

Tobacco in the United Kingdom

June 2023

Table of Contents

Tobacco in the United Kingdom

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

PRODUCTION/IMPORTS/EXPORTS

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 the United Kingdom

KEY DATA FINDINGS

2022 DEVELOPMENTS

Cigarettes return to decline in volume terms as COVID-19-related effects unwind Economy brands grow as consumers trade down due to the cost-of-living crisis The Khan Review outlines policies to be implemented for the new Tobacco Control Plan

PROSPECTS AND OPPORTUNITIES

Cigarettes to decline in both volume and real value terms over the forecast period Illicit trade to grow as money-squeezed consumers look to save money Big tobacco brands increasingly focus on the economy segment or alternative options

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 the United Kingdom

KEY DATA FINDINGS

2022 DEVELOPMENTS

Fine cut tobacco growth slips into decline as consumers return to travel and favour other tobacco alternatives Cigarillos outperform the wider tobacco category as consumers favour more affordable options Cigar sales declining again as price-sensitive consumers avoid the category

PROSPECTS AND OPPORTUNITIES

Fine cut tobacco growth to slow in the forecast period as the price gap to cigarettes narrows Cigarillos to grow at the expense of cigars in a challenging economic environment Tobacco companies to compete on lower-priced offerings focusing on value-for-money

CATEGORY DATA

Table 33 - Sales of Cigars, Cigarillos and Smoking Tobacco by Category: Volume 2017-2022Table 34 - Sales of Cigars, Cigarillos and Smoking Tobacco by Category: Value 2017-2022Table 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 the United Kingdom

KEY DATA FINDINGS

2022 DEVELOPMENTS

Closed single-use vapour products experience stellar growth at the expense of other vaping categories Big tobacco companies enter the closed single-use systems race Grocery retailers continue to gain share in the tobacco-alternative categories

PROSPECTS AND OPPORTUNITIES

Vaping to grow as consumers look for less unhealthy and more affordable options Growth expected in nicotine pouches in spite of rising popularity of single-use systems Heated tobacco to grow as an alternative to vaping for smokers

CATEGORY INDICATORS

Table 57 - Number of Adult Vapers 2017-2022

CATEGORY DATA

Table 58 - Sales of Tobacco Heating Devices: Volume 2017-2022 Table 59 - Sales of Tobacco Heating Devices: % Volume Growth 2017-2022 Table 60 - Sales of Heated Tobacco: Volume 2017-2022 Table 61 - Sales of Heated Tobacco: % Volume Growth 2017-2022 Table 62 - Sales of Tobacco Free Oral Nicotine: Volume 2017-2022 Table 63 - Sales of Tobacco Free Oral Nicotine: % Volume Growth 2017-2022 Table 64 - Sales of Tobacco Free Oral Nicotine by Category: Value 2017-2022 Table 65 - Sales of Tobacco Free Oral Nicotine: % Value Growth 2017-2022 Table 66 - Sales of Tobacco Free Oral Nicotine: % Value Growth 2017-2022 Table 66 - Sales of Smokeless Tobacco, E-Vapour Products and Heated Tobacco by Category: Value 2017-2022 Table 67 - Sales of Smokeless Tobacco, E-Vapour Products and Heated Tobacco by Category: % Value Growth 2017-2022 Table 68 - Sales of E-Liquids by Nicotine Strength: % Value 2019-2022 Table 69 - NBO Company Shares of Smokeless Tobacco: % Volume 2018-2022 Table 70 - LBN Brand Shares of Smokeless Tobacco: % Volume 2019-2022 Table 71 - NBO Company Shares of E-Vapour Products: % Value 2018-2022 Table 72 - LBN Brand Shares of E-Vapour Products: % Value 2019-2022 Table 73 - NBO Company Shares of Tobacco Heating Devices: % Volume 2018-2022 Table 74 - LBN Brand Shares of Tobacco Heating Devices: % Volume 2019-2022 Table 75 - NBO Company Shares of Heated Tobacco: % Volume 2018-2022 Table 76 - LBN Brand Shares of Heated Tobacco: % Volume 2019-2022 Table 77 - NBO Company Shares of Tobacco Free Oral Nicotine: % Volume 2018-2022 Table 78 - LBN Brand Shares of Tobacco Free Oral Nicotine: % Volume 2019-2022 Table 79 - Distribution of E-Vapour Products by Format: % Value 2017-2022 Table 80 - Forecast Sales of Tobacco Heating Devices: Volume 2022-2027 Table 81 - Forecast Sales of Tobacco Heating Devices: % Volume Growth 2022-2027 Table 82 - Forecast Sales of Heated Tobacco: Volume 2022-2027 Table 83 - Forecast Sales of Heated Tobacco: % Volume Growth 2022-2027 Table 84 - Forecast Sales of Tobacco Free Oral Nicotine: Volume 2022-2027 Table 85 - Forecast Sales of Tobacco Free Oral Nicotine: % Volume Growth 2022-2027 Table 86 - Forecast Sales of Tobacco Free Oral Nicotine by Category: Value 2022-2027 Table 87 - Forecast Sales of Tobacco Free Oral Nicotine by Category: % Value Growth 2022-2027 Table 88 - Forecast Sales of Smokeless Tobacco, E-Vapour Products and Heated Tobacco by Category: Value 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.

Table 89 - Forecast Sales of Smokeless Tobacco, E-Vapour Products and Heated Tobacco by Category: % Value Growth 2022-2027

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-the-united-kingdom/report.