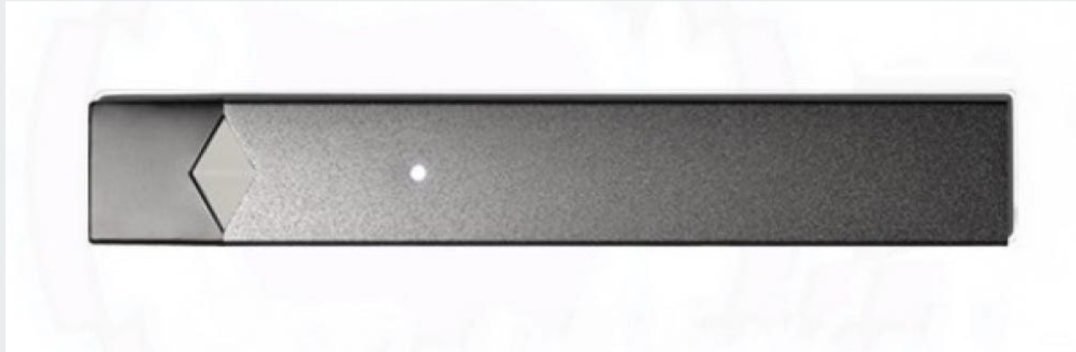




# Marketing In The News: Juul



Adagio Cisneros and Aidan Cusack



# Background



## About Juul

- Juul Labs, Inc. is an electronic cigarette company and maker of the Juul e-cigarette
  - Mission: “Improve the lives of the world’s one billion adult smokers by eliminating cigarettes”
- December 2017 - Juul became the most popular e-cigarette in the U.S.
- September 2018 - Juul ammasses a a 72% share of the e-cigarette market in the U.S.
- December 2018 - Altria Group (the parent company of Marlboro) purchased a 35% stake in Juul Labs for \$12.8 billion



# Illegal and Unethical Marketing

Recently, Juul Labs has come under fire for its illegal and unethical marketing practices including:

1. Targeting adolescents
2. Promoting the Juul as a safer alternative to traditional cigarettes



# Targeting Adolescents



## Seminars at Schools

- Cited in a congressional testimony:
  - A Juul representative spoke at a presentation and told students that Juul “was much safer than cigarettes”, “totally safe”, and that the FDA would announce “very soon” that Juul is “99% safer than cigarettes”
  - The representative urged a student to tell his nicotine-addicted friend about Juul because “it would be better for the kid to use”



## Social Media

- In addition to covertly promoting its products in schools and camps, Juul had an active social media presence and sought out influencers to promote Juul products



## FDA and CDC Facts

- One in five high schoolers uses e-cigarettes
  - The U.S. Surgeon General has declared a “youth vaping epidemic”
- Teenagers are particularly vulnerable to nicotine addiction (especially with the flavors and higher nicotine levels of e-cigarettes) and their use of nicotine products including Juul has increased
  - This amplified the FDA’s concerns and investigations



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# A “Healthier” Option

# Claims Regarding the “Make the Switch” Ads





## What the FDA Says

- Juul illegally marketed its vaping products as a less harmful alternative to traditional cigarettes
  - The campaign may convey that the devices are less harmful than tobacco cigarettes
  - The message implies that Juul's products are a smoking cessation option



## FDA Facts

- Health effects of e-cigarettes are not yet established
  - Results of initial studies are varied and not concrete
- 400 people have been sickened by vaping-related illnesses, including 5 deaths



# Marketing Laws

- Before marketing tobacco products for reduced risk, companies must demonstrate with scientific evidence that their specific product does in fact pose less risk or is less harmful
  - Juul has not done so
- Formerly on the Juul website: the company's vaping system is designed to “heat nicotine liquid and deliver smokers the satisfaction that they want without the combustion and harm associated with it”



## What Juul Says

- A spokesman for Juul disagrees with the implication that Juul products are a smoking cessation option
  - “Switching is not another word for cessation or safer. They mean very different things. For example, switching involves continuing to consume nicotine but from a different device, while cessation is about getting users to eliminate their nicotine consumption altogether”



# History of Tobacco Product Marketing

- Juul's marketing strategies follow a historical pattern of tobacco product companies making doubtful safety claims
  - For example in the 1950s, Camel made their cigarettes appear healthier with advertisements claiming “more doctors smoke Camels than any other cigarette”

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# What's Next for Juul?





# A New Marketing Strategy and Further Federal Investigation

- The FDA has ordered Juul to submit a plan to correct the issues outlined in the agency's warning within 15 days
- In addition, the FDA required more documentation about Juul's practices and products
- Failure to comply with the FDA could result in civil penalties, injunction, or seizure of company products

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# In Conclusion...





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