Working towards best practices in digital marketing of tobacco products

Tobacco Policy & Responsible Retailing Conference
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Tobacco Marketing

ALL OVER AMERICA...
MORE SCIENTISTS AND EDUCATORS
SMOKE KENT with the MICRONITE FILTER
than any other cigarette!

For good smoking taste,
it makes good sense to smoke KENT

I Remember Momma and Poppa!

For MOTHER'S DAY
FATHER'S DAY - ANY DAY
Digital marketing: the promotion of products or brands via one or more forms of electronic media

- More than just websites:
  - text messaging and instant messaging
  - mobile apps
  - digital coupons and offers
  - digital advertisements
  - electronic billboards
  - digital television and radio
  - social media
  - proximity advertising and geo-fencing
  - internet of things
  - product placement in digital media
Accurate targeting and individualized marketing

+ promotions come directly to users on their phones

Get Inked!

Do you enjoy smoking? Have you wanted a tattoo but do not know what design to choose? If you answered YES to both questions, then you are in luck! RED SUN, America’s NEWEST and BEST cigarette, was designed by smokers, for smokers. What’s more, the quirky, independent and totally unapologetic makers of RED SUN will award $5,000 CASH PRIZES to each and every person with a RED SUN tattoo! Sounds too good to be true... but it is NOT! This is a REAL LIFE contest designed to reward artistically creative, eye-catching tattoo designs!

$5,000

to every person who artistically incorporates the RED SUN logo into a truly phenomenal, one-of-a-kind permanent tattoo. Show your creativity! Be unique! Size does matter! Wow us with your super awesome tattoo! We will award a minimum of two $5,000 prizes!

$3,000

to every person who commissions a pretty excellent permanent tattoo featuring the RED SUN logo. Choose your tattoo artist carefully! Placement, color, composition, and the integrity of the RED SUN logo are important! We will award a minimum of two $3,000 prizes!

$1,500

to EVERY PARTICIPANT who gets a permanent “standard” RED SUN tattoo exactly as shown at the top or bottom of this page. We will offer a GUARANTEED $1,500 when you choose one of these tattoos! You cannot lose!

CLICK HERE TO DOWNLOAD FULL CONTEST PDF

RED SUN Permanent Tattoo Contest Rules:
1) To enter, send at least five pictures of your permanent tattoo including pictures of the tattoo itself (after healed), a body shot, a head shot, and a picture you would like us to consider to donnmakers@redcigarette.com. Include a hard written note (or printed scanned copy) of your full name, email address, home street address, state, zip code, phone number (with area code), birthdate, and the statement with your signature saying “I certify that I am a smoker 21 years of age or older and...”

SURGEON GENERAL’S WARNING: Smoking Causes Lung Cancer, Heart Disease, Emphysema, And May Complicate Pregnancy.
Ubiquitous for some

Invisible to others: we don’t see as much marketing or smoking in public (but 480,000 tobacco-related deaths in the U.S. each year)

No marketing to youth

No marketing to those who opt-out, or to those who do not opt-in
Advertising on a mobile app
Tobacco control red flags...

- Underage marketing/sales
- Smoking cessation
- Price sensitivity
- Impulse buys
- Use of retail data
Best Practices

- Voluntary Advertising Codes are the norm:

  ![Image of Beer Institute Advertising and Marketing Code]

  Distilled Spirits Council’s Guidance Note on Responsible Digital Marketing Communications

  ![Image of Wine Institute Guidance Note on Digital Marketing Communications]

  Wine Institute Guidance Note on Digital Marketing Communications
  Approved by Wine Institute Board on December 10, 2013
  Effective January 01, 2014
Best Practices for Digital Marketing of Tobacco Products

- General Purposes: To ensure that Tobacco Products are not marketed or furnished to individuals who are below the Purchase Age, are not marketed to individuals who do not use Tobacco Products, are not marketed to individuals other than those who seek to receive such marketing materials, and are not marketed in ways that contain depictions of the purchase, sale, furnishing, use or disposal of Tobacco Products in ways or situations that are unlawful.

- Robust age verification, not mere affirmation
- Opt-in
- Positively identify each user on a device, cross-device tracking
- No depiction of purchase, furnishing, use or disposal of Tobacco Products in ways or situations that are unlawful
- Reasonable efforts to prevent sharing content w/o age verification
- Complaint review procedure
- Social media – verify age before accepting/sharing user-generated content, moderator reviews site daily, house rules re content
- Problem: How to get these best practices adopted?
1. Age verification

95% are internet users
81% are social media users
77% are Facebook users
24% are Twitter users
2. Opt-in or opt-out, but definitely opt-something
3. Cross-tracking users and devices
4. The internet of things
5. Proximity marketing

<table>
<thead>
<tr>
<th>PROXIMITY TECHNOLOGIES</th>
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<tbody>
<tr>
<td><strong>NFC</strong></td>
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<tr>
<td>- No app needed</td>
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<tr>
<td>- Fast and easy to use</td>
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<tr>
<td>- Requires close proximity</td>
</tr>
<tr>
<td>- Enables interaction with apps</td>
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<tr>
<td><strong>QR</strong></td>
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<tr>
<td>- Works on most devices</td>
</tr>
<tr>
<td>- Needs the use of an app</td>
</tr>
<tr>
<td>- Difficult user experience</td>
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<tr>
<td><strong>Bluetooth</strong></td>
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<tr>
<td>- Works up to 70 m</td>
</tr>
<tr>
<td>- Needs the use of an app</td>
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<tr>
<td>- Enables interaction with apps</td>
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<tr>
<td><strong>WiFi</strong></td>
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<tr>
<td>- Works up to 100 m</td>
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<tr>
<td>- No app needed</td>
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<td>- Difficult user experience</td>
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PROXIMITY MARKETING BY BEACON DEVICES
Conclusions

- Precise and individualized targeting
- Data mining, aggregating and tracking
- Threat to tobacco control
- Unique nature of tobacco use
- Statutes, AVCs, best practices