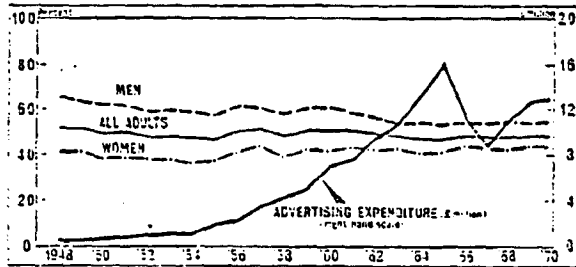


Financial Times 10-2-72

# Do ads. sell cigarettes?

BY PAMELA JUDGE



THE argument that advertising does not increase cigarette-smoking seems to be borne out by this graph. Brand rationing of cigarettes ended early in 1955 but there is no explanation for the dip in 1955. There was a 40 per cent increase in 1961 and the little peak in 1966 coincided with the launch of Player's No. 5. August, 1965, saw the ban on TV. The expenditure rises to 16 in 1970.

If it is assumed that advertising only moves brand shares some equally puzzling results are thrown up by a look at Press advertising and the division of the market. Player's No. 4 with 22 per cent of the market, accounted for 60 per cent of the spending in the year to May 1971. That is, of the 100 largest single brands, the most cent. of the market but only 5.2 per cent. of ad expenditure. Between these two came Benson and Hedges King Size with 2.9 per cent of sales and 6.6 per cent. of spending and Decadent No. 7 (admittedly at launch time) at 1.4 per cent. of the market but 6.6 per cent. of ad. money.

Moving down the scale of spending we get Woodbine at 1.7

per cent. of expenditure and Park Drive Plain 1.5 per cent. but they had the next largest brand shares—5.2 per cent. and 5.1 per cent. respectively—after Embassy Filter, Fort Embassy Royal and Player's No. 10 the market shares were in that order 4.5 per cent. and 4.5 per cent. and spending of 3.5 per cent. and 4.9 per cent. No other brand topped 4 per cent. With the exception of Benson and Hedges King Size all the ads. were essentially price and pack shots.

There are some 250 brands on sale at the moment of which about 120 could be termed "important." Can the whole market really change radically in the next ten years. An official tar and nicotine report will lead to more switching by the public and the annual attrition of sales of 800 Cigs. are anything to go by—they rose by a factor of 3 following the White report. And then there are synthetic cigarettes in development. Since many people enjoy smoking and such developments could be beneficial presumably the new brands would have to be advertised in order to tell the public they had arrived.

301097404