

Tashkent State University of Economics
Vice-rector of Research and Innovations



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REPORT on Vape Category Evaluation



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KEY FINDINGS

- Prohibiting flavored e-cigarettes/vapes may not lead to a significant decrease in smoking rates. Approximately one out of every five smokers might discontinue smoking, while others may transition to unflavored options, resort to illicit sources, or switch to factory-made cigarettes or tobacco heating products.

- Enforcing a complete ban on this category is unlikely to result in a notable reduction in smoking, as only around one out of every four smokers may be affected. The remaining individuals might turn to the black market or opt for riskier factory-made cigarettes, posing heightened health risks. It's projected that 38% of smokers might resort to the unregulated black market, while 28% could choose more harmful factory-made cigarettes.

- A comprehensive ban on e-cigarettes/vapes could lead to diminished availability of legal products, elevated prices, and a surge in illegal alternatives, potentially facilitating access for individuals under 21 and inadvertently promoting more smoking—contrary to the intended goal of the ban.

- Instead of implementing a ban, smokers of e-cigarettes/vapes suggest that stricter regulations and enhanced state oversight would be more effective. This might involve measures such as restricting sales to individuals under 21, prohibiting colorful packaging, licensing retail and import operations, and conducting regular compliance inspections.

Date: _____, 2024 y.

Tashkent, Uzbekistan

1. INTRODUCTION

The key features of the Vape Category Evaluation research is to survey 1000 current vape active users with a tablet device or a mobile phone, who have at least 6 months of legal experience at the age of 21.7 – 39 years, male and females residing in Tashkent city or Tashkent region.

In recent years, the vaping industry has experienced significant growth, capturing the attention of both consumers and policymakers. However, concerns regarding the health effects of vaping, particularly among youth, have prompted governments around the world to implement restrictions and regulations on vaping products. While these measures are aimed at protecting public health, they have profound implications for businesses operating within the vaping industry. Restrictions on flavors and marketing may shift consumer preferences towards alternative products or cessation methods. As policymakers continue to grapple with balancing public health concerns and economic considerations, businesses within the vaping industry must navigate an uncertain regulatory landscape, adapt their strategies, and innovate to survive and thrive in a rapidly evolving market environment.

By many scholarly output, electronic cigarettes (e-cigarettes) are considered as a potentially less harmful alternative to traditional factory-made cigarettes.

Firstly, the fundamental distinction lies in the mode of delivery of nicotine. While factory-made cigarettes combust tobacco, releasing a cocktail of toxic chemicals, e-cigarettes operate by heating a liquid solution containing nicotine and other additives to produce an aerosol. The absence of combustion significantly reduces the formation of harmful byproducts found in cigarette smoke, such as tar and carbon monoxide, which are major contributors to smoking-related diseases like lung cancer and cardiovascular conditions.

Moreover, e-cigarettes offer users greater control over their nicotine intake. Many e-cigarette devices allow users to adjust the nicotine concentration in the

e-liquid or even opt for nicotine-free options. This flexibility empowers smokers to gradually taper off nicotine consumption or switch to non-nicotine-containing e-liquids, potentially facilitating smoking cessation efforts.

Even though electronic cigarettes present a comparatively less harmful alternative, the Ministry of Health of Uzbekistan has proposed a bill, which provides for a complete ban on the circulation of several tobacco and nicotine products, electronic cigarettes, vapes and tobacco heating systems, as well as the introduction of liability in this area, without giving much attention to the possible results of cessation policy, such as proliferation illegal markets, hence increase of smokers, a shift to more hazardous factory-made cigarettes and illegal market posing a danger to the public health, nor the alternative ways to curb smoking among the population.

The primary objective of the research is to observe the current vape users in order to assess the market and consumer responses in the event of a ban on nicotine and/or flavored nicotine liquids. Additionally, the study aims to explore alternative methods of state regulation regarding this topic from the consumers' perspective.

This information serves a solid foundation for the future discussions with the regulatory authorities.

2. METHODS

The current research is based on a surveying method, which involves collecting data from a sample of individuals (target group) through structured a interview to gain insights into their opinions, behaviors, or characteristics.

Interviews are conducted with the help of SurveyToGo app¹, which streamlines the surveying process, allowing the research group to create, distribute, and control surveys efficiently on mobile devices, enhancing data collection speed and research transparency. The app is trusted by more than 900 customers, such as Ipsos Group (a multinational market research and consulting firm in France), Nielsen Holdings (an American information, data and market measurement firm), GfK (the largest German market research company), etc.

There are 21 questions in the interview divided into 4 main sections:

1) Inquiries pertaining to the interviewee's alignment with the research target group, encompassing factors such as gender, age, residence, occupation, familiarity with various e-cigarette types, and legal consumption experiences.

2) Provision of information regarding the primary research objectives, legislative stipulations, survey details, awareness of data collection and postprocessing and storage and obtaining consent from interviewees.

3) Interview part concerning the knowledge of varieties of electronic cigarettes/vapes available (e.g., modern disposable, reloadable with cartridges, or open systems), recognition of brands (such as Vuse, Waka, ELFBAR, Maskking, LOCO, ISOK, Boyoo, AIIR, OXBAR, HQD, RELX, Juul, NASTY, SOAK), preferred nicotine levels (ranging from 0 to 50 mg/mL), and preferred flavors (including fruits, berries, mixed blends, beverages, or others).

¹ <https://www.dooblo.net/>

4) Exploration of consumer responses to the prohibition of nicotine liquids or flavored variants (e.g., cessation of all nicotine consumption, utilization of unflavored or illicit products, transition to factory-made cigarettes or tobacco heating products), as well as alternative actions proposed by state regulatory bodies instead of implementing a ban on e-cigarettes/vapes (such as tightening restrictions on sales to individuals under 21, prohibiting bright packaging and imagery on e-cigarette/vape packaging, licensing of retail and import operations, and increasing inspections by authorized agencies to ensure legislative compliance).

3. RESULTS AND ANALYSIS

During the research, over 1500 responses have been recorded. Responses failing to qualify the quality checks have been discarded.

In total, 1031 results have passed quality control checks, from which there are 847 and 184 results in Uzbek and Russian languages respectively.

Each interview took between 6 to 13 minutes, averaging 7 minutes 49 seconds. During the interview, the following important information is collected:

- interviewee answers in .xlsx excel file
- recordings of an entire interview as an .mp4 audio file
- GPS location coordinates of an interview
- interviewee consent form with their signature as a .pdf file

Moreover, the following metadata have been collected:

- date and time of the interview
- surveyor and interviewee names
- start and end times of the interview
- order number of the interview
- time it took interviewee to answer each question

Most of the respondents are of age between 22-25 years old.

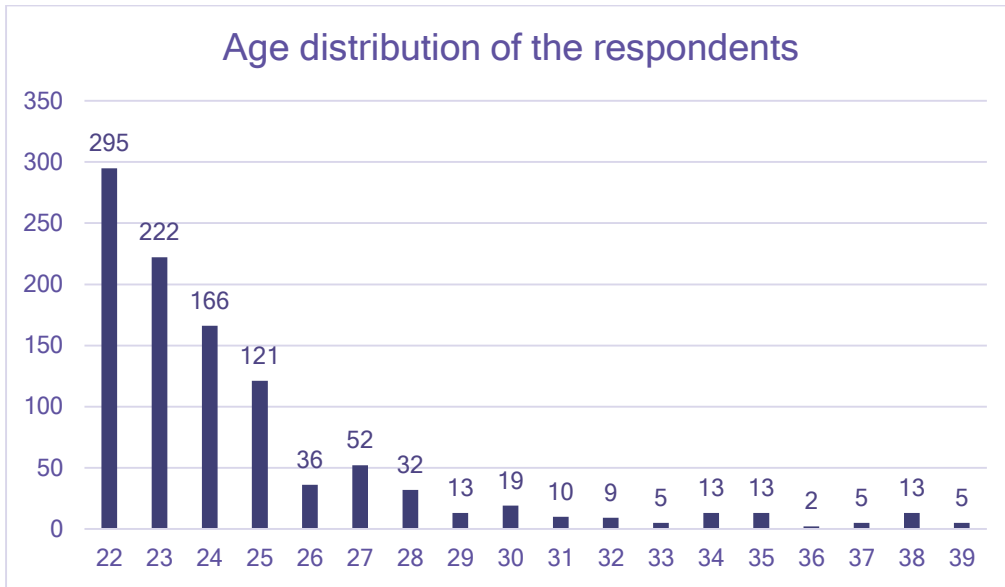


Figure 1. Age distribution of the respondents, 1031 individuals

Out of 1031 respondents, 956 individuals (93%) were men and 75 (7%) were women.

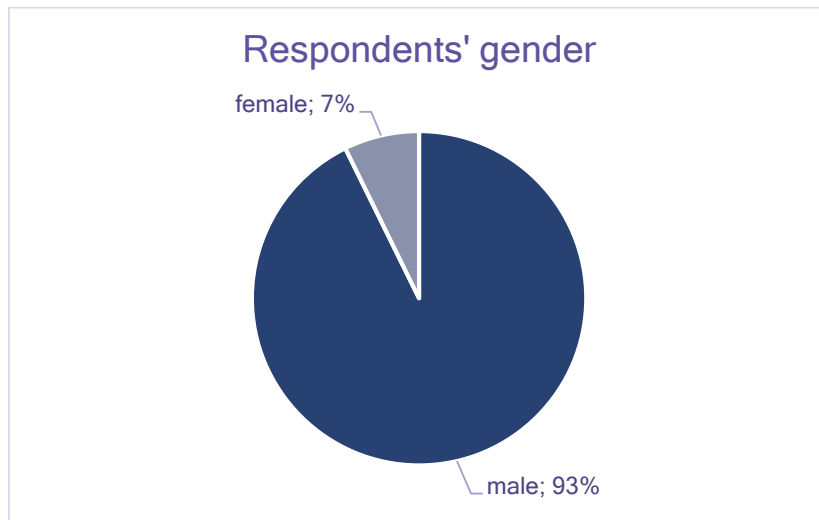


Figure 2. Gender distribution, 1031 respondents

Most of the respondents live in the the capital Tashkent city. Remaining interviewees reside in Tashkent region or other places of Uzbekistan.

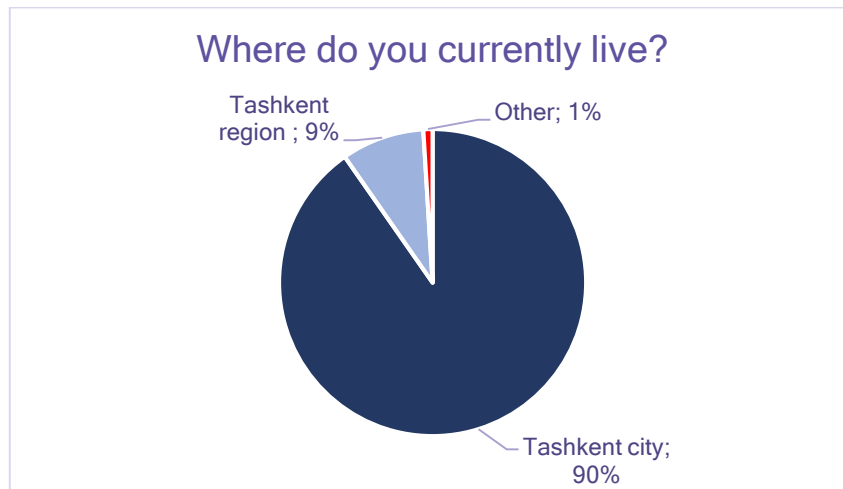


Figure 3. Residence distribution of respondents, 1031 individuals

Obviously, target group has been chosen in such a way that all of the respondents have heard about, have ever tried and have used electronic cigarettes/vapes in the last month.

Together with knowing the electronic cigarettes/vapes, in 37% of cases, respondents said that they heard about factory manufactured cigarettes (FMC), while in 24% of cases, they said they know about heating tobacco products (HTP) as in Figures 4-6.

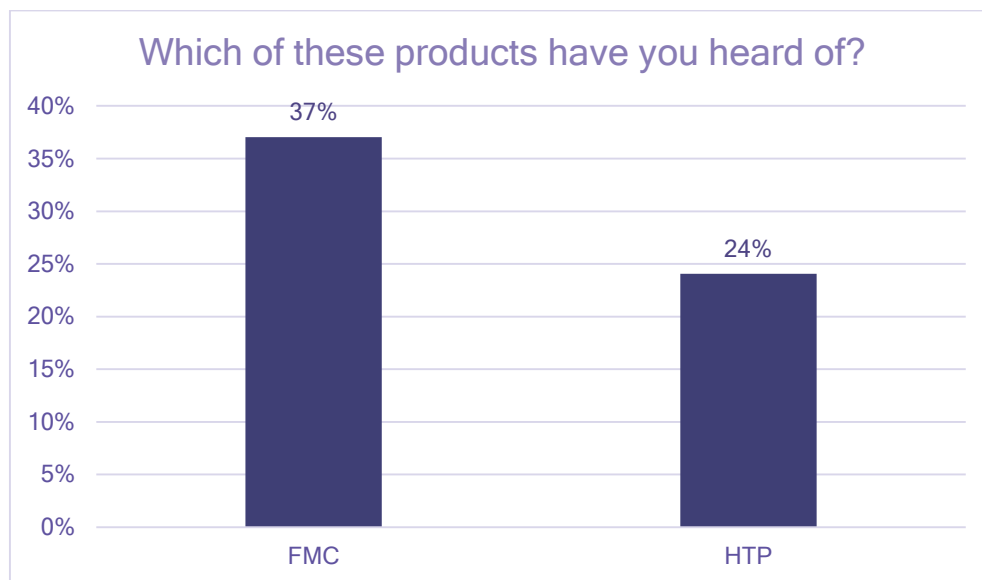


Figure 4. Answer to the question about types of nicotine delivery products they heard about, 1031 respondents

Interestingly, despite the fact that more respondents know about FMC than they know about HTP, they tried twice as many times HTP than FMC.

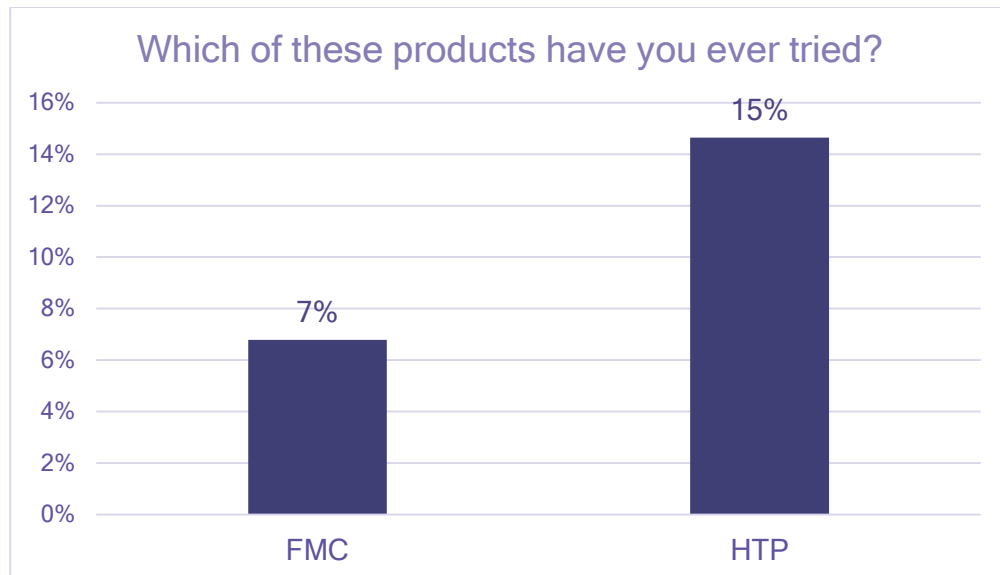


Figure 5. Number of people in the target group who tasted FMC and HTP, 1031 respondents

Nevertheless, in the last month, 5% of respondents answered that they bought FMC, compared to 3% who bought HTP.

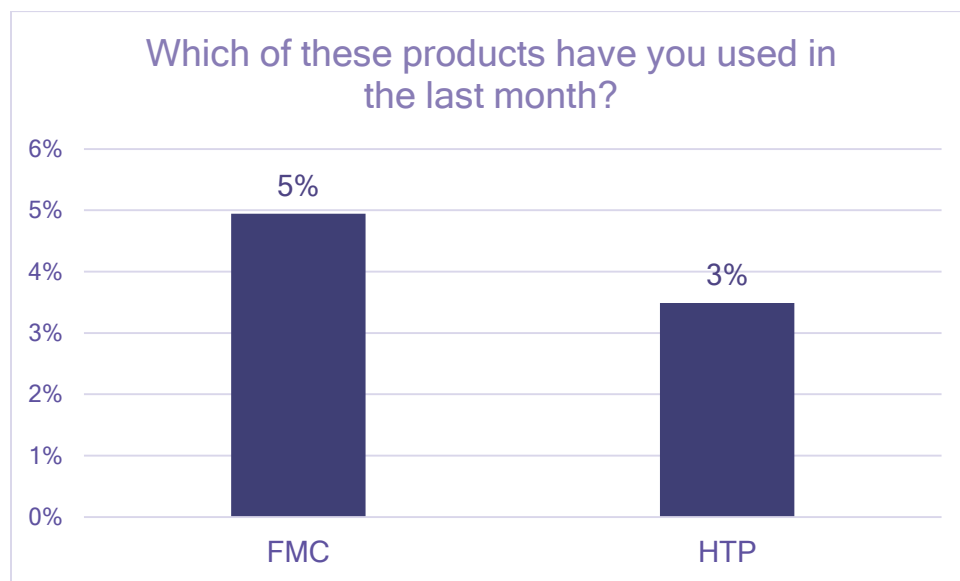


Figure 6. Last month usage of the target group, 1031 respondents

By law, selling nicotine products to individuals under 21 is prohibited. As a result, our goal was to determine the legal smoking experience of active users who have been smoking for over 6 months. Thus, the target group was aged between 21.7 and 39 years. The survey revealed that the majority of participants

are young, with over three-fourths having less than two years of legal smoking experience.

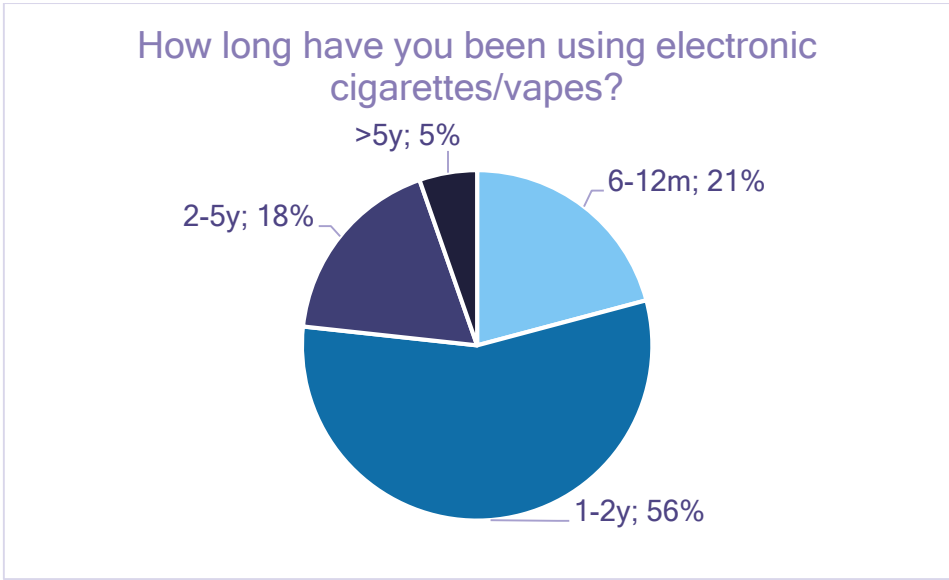


Figure 7. Years of legal smoking experience of respondents, 1031 respondents

Almost two thirds of respondents said that they use Modern Disposable electronic cigarettes/vapes (MoDi). Pod systems (closed) and open systems are less popular with 24% and 15% respectively.

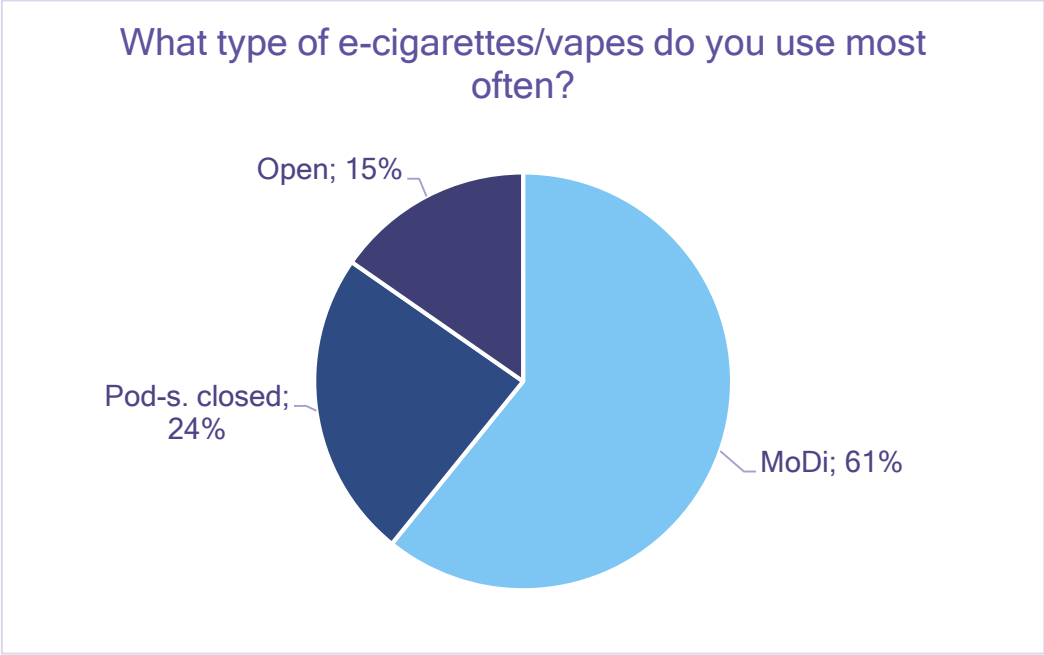


Figure 8. Mostly used types of electronic cigarettes/vapes, 1031 respondents

It is worth noting that Waka and LOCO are brands mostly recognized among 14 brand choices. Vuse is in the next five popular brands with ISOK, ELFBAR, Maskking and RELX respectively. Less popular brands are OXBAR, Boyoo and AIIR respectively. HQD, Juul, NASTY and SOAK are the least popular brands.

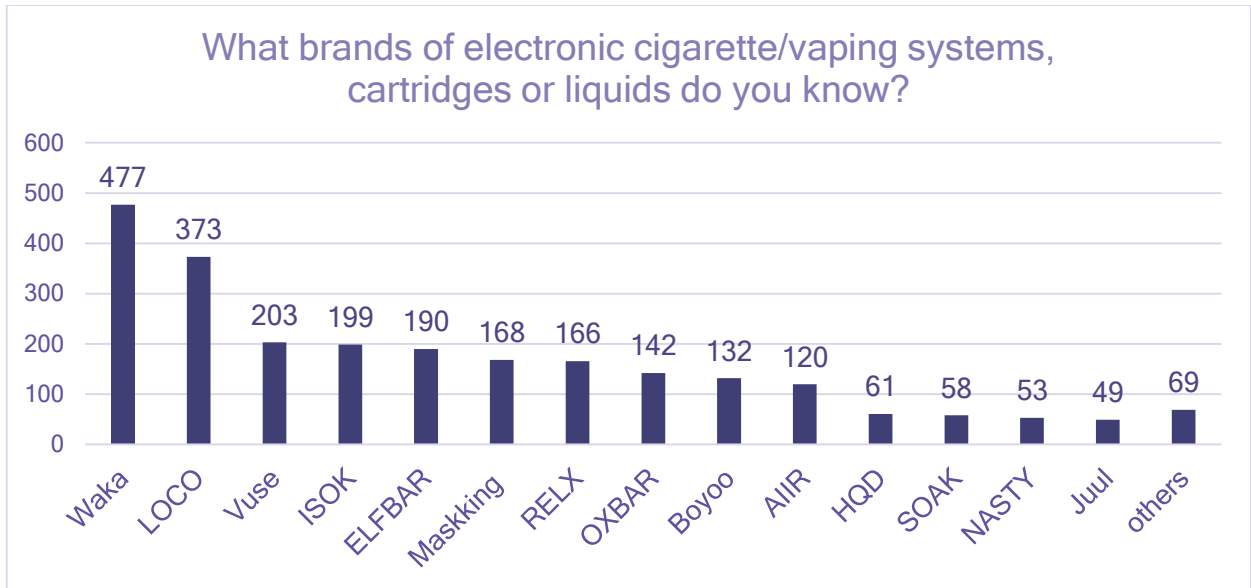


Figure 9. Popularity of brands, 1031 respondents

Speaking of the brands of e-cigarettes/vapes, cartridges or e-liquids that respondents currently use, order of the brands often used is the same as the popularity of the brands except for least popular brands Juul, NASTY and SOAK.

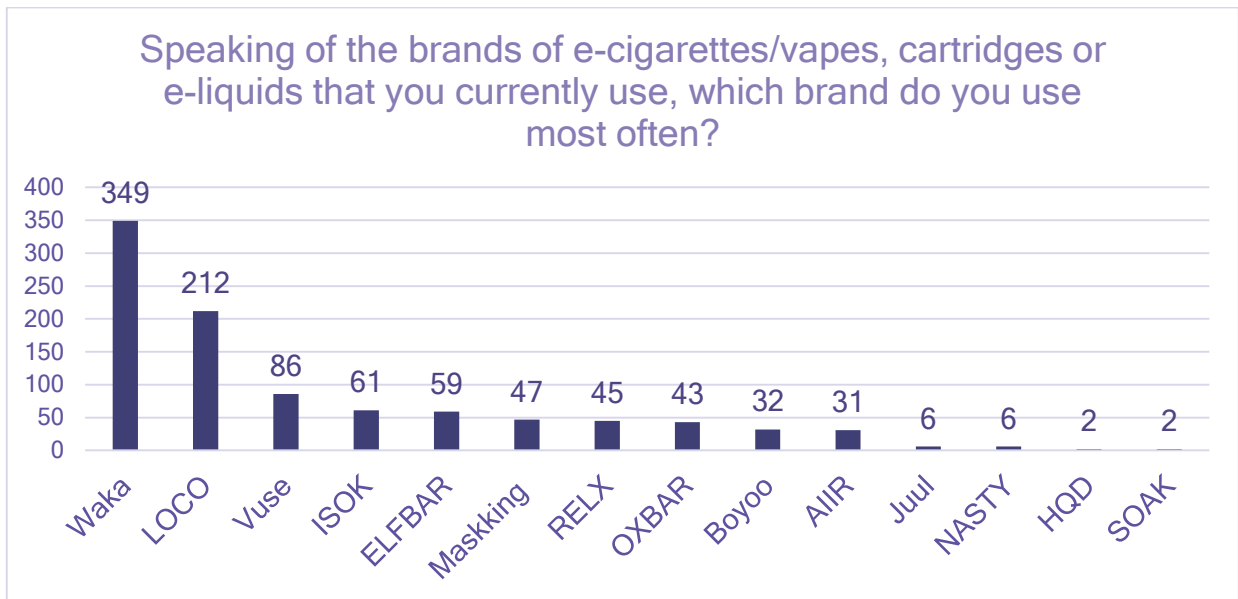


Figure 10. Mostly often used brands, 1031 respondents

Most of the respondents bought light level of nicotine devices/catridges/liquids between 1-20 mg/mL. Zero nicotine is the least purchased category. Interestingly enough, oftentimes, respondents didn't know the level of the nicotine, this might be because of the high DNP level of these products in Uzbekistan, without the proper information about the nicotine level.

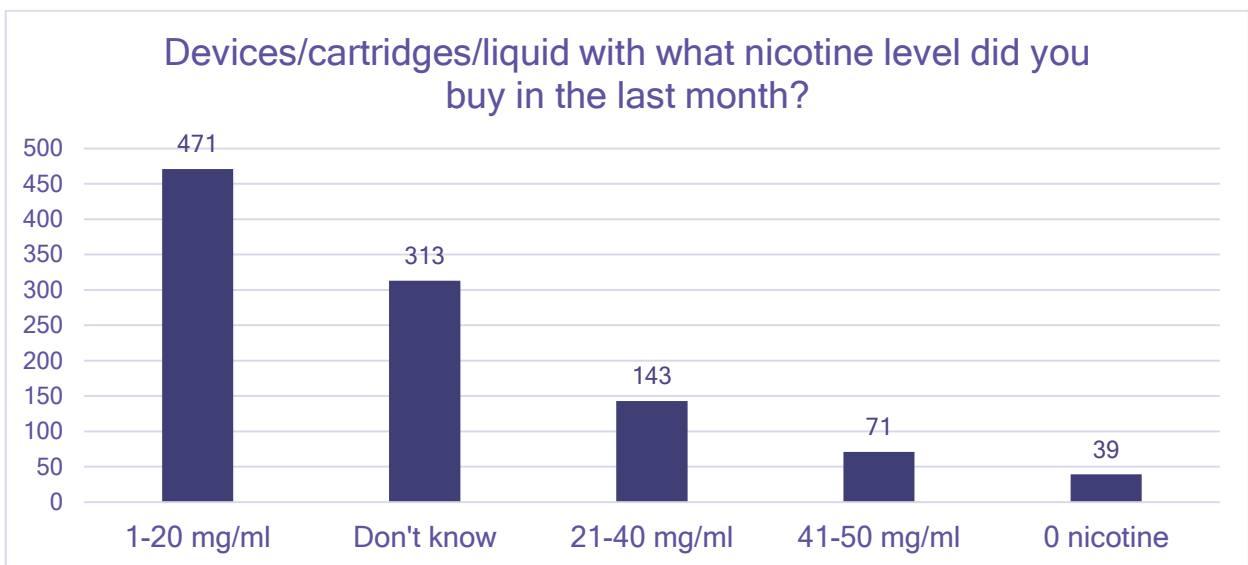


Figure 11. Last month purchase of devices/catridges/liquids by nicotine level, 1031 respondents

Most respondents frequently chose products with a light nicotine level. They least often selected devices, cartridges, or liquids without nicotine level

information, indicating their general awareness of the risks associated with smoking.

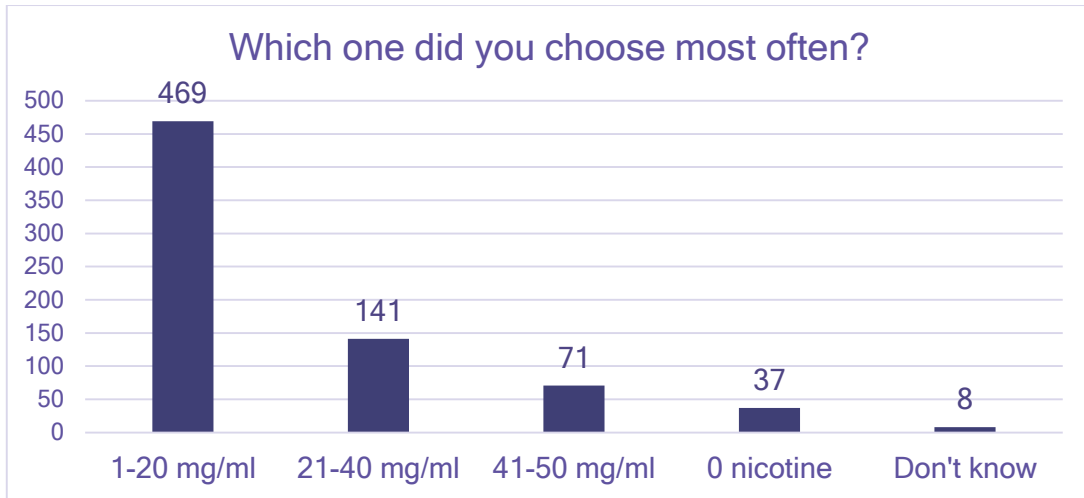


Figure 12. Respondents most often choice of nicotine level

The findings indicated that among 1031 participants, a significant majority of 68% (705 individuals) expressed a preference for flavored e-cigarettes or vapes. Conversely, the remaining 32% (326 individuals) stated a preference for unflavored options.

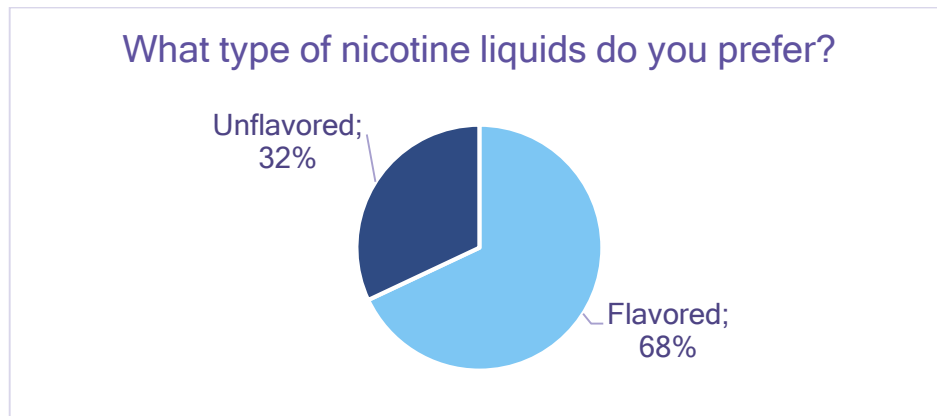


Figure 13. Types of nicotine liquids preferred, 1031 respondents

The survey responses indicated that fruit flavor is the most popular choice, significantly surpassing all other flavors combined. Mixed flavor ranks second, followed by berries in third place.

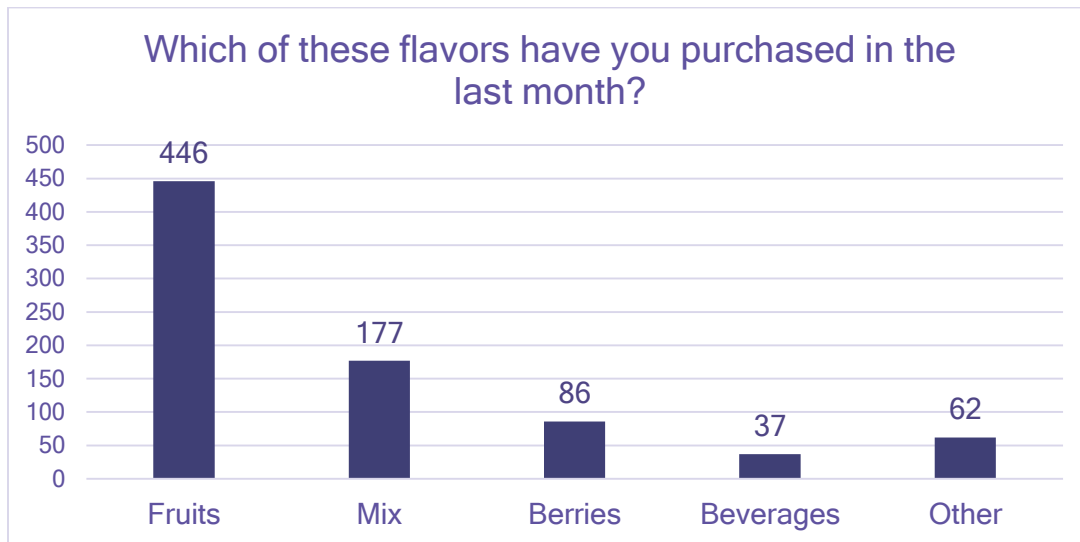


Figure 14. Flavors purchased in the last month

The most chosen flavors follow the same ranking as the most purchased flavors. Fruit flavors are selected twice as often as all other flavors combined.

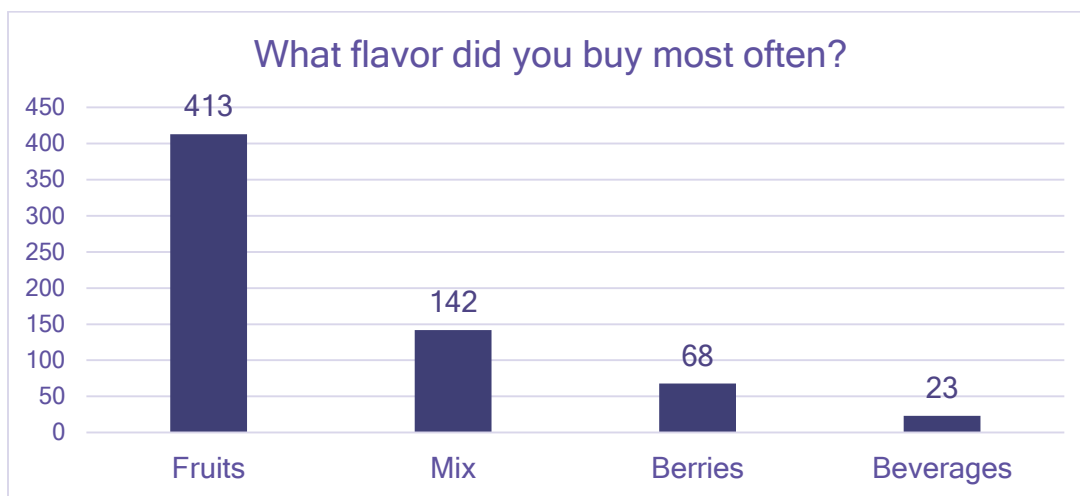


Figure 15. Mostly often bought flavor

There are three essential questions in the survey, namely exploration of consumer responses to the prohibition of nicotine liquids or flavored variants (e.g., cessation of all nicotine consumption, utilization of unflavored or illicit products, transition to factory-made cigarettes or tobacco heating products), as well as alternative actions proposed by state regulatory bodies instead of implementing a ban on e-cigarettes/vapes (such as tightening restrictions on sales to individuals under 21, prohibiting bright packaging and imagery on e-cigarette/vape

packaging, licensing of retail and import operations, and increasing inspections by authorized agencies to ensure legislative compliance.

3.1 Potential outcomes of prohibiting flavored electronic cigarettes/vapes

In the case of a ban of flavored nicotine liquids, out of 705 individuals who consume flavored liquids, 31% responded that they will shift to unflavored nicotine liquids (W/O FLAVOR); 29% indicated that they will continue to use electronic cigarettes/vapes, cartridges or flavored liquids whenever they are available, even if such products are illegal (KEEP ON ILLEGALLY); 19% indicated that they would generally cease smoking or using any tobacco and/or nicotine-containing items (STOP!); 16% indicated that they would shift to factory manufactured cigarettes (FMC), 6% expressed to shift to heating tobacco products (HTP).

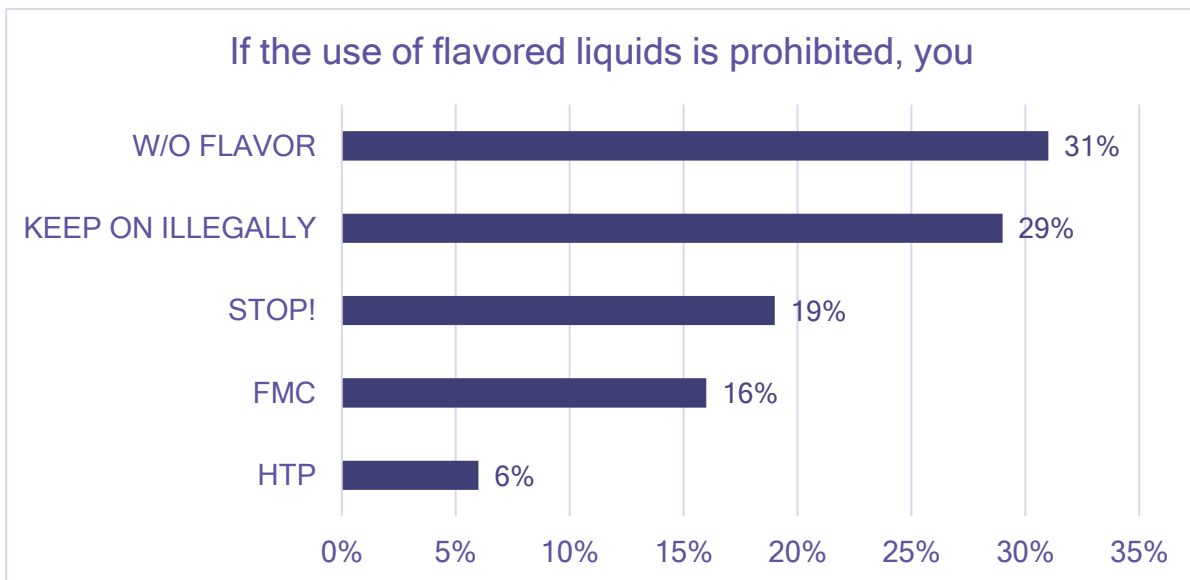


Figure 16. Distribution of answers among respondents who preferred flavored e-cigarettes or vapes, 705 individuals

A ban on flavored nicotine liquids affects male and female respondents differently. Unlike male smokers, female smokers would not opt for unflavored alternatives. Instead, they would prefer to continue using electronic cigarettes, vapes, cartridges, or flavored liquids whenever available, even if these products are illegal.

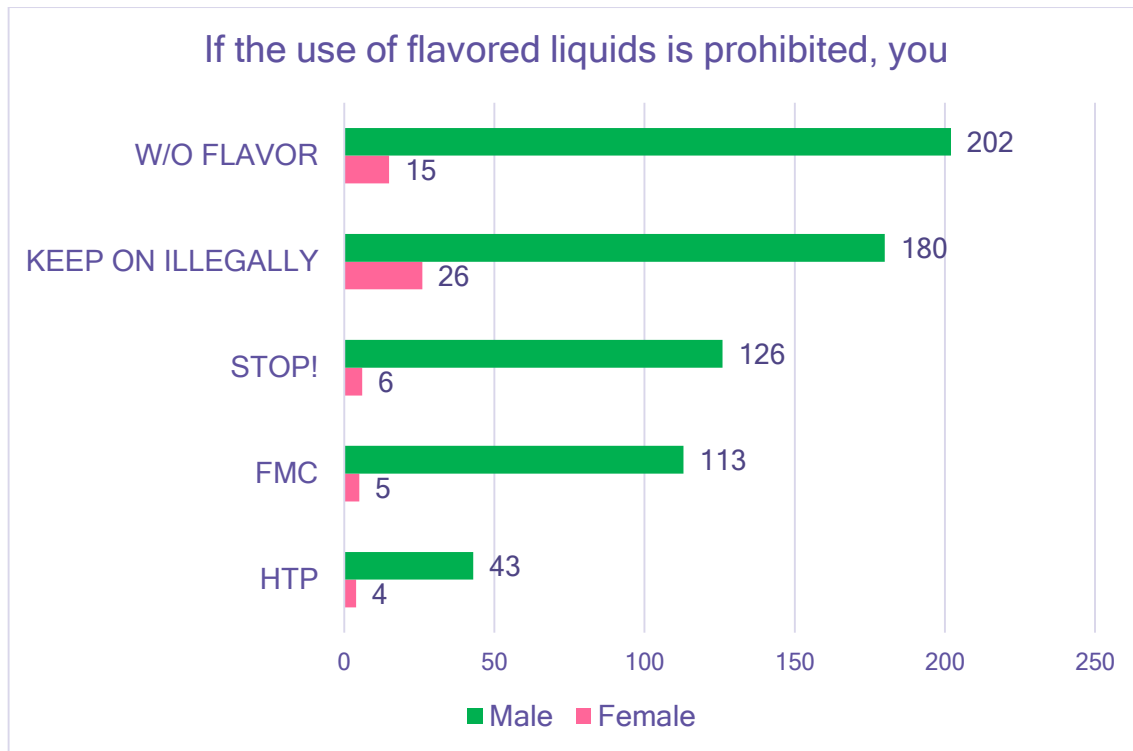


Figure 17. Behavior of respondents consuming flavored liquids, 630 males, 75 females

3.2 Potential outcomes of prohibiting electronic cigarettes/vapes as a product category

During the analysis, it is important to observe the fact that **in contradiction to the ban intention, smokers would shift to illegal market or smoking more hazardous FMC**. As evidence this argument, for the question about “*In case of a ban of electronic cigarettes/vapes as a category*”, out of the 1031 respondents who preferred flavored e-cigarettes or vapes, vast majority or 38% expressed their intention to persist in using e-cigarettes/vapes (KEEP ON ILLEGALLY) instead of stop smoking or consuming any tobacco and/or nicotine-containing products, 28% answered that they would transition to factory manufactured cigarettes (FMC). And only 26% would cease smoking or using any tobacco and/or nicotine-containing items (STOP!). 8% expressed to shift to heating

tobacco products (HTP). Interestingly, these responses are of equal significance in both the Uzbek and Russian customer segments, with identical order of importance (see Table 1).

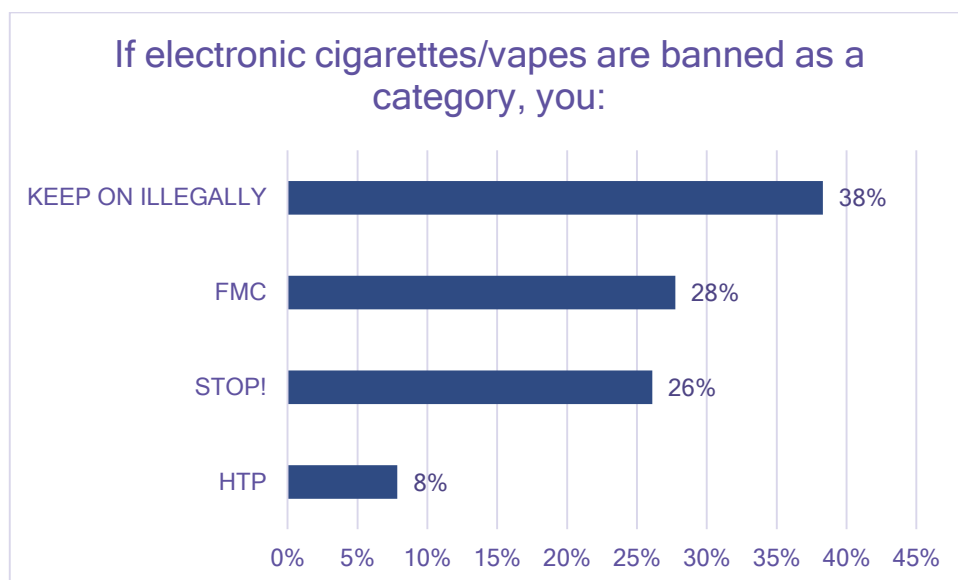


Figure 18. Distribution of answers among respondents in case of a ban of electronic cigarettes/vapes, 1031 respondents

Table 1

Responses to the question “In case of a ban of electronic cigarettes/vapes as a category” by language they speak

	STOP!	KEEP ON ILLEGALLY	FMC	HTP	SUM
UZ	224	330	236	57	847
RU	45	65	50	24	184
TOTAL	269	395	286	81	1031
%	26%	38%	28%	8%	100%

By gender, the results are almost the same

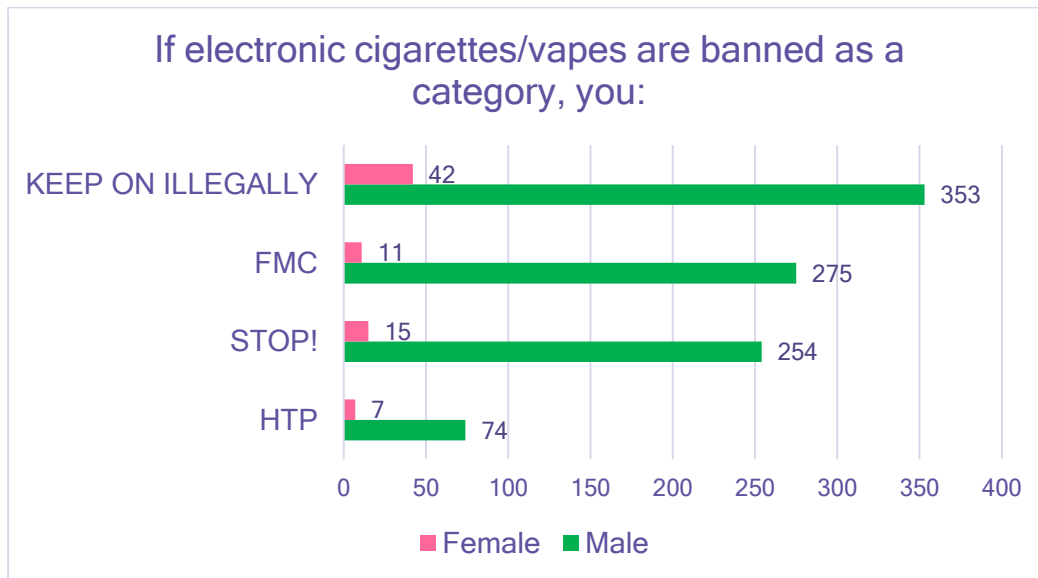


Figure 19. Distribution of answers among respondents in case of a ban of electronic cigarettes/vapes, 956 males, 75 females

3.3 Alternative state actions instead of a ban

In response to the question regarding alternative state actions concerning electronic cigarettes/vapes instead of a ban, over half advocated for stricter responsibilities for selling these products to individuals under 21 years old (!<21 yo). Nineteen percent supported banning the use of vibrant color packaging and imagery that might appeal to those under 21 (BAN COLORFUL), while 11% favored continuous checks by authorized governmental bodies to ensure compliance with regulations (CONT. CHECK). Additionally, 9% advocated for licensing of retail sales (LICENSE RETAIL), and 8% for licensing of imports (LICENCE IMPORT). These responses are of equal significance in both the Uzbek and Russian customer segments, with identical order of importance.

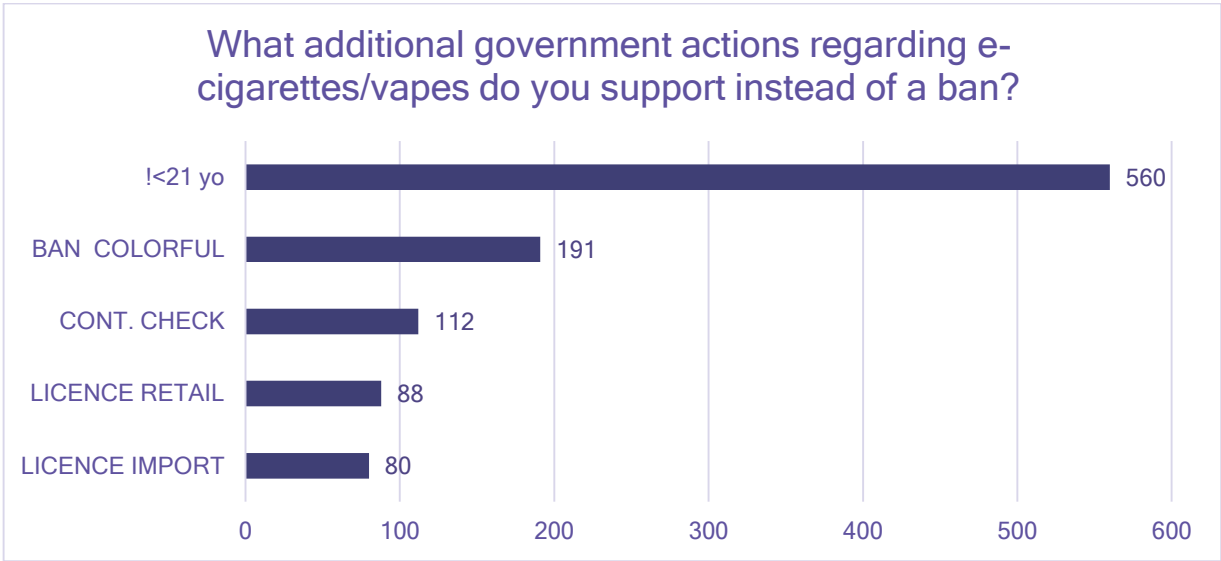


Figure 20. Distribution of alternative state actions instead of a ban, 1031 respondents

4. CONCLUSIONS

- Prohibiting flavored e-cigarettes/vapes may not significantly reduce smoking rates. Roughly one in five smokers might quit, while the rest may switch to unflavored options, shift to illegal sources, or turn to factory-made cigarettes or tobacco heating products.

- A complete ban on this category is unlikely to result in a substantial decrease, with only about one in four smokers potentially affected. The remaining individuals could turn to the illicit market or more hazardous factory-made cigarettes, posing greater risks to public health. It's estimated that 38% of smokers may resort to the unregulated illegal market, while 28% might opt for more harmful factory-made cigarettes.

- A complete ban on e-cigarettes/vapes could lead to reduced availability of legal products, higher prices, and an influx of illegal alternatives, potentially increasing access for those under 21 and inadvertently fueling more smoking—contrary to the ban's intended goal.

- Rather than implementing a ban, according to smokers of e-cigarettes/vapes, it is more effective to enforce stricter regulations and enhance state oversight. This could include measures like restricting sales to individuals under 21 (560 responses), banning vibrant packaging (191 responses), conducting regular compliance checks (112 responses), licensing retail (88 responses) and licensing import (80 responses).

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