

MARKETING

"We know that menthol cigarettes are disproportionately marketed to the African American community and that starting at a young age, menthol cigarettes are the product of choice for black smokers. . . . The industry is intentionally manipulating these products in order to get new smokers hooked."

—DR. CHERYL G. HEALTON, PRESIDENT AND CEO, THE AMERICAN LEGACY FOUNDATION, 2008

Even with increasing restrictions on marketing, tobacco companies continue to compete fiercely for cigarette market share. Between 2004 and 2007, the top-selling brand changed in more than 22 percent of the countries surveyed.

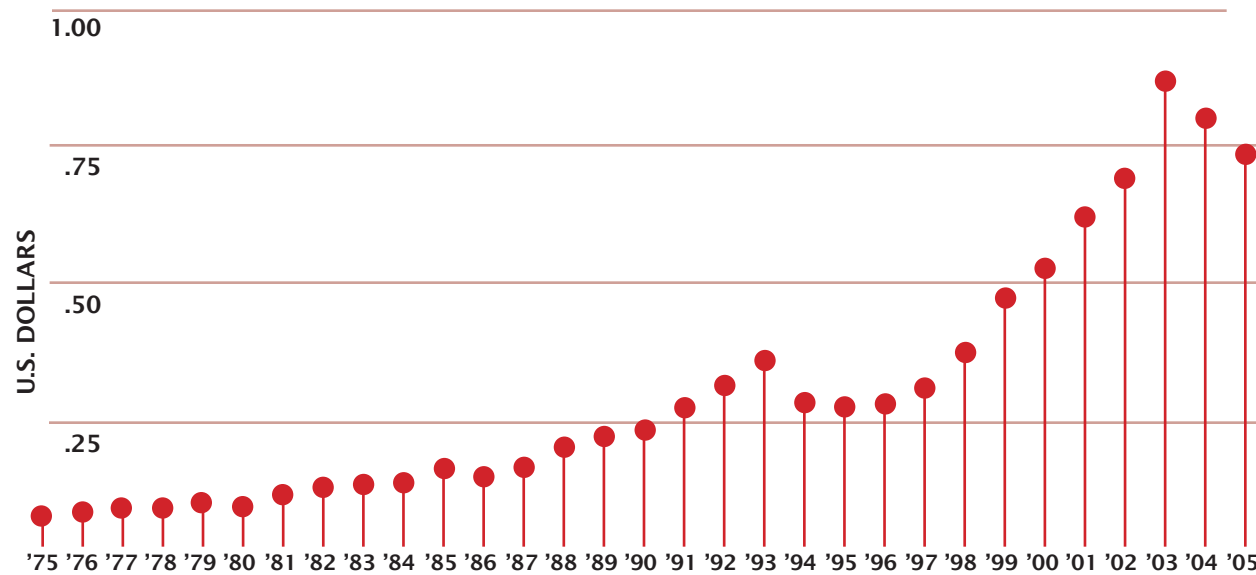
While total marketing expenditures are decreasing in the United States, companies are still spending more than \$13 billion per year to encourage nonsmokers to start and to influence existing smokers to switch brands and smoke more. Tobacco companies are shifting their focus from traditional advertising to point-of-sale promotions, with 87 percent of their marketing dollars used to subsidize the price of cigarettes to encourage more consumption.

Throughout the world, tobacco companies are employing deceptive and subliminal forms of advertising, particularly through brand placement.

"We're in the cigarette business. We're not in the sports business. We use sports as an avenue for advertising our products. . . . We can go into an arena where we are marketing an event, measure sales during the event and measure sales after the event, and see an increase in sales."
— R.J. Reynolds, 1989

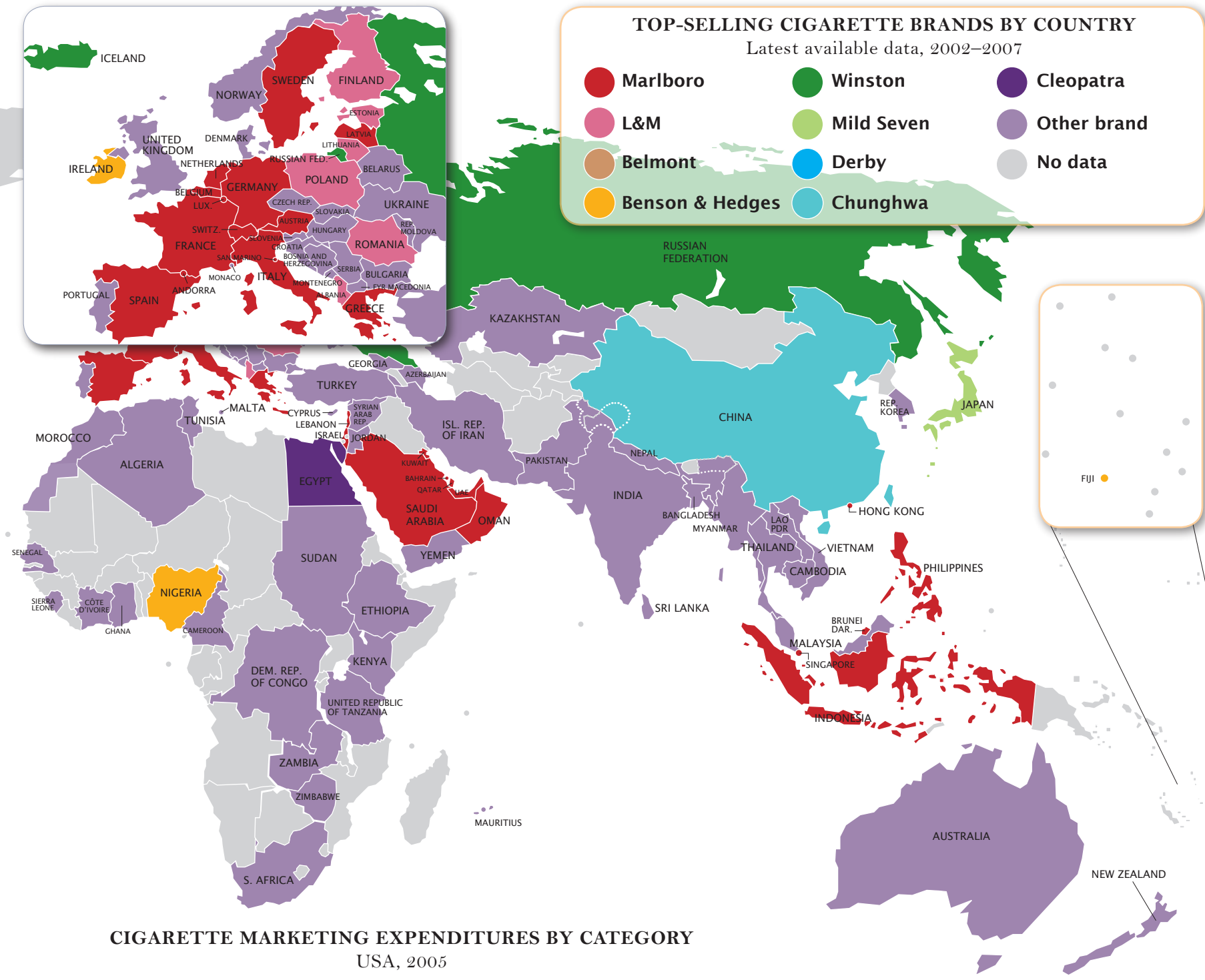
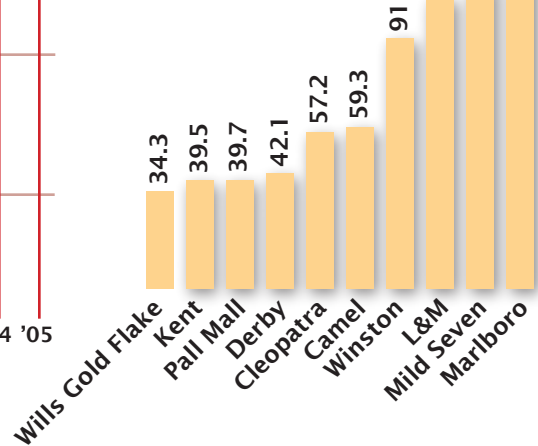
MARKETING EXPENDITURES

U.S. cigarette marketing expenditures per pack, inflation adjusted, 1975–2005



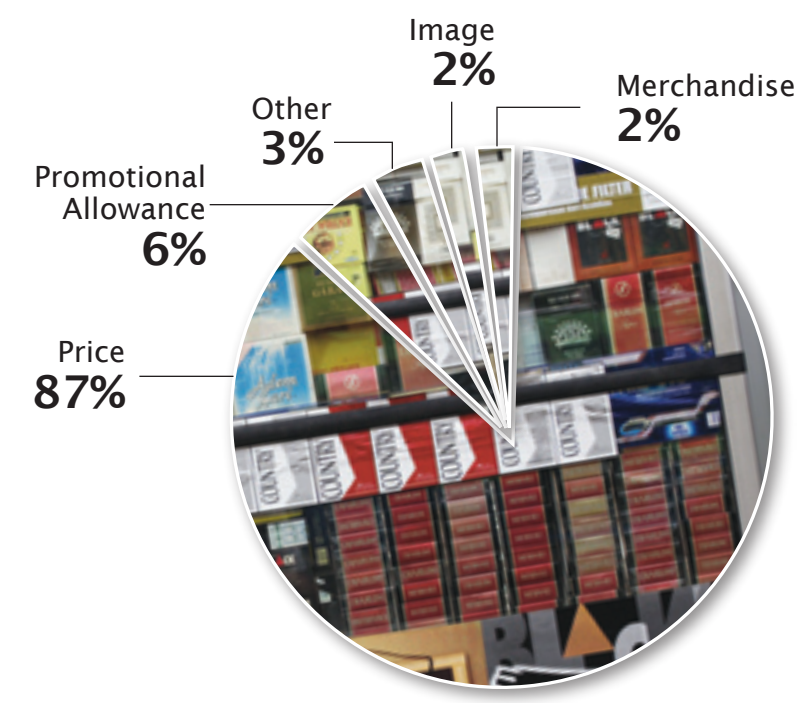
TOP-SELLING CIGARETTE BRANDS

Total sales in billions



CIGARETTE MARKETING EXPENDITURES BY CATEGORY

USA, 2005



! BIG TOBACCO'S marketing experts and independent researchers agree: Moving stories with charismatic actors are a powerful way to attract new smokers and keep current smokers.

TODAY'S 18-YEAR-OLDS have grown up during a period in which over \$100 billion has been spent to market cigarettes in the United States alone.

OF HOLLYWOOD'S top-grossing movies featuring tobacco brand placement over the past fifteen years, seven out of ten times the brand displayed is Marlboro. Studies show that brands showing up on screen most often are also the most heavily advertised in other media.