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**Working Paper**

## Tobacco advertising at point of sale in two Latin American cities: Buenos Aires and Guatemala

Serie Documentos de Trabajo, No. 440

**Provided in Cooperation with:**

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*Suggested Citation:* Alegre, Maria; Mejía, Raul; Barnoya, Joaquín (2010) : Tobacco advertising at point of sale in two Latin American cities: Buenos Aires and Guatemala, Serie Documentos de Trabajo, No. 440, ISBN 978-987-1062-49-2, Universidad del Centro de Estudios Macroeconómicos de Argentina (UCEMA), Buenos Aires

This Version is available at:

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**UNIVERSIDAD DEL CEMA  
Buenos Aires  
Argentina**

Serie  
**DOCUMENTOS DE TRABAJO**

**Área: Marketing y Negocios**

**TOBACCO ADVERTISING AT POINT OF  
SALE IN TWO LATIN AMERICAN CITIES:  
BUENOS AIRES AND GUATEMALA**

**Maria Alegre, Raul Mejía y Joaquín Barnoya**

**Noviembre 2010  
Nro. 440**

ISBN 978-987-1062-49-2  
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**[www.cema.edu.ar/publicaciones/doc\\_trabajo.html](http://www.cema.edu.ar/publicaciones/doc_trabajo.html)**  
UCEMA: Av. Córdoba 374, C1054AAP Buenos Aires, Argentina  
ISSN 1668-4575 (impreso), ISSN 1668-4583 (en línea)  
Editor: Jorge M. Streb; asistente editorial: Valeria Dowding <jae@cema.edu.ar>

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Tobacco advertising at point of sale in two Latin American cities : Buenos Aires and Guatemala. - 1a ed. - Buenos Aires : Universidad del CEMA, 2009.

23 p. ; 22x15 cm.

ISBN 978-987-1062-49-2

1. Marketing. I. Título

CDD 658.8

Fecha de catalogación: 28/12/2009

## **Tobacco Advertising at Point of Sale in two Latin American cities: Buenos Aires and Guatemala\***

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### **Introduction**

With growing restrictions on tobacco advertising and promotions around the world, the retail point-of-sale has become an important communications environment for the tobacco industry. Marketing communications at the point of sale, such as tobacco-product displays and tobacco ads, constitute the new hot spot for the industry. Since the early 1970's, foreseeing government tobacco advertising bans, the industry noted that "should the government initiate increased restrictions on advertising media, we will be ready at the point of sale with our brands dominantly displayed and advertised." (Lavack, 2006; Pollay, 2007). In the US, point-of-purchase (POP) promotions and merchandizing represent 85% of the total of over US\$15 billion spent in promoting cigarettes (Pollay, 2007). In Australia, it has been estimated that tobacco industry point of sale spending in 2002 was as much as A\$15,000 per retail outlet, equivalent to US\$ 8.550 at the time (Donovan, 2002). In Canada, tobacco manufacturers paid retailers \$100 million for POP displays in 2005 (Cohen, 2008). New Zealand, Malaysia and India also have a high prevalence of tobacco point of sale communications (Jalleh, 2006; Paynter, 2006; Chaudhry, 2007).

The retail environment is a particularly dangerous context for tobacco messages, as it is highly effective at reaching teens. It is estimated that, in the US, three out of four teenagers shop at a convenience store at least once a week, staying an average of sixteen minutes per visit, twice as long as adults (Point-of-purchase Advertising Institute, 1992; Chanil, 2002; Henriksen, 2004). In addition, a positive association has been found between tobacco communications at point of sale and adolescent smoking initiation (Pierce, 1998;

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\* The views of the authors do not necessarily represent the position of Universidad del CEMA.

Biener, 2000; Sargent, 2000, Henriksen, 2008). Moreover, it has been shown that exposure to tobacco messages at retail can increase quitters' likelihood of relapse, as well as the overall amount people smoke (Lavack, 2006; Feighery, 2001; Henriksen, 2004).

POP displays accomplish five steps: (1) attract attention, (2) arouse interest, (3) create desire, (4) build confidence, and (5) direct action (Pollay, 2007). In order to attract attention, tobacco communications realize what Pollay calls "intrusive visibility": they must be present in most retail outlets, with advertising signs, large display layouts such as "powerwalls", and other promotional materials, that take a large proportion of viewing space, usually around the counter area, next to candy and at eye level, where they can be most noticeable (Pollay, 2007; Cohen, 2008; Henriksen, 2004). As consumers use retail presence as an indicator of how popular products are, such level of display at point of sale conveys that many people are smokers, which Pollay calls the "perceived popularity effect" (Pollay, 2007). Retail tobacco marketing exposure distorts teenagers' perceptions regarding the availability, use, and popularity of tobacco products (Donovan, 2002; Henriksen, 2002). Such distorted perceptions are in turn precursors of smoking initiation (Flay, 1998; Graham, 1991).

Advertising campaigns have two universal communication objectives: (1) to build brand awareness; (2) to build brand attitude (Rossiter, 1997; Batra, 1996). Brand awareness is defined as the client's ability to identify (recognize or recall) a brand within a category in sufficient detail to make a purchase. Brand attitude is defined as the client's evaluation of the brand with respect to its perceived ability to meet a currently relevant motivation (Rossiter, 1997).

Regarding brand awareness, when buyers choose brands at the point of purchase, ads, displays and other promotional materials should ensure that the potential client can recognize the brand. This relates to Pollay's concept of intrusive visibility: the simple display of a brand name, logo or package, in a way prominent enough to be hard to miss by store visitors, by itself can accomplish the awareness objective. This is not enough however to build brand attitude: this second objective requires an effective attitudinal message. In order to have an effective attitudinal message, words and pictures will have to accompany simple brand names and logos, and do so in a way as to ensure a persuasive

effect. Brand attitude, the second advertising objective, relates to Pollay's concepts of interest arousal, desire and confidence.

What constitutes an effective attitudinal message? This depends on the specifics of the advertising situation: the type of product being communicated, the underlying client motivations to buy a given brand, etc. (Rossiter, 1997, Rossiter, 1991, Taylor, 1999). Tobacco products in general and cigarette brands in particular are widely regarded as low involvement, transformational or "feel" products (Ratchford, 1987, Rossiter, 1991, Taylor, 1999). They are low involvement because buying them is not a terribly important decision for the average client, the choice of brand does not require much thought, and the perceived risk of choosing the wrong brand is low (Ratchford, 1987, Petty & Cacioppo, 1983, Batra, 1996). They are "transformational" or "feel" because the purchase motives that energize clients to buy them involve ego gratification -the need to enhance and express one's personality; social acceptance -the need to be viewed favorably by others; and sensory gratification - the desire of pleasure to the senses (Ratchford, 1987, Taylor, 1999). Under such conditions, an effective attitudinal message is usually one based on building a brand image by associating it with authentic emotions and very likable executional elements of the ads: the visuals, people, settings, words, and whatever other elements included in the ads. Brand delivery is accomplished by association with such elements and it is often implicit. Ads are processed through rote learning, where the potential buyer merely echoes or mentally repeats the content of the ad stimulus as a response. Rote learning is passive and "mindless" as it goes on automatically, regardless of whether we want it or not, and often without our conscious awareness of it occurring (Rossiter, 1997; Petty & Cacioppo, 1983, Batra, 1996). That is how tobacco ads arouse interest and create desire (Pollay, 2007).

Lynch & Bonnie (1994) have documented the nature of brand associations built by cigarette ad campaigns in their persuasion efforts. These are reliably captured within the following five categories 1) Tobacco use as a rite of passage into adulthood (adventure, rugged individualism, independence, sophistication, glamour and sex); 2) Smoking as the choice of successful, popular people (an expression of success, popularity, sophistication, self-reliance and a high quality of life); 3) Smoking as a relaxing facilitator of successful social interactions (facilitating acceptance by peers and by the opposite sex, and as a means

of initiating social exchanges and sharing in a relaxed social environment); 4) Smoking as the norm (normal, pervasive, accepted and acceptable); 5) Smoking as safe and healthy (tobacco use associated with healthy, outdoor activities, in natural, pristine environments, suggesting that tobacco use is not only safe but it is the choice of healthy, vigorous people).

Going back to the last item in Pollay's model, that is, directing action, according to BAT documents "Tobacco products must be positioned so that they will be easily visible, readily accessible to shop assistants and displayed in such a way as to generate a strong impulse to buy" (Pollay, 2007). POP cigarette displays stimulate impulse purchases, acting as cues to smoke, even among those not explicitly intending to buy cigarettes, and among those trying to quit (Wakefield, 2007; Henriksen, 2004).

In summary, research from the US, Canada and other developed countries indicates that communications at the point of sale represent a core venue used by tobacco firms around the world. POP advertising and displays reach the young, persuade people to smoke, and stimulate impulse purchases that lead individuals to smoke more, and even lapse when trying to quit. They rely on predictable persuasion tactics based on image messages typical of low involvement transformational products.

Unfortunately, little is known regarding tobacco point of sale communications in less developed regions of the world. In particular, these communications have not yet been documented in Latin America. Several studies have looked at tobacco advertising in the region, finding similar messages and strategies to those found in other regions of the world (Braun, 2008; Braun, 2005, Alegre, 2007; Hafez & Ling, 2005). But these studies have not looked at communications at point of sale. The purpose of the present paper is to characterize tobacco point of sale advertising and promotion in two Latin American markets: Guatemala and Argentina.

#### Regulatory and market environment in Guatemala and Argentina

Guatemala signed the Framework Convention for Tobacco Control (FCTC), sponsored by the World Health Organization, and ratified it in 2005. Currently the Guatemala law restricts tobacco billboard and radio advertising. Billboards are banned within 500 meters of entrances and exits of pre-school, elementary, junior high-schools, or

universities (Shafey, 2003). Advertising (print, radio, television, films and electronic media) requires prior authorization of the Ministry of Public Health and Social Aid. Television advertising has been prohibited before, during and after programs targeted at minors and it is only permitted after 8:00 pm. In addition, the tobacco industry has voluntarily removed advertising from radio and television.

Argentina signed the FCTC on 2003, and in 2004, the national government introduced a law to support the FCTC in the Argentinean national senate. However, as of December 2009, the FCTC has not been ratified by the Argentinean Congress. There is no national advertising ban and advertising is still allowed in newspapers, magazines, television, and billboards (World Health Organization, 2008). As in Guatemala, the tobacco industry has withdrawn voluntarily from radio and TV, starting in 2003. In addition, tobacco billboards and other forms of street advertising have been banned since January of 2007 within the federal district of the capital city of Buenos Aires (Law # 1799 de Control del Tabaco Buenos Aires, 2005 –of Tobacco Control Buenos Aires, 2005). This determined that, as expressed by tobacco management in local media, tobacco companies “had to find new venues to reach consumers” and were “forced to redistribute the advertising budget that used to go to TV and turn it to convenience stores” (Bassani, 2003).

As in most of the world, in Argentina and Guatemala the tobacco industry is highly concentrated and displays an oligopolistic structure. In Argentina, annual sales for cigarettes in 2008 represent \$7.800 millions of Argentine pesos (approximately US\$2.100 millions), with 96% of sales concentrated within two firms: Massalin-Particulares, subsidiary of Phillip Morris International, the market leader with a 72% del share, and Nobleza Piccardo, subsidiary of British American Tobacco, with a 24% share (Sanguinetti, 2009; Braun, 2008). In Guatemala, the same two multinational firms dominate the local tobacco market.

## **Method**

We randomly selected 240 stores: 120 in Guatemala City, Guatemala, and 120 in the city of Buenos Aires, Argentina. Because tobacco point of sale advertising has been shown to vary according to socio-economic status (SES) of neighborhood, the sample was



stratified as to equally represent high, middle, and low SES areas (Henriksen, 2008; Novak, 2006). Neighborhoods in each city were divided into high, middle and low socioeconomic stratum based on property values (average property price per square meter). In Guatemala, after having selected the neighborhoods, we downloaded maps of each zone using Mapquest ([www.mapquest.com](http://www.mapquest.com)). We then used a random digit generator (<http://www.randomizer.org/lesson4.htm>) to get the street blocks where stores would be evaluated. All stores within a selected block were evaluated, and when a block had no stores that sold cigarettes, the next adjacent block was chosen. Big and small stores (chicleros), supermarkets, pharmacies, and chain and independent gas stations were considered in Guatemala, as they are all usual outlets for cigarette sales.

Similarly, in Buenos Aires neighborhoods were classified according to SES based on property value, and a number was given to each block. We then used random numbers from a table developed by Cummings to select blocks. All stores in a given block were evaluated, and where no store was found, the next block was explored. In the case of Buenos Aires, all the stores explored were “kioscos”: a standard format of convenience store widely present in the country, which usually sells tobacco products as well as candy, snacks and cold beverages as its main products. Cigarettes are not sold in supermarkets or pharmacies in Buenos Aires. Cigarettes are sold at the convenience stores located within gas stations, but there were none of these within the sample of stores used in the present study. Big and small “kioscos” were considered.

Table 1 shows the characteristics of the stores that conform the sample used in the present study, both for Buenos Aires and Guatemala city, open by store type and SES of the neighborhood where the store was located.

### **Point-of-Sale Questionnaire**

To assess the prevalence and characteristics of point of sale in stores, we used a checklist developed by Cohen and Di Nardo in Ontario, Canada (Cohen, 2008). This checklist is designed to be completed in no more than 10 minutes and assesses the type, size, color, feature and location of tobacco signs and displays within a store. This checklist allowed us to measure intrusive visibility of tobacco within stores. After obtaining

permission from the authors, we translated and adapted the checklist to Spanish. We also added to this checklist a new section designed to collect information regarding the content of tobacco advertising messages. Data collectors were instructed to record, for the biggest tobacco ad in the store, the brand name advertised, as well as the visual imagery and words or slogans displayed. This section was designed to evaluate brand strategy and persuasion tactics based on message content analysis.

When the new instrument was ready, it was pilot tested in Argentina and Guatemala.

### **Data analysis**

We used SPSS (version 11.0, 2001) to enter and analyze data. Data entry was performed by one of the research assistants in each country and random checks were performed to verify data quality. Analyses were done primarily with chi square test (nominal variables) and ANOVA (interval data).

For content analysis of ads we relied on the classification scheme developed by Lynch & Bonnie (1994). As we mentioned in the introduction, they propose a classification scheme for cigarette advertising associations based on the following five categories 1) Tobacco use as a rite of passage into adulthood (adventure, rugged individualism, independence, sophistication, glamour and sex); 2) Smoking as the choice of successful, popular people (an expression of success, popularity, sophistication, self-reliance and a high quality of life); 3) Smoking as a relaxing facilitator of successful social interactions (facilitating acceptance by peers and by the opposite sex, and as a means of initiating social exchanges and sharing in a relaxed social environment); 4) Smoking as the norm (normal, pervasive, accepted and acceptable); 5) Smoking as safe and healthy (tobacco use associated with healthy, outdoor activities, in natural, pristine environments, suggesting that tobacco use is not only safe but it is the choice of healthy, vigorous people). Messages that do not fit into any of these 5 categories are classified as “other”.

## Results

A total of 120 stores were surveyed in each country. All stores in Guatemala sold cigarettes, and 60% (72 stores) had cigarette advertising. In Argentina all stores sold cigarettes, and 80% (94 stores) had cigarette advertising. In Guatemala, in the high SES neighborhood, most sites evaluated were gas stations; while in the middle and low SES neighborhood they were small stores. In Argentina, all stores surveyed were “kioscos”, a typical format of convenience store that sells mostly candy, snacks, sodas and cigarettes (see Table 1), as cigarettes are not sold in pharmacies or supermarkets.

**Table 1. Store type by city and SES of store neighborhood**

|                                  | High SES | Mid SES | Low SES |
|----------------------------------|----------|---------|---------|
| <b>Guatemala (n=120)</b>         |          |         |         |
| Big store/pharmacy               | 7        | 0       | 1       |
| Small store                      | 11       | 40      | 37      |
| Gas stations                     | 17       | 0       | 0       |
| Supermarket                      | 5        | 0       | 2       |
| <b>Argentina (n=120)</b>         |          |         |         |
| Big convenience store (kiosco)   | 32       | 35      | 33      |
| Small convenience store (kiosco) | 8        | 5       | 7       |

### Intrusive visibility

Tobacco products displayed very high levels of intrusive visibility at POP both in Guatemala city and in Buenos Aires (see Table 2).

**Table 2. Intrusive visibility of tobacco point-of-sale advertising in Guatemala and Buenos Aires**

|   | Guatemala City, Guatemala |         |         | p      | Buenos Aires, Argentina |         |         | p    |
|---|---------------------------|---------|---------|--------|-------------------------|---------|---------|------|
|   | High SES                  | Mid SES | Low SES |        | High SES                | Mid SES | Low SES |      |
| n   | 40                        | 40      | 40      |        | 40                      | 40      | 40      |      |
| Stores (%) with outdoor tobacco ads                         | 10%                       | 0%      | 0%      | 0.08   | 0%                      | 15%     | 14%     | 0.4  |
| Stores (%) with indoor tobacco ads                          |                           |         |         |        |                         |         |         |      |
| None  | 22%                       | 48%     | 52%     | <0.001 | 10%                     | 18%     | 35%     | 0.07 |
| 1-2   | 32%                       | 50%     | 22%     |        | 45%                     | 55%     | 50%     |      |
| 3+  | 46%                       | 2%      | 25%     |        | 45%                     | 26%     | 16%     |      |
| Average number of indoor tobacco ads per store              | 3.4                       | 1.7     | 2.8     |        | 2.7                     | 2.4     | 2.0     |      |
| Average size of biggest indoor tobacco ad in store          |                           |         |         |        |                         |         |         |      |
| Height (cm)   | 80                        | 37      | 46      |        | 45                      | 43      | 48      |      |
| Width (cm)  | 87                        | 58      | 67      |        | 103                     | 96      | 118     |      |
| Stores (%) with indoor tobacco ads visible from the outside | 10                        | 48      | 47      | 0.005  | 91                      | 77      | 72      | 0.1  |
| Mean (% ,SD) of space occupied in front of the client       | 18.28                     | 13.57   | 17.37   | 0.04   | 21.47                   | 21.94   | 26.67   | 0.5  |
|   | (8.37)                    | (4.22)  | (5.37)  |        | (15.20)                 | (20.39) | (13.73) |      |
| Stores (%) with tobacco ads/products <50 cms of candy       | 77                        | 38      | 66      | 0.002  | 57                      | 28      | 54      | 0.03 |
| Stores (%) with “No smoking” signs                          | 26                        | 2       | 2       | 0.002  | 24                      | 16      | 3       | 0.1  |
| Stores (%) with “No sales to minors” signs                  | 13                        | 2       | 0       | 0.08   | 61                      | 66      | 31      | 0.1  |
| Stores (%) within 100 mts of a school.                      | 26                        | 70      | 97      | <0.001 | 3                       | 13      | 0       | 0.03 |

In Guatemala, 59% of stores displayed indoor cigarette ads, there were an average of 2.6 ads per store, and ads took 16.4% of viewing space in front of the client on average. The average ad measured 54 cm by 71 cm. In addition, 23% of these ads were luminescent, which makes them harder to ignore. Tobacco ads and products were placed next to candy in 60% of the cases. Illegal outdoor ads were found in 3% of stores. However, in 35% of the stores surveyed indoor ads were visible from the streets. Outdoor cigarette ads were restricted to the high SES venues, but indoor ads that were visible from the outside were significantly more common in the medium and low SES venues ( $p < 0.005$ ).

There were significant differences in terms of tobacco visibility at POS by SES of store neighborhood in Guatemala. Overall, the communication impact of cigarette brands was higher in stores located in high SES neighborhoods. First, only in high SES stores we found outdoor ads, in violation of local laws. Second, ads were found inside 88% of high SES stores compared to 52% and 48% in medium and low SES stores respectively ( $p < 0.001$ ). Third, ads found in high SES stores were significantly bigger, and took a higher percentage of the space in front of the client ( $p < 0.05$ ). Tobacco ads and products were more likely to be placed within 50 cm of candy ( $p < 0.005$ ). Tobacco ads in high SES neighborhoods were also more likely to be luminescent. All these factors made for a greater intrusive visibility of tobacco advertising messages in the high SES stores. However, even in medium and low SES stores, where advertising presence and intrusiveness was lower than in high SES stores, cigarette ads were present inside 50% of the stores, on average there were 2,2 ads per store, ads took 16% of viewing space in front of clients, and the average ad measured 42cm in height by 63cm in length.

According to the Guatemalan legislation, cigarette sales are banned to minors (<18 years of age) and no advertising is allowed within 100 meters from a school. Regardless of this, most stores lacked any signs banning tobacco sales to minors (Table 2). Furthermore, a high percentage of stores in the mid and low SES were located at less than 100 meters from a school (70% and 97%; respectively,  $p < 0.001$ ).

Intrusive visibility of tobacco at POS was even higher in Buenos Aires than in Guatemala, as ad presence was more widespread at POS, and ads were bigger and more likely to be luminescent. Overall, 79% of stores in Buenos Aires displayed cigarette ads,

there were an average of 2.4 ads per store, and ads took 23.4% of viewing space in front of the client. The average ad measured 45 cm by 106 cm. In addition, 33% of these ads were luminescent, which makes them harder to ignore. Tobacco ads and products were placed next to candy in 46% of the cases. Illegal outdoor ads were found in 10% of stores. Moreover, in 35% of the stores surveyed indoor ads were visible from the street.

In Buenos Aires, non compliance with current regulations was far more common in the privileged neighborhoods. Stores located in low and medium SES neighborhoods had illegal outdoor tobacco ads in 15% of the cases, whereas no outdoor tobacco ads could be found in high SES areas. In addition, low SES stores were more likely to lack “No Smoking” signs, as well as “No sales to minors” signs. Except for this higher level of informality, no significant differences were found in terms of intrusive visibility of tobacco messages in stores according to SES of neighborhood where the store was located.

In general, ads were present in a slightly lower percentage of stores in low SES locations, and there tended to be less ads per store as well, versus medium and high SES stores. But the differences were not statistically significant. And even in low SES stores, where advertising intrusive visibility was somewhat lower than in high and medium SES stores, cigarette ads were present inside 63% of the stores, on average there were 2 ads per store, ads took 29% of viewing space in front of clients, and the average ad measured 48cm in height by 118cm in length.

In both countries and in all levels of neighborhood SES, tobacco products were placed very close to candy, less than 50 cm away in most stores. This all but guarantees that tobacco messages will be seen by young children.

### Brand strategy

The brand being advertised was captured for 72 tobacco POP ads in Guatemala, and 98 POP ads in Buenos Aires. Table 3 displays the brands found in POP cigarette ads in both cities, open by SES of store neighborhood.

In the city of Guatemala, the same three brands were found in all neighborhoods: Pall Mall, Rubios and Marlboro. Pall Mall belongs to British American Tobacco (BAT),

while Marlboro and Rubios belong to Phillip Morris (PM). A fourth brand, Kent, also property of BAT, was selectively found in stores located in high SES neighborhoods. In addition, most ads for Kent were written in English. Thus, it is clear for this brand that there is a segmentation strategy to selectively target high income clients. No segmentation strategy could be identified for Pall Mall, Rubios and Marlboro, as their ads were found everywhere.

**Table 3. Brand distribution by SES of store neighborhood in Guatemala and Buenos Aires**

| <b>Guatemala City, Guatemala</b> |                  |                  |                  |
|----------------------------------|------------------|------------------|------------------|
| <b>Brand</b>                     | <b>High SES</b>  | <b>Mid SES</b>   | <b>Low SES</b>   |
| Pall Mall (n, %)                 | 15 (47%)         | 2 (10%)          | 9 (47%)          |
| Rubios (n, %)                    | 7 (22%)          | 9 (43%)          | 6 (32%)          |
| Marlboro (n, %)                  | 6 (19%)          | 7 (33%)          | 4 (21%)          |
| Kent (n, %)                      | 4 (13%)          | 0 (0%)           | 0 (0%)           |
| Lider (n, %)                     | 0 (0%)           | 2 (5%)           | 0 (0%)           |
| After hours (n, %)               | 0 (0%)           | 1 (10%)          | 0 (0%)           |
| <b>Total (n, %)</b>              | <b>32 (100%)</b> | <b>21 (100%)</b> | <b>19 (100%)</b> |

  

| <b>Buenos Aires, Argentina</b> |                  |                  |                  |
|--------------------------------|------------------|------------------|------------------|
| <b>Brands</b>                  | <b>High SES</b>  | <b>Mid SES</b>   | <b>Low SES</b>   |
| Lucky Strike (n, %)            | 16 (53%)         | 7 (19%)          | 7 (23%)          |
| Marlboro (n, %)                | 11 (37%)         | 12 (32%)         | 1 (3%)           |
| Next (n, %)                    | 0 (0%)           | 3 (8%)           | 14 (45%)         |
| Viceroy (n, %)                 | 1 (3%)           | 6 (16%)          | 6 (19%)          |
| P. Morris (n, %)               | 2 (7%)           | 5 (14%)          | 1 (3%)           |
| Parliament (n, %)              | 0 (0%)           | 2 (5%)           | 0 (0%)           |
| V8 (n, %)                      | 0 (0%)           | 1 (3%)           | 1 (3%)           |
| Camel (n, %)                   | 0 (0%)           | 0 (0%)           | 1 (3%)           |
| L y M (n, %)                   | 0 (0%)           | 1 (3%)           | 0 (0%)           |
| <b>Total (n, %)</b>            | <b>30 (100%)</b> | <b>37 (100%)</b> | <b>31 (100%)</b> |

In Buenos Aires, five brands concentrated 94% of all ads found: Lucky Strike (31%), Marlboro (24%), Next (17%), Viceroy (13%) and Phillip Morris (8%). There were strong and clear segmentation strategies revealed in terms of SES level of stores chosen for the advertising campaigns of these brands. Lucky Strike was heavily present in all SES stores, but had an emphasis on high SES neighborhoods, where most of their ads were

found. Thus, while all economic levels of customers were targeted, high income clients seem to have a greater priority for the brand. Marlboro had all but one of their ads located in high and medium SES stores: the brand seems to target high and medium income clients, and excludes low income segments from their communication efforts. Next had 82% of their ads displayed in low SES stores, with the remaining 18% present in medium SES stores, and zero presence in high income areas. In other words, the brand is tightly targeted towards low income segments. Visceroy had all but one of their ads in low and medium SES stores, and equally distributed between these segments: the brand seems to target medium to low income clients. Finally, Phillip Morris was found in all SES stores, but with an emphasis on medium income locations, where the majority of their ads were located.

It is interesting to see how the two tobacco firms that control the Argentinean market divide the client base among their brands based on income level. Three of the brands with strong advertising presence in Buenos Aires belong to Massalin Particulares (Phillip Morris): Marlboro, Next and Phillip Morris. While Marlboro targets high and medium income groups, Next goes after low income segments, and Phillip Morris concentrates efforts in mid income clients. The remaining two brands belong to Nobleza Piccardo (BAT), and while Lucky Strike goes after high income clients predominantly, Visceroy covers the remaining two groups, going after mid and low income segments.

#### Content of advertising messages

Detailed descriptions of a total of 68 advertising pieces were captured in the Guatemalan questionnaires. If we look at the content of these advertising pieces, 54 of the ads found at POS in Guatemala were very rich stimuli (79%), displaying full fledged advertising ads that contained sophisticated pictures and slogans, similar in design and impact to cigarette ads found in magazines. The remaining 21% of ads were restricted to brand awareness messages displaying just the brand name and logo.

From the 54 rich ads described in the questionnaires, 10 had promotional content, describing aspirational prizes that one could win by participating in the brand sponsored raffles (plasma televisions, ipods, computers, and other electronic gadgets). The remaining



44 ads were devoted to image messages designed to build brand attitude by associating cigarette smoking with desirable elements of the executions.

In these image ads found at POS in Guatemala, the classification scheme proposed by Lynch & Bonnie perfectly captured the dominating themes. The images displayed young people at the beach or mountain, engaged in demanding sports, usually in outdoor and pristine environments, either in groups or in seduction scenes with the opposite sex. Smoking was displayed as accepted and normal. Smokers were shown as young, healthy, attractive, happy, confident, successful and popular. Accompanying slogans use expressions such as “getting together”, “satisfaction”, “hot”, “good times”, “getting to high places”, “adding new friends”, “conquering new challenges”, “being first”. Message content and design responded to classical schemes of low involvement transformational approaches. This was true for all 44 image ads found. No significant differences were found in terms of advertising content by SES.

In the case of Buenos Aires, the descriptions of a total of 98 advertising pieces were captured in the field questionnaires. All but one of these ads had content that went beyond simple presentation of the brand name and logo, and thus 97 of the observations can be considered rich ads that go beyond building brand awareness. From these, 51% had promotional content. In total, 8 ads communicated price discounts and/or price packs. These ads were in all cases located in low and medium SES stores. Another 48 ads (49%) communicated promotional raffles where clients could win aspirational prizes by submitting personal data written on their used cigarette packs. These ads were dominated by two brands. Next ads, which constituted 52% of all ads found in low SES stores, offered scooters as prizes to low income segments. It should be noted that scooters are a popular and highly aspirational means of transportation among teenagers in Argentina. On the other hand, Lucky Strike ads, which as we mentioned before were heavily concentrated in high SES stores, but were found in all types of stores (see Table 3), offered aspirational consumer electronics as prizes (computers, i-pods, etc). Overall, promotional ads dominated the communication content of ads found in low SES (78% of all ads), and had a slightly minor but still significant presence in mid SES (44% of all ads), and high SES stores (53% of all ads).

The remaining ads (42% of all ads) were devoted to image messages designed to build brand attitude by associating cigarette smoking with desirable elements of the executions. However, a large proportion of these ads had images focused on their brand pack, accompanied by a simple slogan, with no people being depicted in them. For example, Visceroy ads made claims regarding their enjoyment, quality and intense flavor, accompanied by pack pictures in fire, or with a cigarette laying on top, as if simulating a human body in a suggestive position. Similarly, Marlboro ads had highly creative reconstructions of their logo, using either dots or fire; others promoted a silver pack special edition. Only Phillip Morris communications displayed full fledged ads with rich pictures depicting people interacting with peers and the opposite sex, similar in design and content to ads found in Guatemala. Thus, the classification scheme developed by Lynch & Bonnie (1994) captured very well the dominating themes in these Phillip Morris ads, but was not equally helpful with more abstract and highly symbolic pieces, that more narrowly focused on sophisticated representations of logos and packs accompanied by metaphoric claims. In the Phillip Morris ads, the images revisited the usual themes, displaying young people in pristine outdoor settings, frequently in humorous situations. Smoking was displayed as accepted and normal. Smokers were shown as young, healthy, attractive, happy, confident, and popular.

In summary, message content was found to vary according to SES of store neighborhood in Buenos Aires. In stores from high and medium SES neighborhoods we found an equal balance between promotional ads and image ads. Promotional ads pushed high end consumer electronics, while image ads relied mostly on highly symbolic and metaphoric messages with no people. In contrast, ad messages located in low SES stores displayed almost exclusively promotional messages, pushing discounted prices and much more functional prizes such as scooters.

## **Discussion**

Tobacco point of sale advertising is highly prevalent in Guatemala and Buenos Aires. Similarly to what has been described in other countries such as the US, Canada,

Australia, India and Malaysia, point of sale advertising has become a core venue used by the tobacco industry to reach their customers in these two Latin American cities.

In both Latin American cities explored in the present study, tobacco communications realize “intrusive visibility”: (1) They are present in the majority of stores, regardless of SES of neighborhood; (2) they are placed in prime store locations, usually behind the cashier and counter-top, hot locations for which retailers usually charge to place product advertisements and displays; (3) they are impossible to miss, as they take up an average of 16% of viewing space in front of the clients in Guatemala, and 23% in Buenos Aires.

Intrusive visibility of tobacco is higher in Buenos Aires than in Guatemala: in Buenos Aires more stores have ads, there are more ads per store, and ads tend to be bigger than in Guatemala.

Cigarettes in Guatemala and Buenos Aires are sold in the same retail outlets where candy and sodas are sold. These are stores regularly visited by children and teenagers. Moreover, cigarette communications are located within 50 cm or less from candy in 60% of stores in Guatemala, and 46% of stores in Argentina. Such location guarantees that the ads and displays will be seen by these under age segments. In addition, in only 5% of stores in Guatemala, and 53% of stores in Buenos Aires, there is a sign indicating that cigarette sales to minors are forbidden. These factors combined work to normalize cigarettes, making them appear like innocent everyday items.

Tobacco communications at point of sale in Guatemala and Buenos Aires are highly visible and build awareness of tobacco brands among store clients. In doing so, they provide cues to smoke, which according to existing literature, lead smokers to smoke more, and induce quitters to lapse (Lavack, 2006; Feighery, 2001; Henriksen, 2004).

In Guatemala, tobacco communications were more pervasive in wealthy neighborhoods: tobacco companies seem to invest more heavily in marketing efforts targeted towards more affluent clients. There was a minor trend in the same direction in Buenos Aires, but the difference was not significant. However, in both cities we found that anti-tobacco regulation enforcement was weaker in low income areas: in low SES neighborhoods there were less signs of “no sales to minors”, stores were more likely to be

at less than 100 mts of a school, and in Argentina, stores in low SES areas were more likely to have illegal outdoor ads. In other words, the present study shows that lower income segments are less protected by anti-tobacco regulations in both countries, as law enforcement tends to fail more frequently in their neighborhoods.

Point of sale communications are a key component of tobacco marketing efforts in Guatemala and Buenos Aires. Not only do firms invest heavily to communicate their products in the great majority of stores, but they do so by relying on elaborate marketing strategies where they selectively communicate different brands according to SES status of store neighborhood. In other words, we find different brands, with differentiated value propositions, and differentiated marketing messages depending on the socio-economic profile of the stores neighborhoods. For example, Kent in Guatemala selectively communicated in store locations and used messages that pursued only high income clients. In Buenos Aires, these differences were even more pronounced. Phillip Morris was found to use the Marlboro brand to target high and medium income groups, the Next brand to go after low income segments, and the Phillip Morris brand to seduce mid income clients. At the same time, BAT was found to rely on Lucky Strike to go after high income clients predominantly, while using Visceroy to cover the remaining two groups, going after mid and low income segments. In this way, both firms search to minimize the overlap between their different brands, improving the efficiency of their marketing investments and discouraging cannibalization within their product portfolio.

In terms of message content, ads found in stores can be divided in two basic categories based on the types of objectives they are designed to achieve: (1) “Awareness” ads, where only brand names and logos are displayed; (2) “Awareness and Attitude” ads, rich in content, using visual imagery and slogans. Ads of the first type build brand recognition and recall, making cigarette brands better known among store visitors, and cuing tobacco purchase and consumption. However, ads of the second category are much more powerful from a communication stand point, as they not only accomplish all the communication objectives associated with the more simple “awareness” ads just described, but they also work to charge brands with meaning, associating cigarettes and cigarette brands with personalities, lifestyles, social outcomes, etc.

In the city of Guatemala, 79% of ads found at point of sale were rich ads, while in Buenos Aires rich ads represented 99% of ads found in stores. Thus, the retail environment in both cities is dominated by tobacco advertising messages of the highest impact and complexity possible.

The next question regarding rich ads is whether message content is primarily promotional or equity. Promotional ads provide incentives to buy, and as such, are designed to be purchase triggers. Equity ads build brands by associating cigarettes with transformational emotions and benefits (ego gratification, social acceptance, and sensory gratification (Ratchford, 1987, Taylor, 1999)), and with attractive and aspirational executional elements (visuals, people, settings, words, etc.). In other words, equity ads charge brands with meaning.

The simplest promotional messages communicate price discounts and sales. Such promotional ads are poor in attitude building, as they contribute very little to charging brands with meaning through the association with authentic emotions and attractive executional elements. More sophisticated promotional ads associate cigarette brands with aspirational prizes that can be won through the purchase of specific cigarette brands. These more elaborate promotions not only provide incentives to buy, but they also build brand equity by associating brands with personalities, lifestyles, etc.

In the city of Guatemala, as we mentioned before, 79% of all ads found at POS were rich ads. From these, 19% had promotional content, but in all cases these were sophisticated promotional messages, associating brands with cool consumer electronics highly regarded by the young, such as i-pods, plasma TVs, and other electronic gadgets. Moreover, the remaining 81% of ads displayed the classical transformational messages and themes described by Lynch & Bonnie (1994). In other words, stores in Guatemala, in neighborhoods of all SES profiles, displayed classic equity building strategies, capable of building awareness and attitude, with a message that relied in the most studied and well documented brand persuasion strategies and tactics for cigarette brands around the world (Lynch & Bonnie, 1994; Brown, 2008; Hafez & Ling, 2005; Donovan, 2002; Rossiter & Percy, 1997).

In Buenos Aires, message content differed in three significant ways when compared with results from Guatemala. First, brands relied more on promotional messages, which represented 51% of all rich ads. Secondly, brands adjusted their message much more, based on SES status of store neighbourhood. Thus, promotional ads in high SES areas pushed high end consumer electronics as prizes, very much like they did in Guatemala city. But in low SES areas, promotional ads in stores pushed price discounts and scooters as prizes, incentives of much higher functional value targeted to potential clients of scarce resources. Finally, equity ads were very different in Buenos Aires versus their equivalents in Guatemala: they tended to be much more abstract and symbolic, and for the most part resisted classification using standard industry categories (Lynch & Bonnie, 1994).

In summary, the present study shows that tobacco firms rely heavily on point of sale advertising and displays to push their products in Buenos Aires and Guatemala. In both Latin American cities tobacco ads are present in most retail outlets, placed in very salient locations, and with product displays at arms length from candy. Tobacco ads in stores are so numerous and big that they take up over 16% of viewing space in front of clients. They are so central to tobacco marketing that firms design elaborate strategies to communicate different brands, and use different messages depending on the SES level of neighborhood where each store is located. Tobacco ad messages found in stores are very rich, able to build brand awareness and brand attitude, through sophisticated persuasion tactics. Moreover, anti tobacco regulations, that forbid outdoor ads and require the presence of signs within stores indicating that cigarettes cannot be sold to minors, are frequently violated, in particular in low SES neighborhoods.

If we pair these findings with the existing literature indicating that these types of communications at point of sale promote underage smoking, and work against current smokers' efforts to scale down consumption or quit, then current results underscore the need for a comprehensive ban on tobacco advertising that includes the point of sale environment. This would require, in the case of Argentina, ratification of the World Health Organization Framework Convention on Tobacco Control (FCTC). And in both countries, the implementation of Article 13 of the FCTC, which calls for a comprehensive ban of all tobacco advertising, promotion and sponsorship.

Acknowledgements: We would like to acknowledge Debora Szeinman and Jose Carlos Monzon for their invaluable help with fieldwork and data processing for the present project.

Funding: This study was funded by grants #104754-001 (Argentina) and #104754-002 (Guatemala) from Research for International Tobacco Control (RITC), IDRC, Canada.

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