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ADDENDUM:
THE CONSUMER TESTING
OF MERIT 100's

BACKGROUND TO THE MERIT 100's TESTS

One year ago, Philip Morris Incorporated introduced a remarkable new low tar cigarette—MERIT. Today, MERIT King Size with 'Enriched Flavor'™ tobacco is recognized as the most successful new cigarette in 20 years.

However, some smokers prefer longer length cigarettes. New low tar MERIT 100's now extends the benefits of 'Enriched Flavor' technology to all smokers.

Like MERIT King Size, MERIT 100's were taste-tested by thousands of smokers. The results: *overall, they liked the taste of 12 mg. tar MERIT 100's as much as the higher tar 100mm brands tested.*

To ensure the objectivity of the research, Philip Morris retained the independent marketing counseling firm of Canter, Achenbaum, Heekin Inc. Their opinion of the research program can be found at the end of this booklet.

The purpose of this booklet is to describe the tests, and their results, in detail.

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BRANDS TESTED AGAINST MERIT 100's

While MERIT King Size cigarettes were tested against low tar brands in the 11-15 milligram tar range (as described in the attached booklet), at the time the MERIT 100's tests were conducted there were very few 100 millimeter low tar brands on the market. Therefore, MERIT 100's were tested against eight higher tar 100 millimeter menthol and non-menthol filter brands ranging from 17-19 milligrams tar. (The median tar delivery of all cigarette brands sold in the United States today is approximately 17 to 18 milligrams per cigarette.)

100mm Brands Tested

| Non-Menthol Brands | Tar Delivery ¹ | Sales Jan.-March '76 (Billions) ² | % of All 100mm Non-Menthol Filter Sales |
|------------------------|---------------------------|--|---|
| Benson & Hedges 100's | 18 mg. | 3.78 | 16% |
| Marlboro 100's | 17 mg. | 3.30 | 14% |
| Pall Mall Filter 100's | 19 mg. | 2.70 | 11% |
| Kent Deluxe 100's | 18 mg. | 1.94 | 8% |
| Tareyton 100's Filter | 19 mg. | 1.68 | 7% |
| Totals | | 13.40 | 56% |

| Menthol Brands | Tar Delivery | Sales Jan.-March '76 (Billions) | % of All 100mm Menthol Filter Sales |
|---------------------------|--------------|---------------------------------|-------------------------------------|
| Kool's Filter Longs 100's | 17 mg. | 2.59 | 20% |
| Benson & Hedges 100's | 18 mg. | 2.28 | 18% |
| Belair Filter Longs | 17 mg. | 2.73 | 6% |
| Totals | | 5.60 | 44% |

As the table shows, the five non-menthol brands tested against MERIT 100's accounted for 56% of all 100 millimeter non-menthol cigarettes sold in the United States during the first three months of 1976; the three menthol brands accounted for 44% of all 100 millimeter menthol cigarettes sold in the United States during the same period.

¹ Data derived from the Federal Trade Commission report issued in April 1976. This report contained the most recent FTC data on tar and nicotine deliveries available at the time these tests were conducted. The subsequent FTC Report issued in December 1976 shows that none of the brands tested against MERIT 100's changed by more than 1 mg. tar per cigarette.

² Sales data are taken from the First Quarter 1976 Maxwell Report published by Maxwell Associates, a division of Wheat, First Securities Inc.

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METHODOLOGY—MERIT 100's TESTS

The MERIT 100's tests were conducted by the American Institute of Consumer Opinion, an independent private testing organization, in the same manner used for the tests of MERIT Kings, except for the changes necessary because of the different type of cigarette being tested. That is, each panel consisted of smokers who had previously indicated that their regular brand was a 100 millimeter filter cigarette—menthol in the case of the menthol tests, and non-menthol in the non-menthol tests.³ The steps taken to ensure adequate representation according to sex, current brand, and geographic area, and the methods used to obtain the panelist's opinions were the same as are set out on page 5 of our original booklet, which is attached.

Of the 3,800 smokers to whom cigarettes were mailed in these tests, 2,879 participated in the tests. Interviews were completed with 2,464 or 86% of the 2,879 participants. The remaining 921 potential panelists could not participate in the tests because they had never received the cigarettes or had moved, or because they were disqualified by their having switched to a brand outside of the MERIT 100's market segment (e.g., switched to a non-filtered or a king-size cigarette). The participation rate is higher than that normally obtained in similar surveys.

³ Cigarettes were mailed to 500 smokers for all tests except for the KENT 100's test, where 300 cigarettes were mailed. However, in the latter test the representativeness by sex, brand, and geography was maintained.

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RESULTS OF THE MERIT 100's TESTS

Taste Preference

Participating panelists who had smoked both MERIT 100's and the other brand were asked:

"Did you notice any difference in taste between (Code) cigarettes you tried first, and the cigarettes coded _____ you tried second?"¹

Panelists who responded "Yes" to this question were then asked:

"Which cigarette's taste did you like better—that of the cigarette coded _____ or the one coded _____?"

The following table summarizes the results obtained:

| MERIT 100's Regular vs. Other 100mm Non-Menthol Filters | Total Smokers in Test | Prefer MERIT 100's Taste | Prefer Other Brand's Taste | No Preference/ No Difference |
|---|-----------------------------|--------------------------------|----------------------------------|---------------------------------|
| Benson & Hedges 100's | (356) | 40% | 45% | 15% |
| Marlboro 100's | (339) | 37% | 38% | 25% |
| Pall Mall Filter 100's | (342) | 40% | 42% | 18% |
| Kent Deluxe 100's | (214) | 50%* | 32% | 18% |
| Tareyton 100's Filter | (327) | 42% | 34% | 24% |
| Total | (1578) | 41% | 39% | 20% |
| MERIT 100's Menthol vs. Other 100mm Menthol Filters | | | | |
| Kool Filter Longs 100's | (289) | 44% | 41% | 15% |
| Benson & Hedges 100's | (299) | 42% | 47% | 11% |
| Belair Filter Longs 100's | (295) | 55%* | 29% | 16% |
| Total | (883) | 47%* | 39% | 14% |

*Denotes preferences for MERIT 100's that are statistically significant at the 95% confidence level.

¹ In each test conducted, one-half of the panelists tried MERIT 100's first and the other brand second, while the remaining one-half tried the other brand first and MERIT 100's second.

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MERIT 100's VS. TRUE 100's TEST

Although MERIT 100's were tested against higher tar brands in order to provide a representative sampling of products in the 100 millimeter menthol and non-menthol categories, a similar test was also conducted between MERIT 100's Regular and TRUE 100's (the only 100 millimeter brand as low in tar as MERIT 100's with any appreciable sales).⁵ The table below summarizes the results obtained:

| Total Smokers In Test | Prefer MERIT 100's Taste | Prefer TRUE 100's Taste | No Preference/ No Difference |
|-----------------------------|--------------------------------|-------------------------------|---------------------------------|
| (225) | 66%* | 21% | 13% |

*Denotes preference for MERIT 100's that is statistically significant at the 95% confidence level.

⁵At the time these tests were conducted, the tar delivery of TRUE 100's was listed at 12 milligrams tar per cigarette by the Federal Trade Commission report issued April, 1976.

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