



# Tobacco Discounts: An Unwelcome Price Slash

Raising the price of tobacco products is one of the most effective strategies to prevent tobacco use and promote quit attempts.<sup>[1]</sup> To minimize the impact of increased tobacco prices on tobacco use, tobacco companies use aggressive discounts such as coupons and loyalty programs to keep products affordable and market to new customers.<sup>[2] [3]</sup>

In 2017, combined spending for all tobacco price discounts totaled \$7 billion- accounting for 85% of industry spending<sup>[4]</sup>.

## The Tobacco Discount Backlash

Tobacco discounts target people with low incomes, youth, and those trying to quit.<sup>[5]</sup>

### Tobacco discounts influence youth smoking behavior

Non-smoking youth who receive tobacco product discounts are **two times** more likely to begin and continue using tobacco products.<sup>[5,6]</sup>

Nationwide in 2017, **nearly 2 million youth** 12 to 17 years old received a tobacco product discount.<sup>[6] [9]</sup>

Living with a smoker increases the chance youth receive and **redeem** tobacco discounts.<sup>[3]</sup>



## Tobacco discounts affect everyone, and target people with low incomes

1 in 8 adults who smoke in the United States (U.S.) have received a tobacco coupon.<sup>[6] [7]</sup>

No matter their age or smoking status, women with less education and income are more likely than their male counterparts to receive tobacco discounts, suggesting these strategies may encourage experimentation and smoking among females.<sup>[6] [7]</sup>

In California low-income rural neighborhoods, **67% of stores** advertise cigarette discounts and 21% advertise vaping discounts.<sup>[8]</sup>

## Tobacco discounts make quitting harder

People who recently quit using cigarettes are **two times** more likely to receive coupons in the mail.<sup>[10]</sup>

One of the most cited reasons people quit smoking is the high price of cigarettes, but smokers who receive tobacco coupons are **more likely to continue smoking**.<sup>[6]</sup>

Smokers who receive tobacco discounts have a **lower** desire to quit smoking.<sup>[6,11]</sup>





# Policy Considerations and Benefits for Communities



Communities can address tobacco discounts by banning all forms of discount **redemption**.

- 1. Redemption banned through a local Tobacco Retail License (TRL):** Local jurisdictions can prohibit tobacco product coupon within TRL language.<sup>[12]</sup> The TRL can specify the types of discounts and special offers that retailers cannot redeem. The advantage to including a redemption restrictions in a TRL is that it leverages existing enforcement and fine provisions.<sup>[12]</sup>
- 2. Redemption banned with minimum price policy:** A minimum price policy combined with a local TRL can prohibit redemption of tobacco product discounts and provide guidelines to uphold tobacco product taxes.<sup>[13]</sup>

Keep in mind: Specific policy language should clearly ban redemption of all kinds of tobacco discounts.

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