

# FACTSHEET 5



## Rebuttal to tobacco industry arguments on the adverse effect of plain packaged tobacco on small retailers.

### ***Industry's claim***

*"If all packs 'look the same' it will create confusion and increase transaction time for tobacco retailers."*

### **The Evidence**

Simulated and real world studies found no significant increase in transaction times for plain packaged tobacco transactions. Transaction delays were encountered in the first days after implementation of plain packs in Australia, but transaction times returned to normal within two weeks.

### ***Industry's claim***

*"Plain packs proposal would impose significant burdens on retailers, as plain packs would increase the product selection errors and transaction time."*

### **The Evidence**

A similar claim was made in a Deloitte report, commissioned by the Alliance of Australian Retailers (AAR), a group that publicly opposed the introduction of plain packs in Australia and was later disclosed to have links to tobacco companies in Australia. The Deloitte report estimated plain packs would lead to an increase in transaction time of 15-45 seconds per pack. It also claimed plain packs would lead to an increase in pack retrieval errors of 5 %.

The rigor of the research design of the Deloitte study was found to be questionable by Australian researchers. Results from the Deloitte report were also dismissed by two Australian studies that estimated the retrieval time of plain packaging among retailers.

The studies referenced here are the simulation study conducted by the Centre for Behavioural Research at Curtin University of Technology; <sup>1</sup> the second, conducted by the Cancer Council Victoria, was based on a real-world situation. <sup>2</sup>

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**Study 1: Simulation study on the transaction time required to retrieve plain pack in small retail setting, conducted by Carter et al.**

Participants (n=52) in the study were randomly assigned to stand in front of a display of either 50 plain or coloured cigarette packets.<sup>1</sup> The study excluded smokers or those with previous experience in selling tobacco to reduce confounding issues from prior familiarity with brand logos and colours.

A randomly ordered list of cigarette brands was read to the participants and the time required for them to locate each packet was recorded and all selection errors were noted. A total of 5200 simulated 'transactions' were performed.

The study found that plain packs were significantly faster to locate than the branded packaging (2.92 seconds vs. 3.17 seconds; p=0.040) – inconsistent with the tobacco industry's claims. Product selection errors were made by 40.4% of participants selecting branded packaging, compared with 17.3% for participants selecting plain packs.

The study also observed a training effect, where transaction time and selection errors would diminish after 50 or more transactions as participants started to memorise the location of cigarette brands, regardless of whether they were coloured or plain.

The authors suggested that plain packaging would modestly decrease transaction times and selection errors.

**Study 2: Product retrieval time in small tobacco retail outlets before and after the Australian plain packaging policy: real world study (Wakefield et al)**

The study was conducted to compare real world retrieval time of tobacco products before and after plain packaging was introduced.<sup>2</sup> Over 300 retail stores, evenly spread across different socioeconomic areas in four major metropolitan centres in Australia, were recruited to participate in the study. Small retailers such as milk bars (dairies), convenience stores, petrol stations and newsagents were included; specialist tobacconists and large supermarkets were excluded from the study.

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The time taken for retail staff to identify and retrieve tobacco products was measured in each store twice before, and twice after plain packaging was implemented in Australia. (December 1 2012)

The results of the study contradict claims from the tobacco industry that plain packaging would increase transaction times, confuse shop keepers, cause queues and disrupt shops.

The study shows after plain packaging was introduced, average transaction times increased by two to three seconds to around 12.5 seconds, but this quickly returned to normal and was recorded at 10.37 seconds in February, 2012.

The author also observed a substantial training effect, with retailers rapidly becoming accustomed to the new appearance of plain packaged tobacco products in the first week of their introduction.

The study concluded that retailers adjusted quickly to the new plain packaging legislation, with transaction times returning to normal by the second week of implementation. Long delays, queues and the confusion predicted by the tobacco industry are unlikely to eventuate as a result of the plain packaging implementation in New Zealand and other jurisdictions considering the implementation of plain packaging for tobacco products.

**Reference**

1. Carter OBJ, Mills BW, Phan T, Bremner JR. Measuring the effect of cigarette plain packaging on transaction times and selection errors in a simulation experiment 10.1136/tobaccocontrol-2011-050087 *Tobacco Control* 2011
2. Wakefield M, Bayly M, Scollo M. Product retrieval time in small tobacco retail outlets before and after the Australian plain packaging policy: real-world study 10.1136/tobaccocontrol-2013-050987 *Tobacco Control* 2013