

SALES PROMOTION PLAN

I. Promotion Objectives

During 1977, the Brand will rely heavily on promotion to provide assistance in establishing the new DORAL repositioning against the Brand's target. The following promotion objectives are considered reasonable goals in line with the 1977 reintroduction.

- A. To assist in increasing four week Brand trial from the expected 1976 level of 5% to 7% by the end of 1977.
- B. To assist in increasing four week Brand purchase from the expected 1976 level of 3% to 4% by the end of 1977.
- C. To assist in increasing Brand awareness from the expected 1976 level of 80% to 85% by the end of 1977.

II. Promotion Strategies

1. Target all promotions to the 25-34 year old full-flavor user group.
2. Employ a mass trial-oriented device during the first six months of the new campaign introductory in order to obtain heavy package trial among the Brand's target.
3. Place renewed effort on obtaining POS display and reducing OOS conditions, particularly in outlets frequented by target smokers (package-action outlets).
4. Utilize POS to supplement and extend the Brand's new campaign at retail.

III. Promotion Rationale

- A. The recent analysis of the hi-fi category indicates that the market segment representing the Brand's greatest potential are concerned full flavor smokers 25 to 34 years of age. Based on the offensive posture inherent in the Brand reintroduction, mass trial among target group smokers is critical to success.
- B. It is believed that advertising alone cannot achieve the 1977 Brand awareness goals. The Brand will rely heavily on POS exposure to achieve impact and to communicate the new positioning to potential consumers at the store level, while enhancing impulse-trial.

III. Promotion Rationale (cont.)

C. Work Plan Schedule

As with any effort of an introductory nature, it is believed that POS display effort should coincide with the heavily weighted media effort. Therefore, CCCD effort (4-carton portion) should be scheduled for DORAL in the first quarter. Additionally, the Brand believes that it is desirable to schedule supplemental display support (CCCD 2-carton or ACD) during the second quarter to provide sustained exposure for the balance of the first half heavy-up.

DORAL

1977 Promotion Schedule

Jan. Feb. Mar. Apr. May. Jun. Jul. Aug. Sept. Oct. Nov. Dec.

Sales Force
Display Support

CCCD - 4 carton

CCCD - 2 carton

(Essential
support)

or

ACD

(Desirable
support)

Consumer Promotion
(Direct Consumer
Trial Incentive)

X

X

DORAL

1977 Promotion Budget

	<u>1976</u>	<u>1977</u>	<u>Inc./Dec.</u>	
			<u>\$</u>	<u>%</u>
POS Items/Spec. Prom. Mat'l.	\$100M	\$120M	\$ 20M	20%
Artwork	15M	15M	--	--
Testing	265M	115M	(150M)	(57)
Vending	80M	--	(80M)	(100)
Couponing/Sampling (Trial Inducement Program)	<u>--</u>	<u>1,750M</u>	<u>1,750M</u>	<u>--</u>
TOTAL	\$460M	\$2,000M	\$1,540M	335%