



The attitudes and knowledge of retail sector staff to selling tobacco products

Report for the Cancer Society of New Zealand and ASH New Zealand

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Summary

Background

Restrictions on marketing of tobacco by media methods such as radio, television and billboards have tightened considerably. The tobacco industry has responded by increasing spending on Point of Sale (PoS) promotions and enhancing relationships with retailers. There has been limited international research involving interviewing retailers to assess their views about, and relationships with the tobacco industry, but none from New Zealand.

Aims

The aims were to explore methodological and logistical issues to inform future conduct of research with retailers and to provide preliminary data on the views of retailers about the tobacco industry and possible tobacco control interventions in the retail environment.

Methods

In-depth semi-structured qualitative interviews were conducted with seven purposively selected interviewees from the retail sector. Three interviewees were managers in national retail and distribution organisations and four were current or former owners or managers of local convenience stores and dairies. Interviews were recorded and transcribed. The transcripts and recordings were analysed initially to identify the main themes, and then these themes were used as the basis for a template analysis.

Results

There were some common themes about smoking, tobacco retailing and increasing restrictions on how and where tobacco products are sold in New Zealand.

Tobacco manufacturers were mostly seen as attentive and supportive distributors, and very good marketers. They were able to help retailers maintain high levels of tobacco product visibility, whilst remaining within the law, by using innovative marketing techniques such as enhanced packaging and brick displays.

None of the interviewees were strongly supportive of selling tobacco, but many saw it as either an economic imperative, or were neutral, viewing it as similar to any other product which contributed to profits, provided it was not sold to children. The level of support for the

proposed restrictions on retail tobacco displays varied greatly. There was strong support for not selling to children under 18 and secure storage of tobacco, more mixed views about banning tobacco displays and licensing tobacco retailers, and almost complete opposition to the mandated display of graphic health warnings. There was overwhelming acceptance of the health risks of tobacco and that children should be discouraged from smoking. A strong belief was commonly expressed that any policies on retail displays and sales of tobacco should be equitable across the sector, and should be mirrored by action against other health-damaging products such as alcohol and unhealthy foods.

Conclusion

The study gives a good indication of the range of opinions about tobacco product retail display and demonstrated that it is practicable to carry out in-depth interview-based research with participants from within the retail sector at national and local level.

The interview findings, if replicated more widely in the sector, suggest that support for additional restrictions on the display and sale of tobacco products will depend on how the policy is articulated and justified. Policies which are justified in health terms, and in relation to the protection of children, are likely to get much greater support. In addition, it will be important to develop policy which does not disadvantage some retail outlets, if it is to be seen as fair and equitable across the sector. Support may also be increased by the government taking similar action against other products which have adverse health effects. Requiring graphic warnings in tobacco retail premises is likely to be unpopular with retailers.

‘... you have got rocks in your head if you think that you can hold a line that says “We think that customers should be able to quit, but let’s show them the product anyway” ’

Senior manager in retail chain

Introduction

Restrictions on marketing of tobacco by media methods such as radio, television and billboards have tightened considerably. The tobacco industry has responded by increasing spending on Point of Sale (PoS) promotions and enhancing relationships with retailers¹⁻⁴.

There has been some international research on the relationship between retailers and the tobacco industry. Feighery et al interviewed retailers in the USA,^{5,6} investigating the incentives paid by tobacco companies to retailers and the consequences of the incentives. They found that:

‘tobacco companies exert substantial control over their stores by requiring placement of products in the most visible locations, and of specific amounts and types of advertising in prime locations in the store.’⁵

Similar research in the USA has been conducted by Bloom⁷ and Carter⁸ investigated retail and tobacco industry relationships in Australia. Carter and Chapman have investigated public attitudes to some tobacco retail options.⁹

There have been some anecdotal reports of relationships between New Zealand retailers and the tobacco industry in New Zealand published in the print media, including asserting that the industry pays retailers to display tobacco products in favourable locations.¹⁰⁻¹² However, there has been no systematic research into the relationship between retailers and the tobacco industry in New Zealand.

This section of the report describes key themes from interviews with a selection of New Zealand retailers and senior managers from national retailers or retail distribution chains. The interviewees have had some involvement with tobacco product distribution or retailing. The research was exploratory, being the first attempt to systematically interview New Zealand tobacco retailers in an in-depth manner.

Aims and objectives

The aims were to explore methodological and logistical issues to inform future conduct of research with retailers and to provide preliminary data on the views of retailers about the tobacco industry and possible tobacco control interventions in the retail environment.

Specific objectives were to explore the following topic areas:

1. Tobacco sales as a contributor to overall profits and sales
2. Relationships with tobacco manufacturers and distributors (including incentives, display payments, prizes, rewards, advice and any other support)
3. Beliefs about the purpose and impact of tobacco displays (including health, social and economic effects, with special reference to children).
4. Attitudes towards and comments about a potential ban on tobacco displays.
5. Attitudes towards requiring secure (including theft-proof) storage
6. Attitudes towards introducing retail licensing requirements for tobacco sellers (including limiting the number/location of licenses)
7. Attitudes towards additional requirements for displaying tobacco health warnings

Methods

The selection of potential research participants was made by consultation with researchers and advocates in New Zealand who had an in depth knowledge of the retail tobacco control area.

The aim was to interview eight subjects. The researchers identified 23 potential participants, who had been sampled purposively to include a wide range of people from across the retailing sectors involved with tobacco sales and distribution. They included national and local retailers, with a mix of roles from senior managers in large national retailing organisations, to individual shop proprietors in urban and rural locations. The potential participants approached worked for a range of organisations involved in tobacco retailing: for example, supermarket chains, oil companies, and convenience stores and locally owned dairy owners. People in both major supermarket chains in New Zealand, and all four major oil companies were approached. An ex-dairy owner who had refused to sell tobacco products was also identified as a potential participant. The current owner was also approached as he had recently contacted a tobacco manufacturer about starting to sell tobacco again.

The researchers attempted to contact each potential participant by phone (most common), letter/email and/or occasionally by face to face contact. For many participants, repeated contact efforts were made. There were a number of difficulties in contacting potential participants, and in total eighty-eight contact attempts or contacts were made to secure seven interviews.

The interviews were assured anonymity. The intention was to find the range of knowledge, attitudes and behaviours, rather than ascribe these to particular people or organisations. Information sheets on the project were sent to interviewees, and consent forms for the interviews were signed by all interviewees. The research proposal was approved through the University of Otago ethical review process.

The research team developed an interview schedule. Two researchers from Whakauae Research Services (Heather Gifford [HG] and Gill Pirikahu [GP]) conducted in-depth semi-structured interviews on the phone. Each interview took an average of 20-30 minutes, and they were carried out between 18 July 2007 and 31 August 2007. The interviewers used the interview schedule, which listed the main themes to be addressed to structure the interview. Initial questions were followed up flexibly with probe questions as the interviewer considered appropriate. Each interview was recorded and transcribed verbatim.

The transcripts and recordings were analysed independently by HG and GP to identify the main themes within each of the main topics covered within the interview schedule. The data was then independently analysed by Richard Edwards [RE] using a template analysis approach based on themes identified by HG and GP, and additional in-depth readings of the transcripts. Quotations from the transcripts are used to illustrate themes identified from the raw data. The final report was prepared by RE drawing on his and HG/GP's analysis.

Results

Participants

Of 23 potential interviewees, seven agreed to take part. Twelve declined, two could not be contacted and two could not be scheduled within the interview period. There were a number of reasons for potential interviewees not wanting to participate in the research. One potential participant, a prominent supermarket franchise, advised it was company policy not to talk to researchers. We requested a copy of the policy but were declined. A global petrol retailing group advised they would not participate “*due to the competitive nature of their business*”. Other organisations stated they were too busy to participate.

The seven (two female, five male) participants interviewed included three managers from national retailing organisations – two from a large supermarket chain and grocery distribution group, and one from a national oil company and petrol service station chain. The other four were current or recent proprietors of small local grocery stores – dairies or convenience stores (Table 1). One of the participants was the ex-owner of a dairy which took a decision not to sell tobacco products. Most of the participants had been in the retail industry between five to ten years, and two had over fifteen years retail experience. Two of the managers had particular experience in the tobacco sector. One respondent had previously worked for British American Tobacco (BAT). One respondent was an official within a New Zealand organisation representing New Zealand retailers.

Table 1. Description of participants

Participant description	Code
Senior manager in national petrol retailing operation	01
Senior manager in national food distribution and retailing chain	02
Senior manager in national food distribution and retailing chain	03
Longstanding proprietor of mini-mart	04
New proprietor of dairy	05
Ex-dairy proprietor of dairy that did not sell tobacco products	06
Proprietor of convenience store (1 year, plus previous retail experience)	07

One interviewee [03] noted that his views were personal, and did not necessarily represent the views of the organisation, and another said at one stage in his interview that he was speaking largely on behalf of his employing organisation [01].

Dealing with Tobacco Manufacturers and distributors

The retailers and managers interviewed identified five Tobacco Manufacturers (TM's) currently trading in New Zealand. They are British American Tobacco (BAT), Imperial, Phillip Morris, Stuart Alexander and Swedish Match. All interviewees agreed that BAT was the largest and most influential TM they dealt with. BAT was seen as the major player, with one senior manager noting it had about 80% of the NZ market, compared to 15% for Imperial Tobacco, and 2% for Philip Morris. BAT was also described as being the most aggressive:

“Probably the strongest aggressive one is ... BAT because they are bigger and they have got more units out there and they are very protective of their market share.” [03]

Two of the interviewees noted that there has been an important recent change, with BAT moving towards direct supply of products to individual convenience stores and dairies, rather than working through Foodstuffs/Toops who acted as wholesale suppliers to Foodstuffs members.

All the senior managers within national retailing organisations reported regular contacts with the TMs, particularly with BAT. For example, one manager stated he met formally each quarter with the TMs, but by phone had contact on a weekly basis. Store proprietors also reported regular contacts (e.g. about quarterly), though the new dairy owner [05] had not yet had contact, and a TM representative had failed to turn up for a first appointment. One of the senior managers noted that the regularity of contact with stores varied with store size, location, turnover etc [03].

Interviewees were mostly very positive about their relationships with, and the professionalism of, the TM representatives. Interviewees noted that TM's believed in their product and were good at marketing, providing support and information.

“...they are definitely keen to promote their product, and they do a good job at marketing and merchandising and making sure everything looks good and presentable.” [07]

“They are pretty good actually. They have our best interest in mind as retailers. I mean, they want us to obviously sell a lot of products, and the thing is that the product does actually make quite a bit of money [for us].” [07]

“As far as total category advice, they are very efficient on what's selling, what's performing well and what's not, certainly as good as any, yeah some of the best.” [01]

“They are passionate about their product” [02]

One interviewee reported that TM's were very good at working within the relevant legislation, and providing advice about its interpretation:

“So if ever there is a submission going to select committee, or something to do with the Ministry of Health they will give us counsel on that. I mean, the ultimate decision still sits with us and that's very clear. But if we want interpretation, they will assist us with that...” [01]

Marketing tactics used by the tobacco industry

The senior managers all agreed that the TMs employed various tactics to maximise the presence and visibility of their products in shops. The interviewee from the petrol retailing sector [01] noted that there were ‘*marketing support programmes*’ for tobacco products, the details of which were confidential. He acknowledged the TMs provided support for planogramming¹ systems, provided ‘*packaging enhancement*’ (e.g. tins for storing loose tobacco products), and also that they paid for display space in petrol stations “*in a roundabout way*”. One of the other senior managers thought the TM had national level deals on tobacco product displays in this sector:

“ ... they do with service stations, oil sites... they deal with head company ... not necessarily the person at store level That's how they get their products out there in

¹ A Planogram is a diagram of fixtures and products that illustrate how and where retail products should be displayed, usually on a store shelf, in order to increase customer purchases. It is also used to ensure uniformity of displays where there are several displays in or across stores. They are often produced by goods manufacturers to inform retailers (adapted from Wikipedia).

the faces of people, especially new ones. They pay to have it planogrammed into certain oil sites” [03]

One of the senior managers from the supermarket chain/distribution company thought there was less that the TMs could do for them, as tobacco products are not a major source of turnover or profit for supermarkets, though he noted that the TMs try to increase the display area or prominence of their products, and liked if possible to own the fixtures.

“They try to get a percentage or they try to increase their share of what products we do have displayed, where we have products displayed at the back of a kiosk or something, and they sometimes try and own fixtures as an inducement to say well we will take the cost away from you having that fixture... and in return can you stock our products like this.”[02]

“Tobacco companies like to own the fixture because it gives them a level of control.... if it is a BAT fixture then they can say to the retailer or the dairy owner ‘Don’t put those Imperial products in there!’ ” [02]

The other senior manager from this sector thought there were no national levels deals in their sector, though deals might occur with individual stores. [03] However, he stated that the TMs used all sorts of methods to try and get around the current point of sale regulations, including bringing out multiple similar brands (to get around the restriction to two facings per brand), introducing twin packs which they can categorise as cartons (to increase the number of facings that can be displayed), and giving away attractive tins for storing rolling tobacco (possibly in anticipation of the graphic health warnings to be introduced next year).

“I have seen the way different companies have dealt with the restrictions of two facings... per packet All they do is bring out more variants of that particular brand to get more facings. So instead of having a filter, mild and menthol, they will bring out super mild, super super mild, lights, light milds. Everything that they can think of to make a difference to get an extra facing ... I think if you ever go in and look at Dunhill you will be amazed at how many different Dunhill’s there are ... I think that its ... putting more advertising in... using the current law, they have just found a way around it.”[03]

“...those [tins for roll your own tobacco] will be very sought after when you think about it because when you are forced to put those pictures [graphic warnings] on everything, what will people do?”[03]

“It’s very clever, they will use all the sneaky tricks in the world. And it’s all legal of course.” [03]

The two proprietors who had had dealings with the TMs both reported that they had been given incentives to sell tobacco. Both reported that they were paid to display tobacco products. One had received a DVD player at Christmas, and the other tickets to Super 14 rugby matches.

“....the tobacco companies they pay for space ... the three companies they are all competitive.” [04]

Contribution of tobacco products to profits and sales

One interviewee explained the two types of retailing evident in New Zealand:

“There is supermarket retail, which is large volume, and then there is convenience retail, which is your Four Square and your Star Marts, your service stations and your dairies and that sort of stuff. The very large majority of cigarettes are actually sold through the convenience channel.” [02]

The senior managers gave a range of estimates of the contribution of tobacco products to total sales by sector. One manager [01], estimated that 35-37% of the value of all sales in convenience stores in NZ came from tobacco products, and other senior managers thought 30-40% typically [02] or up to 60% [03] of sales in dairies came from tobacco. Both the senior managers from the supermarket sector agreed the proportion of sales value from tobacco in supermarkets was much lower – perhaps about 8% of sales or less [03]. The two individual convenience store owners reported tobacco making up about 12% [04] and 15-20% [07] of sales.

Most interviewees also noted that margins on tobacco products were relatively low, so the contribution to profits would be less than these percentages, though it remained an important product.

“So that would be a key part of business, obviously profitability brings it back a bit because it’s a relatively low margin category compared to other categories in store.”
[01]

“It’s [profits per transaction] are not that great because you can’t promote, the prices are pretty static, there are no cross purchasing advantages ... we make more money selling a bag of apples than we do selling a packet of fags. So the margins are in the single digits for tobacco. But they are a big value seller in their own right.” [02]

One proprietor thought that tobacco sales were important when added to other purchases to increase the value and profit of that transaction [07], whilst another proprietor argued that people who came in to buy tobacco would often then buy something else also – so tobacco products enhanced turnover from other products [05]. The new owner of the dairy that had previously not sold tobacco, gave economic reasons for restarting to sell tobacco, believing it would increase his profitability. The previous proprietor, who had refused to sell tobacco, thought it had mixed effects on sales – citing evidence of a few customers who put products back after finding out the store didn’t sell tobacco, and others who said they deliberately came to shop in the store after hearing that it didn’t sell tobacco.

One senior manager saw tobacco as a ‘sunset’ category which was in decline:

“They will diminish to the point of very limited or no sales at some point in the next decade.” [02]

Views about tobacco displays in the retail sector

1. General views about the importance of tobacco displays to the tobacco industry

Views about the importance of tobacco product displays to promoting tobacco sales were quite mixed. Some saw displays as very important:

“Well it’s like the basics of marketing of any product. If you can’t see them then it makes it pretty hard to sell ... one of the basic keys is presentation ... you want to make things visually compelling and able to be seen. You walk into any retail environment, people generally don’t like to have to ask for something they want to be able to see it unless it’s available. So it ... hugely important.” [01]

“I think quite a bit ... if you have got something on display and people see it then they will buy it. If you have got it hidden away somewhere people won't see and people just won't buy it because they don't know that you have got them. Whether it be tobacco or any other product.” [05]

Others were less convinced, particularly for established smokers:

“I don't think that it's that important because it is something that if you have been a smoker that you will always tend to buy it.” [04]

“I don't really think that that (tobacco displays) has too much to do with it to be honest. I think if the smoker wants cigarettes then they are going to ask for them.” [07]

And others thought that tobacco displays were only important for only certain aspects of tobacco promotion to specific groups such as introducing tobacco to children [03, 06], or young and poorer smokers:

“I would say for the old smokers, then probably not as much as the new impressionable people. They like to see the product, they probably need to... see the price. That has a big bearing...” [03]

Another senior manager noted the importance of tobacco displays for introducing and promoting new brands:

“So yes I would say that yes visibility does have a big say in it. How else can a cigarette company introduce another brand? How can they get ... their brand in front of people? That would make a big difference to them if it was not visible.” [03]

2. Impact of displays or display bans on smoking uptake by children

Three interviewees had specific thoughts on this topic. Two interviewees thought that tobacco product displays were important influences on uptake, whilst another did not.

A senior manager thought the impact was self-evident, and that a ban would reduce smoking uptake:

“If you don't see it then you probably don't think about it the same. [A ban would] be bad for cigarette companies ...[but] good for the people that are young and

impressionable, that are thinking of smoking. If they don't see it then they probably won't think about it the same." [03]

The dairy proprietor who had refused to sell cigarettes, thought the impact on children was crucial:

"The only point of displaying anything is to introduce people to it ... it just encourages the young kids." [06]

However, a proprietor thought cigarette uptake was heavily influenced by socio-economic circumstances, parents and perceptions that smoking is cool, so a ban on displays would have little impact.

3. Impact of tobacco displays on impulse buying of tobacco

Again views on this topic were mixed. One senior manager [01] thought that displays were important in prompting impulse purchases, and having products under the counter would reduce sales. He suggested that the absence of the display of any product might mean that customers did not purchase it in that store:

"If you couldn't see the drinks in our fridge and you couldn't see the chocolate bars. People would think "you obviously don't sell those products" and I can't be bothered asking for it, I'll walk away." [1]

However, others thought that tobacco was simply not an impulse purchase [04], or that displays or display bans would have little effect on purchasing [07]:

"I don't really think that that has too much to do with it to be honest. I think if the smoker wants cigarettes then they are going to ask for them. If they can't see what they want then they will ask. They usually know what brand they want and they usually know what to ask for." [07]

Though the same proprietor recognised that displays could act as a reminder to prompt a purchase:

"Well I think that it would serve as a reminder, because they have obviously gone around to get all their groceries and they are just on their way out the door and they

are going to see it there and it might just trigger some sort of reminder in their brain.”
[07]

One of the senior managers also argued that although there was “*an element of impulse*”, tobacco is an addictive substance, and even if not on display, people will still want to get their fix and so may go to another convenience outlet [02].

4. Impact of tobacco displays on quitting smoking and relapse among ex-smokers

One senior manager thought tobacco displays would have no influence at all on quitting behaviour and relapse [01] whilst the others [02, 03] thought tobacco displays would probably be important:

“I think that it (displaying tobacco product) does (impact on quitting and relapse)... I think that you have got rocks in your head if you think that you can hold a line that says ‘We think that customers should be able to quit, but let’s show them the product anyway’ it just doesn’t make sense.’ ” [02]

Three proprietors [05, 06, 07] thought motivation and will-power were the most important influences on quitting, whilst acknowledging that tobacco product displays might at least act as a reminder about tobacco.

“I think people who are quitting or re-starting again because they want to, rather than (because) they are displayed there. And if they have strong enough will power then they will leave them alone, regardless of whether they see them.” [05]

“Well I think it’s a constant reminder that it’s there. But in saying that, ... that can be a cop out. You know, you are responsible for your own actions, and I do believe that (gives story of how her own quitting was down to her determination to succeed).” [06]

Views about proposals to tighten current legislation on tobacco sales and marketing in the retail sector

1. Banning tobacco product displays

The interviewees expressed very different views. One senior manager [01] was strongly opposed, one proprietor was opposed [05], and two proprietors were ambivalent, but overall thought current arrangements were probably fine [04, 07].

“Well I think that they are fine the way that they are. We are not pushing the product. We haven’t got the cigarettes where people can see it from the outside” [04]

“...the way that it has been for generations and years and it works quite well...” [05]

“I don’t really have a strong opinion about it....I am not a smoker and I don’t particularly agree with smoking but I don’t really have a strong opinion about the way that it is displayed... I think that the way that it is displayed now is fine.” [07]

One of these proprietors stated they would be in favour if a ban reduced smoking uptake by children, or helped smokers to quit [07].

“I think that if adults have already got into the habit ... then its quite ingrained into them already. Where as with children it is a lot easier to change their mindset. So by having it not as visible then it probably would be less tempting.” [07]

These proprietors stated that they would go along with it if a ban was introduced.

“If tomorrow they turned around and say ‘Ok, cover up all your cigarettes’, it wouldn’t worry us.” [04]

Reasons given for opposing a display ban included: (i) That retail staff would have to search for the brand (under the counter as opposed to in an open display) meaning staff may lose eye contact and have to turn their back on customers – which was bad for service and security [01]; (ii) Slowing down sales and causing inconvenience [07]; and (iii) that there are much more important issues for retailers to worry about, such as crime [04].

Of the other three interviewees, the other two senior managers and the remaining proprietor were either unconcerned by the prospect of a ban [03], or in favour [02, 06].

Personally it wouldn't matter to me two hoots, from a sales side of it, (though) I do believe that sales would eventually go down. [03]

"We'd support it." [02]

The proprietor who agreed with a ban, did so mainly for aesthetic reasons.

"I don't think they should be on display, but only because it doesn't make the shops look good to start with." [06]

Finally, one proprietor commented that they would be more in favour of a ban on displays, if tobacco was put into a closed container which was clearly visible and associated with storage of tobacco products (prominent round storage containers in some supermarkets in which individual tobacco products were not visible were cited as an example):

"I don't mind doing something like that. Because people know, as soon as they see the container they say, 'oh that's got tobacco or cigarettes'..." [05]

2. Display of graphic warnings wherever tobacco sold

Participants were asked if they supported a law which stipulated that whenever tobacco products were sold, shops must display a large graphic warning like the ones to be introduced on cigarette packs in New Zealand next year. Interviewees mostly considered this the least favourable option, and most were strongly opposed. Some of the reasons given were (i) it exposed non-smokers, including children to unpleasant images, and was therefore unethical; (ii) it was unlikely to be effective (most smokers would ignore the pictures); and (iii) it is not retailers' job to send out health messages. Examples of the thoughts of the participants on this option included:

"Oh I don't want to see them. As a non-smoker I do not want to see that. When they had it on TV the other day, I made my husband switch it off. I said 'I am not looking at that, why should I be subjected to that?' ...No that's a no, no. I think that's gross. You are putting that out there ... for kids to look at ..." [06]

"... the people that are smoking, they don't give a shit about that image. I have to tell you that, they don't care. They don't give a shit about the warning on the packet. I never read it, I've never looked at the packet, I flicked the lid open grabbed me fag and chucked it out. But that packet of cigarettes is lying around on my kitchen table or

around the house. My kids can look at that. Don't they. They are the only ones that are going to look at it." [06]

"Well if you are a smoker then you are going to buy them. And I don't think that any graphics are going to make a huge difference." [04]

One senior manager was neutral about such warnings, but doubted they would work [02]. Another senior manager, whilst not in favour, commented that, if used, such images should be limited to a section where tobacco was sold, so that smokers were the main ones affected [03].

3. Secure Storage

All interviewees agreed tobacco should be stored in a secure area, particularly over night; though one senior manager noted that having cigarettes locked away during the day would be inconvenient and slow sales [01].

Some commented that tobacco is a high value commodity and often targeted by criminals. Indeed, the main reason that the non-tobacco dairy owner gave for stopping the sale of cigarettes when she took over the dairy was to prevent break-ins, and reduce insurance costs:

"What prompted it right from the word go is that... I live about three doors [away from the dairy]... So every time someone was trying to break into that dairy, it used to be me that got woken up. Now the only thing you break into a dairy for is cigarettes. Because there is nothing else in there. So straight off ... I said to my husband, 'I am not selling bloody cigarettes' ". [06]

"It (selling cigarettes) was encouraging a whole lot of riff raff hanging around. They use to sit around outside that dairy and smoke... it upped the price of the insurance and everything.... I would have to insure it for everything because of the break in and the smashed windows and all that sort of stuff and the financial outlay just to get it in there... and ...I didn't smoke so why should I bother selling them?" [06]

4. Licensing

Six of the participants gave an opinion about licensing of shops that could sell tobacco and limiting the numbers. Four were broadly in favour and two opposed. The two senior managers both noted that a licensing system might affect small independent retailers more, with one of them seeing this as a positive aspect, as he was convinced their own stores would easily meet

any conditions. However, he was suspicious that licensing might result in increased costs for businesses.

“xxx (large petrol retailer) certainly wouldn’t have any problems in meeting those conditions ... I am pretty sure that there are some independent retailers out there who don’t comply to the law as well as xxx does. And if it stops those guys breaking the law then I will be all for it, There is underage tobacco retailing out there.” [01]

Other reasons for agreeing with licensing were that it would make cigarettes less widely available [03], it would help tackle underage smoking [06], and it was logical given that a license was needed to sell alcohol [07].

One senior manager opposed licensing, based on experience from Australia where he claimed it resulted in specialist tobacconists dominating the market and competing on price, resulting in less available but cheaper cigarettes [02]. A convenience store proprietor opposed licensing as he suspected that it would disadvantage small independent stores, and leave the market to the big supermarkets [04].

5. Age Limits

All interviewees believed that children under 18 should not smoke and supported a ban on smoking and selling to children under this age. One interviewee stated that a person needs to be able to make an informed adult decision regarding smoking, and that’s why you draw the line at children.

6. General themes about proposals to tighten current legislation on tobacco availability and display

Several interviewees, particularly those from the dairies and convenience stores, articulated a belief that proposals had to be equitable across the sector (although as described above, one senior manager supported a proposal because it might result in a competitive advantage for his sector), and they would oppose measures if they resulted in small independent retailers being disadvantaged. Whilst not always supporting proposed measures, there was at least less vehement opposition if the measures applied across the board, and ensured a level playing field.

For example, a senior manager discussing the prospect of a total ban on tobacco sales in the future:

“So competitively there is no impact. I mean, we would certainly not support something which said “one channel was an advantaged over another” because that just doesn’t make sense.” [02]

There was also generally, more support for measures when they were framed as reducing children’s smoking. One participant stated that he would be happy to support stronger measures against tobacco retailing if similar measures were taken against other products which were health hazards, such as alcohol, unhealthy food and party pills [04].

Smoking behaviour and attitudes to tobacco retailing and smoking

1. Smoking behaviour

Four participants were lifelong non-smokers [02, 03, 04, 07], one was an ex-smoker who stopped 14 years before [06], one was a current smoker [05] and one wouldn’t say [01].

2. Attitudes to children smoking

All expressed strong agreement that children shouldn’t smoke.

3. Attitudes to the addictiveness of smoking

Participants were asked if they believed smoking was a choice or habit or an addiction. Four respondents definitely viewed it as a choice, not an addiction [01, 04, 06, 07]. This view was often justified with evidence that smokers could stop smoking:

“For every story you hear of someone that can’t get off tobacco, there is someone that has done it. It’s a matter of personal motivation; everyone is free to choose to give smoking up.” [01]

“It becomes a habit... an addiction? No it can’t be an addiction because people can give up cold turkey. Its mind over matter. So no, it has to be habit.” [06]

The others were more ambivalent, one stating it was definitely an addiction [02], and others with a more complex view of smoking being a choice to start with, followed by addiction in established, heavy smokers [03, 05].

“It’s a silly product that defies economic law, because it doesn’t matter what the price is, people still buy it.” [02]

“Well for those who are already smoking, the nicotine addiction is definitely there ... but people have a choice of whether they want to smoke or not. ... whether they want to start or... whether they want to give up.Like if somebody wants to give up, (it) depends on how many they smoke per day. For some people, they go through a pack, two packs a day. And it’s a real addiction and it’s very hard to get off.” [05]

4. Attitudes to tobacco retailing

Attitudes to tobacco retailing were quite varied. Of the senior managers, one simply viewed it like any other product, provided it wasn’t sold to children.

“Tobacco is just another category. We don’t view tobacco in any special way. We have a number of categories that have certain restrictions on them. I mean liquor is an obvious one... Tobacco is just another category with certain legislated things we have got meet in terms of where we locate it in store.” [01]

“What I think from a retail point of view though it’s a fully legal product ... why should there be any limitations on the display of tobacco products, as long as they are not sold to below 18 year olds.” [01]

Another senior manager admitted he was generally anti-smoking, but when pressed about his feelings about his job which involves tobacco distribution and sales, took a detached view:

“It doesn’t affect me because I know that somebody has got to do it...” [03]

However, the other senior manager saw tobacco products as a declining category. He thought that it was in his organisation’s interest, and that there was a moral and ethical duty, not to promote tobacco sales.

“We see tobacco as a sunset category and we definitely see some point in the future where it will be very difficult to buy tobacco.” [02]

“My personal view is the sooner that we can stop selling tobacco then the better, ... our company has been around for [many] years, and values are pretty important to us, and there is an element which says that we are actually doing a disservice to our consumers by advocating tobacco in the fact that we are selling it.” [02]

“We do not view it in our interests... we are obviously in business to be profitable, but we don’t see it in our interests to promote or advocate in anyway cigarettes.” [02]

Of the proprietors, two largely saw tobacco retailing in economic terms, thus the dairy owner who stopped selling tobacco [06] did so largely due to security issues and crime related costs (see above), whilst the new owner who restarted selling tobacco stated he did so mainly because:

“... the people who want cigarettes they ... are disappearing down to the other dairy. So for economic reasons and so we can pay mortgages ... we need those customers coming in here and buying our smokes and milk and bread and what ever.” [05]

Another convenience store proprietor expressed a strong dislike for smoking, but seemed resigned to selling unhealthy products, of which tobacco was no different:

“Ok well my opinion about smoking is that I think that it is yucky and disgusting and I don’t agree with it. In terms of selling it, I suppose its not a healthy thing to sell, but there are unhealthy things that we sell already, lollies and chocolate and that sort of stuff ... so it’s really just the same.” [07]

The other convenience store owner was also ambivalent, but apparently fatalistic, about the need to sell tobacco

“[someone could say to me], you are saying all this, but then on the other hand you are selling all these cigarettes. But hey,... that’s the way that it is unfortunately. ... we are not putting up big cigarettes signs and saying that “we are putting a special on Pall Mall filter this week”; we are not encouraging cigarette smoking.” [04]

However, this participant had decided not to sell party pills years ago, because he felt it was wrong to do so. This suggested that he made value judgements about what he would and wouldn’t sell, but justified selling tobacco but not party pills on the basis that party pills are more immediately dangerous to children.

4. Government responsibility

During the interviews a number of interviewees commented on their perspective of the government’s role. A common theme was comments of government hypocrisy as they made a great deal of money out of the tobacco industry.

“... my father said in the war day they were giving them out free. You know to get them through the trenches to settle their nerves. And they get all these soldiers hooked on tobacco, and now turning around and condemning everyone for it. But the government makes more money out of tobacco... What's going to happen if New Zealand stops selling cigarettes? Where is the government going to get that money from? Our taxes!” [06]

Another interviewee said that as a non-smoker, part of him agrees with government’s attempts in reducing tobacco supply, however as a business owner it is an essential part of his business. He believes the government is ‘two-timing’ because:

“Look at the funding they’re getting out of smokers!” [04]

Conclusions

The interviews revealed a broad spectrum of views. There are clearly some limitations of the research, due to the small sample size, but the findings give a good indication of the range of opinions and reasons for those opinions relevant to the development of policies about tobacco product retail display and sale. The study demonstrated that it is practicable to carry out in-depth interview-based research with participants from within the retail sector at national and local level.

There were some common themes about smoking, tobacco retailing and increasing restrictions on how and where tobacco products are sold in New Zealand.

Tobacco manufacturers were mostly seen as attentive and supportive distributors, and very good marketers. They were able to help retailers maintain high levels of tobacco product visibility, whilst remaining within the law, by using innovative marketing techniques such as enhanced packaging and brick displays.

None of the interviewees were strongly supportive of selling tobacco, but many saw it as either an economic imperative, or were neutral, viewing it as similar to any other product which contributed to profits, provided it was not sold to children. The level of support for the proposed restrictions on retail tobacco displays varied greatly. There was strong support for not selling to children under 18 and secure storage of tobacco, more mixed views about

banning tobacco displays and licensing tobacco retailers, and almost complete opposition to the mandated display of graphic health warnings.

There was overwhelming acceptance of the health risks of tobacco and that children should be discouraged from smoking. A strong belief was commonly expressed that any policies on retail displays and sales of tobacco should be equitable across the sector, and should be mirrored by action against other health-damaging products such as alcohol and unhealthy foods.

The interview findings, if replicated more widely in the sector, suggest that support for additional restrictions on the display and sale of tobacco products will depend on how the policy is articulated and justified. Policies which are justified in health terms, and in relation to the protection of children, are likely to get much greater support. Justifying the policy as a measure to help smokers cut-down, quit or prevent relapse seems less likely to be effective. In addition, it will be important to develop policy which does not disadvantage some retail outlets, if it is to be seen as fair and equitable across the sector. Support may also be increased by the government taking similar action against other products which have adverse health effects. Requiring graphic warnings in tobacco retail premises is likely to be unpopular with retailers.

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