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**Strategic Decision Analysis: CVS Health’s Tobacco Ban Decision**

From a Marketing Business Administration and Strategic Management perspective, evaluating major decisions through the lens of the five characteristics of strategic decisions provides insight into their long-term impact. CVS Health’s 2014 decision to stop selling tobacco products, a bold move for a pharmacy chain, offers a compelling case study. This decision is detailed in an article on [linkedin.com](https://www.linkedin.com/pulse/courage-business-counts-how-cvs-turned-tobacco-ban-financial-sinek), which highlights the company’s pivot toward health-focused branding (Sinek).

**Assessment of the Five Tests of Strategic Decisions:**

* **Long-term Direction:** This decision passes as it set a new trajectory for CVS, aligning the company with a health-oriented mission over short-term profits from tobacco sales, shaping its identity for decades.
* **Scope of Activities:** It passes this test by redefining CVS’s scope, shifting from a general retailer to a healthcare leader, influencing store offerings and partnerships with health organizations.
* **Competitive Advantage:** The decision meets this criterion by differentiating CVS from competitors, positioning it as an ethical, health-conscious brand, which attracted health-focused customers and employees (Sinek).
* **Strategic Fit with Environment:** It passes, reflecting responsiveness to societal trends of increasing health consciousness and anti-smoking sentiment, aligning with regulatory and cultural shifts in the 2010s.
* **Critical Use of Resources:** This test is met as the decision required reallocating significant resources—shelves, inventory, and marketing—away from a $2 billion revenue stream to health services, a high-stakes commitment to brand repositioning.

In my view, CVS Health’s tobacco ban strongly aligns with all five characteristics of strategic decisions. It was a courageous, risky move that sacrificed immediate gains for long-term positioning, ultimately enhancing brand loyalty and financial outcomes as consumer values evolved. This case exemplifies how strategic decisions can reshape an organization’s future when aligned with broader societal trends. (Word Count: 306)

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**Works Cited**

Sinek, Simon. “Courage in Business Counts: How CVS Turned a Tobacco Ban into a Financial Win.” *LinkedIn*, 10 Apr. 2022, www.linkedin.com/pulse/courage-business-counts-how-cvs-turned-tobacco-ban-financial-sinek. Accessed 9 May 2025.