

The Washington Post

Selling Cigarettes: The Blue-Collar, Black Target

By Alan Blum

CIGARETTE SMOKING has become a class act, but not the way advertising would have us believe. The numbers show that cigarette smoking increasingly is a habit of lower-income individuals, especially among blacks.

Although cigarette advertising continues to carry much the same suggestions of sex, youthfulness, virility and elegance that cigarette companies have always made, important changes—reflecting the new demographics of smoking—have occurred in the way that cigarette companies now are getting the message to their market.

Overt cigarette advertising left television in the 1970s. Now cigarette advertising also seems to be moving away from upscale publications while maintaining or increasing advertising in other, down-scale publications and other media more likely to catch the eye of blue-collar, black and ethnic minority readers who increasingly constitute the smoking public. An informal survey of current magazines found a wide disparity in the number of cigarette ads: Harper's (1), Time (1), Newsweek (2), Ebony (7) and People (8).

The most recent data available from the National Center for Health Statistics show the class disparity of cigarette smokers:

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| | White Collar | Blue Collar |
| Men | 28 percent | 43 percent |
| Women | 30 percent | 38 percent |
| | Whites | Blacks |
| Men | 33 percent | 39 percent |
| Women | 29 percent | 32 percent |

The only group showing an increase in smoking rates were women with incomes of less than \$5,000. Among that group, smoking increased from 28.3 percent in 1976 to 32.9 percent in 1983, the last date for statistics.

That cigarette smoking has become less fashionable among upper and upper-middle income groups over the past decade may have lulled many to believe that the U.S. is well on its way to reducing the enormous toll taken by smoking. But overall consumption has only slightly declined—by about 1 percent per year since 1980. America still has one of the highest smoking rates in the world—about 4,000 cigarettes per adult per year. And an increasing percentage of these cigarettes is being smoked by those

with the least disposable income and lowest levels of education.

Blacks have been especially hard hit by cigarette smoking. Principal among the rising preventable causes of death in minority populations, according to a report by a federal task force on black and minority health, are heart disease and lung cancer, the two major consequences of smoking.

Blacks now suffer the highest rates of coronary heart disease and lung cancer of any population group, a fact Chicago heart specialist Richard Cooper says is obscured by a tendency in medicine to focus attention on rare but highly publicized diseases such as sickle cell anemia.

There is little mystery why warnings about the dangers of smoking have failed to make a dent in public consumption. Cigarettes are by far the most heavily advertised product in America.

And just as tobacco companies have been able to ride out what they call the "cancer scare" by introducing the gimmickry of filtered, low-tar and ultra-low-tar brands, so they have been quick to use advertising and promotions to mitigate the impact of price increases from raising the excise tax on cigarettes.

Among the strategies employed by cigarette advertisers during the past year in response to the threat of higher state taxes and the retention of the 16-cent federal tax are the following:

- The introduction of various reduced price "budget" brands, longer length brands and 25-pack brands for the price of 20, and a shift in advertising to emphasize what the industry calls the "value-oriented" brands, with wealthy sounding names like "True Gold, and "Richland."

- An increase in rebate coupons in magazines and newspapers, good for up to a 40 percent discount on cartons of cigarettes; cartons are being promoted more extensively than packs for some brands.

- An increase in point-of-purchase displays in cooperation with national chains of convenience stores such as 7-Eleven, supermarkets, pharmacies, and gasoline stations; these retail establishment have begun advertising cigarettes on the food pages of daily newspapers. The acquisition of General Foods by Philip Morris and Nabisco by R.J. Reynolds means that these tobacco companies are the top two suppliers to

American supermarkets and wield enormous influences over the selling environment.

- An increase in the distribution of free sample packs of cigarettes and discount coupons for cigarettes on city streets and at state fairs, amusement parks, rock concerts, and other youth-oriented events.

Brown & Williamson and R.J. Reynolds have joined Liggett in manufacturing generic cigarettes, advertising for which implies that one will actually save money if one smokes them and will be getting a luxury product at bargain prices.

Although the tobacco industry claims that the sole purpose of cigarette advertising is to encourage brand-switching, the head of at least one major cigarette company has said that his firm's recent strategy has included a "preemptive strike" to lower prices, in effect to dissuade people from stopping smoking; Edward A. Horrigan, Jr. president of R.J. Reynolds, told Business Week in 1984 that his company would specifically woo the "price-sensitive" smoker. "Some smokers always make decisions based on price alone," he said. "We'd rather keep them in the smoker community than lose them."

The best way to maintain the smoking population is to reinforce the cue to smoke or buy cigarettes in as many places as possible. With nearly \$3 billion in annual advertising, cigarettes are promoted twice as much as automobiles or alcohol, the next most advertised products.

Although tobacco company spending on billboard advertising is down 10 percent in 1986, cigarettes are still by far the most commonly advertised product, according to the Institute of Outdoor Advertising. Cigarette advertisements now account for about 25 percent of billboard advertising. In some communities, especially those in low-income areas, more than half of the billboards carry cigarette ads.

Mass transit systems, used by more lower-income commuters, are an increasing showcase for cigarette advertisements. On some blocks cigarettes are sold in virtually every retail outlet, including drug stores, supermarkets, restaurants, taverns, gaso-

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line stations, beauty parlors, barber shops, and even laundromats and drycleaners. In inner city mom-and-pop stores, cigarettes are sold—illegally—for seven cents a piece, and children can freely purchase them in such stores, or else from one of a growing number of cigarette vending machines in public places.

Last month the United States Tobacco and Candy Journal, a trade publication, reported that cigarette advertisers are more carefully matching up brands with magazine readerships. R.J. Reynolds, for instance, has moved away from such "upscale" publications as Vogue and U.S. News and World Report toward more "blue collar" magazines such as Field and Stream and Popular Mechanics. This trend has led major publishers like The New York Times and Newsweek to step up their courting of cigarette advertisers. People magazine, which has carried the most tobacco advertising of any magazine for the past five years and which reaches a predominantly low-middle income readership, purchases frequent advertisements in the U.S. Tobacco and Candy Journal thanking the tobacco industry for its "consistent support."

The tobacco industry has been especially adept at exploiting racial identity in defining a profitable market among ethnic minorities. R.J. Reynolds sponsors Hispanic heritage street fairs in Los Angeles and Brown & Williamson foots the bill for numerous Spanish and jazz music festivals in Miami and other Hispanic communities. Advertising Age lists Philip Morris as the leading marketer to the 17 million Americans for whom Spanish is their first language; R.J. Reynolds is 10th. One need only visit a typical bodega to confirm that virtually all advertisements there are for cigarettes.

In the black community, three brands in particular—Newport (made by Loews), Kool (Brown & Williamson) and Salem (R.J. Reynolds) have been promoted for maximum consumption. These account for more than 60 percent of cigarettes purchased by blacks. Cigarette advertisements are, along with those for alcohol, the mainstay of such black-oriented publications as Jet and Ebony. A minimum of 12 percent of the color advertisements in each issue of Essence ("the magazine for today's black woman") are for cigarettes, second only to advertisements for alcohol (20 percent). Among ad-

vertisers tying into February's Black History Month has been R.J. Reynolds, which offers discount coupons for its Salem cigarettes under the headline, "Salute to Black Scientists and Inventors."

But, as if sensing that the saturation of black-oriented publications and billboards with cigarette advertising has begun to raise eyebrows among those charged with lowering health-care costs, tobacco companies have steadily shifted away from traditional forms of advertising and into sports, civic, cultural and entertainment sponsorship. For instance, in Washington in July, Brown & Williamson will present what it calls the "Kool Achiever Awards" to five "outstanding adults who are working to improve the quality of life in inner city communities." B & W will also donate \$10,000 to a non-profit community-service organization chosen by each recipient. Aiding the tobacco company in the nominating process are: the National Urban League, the National Newspaper Publishers Association and the NAACP.

Last November Philip Morris hosted 93 publishers of black newspapers at its corporate headquarters in New York for a forum on preserving freedoms in American life. This was one of several such meetings in recent years arranged by Philip Morris at which it told its "side" of the "smoking controversy," a side that Philip Morris executives claim is seldom told in the mass media. (A similar meeting is planned by Philip Morris for publishers of Hispanic-oriented newspapers).

Philip Morris has not invited white editors as a group to New York for similar meetings. The reason, according to Tom Ricke, manager of media relations, is that "black publishers are a group where you can invite all of them in," Ricke said there are too many white publishers to invite them to New York. Philip Morris sponsors other activities to which it invites journalists from the general media. "It wouldn't be fair to assume that we invite black publishers in because of any demographic information we have," Ricke said.

In July 1984 Philip Morris hosted the 40th anniversary gala of the United Negro College Fund (Hugh Cullman, former chairman and chief executive officer of Philip Morris, is a member of the UNCF board of directors and served as co-chairman of its corporate fund drive.

In November, 1984, R.J. Reynolds marked that same anniversary of the UNCF by donating a \$250,000 ruby necklace to

the fund as part of the tradition of giving rubies on 40th anniversaries. The presentation was made during the intermission of an Ebony Fashion Fair—by actress Ruby Dee.

The extensive public-relations campaign conducted by the cigarette companies may explain the virtual silence of black leaders on the subject of smoking. To the contrary, such respected civic leaders as Vernon Jordan, former head of the National Urban League, and Mrs. Margaret Young, widow of Whitney Young, serve on the boards of R.J. Reynolds and Philip Morris, respectively. Philip Morris publishes "A Guide to Black Organizations," which is sent each year to black politicians and others. The introduction by Hugh Cullman in a recent edition notes that "the directory's purpose is to illustrate for blacks—and for all Americans—how much can be done when people work together in the name of progress and prosperity."

One apparent byproduct of such promotions, as well as of the cocktail parties hosted for legislators by Philip Morris and other tobacco companies, has been the stalwart opposition by most black and Hispanic lawmakers to efforts to restrict smoking in public places—legislation that tobacco companies compare not very subtly to laws designed to bring back segregation. In numerous instances in New York, Ohio, Illinois, California, Florida and elsewhere, tobacco company public relations personnel and tobacco wholesalers through a Tobacco Action Network have urged local blacks to lobby against such legislation.

In April Philip Morris advertised in New York City's black newspapers that Mayor Edward Koch's proposed restrictions on smoking in the work place would provide "a perfect backdrop for employers who wish to discriminate against minority employees" presumably because a higher proportion of blacks smoke than whites.

For their part, Philip Morris's executives see themselves as sensitive to the needs of society and aware of their obligation to contribute to society's well-being. Not that such investment in community endeavors detracts from the company's obligation to earn a profit for shareholders. And that means maintaining a high level of cigarette consumption. An often reprinted sentence in Philip Morris' annual reports and press releases states, "We expect our business activities to make social sense, and our social activities to make business sense."