

Tobacco in South Africa

June 2023

Table of Contents

Tobacco in South Africa

EXECUTIVE SUMMARY

Tobacco in 2022: The big picture

2022 key trends

Competitive landscape

Retailing developments

What next for tobacco?

OPERATING ENVIRONMENT

Legislation

Legislative overview

Summary 1 - Legislation Summary at a Glance

Minimum legal smoking age

Smoking prevalence

Tar levels

Health warnings

Plain packaging

Advertising and sponsorship

Point-of-sale display bans

Smoking in public places

Low ignition propensity (LIP) cigarette regulation

Flavoured tobacco product ban

Reduced harm

Vapour products

MARKET INDICATORS

Table 1 - Number of Adult Smokers by Gender 2017-2022

MARKET DATA

Table 2 - Sales of Tobacco by Category: Volume 2017-2022

Table 3 - Sales of Tobacco by Category: Value 2017-2022

Table 4 - Sales of Tobacco by Category: % Volume Growth 2017-2022

Table 5 - Sales of Tobacco by Category: % Value Growth 2017-2022

Table 6 - Forecast Sales of Tobacco by Category: Volume 2022-2027

Table 7 - Forecast Sales of Tobacco by Category: Value 2022-2027

Table 8 - Forecast Sales of Tobacco by Category: % Volume Growth 2022-2027

Table 9 - Forecast Sales of Tobacco by Category: % Value Growth 2022-2027

DISCLAIMER

SOURCES

Summary 2 - Research Sources

Cigarettes in South Africa

KEY DATA FINDINGS

2022 DEVELOPMENTS

Illicit trade still accounting for a quarter of cigarette sales in 2022

Tobacco supply problems and industry restructuring due to pandemic-induced illicit sales boom

Further cigarette declines expected in the face of competition from new-generation products

PROSPECTS AND OPPORTUNITIES

Tough climate for cigarette players
Tobacco control measures to tighten with new Bill
Health and wellness trends will negatively impact cigarette sales

TAXATION AND PRICING

Taxation rates

Table 10 - Taxation and Duty Levies 2017-2022

Average cigarette pack price breakdown

Summary 3 - Average Cigarette Pack Price Breakdown: Brand Examples

CATEGORY DATA

Table 11 - Sales of Cigarettes: Volume 2017-2022

Table 12 - Sales of Cigarettes by Category: Value 2017-2022

Table 13 - Sales of Cigarettes: % Volume Growth 2017-2022

Table 14 - Sales of Cigarettes by Category: % Value Growth 2017-2022

Table 15 - Sales of Cigarettes by Blend: % Volume 2017-2022

Table 16 - Sales of Cigarettes by Standard/Menthol/Capsule: % Volume 2017-2022

Table 17 - Sales of Cigarettes by Regular/Slim/Superslim/Microslim: % Volume 2017-2022

Table 18 - Sales of Cigarettes by Pack Size: % Volume 2017-2022

Table 19 - Sales of Cigarettes by Price Band: % Volume 2017-2022

Table 20 - NBO Company Shares of Cigarettes: % Volume 2018-2022

Table 21 - LBN Brand Shares of Cigarettes: % Volume 2019-2022

Table 22 - Sales of Cigarettes by Distribution Format: % Volume 2017-2022

Table 23 - Illicit Trade Estimate of Cigarettes: Volume 2017-2022

Table 24 - Forecast Sales of Cigarettes: Volume 2022-2027

Table 25 - Forecast Sales of Cigarettes by Category: Value 2022-2027

Table 26 - Forecast Sales of Cigarettes: % Volume Growth 2022-2027

Table 27 - Forecast Sales of Cigarettes by Category: % Value Growth 2022-2027

Table 28 - Forecast Sales of Cigarettes by Blend: % Volume 2022-2027

Table 29 - Forecast Sales of Cigarettes by Standard/Menthol/Capsule: % Volume 2022-2027

Table 30 - Forecast Sales of Cigarettes by Regular/Slim/Superslim/Microslim: % Volume 2022-2027

Table 31 - Forecast Sales of Cigarettes by Pack Size: % Volume 2022-2027

Table 32 - Forecast Sales of Cigarettes by Price Band: % Volume 2022-2027

Cigars, Cigarillos and Smoking Tobacco in South Africa

KEY DATA FINDINGS

2022 DEVELOPMENTS

Fine cut tobacco demand increases as price-sensitivity rises
Cigarillos offer diverse flavours, cigar demand declining
Bongani Cigars and Santa Bras emerge with lower-priced products

PROSPECTS AND OPPORTUNITIES

Health-conscious consumers will put pressure on cigars, cigarillos and pipe tobacco
Brand loyalty central to longevity as tobacco control measures increase
International players dominate despite inflation, increasing import costs and rising prices

CATEGORY DATA

Table 33 - Sales of Cigars, Cigarillos and Smoking Tobacco by Category: Volume 2017-2022

Table 34 - Sales of Cigars, Cigarillos and Smoking Tobacco by Category: Value 2017-2022

Table 35 - Sales of Cigars, Cigarillos and Smoking Tobacco by Category: % Volume Growth 2017-2022

Table 36 - Sales of Cigars, Cigarillos and Smoking Tobacco by Category: % Value Growth 2017-2022

Table 37 - Sales of Cigars by Size: % Volume 2017-2022

Table 38 - Sales of Cigarillos by Price Platform 2017-2022

Table 39 - NBO Company Shares of Cigars and Cigarillos: % Volume 2018-2022

Table 40 - LBN Brand Shares of Cigars and Cigarillos: % Volume 2019-2022

Table 41 - NBO Company Shares of Cigars: % Volume 2018-2022

Table 42 - LBN Brand Shares of Cigars: % Volume 2019-2022

Table 43 - NBO Company Shares of Cigarillos: % Volume 2018-2022

Table 44 - LBN Brand Shares of Cigarillos: % Volume 2019-2022

Table 45 - NBO Company Shares of Smoking Tobacco: % Volume 2018-2022

Table 46 - LBN Brand Shares of Smoking Tobacco: % Volume 2019-2022

Table 47 - NBO Company Shares of Pipe Tobacco: % Volume 2018-2022

Table 48 - LBN Brand Shares of Pipe Tobacco: % Volume 2019-2022

Table 49 - NBO Company Shares of Fine Cut Tobacco: % Volume 2018-2022

Table 50 - LBN Brand Shares of Fine Cut Tobacco: % Volume 2019-2022

Table 51 - Distribution of Cigars and Cigarillos by Format: % Volume 2017-2022

Table 52 - Distribution of Smoking Tobacco by Format: % Volume 2017-2022

Table 53 - Forecast Sales of Cigars, Cigarillos and Smoking Tobacco by Category: Volume 2022-2027

Table 54 - Forecast Sales of Cigars, Cigarillos and Smoking Tobacco by Category: Value 2022-2027

Table 55 - Forecast Sales of Cigars, Cigarillos and Smoking Tobacco by Category: % Volume Growth 2022-2027

Table 56 - Forecast Sales of Cigars, Cigarillos and Smoking Tobacco by Category: % Value Growth 2022-2027

Smokeless Tobacco, E-Vapour Products and Heated Tobacco in South Africa

KEY DATA FINDINGS

2022 DEVELOPMENTS

British American Tobacco and Philip Morris leading the charge in next-generation products

Strong growth for e-vapour products offering flavour diversity in an unregulated area of the market

Tax-free e-liquids grow as cessation programmes gain popularity

PROSPECTS AND OPPORTUNITIES

Next-generation product sales could be impacted by stricter control measures

Manufacturers to experience first tax hikes, likely resulting in price increases

As price-sensitive younger consumers weigh the benefits of disposables they are boosting demand for these products

CATEGORY INDICATORS

Table 57 - Number of Adult Vapers 2017-2022

CATEGORY DATA

Table 58 - Sales of Smokeless Tobacco by Category: Volume 2017-2022

Table 59 - Sales of Smokeless Tobacco by Category: % Volume Growth 2017-2022

Table 60 - Sales of Tobacco Heating Devices: Volume 2017-2022

Table 61 - Sales of Tobacco Heating Devices: % Volume Growth 2017-2022

Table 62 - Sales of Heated Tobacco: Volume 2017-2022

Table 63 - Sales of Heated Tobacco: % Volume Growth 2017-2022

Table 64 - Sales of Smokeless Tobacco, E-Vapour Products and Heated Tobacco by Category: Value 2017-2022

Table 65 - Sales of Smokeless Tobacco, E-Vapour Products and Heated Tobacco by Category: % Value Growth 2017-2022

Table 66 - Sales of E-Liquids by Nicotine Strength: % Value 2019-2022

Table 67 - NBO Company Shares of Smokeless Tobacco: % Volume 2018-2022

Table 68 - LBN Brand Shares of Smokeless Tobacco: % Volume 2019-2022

Table 69 - NBO Company Shares of E-Vapour Products: % Value 2018-2022

Table 70 - LBN Brand Shares of E-Vapour Products: % Value 2019-2022

Table 71 - NBO Company Shares of Tobacco Heating Devices: % Volume 2018-2022

Table 72 - LBN Brand Shares of Tobacco Heating Devices: % Volume 2019-2022

Table 73 - NBO Company Shares of Heated Tobacco: % Volume 2018-2022

Table 74 - LBN Brand Shares of Heated Tobacco: % Volume 2019-2022

Table 75 - Distribution of Smokeless Tobacco by Format: % Volume 2017-2022

Table 76 - Distribution of E-Vapour Products by Format: % Value 2017-2022

Table 77 - Forecast Sales of Smokeless Tobacco by Category: Volume 2022-2027

Table 78 - Forecast Sales of Smokeless Tobacco by Category: % Volume Growth 2022-2027

Table 79 - Forecast Sales of Heated Tobacco: Volume 2022-2027

Table 80 - Forecast Sales of Heated Tobacco: % Volume Growth 2022-2027

Table 81 - Forecast Sales of Smokeless Tobacco, E-Vapour Products and Heated Tobacco by Category: Value 2022-2027

Table 82 - Forecast Sales of Smokeless Tobacco, E-Vapour Products and Heated Tobacco by Category: % Value Growth 2022-2027

About Euromonitor International

Euromonitor International is an independent market intelligence provider. Data, insight and analysis stem from in-the-field research spanning 210 national markets.

Content ranges from the in-depth and country-specific, to key strategic themes with a global range and significance. Products cover a comprehensive range of insights and market data, but can be broadly categorised as:

- **Strategy Briefings:** Global or regional in scope, and focussing on the most important themes shaping consumer demand, the key markets, competitive environment and future outlook across a range of industries.
- **Company Profiles:** Analysis dedicated to the world's most significant companies, with detailed insight into their activities, focus of operations, their competitors, their geographic presence and performance.
- **Country Reports:** For an in-depth understanding of specific countries, whether by industry, economic metrics or consumer trends and lifestyles. These reports cover current trends, consumer demand, market potential and future prospects, with country-specific local insight and comprehensive data, unavailable elsewhere.

For more information on this report, further enquiries can be directed via this link www.euromonitor.com/tobacco-in-south-africa/report.