

Benefits from smoking advertisements essay sample

[Business](#), [Company](#)



According to Mackenzie et al (1994), tobacco smoking has been increasing and falling in relation to some major happenings. It has been reported that deaths resulting from smoking-related infections have been rising, putting a larger medical burden on the country.

With such disadvantages, it is quite unclear why people still continue smoking, even after electronic advertising of smoking was banned (Mackenzie et al, 1994). It is notable that there is also another side of the tobacco story. The government and the manufacturing companies do reap great benefits from advertising. For instance, in 1992, Philip and Morris made sales worth \$50 billion, ranking as the seventh largest industrial corporation in the U. S. Its profit margin in the same year was the highest in the U. S, reflecting the high profitability of tobacco. After the ban on electronic advertising of tobacco, the companies invested heavily in advertising in the print media. Three years down the line, the per capita consumption of consumption of cigarettes increased. This accounts for the rise in profitability.

The government is the next beneficiary in the tobacco trade (Mackenzie et al, 1994) notes that the U. S is the largest exporter of tobacco in the world, exporting about three times as much cigarettes as any other country. This accounts for increased income in terms of foreign exchange. Back home, the government also benefits from the booming consumption of tobacco through taxes. Since 1951, the federal excise tax on cigarettes has continually escalated, from 8 cents per pack to about 24 cents per pack as of 1994. Compounding this figure with the state cigarette taxes pushes the figure to

about 56 cents per pack r approximately 30% of the retail price. All this goes to the government coffers.

Anti smoking messages are always being aired, but as long as people remain oblivious to the dangers of smoking, then the companies and the government will always be the gainers.

Works Cited

Mackenzie T. D., Bartecchi, C. E., Schrier R. W. (1994). The Human Costs of Tobacco Use. The New England Journal of Medicine, Vol. 3030 (13), pp. 907-912.