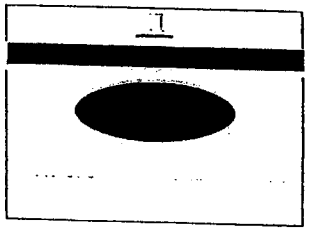
NATIONAL SURVEY OF TEENS:

UNBRANDED PACKAGES

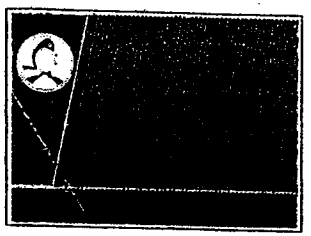
1



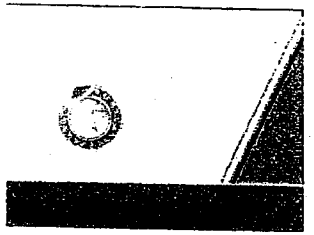
2



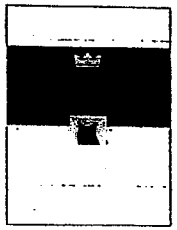
3



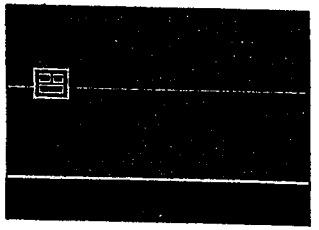
4



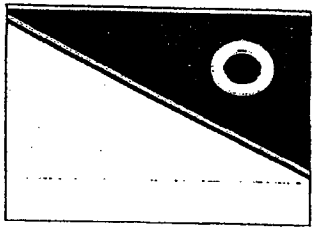
5



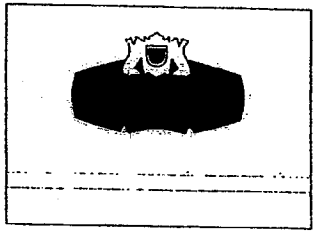
6



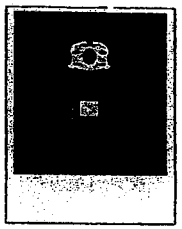
7



8



9



APPENDIX I

WORD IMAGE SURVEY:

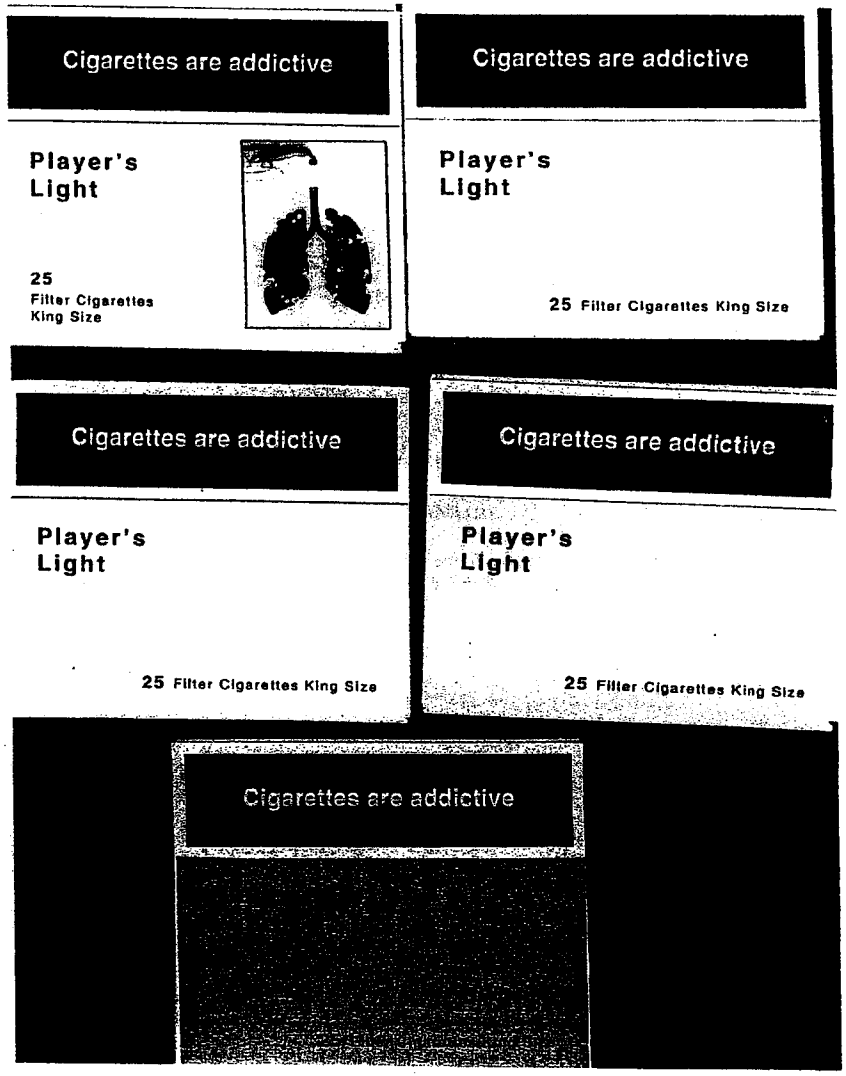
PACKAGES

Cigarettes are addictive
Matinée Slims
EXTRA MILD
25
Cigarettes are addictive
Matinée
Slims
EXTRA MILD
25
Cigarettes
King size
Cigarettes are addictive
Matinée
Slims
EXTRA MILD
25 Cigarettes King Size
Cigarettes are addictive
Cigarettes are addictive
duMaurier
25
Virginia Cigarettes
King Size
Cigarettes are addictive
duMaurier
25 Virginia Cigarettes King Size

APPENDIX J

PILOT STUDY:

SELECTION OF PACKAGE TYPES


Cigarettes are addictive
Player's
Light
25
Filter Cigarettes
King Size
Cigarettes are addictive
Player's
Light
25 Filter Cigarettes King Size
Cigarettes are addictive
Player's
Light
25 Filter Cigarettes King Size
Cigarettes are addictive
Player's
Light
25 Filter Cigarettes King Size
Cigarettes are addictive

APPENDIX K

PILOT STUDY:

QUESTIONNAIRE

This appendix is excerpted from the Technical Report prepared by Canada Market Research Ltd.

CANADA MARKET RESEARCH LTD., 1235 BAY ST. STE 300, TORONTO M5R 3K4 TEL 364-3222

CMR# 4585 | PRE TEST I | December 14, 1994

R/R/IMAGE PRIORITIZATION

VALIDATION
Supervisor: _____
Date: _____

STUDY	RESP	CARD	CELL
	1234	6	7
4585		1	

QUESTIONNAIRE APPROVAL
Field ___ Coding ___
DP ___ Operations ___
Researcher ___

RESPONDENT NAME: _____
ADDRESS: _____
_____
TELEPHONE NUMBER: _____
INTERVIEWER'S NAME: _____
DATE OF INTERVIEW: _____

INTERVIEWING TIME:
Start: _____
Finish: _____

Thank you for agreeing to participate in this study. All the answers you give will be completely confidential—no one will be told about any of your answers and your name will not be connected with your answers at all.

1. RECORD SEX.

	(10)
Male	1
Female	2

2. How old are you?

	(11)	
13 or under	X	TERMINATE
14	1	
15	2	
16	3	
17	4	
18 or over	X	TERMINATE

We are going to show you some everyday objects on this computer screen. The picture will flash on the screen for only a few seconds and we would like you to look at it very carefully and remember as much as you can. Then we will ask you some questions about what you saw.

Let's try it. This first picture is just a practice so that you can see how long the image is shown for and the types of items we will show you.

SHOW PRACTICE IMAGE

D you have any questions? [IF THEY DON'T UNDERSTAND—REREAD Q2 INTRODUCTION.] OK. Now we are going to show you the real picture and ask you some questions. Are you ready?

3. We are going to show you some everyday objects and ask you a few questions about them. The objects will be shown on this computer.

SHOW FIRST COMPUTER IMAGE: (THIS IS TIMED AUTOMATICALLY AND WILL GO BLANK AFTER A PRE-SPECIFIED LENGTH OF TIME.)

VERSION R -- 1 P -- 2 (14)

RECORD LENGTH OF TIME SHOWN: [ ] SECONDS (15-16)

RECORD IMAGE #: [ ] (18)

RECORD # OF ITEMS SHOWN: [ ] (21)

3a. Please tell me all the objects you recall seeing. (WRITE IN ALL ITEMS RECALLED UNDER COLUMN Q3a BELOW—ONE PER LINE.)

3b. FOR EVERY OBJECT RECALLED IN Q3a, IF BRAND NOT ALREADY SPECIFIED ASK: What brand or name of _____ (ITEM IN Q3a) did you see? (RECORD BRAND ON LINE OPPOSITE ITEM.)

	Q3a Items Recalled		Q3b Brand/Name	
1.	_____	(25-26)	_____	(40-41)
2.	_____	(27-28)	_____	(42-43)
3.	_____	(29-30)	_____	(44-45)
4.	_____	(31-32)	_____	(46-47)
5.	_____	(33-34)	_____	(48-49)
6.	_____	(35-36)	_____	(50-51)
7.	_____	(37-38)	_____	(52-53)

4. FOR EACH ITEM WHOSE BRAND OR NAME WAS NOT IDENTIFIED IN Q3a/3b, SAY:

Thinking about the _____ (READ ITEM), can you recall its brand (name)? (RECORD BRAND/NAME GIVEN)

		Brand/Name	
4 items	Cola	_____	(210-211)
	Headache remedy	_____	(212-213)
	Cigarette pack	_____	(214-215)
	Magazine	_____	(216-217)
6 items	Candy bar	_____	(218-219)
	Toothpaste	_____	(220-221)
8 items	Hair gel	_____	(222-223)
	Acne remedy	_____	(224-225)

5a. What did the health warning on the cigarette pack say? (RECORD VERBATIM.)

_____ (226-237)

5b. Please describe what was on the cover of the magazine. (RECORD VERBATIM)

_____ (238-249)

6. Now we are going to show you some more objects.

SHOW SECOND IMAGE ON THE COMPUTER: (THIS IS TIMED AUTOMATICALLY AND WILL GO BLANK AFTER A PRE-SPECIFIED LENGTH OF TIME.)

VERSION R -- 1 P -- 2 (254)

RECORD LENGTH OF TIME SHOWN: [ ] SECONDS (225-256)

RECORD IMAGE #: [ ] (258)

RECORD # OF ITEMS SHOWN: [ ] (261)

6a. Please tell me all the objects you recall seeing. (WRITE IN ALL ITEMS RECALLED UNDER COLUMN Q6a BELOW—ONE PER LINE.)

6b. FOR EVERY OBJECT RECALLED IN Q6a, IF BRAND/NAME NOT ALREADY SPECIFIED ASK: What brand or name of _____ (ITEM IN Q6a) did you see? (RECORD BRAND ON LINE OPPOSITE ITEM.)

	Q6a Items Recalled		Q6b Brand/Name	
1.	_____	(265-266)	_____	(310-311)
2.	_____	(267-268)	_____	(312-313)
3.	_____	(269-270)	_____	(314-315)
4.	_____	(271-272)	_____	(316-317)
5.	_____	(273-274)	_____	(318-319)
6.	_____	(275-276)	_____	(320-321)
7.	_____	(277-278)	_____	(332-323)

7a. FOR EACH ITEM WHOSE BRAND OR NAME WAS NOT IDENTIFIED IN Q6a/6b, SAY:

Thinking about the _____ (READ ITEM), can you recall its brand (name)? (RECORD BRAND/NAME GIVEN)

		Brand/Name	
4 items	Cola	_____	(330-331)
	Headache remedy	_____	(332-333)
	Cigarette pack	_____	(334-335)
	Magazine	_____	(336-337)
6 items	Candy bar	_____	(338-339)
	Toothpaste	_____	(340-341)
8 items	Hair gel	_____	(342-343)
	Acne remedy	_____	(344-345)

7b. What did the health warning on the cigarette pack say? (RECORD VERBATIM.)

_____ (350-361)

8. Please describe what was on the cover of the magazine. (RECORD VERBATIM.)

_____ (362-373)

9. We are going to show you one more set of items.

SHOW THIRD COMPUTER IMAGE: (THIS IS TIMED AUTOMATICALLY AND WILL GO BLANK AFTER A PRE-SPECIFIED LENGTH OF TIME.)

VERSION R -- 1 P -- 2 (314)

RECORD LENGTH OF TIME SHOWN: [ ] SECONDS (315-316)

RECORD IMAGE #: [ ] (318)

RECORD # OF ITEMS SHOWN: [ ] (321)

9a. Please tell me all the objects you recall seeing. (WRITE IN ALL ITEMS RECALLED UNDER COLUMN Q9a BELOW—ONE PER LINE.)

9b. FOR EVERY OBJECT RECALLED IN Q9a (IF BRAND NOT ALREADY IDENTIFIED) ASK: What brand or name of _____ (ITEM IN Q6a) did you see? (RECORD BRAND ON LINE OPPOSITE ITEM.)

Q9a Items Recalled		Q9b Brand/Name	
1. _____	(325-326)	1. _____	(340-341)
2. _____	(327-328)	2. _____	(342-343)
3. _____	(329-330)	3. _____	(344-345)
4. _____	(331-332)	4. _____	(346-347)
5. _____	(333-334)	5. _____	(348-349)
6. _____	(335-336)	6. _____	(350-351)
7. _____	(337-338)	7. _____	(352-353)

10. FOR EACH ITEM WHOSE BRAND OR NAME WAS NOT IDENTIFIED IN Q9a/9b, SAY:

Thinking about the _____ (READ ITEM), can you recall its brand (name)? (RECORD BRAND/NAME GIVEN)

		Brand/Name	
4 items	Cola	_____	(360-361)
	Headache remedy	_____	(362-363)
	Cigarette pack	_____	(364-365)
	Magazine	_____	(366-367)
6 items	Candy bar	_____	(368-369)
	Toothpaste	_____	(370-371)
8 items	Hair gel	_____	(372-373)
	Acne remedy	_____	(374-375)

11a. What did the health warning on the cigarette pack say? (RECORD VERBATIM.)

_____ (410-421)

11b. Please describe what was on the cover of the magazine.

_____ (422-433)
_____
_____
_____

12. Here are the three cigarette packages you just saw. (PACKAGES WITH HEALTH WARNINGS MASKED), and here are the three health warnings.

Please match each health warning to the pack it was shown on the slides you just saw. (HAND PACKS AND HEALTH WARNING CARDS IN SHUFFLED ORDER.)

	Health Warning		
	L	M	N
DuMaurier	1	1	1
Matinee	2	2	2
Players	3	3	3
Don't know	4	4	4

13. Here are eight pictures of people who smoke. Please take a careful look at them. (INTERVIEWER GIVE RESPONDENT TIME TO LOOK AT ALL 8 PICTURES.) Which of these smokers is most likely to smoke ___ (SHOW PACKAGE OF FIRST BRAND IN ROTATION.) RECORD A #1 ON LINE UNDER CORRESPONDING PICTURE.) Which person is the second most likely to smoke this brand? (FIRST BRAND IN ROTATION; POINT TO PACKAGE.) (RECORD A #2 ON LINE UNDER CORRESPONDING PICTURE) And which person is the third most likely to smoke this brand (POINT TO PACK) (RECORD A #3 ON LINE UNDER CORRESPONDING PICTURE.) Now I would like you to look at this package (SHOW PACKAGE OF NEXT BRAND IN ROTATION.) Which of these smokers is most likely to smoke _____ (BRAND)? Second most likely? Third most likely? The next brand is _____ (CONTINUE UNTIL ALL BRANDS RATED.)

ROTATE

	People							
	L	M	N	O	P	Q	R	S
( ) DuMaurier	___	___	___	___	___	___	___	___
( ) Export A	___	___	___	___	___	___	___	___
( ) Matinee	___	___	___	___	___	___	___	___
( ) Benson & Hedges	___	___	___	___	___	___	___	___
( ) Capri	___	___	___	___	___	___	___	___
( ) Players	___	___	___	___	___	___	___	___
( ) Craven A	___	___	___	___	___	___	___	___
( ) Rothman's	___	___	___	___	___	___	___	___
	(451-458)	(461-468)	(471-478)	(511-518)	(521-528)	(531-538)	(541-548)	(551-558)

SHOW FIVE PACKAGES

14. The government is thinking of making cigarette companies sell cigarettes in packages like these instead of the packages they now come in. If these were the only packages available, please tell me which of these packages would discourage you **most** from smoking? Which would discourage you **second most** from smoking? Third most? (CONTINUE UNTIL ALL ARE RANKED) (DO NOT ALLOW TIES) (IF RESPONDENTS GIVE TWO PACKAGES EQUAL RANK SAY: I cannot write down a tie; which one would be slightly more likely than the other to discourage you from smoking?)

Buff _____ (561)
Plain white _____ (562)
Yellow/Green _____ (563)
Honey Pink _____ (564)
White with Lung _____ (565)

REMOVE PACKAGES FROM VIEW

15. Please rate this package (SHOW FIRST PACKAGE FOLLOWING ROTATION.) using the scale on this card, where 1 is very unattractive and 5 is very attractive.

ROTATE	Very Unattractive				Very Attractive	
( ) Buff	1	2	3	4	5	(570)
( ) Plain White ...	1	2	3	4	5	(571)
( ) Yellow Green .	1	2	3	4	5	(572)
( ) Honey Pink ..	1	2	3	4	5	(573)
( ) White with Lung	1	2	3	4	5	(574)

THANK YOU FOR YOUR HELP

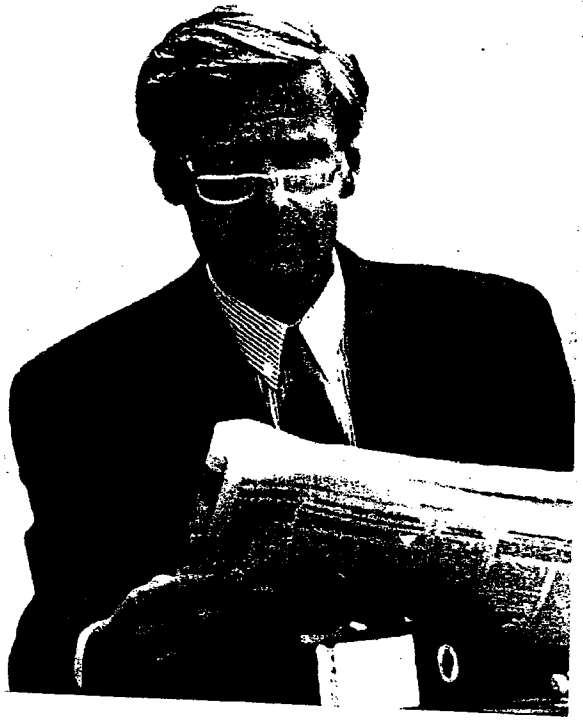
- ATTACH RECRUITMENT SCREENER TO QUESTIONNAIRE
- GIVE RESPONDENT $35 INCENTIVE.

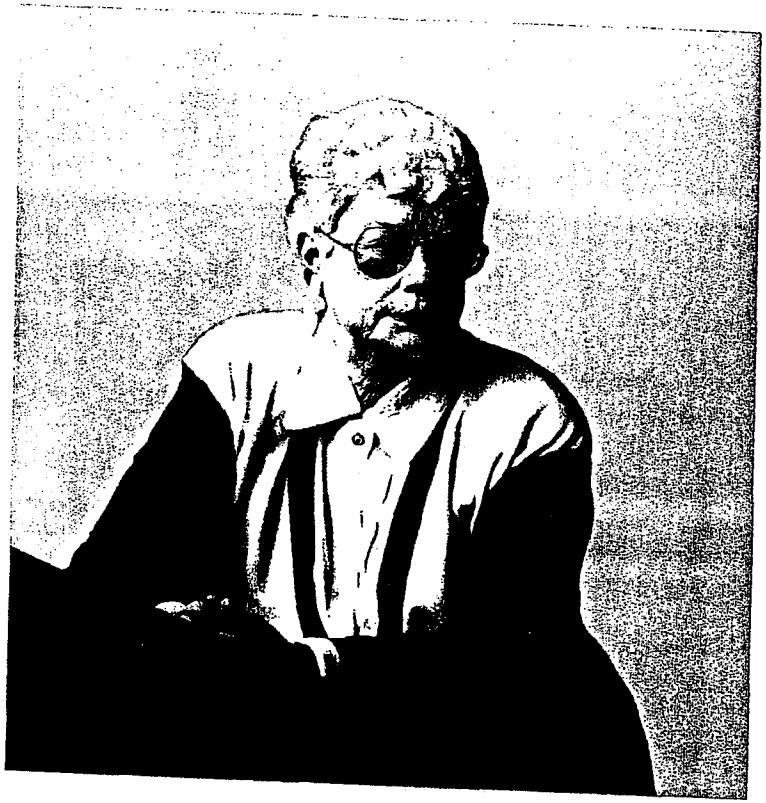
APPENDIX L

PILOT STUDY:

IDENTIFICATION OF CONVERGENT IMAGES

Cigarettes cause strokes and heart disease
Rothmans
Cigarettes are addictive
du MAURIER
Smoking can kill you
Craven "A"
KING SIZE
25 FILTER TIPPED CIGARETTES
Matinée
Smoking is the major cause of lung cancer
Cigarettes are addictive
Matinée Slims
EXTRA MILD
Cigarettes cause strokes and heart disease
EXPORT "A"
Cigarettes cause cancer
Player's
Light
Tobacco smoke causes fatal lung disease in non-smokers
CAPRI
Tobacco smoke can harm your children
Filter
Player's





APPENDIX M

VISUAL IMAGE PILOT STUDY:

DEPENDENT MEASURE

U.S. (CAPRI) PILOT STUDY FOR VISUAL IMAGE EXPERIMENT

An early pilot study was developed to consider which of two possible dependent measures was the more sensitive measure. This pilot study was conducted with university students at The Pennsylvania State University. The study focused on Capri, an American brand thought to have a highly focussed image. Capri has been marketed exclusively to women and has a delicate, abstract, pastel butterfly-like image on its white package. An alternative white-only version was developed that eliminated the abstract butterfly and left only the word "Capri" in plain lettering.

Four slides were developed: two that juxtaposed an attractive, 20-year-old female and Capri (a consistent image); and two that juxtaposed a 55 year-old-fisherman and Capri (an inconsistent image.) Of the set with the female, one showed the current Capri package and a second showed the plain white package. The same was true for the set of slides with the fisherman.

Two dependent measures were incorporated into this study. The first focussed on the image that smokers may intend to convey to others. The experimenter read the following instructions/questions to the undergraduate subjects:

> "Consider this woman/man. S/he's been smoking for a while and is reconsidering which brand to smoke. If s/he chose to smoke Capri in this package, would it help her tell people a little bit about the kind of person s/he is? Or should s/he use a different brand of cigarette?"

A five-point response scale was provided, ranging from: "**Capri** would **definitely** help him/her tell people a little bit about him/herself"(5) to "**Other** brands would **definitely** help him/her more"(1).

A second briefer question emphasized the self-definitional qualities of the Capri brand: "Do you think Capri in this package is the 'right' brand for this man/woman?" A five-point response scale was provided, ranging from: "Capri in this package is **definitely** the **right** brand for this man/woman"(5) to "Capri in this package is **definitely** the **wrong** brand for this man/woman"(1).

Experimental Design for the Pilot Study

One group of 11 undergraduates was shown the set of slides with the female, first with the current Capri package and then with the plain white package. A second group of 11 undergraduates was shown the same set with the fisherman. After viewing each of the two slides, each group was asked to respond to the questions described above. The following table shows that the results for each measure were very similar. Overall, as anticipated, there was a significant difference for each measure between the female and the fisherman when each was juxtaposed with the current package. There was no significant difference between

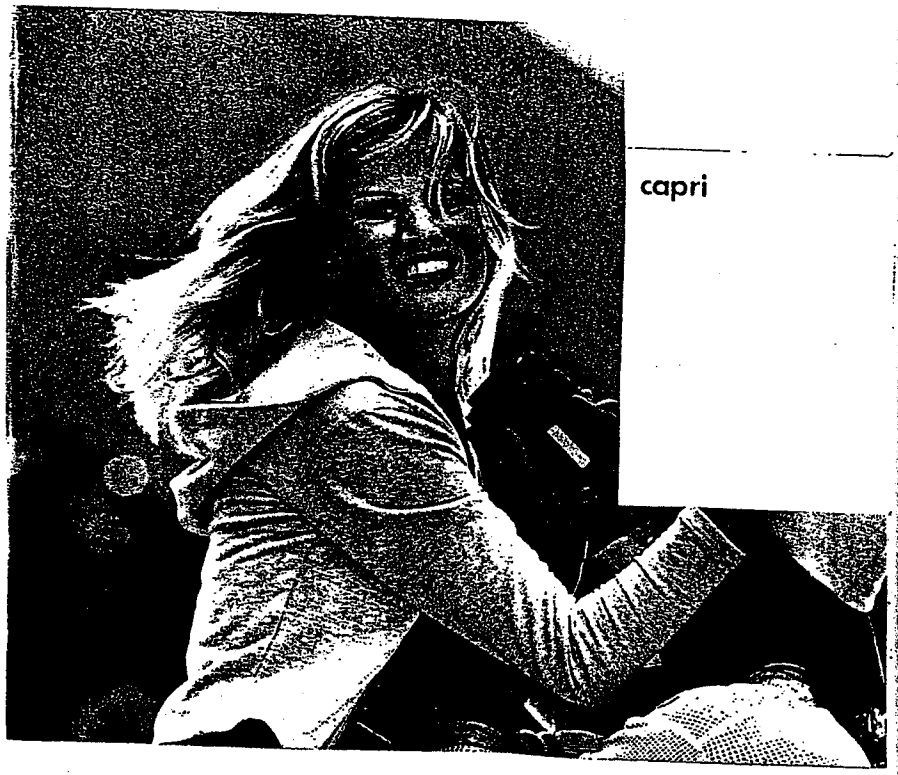
the woman and the fisherman when each was juxtaposed with the plain white package. At least in this preliminary study, denuding the package appeared to sharply reduce both its badge and its self-denoting value.

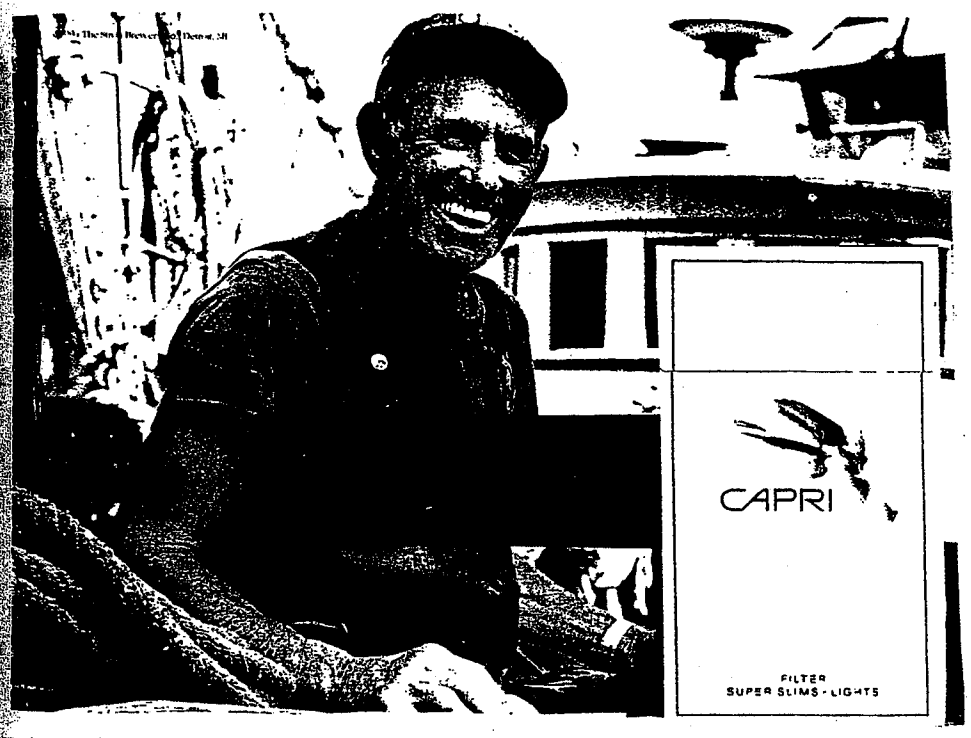
U.S. (Capri) Pilot Study
(Mean scores on a 5-point scale)

	Current Package			White Package		
	Question 1*	Question 2*	Average*	Question 1	Question 2	Average
Consistent Image (Woman) n = 11	3.72	3.81	3.77	3.09	3.18	3.13
Inconsistent Image (Man) n = 11	2.00	2.08	2.04	2.75	3.08	2.91

* Consistent vs. Inconsistent Image Means (Current Package)
Q_1: t = 4.22; df = 21; p ≤.0001
Q_2: t = 4.01; df = 21; p ≤.0001
Avg: t = 4.55; df = 21; p ≤.0001

Of considerable methodological importance was the finding that the two dependent measures operated very similarly. This provided justification for using a single-item indicator in the final Visual Image Experiment. As noted in the text, given the pressures with regard to time and space in the National Survey, the highly similar results for the two dependent measures allowed the Expert Panel to opt for a question that was very similar to the considerably shorter, second measure detailed above.

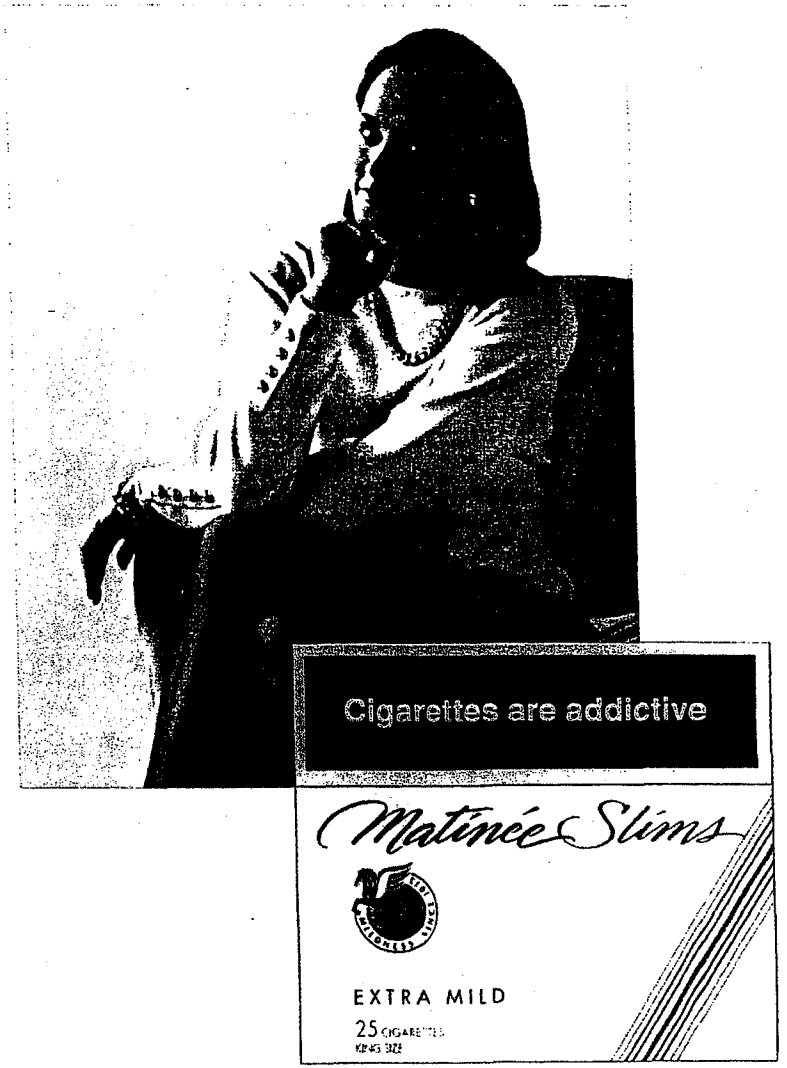

capri


CAPRI
FILTER
SUPER SLIMS · LIGHTS

APPENDIX N

VISUAL IMAGE EXPERIMENT:

PICTURES


Cigarettes are addictive
Matinée Slims
EXTRA MILD
25

La cigarette
crée une dépendance

Matinée Slims

EXTRA DOUCE

25 CIGARETTES
KING SIZE

Cigarettes are addictive

Matinée
Slims
EXTRA MILD

25 Cigarettes King Size

La cigarette crée une dépendance

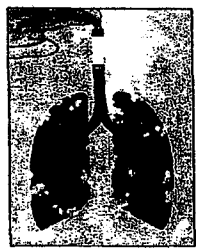
Matinée
Slims
EXTRA DOUCE

25 Cigarettes king size

Cigarettes are addictive

Matinée
Slims
EXTRA MILD

25
Cigarettes
King Size



La cigarette crée une dépendance

Matinée Slims
EXTRA DOUCE

25
Cigarettes
King size

Cigarettes are addictive

Matinée Slims

EXTRA MILD
25 CIGARETTES
KING SIZE

La cigarette
crée une dépendance

Matinée Slims

EXTRA DOUCE

25 CIGARETTES
KING SIZE

Cigarettes are addictive

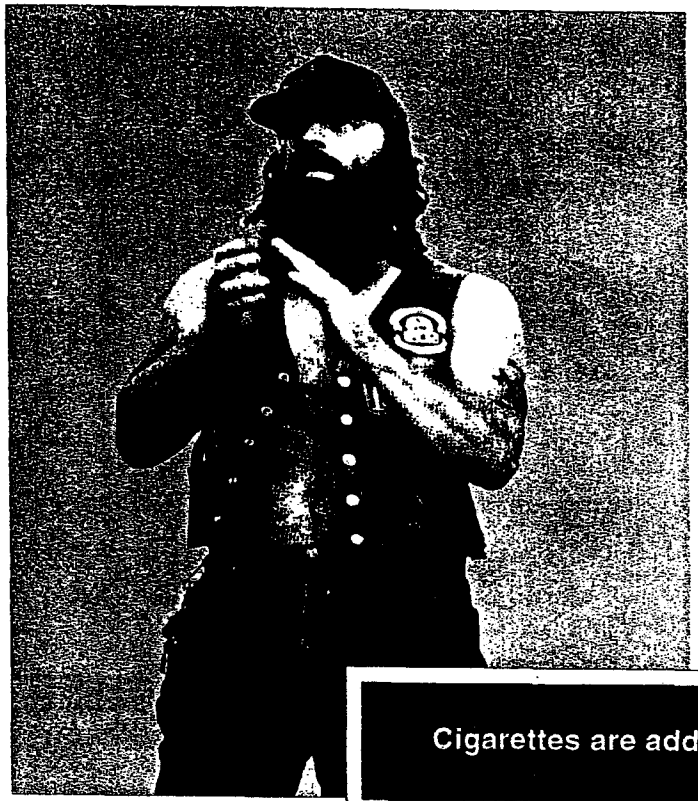
Matinée
Slims
EXTRA MILD

25 Cigarettes King Size

La cigarette crée une dépendance

Matinée
Slims
EXTRA DOUCE

25 Cigarettes king size



Cigarettes are addictive

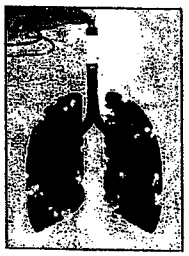
Matinée
Slims
EXTRA MILD

25
Cigarettes
King Size

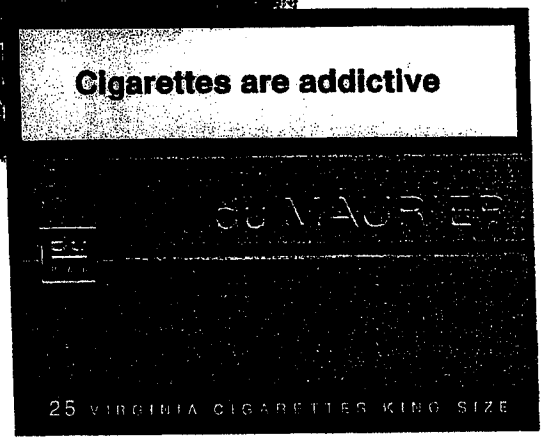
La cigarette crée une dépendance

Matinée Slims
EXTRA DOUCE

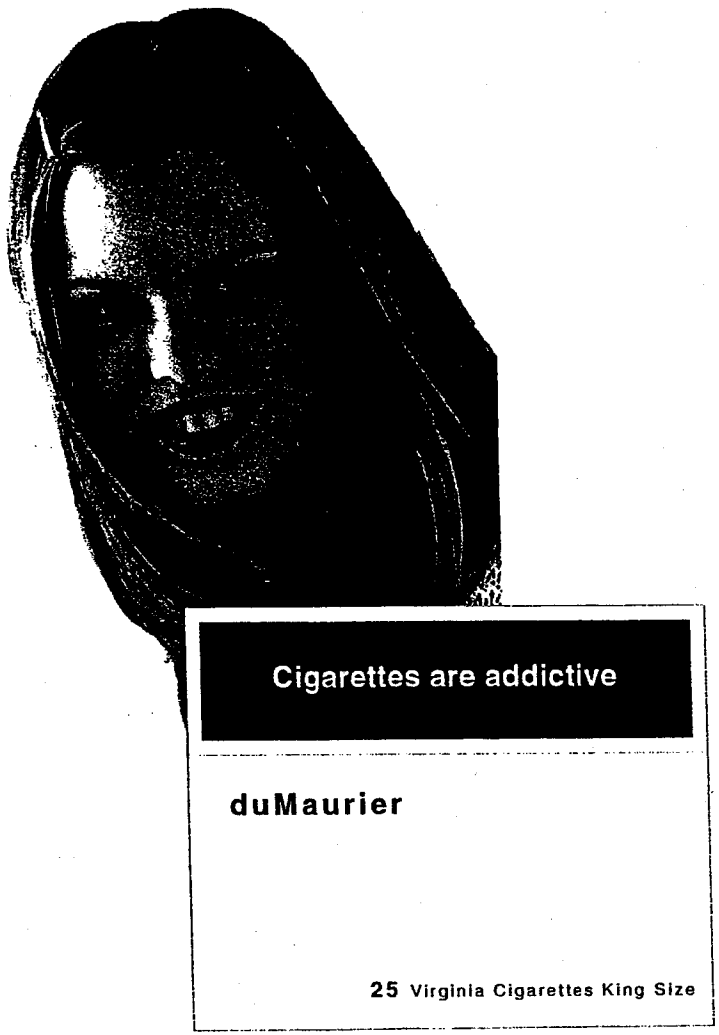
25
Cigarettes
King size



Cigarettes are addictive



La cigarette
crée une dépendance
duMAURIER
25


Cigarettes are addictive
duMaurier
25 Virginia Cigarettes King Size

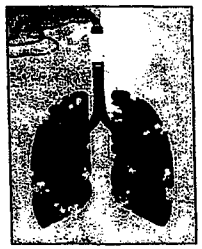
La cigarette crée une dépendance

duMaurier

25 Cigarettes virginie king size

Cigarettes are addictive

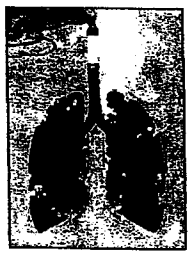
duMaurier



25
Virginia Cigarettes
King Size

La cigarette crée une dépendance

duMaurier



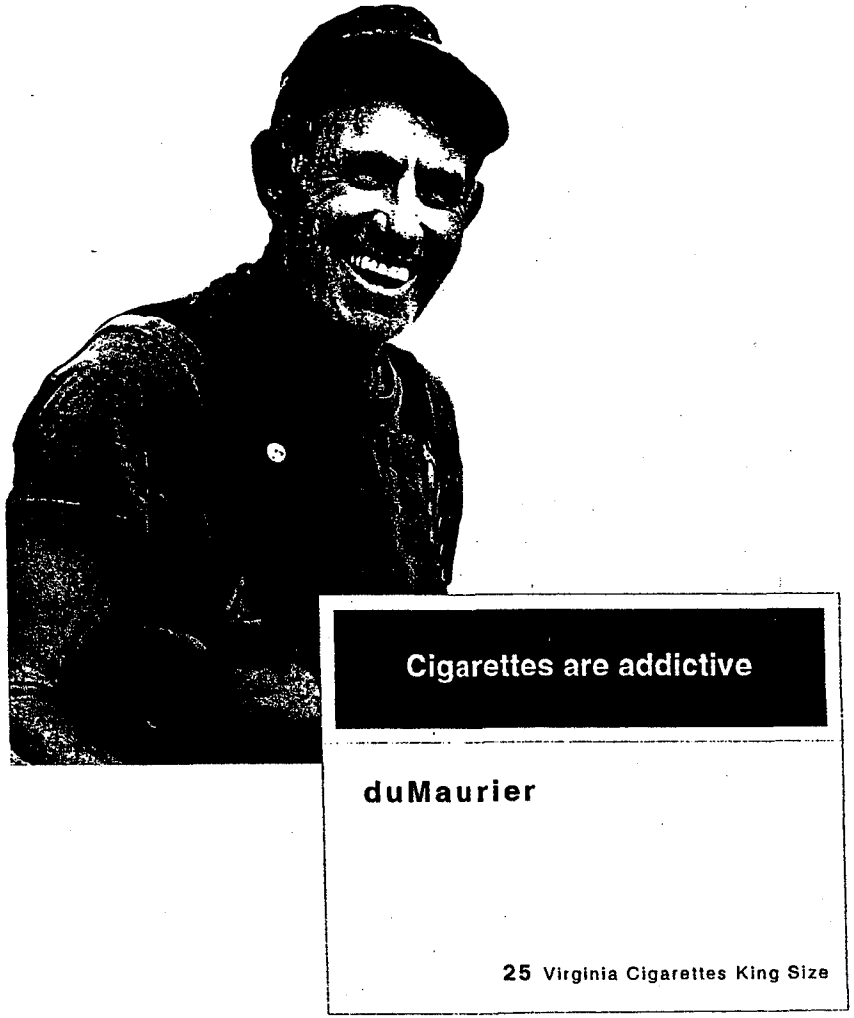
25
Cigarettes virginie
King size

Cigarettes are addictive

duMAURIER

25

La cigarette
crée une dépendance
duMAURIER
25 CIGARETTES VIRGINIE KING SIZE


Cigarettes are addictive
duMaurier
25 Virginia Cigarettes King Size

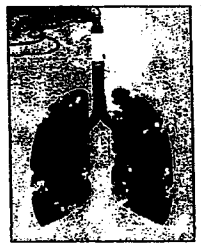
La cigarette crée une dépendance

duMaurier

25 Cigarettes virginie king size

Cigarettes are addictive

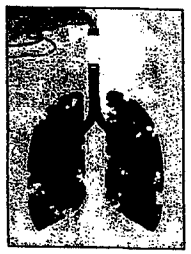
duMaurier



25
Virginia Cigarettes
King Size

La cigarette crée une dépendance

duMaurier

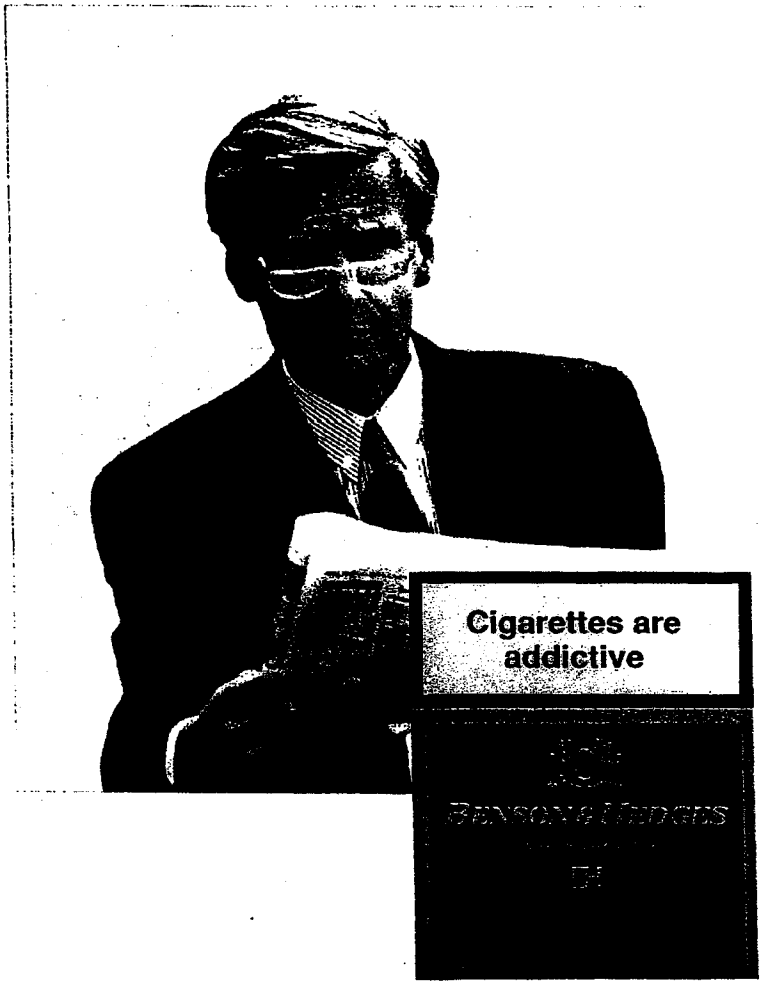


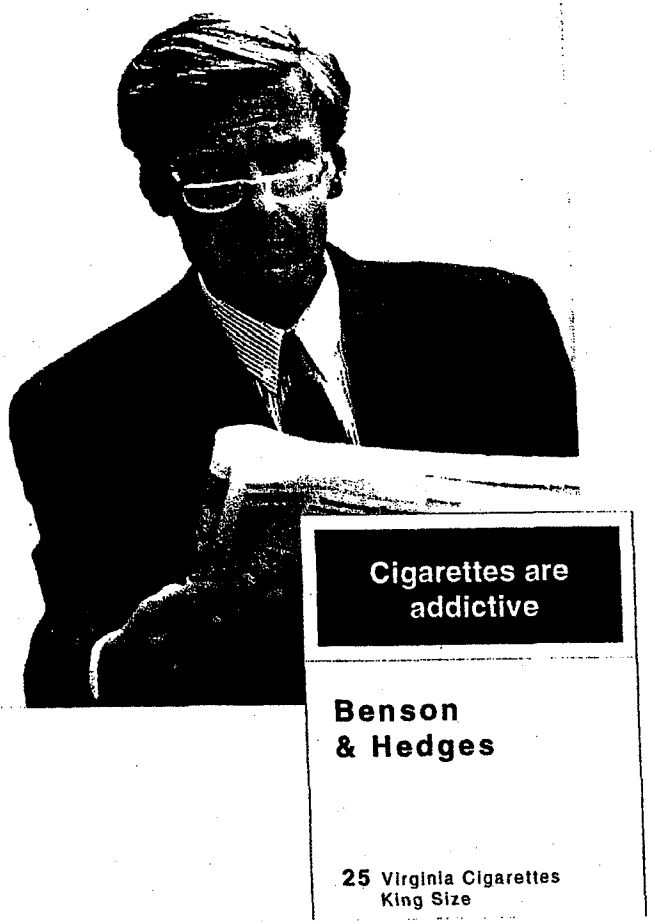
25
Cigarettes virginie
King size

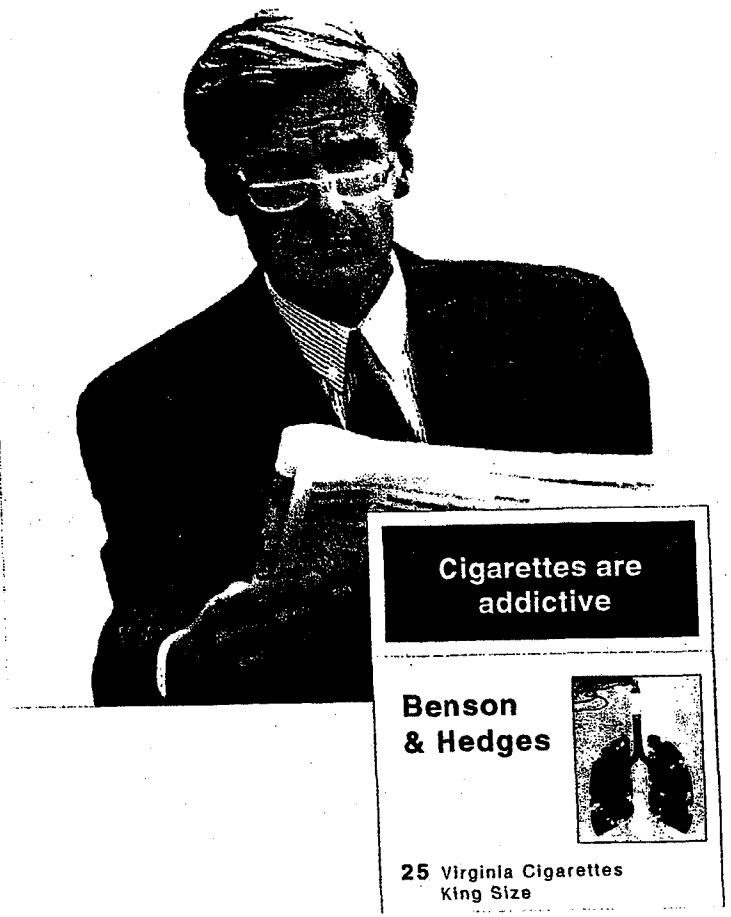
La cigarette crée une dépendance

BENSON & HEDGES

La cigarette crée une dépendance
Benson & Hedges
25 Cigarettes virginie King size


Cigarettes are addictive


Cigarettes are addictive
Benson & Hedges
25 Virginia Cigarettes King Size


Cigarettes are addictive
Benson & Hedges
25 Virginia Cigarettes King Size

La cigarette crée
une dépendance
Benson
& Hedges
25 Cigarettes virginie
King size

Cigarettes are
addictive

La cigarette crée une dépendance

BENSON & HEDGES

Cigarettes are addictive

Benson & Hedges

25 Virginia Cigarettes King Size

La cigarette crée une dépendance

Benson & Hedges

25 Cigarettes virginie
King size

Cigarettes are addictive

Benson & Hedges

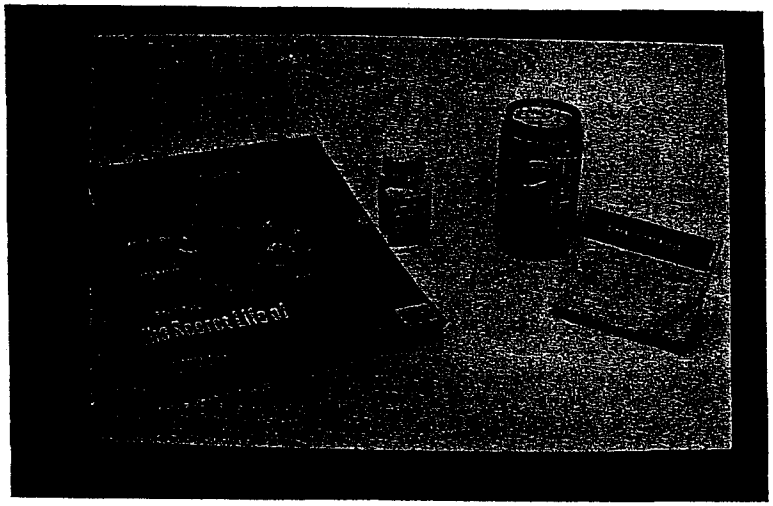
25 Virginia Cigarettes
King Size

APPENDIX O

RECALL AND RECOGNITION EXPERIMENT:

IMAGES

DuMaurier current



Matinée Slims current

Player's Light current

Player's Light plain

DuMaurier plain

Matinée Slims plain

APPENDIX P

CONJOINT EXPERIMENT:

SCRIPT AND PICTURES

ACA CONJOINT STUDY SCRIPT AND PICTURES

QUIT STUDY VERSION (The STOP study version is identical in all respects except the stimulus question is "which you think would encourage you to START smoking. To save space only the quit study version is presented.)

INTRODU1 ═══════════ Introduction Screen #1

HI!

I am going to ask you questions about aspects of cigarette brands, packages and prices which:

YOU THINK WOULD ENCOURAGE YOU TO STOP SMOKING

Its easy to answer the questions

You answer by typing the numbers on the top row of of the keyboard

INTDESI1 ═══════════ Introduce Preference - RANKING

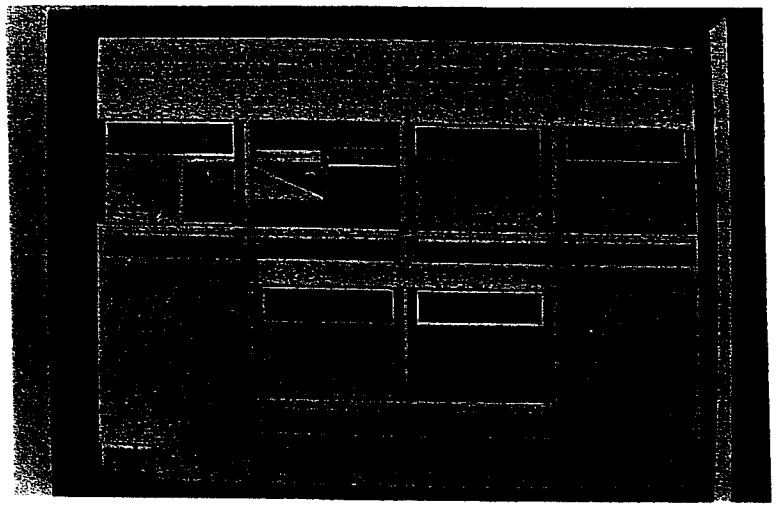
Four major aspects of cigarettes are:
BRAND
PRICE
PACKAGING
WHETHER YOUR FRIENDS SMOKE THE BRAND OR NOT

On the next screen I ask you to rank different brands and types of packages according to HOW MUCH you think they

WOULD ENCOURAGE YOU TO STOP SMOKING

Ranking means first choosing the one that might encourage you most to stop smoking, then choosing the 2nd most, etc. until you have ranked them all.

Picture of Screen:



ASKDESI ═══════════ Ask Preference - RANKING

Select the choice that WOULD ENCOURAGE YOU MOST TO STOP SMOKING.
Then select the choice that would next most encourage you to stop.
Then select the next most encouraging choice. etc.

INTIMPO1 ═══════════ Introduce Importance #1

In these next questions I'd like to find out HOW MUCH each aspect of cigarettes would encourage you to STOP smoking.

ASKIMPO ═══════════ Ask Importance

If two cigarettes were the same in all other ways, how important is this difference, for ENCOURAGING YOU TO STOP SMOKING?

(Sample)

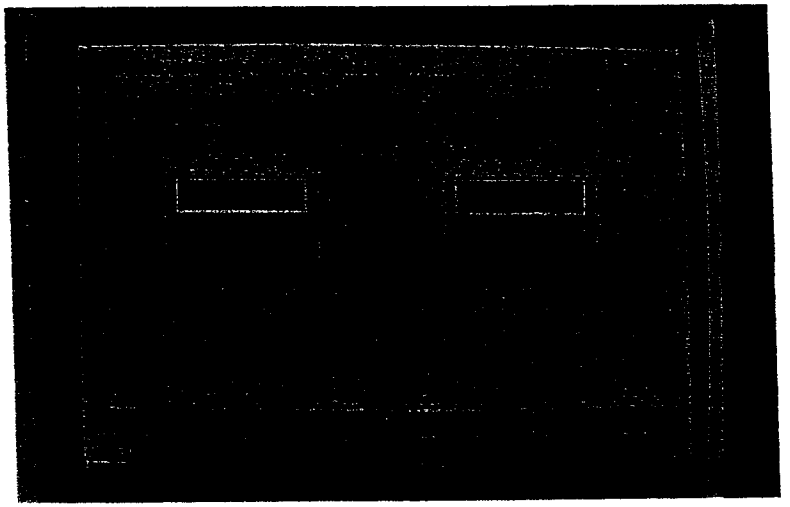
versus

(SAMPLE)

(Buttons not numbers)

Not Important At All	Somewhat Important	Very Important	Extremely Important
1	2	3	4

Picture of Screen



INTPAIR1 ═══════════ Introduce Paired-Comparisons #1

Now I'm going to present different pairs of cigarettes for you to compare.
Each screen will present profiles of two cigarettes,both described by combinations of features. One is shown on the left side of the screen and the other is shown on the right.
You are asked to indicate which profile

WOULD ENCOURAGE YOU MOST TO STOP SMOKING ?

NTPAIR2 ═══════ Introduce Paired-Comparisons #2

As an example, which of these two cigarettes would encourage you most to stop moking, and, HOW MUCH MORE it would encourage you to stop?

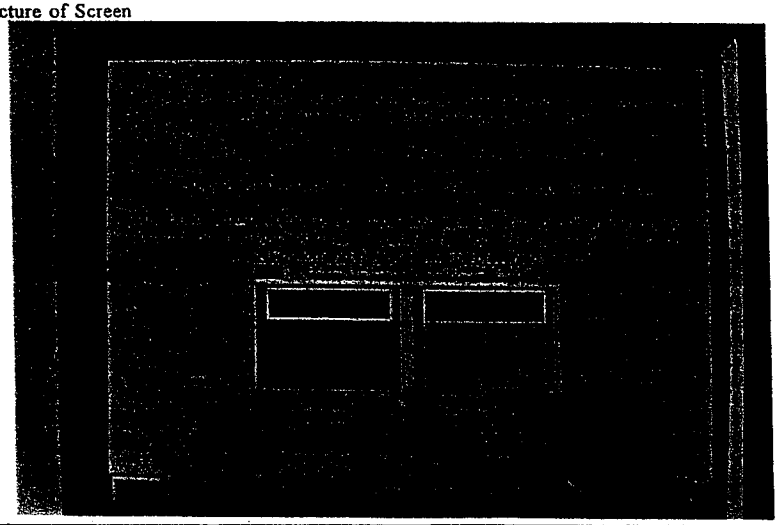
If it is the one on the left, you would select a value on the left side of scale.
If it is the one on the right, you would select a value the right side of the scale.
If you feel there is no difference between the cigarettes, with respect to encouraging you to stop smoking, then you would chose a value from the middle of the scale.
Now click on the NEXT button to the first pair of scales will be presented to you.

Matinee $2.50 Package A	OR	Rothmans $3.80 Package C

Left is more Encouraging — NO Difference — Right is more Encouraging

1 —— 2 —— 3 —— 4 —— 5 —— 6 —— 7 —— 8 —— 9

Picture of Screen



ASKPAIR ═══════ Ask Paired-Comparisons

WHICH WOULD ENCOURAGE YOU MOST TO STOP SMOKING

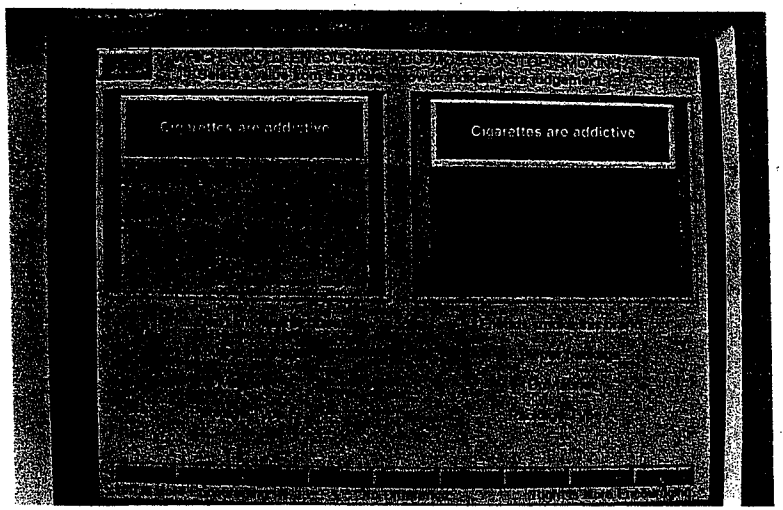
Select an valued from the scale below to indicate your judgement.

Brand Name Price Friends statement Package type	OR	Brand Name Price Friends Statement Package Type

Left is more encouraging — No Difference — Right is more encouraging

1 —— 2 —— 3 —— 4 —— 5 —— 6 —— 7 —— 8 —— 9

Sample Picture of Pairs Section



INTCALI1 ═══ Introduce Calibrating Concepts #1

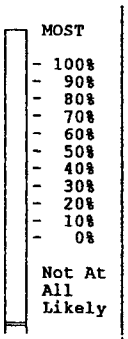
Based on everything you've told me, I am going to present, (one at a time), four profiles for you to consider.

I ask you HOW MUCH each cigarette might encourage you to stop smoking on a scale of 0 to 100.

You answer by clicking on the Up Arrow (or down arrow) to select a number between 0 and 100 which indications how much it would it would encourage you to stop smoking.

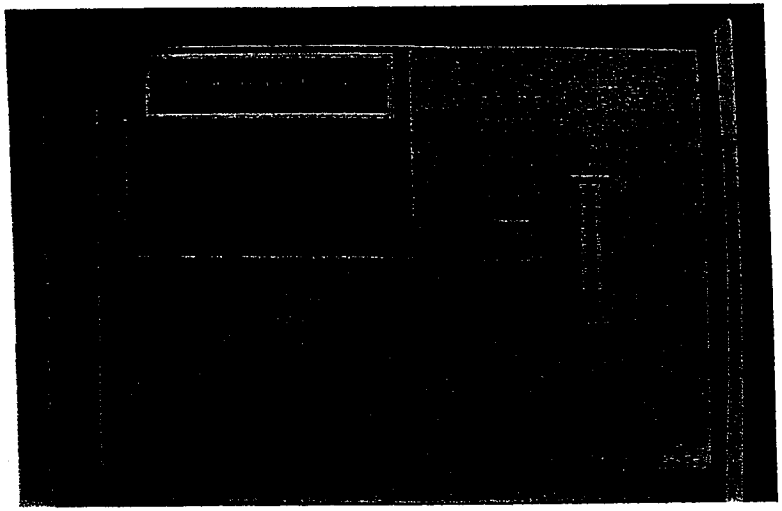
ASKCALI ═══ Ask Calibrating Concepts

HOW MUCH WOULD THIS CIGARETTE ENCOURAGE YOU TO STOP SMOKING?



Type a number from 0 to 100, then press ENTER.

Sample Picture of Calibration Screen



FINALEX1 ═══ Thank-You Screen

Well done - you are finished.

Tell the attendant you have finished.

Thank you very much for your assistance in this study.

END

APPENDIX Q

CONJOINT EXPERIMENT: METHODOLOGY

This appendix is excerpted from the Technical Report prepared by Canada Market Research Ltd.

5. Adaptive Conjoint Final Study

5.1 METHODOLOGY

The teenagers who participated in the Recognition and Recall Final Study were also asked to take part in the Adaptive Conjoint Analysis using Mixed Media Software Final Study. This section of the report documents only those issues unique to the Adaptive Conjoint Study. For details on recruitment, timing, location of interviews, quotas, and interview station set-up please see Section 4 of this report.

a. Screening Methodology

In addition to the 400 teenagers who participated in the Adaptive Conjoint study, 100 adults were also recruited by means of mall-intercepts to take part in this stage of the research program. They were screened for qualification using the screener appended. Qualified respondents were then invited into the central location interview area.

b. Respondent Qualifications

Teenagers, 14 to 17 years of age, qualified for the study if they were:

Current Smokers–smoked at least one cigarette at least once a week;
Vulnerable Experimenters–had tried smoking and indicated that they may smoke again;
Vulnerable Naive–had not tried smoking but indicated that they may try smoking.

Adults qualified for the study if they were between 30 and 50 years of age and smoked at least half a pack of cigarettes a day. The incidence of qualification was 22%.

c. Quotas

For the adults, quotas were established by gender only ...

- 50% male, 50% female

See section 4 for quotas that applied to teenage participants.

d. Interviewing Methodology

After being screened, the 100 adult smokers were invited into the interview area. All participants were assisted in completing the Adaptive Conjoint study by an interviewer on a one-on-one basis.

The interviews were distributed as follows:

Total	Sex		Age	
	Male	Female	30-39	40-50
100	50	50	60	40

The adult interviews were completed between January 9th and January 16th, 1995 in the MetroTown Centre, Scotsdale Mall and Lynn Valley. Please see section 4 for dates, times and location of interviews with teenage participants.

e. Study Selection

Teenagers who were classified as current smokers and all the adults participated in the "*Quit*" study. Teenagers who were classified as Vulnerable Experimenters or Vulnerable Naive participated in the "*Start*" study.

f. Interview Length

The average interview length for the Adaptive Conjoint study conducted with adults was 18 minutes.

5.2 FIELD PROCEDURES

a. Briefing Procedures

The briefing for the Adaptive Conjoint study took place in the Metrotown Centre on January 6th, 1995, immediately following the briefing on the final study for the "*Recognition and Recall of Brand and Health Warnings on Current and Plain Package Versions*". These briefings were conducted by senior, supervisory staff from Research House, and attended by CMR personnel.

The briefing involved the steps listed below.

- A review, by the supervisors, of the purpose of the Conjoint Study, the total number of interviews to be achieved, the quotas established for the study, the data back-up procedures to be followed.
- A review of the Interviewer/Supervisor instructions.
- A review of the *Installation and Use Instructions for Recall and Recognition and Conjoint Studies.*
- The supervisor then proceeded step by step through the computerized interview, showing the interviewers how to select the "*Quit*" or "*Start*" study depending on the respondent's qualification, how to record the computer selected respondent number on the front sheet of the questionnaire, how to proceed through the practice session, and the types of responses that could be given to questions that might be raised by respondents.
- During this initial review of the questionnaire, and at every other stage of the briefing, interviewers were also encouraged to ask questions of their supervisor to clarify any areas of confusion with respect to the administration of the questionnaire.

- Each interviewer participated in a practice session during which they conducted mock-interviews and practised on the computer to learn how to teach respondents the correct use of the mouse, the selection procedure for the two studies. (Please see *Installation and Use Instructions for Recall and Recognition and Conjoint Studies* in the Appendix).

b. Respondent Numbers

Prior to starting the study, each computer was assigned a site number and a series of unique respondent numbers. These respondent numbers were stratified by study, that is, at each computer a range of respondent numbers were assigned to the "*Start*" study and another unique range assigned to the "*Quit*" study.

During the interview, the interviewer transferred the respondent number shown on the screen to the front sheet of the questionnaire and attached the recruitment screener so that the corresponding screening data could be matched to each interview.

c. Supervision

A supervisor was in the interviewing area at all times and monitored a minimum of 10% of each interviewer's work.

After each days work, the supervisor checked that each respondent had been assigned to the correct study, ie "*Start*" or "*Quit*" based on their qualifications.

d. Verification

The re-screening of respondents at the central location facility represents verification on this study.

APPENDIX R

ANALYSIS OF INDUSTRY EFFECTS: THEORETICAL FRAMEWORK, RESEARCH METHODOLOGY AND HISTORICAL PERSPECTIVE

ANALYSIS OF INDUSTRY EFFECTS

THEORETICAL FRAMEWORK

Organizational Adaptation

The performance and strategies of complex multi-business organizations such as the "big three" Canadian tobacco manufacturers have traditionally been explained and predicted in the management literature by two academic disciplines: **organization theory** which studies the relationships between the external environment and organization design; and **business policy** which relies principally on the concepts of managerial values and corporate strategy to explain the same phenomenon. Recently, a more holistic field of inquiry known as strategic management has emerged at the interface between these two traditional disciplines. This field merges the traditionally separate perspectives of organization theory and business policy into a more holistic one that explains and predicts patterns of organizational adaptation to external changes and overall corporate performance.

Organizational adaptation is the **process by which an organization manages itself or its environment in order to maintain or improve its performance, legitimacy, and hence, its survival potential** (Miles & Cameron, 1982). The most pervasive and central argument in organizational adaptation literature and empirical research concerns whether adaptation is managerially or environmentally derived (Astley & Van de Ven, 1983). Organizational adaptation to changes in the external operating environment have been studied in a number of academic disciplines. Some academic literature considers the external environment to be immutable and organizations are supposed to adjust themselves to any changes. Thus, technically, if society finds smoking an undesirable activity and cigarettes an undesirable product, cigarette companies should cease to manufacture these products and enter into areas of activity considered favourably by society. Basic economic theory of the firm deals with deterministic environments that organizations are powerless to change. Market demand drives organizational activities, moderated by government regulation. In basic economic theory, oligopolistic, competitive and monopolistic markets lead to different classes of organizational behavior and outcomes and different degrees of organizational choice (Naylor, Vernon, & Wertz, 1983). The tobacco industry is a classical oligopoly, which refers to a market where there are few sellers of the product with no close substitutes (Naylor et al., 1983). At the same time there are many buyers, and entry into the industry is barred. The entry barriers in the tobacco industry will be discussed later. The contingency school of organizational behavior (Burns & Stalker, 1961; Dill, 1958; Lawrence & Lorsch, 1969) posits that organizational effectiveness is a function of the correctness and tightness of fit between the structure and decision-making process of an enterprise and of its environment. The organization could engineer such fits with the environment which is taken as immutable since it contains certain imposed constraints and contingencies. This approach examines a series of alignments while ignoring the process and strategies through which fit is reached. Both economic theory and contingency theory confine their treatment of the environment to the

immediate market or industry. The broader institutional environment and its market environment are ignored. An extreme form of organizational adaptation analysis is the natural selection-population ecology literature. This literature assumes: that organizations cannot adapt due to inertia of structure, sunk costs, vested career-path politics of managers, historical precedents and lack of resources to overcome entry barriers in other domains; and that changes in the environment, not in the organization, determine organizational effectiveness and survival (Aldrich, 1979; Brittain & Freeman, 1980; Hannan & Freeman, 1977). The natural selection paradigm has found empirical support in a few extremely limited situations and is considered deficient as a viable framework to study how organizations adapt to changing environments.

Institutional theory emphasizes the role of strategic choice. Organizations are capable of learning and adapting to a changing context. They also can exercise a considerable measure of choice about the kinds of environments they will operate in and adapt to, and are also able to manipulate environmental features to make them more accommodating to organizational goals, strategies and structures (Miles, 1987; Selznick, 1957). It is the crucial element of the fundamental quality of executive leadership that enables an organization to minimize the constraints on adaptation and to maneuver their organization through or around environmental obstacles and into business domains more abundant in resources and opportunities (Barnard, 1938; Selznick, 1957). Studies by Andrews (1980), Chandler (1962), and Sloan (1972) show that organizations can exercise considerable choice in adapting to their environments, and that organizational effectiveness is largely a function of top management's ability to create and maintain congruence among the factors of environment and of organizational strategy, structure and competence.

Organizational Objectives

Organizational effectiveness literature usually concentrates on economic **efficiency**, while ignoring **legitimacy** (Davidson, 1992; Mahon, 1989; Perrow, 1979). Both legitimization and efficiency are important components of organizational effectiveness. Organizations are never wholly independent from the society in which they are embedded and its system of values. To varying degrees all organizations are subject to institutional controls, whether as generalized norms and values of society or as society's laws, or in the organs of the government to which society has entrusted the public interest and invested political authority. Therefore, organizations must develop the means to ensure their legitimacy and, hence, the freedom to continue to perform their chosen activities and pursue their objectives within society (Parsons, 1960). The assessment of legitimacy must involve comparisons between organizational purposes, goals and means, and societal values. The multiplicity of values in society at any given moment may permit conflicting assessments of organizational actions. Indeed, it is conceivable that pockets of support may exist in society for almost any purposes, methods or products that an organization may wish to take up (Miles & Cameron, 1982). The millions of smokers, as well as special interest groups such as the packaging industry, the printing industry, the tobacco growers and the cigarette wholesalers and retailers, are likely to support the right of tobacco companies to package their cigarettes in their chosen multi-colour packaging. For many of these interfaces between societal values and organizational purposes, the rule of law and the role of governmental administrative authority clarify and diminish the intensity of the power struggle between different interest groups in society (Miles & Cameron, 1982). The struggle is the most intense when the introduction of new laws or regulatory proposals is contemplated as in the case of plain and generic packaging of tobacco products.

In the past, legitimacy and efficiency were loosely coupled on negative externalities, where the organization performed efficiently by the standards of stakeholders, such as investors and customers. An organization's externalities usually affected some remote and less powerful constituencies (e.g., native people in a forest is a clear-cut example). However, this seems to have changed with the increasing magnitude of societal understanding of the social costs of business operations (e.g., health costs of smoking that must be borne by the average citizen, and the health consequences of environmental tobacco smoke). Just as efficiency without legitimacy may threaten the ability to conduct business, legitimacy without efficiency will threaten the very existence of business.

METHODOLOGY

To understand the dynamic change phenomenon as discussed above, it is necessary to "think in circles" (Weick, 1979), to investigate the reciprocity of relationships between organization and environment, and to study the mutual causation that results. Plain and generic packaging of tobacco products would be the first time that any industry would be required to undertake reverse product differentiation. Consequently, there are no documented historical precedents to rely upon in analyzing the effects of such changes. However, this is not the first time that the tobacco industry has faced major changes in its external environment that have threatened its legitimacy and survival. Strategies adopted by the industry and by individual firms in response to health warnings on labels, and bans on advertising through broadcast-media, and then all forms of advertising of tobacco products in the past, serve as guides to the patterns of strategic adaptation in the future.

Thus, the research method of this study adopts a historical perspective to study the potential reactions of the tobacco products industry in Canada and in the United States to external threats in their institutional environment. Generalization of strategies across companies within a single industry and a comparison of variability of strategies between individual firms is facilitated by an industry setting that contains organizations facing similar environmental threat and with similar resources and repertoires for coping with this threat. The environmental threat is of unequivocal importance for the long-term survival of the members of the industry, resulting in strategic adaptation behaviour from all members to a different degree. The nature and timing of the events in the external environment that constituted the threat are clearly identifiable and seen to affect all members of the industry substantially. These events are unique in affecting only the tobacco products industry, and their impact can be analyzed in isolation from other sectors of the economy on a longitudinal basis.

This study looks at a group of companies in their competitive context using an institutional

perspective. Using methods suggested by Selznick (1957) to study institutional leadership, the focus of historical analysis in this study is on the strategic critical decisions of the tobacco companies made by people in power about the fundamental objectives and missions of their firms and not on routine decisions involving low resource commitments. The strategic adaptation patterns emerging from this analysis are used as guides to predict future strategic adaptation patterns of the tobacco companies, framed within the extant literature in the areas of: organizational strategic change and adaptation; competitive strategy; marketing strategy; institutional theory; collaboration theory; industrial organization economics; and economic theory. Thus, this study combines various disciplinary perspectives.

HISTORICAL PERSPECTIVE

Defining Events in the Institutional Environment of the Tobacco

Tobacco production in the colonial United Staetes originated in southern states to satisfy foreign demand. By the end of the 19th century, the U.S.'s domestic market had become the largest consumer of its own tobacco products. Tobacco was grown by small, independent manufacturers until James B. Duke assembled what later became known as the "Tobacco Trust" during the last two decades of the 19th century. The "Tobacco Trust" was made possible when Duke secured the exclusive rights to a newly developed cigarette machine that halved production costs and permitted greatly expanded operations. The Trust captured between 85% to 95% of the U.S. market until it was disbanded in 1911 for restraint of trade. This resulted in 16 small tobacco firms from which the current U.S. cigarette companies known as the "big six" emerged. These "big six" had 98% of the U.S. cigarette market by 1925 and are the same six companies despite changes in market shares and asset size. They can be classified as (a) the independents: R.J. Reynolds (RJR), Philip Morris (PM), Liggett & Meyers (LM), American Tobacco Company (now American Brands - AB); and (b) the captive companies owned by other corporations: Lorillard (owned by Loewes Corporation - LL), and Brown & Williamson (B&W), a subsidiary of BAT Industries in the U.K. The "big six" accounted for over 98% of the U.S. market share in 1925 and still account for 99.8% of the U.S. cigarette sales. However, it may be no longer appropriate to talk about the "big six". PM has risen from fourth place in 1950 to the first place since the late 1980s, and by 1989 there were the "big two" - PM with 41.9% market share and RJR with 28.5%. The other four have small market shares - LL (8%), AB (7%), LM and B&W with 3.3% each, that is, just 21.6% of the U.S. market between themselves (Davidson, 1992).

Canada has been largely self-sufficient in tobacco and has not played any major role in the international tobacco markets. The Canadian cigarette industry is dominated by three firms with the following market shares in 1991: Imperial Tobacco Ltd. (held in Canada by Imasco and owned by BAT Industries, UK - ITL) with 65% up from 48.5% in 1981; RJR MacDonald (owned by RJR, U.S.A which took over MacDonald Tobacco in 1974 - RJR-M) with 15% down from 17.3% in 1981; and Rothmans-Benson & Hedges (owned by Philip Morris, USA which took over Benson & Hedges in 1978 and then merged with Rothmans of Pall Mall in 1987 - R-BH) with 19.7% down from 34.2 % of combined sales in 1981. The Canadian "big three" control over 97 % of the Canadian cigarette industry in 1991 (*Levesque Beaubien Geoffrion*, 1993).

Cigarette manufacturing in the United States is more important economically in the states where it is manufactured than in Ontario and Quebec, where tobacco is grown in Canada. Quebec produces two thirds of value-added to cigarettes while Ontario grows most of the tobacco. This geographic and political separation of manufacturing and agriculture has reduced the political impact of the tobacco industry, unlike in the United States where they are intertwined. Tobacco does not have the same place in Canadian history as in the United States and there are no equivalents to the American tobacco states. The total contribution of tobacco to the Ontario and Quebec economies is relatively smaller when compared to the role of tobacco in the southern states of Virginia, the Carolinas, Kentucky and Tennessee (Friedman, 1975). However, Canadian federal and provincial tobacco taxation is much more important to total net general revenue than tobacco taxation is to the U.S. government (Friedman, 1975). This indicates that the Canadian government has shown considerable political will in becoming a world leader on tobacco control measures since the late 1980s.

The global tobacco economy is largely dominated by seven transnational tobacco conglomerates: BAT Industries, Imperial Tobacco Ltd., RJ Reynolds, Philip Morris, Rupert Rembrandt/Rothmans of South Africa, American Brands, and Gulf & Western (Clairemonte, 1981). The tobacco industry is one of the most concentrated of all industries, both worldwide and in individual countries (Clairemonte, 1981). The cigarette industry in both the United States and Canada and worldwide is a classical oligopoly linking two competitive markets: tobacco farmers and wholesalers with retailers of finished tobacco. According to economic theory, an industry qualifies as an oligopoly if the share of the market accounted for by the top four firms exceeds 80% of the total market (Adelman, 1951; Weiss, 1963). This index, commonly referred to as the industry concentration ratio, has always exceeded 80% for the cigarette industry. In both Canada and the United States, the industry ranks second to the automobile industry in concentration (Clairemonte, 1981). As a result, the North American cigarette market has been characterized by relatively high barriers to both entry of new competitors and the exit of traditional industry rivals (Caves, 1977; Porter, 1980). The entry barriers exist because competition with the oligopolists entails enormous capital outlay and heavy commitment to advertising and other promotional activities to penetrate the branded cigarettes market. The advertising and promotion bans in Canada make it impossible for a newcomer to market its brands. Exit is difficult due to huge outlays in cigarette manufacturing capacities which can not be adapted to other products. U.S. antitrust laws prohibit sale of equipment to another domestic competitor; therefore, the U.S. industry has remained with the "big six" and has not undergone consolidation through mergers, as in Canada. However, even in Canada, with the high level of regulation and anti-smoking sentiments, the industry remains profitable for the existing companies only. Newcomers have little incentive to enter this industry. Price competition among the firms has not generally occurred, with the exception when the latecomer to the U.S. market, PM, entered by offering high dealer margins in 1932 (Tesler, 1962) and then once again cut prices in 1993 to increase market share (*Economist*, 1993). Normal intra-industry rivalry has centered around advertising and product innovation.

After 1920, price competition gave way to a system of price leadership with RJR and AB gradually considered price leaders until the early 1950s. During the 1950s and 1960s, RJR and PM took on the role of price leaders. In Canada, ITL has been the traditional price leader for the cigarette industry.

The few differences between the Canadian and U.S. cigarette industries are:

- Virtually all major brands of cigarettes produced in the United States are a blend of Virginia, Turkish, Burley, and Maryland tobaccos. Canadian brands are totally composed of domestic flue-cured Virginia tobacco grown mainly in the Niagara peninsula.
- The total Canadian market is one-tenth the U.S. market proportional with the population difference.
- The Canadian market has a significant proportion of roll-your-own cigarettes.
- Even before the total advertising ban in Canada in 1991, the advertising for cigarettes has always been more restrained in Canada (MERC, 1966). This may be a reflection of Canadian culture rather than any restraint on the part of the cigarette companies.

Despite the onslaught of numerous special interest groups formed expressly to destroy the tobacco industry, it survived and expanded at the rate of 5% per annum in the 1950s, 3% in the 1960s, was stagnant in the 1970s and most of 80s, and has since suffered a slight decline of around 2% per annum in the Unnited States and around 3% to 4% per annum in Canada in the late 1980s and in the 1990s (Howard Chase Enterprises, 1976; *Levesque Beaubien Geoffrion*, 1993). Until recently, the overall domestic North American consumption increased due to increasing populations and increasing number of teenage smokers. Percentage of smokers in each age group has declined since 1964, and at least 9 out of 10 smokers have made at least one attempt to give up smoking, according to an American Cancer Society survey (Cahalan, 1991). Consumption growth has been lower than the industry's projections (Miller, 1974). Lower per capita smoking and decline in birth rates, coupled with excessive and increasing taxation and regulation points to a continuing future declining trend in North America (Cahalan, 1991).

The smoking-and-health controversy started in the United States in 1953 with the release of the Sloan-Kettering study and gathered steam with the U.S. Surgeon General's report in 1964. The Canadian recognition of the smoking-and-health controversy came on June 17, 1963, when the Minister of Health and Welfare, Judy LeMarsh told the House of Commons about the health hazards of smoking. In contrast to a preponderance of regulation in the Unnites States, the Canadian government has also concentrated on public health education to reduce smoking and health problems. In November 1963, the Canadian Conference on Smoking and Health was initiated for awareness generation (Friedman, 1975). From the program's inception, Canadian government officials have stressed the coordination of public and private efforts to reduce cigarette smoking, and a need to avoid disjointed policies such as in the U.S. conflicts between the Treasury, Health and Agriculture departments (Fritschler, 1983). In response to a proposal to ban all advertising and limit nicotine and tar levels (in response to the Isabelle Committee Report on Tobacco and Cigarette Smoking released in 1969), the tobacco industry voluntarily accepted watered-down regulation of a broadcast-media on advertising (although the B.C. government banned all forms of media advertisement), as well as a limitation on tar and nicotine levels, bringing the Canadian industry's efforts to the forefront. In general the Canadian tobacco industry has been more moderate in advertising expenditures - 50% less per capita than in the United States (Friedman, 1975). After the broadcast-media ban came into place, the total media expenditure declined and did not increase dramatically in the print media, as it did in the United States. Due to a careful analysis of economic costs and benefits of smoking, the Canadian discussion has been more rational and informed, and less speculative and strident and abrasive than in the United States (Friedman, 1975). Unlike the about-face in the United States during the Reagan years, the Canadian government has remained steadfast in its goal of reducing tobacco consumption and health hazards associated with it. The Canadian government recognized that farmers need income and not tobacco (unlike in the U.S., where tobacco is a "sacred cow") (Friedman, 1975). However, substitute revenues for the tobacco farmers is a more difficult issue that is gradually being tackled (Friedman, 1975).

From the beginning of the smoking-and-health controversy in the early 1950s, events that took place in the United States affected the Canadian tobacco industry and Canadian public policy. Since the late 1980s, however, Canadian regulation of the tobacco industry have moved ahead with high taxation policies and total advertising and promotion bans on tobacco products. The chronology of major events affecting the tobacco industry are as follows.

- Release of the 1953 Sloan-Kettering report that linked smoking to cancer and the 1954 *Reader's Digest* articles on the smoking-and-health controversy, led to a two-ear dip in cigarette sales (Taylor, 1984). As will be discussed later, however, the industry was able to counter this threat by coming out with filter cigarettes and presented them as "safer", leading to high growth rates in sales.
- The convening of the U.S. Surgeon General's Committee in 1962 and its subsequent report in 1964 (USDHEW, 1964). This report had a major immediate negative effect on demand in the entire North American market. Once again, however, this two-year dip in sales had been reversed into a healthy growth in sales by innovating low-tar and low-nicotine cigarettes.
- Health warning messages on tobacco products' packages were proposed, and irresponsible advertising targeting teenagers and ethnic groups was sought to be regulated in both Canada and the United States. In 1965, health warnings on labels and in advertisements were mandated in both countries. By 1974, 13 U.S. federal actions pertaining to smoking and health had been passed, including advertising and labelling restrictions by the U.S. Federal Trade Commission (FTC). However, once again, through a combination of political strategies involving lobbying, information control and accepting voluntary advertising restraints, the industry was able to ensure that the health warnings were considerably watered-down and no advertising restrictions were imposed. The smoking-and-health controversy was successfully obscured. In the United States, this was a major political victory for the tobacco industry, since it was

successfully able to question the FTC's power to regulate the industry, and moved the regulatory process to a sympathetic U.S. Congress, which enacted a compromise and watered-down regulations. The FTC was prohibited from exercising rule-making and regulatory powers for four years (Fritschler, 1983).

- Application of the "fairness doctrine" on media broadcasts was imposed by the U.S. Federal Communications Commission (FCC), ensuring that anti-smoking viewpoints got easy broadcast access. This resulted in a serious decline in per capita smoking in the U.S. (Miles & Cameron, 1982). In a brilliant tactical move, the U.S. industry accepted an early voluntary ban on broadcast media in January 1971 after wringing concessions on watered-down health warnings on cigarette packages and also preempting individual states from legislating on cigarette advertising and health warnings. The Canadian industry followed the U.S. industry in voluntarily accepting a broadcast-media advertising ban in 1972. The Canadian industry also voluntarily agreed to regulate the tone and content of print media advertising (Maxwell, 1981). The ban removed pressure on the media to provide access to anti-smoking coalitions and thus reversed the slide in per capita smoking. Studies clearly show that smoking in North America increased dramatically after the advertising ban (Doron, 1979).
- The 1972 U.S. Surgeon General's report on environmental (ambient) tobacco smoke led to secondary smoking legislation from 1970 onwards, starting with domestic air flights. There were 423 pieces of legislation on environmental smoke in the United States in 1975 alone. In 1977–78, the U.S. Secretary of Health, Education, and Welfare proposed a number of federal anti-smoking efforts (Pugh, 1981). The Canadian federal government started phasing in workplace smoking restrictions in 1986, following the lead established by hundreds of communities and firms across Canada in the 1970s and 1980s. The industry has been fighting an ongoing and losing battle on environmental tobacco smoke since the 1970s.
- The *Tobacco Products Control Act* in Canada proposed a phased ban on advertising and promotion of cigarettes and stronger health warnings. The ban on all forms of advertising and promotion, and limitation on sponsorship of sports and events, was introduced in January 1991. Stronger-worded health warnings covering 25% of the package were introduced in 1994. Despite a political battle, the Canadian tobacco industry could not prevent this ban, and continues to blame increased smuggling of U.S. cigarettes into Canada on this ban among other factors. Similar demands for a complete advertising ban are being discussed in the U.S. anti-smoking groups across North America are attacking the association of athletic events with cigarette promotion. It is likely that demand will further decline under these onslaughts, and also under government-sponsored and funded anti-smoking campaigns in Canada and several U.S. states. There were 72 bills pending in the U.S. Congress aimed at curbing smoking, increasing ban on smoking in public areas, increasing taxation, and anti-smoking campaigns in schools, in 1993 (Dunbar & Ahlstorm, 1994). The U.S. House of Representatives Subcommittee recently voted to raise cigarette taxes in the United States by US$1.25 per pack (Rublin, 1994).
- The introduction of plain and generic packaging of tobacco products in Canada is the major battle that the industry is fighting at the moment. This threatens not only the Canadian industry, but also has the potential for influencing regulation in the United States.
- The controversy continues in the U.S. over manipulation of nicotine levels and cover-ups of smoking and cancer links by the cigarette industry. This has led to statements by David Kessler, the U.S. Food and Drug Agency Commissioner that there may be a legal basis for regulating tobacco as a drug (Rublin, 1994). Any such regulation in the United States will have important ramifications for public policy in Canada.

It would seem that this escalating tide of anti-smoking sentiments and events would drive the tobacco products industry to rapidly diversify into other products and totally withdraw from tobacco. As will be discussed in the following sections, however, the industry has adopted strategies to fight these trends and government regulation every inch of the way.

Strategies of Organizational Adaptation in the Tobacco Products Industry

This section discusses the patterns of strategic adaptation adopted by the U.S. and Canadian tobacco industries over the last 40 years. The adaptive strategies of the industry are discussed in terms of the corporate objectives of economic efficiency and legitimacy, and the creation of new growth opportunities and security. These are business activity domains that can be generalized across any complex or large business firm globally (Perrow, 1979). This discussion is framed within the competitive and institutional context of these tobacco firms (Selznick, 1957). In response to the defining events in the external environment of the tobacco industry, the following strategies were adopted jointly by the industry and individually by firms.

Strategies for the Preservation and Restoration of Legitimacy

Under current societal value systems, legitimacy is a vital and necessary, but also secondary, objective for most industries. Even the alcohol and armaments industries do not have to wage a daily struggle to assert their legitimate role in society, even though large sections of society do not approve of their products and activities. Economic efficiency continues to be the guiding concern for these industries as long as they can manage to meet government regulation (especially the current emphasis on environmental preservation) and avoid getting embroiled in major scandals. Some other industries, such as the cocaine or heroin industries, are illegal and have no possibility of restoring their legitimacy through any kind of strategic moves. Consequently, such industries are not concerned at all about legitimacy. However, it would be fair to say that the increasing societal expectation of corporate social responsibility, and the increasing number of social problems that confront management, has led to a higher concern for legitimacy among a variety of other industries (Davidson, 1992). The tobacco industry in North America and in several European countries has been on the borderline of legitimacy during the last 40 years. This industry has survived during this period by keeping the smoking-and-health controversy alive and continuing to deny any causal linkage between cigarette smoking and disease. This ambiguity has provided the industry with the time and opportunity to continue to pursue its other objectives successfully - economic efficiency,

growth and security. This has been done with support from vested interests such as tobacco growers, the advertising industry, wholesalers and retailers of tobacco products, sections of the government who consider the huge revenue, export earnings, and employment potential of the industry as vital - and of course, the millions of smokers. The industry's efforts at legitimacy restoration are discussed first since this has been the cornerstone of its past strategies, and will also be the future focus of organizational adaptation strategies.

The threat to the legitimacy of the cigarette industry came from a continuous wave of scrutiny and publicity accompanied by a long and cumulative series of government regulations restricting their ability to do business, as discussed in the previous section. The scrutiny and opposition of anti-smoking groups and government regulations: threatened historical growth patterns of the industry; affected profitability; denied access to public broadcast media all other forms of advertising and promotion in Canada; put increasingly stronger-worded and larger health warning labels on products; forced the companies to enter unfamiliar businesses; threatened the careers of their senior managers; and tarnished their image. Had these threats come from the markets, these companies may have been on familiar ground, having competed since inception in this familiar business domain. However, these threats came from the institutional environment surrounding the tobacco business.

Studies showed that health care costs and loss of earnings in the United States and Canada totaled more than the tax revenues from cigarette sales and foreign exchange revenues from exports of tobacco and tobacco products (Luce & Schweitzer, 1978). In terms of economic theory, these emerged as major externalities or negative diseconomies of the production function of these companies, threatening their economic efficiency. The fading legitimacy of the cigarette industry is illustrated by the public apology rendered by the U.S. Department of Defense in 1990 for its mistake in distributing free cigarettes donated by PM and RJR to the U.S. forces in the Persian Gulf, admitting that this was contrary to the Department's policy of discouraging smoking (Davidson, 1992). In contrast, during the second world war, cigarettes were essential rations for soldiers. Governments can no longer deny the health consequences of smoking. Estimates of annual smoking-related premature deaths are 434,000 in the United States, 35,000 in Canada (Fraser, 1988), and 2.5 million worldwide (Okie, 1991). The U.S. Department of Health and Human Services now estimates that smoking causes 90% of lung cancer deaths (and 30% of all cancer deaths), in addition to heart disease, stroke and chronic pulmonary disease (USDHHS, 1989) in the United States and Canada. Former U.S. Surgeon General Everett Koop startled the western world with his announcement that tobacco is every bit as addictive as heroin. Secretary of the U.S. Department of Health and Human Services, Dr. Louis Sullivan, estimated the cost of smoking to the American society has reached US$52 billion per year (Hilts, 1990). The bad news regarding the effects of smoking on health continues to mount. As if all the above facts were not damaging enough to the tobacco industry, the new dimension of health problems from "environmental tobacco smoke" (ETS), or passive smoking has created major problems for the industry. This has led to what McGowan (1989) has termed "the third wave" of regulation. The first wave was the break-up of the tobacco trust in 1911, and the second wave followed the discovery of the linkage between smoking and cancer in the 1950s and 1960s. The U.S. Surgeon General's report on the Health Effects of Involuntary Smoking (USDHHS, 1986) highlighted research linking passive smoking with lung cancer and heart disease, and the U.S. Environmental Protection Agency released in 1990 a preliminary draft of a report that concluded that 3,800 Americans die each year as a result of lung cancer induced by mere exposure to second-hand tobacco smoke (Glantz, 1990).

In order to preserve and restore the legitimacy and credibility of tobacco products, and thus enable it to continue to achieve its other business objectives, the industry separated the institutional threat into political and market domains. Defining the institutional threat as a domain problem necessitated collaborative strategies (Gray, 1989). Since the tobacco manufacturers constitute a classic oligopoly in both the United States and Canada, it was considered easy and also advantageous to pool resources of the manufacturers to defend the legitimacy of the business in the political domain. The guiding philosophy behind collaboration was that admitting that cigarettes are harmful would have ruined the industry economically through a flood of liability lawsuits, and would have resulted in an outflow of smokers (Taylor, 1984). Guided by the advice of scientists and public relations experts, the industry constructed two lines of defense: (a) The **commercial defense** was that they were selling a legal product, and that they were not doctors. If the governments believed what their medical experts told them, it was up to them to act. (b) The **medical defense** was that the case against cigarettes was not proven and the precise causal mechanism by which cigarettes caused cancer has never been identified. This has been called the "tightrope policy" followed by the industry associations (Taylor, 1984). Based on this philosophy, which the industry has continued to date, the collaborative efforts were carried out by setting up joint ventures. There were two primary objectives of the joint ventures: the creation and control of vital information about the health consequences of cigarette consumption; and the lobbying and co-optation of the influential elements of the institutional environment (Friedman, 1975). Thus, the collaboration resulted in the formation of industry associations which acted as conduits for large amounts of resources for the control of research and information on the smoking-and-health controversy. Regulations were also politically lobbied against to co-opt influential elements of the institutional environment, while beating tactical retreats where victory was impossible, and at the same time negotiating to obtain substantial regulatory concessions. This defense strategy has been remarkably successful, since the tobacco industry has managed to keep its profit base largely intact for over 40 years, giving it valuable time to follow other objectives of efficiency, security and growth.

At the individual firm level, major capital expenditures for in-house research facilities were expanded and research sponsored by eminent scientists and medical-research institutions was funded. Major reallocations of research expenditures from tobacco yield and manufacturing efficiency to the relation between smoking and health were made (Miles & Cameron, 1982). The traditional section featuring "tobacco yield and cigarette production research" in the tobacco companies' annual reports was scrapped in 1953. In its place, beginning with 1954, all firms published lengthy statements on the issue of smoking and health, and strong arguments were advanced to counter and minimize the conclusions of the anti-smoking forces. Most reports indicated that the controversy was only temporary. Despite this nonchalant

attitude, annual reports also reported that research funding within all companies on tobacco and tobacco smoke were stepped up and large grants awarded to medical colleges to study the physiological effects of smoking. It was as if the tobacco companies wanted to know the truth for themselves while denying it to the public. The traditional competitive relations among the rivals in the tobacco domain began to coalesce around the issues posed by the legitimacy threat in an attempt to influence or overpower anti-smoking elements in the institutional environment.

Throughout the early 1950s, individual firms initiated defensive strategies primarily on their own as each felt the need to do so. But by the mid-1950s, the smoking-and-health threat had become recognized as serious by all members of the industry. It was at this time that they began to pool their resources and to carefully orchestrate their responses to this major event in their institutional environment. One by one, strategies of individual firms that were oriented toward defense of legitimacy became institutionalized into formal, collaborative efforts as external events unfolded. The joint ventures formed by the tobacco industry in the United States were: the Tobacco Industry Research Committee, U.S.A (TRC), formed in January 1954 (later renamed the Council for Tobacco Research, U.S.A.), which made huge grants to fund research on smoking and health; the Tobacco Institute (TI), the primary lobbying arm of the "big six"; and the Cigarette Advertising Code Inc., which tried to enforce the industry's attempt to police its own advertising practices during the years immediately preceding the broadcast-media ban on cigarette advertising. In Canada, the industry formed the Canadian Tobacco Manufacturing Council (CTMC), which acts as the industry's information control and lobbying arm. The head of CTMC has usually been a chairman of one of the big three tobacco companies in Canada. Four primary strategies were used to defend the threatened legitimacy in the political domain.

The creation and control of smoking-and-health information

A vital part of the industry's success has been in, beginning in 1954, dissemination of information that smokers wanted to hear from believable sources. The information provided in the tobacco campaigns gave people another source of support for their habit. By insisting that the link between lung cancer and tobacco use is not conclusive, they have kept the speculation alive and the smokers continue to find a justification to continue smoking. The public relations firm of Hill & Knowlton hired by the U.S. tobacco industry cleverly stayed in the background and presented the Tobacco Industry Research Committee, U.S.A (TRC) (renamed the Council for Tobacco Research, USA), as an objective and scientific source of information. The Tobacco Institute, U.S.A. (TI) was also founded by Hill & Knowlton in 1958. While the TRC has continued to sponsor research on the smoking-and-health controversy, the TI has handled public relations for the industry. In Canada, the CTMC was the joint venture formed by the tobacco industry. The CTMC and the TRC were joint ventures of tobacco growers, wholesalers, warehousers, manufacturers and dealers, and contained eminent scientists from the fields of pharmacology, physiology, pathology, surgery, statistics, etc. During 1954–1964, the TRC awarded grants of US$7 million to 230 scientists in more than 100 hospitals, universities and research institutions. This was also to preempt them for working on behalf of regulators and anti-smoking groups. A grant of US$10 million to the primary physicians lobbying group, the American Medical Association, brought the cigarette industry valuable support from the AMA regarding the inconclusiveness of the causal link between smoking and health. The objectives were also to create interdependencies with the gatekeepers of medical information and to build up a strong information database on smoking and health. In Canada, the CTMC provided joint research grants to independent research groups such as the Ad-Hoc Committee on Smoking and Health of the Canadian tobacco industry and the National Cancer Institute of Canada (Friedman, 1975).

The second major jolt that threatened the legitimacy of the industry, by identifying tobacco products as a major national health problem, was the U.S. Surgeon General's report in 1964. Immediately after the report, the funding to the TRC exceeded the cumulative funding by the member companies in the last 10 years. By 1975, this funding had reached seven times the level in 1962. When the Federal Trade Commission, U.S.A. (FTC) announced initiatives to require health warnings on labels, the "big six" provided an unrestricted research grant to the American Medical Association (AMA), which then refused to support the FTC's initiative in the labelling-regulation hearings of 1964 (Fritschler, 1983). By 1975, AMA had been provided with US$18 million by the "big six." The tobacco industry had financed more smoking and health research in the United States than all government and private agencies combined (Taylor, 1984). This made the industry the most knowledgeable source of information on smoking-and-health and also the first to know about any research developments. The industry was able to control the information so that it was not available to regulators to formulate public policy. Regulators had to rely on private companies for data necessary to formulate regulations, giving the cigarette producers control over the pace of the regulatory process by creating a resource dependence on a valuable resource - information (Pfeffer & Salancik, 1978). This massive database also gave the industry lead-time to adapt to any new information on the controversy. The U.S. government eventually began to rely on TRC annual reports on advancements in smoking related research (Taylor, 1984).

The tobacco industry to date has insisted that the only evidence for connections between smoking and disease is statistical in nature. It has argued that as statistics can be manipulated to prove anything, statistics alone are not acceptable as evidence connecting smoking behaviour and disease (Dunbar & Ahlstorm, 1994). It also insists that as scientific evidence that conclusively links specific aspects of the smoking process to specific aspects of the disease is not yet available, conclusions are speculation and there is, therefore, no reason to take action on them. It professes to look for possible connections between smoking and disease itself but, despite its best efforts, has not been able to find any evidence that satisfies its own high standards of proof.

It has been extremely difficult for outsiders such as governments and regulatory agencies such as the FTC in the United States, to know the impact of cigarette advertising practices, and how the nicotine content of cigarettes is managed, or what the long-term impact of smoking on health may be (Fritschler, 1983). In this situation, the outsiders have depended upon insiders for information, and insiders have used this dependence to promote their own

interests and to manipulate and to distort the outsiders' views to promote unnecessary confusion (Pfeffer & Salancik, 1978). The FTC relies on tar and nicotine tests performed by the testing laboratory of the TI and it has recently expressed dissatisfaction with the test reports. The FTC feels that these tests do not reflect the way smokers smoke - people smoking lower-tar cigarettes often inhale deeper and take more puffs on cigarettes. The FTC has asked the National Cancer Institute, U.S.A., to review testing procedures, sparking a strong protest from the TI (*Calgary Herald*, 1994(b)). Decisions that serve the general good have been almost impossible to make. From a uniquely public health perspective, banning cigarettes probably makes sense, but the resulting economic and social disruption could be so major as to make such a step politically impossible. This aspect of the industry's collaborative strategy has achieved what it had set out to achieve - control over smoking-and-health related information and research, and making the regulatory authorities dependent on this information.

The lobbying and co-optation of gatekeepers in the institutional environment

Mahon (1989) writes that just as firm's business strategies seek to gain competitive advantage, their political strategies seek to gain control of an idea or movement and deflect it from the firm. Thus, a major effort of the tobacco industry has been to shift the emphasis from the smoking-and-health controversy to other issues such as individual smokers' rights and the denial of medical claims. In the United States, this function was primarily handled by the Tobacco Institute (TI), formed in 1958 with the following objectives in 1958 (Dalton, 1981):

- To create a better public knowledge and understanding of the important position tobacco occupies in the U.S. economy, its place in history and its positive contribution to people in relaxation and employment.
- To create a better public understanding of facts regarding tobacco use and health, and of the contribution the industry is making to the efforts of science to find answers to health questions.
- To provide the means and resources for meeting anti-tobacco attacks, including adverse government proposals and actions.
- To secure recognition for the TI as the central source of authoritative information concerning all aspects of the industry with which the industry is concerned.

In Canada, the CTMC has carried out the dual roles of information control and lobbying for the industry and other interest groups in the tobacco domain. It has also concentrated on compilation of documentation suggesting possible weaknesses in the link between smoking and health hazards (MERC, 1966). The CTMC has termed its mission as "the battle of the titans" between the tobacco industry, allied interest groups, the activists for freedom and rights vs. the anti-smoking groups, the health groups, and regulators (John, 1988). Just as the CTMC is controlled by the chairmen of the Canadian big three, the TI's activities are controlled by the CEOs of the "big six". It draws its revenues from the "big six" in ratio of the domestic market held by each in the preceding years.

The CTMC and the TI went about achieving their objectives by awarding large grants to gatekeepers in industry-relevant research fields. Attempts by individual firms to rally their local constituencies to support the individual right to smoke gave way, as regulations stepped up and as the FTC entered the arena in the United States, to a concerted lobbying effort (Fritschler, 1983). When U.S. cigarette companies advertised that filtered cigarettes reduced tar and nicotine, FTC sought to regulate this as a false health claim. Efforts to counter the threat posed by the FTC's were orchestrated by the jointly sponsored TI, and involved tobacco growers, warehousers, manufacturers, wholesalers, retailers and advertisers, and politicians from tobacco-growing states (Fritschler, 1983). Besides an industry coalition, the potential allies in this lobbying effort were the dependence of many important constituencies on the industry under threat. In the United States, tobacco land entitlements have created a wealthy and politically strong farmer lobby. Similarly, tobacco quotas issued by Marketing Boards in Canada have provided privileged income to tobacco farmers in Ontario and Quebec. In the U.S. senate, nearly one fourth of the committees were chaired by men from the six tobacco states in the 1950s and 1960s (Fritschler, 1983). In contrast, in Canada, the tobacco lobby has never been strong.

In Canada, the federal government issued its Trade Regulation Rule for the Prevention of Unfair or Deceptive Advertising and Labelling of Cigarettes in Relation to Health Hazards of Smoking in June 1964 (MERC, 1966). The FTC passed a similar Trade Regulation Rule in September 1964 after having commenced hearings in 1963 on health warnings on labels and advertising bans. While the CTMC in Canada accepted restraint in advertising or a policy of "sweet reasonableness" (MERC, 1966), the TI in the United States decided to tactically switch the issues. Instead of fighting the smoking-and-health connection, it fought on the legitimacy of FTC's rule-making authority. The objective was to wrestle away these issues from the unsympathetic FTC to a sympathetic U.S. Congress packed with senators from tobacco states (Fritschler, 1983). The TI insisted that democracy was threatened when unelected bureaucrats in administrative agencies were allowed to exercise public-policy making powers. The TI knew that while there were many pro-tobacco congressmen, there were at that time no pro-health congressmen. The concentration of tobacco growing in a few states in the United States enhances their political influence through 40 senators totally committed to tobacco. The cigarette manufacturing industry is also concentrated in three states - North Carolina, Virginia and Kentucky account for more than 99% of the value added by cigarette manufacture (Friedman, 1975). In return, and to appease the anti-smoking groups, the TI persuaded the "big six" to accept health warnings on packages in exchange for unfettered right to advertise and prohibition against states' rights to develop their own health warnings. The health warnings accepted by the industry were considerably watered-down and milder than those proposed by the FTC (Taylor, 1984). The "big six," one month after the start of the FTC hearings also formed the Cigarette Advertising Code, Inc. to establish and maintain a self-policing advertising code. The objective was to indicate to Congress and the public that the industry was interested in regulating itself and that the FTC was an unnecessary obstacle to self-regulation in a free-market economy (Fritschler, 1983). The advertising industry, broadcasters and newspapers, fearing loss of revenue, also allied themselves with the cigarette industry. Under these pressures, the hearings were transferred to

the Congress, where as expected, the tobacco lobby won. The *Cigarette Labeling and Advertising Act*, 1965, passed by the U.S. Congress, asked for diluted health warnings on packages, and did not require any restraints on advertising or any health warnings in advertisements. This act also imposed a moratorium of four years (later extended to six years) on individual states from requiring health warnings in cigarette advertising and on rule-making powers of the FTC. The industry had just bought another six years to develop further strategies of defense and offense. FTC's efforts during the 1970s to report on the unfair and deceptive advertisement and promotion strategies adopted by the tobacco industry culminated in the U.S. Congress restricting FTC's powers in 1980 to conduct investigations without providing specific violations that were the subject of the inquiry (Taylor, 1984).

The second ground over which the industry fought the battle was the social acceptability of smoking. Consumers are the vital link in the "smoke ring" (Taylor, 1984) and the industry has endeavoured to ensure that they do not defect. The industry has fought battles over "second hand smoke" or "passive smokers," smoking in public places, smoking on aircrafts, smoking in workplaces, smoking in restaurants, etc. The earlier battles had been won because the smoker was the target and the smoker had not given up smoking; therefore, the cigarette sales had continuously increased. This time the battle was different - the rights of the non-smokers had become a powerful political movement. The industry had so far argued about the freedom to smoke. What the smoker did to himself was his own business, but what he did to the non-smoker was now a very different matter. The tobacco industry now resorted to public affairs management rather than public relations. Public affairs is defined by Taylor (1984) as political affairs management. The goal or strategic mission of public affairs is the protection of future market availability for the corporation's product or service and not just to justify past and current actions as is done by public relations. The industry's joint strategy was to build up political support within each of the cigarette companies by convincing each one of its tens of thousands of employees, from board room to factory floor, that they had a vital interest in the industry's political success. This would demonstrate a substantial community support for the industry. The employees at all levels, and specially salespeople in their sales reports, were to send immediate alerts and warnings of any political or other developments that might be harmful to the company and to the tobacco industry. They also fought hard to keep the industry united through all this and absolutely refrained from fighting on the health issue, but fought on the issue of freedom and civil liberties for smokers. This policy can be seen in the current advertisements for Benson & Hedges cigarettes in the U.S. print media, which depict cigarettes as an anti-hero and using the binding ties of adversity to create new customer affinities for this brand (Bissell, 1994). The Canadian government's decision to enforce non-smoking in public places met with ridicule from industry. At that time they ran advertisements showing occurrences of violent crime and chaos while the police were busy catching decent looking people smoking in restaurants (Taylor, 1984).

Realizing that California was a weathervane for the country, the tobacco industry poured in millions of dollars during 1978–80 into building grassroots movements that lobbied for freedom from regulation, promoted false figures of costs of taxation and regulation to enforce anti-smoking bans, and raised nightmares of law and order breakdown as police spent all their time enforcing no-smoking bans (Taylor, 1984). The TI also sponsored an economic study to determine who bears the cost of smoking. Using questionable and debatable arguments, a group of economics professors from U.S. universities concluded that the smokers bear all the costs of smoking without imposing any costs on non-smokers, and that governments are curtailing the freedom of citizens through their anti-smoking policies (Tollison & Wagner, 1988). This study raised the spectre of a totalitarian state that would rob the citizens of all rights beginning with tobacco restrictions. The industry won the earlier battles over environmental smoke. Carter's crusading Secretary for Health, Joe Califano had to resign in defeat to powerful tobacco interests (Taylor, 1984). All this changed with total support for the tobacco lobby by the Reagan administration. Subsequent to the new report by the U.S. Surgeon General, efforts made by FTC in 1982 to strengthen the warnings on cigarette packets and advertisements were defeated directly by Reagan's explicit commitment to the tobacco lobby. According to Taylor (1984), at that point of time, the "smoke ring" in the United States was complete, having embraced the White House as an integral part.

Thanks to the effective lobbying of the TI, tobacco is specifically exempted from coverage under several laws governing the sale of consumer products in the U.S. - the *Consumer Product Safety Act*, the *Toxic Substances Act*, the *Fair Labeling and Packaging Act*, the *Federal Hazardous Substances Act*, and the *Controlled Substances Act* (Davidson, 1992). To preempt over 95,000 local units of government from independently enacting anti-smoking ordinances, the TI has successfully restricted this power first with the Congress in the 1960s and 1970s, and recently with the 50 state legislatures where they have an effective lobbying presence (Davidson, 1992).

In Canada, with the federal government controlling regulation, tobacco control measures have been more severe. In 1986, the government advocated stronger-worded health warnings on cigarettes covering 20% of the package and a total media ban on advertising. At first, the CTMC sent Minister Epp a proposal that would continue the industry's voluntary advertising ethics code to include: rotating health warnings such as those in the United States; tar/nicotine and carbon monoxide labelling; working with retailers to eliminate sales to underage smokers; and limiting yearly industry-wide advertising expenditure increases to three fourths of the inflation rate (John, 1988). The CTMC assumed that this would be accepted just like the voluntary broadcast-media ban in 1972. The CTMC also took out full-page advertisements in the national press and undertook a letter campaign to elicit support from freedom and rights activists. The campaign pointed to such economic facts as the employment of 60,000 Canadians in the C$6.4 billion tobacco industry - growing, manufacturing, and selling tobacco products (*Maclean's*, 1987(b)). However, when the government did not shift positions but passed legislation, the tobacco companies brought lawsuits against the government under the Charter of Rights and Freedom. They accused the government of expropriating the packages of a legal product and suggested that if Ottawa could force warnings that cover 20% of the package, why not 80%? When a member of the opposition introduced Bill C-204 in the Canadian parliament in 1986 to prohibit cigarette advertising under the *Hazardous Products Act*, and thereby allowing anti-smoking groups to resort to legal means to control tobacco, the CTMC borrowed a leaf out of the TI's tactics book in trying to create a rift within the

federal government. The director of public relations of ITC said that there was no way that the opposition party could dictate policy to the majority party in Canada (John, 1988).

The industry has always presented itself as well organized and coordinated. In contrast it has presented anti-smoking groups and regulatory agencies as confused, in disarray, and with differences of opinion (especially in the U.S.), leading to several credibility-based disavowals of anti-smoking groups proposals (Fritschler, 1983). The industry presents the anti-smoking coalition as meddling, disrespectful, harassing and naive while members of the anti-smoking coalition depict the industry as incorrigible, deceptive, untrustworthy and lying (Dunbar & Ahlstorm, 1994). Cigarette firms, in contrast, maintain they promote a harmless product that helps people relax. They point out how they have been generous in their financial support of communities, promoting the welfare of the arts, sports and minority groups. Anti-smoking groups, on the other hand, claim they are fighting an uphill battle against a well-financed foe which uses unscrupulous tactics to gain institutional support (Dunbar & Ahlstorm, 1994). At stake, they claim, is the nation's health and also the world's health, which is threatened by continuously promoted tobacco addiction (Blum, 1983). As a result of the industry's competitive activity in an institutional arena, this issue has become both so well known and also so fragmented that it has become almost impossible for governments to act on it in a comprehensive way (Dunbar & Ahlstorm, 1994).

Control over advertising and promotion avenues

The U.S. tobacco industry formed an association known as the Cigarette Advertising Code Inc., to voluntarily restrain advertising content by member firms in order to preempt or soften regulation in the form of advertising bans. This was an important initiative since governments and regulatory agencies pointed to evidence that while cigarette advertising rearranges market share by increasing firm-level demand relative to rivals' demand, it also increases total market demand for cigarettes (Seldon, Bannerjee & Boyd, 1993; Whelan, 1989). The industry has always argued that advertising is to promote brands of cigarettes among present smokers and not to promote smoking per se or increased smoking. However, this has not been borne out by studies that showed increased smoking among younger people (Friedman, 1975). The industry was able to successfully hold out against advertising bans throughout the 1960s—in Canada by accepting voluntary constraints and in the United States by fierce political lobbying. When the broadcast-media ban was proposed in Canada, the CTMC argued that the availability of U.S. television and radio programs in Canada would provide unfair advantage to U.S. brands.

Attempts by individual firms to restrain their advertising programs were superseded by a joint self-policing code designed to preempt initiatives by the federal government in Canada and the FTC, the FCC and the U.S. Congress, to restrict and ultimately ban broadcast-media cigarette advertising. The Canadian industry, in response to the federal moves, adopted a "sweet reasonableness" in advertising to avoid a legislative ban on advertising (MERC, 1966). The health warnings were introduced on cigarette packs in Canada in 1966, but the advertising ban did not come into force until the industry adopted a voluntary broadcast-media advertising ban in 1972. In contrast, the U.S. industry chose to fight legislation until they were forced to accept a voluntary broadcast-media ban in 1971. All forms of advertising have been banned in the Canada since 1991, and in the U.K., cigarette companies can only show the cigarette pack in a "tombstone" format and not connect the advertisement to any lifestyle or health situations (Taylor, 1984). However, print advertising in the United States is marked by its lack of restraint (Fritschler, 1983).

The FTC, bereft of rule-making powers after effective lobbying by the TI, continued to make recommendations for advertising ban and stronger health warnings. During the late 1960s the FTC subpoenaed the "big six" to provide detailed information about advertising and the effect of market practices on consumer behaviour. Knowing that this information was vital to enable regulations to be formulated, the TI litigated for loss of confidentiality in market competitive data, and was able to buy at least ten years before the member firms were forced to provide this information by end of the 1970s.

In 1967, the FCC insisted on the "Fairness Doctrine" requiring all broadcast media to allow easy access of significant amounts of time to anti-smoking groups to enable them to air their point of view to a public already bombarded with smoking messages (Fritschler, 1983). This caught the "big six" off-guard. Faced with this action and moves for media-broadcast ban, the tobacco industry accepted the media-broadcast ban voluntarily provided they got six months notice from FTC about any rule-making activity affecting tobacco industry. All these actions bought the industry at least another ten years to follow other strategies and resource allocations to ensure their survival (Miles & Cameron, 1982). Before the ban, 80% of the cigarette industry's advertising expenditure was targeted to the broadcast media. The tobacco industry had already honed strategies for printed and outdoor advertising in response to earlier broadcast-media bans in Scandinavian countries, and switched immediately and with vigour to the minor media. The print and outdoor media expenditure in the United States increased by 277% in 1971 over 1970. In contrast, the increase in Canada was marginal. The industry also succeeded in pressuring the print media to refrain from discussing the smoking-and-health controversy. From the 11-year period preceding the broadcast ban (1960-1971) to the 11-year period following it (1971-1982), magazines carrying cigarette advertisements reduced their coverage on smoking and health by 65%, statistically significant as compared to magazines that did not carry cigarette advertisements (Warner & Goldenhar, 1989). Studies also revealed that the average American consumer was able to read the content and brand names of cigarette advertisements on billboards and taxicabs but was not able to read the health warning (Davis & Kendrick, 1989). The industry also flouted the broadcast media ban by paying to include their brands in films targeted toward younger audiences, e.g. the Superman movies, Supergirl, and the James Bond films (Cahalan, 1991). Cigarette smoking is shown on 87% of the PG-rated films that are seen by small children at home on VCR (Cahalan, 1991). Despite this increase, the total drop in advertising expenditure of the "big six" was around US$200 million per year, releasing funds for acquisitions and diversification. As mentioned before, in Canada, there was no increase in print media advertising, releasing around C$80 million to the industry (Friedman, 1975). Due to their oligopolistic control of the markets, this did not affect their market shares or relative competitive positions. Expenditure also increased

on sports events, arts events and foundations, and promotional schemes. However, soon low-tar cigarettes started another trend of increasing sales—28% of the market in 1978 were low-tar cigarettes and 50% of the advertising expenditure was spent on them. Under the fairness doctrine, 1,200 anti-smoking messages were broadcast in media in 1969-70 before the ban. This led to a greater reduction in smoking as compared with the ban itself. Therefore the industry had the foresight to voluntarily accept the ban. This led to the elimination of obligation to air anti-smoking messages on the part of broadcasters - leading to elimination of negative publicity at one stroke (Doron, 1979). The U.S. industry had lost sales of 3 billion cigarettes in the three years of anti-smoking fairness doctrine. In contrast, only an estimated 1.7 billion cigarettes in sales were lost in the four years after the ban (Doron, 1979). According to Riker (1979), the ban made the companies financially stronger and increased total and per capita sales of cigarettes. The per capita consumption of cigarettes began to increase after the ban every year from 1971 to 1976, reversing the trend created by the fairness doctrine. The market power of the existing tobacco firms increased as the ban created a formidable entry barrier to new competitors. New competitors could not enter since they had no means of promoting their new brands (Doron, 1979). This seemed like a big victory for the tobacco industry. Looking at the U.S. experience, the Canadian industry voluntarily accepted a broadcast-media ban in 1972.

The controversy around advertising returned with the introduction by RJR of their cartoon character, Joe Camel. Anti-smoking forces argue that children identify with this cartoon character and, as a result, are implicitly encouraged to begin smoking at an early age. On February 24, 1994, the U.S. Surgeon General, M. Jocelyn Elders issued a report saying that smoking rates among teens had not changed over the past decade and blamed the US$4 billion in advertisements and promotions spent by the cigarette industry (Mallory, 1994). She specially targeted the Joe Camel cartoon used by RJR. In 1991, the *Journal of American Medical Association* accused RJR of using the camel character of hawking cigarettes to underage smokers. In response, RJR has pushed the advertisement campaign more aggressively and has attacked articles in the journal (Mallory, 1994). Tobacco companies also give financial support to the American Civil Liberties Union (ACLU), which has endorsed the industry's position concerning "rights to free speech." This relationship is controversial not because of rights to free speech but because of the associated social obligations to report truthfully on the dangers of smoking which often seems in contrast to the industry's practice of denying and distorting evidence.

Roughly 90% of sponsorship money of the cigarette companies still goes to sport and the balance to the arts (Taylor, 1984). This enables them to associate cigarettes with healthy, glamorous and life-enhancing activities; it polishes their corporate image; it enables them to create goodwill among the public; it gives them access to prestigious and powerful people and institutions involved in sports and arts; it makes financially pressed governments and governing bodies even more dependent upon them; and it enables them to get around the advertising ban. When tobacco companies sponsor the arts, they buy not television exposure but prestige and respectability. They buy it cheaply, effectively and without any of the restrictions they face in sponsoring sport. Although they spend only 10% on arts, this enhances their image considerably as public benefactors (Taylor, 1984). When the Canadian government proposed a ban on all sports and cultural promotions in 1987, hundreds of arts and entertainment groups wrote to the government expressing concerns over bankruptcy and ultimate closure (*Maclean's*, 1987(b)).

The advertising ban proposed in Canada under the *Tobacco Products Control Act* in 1987 included stronger and bigger health warnings on packages and also restrictions on promotional strategies. The CTMC claimed that the advertising ban violated their freedom of speech, granted by the Charter of Rights and Freedoms, to disseminate information for a legal product. The CTMC first proposed a voluntary advertising restriction and restraint; then it asked 20,000 tobacco retailers to send letters to their Members of Parliament; then it took out full-page advertisements in the newspapers and undertook a letter campaign to elicit support from smokers and rights activists (John, 1988). When the National Cancer Society, Canada presented Dr. Kjell Bjartviet, from Norway, in a press conference to explain the reduction in smoking in Norway consequent to an advertising ban, the CTMC brought in Professor Jean Boddewyn of City University of New York to make a written deposition to discredit the Norwegian claims (Fraser, 1988). The companies also individually protested that since corporate sponsorship would be allowed while brand name sponsorship would be banned, it would provide unfair advantage to companies selling under corporate names - Rothmans and Benson & Hedges. Since 66% of the magazines read in Canada are U.S. magazines, and 85% of all Canadians live within 100 miles of the U.S. border, the CTMC argued that a total advertising ban would result in an inflow of smuggled U.S. cigarettes. When the CTMC litigated, a Quebec judge agreed in 1991 with the industry's contention of restriction of freedom of speech, but the decisions was reversed in subsequent appeals in the Quebec Court of Appeals Thus, in Canada, due to centralized federal authority, the tobacco industry has not been able to take advantage of the disarray within government agencies as it has done in the United States. While the U.S. tobacco industry has persuaded the U.S. government to refrain from total advertising ban, data from Sweden, Finland, Norway, and now Canada, seem to suggest that total advertising bans have led to greater success in cutting down the incidence of smoking among teenagers (Taylor, 1984). In Canada, after a total ban since 1991, the incidence of smoking continues to decline (*Levesque Beaubien Geoffrion*, 1993).

Coalition Building

The political and legal strategies of the tobacco industry have led to some unexpected coalitions, especially with African-American and other minority groups, and organized labour. Minority groups have been slower to cut back on smoking, and cigarette companies are heavy advertisers in minority-owned media. Consequently, this alliance has battled anti-smoking regulation as discriminatory against minorities and poorer sections of society (Levin, 1988). They have allied with organized labour to protest that workplace restriction on smoking is discriminatory. A recent booklet financed by the TI warns workers that restrictive smoking rules are a "smoke-screen" allowing management to avoid safety improvements and liability for industry health problems (Levin, 1988). More understandable coalitions are those forged

with various components of the advertising industry, tobacco growers, wholesalers and retailers. These groups have helped tobacco industry stall or limit legislative attempts to impose new restrictions on advertising in the United States (Davidson, 1992). When a ban on sports and cultural sponsorship by cigarette companies was proposed in Canada, organizers of sports events, as well as hundreds of arts and entertainment groups, including symphony orchestras that received grants from the industry, wrote letters and protested to the government (*Maclean's*, 1987(b)). The Canadian Advertising Foundation and the Outdoor Advertising Association of Canada collaborated with the CTMC to propose self-regulation of cigarette advertising in order to prevent a total ban on media advertising (*The Ottawa Citizen*, 1988). They protested that they would lose C$100 million in revenue, lay off 200 workers, and at least 13 advertising firms would go bankrupt (*Ottawa Citizen*, 1988).

The subjugation of individual interests to collaborative actions led to competitive advantage for the whole industry. Collaborative strategies became an automatic reaction for the industry whenever the question of legitimacy arose even for a single cigarette firm. When Peter Taylor's film "Death in the West" depicting the smoking-related death of six ex-Marlboro advertisement models was to be aired, the industry rallied behind PM to prevent the film being shown on television (Taylor, 1984). According to Pfeffer & Salancik (1978) such trade associations are formed by industries when faced by a major external threat or stimulus. Although these collusive actions were for political goals, the net result was improvement in competitive positions and hence market control. In the United States, the companies managed to collude for market control while evading the antitrust legislation.

The conditions necessary to motivate individual firms to collaborate were present. Factors that facilitated these collaborative strategies were the existence of an oligopoly of a few firms that makes coordination easy, and homogeneity of business. External threats affected the firms with similar product lines and similar market segments similarly, providing them with a focus or common problem domain that encouraged collaboration (Gray, 1989). Competitors believed that they could achieve greater economies of scale and greater concentration of power by pooling resources and by taking a united stand to deal with external threat - but only to the extent that their individual thresholds of discretionary behaviour were not exceeded (Pfeffer & Salancik, 1978) by loss of organizational autonomy. The Cigarette Advertising Code Inc., did not survive so well since it constrained the companies' individual strategies for obtaining market shares in a competitive market. Wherever institutional forces seemed overpowering, joint action was marked by skillful and orderly retreat always accompanied by negotiation of important regulatory concessions. Although the creation of each joint venture was in direct response to or in anticipation of a particular issue or event in the smoking-and-health controversy, the Tobacco Institute emerged as the standard bearer for all three strategies in the U.S., and the CTMC in Canada.

Legitimacy performance

Mitchell & Mulherin (1988) found that after the broadcast ban on cigarette advertising in 1971, positive, abnormal financial returns are found for the period, supporting the view that the ban limited brand entry and decreased competition in the industry. Furthermore, the measure of systematic risk of the major tobacco firms decreased. During 1954–1965, large liability suits were brought against the cigarette firms by the families of alleged victims of cigarette smoking. Court decisions were eventually made in favour of cigarette firms after lawyers argued successfully that the causal connection between smoking and death from cancer had not been proven. All this changed after health warnings were put on labels - cigarette companies were not liable anymore. The health warnings have been called the "defendant's dream" by various observers of the tobacco industry (Garner, 1980).

Although the industry has survived with very good financial performance and fairly strong legitimacy with investors in terms of stock performance, other societal indicators show that it is fighting a losing battle:

- Declining consumption and sales - The health warning on cigarette packs have been printed since 1966 in both Canada and the Unnited States, but there is no evidence that it affected cigarette consumption. U.S. consumption increased by 8 million cigarettes in the year following the health warning introduction, while there was a marginal increase in Canada (Fritschler, 1983). By 1980, the consumption was 100 billion cigarettes over the 1966 levels (Fritschler, 1983). However, population increase figures combined with "start smoking" and "quit smoking" rates cloud the causal linkage. Nevertheless, there has been a decline in per capita consumption and a change in the mix of smokers. Cigarette consumption shows a downward trend in terms of adult smokers. In Canada, total cigarette sales have been declining continuously since 1981, and recently at the rate of 3% to 4% per year, and in the Unnited States at the rate of 2% to 3% per year (Konrad, 1992). Between 1966 and 1981, the proportion of Canadian males aged 15 and over who smoked dropped from 54% to 37%. Female smokers in that age group dropped from 32% to 29%. Meanwhile, the total number of Canadian smokers increased to 6.6 million from 6 million due to population increase, while cigarette sales increased 44% (*Maclean's*, 1987(b)). The sales of cigarettes peaked in 1982 in Canada at 68.1 billion cigarettes (*Maclean's*, 1987(b)), including around 67 million as domestic sales and around 1 million as export and air stores sales (*Levesque Beaubien Geoffrion*, 1993). The 1991 sales of cigarettes in Canada were 45.5 million, including just 38.9 million as domestic sales (a drop of 42%) and 6.5 million in exports and air stores sales (an increase of 550%) (*Levesque Beaubien Geoffrion*, 1993). In 1964, over 50% of the adult males smoked in the United States, but by 1987, this figure was down to 32% (Cahalan, 1991). For women, the decline was from 32% in 1965 to 27% in 1987 (Cahalan, 1991). Thirty-three million smokers ceased smoking in the Unite States between 1964 and 1980, although absolute numbers increased due to dramatic increases in numbers of smokers among children and teenagers (Fritschler, 1983). Getting the under-18 year olds to smoke seems to have been a covert segmentation success of the cigarette industry, since the cigarette industry has denied targetting the teenagers with its promotion efforts. Increasing concentration of smokers in the lower income and lower educated strata has raised questions about tobacco companies' exploitation of these groups. Since 1981, there is

a continuous decline in total number of smokers. In Canada, cigarette sales dropped by 17% between 1981 and 1987 and are declining at the rate of 3% to 4% per year since (*Maclean's*, 1987(b)). This decline led to the merger of Rothmans of Pall Mall Canada Ltd. and Benson & Hedges (Canada) Inc. in 1987. In that year, the merged company closed its Toronto plant, while ITC closed its Quebec City plant (*Maclean's*, 1987(a)). Despite recent declines in sales, the industry's strategies for preservation of legitimacy earned it valuable breathing space to diversify its risks.

- Environmental tobacco smoke - Public opinion trends show that increasing numbers of people feel that smoking causes health problems even among passive smokers. The 1978 Roper survey on passive smoking made smoking everybody's concern - not just the smokers'. This has since become the greatest threat to the cigarette industry and the focus of its battles ever since. To combat this threat, the industry followed a series of political strategies recommended by the Roper Organization. However, this has been a losing battle, as smoking is increasingly banned from public places and workplaces in North America. Restrictions on smoking in public areas apply in 43 states, and 320 local communities in the United States now have laws restricting smoking in public areas, all local air flights, hospitals and universities, and many private sector firms have implemented no smoking or designated zones.
- Image - Industry image has declined, as shown by surveys (Davidson, 1992; Taylor, 1984).
- Public attitudes on government anti-smoking policies - Surveys conducted in the Unnited States show that despite high concern for curbing smoking, the public accorded a very low priority to government spending on action against smoking.
- Dependency - By allocating massive resources for smoking-and-health research to universities and research institutions, and by providing large amounts of federal and provincial taxes, the industry has succeeded in creating and maintaining dependencies of other sectors of the economy on tobacco products and has thus maintained vestiges of legitimacy crucial for survival.
- Increasing regulations - Increasing government intervention and regulation and recent discussions in the United States about increased regulation of tobacco products, may threaten the tobacco industry further. Most of these regulations, such as advertising bans and stronger-worded health warnings, have been already either implemented in Canada or have been exceeded by Canadian regulation. These include: limiting cigarette advertising to tombstone format; prohibiting free sampling and sponsorship of athletics; disallowing corporate income tax deductions for advertising; authorizing funds to be used to run counter-advertising to cigarettes; and allowing states and local governments to impose their own advertising restrictions.
- Excise tax increases - Recent excise tax increases in California from 10 cents to 35 cents per pack coupled with anti-smoking advertising campaign funded by the new taxes have resulted in a 14% decline in smoking among teenagers (Davidson, 1992). In Canada, federal and provincial taxes account for roughly 75% of the retail price of cigarettes compared with about 30% in the United States.
- Product liability lawsuits - To date, tobacco law is a defendant's dream come true (Garner, 1980). While the warning may have done very little to cut down cigarette consumption, it has worked miracles in relieving any legal anxiety felt by cigarette defense counsels (Davidson, 1992), not at all what the law intended. Even if the tobacco companies remain unscathed, the legal pressure is intense because the stakes are so enormous. The New Jersey Supreme Court recently ruled that the warning labels do not automatically shift all liability to the consumers (Davidson, 1992). Recent discussions revolve around the question that if nicotine is addictive, should it be regulation by the FDA as a drug, and if so, would not cigarettes almost certainly be banned in the U.S. (and Canada) (Dunbar & Ahlstorm, 1994; Rublin, 1994).
- There is increasing pressure on institutional investors to sell off their tobacco holdings. The increasing clout of socially responsible investing business, which had investment holdings of US$625 billion in 1991 (Kinder, Lydenberg, & Domini, 1993), has also put pressures on tobacco companies to move away from tobacco business.

Have tobacco companies managed to maintain their legitimacy or have they lost some? Seemingly not. *Fortune* magazine reported that for 1990, PM received the highest reputation ranking among all firms in the category "Quality of Management, Most Admired," and Joseph F. Cullman III of PM was ranked by *Financial World* as one of U.S.'s top ten C.E.O.s in 1991 (Davidson, 1992). This indicates that at least some firms in the industry have succeeded in holding on to their legitimacy, either by maintaining the legitimacy of the tobacco business or by obscuring and deflecting public's concerns about tobacco toward overall financial performance. Epstein & Votaw (1978) suggest that two or more inconsistent social values may exist at the same time, and each may confer legitimacy on some kinds of organizational behaviour. Society seems to be withdrawing approval for the operations of the tobacco firms at the same time as it is bestowing approval for their profitable results (Davidson, 1992). It can be speculated that the legitimacy has been restored by these companies by diversifying and dropping the word "tobacco" from their names and obscuring links with the declining legitimacy of the tobacco industry. While this is not true for Canada, the industry in the United States seems to feel that they have the political muscle to ward off serious government regulation. A spokesman of PM has been quoted by Davidson (1992) as saying that legitimacy is not a problem, and that the current "reformist movement" is short-lived and will soon die out. The fact is that cigarettes provide two thirds of the industry's profits and will not be easily abandoned without a major fight.

Competitive Strategies for Market Share

Although the tobacco manufacturers have still not acknowledged the connection between smoking and health problems, they were quick to capitalize on consumer's concern for safer cigarettes. By immediately adopting a joint collaborative effort to preserve the legitimacy of their traditional business, the tobacco industry managed to buy time for other strategies. During the 1960s, and then again during the early 1970s, the industry managed to also increase total market for cigarettes. From the 1980s onwards, however, under continuous onslaught from anti-smoking groups, the industry faced a decline in domestic market growth in cigarettes, and significant market share gains for one firm would come at the expense of declines in the shares of others. By dividing the external threat into institutional and market

domains, the firms continued to collaborate on strategies for legitimacy while adopting competitive strategies of unprecedented rivalry to gain market share. These strategies focussed on performance efficiency, involving resource deployments for product innovation and market segmentation. The strategies of collaboration to combat institutional threat and rivalry in the marketplace were mutually reinforcing. Success in restoring and maintaining the legitimacy of the traditional business created more opportunities for performance in the traditional marketplace, spurring on competitive innovations that led to the development and market acceptance of cigarettes lower in tar and nicotine - thereby reducing some of the intensities of the pressures by anti-smoking groups. At some points of intersection, the two strategies of collaboration and rivalry clashed with each other when AB and LL withdrew from the collaborative venture, Cigarette Advertising Code Inc.

Except for price-cutting during 1993 by Philip Morris, the industry has refrained from competing on price. Instead, the industry has concentrated on the generic competitive strategy of differentiation (Porter, 1980). The two primary components of the competitive strategy of differentiation adopted have been **product innovation** and **market segmentation**. According to Ramirez (1980), in just four years following the announcement of the formation of the U.S. Surgeon General's Advisory Council in 1962, the number of cigarette brands in the market had increased by 78%. The market was so saturated that manufacturers were eliminating marginal brands to make shelf-space available to new-product introductions. Each new cigarette brand introduction cost between $100 and $200 million at that time (Sease, 1978). This indicated the major reallocation of resources away from traditional brands into new brands and into narrower, better-defined market segments instead of broad categories. Market shares of the individual firms shifted substantially during this period. Some companies like PM became market leaders while others like LM concentrated on business domains outside the tobacco industry.

Product-innovation

The stormier the smoking-and-health controversy became, the allegedly "safer" the cigarettes became - lower in tar and nicotine, and filter-tipped. Non-filter brands did not recover from the decline that started in the early 1950s (Maxwell, 1975). Not only did this product innovation halt the slide in demand, it led to a rebound in demand and industry profits (Overton, 1981). The timing of product innovation was important. Non-filter brands introduced after the Sloan-Kettering study had a high mortality rate, whereas low-tar brands introduced too early after the study when health concerns had not fully outweighed taste concerns of consumers also did not do well (Miles & Cameron, 1982). Innovations of low-tar and low-nicotine brands introduced at appropriate times became market leaders. At the same time, low-tar and low-nicotine brands used reconstituted tobacco sheets that used less and low-quality tobacco, leading to lower costs and higher margins for the industry that were not passed on to the consumers (Overton, 1981). This is because demand for cigarettes is inelastic, and higher costs and taxes have been passed on by the industry to consumers without affecting demand (Overton, 1981). Meanwhile, the smokers were assuming that they were absorbing less nicotine and tar, leading to a jump in cigarette sales and earnings. The first wave of product innovation in the 1950s led to an increase of sales of filter cigarettes from 1.2% of the market in 1952 to 61.4% in 1964 in the United States; and from 18% of the market in 1955 to 66% in 1964 in Canada (MERC, 1966). The current market for filtered cigarettes in Canada is almost 99% (*Levesque Beaubien Geoffrion*, 1993). The second wave of innovation in low-tar (15 milligrams or less of tar) cigarettes led to an increase in market share from 5% of the U.S. market in 1970 to over 50% of the market in 1980 (Finger, 1981). The demand for low-tars has held steady since then and was around 52% of the total cigarette market in Canada in 1991 (*Levesque Beaubien Geoffrion*, 1993). Despite minor demand downturns in 1954 and 1964 for a couple of years each, the total cigarette consumption increased steadily in the 1970s due to a perception of filter and low-tar cigarettes as safer and cleaner smokes. The downturn in consumption only started after 1982. For 30 years at least, the threat had been turned into an advantage by the industry. Even though sales have been declining for the last ten years, the individual firms bought enough time to maintain and perpetuate financial viability as corporations.

The success and failure of individual strategies of the member companies are reflected in the dramatic changes in market shares of the individual firms. Philip Morris was at the bottom of the heap in U.S. market share in 1950. It thus had little to lose by innovation and surged ahead to the market leader's spot by late 1970s. This company was the first to introduce filter cigarette brands in 1950, four years ahead of other competitors. It was the first to innovate in packaging with the *Marlboro* flip-top pack and red tear strip. RJR was number two in 1950 and stood to lose from innovation. It introduced the first filter brand, Winston, in 1954, and it became the number-one seller within a year. AB fell from number one in 1950 to number four in the 1970s. AB was a minor player in the filter cigarettes market, holding out in its belief that non-filters would rule the future markets. It was only in 1963 that a change at the top shifted emphasis to filter cigarette brands. By that time, the market had been captured by RJR and PM and it was too late to recover. LM failed to respond to the environmental changes and did not introduce its first low-tar brand of cigarette till 1977. By that time its market share had fallen to 3–4% as against 18% in 1950. It was desperately looking for buyers for its tobacco business. However, U.S. antitrust laws prohibit sales of capacity to domestic manufacturers, and overseas buyers found the industry extremely unattractive. It was stuck with too small a market share for viability in this business. B&W moved from sixth place in 1950 to third place in 1975, while LL remained fifth. In Canada, ITC has always held the number one market share, but the extent of its dominance has increased with a reduction in competitors from three to two. Rothmans and Benson & Hedges individually held a total of 35% of the Canadian market share as late as 1981, while ITC held around 48.5%. In 1991, ITC held 65% while the merged Rothmans-Benson & hedges held only 19.7% (*Levesque Beaubien Geoffrion*, 1993). Thus, not only did product innovation enable the industry to increase total cigarette demand during the 1960s and 1970s, it also enabled individual companies to carve out higher market shares at the expense of those slower and less proficient in product innovation strategies.

Market segmentation

Market segmentation has involved a proliferation of brands targeted at ever narrower market segments, including women, ethnic communities such as African-Americans and Hispanics, and teenagers (although the industry has denied targeting young smokers through its packaging and lifestyle advertising) (Cahalan, 1991; Nelson & Lukas, 1990). As mature adults quit smoking, the demand slack has been taken up by these segments of the North American consumers in the United States and by the lower-income segments of society in Canada. The incidence of lung cancer in African-Americans and Hispanic communities has correspondingly risen, and has risen five-fold among women over the last twenty years (Cahalan, 1991). Cigarette companies have been shown to have paid hush money to black leaders to prevent them from speaking out against the dangers of smoking and the intensive targeting of black communities which have a very high incidence of smoking related deaths (Herbert, 1994). The tobacco industry is still convinced that female smokers are increasing as there are more females working. Consequently, in the United States the companies are targeting women in their advertising; in Canada the companies have been concentrating on the introduction of slim and light brands for women (Ingram, 1993). The total sales to women in the United States alone are estimated at $35 billion (Ingram, 1993).

Other market competition strategies

In 1989, PM paid US$600,000 to National Archives, USA, to use its name in celebrating the bicentennial of the adoption of the Bill of Rights. PM also obtained rights to use recordings of the voices of past presidents of the United States in television and radio corporate image advertising, using the voice of President F.D. Roosevelt to remind people that the American "freedom of speech" had been curbed by advertising bans (Cahalan, 1991). This was an indirect attempt to provide legitimacy to the freedom of American individuals to smoke. Unlike in Canada, cigarette promotions are still allowed in the United States. Anticipating a future ban on promotion, advertising, and even over-the-counter sales of cigarettes, PM has employed various promotional techniques for building up a database of smokers in the United States. This database can be used to undertake direct marketing in the event of a ban on retail sales of cigarettes. It has started a campaign to exchange empty *Marlboro* cartons for western wear (Zinn, 1994). PM has also launched automobile sweepstakes requiring buyers to fill in detailed questionnaires (*Marketing Management*, 1993). These strategies, coupled with price cuts in 1993 have enabled PM to increase its market share of the U.S. cigarette sales. PM, the owner of Rothmans-Benson & Hedges in Canada, in anticipation of the print media advertising ban in Canada in 1991, positioned its Benson & Hedges brand to take advantage of spillover from U.S. print media advertisements. It adopted common formats for the Benson & Hedges advertisements in Canada and the United States until the Canadian advertising ban came into effect. After that, it relied on the spillover effects from U.S. advertisements seen by Canadian consumers to impact upon demand. Meanwhile, PM has failed in its bid to get spillovers for its largest international brand, *Marlboro*, which has been preempted in Canada by ITC, which continues to produce it.

Contrary to economic theory, where it is assumed that high industry concentration will lead to price fixing and low competitive intensity (Naylor, Vernon & Wertz, 1983), predatory market rivalry was seen among the firms on product innovation and promotion. As the individual firms pursued strategies of product innovation, brand proliferation and market segmentation in an attempt to preserve and increase their shares of a maturing and threatened business, the industry as a whole benefited because the nature and timing of these aggregated firm strategies resulted in overall responsiveness to the demand for "safer" smoking. By moving to low-tar and low-nicotine content cigarettes, the industry was able to engage in a positive manner the threat from the institutional environment to its legitimacy. But not all members of the industry population received the same benefit from this general trend. Miles & Cameron (1982) interviewed managers of the U.S. tobacco industry and found that the perception in the industry was that no other legal business in North America is as profitable and generates as much stable cash flow as the cigarette business. Thus it was clear that these firms (with the exception of LM) would not leave the tobacco industry, even though they would spread risks and enter areas of growth. The industry, however, was stagnating and decline was over the horizon; it had to look elsewhere to employ the excess cash that could not be employed profitably in the domestic tobacco business, and to reduce their risk exposure in the traditional domain.

Strategies for Growth and Risk Diffusion

Overseas expansion of tobacco businesses and domestic expansion into new businesses was undertaken by the industry soon after the eruption of the smoking-and-health controversy. These strategies brought the tobacco firms into competition with new rivals, and in new markets where the firms began to learn about their generic strengths and weaknesses outside of the tobacco business. The ability and the resources to enter new businesses were dependent upon collaborative success in restoring legitimacy of the cigarette business and individual success in competitive strategies; for example, LM failed in its individual competitive strategies and could not diversify adequately into other business domains. However, companies that did not succeed in their individual strategies, also were motivated to seek out new domains in order to survive. In contrast to the interdependence of firms in the industry in their collaborative strategies to restore legitimacy and also for competitive strategies for economic efficiency, the growth strategies were independent and shaped by each firm's individual character.

Overseas strategies

Until recently, these strategies have been more prominent for the U.S. cigarette industry rather than the Canadian industry, which has tended to concentrate on the domestic market. Until 1981 the largest importers for tobacco and tobacco products were wealthy European countries. Since then, these countries have been facing a demand plateau while consumption in developing countries has increased at 2% per year. More recently, the erstwhile Soviet block countries have been opened to world trade. The per capita consumption in the developing world is low at one cigarette per day compared to the North American norm of 11 per day

(Kiger, 1981; Kinney, 1981). A doubling of Third World consumption to 2 cigarettes per day can have dramatic effects on demand as Third World citizens are exposed to advertising and western culture that still glorifies smoking.

The uncertainties and complexities facing the cigarette companies contemplating entry into the overseas markets were: differences in culture, tobacco blends and tastes, and economic and investment climates; foreign-exchange risks; government control and restrictions; voluntary industry codes; taxation; political instability; and the salience of smoking-and-health issues and attendant regulations. The overseas strategies progressed in the following stages.

- Exports of tobacco products to armed-forces personnel and nonresident citizens in foreign missions, etc.
- Marketing agreements with foreign countries, under which U.S. and Canadian tobacco products are distributed and sold by the foreign firm along with their own brands, but are manufactured in the United States or Canada.
- Licensing agreements with foreign companies that, although not owned by the North American firms, manufacture, distribute, and sell the North American brands along with other local brands.
- Foreign manufacturing or production affiliates, wholly or partially owned by North American firms, where both North American brands and products designed specifically for the local market are produced.

PM led the industry in overseas strategies, as it did in competitive strategies. It was the first off the block with a purchasing subsidiaries in Syria (1953), a manufacturing subsidiary in Australia (1954), and consolidation of Benson & Hedges with PM, Canada (1954). PM set up an international division in 1955 and by 1961, 104 countries received PM cigarette exports. By 1971, PM sold 140 brands in 162 countries, and it sold more cigarettes overseas than in North America. PM is the leading exporter from the United States and *Marlboro* is the leading world brand. Other companies followed later, among the earliest being RJR which started overseas operations in 1958-60. AB (USA) did not expand much overseas due to agreements with its parent BAT Industries, U.K., which distributes its cigarettes across the world. Nevertheless AB acquired Gallaher, U.K. which has overseas agreements for exports and licensing in several countries. LM's poor competitive strategies left it with insufficient funds for overseas expansion and it sold its overseas operations to PM. During the 1980s, the U.S. tobacco industry mainly expanded into developing Third World markets, where few regulations on tobacco exist or are even implemented and where per capita consumption is increasing (Finger, 1981). However, the East European and ex-Soviet block countries are increasingly the focus of new overseas strategies. The Canadian industry has been a small player in the export markets until the late 1980s when it was forced to enter into export markets, mainly the United States, to compensate for dwindling domestic sales. It is likely that exports will figure increasingly in the future strategies of Canadian companies.

iversification strategies

variety of motives for diversification are reflected in management literature. Organizations ek to change their interdependence with the environment to increase organizational utonomy and managerial discretion (Pfeffer & Salancik, 1978). They seek increased rofitability and growth rate, decreased risk exposure, increased managerial career opportunity nd hence motivation, increased economies of scale in some aspects on operations, increased inancial leverage, and increased market intelligence as a result of operating intimately in a umber of market domains (Miles & Cameron, 1982). Transfer of distinctive competencies to ther businesses can lead to efficiency, effectiveness and survivability in order to maximize tockholder welfare. Some economists (Mueller, 1969; Penrose, 1959) insist that iversification motives are not economic-rational but are political, that is, managers seek, egardless of efficiency or synergy, their own career growth.

Defense of legitimacy and competitive rivalry strategies took place in the context of familiar settings and could be initiated almost immediately in response to environmental threat. Overseas expansion relied on traditional products, network of export licensing agreements, and experience with distributing tobacco in foreign theatres of war, and earlier experiences with cigarette regulation in other countries. However, diversification took place with unfamiliar products in unfamiliar market settings. The firms initially resisted diversification to non-tobacco lines due to the fear of venturing into unknown business domains (Overton, 1981). They also did not want to be seen to be turning away from cigarettes at a time when health studies were already raising many questions (Overton, 1981). According to Overton (1981) a wide range of factors forced them to diversify.

- In the 1960s, the companies had huge surpluses and sales were stagnating, obviating the need for new capacity. Meanwhile cigarettes continued to earn a return over 20% on sales revenues, while prices climbed for the low-tar blends, and revenues and earnings increased.
- The companies had little long-term debt, and had the ability to borrow large sums of money against the large tobacco stocks held by all companies.
- Although the industry had plenty of cash and collateral, it did not have the full confidence of the stock market, which prefers growth stocks. The cigarette industry was stagnating, even though profits were increasing during the 1960s. Consequently, the price-earnings ratio fell from 15 to 10 times.
- The tobacco companies were themselves vulnerable to takeover bids due to their low price-earnings ratios. Loewes Corporation took over Lorrilard (LL) in 1968 and KKR acquired RJR and made it a private company in the late 1980s.
- The first wave of diversification had been into food and liquor lines that were similar to cigarettes. The broadcast-media advertising ban in 1971 released US$200 million for the U.S. companies and was used mainly for large unrelated diversifications (Miles & Cameron, 1982). With stagnation and recent decline in sales in the developed world, the cigarette business is increasingly becoming a cash cow for diversification into other businesses.

This massive reallocation of funds was initiated by PM and RJR within three to four years of the Sloan-Kettering study in 1953. AB followed around the mid-1960s, and the others in 1970s. By the early 1970s, all the U.S. firms dropped the word "tobacco" from their names to reflect their diversified character. RJR's early diversification strategies involved a series of related (requiring small outlays - Patio Foods, Coronation Foods, Archer Aluminum, Filmco., Pacific Hawaiian Products, Penick & Ford Ltd., Filler Products Inc., merger with Nabisco) and unrelated acquisitions (requiring major redeployments of capital - American Independent Oil company, Sea-land containers). The company managed to diversify risks and encourage solid support from investors through good performance by subsidiaries. PM was the first to diversify, and it did so by acquisition of financially troubled companies with strong products - Miller beer, 7-Up, Milprint, Kraft Foods, General Foods, Jacob Suchard, etc. Most of the early diversification attempts of tobacco companies were designed to capitalize on the industry's traditional distinctive competence of marketing of packaged goods. The exceptions were RJR's acquisitions of shipping and petroleum companies in 1969–70 and PM's purchase of a land development company in 1970. These were attempts to acquire industries with high growth potential. But till the mid-1970s, PM had lower diversification ratio compared to RJR or LM since it had become number one in cigarettes due to outstanding competitive strategies and had captured most of the low-tar market. AB became acquired businesses in distilled spirits, life insurance, hardware, golf and leisure products, and office equipment. PM has reduced its percentage of revenues from tobacco from 82% (1973) to 40% (1989), RJR (from 71% to 55%), and American from 69% to 59%. Percentage of operating income from tobacco declined during 1973 to 1989: PM (97% to 65%), RJR (83% to 80%), and American (74% to 65%) (Miles & Cameron, 1982).

In Canada, PM-Benson & Hedges initiated diversification by moving into shaving products in the mid-1950s. RJR-MacDonald moved into aluminum in the 1960s; ITC bought Canada Foils Ltd., Growers Wine Company Ltd., and Welland Winery Ltd. These initial efforts were not moves away from tobacco business, but efforts to employ the huge cash surpluses generated from the cigarette business. ITC created Imasco Ltd. in 1970 to oversee holdings in fast-food restaurant chains, pharmacies and financial services. In 1969, Rothmans acquired Carling O'Keefe Ltd. (Canadian Breweries Ltd.), which it sold to Elders Ltd., in 1987 for a profit. The 1991 advertising ban is estimated to have released C$80 million for further diversifications by the Canadian tobacco industry (*Maclean's*, 1987(b)). The early diversification activity is reflected in the following percentages of non-tobacco activities of these companies: Rothmans - 1969 (0%), 1970 (54%), 1971(64%); Imasco - 1969 (26%),1972 (30%), 1973 (36%) (*Tobacco Reporter*, 1971).

Besides following growth strategies, the cigarette firms have continued to invest and concentrate on the domestic cigarette business while following strategies of legitimacy protection and competitiveness. This is because these companies have not earned returns compatible with domestic cigarette business in either overseas cigarette markets (except for PM which set up manufacturing facilities instead of licensing or export ventures) (Miles & Cameron, 1982), or in most non-tobacco businesses. In non-tobacco businesses, except for LM with its very small share of the tobacco market, even companies like PM which have achieved great success with its Miller beer, 7-Up and Kraft brands, find that cigarettes provide them with their highest returns (Miles & Cameron, 1982). However, an analysis of these companies' income-dependence and sales-dependence on tobacco business shows the success of the risk diversification strategies. Except for LM, all other tobacco companies have managed to exceed rates of growth of assets achieved by U.S. corporations during the period 1950-1980, with PM substantially exceeding these return rates. In terms of return on investment (ROI) and return on equity (ROE), PM, RJR and AB have exceeded U.S. averages during 1950–1980, while LM lags just behind. Investors seem a little cautious, however, about the future prospects of the industry. In terms of investment risk (measured by price-earnings ratio, an indicator of the multiple the investor is prepared to pay over earnings per share as an index of future stability of earnings), all firms performed below the S&P industrial average, except for PM due to its diversified portfolio and its bold competitive strategies. At the industry level, according to the U.S. Bureau of Industrial Economics data, the tobacco industry was in third place on a variety of economic indicators among all U.S. industries and in first place in terms of ROE/ROI and return to investors (Vaccara & MacAuley, 1980). The total domestic sales of cigarettes in the U.S. were US$30.2 billion and exports were US$1.2 billion in 1985. Net profits after taxes were US$3.4 billion and the US cigarette industry spent around US$3.2 billion in promotion and advertising in 1988 (Cahalan, 1991). U.S. cigarette firms are still the leaders in outdoor and print advertising. In Canada, all forms of promotion and advertising have been banned since 1991; howeve,r the industry spent an estimated C$10 million on cultural sponsorship in 1987 (*Maclean's*, 1987(b)). The total tobacco-related profits of the Canadian "big three" are estimated at C$150 million, and risk diversification and investor confidence is reflected by the increase in the market price of the Imasco stock from C$2.22 a share in 1969 to C$30.88 in 1992. The book value of the share increased from C$1.47 to C$17.09 during this period (*Levesque Beaubien Geoffrion*, 1993). The increase in ROA between 1986 and 1990 for Rothmans-Benson & Hedges has been from 3.05% to 29.20% and its ROE has correspondingly gone up from 14.92% to 53.20%. Compatible data is not readily available for other tobacco companies from Compact Disclosures Canada.

While the Canadian industry has responded voluntarily to a larger extent than the U.S. industry, it has been under threat of strict government intervention. The Canadian government has clear, unambiguous powers, unlike U.S. government agencies such as the FTC and the FCC. It does appear that the more threatening the political environment in which the industry must function and the less the industry's ability to challenge government actions, the more cooperative the industry would be in voluntarily acting to regulate itself to reduce this threat. Uncertainty caused by multiple governmental focal points of action, zealous regulation and rhetoric threatens future performance and stability of the industry, requiring strong retaliatory action, as has happened in the United States and as would likely happen with the introduction of plain and generic packaging in Canada. The three strategies of strategic adaptation discussed in this section are generic categories based on the objectives of any business organization. It can be confidently argued that the tobacco companies would continue to adopt future strategies within the domains of these same objectives of efficiency, legitimacy, security and growth.

REFERENCES

Books

Aaker, D.A., *Managing brand equity: Capitalizing on the value of a brand name* (New York, NY: Free Press, 1991).

Aaker, D.A., and Day, G.S., *Marketing Research*, 4th ed. (New York, NY: John Wiley & Sons, 1990).

Abelson, R.P. and Erlbaum, L., "Script Processing in Attitude Formation and Decision Making," in *Cognition and Social Behaviour*, ed. J.S. Carroll and J.W. Payne (Hillsdale, NJ:, 1976).

Adams, F., "Vegetable and fruit crops: Viable alternatives for tobacco farmers," in *The tobacco industry in transition*, ed. W.R. Finger (Toronto, ONT: Lexington Books, 1981).

Aldrich, H.E., *Organizations and environments* (Englewood Cliffs, NJ: Prentice-Hall, 1979).

Andrews, K.R., *The concept of corporate strategy* (Homewood, ILL: Richard D. Irwin, 1971).

Bain, J.S., *Essays on price theory and industrial organization* (Boston, MA: Little, Brown & Co., 1972).

Bandura, A., *Social Learning Theory* (Englewood Cliffs, NJ: Prentice-Hall, 1977).

Barnard, C.I., *The functions of the executive* (Cambridge, MA: Harvard University Press, 1938).

Barnet, R.J. and Muller, R.E., *Global reach: The power of the multinational corporation* (New York, NY: Simon & Schuster, 1974).

Bergler, R., *Advertising and Cigarette Smoking* (Switzerland: Hans Huber, 1981).

Bettman, J.R., Payne, J.W. and Staelin, R., "Cognitive Considerations in Designing Effective Labels for Presenting Risk Information," in *Learning About Risks*, ed. K. Viscusi and W. Magat (Cambridge, MA: Harvard University Press).

Bower, J.L., *Managing the resource allocation process* (Homewood, ILL: Richard D. Irwin, 1972).

Bretton Clark, *Conjoint Analyzer* (New York, NY: Bretton Clark, 1988).

Brittain, J.W. and Freeman, J.H., "Organizational proliferation and density dependent selection," in *The organizational life cycle: Issues in the creation, transformation, and decline of organizations*, ed. J.R. Kimberley, R.H. Miles and Associates (San Francisco, CA: Jossey Bass, 1980).

Burns, T. and Stalker, G.M., *The management of innovation* (London, UK: Tavistock, 1961).

Callahan, D., *An Ounce of Prevention: Strategies for Solving Tobacco, Alcohol and Drug Problems* (San Francisco, CA: Jossey Bass, 1991).

Caves, R.E., *American industry: Structure, conduct, performance* (Englewood Cliffs, NJ: Prentice-Hall, 1977).

Chandler, A.D., Jr., *Strategy and structure: Chapters in the history of the American industrial enterprise* (Cambridge, MA: M.I.T. Press, 1962).

Clarke-Stewart, A. and Koch, J.B., *Children Development Through Adolescence* (New York, NY: John Wiley & Sons Ltd, 1983).

Clairemonte, F.F., "World tobacco: A portrait of corporate power," in *The tobacco industry in transition*, ed. W.R. Finger (Toronto, ONT: Lexington Books, 1981).

Colombo, J.R., ed., *The 1994 Canadian Global Almanac* (McMillan, 1994).

Connor, J.M. and Ward, R.W., "Advertising and the food system," in *Proceedings of symposium. North Central Research Project*, NC-117, Monograph no. 14 (VA: Airlie House, VA, Nov 6-7, 1980).

Cyert, R.J. and March, J.G., *A behavioral theory of the firm* (Englewood Cliffs, NJ: Prentice-Hall, 1963).

Dalton, R., "Resources on tobacco production and marketing," in *The tobacco industry in transition*, ed. W.R. Finger (Toronto, ONT: Lexington Books, 1981).

Davidson, D.K., "Legitimacy: How important is it for tobacco strategies," in *Contemporary issues in the business environment*, ed. Dean Ludwig and Karen Paul (Lewiston, NY: The Edwin Mellen Press, 1992).

Deaux, K. and Wrightsman, L.S., *Social Psychology in the 80's*, 4th ed. (Monterey, CA: Brooks/Cole Publishing, 1984).

Doron, G., *The smoking paradox: Public regulation in the cigarette industry* (Cambridge, MA: Abt Books, 1979).

Ehrenberg, A.S.C., *Repeat Buying: Facts, Theory and Applications* (New York, NY: Oxford University Press, 1988).

Epstein, E.M. and Votaw, D., *Rationality, legitimacy, responsibility* (Santa Monica, CA: Goodyear Publishing Company, Inc, 1978).

Feinhandler, S.J., *The Social Role of Smoking in Smoking and Society: Towards a More Balanced Assessment* (Lexington, MA: Lexington Books, 1986).

Finger, W.R., "Introduction," in *The tobacco industry in transition*, ed. W.R. Finger (Toronto, ONT: Lexington Books, 1981).

Fisher, J.C., *Advertising, Alcohol Consumption and Abuse: A Worldwide Study* (Westport, CT: Greenwood Press, 1993).

Forker, O.D. and Ward, R.W., *Commodity Advertising: The Economics and Measurement of Generic Programs* (New York, NY: Lexington Books, 1993).

Friedman, K.M., *Public policy and the smoking-health controversy* (Lexington, MA: Lexington Books, 1975).

Fritschler, A.L., *Smoking and politics: Policy Making and the Federal Bureaucracy*, 3rd ed. (Englewood Cliffs, NJ: Prentice-Hall, 1983).

Galbraith, J.K., *The new industrial state*, 3rd ed. (Boston, MA: Houghton Mifflin, 1979).

Gray, B., *Collaborating: Finding common ground for multiparty problems* (San Francisco, CA: Jossey Bass, 1989).

Hair, J.F., Anderson, R.E., Tatham, R.L. and Black, W.C., "Multivariate Data Analysis," in *Conjoint Analysis* (New York, NY: MacMillan Publishing Company, 1992).

Hawkins, D.I., Best, R.J. and Coney, K.A., *Consumer Behaviour: Implications for Marketing Strategy*, 5th ed. (Boston, MA: Irwin, 1992).

Huebner, A., "Making the Third World Marlboro Country," in *The tobacco industry in transition*, ed by W.R. Finger (Toronto, ONT: Lexington Books, 1981).

Jacobson, B., *The Ladykillers: Why Women Smoke* (Montréal, QUE:. Eden Press Ltd., 1981).

Jacobson, B. and Amos, A., "When Smoke Gets in your Eyes, Cigarette Advertising Policy and Coverage of Smoking and Health in Women's Magazines," in *Smoking Out the Barons: The Campaign Against the Tobacco Industry* (1985).

Kiger, H.C., "Open trade and modernized tobacco program: The keys to an expanded U.S. flue-cured world market," in *The tobacco industry in transition*, ed. W.R. Finger (Toronto, ONT: Lexington Books, 1981).

Kinder, P., Lydenberg, S.D. and Domini, A.L., *Investing for good: Making money while being socially responsible* (New York, NY: Harper Business, 1993).

Kindra, G.S., Laroche, M. and Muller, T.E., *Consumer Behaviour in Canada* (Toronto, ONT: Nelson Publishing Co., 1989).

The Canadian Perspective on Consumer Behaviour, 2nd ed. (Toronto, ONT: Nelson Publishing Co., 1994)

Kinnear, T.C., Bernhardt, K.L., and Krentler, K.A., *Principles of Marketing*, 4th ed. (New York, NY: Harper Collins, 1995).

Kinney, J.A., "Tobacco's global economy: Is North Carolina losing?" in *The tobacco industry in transition*, ed. W.R. Finger (Toronto, ONT: Lexington Books, 1981).

Kotler, P. and Turner, R.E., *Marketing Management: Analysis, Planning, Implementation, and Control*, 7th ed. (Scarborough, ONT: Prentice-Hall Canada Inc., 1993).

Lawrence, P.R. and Lorsch, L.W., *Organization and environment* (Homewood, ILL: Richard D. Irwin, 1969).

Ledworth, F., "Does Tobacco Sports Sponsorship on Television Act as Advertising to Children?" in *Smoking Out the Barons: The Campaign Against the Tobacco Industry* (1985).

Lindblom, C.E., *Politics and markets: The world's political-economic systems* (New York, NY: Basic Books, 1977).

Louviere, J.J., *Analyzing Decision Making: Metric Conjoint Analysis* (Newbury Park, CA: Sage, 1988).

Luik, J.C., *Freedom of Expression: The Case Against Tobacco Advertising Bans* (St. Catharines, ONT: Gray Matters Press, 1991).

Marris, R., *The economic theory of managerial capitalism* (Glencoe, ILL: Free Press, 1964).

Maxwell, J., "Valuable vehicles for long-term gains," in *The tobacco industry in transition*, ed. W.R. Finger (Toronto, ONT: Lexington Books, 1981).

Maxwell, J., *Historical trends in the tobacco industry* (Richmond, VA: Maxwell Associates, 1975).

McCarthy, E.J., Shapiro, S.J. and Perreault, W.D., *Basic Marketing*, 7th Canadian ed. (Boston, MA: Irwin, 1994).

McGowan, R., "Public policy measures and cigarette sales: An ARIMA intervention analysis," in *Research in corporate social performance*, vol. 11, ed. James E. Post (Greenwich, CT: JAI Press, 1989).

Miles, R.H. and Cameron, K., *Coffin nails and corporate strategies* (Englewood Cliffs, NJ: Prentice-Hall, 1982).

Miles, R.H., *Managing the corporate social environment: A grounded theory* (Englewood Cliffs, NJ: Prentice-Hall, 1987).

Miller, K., *Smoking Up A Storm* (Columbia, SC: Journalism Monographs, 1992).

Naylor, T.H., Vernon, J.M. and Wertz, K.L., *Managerial economics: Corporate economics and strategy* (New York, NY: McGraw-Hill, 1983).

Overton, J., "Diversification and international expansion: The future of the American tobacco manufacturing industry with corporate profiles of the "big six"," in *The tobacco industry in transition*, ed. W.R. Finger (Toronto, ONT: Lexington Books, 1981).

Parsons, T., *Structure and process in modern societies* (New York, NY: Free Press, 1960).

Penrose, E.T., *The theory of the growth of the firm* (Oxford, UK: Basil Blackwell, 1980).

Perrow, C., *Complex organizations: A critical essay* (Glenview, ILL: Scott, Foresman, 1979).

Peterson, G.W. and Rollins, B.C., "Parent-Child Socialization," in *Handbook of Marriage and the Family*, ed. M.B. Sussman and S.K. Steinmetz (New York, NY: Plenum Press, 1987).

Pfeffer, J. and Salancik, G.R., *The external control of organizations: A resource dependence perspective* (New York, NY: Harper & Row, 1978).

Porter, M.E., *Interbrand choice, strategy, and bilateral market power* (Cambridge, MA: Harvard University Press, 1976).

Porter, M.E., *Competitive strategy: Techniques for analyzing industries and competitors* (New York, NY: Free Press, 1980).

Prochaska, J.O. and Diclemente, C.C., *A Trans Theoretical Model of Behaviourial Change.*

Pugh, C., "Landmarks in the tobacco program," in *The tobacco industry in transition*, ed. W.R. Finger (Toronto, ONT: Lexington Books, 1981).

Reid, S.R., *The new industrial order: Concentration, regulation and public policy* (New York, NY: McGraw-Hill, 1976).

Riker, W.H., "Foreward" in *The smoking paradox: public regulation in the cigarette industry*, G. Doron, auth. (Cambridge, MA: Abt Books, 1979).

Selznick, P., *Leadership in administration* (Berkeley, CA: University of California Press, 1957).

Siceloff, B., "Tobacco for protein: A revolutionary upheaval?" in *The tobacco industry in transition*, ed. W.R. Finger (Toronto, ONT: Lexington Books, 1981).

Sloan, A.P. Jr., *My years with General Motors* (New York, NY: Doubleday Anchor, 1972).

Speilberger, C.D., *Psychological Determinants of Smoking Behaviour in Smoking and Society: Towards a More Balanced Assessment* (Lexington, ONT: Lexington Books, 1986).

Stuyck, J., *Product Differentiation in Terms of Packaging Presentation, Advertising Trademarks, Etc.* (The Netherlands: Kluwer, 1983).

Swan, A.V., Murray, M. and Jarrett, J., *Smoking Behaviour From Pre-Adolescence to Young Adulthood* (Aldershot, UK: Gower Publishing Company Limited, 1991).

Taylor, P., *Smoke ring: The politics of tobacco* (London, UK: The Bodley Head, 1984).

Toffler, A., *Powershift: Knowledge, wealth, and violence at the edge of the 21st century* (New York, NY: Bantam, 1990).

Tollison, R., *The Economics of Smoking* (Boston, MA: Kluwer Academic Publishers, 1992).

Tollison, R.D. and Wagner, R.E., *Smoking and the state: Social costs, rent seeking, and public policy* (Lexington, MA: Lexington Books, 1988).

Tucker, D., *Tobacco: An International Perspective* (Euromonitor Publishing, 1982).

Tuckwell, K.J., *Canadian Advertising in Action* (Scarborough, ONT: Prentice-Hall Canada Inc., 1988).

Weick, K.E., *The social psychology of organizing*, 2nd ed. (Reading, MA: Addison-Wesley, 1979).

Whelan, E., *A smoking gun: How the tobacco industry gets away with murder* (Philadelphia, PA: George F. Stickley Co., 1989).

Court Documents

Tobacco P.R. Entered as evidence (AG-6) in *RJR-MacDonald Inc. v. Attorney General of Canada* (Superior Court of Québec, District of Montreal). Court docket no. 500-05-009755-883; 1990.

1978 Business Plans of RJR-MacDonald Inc. and International Plans. Entered as evidence (AG-14) in *RJR-MacDonald Inc. v. Attorney General of Canada* (Superior Court of Québec, District of Montreal). Court docket no. 500-05-009755-883; 1990.

Export Family - Draft Brand Positioning Statement, October 16, 1986. Entered as evidence (AG-08) in *RJR-MacDonald Inc. v. Attorney General of Canada* (Superior Court of Québec, District of Montreal). Court docket no. 500-05-009755-883; 1990.

Vantage Marketing, Copy Strategy, Recommendation. Entered as evidence (AG-09) in *RJR-MacDonald Inc. v. Attorney General of Canada* (Superior Court of Québec, District of Montreal). Court docket no. 500-05-009755-883; 1990.

"Right Attitude" Advertising Test. Entered as evidence (AG-010) in *RJR-MacDonald Inc. v. Attorney General of Canada* (Superior Court of Québec, District of Montreal). Court docket no. 500-05-009755-883; 1990.

Vantage Advertising Research. Entered as evidence (AG-011) in *RJR-MacDonald Inc. v. Attorney General of Canada* (Superior Court of Québec, District of Montreal). Court docket no. 500-05-009755-883; 1990.

Smoking and Health Now, Report of the Royal College of Physicians. Entered as evidence (AG-115) in *RJR-MacDonald Inc. v. Attorney General of Canada* (Superior Court of Québec, District of Montreal). Court docket no. 500-05-009755-883; 1990.

Follow-up of the Royal College of Physicians 1983. Entered as evidence (AG-116) in *RJR-MacDonald Inc. v. Attorney General of Canada* (Superior Court of Québec, District of Montreal). Court docket no. 500-05-009755-883; 1990.

Vantage Brand Positioning Statement. Entered as evidence (AG-12) in *RJR-MacDonald Inc. v. Attorney General of Canada* (Superior Court of Québec, District of Montreal). Court docket no. 500-05-009755-883; 1990.

Planning for a Smoke-Free Generation, Smoke Free Europe 6. Entered as evidence (AG-128) in *RJR-MacDonald Inc. v. Attorney General of Canada* (Superior Court of Québec, District of Montreal). Court docket no. 500-05-009755-883; 1990.

The Dying of the Light, Why People Smoked and Why They Are Stopping, Smoke Free Europe 7. Entered as evidence (AG-129) in *RJR-MacDonald Inc. v. Attorney General of Canada* (Superior Court of Québec, District of Montreal). Court docket no. 500-05-009755-883; 1990.

Tobacco Price and the Smoking Epidemic, Smoke Free Europe 9. Entered as evidence (AG-130) in *RJR-MacDonald Inc. v. Attorney General of Canada* (Superior Court of Québec, District of Montreal). Court docket no. 500-05-009755-883; 1990.

1978 Business Plans of RJR-MacDonald Inc. and International Plans. Entered as evidence (AG-14) in *RJR-MacDonald Inc. v. Attorney General of Canada* (Superior Court of Québec, District of Montreal). Court docket no. 500-05-009755-883; 1990.

Goldfarb Research Reports: Smoking and Non-Smoking: A Study of Canadians' Behaviour and Attitudes. Entered as evidence (AG-145A) in *RJR-MacDonald Inc. v. Attorney General of Canada* (Superior Court of Québec, District of Montreal). Court docket no. 500-05-009755-883; 1990.

Export "A" Brand Long Term Strategy. Entered as evidence (AG-15) in *RJR-MacDonald Inc. v. Attorney General of Canada* (Superior Court of Québec, District of Montreal). Court docket no. 500-05-009755-883; 1990.

Smoking Out the Barons: The Campaign Against the Tobacco Industry. Entered as evidence (AG-150) in *RJR-MacDonald Inc. v. Attorney General of Canada* (Superior Court of Québec, District of Montreal). Court docket no. 500-05-009755-883; 1990.

The Role of Nicotine in Tobacco Use. Entered as evidence (AG-174) in *RJR-MacDonald Inc. v. Attorney General of Canada* (Superior Court of Québec, District of Montreal). Court docket no. 500-05-009755-883; 1990.

Trends in Tobacco Consumption in Canada, 1900 - 1987. Entered as evidence (AG-188) in *RJR-MacDonald Inc. v. Attorney General of Canada* (Superior Court of Québec, District of Montreal). Court docket no. 500-05-009755-883; 1990.

Cigarette Advertising and Promotion in Canada: Effects on Cigarette Smoking and Public Health. Entered as evidence (AG-196) in *RJR-MacDonald Inc. v. Attorney General of Canada* (Superior Court of Québec, District of Montreal). Court docket no. 500-05-009755-883; 1990.

Health or Tobacco: An End to Tobacco Advertising and Promotion. Entered as evidence (AG-200) in *RJR-MacDonald Inc. v. Attorney General of Canada* (Superior Court of Québec, District of Montreal). Court docket no. 500-05-009755-883; 1990.

Multi-Brand Tracking 85-001, Brands Families and Smoker Segmentation. Entered as evidence (AG-203) in *RJR-MacDonald Inc. v. Attorney General of Canada* (Superior Court of Québec, District of Montreal). Court docket no. 500-05-009755-883; 1990.

1971 Matinée Marketing Plans. Entered as evidence (AG-204) in *RJR-MacDonald Inc. v. Attorney General of Canada* (Superior Court of Québec, District of Montreal). Court docket no. 500-05-009755-883; 1990.

Vantage Family Creative Campaign. Entered as evidence (AG-207) in *RJR-MacDonald Inc. v. Attorney General of Canada* (Superior Court of Québec, District of Montreal). Court docket no. 500-05-009755-883; 1990.

Project Viking, Volume I, A Behavioural Model of Smoking, February/March, 1986. Entered as evidence (AG-21-A) in *RJR-MacDonald Inc. v. Attorney General of Canada* (Superior Court of Québec, District of Montreal). Court docket no. 500-05-009755-883; 1990.

Project Viking, Volume II, An Attitudinal Model of Smoking, February/March, 1986. Entered as evidence (AG-21-B) in *RJR-MacDonald Inc. v. Attorney General of Canada* (Superior Court of Québec, District of Montreal). Court docket no. 500-05-009755-883; 1990.

Starting. Entered as evidence (AG-215) in *RJR-MacDonald Inc. v. Attorney General of Canada* (Superior Court of Québec, District of Montreal). Court docket no. 500-05-009755-883; 1990.

Report for Imperial Tobacco Limited Subject Project 16. Entered as evidence (AG-216) in *RJR-MacDonald Inc. v. Attorney General of Canada* (Superior Court of Québec, District of Montreal). Court docket no. 500-05-009755-883; 1990.

Report for Imperial Tobacco Limited. Subject Project Plus/Minus. Imperial Tobacco Products - Market Research. Entered as evidence (AG-217) in *RJR-MacDonald Inc. v. Attorney General of Canada* (Superior Court of Québec, District of Montreal). Court docket no. 500-05-009755-883; 1990.

Marketing Plans for Player's Foreward. Entered as evidence (AG-219) in *RJR-MacDonald Inc. v. Attorney General of Canada* (Superior Court of Québec, District of Montreal). Court docket no. 500-05-009755-883; 1990.

The Functions and Management of Cigarette Advertising. Entered as evidence (AG-224) in *RJR-MacDonald Inc. v. Attorney General of Canada* (Superior Court of Québec, District of Montreal). Court docket no. 500-05-009755-883; 1990.

The Effects of Commercials for Adult Products on Children. Entered as evidence (AG-235) in *RJR-MacDonald Inc. v. Attorney General of Canada* (Superior Court of Québec, District of Montreal). Court docket no. 500-05-009755-883; 1990.

Brand Preference and Advertising Recall in Adolescent Smokers: Some Implications for Health Promotion. Entered as evidence (AG-236) in *RJR-MacDonald Inc. v. Attorney General of Canada* (Superior Court of Québec, District of Montreal). Court docket no. 500-05-009755-883; 1990.

Children's Perceptions of Advertisements for Cigarettes. Entered as evidence (AG-237) in *RJR-MacDonald Inc. v. Attorney General of Canada* (Superior Court of Québec, District of Montreal). Court docket no. 500-05-009755-883; 1990.

Children's Awareness of Cigarette Brand Sponsorship of Sports and Games in the UK. Entered as evidence (AG-238) in *RJR-MacDonald Inc. v. Attorney General of Canada* (Superior Court of Québec, District of Montreal). Court docket no. 500-05-009755-883; 1990.

A Report on the Special Vulnerabilities of Children and Adolescents. Entered as evidence (AG-241) in *RJR-MacDonald Inc. v. Attorney General of Canada* (Superior Court of Québec, District of Montreal). Court docket no. 500-05-009755-883; 1990.

Effects of Cigarette Advertising on Consumer Behaviour. Entered as evidence (AG-246) in *RJR-MacDonald Inc. v. Attorney General of Canada* (Superior Court of Québec, District of Montreal). Court docket no. 500-05-009755-883; 1990.

Projects Stereo/Phoenix Final Report. Entered as evidence (AG-27) in *RJR-MacDonald Inc. v. Attorney General of Canada* (Superior Court of Québec, District of Montreal). Court docket no. 500-05-009755-883; 1990.

Creative Guideline, F "82", Contained Advertising Objectives, Strategies, and Executional Guidelines by Brand. Entered as evidence (AG-29) in *RJR-MacDonald Inc. v. Attorney General of Canada* (Superior Court of Québec, District of Montreal). Court docket no. 500-05-009755-883; 1990.

85' Marketing Plan Highlights. Entered as evidence (AG-36) in *RJR-MacDonald Inc. v. Attorney General of Canada* (Superior Court of Québec, District of Montreal). Court docket no. 500-05-009755-883; 1990.

A Critical Review of Canadian Survey Data on Tobacco Use, Attitudes, and Knowledge. Entered as evidence (AG-82) in *RJR-MacDonald Inc. v. Attorney General of Canada* (Superior Court of Québec, District of Montreal). Court docket no. 500-05-009755-883; 1990.

Five Year Federal - Provincial Plan on Smoking. Entered as evidence (AG-99) in *RJR-MacDonald Inc. v. Attorney General of Canada* (Superior Court of Québec, District of Montreal). Court docket no. 500-05-009755-883; 1990.

Marketing Systems Inc. Entered as evidence (AG-40) in *RJR-MacDonald Inc. v. Attorney General of Canada* (Superior Court of Québec, District of Montreal). Court docket no. 500-05-009755-883; 1990.

Exploratory Concept Research, Matinée Print Advertising. Entered as evidence (AG-54) in *RJR-MacDonald Inc. v. Attorney General of Canada* (Superior Court of Québec, District of Montreal). Court docket no. 500-05-009755-883; 1990.

Project Day, Exploratory Phase in Toronto, June, 1988. Entered as evidence (AG-62) in *RJR-MacDonald Inc. v. Attorney General of Canada* (Superior Court of Québec, District of Montreal). Court docket no. 500-05-009755-883; 1990.

Smoking Prevalence Among Canadian Adolescents: A Comparison of Survey Estimates. Entered as evidence (AG-81) in *RJR-MacDonald Inc. v. Attorney General of Canada* (Superior Court of Québec, District of Montreal). Court docket no. 500-05-009755-883; 1990.

Memorandum to the Minister by the Deputy Minister. Entered as evidence (AG-88) in *RJR-MacDonald Inc. v. Attorney General of Canada* (Superior Court of Québec, District of Montreal). Court docket no. 500-05-009755-883; 1990.

Supplementary Report by Dr. Jeffrey E. Harris, M.D., Ph.D. Entered as evidence (AG-197) in *RJR-MacDonald Inc. v. Attorney General of Canada* (Superior Court of Québec, District of Montreal). Court docket no. 500-05-009755-883; 1990.

Pollay, R., *The Functions and Management of Cigarette Advertising*, Entered as testimony in *RJR-MacDonald Inc. v. Attorney General of Canada* (Superior Court of Québec, District of Montreal). Court docket no. 500-05-009755-883; 1990.For Québec Superior Court.

Industry, Trade and Government Reports

Action on Smoking and Health, *Tobacco Advertising - The Case for a Ban*, Memorandum submitted to House of Commons Health Committee (United Kingdom), September 30, 1992.

Me...on Drugs? Addiction Research Foundation, Toronto, ONT, 1991.

Amit, M.Z., *Review of the Centre for Health Promotion's report: "Effects of Plain Cigarette Packaging Among Youth*, Concordia University, Montreal, QUE, April, 1994.

Beede, P.C., Lawson, R.W. and Shepherd, M., *The Promotional Impact of Cigarette Packaging: a Study of Adolescent Responses to Cigarette Plain-packs*, Department of Marketing, University of Otago, Dunedin, New Zealand.

Beede, P.C., Lawson, R.W., *Brand Image Attraction: The Promotional Impact of Cigarette Packaging*, Department of Marketing, University of Otago, New Zealand.

Bettman, J.R. and Jacoby, J., *Patterns of Processing in Consumer & Promotion Acquisition*, Purdue University.

Bhalla, G. and Lastovicha, J.L., *The Impact of Changing Cigarette Warning Message Content and Format*, University of Kansas.

Tobacco Products Control Regulations, Canada Gazette, part II, Vol. 123, No. 2, SOR/DORS/89-21 (December 27, 1988), amended by Vol. 123, No. 11, SOR/DORS/89-248 (May 4, 1989), amended by SOR/DORS/93 (July 21, 1993), amended by SOR/DORS/93 (December 22, 1993), amended by SOR/DORS/94 (November 1, 1994).

Canadian Cancer Society, *Protecting Health and Revenue: An Action Plan to Control Contraband and Tax Exempt Tobacco*, January, 1994.

Putting Health First: The Case for Plain Packaging of Tobacco Products, April, 1994.

Canadian Medical Association, *Plain Packaging of Tobacco Products*, May, 1994.

Centre for Behavioural Research in Cancer, *Health Warning and Content Labelling on Tobacco Products*, Australia, 1992.

Centre for Health Promotion, *Effects of Plain Cigarette Packaging Among Youth*, University of Toronto, Toronto, ONT, 1994.

Centre for Health Promotion, *Effects of Plain Packaging on the Image of Tobacco Products Among Youth*, University of Toronto, Toronto, ONT, 1993.

Chapman, S., *The lung goodbye: A manual of tactics for counteracting the tobacco industry in the 1980s* (Penang, MALAYSIA: International Organization of Consumers Union, 1986).

Regina v Oakes, On appeal from the Court of Appeal for Ontario. Presumption of innocence (s. 11(d)) - Reverse onus clause.

Council for a Tobacco-Free Ontario, *Tobacco Advertising ... Are You Being Burned?* Ottawa, ONT, 1993.

Cragg, C.E., *CIDA Pre-departure Health Briefing*, Private Communication, September, 1993.

Creative Research Group Ltd., *Health and Welfare Campaign Tracking*, January/February, 1992, pp. 33.

Decima Research, *An Investigation of the Attitudes of Canadians on Issues Related to Health and the Environment*, Ottawa, ONT, 1993.

Decima Research, *Evaluation of Effects of Plain Cigarette Packaging Among Youth*, April, 1994.

Dunbar, R.L.M. and Ahlstrom, D., *Seeking the institutional balance of power: Avoiding the power of a balanced view*," in press, *Academy of Management Review*.

Eliany, M. and Courtemanche, J.-R., *Smoking Behaviour of Canadians: A National Alcohol and Other Drugs Survey Report*, Health and Welfare Canada, Ottawa, ONT, 1992.

The Tobacco Products Control Act, Revised Statutes of Canada, Chap. 20, 1988.

Freeman, A., *Students and Tobacco: The 1990 Nova Scotia Council on Smoking and Health Survey : Final Report* (Halifax, NS: Department of Health and Fitness, 1991).

Greaves, L., *Background Paper on Women and Tobacco*, Health and Welfare Canada, Ottawa, ONT, 1990.

Health Canada, *Survey oh Studying in Canada*, Ottawa, ONT, August, 1994.

Health Canada, *Background Information on Tobacco and Plain Packaging*, Ottawa, ONT, April, 1994.

Tobacco Programs Unit, *Focus on: Women and Tobacco*, Health Canada, Ottawa, ONT, 1993.

Tobacco Programs Unit, *Focus on: Youth and Tobacco*, Health Canada, Ottawa, ONT, 1993.

Health and Welfare Canada, *Canada's Health Promotion Survey: Technical Report*, Ottawa, ONT, 1988.

Tobacco Programs Unit, *Focus on: Francophones and Tobacco*, Health Canada, Ottawa, ONT, 1993.

Health Canada, *The National Strategy to Reduce Tobacco Use in Canada*, Ottawa, ONT, 1993.

Tobacco Programs Unit, *Focus on: Canadians and Tobacco*, Health Canada, Ottawa, ONT, 1993.

Tobacco Programs Unit, *Focus on: Ethnic Origins and Tobacco*, Health Canada, Ottawa, ONT, 1993.

Health and Welfare Canada, *National Workshop on Women and Tobacco Proceedings*, Ottawa, ONT, March, 1988.

Health and Welfare Canada, *A Summary Report on Tobacco, Alcohol and Marijuana Use and Norms Among Young People in Canada: Year 4*, Ottawa, ONT, 1986.

House of Commons (U.K.), Health Committee, *The European Commission's Proposed Directive on the Advertising of Tobacco Products*, December 14, 1992.

Howard Chase Enterprises, Inc., *Corporate public issues*, Vol. 1, No. 13, October 15, 1976.

Jamieson, C., *Plain Cigarette Packaging - A Turn-Off For Teens!* Canadian Cancer Society, Toronto, ONT, 1993.

Johnson, R.M., "Adaptive Conjoint Analysis" *Sawtooth Software Conference on Perceptual Mapping, Conjoint Analysis and Computer Interviewing* (Ketchum, ID: Sawtooth Software, 1987).

Krahn, H. and Van Roosmalen, E., *Workplace Smoking Policies and Public Reaction in Alberta: An Analysis of the 1990 Alberta Survey*, Health & Welfare Canada, Ottawa, ONT, 1990.

Letourneau, G., *Smoking in Groups at Risk: the Francophones of Quebec*, Health and Welfare Canada, Ottawa, ONT, 1990,.

Beverage and tobacco guidebook (Montreal, QUE: Levesque Beaubien Geoffrion, 1993).

Liimatainen-Lamberg, A.-E., "Changes in Student Smoking Habits at the Vocational Institution and Senior Secondary Schools and Health Education," in *Studies in Sports, Physical Education and Health #30*, University of Jyvaskyla, Jyvaskyla, FINLAND, 1993.

Lindquist, Avey, Macdonald and Baskerville, *Plain Packaging - Its Impact on the Contraband Tobacco Market*, May, 1994.

McCracken, M.C. and Jacobson, P.M., *Smoking Trends Among Canadians - A Look at Public Data*, Informetrica Ltd. & Jacobson Consulting Inc., Ottawa, ONT, May 5, 1994.

McCracken, G., *Got a Smoke? A Cultural Account of Tobacco in the Lives of Contemporary Teens*, Research Report, Ontario Ministry of Health's Tobacco Strategy, Toronto, ONT, 1992.

A Study of cigarette advertising (Winnipeg, MAN: The Manitoba Educational Research Council, 1966).

MacZinko, S., "Increasing Retail Shelf Space Allocation." *The Nielsen Researcher*, Vol. 2, 1985, pp. 13-16.

Millar, W.J., *Place of Birth and Ethnic Status: Factors Associated with Smoking Prevalence Among Canadians*, Statistics Canada, Ottawa, cat. 82-003, vol. 4, no. 1, 1992.

Minutes of Proceedings and Evidence of the Sub-Committee on Health Issues, Issue No. 14, April 9, 1992.

Morrison, R.N., *Economic and Competitive Aspects of Plain Packaging*, Brief to the House of Commons Standing Committee on Health, May 12, 1994.

National Clearinghouse on Tobacco and Health, *Selected Excerpts from Imperial Tobacco Limited Internal Documents*, Ottawa, ONT, January, 1993.

National Clearinghouse on Tobacco and Health, *Youth and Tobacco Promoting a Lethal Product*, Ottawa, ONT, 1993.

National Clearinghouse on Tobacco and Health, *Focus on Tobacco Fact Sheet Series*, Ottawa, ONT, 1993.

National Clearinghouse on Tobacco and Health, *A Guide for Tracking Progress on the Objectives of the National Strategy- to Reduce Tobacco Use in Canada*, Health Canada, Ottawa, ONT.

National Clearinghouse on Tobacco and Health, *Smoking Cessation Programs: an Inventory of Self-Help and Group Programs*, Health Canada, Ottawa, ONT, March, 1994.

Pechmann, C. and Knight, J., Personal Correspondence on Working Process: "The Smoking Behaviour and Intent Scale", Graduate School of Management, University of California, Irvine, CA, 1994.

Popai Consumer Buying Habits Study, Point-of-Purchase Advertising Institute, Englewood, NJ, 1992.

Price Waterhouse, *Report on Women and Smoking*, Health Canada, Ottawa, ONT, 1993.

RBJ Health Management Associates, *An Analysis of the Expected Impacts of Knowledge of Health Risks on Tobacco Use Behaviour*, Health and Welfare Canada, Ottawa, ONT, 1992.

Canadian Cancer Society, *Impact of Plain Packaging of Tobacco on Youth Perceptions and Behaviour*, June, 1993.

Reports by the Committee on Consumer Policy, *Advertising Directed at Children: Endorsements in Advertising*, Organization for Economic Cooperation and Development, Paris, FRANCE, 1982.

Reynauld, A. and Vidal J.P., *The Cost of Smoking: Myth and Reality*, Smokers Freedom Society, 1990.

Rootman, I., *Canada's Health Promotion Survey*, Health and Welfare Canada, Ottawa, ONT, 1988.

Sawtooth Software. 1988. *Adaptive Conjoint Analysis: Users Manual* (Ketchum, ID: Sawtooth Software).

Schwartz, P.H.J., *Review and Evaluation of Smoking Cessation Methods: The United States and Canada, 1978-1985*, U.S. Department of Health and Human Services. U.S. Government Printing Office, Washington, DC, 1987.

Standard Research Systems Inc., *An Evaluation of a Report Entitled Effects of Plain Cigarette Packaging Among Youth*, Toronto, ONT, April, 1994.

Production and Disposition of Tobacco Products, Statistics Canada, cat. no. 32-022.

Beverage and Tobacco Products Industries, 1990, Statistics Canada, cat. no. 32-251, 1994.

Employment Earnings and Hours, Statistics Canada, cat.no. 72-002, 1994, pp. 121-122.

Health Status of Canadians, Statistics Canada, cat. no. 11-612E, 1994.

Canadian Cancer Statistics, 1994, Statistics Canada, Health Statistics Division, Ottawa, ONT, 1994.

The Daily, Statistics Canada, cat. no. 11-001E, April 26, 1994.

Tandemar Research Inc., *Tobacco Health Warning Messages, Inserts and Toxic Constituent Information Study*, Health & Welfare Canada, Ottawa, ONT, 1992.

Tobacco Quarterly, 1979 (official yearbooks).

Department of Health, United Kingdom, *Effects of Tobacco Advertising on Tobacco Consumption: A Discussion Document Reviewing the Evidence*, London, UK, October, 1992.

U.S. Department of Health and Human Services, *Smoking and Health in the Americas*. A 1992 Report of the Surgeon General, in collaboration with the Pan American Health Organization, 1992.

U.S. Department of Health and Human Services, *Strategies to Control Tobacco Use in the United States: a Blueprint for Public Health Action in the 1990's" Smoking and Tobacco Control Monographs #1*, October, 1991.

U.S. Department of Health and Human Services, *Preventing Tobacco Use Among Young People*, Atlanta, GA, 1994.

U.S. Department of Health and Human Services, *Smoking, Tobacco and Cancer Program: 1985-1989 Status Report*, U.S. Government Printing Office, Washington, DC, 1990.

U.S. Department of Health and Human Services, *Smoking, tobacco, and health*, DHHS Publication no. (CDC) 87-8397 Revised 10-89, 1990.

U.S. Department of Health and Human Services, *Nicotine Addiction: a Report of the Surgeon General*, U.S. Government Printing Office, Washington, DC, 1988.

U.S. Department of Health and Human Services, *The health consequences of involuntary smoking: A report of the Surgeon General*, DHHS Publication no. (CDC) 87-839), Washington, DC, 1986.

U.S. Department of Health, Education and Welfare, *Smoking and health: Report of the advisory committee to the Surgeon General of the Public Health Service*, Document no. 1103. Washington DC, 1964.

The World Commission on Economic Development, *Our Common Future* (New York, NY: Oxford University Press, 1987).

Vredenburg, H. and Sharma, S., "Strategic Adaptation Scenarios in the Canadian Tobacco Products Industry Resulting from the Proposed Plain Packaging Regulations: A Theoretical Investigation," University of Calgary, Calgary, AB, 1994.

Bans On Tobacco Advertising are Effective, World Health Organization, May, 1994.

Tobacco Alert, October, 1993.

Zoller, H., *Canada Leads Way with World's Toughest Tobacco Warnings*, World Smoking & Health, Vol. 18, No. 2., 1993, pp. 5-6.

Peer-Reviewed Journals

Adelman, M.A., "The measurement of industrial concentration," *Review of Economics and Statistics*, Vol. 33, 1951, pp. 269-96.

Aitken, P.P., "An Observational Study of Young Adults' Drinking Groups: II. Drink Purchasing Procedures, Group Pressures and Alcohol Consumption by Companions as Predictors of Alcohol Consumption," *Alcohol and Alcoholism*, Vol. 20, No. 4, 1985, pp. 445-457.

Aitken, P.P., Leathar D.S. and O'Hagan, F.J., "Children's Perceptions of Advertisements for Cigarettes," *Social Science and Medicine*, Vol. 21, No. 7, 1985, pp. 785-797.

Aitken, P.P., Leathar, D.S., O'Hagan, F.J. and Squair, S.I., "Children's Awareness of Cigarette Advertisements and Brand Imagery," *British Journal of Addiction*, Vol. 82, No. 6, 1987, pp. 615-622.

Aitken, P.P., Leathar D.S., and Squair, S.I., "Children's Awareness of Cigarette Brand Sponsorship of Sports and Games in the UK," *Health Education Research*, Vol. 1, No. 3, 1986, pp. 203-211.

Aitken, P.P., Eadie D.R., Hastings G.B. and Haywood, A.J., "Predisposing Effects of Cigarette Advertising on Children's Intentions to Smoke When Older," *British Journal of Addiction*, Vol. 86, No. 4, 1991, pp. 383-390.

Astley, W.G. and Van de Ven, A.H., "Central perspectives and debates in organization theory," *Administrative Science Quarterly*, Vol. 28, 1983, pp. 245-273.

Axelrod, J.N. and Frendberg. N., "Conjoint Analysis: Peering Behind the Jargon." *Marketing Research*, June, 1990.

Bailey, J.S., "Marketing Behaviour Analysis Requires Different Talk," *Journal of Applied Behaviour Analysis*, Vol. 24, No. 3, 1991, pp. 445-448.

Barovich, M., Sussman, S., Dent, C.W., Burton, D., et al., "Availability of Tobacco Products at Stores Located Near Public Schools," *International Journal of the Addictions*, Vol. 26, No. 8, 1991, pp. 837-850.

Beede, P.C. and Lawson, R.W., "The Effect of Plain Packages on the Perception of Cigarette Health Warnings," *Public Health*, Vol. 106, No. 4, 1992, pp. 315-322.

Beltramini, R.F., "Perceived Believability of Warning Label Information Presented in Cigarette Advertising," *Journal of Advertising*, Vol. 17, No. 1, 1988, pp. 26-32.

Blum, A., ed., "The World Cigarette Pandemic," *New York State Journal of Medicine*, Vol. 83, 1983, pp. 1245-1371.

Botvin, E.M., Botvin, G.J., Michela, J.L., Baker, E., et al., "Adolescent Smoking Behavior and the Recognition of Cigarette Advertisements," *Journal of Applied Social Psychology*, Vol. 21, No. 11, 1991, pp. 919-932.

Calder, B., "Focus Groups and the Nature of Qualitative Marketing Research," *Journal of Marketing Research*, August 14, 177, pp. 353-364.

Carlopio, J., Adair, J.G., Lindsay, R.C.L. and Spinner, B., "Avoiding Artifact in the Search for Bias: The Importance of Assessing Subject's Perceptions of the Experiment," *Journal of Personality and Social Psychology*, Vol. 44, No. 4, 1983, pp. 693-701.

Carr-Gregg, M., "Interaction of Public Policy Advocacy and Research in The Passage of New Zealand's Smoke-Free Environments Act 1990," *Addiction*, Vol. 88, 1993, pp. 355-415.

Carr-Gregg, M. and Gray, A.J., "'Generic' Packaging - A Possible Solution to the Marketing of Tobacco to Young People," *Medical Journal of Australia*, Vol. 153, No. 11-12, December 3-17, pp. 685-686.

Chaffin, W.W., "An Appropriate Quantitative Measure of Intra-Family Agreement in Marketing Applications," *Journal of the Market Research Society*, Vol. 31, No. 2, 1989, pp. 241-255.

Chapman, S. and Fitzgerald, B., "Brand Preference and Advertising Recall in Adolescent Smokers: Some Implications for Health Promotion," *American Journal of Public Health*, Vol. 72, No. 5, 1982, pp.491-494.

Child, J., "Organizational structures, environment and performance - The role of strategic choice," *Sociology*, Vol. 6, 1972, pp. 1-22.

Corfman, K.P. and Lehmann, D.R., "Models of Cooperative Group Decision-Making and Relative Influence: An Experimental Investigation of Family Purchase Decisions (Power-related resources and power use-related goals)," *The Journal of Consumer Research*, Vol. 14, June, 1987, pp. 1-13.

Daly, P.A., "The Response of Consumers to Nutrition Labelling," *The Journal of Consumer Affairs*, Vol. 10, 1976, pp. 170-178.

Davis, R.M. and Kendrick, J.S., "The Surgeon General's warnings in outdoor cigarette advertising: Are they readable?" *Journal of the American Medical Association*, Vol. 261, No. 1, 1989, pp. 90-94.

Dill, W.R., "Environment as an influence on managerial autonomy," *Administrative Science Quarterly*, Vol. 2, 1958, pp. 409-443.

Ehrenberg, A.S.C., "New Brands and the Existing Market," *Journal of the Market Research Society*, Vol. 33, No. 4, 1991, pp. 285-299.

Ernster, V. L., "Mixed Messages for Women," *New York State Journal of Medicine*, Vol. 85, July, 1985, pp. 335-343.

Fader, P.S. and Schmittlein, D.C., "Excess Behavioral Loyalty for High-Share Brands: Deviations from the Dirichlet Model for Repeat Purchasing," *Journal of Marketing Research*, Volume 30, November, 1993, pp. 478-493.

Fischer, P.M., Richards, J.W. Jr., Berman, E.J., and Krugman, M., "Recall and Eye Tracking Study of Adolescents Viewing Tobacco Advertisements," *Journal of the American Medical Association*, Vol. 261, No. 1, 1989, pp. 84-89.

Foxall, G.R. and Bhate, S., "Cognitive Styles and Personal Involvement of Market Initiators for "Healthy" Food Brands: Implication for Adoption Theory," *Journal of Economic Psychology*, Vol. 14, No. 1, March, 1993, pp. 35-56.

Foxman, E.R., Tansuhaj, P.S. and Ekstro, K.M., "Adolescents' Influence in Family Purchase Decisions: A Socialization Perspective," *Journal of Business Research*, Vol. 18, No. 2, March, 1989, pp. 159-172.

Foxman, E.R.; Tansuhaj, P.S. and Ekstrom, K.M., "Family Members Perceptions of Adolescents' Influence in Family Decision Making," *Journal of Consumer Research*, Vol. 15, No. 4, March, 1989, pp. 482-491.

Gagnon, J.P. and Osterhaus, J.T., "Effectiveness of Floor Displays on the Sales of Retail Products," *Journal of Retailing*, Spring, 1985, pp. 104-117.

Garner, D.W., "The cigarette industry's escape from liability," *Business and Society Review*, Vol. 33, Spring, 1980, pp. 22-25.

Gershman, M., "Packaging: Positioning Tool of the 1980s," *Management Review*, Vol. 76, August, 1987, pp. 33-41.

Gill, J.D., "Influence of Involvement, Commitment and Familiarity on Brand Beliefs and Attitudes to Viewers Exposed to Alternative Ad Claim Strategies," *Journal of Advertising*, Vol. 17, No. 2, pp. 33-43.

Gordon, A., Finlay, K. and Watts, T., "The Psychological Effects of Colour in Consumer Product Packaging," *Canadian Journal of Marketing Research*, Vol. 13, 1994, pp. 3-11.

Gordon, N.P., "Never Smokers, Triers and Current Smokers: Three Distinct Target Groups for School-Based Antismoking Programs," *Health Education Quarterly*, Vol. 13, Summer, 1986, pp. 163-180.

Green, P.E., Goldberg, S.M. and Montemayor, "A Hybrid Utility Estimation Model for Conjoint Analysis," *Journal of Marketing*, Winter, 1981, pp. 32-41.

Green, P.E. and Srinivasan V., "Conjoint Analysis in Consumer Research: Issues and Outlook," *Journal of Consumer Research*, Vol. 5, September, 1978, pp. 103-123.

Green, P.E and Wind, Y., "New Way to Measure Consumer Judgments," *Harvard Business Review*, Vol. 53, July-August, 1975, pp. 107-117.

Handelsman, M., "Varied Purchase Behaviour As a Result of Purchase History and Perceived Brand Similarity," *Journal of The Market Research Society*, Vol. 29, No. 3, 1987, pp. 293-315.

Hannan, M.T. and Freeman J., "The population ecology of organizations," *The American Journal of Sociology*, Vol. 82, 1977, pp. 929-964.

Heien, D. and Durham, C., "A Test of the Habit Formation Hypothesis Using Household Data," *The Review of Economics and Statistics*, Vol. 73, May, 1991, pp. 189-199

Henningfield, J.E. and Higgins, S.T., "The Influence of Behavior Analysis on the Surgeon General's Report, The Health Consequences of Smoking: Nicotine Addiction," *Behavior-Analyst*, Vol. 12, No. 1, Spring, 1989, pp. 99-101.

Howard, D.R. and Madrigal, R., "Who Makes the Decision: The Parent of the Child? The Perceived Influence of Parents and Children of the Purchase of Recreation Services," *Journal of Leisure Research*, Vol. 22, No. 3, pp. 244-258.

Hoyer, W.D. and Brown, S.P., "Effects of Brand Awareness on Choice for Common, Repeat Purchase Product," *Journal of Consumer Research*, Vol. 17, No. 2, September, 1990, pp. 141-148.

Hrebeniak, L.G. and Joyce, W.F., "Organizational adaptation: Strategic choice and environmental determinism," *Administrative Science Quarterly*, Vol. 30, 1985, pp. 336-349.

Hunn, B.P. and Dingus, T.A., "Interactivity, Information, and Compliance Cost in a Consumer Product Warning Scenario," *Accident Analysis and Prevention*, Vol. 24, No. 5, October, 1992, pp. 497-505.

Iacobucci, D. and Hopkins, N., "Modelling Dyadic Interactions and Networks in Marketing," *Journal of Marketing Research*, Vol. 29, February, 1992, pp. 5-17.

Keller, K.L., "Conceptualizing, measuring, and managing customer-based brand equity," *Journal of Marketing*, Vol. 57, January, 1993, pp. 1-22.

Klein, J.D., Forehand, B., Oliveri, J., Patterson, C.J., Kupersmidt, J.B. and Strecher, V., "Candy Cigarettes: Do they Encourage Children's Smoking?" *Pediatrics*, Vol. 89, No. 1, pp. 27-31.

Klitzner, M., Gruenewald, P.J. and Elizabeth B., "Cigarette Advertising and Adolescent Experimentation with Smoking," *British Journal of Addiction*, Vol. 86, March, 1991, pp. 287-298.

Lackman and Lanasa, J.M., "Family Decision-Making Theory: An Overview and Assessment," *Psychology & Marketing*, Vol. 10, March-April, 1993, pp. 81-93.

Landen, H.B., "An Information Transfer Model to Define Information Users and Outputs with Specific Application to Environmental Technology," *Journal of the American Society for Information Science*, March, 1982, pp. 82-91.

Laugeson, M. and Meads, C., "Advertising, Price, Income and Publicity Effects on Weekly Cigarette Sales in New Zealand Supermarkets," *British Journal of Addiction*, Vol. 86, No. 1, 1991, pp. 83-89.

Loken, B., "Heavy Smokers', Light Smokers', and Nonsmokers' Beliefs About Cigarette Smoking," *Journal of Applied Psychology*, Vol. 67, No. 5, 1982, pp. 616-622.

Luce, B.R. and Schweitzer, S.O., "Smoking and alcohol abuse: A comparison of their economic consequences," *The New England Journal of Medicine*, 1978, pp. 569-571.

Millar, W.J., "Smoking Prevalence Among Canadian Adolescents: A Comparison of Survey Estimates," *Canadian Journal of Public Health*, Vol. 76, 1985, pp.33-38.

Millar, W.J. and Hunter L., "Household Context and Youth Smoking Behaviour: Prevalence, Frequency and Tar Yield," *Canadian Journal of Public Health*, Vol. 82, No. 2, March-April, 1991, pp. 83-85.

Miniard, P.W., Bhatia, S., Lord, K.R., Dickson, P.R., et al., "Picture-Based Persuasion Processes and the Moderating Role of Involvement," *Journal of Consumer Research*, Vol. 18, No. 1, June, 1991, pp. 92-107.

Miniard, P.W.; Bhatia, S., and Rose, R.L., "On the Formation and Relationship of Ad and Brand Attitudes: An Experimental and Causal Analysis," *Journal of Marketing Research*, Vol. 27, August, 1990, pp. 290-303.

Mitchell, M.L. and Mulherin H.J., "Finessing the political system: The cigarette advertising ban," *Southern Economic Journal*, Vol. 54, No. 4, pp. 855-862.

Moore, R.L. and Stephens, L.F., "Some Communication and Demographic Determinants of Adolescent Consumer Learning," *Journal of Consumer Research*, Vol. 2, No. 2, September, 1975, pp. 80-92.

Muehling, D.D., Laczniak, R.N. and Stoltman, J.J., "The Moderating Effects of Ad Message Involvement: A Reassessment (Brand Attitude Formation Process)," *Journal of Advertising*, Vol. 20, June, 1991, pp. 29-38.

Mueller, D.C., "A theory of conglomerate mergers," *Quarterly Journal of Economics*, Vol. 83, 1969, pp. 643-659.

Munch, J.M., Boller, G.W. and Swasy J.L., "The Effects of Argument Structure and Affective Tagging on Product Attitude Formation," *The Journal of Consumer Research*, Vol. 20, September, 1993, pp. 294-302.

Nelson, J.R. and Lukas J.E., "Target: Minorities," *Marketing and Media Decisions*, Vol. 25, No. 10, 1990, pp. 70-71.

Oliver, C., "Strategic responses to institutional processes," *Academy of Management Review*, Vol. 16, No. 1, 1991, pp. 145-179.

Percy, L. and Rossiter, J.R., "A Model of Brand Awareness and Brand Attitude Advertising Strategies," *Psychology and Marketing*, Vol. 9, No. 4, July/August, 1992, pp. 263-274.

Petty, R., Cacioppo, J., and Schumann, D., "Central and Peripheral Routes to Advertising Effectiveness: The Moderating Role of Involvement," *Journal of Consumer Research*, Vol. 10, September, 1983.

Cacioppo, J., and Goldman, R., "Personal Involvement as a Determinant of Argument-Based Persuasion," *Journal of Personality and Social Psychology*, Vol. 41, November, 1981, pp. 847-855.

Pierce, J.P., Lee, L. and Gilpin, E.A., "Smoking Initiation by Adolescent Girls, 1944 Through 1988: an Association with Targeted Advertising," *Journal of American Medical Association*, Vol. 271, No. 8, February 23, 1994, pp. 608-611.

Pipe, A., "Tobacco Control in Canada: The Signs of Success," *Chronic Diseases in Canada*, Vol. 12, No. 4, pp. 44-45.

Pollay, R.W. and Lavack, A.M., "The Targeting of Youth by Cigarette Marketers: Archival Evidence on Trial," *Advances in Consumer Research*, Vol. 20, 1993.

Polts, H., Gillies, P. and Herbert, M., "Adolescent Smoking and Opinion of Cigarette Advertisements," *Health Education Research*, Vol. 1, No. 3, 1986, pp. 195-201.

Pratkanis, A.R. and Greenwald, A.G., "Consumer Involvement, Message Attention, and the Persistence of Persuasive Impact in a Message-Dense Environment," *Psychology and Marketing*, Vol. 10, No. 4, July/August, 1993, pp. 321-332.

Raj, S.P., "Striking A Balance Between Brand 'Popularity' and Brand Loyalty," *Journal of Marketing*, Vol. 89, 1985, pp. 53-59.

Rosenstock, I.M, Strecher, V.J. and Becher N.H., "Social Learning Theory and the Health Belief Model," *Health Education Quarterly*, Vol. 15, No. 2, 1988, pp. 175-183.

Rust, L., "Observations: How to Reach Children in Stores: Marketing Tactics Grounded in Observational Research," *Journal of Advertising Research*, Vol. 33, November/December, 1993, pp. 67-72.

Seldon, B.J., Banerjee, S. and Boyd R.G., "Advertising conjectures and the nature of advertising competition in an oligopoly," *Managerial and Decision Economics*, Vol. 14, No. 6, 1993, pp. 489-498.

Selnes, F. and Troye, S.V., "Buying Expertise, Information Search, and Problem Solving," *Journal of Economic Psychology*, Vol. 10, November, 1989, pp. 411-428.

Silver, N.C., Leonard, D.C., Ponsi K.A. and Wogalter, M.S., "Warning and Purchase Intentions for Pest-Control Products," *Forensic Reports*, Vol. 4, January-March, 1991, pp. 17-33.

Silverstein, B., Feld, S. and Kozlowski, L.T., "The Availability of Low Nicotine Cigarettes as a Cause of Cigarette Smoking Among Teenage Females," *Journal of Health and Social Behavior*, Vol. 21, No. 4, pp. 383-388.

Stafford, J.E., "Effects of Group Influences on Consumer Brand Preferences," *Journal of Marketing Research*, Vol. 3, February, 1966, pp. 68-75.

Sung, Y.S., "Effect of Product Familiarity on Consumer Decision Making: A Longitudinal-Experimental Study of New Product Purchases," *Korean Journal of Psychology*, Vol. 5, No. 2, Spring, 1986, pp. 128-141.

Tellis, G.J., "Advertising Exposure: Loyalty, and Brand Purchase: A Two-Stage Model of Choice," *Journal of Marketing Research*, Vol. 25, No. 2, May, 1988, pp. 134-144.

Tesler, L.G., "Advertising and cigarettes," *Journal of Political Economy*, Vol. 70, 1962, pp. 476.

Townsend, J., "Policies to Halve Smoking Deaths," *Addiction*, Vol. 88, 1993, pp. 43-52.

Vaccara, B.N. and MacAuley P.H., "Evaluating the economic performance of U.S. manufacturing industries," *Industrial Economics Review*, Summer, 1980, pp. 6-19.

Van-Iwaarden, M.J., "An Economist in 'Alcohol Policy Country'," *British Journal of Addiction*, Vol. 84, No. 1, October, 1989, pp. 1205-1216.

Warner, K.E. and Goldenhar L.M., "The cigarette advertising broadcast ban and magazine coverage of smoking and health," *Journal of Public Health Policy*, Vol. 10, No. 1, 1989, pp. 32-42.

Weiss, L.W., "Average concentration ratios and industrial performance," *Journal of Industrial Economics*, Vol. 11, 1963, pp. 237-254.

Willey, D., "Only the Strong Survive (using logo and package design for building brand identity; special report)," *Journal of Business Strategy*, Vol. 15, May-June, 1993, pp. 30-33.

Wittink, D.R. and Cattin P., "Commercial Use of Conjoint Analysis: An Update," *Journal of Marketing*, Vol. 53, July, 1989, pp. 91-96.

Zaichkowsky, J.L., "Conceptualizing Involvement," *Journal of Advertising*, Vol. 15, No. 2, 1986, pp. 4-14, 34.

Trade Journals, Magazines, Presentations and Newspapers

Aubin, H., "Are Generic Packs Cigarettes' Future?" *Montreal Gazette*, November 8, 1989, pp. B3.

Aubin, H., "Trial in Montreal: Are Cigarette Ads Aimed at Youth?" *Montreal Gazette*, November 7, 1989, pp. B3.

Barss, P., "Cigarette Money," *The Toronto Globe & Mail*, July 10, 1993, pp.D7.

Bassin, A., "So -- What's in a Name," *Drug & Cosmetic Industry*, Vol. 154, January, 1954, pp. 78.

Bearden, W.O. and Etzel, M.J., "Reference Group Influence on Product and Brand Purchase Decisions," *Journal of Consumer Research*, Vol. 9, September, 1982, pp. 183-184.

Bertrand, K., "First Impressions Are Everything in Package Design," *Business Marketing*, Vol. 76, July, pp. 19.

Bissell, J., "How Do You Market An Image Brand When the Image Falls Out of Favour?" *Brandweek*, Vol. 35, No. 23, 1994, pp. 16.

Bochove, D., "Cigarette Survey Finds Support for Plain Packs," *The Toronto Globe & Mail* , October 26, 1992, pp. A12.

"Profits: The Healthiest Thing About Cigarettes," *Businessweek*, May 16, 1994.

"Stiffer Warnings May Mean Less Risk for Cigarette Makers," *Businessweek*, October 15, 1984, pp. 49.

Byrne, K., "Smoke Firms Sidestep Ad Ban: Study," *Winnipeg Free Press*, January 14,1994, pp. A2.

"Cigarettes: Sales on the rise again," *Calgary Herald*, October 27, 1994, pp. A9.

"Wal-Mart bans tobacco sales," *Calgary Herald*, October 30, 1994(a), pp. D1.

"Cigarette tests need overhaul," *Calgary Herald*, October 24, 1994(b), pp. A8.

Campbell, B., Plain (cigarette) packaging. *The Toronto Globe & Mail*, May 19, 1994, pp. A28.

Canadian Press, "Tabac: les emballages neutres pourraient coûter cher au Canada," *Le Droit*, May 11, 1994.

Canadian Press, "L'industrie US dénonce l'emballage neutre pour les cigarettes," *La Presse*, May 11, 1994, pp. D6.

Canadian Press, "Non-Seductive Wrappers Urged for Cigarettes," *The Vancouver Sun*, January 7, 1994, pp. A7.

Canadian Press, "Cancer Society Lobbies for Brand Cig Packaging," *Halifax Chronicle Herald*, January 7, 1994, pp. A10.

Canadian Press, "Cigarette Smoking Rises for First Time in Decade," *Montreal Gazette*, December 21, 1993, pp. B1.

Canadian Press, "L'industrie U.S. dénonce l'emballage "neutre" pour les cigarettes," *La Presse*, May 11, 1994, pp. D6.

Carr-Gregg, M., and Gray, A.J., "'Generic' Packaging - a Possible Solution to the Marketing of Tobacco to Young People," *World Smoking & Health*, Vol. 18, No. 2, 1993, pp. 11-13.

Cowley, G., "I'd Toddle a Mile for a Camel," *Newsweek*, December 23, 1991, pp. 70.

Dagnoli, J., "Low-price Smokes Light Up Market," *Advertising Age*, December 4, 1989, pp. 3.

Dagnoli, J., "Impulses Governs Shoppers," *Advertising Age*, October 5, 1987, pp. 93.

Dagnoli, J., "RJR Shops Ponder Winston (quality positioning for ailing brand)," *Advertising Age*, May 20, 1991, pp. 2.

Deckert, D., "Cigarette smoking rises for first time in decade," *Montreal Gazette*, December 21, 1993.

Eade, R., "Talk About a Two-Sided Issue....," *The Ottawa Citizen*, May 7, 1994, pp. B3.

"The tobacco trade: The search for El Dorado," *The Economist* May 16, 1992, pp. 21-24.

"When smoke got in their eyes," *The Economist*, April 10, 1993, pp. 65-66.

Edmonds, E., "Breath of Death - Lung Cancer has Become the Leading Killer of Women," *The Ottawa Sun*, May 23, 1994.

England, B., et al. "Cigarette Advertising: My, How You've Changed!" Paper presented at the Annual Meeting of the Association for Education in Journalism and Mass Communication.

Fennell, T., "The Worst Fear," *Maclean's*, February 21, 1994, pp. 14.

Fife, R., "Threat of Job Cuts Empty," *The Ottawa Sun*, May 1, 1994.

Fischer, D., "Tobacco Trade 'Hired Guns' Accused of Skirting Issue - Plain Packaging Violates NAFTA Committee Hears," *The Ottawa Citizen*, May 11, 1994.

Fraser, G., "Canada's tobacco backers are down to their last puff," *The Toronto Globe & Mail*, January 30, 1988, pp. D1, D8.

Fraser, M. "Fashion label teams up with tobacco giant: Chevignon cigarette aims to addict French youth, critics charge," *Montreal Gazette*.

Glantz, S.A., "The tobacco industry's response to the nonsmokers' rights movement." *Proceedings of the Seventh World Conference on Tobacco and Health* (1990).

Gersh, D., "Advertising Control by Government (Proposed Congressional Bill Would Restrict Tobacco Product Advertising in the U.S.)," *The Fourth Estate*, Vol. 123, July 21, 1990, pp. 9-11.

Gillies, P., "Stop Smacking the Smokers - it Doesn't Work," *The Toronto Globe & Mail*. July 30, 1993, pp. A19.

"Ottawa comes under fire from U.S. tobacco lobby: Plain-packaging plan draws multimillion dollar threats," *The Toronto Globe & Mail*, May 11, 1994(a), pp. A1-A2.

"Jobs in peril, U.S. tobacco firm warns: May rethink investment if plain packaging ordered, Philip Morris says," *The Toronto Globe & Mail*, May 14, 1994(b), pp. A1-A2.

"Tobacco Lobby Pressures Ottawa," *The Toronto Globe & Mail*, May 11, 1994.

"Cigarette Advertising Targets Only Smokers: Spokesman," *The Toronto Globe & Mail*, September 27, 1989, pp. B3.

Gloede, W., "Generics Smokin'!" *Advertising Age*, August 11, 1986, pp. 3.

Gold, M., "Lung Cancer Tops Breast Cancer as Killer of Women - Smoking Blamed for Alarming Canadian Statistics," *The Ottawa Citizen*, May 17, 1994. pp. A2.

Heline, H., "Consumer Behavior: Brand Loyalty Isn't Dead -- But You're Not Off the Hook," *Brandweek*, Vol. 34, June 7, 1993, pp. 14-15.

Herbert, B., "Tobacco hush money for black leaders," *Business and Society Review*, Vol. 88, Winter, 1994, pp. 62-63.

Hilts, P.J., "Smoking's cost to society is $ 52 billion a year, Federal study says," *The New York Times*, February 21, 1990, pp. A18.

Ingram, B., "Tobacco," *Supermarket Business*, Vol. 48, No. 9, pp. 143-146.

Jackson, T., "Private-label: Blood on Main Street, Bargains on Wall Street," *The Toronto Globe & Mail*, April 24, 1994, pp. B21.

John, G.A., "Environmental smoke issue points way to advertising ban," *Tobacco International*, January 22, 1988, pp. 5-6.

Kapica, J., "Ugly Smokes Put Off Teens, Study Concludes," *The Toronto Globe & Mail*, January 7, 1994, pp. A4.

Klein, R., "The Dark Beauty of the Cigarette," *Harper's*, November, 1993, pp. 35-38.

Konrad, W., "I'd Toddle a Mile for a Camel (Old Joe Camel Ads Targeting Underage Smokers)," *Businessweek*, December 23, 1991, pp. 34.

Konrad, W., "RJR can't seem to find a spot in the shade," *Businessweek*, July 20, 1992, pp. 71.

Ledworth, F., "Does Tobacco Sports Sponsorship on Television Act as Advertising to Children?" *Health Education Journal*, Vol 43, No. 4, 1984.

Levin, M., "Marketing: Best brains in the business," *Asian Business*, Vol. 26, No. 11, 1990, pp. 58-60.

Levin, M., "The tobacco industry's strange bedfellows," *Business and Society Review*, Spring, 1988, pp. 11-17.

MacQueen, K., "Dear Philip Morris, Please Hammer your Coffin Nails Up Your Gun Barrel," *The Ottawa Citizen*, May 17, 1994, pp. A10.

Mahon, J.F., "Corporate political strategy," *Business in the contemporary world*, Autumn, 1989, pp. 51.

Mahood, G. 1992. "Generic or "Plain Pack" Tobacco Packages: Moving Toward Real Bans on Tobacco Advertising," An address to the 8th World Conference on Tobacco or Health, Buenos Aires. April.

Mallory, M., "That's one angry camel," *Businessweek*, March 7, 1994, pp. 94-96.

Mark, J.I. and Silverman, J.H., "How Much is a Loyal Customer Worth?." *Across the Board*, May, 1992, pp. 36-39.

"Last Gap for Tobacco Market?." *Marketing*, April 25, 1994, pp. 19.

Marney, J., "What counts as cool in the teen market?" *Marketing*, Vol. 98, No. 41. October 11, 1993, pp. 18.

Marney, J., "Youthful Shoppers Can Be Savvy and Skeptical," *Marketing*,. March 31, 1993. pp. 26.

Marney, J., "What Counts as Cool in Teen Market?" *Marketing*, Vol. 98, No. 41. October 11, 1993, pp. 18.

"Preparing for doomsday?" *Marketing Management*, Vol. 2, No. 1, 1993, pp. 48.

Mintz, J., "Social Marketing: New Weapon in an Old Struggle," *Health Promotion*, Winter, 1988/89, pp. 6-12.

Maxwell, J., "Generics Smoke Out Competition," *Advertising Age*, November 26, 1984, pp. 28.

Mayers, A., "Ban on Cigarette Ads to Boost Bottom Line of Tobacco Firms," *The Toronto Star*, December 24, 1988, pp. C1,C3.

McKenna, B. "Jobs in peril, U.S. tobacco firm warns," *The Toronto Globe & Mail*, May 14, 1994, pp. A1.

McKenna, B., "Ottawa comes under fire from U.S. tobacco lobby," *The Toronto Globe & Mail*, May 11, 1994. pp. A1.

" A long hard fight back," *Maclean's*, June 22, 1987(a), pp. 28-29.

"Crackdown on smoking," *Maclean's*, June 22, 1987(b), pp. 24-27.

"The grower's despair," *Maclean's*, June 22, 1987(c), pp. 30-31.

Miller, R.H., "Government action relating to smoking and health, 1964-1974," *Tobacco Situation*, June, 1974, pp. 33-38.

Millin, L., "Advertising Death," *Montreal Gazette*, October 10, 1992, pp. B6.

Mittelstaedt, M., "Health Minister's Move Shocks Tobacco Industry," *The Toronto Globe & Mail*, April 9, 1994, pp. A5.

Morton, P., "Plain Packaging Violates NAFTA, Cigarette Makers Say," *The Financial Post*, May 6, 1994, pp. 3.

Morton, P., "Billions for Plain Packs: RJR," *The Financial Post*, May 10, 1994, pp. 6.

"New Zealand Study: Plain Cigarette Packs Turn Young People Off," *The Addiction Research Foundation Journal*, February 1.

Okie, S., "Smoking related deaths up 11% to 434,000 yearly. CDC reports," *Washington Post*, Feb. 1, 1991, pp. A1.

Opatow, L., "Packaging is Most Effective When it Works in Harmony With the Positioning of a Brand," *Marketing News*, Vol. 18, February, 1984, pp. 3-4.

"Industry suggests alternatives to ban on tobacco advertising," *The Ottawa Citizen*, January 20, 1988, pp. A12.

Parker, R.R., "Tobacco group replies" (Re: U.S. Tobacco manufacturers have enlivened packaging debate), *The Toronto Globe & Mail*, May 31, 1994, pp. A22.

Porteous, S., "Players Car Display Pushes Limit," *Marketing*, April 8, 1991, pp. 46.

Pratkanis, A.R. and Greenwald, A.G., "Consumer Involvement, Message Attention, and the Persistence of Persuasive Impact in a Message-Dense Environment," *Psychology and Marketing*, July-August, 1993, Vol. 10, No. 4, pp. 321-332.

Priest, L., "Plain-pack Cigarettes a Turn-off for Teens," *The Toronto Star*, January 7, 1994, pp. A8.

Ramirez, A., "Reynolds is snuffing 5 cigarette brands, including Real, but will unveil new one," *The Wall Street Journal*, June 24, 1980, pp. 42.

Riddell, K., "Effectiveness of Plain-package Smokes Debated," *Marketing*, April 25, 1994, pp. 4

Ross, W.S., "Let's stop exporting the smoking epidemic," *Reader's Digest*, May, 1980, pp. 143-147.

Rublin, L.R., "Light up, and happy anniversary," *Barron's*, Vol 74, No. 15, pp. MW4-MW5.

Sease, D.R., "Tobacco tussle: Cigarette companies vie for low-tar smokers, a fast growing breed," *The Wall Street Journal*, March 21, 19778, pp. 1.

"S&O Sees Packaging as a Product Repositioning Tool." *Marketing News*, Vol. 21, December 18, 1987, pp. 9.

Smith, M., "Use Plain Packaging Tobacco Firms Urged," *The Toronto Star*, October 6, 1993, pp. A2.

Strauss, M., "New Look Likely for Cigarette Advertising," *The Toronto Globe & Mail*, August 1, 1991, pp. B4.

Tamburri, R., "Tobacco Firms in Canada Plan to Seek Compensation if Plain-pack Law Passes," *The Wall Street Journal*, May 9, 1994, pp. B5.

Trachtenberg, J.A., "Here's one tough cowboy," *Forbes*, February 9, 1987, pp. 108-110.

"Diversification moves in 1971," *Tobacco Reporter*, Vol. XCVIII, December, 1971, pp. 12.

"Interconnecting interests: '73," *Tobacco Reporter*, Vol. C, December, 1973, pp. 14.

"Tough Times for Tobacco," *Discount Merchandiser*, Vol. 30, September, 1990, pp. 58-59.

Todd, D., "Cigarette Makers Trying to Smoke Out New Markets," *The Vancouver Sun*, November 16, 1993, pp. D2.

Trager, C., "Stirring Up Soft Drinks," *Beverage World*, Vol. 110, September, 1991, pp. 48.

Tran, M., "Cigarette Giants Kick Their Habit," *The Vancouver Sun*, July 10, 1993, pp. B2.

Walker, J., "Plain Packs Kill Jobs, Say Workers," *The Ottawa Citizen*, April 30, 1994.

Warner, F., "Winston's Elect," *Brandweek*, Vol. 33, August 10, 1992, pp. 18-19.

Warner, K.E., *Selling Smoke: Cigarette Advertising and Public Health*, The American Public Health Association, Washington DC, 1986.

Wilson, D., "Cigarette Warnings to be World's Toughest," *The Toronto Globe & Mail*, July 23, 1993, pp. A6.

Zinn, L., "The smoke clears at Marlboro," *Businessweek*, January 31, 1994, pp. 76-77.

UICC Tobacco Control Fact Sheet

Generic Packaging

Towards Informed Consent: The Case for Plain Packaging of Tobacco Products

What is plain packaging?

Plain packaging is packaging which is devoid of brand logos, brand colours and information other than the brand name and government-mandated information. Plain packaging has also been referred to as generic or standardized packaging. Packages would be required to be identical in size, shape, colour, font style and size, and spatial arrangement, leaving only the name to identify the brand. The goal of plain packaging is to achieve the removal of the tobacco package as an alluring advertisement for the product.

Plain packaging may, in fact be a misnomer. It has been suggested that what is needed is "dissuasive packaging" as opposed to the current persuasive packaging. (1) The look of the package would be standardized, dictated by government regulation rather than by tobacco company marketing experts. Whether simple or complicated, colourful or bland, it would be unappealing to consumers, and would provide accurate information about the product.

How important is packaging?

Packaging is a crucial component of the "marketing mix" for a product. It is the "least expensive form of advertising", and is of particular importance at point of sale: "The package is the manufacturer's last chance at a customer" (2).

Packaging plays a central role in promoting the appeal of tobacco to first time users. The tobacco package serves as a strong image identifier among youth. One study suggests that the cigarette package is a "badge" which youth carry to identify themselves as fitting an image suggested by the package (3).

The cigarette package has greater importance in countries which have banned or curtailed tobacco advertising and promotional activities. Where advertising has been banned, the package serves as the sole promotional vehicle. Packages can and do serve as powerful persuaders as centrepieces for point-of-sale displays. Where promotion is still allowed, packaging is the crucial link between the advertisement and the consumer.

Not surprisingly, tobacco companies have been extremely outspoken against plain packaging in jurisdictions where it has been considered. They are acutely aware of the important role of packaging in their promotional strategies. The Vice-President of Marketing for Canada's largest tobacco company said in 1989: "...in the cigarette business there is very little to distinguish, particularly in Canada, because we all use the same kind of tobacco, we do not flavour our tobaccos. So the discrimination in product terms, pure blind product terms, without any packaging or name around, it is very limited..." Put it in a package and put a name on it, then it has a lot of product characteristics." (4).

A tobacco industry journal states that: "During the 90s, the traditional cigarette pack will not be good enough for the selling job it will have to do. If it cannot be shown and marketed in advertising as before, it must carry the whole message itself. And when more and more popular brands vie for space on the tobacconist's shelves, the demand for a design that sells will be greater than ever before" (5).

The importance of plain packaging in achieving informed consent

While plain packaging should reduce the appeal of the package, perhaps its most important role is to denormalize the product and contribute to the goal of informed consent: ensuring that the consumer is adequately apprised of and understands all risks of use before choosing whether or not to take them. Tobacco's proponents ask: "what right do governments have to confiscate trademarks?" In reply, the public must ask: "what right does an industry have to package a product that is known to be addictive, and to cause death and disease in its users, in glossy attractive packages without adequate warning of risk?"

Glossy, attractive and, in many countries, completely unregulated tobacco packages interfere with and undermine health messages. They confuse the consumer about the seriousness of the risks of tobacco use and detract from the goal of informed consent. ➡

Adequate information about the consequences of using tobacco can be achieved through plain packaging. Elimination of the mixed messages sent by tobacco companies is critical. Accurate messaging would take priority over tobacco company propaganda. An unalluring package would highlight the health message rather than the product.

The evidence

Plain packaging is not a new concept in tobacco control. A number of countries, for example Canada and Australia, have considered plain packaging as a potentially important component of a tobacco control strategy, based on a number of streams of evidence.

Considerable evidence supports plain packaging as an effective tobacco control measure. Research studies on youth and the general population indicate that the absence of attractive packaging would change not only the public's perceptions of the product, but also the perceptions of users of the products. The latter is important, because positive images of young smokers as viewed by their peers contributes to the desire to take up smoking.

Six major published studies discuss the potential impact of plain packaging: two from Canada, one joint U.S.-Canada study, and one each from the U.S., Australia, and New Zealand (6,7,8,9,10,11).

Among the findings of these studies:

- youth described buyers of plain packages as "wimpy", "boring", "loser", and "out of it", whereas purchasers of a brand package were described as "smart", "fun", "popular", "outgoing", and "well-respected";
- plain packages were described as "boring", "unattractive" and "cheap-looking"; several smokers indicated that they would not buy plain packages;
- a substantial proportion of adolescents believed that plain packaging would greatly impact on the prevention of trial and initiation of smoking behaviour, and that fewer adolescents overall would smoke if cigarettes were sold only in plain packages;
- health warnings on plain packages were more noticeable and their presence more easily recalled than warnings on brand packages, and
- a significant majority of adults refused to buy Marlboro cigarettes at half price when they were packaged in generic brown boxes, even when assured that they were fresh, authentic, and identical to regularly-packaged Marlboros.

These studies arrived at the same general conclusions. Plain packaging:

- would detract noticeably from the image of cigarettes;
- could be expected to discourage smoking uptake and encourage smoking cessation, especially among youth, and
- is a necessary, but not sufficient, measure to discourage people from starting to smoke.

Additional benefits

As well as removing the allure of the tobacco package, plain packaging offers a number of additional benefits from a tobacco-control perspective. It would:

- decrease the effectiveness of other tobacco marketing strategies, such as point-of-sale displays and sponsorship activities;
- increase the prominence and impact of health warnings on packages, and allow more package space for larger or more detailed warnings;
- reinforce health messages from other sources about the acceptability of tobacco by "denormalizing" the product, and
- be politically popular. In jurisdictions which have been surveyed, including Canada and Australia, a majority of respondents support plain packaging or other measures to make cigarettes less colourful and attractive.

The tobacco industry's view

Tobacco companies vocally oppose plain packaging and have successfully defeated proposed regulation where it has been considered. The primary arguments used by the industry are that packaging does not influence consumption levels, only brand share; that plain packaging would lead to massive job losses in the printing and packaging industries; that it would contribute to smuggling, and that there are insurmountable international legal barriers to implementing plain packaging. Like most arguments against effective tobacco control put forward by the industry, these concerns are based primarily on self-interest rather than fact.

1. **Packaging does not influence consumption levels, but rather brand share.**

   On the contrary, evidence suggests that advertising, of which packaging is a part, tends to increase the volume purchased of a particular brand by loyal consumers. Also, tobacco advertising campaigns have been successful in increasing the uptake of smoking in target populations in steady decline (12).

   If plain packaging were only an issue of market share, then it would make sense that some companies would favour plain packaging while others would oppose it; certain brands and companies would gain customers and increase profits as a result. More realistically, because the change in market share is unpredictable, industry response as a whole should be neutral. In fact, all companies claim that plain packaging would impact negatively upon them, indicating a fear that the overall size of the market would be affected.

2. **Plain packaging would eliminate jobs in the printing and packaging industries.**

   In fact, plain packaging need not be plain, only standardized. Governments could require multiple (albeit unattractive) colours and intricate graphics or photos to illustrate health risks. All of these measures would mean that plain packages could require printing processes as complicated as are required for current packages, effectively dismissing the economic argument of job loss. They would also mean that plain packages could be made difficult to counterfeit, and easily differentiated for purposes of smuggling control.

3. **Plain packaging would increase counterfeiting and smuggling.**

   A more complicated package as described above would prevent this, as would requirements for sophisticated anti-counterfeiting techniques. That plain packaging would increase smuggling is nonsensical: standardized packaging in a given country would be readily identifiable. Foreign-produced smuggled packages, or smuggled packages produced for export, would stand out all the more, enabling enforcement efforts.

4. **Plain packaging would violate international treaty obligations.**

   Tobacco companies argue that plain packaging amounts to trademark infringement in violation of several international trade and intellectual property agreements. These treaties, the industry contends, require either that plain packaging not be implemented, or that the tobacco company be compensated for its "expropriated" trademarks. However, international law simply does not bear out these tobacco industry claims. International legal experts conclude that plain packaging, properly implemented, need not amount to expropriation (13). Additionally, each of these treaties contains specific exemptions justifying State actions undertaken to protect public health.

Conclusion

Studies of youth, tobacco company spokespersons, and marketing experts confirm the importance of packaging to the appeal of tobacco. The tobacco control community agrees that plain packaging is a necessary, (although insufficient) measure in addressing the tobacco epidemic, and would be particularly effective in reducing smoking uptake among youth. Plain packaging is crucial in contributing to the informed consent of tobacco users. Countries should consider plain packaging as an essential component of an effective tobacco control strategy.

Acknowledgement and References

This fact sheet has been prepared for the UICC by Ms. Heather Selin and Mr. David Sweanor of the Non-Smokers' Rights Association, Canada.

1. "Towards zero consumption: Generic packaging of tobacco products." Report of the Standing committee on Health, June 1994, House of Commons, Ottawa, Canada, p. 6.

2. "When Packages Can't Speak: Possible impacts of plain and generic packaging of tobacco products." Expert Panel Report prepared at the request of Health Canada, Ottawa, March 1995, p. 2.

3. RBJ Health Management Associates, "Impact of Plain Packaging of Tobacco on Youth Perceptions and Behaviour: Report of Study 1", Toronto, June 1993.

4. Imperial Tobacco Ltd. v. Attorney General Canada, Quebec Superior Court, September 28, 1989, Oral Arguments, 5, pp. 660-661.

5. "Rethinking Cigarette Packs for a New Age", *Tobacco International*, March 1, 1991, p. 14.

6. "Images of Plain Packaging on the Image of Tobacco Products Among Youth", Centre for Health Promotion, University of Toronto, November 1993.

7. "When Packages Can't Speak..."

8. University of Toronto, University of Illinois at Chicago, York University, Ontario, Tobacco Research Unit, Addiction Research Foundation, *A Study on Youth Smoking – Plain Packaging, Health Warnings, Event Marketing and Price Reductions*. Irving Rootman and Brian R. Flay, Principal Investigators, Toronto, Canada, 1995..

9. "Here's one tough cowboy", *Forbes*, February 9, 1987.

10. "Health Warnings and Contents Labelling on Tobacco Products", Centre for Behavioural Research in Cancer, Australia.

11. Beede, P., Lawson, T., and Shepherd, M., "The Promotional Impact of Cigarette Packaging: A Study of Adolescent Responses to Cigarette Plain-Packs", University of Otago, New Zealand, 1992.

12. "When Packages Can't Speak...", pp. 30-31.

13. Castel, J.-G., "Would Plain Packaging for Cigarettes Violate Canada's International Trade Obligations?", opinion submitted to the Standing Committee on Health, Canada, May 1994.

International Union Against Cancer, Tobacco and Cancer Programme
3, Rue du Conseil-Général, 1205 Geneva • Switzerland
Tel: (41 22) 809 1830 • Fax: (41 22) 809 1810 • E-mail: tobacco-control@uicc.ch
UICC on the Internet, World-Wide Web: http://www.uicc.ch/

CHAPTER FIFTEEN

Color Research in Package Design

Bonnie Lynn

Brands that have favorable psychological connotations to consumers succeed. Those that do not have favorable psychological effects often fail.

Product quality is undeniably the make-it-or-break-it of any consumer product. If the product fails to provide the satisfactions the consumer expects from it, repeat sales will cease and the brand will fail.

Actually, most marketing failures are not failures of new product or of inferior products in existing categories; most marketing failures are failures of brands.

The package is the visual identity of the brand. The package represents the product at the point of sale; the representation must be effective, motivating. The package is the visual brand image and silent salesman.

Unquestionably, advertising plays a major role in motivating the consumer. Television, printed and radio communications are motivating factors. A "good" ad campaign motivates consumers to buy. A "poor" one does not promote interest or discourages consumers. But the best product quality and "great" advertising can be defeated by an ineffective "brand image" at the point of sale or a package that does not sell, that has an unfavorable psychological effect.

To assure marketing success, it must be understood that at the point of sale the package is the product. The package is the final stimulus before product use to which the consumer must, and will, react when making her purchase. If the package presents the brand in a favora-

ble light, that is, if the package conveys more favorable associations and desirable connotations than competition does, the brand will be put into the shopping cart. If the package is not motivating, the brand will almost definitely fail, no matter how fine the product is or how effectively it is advertised.

In self-service shopping, which most present-day shopping is, the package must first of all attract the consumer's attention. It must then hold attention and inform the consumer clearly about the product. It must convey that it contains the highest quality product. It must accomplish all this better than the competition, or at least as well.

Thus ensues the battle of the boxes. Competing for attention on the store shelves, the boxes, bottles, cans, and jars fight frantically to win the consumer over.

What does all this have to do with color?

In light of the importance of the package in achieving marketing success, package design—including all components involved in it (logo-symbol, typefaces, color)—has become a specialized, highly competitive, and very important field. Taken separately and together as a unit, the packages must be effective both optically and psychologically.

The consumer reacts to the package on a conscious level to a limited degree. She identifies the product that the package contains; she may recall (be conscious of) advertising and/or past personal experience with the brand. In some rare cases, she may react to the appearance of the package on a conscious level. Consumers' unconscious reactions to the package, however, have an even greater role in determining if the package will be put into the shopping cart.

Many of conducted studies have shown that "image communication" is superior to, or more effective than, linear (nical' nd that semantics are not the most effective kind of communication. In other words, lines (words) are not as effective as forms and images. Forms and images have much greater motivating power than words.

It should be understood that people have built-in defense mechanisms against words. People are not defensive in relation to forms (images, symbols) or to colors, because people are not aware that they are affected by forms and colors. The effect colors and forms have on consumers is largely unconscious.

No one says, or even thinks, "This store has this sign, in these colors, with this imagery, because they want me to buy here." To consumers the purpose of the sign is merely to identify, to inform. The consumer is conscious only of the literal communication.

To consumers the purpose of a package is to serve as a container for the product, and the purpose of the label is to identify the product. However, two different packages with the same product inside may have a totally different psychological impact on the consumer. One package may create acceptance by many more consumers than the other.

It is in the psychological realm where color plays a major role. Color, like imagery, is a vital factor in package design.

To be effective, a brand name that is appropriate for the product must have attention-getting power and psychologically appealing imagery combined with psychologically effective color (or colors). The package as a whole must have a dominant identifying color, and the other colors on the package must be in harmony with it in order for the brand to present a total favorable image.

I am stressing the role of color combined with imagery because color cannot be independent of space or form.

Even in the highly specialized field of package design, color is generally used haphazardly, subjectively, without realization of the power it has in communicating and motivating. The subjective color selection of the package designer, or preference of the brand manager, is too often the deciding factor in the creation of package graphics. The assumption is that "if I like it, others will."

The selection of words and images is frequently made in the same way. But the greatest absence of knowledge is revealed in color selection.

Package designers, as those who are in a position to make package design decisions, generally are not concerned with measuring the optical and psychological effect. "Good taste" does not result in a package that contributes to marketing success.

Basic physical and optical principles must be implemented and psychological effect must be given consideration. The psychological effect has to be determined by measuring with the right tools, with special devices that are designed for discovering psychological effect. It cannot be determined subjectively, on the basis of personal preference.

In addition to an optical and a psychological role, color also has a legal role. It is usually not under government control. Marketing and advertising executives cannot use psychologically potent words that are not factual. They cannot make exaggerated claims or even factual claims which might be misunderstood. But they are free to use color symbolism. The FTC rarely dictates the kinds of colors, images, and designs that can be used.

Most marketing programs that fail do so because few executives making marketing decisions recognize they were made on a subjective basis. Color selection is generally made subjectively.

Then there are marketing executives who have research conducted on the assumption that people can and will reveal their true feelings and actual attitudes in response to direct questions in interviews about package designs and about colors.

Because the motivating factors involved in consumer purchasing occur largely on the unconscious level, only research methodology that is indirect can reveal the unconscious factors that affect the consumer at the point of sale. Only indirect methodology can reveal the true feelings and actual attitudes of consumers.

It was brought out earlier in this chapter that color cannot exist without space or form. A package incorporates forms, space, and color. The arrangement of these components constitutes the package design.

In predetermining the effectiveness of a package design, the design components must be tested one by one. First of all, the effectiveness of the brand name must be determined. Second, the effectiveness of the logo and/or symbol must be studied. Third, the dominant package color should be determined on the basis of research. Finally, the effect of the entire package design should be measured. Only by this step by step procedure can a package that will motivate consumers be predetermined.

There are thousands of colors: a number of colors have to be selected as a starting point. Prior to the step by step packaging research, knowledge about color (and symbols), attained through previous research studies, can and should be applied toward a way to stack the odds in your favor.

From many indirect method research studies much knowledge has been gained about the powers of colors. Over the past 35 years we have been collecting and updating information relative to the powers of colors: preference ratings, retention ratings, visibility ratings, and the associations (favorable and unfavorable) conveyed by colors as they are associated with a variety of household, personal, and recreational products and

services. The data from this research are applied to package designing to reduce the number of experimental designs.

Through consumer attitude testing, quantified qualitative tests with samples of consumers conducted by indirect method, it is determined which of the three, four, or five package designs, created with the aid of color information, is the most effective. Testing this reduced number of proposed designs cuts both design and research costs greatly.

Basic physical and optical principles about color can be of great value to the designer in creating an effective package. For example, the designer should be aware that color attracts and is remembered in accordance with its degree of visibility. In other words, the color that can be seen at the greatest distance is the color that attracts the eyes the quickest and is remembered most easily (color retention). This is true even when the color is seen at close range.

A pure hue (a color that has no part black, white, or gray) has greater visibility (attraction power) than any of the tints, tones, or shades derived from that hue. Some pure hues, however, have much greater visibility than other pure hues. Also, a tint derived from a hue of high visibility has greater attraction power than a tint derived from a hue of low visibility. This is known to most designers, yet it is widely disregarded in package designing.

It should be clear that colors that attract attention first and are most easily remembered are not necessarily colors that have great preference or appeal. Color preference does not generally correlate with color retention. Although a color of high preference and great appeal is an important factor for an effective package, high visibility, high retention color must generally be used as well. Since the attributes of wide preference and great visibility can rarely be achieved through one color, the dominant color should be determined on the basis of the product category. In food packaging it is not difficult to combine colors of high preference and great visibility and retention. In packages for cosmetics, the problem is more difficult.

Direct color symbolism is an important factor in effective package design. Most package designers are aware that green represents green vegetables, red symbolizes meat, and white communicates pure. It was learned, however, that many designers were not aware that some greens symbolize "poison." Indirect color symbolism that reaches the subconscious mind is not generally considered in design studios. Such information can be derived only from research conducted with consumers by indirect method.

When shopping in a supermarket a consumer may suddenly decide she would like to have another package of the beef gravy mix that proved to be so delicious. She has only purchased the product once and cannot remember the brand name. The shopper will go to the area in the store where that type of product is on display and look for the color scheme of the package. If the package has high retention (memorable) colors, the product will be recalled easily.

The trademark (logo/symbol) has an important role in identifying and recalling a package, in addition to having a psychological role, favorable or unfavorable. The trademark is recalled much more easily if it always appears in the same color or colors.

Colors are generally divided into two psychological groups, cool and warm. The warm colors are those that are predominantly yellow or red. They rate much higher in visibility and retention than the cool colors, which are predominantely blue or violet.

Colors of high preference, which are those that have favorable associations in the unconscious or subconscious mind, play important roles through the phenomenon of sensation transference. The colors on the package affect the consumer's perception of the product in the package. The effect of the colors, and of other elements on the package, is transferred to the product in the unconscious mind of the consumer.

Tests conducted on the basis of what people want (not what they say they like) reveal that there are geographic, national, ethnic, cultural, and economic factors in color preference.

For example, a specific red received a much higher preference rating with Italians and Mexicans than with Scandinavians and New Englanders. Also it had a much higher preference rating with Italians in lower income groups than with upper income Italians. A grass green had a low preference in rural communities, but a very high rating in a steel mill community.

For practical purposes, research showed that persons who had many emotional outlets and/or the ability to purchase emotional satisfactions showed preference for diluted and neutralized colors. Those who had only a limited variety of emotional outlets (either because of lack of education or because of low income) showed a distinct preference for pure hues in large doses, particularly those that were warm, such as yellows, oranges, and reds.

Our studies have shown that cool colors have a sedative effect and have proved to rate highest in preference with less outgoing or inhibited people. On the other hand, warm colors are more appealing to those who are outgoing and uninhibited.

Controlled studies with colors have shown that color sensations produce physical reactions. People often feel cold in a blue room and warm in a red room, without realizing that color, not temperature, causes this feeling.

There is a strong tendency for most people to seek, unconsciously, a balanced diet of calming (cool) and stimulating (red) colors. This explains why complementary pairs of colors produce psychologically pleasurable sensations. Complementary colors are cool-warm color pairs.

The most important color factor to be considered in package design is the symbolic power of color. Motivation research studies conducted over the past 35 years have proven color symbolism to be a very powerful marketing tool.

Color symbolism plays an important role in our daily lives. From the beginning of history, color symbolism has had a place in human affairs. It is involved in our spiritual values as well as our physical well-being.

Color exerts a strong symbolic force that has, through tradition, influenced us. In Western civilizations we are conditioned to associate red with festivity, blue with distinction, purple with dignity, green with nature, yellow with sunshine, and so on.

Colors express qualities of sex, strength, durability, reliability, cleanness, freshness, efficacy, professionalism, culture, and nationality. Color by its nature is highly symbolic. Also, through the ages different cultures have assigned different symbolic meanings to specific colors. For example, in Western cultures black symbolizes mourning and red festivity. In some Eastern cultures, white symbolizes mourning, but red (as in Western cultures) means festivity.

Color symbolism is relative to the object with which the color is associated and to the context in which the color is seen. Color symbolism can be applied to packaging in two ways: to suggest the product and to suggest favorable characteristics (attributes) of the product.

Yellow may symbolize sunshine and heat, but when a yellow package is seen in a refrigerated dairy display, it is likely

to symbolize (suggest) butter or margarine.

Using color to symbolize the contents of the package is very advantageous to the manufacturer; it aids the consumer in identifying the product.

Symbolizing the contents of the package is effective in such categories as fruit products since one commonly associates such colors as orange with oranges, violet with grapes, and yellow with lemon, grapefruits, and so on. Green is used extensively in canned vegetables as it is commonly associated with plants. Consumers are conscious of this kind of symbolism. Designers should not disregard this.

There is, as I pointed out, color symbolism of which consumers are not conscious. For example, colors of the peach-pink family have high preference and favorable associations ratings when associated with cosmetics, but drop radically in rating when linked with hardware.

A large percentage of people have favorable associations with, and show preference for, a certain green when that green is associated with a vacation. The same green drops in preference when associated with most food products. Another green has a high rating when associated with foods and a low rating when associated with clothing.

In addition to the color that is symbolic of, or identifies, the product, a package should have an accent or dominant color that identifies the brand. Ideally, it should be a high visibility, great retention, color that is complementary or related to the product color.

Often, the product identity color has to be left out because it identifies a competitive brand. High preference, great visibility colors have to be used with the assumption that consumers know the color of the product.

Cans of coffee can be found in bright red[illegible]ages, [illegible]lues. [illegible] is available in similarly bright colored cartons. Manufacturers of chocolate bars use red, white, orange, yellow, and other brightly colored wrappers for their brown bars. The bright hues have great appeal to the young.

For cleansing products, detergents, and similar impersonal products, there is no need for product identity. It is the brand that needs specific identity. The symbolism need not be direct or affect the conscious mind of the consumer. The color symbolism should be that of performance. Strong visibility is also very important.

The specific satisfactions that a detergent might provide include cleaning power, whitening power, ease of use, gentleness to clothes, and saving time. A detergent package can suggest most of these intangible satisfactions (product attributes) with color symbolism.

Color symbolism may be overused, if a number of brands of the same type of product use practically the same package color or color scheme to suggest their attributes. At one time, for example, over half the detergents employed blue as their dominant package color. (It was pointed out that blue symbolizes cleanliness.) The blue detergent cartons, however, when displayed side by side, may have conveyed that they were all similar, old-fashioned products. Therefore the shopper's eyes would be induced to roam to a detergent package with a more contemporary color scheme, in which blue was only one color. Today, detergent brands are in boxes of yellows, oranges, and reds (high visibility, attention-getting colors), with some blue.

The competitive factor must, of course, always be considered in using color in packaging. If a competitor uses a color, you may not want it. You will want a color combination that will give your brand specific identity. Your package should also be identified by a symbol—a design that serves as a focal point. The focal point should be in an effective color or colors.

Many problems have to be resolved in determining package colors. How much of which hue should be used because of its attention-getting power? How much of which hue should be used because of its high preference rating? How much of which hue should be used because of its appropriate symbolism?

Making these decisions should not be a purely subjective matter. Based on extensive data from package research, general guidelines with regard to selection of package colors can be made.

In selecting package colors, the powers of visibility and retention, preference, and favorable symbolism must be given consideration. Color of competitive packages is always a factor.

First, the package must attract attention. Then it must have a favorable psychological effect—favorable associations that are transferred to the product it contains.

It is important to be aware that studies have shown that color visibility and retention generally do not correlate with color preference. It is necessary, therefore, to have both a high visibility color and a high preference color on a package. The type of product should be the basis for determining which should be dominant—the strong visibility or the high preference color.

The physical and optical color principles and color information derived from studies with thousands of consumers can serve as a general guide in producing package designs for the purpose of communicating to and motivating consumers to buy the products the packages contain.

The creative process, however, plays a major role. Within the limits of these guidelines, the designer has to endow the package with specific identity and unique character. The package has to be distinctive and have an easily recognizable, easily recalled image, with all components having roles.

We generally recommend that a package designer produce several proposed designs (from three to five) for a product. After the designer has produced several package renderings, the designs (packages) are put through two kinds of research: (1) display tests—visibility, readability, and eye flow—that reveal the involuntary reactions to the package and, (2) indirect method consumer attitude tests that reveal which of several proposed package designs is most motivating and why.

People reveal their attitudes in spontaneous expressions and in unconscious reactions. Consumers express themselves freely in situations in which there are no ego involvements or prestige identification factors and in which no defense mechanism plays a part. A direct question puts one on guard, but an impersonal, simple questionnaire does not arouse defense mechanisms; responses are uninhibited. A "control" is also used to gain cooperation and promote interest in the test.

Consumer attitude tests are structured to provide quantified qualitative information. For each test there is a specially designed one page questionnaire. Personal interviews are conducted with a large enough sample of consumers, representative of the market, to be statistically significant. Because the methodology is indirect, the respondents are not aware of the specific information being sought. The respondents reveal their reactions by checking polar attitude terms (favorable and unfavorable) in response to each unit in the test.

Consumer attitude tests have proven that effective use of color will heighten the appeal and effectiveness of packaging.

G09.04/92

GENERIC OR "PLAIN PACK" TOBACCO PACKAGES: MOVING TOWARD REAL BANS ON TOBACCO ADVERTISING

An address
to the

8TH WORLD CONFERENCE

ON TOBACCO OR HEALTH

by

Garfield Mahood
Executive Director

Non-Smokers' Rights Association
Toronto, Canada

Buenos Aires
April 1992

GENERIC OR "PLAIN PACK" TOBACCO PACKAGES: MOVING TOWARD REAL BANS ON TOBACCO ADVERTISING

by Garfield Mahood, Executive Director
Non-Smokers' Rights Association
Toronto, Canada

A comprehensive health strategy

In the Canadian experience, any comprehensive health promotion initiative designed to address the tobacco epidemic must incorporate at least three key elements. First, governments must implement measures guaranteed to prevent children from gaining access to tobacco products. If children can be prevented from purchasing cigarettes until their late teens, hence avoiding an early addiction to tobacco, there is a strong likelihood that they will never become regular smokers.

Children can be discouraged from beginning to smoke by a number of measures including the decreased affordability of tobacco products brought about by the use of taxation policies. In Canada, taxation increases have been the single most important factor in the rapid decline of adolescent smoking.[1]

The licensing of tobacco vendors and strict enforcement of bans on the sale of tobacco to minors is another essential component in the process of blocking child access to cigarettes. Provincial licensing of tobacco retailers will soon become the rule. The province of British Columbia is now preparing regulations which will establish the Canadian precedent and other provinces will undoubtedly follow. The cost of enforcement can be covered by licensing fees.

Aggressive public education efforts, including media campaigns which target the tobacco industry and its predatory marketing, also have a real potential to impact on youth. A departure from the ineffective social marketing approaches long practised by government-sponsored media campaigns (e.g. the Canadian government's "Break Free" campaign) combined with a determination to "de-market" tobacco products (e.g. the State of California Department of Health's media campaign theme, "The tobacco industry is not your friend") will cause adolescent users and "contemplators" to re-assess the legitimacy of both the tobacco industry and the industry's products.

The success of the California campaign may be explained, in part, by this insightful passage:

> De-glamorizing Tobacco Use: Decades of heavy tobacco product promotion have created the myth that cigarettes are cool, sexy, and glamorous. Despite the indisputable medical evidence to the contrary, 3,000 people, mostly youth, succumb to this promotion and begin smoking every day. The de-glamorizing strategy exposes the business side of the

tobacco industry and repositions tobacco marketers as part of the problem. Other messages do not speak directly to the business of tobacco marketing but reinforce the negative social consequences of tobacco use.

Research showed that this strategy is powerful with non-smokers and smokers alike. For non-smokers, especially children, the strategy makes them stop and consider that smoking may not be an act of their own free will, and begin to understand that the tobacco companies are trying to make a profit by promoting the use of a product known to cause disease and early death. This new perspective puts the health messages they have been taught in a different light and encourages them to rebel against the tobacco companies instead of the health establishment. For smokers, the advertisements direct the frustration they feel about their addiction away from themselves and focus it toward the tobacco manufacturers. This strategy was also found to be particularly powerful among members of certain ethnic target groups, who were shown that they are being specifically targeted by the tobacco industry.[2]

The second key component of any comprehensive plan involves the development of "informed consent" between the buyer and seller of tobacco products. "Informed consent" is a principle in law in common law countries and defines minimal ethical standards in Canada's business law.

There are two steps on the road to "informed consent." One involves increasing the knowledge of the nature and magnitude of the risks of tobacco industry products. The warnings proposed by Canada's federal Minister of Health and by the Australian Ministers of Health are valuable steps in the right direction[3]. Informing citizens of the risks also requires a legislative requirement to force the industry to reveal the additives and flavourings in cigarettes.

The other step is critical. At the same time that accurate risk information is provided to the public, tobacco industry dis-information must be removed from the marketplace. Since all tobacco advertising is inherently dishonest, this objective necessitates complete bans on all tobacco advertising and promotion, including sponsorship. Advertising and promotion of the product implicitly and explicitly suggest that the product is legitimate. Children say "if cigarettes are as bad as you say they are, the government would not allow them to be advertised". And the children are correct in pointing out the incongruity between the messages being sent by adults and the absence of effective public policy.

The third key component involves the protection of innocent parties from injury caused by tobacco products. The focal point for the protection of others is legislation to prevent involuntary exposure to environmental tobacco smoke (ETS) in workplaces, in places of public assembly and, to the extent possible, in residences where children are frequently the victims of ETS exposure.

Passage of the federal *Non-smokers' Health Act* has led to the removal of ETS from most federally-regulated workplaces, approximately 9 percent of all Canadian workplaces. Municipal by-laws of ever-increasing strength are now being passed. These, in turn, will put pressure on provincial governments to introduce province-wide ETS bans, in both public and private sector workplaces.

That such measures are a threat to the tobacco industry was confirmed by a secret U.S. tobacco industry Roper poll commissioned in 1978:

> The original Surgeon General's report, followed by the first "hazard" warning on cigarette packages, the subsequent "danger" warning on cigarette packages, the removal of cigarette advertising from television and the inclusion of the danger warning in cigarette advertising were all "blows" of sorts for the tobacco industry. They were, however, blows that the cigarette industry could successfully weather because they were all directed against the smoker himself ... (and have) not persuaded many smokers to give up smoking.
>
> The anti-smoking forces' latest tack, however, - on the passive smoking issue - is another matter. What the smoker does to himself may be his business, but what the smoker does to the nonsmoker is quite a different matter .... *This we see as the most dangerous development to the viability of the tobacco industry that has yet occurred.*" [emphasis added][4]

Generic Packaging or Plain Packs, the Core of the Comprehensive Plan

Plain or generic packages are light brown (unbleached paper) or white packages with black printing only. Plain packs are packages stripped of the manufacturers design, colours and trademarks. Plain packs would permit nothing on or in the cigarette package but the product's name in generic type, risk warnings and information about the toxic constituents of primary and environmental tobacco smoke (tar, nicotine, carbon monoxide and other poisonous contents).

Plain packs have the potential to become one of the most potent if not the most potent weapon ever directed at the tobacco industry. Nearly all of the strategies of the comprehensive plan discussed above will be either enhanced by or exceeded by plain packs.

The justification for plain packs becomes clear when one takes into consideration the unique circumstances related to the product which is the cause of the tobacco epidemic. After all, tobacco industry products kill more Canadians than die from all other preventable causes of death, including homicides, suicides, accidents, illicit drugs and AIDS combined.

If a corporation tried to introduce a product as deadly as tobacco to the Canadian market today, it would be blocked. However, tobacco is on the market and millions of smokers are addicted. Given this reality, no credible health authority or politician would recommend a ban or prohibition on the product.

But if a ban is out-of-the-question, all remedies short of such a measure should be used to address an epidemic of such destruction, including tough initiatives to diminish the impact of package ads on the marketing of the epidemic.

How should a government allow an addictive, lethal product, a product which is the source of a jurisdiction's leading cause of preventable death, to be marketed? How should a government allow a product which kills when used exactly as the manufacturer intends to be packaged? The answer, of course, is not in the world's most sophisticated and alluring packages. Such beautiful packages cry out to adolescents that the product is safe. Consider then, the value of plain packs in the Canadian context.

Canada's landmark *Tobacco Products Control Act (TPCA)* ostensibly bans tobacco advertising. In fact, it only bans some tobacco advertising. The most important tobacco advertisements are the cigarette packages themselves. Before the *TPCA* came into effect, "package ads" were seen more often than newspaper, magazine and billboard tobacco ads combined. With the *TPCA* now in effect, the package ads continue to sell, without restriction.

Cigarette packages emerge from purses and shirt pockets 25 or more times a day. They sit on kitchen tables in front of children, on coffee tables, desks and car dashboards. Unlike other forms of advertising, package ads frequently have a significant adult model attached to the ad: a mother, a father, older brother or sister, aunt or uncle, employer or peer. Thus, package ads come complete with powerful, implicit endorsements. This increases the persuasiveness of package ads and their value to the manufacturers.

There is no effective advertising ban on tobacco industry products until the positive imagery of the package design is addressed. Obviously, enticing packaging should not be allowed to undermine advertising bans and government health policy if a government has decided to end the promotion of this product, and is sincere.

Therefore, we have placed generic packages or "plain packs" near or at the top of the list of reforms in any comprehensive plan to address the tobacco epidemic. The weight assigned to this health strategy has been endorsed by virtually all major Canadian health agencies.

How plain packs undermine tobacco marketing

1. Attractive packages offer children and adolescents an enticing symbol which represents critical passage from adolescence into the world of "adult" behaviour. Beautiful packages send an inconsistent message to children about the danger of the product. Mixed messages undermine the work of governments and health agencies to reduce tobacco consumption.

   Research shows that kids are "turned off" by plain packs. A New Zealand study by Park Beede found that young people consider plain packs to be "dull and boring". The design of cigarette packs has a "huge impact...our research clearly supports the idea of plain packs as a deterrent..."[5]

2. Plain packs would make it easier to introduce public policy to block the sale of cigarettes to children through the licensing of tobacco retailers. The very act of stripping the package of its attractiveness would send a message to retailers that the product in question is dangerous and should be sold through controlled distribution. As well, the radically altered packaging and the risk message that such packaging would imply would make it more difficult for pharmacists to argue a continued "right" to sell a lethal product.

3. Plain packs would give more weight to health warnings. In fact, in all probability, plain packs would be more valuable as a warning of risk than any printed health message. Plain packs would state implicitly "this product carries such serious risks that the government will not allow it to be sold in normal packages." The dramatic warning implicit in plain packs would begin to provide users with a warning commensurate with the risks associated with this product.

   Plain packs would make health warnings more visible. There would be no "clutter", no scope for the manufacturers to diminish the health warning by package design and colour schemes.

   Plain packs would remove conflicting messages being sent to children by governments, educators and parents about the legitimacy of the product. At the present time, lack of regulation of the industry, the failure to deal with the product's imagery and adult modelling of use of the product all combine to undermine education efforts to reduce tobacco use.

4. Advertising produced prior to the 1989 enactment of the *TPCA* ad ban has created what may be called a "store of value" in the present package designs. Package designs for tobacco now on sale capitalize on earlier advertising campaigns and current sponsorship activities. Legislation aimed at restricting cigarette advertising in an effort to reduce positive cigarette imagery will only be doing part of the job if the government does not counter the "store of value" already created.

The importance of the package imagery is well-illustrated in a February 9, 1987 article about Marlboro cigarettes in *Forbes* magazine. It states that it is the product image that attracts Marlboro smokers. The article quotes a researcher who, having interviewed large numbers of Marlboro smokers, concludes that talk of product difference is only a rationalization by the smoker.

The researcher says "the proof is that when we offered them Marlboros at half price - in generic brown boxes - only 20 percent were interested, even though we assured them that each package was fresh, had been sealed at the factory, and was identical (except for the different packaging) to what they normally bought."

The article continues by saying that brand image often appeals to the socially insecure and that the cigarette is used as part of a wardrobe[6]. It follows that when these crutches are removed, the appeal and sales of cigarettes could be expected to decline.

Thus, plain packs reduce the allure and the pull of the imagery. They do for tobacco packaging exactly what advertising bans are supposed to do on non-package advertising: reduce the demand. In brief, plain packs "close the circle" on advertising bans and go a long way toward the elimination of the "store of value" in past advertisements.

5. When the *Tobacco Products Control Act* was passed, it contained a conspicuous inconsistency. It banned tobacco advertising in Canadian magazines but, to avoid creating additional opposition to the legislation, it allowed tobacco ads for foreign brands in foreign magazines to continue to enter Canada. Presumably, the government feared a ban on foreign magazines (mostly U.S. periodicals) carrying tobacco ads would create political fall-out sufficient to jeopardize the bill.

The Canadian tobacco industry fought passage of the *TPCA* claiming that this "spill-over advertising" for foreign-produced cigarettes would give American cigarettes a competitive advantage and, over time, allow U.S. manufacturers to take over the Canadian tobacco market.

This has not happened.[7] However, to the extent that foreign-made cigarettes are a threat to Canadian health policy and to the effectiveness of the *TPCA*, plain packs are an effective public policy response to "spill-over ads." After all, foreign-made cigarettes could only be sold in Canada in plain packs. The colour and design of ads for cigarettes produced outside Canada would not relate to the generic packages being sold in Canada.

6. Plain packs strengthen and give credibility to public health education campaigns. At the present time, tobacco control policies are still not strong enough to be considered to be commensurate with the gravity of the tobacco epidemic. The weakness of current tobacco control policies has the effect of undermining educational efforts designed to persuade citizens that tobacco is a serious risk to health. A "plain packs" policy is a public health measure of sufficient weight to give credence to educational campaigns designed to warn the public about risks.

7. Plain packs would make it more difficult for tobacco companies to circumvent the ban on tobacco advertising in the *TPCA*. If all tobacco products look alike other than a generically lettered brand name, there would be less incentive to pay for prominent retail displays in stores or to pay to have a particular cigarette brand featured in a movie or other public performance, a promotional technique companies are now using.

8. Making tobacco less affordable through tobacco tax increases has played a major role in reducing tobacco use in Canada. Unfortunately, as a result of the U.S. government protecting its tobacco industry by keeping U.S. tobacco taxes much lower than those experienced in other industrialized countries, tobacco smuggling has become a serious problem in Canada.

   One of the keys to the termination of smuggling is the differentiation of the smuggled product from the legally-sold, duty-paid domestic product. With the legal product being sold in plain packs, it would be very difficult to hide the smuggled product. Plain packs would therefore become a serious weapon in the fight to reduce smuggling.

Conclusion

If a government is serious about reducing tobacco consumption, it can make a very strong statement by ensuring that tobacco products are clearly differentiated from normal consumer products. In other words, if tobacco is the <u>only</u> legal product that kills the user when used <u>exactly</u> as the manufacturer intends, the clear differentiation of cigarettes from legitimate consumer products is warranted.

And, if governments hold inquests over one death, and multi-million dollar inquiries for plane crashes[8], what would any principle of proportionality dictate should be done about 38,000 deaths annually from tobacco? We suggest that plain packs are an understated response.

Surely a government with integrity does not allow a lethal, highly addictive product to be marketed to kids, before the age of responsibility, in such beautiful, confidence-building packages? Surely the least that should be done, given the non-option of a prohibition on sales, would be to put the addictive drug in plain white or brown packages.

Smokers will support the plain pack reform if governments and health agencies explain to smokers that plain packs are critical to keeping children away from tobacco addiction[9]. Smokers want to give kids a chance, too.

In Canada, the Ontario Campaign for Action on Tobacco briefed the provincial health minister on the value of plain packaging. The Non-Smokers' Rights Association, the Canadian Cancer Society and other health interests then persuaded the editorial boards of major Ontario papers to back plain packs. The Campaign received lead editorial endorsements from *The Globe and Mail*, Canada's most influential newspaper, *The Ottawa Citizen*, the national capital's major paper, *The Toronto Star*, Canada's largest paper, Kingston's *The Whig-Standard*, *The London Free Press*, Brantford's *The Expositor*, a paper in the heart of Ontario's tobacco growing district, the *Sault Star* and other papers.

Legal opinions commissioned by the NSRA helped to persuade editors that interfering with trademarks was justified given the severity of the health problems caused by this industry. It was critical to get the newspaper editorial boards "on side" on such a major change before the issue entered the public arena.

At the time of writing, the Ontario government is on the verge of tabling its promised legislation and revealing its response to the campaign for generics. We will learn shortly whether or not the Ontario health community with virtually unanimous support from the province's newspapers will be sufficient to persuade the Ontario government to announce something as intelligent as plain packs.

Endnotes

1. In Canada, tobacco consumption among adolescents (age 15-19) fell by 52% from 1980-1989, from 45.0% to 21.6%, while the decline for the total population was 23%. Robert G. Ferrance, John M. Garcia, Kathy Sykora, Neil Collishaw, Lucia Farinon, "Effects of Pricing on Cigarette Use Among Teenagers and Adults in Canada 1980-1989," unpublished paper, February 1991 (available through the Addiction Research Foundation, Toronto, Ontario).

2. *Toward a Tobacco Free California*: A Status Report to the *California Legislature on the First Fifteen Months of California's Tobacco Control Program*, California Department of Health Services (December 1990), pp. 25-26.

3. The new Canadian warnings promised in *Information Letter 776* have been delayed pending the decision of the Quebec Court of Appeal over the constitutionality of the *Tobacco Products Control Act*.

   With respect to the Australian warnings, see *Health Warnings and Contents Labelling on Tobacco Products*, Centre for Behaviourial Research in Cancer, Anti-Cancer Council of Victoria, Melbourne, 1992.

4. "A study of public attitudes toward cigarette smoking and the tobacco industry in 1978," Volume I, The Roper Organization (May 1978).

5. "Plain cigarette packs turn young people off," *The Journal*, Addiction Research Foundation, Toronto, February 1, 1991.

6. "Here's one tough cowboy," edited by J.A. Trachtenberg, *Forbes*, February 9, 1987.

7. In fact, when the *Tobacco Products Control Act* came into effect, two of the three U.S. manufacturers withdrew from the Canadian market rather than comply with the *TPCA* and reveal the flavourings and additives in their cigarettes. The third U.S. major reformulated its cigarettes and continued to sell in Canada.

8. The Canadian government recently held a multi-million dollar inquiry into a plane crash that resulted in about 30 deaths. Tobacco industry products kill over 38,000 annually in Canada.

9. A poll produced in Ontario after the World Conference shows that 63% of the public would support plain packs including, interestingly, 64% of smokers even if "it means interfering with the rights of tobacco companies to conduct business like other companies." Environics Research Group Limited, September 1992.

Vol. 20 No. 2

2nd Class Mail Reg No. 2776

TORONTO, February 1, 1991

Published monthly by the Addiction Research Foundation ARF

The Journal

WHO Collaborating Centre for Research and Training on Alcohol and Drug Dependence Problems

New Zealand study

Plain cigarette packs turn young people off

AUCKLAND — If cigarettes were sold in plain white packets, far fewer teens would take up smoking, research by a marketing team at Otago University, Dunedin, indicates.

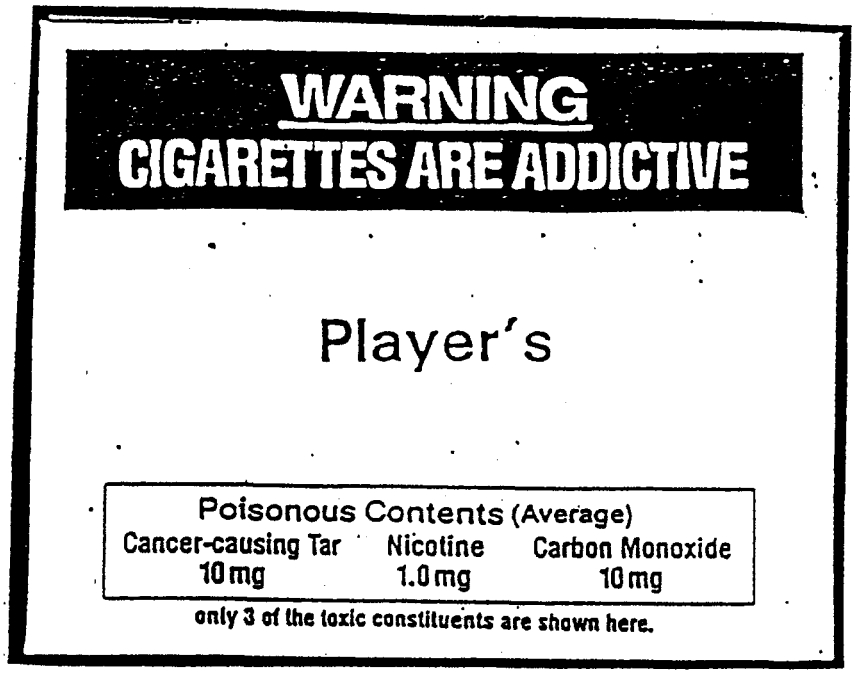
A survey of 550 third-form students (aged about 13 years) found plain packets with minimum information in black printing were considered "dull and boring" and curiosity about smoking was reduced.

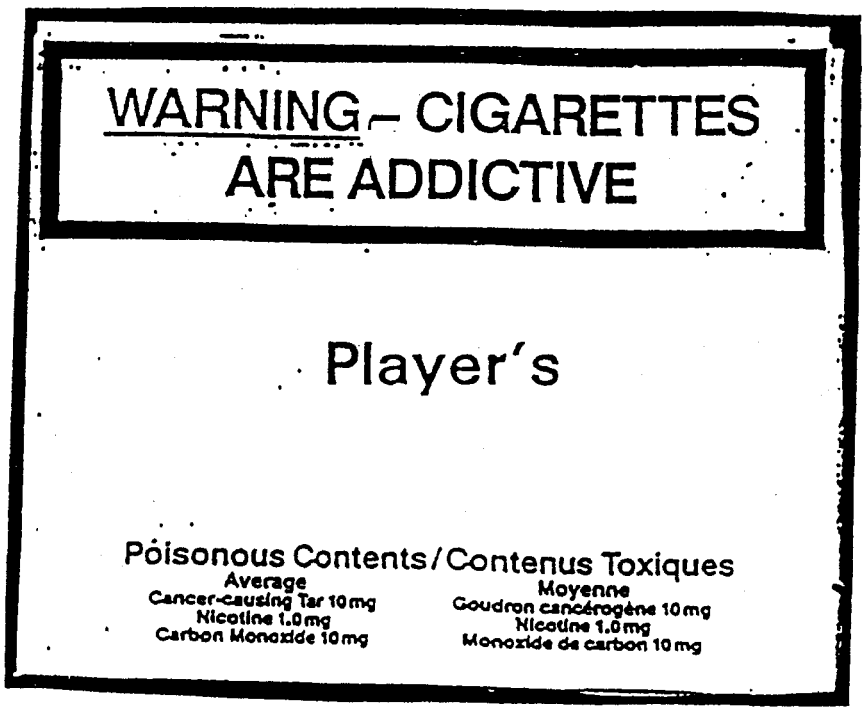
Research team leader Park Beede: "Our research clearly supports the idea of plain packs as a deterrent, particularly for young people."

The powerful role of the cigarette packet itself as a form of advertising is widely under-recognized and underestimated, said Mr Beede, a lecturer in the university's marketing department. The design of cigarette packets has a "huge impact," contributing greatly to the lure of cigarettes for children, he added.

The Otago University researchers were unable to find any previous academic research on the marketing impact of cigarette packaging.

PHOTOCOPIES OF GENERIC CIGARETTE PACKAGES MOCK-UPS





PRESENTATION BY THE ONTARIO MINISTRY OF HEALTH TO THE
HOUSE OF COMMONS STANDING COMMITTEE ON HEALTH
HEARINGS ON PLAIN PACKAGING
May 10, 1994

Mister Chair, Members of the Committee, Ladies and Gentlemen:

I am Larry O'Connor, Member of Provincial Parliament for the riding of Durham-York and parliamentary assistant to the Ontario Minister of Health. I have with me Brenda Mitchell, Manager of the Ministry's Tobacco Unit. We are here today to make a brief presentation on the issue of plain packaging, and its potential, as a component of a comprehensive tobacco strategy, to help us in our fight to reduce tobacco use in Canada.

Ontario Tobacco Strategy

In November 1991, Ontario's Chief Medical Officer of Health released a report entitled Tobacco and Your Health. It identified tobacco-related diseases as Ontario's number one health problem. It went on to say, "We know that one in five deaths among adults can be attributed to tobacco use. We also know that tobacco accounts for an enormous burden of illness and disability. And we know that all this death and disease can be prevented. The circumstances call for nothing less than thorough and relentless action...".

In January 1992, as part of Ontario's health reform agenda, the minister launched a comprehensive strategy to curb tobacco use. The three main purposes of the strategy are:

- prevention of tobacco use, particularly by children and adolescents;
- protection from exposure to environmental tobacco smoke, and;
- support for smoking cessation.

This comprehensive strategy includes legislation, media and public education, community action with supports to assist communities, and monitoring and evaluation of the strategy and its components.

In the Past two years we have made great progress in implementing the strategy.

Ontario Tobacco Control Act

On January 18, 1993, the Ontario Ministry of Health released a discussion paper on our planned legislation. In that paper, plain packaging was identified as an area for further discussion. We stated that "Plain packaging may make cigarettes less attractive to children and adolescents. It would also make health warnings more visible. Plain packaging needs to be addressed at the national level. We have therefore written to the Minister of Health and Welfare Canada asking him to take leadership no this issue."

In the comments we heard during 34 presentations on this paper the majority of presenters representing health care providers and associations supported plain packaging and expressed the view that plain packaging would greatly assist the Ministry in reducing the number of young people who smoke. These presenters noted that packaging, in itself, is a form of advertising and the colours and decoration can make the product appealing and attractive to prospective consumers. It was also noted that consumers associate tobacco products with sporting and cultural activities sponsored by the tobacco industry, and this can also enhance the products appeal.

Following public consultations, the Ministry proceeded with drafting legislation which was introduced to the House on November 22, 1994. Following second reading it was referred to the Standing Committee of Social Development. In January and February of this year I sat as member of that Committee and heard over 200 presentations on Bill 119.

Bill 119, the Tobacco Control Act, is intended to prevent the provision of tobacco to young persons and to regulate its sale and use by others. At the time of second reading the Bill included as Section 5 the general authority to specify packaging requirements by regulation.

Many witnesses during the recent public hearings on Bill 119, the Tobacco Control Act, supported the introduction of plain packaging for cigarette packages. Forty-six individuals, including the Ontario Medical Association and the Ontario Campaign for Action on Tobacco, specifically stated that plain packaging should be introduced as soon as possible. I have a list of organizations that appeared before the Committee and this has been provided to your clerk.

We were in the midst of these Committees hearings when the federal government announced the roll-back on tobacco taxes. The subsequent tax reduction in Quebec put Ontario in an extremely difficult position, and forced us to also reduce taxes. The drastic reduction in tobacco prices has significantly changed the nature of tobacco control in Canada, since increasing the price of tobacco is known to cause a decrease both in the number of people using tobacco and in amount of tobacco consumed.

In response to the federal announcement, the health ministers of Canada issued a press release expressing concern that at a time when governments across Canada are placing more and more emphasis on preventing disease that the federal government would take a major step backward by reducing the taxes on cigarettes. The ministers also indicated that the other measures announced by the federal government did not go far enough and called on the federal government to move immediately to plain packaging to dissuade young people from starting to smoke.

On March 10 1994, the Standing Committee on Social Development concluded its clause-by-clause review of Bill 119. The committee amended to Section 18 of the Bill to specify aspects of tobacco packaging that may be regulated. A regulation may "govern aspects of packaging, including labelling, colouring, lettering, script, size of writing or markings and other decorative elements". The amendment confirms that "plain packs" may be prescribed under the regulations.

Bill 119 is currently before the Committee of the Whole House. This was requested by two members of the Progressive Conservative party who are concerned about job losses they propose will occur if plain packaging is introduced. The information they have presented is far from conclusive and in addition I maintain that we cannot put a few jobs before the health of our children and the prevention of unnecessary sickness and premature deaths. I suggest that more than one death, one unnecessary death, every 15 minutes or so in Canada due to tobacco caused disease is too many to ignore.

We are pleased that the federal government is taking a lead role on the issue of plain packaging. The hearings being held by this Committee have created public debate on the issue. In addition, I am aware that staff in Health Canada are working with the provinces and territories to examine issues of common interest. Ontario is pleased to be part of this initiative. The Ontario Minister of Health, Ruth Grier, has reaffirmed that we wish to have plain packaging dealt with at the national level.

On April 28 of this year I presented a resolution to the Legislative Assembly of Ontario asking the federal government to enact measures requiring tobacco companies and cigarette manufacturers to make available to the public a list of the gaseous or particle by-products released by tobacco when lit or smoked, and that the federal government should require that the chemicals in cigarette smoke most harmful to health be listed on tobacco product packaging, and that similarly the chemicals released in smokeless tobacco and absorbed by the body are identified on packaging of chewing tobacco and moist snuff.

This type of information on a cigarette package would be much more prominent if tobacco products were in plain packaging.

I also want you to know that I and other members of the Legislative Assembly of Ontario have received petitions from our constituents asking that the government of Ontario continue to work with and pressure the government of Canada to introduce and enforce legislation calling for plain packaging of tobacco products at the national level.

Over the past decade Canada has shown the rest of the world that it is possible for governments to take action to control the sale and use of tobacco. We have, at both the federal and provincial levels, several pieces of landmark legislation. This was legislation that prepared in a belief that it would help our fight against tobacco.

We look forward to hearing the recommendations of this Committee once you have completed your study.

Brenda Mitchell, Manager of the Ontario Tobacco Strategy, will complete our presentation.

I know that you have heard in previous presentations the results of three studies done to date specifically on the issues of packaging as a health issue:

1) The Canadian Cancer Society report "Effects of the Plain Cigarette Packaging among Youth" (January 1994);

2) The Australian Centre for Behavioural Research in Cancer published report "Health Warnings and Contents Labelling on Tobacco"(1992), and;

3) the Beede and Lawson study from New Zealand "The Effects of Plain packaging on the Perception of Cigarette Health Warnings" (1992).

The Ministry of Health has reviewed research into Plain Packs that is available to us. We believe there is good prima facie and some empirical evidence that plain packaging would be:

- less attractive to children
- better to communicate health warnings and other information to consumers
- dissociate the packages from sponsorship advertising
- be easily recognized and perhaps help deter smuggling

As Mr. O'Connor has noted, we believe that the evidence is sufficiently compelling to warrant federal action.

However, there is relatively little research on the issue of plain packaging. This is acknowledged by health groups as a study is currently proceeding under the auspices of the Centre for Health Promotion at the University of Toronto to provide more science justification for this intervention. Further study from both the legal and social sciences perspectives is necessary to support the legislation.

We encourage a broad approach before reaching final conclusions. The concept of plain packaging and its intended impact on improving public health are known. Plain or "generic" packs, as envisioned by health groups, are plain brown or white with black printing only. Nothing would be on the packages but health warnings, content information and product name.

As part of the background research undertaken by the Ontario Ministry of Health to prepare for a media campaign targeted at teens and preteens we contracted with a cultural anthropologist to examine smoking from the teenager's point of view. During in-depth interviews held one-on-one with teenagers, they identified meanings associated with cigarette brands. For example, teens claim certain brands as their own and they use these brands to distinguish themselves from older age grades. Some brands are seen as "classy". Some as "tough". Each brand of cigarette has certain association. What brand you carry as a teen is important. Smoking and cigarettes are a potent source of self-definition for a teenager. The brands most smoked by teens according to these teens are Du Maurier and Players Light. Du Maurier Ltd. and Players Light Ltd. are names often seen on cultural and sports sponsorship and promotional signage on the familiar red and blue coloured backgrounds. It is clear that plain packaging would break the link between tobacco industry sponsorship and promotion, and the tobacco products themselves.

Tobacco is a product that needs to be treated differently than other products. Tobacco contains the highly addictive drug, nicotine. Tobacco, when used exactly as intended harms ones health. Tobacco is essentially an uncontrolled product, yet we have heard from a variety of sources that if tobacco was a new product to be introduced today it would not be permitted for sale as a consumer product. We believe that the brightly coloured cigarette packages displayed behind cashiers suggest to people, and young people in particular, that it is not really much different from the brightly packaged candy bars in front of the cashier. Tobacco is unique in its place in our society and should be treated differently, in a visible manner. This can be accomplished with plain packaging.

We commend the federal government for showing leadership on this issue. We hope that you will, in studying the topic obtain expert advice from a number of sectors - marketing, legal, economic, package design, social and behavioral research. We need the best professional marketing, scientific and legal advice available to design tobacco packages that are the least attractive and dissuade young people from using tobacco products. We need to have thought through possible strategies the tobacco industry can take in response to plain packaging that may thwart the effectiveness of the legislation as intended. This legislation will be world precedent setting and it is important it stand the test of litigation that will ensue.

Each year over 13,000 Ontario and 40,000 Canadian die from tobacco related diseases. There is a tremendous burden in our communities caused by these deaths, and the disease and disability caused by tobacco use. We believe that plain packaging should be pursued as one part of a comprehensive tobacco control strategy to reduce tobacco use in Canada.

As Anyone Can Plainly See:

Brand Imagery in Cigarette Packaging and Promotion

by

Richard W. Pollay
Professor of Marketing
Curator, History of Advertising Archives
Faculty of Commerce, UBC, Vancouver

A Submission to
Hearings on Plain Packaging of Tobacco Products
House of Commons
Standing Committee on Health
Ottawa, May 3, 1994

As Anyone Can Plainly See:
Packaging's Key Role in Cigarette Promotion

Statement by
Richard W. Pollay

Introduction.

I am Richard W. Pollay, Professor of Marketing and Curator of the History of Advertising Archives at the Faculty of Commerce, UBC, Vancouver. As a Professor in a Business School, where government legislation regulation is conventionally resisted, it may seem surprising that I am here today to support the implementation of plain packaging for tobacco products. I do so because the more I have learned over the past decade about cigarette marketing, the more shocked I have become at the industry's persistent and predatory promotion of these addictive and deadly products.

I very much appreciate the opportunity to present to you, as I am one of very few people who have reviewed vast amounts of cigarette promotional materials and the corporate documents that identify the targets and strategies for these massive promotional efforts. The issues I will address are the central role the packaging plays in the total promotional mix of firms, the character and target audiences of the "images" these promotional programs are designed to convey, and the resulting appropriateness and necessity of taking legislative action with respect to packaging.

My background.

My judgments about packaging's role in the marketing and promotional efforts of any firm is based on more than a quarter century of teaching, research and consulting in marketing strategy, advertising and consumer behavior. More specifically, my judgments rely upon my last seven years of research, expert testimony and consulting. During this time I have written a large number of research reports on many different aspects of cigarette promotion as listed in my "Research Products on Cigarette Promotion," [Attachment A, 5p]. I have published tobacco promotion studies in Advances in Consumer Research, the American Academy of Advertising proceedings, the Journal of Advertising, the Journal of Public Policy and Marketing, Tobacco Control, the Tobacco Litigator's Bookshelf. By invitation, I have contributed content on advertising to two separate U. S. Surgeon General's Reports - the current one on tobacco and youth and a

forthcoming one on tobacco and minorities.

I have also had access to many corporate documents located in public archives, like my own, and through my role as an expert witness in many trials. I have been an expert witness in several liability actions in the U.S. and the Canada's assessment of the constitutionality of the Tobacco Products Control Act. This latter experience was unique for its focus on contemporary activities and its disclosures of the promotional strategies and tactics of Canadian firms.

The Package is Central to the Promotional Effort

For all consumer goods, the package design is at the heart of the product's brand image. Leading textbooks say: "Package design is very important to advertisers because it is such an important part of brand image and product identity. For this reason the design needs to be coordinated with the overall advertising program."[1] "The package acts as a substitute for personal selling. It must deliver the product promise and relate itself back to earlier messages seen or heard by the consumer."[2] Packages are designed to be eye-catching, attractive and to shape consumer product perceptions. Packages are made to have visual impact both when seen alone, as in use, and when amassed in great quantities, as in large retail displays.

In more than one sense, the package is the ultimate communication tool of the firm. It is the last step in the promotional process. The brand's image and personality is carefully nurtured through advertising and promotion. This image is recalled and reinforced by the repetition of design elements from the ads in the package. The packages are amassed for dramatic in-store display, and the total product (contents, package and associated image) is what is offered, purchased and consumed. The aesthetics of the package design, together with any preceding advertising, jointly determine who and how many purchase and consumer the product. After the promotional activities have given a brand an identity and meaning, with research to insure that this identity is indeed meaningful to a target consumer segment, the targeted consumer and others can easily acquire this "meaning" and display the package to both themselves and others. The package is the last and most critical link in an integrated chain of promotional communications.

A classic set of packaging criteria shows the far greater importance of the package as a communication and promotional vehicle, than as simply protection for the product.[3] The criteria are known by the pedagogical acronym VIEW, where the initials stand for:

Visibility. Is it easily seen?
Information. Does it communicate benefits?
Emotional Appeal. Does it communicate product personality?
Workability. Does it protect the product?

Packaged good marketers, therefore, place a great deal of attention and expense on package design. This includes Imperial Tobacco Ltd., according to the testimony of their VP of Marketing: "Q. Would you argue that as much -- virtually as much -- time energy and expense goes into the creation of a package of the brand than the advertisement itself?...A. ...I would say its as important, more and more so."[4]

Spending and Research on Cigarette Packaging.

All aspects of package design are potentially of importance in helping the brand symbolize some brand personality or image. Thus colors, graphic elements, proportioning, and typography are tested and used in various combinations. Parliament, when seeking more women smokers, changed the package design to reduce its masculinity and raise its femininity and tested the prototypes on 600 subjects.[5] Brown & Williamson tested 33 package designs before choosing a blue, gold and red design for Viceroy Rich Lights. Philip Morris increased the status appeal of Benson & Hedges by printing the firm's Park Avenue address on both front and back of every pack. Their Merit brand used big yellow, brown and orange racing stripes to create a "flamboyant, young-in-spirit image." R. J. Reynolds gave the Now brand a "modern, chrome and glass look designed to appeal to upscale city and suburban dwellers." "Red packs connote strong flavor, green packs connote coolness or menthol and white packs suggest that a cigaret (sic) is low-tar. White means sanitary and safe. And if you put a low-tar cigaret in a red package, people say it tastes stronger than the same cigaret packaged in white."[6]

The Marlboro Package example. Marlboro's "repositioning" from a woman's cigarette ["Mild as May"] to a man's smoke provided these packaging

specifications, among others: "It should be popular in its approach, have strong masculine appeal,... and be modern in its feeling, with no phoney old world symbols of class or quality. Its modernism should be broadly popular - nothing avant-garde, yet nothing condescending. ... Before a Marlboro package design was decided on, **more than 120 different additional superogatory designs were created, rendered, and researched. They were tested for eye movement, for associated characteristics, for emotional impact, for every attribute within the power of Vienna to define of invent."**[7] Some $150,000 (US) was spent in the 1950s on this packaging research. The package options were also tested by the Color Research Institute for technical color measurements, visibility and legibility ranges and color evaluation.[8]

Packaging Design Deserves Regulation as Advertising.

When the U.S. cigarette industry attempted a self regulatory Cigarette Advertising Code in the 1960s, there was no doubt in their minds that packaging of various forms deserved regulation. **"Advertising under the code means the package of cigarettes itself. It means the carton and the shipping case. It means the decorative sleeves that dress up the carton during the Christmas season."**[9]

Canada's recent failure to include packaging and its design in the Tobacco Products Control Act gives Canadians only partial protection from the commercial communications whose intent is to promote the acceptance and consumption of tobacco. This oversight is especially unfortunate in conjunction with other loopholes allowing for the initiation and expansion of sponsorships and related advertising.

Badge Products, Brand Image and Packaging

The package is of particular importance for products like cigarettes which have a high degree of social visibility, leading them to be known as "badge products." There are two basic reasons for this greater importance. [1] When a user displays a badge product, this is witnessed by others, providing a living testimonial endorsement of the user on behalf of that brand and product. [2] The use of a badge product associates the user with the brand image, giving the user some of the identity and personality of the brand image. One cigarette package

designer, John Digianni, states: "A cigarette package is unique because the consumer carries it around with him all day. ... It's part of a smoker's clothing, and when he saunters into a bar and plunks it down, he makes a statement about himself."[10]

Tobacco industry insiders make similar observations, with the importance of packaging increasing. "Cigarette packs ... will have to work harder than ever, not only at the point of sale to provide increased 'stand out', but also whilst in use to communicate the values of the brand to the consumer - to reassure and build loyalty. This is particularly so because of the role of cigarettes as 'badge products' with which the consumer identifies personally and which he uses to communicate his own identity to others."[11] Marlboro smokers rejected generically packaged Marlboros, even when vouched for and at half-price, apparently because they lacked this symbolism for self and social identification. "Smokers put their cigarettes in and out of their pockets 20 to 25 times a day. The package makes a statement. The consumer is expressing how he wants to be seen by others."[12]

Put simply, the promotional communications (advertising, sponsorships, etc) work to establish a brand image that the user or potential user will appreciate and can easily appropriate by the simple acts of purchase, possession and consumption. By communications, the brand is given meaning and made to symbolize some desirable trait. The consumption, in turn, communicates something about the brand's social meaning to other potential users. The brand's image is built slowly and collectively by the package design and all of the accumulated associations and images of the advertising and sponsorship - associations of status, sophistication and social acceptance, associations of athleticism and healthfulness, associations of glamour and fashion, associations of rewarded risk taking and adventure, associations of masculinity or femininity.

As one advertising analyst has said: "The creation of a brand image involves the manufacture and assembly of prepackaged elements of a sort of daydream - a set of visual and aural associations that will be launched from Madison Avenue into the minds of millions of actual and potential smokers, there to be kept orbiting incessantly around the periphery of consciousness." He went on to quote an unnamed Marlboro executive: "The consumer who lights up the product - we've conditioned him."[13] Canadian market researchers working for the industry have recently made virtually the same statement: "Graphic design,

colors, lettering, etc. combine to form a picture smokers constantly carry in their minds."[14]

Canadian Strategies and Brand Images

Cigarette advertising and promotion is transformational in character, not informational. Content analyses of Canadian cigarette advertising show the paucity of information the ads contain.[15] Corporate use of "lifestyle" advertising and advertising of sponsored events provides associations and imagery that are rich in connotations, however. Positive lifestyle associations are believed by the industry to effect the continued social acceptability of smoking.[16]

Imagery rehearses and shapes the perceptions of smoking, both in general and for a specific brand, among not only the smoking population, but also among their family, friends and associates, whether smokers or not. Everyone is exposed to images which portray smokers as attractive and admired, independent and intelligent, athletic and at home in nature.

Brand images are particularly important for products like cigarettes for two compelling reasons. [1] The addictive nature of nicotine, the grave health consequences of smoking, and the absence of a safe cigarette means that almost nothing that is honest, factual and fully disclosing can construed into a positive selling message. [2] There are not many meaningful physical differences between competing brands. Without image based promotional communications and branding, the product would be more accurately seen by consumers as nearly a generic commodity, with the currently perceived differences and "benefits" largely an illusion created by promotional communications and packaging. As the Marketing V-P of Imperial Tobacco testified: "So the discrimination in product terms, pure blind product terms, without any packaging or name around it is very limited ... it's very difficult for people to discriminate, blind tested. Put it in a package and put a name on it, and then it has a lot of product characteristics."[17]

Targetted People.

The corporate documents produced in Imperial Tobacco and RJR-Macdonald's challenge to the Tobacco Products Control Act (TPCA) provide much

detail on their advertising strategies. Contrary to their public relations and lobbying claims, very little attention is paid to brand switchers, with most attention going to (1) reassuring concerned smokers (pre-quitters) and (2) recruiting starters (new users). This is appropriate since switchers are not numerous, due to the phenomenally high brand loyalties for this addictive product class, and are characteristically older smokers fearful of their mortality. Compared to quitters and starters, switchers are an unattractive market segment as they are few in number, frail(er) in constitution and, by definition, fickle in brand behavior.

The F88 Marketing Plan of ITL notes the particular strategic importance of the youth segment: "If the last ten years have taught us anything, it is that the industry is dominated by the companies who respond most effectively to the needs of younger smokers. Our efforts on these brands will remain on maintaining their relevance to smokers in these younger groups in spite of the (poor) share performance they may develop among older smokers" [emphasis in original].

Some Brand Images to Reassure the Concerned.

Matinee - healthy and fashionable. "Due to continuing anti-smoking publicity, the public continues to be aware of and concerned with the suggested hazards of cigarette smoking. Matinee ... (will) capitalize on present smoker awareness of Matinee as a low tar and nicotine cigarette and exploit this U.S.P. (Unique Selling Proposition) in a positive manner in relation to smoking an health."[18] The Matinee ad campaign before the TPCA featured pictures of health - solo female windsurfers, bicyclists and cross country skiers. Each image depicted active forms of leisure that were in keeping with people who value a sense of physical well-being.[19] Recently, the creative thrust has shifted to a focus on fashionability, with major publicity given to the newly created Matinee Fashion Foundation.

Macdonald Select - sophisticated. The initial strategy of RJR-Macdonald and its ad agency for this brand, J. Walter Thompson was to build a strong "imagery personality" for Macdonald Select to set it apart from other low tar brands. "It was therefore decided to stress 'unique emotional rewards' within the context of a romantic, sophisticated and elegant aura." Market research found that low tar smokers have a "desired self-image of intelligence, sophistication and individuality." Macdonald Select anticipated consumer responses were: "I'm concerned about the alleged health risks associated with smoking. ... 'Select' is

a new kind of cigarette that has been specially designed and formulated with me in mind."[20].

Vantage - intelligent. The target or "prime prospect" is "Female, white collar, extremely concerned about their health, and would like to quit smoking."[21] The communications strategy was "positioning Vantage as the only contemporary choice for intelligent smokers."[22] The tactic was to "to establish a consumer perception that Vantage is a contemporary cigarette for intelligent smokers."[23] Apparently this was accomplished, for more recently the goal for a target audience with a "high amount of quitters" was "to maintain consumer perception that Vantage is a contemporary cigarette for intelligent smokers."[24]

Vantage ads positioned the brand as "the intelligent choice" in their Contemporary Taste campaign. "Research indicates that a positioning against 'intelligence' is extremely aspirational to the Vantage source smoker. Likewise, that 'intelligent people' are best symbolized as individuals pursuing 'creative occupations.'... **In the initial campaign stage the product will be positioned as 'hero' to transfer imagery and enjoyment values.**"[25] Note the explicit plan to place a focus on the product, so that it will accumulate "imagery and enjoyment values."

Some Brand Images to Capture Starters.

Both ITL and RJR generated several research studies focused on starters. These research documents discuss the behavior of 11, 12 and 13 year olds and the nature of the starting process. For example, Project 16 was conducted at hotels where "closed circuit television observation facilities were in use for observers from Imperial Tobacco, McKim Advertising Limited, and Spitzer Mills and Bates [ITL's advertising agencies]." Among the insights into starting that were revealed: "The adolescent seeks to display his new urge for independence with a symbol, and cigarettes are such a symbol."[26]

Adolescent Addiction Acknowledged but Ignored. Project 16 also revealed that: "However intriguing smoking was at 11, 12 or 13, by the age of 16 or 17 many regretted their use of cigarettes for health reasons and because they feel unable to stop smoking when they want to (p.vi)." Imperial Tobacco subsequently learned that: "Starters no longer disbelieve the dangers of smoking, but they almost universally assume these risks will not apply to themselves because

they will not become addicted. Once addiction does take place, it becomes necessary for the smoker to make peace with the accepted hazards. This is done by a wide range of rationalizations ... The desire to quit seems to come earlier now than before, even prior to the end of high school. In fact, it often seems to take hold as soon as the recent starter admits to himself that he is hooked on smoking. However, the desire to quit, and actually carrying it out, are two quite different things, as the would-be quitter soon learns."[27]

Quebecois subjects expressed similar attitudes. "They are sorry that they ever started smoking because it's harmful but they feel somewhat trapped. They are constantly reminded of their lack of willpower. To defend themselves they tend to put on a jaunty air. They do this to save face because they would really like to quit and not appear to be slaves to their cigarettes ... Those who have tried to give up smoking have found the experience very painful. It made them realize that, although they thought they could quit easily, they have become slaves to their cigarettes."[28]

The Psychological Needs of Adolescents. RJR-Macdonald's major study, Youth Target Study '87 (RJR-6), reported four volumes of data on subjects 15-24, including the measurement of personality traits with a sophisticated clinical psychometric instrument. They, and Imperial, both chose to focus the brand images of their starter's brand, Export A and Player's respectively, on creating the brand as a symbol of independence. The brands most successful with teenagers are those that offer adult imagery rich with connotations of independence, freedom from authority, and self-reliance.

But while the young seek independence from authority (parents, teachers, etc.), they also want peer support. Because cigarettes are a visible "badge product," how peers view your brand of cigarette is vitally important, especially to the immature young who are emergent and insecure in their identity. The firms are aware of this delicate dialectic, and the dual role of advertising in communicating to both the young potential consumer and his or her peers. The 1988 summaries of the Imperial's research projects includes one with the code name PROJECT STING. "Project Sting will address the potential for developing a proposition with overtly masculine imagery, targeted at young males ... Young males are going through a stage where they are seeking to express their independence and individuality under constant pressure of being accepted by their peers."[29]

Export A - independent adventurers (lone wolves). "...very young starter smokers choose Export A because it provides them with an instant badge of masculinity, appeals to their rebellious nature and establishes their position amongst their peers." RJR carefully nurtured this image of the Export A smoker. "How We Want Consumers to View the Brand" stated that: "The Export imagery will dimensionalize (sic) the breed of men who are masculine, independent, adventurous and possess the qualities of natural leadership.... Women are attracted to these men because of their youthful virility, independence and spirit of adventure."[30]

Players - self-reliant and demonstrative. ITL creative guidelines for the effective display of freedom and independence were designed to appeal to a young market. Project Stereo described how Player's and its closest rival for starting males, Export A, both imaged independence, with subtle yet very important differences. Both used ads featuring strong, masculine, hardy men, typically alone in the fresh air of the outdoors. The brand images for Player's and Export A were, however, contrasted as follows by ITL, with the far more successful Player's brand image mentioned first:

> "choose to be alone vs. being a loner;
> masculine/softer man vs. macho/rugged;
> okay to show feelings vs. can't show feelings;
> can get along with women vs. no women;
> better job/steady worker vs. working class, blue collar;
> adventurous/try new things vs. daredevil;
> independent/strong willed vs. doesn't care about society."[31]

Advertisements for the Player's brand were to show people "free to choose friends, music, clothes, own activities, to be alone if he wishes"; who "can manage alone" and be "close to nature" with "nobody to interfere, no boss/parents"; and self-reliant enough to experience solitude without loneliness.[32]

Since the TPCA, the independence image of Player's has been communicated through increased sponsorship of motor racing teams and events, and the associated publicity of this role. There is more to this than simply appealing to young men's interest in fast cars and other machines. A commercial study of a one U.S. ad cigarette campaign found "positive personality characteristics including courageousness, independence, adventurousness and

aggressiveness."[33] "We perceive Formula One and Indy car racing as adding, if you will, a modern-day dimension to the Marlboro Man. The image of Marlboro is very rugged, individualistic, heroic. And so is this style of auto racing. From an image standpoint, the fit is good."[34]

Adolescents have a strong psychological need for independence, and are at a stage of life where they are seeking to discover or create their self identities. Thus, a visibly branded package of cigarettes is a simple prop and symbol that is a powerful communicator. Small wonder that "very young starter smokers choose Export A (or similar brands) because it provides them with an instant badge of masculinity (or independence, or adulthood, or sophistication, or intelligence)."

Controlling the Brand Images and Associations

The "pictures of health" used in the Player's ads were carefully crafted to feature activities which were appealing to youth, but which were not so 'aerobic' as to be unbelievable in the context of smoking. The activities in Player's ads "should not require undue physical exertion. They should not be representative of an elitist's sport nor should they be seen as a physical conditioner. The activity shown should be one which is practiced by young people 16 to 20 years old or one that these people can reasonably aspire to in the near future."[35]

Although images used in cigarette advertising commonly portray pictures of health, these images are tested to ensure that they elicit minimal counter-arguing from viewers. For example, alternative executions of a windsurfing ad for ITL's Player's brand produced different reactions and acceptance. "The reaction to windsurfing as an activity is neutral with regard to whether or not the people who engage in it are likely to be smokers or not. However, the more physically fit and healthy-looking the protagonists, the stronger the 'no-smoking' reaction. The same person sitting on the beach -- perceived by most as resting after surfing -- or shown carrying a surfboard--whether getting out of the water or walking toward the ocean -- evokes different reactions regarding smoking. Respondents are willing to accept the man smoking while resting but are reluctant to think of him as a smoker while his well-built body is in full view."[36]

Conclusions.

Cigarettes are a "badge product," with the package graphics and branding constituting the "badge." In the purchase, possession and use of a brand, the consumer acquires both the physical product and these associated meanings. The nature of the specific badge determines how consumers perceive themselves as its users, how they perceive the product experience, how others perceive them as users, and how they assume that others will perceive them.

Cigarette advertising and promotion create brand images and brand personalities, rather than provide information to enhance consumer knowledge. These images are carefully crafted and controlled through research on both the target persons and their reactions to promotional efforts. These images seek to reassure and retain concerned smokers, lest they quit, with "images of intelligence" and "sophistication." Adolescents seeking self identity and autonomy or offered "images of independence." These brand images are inherently false and misleading, as it is not the "intelligent" choice to continue to smoke rather than quit, and smoking does not deliver independence, but addiction.

Packaging, and its design, is an integral part of the promotional communications mix of a firm. Advertising, publicity and promotions seek to make a brand symbolic and rich in meaning, meanings that are recalled, reinforced and delivered by the package itself. The omission of packaging and its design from the Tobacco Products Control Act, along with other loopholes, has left Canada with an incomplete and inconsistent legislative stance with respect to the commercial communications promoting cigarette consumption.

Opinions and Recommendations.

I support legislation and regulations to require the plain packaging of cigarettes without delay. Packaging requirements should include standardization of package dimensions, design, packaging materials, textures, warnings, typographical fonts, and an unattractive base color (not white). Brand name identification should be modest in size and placement, with placement and font standardized. No markings, graphics, color elements, trade-marks, logos or symbols beyond the brand name should be allowed. Adjectival brand descriptors, like Milds, Lights or Ultra-lights, should be permitted only if the products conform to medically valid and standardized operational meanings for these terms.

Legislation mandating the plain packaging of cigarettes is highly likely to reduce tobacco consumption and prevalence through several intermediary effects: by eliminating the package as a form of advertising unto itself, by reducing the effects of previous advertising, reducing the effect of sponsorship and associated communications, by reducing the size and impact of retail displays, by reducing the positive imagery now attached to cigarette brands, by reducing in time the number of brands offered in retail displays, by enhancing the visibility of smuggled cigarettes, and by enhancing the impact of package warnings.

Endnotes:

1. Wells, William, John Burnett and Sandra Moriarty, Advertising: Principles and Practice. Toronto: Prentice-Hall, 1989, p80.

2. Rothschild, Michael L., Marketing Communications: From Fundamentals to Strategies. Toronto: D. C. Heath, 1967.

3. Twedt, D. W., "How Much Value Can Be Added Through Packaging," Journal of Marketing, Jan 1968, p61ff.

4. Donald Brown testimony, RJR-Macdonald v Attorney General of Canada, 4 Oct 1989, p1050.

5. Cheskin, Louis, "Philip Morris Launches an Expansion Program," in Secrets of Marketing Success. NY: Trident Press, 1967, p238ff.

6. Koten, John, "Tobacco Marketers' Success Formula: Make Cigarets in Smoker's Own Image," Wall Street Journal, February 29, 1980, p22.

7. Lyon, David G., Off Madison Avenue. NY: G. P. Putnam, 1966. p65-66 (emphasis added).

8. Cheskin, Louis, "Philip Morris Launches an Expansion Program," in Secrets of Marketing Success. NY: Trident Press, 1967, p238ff.

9. Cigarette Labelling and Advertising (Hearings) 1965, House of Representatives, 89th Congress, April 6-15, 4 May 1965, Serial #89-11, p422.

10. Koten, John, "Tobacco Marketers' Success Formula: Make Cigarets in Smoker's Own Image," Wall Street Journal, February 29, 1980, p22.

11. Joy, Robin, "Regulations Create Design Limitations," World Tobacco, May 1992, p17.

12. Trachtenberg, Jeffrey A., "Here's One Tough Cowboy," Forbes, 9 Feb 1987, p109.

13. Whiteside, Thomas, Selling Death: Cigarette Advertising and Public Health. NY: Liverright, 1975, p22-23.

14. Project Eli, Focus Groups, Final Report, July 1982, p38-9.

15. Pollay, Richard W., "Information and Imagery in Contemporary Canadian Cigarette Ads," in Patricia Stout, ed., Proceedings of the American Academy of Advertising, 1990, 74 - 79.

16. ITL Doc. 220, p1: ITL's Philosophies prefacing 1988 Marketing Plan and elsewhere.

17. Donald Brown testimony, RJR-Macdonald v Attorney General of Canada, 28 Sept 1989, p661.

18. ITL Doc. 165, p.5; 1971 Matinee Marketing Plan.

19. ITL Doc. 304: Matinee Extra Mild, Creative Phase 2, Rationale, pp1-3.

20. RJR Doc. 330, p4530, 4374.

21. RJR Doc. 219: Vantage, Brand Positioning Statement; p.80041 9573.

22. RJR Doc. 185: Vantage Family, 1983-87 Strategic Plan and 1983 Operating Plan, p.80037 8468.

23. RJR Doc. 192: Executive Summary, p80037 7952.

24. RJR Doc. 186: 1987 Media Plan Briefing Document; p.80025 7408.

25. RJR Doc. 195, p80056-1158ff, emphasis added.

26. Project 16, AG-216, p2.

27. Project 16, AG-217, pi.

28. Ibid, p12-13.

29. ITL Doc. 419: Project STING, 1988, p1-2, emphasis in original.

30. Export Family Strategy Document, 1982, AG-222, p.7299, p7331.

31. ITL Project Stereo, 1985, AG-27, p18.

32. Ibid, p60.

33. Schwartz, David A., "What Do Ads Connote for the Average Smoker?," Advertising Age, 1 Nov 1976, p.75.

34. (Marlboro), "The Business of Racing," Marlboro Advertisement in New York Times Magazine, 9 July 1989, p.5A, quoting Philip Morris' V-P of Marketing Services.

35. Player's Filter '81, Creative Guideline (AG-222), p1-2.

36. Project Stereo Advertising Evaluation (AG-220), p6.

IMPACT OF PLAIN PACKAGING OF TOBACCO ON YOUTH PERCEPTIONS AND BEHAVIOUR

Report of Study 1

June, 1993

TABLE OF CONTENTS

INTRODUCTION 1

METHODS 2

Expert Interviews 2

Literature Review 2

Development of a Conceptual Model 2

RESULTS 3

How Important is Packaging in the Overall Marketing Mix? 3

Do Plain Packages Enhance Recall and Believability of Health Warnings? 11

Do Health Warnings Discourage Smoking Onset? 14

Do Health Warnings Contribute to Smoking Cessation? 18

Do Plain Packages Discourage Smoking Onset, Irrespective of the Health Warnings? 19

Do Plain Packages Contribute to Smoking Cessation, Irrespective of the Health Warnings? 20

SUMMARY AND SYNTHESIS 22

Anticipated Impact on Smokers 22

Anticipated Impact on Nonsmokers 23

Summary 29

REFERENCES 31

APPENDICES

A. Marketing Experts and Researchers Contacted
B. Interview Questionnaire

INTRODUCTION

The Canadian Cancer Society, Ontario Division, has commissioned a study to examine the likely impacts of plain packaging of cigarettes on tobacco consumption. This study is the first part of a 3-part research plan being conducted jointly by the Centre for Health Promotion at the University of Toronto, the Institute for Social Research at York University, the Prevention Research Centre at the University of Illinois, RBJ Health Management Associates, and Vantage Research.

Study 1 synthesizes the research findings, theoretical body of knowledge on information processing and attitude/behaviour relationships, and principles of marketing theory about the function of packaging in the total marketing mix, to develop a model and propositions with regards to the ***anticipated*** impact of plain packaging of cigarettes. This analysis will assist in the formulation of protocols and instruments for Studies 2 and 3 which will test, to the extent possible, the theoretical linkages described in Study 1. In these studies, young people aged 12 to 17 will participate in group discussion sessions and classroom interviews.

The interviews and literature review for Study 1 were completed at a time when many legislative issues were in process. Federal legislation to further restrict access to tobacco by minors has been passed, but no regulations have yet been drafted. The federal Tobacco Products Control Act, which restricts advertising and promotion of tobacco products, is under appeal. New and stronger health warnings have been proposed, but have not yet been implemented. And proposed Ontario legislation is under discussion. Accordingly, a caution prefaces this report. The responses of experts, and the analysis offered herein are necessarily influenced by the broad social context in which they were made, and this is a context that is rapidly changing. Thus, the analysis offered should be revisited and updated as these legislative changes come into effect.

METHODS

Study 1 was comprised of three main components: expert interviews, a literature review, and development of a conceptual model.

1. *Expert Interviews*

Forty-seven experts in marketing and researchers in tobacco use reduction and health promotion were contacted by telephone. The purpose of the study was described, and a request for a 30 minute telephone interview made. All those who agreed to be interviewed were sent a letter in advance of the interview outlining the questions that would be asked. Of the 47 contacts, 2 refused to be interviewed, 4 referred the interviewer to another, more appropriate person, 1 was scheduled, then cancelled, 14 did not return the call after at least two calls, and 26 interviews were completed. A list of all those contacted and interviewed appears in Appendix A. The interview questions appear in Appendix B. These interview questions served to guide the interview, but were not meant to be strictly adhered to. The interviewer tailored the questions to the specific areas of expertise of the individual. Thus, some people provided in-depth information in some areas, and did not respond in others.

All those interviewed were asked to supply names of any other experts who could offer valuable information to this project. Most of these people were contacted and an interview requested.

2. *Literature Review*

A literature search and review was completed to identify and document research findings specific to plain or generic cigarette packaging, as well as literature on Information Processing and Attitude-Behaviour relationships.

3. *Development of a Conceptual Model*

Expert opinions obtained from the people interviewed were integrated with empirical evidence and theoretical foundations to develop a model of the anticipated impact of plain packaging of tobacco products on tobacco use.

RESULTS

The research literature was examined, and expert opinion was obtained with respect to a series of questions.

1. How important is packaging in the overall marketing mix?
2. Do plain packages enhance recall and believability of health warnings?
3. Do health warnings discourage smoking onset?
4. Do health warnings contribute to smoking cessation?
5. Do plain packages discourage smoking onset, irrespective of the health warnings?
6. Do plain packages contribute to smoking cessation, irrespective of the health warnings?

This section describes empirical literature, theoretical foundations, and expert opinion relevant to each of these questions in turn.

1. *How important is packaging in the overall marketing mix?*

THEORETICAL EVIDENCE

The marketing discipline postulates that several factors play a role in the decision to try a product, or to use a particular brand of a product. These factors can be represented by "the 4 P's" of marketing: ***PRODUCT, PRICE, PLACE*** and ***PROMOTION.***

To be successful, the ***PRODUCT*** must be of acceptable quality and something that consumers want. The ***PRICE*** must be within the consumer's means and competitive with other brands of similar quality and characteristics. However, dollar value is only one element of price. Other elements include the costs (or benefits) of use of the product (e.g., effort), and opportunity costs (e.g., other things the consumer foregoes in order to purchase the product). The ***PLACE*** is where the product can be purchased. It must be easily accessible to the consumer. Finally, the ***PROMOTION*** is how the consumer becomes aware of the product and its characteristics, and is reminded of the images created.

All of these ingredients are important to successful marketing of a product. For example, a high quality product of reasonable cost that is effectively promoted will not be purchased if it is inconvenient to do so (a notable exception to this is a product to which an individual is addicted, in which case the consumer will tolerate greater inconvenience to obtain the product).

A variety of marketing strategies are used to develop each of these ingredients for specific market segments. That is, *PRODUCT* characteristics are developed, *PRICE* distinctions are made, and strategies for *PLACEMENT* and *PROMOTION* of the product are developed in combinations that match the perceived needs of specific groups of consumers (including status and self-image needs).

(a) PRODUCT strategies:

Image creation. For nonessential consumer products, such as tobacco, marketing strategies must create a desire for the product. In the case of tobacco, the addictive properties overtake the nonessential nature of the product in a short time. Many strategies are employed to associate use of the product with a specific image. These are discussed under "*PROMOTION strategies*" below.

Product differentiation. Product development activities to achieve differentiation include ingredients (blends of tobacco, additives for taste), filters with various qualities, and package design. Combinations of these product characteristics are pretested for market acceptability, and determine the width and breadth of the product line. In the case of tobacco, the product is typically available in two forms (cigarettes, fine cut tobacco). Cigarettes are available in three package sizes (15's, 20's and 25's), several flavours and other variants (menthol, regular, low tar, filters, king size), and in a convenient package that protects the product (flip top, hard packs). However, even with these variations, product differentiation is minimal. That is, there is little in the product itself that distinguishes one brand from another. Testimony heard from tobacco executives during the Quebec Superior Court hearing appealing the constitutionality of the Tobacco Products Control Act (1989) supports this. The Vice President of Marketing for Imperial Tobacco testified that consumers do not buy a distinctive taste so much as a distinctive image. Packaging is an important part of that image.

> *"There is very little to distinguish (between different brands of tobacco), particularly in Canada because we all use the same kind of tobacco... it's difficult for people to discriminate blind-tested. Put it in a package and put a name on it, then it has a lot of product characteristics".*
>
> *Testimony, Sept. 28, 1989*

(b) PRICE strategies:

Consumer products are made to appear more affordable through *sale prices, savings with the use of coupons, other sales promotions*, and *package size.* In Canada, tobacco products have recently become (perceptually) more affordable to young people through the introduction of "kiddy packs" of 15 cigarettes. In the United States,

economy brands have been introduced as an incentive for price-conscious adults and youth. In addition, marketing strategies minimize nonmonetary costs associated with the product. In the case of tobacco, the most obvious nonmonetary costs are the addictiveness of the product and the health consequences. Packages are designed to minimize the prominence of the health warning as much as possible. Images promoted generally include "independence", "freedom", "self-reliance" -- all images that challenge the addictive nature of the product.

(c) ***PLACE strategies:***

Nonessential products that are successfully marketed are available in a ***large number of locations*** that consumers frequent on a regular basis for a variety of necessary products, and are ***prominently displayed on the shelf.*** Shelf prominence is a function of both ***location*** (location in store, and distance from eye-level) and ***package design.*** The tobacco industry has been remarkably successful in optimizing this ingredient of the marketing mix for cigarettes. Cigarettes are sold in a wide variety of outlets, many of which consumers visit on a weekly basis for necessary purchases (grocery stores, department stores, gas bars, convenience stores, pharmacies and vending machines). In addition, tobacco is typically located in the most ideal location within the store: near the cash counter, at eye level. Package design, particularly colour, makes it easy to identify and spot the individual brands of tobacco on the shelf.

Cigarettes are one of the most widely distributed products in our marketplace, and its very omnipresence communicates its social acceptance to youth. Recent trends, however, are towards reducing their prominence in retail displays as some merchants move the items out of reach. This trend is motivated, in part, by the Tobacco Products Control Act[1], but also by retailers' fear of pilferage as cigarettes become increasingly expensive.

(d) ***PROMOTION strategies:***

Successful promotional campaigns for nonessential consumer products ***create an image for the user of the product.*** They also create awareness of a product, reinforce images created, and create brand familiarity (which is thought to reduce perceived risk). This is typically accomplished in a variety of ways. The most powerful strategy is ***direct advertising*** using mass media. In a series of reports on alcohol advertising to the U.S. Surgeon General (USDHHS, 1992), it was reported that youth are especially attracted to four different types of promotional messages -- those that make lifestyle appeals, make sexual appeals, use sports figures or youth heroes, or show people engaged in risky activities. Tobacco marketing strategies use all of these. In commenting on that report, the U.S. Surgeon General (Novello, 1993) said that "The kinds of ads that

---

1 ***This Act restricts tobacco advertising, requires package warnings, and requires companies to declare their level of sponsorship of sporting and cultural events.***

appeal to our young people are -- to some degree -- appealing to all of us. But our young people, in their search for identity, their doubts about their own popularity and sexual attractiveness, are particularly vulnerable to the lure of tantalizing promises -- however false."

Although tobacco is no longer advertised in the print media or on television, promotion of tobacco is a thriving business. Promotion schemes include ***sponsorship of sporting and cultural events, distribution of promotional items*** such as T-shirts, posters and caps, ***package design***, use of ***media role models*** seen using tobacco, and ***real life role models*** who use the product.

Sponsorship of sporting and cultural events promotes an image by association of the product with the attributes of the event, as well as with the people who participate in these events. For example, Players sponsors car racing events and, by association, creates an image of the Players smoker as one who likes to take risks. DuMaurier sponsors more refined sports such as golf, and various musical and arts events which, by association, creates an image of a DuMaurier smoker as one who is refined and wealthy. Matinee is associated with fashion, thus conveying an image of being fashionable. This association with cigarettes occurs because the tobacco industry has exploited a loophole in the Tobacco Products Control Act through the formation of shell companies given the same name as cigarette brands. These company names are displayed at sporting and cultural events and in signage advertising these events. In some cases, these advertisements are posted months in advance of an event, and stay up for weeks or months after the event. Some even remain permanently displayed, particularly promotions related to annual events such as the Benson & Hedges 'Symphony of Fire' annual fireworks display. Together with the use of colours and logos similar, or identical, to the brand colours and logos (the only thing missing is the explicit mention of cigarettes), such event advertisements effectively become advertisements for the product.

Another promotional ploy is the use of ***incentives and giveaways.*** This includes coupons, T-shirts, product samples, etc. This strategy is not used in Canada for tobacco products; however incentives and giveaways are widely used to promote tobacco products in the US. Two current examples are the Camel Cash Catalog and the Marlboro Adventure Team Catalog.

Developing a ***badge*** for a product via ***package design*** is another promotional strategy. The badge concept is best exemplified by designer labels on fashion clothing. Marketing theory suggests that direct advertising creates an image for a product, while the package, the label, the logo, or some other highly visible component is the badge for the image -- it is the element that communicates the image to others. For fashion clothing, the label is the badge. For cigarettes, the package is the badge. This strategy is more important for image products (such as tobacco, fashion clothing, watches) as compared to utility products.

Use of ***media role models*** seen using tobacco is also a marketing strategy aimed at developing specific, positive images for the product (Carr-Gregg & Gray, 1990). In this

strategy, the tobacco industry pays filmmakers to show actors/actresses smoking, and to show brand packages on coffee tables, etc.

Real life role models who use the product also influence the image of the product. Package design as the badge for the product is the communication device through which others become aware of the brands used by their peers and role models.

Sampling opportunities allow consumers to experience the product before purchase. This is most common in the food industry, but variations of sampling could occur for tobacco products as well, through the distribution of free cigarettes, or making single cigarettes or smaller package sizes available for purchase. Distribution of free cigarettes is prohibited by law in Canada, as is the sale of single cigarettes. Nevertheless, a substantial number of stores offer single cigarettes for purchase. Tobacco is known as a "mature market". In today's crowded marketplace, it is very difficult to break into mature markets. It is generally accepted that advertising is insufficient. The most common method used to introduce a new product is sampling.

(e) Optimizing "THE 4 P's"

The success of a marketing campaign lies in the balance of the factors described above. The ***PRODUCT*** must be of acceptable quality and desired. The ***PRICE*** must be within an individual's means. The ***PLACE*** to obtain the product must be convenient, and the ***PROMOTION*** must create, and continually reinforce, a desire for the product. Each of these elements of the mix are like links in a chain -- the campaign is only as strong as the weakest link.

These ingredients are mixed through a wide range of strategies, as discussed above. Package design is one such strategy, and contributes to both ***PRODUCT*** and ***PROMOTION***.

When restrictions are placed on a strategy, as, for example, has occurred for direct advertising of tobacco products, other strategies are put into place to compensate. In the case of tobacco, ***PROMOTION*** of the product is accomplished in a wide variety of indirect ways, the most prominent of which is through sponsorship of sporting and cultural events. The blatant connection of advertising for such events with the colours and designs used on tobacco packages is the industry's response to the need to promote its product in the face of restrictions on direct advertising. The creative efforts of the industry in this regard attest to the importance of the "promotion" element of the marketing mix. Package design is a key element that allows these tactics to succeed.

This theoretical analysis suggests that package design is a key element in a marketing campaign, and that plain packaging could severely undermine the promotion element of the marketing mix, particularly in combination with the restrictions on advertising currently in place, and with further restrictions on sponsorship (particularly the advertising of events sponsored by tobacco companies).

EMPIRICAL EVIDENCE

Empirical evidence from New Zealand suggests that brand name is the most prominent cue on cigarette packages. In a series of focus group interviews with adolescents in New Zealand, participants were shown packages of popular New Zealand cigarette brands (in their current packaging), popular U.S. cigarette brands (in their current packaging), and these same brands in plain packages. They were later asked to recall as much detail as they could of the package (Beede & Lawson, 1992). Brand name was the most frequently recalled package cue. This was recalled more frequently than were health warnings, pricing barcodes, or contents information. Greater recall rates for names with a substantial amount of red colour as opposed to other colours were also observed.

The brand name was significantly less likely to be recalled correctly for U.S. brands in plain packages as compared to U.S. brands in current packages, suggesting that plain packaging reduces the prominence of the brand name. For New Zealand brands, the same difference was not found (likely due to the familiarity of those brand names to the participants). At the same time, recall of health warnings was significantly more accurate for plain packages as compared to brand packages (a point we will return to later in this paper).

EXPERT OPINION

Experts in marketing were asked to identify factors that influence consumer decisions to purchase a nonessential product and comment on the relative importance of each. The following factors were identified: under ***PRODUCT***, the quality of the product itself, ***PRICE***, ***PLACE*** (availability), and ***PROMOTION***, including direct advertising, sponsorship, including media role models who use the product, incentives and giveaways, package design, and real-life role models who use the product.

While experts agreed that these were the key factors, there was less agreement on the relative importance of each of these factors. One expert indicated that asking them to separate the influence of these factors is like trying to grow a garden with only rain or sunshine, but not both. One without the other is no better than nothing at all. Further, it is the balance among all of the factors that is responsible for an effective marketing campaign. Of those who offered an opinion on the relative importance of each factor, advertising, (or in the absence of direct advertising, other promotions), package design, price, and role models who use the product were most often seen as the most critical factors. The order of importance awarded these four factors varied.

When asked to comment on the factors influencing decisions to purchase ***cigarettes***, the factors and the rankings given the factors were somewhat different. Experts agreed that, for confirmed smokers, the addictive properties of tobacco are important and take priority over other factors. For teens, a powerful factor promoting smoking is role models who use the product. Price is a deterrent. Direct advertising is not a factor (given that it is illegal to advertise tobacco products). However, promotions that influence social/cultural norms regarding tobacco were considered critical influencers. This includes sponsorship of sporting and cultural events and imagery of smokers in books, movies, and on television. The fact that

youth smoke the most heavily promoted brand was cited as evidence of the importance of these promotional strategies in the marketing mix. Social and cultural norms regarding smoking are also strongly affected by real life role models, peer group smoking behaviour and attitudes, and family behaviour (some experts considered this to be the primary way in which cultural norms are established, with sponsorship and media role models being secondary to these influences). Curiosity was listed by some experts as an important factor. Opinions varied widely on the role of package design among these elements. Some experts (mostly package design experts) considered it to be a key element (package design, combined with promotions and role models who use the product creates an image for the product -- the package is part of the creator of the image, and also is the bearer or badge of the image). Two experts indicated that package design is a relatively minor element in this mix, and held that this was true even in the absence of other advertising. Most considered package design to be important in reinforcing brand images created in other ways. One expert argued that the badge, for adolescents, is whether they smoke or not, not what brand they smoke. However, to the extent that package design enhances the impact of other elements of marketing, this is less true. For example, the package communicates the brand smoked by real-life role models. It enhances the connection people make between advertisements for sponsored events and cigarettes.

When asked to comment on the influence of these factors for teens as compared to adults, experts agreed that teens are more responsive to all of these factors. In particular, they are more influenced by the images projected by the product through its package, advertising, and role models who use the product. In seeking their identity, teens define themselves, in part, by the brand of clothes they wear, whether they smoke, and if so, the kind of cigarette they smoke, the music they listen to, etc. In addition, youth perceptions are also more easily influenced than are adult perceptions, which are more entrenched. Testimony heard from tobacco executives during the Quebec Superior Court hearing appealing the constitutionality of the Tobacco Products Control Act (1989) provided evidence that some young people try to influence what their friends think of them by the brand they smoke, and they communicate that information by the package they flash.

> *"I think that's true of cigarettes, I think it's true of beer, and I think it's true of clothing, and I think it's true of most of the consumer goods that young people buy. They buy it with their friends in mind... Clearly, the package does communicate the cigarette they're smoking and we believe that people choose their cigarettes according to what those cigarettes are, and that includes imagery"*
>
> ***Testimony, Sept. 27, 1989***

When asked to comment on differences between males and females, most experts cited a lack of information in this area, but some were of the opinion that women tend to be more tuned in to artistic or creative images, and thus might be more influenced by package design. Others saw no reason that males and females would be differentially responsive, except perhaps that females shop more and therefore may be more exposed to advertising images. For tobacco specifically, females will be more influenced to the extent that marketing strategies are targeting females specifically.

One expert summarized these age and gender comparisons by indicating that it is not youth versus adults, or males versus females that differ in their responsiveness to these factors. Rather, it is the extent to which they look to others for identification that defines responsiveness. It happens that youth tend to do that more than adults, and perhaps females more than males.

Several experts offered the analysis that, without packaging design, including trademark colours, brand names and fonts, the tobacco industry would be much less effective at connecting sporting and cultural event sponsorship to specific tobacco brands. To elaborate, in Canada, the Tobacco Products Control Act severely limits advertising and promotion of tobacco products. However, the tobacco industry has violated the spirit of this legislation through the formation of shell companies that use the brand name of a cigarette in the corporate name (e.g. Matinee Fashion Foundation, DuMaurier Ltd.). Sponsorship of sporting and cultural events by these companies are publicized extensively. While these advertisements nominally advertise the event, really it is the cigarette that is being advertised (through the use of name as well as colours and other symbols that cue people to the cigarette). Package design is a key element that allows these tactics to succeed. Since direct advertising can no longer connect a particular brand to a specific colour or logo, the package itself is the only mechanism remaining to make that link explicit.

Marketing experts were asked to estimate the length of time it would take to extinguish an image projected through advertising, after advertising is discontinued. Responses varied from a few years to a few generations. Most felt that the memory traces would not disappear until there was a new generation free of exposure to the advertisement (most people exposed to the "Marlboro man" advertisements will not forget them in their lifetime). It was generally agreed that these images fade very slowly, and more slowly if the advertising campaign was particularly catchy, intense, and/or was implemented over a long time period (many people remember the "man in bed" advertisement for Mitchum antiperspirant, even though it has not been on the air for over 20 years; most people can finish the Alka-Seltzer slogan "plop, plop, fizz, fizz...", which has not been aired for several years). In addition, images take longer to extinguish in the absence of "retroactive inhibition"; that is, if new information about the product is not replacing the old information, the old image maintains longer. Even after advertising campaigns stop, these images persist in package designs that remind the consumer of the advertisements. Cues include colour, brand name, slogans and logos.

Some marketers indicated that retroactive inhibition is often used to change the image of a product, especially for soft drinks and beer where new information and images frequently replace old ones. It has also been demonstrated for tobacco in that Marlboro started out as a women's cigarette, but its image was effectively changed to one of a man's cigarette.

In the case of tobacco, there was consensus that the package reinforces an image created in other ways. In addition, some experts considered it possible that, in the absence of those other factors, the package itself could create a unique product image. However, for this to happen, the packaging and the name must be unique, the timing must be right, and competitors must not be using other media to create an image for other brands of the same product. In addition, it is typical that a bigger campaign is used to create an image for a product, but that the package alone is used to maintain that image. Others disagreed that the

package can create a unique product image on its own. For example, testimony heard during the Quebec Superior Court hearing indicated that the package is too restrictive to effectively create an image on its own.

> *".... there are limitations to what packaging can do and packaging, as a communicator of image.... is not particularly precise."*
>
> *Testimony, September 28, 1989*

The marketing mix employed by the tobacco industry has been effective. As evidence of this, experts cited the fact that the two brands that are most popular among both adults and youth - Players and DuMaurier - are the two brands that spend the most money on promoting their product. They were also among the first to sponsor sporting and cultural events, giving them a competitive advantage over other brands.

In summary, for tobacco, it is the general opinion of experts that media models, image through association (via sponsorship), role models who use the product, family smoking behaviour, and peer smoking behaviour establish the image for the product, and the package is the reminder and badge for that image. As a reminder, the package reinforces the image. As a badge, the package serves as the mechanism through which that image is transferred to the user of the product.

2. *Do plain packages enhance recall and believability of health warnings?*

A primary purpose of warning labels is to remind and inform the public about the health risks associated with use of the product. Whether this directly affects behaviour is secondary to the obligation to provide the public with accurate information on risks associated with use of the product. Plain packaging, by removing competing stimuli, would be expected to increase the prominence of these warnings. The following analysis examines the extent to which this increased prominence enhances recall and believability of health warnings.

THEORETICAL EVIDENCE

Information Processing Theory indicates that, for a message to change knowledge, it must be noticed, understood, believed, and remembered (McGuire, 1984). Plain packaging will enhance noticeability by removing competing stimuli. In addition, warnings are more likely to be noticed if accompanied by a verbal symbol (e.g., Warning!) or a graphic symbol, and if the message is novel. However, plain packaging may or may not affect readability or believability, depending on the content of the message itself. Comprehension, memory, and believability are enhanced when the message is easy to understand, relevant, important, and includes information on how to reduce the risk.

(a) *Easy to understand.* Words like "heart attack" rather than "cardiovascular disease", "shortness of breath" rather than "dyspnea", enhance ease of understanding.

(b) *Relevant.* For youth contemplating onset, warnings related to long term health consequences are not likely to be relevant or important. Youth are present-oriented and take their health for granted. Information that is present-oriented versus long term, and social, rather than health, is more likely to be relevant to this group (e.g., "Smoking a pack a day for a year costs about the same as a ski vacation."). Without perceived relevance, even highly understandable and believable messages will have little or no impact. For smokers contemplating cessation, relevance can be enhanced by targeting the message to subgroups (e.g., "Smoking in pregnancy can harm the baby." "If you have a family history of heart disease, you are at greatly increased risk of heart attack if you smoke."). Such targeted messages reduce the "it won't happen to me" rationalization, by making groups thus targeted feel more vulnerable relative to the general population. Personalizing the message also increases perceived relevance.

(c) *Important and believable.* The message must describe consequences that are severe enough to be taken seriously, but not so strong as to be unbelievable and thus rejected. If the message departs substantially from common knowledge, it should be backed by data (e.g., with a tobacco package insert providing more detail).

(d) *Include information on how to reduce the risk.* A denial reaction is typical of recipients of bad news. A fear arousing message is more likely to be accepted if the individual is offered a way to reduce the consequences (e.g., "Quitting smoking reduces your risk of lung cancer. Contact your local Cancer Society, Lung Association or Heart and Stroke Foundation for advice about quitting.").

Not all messages are equally relevant and effective for all subgroups. Youth are more influenced by messages relating to addictiveness, cost, appearance, and social consequences. Pregnant women are more responsive to messages about the risk of smoking to the baby. Parents might be most responsive to messages about their modelling influence on youngsters. In addition, for smokers, the kind of information may vary with the stage of change the smoker is in. Prochaska, DiClemente and Fava (1988) have proposed the concept of interventions being sensitive to, and shifting with, the stage of change (precontemplation, contemplating quitting, preparation, action, maintenance). People in early stages tend to need risk information and motivational messages. People in later stages need more action-oriented types of messages (tips for quitting, where to go for help).

EMPIRICAL EVIDENCE

The most compelling empirical data comes from the Beede and Lawson (1992) study described earlier in which New Zealand adolescents were shown packages of popular New Zealand cigarette brands in their current packaging, popular U.S. brands in their current packaging, and these same brands in plain packaging. Recall of health warnings was found to be significantly more accurate when on plain packages as compared to brand packages.

A substantial amount of research has been conducted on package warnings alone (i.e., on current packages). MacKinnon and Fenaughty (1993) found a positive and significant relationship between tobacco use and memory for the warning label, with both smokers and smokeless tobacco users being more likely to remember the content of the warning than nonsmokers or nonusers. This was interpreted to mean that smokers (who see the cigarette packages every time they smoke, and many more times in a given time period than a non-smoker) notice the warning labels. There was also evidence for discriminant validity. That is, cigarette use was not significantly correlated with memory for the smokeless tobacco warning label, and vice versa. These results were replicated in a second study with a separate sample, and with alcohol.

In contrast, Richards, Fischer and Conner (1989) compared smokers' and nonsmokers' knowledge of the content of cigarette package warning labels, and found that there was no difference. This may however, have been due to the sampling methodology employed (the mall-intercept procedure may have yielded a sample of nonsmokers biased in the direction of being more aware of tobacco warning labels than nonsmokers in general). In yet another study, Brubaker and Mitby (1990) found that less than half of subjects who saw a smokeless tobacco advertisement recalled having seen the warning, and only a third of those who saw the warning recalled the message.

Australian research has demonstrated that recall of warning messages peaks, then levels off as time goes on. Thus, warnings must be varied to avoid this habituation (Centre for Behavioural Research in Cancer, 1992). Research conducted by Gillian Tuffin Research Ltd. for the Canadian Cancer Society (1990) in which 313 smokers were interviewed, found that strong warnings that make concrete statements and provide facts/figures, are more likely to make smokers concerned about their smoking. For example, 62% of respondents indicated that the message "Smoking causes 1 in 5 deaths in Canada" would definitely or probably make them concerned, whereas only 48%, 41%, 28%, 28%, and 25% respectively indicated that the messages "Smoking may damage your health permanently", "Smoking reduces life expectancy", "Tobacco is extremely addictive", "Cigarettes are highly addictive", and "Smoking is physically addictive", would definitely or probably make them concerned. Similarly, stronger symbols were judged to be more thought-provoking. Specifically, the skull and crossbones, or "lungs" symbols were judged to generate more concern than the universal no-smoking symbol. Fifty-two percent and 44% respectively, judged the skull and crossbones most likely to cause concern about smoking. Only 3% judged the no-smoking symbol to be most likely to cause concern.

In research conducted by Tandemar Research Inc. (1992), 228 smokers were interviewed on comprehension of various terms and text, reactions (appeal and believability), and impact on motivation/relevance/memorability of various health messages. This research concluded that current messages are well understood, believable, and meaningful to smokers. Messages relating to the effects of smoking on children were perceived to have the greatest impact. Words like "fatal" and "kill" were seen to be too strong and might evoke an avoidance or denial response.

Point-of-sale reading was reported to be minimal relative to reading during everyday handling of cigarette packages. Ninety percent of smokers reported having read package warnings, and over one-third of smokers reported reading the messages at least once a day. In addition, smokers reported that, if the information is new, it may require that details be provided with inserts to satisfy the believability issues (i.e., provide statistics to back up the claim). Cigarette packs were reported to be a common source of information on hazards of smoking, second only to television.

EXPERT OPINION

Experts were asked their opinion of whether plain packages would enhance recall and believability of health warnings. Expert opinion was that recall of health warnings would be enhanced, by virtue of the increased prominence given to the warning with the removal of competing stimuli from the packaging. However this is dependent on the content of the health message: it must be understandable, relevant and it must change periodically to avoid habituation. Experts suggested that careful consideration be given to this content as well as size of the label and location on the package.

Experts generally also thought believability would be enhanced. In current cigarette packaging, people receive conflicting messages - one is a positive image message, and one is a negative health message. The positive image message dilutes the negative message. Plain packs, by removing the positive message, make the negative one not only more salient, but also more believable. In the words of one expert "when the sizzle is taken out of the package, the same words will be stronger".

3. *Do health warnings discourage smoking onset?*

THEORETICAL EVIDENCE

For adolescents contemplating onset, package warnings are important but insufficient to discourage smoking onset on their own. Adolescents contemplating onset have information needs that go much beyond information on the health effects of smoking. Information that generates perceptions of the social unacceptability of smoking, information that challenges the positive image of smoking portrayed in advertisements, information on the addictive nature of the smoking habit, and information on the prevalence of smoking (to challenge perceptions that smoking is a majority behaviour) are all important.

Thus, package warnings, as they currently exist, serve only a portion of an individual's knowledge needs. And knowledge is only one of many factors influencing attitudes, intentions and behaviour. Knowledge is the cornerstone of an individual's beliefs (that a certain outcome will occur if the behaviour is performed). Beliefs are but one component of attitudes: a person's attitude is a function of her/his belief that a given outcome will occur if the behaviour is performed, and an evaluation of that outcome (Fishbein & Ajzen, 1975). Attitudes affect intentions to perform behaviour, but so do perceived social norms and motivations to comply with those norms. Finally, intentions generally predict behaviour, but several factors can reduce the probability that intentions will be translated into trial behaviour (e.g., opportunity, available materials, confidence, skill to carry out the behaviour) and repeated behaviour (e.g. reinforcement, self-efficacy). This multiplicity of influences on behaviour, integrating several theoretical models of attitude and behaviour change, has been graphically depicted by Flay and colleagues (Flay, d'Avernas, Best, Kersell & Ryan, 1983). This model integrates a large number of theoretical frameworks, including Information Processing Theory (McGuire, 1984), Health Belief Model (Maiman & Becker, 1974), Rogers' Protection Motivation Theory (Rogers, 1975), Fishbein and Ajzen's theories of Reasoned Action and Planned Behaviour (Fishbein & Ajzen, 1975; Sutton, 1989; Ajzen, 1985), and Social Learning Theory (Bandura, 1977). A simplification of that theoretical model appears in Figure 1.

Addicted people will process information relevant to their behaviour differently than nonaddicted people. People strive for cognitive congruence (i.e., their beliefs and attitudes are consistent with their behaviour). When an individual is confronted with information that is incongruent with their behaviour, cognitive dissonance results, which can be alleviated by either changing the behaviour, or denying the information (either by discrediting it -- "it hasn't been proven" -- , or by depersonalizing it --"it won't happen to me"). Because behaviour change is difficult when there is an addiction, denial is the more likely response. Thus, smokers will be more inclined to reject health warning messages than will nonsmokers, to avoid cognitive dissonance. However, this denial becomes more difficult as the same, or similar, information comes from more than one credible source, and if the information is personalized.

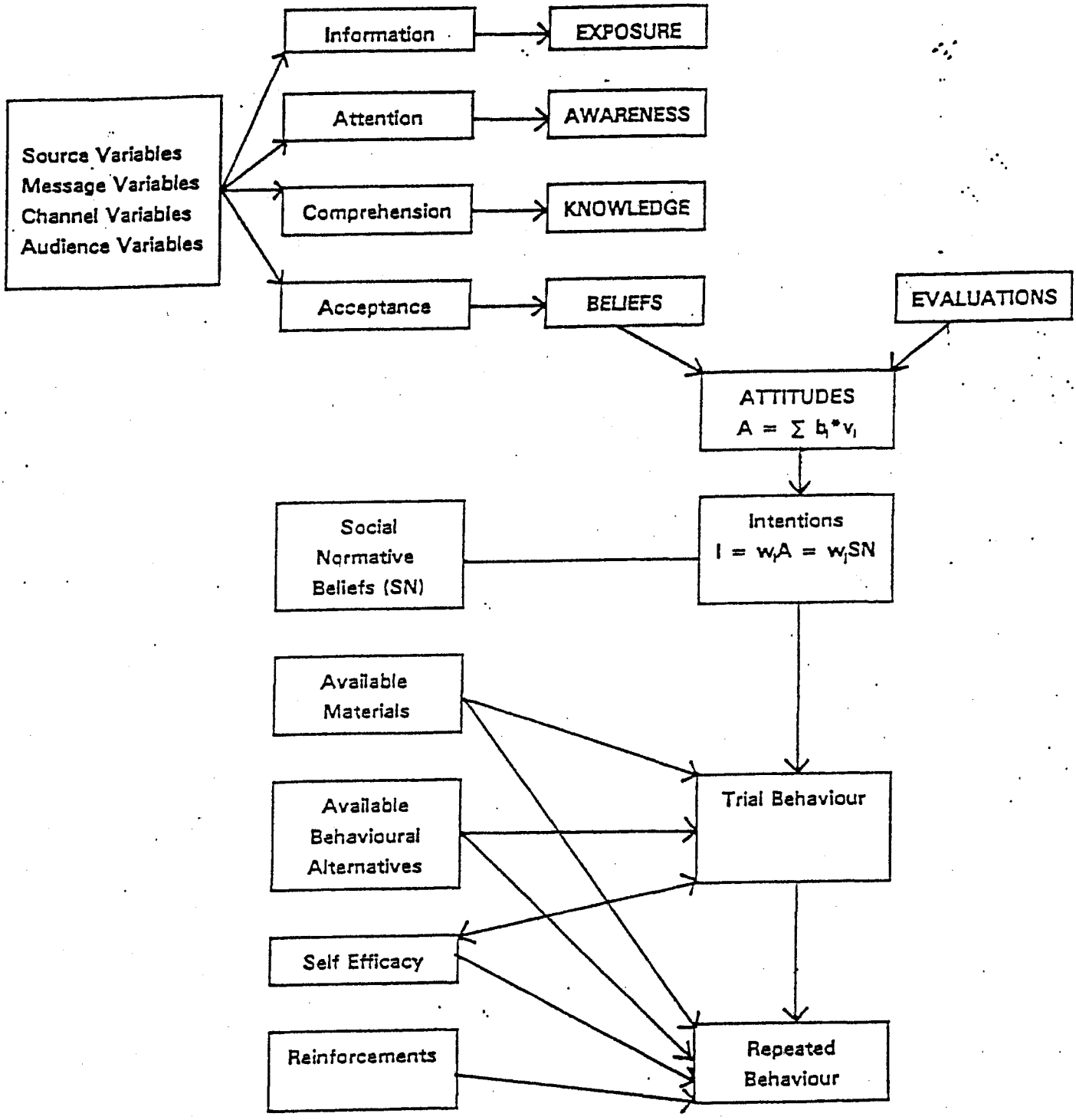
This model illustrates that information alone does not change behaviour. However, it is also clear that information can, under the right conditions, influence behavioural decisions -- it is a necessary, but not sufficient condition.

EMPIRICAL EVIDENCE

Extensive empirical literature exists that documents the relationships between information and behaviour. This literature demonstrates that information is one of many factors that influence behavioural decisions. It is from a review of this literature that Figure 1 was derived.
While it is clear that accurate information is important for informed decisions, it is also clear that Canadians do not have accurate knowledge about the health effects of smoking. Although they know that smoking is bad for their health in general, they are less knowledgeable of the precise health effects of smoking. Many smokers do not acknowledge the risks of environmental tobacco smoke. Many do not know that more smokers die from heart disease

FIGURE 1

INTEGRATIVE MODEL OF THE COMMUNICATION PROCESS



Adapted from Flay, d'Avernas, Best, Kersell and Ryan (1983). In McGrath & Firestone (Eds.) *Pediatric and Adolescent Behavioural Medicine*.

than from lung cancer. Many do not know that smoking while on the pill increases the risk of stroke, even for those under age 35. Many smokers do not acknowledge the addictive nature of the product. For example, a National Gallup survey of Canadians in 1987 showed that 70% incorrectly believed traffic accidents cause more deaths than smoking, when in fact smoking causes nine times more deaths than traffic accidents. Only 28% identified heart disease as a hazard of smoking, even though it is the single largest cause of tobacco-related death. Only 13% knew that 80% of lung cancer deaths are caused by tobacco. It appears that Canadians (and Americans) do not have the knowledge necessary to make informed decisions about tobacco use. Americans (and Canadians) seriously underestimate the hazards of smoking, (USDHSS, 1989; Health and Welfare Canada, 1992; Insight Canada Research, 1992). Researchers and the public agree that it is our obligation to inform people of the risks of tobacco use. One way is through accurate, noticeable health warnings on cigarette packs.

EXPERT OPINION

Experts were generally of the opinion that plain packages with prominent health warnings will contribute to reduced onset of smoking among youth. However, many experts qualified this by indicating that, for this measure to be effective, it must be part of a comprehensive strategy for reducing smoking onset that also includes smoke-free spaces policies, restrictions on access to tobacco by underage youth, and educational programs through the schools and to the community at large.

Some experts also warned of possible negative effects. As one expert put it "the more adults say <u>don't</u>, the more youth <u>will</u>". Others did not agree that this was a significant risk, and cited as support data that youth who smoke are more likely to have parents who smoke, when the opposite would be true if the rebellion factor was significant. Also mentioned was the potential to re-focus the rebellion away from the health sector and toward the tobacco industry, via campaigns that highlight how the industry has created a myth that cigarettes are cool, sexy and glamorous. This approach has been adopted in California, with great success (Kizer, Honig, Allenby & Deukmejian, 1990).

> *"The de-glamorizing strategy exposes the business side of the tobacco industry and repositions tobacco marketers as part of the problem... Research showed that this strategy is powerful with nonsmokers and smokers alike... This new perspective puts the health messages they have been taught in a different light and encourages them to rebel against the tobacco companies instead of the health establishment".*
>
> ***(Kizer et al, 1990)***

Experts urged that careful research be put to the content of health warnings in the context of plain packaging. Finally, experts expressed a concern that the rationale for health warnings should not be framed from a behavioural change standpoint, but rather from a public health standpoint with the primary purpose being to remind and inform the public about the health risks associated with use.

4. *Do health warnings contribute to smoking cessation?*

THEORETICAL EVIDENCE

For most smokers contemplating cessation, current package warnings are important but insufficient to promote cessation on their own. Such warnings serve only a portion of an individual's information needs.

For smokers, information needs also go beyond package warnings. Information that personalizes the risk via physician advice to quit, information that raises concerns about being a good role model, information that generates perceptions of the social unacceptability of smoking are also important to foster movement towards action.

And information or knowledge is only one of many factors influencing attitudes, intentions and behaviour, as described above. As for smoking onset, information alone is insufficient to change behaviour, but it can, under the right conditions, influence behavioural decisions.

There is also some evidence to suggest that warnings are less likely to be noticed by (a) those exposed a number of times to a risk without obvious adverse effects, and (b) those with greater familiarity with the product (Centre for Behavioural Research in Cancer, 1992). Thus, warnings are more likely to be noticed by those in pre-use or early stages of use.

EMPIRICAL EVIDENCE

In research conducted by Tandemar Research for Health and Welfare Canada (1992), 228 personal interviews of smokers aged 12 to 50 were conducted to obtain information and perceptions about existing and proposed package warnings. This research concluded that cigarette packages are an important and desired resource for health information on smoking, with the majority of smokers reporting reading the messages regularly. Ninety percent read the messages at least once, and 35% read them at least once a day. Cigarette package information was second only to television as an important source of information on the hazards of smoking. Fifty-nine percent of smokers got information from television, 55% from cigarette packages, and 17% from newspapers.

Cigarette package design research conducted by Gillian Tuffin Research Limited for the Canadian Cancer Society support the suggestions that "contemplators" are more responsive to information warning of tobacco's effects. In interviews of smokers to obtain reaction to various health warnings from smoking, younger smokers, more recent converts to smoking, and lighter smokers were more affected by the warnings. These groups consisted of more contemplators than do groups of older, heavier and longer-term smokers whose habits are more entrenched.

EXPERT OPINION

Experts were generally of the opinion that plain packages with prominent health warnings would have marginal, if any, impact on cessation rates among smokers. Addiction was seen as the primary factor sustaining the habit, and a relatively weak intervention such as making a health warning more prominent, would be unlikely to have a substantial impact.

5. *Do plain packages discourage smoking onset, irrespective of the health warnings?*

THEORETICAL EVIDENCE

The theoretical model shown in Figure 1 illustrates the many factors influencing behavioural decisions. This model makes clear that information alone (through health warnings, for example) cannot be expected to produce behaviour change. Plain packaging will, however, do more than provide more prominent information. It can also undermine positive product images conveyed via other promotional strategies by removing cues connecting the package to other promotions.

However, more than product image and information contribute to decisions to try cigarettes. Other key factors that promote smoking onset include rebellion, curiosity, opportunity and direct peer pressure. Cost is an important factor inhibiting onset. Other factors that will inhibit onset include perceived social unacceptability of smoking within an individual's peer group and lack of opportunity (cannot obtain smoking materials or cannot find a place to smoke them). Once experimentation has begun, the physiological effects and addictive properties become an additional factor promoting continued smoking.

Thus, plain packaging on its own is unlikely to produce behaviour change. However, in the context of a comprehensive tobacco control strategy, information and negative (or neutral) product image play key roles. Other factors include enhancing individual skills to resist influences to smoke, promoting smoke-free environments at home and school, reducing availability (through cost increases, restrictions on sales, education of parents) and effectively restricting the promotion of tobacco products.

EMPIRICAL EVIDENCE

No direct empirical evidence of the impact of plain packaging on smoking onset exists. However, in a New Zealand study of 550 13 year old students, Beede and Lawson (1992) found that plain packages were considered "dull and boring" by this age group and reduced curiosity about smoking.

Preliminary, as yet unpublished, Australian data indicate that 11-13 year old nonsmokers thought they would be less likely to smoke if tobacco were only available in plain packages (Donovon, 1993).

EXPERT OPINION

Experts were asked for their opinion as to whether plain packaging would discourage people from starting to smoke. All experts agreed that plain packaging is desirable, most felt that it is necessary to significantly impact on behaviour, and no one felt it was sufficient. A strong feeling was expressed by marketing experts that the removal of the "badge" for the image will go a long way to reducing the appeal of smoking for youth. It breaks a critical link to other promotions. However, this will only occur if the package design is one that makes the package unappealing and provides no cues to other images from sponsorship, advertising, role models. Some experts indicated that plain packaging will not have an impact on smoking onset on its own, but that it has a role to play as part of a comprehensive strategy to reduce smoking onset among youth. Three experts suggested that packaging is less important than other initiatives within a comprehensive strategy: notably restrictions on smoking in public places, workplaces and schools, training in pressure resistance skills, and restrictions on accessibility to tobacco products.

6. *Do plain packages contribute to smoking cessation, irrespective of the health warnings?*

THEORETICAL EVIDENCE

Plain packaging can undermine positive product images conveyed via other promotional strategies by removing cues connecting the package to other promotions. However, it is unlikely that confirmed smokers pay close attention to the product image. They continue to smoke because of immediate benefits and the addictive nature of the product. Thus, attenuating that image is unlikely to affect their behaviour.

Rather, confidence and skills for overcoming withdrawal become important considerations in the decision to quit smoking. Additional motivations to quit and facilitating factors are also important, such as restrictions on smoking in the workplace and in public places, making it inconvenient to smoke, information about modelling unhealthy behaviours for youth, personalizing the risk via physician advice to quit and providing incentives to quit (such as quit smoking contests, insurance rate reductions).

EMPIRICAL EVIDENCE

No direct empirical evidence was found on this question. However, in an unpublished Australian study, substantial proportions of 11-17 year old and adult smokers thought they would smoke less if tobacco was in standard packaging (Donovon, 1993).

EXPERT OPINION

Experts were asked for their opinion as to whether plain packaging would encourage smokers to quit. Most experts indicated that for smokers with an established habit, the addictive properties of the product, and the habitual nature of its consumption are much more salient factors maintaining the behaviour than is the package. It was generally felt that simply neutralizing the positive messages from current packaging would not affect confirmed smokers. Some experts believed warnings would not stop the addicted smoker, but would change the behaviour of some social smokers. Further, "image brand" smokers would be more influenced by a change to plain packaging than would economy brand smokers. However, going further to make the package embarrassing might prompt some smokers to quit. Ideas for accomplishing this included use of day-glow colours, adding large skull and crossbones graphics, and changing the design of the package to make it awkward to carry around and inconvenient to open.

SUMMARY AND SYNTHESIS

Expert opinion, theory and empirical literature suggest that plain packaging may have an impact on tobacco consumption in three primary ways[2]:

1. Plain packaging may increase the prominence of health warnings.

2. Plain packaging can undermine positive product images conveyed via other promotional strategies by reducing cues connecting the package to other promotions.

3. Plain packaging may undermine positive product images by making the package less interesting in its own right.

The extent to which these factors translate to prevention of onset or cessation is likely to be different for youth contemplating onset as compared to confirmed smokers.

ANTICIPATED IMPACT ON SMOKERS

1. *Enhancing the prominence of the health warning.*

Plain packaging will enhance the prominence of the health warning by removing competing stimuli that currently camouflage the warnings. However, it may or may not affect readability or believability, depending on the content of the message itself. Comprehension, memory and believability are enhanced when the message is easy to understand, relevant, important and includes information on how to reduce the risk. Thus, the content of the warning is vitally important. Nevertheless, smokers will attempt to avoid cognitive dissonance (incongruence between their behaviour and their beliefs), and will tend to discredit or depersonalize the message. If the message comes from more than one credible source and if it is personalized, it becomes more difficult to deny the message, potentially leading to attempts to change behaviour in an effort to regain congruence.

Even if health warnings are prominent, readable and believable, they are important but insufficient to induce smoking cessation on their own, for most people. They are an important source of information, which has a role to play in moving people from precontemplation to contemplation, and from contemplation to action (Prochaska et al, 1988). However, information needs extend beyond package health warnings. Information that personalizes the risk via physician advice to quit, information that raises concerns about being a good role

2 ***There are other ways that plain packaging can have an influence. However, these are related to broad social policy rather than individual impacts, and are not considered in this analysis (e.g. reduces smuggling)***

model, information that generates perceptions of social unacceptability of smoking are also important to foster movement towards action. Once smokers have moved to the action stage, confidence and skills for overcoming withdrawal become paramount considerations in the decision to quit smoking. Additional motivations to quit and facilitating factors become more important than information at this stage, such as restrictions on smoking in the workplace and in public places that make it inconvenient to smoke, and providing incentives and resources to support a quit attempt (e.g., nicotine replacement therapies, quit smoking contests, smoking cessation clinics and self-help programs).

In summary, while more prominent health warnings may increase the desire to quit smoking for some, much more is needed to translate that desire into action.

2. ***Breaking the link to other advertising and promotions.***

Advertising and other promotional strategies are powerful image-makers for a product. Theory and expert opinion suggest that images associated with smoking a particular brand of cigarettes are created through promotional activities, and the cigarette package is the "badge" that transfers that image to the user of the product. Plain packaging would break, or substantially weaken, this very important link between the package and the imagery created via other promotions.

However, this is unlikely to have a significant impact on smokers. This is a group for whom the addictive properties of nicotine largely sustain the habit, and image factors into the equation in a more minor way.

3. ***Making the package less interesting.***

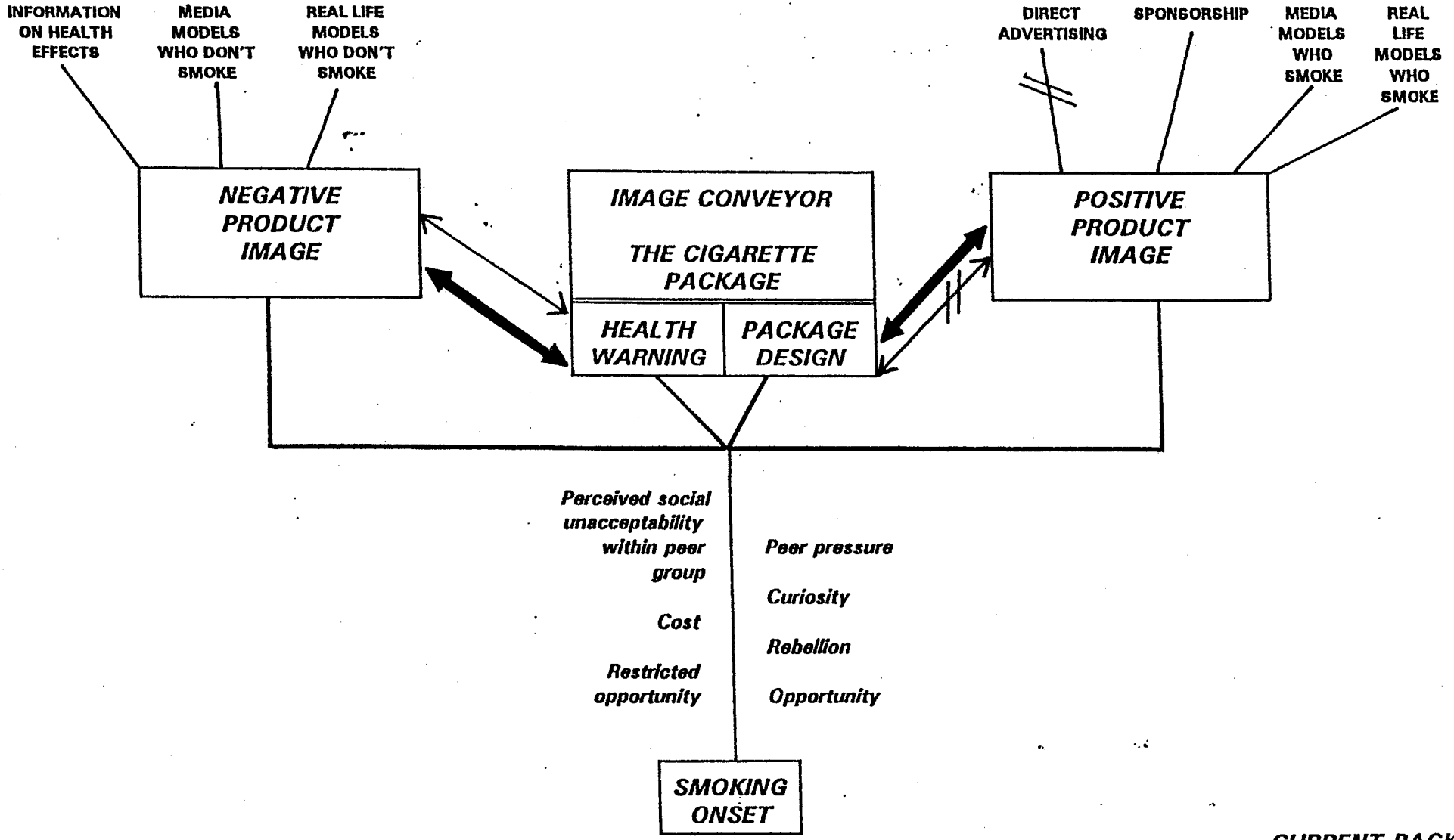
The use of dull colours and standard fonts on plain packaging will remove much of the flair and appeal of the package. However, this is unlikely to have a significant impact on smokers, for whom addiction largely sustains the habit.

ANTICIPATED IMPACT ON NONSMOKERS

Theory and expert opinion agree that the potential for plain packaging to impact on onset of regular smoking among youth (discourage experimentation as well as discourage movement from experimentation to regular smoking) is higher than it is for inducing cessation among confirmed smokers. Figure 2 graphically displays the interplay among the many sources of influence in decisions to start smoking, and the hypothesized role of the cigarette package within this set of factors. This schematic is presented as a working schematic, and will need to be revisited often in the course of this research project as more information becomes available. At this point in time, it represents an integration of theory and expert opinion.

FIGURE 2

CONCEPTUAL MODEL OF THE ROLE OF PACKAGING IN SMOKING ONSET



1. *Enhancing the prominence of the health warning.*

Plain packaging will enhance the prominence of health warnings by removing competing stimuli that currently camouflage the warning. However, it may or may not affect readability or believability, depending on the content of the message itself. Comprehension, memory and believability are enhanced when the message is easy to understand, relevant, important, and includes information on how to reduce the risk. Thus, the content of the warning is vitally important.

Even if health warnings are prominent, readable, and believable, they are important but insufficient to discourage smoking onset, on their own. Adolescents contemplating onset have information needs that go much beyond information on the risks of smoking. Information that generates perceptions of the social unacceptability of smoking, information that challenges the positive image of smoking portrayed in promotions, information on the addictive nature of the smoking habit and information on the prevalence of smoking, are all important.

Even if warning labels addressed all of the information needs of adolescents contemplating onset, information alone is insufficient to change attitudes, intentions and behaviour. However, it is *necessary*. Concern was expressed among experts that package warnings should not be defended from the point of view of behaviour change. Rather, package warnings are important to inform potential consumers of the risks of using the product, so that informed decisions can be made.

In current packaging, people receive two conflicting messages. One is the health warning. The other, more powerful one is the image of the brand. Empirical evidence suggests that plain packaging will substantially weaken the "image" message and strengthen the health message. Figure 2 illustrates this. In addition, experts indicated that effective hazard warnings and plain packaging are signals of social disapproval of the product (Leiss, 1993). The warning provides an explicit message of risk, and the plain package sends an implicit message of disapproval. This growing disapproval stemming from these measures and others will combine to have an overall impact on smoking rates, over time.

2. *Breaking the link to other advertising and promotions.*

Marketing theory postulates that several factors play a role in the decision to try a product, or to use a particular brand of a product. To be successful, the ***PRODUCT*** must be of acceptable quality and something that consumers want. The ***PRICE*** must be within the consumer's means, competitive with other brands of similar quality and characteristics, and involve minimal effort and low opportunity costs. The ***PLACE*** where consumers can obtain the product must be convenient. The product ***PROMOTION*** must make the consumer aware of the product and its characteristics, and continually reinforce that awareness.

All of these ingredients are necessary for successful marketing of a product, and the elements of the marketing mix synergize each other. However, for undifferentiated products such as

tobacco, product characteristics are relatively less important and promotion relatively more important. This is evident in tobacco industry documents, such as the Imperial Tobacco 1971 Marketing Plan, which states:

> *" In a market with minimal product differentiation, advertising becomes a disproportionately important part of the marketing mix as compared to most other mass consumer products".*
>
> *(p. 18, as reported in Pollay & Lavack, 1992)*

Package design is an important element of promotion. Other promotion strategies include direct advertising, sponsorship of sporting and cultural events, incentives and giveaways (including sampling to encourage trial behaviour), use of media role models, and real life role models who smoke. All promotional strategies use *imagery*, which aims to create an image for the user of the product through association with activities that are refined, fun, risky, etc.

In Canada, many of these promotional strategies have been curtailed by legislation. The Tobacco Products Control Act prohibits advertising of tobacco products, sale of single cigarettes, giving away of free samples, and places some restrictions on sponsorship. When restrictions are placed on a strategy within a category of the marketing mix (as represented by the 4 P's), as has occurred for promotion of tobacco products, other strategies within that category are put in place to compensate. In the case of tobacco, ***PROMOTION*** of the product is accomplished in a variety of indirect ways, the most prominent of which is through sponsorship of sporting and cultural events. For today's adults, both memory traces of past direct advertising campaigns and package design link the event promotion (which cannot mention or show cigarettes) to a cigarette brand. For tomorrow's adults, who have not been exposed to direct advertising, the only remaining link would be to package design and colour. Thus, package design is currently a key element that allows these tactics to succeed, and will become increasingly important as memory traces from direct advertising fade. Marketers agree that the single most important component of the design that builds visual "equity", which is then transferred to other things, is colour. Industry reports support this analysis, such as one published in *Tobacco International* that states that, as advertising restrictions increase, the pack itself will become increasingly significant as the "creator and bearer of an image" (TI Staff Report, 1991).

The marketing discipline further suggests that package design is relatively more important in influencing decisions when: a) it is an impulse as opposed to a planned purchase; b) the product is self-selected as opposed to introduced by a salesperson; and c) the product is sold on the basis of imagery (Pollay, 1993). All three of these conditions are true for first-time tobacco purchasers, and two of the three are true for repeat purchases by regular smokers.

Marketing experts agreed that promotion strategies establish an image for the user of the product, and repeatedly reinforce that image. The package is the reminder cue for that image, and the badge that transfers that image to the users. Badges are relatively more important for adolescents who are searching for an identity and independence. Plain packaging breaks a

crucial link between advertising and the badge. It is like removing the label from designer jeans. Corporate documents describing the image these promotional strategies aim to project (subpoenaed for the Quebec Superior Court hearings) indicate that the tobacco industry has conducted extensive research on adolescents, and has concluded that, for this group, the most pressing need is for self-reliance/independence. This has formed the basis of their marketing strategies for "starter brands" such as DuMaurier and Players, which project images of independence and freedom. These documents demonstrate clearly that the industry has explicitly targeted youth in its promotions, and has designed campaigns to encourage market entry, not just brand switching (Pollay & Lavack, 1992).

Dr. Richard Pollay, in a presentation to the Select Standing Committee on Health and Social Services, British Columbia Legislative Assembly, quoted corporate documents to support his conclusion:

> *I find this to be the height of cynicism that the corporate documents recognize the addiction problem, recognize that kids become slaves (to tobacco) and that this happens at a very tender age, and proceed to market it in order to maximize that."*
>
> ***(B.C. Legislative Assembly, 1993)***

Support for the conclusion that the industry recognizes the addictive nature of tobacco was given by this quote from corporate documents:

> *"Starters believe they will not become addicted, but once addiction does take place, it becomes necessary for the smoker to have a wide range of rationalizations. One of the functions of advertising is to help feed the rationalizations of the young person who becomes addicted. Starters thought they could quit easily, but they become slaves to their cigarettes."*
>
> ***(p.95, B.C. Legislative Assembly, 1993)***

Support for the conclusion that the industry targets youth was given by this quote from corporate documents:

> *"The industry is dominated by the companies who are most effectively meeting the needs of starters -- young smokers. Our efforts remain on these younger groups in spite of any poor share performance that may develop among older smokers."*
>
> ***(p.95, B.C. Legislative Assembly, 1993)***

To date, the tobacco industry has been successful in maintaining these images through these and other indirect marketing ploys (including "piggy back" logos, where non-tobacco products, such as watches and t-shirts, contain tobacco logos, and "parallel advertising", where the industry pays film directors to embed tobacco brands and smoking behaviour into their films (Carr-Gregg & Gray, 1991). Putting tobacco in plain packages would extinguish some components of these devious marketing techniques.

3. *Making the package less interesting*

While advertising and other promotional strategies are the most powerful image-makers for a product, several experts indicated that the package has the potential to create that image independent of other strategies through creative use of design and slogans. Use of dull colours removes the flair and appeal. It also reduces visibility on the shelf. Several experts indicated that it is preferable to make the package dull rather than sensationalize the risk (e.g., with skull and crossbones, black package). We must be aware of the risk that, as health warnings become more prominent, a small segment of youth may be more attracted to cigarettes. Experts acknowledge however, that this is a very small proportion. In addition, rebellious tendencies can be re-directed to the tobacco industry rather than toward the health establishment, as has been demonstrated by the California campaign.

For the majority, strengthening the salience of the health warning will reduce the appeal of smoking by making it more embarrassing to smoke, and by increasing attention to the message. In addition, removing the conflicting message when cigarettes are in a plain package will enhance believability of the health warning. People will embrace the health message rather than the "glamour" message.

Experts warned that whether tobacco in plain packs will in fact decrease these images will depend on how the industry responds. The legislation will have to specify the colours allowed (black on white would be best), for control purposes, use only a basic font and specified text, ensure that the health warning is prominent, prohibit use of graphics/logos, ensure that carton packaging is subject to the same restrictions, and prohibit logos or colours on individual cigarettes.

SUMMARY

Plain packaging is likely to have a less pronounced impact on adult smokers as compared to young nonsmokers. This is a group for whom the addictive properties of nicotine largely sustain the habit, and image factors into the equation in a more modest way. However, to the extent that plain packaging increases the prominence of health warnings, some smokers may take renewed notice. This could increase the desire to quit smoking for some, but more is needed to translate that desire into action. Confidence and skills for overcoming withdrawal become important considerations in the decision to quit smoking. Additional motivations and facilitators to quit are also important, such as restrictions on smoking in the workplace and in public places, making it inconvenient to smoke, information about the modelling influence on youth, personalizing the risk via physician advice to quit and providing incentives to quit (such as quit smoking contests, insurance rate reductions).

Greater promise for plain packaging lies in its role in reducing smoking onset. Perceived image has a much more central role to play in decisions to start smoking for young people than in maintenance of smoking among adults. The tobacco industry has two primary vehicles remaining to continue to use imagery to promote tobacco products: sponsorship of sporting and cultural events, and packaging. These two elements synergize each other -- removing one will make the other substantially less effective. For example, advertising for tobacco-sponsored events cannot show cigarettes or mention cigarettes. However, use of colour, logos, and shell company names that are virtually identical to cigarette brand names have linked this advertising to cigarettes and effectively advertise the cigarette as well as the event. With a ban on direct advertising, the only way remaining to make that link explicit is through package design. With plain packaging, that link would not be possible.

Additionally, plain packaging is likely to increase the prominence, as well as the believability, of the health warnings. Current packaging sends two messages: an explicit (negative) health message, and an implicit (positive) image message. Plain packs will send a single (negative) message. This signals social disapproval of the product (Leiss, 1993). This growing disapproval stemming from these measures and others will combine to have an overall impact on smoking onset, over time.

Plain packaging may make tobacco ***less*** appealing in the ways described above, for adolescents contemplating onset. However, on its own, it will fall short of making smoking ***unappealing.*** More prominent package warnings and an attenuated positive image are important, but insufficient to discourage smoking onset on their own. Plain packaging may reduce the positive images associated with particular brands, but it will do little to reduce the images associated with smoking per se. These images will continue to be reinforced through other promotional strategies and through real life role models who smoke. In addition, image and knowledge are only two of the many factors influencing smoking onset among youth. Figure 2 shows that rebellion, curiosity, opportunity, and direct peer pressure are also important factors promoting smoking onset. Thus, plain packaging on its own cannot be expected to produce behaviour change. However, in the context of a comprehensive tobacco control strategy, information and negative (or neutral) product image play key roles. Other components include enhancing individual skills to resist influences to smoke, promoting smoke-free environments at home and school, reducing availability (through cost increases, restrictions on sales, education of parents) and effectively restricting the promotion of tobacco products.

In conclusion, given current restrictions on advertising, imposing restrictions on package design has significant potential to alter the marketing mix in such a way so as to weaken other components of the overall marketing strategy for tobacco products. Over time, this will contribute to reduced prevalence of smoking, as part of a comprehensive strategy in which occurs "the delivery of persistent and inescapable messages to quit or not to start, coupled with continuously available support for individual cessation efforts, provided through multiple sites and reinforced by environmental incentives for nonsmokers" (USDHHS, 1991).

Public policy to legislate plain packaging is encouraged as part of a comprehensive plan to reduce tobacco use. By excluding plain packaging from such a plan, it appears that government is missing an opportunity to:

- make health warning messages on cigarette packages more noticeable and believable; and
- effectively break a critical and powerful link that transfers the images portrayed via promotional strategies, to the user of the product.

These conclusions need empirical validation. Studies 2 and 3 are designed to provided empirical data to test these conclusions, which at this point in time are drawn from expert opinion, theory, and literature review.

REFERENCES

Ajzen, I. (1985). From Intentions to Actions: A Theory of Planned Behaviour. In J. Kuhl & J. Beckman (Eds.) *Action Control: From Cognition to Behaviour.* Springer-Verlag: Berlin, Germany.

Bandura, A. (1977). *Social Learning Theory.* Englewood Cliffs, N.J.: Prentice-Hall.

Beede, P., & Lawson, R. (1992). The effect of plain packages on the perception of cigarette health warnings. *Public Health, 106,* 315-322.

British Columbia Legislative Assembly (1993). *First Report of the Select Standing Committee on Health and Social Services* to the Second Session of the 35th. Parliament, March 26, 1993.

Brubaker, R.G. & Mitby, S.K. (1990). Health risk warning labels on smokeless tobacco products: Are they effective? *Addictive Behaviors, 15,* 115-118.

Carr-Gregg, M. & Gray, A.J. (1990). "Generic" Packaging - A Possible Solution to the Marketing of Tobacco to Young People. *The Medical Journal of Australia, 153,* 685-686.

Centre for Behavioural Research in Cancer (1992). *Health Warnings and Contents Labelling on Tobacco Products.* Report prepared for the Ministerial Council on Drug Strategy Tobacco Task Force, Melbourne: Anti-Cancer Council of Victoria.

Donovan, R. (1993) Personal communication, May 13.

Fishbein, M. & Ajzen, I. (1975). *Belief, Attitude, Intention and Behaviour: An Introduction to Theory and Research.* Don Mills, Canada: Addison-Wesley.

Flay, B.R., d'Avernas, J.R., Best, J.A., Kersell, M.W. & Ryan, K.B. (1983). Cigarette Smoking: Why Young People Do It and Ways of Preventing It. In P.McGrath & P. Fireston (Eds.), *Paediatric and Adolescent Behavioural Medicine,* New York: Springer.

Gillian Tuffin Research Limited (1990). *Cigarette Package Design Research.* Report prepared for the Canadian Cancer Society.

Health and Welfare Canada (1992). *Perceived Health Hazards of Smoking in Canada*, Final Report.

Insight Canada Research (1992). *Smoking in Canada: Report on the Findings of a Nation-wide Survey Conducted on Behalf of the Canadian Cancer Society, Heart and Stroke Foundation of Canada, and Canadian Council on Smoking and Health*, November, 1992.

Kizer, K.W., Honig, B., Allenby, C.L. & Deukmejian, G. (1990) *Toward a Tobacco-Free California: A Status Report to the California Legislature on the First 15 Months of California's Tobacco Control Program.*

Leiss, W. (1993). Personal communication, May 14.

MacKinnon, D.P. & Fenaughty, A.M. (1993). Substance use and memory for health warning labels. *Health Psychology, 12(2),* 147-150.

Maiman, L.A. & Becker, M.H. (1974). The Health Belief Model: Origins and Correlates in Psychological Theory. In M.H. Becker (Ed.), *The Health Belief Model and Personal Health Behaviour.* Thorofare, N.J.: C.B. Slack.

McGuire, W.J. (1984). The Nature of Attitudes and Attitude Change. In G. Lindzey & E. Aronson (Eds.). *Handbook of Social Psychology,* 3rd. Ed., Vol.2, Reading, Mass.: Addison-Wesley.

Novello, A. C. (1993) *Keynote Address at the National Prevention Conference Convened by the Center for Substance Abuse Prevention*. Washington, D.C., February 8, 1993.

Pollay, R.W. (1993). Personal communication, May 10.

Pollay, R.W. & Lavack, A.M. (1992). The Targeting of Youths by Cigarette Marketers: Archival Evidence on Trial. To appear in McAllister, L. & Rothschild, M. (Eds.). *Advances in Consumer Research*, Vol. 20.

Prochaska, J.O., Velicer, W.F., DiClemente, C.C. & Fava, J. (1988) Measuring processes of change. Applications to the cessation of smoking. *Journal of Consulting and Clinical Psychology,* 56, 520-528.

Richards, J.W., Fischer, P. & Conner, F.G. (1989). The warnings on cigarette packages are ineffective [Letter to the editor]. *Journal of the American Medical Association, 261,* 45.

Rogers, R.W. (1975). A Protection Motivation Theory of Fear Appeals and Attitude Change. *Journal of Psychology, 91*, 93-114.

Sutton, S. (1989). Smoking Attitudes and Behaviour: Applications of Fishbein and Ajzen's Theory of Reasoned Action to Predicting and Understanding Smoking Decisions. In T. Ney & A. Gale (Eds.) *Smoking and Human Behaviour,* Wiley.

Tandemar Research Inc. (1992). *Tobacco Health Warning Messages, Inserts and Toxic Constituent Information Study Final Report*. Report prepared for Tobacco Products Section, Environmental Health Directorate, Health and Welfare Canada.

Testimony of Mr. Roy Donald Brown, Vice President of Marketing for Imperial Tobacco Limited, under questioning of lawyer Simon V. Potter, September 28, 1989, Vol. 5. pp 660-661 *Imperial Tobacco Ltd. v. Attorney General of Canada, Quebec Superior Court*, No. 500-05-009760-883.

Testimony of Mr. Hoult, Executive Vice President, RJ Reynolds Tobacco Company, under questioning of lawyer Baker, September 27, 1989, Vol. 4. pp 396-397 ***Imperial Tobacco Ltd. v. Attorney General of Canada, Quebec Superior Court***, No. 500-05-009760-883.

Tobacco International Staff Report (1991). Rethinking Cigarette Packs for a New Age. *Tobacco International,* March 1, 14-17.

USDHHS (1992). *Youth and Alcohol: Select Reports to the Surgeon General*, Department of Education. U.S. Department of Health and Human Services, Public Health Service, National Institutes of Health, National Cancer Institute.

USDHHS (1989). *Reducing the Health Consequences of Smoking: 25 Years of Progress. A Report of the Surgeon General.* U.S. Department of Health and Human Services, Public Health Service, Centers for Disease Control, Center for Chronic Disease Prevention and Health Promotion, Office on Smoking and Health. DHHS Publication No. (CDC) 89-8411.

USDHHS (1991) *Strategies to Control Tobaco Use in the United States: A Blueprint for Public Health Action in the 1990's.* U.S. Department of health and Human Services, Public Health Service, National Institutes of Health, National Cancer Institute (Smoking and Tobacco Control Monograph 1: NIH Publication No. 92-3316).

APPENDIX A:

Marketing Experts and Researchers Contacted

Dr. Mary Jane Ashley
Professor
Dept.of Preventive Medicine & Biostatistics
Faculty of Epidemiology and Biostatistics
University of Toronto
Status: Interview completed

Dr. George Balch
Visiting Associate Professor
Department of Marketing
Prevention Research Centre
University of Illinois at Chicago
Status: Interview completed

Park Beede/R. Lawson
Department of Marketing
University of OOtaga
New Zealand
Status: Questionnaire sent, no response

Dr. Morris Borts
Professor of Marketing
University of Ottawa
Status: Interview completed

Paul Browning
Partner
Taylor & Browning Design Associates
Status: Called twice, no return call

Dr. Dee Burton
Associate Director of Media Research
Prevention Research Centre
University of Illinois at Chicago
Status: Interview completed

Neil Collishaw
World Health Organization
Status: Questionnaire sent, no response

Joel Cohen
Head, Consumer Research
School of Business Administration
University of Florida
Status: Called twice, no return call

Frank De Vries
President
The Perrier Group of Canada
Status: Interview completed

Dr. Rob Donovon
Associate Professor
Department of Management
University of Western Australia
Status: Interview completed

Stu Dryer
Vice President, Brand Communications
Nestle Confectionary
Status: Interview completed

Michael Erikson
Office on Smoking and Health
Centres for Disease Control
National Institutes of Health
Status: Interview set up, changed 3 times then cancelled

Brian Farb
Director of Packaging
Intersave Buying & Merchandising Services
Status: Interview completed

Dr. Rick Frecker
Status: Called twice, no return call

Dr. Richard Gilbert
Canadian Urban Institute
Status: Declined

Gerry Hartman
Hudson's Bay Company
Status: Called twice, no return call

Gavan Howe
Vice President, Marketing
Brand Image & Packaging
Taylor and Browning Design Associates
Status: Interview completed

Dr. Murray Kaiserman
Chief, Tobacco Products Section
Health and Welfare Canada
Status: Interview completed

Bob Kincaide
Managing Director
Hazelton New Products Group
Status: Interview completed

Dr. Gulprit Kindra
Head of Marketing
University of Ottawa
Status: Interview completed

Dr. Lynn Kozlowski
Professor of Behavioural Health
Penn. State University
Status: Interview completed

Dr. William Leiss
Marketing Department
Simon Fraser University
Status: Interview completed

Dr. Elizabeth Lindsay
Community Health Research Unit
University of Ottawa
Status: Interview completed

Mark Llewyllen
Westmount Research
Status: Called twice, no return call

David MacKinnon
Department of Psychology
Arizona State University
Status: Questionnaire sent, no response

Marketing Sciences Institute
Cambridge, Mass.
Status: Interview completed

Dick Mathieu
Partner
Mathieu Letheren Associates
Status: Interview completed

Fergal McGarry
Product Manager
Wilkinson Sword Canada
Status: Interview completed

Jim Mintz
Director, Program Promotion Division
Health & Welfare Canada
Status: Interview completed

Margaret Morin
Policy Analyst, Tobacco Products Section
Health Protection Branch
Health & Welfare Canada
Status: Interview completed

George Nesvadba
Manager, Market Research
Respiratory Business Unit
Glaxo Canada
Status: Interview completed

Dave Nicolls
President
Loblaws
Status: Referred to Brian Farb

Morris Perliss
Former President
Amex
Status: Called twice, no return call

Dr. Cheryl Perry
University of Minnesota
Status: Referred to Michael Erikson

Peter's Group
Toronto
Status: Number not in service

Dr. Richard Pollay
Professor of Marketing, Faculty of Commerce
University of British Columbia
Status: Interview completed

Larry Reid
Marketing Manager, Consumer Products
3M Canada
Status: Interview completed

Sandra Reid
3M
Status: Referred to Larry Reid

Heather Reisman
The Watt Group
Status: Called twice, no return call

Mark Sarner
Partner
Manifest Communications
Status: Interview completed

Dr. John Slade
St. Peters Hospital
New Jersey
Status: Questionnaire sent, no response

Lynn Tayler
Program Officer
Health Promotion Directorate
Health & Welfare Canada
Status: Referred to Kaiserman & Morin

Ron Telpner
The Brainstorm Group
Status: Declined

Larry Wallack
University of California School of Public Health
Status: Called twice, no return call

Don Watt
Chairman of the Board
Retail Brands International
Status: Interview completed

Chris Yaneff
President
Chris Yaneff Ltd
Status: Interview completed

APPENDIX B:

Interview Questionnaire

b) For nonessential consumer products, rank these factors in order of importance in influencing decisions:

___ Advertising
___ Package design
___ Role models
___ Price
___ Other *(PLEASE SPECIFY)* _____

c) Is the relative influence of these factors different for teens as compared to adults? If so, please explain how and why.

_____

_____

_____

_____

d) Is the relative influence of these factors different for males as compared to females? If so, please explain how and why.

_____

_____

_____

_____

2. What features of plain or generic packaging make these products appealing to consumers? (Plain packaging refers to brand name products put in plain packages whereas "generics" are a separate brand of product, also packaged in plain packaging.)

_____

_____

_____

_____

_____

3. What features of plain or generic packaging make these products unappealing to consumers?

4. Has any market research been done on the most desirable or undesirable colours for packages? If so, what are they?

5. Has market research uncovered principles regarding other features of packaging that are more or less appealing to potential consumers (e.g, number of colours, size and amount of words, use of pictures or graphics, use of slogans, type of packaging)? Please elaborate.

6. Are cues on packages enough to create an image for a product, or must that image be developed via other advertising and promotion?

7. How long does it take to extinguish an advertising image? What factors influence the length of time after advertising stops until the image is forgotten?

The next 7 questions relate specifically to tobacco. Please provide your professional opinion, where possible.

1. For cigarettes, is it your opinion that:

(a)	package design <u>creates</u> an image for the brand?	☐
(b)	package design <u>reinforces</u> a brand image created via other advertising and promotional strategies?	☐
(c)	neither?, or	☐
(d)	both?.	☐

Please explain

_____

_____

_____

_____

2. Would a less appealing package create a less positive image of smoking? ☐ *YES* ☐ *NO*

Why or why not?

_____

_____

_____

_____

3. Is it your opinion that plain cigarette packaging would discourage smoking adoption? ☐ *YES* ☐ *NO*

Why or why not?

_____

_____

_____

_____

4. Is it your opinion that plain cigarette packaging would increase cessation among smokers? ☐ *YES* ☐ *NO*

Why or why not?

5. Would plain packages enhance recall and believability of health warnings? ☐ *YES* ☐ *NO*

Why or why not?

6. What is the risk (if any) that plain packaging will increase the appeal of smoking to youth?

7. Youth smoke DuMaurier and Players more than any other brand. How is the promotion and advertising of these different from other brands (i.e., what is it that attracts teens to these brands?)

Please provide the name and telephone number of any other marketing experts that I might interview.

NAME	*TELEPHONE*

Please provide the reference (or attach a photocopy) of any written information that would be relevant to this research project.

_____

_____

_____

_____

Thank you for your time.

REÇU/RECEIVED
17 -01- 1995

COVER ESSAY

The pack as advertisement

John Slade

One of the innovations Richard Joshua Reynolds introduced with his Camel brand in 1913 was the coordinated, national advertising campaign. Before Camel, major cigarette makers relied on a wide variety of brands, mainly differing in packaging, to attract customers. The artwork on packs teased and invited. Brand proliferation was the rule, and eye-catching pack design was a key feature.[1] After Camel, the major companies increasingly focused marketing efforts on a single brand because of the investment necessary to communicate about a brand to a national audience through the mass media. Thus, in the United States, the cigarette epidemic was fuelled, in the main, by just four brands: Camel, Lucky Strike, Chesterfield, and Old Gold.

Brands from a single maker did not begin to multiply again until the 1950s when the rush to make implied health claims began with the introductions, first, of filtered and later, of "low tar" brands and brand extensions. The next major spur to brand proliferation came in the 1980s when price competition again appeared in the American market, thanks to the development of "generic" cigarettes by Liggett.

There are now signs of a return to yesteryear, of a renaissance in cigarette pack design.

The cover of this issue of *Tobacco Control* shows a variety both of limited-edition pack designs for some major brands and some of the niche brands with which major manufacturers are now experimenting.

Four packings of Mild Seven (Japan Tobacco) are aligned along the left border of the cover. At the top are the front and back of a beautiful pack sold in Japan. The bottom two, souvenir packs for returning Japanese tourists, were sold in duty-free shops in Thailand (note the warning) and in the United Kingdom, respectively, in 1995 and 1996.

The series of four Lucky Strike (BAT) packs with "retro" artwork were sold in the Netherlands in 1996.

RJ Reynolds issued four series of Camel "collector's packs" in the United States between 1994 and 1996. Although the first series (of the members of Joe's Hard Pack rock band) had five different designs, the subsequent three have each had 10 different designs. One series depicted the emblematic camel vacationing in 10 different American states, another featured reproductions of early Camel advertising, and the most recent carried a series of Joe Camel advertising themes from the early 1990s. These special packs are put into stores for a brief period and are then gone forever. Each retailer is allocated a limited supply of the special packs along with a special countertop display. The packs of the larger series are numbered on the bottom so that the collector can quickly see if his set is complete.

Star, a Philip Morris brand sold in Switzerland, appears on the market in a wide variety of arty pack designs. The pack is constantly entertaining because it keeps changing. The appeal seems to be that with this brand, one has a different, stylish, contemporary piece of art in one's purse each day.

The cowboy appears on Marlboro 25s (Philip Morris) sold in the United States. The cowboy on the Lights 25s packing (not shown) wears the yellow slicker that advertising agency Leo Burnett has made emblematic of Marlboro Lights.

Philip Morris put holograms on limited numbers of Parliament packs in 1996 as part of a sweepstakes promotion. The holograms depicted tropical scenes thematically tied to the brand's current advertising theme. The hologram on the pack reproduced on the cover shows two tropical fish in the foreground (and several in the background), one of which has the word "Aruba" inscribed on its side.

Philip Morris has presented Dave's in test markets as a "microsmoke", imitating a fad in the United States for low-production, high-quality beers. It has set up a separate company to market the product in a studiedly low-key, self-effacing manner.

RJ Reynolds has taken a somewhat different approach to developing "microsmokes". It also created a new company, Moonlight Tobacco,[2] but instead of focusing on only one folksy brand, the new company churns out numerous novel brands with smart, art deco styling. Illustrated on the cover are Planet ("No additives"), Politix ("Join the party"), and Bee ("Honey-toasted").

In addition, RJR has developed kitschy packings for a relaunch of a brand that has not been on the market for more than 70 years, Red Kamel.

What does all this activity in pack design mean?

As advertising restrictions loom or become reality, the surfaces of the pack itself remain available for communication to customers and potential customers. The increased interest these companies are showing in novel pack designs and in novel brands is likely to be a way of exploring how to market cigarettes in a lim-

Department of Medicine, St Peter's Medical Center, 254 Easton Avenue, New Brunswick, New Jersey 08903–0591, USA; email: jslade@rci.rutgers.edu

ited advertising environment. The adaptation of advertising to the pack itself in this manner is but another reason that a requirement for plain packaging is sound public policy.[3]

1 Mullen C. *Cigarette pack art*. New York: St Martin's Press, 1979.
2 Link E. Novel packs support umbrella marketing. *Tobacco J Int* 1997;2:51–2.
3 Cunningham R, Kyle K. The case for plain packaging. *Tobacco Control* 1995;4:80–6.

TOWARDS ZERO CONSUMPTION

Generic packaging of tobacco products

Report of the Standing Committee on Health

June 1994

HOUSE OF COMMONS

Issue No. 11

Wednesday, May 25, 1994
Monday, May 30, 1994
Thursday, June 9, 1994
Tuesday, June 14, 1994

Chair: Roger Simmons

CHAMBRE DES COMMUNES

Fascicule nº 11

Le mercredi 25 mai 1994
Le lundi 30 mai 1994
Le jeudi 9 juin 1994
Le mardi 14 juin 1994

Président: Roger Simmons

Minutes of Proceedings and Evidence of the Standing Committee on

Health

Procès-verbaux et témoignages du Comité permanent de la

Santé

RESPECTING:

Study on Plain Packaging of Tobacco Products

Future Business

INCLUDING:

The First Report to the House

CONCERNANT:

Étude sur la banalisation des produits du tabac

Travaux futurs

Y COMPRIS:

Le premier rapport à la Chambre

First Session of the Thirty-fifth Parliament, 1994

Première session de la trente-cinquième législature, 1994

The Speaker of the House hereby grants permission to reproduce this document, in whole or in part, for use in schools and for other purposes such as private study, research, criticism, review or newspaper summary. Any commercial or other use or reproduction of this publication requires the express prior written authorization of the Speaker of the House of Commons.

If this document contains excerpts or the full text of briefs presented to the Committee, permission to reproduce these briefs in whole or in part, must be obtained from their authors.

Available from Canada Communication Group — Publishing, Public Works and Government Services Canada, Ottawa, Canada K1A 0S9

Le Président de la Chambre des communes accorde, par la présente, l'autorisation de reproduire la totalité ou une partie de ce document à des fins éducatives et à des fins d'étude privée, de recherche, de critique, de compte rendu ou en vue d'en préparer un résumé de journal. Toute reproduction de ce document à des fins commerciales ou autres nécessite l'obtention au préalable d'une autorisation écrite du Président.

Si ce document renferme des extraits ou le texte intégral de mémoires présentés au Comité, on doit également obtenir de leurs auteurs l'autorisation de reproduire la totalité ou une partie de ces mémoires.

En vente: Groupe Communication Canada — Édition, Travaux publics et Services gouvernementaux Canada, Ottawa, Canada K1A 0S9

Standing Committee on Health

CHAIR: The Hon. Roger Simmons

VICE–CHAIRS: Rey Pagtakhan
Pauline Picard

MEMBERS

Margaret Bridgman
Pierre de Savoye
Hedy Fry
Keith Martin
Bernard Patry
Andy Scott
Paul Szabo
Rose-Marie Ur

CLERK OF THE COMMITTEE:

Carmen DePape

FROM THE RESEARCH BRANCH OF THE LIBRARY OF PARLIAMENT:

Tom Curran
Odette Madore
Nancy Miller Chénier

Members of the Standing Committee on Health

The Hon. Roger Simmons
Chairman
Liberal
Burin—St. George's (Newfoundland)

Rey Pagtakhan
Vice-Chairman
Liberal
Winnipeg North (Manitoba)

Pauline Picard
Vice-Chair
Bloc Québécois
Drummond (Quebec)

Margaret Bridgman
Reform
Surrey North (B.C.)

Pierre de Savoye
Bloc Québécois
Portneuf (Quebec)

Hedy Fry
Liberal
Vancouver Centre (B.C.)

Keith Martin
Reform
Esquimalt—Juan de Fuca (B.C.)

Bernard Patry
Liberal
Pierrefonds—Dollard (Quebec)

Andy Scott
Liberal
Fredericton—York—Sunbury (N.B.)

Paul Szabo
Liberal
Mississauga South (Ontario)

Rose-Marie Ur
Liberal
Lambton - Middlesex (Ontario)

The Standing Committee on Health

has the honour to present its

FIRST REPORT

In accordance with Standing Order 108(2), the Committee has examined plain packaging of tobacco products. The *Terms of Reference* for the study are as follows:

1. To receive evidence and otherwise examine:

   a) the effectiveness of plain packaging of tobacco products in reducing both tobacco consumption and smuggling;

   b) the legal considerations related to plain packaging.

2. To report on the findings of the enquiry and to make recommendations to the federal government.

Table of Contents

TOWARDS ZERO CONSUMPTION GENERIC PACKAGING OF TOBACCO PRODUCTS 1

INTRODUCTION 1

CONTEXT FOR THE COMMITTEE'S STUDY 2

DEFINITION OF PLAIN PACKAGING 6

EFFECTS OF PLAIN PACKAGING ON TOBACCO CONSUMPTION 9

A. The Evidence Presented to the Committee 9

1. The Marlboro Study 9
2. The New Zealand Study 10
3. The Australian Study 11
4. The Canadian Study 11

B. Views on the Evidence: How Much is Needed? 12

C. Additional Studies 14

POSSIBLE IMPACTS OF PLAIN PACKAGING ON CONTRABAND AND SMUGGLING OF TOBACCO PRODUCTS 15

LEGAL CONSIDERATIONS 18

A. National Legislative Framework for Plain Packaging ... 18

B. Possible Legislative Infringements 19

C. International Trade Obligations 20

ECONOMIC CONSIDERATIONS OF PLAIN PACKAGING 21

A. Impact on the Tobacco Manufacturing Industry 21

B. Impact on Related Industries 23

1. Tobacco Growers 23
2. The Packaging Industry 24
3. The Wholesale Sector and the Retailing Industry .. 25

C. Health Care Costs Attributable to Tobacco Use 26

CONCLUSION 28

RECOMMENDATIONS 29

APPENDIX A — LIST OF WITNESSES 31

APPENDIX B — SUBMISSIONS 37

REQUEST FOR GOVERNMENT RESPONSE 45

APPENDIX C — DISSENTING OPINION — BLOC QUÉBÉCOIS 47

APPENDIX D — DISSENTING OPINION — KEITH MARTIN, M.P. (Reform Party of Canada) 61

MINUTES OF PROCEEDINGS 65

TOWARDS ZERO CONSUMPTION GENERIC PACKAGING OF TOBACCO PRODUCTS

> The urgency of the public health disaster caused by tobacco use is acute. The time for action is now. The future health of a generation of youngsters hangs in the balance.
>
> Canadian Cancer Society[1]

> There is a clear statistical connection between tobacco consumption and a long list of health effects, including cancer.
>
> Robert Parker, President
>
> Canadian Tobacco Manufacturers' Council[2]

INTRODUCTION

On February 8, 1994, Prime Minister Jean Chrétien made a statement in the House of Commons on the federal government's Action Plan on Smuggling of Tobacco Products. Part of that statement dealt with the issue of plain packaging: "We will also examine the feasibility of requiring plain packaging of cigarettes and will also ask the House of Commons Standing Committee on Health to make recommendations in this area."

On March 16, 1994, the Minister of Health, the Hon. Diane Marleau, wrote to the Chairman of the House of Commons Standing Committee on Health, the Hon. Roger Simmons, stating that it would be "appropriate and helpful" if the Standing Committee were to address the issue of plain packaging "as its first priority."

---

1 Canadian Cancer Society, *Putting Health First: The Case for Plain Packaging of Tobacco Products*, A Submission to the House of Commons Standing Committee on Health, April 1994, p. 59.

2 Robert Parker, President, Canadian Tobacco Manufacturers' Council, *Minutes of Proceedings and Evidence of the Standing Committee on Health*, (hereafter *Proceedings*), First Session of the Thirty-fifth Parliament, 1994, Issue No. 10, May 12, 1994, p. 63.

Accordingly, the Standing Committee considered the issue and the request from the Prime Minister and the Minister of Health and commenced a study on the plain packaging of tobacco products.

CONTEXT FOR THE COMMITTEE'S STUDY

Although the rate of tobacco smoking in Canada has been dropping for several decades, it remains much too high, and tobacco-related diseases will consequently continue to take an enormous toll on Canadian society. By 1990, for persons 15 years and older, the rate of smoking was 31% for men and 28% for women. This is down from the 1965 rate of 61% for men and 38% for women. The highest smoking rates were among 20- to 44-year-olds; the lowest among 15- to 19-year-olds and the over-65 age group. In addition to the decline in the number of persons smoking by 1990 (although the decline has levelled off somewhat), there has been an overall decrease in the number of cigarettes smoked per day, with more people smoking on average fewer cigarettes daily than in previous years.[3]

A major concern for this Committee, and for Canadian society, is youth and tobacco. Significant numbers of young Canadians start smoking each year, but there is some good news to report. Since 1965, smoking rates for 15- to 19-year-olds have dropped from 55% to 21% for males, and from 37% to 21% for females. Rates have also decreased significantly for 20- to 24-year-olds. The bad news is that the proportion of 15-year-olds who smoke (22% of males and 29% of females) is higher than for the 15- to 19 age group (21%). It is clear that improved programs and policies are required to deter young people from tobacco use.[4]

There is no longer any debate over the intrinsic harmfulness of tobacco and smoking, and in particular the smoking of cigarettes. The medical evidence is overwhelmingly persuasive. Smoking is the leading preventable cause of morbidity and premature mortality in Canada, as it is

[3] National Clearinghouse on Tobacco and Health with Health Canada, *Focus On: Canadians and Tobacco*, September 1993.

[4] *Ibid.*, *Focus On: Youth and Tobacco*.

in other developed countries. Tobacco-related illnesses are responsible for the deaths of at least 38,000 Canadians every year.[5] Recently, and for the first time in history, it was stated that more women will die from lung cancer this year than from breast cancer. Statistics released by Health Canada predict that in 1994, 5,600 women will die from lung cancer compared to 5,400 from breast cancer.[6]

The proposal to legislate a requirement in Canada that cigarettes and other tobacco products be in plain packages is being considered as part of the federal government's strategy to reduce the consumption of tobacco. The proposal has met with the enthusiastic approval of all health and anti-smoking groups that appeared before the Standing Committee on Health during our public hearings.

The primary target group for the plain packaging proposal is the youth of this country. The success of the tobacco industry is based to a substantial degree on nicotine addiction. Many witnesses who appeared before the Committee stated that unless a person takes up smoking before the age of 19, she or he is unlikely ever to take up smoking and to develop an addiction to nicotine. An addiction to nicotine is very likely to become a lifetime burden for an individual and, by extension, an eventual burden for Canadian society as the health effects of tobacco consumption become manifest.

The Committee has received testimony that most smokers take up smoking very early in life, that the average age for starting to smoke in Canada is 13 years old,[7] and that more than 75% of smokers start before they are 18.[8] The Committee heard testimony to the effect that tobacco

[5] Canadian Cancer Society, *Putting Health First: The Case for Plain Packaging of Tobacco Products*, A Submission to the House of Commons Standing Committee on Health, April 1994, p. 4.

[6] "Lung cancer to kill 5,600 women," *The Globe and Mail*, May 12, 1994, p. 1.

[7] Gallup Poll, *A Summary Report on Tobacco, Alcohol and Marijuana Use and Norms Among Young People in Canada: Year 4*, Health and Welfare Canada, Ottawa, 1986. (Cited by Physicians for a Smoke-Free Canada, May 5, 1994.)

[8] United States Department of Health and Human Services, *Health Consequences of Smoking: Nicotine Addiction*, Report of the United States Surgeon General, Rockville, MD, 1988. (Cited by Physicians for a Smoke-Free Canada, May 5, 1994.)

companies in this country deliberately target consumers under the age of 18.[9] The tobacco industry vigorously denies that assertion. Whatever the nature of the evidence on why people start smoking, however, logic dictates that new smokers must continually be recruited from among the teenage, and even younger, subsets of Canada's population, or the tobacco industry itself would have died out years ago along with its most dedicated customers. Tobacco companies are not ignorant of this reality.

It is also very clear that, whether by circumstance or design, children are routinely and multiply exposed to smoking every day, as well as to the trappings of tobacco consumption through the omnipresent displays of tobacco products and a variety of commercial symbols. Among the most prevalent and contentious commercial symbols of the tobacco industry are those that link their products with the sponsorship of such mass-appeal activities as championship tennis, golf, car racing, show-jumping, and cultural events such as music and women's fashions.

One of the purposes of the *Tobacco Products Control Act* (TPCA), which came into force in January 1989, was to protect young persons from inducements to use tobacco products and from the dependence that might result. The legislation banned all forms of tobacco advertising. Further, it required that all sporting and cultural sponsorship undertaken by the tabacco companies was to be under the name of the manufacturer of the product, not the brand name of the product itself. The tobacco companies responded by creating new limited corporations, named after the brands they manufactured, to sponsor sporting and cultural events. In the view of health and anti-smoking organizations, these sponsorships effectively circumvent the intent of the TPCA and its ban on tobacco brand advertising. The implementation of plain packaging for tobacco products could, in the view of these organizations, "very effectively break the link between (tobacco) brand names and sponsorship paving the way to a real advertising ban."[10]

The principal thrust of those witnesses who support the plain packaging proposal is that tobacco products are intrinsically different from all other consumer products currently sold on the market. A

[9] Richard W. Pollay, As Anyone Can Plainly See: Brand Imagery in Cigarette Packaging and Promotion, A submission to the Standing Committee on Health, May 3, 1994, p. 8.

[10] Physicians for a Smoke-Free Canada, *Breaking the Link—The Case for Plain Packaging of Tobacco Industry Products*, A Submission to the House of Commons Standing Committee on Health, May 5, 1994, p. 3.

frequently used phrase during the public hearings was, in effect, that tobacco is the only consumer product on the market that kills the user when used exactly in the manner intended by the manufacturer.

It is also generally agreed that if tobacco were not currently on the market in Canada, any proposal to introduce such a product to the Canadian public would be quickly and resolutely denied. However, the product is on the market, and millions of Canadians use it on a regular basis. Moreover, many of these consumers are addicted to smoking; more specifically, many—probably most—are addicted to the nicotine that is a natural constituent of tobacco.

The Committee believes that the addictiveness of nicotine is an important issue to consider in formulating its recommendations on plain packaging. While the President of the Canadian Tobacco Manufacturers' Council did not agree that nicotine was an addictive chemical, he did not deny that fact. [11] The federal government, however, has accepted that nicotine is addictive, and the new health warnings required for cigarette packages under the TPCA will state that fact.

Although, nicotine is very toxic as well as addictive, the major health problems associated with tobacco use derive from the various other chemicals and substances in tobacco—both when it is burned in the act of smoking, and when the product is used in other ways, for example in a number of "smokeless" formulations. Some of these constituent chemicals are known to cause cancer in humans; others, like carbon monoxide, have different toxic effects.

In light of this persuasive evidence that tobacco products are extremely hazardous to human health, the Committee believes it is appropriate to consider the plain packaging question in a different context from that associated with marketing other consumer products, such as candy bars, cosmetics and foods. Despite the industry's routine assertion that tobacco is a "legal product", most would argue that this facile designation is based on history and tradition rather than on any rational legitimacy. The Committee firmly believes that tobacco is a unique product, one for which there is no safe level of consumption. Tobacco is also unique in the scale of mortality and morbidity associated with it.

[11] Robert Parker, President, Canadian Tobacco Manufacturers' Council, *Proceedings*, Issue No. 10, May 12, 1994, pp. 64-65.

The principal concern of this Committee is the health of the Canadian nation, including programs and policies of health promotion and protection. Clearly and simply stated, tobacco consumption is injurious to the health of the individual and of the nation as a whole. It follows, then, that any proposed governmental initiative or program that will reduce tobacco consumption, either by persuading smokers to abandon the habit or, most especially, by persuading young people not to commence smoking in the first place, is worthy of the most serious consideration.

This is the context in which this Committee's study of the plain packaging question is framed. We are not unaware of the contingent issues arising from such a radical change in the marketing environment for cigarettes and other tobacco products. Even a casual perusal of the list of witnesses who have appeared before us will bear out that contention. But the good health of Canadians is our principal concern, and the thrust of this report is directed toward that objective. The Committee believes that if plain packaging, in conjunction with other tobacco reduction measures, can decrease the commencement or continuation of smoking among youth or adults, it can be deemed a success. The overall aim is to move towards zero consumption.

DEFINITION OF PLAIN PACKAGING

The intent of plain packaging of tobacco products, as it is generally understood, is to make the product unattractive and unappealing to consumers, without any of the eye-catching colour, design, or artwork typically associated with consumer product packaging and frequently reflected in advertising campaigns and related materials for consumer products. One proposal made to the Committee was that the *persuasive packaging* developed by the tobacco industry should now be replaced, through legislation, by *dissuasive packaging*.[12]

The assumption underlying the intent or purpose of plain packaging is that the carefully designed packages for tobacco products, and for cigarette packages in particular, promote tobacco consumption generally. The tobacco industry maintains that the tobacco product package and its

[12] Dr. Frederic Bass, British Columbia Medical Association, *Dissuasive Packaging*, May 3, 1994, p. 2.

associated promotions are intended only to compete for market share among existing brands, and are not intended to persuade people to smoke. Anti-smoking and health groups argue that the cigarette package is a powerful form of advertising for tobacco generally which, together with sports and cultural event sponsorships, creates an appealing and persuasive image for tobacco and smoking.

The precise definition of a "plain package" for tobacco products—also referred to as a "generic package"—has yet to be established. Mr. Kent Foster, Assistant Deputy Minister with the Health Protection Branch, Health Canada, provided the Committee with a basic definition: "Plain packaging is a packaging without any distinctive feature or use of trade mark. The cigarettes would be sold in packages that would be identical in appearance and of the same colour."[13]

The Centre for Health Promotion of the University of Toronto provided an expanded definition: "Plain packages are light brown or white packages with black printing only. No colour, trademarks or unique print fonts are used. Plain packs include only the brand name (in standard font), risk warnings, and product contents information."[14]

The Canadian Cancer Society (CCS) offered more specific details for plain packaging.[15] The CCS suggested that a "dull, unalluring colour" should be required; white is unacceptable because it suggests "purity and cleanliness." Package sizes, materials, opening methods, colours, text placement, font and size of printing would be standardized, and specified by regulation. Each package would be required to bear a "duty-paid" marking, possibly on a cellophane tear-strip that would be part of the cellophane wrapping.

In the Society's view, much of the package should be given over to prominent health warnings and lists of the toxic ingredients in tobacco. The CCS suggested that the brand name of the product, the only

[13] Kent R. Foster, Assistant Deputy Minister, Health Canada, *Notes for an Address* to the House of Commons Standing Committee on Health, April 12, 1994, p. 2.

[14] Centre for Health Promotion, University of Toronto, *Potential Impact of Plain Packaging of Tobacco Products on Youth Perceptions and Behaviour*, A Submission to the House of Commons Standing Committee on Health, April 22, 1994, p. 1.

[15] Canadian Cancer Society, *Putting Health First: The Case for Plain Packaging of Tobacco Products*, A Submission to the House of Commons Standing Committee on Health, April 1994, pp. 6-9.

distinguishing feature to be permitted on the package, should appear on one of the package's small ends. Having the brand name on the front, it is suggested, might detract from the health warnings.

No extraneous writing—for example, such phrases as "Finest Canadian Tobacco" or "Traditional Taste"—would be permitted on the package. Calendars printed on the package, a common feature with some brands, would also be prohibited. A minimum package size (which would preclude the marketing of so-called "kiddy packs") would be required, and "inconvenient" package sizes would be seen as an asset. Package texture would be controlled, and embossing would be prohibited, except for required health warnings.

Some witnesses suggested that colour schemes might be adopted as part of the plain packaging proposal. Thus, it was noted that a colour scheme could be adopted that would indicate the amount of nicotine in particular brands of cigarettes. Similarly, a colour scheme could also be adopted to indicate classes of tar levels in tobacco products.

Clearly, however, any colour scheme should be in line with the view advanced by proponents of plain packaging that unattractiveness is a key element in the strategy. For example, the Canadian Council on Smoking and Health suggested that the plain package "would look more like a dispenser for prescription drugs than for candy."[16]

No country or jurisdiction has yet introduced plain packaging legislation for tobacco products. Indeed, several witnesses stated that it is important for Canada to take the initiative because of this country's recognized leadership in anti-smoking policies and programs. The Committee recognizes the importance of combatting tobacco consumption, and cigarette smoking in particular, on an international level, but our principal concern at this time is the implementation of effective policies and programs to protect and hopefully improve the health status of Canadians.

Arriving at a precise and workable definition of plain or generic packaging is a complex challenge, and a number of important factors have to be considered. Some of these factors—notably the issue of

[16] Canadian Council on Smoking and Health, *Plain Packaging of Tobacco: An End to Misleading Advertising*. A Submission to the House of Commons Standing Committee on Health, May 3, 1994, p. 4.

counterfeiting and contraband, the economic impact of plain packaging on the tobacco industry, and the contentious questions of trademarks and the freedom of commercial expression—are discussed below. It is clear that the simple definition given by Health Canada, as cited above, provides only a general conceptual framework for extensive future discussion. The Committee has, however, been informed that the department is undertaking a comprehensive study, that, among other things, will determine the most appropriate design for generic packages.

EFFECTS OF PLAIN PACKAGING ON TOBACCO CONSUMPTION

A. The Evidence Presented to the Committee

Witnesses arguing both for and against plain packaging referred to four studies that provided evidence. Each study established a research situation in which individuals, adults or adolescents, smokers or non-smokers, were required to indicate their attitudes about plain packaging. In all the studies, subjects indicated that plain packaging made the product less attractive and appealing. The Committee believes that it is significant that no comparable study providing contrary evidence was submitted.

1. The Marlboro Study

In this study, 1,546 regular Marlboro smokers were offered Marlboro cigarettes at half price in generic brown boxes.[17] The smokers, whose median age was 33, were told that the cigarettes were real Marlboros and were sealed in the same factory. However, only 21% of them were interested in buying the generic pack. The researcher concluded that smokers associate themselves (and the way they view themselves) with a particular cigarette brand as represented by the package. It was suggested that if the attractiveness of cigarette package were eliminated, the appeal and sales of cigarettes could be expected to decline.

[17] Jeffrey Trachtenberg, "Here's One Tough Cowboy," *Forbes*, February 9, 1987, pp. 108-110.

2. The New Zealand Study

The purpose of this study was to examine the relationship between the promotional impact of cigarette packaging and adolescent smoking behaviour. The survey used 80 focus groups and a questionnaire distributed among 568 adolescent high school students. It focused on behavioural aspects, that is, on the attitudes and opinions of subjects towards both brand packs and plain packs of cigarettes.

Interviews were centred on a display of cigarette packs that included New Zealand brand and plain packs, and United States brand and plain packs. Students attributed different user profiles to the various types of packs. While brand packs were associated with specific user stereotypes and lifestyles, plain packs reflected ambiguous images and did not project a distinct user profile.

According to the study authors, "students expressed consistent opinions that plain packs would inhibit smoking initiation among children." Further, "plain packs were perceived to be dull and boring, and consequently would deter curiosity and interest among non-smoking children. Thus, students reasoned that smoking initiation would decrease as less attention is directed towards cigarettes as social symbols."[18]

In addition, the New Zealand study attempted to measure the impact of health warning information relative to the surrounding stimuli on the packaging. The survey indicated that the students' ability to recall health warnings improved significantly when plain packs were presented.[19]

[18] P.C. Beede and R.W. Lawson, "Brand Image Attraction: The Promotional Impact of Cigarette Packaging," Department of Marketing, University of Otago, New Zealand, n.d., p. 5.

[19] P.C. Beede, R.W. Lawson and M. Shepherd, "The Promotional Impact of Cigarette Packaging: A Study of Adolescent Responses to Cigarette Plain-Packs," Department of Marketing, University of Otago, New Zealand, 1991, pp. 11-12.

3. The Australian Study

This study was outlined in a report prepared for Australia's Ministerial Council on Drug Strategy.[20] The subjects were 66 persons (31 males and 35 females) between 12 and 20 years of age. There were 32 smokers, 33 non-smokers and one recent quitter. The subjects were presented with four modified packs with health warnings, one with the usual brand logo, and three without any brand information other than name. The primary object was to assess adolescents' reactions to proposed cigarette packaging changes.

The three plain packs were considered to be particularly unattractive and to detract from the particular brand image. The results of the study suggested that plain packaging would be an important additional strategy to reduce the positive images associated with smoking.

4. The Canadian Study

The purpose of this study by the Centre for Health Promotion, University of Toronto, was to examine whether plain packaging could project less positive images of tobacco products than brand packages.[21] In the first phase of the study, 27 experts in the field of marketing and tobacco research were interviewed. The results of these interviews suggested, on the one hand, that package design has the greatest impact on contemplators, experimenters, and irregular smokers. On the other hand, the results also indicated that plain packaging would affect regular smokers less as addiction becomes the major factor sustaining smoking.

The second phase of the study was a pilot study involving 129 young people aged 12 to 17 years, the age group in which smoking onset is usually considered to occur. In this phase the individuals were asked to fill out a questionnaire on their smoking status, and to provide their perceptions and attitudes towards both current and plain packs of cigarettes.

[20] Centre for Behavioural Research in Cancer, *Health Warnings and Contents Labelling on Tobacco Products*, "Paper 13: Adolescents' Reactions to Cigarette Packs Modified to Increase Extent and Impact of Health Warnings," Paper prepared for the Ministerial Council on Drug Strategy, Tobacco Task Force, Australia, 1992, pp. 121-125.

[21] Centre for Health Promotion, University of Toronto, *Effects of Plain Packaging on the Image of Tobacco Products Among Youth*, Prepared for the Canadian Cancer Society, November 30, 1993.

The conclusions of this study were as follows: (1) plain packaging removes the imagery associated with brand cigarettes; (2) plain packaging eliminates the appeal of the package and the product for both young smokers and young non-smokers; (3) packaging has a greater influence on youth than on adults, and plain packaging would therefore have more impact on young people; (4) plain packaging would have more impact on youth contemplating smoking onset; (5) the image of the product contributes to the decision to smoke, but is not the most important factor; and (6) plain packaging is an important part of a comprehensive strategy to reduce smoking onset among youth, but is not sufficient on its own.

B. Views on the Evidence: How Much is Needed?

Witnesses were in agreement that these four studies did not directly measure the effectiveness of plain packaging in reducing tobacco consumption. In all cases, plain packaging was created specifically for research purposes, in order to assess attitudes toward it. Also, when plain packs were offered, brand packs were also available, a situation that would not exist if plain packaging were legislated in Canada.

Despite this agreement, the witnesses diverged on the question of whether the existing evidence could be used as an indicator of the potential effectiveness of plain packaging. Differing views about the evidence and about the effect of plain packaging on tobacco consumption emanated from two broad categories of witnesses.

Witnesses representing the tobacco industry argued that there was an absence of strong, decisive evidence that plain packaging would affect new smokers or the existing smoking population. They refuted the position that there was any link between the style or nature of a package and the smoking behaviour of adolescents or adults. Not only was the existing evidence insufficient to indicate any effect, they asserted, but the proposition itself was without validity.

Witnesses representing the health organizations argued that the available evidence indicated that plain packaging would lead to a decrease in consumption, and that it provided sufficient grounds for action by the government. They maintained that although the studies did not provide absolute certainty about plain packaging effectiveness, they did indicate that plain packaging was more likely than not to reduce consumption.

These divergent views of industry and health groups are represented in the following statements by the Canadian Tobacco Manufacturers' Council (CTMC) and the Canadian Medical Association (CMA). The Canadian Tobacco Manufacturers' Council stated: "There is not one iota of credible evidence to support the proposition that plain or colourful packaging plays any role in an individual's decision to smoke or to quit smoking."[22] The brief added that "the likelihood is that no objective research can ever 'prove' this entirely false hypothesis. Aside from the near impossibility of replicating the required market condition,...the research is likely to fail because the proposition has no validity in the first place."[23]

On the other hand, the Canadian Medical Association discussed the issue of "burden of proof," of "how much evidence is needed in order to act" on plain packaging. The CMA brief stated: "In the field of health, scientific evidence is gathered bit by bit, over time, until the weight of accumulated evidence allows a reasoned judgment as to when action in the form of disease prevention activities, diagnostic or treatment changes should occur. The level of proof needed to justify action is inversely related to the seriousness of the problem requiring action. One frequently acts with a lesser degree of proof when the problem is very serious."[24] The brief further asserted: "The precise effects of plain packaging of tobacco products can be determined only by doing it rather than by simply talking about it. CMA believes there is enough evidence to say that plain packaging should be an integral part of any comprehensive smoking eradication strategy."[25]

The Committee accepts the conclusion of the health organizations that the available evidence suggests that plain or generic packaging is a reasonable component of the evolving national strategy to reduce tobacco consumption.

---

[22] Canadian Tobacco Manufacturers' Council, *Plain Tobacco Packaging: A Brief to the House of Commons Standing Committee on Health*, May 12, 1994, p. 5.

[23] *Ibid.*, p. 12.

[24] Canadian Medical Association, *Plain Packaging of Tobacco Products*, Presentation to the House of Commons Standing Committee on Health, May 3, 1994, p. 6.

[25] *Ibid.*, p. 8.

C. *Additional Studies*

During the enquiry, the Committee heard about additional studies related to plain packaging. These studies are either close to completion or in various stages of planning. They include an Australian study by the Ministerial Council on Drug Strategy; the third part of the study by Centre for Health Promotion, University of Toronto; and the proposed study by Health Canada.

Prior to completion of this report, the Committee received further information about the studies being planned by the Centre for Health Promotion, University of Toronto, and Health Canada, but unfortunately not, about the Australian study. The third part of the Centre for Health Promotion study, funded by the Robert Wood Johnson Foundation based in the United States, is currently being developed. This study will involve 70 Ontario classrooms as well as a sample from the University of Chicago. In addition, two of the proposed 20 focus groups will consist of adults, in an attempt to explore the impact of plain packaging on this segment of the population.[26] Health Canada's framework for its study on plain packaging states: "The purpose of this initiative is to evaluate the role of packaging as an inducement to purchase tobacco produtcs, to develop a protocol for the evaluation of packaging and to design packaging for tobacco products that will make the product less attractive."[27] Completion of both studies is expected early in 1995.

The Committee acknowledges that additional evidence, acquired through carefully planned and executed research studies, will enhance the understanding of the link between packaging and tobacco consumption. The Committee notes with dismay that the tobacco industry presented numerous critical opinions about the existing studies but provided no indication that it has funded or is planning to fund any comparable research in this area.

[26] Josie d'Avernas, Partner, RBJ Health Management Associates on behalf of Centre for Health Promotion, University of Toronto, *Proceedings*, Issue No. 6, April 28, 1994, p. 36.

[27] Health Canada, "Packaging Study Framework," June 7, 1994, p. 2.

POSSIBLE IMPACTS OF PLAIN PACKAGING ON CONTRABAND AND SMUGGLING OF TOBACCO PRODUCTS

In recent years, the smuggling of tobacco products posed a major law enforcement problem in Canada. Evidence presented to the Committee stated that by 1992, one in every six packages of cigarettes smoked in Canada was contraband; in the mid-1980s, the figure was one in 176 packages. This increase was ascribed to the very large price differential between Canadian cigarettes and those sold in the United States. The principal cause of the price difference was high federal and provincial tobacco taxes.[28] With the tax roll-back in February 1994, the problem of tobacco smuggling has declined greatly.

The Committee received conflicting testimony on the possible impact of plain packaging of tobacco products on smuggling tobacco, and particularly cigarettes, into Canada. Virtually all of the industry witnesses stated that tobacco product smuggling would increase if plain packaging were adopted in Canada; the health community witnesses suggested that plain packaging would reduce the incidence of smuggling. These directly contrasting opinions exist because the two groups are considering different aspects of the same issue.

There are at least three types of contraband tobacco products. The first is the smuggling of brands manufactured by legitimate tobacco companies in Canada and other countries, especially the United States. A major component of the recent epidemic of cigarette smuggling involved Canadian brand cigarettes legally exported to the United States, then illegally smuggled back into Canada with no duty paid.

A second type of contraband involves the so-called "copycat brands." These are cigarette brands whose packaging and brand names mimic those of legitimate brands. Examples of copycat brands manufactured by organized crime groups include "Sailor's Light fine cut

[28] Lindquist Avey Macdonald Baskerville, *Plain Packaging - Its Impact on the Contraband Tobacco Market*, p. 5, Document submitted by the Canadian Association of Chain Drug Stores, May 10, 1994.

tobacco" for "Player's Light fine cut tobacco", "Putter's Light" for "Player's Light", and "DK'S" for "DuMaurier King Size."[29] Numerous other contraband copycat brands have appeared on the Canadian market.

A third type of contraband is brand counterfeits. All major manufacturers have found imitations of their trademarks on the Canadian market. The counterfeiters have produced near-perfect copies of legitimate packages, including artwork and colours, trademarks, health warnings, and official Canadian government cellophane seals that carry the "duty-paid" marking. Some of the counterfeits are virtually indistinguishable from the legal product.[30]

The assertion that plain packaging will reduce smuggling is acceptable if one assumes that all brands legally sold in Canada will be in such packages, and if one further assumes that the available contraband brands will be in regular packaging. If this were the case, the contraband packs would be immediately recognizable. Plain packaging may also have some limited beneficial impact on the smuggling of copycat brands, if such brands continue to be part of the contraband trade.

The major concern voiced by witnesses from the business community—that plain packaging will bring about an increase in smuggling—is prompted by the suggestion that plain packages may be much easier and cheaper to counterfeit than the "high-tech" brand packages found on the market today. As already noted, even brand packages can be successfully counterfeited by criminals with access to sophisticated equipment and technologies. Cheap cigarettes could be manufactured in Canada and elsewhere, using substandard tobacco, and be sold in counterfeit plain packages. Also, established smuggling networks in both Canada and the United States could be revived very quickly to serve the illegal market.[31] The point was made that the tobacco used in counterfeit products might be even more harmful to consumers than the tobacco in legal brands, from the standpoint of tar and nicotine

[29] *Ibid.*, p. 9.

[30] *Ibid.*, pp. 10-11.

[31] National Association of Tobacco and Confectionery Distributors, *Brief to the House of Commons Standing Committee on Health on Plain Packaging of Tobacco Products*, May 12, 1994, p. 8.

levels, additives, and pesticide residues.[32] However, no evidence was presented to show that different types and sources of tobacco are more or less harmful to human health.

Several witnesses suggested that adopting plain packaging in Canada could lead to increased smuggling of legal brands in regular packages from other countries, particularly the United States. The President of the Canadian Tobacco Manufacturers' Council made the following statement: "If smokers prefer branded packages as strongly as [the Committee has] been told, smokers will pay more than the legal price for them. Non-availability [of branded packages] would reignite smuggling and provide substantial illegal profits."[33]

The Committee has taken seriously the arguments of those witnesses who aver that plain packaging could result in an increase in smuggling and contraband tobacco products. The government must therefore consider the need to design generic packages that are as difficult and expensive to counterfeit as the legal packaging currently on the Canadian market. There is no reason why a suitable combination of colour scheme and package design could not be devised to make the plain package unattractive, while still making prominent the necessary health warnings and deterring the counterfeiting of cigarette packages. One suggestion was a coloured hologram image on the package, as currently used for currency and credit cards.

Not only would complicated and sophisticated generic packages prove to be a deterrent to counterfeiting, but it is feasible that such packages could make use of the advanced packaging technologies employed by the tobacco-packaging industry. This could protect jobs in that small but highly specialized sector of Canada's economy. The Committee realizes that these considerations, which attempt to encompass the diametrically opposed views of the industry and health groups, will pose a significant challenge for the federal government. Difficult choices may well have to be made; in such situations, however, the health of Canadians must receive first consideration.

[32] Albert Bouw, Chairman, Ontario Flue-Cured Tobacco Growers' Marketing Board, *Proceedings*, Issue No. 9, May 10, 1994, pp. 8, 10.

[33] Robert Parker, Canadian Tobacco Manufacturers' Council, *Proceedings*, Issue No. 10, May 12, 1994, p. 62.

LEGAL CONSIDERATIONS

A. *National Legislative Framework for Plain Packaging*

The witnesses who supported legislation to implement plain packaging envisioned two main legislative avenues. Some suggested amendments to the *Tobacco Products Control Act*, while others pointed to the *Hazardous Products Act*.

Amendments to the *Tobacco Products Control Act*, which has as one of its purposes the protection of young persons "from inducements to use tobacco products and consequent dependence on them," received the fullest consideration by witnesses. Health groups reported that when tobacco advertising was banned, and sporting and cultural sponsorships were to be under the manufacturer's name and not the product brand name, the tobacco industry responded by creating new limited "shell" corporations named after the brands. The health witnesses would like the TPCA to be amended to ban both tobacco sponsorship and brand packaging. The argument is that the package is a mini-billboard, and regular package exposures by smokers create 50-60 billion "advertisements" annually.

Tobacco industry witnesses also referred to the TPCA, either pointing out particular amendments required or arguing that the effectiveness of measures such as the new health warnings should be fully assessed before changing the legislation further. Canadian tobacco companies are currently contesting the *Tobacco Products Control Act*. The challenge, to be heard by the Supreme Court sometime in the next year, rests on two grounds: first, the constitutionality of the federal legislation in the area of public health, usually an arena of provincial concern; and second, the guarantee of freedom of expression under the *Canadian Charter of Rights and Freedoms*.

Other witnesses argued that a legislative framework for plain packaging currently exists in the *Hazardous Products Act*. Witnesses noted that tobacco is a dangerous product, and that this legislation permits regulations to prescribe the form and manner in which information can be disclosed on a label and the manner in which a label can be applied to a controlled product or its container; and also to prescribe hazard symbols and the manner in which hazard symbols can be displayed on a controlled product or its container.

Industry witnesses argued that legislating plain packaging for tobacco sets a dangerous legal precedent. They maintained that tobacco is a legal product and that regulations to restrict it are inappropriate. In rebuttal, health organizations argued that if tobacco were a new product, it would not be allowed on the market. They also noted that no other legally available product is so hazardous when used exactly as the manufacturer intends.

B. *Possible Legislative Infringements*

A number of witnesses raised the possibility that plain packaging would infringe on other existing national legislation. In particular, the *Trade-Marks Act* and the *Competition Act* were singled out for attention.

Many tobacco industry witnesses argued that plain packaging would be an infringement on the manufacturer's rights under the *Trade-Marks Act* amounting to seizure of trademarks and interference with the freedom to conduct legal commerce. Others argued that plain packaging is not about taking away trademark rights from manufacturers, but about the consumer's right to be adequately informed about tobacco use risks, and the government's responsibility to ensure that manufacturers provide such information in a clear and unequivocal format. It was further asserted that governments have prohibited many products and activities without paying compensation to the manufacturers. Witnesses cited examples such as banning vending machines under the *Tobacco Sales to Young Persons Act*, and prohibiting everything from lawn darts to asbestos under the *Hazardous Products Act*.

According to some industry witnesses, limiting the ability of tobacco manufacturers to compete for brand share among Canadian smokers could be contrary to the principles of the *Competition Act*. In addition, plain packaging could provide a competitive advantage to foreign manufacturers, whose advertising is exempt from the TPCA. The Canadian Cancer Society argued that the Canadian tobacco industry does

not currently operate in perfect competition, but in an oligopoly market (with Imperial Tobacco dominating at 67% of the domestic share for cigarettes in 1993).[34]

C. *International Trade Obligations*

The Committee received varied and sometimes contradictory opinions on the implications of plain packaging of tobacco products in relation to international accords. Canada is a party to several international trade agreements, including the General Agreement on Tariffs and Trade (GATT), the Free Trade Agreement (FTA), and the North American Free Trade Agreement (NAFTA). GATT contains two agreements deemed relevant to the plain packaging issue: one on Trade-Related Aspects of Intellectual Property Rights (TRIPS) and the other on Technical Barriers to Trade. Under TRIPS, intellectual property and trademarks must be protected, while under the other agreement, technical regulations creating unnecessary obstacles to trade are prohibited. NAFTA's provisions on intellectual property—notably copyright and trademarks—and on investments are deemed relevant to plain packaging.

Witnesses representing the tobacco industry, along with some trademark specialists, argued that plain packaging would contravene these GATT and NAFTA provisions. Trade consultants representing the R.J. Reynolds Tobacco Co. and Philip Morris International Inc. emphasized that Canada has "an unquestioned right to regulate the product," but that plain packaging could be seen as "an impairment of trademarks" under international agreements.[35] This could lead to actions by Canada's major trading partners on behalf of affected domestic manufacturers in their countries and their domestic shareholders in Canadian companies. The Canadian government could therefore face large compensation costs.

Health organizations responded with statements based on opposite legal opinions, affirming that plain packaging could be deemed necessary to meet public health objectives. The Prime Minister, the Minister of

[34] Canadian Cancer Society, *Responses to Arguments Against Plain Packaging of Tobacco Products*, A Submission to the House of Commons Standing Committee on Health, May 24, 1994, p. 19.

[35] Julius Katz, R.J. Reynolds Tobacco Co. and Philip Morris International Inc., *Proceedings*, Issue No. 9, May 10, 1994, p. 48.

Health and the Minister for International Trade quickly lined up to argue for Canada's right to protect its national health. Apparently, any action on plain packaging is open for international arbitration, which could lead to a resolution in one direction or the other.

The Committee believes that prudence should be exercised in the development of plain or generic packaging regulations for tobacco products. First, such regulations must comply with the provisions of the Constitution and Charter, and second, special attention must be paid to Canada's international obligations.

ECONOMIC CONSIDERATIONS OF PLAIN PACKAGING

The Committee received conflicting evidence on the possible economic impacts of plain packaging. Representatives of the tobacco manufacturing industry and related industries stated that the generic packaging proposal would greatly affect their industry, but health groups suggested that it would not have serious or long-lasting negative economic effects, and that tobacco-related health care costs deserve primary consideration.

A. *Impact on the Tobacco Manufacturing Industry*

According to the Canadian Tobacco Manufacturers' Council (CTMC), plain packaging would significantly affect the level of economic activity of the tobacco manufacturing industry in Canada. The Council explained that negative economic effects would not result from a reduction in tobacco consumption—they do not believe that plain packaging would achieve such a goal—but would rather stem directly from increased competition from both imports and illegal producers.[36]

A report commissioned by the CTMC and tabled with the Committee[37] indicated that plain packaging would affect the industry's sales, which amounted to $1.6 billion in 1991, as well as wages and salaries totalling some $235 million to more than 4,300 direct employees. Loss of sales, loss of production and loss of jobs would occur, not only in

[36] Canadian Tobacco Manufacturers' Council, *Plain Tobacco Packaging: A Brief to the House of Commons Standing Committee on Health*, May 12, 1994, p. 23.

[37] Robert Neil Morrison, *Economic and Competitive Aspects of Plain Packaging*, Brief to the House of Commons Standing Committee on Health, May 12, 1994.

the tobacco manufacturing industry, but also in the industry's suppliers, including tobacco growers, the printing and packaging industries, distributors and retailers. It is estimated that the tobacco industry as a whole employed, directly and indirectly, 50,500 person-years in 1992.[38] The report also suggested that plain packaging would reduce related tax revenues for governments, which in 1993 amounted to $6 billion for both federal and provincial governments.[39] Finally, the Council contended that plain packaging would impose additional costs on the tobacco industry; currently, the industry is spending $30 million to comply with new labelling and packaging requirements under the *Tobacco Products Control Act*.[40]

The Committee believes, however, that if the design of the plain pack is sophisticated enough to deter counterfeiting and smuggling, the negative impact on the tobacco manufacturing industry could be limited significantly.

Another report tabled with the Committee offered a different viewpoint on the impact of policies on the tobacco industry aimed at reducing tobacco consumption.[41] This report, prepared by Professor Robert C. Allen, indicated that even if tobacco production were entirely eliminated, there would still be no dramatic impact on the Canadian economy. Noting that the tobacco industry is relatively small in the overall manufacturing sector, it was estimated that if all workers in the tobacco manufacturing and growing sectors lost their jobs, the rate of unemployment would increase by less than one-tenth of one percent. In addition, the report stressed that even the most drastic anti-tobacco policy would not eliminate all employment in the sector. Professor Allen explained that job losses would be gradual because, as a result of their addiction, not all smokers would quit smoking immediately. According to the report, employment losses in the tobacco industry would eventually be counteracted by the creation of new jobs in other economic

[38] Ontario Flue-Cured Tobacco Growers' Marketing Board, *Proceedings*, Issue No. 9, May 10, 1994, p. 7.

[39] *Ibid.*, p. 22.

[40] Canadian Tobacco Manufacturers' Council, *Plain Tobacco Packaging: A Brief to the House of Commons Standing Committee on Health*, May 12, 1994, p. 6.

[41] Robert C. Allen, *The False Dilemma—The Impact of Tobacco Control Policies on Employment in Canada*, February 1993, Document submitted by the Non-Smokers' Rights Association, April 14, 1994.

sectors, as former smokers redirected their purchasing power from tobacco to other products, thereby stimulating job creation in other industries.

Finally, the Canadian Cancer Society suggested that plain packaging would not increase costs to tobacco manufacturers but would actually reduce them, as the industry would spend less on package design, market research, sponsorships and other promotions.[42]

B. Impact on Related Industries

1. Tobacco Growers

Canadian tobacco producers, whose production generated $330 million of sales and employed between 15,000 and 20,000 seasonal workers in 1993,[43] also expressed concerns over plain packaging. Their view was similar to that of tobacco manufacturers. They believed that plain packaging would be unlikely to reduce tobacco consumption, but that it would bring competition from foreign-source and smuggled products which in turn would leave tobacco manufacturers with price as the only factor in competing for market share. The Ontario Flue-Cured Tobacco Growers' Marketing Board stated that, as a result of such price competition: "We are fearful that manufacturers, in order to produce a competitive, price-conscious product, may consider moving their manufacturing facilities outside Canada."[44]

Both Ontario and Quebec tobacco growers' representatives expressed concerns that if tobacco manufacturers moved their facilities outside Canada, they would use less expensive flue-cured tobaccos from other parts of the world. It was alleged that this might force some growers to go out of business, resulting in job losses that could seriously affect local communities.

Professor Allen's report indicated that, although production by tobacco growers fell in Ontario from 1971 to 1991, not all tobacco growers went out of business; some of them retired and some sold their

[42] Canadian Cancer Society, *Responses to Arguments Against Plain Packaging of Tobacco Products*, May 24, 1994, p. 10.

[43] Ontario Flue-Cured Tobacco Growers' Marketing Board, *Proceedings*, Issue No. 9, May 10, 1994, p. 7.

[44] *Ibid.*, p. 6.

holdings to other growers. He suggested that if tobacco use declined, permanent and seasonal jobs could be lost, but tobacco growers could either increase their exports to make up for the loss in domestic sales, or could shift to other crops. The report stressed, however, that farms growing tobacco would generate lower revenues if they shifted to alternative crops.[45]

It should be noted that Agriculture and Agri-food Canada, in collaboration with provincial governments, provides assistance to tobacco growers leaving the industry through the Tobacco Diversification Plan.[46]

2. The Packaging Industry

All representatives of the packaging industry who provided a written brief or testified before the Committee contended that plain packaging would lead to economic hardship. They explained that the packaging process for tobacco products uses specialized equipment and highly skilled workers, and is almost exclusive to the tobacco industry. Shorewood Packaging Inc. stated that 65% of its total production is directly attributable to the tobacco industry,[47] while another company, FPC Flexible Packaging, indicated that tobacco packaging accounts for almost one-third of its annual sales.[48] During the hearings, the Committee was told that packaging companies would move their facilities out of Canada because of limited alternatives for their specialized equipment and highly skilled workers.

In addition, the Packaging Association of Canada told the Committee that plain packaging could result in the loss of 1,200 direct jobs, and even more through the multiplier effect.[49] Wilco Group Ltd. indicated that those highly skilled workers may also consider moving to

[45] Robert C. Allen, *The False Dilemma—The Impact of Tobacco Control Policies on Employment in Canada*, February 1993, pp. 16-19 and 22.

[46] Agriculture and Agri-food Canada, *1994-95 Estimates, Part III—Expenditure Plan*, pp. 96-97.

[47] Shorewood Packaging Inc., *Proceedings*, Issue No. 3, April 19, 1994, p. 6.

[48] FPC Flexible Packaging Corporation, *Submission to the Members of the Standing Committee on Health*, April 25, 1994, p. 1.

[49] Packaging Association of Canada, *Brief to the House of Commons Standing Committee on Health on the Implications of Legislation on Plain Packaging of Tobacco Products*, May 3, 1994, p. 14.

other countries, namely the United States, where their specific qualifications are in demand.[50] According to some witnesses, those regions where the industry is located would be affected.

As stated previously, a sophisticated plain or generic pack designed to prevent counterfeiting and smuggling could also help maintain the current level of employment in the packaging industry. The Canadian Cancer Society shared this view and suggested the following multicoloured options: "A multicolour printing process could still be used under plain packaging, for example: basic brown background, black printing, the warning could have a yellow background with a yellow red marker word such as 'attention' or 'danger'. Health related photographs could be used, for example, a pair of lungs.(...) The inside sliding portion of the package, which is currently blank, could contain detailed health information, in both official languages. It could also carry a listing of the levels of the dozens of carcinogenic or toxic constituents found in tobacco smoke.(...) A "QUIT" telephone line could be printed, as has recently been adopted in Australia."[51]

3. The Wholesale Sector and the Retailing Industry

The Committee also received evidence from many wholesalers and retailers who argued that plain packaging would have a negative impact on their industries. Their major argument was well summarized by the Canadian Federation of Independent Grocers: that brand identification is "crucial to efficiently identify the desired brand."[52] The Committee was told that plain packaging would create brand confusion when ordering, handling, shipping and selling tobacco products. The increased difficulty in correctly identifying products would create loss of time and productivity, increase the risk of errors, lead to consumer complaints, impose additional operating costs on their member businesses, and affect their revenues.

[50] Wilco Group Ltd., *Brief for Presentation to the Government of Canada House of Commons—Standing Committee on Health*, April 1994, p. 2.

[51] Canadian Cancer Society, *Responses to Arguments Against Plain Packaging of Tobacco Products*, May 24, 1994, p. 7.

[52] Canadian Federation of Independent Grocers, *Submission to the Standing Committee on Health—Investigation into Plain Packaging of Tobacco Products*, April 1994, p. 3.

Representatives of the retailing industry contended that plain packaging would decrease their revenues in at least three ways. First, they explained that plain packaging would eliminate display allowances currently paid by tobacco manufacturers. Second, they argued that they would lose their market share as a result of the availability of counterfeit tobacco products. Third, they contended that counterfeit packages, which would lead to price reductions, would affect retailers' profit margins. Overall, the retailing industry feared that they would eventually have to reduce staff or increase the price of other products, making them less competitive in the marketplace.

The Canadian Cancer Society suggested two options to address the difficulty that distributors and retailers might have in properly identifying brands. First, "under plain packaging, boxes containing tobacco products and distributed by wholesalers could still carry trademarks and brand colours. Boxes stored in a retailer's back room could also feature brand colours and trademarks. The only stipulation would be that these boxes not be exhibited at retail."[53] Second, "some retailers have suggested that if all brands looked the same, it would become very difficult to serve customers. This could easily be addressed; for example, by stacking the brands on the shelves in alphabetical order."[54]

C. *Health Care Costs Attributable to Tobacco Use*

While health groups acknowledged that some jobs would be lost in the tobacco industry, they also pointed to tobacco-related diseases and deaths and argued that the importance of job losses in tobacco manufacturing and related industries must be balanced against the long-term savings to the health care system due to a reduction in smoking-related diseases and premature loss of life.

The Canadian Medical Association reiterated that smoking accounts for almost 40,000 deaths in Canada every year.[55] As

[53] Canadian Cancer Society, *Responses to Arguments Against Plain Packaging of Tobacco Products*, May 24, 1994, p. 12.

[54] *Ibid.*

[55] Canadian Medical Association, *Plain Packaging of Tobacco Products*, Presentation to the House of Commons Standing Committee on Health, May 3, 1994, p. 1.

acknowledged by members of the Committee during the hearings, this represents some 110 deaths every day in Canada, or 20% of all deaths. Computed differently, one could say that every 10 days smoking kills some 1,200 Canadians, which is exactly the number of workers whose jobs are often said to be at stake if plain packaging is legislated. Further, the Association stressed the importance of health care costs attributable to smoking: "The cost implications of tobacco addiction to the nation are staggering. More than 100,000 new cases of cancer are reported annually in Canada; a third of these are caused by smoking. Each of these new cancer patients requires diagnostic and treatment services, creating an ever-accelerating burden of ill-health on Canadians and stretching overtaxed health facilities to the limit."[56]

Indeed, Health Canada, in its background document prepared for the Committee, estimated that total health care costs attributable to tobacco use reached approximately $3 billion in 1989.[57] In view of the fact that Canada has a publicly funded health care system, these costs are borne by society as a whole.

The Hon. Ron Stewart, Nova Scotia Minister of Health, stressed the importance of addressing the issue not only in terms of short-term costs and benefits, but particularly with respect to the future of our society—that is, our youth: "My government believes that when something so blatantly affects the health of our population, in particular the portion of the population that represents all the best in our future, we cannot sit idly by and wait for the inevitable.(...) The 12 or 13-year old who is addicted to tobacco has no freedom and indeed has a future that is cloudy at best."[58]

The Committee acknowledges that there is a need to balance the value of health versus jobs. On the one hand, there is no doubt that smoking is harmful; smoking is responsible for too much death, disease and pain. And smoking is simply too costly for Canadian society to endure without protest. On the other hand, the Committee understands workers' fear of losing their jobs and recognizes that plain packaging

[56] *Ibid.*, p. 3.

[57] Health Canada, *Background Information on Tobacco and Plain Packaging*, April 8, 1994, Section 1.

[58] The Hon. Ron Stewart, Nova Scotia Minister of Health, *Proceedings*, Issue No. 10, May 12, 1994, p. 16.

may have some effect on employment in the entire tobacco industry. The Committee believes that jobs are an important and appropriate issue for consideration, because both employment and income are determinants of an individual's health status.

The Committee believes that it could be possible to reduce tobacco consumption through plain packaging while maintaining the level of employment in the tobacco industry. Plain packaging should therefore be designed in such a way as to limit the negative impacts on employment. However, the Committee also notes that both employers and workers in the industry must realize that tobacco consumption is likely to continue to decline; consequently, the industry will inevitably have to adjust to this trend.

Finally, the long-term health status of the Canadian population is the most important issue for this Committee. As a result, it is essential to ensure a healthy life for Canada's youth, who represent the most important asset for our collective future. It is incumbent on governments to do everything possible to effect a reduction in tobacco consumption in this country.

CONCLUSION

The Committee reached several conclusions during this study of plain packaging. First, it concluded that plain or generic packaging is a reasonable component of the evolving national strategy to reduce tobacco consumption. Second, it recognized that plain packaging can be designed to minimize contraband tobacco products. Third, while acknowledging the necessary balance between the value of health and the impact of job losses, the Committee felt that plain packaging can be designed to reduce any negative employment impact. Fourth, on the legal considerations, it urged caution in the development of plain packaging regulations. But, finally, this Committee has concluded that the health of Canadians is the most vital criterion for its deliberations.

RECOMMENDATIONS

In the interest of the health of Canadians, as suggested by the evidence available to the Committee to date and in the absence of evidence to the contrary, the Committee affirms that plain or generic packaging could be a reasonable step in the overall strategy to reduce tobacco consumption.

The Committee, therefore, recommends:

1. **That the federal government establish the legislative framework required to proceed with plain or generic packaging of tobacco products;**

2. **That the legislation be introduced when Health Canada concludes its current study on the effects of plain packaging on tobacco consumption, if the results of that study support the available evidence that such packaging will reduce consumption;**

3. **That the federal government require that plain or generic packages be produced in a manner that minimizes the possibility of contraband products, and that the design incorporate printing and packaging technologies that will make duplication as difficult as possible.**

STANDING COMMITTEE ON HEALTH

HOUSE OF COMMONS
CHAMBRE DES COMMUNES
CANADA

COMITÉ PERMANENT DE LA SANTÉ

news release

COMMITTEES DIRECTORATE
DIRECTION DES COMITÉS

communiqué

HEALTH COMMITTEE REPORTS ON PLAIN PACKAGING OF TOBACCO PRODUCTS

OTTAWA - June 21, 1994: The House of Commons Standing Committee on Health today tabled its report, Towards Zero Consumption: Generic Packaging of Tobacco Products. This report is based on the oral testimony of more than 40 health and tobacco industry groups as well as approximately 150 written submissions received during April and May.

The Committee takes the position that plain or generic packaging could be a reasonable step in Canada's overall strategy to reduce tobacco consumption. It therefore calls on the federal government to establish the necessary legislative framework for generic packaging. The Committee suggests that actual enactment await the outcome of a government study on the subject due later this year.

According to the Committee Chair, the Hon. Roger Simmons (Burin-St. George's), the recommendation to include plain packaging in a comprehensive strategy reflects the Committee's primary concern for the health of Canadians. "Smoking is the leading preventable cause of death and disability in Canada and any step, however small, that will prevent or reduce further harm to Canadians must be taken."

Testimony received by the Committee indicated that at least 38,000 Canadians die every year from tobacco-related illnesses. In 1990, of those people over 15 years of age, 31% of men and 28% of women continued to smoke regularly. Total health care costs attributable to tobacco use reached approximately $3 billion in 1989.

Mr. Simmons pointed out that "Generic or plain packaging will ensure that tobacco products sold to consumers appear in identical containers that are without any distinguishing feature. Studies presented to the Committee suggested that plain packaging will make the tobacco products less attractive and appealing and that such packaging would reduce consumption. In the absence of any comparable studies providing contrary evidence, the Committee members felt very comfortable supporting this additional component in the government's overall tobacco reduction strategy."

Other considerations relevant to plain packaging were also assessed during the inquiry. The Committee therefore cautions the federal government to exercise care in designing generic or plain packaging. In particular, the design chosen must be mindful of the need to minimize contraband, job losses in the tobacco industry and legal problems at the national and international levels.

The membership of the Health Committee is as follows: Roger Simmons (Chair), Rey Pagtakhan (Vice-Chair), Pauline Picard (Vice-Chair), and members: Margaret Bridgman, Pierre de Savoye, Hedy Fry, Keith Martin, Bernard Patry, Andy Scott, Paul Szabo and Rose-Marie Ur.

For further information, please contact Carmen DePape, Clerk of the Committee, Committees Directorate, 180 Wellington, Ottawa, K1A 0A6 - Tel. (613) 992-1775 or by fax: (613) 992-7974.