



The 4 P's of the Tobacco Retail Environment

The **retail environment (or point of sale)** is where tobacco enters communities. Tobacco products are marketed and sold in the retail environment at retailers like gas stations, convenience stores, grocery stores, pharmacies etc. This is the tobacco industry's prime marketing channel and where the industry spends a majority of their marketing dollars to keep the tobacco products they make cheap and visible.

In **2021**, store audits were conducted in Wabasha County to document the presence of tobacco-related marketing and tobacco products at retailers in the county. This report addresses and highlights the **"4 P's"** of the retail environment using this data collected.

- **Product** refers to the physical tobacco product such as cigarettes, cigars, e-cigarettes, and other tobacco products.
- **Price** refers to the cost of tobacco products.
- **Price Promotion** refers to print advertising and discounts used to market and reduce the price of tobacco products.
- **Placement** refers to the strategic positioning of tobacco products and tobacco marketing.

The **visibility and accessibility** of tobacco products and tobacco marketing in the retail environment increases tobacco use initiation, makes it harder to quit, and keeps people addicted. Use of tobacco products can lead to negative social, economic, environmental, and health-related outcomes such as disease and death. A **comprehensive approach** through policy, education and enforcement that addresses the "4 P's" of the retail environment will help reduce the impact of tobacco availability and use in Wabasha County.

Product

Wabasha County, Minnesota

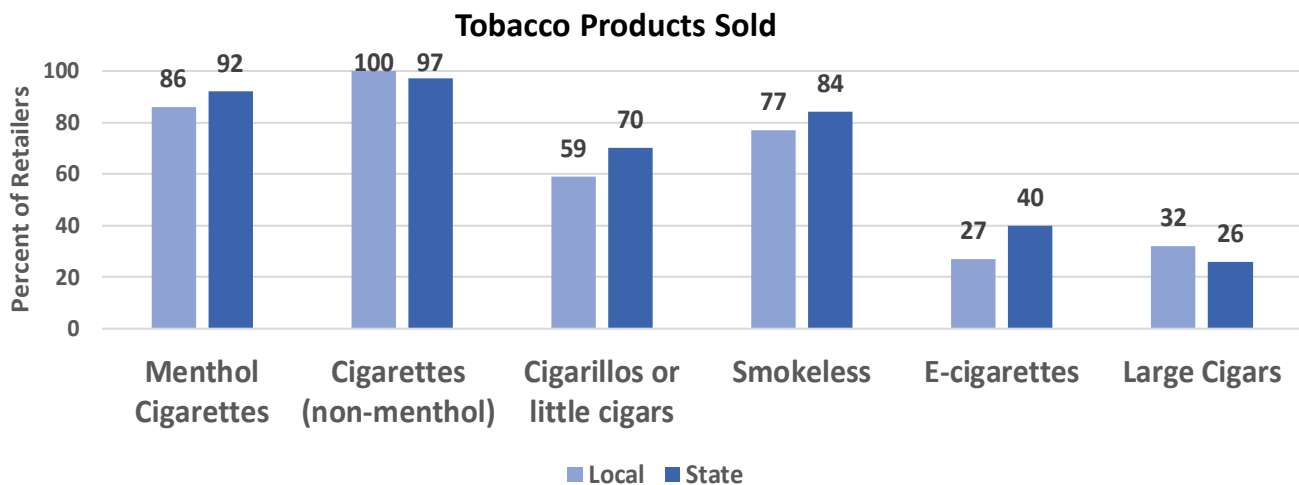
What is the problem?

There are many tobacco products available in the retail environment including cigarettes, cigars, smokeless (e.g., chew, snuff, dip and snus), loose tobacco (e.g., roll-your-own, pipe tobacco), hookah/shisha, e-cigarettes and oral nicotine. These products come in all different variations, flavors, packaging and sizes. E-cigarettes, like JUUL, are popular tobacco products among youth. Flavored tobacco products come in typical flavors like peach, grape, bubble gum, menthol, mint and wintergreen as well as concept-ambiguous flavors like frost, mellow, blue, jazz etc. These products are typically cheap and sold individually, and have bright, colorful packaging.

Why does it matter?

The perceived availability of tobacco products encourages impulse purchases, cues cravings, and undermines quit attempts.^{1,2,3} Exposure to tobacco advertising and marketing is associated with increased tobacco use, including youth tobacco initiation.⁴ Tobacco products with flavors play a key role in enticing new users, especially youth. Research shows that a majority of youth who have ever used tobacco started with a flavored product and menthol flavored cigarettes are not only easier to start but also harder to quit.⁵

The figures below give the percent of retailers audited in 2021 within Wabasha County (local) and statewide who sold tobacco products and had outdoor tobacco-related advertisements.



	Sold Any Flavored Tobacco Products	Had Any Outdoor Tobacco Product-Related Advertisements
Local	86%	9%
State	95%	34%



100% of retailers audited in Wabasha County sold JUUL devices

How can it be addressed?

Local areas can restrict where and what types of tobacco product sales can occur, like banning retailers from selling all flavored tobacco products including menthol, mint and wintergreen, restricting sales to “adult-only” establishments, and prohibiting retailers from delivering or doing curbside pick-up for tobacco products. For example, the City of Duluth only allows the sale of flavored tobacco products in “adult-only” establishments.

Price

Wabasha County, Minnesota

What is the problem?

In 2019, the tobacco industry spent over \$8 billion marketing and promoting cigarettes and smokeless tobacco in the retail environment.⁶ Over 85% of that is spent on strategies to keep these tobacco products cheap.⁶ Tobacco products like cigarillos or little cigars are especially cheap, often advertised for less than \$1, and come in many different flavors which makes them more appealing.

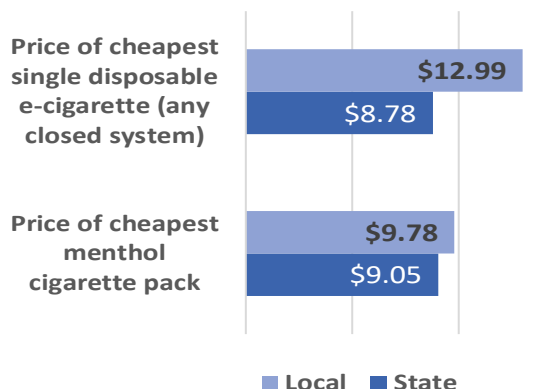
Why does it matter?

Low prices are associated with higher rates of tobacco use and shift new users to regular smoking.^{4,7} Products sold at cheap prices get price-sensitive consumers to keep buying. Youth are especially price-sensitive, and reductions in price increase the likelihood that they will experiment with tobacco.⁴ Prices are also often lower in certain areas (like those with more minorities and low-income individuals) leading to disparities in tobacco use and tobacco-related health burdens for these communities.^{8,9}

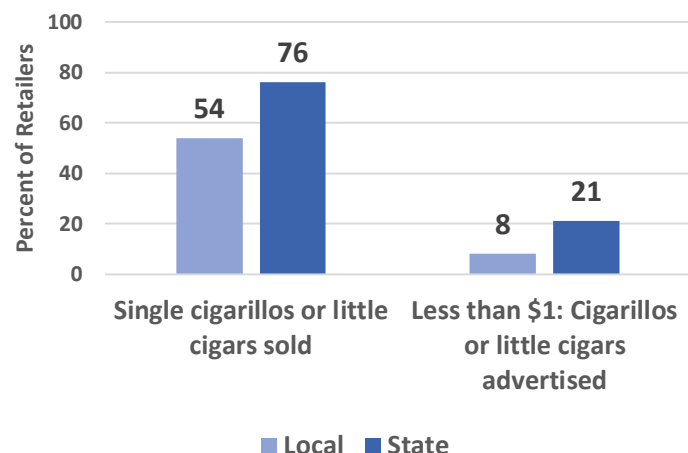


The figures below give the average prices of tobacco products at retailers and the percent of retailers audited in 2021 within Wabasha County (local) and statewide with an availability of cigarillos or little cigars.

Average Pricing of Disposable E-Cigarettes and Menthol Cigarettes



Cigarillo/Little Cigar Availability



How can it be addressed?



Increasing the price of tobacco products is associated with lower initiation and higher cessation.¹⁰ Local areas can establish minimum floor pricing and package size laws for tobacco products, such as a minimum per pack or individual price of \$X.XX for X number of cigarillos or little cigars. For example, the City of St. Paul requires a minimum per pack price of \$10.40 for four or more cigars, with a minimum per cigar price of \$2.60 for smaller quantities.

Price Promotion

Wabasha County, Minnesota

What is the problem?

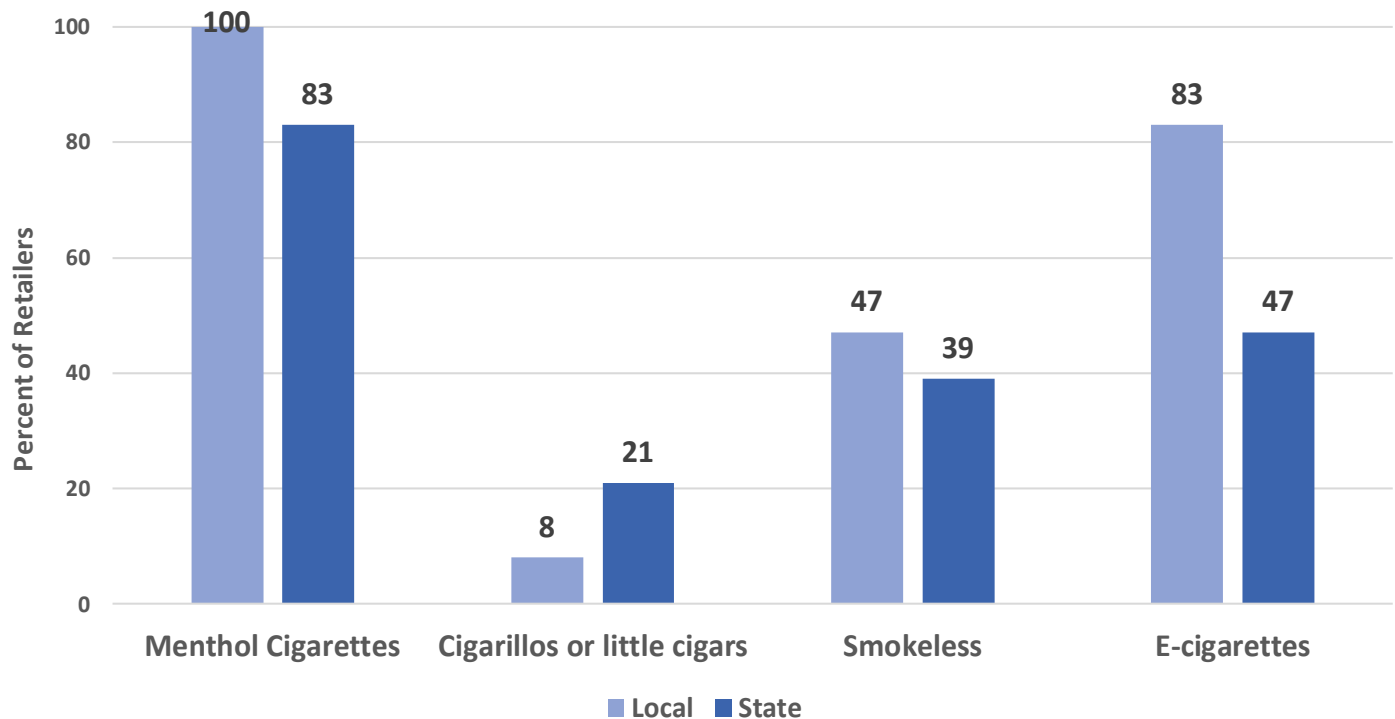
Price promotion refers to print advertising and sales strategies used to reduce the price of tobacco products. This is a common way that the tobacco industry offers an incentive to encourage the purchase of particular tobacco products. Specifically, price promotions (also called discounts) reduce the sale price of tobacco products to entice customers to “buy now and buy more.” These price promotions can include multi-pack discounts (e.g., buy-one-get-one deals, pay \$X.XX when you buy X amount), cents/dollars-off (e.g., \$1.00 off), special pricing, cross-product promotions (e.g., get a free product with purchase of another) and coupons.

Why does it matter?

Price promotions make tobacco products more attractive, accessible, and affordable. Price promotions are the tobacco industry’s single largest spending category and are used to encourage people to buy.⁶ A majority of convenience stores have some type of tobacco-related promotion with certain brands (e.g., Camel, Marlboro and Newport) being more promoted leading to greater use of these products.¹¹

The figure below gives the percent of retailers audited in 2021 within Wabasha County (local) and statewide with price promotions for tobacco products.

Tobacco Product Price Promotions



How can it be addressed?

Prohibiting price promotions can reduce the tobacco industry’s influence and raising prices can reduce consumption, decrease initiation, and increase cessation efforts.⁴ Local areas can prohibit the redemption of coupons and restrict the use of price promotions (like multi-pack discounts) for tobacco products.



Placement

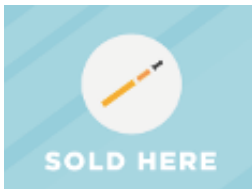
Wabasha County, Minnesota

What is the problem?

Tobacco products are often marketed and sold in visible locations in the retail environment and placed strategically. Tobacco products may be placed behind the counter, at eye-level, near other tempting products like candy, and in special branded displays. Marketing and advertising can come in the form of branded ads, signs, shelving displays, and functional items (such as counter mats and holders) located inside and outside of retailers.¹¹ In 2019, the tobacco industry spent about \$584.2 million on promotional allowances and \$82.3 million on advertisements and materials to control the strategic shelving, placement, and marketing of cigarettes and smokeless tobacco in the retail environment.⁶

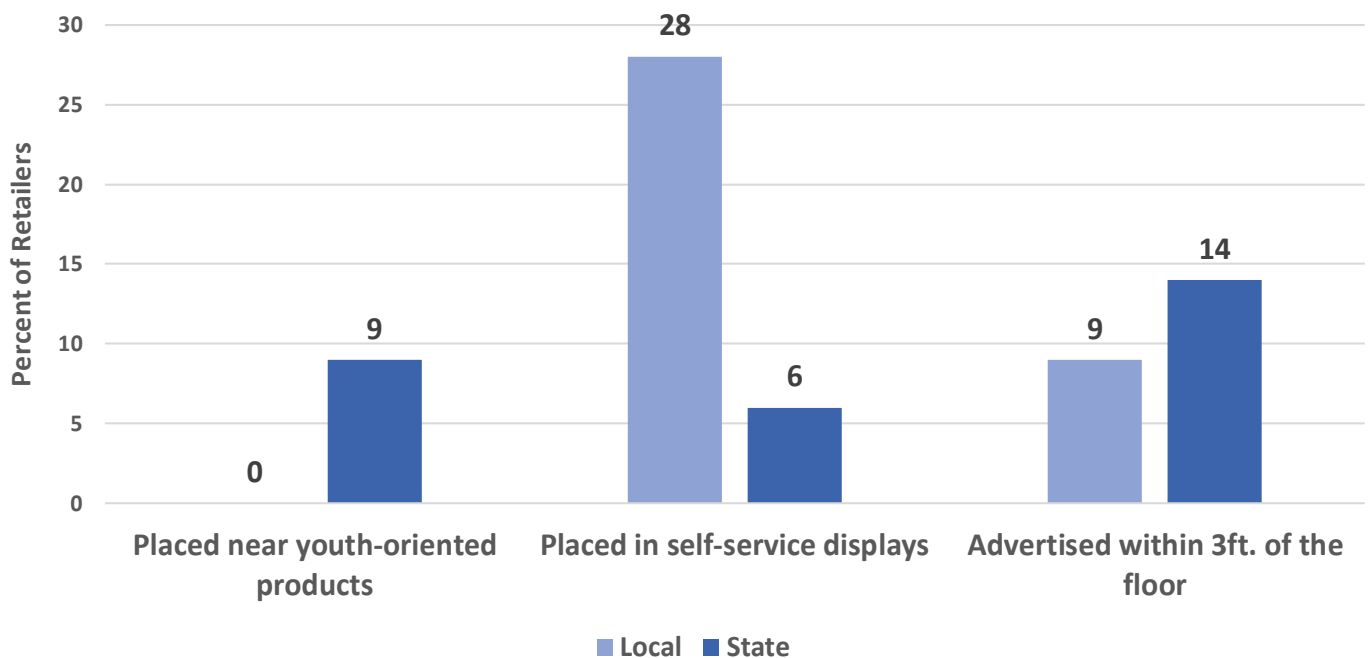
Why does it matter?

Tobacco products and advertisements are often placed strategically in highly visible locations in the retail environment to gain notice and lead to purchases. Particularly, ads at a low-height (like within 3 feet of the floor) can be noticed by youth. Tobacco product displays increase brand recognition, especially among youth.¹² Tobacco product displays also hinder quit attempts among those attempting to quit smoking.¹



The figure below gives the percent of retailers audited in 2021 within Wabasha County (local) and statewide that had certain placement of tobacco advertising and tobacco products.

Placement of Tobacco Advertising and Tobacco Products



How can it be addressed?

While Minnesota state law only allows self-service displays in certain establishments, local areas can adopt more comprehensive regulations. Local areas can advocate for a law requiring all products to be behind the counter in all retailers, thereby eliminating self-service displays. Local advocates can also encourage retailers to make voluntary changes, such as moving tobacco products to less visible locations and instead promoting healthier items like fruits and vegetables.

References

The data in this report comes from 22 store audits completed in Wabasha County, Minnesota in 2021. Any usable and eligible data (which includes retailers that could be visited and sold any type of tobacco product) between February 1st - August 31st 2021 is included. Numbers have been rounded to the nearest whole number. All retailers did not have something available if 0% is indicated and no data could apply if N/A is indicated.

- [1] Wakefield M., Germain, Henriksen. 2008. *The effect of retail cigarette pack displays on impulse purchases*
- [2] Carter OB, Mills and Donovan. 2009. *The effect of retail cigarette pack displays on unplanned purchases*
- [3] Siahpush, et al. 2015. *The association of point-of-sale cigarette marketing with cravings to smoke*
- [4] U.S. Department of Health and Human Services. 2012. *Preventing Tobacco Use Among Youth and Young Adults: A Report of the Surgeon General*
- [5] Centers for Disease Control and Prevention. 2021. *Summary of Scientific Evidence: Flavored Tobacco Products, Including Menthol*
- [6] Federal Trade Commission. 2021. *Cigarette and Smokeless Tobacco Reports for 2019*
- [7] U.S. Department of Health and Human Services. 1994. *Preventing Tobacco Use Among Youth and Young Adults: A Report of the Surgeon General*
- [8] Henriksen, et al. 2017. *Neighborhood variation in the price of cheap tobacco products in California: Results from healthy stores for a healthy community*
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- [10] U.S. Department of Health and Human Services. 2014. *The Health Consequences of Smoking: 50 Years of Progress - A Report of the Surgeon General*
- [11] Campaign for Tobacco-Free Kids. 2021. *Tobacco Marketing That Reaches Kids: Point-Of Sale Advertising And Promotions*
- [12] Wakefield, et al. 2006. *An experimental study of effects on schoolchildren of exposure to point-of-sale cigarette advertising and pack displays*



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