

*Sve*

MANAGEMENT SUMMARY

CONSUMER TRACKING  
ANALYSIS OF  
MAJOR SMOKER GROUPS

(MDD # 81-1479)

This is the first in a series of reports analyzing RJR and competitive share of smoker trends within key groups of the adult smoking population. This report is based on RJR Tracker data and covers performance through First Half, 1981.

The key population groups addressed in this analysis are

- Younger Adults (18-24)
- Baby Bubble \*
- Females
- Working Women

In addition, each RJR brand family's performance within the brand's specific target smoker group is addressed.

This analysis does not address ethnic groups or Brand Family Segments, which will be covered in separate reports.

\* The Baby Bubble generation encompasses smokers 20-35 years old. This report, however, focuses on the 25-34 year old smoker group which represents the heart of the Baby Bubble generation.

CONCLUSIONS

I. Strategic Planning Groups

- RJR is underdeveloped among the key strategic planning groups. Conversely, these population segments are areas of strength for Philip Morris.

RJR, however, experienced more share growth than Philip Morris among younger adult smokers (18-24) in First Half, 1981 with strong performance by the SALEM and CAMEL brand families.

The company did not show overall growth among the other key target groups -- Baby Bubble smokers and female smokers -- while Philip Morris achieved a substantial share increase within these groups.

- Key competitive brands that are maintaining growth among all target groups are Marlboro, Virginia Slims, and Newport.

## II. Brand Family Target Groups

- CAMEL, SALEM and NOW experienced share growth among their target smokers.
  - CAMEL kept pace with Marlboro in terms of share growth among 18-24 year old males.
  - SALEM and Newport achieved similar levels of share growth among 18-24 year old smokers while Kool's share declined substantially.
  - NOW improved its share significantly among females 35 and over whereas Carlton's share declined among these smokers.
  
- WINSTON, VANTAGE and MORE lost share within their target smoker groups.
  - WINSTON lost share among 25-34 year old males while Marlboro improved its performance among these smokers.
  - VANTAGE's share declined among 25-49 year old smokers and Merit's share increased by a comparable amount.
  - Both B & H and Virginia Slims grew among females 35-49 while MORE FF's share declined within this smoker group.

The table on the following page highlights key trends within each of the smoker groups.



Jeannie Y. Marshall  
Marketing Development Department

JYM:dmb  
Attachments

MANAGEMENT SUMMARY

I. <u>STRATEGIC PLANNING GROUPS:</u>	YOUNGER	BABY	FEMALES	WORKING WOMEN
	ADULTS (18-24)	BUBBLE (25-34)		
Size of Market (MM)	9.4	13.8	25.0	15.0
% of Smoking Population	17.7%	25.9%	46.8%	28.1%
<u>Major Growth Brands</u>	SALEM (+0.9) Newport (+0.8) Va. Slims (+0.7) Marlboro (+0.6) CAMEL (+0.5)	Marlboro (+1.6) Kool (+0.7) Newport (+0.6) Va. Slims (+0.3) Kent (+0.3)	B & H (+0.6) Va. Slims (+0.6) Newport (+0.6) Marlboro (+0.5) CAMEL (+0.4) NOW (+0.3) SALEM (+0.2) Merit (+0.2)	* Va. Slims B & H NOW Parliament Merit SALEM Newport
<u>Major Declining Brands</u>	Kool (-1.8) B & H (-0.5) Merit (-0.4)	WINSTON (-1.1) SALEM (-0.4) VANTAGE (-0.3) Merit (-0.2)	MORE (-0.7) WINSTON (-0.6) Kool (-0.4) Carlton (-0.4)	*
<u>COMPANY DEVELOPMENT</u>				
R. J. REYNOLDS	81	101	91	92
Philip Morris	161	118	106	121
<u>COMPANY SHARE PERFORMANCE</u>				
R. J. REYNOLDS	+0.9	-2.8	-1.4	*
Philip Morris	+0.5	+1.9	+2.2	
II. <u>BRAND FAMILY TARGETS:</u>				
<u>Share Performance</u>	<u>MALES 18-24</u>	<u>MALES 25-34</u>	<u>TOTAL 18-24</u>	
	CAMEL (+0.9) Marlboro (+0.9)	WINSTON (-1.8) Marlboro (+2.2)	SALEM (+0.9) Newport (+0.8) Kool (-1.8)	
	<u>TOTAL 25-49</u>	<u>FEMALES 35+</u>	<u>FEMALES 35-49</u>	
	VANTAGE (-0.3) Merit (+0.3)	NOW (+0.5) Carlton (-0.2)	MORE FF (-1.2) B & H (+1.2) Va. Slims (+0.4)	

\* Trends are not available. The brands shown are those that are highly developed.