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Title: Episode 14: The Tobacco Industry's Targeting of Low SES Communities

Description: The tobacco industry spends over \$9 billion dollars each year marketing cigarettes and smokeless tobacco in the United States. This episode dives into the ways in which the industry allocates this exorbitant amount of money to target communities of low socioeconomic status, and examines how the industry's manipulative tactics impact disparities in tobacco use and tobacco-related morbidity and mortality.

Transcription:

I'm Allie Rothschild and you're listening to the Counter Tobacco Podcast.

The tobacco industry spends over \$9 billion dollars each year marketing cigarettes and smokeless tobacco in the United States, which means they're spending more than \$25 million dollars every day and more than \$1 million dollars every hour marketing a tremendously toxic and harmful product that causes a substantial amount of disease, disability and death in the American populace. And as they're shelling out this exorbitant amount of money to make their products more enticing, visible, affordable, and available, they're targeting certain sub-populations like black and African-American individuals, people who identify as LGBTQ, youth, and those that are of low socio-economic status. We have other podcast episodes on the industry's specific targeting of African-American and LGBTQ communities, so in today's podcast we'll take a deeper dive into the industry's targeting of communities of low socioeconomic status and examine how the industry's manipulative tactics impact disparities in tobacco use and tobacco-related morbidity and mortality.

So to paint this picture, I'm going to start at the end and work our way back. So we'll first dive into just how many people of low socioeconomic status use tobacco products and what that means for their health outcomes. But before we even do that, I want to quickly operationalize low socioeconomic status. Given income and education are inextricably linked, individuals who have low socioeconomic status are identified as having low levels of educational attainment, being unemployed, or living at/near/or below the poverty level. From here on out, I'll be using SES as an acronym for socioeconomic status.

Now, it's time we dive into the data. Here in the United States, individuals of low SES are known to have significantly higher rates of cigarette smoking than the general population. When we break down the smoking rate by education level, we can see these disparities very clearly. 22% of people who didn't graduate from high school smoke; 37% of people with a GED smoke and 19% of people who only have a high school degree smoke. However, when we assess higher educational attainment, we find that only 7% of those with a bachelor's degree smoke, and even fewer, 4%, of people with a graduate degree smoke. We see a similar pattern when it comes to income. The prevalence of tobacco use is about 3x higher in adults who earn less than \$35,000 per year than those who earn over \$100,000 annually. To put this into perspective, 21% of adults with a household income less than \$35,000 smoke, only 7% of adults with a household income of \$100,000 or more smoke. Studies have also shown that smokers who live in



poverty or only have a high school degree or less also smoke for longer durations over the course of their lifetime than those with higher income and higher educational attainment.

So what do these disparities in tobacco use equate to? Inequities in health outcomes! Lower SES individuals suffer more tobacco-related diseases than their high-income counterparts. They have higher risk and incidence of lung cancer and higher risk of asthma, heart disease and COPD. These are all compounded by the fact that low SES individuals also tend to have more limited access to health care. This means later diagnosis of tobacco-related diseases, usually after their condition has worsened, as well as poorer quality of care and more limited treatment options.

So we now know that people with low SES have higher rates of tobacco use and also higher rates of tobacco-related morbidity and mortality but why...? Let's welcome in the tobacco industry and their manipulative strategies used to target some of the most vulnerable communities already hindered by social injustices and health inequities. To critically assess their targeting of low SES communities, we're going to focus on three of their most commonly used tactics: availability, pricing, and advertising.

Let's start with availability. We all know the old expression "location, location, location". Well, unfortunately, so does the tobacco industry. According to Public Health and Tobacco Policy Center at Northeastern University School of Law, there have been over 100 studies demonstrating the link between tobacco retailer density and both SES and race. I'm going to highlight a few of these in particular.

In one study, researchers identified and mapped over 300,000 tobacco retailers all across the US. They found that communities with higher densities of tobacco retailers had a few things in common - these communities tended to have higher percentages of residents that were African American, residents that were living below the poverty line, and residents that were women over the age 25 without a HS diploma. In fact, for every 1% increase in the number of families living below the poverty line, there was nearly a 1% increase in tobacco retailer density in that community. Another study, out of Johns Hopkins Bloomberg School of Public Health, found that even when communities have the same racial demographics, the lower income communities have the higher rate of tobacco retailers. In this study, they specifically compared two areas in Maryland - Prince George's County which is outside of Washington DC and Baltimore, the capital; a quick search shows me they're about a 1 hour drive apart. Now about 2/3 of Prince George's County residents are black and the average income there is around \$77,000 per year. When we look at their retailer density, there's about 4 tobacco retail outlets for every 1000 residents. Now let's look at Baltimore. Similarly, about 2/3 of the residents there are black but the average income is more than \$33,000 less per year than in Prince George's County; compared to the \$77,000 in Prince George's County, in Baltimore, the average annual income is closer to \$44,000. Their tobacco retailer density? About 8 tobacco retailers per 1000 residents. So even though the racial makeup is the same in these two areas, the area with the lower average annual income, Baltimore, has a much higher density of tobacco retailers. We also see this POS strategy being used outside the US too. Analysis of two Australian territories, Western Australia and New South Wales, found that there were a greater number tobacco retailers in areas that were more economically disadvantaged.

But what effect does high retail density have on people and communities? Well, high retail availability of tobacco products leads to increased exposure to persuasive advertising, marketing and promotions for tobacco products and heightened awareness and recognition of tobacco brands; more retailers also mean more places to buy tobacco and a perpetuation of social norms about tobacco use in the community. High tobacco retailer density is also associated with higher rates of adult tobacco use and higher rates of smoking among pregnant women. Smokers in areas with high retailer density also tend to smoke more cigarettes daily and have a harder time quitting. This is also an issue



with low SES youth ; youth who are considered low SES are more likely to live within walking distance of a tobacco outlet, which increases their risk of smoking initiation and tobacco use. With such a targeted focus on stocking stores in low SES communities with tobacco products, it's no wonder why disparities in smoking prevalence and tobacco-related diseases exist.

Now, we're going to pivot and take a look at pricing. Low income groups tend to be more price sensitive, so it's no surprise that the tobacco industry has targeted them through price promotions and price discounts. Analysis has shown that low income neighborhoods tend to have tobacco retailers with more frequent and attractive price discounts and promotions than stores in more affluent neighborhoods. In fact, a national study of a representative sample of tobacco retailers from all across the US found that the average price for the cheapest pack of cigarettes was on average 22 cents cheaper in neighborhoods with the lowest median household income compared to neighborhoods with the highest median household income.

We're going to have a quick history lesson now. This all started back in the late 1970s. RJ Reynolds first attempted to attract low income females in predominately African American and Latino communities by pairing coupons for 25 cents of Salem Light packs with food stamp distribution. Examination of previously secret industry documents determined that RJ Reynolds recognized that low income consumers more frequently purchased single packs to avoid buying the pricier cigarette cartons, so to entice these low income women, they designed the coupons specifically for packs instead of cartons and distributed them with food stamps.

Now during the economic slump in the 1980s, the tobacco industry once again turned their attention to discounts at the point of sale. Through in depth marketing analysis, they determined that female consumers felt guilt for purchasing cigarettes during times of economic hardship So, in typical industry fashion, tobacco companies like Brownson and Williamson offered coupons and discounts at the point of sale to make buying cigarettes cheaper and more guilt-free.

To this day, price promotions and discounts are the linchpin of the tobacco industry's marketing strategy. That's why 86% of the tobacco industry's multi-billion dollar marketing budget for cigarettes goes to price-related promotions.. Tobacco companies employ targeted mailings of coupons, have websites and toll free numbers that consumers can use to register for coupons, provide coupons on their social media accounts, and send out mobile coupons. At the point of sale, they offer discounted prices, multi-pack offers, and buy one get one deals. And they also provide retailers incentives, like discounts on the cost of order cigarette cartons, if they agree to display the brand's advertisements or cigarettes in prominent places of the store.

Alright, back to the present, there's three more points I want to make about pricing. One- lower priced tobacco products, like little cigars and cigarillos, which are sold in smaller packages and have a lower tax rate are heavily marketed and discounted in low income neighborhoods where cheaper tobacco products are more appealing for individuals who may be price sensitive. Two - price-related marketing strategies are the industry's primary way of undermining increased prices for tobacco products that have been achieved through taxation. And three - these higher prices have been advocated for due to their effectiveness. According to the US Surgeon General, increases prices for tobacco products is the single most effective method for reducing tobacco use and initiation and sustaining cessation.

The final industry strategy we're going to look at is advertising. Advertising is the industry's way to attract new and current smokers, as well as recent quitters. Advertising of tobacco products has been shown to increase total



cigarette sales, distort youth perceptions about the availability, use and popularity of tobacco products, encourage youth use of tobacco products, foster positive brand imagery, cue cravings, and undermine quit attempts.

For the purpose of this episode, we're going to focus more specifically the number of advertisements both inside and on the exterior of stores. A study from 2012 in Philadelphia found that tobacco retailers that accept SNAP and WIC, which are both government-based food benefits for low income individuals, were more likely to display exterior AND interior tobacco advertisements as well as tobacco advertisements near products targeted to children, like toys or candy. Another study out of Boston found that for every 10% increase in the number of residents without a high school diploma there were 19 more name brand ads in stores. Also, I want to mention that communities that are comprised of predominately low income and African American individuals are extensively targeted with marketing for menthol products. We have an entire podcast episode on this so if you want to learn more about this topic in particular, I recommend you check that one out.

The way the tobacco industry targets low SES individuals and communities is malicious and manipulative. And it's led to significant disparities in tobacco use and tobacco-related diseases and deaths. So where do we go from here?

Continuing to develop and implement equitable POS policies is of critical importance. I urge you to read and use as a resource the CDC's best practice user guide on health equity in tobacco prevention and control and our report on health equity and point of sale tobacco control policy. Both of these will be included in the show notes for this episode. They discuss pro-health equity solutions, and strategies for planning, implementing, and enforcing equitable tobacco control policies.

I'll also include in the show notes all other sources used in the development of this episode. For more information on tobacco at the point of sale, check out our website countertobacco.org. You can also find us on Facebook and Twitter - our handle is CounterTobacco. And if you ever have any questions regarding topics from this episode or tobacco control at the point of sale, please feel free to email info@countertobacco.org.

I appreciate you listening to the Counter Tobacco Podcast and I look forward to you joining me again next time.