Self-reported price of cigarettes, consumption and compensatory behaviours in a cohort of Mexican smokers before and after a cigarette tax increase


Abstract
OBJECTIVE: To assess the impact of a 2007 cigarette tax increase from 110% to 140% of the price to the retailer on cigarette price and consumption among Mexican smokers, including efforts to offset price increases.

METHODS: Data were analysed from the 2006 and 2007 administrations of the International Tobacco Control (ITC) Policy Evaluation Survey in Mexico, which is a population-based cohort of adult smokers. Self-reported price of last cigarette purchase, place of last purchase, preferred brand, daily consumption and quit behaviour were assessed at baseline and follow-up.

RESULTS: Self-reported cigarette prices increased by 12.7% after the tax increase, with prices for international brands increasing more than for national brands (13.5% vs 8.7%, respectively). Although the tax increases were not fully passed onto consumers particularly on national brands, no evidence was found for smokers changing behaviour to offset price increases. Consistent declines in consumption across groups defined by sociodemographic and smoking-related psychosocial variables suggest a relatively uniform impact of the tax increase across subpopulations. However, decreased consumption appeared limited to people who smoked relatively more cigarettes a day (>5 cigarettes/day). Average daily consumption among lighter smokers did not significantly decline. A total of 13% (n=98) of the sample reported being quit for a month or more at follow-up. In multivariate models, lighter smokers were more likely than heavier smokers to be quit.

CONCLUSIONS: Results suggest that the 2007 tax increase was passed on to consumers, whose consumption generally declined. Since no other tobacco control policies or programmes were implemented during the period analysed, the tax increase appears likely to have decreased consumption.

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