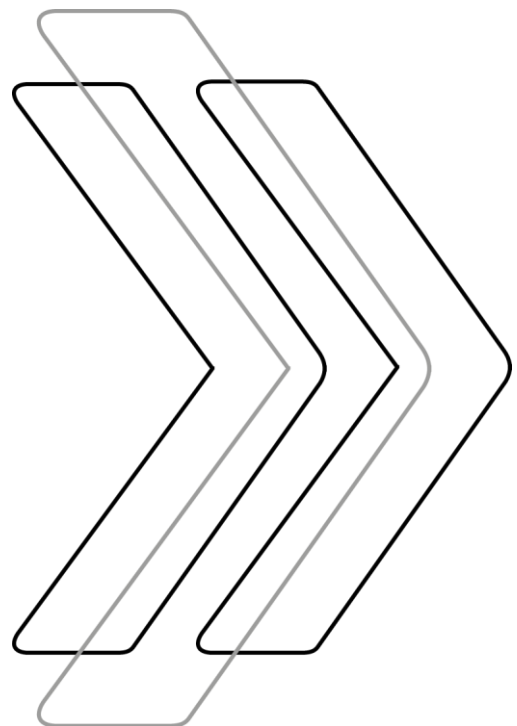# The King's Fund>

Ideas that change
health and care

Qualitative assessment of the impact of the Standardised Packaging of Tobacco and Tobacco and Related Products Regulations on small businesses

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The King's Fund is an independent charity working to improve health and care in England. We help to shape policy and practice through research and analysis; develop individuals, teams and organisations; promote understanding of the health and social care system; and bring people together to learn, share knowledge and debate. Our vision is that the best possible care is available to all.

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Contents

1   Introduction

Context

In 2015 and 2016, the Government introduced legislation that created new regulations on the sale of tobacco and related products. These regulations and some of their most significant provisions for the purposes of this study are summarised below. Both pieces of legislation apply to the United Kingdom.

The Standardised Packaging of Tobacco Products Regulations 2015 (SPoT)

Available at: www.legislation.gov.uk/uksi/2015/829/contents/made

Key changes include:

- the introduction of standardised or 'plain' packaging for cigarettes and hand hold rolling tobacco

- limits on the sale of cigarettes packs containing less than 20 cigarettes.

The Tobacco and Related Products Regulations 2016 (TRPR)

Available at: www.legislation.gov.uk/uksi/2016/507/contents/made

Key changes include:

- an increase in the size of health warnings on tobacco product packaging.

- a ban in characterising flavourings (eg menthol) for cigarettes and roll your own tobacco[1].

- reporting and notification requirements around e-cigarettes.

- introduction of new labelling requirements and warnings for e-cigarettes.

- limits on the volume capacity of e-cigarette tanks.

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[1] Under TRPR, a 'characterising flavouring' means a clearly noticeable smell or taste other than one of tobacco resulting from use of one or more additives including, but not limited to, fruit, spice, herbs, alcohol, candy, menthol or vanilla.

- limits on the nicotine strength of e-liquids.

- a ban on certain ingredients including colourings, caffeine and taurine in e-liquids

When the government introduces legislation like these two regulations that affects businesses, the Department of Health and Social Care (DHSC) is required to conduct post-implementation reviews (PIRs) to assess their impact.

As part of the review of the SPoT and TRPR regulations, DHSC identified the need for additional qualitative information to help understand how these regulations have affected small businesses. The King's Fund was commissioned to carry out this short qualitative research project to help address the gap in evidence. The findings of this project are intended to inform assessment of the legislative change, alongside the other sources of evidence use in the PIR, including the formal public consultation process and the quantitative data sources available to DHSC.

This piece of work follows a previous project undertaken by The King's Fund (Baird and Fenney 2019) for DHSC with a similar approach. This work explored the impact of tobacco display ban regulations on small businesses.

The King's Fund, in delivering this research on the SPoT and TRPR regulations, is acting in the capacity of an independent research provider for DHSC. **The King's Fund does not receive funding from the tobacco industry and does not have investments in the tobacco industry.**

Research aims

The aim of this research was to explore the impact of the SPoT and TRPR regulations on small businesses that are retailers of tobacco and related products.

This includes the perceived impact of the regulations on:

- customer purchasing behaviours of tobacco products and e-cigarettes

- the sales process, business management and costs to the retailers.

The remit of this research is to inform the review of these regulations through the illustrative experience of a limited number of small business that are

retailers of tobacco and related products to provide insight on some of the less well-understood issues they face due to these regulations.

Methods and sampling

We conducted 20 semi-structured interviews by telephone or online web conferencing software (Microsoft Teams) between 12 November 2020 and 1 December 2020. Interviews lasted 30–40 minutes each and participants received payment in recognition of their time. Interviewees were owners or managers of small businesses that currently retail tobacco products. All interviewees also had at least some current or recent experience selling e-cigarettes and/or related products (eg, e-liquids).

Interviewees targeted for recruitment included owners or managers of newsagents, tobacconists and convenience stores and those whose businesses were either independent, part of small or local chains, or largely autonomous members of a wider franchise. Larger retailers such as supermarkets and petrol stations, wholesalers, and manufacturers were deemed outside the scope of this research as their experience is collected by DHSC by other methods for the purposes of the PIR.

The final sample of interviewees was selected to ensure a mix of representation form rural, urban, suburban and coastal areas, different levels of deprivation, and representation from the four nations of the United Kingdom. These steps intended to ensure a diversity of experiences are captured. The properties of the interview sample are shown in Figures 1 and 2 on the following page[2].

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[2] Figure 2 shows ranked positions of the local area in which the interviewees' businesses are situated. Decile determined by rank position of local area (either Lower Super Output Area, Data Zone or Super Output Area depending on data availability) in list of all local areas within the respective national index of multiple deprivation (relative deprivation). Source data: English Index of Multiple Deprivation 2019; Northern Ireland Multiple Deprivation Measure 2017; Welsh Index of Multiple Deprivation 2019; Scottish Index of Multiple Deprivation 2020. While absolute deprivation will be different for interviewees in different nations, combining relative deprivation as presented above is considered by the authors as acceptable for the purposes of this sampling frame.

Figure 1 Breakdown of interviewees by nation, location, type of business, type of retailer and job role

Nation	Frequency
England	12
Scotland	3
Wales	3
Northern Ireland	2

Location	Frequency
Urban	6
Suburban	5
Rural	7
Coastal	2

Type of business	Frequency
Small/local chain	2
Independent	11
Franchise	7

Type of retailer	Frequency
Convenience store	16
Tobacconist	1
Newsagent	3

Job role	Frequency
Owner or co-owner	12
Manager	8

Figure 2 Distribution of level of deprivation of interviewee businesses in the sample
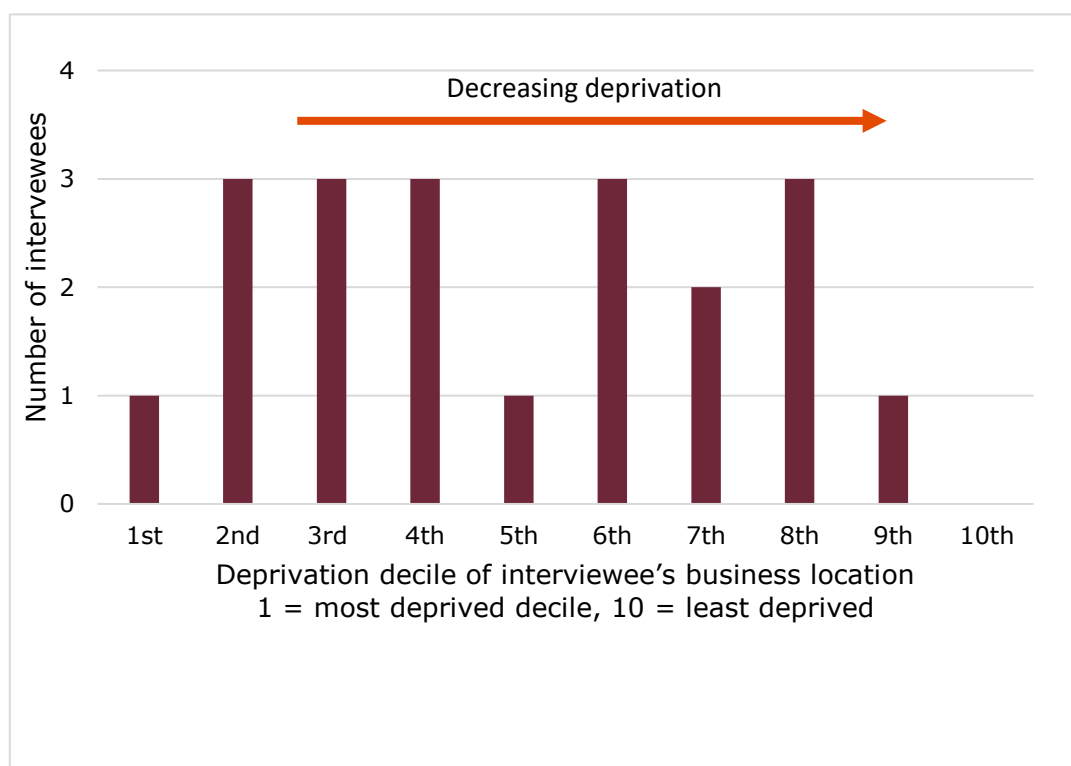
Recruitment of interviewees was undertaken through an outsourced research recruitment provider. Interviews were transcribed by a third-party service.

Interviewees were asked questions about the impact of key changes brought about by the SPoT and TRPR regulations on: observed sales of tobacco products; changes in the purchasing of e-cigarettes; purchasing of tobacco and tobacco-related products by younger adults (aged 18-25); the impact of the regulations on costs and income of their business; the impact on the sales process (eg customer serving time); and feedback received about the regulations from customers.

Policy areas of interest to DHSC guided the development of a coding framework by a single researcher (JB), which was accompanied by additional codes generated based on other emerging themes or topics (for example the rise in tobacco prices and their interaction with TRPR/SPoT) arising from the interviews. The resulting overall framework was reviewed by another member of the team (BB) to help refine and ensure suitability. Transcripts were coded using this framework by a single researcher (JB) using MAXQDA analysis software. During the coding process, no code was changed, collapsed or removed. Coded segments were analysed and considered alongside the project aims to generate findings.

Participation, governance and declarations

This research project was approved by the Health Sciences Research Governance Committee at the Department of Health Sciences, University of York after an ethics review process (HSRGC 2020/415/A::'Effect of SPoT and TRPR on small business owners', approved 10 October 2020).

Patient and public involvement was sought for this project using the University of York's Involvement@York programme. Comments and feedback on the research protocol and associated materials were provided by a panel of three programme volunteers and were incorporated into delivery. This included changes to the language used in the interview schedule and information sheets to make it them more accessible, and changes to the timings of the interviews to allow for more explanation of the project.

The panel also highlighted the following areas for further consideration regarding the evaluation of tobacco regulations. They felt these areas were important from the perspective of the public but were outside the scope of this project:

- the impact of the regulations on smoking by under 18s

- the extent of black-market trading and the ways that 'legitimate businesses are enabled to sell the products in a way which allows them to continue to do so whilst ensuring that those products inflict the minimum possible harm'

- whether the customer can 'still buy the products that they want, where they want and when they want'

- how the regulations have affected smoking prevalence in the community.

The recruitment provider, Criteria Fieldwork Ltd, declared that they do not have any connections to the tobacco industry (financial or otherwise) and that to the best of their knowledge, the recruitment undertaken for this research project is not influenced by the tobacco industry.

Nineteen interviewees declared that neither they, their business or associates had gainful financial connections or otherwise with tobacco manufacturers beyond selling tobacco and related products. One participant declared that their tobacco display case was paid for by the tobacco industry but otherwise had nothing else to declare aside from sale of tobacco and related products.

Caveats and limitations

This research project aims to inform the PIR through the illustrative experience of a limited number of small tobacco and e-cigarette retailers and provide insight into some of the less well-understood issues they face due to these regulations. Given the limitations of this rapid research project, this research should be considered alongside other sources of evidence such as the results of the PIR public consultation exercise and sector sales data.

The limits of the sample size mean that while diversity of experience can be represented in the sample, it is not possible to draw conclusions about implementation of the regulations specific to these characteristics (eg, differences in experience between nations or levels of deprivation).

Where we use 'some', 'several' or similar language to refer to numbers of interviewees, we do so in order to illustrate the full range of views and experiences. We do not weight how we report the responses by their number

of mentions – other than in cases where either just one or two interviewees, or almost all interviewees, made the remark.

Research interviews were conducted while retailers and wider society were impacted by the ongoing Covid-19 pandemic. This should be taken into account when considering these findings.

The different measures brought in by the regulations were also implemented at different times and with different periods of notice before coming into full effect. These differences may mean that some aspects of the SPoT and TRPR regulations are more immediately memorable to interviewees than others and hence may be weighted disproportionately in their responses.

2 Findings

Framing of findings

Interviewees generally had difficulty attributing impact to specific regulations. This is in part due to the overlapping effects of these and other tobacco control regulations as well as wider concurrent customer behavioural trends. As such, the findings below are structured primarily around the expressed overall key themes of interest for DHSC rather than being broken down by regulation or measure. However, where possible, the specific impact of either SPoT or TRPR (and the measures within) have been differentiated. When a specific measure from the regulations is mentioned in text (eg, the ban on characterising flavours) the regulation that introduced it has been added for ease of reference. Illustrative quotes from interviewees have also been provided.

Changes to sale of tobacco products

Many interviewees noted a substantial reduction in sales of tobacco products in recent years while others reported they had increased either slightly or substantially. The contributing effect (or lack thereof) of specific regulations on overall sales of tobacco products was something that overall, the interviewees found it difficult to provide an opinion on:

> *At that time, everything was just happening altogether… the changes, the branding and then… the price increases and then dropping out of the tens, etc. So it all, sort of, just happened at the same time and then… we evaluated it after, like, six months … slowly, slowly [finding] people were drifting off and moving on to other things. So it's hard to specify one particular thing that contributed the most to it.*
> (Interviewee P11)

Where raised, the perception from interviewees was that the ban on characterising flavours (TRPR) and minimum pack sizes (SPoT) had a much more substantial impact on the tobacco products sold than standardised packaging (SPoT) and the increase in the size of health warnings (TRPR). These latter measures reportedly had limited impact on sales:

> *So the regulations of plain packaging, health warning, I don't think it's actually worked for them in reducing the amount of people who smoke.*
> (Interviewee P02)

Other wider trends including growing preference for e-cigarette use or other factors such as price of tobacco products tended to overshadow conversations about changes in sales of tobacco products more generally:

> *I think that if I still sold cigarettes in their old packaging, probably also in tens, I don't think that would have made any difference. It's because vaping has become a new thing, and it's like anything really, that there's a whole sort of culture that grows up around these sort of things.*
> (Interviewee P18)

> *And I think a lot of people who have gone from smoking to vaping are doing it purely and simply because the cost of smoking is just becoming untenable for them.*
> (Interviewee P16)

However, the interaction between minimum pack sizes (SPoT) and price was recognised by several interviewees regarding sales of tobacco products:

> *cigarettes were already getting expensive by, like, every couple of weeks… the customers were already complaining about the prices going up on the ten packs, when the ten packs were available. So when the ten pack completely disappeared, people couldn't afford the 20 packs, even previously people couldn't afford the 20 packs.*
> (Interviewee P12)

Other specific effects from the regulations on sales of tobacco products were in some cases noted. The ban on characterising flavours (TRPR) reportedly moved some customers onto e-cigarettes and saw sale of replacement products emerge on the market (*see* Circumvention of Regulations section). Similarly, the restriction on sale of 10-packs of cigarettes (SPoT) led to some young adult purchasing behaviour changes noted later.

Some interviewees reported customers seeking out cheaper brands of tobacco product after the regulations (SPoT primarily) came into effect. However, it was more common for interviewees to say their customers still had a clear idea of what they wanted (ie, their usual brands) regardless. Linked to this,

one interviewee explicitly suggested they felt that standardised packaging (SPoT), with the reduced visibility of pricing, made customers less sensitive to rising prices for their preferred brands. This echoes findings from previous work from The King's Fund looking at the impact of the display ban on small businesses (Baird and Fenney 2019).

There was also an appreciation among a small number of the interviewees that some of their customers were buying (and smoking) more cigarettes due to the minimum pack size (SPoT):

> *I've seen people who used to buy ten cigarettes a day before, now they're buying 20 cigarettes and obviously that means that if they come in every day, they must be smoking double than what they were before.*
> (Interviewee P12)

Again, a similar observation was also made in previous work from The King's Fund work (Baird and Fenney 2019).

Interviewees, when prompted about the increase in size of health warnings (TRPR), regularly defaulted to comments on health warnings in general. While these were not introduced under TRPR or SPoT, interviewees were keen to express their views. Several noted that graphic health warnings clearly affected customers emotionally but were sceptical that it had an effect in reducing purchasing, particularly for older established smokers.

However, some interviewees also felt it had led to some changes in habits, potentially being playing some role in moving younger customers to e-cigarettes. The evidence from this study isn't sufficient to draw meaningful conclusions on this topic, particularly as these measures were not initially introduced under SPoT or TRPR so were not in scope of study. The wider national and international literature on tobacco control regulation provides much more evidence on this topic, for example Noar *et al* (2016), or in relation to the combined effect with plain packaging, for example Moodie *et al* (2020).

Changes in e-cigarette and refill sales

Many interviewees showed extremely limited or no awareness of the e-cigarette related measures (TRPR), for example around volume of tanks or additives. When they were prompted by the interviewer with an explanation

of the changes, they still struggled to recognise how or when the regulations came in in their store and therefore what, if any impact they might have had on sales. The reporting requirements in particular were met with little to no recognition:

> *I don't understand what are the regulations you're referring [to]. So I don't understand the question.*
> (Interviewee P01)

A small number of interviewees did feel that the TRPR regulations (eg, on strength of liquids or packaging warnings) may have helped remove some of the less reputable or potentially harmful products and possibly made the market safer:

> *Because I knew, before, you used to get really strong stuff that you could add to [e-liquids] so that, I believe, has gone. And also, that [e-liquids] used to have weird and wonderful things in [them]. So, now, the ones that I sell all have these kind of health warnings on them, you know. So it's kind of, like, kosher. Whereas before, a lot of [e-liquids] didn't have, and I suppose you didn't know what the hell you were buying.*
> (Interviewee P03)

> *I think a lot of [e-liquid product] has been made, no offence, in the back of a shed, by some people. And the regulations kind of stamped out on that a lot, so it did, because it was unregulated.*
> (Interviewee P09)

Some interviewees also implied that the introduction of health warnings under TRPR had to some extent legitimised e-cigarettes for customers.

There was an appreciation among some interviewees of the differential that the regulations had created between e-cigarettes and conventional tobacco products. In effect, they contributed to the former being seen as healthier, cheaper and, regarding the fewer limitations on packaging (SPoT), more appealing by comparison:

> *But again, there are not as many health warnings. If you compare cigarettes to e-cigarettes, the packages, or even an e-cigarette, it's second to none. There are far more notices, bold writing, they're not colourful photographs on cigarettes, whereas there's next to nothing on*

> *e-cigarettes. So I don't think the advertising or even the health impact is being clearly communicated with the e-cigarettes.*
> Interviewee P10

A consistent theme for many, but not all interviewees, was that e-cigarette use was more popular among young people but among established smokers, particularly older smokers, many were not changing their habits to towards e-cigarette use. This is not a fixed rule however, and some did note shifts among established smokers still.

Purchasing by younger adults (18-25)

Many interviewees noted the preference for younger adults to opt for e-cigarettes over tobacco use. Interviewees suggested a number of reasons for this wider trend but in the context of these regulations, several noted how the limits on pack size (SPoT) (and the subsequent more expensive starting price for a pack of cigarettes) combined with rising prices for tobacco products in general had been an important driver:

> *I think the package sizing has a big effect, because, obviously 18 to 25 you possibly got your first job… you won't have that much excess cash… to go and buy [cigarettes], you know, what's the minimum [price]? £10 nowadays, I think, to buy a box of £10 cigarettes, whereas it could have been five pound if it was a ten pack.*
> (Interviewee P13)

For the same reasons, a smaller number of interviewees also noted younger smokers increasingly purchasing roll-your-own tobacco due to the cheaper price per cigarette:

> *Because [younger adults] can't afford the 20 packs, which are, like, £10 plus nowadays, so they're going for the cheaper version, which is the roll-up tobacco, which you can get the same amount for half the price and you can make it last longer as well.*
> (Interviewee P12)

The ban on characterising flavours for cigarettes and roll your own tobacco (TRPR) was also highlighted by some interviewees as a possible reason for why younger adults had moved to e-cigarette products:

> *I think two years ago [younger adults] would have been buying cigarettes in tens and possibly flavour[ed] ones as well, you know, menthols and all the rest of it, they tend now to come in and buy the very, very flavoured, like the fruity flavoured, vaping fluids, and e-cigarettes.*
> (Interviewee P07)

A smaller number of interviewees suggested health warnings may have contributed to younger adults not taking up conventional tobacco products but the particular effect of the increase in their size (TRPR) was not something interviewees could comment on, even when prompted.

Plain packaging (SPoT) was suggested to be a part of the more general shift for young people away from tobacco products. One interviewee suggested plain packaging had a particular and specific effect on moving his customers across to e-cigarettes, noting the difference between the two products that the regulations (SPoT and TRPR) had created:

> *I think to be honest with the packaging that they've got on e-cigarettes, I think… it looks more glamourised, glamourising it to the consumer. I think obviously if you are coming in as a customer, you look at a packet of cigarettes which you've got obviously people dying on the front of the packets and obviously the health warnings, but on some vape liquid boxes, it's not plain packaging, obviously it says the brand of what it is, but it obviously gives you a slight warning at the bottom. I don't think it discourages people as much as [the warning] does with the cigarettes.*
> (Interviewee P20)

The effect of health warnings now being present on both types of product and how this differential affects user choice between them (and quitting) is an important reflection and one that is seeing wider study, eg, Brewer *et al* (2019) and Kimber *et al* (2018).

Overall, there is very limited evidence for the extent to which measures in both SPoT and TRPR have caused young people to stop using tobacco or e-cigarette products altogether – this was rarely mentioned by interviewees.

Other perceptions were reflected by interviewees as to why younger adults opted for e-cigarettes in their experience. This included smoking being increasingly 'uncool', younger people being much more health conscious, the

appeal of flavourings, and the lack of unattractive qualities such as bad breath:

> *So, I think it's in fashion. As well as the taste factor there as well, because traditionally gave you bad breath, rot your teeth, was all in hand in hand. The younger generation they are a lot more clued up, they are a lot more, you know, educated, you know, they make sure they are out there. So, what I think is people are seeing that… there is health issues associated with tobacco. E-cigarettes, they still get to the nicotine, they get a flavour as well so they are enjoying it more.*
> (Interviewee P05)

Effect on business and income (tobacco products)

Generally, the regulations in question (TRPR and SPoT) were felt by interviewees to have had limited impact on their business and its income. If it did, interviewees suggested it was primarily when measures were first introduced, either before customers adjusted or before new products were brought out:

> *Like I say, I don't think [the introduction of the regulations] has had an effect on the income coming into the business.*
> (Interviewee P04)

Some of the reasons given for limited impact include the margin on tobacco products being very small to begin with for these small businesses and the fact that manufacturers have circumvented the spirit of the regulations with other products (*see* Circumvention of Regulations section).

> *Tobacco [sale] has decreased slightly, but the big thing about tobacco is there's not much margin to be made on it. So we haven't been keeping that much of an eye on it.*
> (Interviewee P10)

> *But to be honest, yeah, I make a bigger profit selling jelly babies than I do with cigarettes.*
> (Interviewee P07)

> *[The regulations] probably saved us cost, to be honest, I mean, you know, as you're probably aware, the cigarettes are not a big margin to be had and it was probably more outlay of a cost bringing them in for a*

really small return, to be honest.
(Interviewee P11)

It hasn't affected [sales] at all, because of the [menthol flavouring] cards and the tips.
(Interviewee P14)

Small businesses were also implied to have diversified enough to limit impact or that customer behaviour was not altered enough to have made a difference.

With the profit margin on tobacco products being so small, several interviewees suggested they mainly kept them in stock to help maintain their existing customer base and help capitalise on the higher margin products and groceries that smokers bought alongside their tobacco:

I could stop selling [tobacco] tomorrow but then I'll lose all my customers purely because, yes, they'll buy a pack of cigarettes but then they'll take another 15 to 20 items in groceries and stuff out of the shop… [The margin on tobacco] is pennies compared to everything else they take out of your shop at the same time.
(Interviewee P02)

A small number of interviewees did note that even minor effects of TRPR and SPoT were important for their business and that the regulations had had a negative impact:

Overall [the legislation] hasn't made a huge impact on the business, on the negative side, but, I mean, every little helps nowadays, you know.
(Interviewee P12)

Others noted how the move to e-cigarettes with the larger margin was in fact better for their business in the long run as discussed below.

In terms of limiting initial one-off costs, one interviewee said:

When that law came in, we had probably £1,000 worth of stock of ten packs of cigarettes in store. I mean, luckily, luckily we were able to return those and get a credit for those before [TRPR] went in.
(Interviewee P16)

Shrinkage of the number of product lines and the brands stocked was reported by a number of interviewees as a larger range of tobacco products became less cost-effective to maintain. This was also accompanied by a decrease in willingness to try and sell new tobacco products and lines. It is unclear to what extent this is down to wider trends in the decline of smoking or these specific regulations.

Effect on business and income (e-cigarette and related products)

Where the specific e-cigarette requirements (TRPR) were concerned, one interviewee noted a direct effect on business costs and income:

> *The warning information is not just on the packaging, it's actually on the bottle as well. So it's not a case of you could just take out the liquid [bottle] and [replace the packaging]. So that had a really negative effect on the business, thousands of pounds worth of stock just had to go in the bin.*
> (Interviewee P16)

Where e-cigarettes were a reasonable or sizeable seller for that retailer, the interviewees broadly welcomed the shift towards e-cigarettes as the profit margin/mark up on these products was seen as substantially larger than that for conventional tobacco products:

> *The e-cigarette does tend to there's a lot more mark-up on them, so we can make more on that. So if the likes of our cigarette smokers move across to e-cigarettes, then it's a win-win for us.*
> (Interviewee P10)

However, many interviewees did note that they didn't sell very many e-cigarette products despite stocking them. Some interviewees felt that instead, their customers wanted to go to speciality e-cigarette stores for a more premium experience instead of buying from their local newsagent or convenience store:

> *Yeah, I sell [the e-cigarettes], but not many people buy it. I heard that too many specialists, they only sell these things, they are very busy, but not in my shop.*
> (Interviewee P15)

> *I think then it starts to affect our sales because then it becomes specialist. Then people don't want to buy a cheap pen from the local off licence that will do the job for the night. They realise that they're buying them three times a month, they might as well just buy a really good vape pen.*
> (Interviewee P17)

It is unclear from these interviews whether the shift towards e-cigarettes has meant a flow of customers to other retailers and hence meant an overall loss for these businesses, how significant this is, and to what extent this shift is driven by the regulations in question.

Customer feedback

Interviewees generally noted that customer feedback was negative when each of the restrictions were first brought in, although some such as the increase in size of health warnings (TRPR) or requirements for e-cigarettes (TRPR) seemed to go largely unnoticed.

The negative feedback from customers was especially prominent for the more immediately obvious requirements within the regulations (eg, plain packaging (SPoT), pack size limits (SPoT) and the flavouring ban (TRPR)). However, customers often subsequently adapted (both perceptions and purchasing habits) and negative feedback decreased:

> *It's gone back to normal because they know they can't [get 10-packs]… most people will come in the shop, they know they can only get 20 fags now. And they know they can't get the menthol fags.*
> (Interviewee P08)

Several interviewees also noted how indifferent their customers were and are to the regulations and how 'pointless' they were perceived to be by some.

Some interviewees reported confusion around the intention behind minimum pack sizes (SPoT) among their customers:

> *So people were basically saying, oh, why have the government banned the ten packs? Do they want people to smoke more now or something?*
> (Interviewee P12)

One interviewee in the sample did note overall positive feedback from their customers:

> *The older generation have obviously come in, they are quite happy that these regulations have been brought into place obviously to discourage the younger generation and obviously their kids… you get a feeling when you speak to general customers coming through the door saying they wished they gave up and they wished they gave up earlier and they said this [legislation] is a good idea.*
> (Interviewee P20)

From this research, it would be difficult to judge the effectiveness of the regulations on smoker behaviour and how they adapted to the changes. Interviewees did offer further speculation (eg, around customers quickly becoming desensitised to health warnings and plain packaging) but there is insufficient evidence to draw meaningful conclusions in this instance.

Changes to the serving process

Many interviewees felt that the regulations (primarily the standardised packaging introduced under SPoT) didn't make much difference to the serving process, or if it did, it was mainly when the regulations were first introduced or when new staff are onboarded:

> *But for me, for me, I can do [find the correct plain packaged product] with my eyes shut to be fair… no, it doesn't take me any extra time now, but it did do in the early days, it took us all I'd say probably around a month to get our heads round it and get used to the new system.*
> (Interviewee P16)

Responses generally ranged from no discernible impact on the serving process to a moderate level of annoyance but ultimately one without a substantial impact on costs or the business overall – this echoes similar findings from our previous work on the impact of the display ban on small businesses (Baird and Fenney 2019).

The difficulties highlighted by participants included:

- an increase in serving time due to locating particular products with standardised packaging

- customers expressing a preference for particular warning images on packets over others and asking for them to be exchanged

- occasions where customer satisfaction was lower due to receiving the wrong product, again due to standardised packaging

- occasions where retailers accidently sold a more expensive product for a lower price due to confusion with standardised packaging

- an interviewee with more limited eyesight reported finding it difficult to read the smaller print and identify products with plain packaging.

Interviewees who stocked a larger range of products generally reported more trouble with the serving process as a result of the regulations.

One interviewee noted an apparent tension between the display ban and plain packaging requirements (SPoT) – they felt the increased time it took to find the plain packaged product for the customer partially offset the effectiveness of the display limits as display case doors remained open longer.

Circumvention of regulations (TRPR)

Flavourings

A consistent theme through many interviews was that retailers found that the ban on characterising flavourings had effectively been sidestepped by manufacturers. Many were now retailing other means of flavouring tobacco (which are typically sold separately) such as flavour cards, flavoured rolling paper, or flavoured filters, to replace menthol and other flavoured tobacco:

> *So like your tobacco companies and everyone, they're looking at ways of how to keep mentholated products going but not making them an actual mentholated product. So like your flavour cards, your liquids what you can add to your pack of cigarettes.*
> (Interviewee P02)

> *At the start it was taking away the menthol, because… with customers, we've got a lot of customers who like menthol and, like I say, we couldn't find nothing to help them out, like, at first, because we couldn't get hold of the cards or the tips, but now we have, like, everyone's happy again.*
> (Interviewee P14)

Some interviewees noted that some customers had still changed habits due to the flavour ban but a sizeable amount had simply switched to using these other flavouring products.

Two interviewees noted an increase in the sale of low-tar, low-inherent flavour cigarettes, which customers preferred to use with flavour-imbuing products.

Health warnings

Several interviewees noted ways in which some customers would avoid exposure to health warnings and graphic images. This included asking for the packets to be sold face down on the counter to avoid looking to the images, customers placing their purchased pack in a custom opaque sleeve, and asking the retailer for a pack that had a less disturbing image. One interviewee noted how some customers would ask for warnings that didn't apply to them:

> *Because I mean, sometimes they kind of laugh at it, that smoking can harm your sperm count, you know, and you get guys going, 'Well I'm 65, it doesn't really matter a hoot, does it?', you know.*
> (Interviewee P01)

One interviewee suggested making health warnings visible on both sides of the pack could improve effectiveness and get around the issue of customers commonly wanting packs served face-down.

E-cigarettes

A small number of interviewees also mentioned how customers could get around e-cigarette regulations either by purchasing online, by buying 'knock off' products, or through making their own e-liquids:

> *You can still buy the big tanks online, you can still buy the great big bottles of oil online, you know? Enforcement, I don't think's easy. But, for us, who are selling the branded liquids in store, those safety measures to take out taurine et cetera, has made absolutely no difference to the sales, but that must be a good thing, because I take it, they've been taken out for health reasons.*
> (Interviewee P18)

One interviewee noted that customers would simply buy more product to get around some of the restrictions for example on the quantity of nicotine permitted in a given volume of e-liquid or the volume of tanks.

Circumvention of regulations (SPoT)

Standardised packaging

A small number of interviewees noted illegal trade and imported branded cigarette packs. However, their concerns were mainly about undercutting on price rather than customer preference for branded products.

Minimum pack sizes

The sale of packs of 10 cigarillos, small cigarette-like cigars, was also highlighted by a smaller number of participants as a way around the limits on pack size:

> Although we've never recovered our sale of tens, even that's now been side-swiped, because all the manufacturers have brought this product out, which they're calling a cigarello, which falls under the cigar legislation, but in effect there's ten cigarettes in a packet, which they can because they're in the cigar category, also be menthol flavoured. So, you know, you put legislation in place, and big companies find a way to step around it.
> (Interviewee P18)

However, the availability of 10-packs of cigarillos appeared to be a less effective circumvention than those of the flavour restrictions. As discussed above, many interviewees still noted sizeable effects on purchasing behaviours due to the loss of 10 packs of cigarettes.

One interviewee also noted that other retailers were illegally splitting packs of 20 cigarettes into smaller quantities for sale due to the continuing demand for lower priced, smaller packs:

> *But I believe some of the small… shops, and ice-cream vans, still do break packets of cigarettes for these youngsters, who maybe don't have much money, and they say, have you got a couple of fags, and they do that, totally illegal.*
> (Interviewee P03)

3 Conclusion

While the specific contributions of the SPoT and TRPR regulations (or particular measures within), to the overall trends in tobacco sales is difficult to quantify, the interviews did suggest that the full suite of these measures (alongside other government action such as the increasing cost of tobacco) were having an effect on sales and a reduction the range of tobacco products stocked. Some specific measures, such as minimum pack sizes (SPoT) or the ban on characterising flavours (TRPR), were clearly felt to have had a larger influence than others, eg, the increase in size of health warnings (TRPR) or plain packaging (SPoT). For some of the measures introduced by TRPR, interviewees showed little to no awareness of the changes at all – this included limits to e-cigarette tank size, reporting requirements around e-cigarettes and the ban on additives such as caffeine in e-liquids.

The contribution of minimum pack sizes (SPoT), price increases, and the ban on characterising flavourings (TRPR) were clearly perceived to have had an effect in pushing customers, particularly younger ones, towards e-cigarettes. Importantly, both TRPR and SPoT have seemingly created a differential between cigarettes and e-cigarettes in terms of perceived healthiness, 'glamour', and visibility. The measures applied to e-cigarettes under TRPR were also perceived by some interviewees as contributing to an increased perception of legitimacy and safety around e-cigarettes for customers.

Based on this sample, the specific costs to small businesses from SPoT and TRPR seems to be limited. This was also true regarding the impact on the serving process, although some apparently minor difficulties as a result of SPoT were noted, for example initial difficulties locating products. This was primarily for those who maintained a larger variety of products for sale

There was appreciation among the interviewees that the small margin on tobacco products meant that changes to their sale led to little disruption to the overall business. However, it is unclear to what extent the more profitable e-cigarettes are being substituted at the same retailer or whether customers are going elsewhere for these products.

Feedback from customers in response to the larger changes (eg, the ban on characterising flavours (TRPR), pack size limits (SPoT) and, to some extent,

plain packaging (SPoT)) was negative but over time decreased as customers became accustomed, moved to e-cigarettes, or moved to replacement products when they became available. Neither retailers nor customers appeared to have noticed much change regarding the increase size of health warnings or most of the TRPR e-cigarette requirements.

The ban on characterising flavours (TRPR) and limits to pack size (SPoT) have been circumvented to a surprising degree. While many interviewees noted an impact on sales patterns by the measures, several did remark how their effectiveness had clearly been limited by replacement products.

The above findings are based on the illustrative experience of a limited number of small tobacco and e-cigarette retailers and as such should ideally be considered alongside other sources of complementary sources of evidence.

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5   About the authors

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