



November 2023

The Next Frontier in Tobacco Marketing: The Metaverse, NFTs, Advergames and More

Explainer



This explainer summarizes a report released by Vital Strategies' <u>Tobacco Enforcement and Reporting Movement</u> (<u>TERM</u>). The report analyzed the latest marketing tactics to promote tobacco across digital platforms and how these tactics may evolve through the use of new technologies and tools. Evidence was based on a review of social media and other digital sites in India, Indonesia and Mexico. <u>Read the full report here</u>.

What is digital tobacco marketing and why is it a problem?

Unhealthy commodities like tobacco are regularly promoted on digital media platforms, which include social media, video streaming platforms, podcast hosting platforms and mobile apps, among others. This marketing is highly effective because it is ubiquitous, interactive and often personalized. Tobacco marketing is a leading reason why people use tobacco products,¹ which are one of the top causes of preventable death, claiming 8 million lives each year.² Digital tobacco marketing puts youth at risk since youth are heavy users of digital media.

What is the next frontier of digital tobacco marketing?

New technologies are constantly emerging as we move further into the digital age and into the next generation of the internet, which has been coined "Web 3.0." They include blockchain, virtual reality and augmented reality. Tools built from these technologies include nonfungible tokens (NFTs) and the metaverse, which is being hailed as the future of the internet. NFTs and the metaverse are already used to promote tobacco and tobacco companies. In India, for example, a tobacco company developed and promoted an NFT to celebrate its anniversary and founders. And another tobacco company sponsored the first meta erse wedding and a metaverse gift-giving event for the Diwali festival with promotions of its chocolate and juice brands.



In Indonesia, metaverse art appears in an Instagram account associated with Djarum L.A. Ice kretek (clove) cigarettes to suggest that people spend time in the metaverse. The avatars are pictured smoking, with cigarette packages on the table.

Source: iceperience.id Instagram

Definitions:

Blockchain: A decentralized ledger that stores the record of ownership of digital assets.

Virtual reality: A three-dimensional environment in which people can interact with virtual surroundings.

Augmented reality: The integration of digital information, such as photos or audio, into people's real-life environments.

Nonfungible tokens (NFTs): NFTs represent ownership over unique digital assets, such as artwork or videos, that exist on a blockchain and cannot be duplicated.

Metaverse: A more three-dimensional, gamelike version of the internet that uses virtual reality, augmented reality and other technologies to enable people to have an immersive, realistic experience online.

Numbers that capture the potential reach of digital tobacco marketing:

- 1. There are now nearly 5.2 billion internet users globally, amounting to approximately two-thirds of the world's population.³
- 2. Social media, including Facebook, Instagram and YouTube, among other platforms, has 4.8 billion users.³
- 3. 51% of metaverse users are 13 years old or younger.⁴

Some of the tactics used to promote tobacco via digital media:

	۲ <u>می</u> ۲	<u>3</u>			
Online retail	Advergaming	Entertainment marketing	Content marketing	Influencer promotions	Community marketing and event promotions

Examples of how digital media is used to promote tobacco



A gif posted to the Instagram account of a cinema chain in India promotes a movie scene with a famous actor smoking.

Source: mirajCinemas Instagram

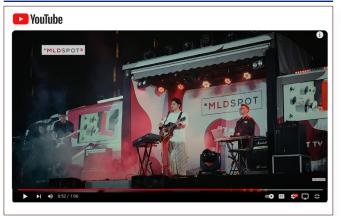
Community marketing and event promotions



A cigarette brand in Indonesia sponsors the "Sound of Kretek Festival" as "a means of preserving kreteks as an Indonesian cultural heritage."

Source: dcdc.official Instagram

Content marketing



A popular YouTube web series in Indonesia spotlights a tobacco brand. Source: MLDSPOT YouTube

Influencer promotions



An Indonesian influencer with more than 42,000 followers displays an electronic cigarette product.

Source: vaporesso_idn Instagram

How does this apply to other unhealthy products?

Tobacco is not the only risk factor for disease that is promoted online. Marketers of ultra-processed foods, sugar-sweetened beverages, alcohol and other unhealthy commodities have also seized on digital platforms to reach audiences—especially younger ones.⁵ For example, the metaverse has already hosted immersive events to promote alcohol products, such as a virtual "Coachella" event, and has facilitated sales of alcohol in virtual, interactive bars and liquor stores.⁶



A virtual liquor store in the metaverse.

Source: European Centre for Monitoring Alcohol Marketing (EUCAM) summary of "Big Alcohol Bets Big on Metaverse to Push Alcohol Availability," an article from Movendi International.

How can governments address digital tobacco marketing?

Restrict

Prohibit all forms of tobacco advertising, promotion and sponsorship on all media platforms, as recommended by the World Health Organization.

Monitor

Learn about new technologies and tools and establish media monitoring systems to enable early and efficient action to prevent tobacco companies from exploiting them to market their products unchecked.

Work collaboratively with multiple stakeholders including consumers, civil society organizations and other economic actors to monitor tobacco marketing instances and support regulations.

Enforcement

Consider which agencies have jurisdiction to regulate different forms of media and the appropriate mechanisms to do so.





Scan to read the full report:



Editorial: Hana Raskin and Sherrill Cohen **Design:** Yosephina Octhalya

References

¹ Lovato C, Watts A, Stead LF. Impact of tobacco advertising and promotion on increasing adolescent smoking behaviours. Cochrane Database Syst Rev. 2011;2011(10):CD003439.

² World Health Organization. Tobacco Fact Sheet [Internet]. Updated 2023 Jul 31 [cited 2023 Sep 29]. Available from: <u>https://www.who.int/news-room/fact-sheets/detail/tobacco</u>

³ Statista. Worldwide digital population 2023 [Internet]. 2023 Jul [cited 2023 Sep 29]. Available from: <u>https://www.statista.com/statistics/617136/</u> <u>digital-population-worldwide</u>

⁴ Influencer Marketing Hub. 48 Metaverse Statistics | Market Size & Growth (2023). Updated 2023 Jul 20 [cited 2023 Sep 29]. Available from: <u>https://influencermarketinghub.com/metaverse-stats/#:~:text=What%20is%20the%20market%20size,and%20%243%2C409.29%20billion%20</u> <u>by%202027</u>

⁵ World Health Organization. Restricting digital marketing in the context of tobacco, alcohol, food and beverages, and breast-milk substitutes. Unpublished. Geneva, Switzerland; 2023.

⁶ Movendi International. Big Alcohol Bets Big on Metaverse to Push Alcohol Availability. European Centre for Monitoring Alcohol Marketing [Internet]. 2022 May 3 [cited 2023 Sep 29]. Available from: <u>https://eucam.info/2022/05/05/big-alcohol-bets-big-on-metaverse-to-push-alcohol-availability/</u>

[©] November 2023 TERM