Retailer Behaviour with Respect to Youth Access to Electronic Cigarettes and Promotion
Web Summary

INTRODUCTION

Evidence has shown there is a growing consumer demand for electronic cigarette (e-cigarette) products with more than 400 brands available on the global market today with sales of e-cigarettes and electronic cigarette liquids (e-liquids) in excess of US $6 billion dollars in 2014.[1] E-cigarettes are offered in a wide variety of formats and options, ranging from disposable products, to durable products that can be refilled with the vapor-producing e-liquid. The e-liquid is sold in a variety of flavours with an array of options from fruit and candy flavors to tobacco flavours.

The 2013 Canadian Tobacco, Alcohol and Drugs Survey (CTADS) is the first national survey in Canada to include questions about the use of e-cigarettes. The latest CTADS results show that 9% (2.5 million) of Canadians 15 years and older said they have ever tried an e-cigarette. Twenty percent (20% or 417,000) of youth aged 15 to 19 years and 20% (488,000) of young adults aged 20 to 24 years said they tried an e-cigarette. Use of e-cigarettes in the past month among Canadians 15 years and older was 2% (521,000 Canadians), 3% (54,000) among youth aged 15 to 19 years and 4% (95,000) among young adults aged 20 to 24 years.

At the present time, e-cigarette products are available for sale at retail locations across Canada. Some health advocates and non-governmental organizations have called on the government to place a minimum age restriction on the sale of e-cigarettes at retail locations yet little is known about retailer willingness to sell these products to youth. To help fill this knowledge gap, a contractor was hired to complete a study of retailers across Canada. A survey was conducted during the summer of 2015 to determine the willingness of retailers to sell e-cigarette products to youth and to gain a better understanding of e-cigarette product placement, accessibility and promotion at retail outlets in Canada.

RESEARCH OBJECTIVES

This study was designed to determine the willingness of retailers to sell e-cigarettes to youth, specifically measuring the proportion that refused to sell to the teens attempting to buy and the proportion who asked for identification. In addition, the study was designed to summarize findings with respect to e-cigarette placement, accessibility and promotion. In accomplishing these objectives, this study establishes a benchmark for future studies designed to observe retailer behaviour with respect to e-cigarettes as the regulatory climate adapts and matures in an environment where product category and options are rapidly evolving.

Data collection was designed in the spirit of discovering the “state of affairs”. The data from this study is intended strictly for information purposes and was not gathered for purposes of compliance monitoring or enforcement.

Methodology

Preparations for this study began in May 2015. The fieldwork took place over 15 weeks, starting at the beginning of July and ending mid-October 2015. Observation teams made up of one adult evaluator (over 19 years of age) and one teen evaluator (either 15, 16 or 17 years of age) visited a total of 4,012 retail locations across Canada.

A total of 20 regions were selected from 10 provinces across Canada. The regions in this study were comprised of the largest populated cities within each province. These regions account for 60% of Canada’s population. One important prerequisite of the city selection was to ensure representation of at least one city from each of Canada’s ten provinces.

The willingness of retailers’ to sell was based on the observation of certain overt actions, words and behaviour of the sales clerk just short of his/her ringing up the sale. These overt actions, words and behaviours, along with elements of e-cigarette product placement, accessibility and promotion at retail outlets were tracked using a standardized set of measures as part of a reporting questionnaire.

At the time of survey data collection, some provincial measures relating to age restrictions and restrictions with respect to product accessibility, advertising and promotion at retail outlets were in effect, namely in New Brunswick and Nova Scotia. In Prince Edward Island, legislation was passed on July 1, 2015 and came into force on October 1, 2015. This means implementation of these provincial measures may have changed the retail shop environment or the behaviour of retailers over the course of the study.

Overview of Key Results:

Refusal to Sell

- In Canada, more than two-thirds (67%) of retailers refused to sell e-cigarette products to youth at retail locations across the country.
- Retail clerks refused to sell an e-cigarette to youth aged 15 (78%) and 16 (72%), more often, compared to teens aged 17 (59%) years.
- Across Canada, 64% of youth who tried to purchase an e-cigarette product were asked by the retail clerk to provide identification (ID).
- The rate of refusal to sell was highest at grocery stores (77%), chain convenience stores (75%) and gas convenience stores (71%) and was the lowest when youth attempted to purchase at independent convenience stores (53%).

- Refusal to sell e-cigarettes was lower when the store was near a school (58%) compared to when it was not near a school (69%).

E-Cigarette Placement, Accessibility and Promotion

- Nearly two-thirds (62%) of retailers had e-cigarette products primarily placed on a visual display within sight of the point of sale counter, however, these products remained inaccessible to the customer.
- About one- in-five retail outlets (19%) kept e-cigarettes out of sight behind a tobacco screen or hidden below the counter while 15% maintained a visual self-service display at the point of sale counter.
- Nationally, interior advertising was observed 30% of the time in stores. Promotions (communicating some form of incentive to purchase e-cigarettes) were observed 11% of the time, and advertising on the exterior of the stores was observed 6% of the time.
- Retailer willingness to sell was higher when there was interior advertising (45%), promotions (18%) or exterior advertising (8%) present.

Conclusion

Although only two of the ten provinces surveyed had retail age restrictions on the sale of e-cigarette products in place at the beginning of data collection, two out of three youth (67%) reported that retailers appeared unwilling to sell an e-cigarette product to them and nearly the same percentage of youth (64%) said retailers asked for identification.

Currently there are strict controls in Canada that limit tobacco display and tobacco access, including minimum age restrictions involving the sale of tobacco products, as well as promotional restrictions. The latest tobacco retailer behaviour survey results showed that retailers appeared unwilling to sell tobacco products to youth 85% of the time. E-cigarette restrictions in place covering all provinces and territories may provide similar retailer behaviour results consistent with those associated with traditional tobacco products.

For more information or to obtain a copy of the report, please write to the Office of Research and Surveillance, Tobacco Control Directorate, Health Canada, Address Locator 0301A, Ottawa, ON, K1A 0K9, or send an e-mail request to tcp-plt-questions@hc-sc.gc.ca.

REFERENCES

[1] Euromonitor International News and Resources [Internet]. Euromonitor International; 2015 [cited 2016 Feb 22]. Available from: http://blog.euromonitor.com/2015/06/vapor-devices-and-e-cigarettes-in-the-global-tobacco-market.html