Graphic warning labels reduce demand for cigarettes
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Will graphic cigarette package warning labels significantly reduce demand? A new study suggests it will.

Current US policy requires that tobacco companies cover 50 percent of one side of a cigarette pack with a text warning. But the FDA recently unveiled nine new cigarette warning labels, which include graphic images of lung and mouth cancer, to be unveiled in September 2012.

A sample of 404 adult smokers from four states participated in an experimental auction on cigarette packs with four different kinds of warning labels. All packs carried the same message: smoking causes mouth cancer.

The first pack featured a text-only message on the side of the pack, the current US policy. The second had a text-only message that covered 50 percent of the lower half of the front, back and one side of the pack. A third had the same text message, but with a photo depicting mouth cancer. The fourth package had the same text and graphic photo, but was a mostly unbranded pack, meaning all color and symbolic brand elements were removed except for the brand's font, size and descriptors.

"We found that the label with just the front text warning had little effect on consumers," says study co-author Matthew Rousu, professor of economics at Susquehanna University in Selinsgrove, Pa. "However, demand was significantly lower for packs with grotesque images, with the lowest demand associated with the plain, unbranded pack."

The bids for cigarette packs that had a grotesque photo and no brand imagery received bids that were 17 percent lower than the bids for the package with the current US warning label.

"Results from our study suggest that the new health warnings with graphic pictures will reduce demand for cigarettes," says Rousu, who conducted the study with James F. Thrasher, David Hammond, Ashley Navarro and Jay R. Corrigan.

"Regulators should also consider health warnings with graphic pictures, but also plain packaging policies for tobacco products," he adds. "Color and brand imagery can support false beliefs about reduced risks of some brands."

What their study can't address is how the new labels will affect non-smokers. "One would assume that it would also have an impact on non-smokers, that some of those people will not start smoking because they are turned off by the images," says Rousu.
