

Counter Arguments

HOW IMPORTANT IS TOBACCO TO SMALL RETAILERS?

Tobacco manufacturers regularly communicate with small retailers. They claim: tobacco sales are crucial for business; tobacco drives footfall; retailers who cut back on brands lose customers and that tobacco regulations increase smuggling, undermining legitimate sales.

But how true is this?



PROFITS

The margin on tobacco products is very low compared to all other products retailers sell.

AVAILABILITY

Fewer brands means more space to promote sales of higher margin products, better cashflow and little lost profit.

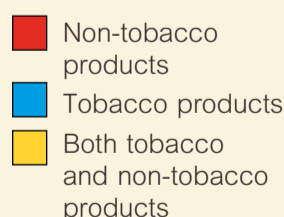
OUT OF STOCK



FOOTFALL

Everything that retailers sell drives footfall, not just tobacco. 79% of small retailer transactions do not include the purchase of tobacco products.

Transaction rates



LEGISLATION

In Britain, the market share of illicit tobacco has declined since 2000 despite all the changes to how tobacco is sold.

