Changes at the Point-of-Sale for Tobacco Following the 1999 Tobacco Billboard Ban

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Abstract

Objective—This study aimed to assess the effect of the Master Settlement Agreement’s (MSA) 24 April 1999 ban on billboard tobacco advertising on the tobacco industry’s point-of-purchase marketing strategies.

Methods—Observations were conducted from 16 February through 23 June 1999 in 3,464 tobacco-selling retail stores in a total of 191 communities across the nation. Communities were determined by the location of schools in a nationally representative sample of students in grades 8, 10, and 12 in the United States. At each store, information was collected on the extent of interior and exterior tobacco advertising, extent of tobacco functional objects, presence of tobacco promotions, and placement of tobacco and low-height advertisements. Logistic regression and cumulative logit analyses were used to assess changes in pre- and post-ban retail environments, after adjusting for store type, store size, presence of state tobacco control program and urbanicity.

Results—After adjustment for covariates, there were significant post-ban increases in the presence of tobacco sales promotions, the presence and extent of functional objects, the presence of exterior and interior store advertising, and the extensiveness of exterior store advertising.

Conclusions—The observed increase in point-of-purchase marketing in the period following the billboard advertising ban suggests that the tobacco industry may be shifting at least some of the expenditures once spent on billboard advertising to the advertising and promotion at the point-of-purchase. To the extent that this is so, the intended effects of the MSA billboard ban may not be fully realized.
In the United States, a ban on billboard tobacco advertising went into effect on April 24, 1999 as a result of the Master Settlement Agreement reached between 46 states and the tobacco industry. This study is an assessment of the effect of the Master Settlement Agreement’s ban on billboard advertising on the tobacco industry’s point-of-purchase marketing strategies.

**Methodology**

- Information collected:
  - presence & extent of interior and exterior advertising;
  - presence & extent of tobacco functional objects
  - presence of tobacco promotions
  - placement of tobacco
  - low-heighted advertisements
- Logistic regression and cumulative logit analyses---adjusting for store type, store size, urbanicity & statewide tobacco program---were used to assess changes in pre- and post-ban retail environments.
Presence of Advertising Pre- and Post-Ban

Stores with Advertising (percentage)

Type of Advertising

- **Interior ads**
  - Pre-ban: 76%
  - Post-ban: 79.6%
  - (p = 0.011)

- **Exterior ads**
  - Pre-ban: 55.2%
  - Post-ban: 60.0%
  - (p = 0.019)

- **Parking lot ads**
  - Pre-ban: 41.1%
  - Post-ban: 39.8%
  - (p = 0.877)

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Presence of Tobacco Sales Promotions Pre- and Post-ban

Stores with Promotions (percentage)

- Multi-pack: Pre-ban (23.4%) vs. Post-ban (27.2%)
- Gift with purchase: Pre-ban (3.8%) vs. Post-ban (8.5%)
- Cents off: Pre-ban (32.3%) vs. Post-ban (40.5%)

(p = .000 for all types of promotion)

Type of Promotion

Pre-ban  Post-ban
Presence and Extent of Functional Objects Pre- and Post-ban

- Pre-ban vs Post-ban:
  - Any vs None
    - Pre-ban: 65.9% (p=.000)
    - Post-ban: 72.8%
  - None
    - Pre-ban: 34.1% (p=.000)
    - Post-ban: 27.3%
  - 1-2
    - Pre-ban: 33.7% (p=.000)
    - Post-ban: 33.6%
  - 3-4
    - Pre-ban: 17.7% (p=.000)
    - Post-ban: 20.9%
  - 5+
    - Pre-ban: 14.6% (p=.000)
    - Post-ban: 18.2%

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Summary of Results

**Significant changes:**
There were significant post-ban increases in the presence of tobacco sales promotions, the presence and extent of functional objects, the presence of exterior and interior store advertising, and the extensiveness of exterior store advertising.

**Non-significant changes:**
The percentage of stores who positioned packs as self-service fell somewhat after the implementation of the ban. There was a tendency towards more extensive interior store advertising for tobacco after the billboard advertising ban. There was a slight decrease in the percentage of stores that had tobacco ads located three and one-half feet from the ground or lower. There was little change in the prevalence or extensiveness of parking lot tobacco advertising.

Discussion

The observed increase in point-of-purchase marketing, in the period following the billboard ban, suggests that the tobacco industry may be shifting at least some of the expenditures once spent on billboard advertising to the advertising at the point-of-purchase. Further research is needed to examine the impact of the billboard tobacco advertising ban, and other restrictions on cigarette marketing, contained in the Master Settlement Agreement on tobacco company marketing strategies and on youth and adult smoking.
Sample Advertisements from Retail Stores
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