

# The Grocer

Focus On: E-Cigarettes & Vaping by Tania O'Donnell (Tania@taniaodonnell.com)

**Publishing:** 13 February  
**Advertising deadline:** 28 January  
**Submissions deadline:** 23 January

## The Story

**That Brits are giving cigs the two fingered salute will be no surprise (grocers sold 2 billion fewer fags last year); what might raise eyebrows is that the very concept of the cigarette (single-use, disposable, convenient) is dying out. Even the three biggest names in e-cigs are in decline, despite strong growth in the vaping market, as ex-smokers discover new ways to get their nicotine hit. So what's replacing the e-cig format? Which brands and retailers are making the most of the opportunity? Who's being left behind?**

## Key themes:

**Formats:** This feature will explore in detail how brands and retailers expect the development of vaping formats to evolve in coming years. Will the disposable e-cig format disappear as vapers switch to refillable pens, cartridges and larger models similar to traditional Turkish Hookah pipes? Or, in spite of the decline of the top three e-cigs, is there still potential for refillable and disposable e-cigs?

**Retail channels:** Which channels are making the most of the opportunity? With supermarket sales standing at just £150m, many say they're losing out to specialist shops and online retailers. Is this true? Just how big is the *total* UK market? With vaping devices, flavours, liquids, etc becoming more sophisticated, are the supermarkets losing out as they don't have the space to stock such products and staff lack the expertise to advise would-be punters?

**Brand owners:** Similarly, do the cigarette giants really have the expertise to develop the kind of reusable, flavoured products currently in vogue with vapers, or does their relative inexperience put them at a disadvantage to the market's pioneers? As the tobacco companies increase their share of the market through acquisitions and NPD, what advantages (i.e. established distribution) can they capitalise on? How can smaller players compete?

**Sales:** This feature will explore in detail which brands have enjoyed the strongest growth as the market has continued its evolution from a niche, internet-based business into the mainstream in recent years. How have they used factors like NPD, promotions and advertising to maintain growth? We will also explore the importance of price, paying particular attention to whether we're likely to see tiering similar to the tobacco market.

**Advertising:** Following the relaxation of rules governing the advertisement of e-cigs, since October, 2014 brands have been able to advertise on TV. So who's advertising? How and where? What rules now govern the market? How much have brands spent in the past year? How important will ads become?

**4 x innovations:** Identify four new products or product ranges that have ideally not appeared in The Grocer before including launch date and RSP, and a hi-res picture of each.

## Key questions the feature is likely to address:

- What consumer trends have impacted the category over the past year?
- How have promotional strategies (both in terms of price and marketing) evolved?
- How have individual retailers' strategies impacted the market?
- How has merchandising changed in the market?
- What impact has own-label had on branded players?
- What's next for the category?