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To: Mr. Tom Goodale

From: Marketing Research Department

Subject: Marlboro 80/85 Flavor Test B
Little Rock, Atlanta, Des Moines

Date: August 28, 1978

Marlboro 80/85's with a flavor change became available at the retail level on approximately April 1, 1977.

The three test markets (as part of a previous test) sold a slightly different product during the base period of this test than did the control markets. In spite of this, the sales trend of each test market and its two controls correlate very closely.

This is the final reading of these markets with the flavor "B" at a level of 50 per cent.

The data for June and July 1978 was influenced by the price increase and may not be consistent with prior market trends.

<u>% Change Vs. Base Period</u>				<u>Difference of Test Market Vs. Control</u>		
<u>Test Market</u>		<u>Ctrl 1</u>	<u>Ctrl 2</u>	<u>Ctrl 1</u>	<u>Ctrl 2</u>	<u>Ave.</u>
(1) Little Rock	+8.0	+4.1	+5.4	+3.9	+2.6	+3.3
(2) Atlanta	+5.1	+1.6	+4.3	+3.5	+0.8	+2.2
(3) Des Moines	+2.5	+5.1	+0.8	-2.6	+1.7	-0.5

Little Rock's 8.0% increase versus its base gives it advantages of 3.9 and 2.6 respectively over New Orleans and Tulsa. Thus, Marlboro Red's performance in this market has excelled that of its two controls by an average of 3.3%.

Atlanta's increase of 5.1% outperformed Memphis by 3.5% and edged out Jackson, Miss. by 0.8%. Marlboro Red, therefore has performed on the average of 2.2% better in Atlanta than in the 2 control markets.

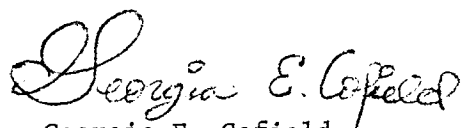
Des Moines' increase of 2.5% versus its base fell short of Kansas City by 2.6%, but showed an advantage of 1.7% over Houston. On an average, Marlboro Red holds a slight disadvantage of 0.5% in the test market.

The flavor change "B" at a level of 50 per cent has not caused any significant changes in the sales trends of Marlboro Red in either one of the three test markets during the 16-month test period.

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The attached table gives detailed data for each of the test markets.

If there are any questions, please advise.


Georgia E. Cofield

GEC:hg
Attachment

cc: W.F. Gannon - Richmond
C.H. Goldsmith
W.W. McDowell
J.J. Morgan
R.B. Seligman - Richmond
J. Spector
J.N. Zoler

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MARLBORO BLEND TEST

BASE PERIOD: 4/76 TO 3/77

START DATE OF TEST: APRIL, 1977

(MARLBORO BOX + MARLBORO SOFT PACK)

TEST PERIOD	PER CENT CHANGE OVER BASE			ADVANTAGE OF TEST OVER CONTROL	
	TEST 1	CTRL 1	CTRL 2	CTRL 1	CTRL 2
	LITTLE ROCK	NEW ORLEANS	TULSA	NEW ORLEANS	TULSA
4/77	+ 3.4	+ 3.0	+ 3.2	+ 0.4	+ 0.2
5/77	+ 9.4	+ 5.5	+16.2	+ 3.9	- 6.8
6/77	+17.7	+12.4	+11.0	+ 5.3	+ 6.7
AVERAGE	+10.2	+ 7.0	+10.1	+ 3.2	+ 0.1
7/77	+ 3.5	- 0.5	+ 7.3	+ 3.0	- 3.8
8/77	+22.9	+19.2	+20.8	+ 3.7	+ 2.1
9/77	+ 0.8	- 3.1	- 4.1	+ 3.9	+ 4.9
AVERAGE	+ 9.0	+ 5.2	+ 8.0	+ 3.8	+ 1.0
10/77	+ 2.7	- 1.4	- 0.5	+ 4.1	+ 3.2
11/77	+ 9.6	+ 6.4	+ 5.9	+ 3.2	+ 3.7
12/77	+ 3.1	+ 3.7	+ 0.2	- 0.6	+ 2.9
AVERAGE	+ 5.1	+ 2.9	+ 1.9	+ 2.2	+ 3.2
1/78	+ 1.5	- 1.8	+ 1.9	+ 3.3	- 0.4
2/78	-13.2	-13.3	-12.3	+ 0.1	- 0.9
3/78	+16.2	+ 5.8	+ 1.3	+10.4	+14.9
AVERAGE	+ 1.5	- 3.1	- 3.0	+ 4.6	+ 4.5
4/78	+18.3	+ 2.0	+ 6.9	+16.3	+11.4
5/78	+16.7	+12.9	+28.1	+ 3.8	-11.4
6/78	+28.4	+21.7	+15.2	+ 6.7	+13.2
AVERAGE	+21.1	+12.2	+16.7	+ 8.9	+ 4.4
7/78	-13.2	- 6.6	- 3.8	- 6.6	- 9.4
16 MOS. AVERAGE	+ 8.0	+ 4.1	+ 5.4	+ 3.9	+ 2.6

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MARLBORO BLEND TEST

BASE PERIOD: 4/76 TO 3/77
 START DATE OF TEST: APRIL, 1977

(MARLBORO BOX + MARLBORO SOFT PACK)

TEST PERIOD	PER CENT CHANGE OVER BASE			ADVANTAGE OF TEST OVER CONTROL	
	TEST 3	CTRL 1	CTRL 2	CTRL 1	CTRL 2
	ATLANTA	MEMPHIS	JACKSON, MS.	MEMPHIS	JACKSON, MS.
4/77	+ 2.2	- 0.3	+ 0.9	+ 2.5	+ 1.4
5/77	+ 5.9	+ 7.5	+10.0	- 1.6	- 4.1
6/77	+14.9	+14.8	+16.0	+ 0.1	- 1.1
AVERAGE	+ 7.7	+ 7.3	+ 9.0	+ 0.4	- 1.3
7/77	- 2.8	- 3.9	- 5.1	+ 1.1	+ 2.3
8/77	+17.1	+17.0	+23.3	+ 0.1	- 6.2
9/77	+10.8	- 5.3	- 3.3	+16.1	+14.1
AVERAGE	+ 8.4	+ 2.6	+ 5.0	+ 5.8	+ 3.4
10/77	- 5.9	- 8.4	+ 1.5	+ 2.5	- 7.4
11/77	- 4.7	+ 7.3	+ 3.0	-12.0	- 7.7
12/77	+ 5.2	- 9.9	- 0.3	+15.1	+ 5.5
AVERAGE	- 1.8	- 3.6	+ 1.4	+ 1.8	- 3.2
1/78	- 4.0	- 1.2	+ 2.4	- 2.8	- 6.4
2/78	-14.0	-18.4	-15.8	+ 4.4	+ 1.8
3/78	+ 9.4	+ 0.4	+ 2.1	+ 9.0	+ 7.3
AVERAGE	- 2.9	- 6.5	- 3.8	+ 3.5	+ 0.9
4/78	+10.7	- 0.1	+ 0.5	+10.8	+10.2
5/78	+10.0	+15.4	+15.9	- 5.4	- 5.9
6/78	+19.7	+18.7	+27.2	+ 1.0	- 7.5
AVERAGE	+13.5	+11.3	+14.5	+ 2.2	- 1.0
7/78	+ 7.0	- 8.0	-10.6	+15.0	+17.6
16 MOS. AVERAGE	+ 5.1	+ 1.6	+ 4.3	+ 3.5	+ 0.8

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MARLBORO BLEND TEST

BASE PERIOD: 4/76 TO 3/77

START DATE OF TEST: APRIL, 1977

(MARLBORO BOX + MARLBORO SOFT PACK)

TEST PERIOD	PER CENT CHANGE VS BASE			ADVANTAGE OF TEST VS CONTROL	
	TEST 2	CTRL 1	CTRL 2	CTRL 1	CTRL 2
	DES MOINES	KANSAS CITY	HOUSTON	KANSAS CITY	HOUSTON
4/77	-10.9	- 0.5	- 3.8	-10.4	- 7.1
5/77	+ 5.2	+ 6.0	+ 7.2	- 0.8	- 2.0
6/77	+23.7	+17.8	+10.7	+ 5.9	+13.0
AVERAGE	+ 6.0	+ 7.8	+ 4.7	- 1.8	+ 1.3
7/77	- 6.8	- 3.5	- 2.8	- 3.3	- 4.0
8/77	+24.4	+13.4	+19.1	+11.0	+ 5.3
9/77	- 6.3	+ 2.2	- 7.2	- 8.5	+ 0.9
AVERAGE	+ 3.8	+ 4.0	+ 3.0	- 0.2	+ 0.8
10/77	+ 1.2	- 3.0	+ 6.1	+ 4.2	- 4.9
11/77	+ 0.5	+ 0.2	- 0.9	+ 0.3	+ 1.4
12/77	+ 1.8	- 3.5	+ 2.5	+ 5.3	- 0.7
AVERAGE	+ 1.2	- 2.1	+ 2.6	+ 3.3	- 1.4
1/78	- 6.8	- 0.5	+ 1.1	- 6.3	- 7.9
2/78	-13.9	-12.8	-11.1	- 1.1	- 2.8
3/78	+ 0.1	+11.1	+11.7	-11.2	-11.6
AVERAGE	- 6.9	- 0.7	+ 0.5	- 6.2	- 7.4
4/78	+ 5.7	+ 1.9	+ 6.3	+ 3.8	- 0.6
5/78	+ 3.8	+13.1	+11.4	- 9.3	- 7.6
6/78	+21.2	+36.6	+29.7	-15.4	- 8.5
AVERAGE	+10.2	+17.2	+15.8	- 7.0	- 5.6
7/78	- 3.0	+ 2.5	- 7.6	- 5.5	+ 4.6
16 MOS. AVERAGE	+ 2.5	+ 5.1	+ 0.8	- 2.6	+ 1.7

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