Cigarette Retail & Wholesale Price Research

Wave 5 - National Study (March 2022)

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Commissioned by British American Tobacco South Africa

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Sample universe of 151,002 stores based off Sample census conducted by Ipsos in 2018. Study conducted prior to Ipsos Wave 1 Retail Audit to establish sample frame.

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1. Governance Statement

We herewith confirm the results of the study to be an Ipsos Pty Ltd body of work. Ipsos was commissioned by British American Tobacco South Africa (Pty) Ltd ("BAT") to carry out research into the cheapest purchase prices in the tobacco cigarette market.

The study is free of interference from the commissioning company. BAT had no role either of oversight or influence in the selection of the sample stores, researchers employed for the study, any part of the quality control process, nor in the analysis of the data. All data, and associated research intellectual property remain the sole property of Ipsos Pty Ltd.

For purposes of preservation of purchased items for any legal challenges or requirements, all samples and proof of purchase invoices have been placed in sealed evidence bags for future use. The samples have been stored in a secure location.

In order to address bias in the study, all results tabled in the executive summary and mini report refer to the trademark owners, exclusive licensees etc. of all brands of tobacco products found in the market for the study. No specific brand, manufacturer, retailer, or wholesaler was discriminated against, and all were within the scope of the study by virtue of its design. The only limitation applied for the study was that the retailer must be a tobacco retailer in either a form of a branded retail chain or forecourt, or an independent retailer not linked to any organised branded retail chain.

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2. Methodology

In order to answer the research question British American Tobacco had posed, having considered other potential approaches to answering the research question, Ipsos Pty Ltd selected the Mystery Shopper Methodology as the most appropriate approach.

The Mystery Shopper approach is a widely used research approach, which has been applied in many scenarios requiring mimicking shopper experience across the globe. The approach is generally used to understand brand metrics such as pricing, promotional items, and consumer experience of product in store or the store experience. Various sectors use the approach for a myriad of market research questions related to consumer experience.

Mystery shopper as a research approach can be utilized to answer the following instances and business questions:

Are your customers (retailers) continuing to meet their obligations?	**Driving compliance to brand, customer and legal standards/ promises**
How do their frontline sales associates perform relative to your defined brand standards?	**Informing observance with recommended RSP and brand positioning**
Is the brand represented correctly - packaging, pricing? Are pricing and promotions correctly displayed?	**•Monitoring brand presence and adherence to brand standards**
Are products listed, with correct images and information? Are they available and at what price?	**•Measuring availability and price**
Are any legal requirements being communicated accurately, and adhered to?	**•Monitoring legal compliance**

Applying the method, the responsibility of the researcher is as follows:

Mystery shopping approach to price checking studies:

- Shopper poses as an actual consumer at retail location
- Shopper enquires at retailer for brand/s availability and price options

Shopper requests cheapest pack or carton of cigarettes and purchases

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The process of the research explained.

For the study it was important that the process followed be governed Ipsos' strict market research guidelines, as defined within the Ipsos Pty Ltd approach to market research, and subject to quality assurance. The following research process was applied:

- Sample stores, representing the universe for both modern and informal trade across South Africa, were identified;
- Ipsos field interviewers conducted a mystery shop at the sampled stores and posed as a regular consumer and gathered the information for the research by:
    - Casually enquiring about the cheapest selling cigarette brand available in the store, without specifying any brand preference;
    - Purchasing the cheapest cigarette brand available at the time of the visit;
    - Only one pack/carton was purchased per store thus meaning that throughout store = pack/carton
- Once the interviewer left the store, they recorded the price, region, and name of the store on a CAPI device. The purchased cigarette product was then labelled and placed in a sealable bag and the bag was labelled with the following details: date, store details, region, product, price, interviewer name and signature;
- These products were then delivered to Ipsos' head offices, matched back to the store visited, verified, and kept in a secured room as proof of purchase; and
- Throughout the fieldwork process, Ipsos had the following quality control checks in place:
    - Local & regional supervisors did control checks on prices paid and specific products purchased;
    - The data collected on the platform was run through a scripted quality control check to highlight any omissions, anomalies or inconsistencies;
    - The acceptable pricing parameters formed part of the script checks;
    - Regions and areas were matched back to the original sample selection to ensure that the sample spread will ensure representation of the total market; and
    - 10% spot checks done on products purchased vs data collected.

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3. IPSOS Fieldwork –

Wave 5 (current read)

Total Duration: 2 March -21 March 2022
Field days: 2-9 March 2022
Quality check and re-shop days: 10 – 15 March 2022
Analysis of data: 16-18 March 2022
Excel delivery: 21 March 2022
Reporting date to British American Tobacco South Africa: 23 March 2022

Wave 1 (comparative period):

Total Duration: 11-16 February
2021 Field days: 11-14 February 2021
Quality check and re-shop days: 15-16 February 2021
Analysis of data: 22 – 26 February 2021

Reporting date to British American Tobacco South Africa: 3 March 2021

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4. Questions asked by IPSOS field worker

Researchers were briefed to ask the following question:

"I want to by the cheapest 20 pack available"; and/or
“I want to buy the cheapest carton available".

No price negotiations were allowed.

5. Research retail price point definitions

Excise rates 2022:
R19.82 for 20 sticks (1 pack), or R198.20 for 200 sticks (1 carton)
[Sec 37 of the Customs and Excise Act, No. 91 of 1964 – Schedule No 1, Part 2A, Tariff Item 104.30.07]

MCT = Minimum Collectable Tax (Excise rate +15% VAT)*
R22.79 for 20 Sticks (1 pack) or R227.90 for 200 Sticks (1 carton)
**[Sec 7 of the Value-Added Tax Act, No. 89 of 1991]*

Research price points ranges

1. <u>R20.00 and below for a pack of 20 sticks – R200.00 and below for a carton of 200 sticks</u>
   Price point is used as reference price point for below MCT sales before excise rate change and used in this report to analyse the price trend after excise increased as to R19.82 as of 24 February 2022

2. <u>R21.60 and below for a pack of 20 sticks – R216.00 and below for a carton of 200 sticks</u>
   Price break down 20 sticks: R21.59 is below the MCT of R21.60
   Price break down 200 sticks: R216.59 is below the MCT of R216.00
   *R21.60 is Minimum Collectable Tac for 2021/22 Budget cycle

3. <u>R22.79 and below for a pack of 20 sticks – R227.90 and below for a carton of 200 sticks</u>
   Price break down 20 sticks: R22.79 is below the MCT of R22.79
   Price break down 200 sticks: R227.89 is below the MCT of R227.90

4. <u>R27.89 and below for a pack of 20 sticks – Rand 273.00 and below for a carton of 200 sticks</u>
   Price break down 20 sticks: Excise R19.82; VAT R3.64; Total Net Margin** R4.43
   Price break down 200 sticks: Excise R198.20; VAT R36.40; Total Net Margin** R44.30

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**Total Net Margin must cover Manufacturer margin and all costs related to production, leaf, material, supply chain, Retail and Wholesale margins.

6. Research Scope

Total national retail universe comprises 151,002 stores. The sample of the total national universe used for the research (the "Representative Sample", identified in the tables below under the heading "in scope") was modelled based on the national retail universe.

Wave 4 Sample Structure

	UNIVERSE	SAMPLE	Standard Error
TOTAL SOUTH AFRICA	**151,002**	**4,593**	**1.4%**
Modern Trade	**7,858**	**887**	**3.1%**
General Trade	**136,968**	**3,163**	**1.7%**
Independent Superette/Corner Café	25,358	647	3.8%
Spaza	72,648	1,672	2.4%
Table Top/Hawkers	38,962	844	3.3%
Wholesale	**6,176**	**543**	**4.0%**
Independent Cash and Carry	2,162	255	5.7%
Semi-wholesaler	4,014	288	5.5%

For better understanding of the non-organized informal sector:

Channel			
General Trade	**143,144**	**3,708**	**1.5%**
H SHOP / SPAZA	72,650	1644	2.2%
In Sup/Corner Cafe	25,357	673	3.4%
Table Top/Hawker	38,961	842	3.1%
Wholesale	6,176	549	3.7%

Sub-channel definitions:

- Modern Trade: branded organized trade (Grocery)
- Forecourts: branded forecourts (Petrol Retail Stores)
- Non organized informal: corner café/ convenience; spaza; tabletops / hawkers
- Wholesale – wholesale; semi wholesale / informal general dealer; cash and carry

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Sample process:

- A sample was designed to represent the South African cigarette universe at a provincial level as well as at major channel level.

Sampling approach:

- Universe information available based on an earlier sample census conducted by Ipsos was used to establish a representative sample.
- Standard errors at all reporting levels were below 8%.

Both general trade and modern trade stores were covered to ensure a national view of low prices on cigarettes.

Sample Exclusions:

43 Sample points were excluded from the dataset where the below governance criteria were not provided:

- Store name
- Province
- Date of transaction/mystery shop
- Price
- Name and signature of the auditor within pack sample

7. Analysis model

All price points were allocated to specific price groups based on the segmentation referred to in Section 5 above.

From the data gathered, the price points were arranged from lowest to highest price point recorded. This was done for packs and separately for cartons.

Furthermore, the number of times each price point presented itself in the study was noted.

Each brand was analysed individually to record the proportion of occurrences at each price point as defined in Section 5.

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These occurrences were aggregated at a provincial and channel level to provide a holistic view of the distribution of low(est) price point for different brands of cigarettes across SA.

Due to the shopper behaviour in the Tabletop/Hawker channels (where most of the purchases are done per stick), higher than average pack prices were captured.

This was a result of the conversion ratios (by store owners) used to determine a pack price (sticks x 20) on the per stick pricing strategy.

8. Key Research Results

8.1 Results of purchased products in total sample at defined price points:

Prevalence of products purchased at R22.79 and below has decreased at 34% of outlets visited. Half of the sample universe sold a pack for less than R27.30 and below, pointing to a market with high levels of very cheap brands.

Table 1: incidence by price category

	R20.00 and below		R21.60 and below		R22.79 and below		R27.30 and below	
	Wave 1	Wave 5	Wave 1	Wave 5	Wave 1	Wave 5	Wave 1	Wave 5
Number of Retail Stores	1 846	1 338	1 940	1 409	2 075	1 549	3 133	2 595
% Of Retail Stores	42%	29%	44%	31%	47%	34%	71%	57%

8.2 Provincial Split:

Free State, Western Cape and Gauteng continue to be the hot spot area with high prevalence of R22.79 and below. Western Cape at 79.1% and Gauteng at 68.9% are showing increase in prevalence for products purchased at R22.79 and below. Outside of the hot spot provinces, prevalence of purchases at R22.79 and below has decreased (46.8 – 34.1%) at a total level. This decrease is evident within five of the nine South African provinces.

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Table 2 Provincial incidence by price category

REGION			R20.00 and below		R21.60 and below		R22.79 and below		R27.88 and below	
	Wave 1	Wave 5	Wave 1	Wave 5	Wave 1	Wave 5	Wave 1	Wave 5	Wave 1	Wave 5
Eastern Cape	461	545	19%	10%	20%	13%	31%	19%	83%	58%
Free State	449	466	76%	69%	77%	70%	78%	74%	88%	87%
Gauteng	709	741	62%	62%	64%	67%	66%	69%	82%	74%
KwaZulu-Natal	518	555	29%	5%	32%	6%	33%	12%	77%	52%
Limpopo	451	451	24%	4%	35%	5%	48%	10%	86%	68%
Mpumalanga	537	534	0%	0%	0%	1%	1%	3%	7%	36%
Northwest	463	428	50%	13%	51%	13%	51%	14%	70%	32%
Northern Cape	359	322	36%	0%	36%	0%	37%	0%	67%	0%
Western Cape	483	508	73%	79%	73%	79%	73%	79%	79%	80%
Grand Total	**4,430**	**4,550**	**42%**	**29%**	**44%**	**31%**	**47%**	**34%**	**71%**	**57%**

8.3 Sales channel penetration

Considering channel incidence, Forecourts have increased prevalence of purchases R22.79 and below. All branded Forecourt chains had purchases R20.00 and below, versus previous studies where only two Forecourt companies had product sold for less than R20.00 and below. In contrast Modern trade stores reduced incidence significantly in stores where product was purchased.

A statistically significant decline in the purchases of product in R22.79 and below was noted in the General trade, moving from 58% to 38% between Wave 1 ad Wave 5. Despite this, it was noted that with a decrease in prevalence, the stores where products were purchased at below R22.79 and below, prices had reduced significantly.

In the same period last year, the cheapest product purchased as R9.00 a pack. In the March 2022 field work, across all sub-categories of the general trade, the cheapest price product was purchased for was R7.00 a pack. The cheapest carton retailing for R50.00, R13.00 cheaper than same period last year.

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Table 3: Channel availability by price category

CHANNEL			R20.00 and below		R21.60 and below		R22.79 and below		R27.88 and below	
	Wave 1	Wave 5	Wave 1	Wave 5	Wave 1	Wave 5	Wave 1	Wave 5	Wave 1	Wave 5
FORECOURT	413	470	1%	4%	1%	4%	1%	4%	18%	11%
General Trade	3,199	3,159	47%	33%	50%	35%	54%	38%	80%	68%
Modern Trade	392	422	6%	1%	6%	1%	6%	1%	44%	5%
Wholesale	426	499	71%	57%	72%	59%	73%	63%	79%	76%
Grand Total	**4,430**	**4,550**	**42%**	**29%**	**44%**	**31%**	**47%**	**34%**	**71%**	**57%**

8.4 Brand penetration

The incidence of brands with prices lower than the minimum collectable tax shows a general declining trend as less product is widely available for R22.79 and below in Wave 5 compared with Wave 1. The exception being brands owned or licensed by Gold Leaf Tobacco Corporation (GLTC), which had the widest samples of stores with product selling for R22.79 and below at 1,350 mentions. The GLTC SA brands bucked the general trend by increasing incidence of purchases R22.79 and below to 34%, up 5% from same period last year.

Note: Companies in the Gold Leaf Tobacco Corporation being Gold Leaf Tobacco Zimbabwe and Gold Leaf Tobacco South Africa

Brands form outside of South Africa and from neighbouring countries have declined in numeric distribution of mentions, with brands owned or licensed by Gold Leaf Tobacco Zimbabwe and Mango Investment Zambia showing a significant decline in mentions of purchases of R22.79 and below from 931 to 550 and 180 to 21 mentions.

Of the local manufacturers, brands owned or licensed by Gold Leaf Tobacco South Africa and Carnillinx Tobacco Company, have the widest samples of mentions with increasing or stable prevalence of R22.79 and below purchases.

Of the multinationals, the incidence of brands owned or licensed by BATSA as the cheapest available has grown, albeit prevalence of product sold at R22.79 is at 0%.

Table 4: Lowest price incidence by brand manufacturer/licensee etc.

MANUFACTURER			R20.00 and below		R21.60 and below		R22.79 and below		R27.88 and below	
	Wave 1	Wave 5	Wave 1	Wave 5	Wave 1	Wave 5	Wave 1	Wave 5	Wave 1	Wave 5
Gold Leaf Tobacco Company	1,457	800	25%	29%	28%	31%	29%	34%	60%	61%
CARNILINX	733	767	48%	44%	50%	47%	56%	52%	93%	89%
BAT	360	712	1%	0%	1%	0%	1%	0%	2%	5%
GLTC ZIM	931	550	57%	39%	60%	40%	64%	44%	79%	74%
Other	114	509	50%	28%	64%	28%	74%	28%	95%	40%
AFROBERG TOBACCO	109	438	84%	20%	84%	23%	84%	28%	97%	49%
BEST TOBACCO	101	269	55%	48%	56%	50%	58%	55%	96%	78%

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PROTOBAC	186	221	19%	15%	22%	15%	27%	19%	84%	69%
FOLHA TOBACCO	41	59	66%	100%	66%	100%	66%	100%	100%	100%
PMI	16	41	0%	0%	0%	0%	0%	0%	0%	0%
JTI	35	39	6%	0%	6%	0%	6%	0%	11%	5%
AMALGAMATED TOBACCO	11	27	91%	100%	91%	100%	91%	100%	91%	100%
SAVANNAH ZIMBABWE	17	27	82%	70%	82%	70%	82%	74%	82%	100%
Mastermind TOB	8	22	75%	82%	75%	91%	75%	95%	100%	100%
MANGO INVESTMENTS	180	21	89%	14%	91%	29%	92%	57%	94%	100%
OLOMIDE	44	16	100%	88%	100%	88%	100%	88%	100%	100%
BARCO	36	13	100%	46%	100%	46%	100%	69%	100%	92%
VAWDA AMALGAMATED HOLDINGS	15	12	100%	58%	100%	58%	100%	58%	100%	92%
GLOBAL TOBACCO	35	3	97%	100%	97%	100%	97%	100%	100%	100%
SHAG TOBACCO	0	3	0%	100%	0%	100%	0%	100%	0%	100%
KTNG	1	1	100%	100%	100%	100%	100%	100%	100%	100%
Grand Total	**4,430**	**4,550**	**42%**	**29%**	**44%**	**31%**	**47%**	**34%**	**71%**	**57%**

8.5 Brand Incidence

The cheapest pack purchased was R7.00. This price point was available across multiple channels in the latest research wave

The incidence of ‘foreign’ brands (being brands owned or licensed by manufacturers located outside of the Republic of South Africa) as the cheapest available product at R22.79 and below, had declined in the latest wave compared with previous waves. Despite such decline, the ‘foreign’ brand, Remington Gold (owned by or licensed to GLTC Zimbabwe), is still the most widely accessible brand at the cheapest price point, with 44.2% of the 550 retail outlets in which it was the cheapest available product, selling it at below R22.79

Only the brand 777 (owned by or licensed to Best Tobacco), had a higher incidence of availability at R22.79 and below, although from a lower base of 211 purchases.

Pall Mall (owned by or licensed to BAT) had the widest distribution of sales amongst sample stores, however the brand’s price points all sold for higher than R27.30

Shasha (owned by or licensed to Carnilinx), Sahawi (owned by or licensed to GLTC), VIP International (owned by or licensed to Carnilinx) and Savannah (owned by or licensed to GLTC) have a high incidence of purchases at R22.79 and below, with Shasha at 54.2%, Sahawi at 34.5%, VIP International at 45.5% and Savannah at 60.8% of brands manufactured in South Africa

New brands, not purchased in the studies in 2021 and new to the cheapest prices purchase list, include Boss at R10.00 lowest price and Chief at R10.00 lowest price.

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Table 5: Brand incidence by price category – total sample

BRAND	Wave 1	Wave 5	R20.00 and below		R21.60 and below		R22.78 and below		R27.89 and below	
			Wave 1	Wave 5	Wave 1	Wave 5	Wave 1	Wave 5	Wave 1	Wave 5
PALL MALL	328	642	0%	0%	0%	0%	0%	0%	1%	0%
REMINGTON GOLD	931	550	57%	39%	60%	40%	64%	44%	79%	74%
SHASHA	275	421	36%	48%	39%	48%	46%	54%	91%	91%
SAHAWI	491	339	33%	33%	36%	33%	38%	35%	60%	76%
VIP INTERNATIONAL	274	220	43%	38%	44%	40%	50%	45%	89%	96%
SAVANNAH	287	217	64%	47%	69%	54%	72%	61%	89%	75%
777	11	211	100%	57%	100%	59%	100%	65%	100%	94%
Red and Black	14	199	100%	17%	100%	17%	100%	17%	100%	36%
KYRO	169	190	11%	10%	14%	10%	20%	14%	83%	65%
CAPE	80	175	91%	17%	91%	23%	91%	35%	96%	63%
EXPRESS	86	168	43%	8%	62%	9%	74%	10%	100%	18%
BOSS	0	155	0%	35%	0%	35%	0%	35%	0%	38%
VOYAGER	276	152	1%	0%	1%	0%	1%	0%	42%	9%
Chief	0	64	0%	78%	0%	78%	0%	78%	0%	80%
ROTHMANS	5	64	0%	0%	0%	0%	0%	2%	0%	45%
OSSUM	3	63	100%	37%	100%	40%	100%	40%	100%	54%
WESTLEIGH	41	59	66%	100%	66%	100%	66%	100%	100%	100%
CAESAR	90	58	50%	16%	51%	16%	53%	16%	96%	21%
CHELE CHELE	4	52	100%	19%	100%	19%	100%	19%	100%	33%
RG	346	49	3%	2%	4%	6%	4%	10%	53%	45%
ROYALS	0	43	0%	0%	0%	0%	0%	0%	0%	81%
CHESTERFIELD	16	41	0%	0%	0%	0%	0%	0%	0%	0%
SHARP	48	36	17%	28%	17%	33%	19%	39%	31%	64%
WINSTON	24	36	0%	0%	0%	0%	0%	0%	0%	0%
F1	9	34	100%	59%	100%	94%	100%	100%	100%	100%
ATLANTIC	31	31	0%	0%	0%	0%	0%	0%	100%	32%
BASTILLE	17	31	100%	48%	100%	48%	100%	55%	100%	94%
MALIMBO	9	27	100%	100%	100%	100%	100%	100%	100%	100%
JFK	24	23	17%	9%	38%	9%	79%	9%	96%	17%
STIX	45	22	100%	86%	100%	91%	100%	95%	100%	100%
SEVILLE	0	21	0%	14%	0%	29%	0%	57%	0%	100%
FORUM	2	17	0%	76%	0%	88%	0%	94%	100%	100%
PACIFIC	9	17	67%	100%	67%	100%	67%	100%	67%	100%
CHELSEA	44	16	100%	88%	100%	88%	100%	88%	100%	100%
YES	30	13	100%	46%	100%	46%	100%	69%	100%	92%
KINGS	14	12	100%	58%	100%	58%	100%	58%	100%	92%
PEGASUS	8	10	100%	20%	100%	20%	100%	30%	100%	100%
VIVA	1	9	100%	0%	100%	0%	100%	0%	100%	0%
Premium	15	8	100%	100%	100%	100%	100%	100%	100%	100%
CHICAGO	9	7	56%	71%	56%	71%	56%	71%	67%	100%
MEGA	34	7	100%	100%	100%	100%	100%	100%	100%	100%
OXFORD	1	6	100%	100%	100%	100%	100%	100%	100%	100%
LEGENDS	6	5	100%	100%	100%	100%	100%	100%	100%	100%
ADMIRAL	0	4	0%	50%	0%	50%	0%	50%	0%	100%
RICHMAN	35	3	97%	100%	97%	100%	97%	100%	100%	100%
SHAG	0	3	0%	100%	0%	100%	0%	100%	0%	100%

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ASPEN	3	2	0%	0%	0%	0%	0%	0%	33%	100%
ATLANTA	0	2	0%	0%	0%	0%	0%	0%	0%	0%
BENSON & HEDGES	1	2	0%	50%	0%	50%	0%	50%	0%	50%
Stuyvesant	10	2	0%	0%	0%	0%	0%	0%	0%	0%
VIRGINIA	0	2	0%	100%	0%	100%	0%	100%	0%	100%
BROTHER	0	1	0%	0%	0%	0%	0%	0%	0%	0%
CASPIAN	0	1	0%	100%	0%	100%	0%	100%	0%	100%
CASTLE	0	1	0%	0%	0%	0%	0%	0%	0%	0%
DERBY	26	1	100%	0%	100%	0%	100%	0%	100%	100%
GOLDEN	11	1	9%	100%	9%	100%	9%	100%	100%	100%
LD	7	1	14%	0%	14%	0%	14%	0%	29%	0%
LEXINGTON	0	1	0%	0%	0%	0%	0%	0%	0%	0%
MC	1	1	100%	100%	100%	100%	100%	100%	100%	100%
PETER STUYVESANT	9	1	11%	0%	11%	0%	11%	0%	22%	0%
PINE	1	1	100%	100%	100%	100%	100%	100%	100%	100%
CHEEKY	1	0	100%	0%	100%	0%	100%	0%	100%	0%
CK	1	0	0%	0%	0%	0%	0%	0%	0%	0%
DUNHILL	7	0	0%	0%	0%	0%	0%	0%	0%	0%
JPS	1	0	100%	0%	100%	0%	100%	0%	100%	0%
KINGSGATE	2	0	100%	0%	100%	0%	100%	0%	100%	0%
MS	1	0	100%	0%	100%	0%	100%	0%	100%	0%
Other	1	0	100%	0%	100%	0%	100%	0%	100%	0%
PRINCETON	8	0	13%	0%	13%	0%	13%	0%	25%	0%
RAINBOW	1	0	100%	0%	100%	0%	100%	0%	100%	0%
RB	1	0	100%	0%	100%	0%	100%	0%	100%	0%
SOBRANIE	1	0	100%	0%	100%	0%	100%	0%	100%	0%
STYLE	7	0	100%	0%	100%	0%	100%	0%	100%	0%
SUPERMATCH	6	0	100%	0%	100%	0%	100%	0%	100%	0%
WEPSTER	1	0	0%	0%	0%	0%	0%	0%	100%	0%
WISH	180	0	89%	0%	91%	0%	92%	0%	94%	0%
Grand Total	**4,430**	**4,550**	**42%**	**29%**	**44%**	**31%**	**47%**	**34%**	**71%**	**57%**

8.6 Carton purchase incidence

The cheapest carton purchased was R50.00, which was available in a Wholesale trader.

Smaller manufacturers such as Afroberg Tobacco have the highest incidence of cartons being sold at the lowest price point.

Considering brands, Chief (Unknown), Express (Olomide Zimbabwe), Remington Gold (owned by or licensed to GLTC Zimbabwe) Savannah and Shasha have the same incidence of being sold at the cheapest price point.

New brands, not purchased in the studies in 2021 and new to the cheapest prices purchase list, include Red Label (R180.00 lowest price), Chief (R120.00 lowest price) and Boss (R80.00 lowest price).

Table 6: Carton price incidence by Manufacturer's ownership/licensing of relevant brands

MANUFACTURER	Wave 1	Wave 5	R200.00 and below Wave 1	R200.00 and below Wave 5	R216.00 and below Wave 1	R216.00 and below Wave 5	R227.90 and below Wave 1	R227.90 and below Wave 5	R278.90 and below Wave 1	R278.90 and below Wave 5
Other	2	17	100%	94%	100%	94%	100%	94%	100%	94%
AFROBERG TOBACCO	11	9	100%	100%	100%	100%	100%	100%	100%	100%
Gold Leaf Tobacco Company	34	7	71%	71%	74%	71%	82%	71%	97%	86%
CARNILINX	19	6	100%	100%	100%	100%	100%	100%	100%	100%
GLTC ZIM	13	5	100%	100%	100%	100%	100%	100%	100%	100%
BEST TOBACCO	2	3	100%	100%	100%	100%	100%	100%	100%	100%
FOLHA TOBACCO	2	1	100%	100%	100%	100%	100%	100%	100%	100%
JTI	0	1	0%	100%	0%	100%	0%	100%	0%	100%
OLOMIDE	3	1	100%	100%	100%	100%	100%	100%	100%	100%
BARCO	4	0	100%	0%	100%	0%	100%	0%	100%	0%
KTNG	4	0	100%	0%	100%	0%	100%	0%	100%	0%
Mastermind TOB	2	0	100%	0%	100%	0%	100%	0%	100%	0%
PROTOBAC	3	0	100%	0%	100%	0%	100%	0%	100%	0%
VAWDA AMALGAMATED HOLDINGS	1	0	100%	0%	100%	0%	100%	0%	100%	0%
Grand Total	**100**	**50**	**90%**	**94%**	**91%**	**94%**	**94%**	**94%**	**99%**	**96%**

Table 7: Carton price incidence by brand grouping

BRAND	Wave 1	Wave 5	R200.00 and below Wave 1	R200.00 and below Wave 5	R216.00 and below Wave 1	R216.00 and below Wave 5	R227.90 and below Wave 1	R227.90 and below Wave 5	R278.90 and below Wave 1	R278.90 and below Wave 5
Chief	0	5	0%	100%	0%	100%	0%	100%	0%	100%
EXPRESS	1	5	100%	100%	100%	100%	100%	100%	100%	100%
REMINGTON GOLD	13	5	100%	100%	100%	100%	100%	100%	100%	100%
SAVANNAH	12	5	83%	80%	83%	80%	92%	80%	92%	80%
SHASHA	14	5	100%	100%	100%	100%	100%	100%	100%	100%
OSSUM	1	4	100%	100%	100%	100%	100%	100%	100%	100%
Red and Black	4	3	100%	100%	100%	100%	100%	100%	100%	100%
Red Label	0	3	0%	100%	0%	100%	0%	100%	0%	100%
777	1	2	100%	100%	100%	100%	100%	100%	100%	100%
BOSS	0	2	0%	100%	0%	100%	0%	100%	0%	100%
CAPE	3	2	100%	100%	100%	100%	100%	100%	100%	100%
CAESAR	1	1	100%	100%	100%	100%	100%	100%	100%	100%
CAMEL	0	1	0%	100%	0%	100%	0%	100%	0%	100%
CHELSEA	3	1	100%	100%	100%	100%	100%	100%	100%	100%
F1	0	1	0%	100%	0%	100%	0%	100%	0%	100%
PRINCETON	0	1	0%	0%	0%	0%	0%	0%	0%	0%
SAHAWI	13	1	100%	100%	100%	100%	100%	100%	100%	100%
VIVA	0	1	0%	100%	0%	100%	0%	100%	0%	100%
VOYAGER	8	1	13%	0%	13%	0%	38%	0%	100%	100%
WESTLEIGH	2	1	100%	100%	100%	100%	100%	100%	100%	100%
CASPIAN	1	0	100%	0%	100%	0%	100%	0%	100%	0%
GOLDEN	3	0	100%	0%	100%	0%	100%	0%	100%	0%
KINGS	1	0	100%	0%	100%	0%	100%	0%	100%	0%

DISCLAIMER: "Brand manufacturer identification was determined by on pack descriptor and where required through online GTIN barcode searching."

Sample universe of 151,002 stores based off Sample census conducted by Ipsos in 2018. Study conducted prior to Ipsos Wave 1 Retail Audit to establish sample frame.

KYRO	3	0	100%	0%	100%	0%	100%	0%	100%	0%
LEGENDS	2	0	100%	0%	100%	0%	100%	0%	100%	0%
MEGA	1	0	100%	0%	100%	0%	100%	0%	100%	0%
PINE	4	0	100%	0%	100%	0%	100%	0%	100%	0%
Premium	2	0	100%	0%	100%	0%	100%	0%	100%	0%
SHARP	1	0	0%	0%	100%	0%	100%	0%	100%	0%
STIX	1	0	100%	0%	100%	0%	100%	0%	100%	0%
SUPERMATCH	3	0	100%	0%	100%	0%	100%	0%	100%	0%
VIP INTERNATIONAL	1	0	100%	0%	100%	0%	100%	0%	100%	0%
YES	1	0	100%	0%	100%	0%	100%	0%	100%	0%
Grand Total	**100**	**50**	**90%**	**94%**	**91%**	**94%**	**94%**	**94%**	**99%**	**96%**

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For detail data for advanced modeling, available upon request and on authorization from data owners.