Tobacco company agreements with tobacco retailers for price discounts and prime placement of products and advertising: a scoping review

Alexandria E Reimold, Joseph G L Lee, Kurt M Ribisl

ABSTRACT
Objective The objectives of this scoping review are to examine existing research on the often-secretive contracts between tobacco manufacturers and retailers, to identify contract requirements and incentives, and to assess the impact of contracts on the sales and marketing of tobacco products in the retail setting.

Data sources The systematic search was conducted in PubMed/MEDLINE, Web of Science, Scopus, ProQuest Political Science Database, Business Source Premier, ProQuest Agricultural & Environmental Science Collection, and Global Health through December 2020.

Study selection We included studies that collected and analysed empirical data related to tobacco contracts, tobacco manufacturers, and tobacco retailers. Two reviewers independently screened all 2786 studies, excluding 2694 titles and abstracts and 65 full texts resulting in 27 (0.97%) included studies.

Data extraction Study characteristics, contract prevalence, contract requirements and incentives, and the influence of contracts on the retail environment were extracted from each study.

Data synthesis We created an evidence table and conducted a narrative review of included studies.

Conclusions Contracts are prevalent around the world and handsomely incentivise tobacco retailers in exchange for substantial manufacturer control of tobacco product availability, placement, pricing and promotion in the retail setting. Contracts allow tobacco companies to promote their products and undermine tobacco control efforts in the retail setting through discounted prices, promotions and highly visible placement of marketing materials and products. Policy recommendations include banning tobacco manufacturer contracts and retailer incentives along with more transparent reporting of contract incentives given to retailers.

INTRODUCTION
To assist in reducing the burden of tobacco use, the WHO Framework Convention on Tobacco Control (FCTC) Article 13 provides guidance for countries to reduce tobacco advertising, promotion, and sponsorship. Recommendations include comprehensive bans on tobacco company incentive programmes that require prime placement, promotion, discounting, or targeting of tobacco products in retailers. Unfortunately, few countries have banned retailer incentive programmes and many countries continue to engage with the tobacco industry. In 2019, British American Tobacco, which serves over 180 markets globally, strengthened relationships with retailers and distributors with loyalty and incentive programmes. Japan Tobacco International increased their retail presence in key markets and the major tobacco manufacturers in the USA spent US$7.6 billion on marketing, with most of this spending ($5.7 billion) allocated to price discounts. Often, underlying the promotion of tobacco products are secretive contractual agreements, ‘contracts’ hereafter, between international tobacco manufacturers and tobacco retailers. Contracts are legally binding agreements that are frequently part of marketing programmes, such as the Retail Leaders Program from Philip Morris, the Retail Partners Marketing Plan Contract (RPMPC) from RJ Reynolds, and the Retail Partnership Plan from ITG Brands. These contracts ensure that tobacco products are heavily marketed in the retail setting through the four ‘P’s’ of commercial product marketing: placement, promotion, price, and product. A list of tobacco contract terminology and specific definitions for the four ‘P’s’ can be found in table 1. Through retailer incentives specified by these contracts, manufacturers have been able to promote newly developed, low-cost brands and implement discounts and coupons at retailers to blunt the impact of price increases related to excise taxes. Discount and promotion requirements in these contracts have the power to increase the amount of retail marketing and price discounts, which have been linked to impulse tobacco purchases, youth exposure to tobacco marketing, and greater tobacco use. These contracts between manufacturers and retailers are pervasive and long-standing; a 1991 study in New York, USA, found that two-thirds of retailers participated in some form of contract, and a 2018 study conducted in Scotland found that all but one of 23 retailers participated. Though common, contracts are often invisible to policymakers and advocates, and regulation is rare. Nevertheless, one of the few such examples is the restriction on incentives from tobacco manufacturers to retailers legislated in Quebec, Canada, in 2015. This restriction, as part of the Tobacco Control Act, prevents manufacturers from providing price-related incentives (eg, buydowns) to retailers. Conceptually, contracts are linked to consumer behaviours through modifications to the retail environment and retailer behaviour. Prior work shows that contracts often include provisions for slotting fees, buydowns, and trade promotions. While contracts have important implications for health and policy, research on contacts is relatively sparse, scattered across disciplines, and has not been the subject of a systematic review to date. We...
conducted a scoping review\textsuperscript{18} to explore the state of the existing research and to understand the provisions between manufacturers and retailers. The objectives of this review are to identify the components of contracts, the extent to which contracts are used, and how they impact the tobacco retail environment. We sought to answer three research questions:

1. To what extent does the literature report on the per cent of retailers that have a contract with tobacco companies?
2. What are the pricing, marketing, and merchandising practices that tobacco companies require of tobacco retailers?
3. What is the impact of contracts on tobacco retail outlets in terms of pricing, marketing, and sales?

In addition to answering these questions, we also present contract excerpts and a conceptual model to illustrate the detailed requirements placed on tobacco retailers.

**METHODS**

This review follows an established scoping review framework\textsuperscript{19} and adheres to the Preferred Reporting Items for Systematic Reviews and Meta-Analyses extension for Scoping Reviews (PRISMA-ScR).\textsuperscript{20} PRISMA-ScR guidelines do not require a risk of bias assessment.\textsuperscript{20} Because the main purpose of this scoping review was to identify the breadth of existing literature, rather than draw conclusions from it, we did not assess the quality or risk of bias of the included studies with a tool or checklist. The scoping review protocol is registered at Open Science Framework (https://doi.org/10.17605/OSF.IO/RWJ3Q).

### Table 1 Definitions and terminology-related tobacco company contracts with retailers

<table>
<thead>
<tr>
<th>Term</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Buydown</td>
<td>Promotional or time-limited product price reductions (eg, $1.00 off a pack of Marlboro cigarettes). With a buydown, the retailer lowers the price of the product by a set amount negotiated with the manufacturer and tracks the number of discounts given, the manufacturer then reimburses the retailer at the end of a set period. Stores without a contract or agreement with manufacturers are unable to provide discounted tobacco products to their consumers.</td>
</tr>
<tr>
<td>Contract</td>
<td>Agreement between tobacco manufacturers and retailers that entails requirements and incentives from manufacturers to retailers (eg, Philip Morris Retail Leaders Program, RJ Reynolds Retail Partners Marketing Plan Contract (RPMPC), Brown &amp; Williamson’s Kool Inner City Point-of-Purchase (POP) Program).</td>
</tr>
<tr>
<td>Incentive</td>
<td>Rewards (eg, free items, monetary gifts, tickets for events or trips) given to retailers for participating in contracts with tobacco manufacturers and abiding by the requirements stipulated.</td>
</tr>
<tr>
<td>Placement*</td>
<td>The location where a product is positioned for the consumer.</td>
</tr>
<tr>
<td>Price*</td>
<td>The amount that a consumer pays for a product.</td>
</tr>
<tr>
<td>Product*</td>
<td>The specific item or good produced by a manufacturer and obtained by a consumer.</td>
</tr>
<tr>
<td>Promotion*</td>
<td>The advertising efforts used to highlight a product.</td>
</tr>
<tr>
<td>Requirement</td>
<td>Standards (eg, 30% of shelf space) or actions expected by tobacco manufacturers of retailers who participate in contracts to receive incentives.</td>
</tr>
<tr>
<td>Slotting fee (sloting payment, listing fee)</td>
<td>Payments by tobacco manufacturers to retailers in exchange for guaranteed shelf space for new or existing products.</td>
</tr>
<tr>
<td>Trade promotions</td>
<td>Marketing focused on wholesalers and retailers, instead of focused directly on the consumer through mass media channels.</td>
</tr>
</tbody>
</table>

*Placement, price, product, and promotion form the four ‘P’s’ of marketing.

### Inclusion criteria

Following the ‘PCC’ mnemonic (population, concept, context),\textsuperscript{21} we included studies that examined contracts between manufacturers and retailers (eg, the Philip Morris Retail Leaders Program) regarding tobacco product placement, promotion, and pricing or slotting fees in the retail setting. A priori inclusion criteria required studies to be peer reviewed, report on quantitative or qualitative data, examine tobacco products, assess or take place in the retail setting, analyse the content or impact of contracts between tobacco manufacturers and retailers and be published in English. There were no limitations placed on publication date or country. Commentaries, narrative reviews, and studies reporting no original data were excluded but tracked to provide context in the discussion.

### Search and screening

While developing inclusion criteria, the research team consulted with a research librarian to create a search string in PubMed/MEDLINE that was then translated to the controlled vocabulary of the other databases used in the search. Keywords included *product terms* (eg, ‘tobacco’), *concept terms* (eg, ‘contract’), and *context terms* (eg, ‘store’).\textsuperscript{1} Full search details can be found in online supplemental table 1. The search was last updated in December 2020 in seven databases: PubMed/MEDLINE, Web of Science, Scopus, ProQuest Political Science Database, Business Source Premier, ProQuest Agricultural & Environmental Science Collection, and Global Health. After screening the initial search results, we then completed backward citation searching in each included publication to retrieve any relevant studies missed by the initial search.

Search results were imported to Zotero reference management software (Corporation for Digital Scholarship, Vienna, Virginia, USA), deduplicated, then imported to the cloud-based article screening and extraction software, Covidence (Veritas Health Innovation, Melbourne, Victoria, Australia). Once in Covidence, we applied a dual independent screening method where two reviewers (AER and JGLL) independently screened all studies. Following the Institute of Medicine guidelines,\textsuperscript{22} we followed a two-step approach by which both reviewers screened the title and abstract in step 1, then the full text in step 2. Discrepancies in the screening process were discussed and decided on by consensus. If consensus was not achieved, the third author (KMR) provided a deciding vote.

**Full search string for PubMed:** (tobacco\[tiab\] OR cigarette\[tiab\] OR ‘tobacco products’[MeSH]) AND (contracts\[tiab\] OR contract\[tiab\] OR agreements\[tiab\] OR agreement\[tiab\] OR advertising\[tiab\] OR advertisement\[tiab\] OR advertisements\[tiab\] OR marketing\[tiab\] OR ‘Tobacco Industry’[MeSH]) AND (store\[tiab\] OR stores\[tiab\] OR ‘point of sale’[tiab\] OR ‘points of sale’[tiab\] OR retail\[tiab\] OR retailers\[tiab\] OR retailer\[tiab\] OR retaining\[tiab\] OR shop\[tiab\] OR ‘gas station’[tiab\] OR ‘gas stations’[tiab\] OR ‘point of purchase’[tiab\] OR ‘points of purchase’[tiab\] OR outlet\[tiab\] OR outlets\[tiab\] OR ‘milk bars’[tiab\] OR newsstands\[tiab\] OR kiosk\[tiab\] OR petrol\[tiab\] OR garage\[tiab\] OR garages\[tiab\] OR ‘service station’[tiab\] OR ‘service stations’[tiab\] OR pharmacy\[tiab\] OR pharmacies\[tiab\] OR druggist\[tiab\] OR druggists\[tiab\] OR supermarketers\[tiab\] OR supermarkets\[tiab\] OR grocers\[tiab\] OR groceries\[tiab\] OR hypermarket\[tiab\] OR hypermarkets\[tiab\] OR vendor\[tiab\] OR vendors\[tiab\] OR vending\[tiab\]).
each in Canada,41 New Zealand,42 and Indonesia.43 The earliest
in the USA (online supplemental figure 1). No included papers
was published in 199114 and the most recent were published in
2022;
Reimold AE, et al. Tob Control 2022;0:1–10. doi:10.1136/tobaccocontrol-2021-057026

Figure 1 Preferred Reporting Items for Systematic Reviews and
Meta-Analyses extension for Scoping Reviews (PRISMA-ScR) diagram of
identified tobacco contract studies.

Extraction
We developed an initial list of data to extract from each study,
then after reviewing the included studies, the list was reviewed,
discussed, and confirmed by all authors once consensus was
reached. One investigator (AER) extracted information for
each study regarding the first author, year of publication, loca-
tion of study, year(s) of data collection, study purpose, sample
description and size, study design and methods, description of
the contract or agreement, contract prevalence, contract require-
ments and incentives, and the contracts’ impact on the retail
environment. Two investigators (JGLL, KMR) reviewed, edited,
and confirmed the final extraction information.

Data synthesis
We performed a narrative review of the included studies. We
first developed themes from our knowledge of the existing liter-
ature (eg, contract prevalence, incentives, requirements), which
guided our research questions and data synthesis. We categorised
extracted data from each included study into these themes then
synthesised the information. Due to the large number of qual-
tative studies and methodological heterogeneity, particularly in
the study samples (eg, retail store managers, industry insiders,
documents, store audits), we decided against performing any
quantitative synthesis like meta-analysis.

RESULTS
We reviewed 2786 studies then excluded 2694 during title
and abstract screening and 65 during full-text screening. This
resulted in a final sample of 27 studies. Figure 1 shows the search
and screening process.

Study characteristics and methodology are presented below,
followed by a synthesis of findings under each theme: contract
description, prevalence, incentives, requirements, and impact on
the retail environment. Extracted data from each study can be
found in online supplemental table 2.

Study characteristics and methodology
Seventeen studies were conducted in the USA,6 14 17 23–36 three in
Australia,37–39 two in the UK,8 15 two in South Korea7 40 and one
each in Canada,41 New Zealand,42 and Indonesia.43 The earliest
was published in 199114 and the most recent were published in
2020.17 25 38 39 Other than one study conducted in Australia in
2003,37 the 12 studies published before 2010 were all conducted
in the USA (online supplemental figure 1). No included papers
explicitly examined manufacturers’ use of contracts in econ-
omies where cigarettes are more likely to be purchased in the
‘informal’ economy. Of the 27 included studies, 23 (85%) used a
cross-sectional design, 2 reported data from two time points,15 31
and 1 reported longitudinal data.43

Contract prevalence and description
A significant proportion of retailers participate in tobacco
contract programmes, assessed by interviewing samples of
tobacco retailers. Sixteen studies reported contract prevalence
which ranged from 0% to 100%. Of these 16 studies, 12 (75%)
found that more than half of the retailers surveyed participated
in contracts with tobacco manufacturers. Of the four studies that
reported a contract prevalence below 50%, one collected data in
the USA between 1996 and 1997,35 two collected data in 2017
(one in Canada41 and one in the USA27), and one collected data
in Australia in 2018.38

The most common way to describe contracts was to refer
to an existing contractual programme (eg, the Philip Morris
Retail Leaders Program) or use the terms ‘incentive program’ or
‘retailer program’. Studies also used the terms ‘contract’, ‘agree-
ment’, ‘partnership’, or unique definitions specific to a study.

Incentives, requirements and impact on the retail
environment
Of the 27 studies included, 26 reported requirements expected
of and incentives given to retailers. We report the require-
ments and incentives associated with these contracts using the
four P’s: placement, promotion, price, and product. Examples
from real-world contracts between manufacturers and retailers
were made public as part of the US Department of Justice liti-
gation initiated in 1999, US v Philips. See figure 2 and three
full contracts (Contract 1—Philip Morris USA 2015 Retail
Leaders Program Agreement; Contract 2—ITG Brands Retail
Partnership Plan Description; Contract 3—RAI Trade Marketing
Services (‘RAITMS’) Retail Partners Marketing Plan Contract,
2017 Menthol Outlet Plan) found on Open Science Framework
online (https://doi.org/10.17605/OSF.IO/C3Z4G).

Placement
The most reported requirements described how tobacco
products and advertising must be displayed in the store.6 7 14 15 17 23–26 28 29 32 34–40 42 43 For example, one retailer
interviewed in the UK reported reserving two-thirds of their

tobacco unit space for a contracted manufacturer15 and another
in the USA recounted that manufacturer representatives required
45% of the tobacco retail space to be dedicated to that particular
manufacturer.23 Studies also reported that representatives regu-
larly visited retailers and, to varying degrees, had control over
the store design, layout, and placement of tobacco products and
advertisements.6 8 15 17 24 27 32 37 40 Slotting fees (ie, payments from
the manufacturer to the retailer in exchange for shelf space) were
also commonly reported as an incentive in different contracts,7
particularly in the USA.6 17 24 28 The value of this incentive type
varied and was reported to exceed the equivalent of thousands
of US dollars by a study in South Korea.7 The Philip Morris 2015
Retailer Leaders Program Agreement specifically stipulates that
the plan-o-gram layout of the store indicating exactly where
both products and advertisements go, must be followed. In addi-
tion to the plan-o-gram, the manufacturer specifies that Philip
Morris products must be clearly visible and close to potential
customers, at the top of display cases, and can occupy up to 65%
of the display space (figure 2).
Promotion

Studies found that, due to their contracts, stores were required to promote products and maintain certain sales volumes to maintain their payments.\(^6\) 23 26 29 32 One retailer in the USA reported that ‘10%–15% of your contract depends on performance and 10%–15% depends on your volume of sales’, while another study in the USA described a specific contract in which retailers were required to sell at least 100 cartons of industry brands and 17 cartons of RJ Reynolds brands per week to qualify for incentives.\(^6\) Complementing required sales volumes, multiple studies also reported volume discounts (ie, receiving discounts on tobacco products from tobacco manufacturers for purchasing a larger volume of products). Reviews

Promotion

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a large volume). An ex-tobacco manufacturer representative in Australia described this as giving larger rebates to retailers for every 1000 ‘cigarette sticks’ they sold.

To assist in promoting large quantities of product, starting in 2018, studies reported that manufacturer representatives encouraged verbal promotion of products. For example, retailers from one study in the UK were expected to promote a particular product to customers for a set period of time. If a mystery shopper asked for a different brand and the retailer suggested a switch to the manufacturer-specified product, that retailer would receive a £100 (=US$136) bonus to their contract incentives. The most commonly reported contract incentives were free and discounted tobacco products, advertising materials, gifts or other items given to retailers to keep, give, or sell to customers.

Often, this included display cases, free samples of new products, promotional signs, and small gifts such as lighters. A retailer from one study in South Korea indicated that ‘As soon as [they] sign a contract with headquarters, the tobacco company employees come in and place the advertising and check its placement or change their product displays’. Sections of the Philip Morris 2015 Retailer Leaders Program Agreement echo similar requirements such that retailers must ensure tobacco products are visible, display tobacco signage, and use branded displays (figure 2).

The most commonly reported impact of contracts on the retail environment was an increase in product availability, tobacco signage, and use branded displays (figure 2). According to the retailers interviewed in one US study, retailers with contracts have more signs, displays, and products on sale.

Another study in the USA found that retailers with contracts had more than twice as many marketing materials than stores without contracts.

Studies from the USA and Australia found that contracts impacted tobacco products and promotion, and they had bleed-over effects, impacting other products and forms of advertising. One of these studies reported that a tobacco manufacturer created a delivery hub for shipments of tobacco products along with other unhealthy products like sweets and convenience foods. This solidified a relationship between the tobacco manufacturer and retailers for inventory, while pairing the purchase and distribution of tobacco and unhealthy convenience foods. Individual contracts with food and beverage companies exist alongside tobacco contracts; however, more retailers reported receiving incentives from tobacco manufacturers than food and beverage manufacturers. Retailers also reported that contractual agreements with food and beverage companies lasted for shorter periods of time and specified smaller requirements and incentives.

Retailers in South Korea stated, ‘There are not as many other products [compared to tobacco] that steadily advertise at convenience stores. When a beverage or a candy company introduces a new product...this lasts for only a month.’

Two studies in the USA also found that contracts may undermine tobacco control efforts. Retailers with contracts were less willing to display antitobacco signs in their stores.

Product

Five studies in the USA and South Korea found that the promotional materials and products manufacturers sent to retailers targeted demographic areas. The results of these studies mirror the RAITMS 2017 Menthol Outlet Plan which specifies that retailers must have a 50% or greater menthol share of the market and are required to keep products and displays in visibly high locations.

Additional studies reported manufacturers targeting products towards varying populations. Retailers from one study in South Korea identified different promotional and advertising techniques used by manufacturers based ‘on the characteristics of the district’, while another study in the USA found that stores in areas with large racial/ethnic populations, low education, and low income had more in-store advertising for tobacco products than their counterparts. A study analysing tobacco industry documents in South Korea found that manufacturers identified young adult males, individuals who recently started smoking, and females as potential targets and opportunities for market growth due to changing cultural norms among young individuals, lack of commitment to a specific brand, and the low smoking prevalence among women.

Miscellaneous and generous incentives

Contracts also commonly incentivise retailers with monetary rewards or vouchers. The reported cash equivalence for retailer incentives varied greatly between $20/month in urban US cities in 1991 and $20,000/year reported in 2001 in the USA, with one study reporting the median incentive value at $930/year in the USA between 2013 and 2014. Contractual relationships also provided retailers with professional support or education from manufacturers in the USA and Australia. This included one-on-one meetings, help with designing and merchandising new stores, and off-site events to educate the retailers on new products available and how to best promote them. Generous incentives were given to well-performing retailers in the UK, Australia and, the USA. These included tickets for sports, music, and movie
events; lavish parties in which tobacco products were promoted and gifted to guests and staff; and once-in-a-lifetime experiences such as paddle boarding around glaciers, driving Lamborghinis and Ferraris, travelling to Fiji on all-expenses paid trips to view tobacco growing and marketing, and sweepstakes to win a Cadillac.

Manufacturer control and retailer compliance

Three-quarters of the retailers interviewed in one US study reported that manufacturers were in complete control of their tobacco displays and promotional materials. A retailer in another US study described the interaction with a manufacturer representative, reporting, ‘it’s almost like it’s not my store… I was overwhelmed, she [the representative] walks in one day and throws some books on my counter and tells me, “I’ll tell you what you are going to do”’. Compliance with controlling and demanding aspects of contracts appeared to be enforced. ‘You don’t want to violate the contract,’ a retailer reported in one US study. During visits, tobacco manufacturer representatives assessed the fulfilment of contract requirements (eg, product and advertisement placement). These visits were often unannounced, sometimes included the use of a mystery shopper, and described as ‘bullish and intimidating’ by a UK retailer. If a retailer was out of compliance, this resulted in a loss of incentives. One study found that after tobacco sales volume decreased, representatives discontinued their visits and manufacturers did not renew their contracts, ending incentives altogether. However, another study found that retailers sanctioned by manufacturers for violating their contracts by selling tobacco to minors did not lose their incentives as their contract specified they would. These retailers continued to receive special price offers and promotional materials.

After receiving extensive incentives, retailers from around the world were described as vocal allies for tobacco manufacturers. For example, one study discussed that large incentives associated with contracts may lead retailers to lobby for protobacco policy. Interestingly, interviews and industry documents from manufacturer representatives highlighted an unexpected, perceived power dynamic that did not match the contract, reporting, ‘We don’t make a lot of money on cigarettes but we make a lot of money on displays.’ For this reason, retailers upheld contracts even though they were controlling and demanding. ‘They’re trying to control my business,’ a retailer reported in one study, and, ‘It’s not an offer, it’s a mandatory thing. It has to be the way they want it,’ reported another.

According to an interview in one US study, most retailers participate in multiple incentive programmes. In multiple studies, contracts were viewed as necessary evils for US retailers to stay in business, with one retailer reporting, ‘We don’t make a lot of money on cigarettes but we make a lot of money on displays.’ For this reason, retailers upheld contracts even though they were controlling and demanding. ‘They’re trying to control my business,’ a retailer reported in one study, and, ‘It’s not an offer, it’s a mandatory thing. It has to be the way they want it,’ reported another.

DISCUSSION

Principal findings

Regarding our research questions, this review on the often-secretive agreements between tobacco manufacturers and retailers found that these contracts:

1. Are common, with the majority of studies identifying contracts in more than half of the retailers sampled.
2. Provide retailers with generous incentives, require strict retailer compliance, use buydowns and discounts to lower tobacco product prices, require retailers to display interior and exterior store signage and other marketing materials while also encouraging retailers to verbally promote products, and provide slotting payments that reserve large swaths of highly visible retail space.
3. Decrease tobacco product prices, increase product marketing and merchandising, and make the retail environment more conducive to tobacco use and initiation.

These contracts essentially give tobacco manufacturers substantial control of some of the most desirable real estate in the retail outlet, creating a pathway by which manufacturers can work through the retailer to push and promote their tobacco products to consumers. This relationship and the resulting impact on the tobacco retail environment threatens tobacco endgame efforts.

Though the number of contracts ranged widely, the majority of studies reported a high prevalence. The wide variation is likely due to the differing tobacco retail and policy environments across the range of years and locations included in this review. The Philip Morris Retail Leaders Program officially launched in 1998 as one of the first contract incentive programmes. The low prevalence of tobacco contracts found in the 1990s in the USA may portray the early emergence of this type of relationship between the tobacco industry and retailers. The low contract prevalence reported in more recent studies in Canada, Australia, and the USA conducted in 2017 and 2018 may reflect successful...
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Contract Incentives & Requirements

- Buydowns
- Volume discounts
- Slotting payments
- Prime shelving for tobacco products
- Required marketing materials
- Compliance checks
- Monetary rewards to retailers
- Professional support and education from manufacturers
- Generous incentives (e.g., tickets to events, all-expense paid trips)

Retail Environment

- Reduced prices
- Increased tobacco cues and visibility
- Increased tobacco product marketing
- Increased retailer support for tobacco manufacturers

Policy Efforts

- Undermined policy interventions

Consumer Experience

- Increased exposure to tobacco products
- Stimulation of tobacco impulse purchases

Behavior

- Increased tobacco purchasing
- Increased tobacco use

4 Ps of tobacco retail marketing: Placement, Promotion, Price, and Product

Figure 3 Conceptual model visualising the impact of contract incentive requirements and incentives on the retail environment, consumer experience and behaviour.

Policy implications

Specific policy options to address contracts include banning them outright (i.e., the Quebec, Canada, policy banning incentive programmes), banning buydowns, implementing counter-advertising alongside buydowns, using clear language that bans ‘advertising’ rather than ‘promotion’, banning all business-to-business and business-to-consumer advertising to undercut the loophole allowing wholesale advertising that many manufacturers take advantage of, and requiring all payments from manufacturers to retailers be made publicly available (e.g., sunshine
laws in the USA that shed light on government and corporate operations.\textsuperscript{58–60} One study in our review assessed the incentive programme ban in Quebec,\textsuperscript{41} but found no effects of the ban on tobacco pricing a year after enactment. This may indicate that contract bans are not effective enough on their own and require supplemental policy, that compliance and enforcement were inadequate, or that further research is needed to assess additional aspects of this type of ban on the tobacco retail environment.

Like manufacturers, some governments can also enter into contracts with retailers. A small body of literature assesses the effectiveness of Assurances of Voluntary Compliance (AVCs), which are agreements between corporate retailers and state attorneys general in the USA. AVCs act as a legal contract between two parties and can include provisions to reduce exposure to marketing. These agreements are not subject to the same First Amendment protections that preclude many efforts to regulate tobacco marketing in the USA. Research indicates that AVCs may successfully reduce access to tobacco products and advertising but must be thoroughly enforced to be effective.\textsuperscript{61–63} AVCs may be an effective option for countries operating under a free market or those with a time-consuming policy-making process.

Recommendations for future research

Future research should analyse how contract prevalence and policy responses vary globally, with a particular focus on low and middle-income countries with informal economies. This line of research should assess existing global policies, including contract bans, in relation to contract prevalence to identify effective tobacco control policy. Future work should also consider policy interventions that disrupt the relationship between tobacco manufacturers and retailers, strengthen tobacco control laws to ban contracts and retail displays, and assess the role of public health contracts (AVCs) to further the goal of a tobacco endgame. Future research is also needed to further understand the relationship between contracts, area-level sociodemographic variables, and menthol availability and promotion. This review largely includes cross-sectional, observational studies. We identify the need for longitudinal designs to improve causal inference.

Strengths and limitations

Our review highlights a long-standing worldwide issue that has gone without major global recognition for decades. The scope of our review covers 30 years, four continents, and identifies a burgeoning line of research recognised globally in only the last decade. However, because this review is the first of its kind, and we wanted to understand the scope of reliable research on the topic, we only included peer-reviewed literature. Though this means our methods are easily replicable, it also means we may have excluded applicable studies that have not undergone the peer review process. Although our inclusion criteria were limited to articles in English, we are not aware of any studies published in other languages; however, we did not search using non-English keywords. Additionally, there was heterogeneity among the retailer sampling methods and results so we are unable to conclude, definitively, the actual prevalence of tobacco contracts around the world. This may reflect true variation in prevalence across varying locations. Our findings are limited by what is reported in the literature, the sampling methods used, and how researchers chose to design, collect and present their studies. This review should be used to draw preliminary, rather than definitive, conclusions about the existing literature and trends in tobacco manufacturer contracts.

CONCLUSIONS

Often-secretive contracts change the retailer environment in ways that influence consumer behaviour. In many retail spaces across the globe, the products available, pricing, and advertising—present—and even interactions with store clerks—are influenced by contracts that are invisible to consumers. According to our results, such contracts are pervasive globally, highlighting the incongruency between FCTC recommendations\textsuperscript{1} and reality. Addressing contracts should be a public health priority to decrease tobacco promotion and improve public health.

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Contributors AER led the search and drafted the manuscript. AER and JGLL screened all studies. KMR conceptualised the research idea and provided senior guidance and supervision. JGLL and KMR critically revised the manuscript.

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Patient consent for publication Not required.

Ethics approval This study does not involve human participants.

Provenance and peer review Not commissioned; externally peer reviewed.

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