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MARKETING DEPARTMENT
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To: Mr. R. N. Saleeby, Jr.

Date: November 22, 1968

From: A. Udow

PMI

Subject: CONSUMER BEHAVIOR - CIGARETTE SMOKING 3RD QUARTER, 1968

This is a top-line summary of a national telephone survey of 14,827 cigarette smokers conducted during the first week of October, 1968.

1. Trial and switching data show the 100's getting better than average trial in the 3rd Quarter, but no growth in share-thus low conversion. The 60-Account Panel has been showing only slow growth for some months, so the present smoker data suggest even further slowing. Smoker interest in the category is probably waning.

	60-Account Panel Brand				Trendex Smoker Shares				Trendex Trial			
	Shares				4th	1st	2nd	3rd	4th	1st	2nd	3rd
	Apr.	July	Aug.	Sept.	Qtr	Qtr	Qtr	Qtr	Qtr	Qtr	Qtr	Qtr
	'68	'68	'68	'68	'67	'68	'68	'68	'67	'68	'68	'68
	%	%	%	%	%	%	%	%	%	%	%	%
B&H Gold	1.8	1.8	1.8	1.7	1.8	1.6	2.0	1.7	2.2	1.9	2.2	1.5
B&H Menthol	0.7	0.8	0.8	0.7	0.8	0.9	0.9	0.9	0.9	0.8	0.9	0.8
Marlboro 100's	0.7	0.7	0.7	0.6	0.8	1.0	1.4	1.1	1.0	0.8	1.0	0.9
Avg. Trial Top 10 100MM Brands									1.1	1.3	1.6	1.2
Avg. of All Brands									0.9	0.7	0.8	0.8

2. The Second Quarter's data had shown B & H Share and Trial firming after three quarterly declines. Unfortunately, this did not continue into the Third Quarter. Trial of the brand, in particular, is worrisome. At 1.5% it makes a new low for B & H. These negative indicators do not apply to B & H Menthol which is holding firm.

	1967				1968		
	1st Q.	2nd Q.	3rd Q.	4th Q.	1st Q.	2nd Q.	3rd Q.
<u>Smoker Share:</u> B & H 100's F.	1.8	2.3	2.2	1.8	1.6	2.0	1.7
B & H 100's M.	0.5	0.7	0.6	0.8	0.9	0.9	0.9
<u>Trial:</u> B & H 100's F.	5.8	6.0	3.8	2.2	1.9	2.2	1.5
B & H 100's M.	2.0	2.4	1.2	0.9	0.8	0.9	0.8
<u>Conversion:</u> B & H 100's F.	10.9	9.1	7.0	6.2	5.7	7.4	5.1
B & H 100's M.	11.1	5.9	9.1	8.1	8.4	11.0	8.4
<u>Adv. Recall</u> (% recalling something)							
B & H 100's (56% 4th Q. '66)	64%	65%	NA	NA	NA	53%	60%
<u>Adv. Expense, \$MM</u>	4.3	6.0	2.0	3.7	3.3	3.1	2.0

Despite a reduction in advertising dollars in the 3rd Quarter, advertising recall is up from 53 to 60%, that is, almost as high a level as it has ever been. Since trial is low, the new commercials ("Around the World," introduced 6/21, and "Sheik," introduced 8/27) appear to be memorable but not motivating enough. The rise in advertising recall is due to "World," there being little remembrance of "Sheik" after to be sure, its first 6 weeks of airing. This relative performance of the commercials was indicated by ASI findings: "World" +9, "Sheik" +5, Norm +6. As is being done, "World" should receive more exposure than "Sheik."

3. Confirming the second quarter trend, Parliament remains static:
- Smoker share remains unchanged over the past 4 quarters
 - Trial has remained level over the past four quarters
 - Ad recall peaked at 50% (1st Qtr.) and has leveled at 46-47%. Reference to the London campaign are flat at about 30%. Product references are too low. Mildness playback is almost non-existent. Thus the "London" campaign which has not improved the brand share and which now has recall no higher than Silva Thins (46%) may have lost its freshness and thought should be given to a new campaign while effort continues to improve the product sell in "London."

	<u>1967</u>				<u>1968</u>		
	1st Q.	2nd Q.	3rd Q.	4th Q.	1st Q.	2nd Q.	3rd Q.
Smoker Share	1.8	2.0	1.6	1.9	1.9	1.9	1.8
Trial	1.2	1.2	0.8	1.2	1.3	1.0	1.2
Conversion	5.1	6.3	4.5	8.0	5.2	6.0	7.7

Ad Recall:	<u>1966</u>	<u>1967</u>	<u>1968</u>		
	3rd Q.	4th Q.	1st Q.	2nd Q.	3rd Q.
% Recall of Some Element	(38)	(39)	(50)	(46)	(47)
All London references	NA	16	31	30	31
All references to mildness	--	2	2	2	2
All references to filter	29	19	19	14	13
"Tobacco tastes best..."	9	4	4	3	3
Adv. Expense, \$MM	1.1	2.2	2.4	2.1	2.1

4. Silva Thins is showing real strength.
- Smoker share has doubled to 0.6% in the past 3 months
 - Trial for the filter and menthol versions combined has doubled (5.0%) and is higher than Marlboro Red and 100's combined (3.9%) and about equal to Winston Red and SKF (4.9%). Trial is second only to Salem.
 - Ad recall (46%) is fair, equal to that of Parliament, though better than True (35% in the 2nd Quarter).
 - Relative to smoker share, triers of Silva Thins are coming from Viceroy 100's, B & H Menthol, Pall Mall Menthol, L & M Gold and True Blue, all giving up more than their proportion of smokers.
5. Alpine was named by 10% of all smokers when they were asked to name all the menthol cigarette brands they could "think of." When asked to name all the coupon brands they could think of, Alpine was named by 9% of all smokers behind Raleigh at 78%, Belair at 29% and Old Gold at 14%. During the month September 16-October 18, telephone interviews among women in San Francisco showed 11% aware of Alpine as having coupons, and 5% aware of the stamp convertibility in spite of a special ten week 10-second campaign. Thus Alpine has a long way to go to register its existence and its raison d'etre.
6. An attempt was made in this study to estimate the volume of menthol cigarettes accounted for by "occasional" menthol smokers. It appears that occasional menthol smokers (that is, regular non-menthol brand smokers who smoke on the average as much as one pack of menthols a week - or 52 packs a year) consume only about 2% of all menthol cigarettes - about 2.5 billion cigarettes a year. Even though this is a small number, it is notable that 86% of non-menthol smokers smoke menthols often enough to average a pack a month-- although this usage might be concentrated in just one or a few parts of the year.

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7. Discontinuing smoking is a severe problem, especially among men:

	<u>MEN</u>	<u>WOMEN</u>
Total interviews made N=	21,098	19,823
	<u>%</u>	<u>%</u>
Never Smoked	32.6	46.3
Smoked But Quit*	23.2	11.7
Smoke Now	39.4	34.3
No Answer on Smoking	4.8	7.7
*When They Quit		
3 Mos. or Less Ago	1.3	1.0
3 Mos. -- 1 Year Ago	3.1	2.1
1-2 Years Ago	2.4	1.4
Over 2 Years Ago	14.7	6.0
Wouldn't Say	<u>1.7</u>	<u>1.3</u>
	23.2	11.8

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cc: Messrs. Weissman, Millhiser, Bowling, Landry, Cigarette Brand Managers,
Bohan (WRG), Snitzer (LB)

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THE MARKET

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THE MARKET

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The Market

Smoking

The decline in the percentage of people who smoke appears to be leveling in the 36-37% range. The slight increase shown in the most recent quarter is due to a two percentage point increase in smoking among women (34%) which is now at its highest level since the inception of the quarterly surveys.

Table 1

Trends in Smoking Incidence

	Total Interviews	Total	Smokers	
			Men	Women
3rd Quarter 1966	32,986*	40%*	49%*	32%*
4th Quarter	46,942*	35*	41*	30*
1st Quarter 1967	36,751	38	42	32
2nd Quarter	38,375	37	43	31
3rd Quarter	38,506	37	42	32
4th Quarter	44,200	38	44	32
1st Quarter 1968	44,852	36	40	31
2nd Quarter	48,066	36	39	32
3rd Quarter	40,921	37	39	34

* The earlier waves used a more urban sample than the later waves. The later studies are considered more representative.

For the second consecutive quarter we have obtained some information on non-smokers. The most recent data show men are twice as likely to have quit smoking as are women, ie. 23% of all men were found to have smoked at some time vs. 12% for women.

Table 2A

Smoking Habits
(3rd Qtr. 1968)

	Men	Women
	21,098	19,823
	%	%
Smoke now	39.4	34.3
Quit	23.2	11.7
Never smoked	32.6	46.3
No answer	4.8	7.7

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<u>When Stopped</u>	<u>When Previous Smokers Stopped*</u>			
	<u>-- 2nd Qtr. 1968--</u>		<u>--3rd Qtr. 1968--</u>	
	<u>Men</u>	<u>Women</u>	<u>Men</u>	<u>Women</u>
	(1,110)	(642)	(4902)	(2328)
3 months ago or less:	9.0%	4.6%	5.8%	8.4%
More than 3 mos. - 1 yr.	NA	NA	13.3	17.7
Over 1 yr. - 2 yrs.	NA	NA	10.3	11.6
Over 2 yrs.	NA	NA	63.2	51.2
No answer	NA	NA	7.3	11.0

NA = Not Available

Types Smoked

Sorting out people by the types of cigarettes smoked "most often" shows little change from past trends.

1. Non-filters held level at their lowest point (21.6%) since the beginning of the quarterly studies.
2. Filters remained level at the 56-57% of smokers they have had for the past 15 months.
3. Menthols continue to increase to the highest level to date (21.5%).

Other categories show:

4. A new high among smokers who report 100MM cigarettes as their "regular" brand (21.0%). Although the 60 Account Panel still reports a lower share for 100's (14% of the volume), the present level is a one point increase over the level reported in the 2nd Qtr of 1968 (13%). The consistency of these Trendex numbers means that they are not accidental. Either 100's smokers tend to be light smokers, or some people are confused about the length of their cigarettes.
5. A leveling of Flavor Filter smokers at about 28%.
6. A decrease of almost one percentage point in Hi Fi smokers, ie. from 11.7% (1st Qtr. - 1968) to 10.8% (3rd Qtr. 1968).
7. Allowing for occasional statistical variations, there had been an average of 7.5% of the smokers reporting a coupon brand. The latest quarter is right on this average.

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Table 3

Smoker Share Trends
(By Cigarette Type)

Telephone Interviews
% of Smokers

Type	---1966---		-----1967-----				-----1968-----		
	3rd Q.	4th Q.	1st Q.	2nd Q.	3rd Q.	4th Q.	1st Q.	2nd Q.	3rd Q.
Non-Filter	27.0	25.8	25.7	24.5	23.6	23.5	22.8	21.6	21.6
Filter	52.5	54.8	54.5	54.6	56.2	56.3	56.4	57.4	56.8
Menthol	18.7	18.8	19.9	20.5	20.1	20.2	21.0	20.8	21.5
	98.2	99.4	100.1	99.6	99.9	100.0	100.2	99.8	99.9
100MM	2.5	4.0	6.9	12.0	18.2	16.0	16.6	20.5	21.0
Flavor Filter	25.6	25.9	26.8	26.2	27.3	28.1	28.3	28.6	28.2
Hi Fi	11.1	12.1	11.6	11.3	11.2	11.5	11.7	11.4	10.8
Charcoal	7.3	6.9	6.6	6.9	6.6*	6.4*	6.6*	6.6	6.8
Coupon	7.7	7.3	7.5	7.2	8.0	7.8	7.6	6.6	7.5

*Excludes Tempo

Flavor Filter	High Filtration	Charcoal Filters	Coupon Brands
Marlboro	Parliament	Galaxy	Alpine
Red & 100's	True F/Blue	P. M. Filter	Belair
Winston	Carlton	Lark F & 100's	Galaxy
F & SKF	Kent	Tareyton	Old Gold Filter
L & M	F & 100's	F & 100's	Old Gold NF
F & Gold		Tempo	Raleigh F
Viceroy			Raleigh NF
F & 100's			Spring 100's

NOTE: Columns not adding to 100.0% are due to rounding

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Individual Brands

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For a complete list of all the brands shown in this section, see Appendix Table I.

P.M. Brands and Competitive Brands

Marlboro

After three quarters of growth, Marlboro showed a decrease in smoker share in the Third Quarter. However, we should wait until the next quarter before concluding that this represents an actual decrease in smoker share.

	<u>Smoker Share (%)</u>			
	<u>--1967--</u> <u>4th QTR.</u>	<u>-----1968-----</u> <u>1st QTR. 2nd QTR. 3rd QTR.</u>		
Marlboro 100's	0.8	1.0	1.4	1.1
Marlboro Red	<u>5.8</u>	<u>5.8</u>	<u>5.8</u>	<u>5.5</u>
Total (100's & Red)	6.6	6.8	7.2	6.6

Versus Winston

Winston Red and Winston SKF also showed a slight increase to 14.7% this quarter after increases in smoker share from 14.1% (3rd QTR-1967) to 15.2% (2nd QTR-1968).

	<u>Smoker Share (%)</u>			
	<u>--1967--</u> <u>4th QTR.</u>	<u>-----1968-----</u> <u>1st QTR. 2nd QTR. 3rd QTR.</u>		
Winston SKF	3.5	3.5	4.5	4.6
Winston Red	<u>10.6</u>	<u>10.8</u>	<u>10.7</u>	<u>10.1</u>
Total	14.1	14.3	15.2	14.7

Benson & Hedges

After a slight increase in smoker share during the 2nd QTR, B & H retreated to the same level found in the 4th QTR of 1967 (3.2%).

	<u>Smoker Share (%)</u>							
	<u>-----1967-----</u>				<u>-----1968-----</u>			
	<u>1st Q.</u>	<u>2nd Q.</u>	<u>3rd Q.</u>	<u>4th Q.</u>	<u>1st Q.</u>	<u>2nd Q.</u>	<u>3rd Q.</u>	
B & H 100 F	1.8	2.3	2.2	1.8	1.6	2.0	1.7	0002430092
B & H 100 M	0.5	0.7	0.6	0.8	0.9	0.9	0.9	
B & H R & K	<u>0.4</u>	<u>0.6</u>	<u>0.3</u>	<u>0.6</u>	<u>0.6</u>	<u>0.5</u>	<u>0.6</u>	
Total B & H	2.7	3.6	3.1	3.2	3.1	3.4	3.2	

Versus Pall Mall

Pall Mall Gold and Menthol combined suffered its first decrease in smoker share since the 4th QTR of 1967.

Smoker Share (%)

	-----1967-----				-----1968-----		
	<u>1st Q.</u>	<u>2nd Q.</u>	<u>3rd Q.</u>	<u>4th Q.</u>	<u>1st Q.</u>	<u>2nd Q.</u>	<u>3rd Q.</u>
Pall Mall Gold	2.1	2.0	2.5	2.1	2.1	2.5	1.9
Pall Mall M 100's	<u>0.6</u>	<u>0.5</u>	<u>0.4</u>	<u>0.5</u>	<u>0.4</u>	<u>0.5</u>	<u>0.5</u>
Total	2.7	2.5	2.9	2.6	2.5	3.0	2.4

Parliament

Parliament continues to hold firm at the 1.8-1.9% level.

Versus Kent

Kent (Filter and 100's combined) at 7.1% is still below the 7.5% found in the 3rd QTR of 1967 and 7.3% found in the 1st QTR of 1968.

Alpine

Alpine shows the same level found in the 3rd QTR of 1967 (0.6%).

<u>Other Changes vs. a Year Ago</u>	<u>-Smoker Share-</u>	
	<u>3rd Q. 1967</u>	<u>3rd Q. 1968</u>
<u>Brands Showing Growth</u>		
Salem (F & 100's)	7.6%	9.0%
Kool (F & 100's)	3.7	4.6
True F/Blue	1.2	1.6
Viceroy (F & 100's)	3.1	3.6
Tareyton (F & 100's)	3.8	4.2

Brands Showing Decline

Lucky Strike NF	3.7	3.0
Camel NF	6.3	5.8
Lucky Strike F	0.8	0.4
Newport King	1.5	1.1

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SMOKER SHARE (% Smoking Each Brand)*

Cigarette Brands	-----1967-----				-----1968-----		
	1st. Q.	2nd Q.	3rd Q.	4th Q.	1st Q.	2nd Q.	3rd Q.
	%	%	%	%	%	%	%
Alpine	0.9	0.7	0.6	0.7	0.8	0.5	0.6
B & H 100 F.	1.8	2.3	2.2	1.8	1.6	2.0	1.7
B & H 100 M.	0.5	0.7	0.6	0.8	0.9	0.9	0.9
B & H R & K	0.4	0.6	0.3	0.6	0.6	0.5	0.6
Galaxy	0.1	0.1	0.1	0.1	0.1	-	0.1
Marlboro 100's	NA	0.5†	1.1	0.8	1.0	1.4	1.1
Marlboro F	6.0	5.2	5.3	5.8	5.8	5.8	5.5
Marlboro M	0.5	0.3	0.3	0.3	0.2	0.2	0.2
Parliament	1.8	2.0	1.6	1.9	1.9	1.9	1.8
Philip Morris F.	0.9	0.9	0.7	0.8	0.7	0.7	0.7
Philip Morris M	0.1	0.1	0.2	0.2	0.1	0.1	0.1
Philip Morris NF	0.9	0.8	0.9	0.8	0.8	0.7	0.7
Virginia Slims F	NA	NA	NA	NA	NA	NA	0.1
Virginia Slims M	NA	NA	NA	NA	NA	NA	-
<u>Other Brands</u>							
Belair	1.9	1.6	1.8	1.6	1.6	1.6	1.7
Camel NF	7.1	7.0	6.3	6.7	6.2	6.4	5.8
Carlton	0.3	0.3	0.3	0.3	0.2	0.2	0.3
Chesterfield R & K	2.4	2.2	2.1	2.0	2.1	1.8	1.8
Kent 100's	NA	0.9†	1.7†	1.4	1.7	1.6	1.8
Kent F	7.3	6.1	5.8	5.9	5.6	5.4	5.3
Kool Filter Longs	NA	NA	NA	NA	NA	0.3†	0.7
Kool F	3.7	4.1	3.7	3.8	4.0	3.7	3.9
Kool NF	0.6	0.6	0.6	0.5	0.6	0.4	0.4
L & M Gold 100's	NA	NA	0.7†	0.6	0.5	0.5	0.7
L & M M Tall	0.3†	0.4	0.4	0.4	0.5	0.4	0.3
L & M	3.4	2.9	2.8	2.9	2.9	2.4	2.6
Lark 100's	NA	NA	NA	NA	NA	NA	0.3
Lark	2.0	1.9	1.7	1.7	1.6	1.9	1.5
Lucky Strike 100's	NA	0.1	0.3	0.2	0.2	0.3	0.3
Lucky Strike F	0.9	0.8	0.8	0.6	0.5	0.4	0.4
Lucky Strike NF	4.2	3.7	3.7	3.3	3.5	3.4	3.0
Newport 100's	NA	NA	0.3†	0.3	0.3	0.3	0.4
Newport	1.8	1.6	1.5	1.5	1.2	1.2	1.1
Old Gold F	0.8	1.0	1.0	1.1	1.1	1.0	1.2
Pall Mall Gold 100's	2.1	2.0	2.5	2.1	2.1	2.5	1.9
Pall Mall M	0.6	0.5	0.4	0.5	0.4	0.5	0.5
Pall Mall NF	9.1	9.3	8.8	9.3	8.8	8.2	8.6
Raleigh F	2.5	2.6	2.8	2.9	2.8	2.4	2.5
Raleigh NF	0.8	0.8	1.0	0.8	0.7	0.7	0.7
Salem 100's	NA	0.3†	1.6	1.4	1.6	2.2	2.0
Salem	7.1	7.3	6.0	6.2	6.6	6.4	7.0
Silva Thins F	NA	NA	NA	NA	NA	0.3	0.5
Silva Thins M	NA	NA	NA	NA	NA	NA	0.1
Tareyton 100's	NA	0.2†	1.1†	0.7	0.9	1.3	0.8
Tareyton	3.3	3.6	3.0	3.1	3.3	3.2	3.4
True F/Blue	1.6	1.3	1.2	1.5	1.6	1.6	1.6
True M/Green	0.6	0.7	0.6	0.7	0.7	0.7	0.7
Viceroy Filter Longs	NA	NA	NA	0.4†	0.4†	0.5†	1.2
Viceroy	3.6	3.5	3.1	3.4	3.4	2.9	2.4
Winston SKF	1.4†	3.0	3.7	3.5	3.5	4.5	4.6
Winston SKM	0.2†	0.7	0.7	0.6	0.6	0.7	0.6
Winston F	12.3	11.1	10.2	10.6	10.8	10.7	10.1

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† = Not National Full Qtr;

- = Less than .05%

NA = Not Applicable

FROM: "WHAT BRAND OF CIGARETTES DO YOU NOW SMOKE MOST OFTEN?"

*For all brands of cigarettes see Appendix Table I col. (c).

MARKET MOVEMENT

- trial
- switching
- conversion

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Disloyalty ("Trial Out")

"Disloyalty" is defined as the percentage of smokers of a particular brand who have bought some other brand specifically to try it in the last three months.

The disloyalty "all brand average" shows some leveling over the last three quarters remaining in the 42-44% range. The average for the 3rd QTR was 43.9%.

The leading PM brands and the competitive brands, on the whole, show a decrease in rates for the 3rd QTR.

Disloyalty Rates

	-----1968-----		
	<u>1st Q.</u>	<u>2nd Q.</u>	<u>3rd Q.</u>
<u>All Brand Average</u>	42.5%	44.3%	43.9%
<u>PM Brands</u>			
Alpine	45.6	47.5	45.7
B & H F	52.8	56.2	49.0
B & H M	48.8	56.7	52.8
Marlboro 100's	49.7	55.9	45.5
Marlboro F	44.0	46.3	49.3
Parliament	44.1	44.2	44.8
<u>Competitive Brands</u>			
Pall Mall Gold	48.0	54.1	52.2
Winston SKF	45.0	50.4	44.8
Winston F	43.8	47.8	47.9
Kent 100's	51.4	47.2	43.8
Kent	36.9	42.8	41.2

0002430096

TABLE 5

(Trial of Other Brands, % of Each Brand Smokers Who Tried -
Regardless of Whether or Not They Switched To Another
Brand

	-----1967-----				-----1968-----		
	1st Q.	2nd Q.	3rd Q.	4th Q.	1st Q.	2nd Q.	3rd Q.
All Brand Average	50.4%	49.4%	44.1%	40.5%	42.5%	44.3%	43.9%
<u>1 Brands</u>							
Alpine	56.3	62.6	47.1	35.8	45.6	47.5	45.7
B & H 100 F	53.9	57.5	47.0	46.0	52.8	56.2	49.0
B & H 100 M	50.0	60.9	41.7	42.5	48.8	56.7	52.8
B & H R & K	46.9	52.4	54.2	41.3	45.4	40.6	47.3
Galaxy	68.8	60.0	27.3	37.5	50.0	71.4	66.7
Marlboro 100's	NA	48.0†	44.6	45.8	49.7	55.9	45.5
Marlboro F	49.6	50.6	51.3	41.4	44.0	46.3	49.3
Marlboro M	63.3	66.7	61.4	60.4	45.9	44.4	61.5
Parliament	51.7	54.3	41.9	45.7	44.1	44.2	44.8
Philip Morris F	54.5	57.0	42.3	44.5	44.9	50.5	44.4
Philip Morris M	66.7	65.0	57.6	46.2	50.0	47.4	57.1
Philip Morris NF	45.8	44.7	41.1	32.1	43.0	41.3	44.1
Virginia Slims F	NA	NA	NA	NA	NA	NA	35.3
Virginia Slims M	NA	NA	NA	NA	NA	NA	-
<u>Other Brands</u>							
Belair	51.0	47.7	45.9	38.9	42.0	43.2	43.8
Camel NF	42.5	37.6	34.9	32.4	34.7	36.4	36.2
Carlton	51.3	46.2	42.8	43.5	44.4	31.2	47.2
Chesterfield R & K	51.7	49.7	38.0	32.9	44.1	41.6	42.0
Kent 100's	NA	47.9†	47.2†	42.9	51.4	47.2	43.8
Kent	53.6	58.1	43.9	39.3	36.9	42.8	41.2
Kool Filter Longs	NA	NA	NA	NA	NA	NA	42.7
Kool F	50.0	46.9	42.7	41.8	38.0	37.9	40.2
Kool NF	44.0	40.8	28.2	35.9	31.9	26.2	37.5
L & M Gold 100's	NA	NA	53.6†	51.7	49.4	69.2	43.1
L & M M Tall	50.3†	44.8	47.0	37.5	44.9	52.5	57.1
L & M	51.0	50.9	43.6	41.6	46.0	46.7	43.1
Lark 100's	NA	NA	NA	NA	NA	NA	49.0
Lark	51.0	51.1	41.4	41.3	42.0	39.3	47.9
Lucky Strike 100's	NA	50.0†	37.8†	46.2	39.4	45.0	31.6
Lucky Strike F	45.3	50.9	39.4	44.5	48.6	42.1	31.0
Lucky Strike NF	49.6	43.2	34.5	35.5	34.3	36.5	32.9
Newport 100's	NA	NA	51.2†	45.2	44.7	51.0	38.5
Newport	48.9	46.3	40.2	36.3	39.2	43.2	38.8
Old Gold F	55.9	56.4	51.4	51.4	45.4	56.2	49.2
Pall Mall Gold 100's	56.4	50.0	48.7	46.4	48.0	54.1	52.2
Pall Mall M	57.8	53.5	57.6	43.8	49.1	61.7	54.7
Pall Mall NF	47.4	43.9	40.7	39.0	40.5	37.9	39.0
Raleigh F	45.2	45.7	45.9	41.1	45.7	47.7	47.5
Raleigh NF	42.7	48.6	35.6	46.5	38.4	40.0	39.4
Salem 100's	NA	51.2	50.4	49.6	43.5	44.3	49.8
Salem	50.0	46.4†	42.8	35.3	40.4	40.0	37.6
Silva Thins F	NA	NA	NA	NA	NA	43.2	53.2
Silva Thins M	NA	NA	NA	NA	NA	NA	66.7
Tareyton 100's	NA	67.6†	48.1†	39.8	44.9	50.0	52.5
Tareyton F	53.9	55.3	48.3	42.6	46.9	45.9	45.2
True F/Blue	46.4	38.9	40.7	35.7	39.2	39.7	47.9
True M/Green	36.7	45.8	37.6	36.3	36.6	35.4	40.8
Viceroy Filter Longs	NA	NA	NA	38.0†	47.8†	43.8†	46.1
Viceroy F	54.2	47.1	41.6	37.6	40.6	41.4	45.3
Winston SKF	54.3†	50.9	47.6	43.3	45.0	50.4	44.8
Winston SKM	45.0†	62.8	46.1	46.5	47.2	50.5	52.5
Winston F	52.6	52.9	49.2	44.6	43.8	47.8	47.9

0002430097

For all brands see Appendix Table I, Col. k; NA = Not Applicable; † = Not Nat'l Full OTR
FROM: "IN ADDITION TO YOUR REGULAR BRANDS, WHAT OTHER BRANDS, IF ANY, HAVE YOU PURCHASED
FOR TRIAL IN THE LAST 3 MONTHS?"

Trial

Trial (Table 6) is the rate at which each individual brand is able to attract new triers. The median average for all brands has varied between 0.7% and 0.9% over the past year. In the 3rd QTR of 1968, the average brand was tried by 0.8% of all smokers interviewed.

Individual Brands

B & H 100's F: dropped to its lowest level in the past 8 quarters (1.5%), well below its high of 6.0% in the 2nd QTR of 1967 and slightly below the level of Pall Mall Gold (1.7%).

B & H 100's M: has remained level over the last four quarters at about 0.8%, yielding an average performance.

Marlboro: Red and 100's leveling at the very high rate of about 3.0% and 1.0%, respectively.

Parliament: trial for Parliament, presently at 1.2%, has remained fairly level over the past nine quarters.

φ002430098

TRIAL - % OF ALL SMOKERS TRYING BRAND*

	1967				1968		
	1st Q.	2nd Q.	3rd Q.	4th Q.	1st Q.	2nd Q.	3rd Q.
All Brand Median	1.2%	0.7%	0.8%	0.9%	0.7%	0.8%	0.8%
<u>FM Brands</u>							
Alpine	0.8	0.6	0.4	0.5	0.6	0.5	0.5
B & H 100 F	5.8	6.0	3.8	2.2	1.9	2.2	1.5
B & H 100 M	2.0	2.4	1.2	0.9	0.8	0.9	0.8
B & H R & K	1.5	1.6	0.5	0.5	0.6	0.4	0.6
Galaxy	0.4	0.1	0.1	-	0.1	0.1	-
Marlboro 100's	NA	1.1†	1.5	1.0	0.8	1.0	0.9
Marlboro F	3.0	2.8	2.2	2.7	3.2	3.1	3.0
Marlboro M	0.9	0.7	0.5	0.4	0.5	0.4	0.3
Parliament	1.2	1.2	0.8	1.2	1.3	1.0	1.2
Philip Morris F	0.7	0.6	0.4	0.5	0.5	0.4	0.4
Philip Morris M	0.3	0.2	0.2	0.1	0.1	0.2	0.1
Philip Morris NF	0.5	0.6	0.3	0.2	0.4	0.3	0.3
Virginia Slims F	NA	NA	NA	NA	NA	NA	0.8
Virginia Slims M	NA	NA	NA	NA	NA	NA	0.3
<u>Other Brands</u>							
Belair	1.3	0.9	0.9	1.0	0.9	0.9	0.9
Camel NF	2.2	1.9	1.6	1.8	2.3	1.9	1.8
Carlton	0.7	0.2	0.2	0.4	0.3	0.2	0.1
Chesterfield R & K	0.2	1.4	1.1	1.3	1.5	1.0	0.8
Kent 100's	NA	0.7†	1.4†	0.9	0.8	1.2	1.0
Kent	3.7	2.6	2.0	2.5	2.7	2.3	2.4
Kool Filter Longs	NA	NA	NA	NA	NA	0.7 †	0.7
Kool F	3.7	2.9	3.2	3.7	3.6	3.4	3.5
Kool NF	0.7	0.7	0.6	0.7	0.6	0.6	0.7
L & M Gold 100's	NA	NA	1.0†	0.6	0.6	0.5	0.5
L & M M Tall	0.7†	1.3	0.8	0.4	0.4	0.5	0.3
L & M	2.0	1.8	1.1	1.3	1.3	1.3	1.4
Lark 100's	NA	NA	NA	NA	NA	NA	0.2
Lark	2.4	1.6	1.1	1.1	1.2	1.2	1.0
Lucky Strike 100's	NA	0.3†	0.7†	0.4	0.5	0.4	0.4
Lucky Strike F	2.0	1.3	1.0	0.8	0.7	0.6	0.5
Lucky Strike NF	1.9	1.4	1.2	1.3	1.6	1.6	1.3
Newport 100's	NA	NA	0.5†	0.3	0.4	0.5	0.5
Newport	2.0	1.6	1.2	1.1	1.4	1.2	1.1
Old Gold F	1.0	0.9	0.7	1.0	0.8	0.8	0.9
Pall Mall Gold 100's	3.4	3.7	3.6	2.2	2.3	2.7	1.7
Pall Mall M	2.0	1.3	1.1	0.9	0.7	0.9	0.8
Pall Mall NF	3.4	2.6	2.2	2.4	2.5	2.5	2.3
Raleigh F	1.0	0.8	0.8	0.9	0.8	0.9	1.0
Raleigh NF	0.4	0.4	0.3	0.3	0.3	0.3	0.2
Salem 100's	NA	0.2†	2.7	1.6	1.7	2.5	2.0
Salem	7.5	5.8	5.1	6.3	6.8	5.6	6.3
Silva Thins F	NA	NA	NA	NA	NA	2.4	4.0
Silva Thins M	NA	NA	NA	NA	NA	NA	1.0
Tareyton 100's	NA	0.5†	1.2†	0.7	0.7	0.8	0.6
Tareyton F	1.5	1.8	1.3	1.7	1.8	1.9	1.6
True F/Blue	7.2	3.4	2.1	3.1	2.6	2.0	1.8
True M/Green	3.6	2.0	1.4	1.4	1.2	1.0	1.1
Viceroy Filter Longs	NA	NA	NA	0.6†	0.6†	0.8†	0.8
Viceroy F	2.1	2.1	1.4	1.7	1.7	1.5	1.5
Winston SKF	1.5†	4.0	4.0	2.2	2.1	2.9	2.6
Winston SKM	0.7†	2.0	1.4	0.9	1.0	0.9	0.9
Winston F	6.5	5.7	3.9	4.6	5.2	4.5	4.0

*For all brands see Appendix Table I, Col. j; NA = Not Applicable; † = Not Nat'l For Full QTR;
 - = Equal to or less than 0.5%

FROM: "IN ADDITION TO YOUR REGULAR BRANDS; WHAT OTHER BRANDS, IF ANY, HAVE YOU PURCHASED FOR TRIAL IN THE LAST 3 MONTHS?"

002430099

Conversion

Despite no change in the overall trial rate for the 3rd QTR, the conversion rate, i.e., the percentage of smokers who tried a brand and switched to it, showed a marked increase over the 2nd QTR, i.e., from 4.9% to 5.7%, which is the second highest conversion rate since the 4th QTR of 1966, (the highest is 7.6% in the 3rd QTR of 1967.)

Although the average conversion rate increased, the conversion rate for the leading PM brands decreased, except for Parliament, while competitive brands showed more increases than decreases.

<u>PM BRANDS</u>	<u>Conversion Rate (%)</u>	
	<u>2nd QTR</u>	<u>3rd QTR</u>
Marlboro Red	4.8	4.2
Marlboro 100's	11.0	6.5
B & H 100's F	7.4	5.1
B & H 100's M	11.0	8.4
Parliament	6.0	7.7
 <u>COMPETITIVE BRANDS</u>		
Winston Red	3.4	5.3
Winston SKF	4.9	6.0
Pall Mall Gold 100's	4.8	4.3
Pall Mall M 100's	2.2	2.5
Kent 100's	8.4	9.3
Kent	6.1	5.0

002430100

TABLE 7

CONVERSION* (% OF TRIERS CONVERTING TO THIS BRAND)

	-----1967-----				-----1968-----		
	1st Q.	2nd Q.	3rd Q.	4th Q.	1st Q.	2nd Q.	3rd Q.
All Brand Average	5.4	5.6	7.6	5.3	5.2	4.9	5.7
<u>MAJOR BRANDS</u>							
Alpine	6.4	6.7	6.7	9.0	7.2	3.9	3.9
B & H 100 F	10.9	9.1	7.0	6.2	5.7	7.4	5.1
B & H 100 M	11.1	5.9	9.1	8.1	8.4	11.0	8.4
B & H R & K	7.3	5.5	7.6	8.4	2.0	8.3	4.3
Galaxy	11.1	6.7	5.3	-	-	10.0	-
Marlboro 100's	NA	16.1†	13.5	5.7	11.0	11.0	6.5
Marlboro F	6.0	7.2	9.1	6.4	6.5	4.8	4.2
Marlboro M	3.8	4.5	6.5	5.4	1.3	4.2	2.2
Parliament	5.1	6.3	4.5	8.0	5.2	6.0	7.7
Philip Morris F	6.2	3.2	4.8	2.5	1.3	5.2	15.4
Philip Morris M	2.1	2.9	2.9	4.5	-	4.2	-
Philip Morris NF	3.9	3.3	-	10.9	1.7	2.1	6.6
Virginia Slims F	NA	NA	NA	NA	NA	NA	6.2
Virginia Slims M	NA	NA	NA	NA	NA	NA	-
<u>Other Brands:</u>							
Belair	4.8	8.5	6.7	5.2	6.0	4.9	6.9
Camel NF	3.4	1.5	1.4	2.0	1.2	1.7	2.3
Carlton	6.0	8.3	5.1	9.0	2.2	12.5	-
Chesterfield R & K	1.4	3.5	3.1	2.6	2.1	1.9	2.6
Kent 100's	NA	13.4†	20.1†	9.8	14.5	8.4	9.3
Kent F	8.1	5.5	8.8	6.5	6.0	6.1	5.0
Kool Filter Longs	NA	NA	NA	NA	NA	1.8†	11.3
Kool F	4.2	2.9	4.8	2.8	4.1	3.1	3.7
Kool NF	2.1	2.8	2.2	2.5	4.1	1.0	-
L & M Gold 100's	NA	NA	13.7	12.1	7.5	7.2	5.5
L & M M Tall	5.0†	9.6	9.2	6.6	13.3	8.3	5.6
L & M	6.2	3.1	6.6	8.0	6.2	5.7	3.9
Lark 100's	NA	NA	NA	NA	NA	NA	11.1
Lark	3.8	8.0	4.9	3.8	2.6	3.7	8.2
Lucky Strike 100's	NA	5.7†	11.2†	6.4	3.4	4.3	-
Lucky Strike F	1.5	2.1	0.7	2.1	0.8	3.1	-
Lucky Strike NF	1.6	2.5	1.2	2.4	0.4	1.2	2.1
Newport 100's	NA	NA	11.7†	8.1	7.1	6.2	2.8
Newport	2.2	5.1	4.3	6.5	5.3	4.3	4.1
Old Gold F	3.7	9.3	9.3	2.9	7.0	3.4	3.0
Pall Mall Gold 100's	7.7	6.6	7.8	6.3	5.6	4.8	4.3
Pall Mall M	5.6	6.8	9.4	3.6	4.6	2.2	2.5
Pall Mall NF	3.1	3.1	3.0	4.4	5.3	3.9	2.8
Raleigh F	4.3	9.1	11.6	9.2	9.3	4.9	6.6
Raleigh NF	-	1.9	10.9	6.4	7.6	-	10.5
Shalem 100's	NA	4.6†	12.2	7.0	6.0	4.4	3.6
Shalem	2.0	2.3	3.2	2.8	2.8	2.8	3.4
Silva Thins F	NA	NA	NA	NA	NA	6.6	6.1
Silva Thins M	NA	NA	NA	NA	NA	NA	5.5
Smyton 100's	NA	14.6†	16.0†	7.4	11.2	10.6	8.1
Smyton F	5.3	4.5	17.1	6.9	8.9	8.0	7.8
Sue F/Blue	7.2	9.3	7.8	8.0	7.2	11.6	6.4
Sue M/Green	6.8	7.3	4.0	9.2	11.3	6.7	2.9
Ticeroy Filter Longs	NA	NA	NA	3.1†	5.3†	3.8†	6.2
Ticeroy F	4.5	5.6	7.3	4.2	5.2	3.9	5.4
Winston SKF	11.4†	18.1	10.6	7.2	6.1	4.9	6.0
Winston SKM	9.0†	15.1	12.9	7.2	4.4	3.7	2.8
Winston F	5.2	5.1	5.9	5.0	5.4	3.4	5.3

For all brands see Appendix Table I, Col g.; NA = Not Applicable; - = Equal to or less than 0.5% = Not Nat'l For Full QTR

FROM: "HOW LONG HAVE YOU SMOKED THIS BRAND? IN ADDITION TO YOUR REGULAR BRAND, WHAT OTHER BRANDS, IF ANY, HAVE YOU PURCHASED FOR TRIAL IN THE LAST 3 MONTHS?"

0002430101

ADVERTISING RECALL

0002430102

TABLE 8
 ADVERTISING RECALL OVER TIME
 (% of Respondents Recalling Something About Instant Brand)
 (Most Recent Figures Shown First)

	1968				1967				1966	
	3rd Q. %	2nd Q. %	1st Q. %	4th Q. %	3rd Q. %	2nd Q. %	1st Q. %	4th Q. %	3rd Q. %	
<u>PM Brands</u>										
Marlboro	-	68	-	50†	-	-	-	68	-	
B & H 100's	60	53	-	-	-	65	64	56	-	
Parliament	47	46	50	39	-	-	-	-	38	
<u>Other Brands</u>										
Kent	-	-	-	-	-	-	-	46	-	
Kool	-	51	-	-	-	-	-	-	-	
Pall Mall	-	22	-	-	-	-	-	37†	-	
Salem	-	64	-	-	-	-	-	62	-	
Silva Thins	46	-	-	-	-	-	-	-	-	
Tareyton	-	49	-	-	-	-	-	-	-	
True	-	35	-	-	-	-	47	46	-	
Winston	-	63	-	-	-	44†	-	74	-	

0002430103

- = Not Asked

† = Asked for 100mm Brand

Parliament Advertising Recall

advertising Recall for Parliament has peaked. The 46% playback recorded in the 2nd QTR was confirmed this QTR (47%), both below the 50% playback elicited in the 1st QTR of 1968. References to the "London" campaign have leveled off at about 30%, while product references have declined steadily over the past four quarters.

% Recalling of Some Element	<u>Recall of Parliament Advertising</u>				
	-----1968-----			-1967-	-1966-
	<u>3rd Q.</u>	<u>2nd Q.</u>	<u>1st Q.</u>	<u>4th Q.</u>	<u>3rd Q.</u>
	47%	46%	50%	39%	38%
All "London" references	31	30	31	16	NA
All references to mildness	2	2	2	2	-
All references to filter	13	14	19	19	29
"Tobacco Tastes Best..."	3	3	4	4	9

0002430104

TABLE 9A
RECALL OF PARLIAMENT ADVERTISING*

RESPONSE	---3rd QTR '68---		---2nd QTR '68---		---1st QTR '68---		---4th QTR '67---		---3rd QTR '66---	
	Total Parliament Smokers	%	Total Parliament Smokers	%	Total Parliament Smokers	%	Total Parliament Smokers	%	Total Parliament Smokers	%
Base:	5603	138	10248	202	8639	165	8216	155	2962	80
Genes of London, England	20	16	19	21	19	17	10	14	NA	NA
London discovers Parliament	12	11	11	18	12	10	6	9	NA	NA
Mention of slogan "Parliament with the filter that's in - recessed in" etc.	8	12	9	13	11	15	11	14	17	24
Other reference to a recessed filter or a filter made a different way, etc.	5	6	5	8	8	12	8	10	12	22
Mention of slogan "Tobacco tastes best when the filter's recessed"	3	4	3	4	4	5	4	8	9	16
References to couples in stylish settings - a yacht race, a cruise ship, out on the town and the like	2	3	2	2	2	-	2	4	4	2
Reference to the "in" cigarette, the one with class, for sophisticated people, the smart set, etc.	1	-	1	3	1	1	1	1	2	2
Parliament makes the most out of mildness	1	2	1	2	1	2	1	1	-	-
All other references to mildness	1	1	1	1	1	1	1	2	-	-
Reference to "Night" people/or "Oxyl"	1	1	1	3	1	1	1	3	-	-
All other mentions	6	3	6	4	6	6	6	6	5	5
Don't Remember/Don't Recall	53	51	54	44	50	45	60	54	62	46

* Includes multiple mentions
- = Equal to or less than 0.5%
NA = No Answer

FROM: "WHAT DO YOU REMEMBER MOST ABOUT THE ADVERTISING FOR PARLIAMENT CIGARETTES?"

0002430105

TABLE 9B

RECALL OF PARLIAMENT ADVERTISING BY SEX†

RESPONSE	---3rd QTR '68---			---2nd QTR '68---			---1st QTR '68---			---4th QTR '68---		
	Total Smokers	Male %	Female %	Total Smokers	Male %	Female %	Total Smokers	Male %	Female %	Total Smokers	Male %	Female %
Base:	5603	3209	2394	10248	5761	4487	8639	4849	3790	8216	4959	3457
Scenes of London, England	20	21	18	19	20	17	19	19	18	10	11	9
London discovers Parliament	12	12	12	11	11	10	12	12	11	6	6	5
Mention of slogan "Parliament with the filter that's in - recessed in"	8	9	7	9	10	7	11	12	10	11	12	10
Other reference to a recessed filter or a filter made a different way, etc.	5	6	4	5	6	4	8	8	6	8	9	7
Mention of slogan "Tobacco tastes best when the filter's recessed"	3	3	3	3	3	2	4	4	4	4	4	4
References to couples in stylish settings - a yacht race, a cruise ship, out on the town and the like	2	2	2	2	2	2	2	2	2	2	1	2
Reference to the "in" cigarette, the one with class, for sophisticated people, the smart set, etc.	1	1	1	1	1	1	1	1	1	1	1	1
"Parliament makes the most out of mildness"	1	1	1	1	1	1	1	1	1	1	1	1
All other references to mildness	1	1	1	1	1	1	1	1	1	1	1	1
Reference to "Night" people/or "Owl"	1	1	1	1	1	1	1	1	1	1	1	1
All other mentions	6	6	5	6	6	5	6	6	6	6	6	6
Don't Remember/Don't Recall	53	50	57	54	50	58	50	48	52	60	58	65

†Includes Multiple Responses
 -- = Equal to or less than 0.5%
 NA = No Answer

FROM: "WHAT DO YOU REMEMBER MOST ABOUT THE ADVERTISING FOR PARLIAMENT CIGARETTES?"

0002430106

TABLE 9C
RECALL OF PARLIAMENT ADVERTISING*

RESPONSE	-----3rd QTR '68-----			-----2nd QTR '68-----			-----1st QTR '68-----		
	Total	White	Negro	Total	White	Negro	Total	White	Negro
	Smokers† 5603 %	4741 %	431 %	Smokers† 10248 %	8738 %	790 %	Smokers† 8639 %	7567 %	607 %
Scenes of London, England	20	21	8	19	20	8	19	20	8
London discovers Parliament	12	12	8	11	11	5	12	12	5
Mention of slogan "Parliament with the filter that's in - recessed in"	9	8	6	9	9	8	11	11	8
Other reference to a recessed filter or a filter made a different way, etc.	5	5	4	5	5	4	8	8	5
Mention of slogan "Tobacco tastes best when the filter's recessed"	3	3	2	3	3	2	4	4	4
References to couples in stylish settings - a yacht race, a cruise ship, out on the town and the like	2	2	-	2	2	1	2	2	1
Reference to the "in" cigarette, the one with class, for sophisticated people, the smart set, etc.	1	1	-	1	1	-	1	1	1
"Parliament makes the most out of mildness"	1	1	2	1	1	1	1	1	-
All other references to mildness	1	1	1	1	1	2	1	1	1
Reference to "Night" people/or "O/I"	1	1	1	1	1	1	1	1	-
All other mentions	6	5	7	6	6	5	6	6	6
Don't Remember/Don't Recall	53	51	53	54	52	67	50	49	68

*Includes multiple responses
 - Equal to or less than 0.5%
 NA=No Answer
 † Includes Spanish-Americans and those respondents who race could not be determined.
 FROM: "WHAT DO YOU REMEMBER MOST ABOUT THE ADVERTISING FOR PARLIAMENT CIGARETTES?"

0002430107

Benson & Hedges Advertising Recall

The percent of respondents who could recall some element of the advertising increased 7 percentage points to 60%. Although this is still below the level achieved in the 2nd QTR 1967 (65%), the advertising expense for the 3rd QTR of 1968 was only 1/3 as much as that of the 2nd QTR of 1967.

B & H Advertising Recall

	-----1968-----		-1967--	-1967--
	<u>3rd QTR</u>	<u>2nd QTR</u>	<u>2nd QTR</u>	<u>1st QTR</u>
% Recall of Some Element	60	53	65	64
Advtg. Expense \$MM	2.0	3.1	6.0	4.3

0002430108

TABLE 10A
RECALL OF B&H 100'S*

RESPONSE	----3rd QTR 1968----		----2nd QTR 1968----		----2nd QTR 1967----		----1st QTR 1967----		----4th QTR 1966----	
	Total Smokers of B & H 100's	%	Total Smokers of B & H 100's	%	Total B & H 100's Smokers Fltr. Menth.	%	Total Smokers of B & H 100's	%	Total Smokers of B & H 100's	%
Base:	5603	130	10094	197	8702	211	13782	296	8327	122
Numerous scenes in which people have long cigarette get in their way	34	43	31	46	40	54	32	49	36	55
Numerous scenes in which smokers get differing numbers of puffs depending on how they puff	7	9	6	11	8	12	10	17	NA	NA
All other variations of a long cigarette label than King-size #3, 4, 5, 5 puffs longer than King-size	8	11	5	7	10	10	15	12	10	7
People "adjusting to" (getting used to) the longer length	4	5	4	5	5	10	6	6	8	15
Advantages and disadvantages of a long cigarette	4	5	4	5	6	8	8	10	NA	NA
Catch music in background	5	9	3	5	8	13	6	8	6	6
Cigarette gets stuck in pot on coffee's wheel	2	3	2	1	2	3	2	4	2	2
Sea offering American cigarettes to King ruler	2	3	NA	NA	NA	NA	NA	NA	NA	NA
King ruler	1	2	NA	NA	NA	NA	NA	NA	NA	NA
Money - more puffs	-	-	1	1	2	7	1	4	2	7
All other mentions	89	6	8	7	6	6	6	6	3	4
Don't remember, don't recall	40	28	47	34	35	18	36	18	44	24

FOOT: "WHAT DO YOU REMEMBER MOST ABOUT THE ADVERTISING FOR BENSON & HEDGES 100'S CIGARETTES?"
NA = Not Asked

- = Equal to or less than 0.5%

0002430109

TABLE 10B
RECALL OF B & H 100'S ADVERTISING BY SEX

RESPONSE	---3rd QTR 1968---		---2nd QTR 1968---		---4th QTR 1966---	
	Total Smokers	B & H 100's Male Female	Total Smokers	B & H 100's Male Female	Total Smokers	B & H 100's Male Female
Humorous scenes in which people have long cigarette get in their way	34	2548 2083 % %	31	5680 4414 % %	36	4856 3471 % %
Humorous scenes in which smokers get differing numbers of puffs depending on how they puff	7	7 6	6	6 7	NA	NA NA
All other mentions of a long cigarette, longer-than-king-size	8	8 7	5	6 4	10	11 9
3, 4, maybe 5 puffs longer than king-size	4	4 3	4	4 3	8	8 7
People "adjusting to" (getting used to) the new longer length	4	4 5	4	4 4	NA	NA NA
Advantages and disadvantages of a long cigarette	5	6 4	3	4 3	6	6 6
Catchy music in background	2	2 2	2	2 2	2	2 2
Cigarette gets stuck in pot on better's wheel	2	2 2	NA	NA NA	NA	NA NA
Fun offering American cigarette to King or Ruler	1	1 1	NA	NA NA	NA	NA NA
Popular priced - more for your money - more puffs	-	1 -	1	1 1	2	1 2
All other mentions	9	9 8	8	9 8	3	3 3
Don't remember, don't recall	40	39 41	47	45 48	44	42 45

* Multiple responses
- Equal to or less than 0.5%
NA = Not Asked

FROM: "WHAT DO YOU REMEMBER MOST ABOUT THE ADVERTISING FOR BENSON & HEDGES 100'S CIGARETTES?"

Φ0002430110

TABLE 10C
RECALL OF B & H 100'S ADVERTISING BY RACE*

RESPONSE	Total Smokers		White		Negro		Total Smokers†		White		Negro	
	5603	%	3909	%	375	%	10094	%	8646	%	786	%
Humorous scenes in which people have long cigarette set in their way	34		36		22		31		33		16	
Humorous scenes in which smokers get differing numbers of puffs depending on how they puff	7		7		4		6		11		8	
All other mentions of a long cigarette, longer-than-king-size "J, 4, maybe 5 puffs longer than king-size"	4		2		2		4		3		4	
People "adjusting to" (getting used to) the new longer length	4		4		2		4		4		2	
Advantages and disadvantages of a long cigarette	5		6		5		3		3		2	
Catchy music in background	2		2		1		2		2		2	
Cigarette gets stuck in pot on potter's wheel	2		2		2		NA		NA		NA	
Men offering American cigarette to King or ruler	1		1		1		NA		NA		NA	
Popular priced- more for your money - more puffs	-		-		1		1		-		1	
All other mentions	9		9		8		8		8		9	
Don't remember, don't recall	40		38		56		47		45		61	

* Multiple Responses
 - Equal to or less than 0.5%
 NA = Not Asked

† Includes Spanish-Americans and those respondents whose race could not be determined.

FROM: "WHAT DO YOU REMEMBER MOST ABOUT THE ADVERTISING FOR BENSON & HEDGES 100'S CIGARETTES?"

0002430111

Silva Thins Advertising Recall

Recall for Silva Thins advertising (46%), which was measured for the first time, was as high as Parliament (47%) and above the 2nd QTR 1968 levels elicited for True (35%) and Pall Mall (22%).

Scenes showing a man leaving a girl and taking the cigarettes with him received the biggest playback (21%) while comments relating to reduced tar and nicotine were a distant second (8%).

0002430112

TABLE 11
Recall of Silva Thins Advertising*
 (3rd QTR 1968)

BASE:	<u>Total</u> <u>Smokers</u>	<u>Male</u>	<u>Female</u>	<u>White</u>	<u>Negro</u>
<u>RESPONSE</u>	4997	2738	2260	4215	401
	%	%	%	%	%
Scenes showing man leaving girl, taking cigarettes with him	21	20	21	22	13
Reduced tar and nicotine	8	10	7	8	9
New cigarette	5	5	5	5	6
Impossible cigarette	2	1	2	2	2
100 mm	2	2	2	2	2
Comes in menthol too	1	1	1	1	2
Better taste	-	1	-	-	2
Skyline filter	-	-	1	-	1
All other mentions	13	13	13	13	7
Don't remember/don't recall	53	53	55	52	65

* Multiple Responses
 - Equal to or less than 0.5%

FROM: "WHAT DO YOU REMEMBER ABOUT THE ADVERTISING FOR SILVA THINS CIGARETTES?"

0002430113

PARLIAMENT PLAYING CARD OFFER

Φ002430114

To determine the extent to which a free pack of playing cards obtained with the purchase of two packs of Parliament cigarettes created trial and conversion for Parliament, all smokers and triers of Parliament were asked: "During the past few months have you received something extra free with a purchase of Parliament cigarettes?"

Although the numbers are small, it appears the offer contributed heavily to Parliament's increase in trial with no apparent effect on conversion.

N =	-----Smokers Who-----	
	Say They Received Cards <u>(40)</u> %	Did Not Say They Received Cards <u>(318)</u> %
Current Smokers	80	55
Triers	20	43
Switchers	0	2

NOTE: Results include only those states where offer was available.

0002430115

AWARENESS OF MENTHOL AND COUPON BRAND

0002430116

To determine awareness of Alpine as a menthol cigarette, respondents were asked to name all the brands of menthol cigarettes that they could think of. Higher awareness for Alpine was found in California as opposed to the remainder of the U.S. both as a menthol brand (14% vs. 10% - See table 12) and as a coupon brand (12% vs. 8% - see table 13).

The higher level of awareness for Alpine can in part be explained by the greater exposure received in California through spot TV and by the convertibility program being associated with the state's leading trading stamps, Blue Chip.

As can be seen from table 13, Alpine and Old Gold are the only brands that enjoy a higher level of awareness (as a coupon brand) in California vs. the remainder of the U. S. most likely due to the exposure received on their convertibility programs.

TABLE 12

AWARENESS OF MENTHOL BRANDS†

N =	<u>California</u>	<u>Remainder of U.S.</u>	<u>San Francisco (women only)*</u>
	(2181) %	(12646) %	(2993) %
Alpine	14	10	11
All Other	91	89	73
Don't Know Any	7	10	15

† Multiple Mentions

* Interviews during September 16th to October 18th.

FROM: "NAME ALL THE BRANDS OF MENTHOL CIGARETTES THAT YOU CAN THINK OF."

0002430117

TABLE 13

Awareness of Coupon Brands†

N =	<u>California</u>	<u>Remainder of U.S.</u>
	(2181)	(12,646)
	<u>%</u>	<u>%</u>
Alpine	12	8
Galaxy	1	1
Raleigh	76	78
Belair	29	29
Old Gold	19	13
Spring	5	4
Chesterfield	2	1
All Other	8	7
Don't Know Any	12	13

† Multiple Answers

0002430118

OCCASIONAL MENTHOL SMOKERS

0002430119

In this study, an attempt was made to estimate the volume of menthol cigarettes consumed by "occasional" menthol smokers, i.e., smokers who reported a non-menthol brand as the cigarette they smoke "most often."

Defined this way, "occasional" menthol smokers account for about 12% of all menthol cigarettes sold.

Table 14
Volume of Menthol Cigarettes
Smoked by Non-Menthol Cigarette Smokers

<u>Amount Smoked</u>	<u>% of Menthol Volume</u>	<u>Annual Estimate (Based on 112 Billion Menthol Cgts. in 1968)</u>
Up to ¼ pack/week	0.8%	0.9%
Up to ½ pack/week	1.2	1.34
Up to 1 pack/week	2.2	2.46
More than 1 pack/week	9.7	10.86
Total of all occasionals combined (Sum of less than a pack a week plus more than a pack a week)	11.9	13.32

0002430120

PERCEIVED MILDNESS BY SMOKERS
OF INSTANT BRAND

0002430121

In the 2nd QTR study, we found that "mildness" has a "relative meaning to all smokers and in some abstract manner may be a desirable attribute to most smokers." (See page 81, 2nd QTR, 1968 Survey). As a follow-up we have tried to find out how smokers related the leading mildness playbacks to their own brand.

This time each smoker was asked: "Of all the cigarette brands you know, which one best fits this description:

1. Does not have a strong tobacco taste
2. Doesn't burn your throat or mouth
3. Is good tasting
4. Not harsh to smoke
5. Doesn't make you choke or cough."

It is now apparent that there is discrimination among mildness qualities by the smokers of each brand. For example, Marlboro was one of the five lowest brands which was named for all of the listed qualities except "Is good tasting", as was Lucky Strike, Camel, Chesterfield, and Pall Mall, and therefore not associated with mildness. On the other hand, Carlton and Spring were most often mentioned by their respective smokers for all qualities except good taste. Parliament was among the brands receiving the highest playback for qualities "Does not have a strong tobacco taste" and "is not harsh to smoke" while B & H was among the five brands receiving the highest playback for "Not harsh to smoke" and "doesn't make you choke or cough".

Thus, it appears that smokers of Parliament perceive the brand as being on the mild side along with smokers of Kent, True, and surprisingly, B & H.

0002430122

TABLE 15

MILDNESS QUALITIES AS PERCEIVED BY THE SMOKERS OF THE INSTANT BRAND

-----% Described Their Brand As-----

Smokers of:	#	Does Not Have A Strong To- bacco Taste	Does Not Burn Your Throat or Mouth	Is Good Tasting	Is Not Harsh to Smoke	Doesn't Make you Cough
PM BRANDS	Smokers	%	%	%	%	%
Alpine	94	54	62	58	56	58
B & H	459	51	63	72	70	66
Galaxy	9†					
Marlboro	971	34	45	68	54	51
Parliament	261	58	62	69	71	62
Philip Morris	222	47	54	66	59	56
Virginia Slims	2†					
<u>Other Brands</u>						
Belair	251	54	63	71	69	62
Camel	975	37	47	73	55	52
Carlton	36	80	72	67	79	67
Chesterfield	336	38	47	67	55	54
Kent	1015	61	63	67	68	63
Kool	727	53	65	71	68	67
L & M	522	50	57	74	66	62
Lark	262	56	62	72	70	64
Lucky Strike	535	36	45	67	52	51
Montclair	29	62	66	62	69	59
Newport	209	49	56	68	63	62
Old Gold	220	40	49	70	60	53
Pall Mall	1565	40	49	70	56	53
Raleigh	471	43	50	66	58	57
Salem	1293	55	64	70	68	64
Silva Thins	95	57	62	50	62	61
Spring	42	67	71	74	74	79
Stareyton	652	52	59	70	63	62
True	341	58	62	58	68	63
Viceroy	520	45	56	73	73	56
Winston	2187	45	54	76	60	58

† Base too small to percentage

0002430123

A P P E N D I X

0002430124

APPENDIX TABLE I

TRIAL AND SWITCHING PATTERNS, 3RD QUARTER, 1968

Brand	Brand Shares and Switching					Conversion		Trial-Out		Trial
	(a)* Number Smokers 10/1/68	(b) Smoker Share, % 10/1/68	(c)† Sales Share, % 60 Acct. Panel	(d) Switchers Into The Brand -- 1-3 Mos.	(e)‡ Smoker Share, % 7/1/68	(f) Number Triers of This Brand	(g)† % Conver- sion =d/(d+f)	(h) Number Trying Some Other Brand	(i) % Trying Some Other Brand ("Trial Out") = (h/a)	(j) % Of All Smokers Trying In Past 3 Mos.
Alpine	94	0.6	0.48	3	0.5	74	3.9	43	45.7	0.5
Belsir	251	1.7	1.59	10	1.6	134	6.9	110	43.8	0.9
B & H 100 F	241	1.7	1.70	11	2.0	124	5.1	118	49.0	1.5
B & H 100 M	125	0.9	0.73	11	0.9	120	8.4	66	52.8	0.8
B & H R & K	93	0.6	0.08	4	0.5	89	4.3	44	47.3	0.6
Bull Durham	15	0.1	0.06	2	0.1	13	13.3	6	40.0	0.1
Camel F	142	1.0	0.65	9	0.9	186	4.6	72	50.7	1.3
Camel M	6	-	NA	-	-	13	-	4	66.7	0.1
Camel NF	827	5.8	6.94	6	6.4	254	2.3	299	36.2	1.9
Carlton	36	0.3	0.20	1	0.2	23	4.2	17	47.2	0.2
Century 100's	4	-	--	0	-	20	-	2	50.0	0.1
Chesterfield 101's	33	0.2	0.18	6	0.3	42	12.5	20	60.6	0.3
Chesterfield F	37	0.2	0.11	3	0.2	54	5.3	13	35.1	0.4
Chesterfield M	4	-	0.04	1	-	21	4.5	2	50.0	0.1
Chesterfield R & K	262	1.8	2.10	3	1.8	113	2.6	110	42.0	0.8
Galaxy	9	0.1	0.04	0	-	6	-	6	66.7	-
Kent 100's	256	1.8	0.71	15	1.6	146	9.3	112	3.8	1.0
Kent	759	5.3	4.96	18	5.4	345	5.0	313	41.2	2.4
Kool 100's	103	0.7	0.70	13	0.3	102	11.3	44	42.7	0.7
Kool F	560	3.9	5.27	19	3.7	495	3.7	225	40.2	3.5
Kool NF	64	0.4	0.47	0	0.4	104	-	24	37.5	0.7
L & F Gold 100's	102	0.7	0.42	4	0.5	69	5.5	44	43.1	0.5
L & F M Tall	42	0.3	0.22	3	0.4	51	5.6	24	57.1	0.3
L & F	378	2.6	2.92	8	2.4	197	3.9	163	43.1	1.4
Lark 100's	49	0.3	--	4	NA	32	11.1	24	49.0	0.2
Lark	213	1.5	1.46	12	1.9	134	8.2	102	47.9	1.0
Lucky Strike 100's	38	0.3	0.59	2	0.3	55	3.5	12	31.6	0.4
Lucky Strike M	7	-	0.20	0	-	27	-	2	28.6	0.2
Lucky Strike NF	432	3.0	3.74	4	3.4	190	2.1	142	32.9	1.3
Lucky Strike F	58	0.4	0.23	0	0.4	74	-	18	31.0	0.5
Marlboro 100's	156	1.1	0.65	9	1.4	129	6.5	71	45.5	0.9
Marlboro F	789	5.5	6.70	18	5.8	415	4.2	389	49.3	3.0
Marlboro M	26	0.2	0.15	1	0.2	45	2.2	16	61.5	0.3
Montclair	29	0.2	0.07	0	0.2	22	-	10	34.5	0.1
Newport	157	1.1	1.27	7	1.2	164	4.1	61	38.8	1.1
Newport 100's	52	0.4	0.17	2	0.3	70	2.8	20	38.5	0.5
Old Gold F	179	1.2	0.89	4	1.0	127	3.0	88	49.2	0.9
Old Gold NF	41	0.3	0.20	1	0.2	27	3.6	22	53.6	0.2
Pall Mall Gold 100's	270	1.9	1.56	11	2.5	245	4.3	141	52.2	1.7
Pall Mall M 100's	75	0.5	0.34	3	0.5	117	2.5	41	54.7	0.8
Pall Mall NF	1220	8.6	10.33	9	8.2	309	2.8	476	39.0	2.3
Parliament	261	1.8	1.65	5	1.9	179	7.7	117	44.8	1.2
Philip Morris F	99	0.7	0.46	4	0.7	60	15.4	44	44.4	0.4
Philip Morris M	21	0.1	0.08	2	0.1	22	4.8	12	57.1	0.1
Philip Morris NF	102	0.7	0.73	0	0.7	40	-	45	44.1	0.3
Raleigh F	362	2.5	2.81	10	2.4	142	6.6	172	47.5	1.0
Raleigh NF	109	0.7	0.60	4	0.7	34	10.5	43	39.4	0.2
Salem 100's	281	2.0	1.32	11	2.2	293	3.6	140	49.8	2.0
Salem	1012	7.0	7.07	31	6.4	866	3.4	381	37.6	6.3
Silva Thins F	77	0.5	0.50	39	0.3	596	6.1	41	53.2	4.0
Silva Thins M	18	0.1	0.18	2	NA	155	5.5	12	66.7	1.0
Spring 100's	31	0.2	0.21	3	0.2	31	8.8	13	41.9	0.2
Spring	11	0.1	NA	0	0.1	22	-	3	27.3	0.1
Tareyton 100's	120	0.8	0.87	8	1.3	91	8.1	63	52.5	0.6
Tareyton	482	3.4	3.11	20	3.2	237	7.8	218	45.2	1.6
Herbert Tareyton	50	0.3	0.20	1	0.3	30	3.2	23	46.0	0.2
Tempo	10	0.1	0.09	0	0.1	8	-	6	60.0	-
True F/Blue	238	1.6	1.03	18	1.6	263	6.4	114	47.9	1.8
True M/Green	103	0.7	0.60	5	0.7	169	2.9	42	40.8	1.1
Viceroy	340	2.4	3.63	7	2.9	223	5.4	154	45.3	1.5
Viceroy 100's	180	1.2	0.34	8	0.5	122	6.2	83	46.1	0.8
Virginia Slims F	17	0.1	0.33	8	NA	122	6.2	6	35.3	0.8
Virginia Slims M	0	-	0.21	0	NA	46	-	0	-	0.3
Winston SKF	663	4.6	2.32	23	4.5	362	6.0	297	44.8	2.6
Winston SKM	80	0.6	0.45	4	0.7	138	2.8	42	52.5	0.9
Winston	1444	11.1	12.91	30	10.7	534	3.3	692	47.9	4.0
Total Smokers with a Regular Listed Brand	14,345	100.0				Avg. All Brands Conv'n = 5.7%	43.97% of Smokers With Regular Brand Who Tried At Least 1 Other Brand	Median = 0.82		
Other Brands	96									
Total Smokers with a Regular Brand	14,441									
No Regular Brand	386									
GRAND TOTAL	14,827									

* As of October 1, 1968
 † From Appendix Table I, Tareyton Quarterly Survey, 2nd Quarter, 1968, Col. (b).
 ‡ Based on all smokers with a regular brand; N = 14,345
 § While smokers are shown to one decimal (Cols. (b) and (e)), they have been calculated to two decimals, and this difference is shown.
 † (Switchers) ‡ (Switchers in + triers) ÷ 100 for the last 3 months.
 - Less than or equal to .05%
 -- Less than or equal to .005%
 NA=Not Available

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