

SECRET

TSB TASK FORCE

No. 324 By mm

MARKETING/MARKETING DEVELOPMENT/RESEARCH AND DEVELOPMENT PLAN

I. New Brands

A. Objective: Determine best marketing approach for product utilizing TSB technology.

B. Development Phases

Phase I - Concept Development

Purpose: Generate marketing concepts which a product incorporating TSB technology is likely to deliver or will potentially fit.

Product Approaches/Potential Consumer Benefits

<u>Modified Per Puff Deliveries</u>	<u>Method</u>	<u>Benefits</u>
- Smooth, bland during last puffs	Blends	Taste burnout/Aftertaste LF, Constant Delivery
- Low tar product w/high impact 1st few puffs	Blends	Low tar/high taste MERIT Outdate High Tech
- Modified per puff deliveries of T/N	Blends	
- Change in taste from start to finish	Blends	Taste build-up situational brand
<u>Modified Flavor Deliveries</u>		
- Modified taste from start to finish	Flavors/Casings on one blend	Pleasant aftertaste aromatic cigarette situational brand.
- Microencapsulated flavors on one blend		Breath freshners, enhanced tobacco taste. Ashtray aesthetics
<u>Cost Reduction</u>		
- Tobacco substitutes at 1 end	Blends	Low nicotine
- Inexpensive tobaccos at 1 end	Blends	Reduce cash outlay

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I. New Brands (Continued)

B. Development Phases (Continued)

Phase I - Concept Development (Continued)

Concept Range/Focus

● Product Driven

- Develop concepts with potential product benefits as central focus
- No announcement/specification of TSB technology
- 7-8 concepts based on potential product benefits identified above

● Image-Driven

- Develop concepts with user imagery as central focus with product benefits unannounced/secondary
- 5-6 concepts based on PPT's analysis of imagery gaps/future lifestyle trends
 - E.G.: New masculinity
 - Younger adult smoker fun brand
 - Sociability imagery brand
 - Tar concerned smoker brand

Results: Inclusive range of concept statements

Target Completion Date: 2/28

I. New Brands (Continued)

B. Development Phases (Continued)

Phase II - Concept Evaluation

Purpose: Ascertain consumer appeal of conceptual approaches identified in Phase I which could potentially be linked to TSB-based products

Methodology:

- Qualitative Concept Screening/Refinement *mirarch ?*
 - Pair concepts with TSB protocepts as available (see Product Development Schedule)
 - Among replica of total smoker market
 - Estimated cost is \$18,000
- Quantitative Concept Screening Test
 - Enter refined concepts from qualitative concept screening
 - If TSB prototypes not available, pair with protocepts simulating TSB delivery
 - Approximately 800 total smokers
 - Readable cells of all major subgroups
 - Estimated cost is \$40,000

Results:

- Overall appeal of each concept
- Target group for each concept
- Generate and test appropriate name/pack configuration alternatives for each concept

Target Completion Date: May 1983

I. New Brands (Continued) -

B. Development Phases (Continued)

Phase III - Product Delivery Assessment

Purpose: Determine the sensory characteristics of TSB products for potential pairing with existing concepts; determine unique/

Methodology:

● Internal

1. Lab stuffing of various combinations of flavors/blends for general screening before machine availability.

- Low tar/high impact 2/83
- Modified per puff deliveries
- Cost reduction

2. Analytical and sensory data on machine made prototypes 3/83

(low tar/high impact)

3. Analytical and sensory data on machine made prototypes 4/83

(per puff deliveries)

4. Analytical and sensory data on machine made prototypes 5/83

(modified flavor delivery)

● Qualitative

5. Consumer screening of TSB prototypes 4/83, 5/83, 6/83 (as available per above schedule)
 - In context of high appeal concepts
 - To determine unique/original TSB benefits
 - Estimated cost is \$54,000

● Quantitative

6. Product screening test 7/83-9/83
 - Blind two pack test
 - Estimated cost is \$50,000

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I. New Brands (Continued)

B. Development Phases (Continued)

Phase III - Product Delivery Assessment (Continued)

Results: Refined prototypes ready for final quantitative translation/evaluation.

Target Completion Dates: September 1983

I. New Brands (Continued)

B. Development Phases (Continued)

Phase IV - Positioning/Product Fit Evaluation

Purpose: Develop/recommend alternative brand positionings and ensure product/positioning fit

Methodology:

• Product/Positioning Fit Test

- Among replica of total smoker market
- Quota of target smokers
- 400 smokers/positioning
- \$25,000/positioning and product pair
- Estimated cost is \$150,000

Result: Final Market Feasibility/Potential Assessment
Transfer to Active New Brands

Target Completion Date:

Make	9/83-11/83
Field	11/83-1/84
Results	1/84
Recommen- dation	1/84

ESTABLISHED BRANDS

Purpose: Evaluate TSB product for use on an established brand(s) as cost reduction or performance improvement mechanism if TSB technology appears to provide cost reduction potential

Methodology:

- Blind two pack NFO or MARC test of TSB product versus appropriate established brand(s) against that (those) brand(s) action standards
- Estimated cost is \$50,000

Results: Report TSB product performance and potential cost savings versus current established brand blend to TSB Task Force

Target Completion Date: TBD based on preliminary cost reduction due in February 1983.

CRITICAL PATH SUMMARY

I. New Brands

Phase

I	Concept Development Complete	2/83
II	Concept Evaluation	
	Qualitative Concept Screening Complete	3/83
	Quantitative Concept Screening Test Complete	5/83
	Name/Pack Configuration Recommendation	5/83
III	Product Delivery Assessment	
	Internal Testing Complete	5/83
	Consumer Qualitative Product Screening Complete	6/83
	Consumer Quantitative Product Screening Test	
	Field	7/83
	Results	9/83
IV	Positioning/Product Fit Evaluation	
	Make Products for Test	9/83-11/83
	Field Positioning/Product Fit Test	11/83
	Results Positioning/Product Fit Test	1/84
	Final New Brand Recommendation	1/84
V	Established Brands	
	TSB/Established Blend Evaluation	TBD pending preliminary cost analysis due 2/83

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COST SUMMARY

New Brands

Concept Evaluation

Qualitative \$ 18,000

Quantitative 40,000

Product Delivery Assessment

Qualitative 54,000

Quantitative 50,000

Positioning/Product Fit Test 150,000

Total \$312,000

Established Brands

TSB/Established Brands Blend Test \$ 50,000