

~~W.D.~~

~~G.A.~~

K.V. (return)

obviously this does not

September 8, 1992

square with the media
brief we received.

nl

Mr. James Bogie
The American Tobacco Company
Six Stamford Forum
Stamford, CT 06904

Dear Jim:

The purpose of this document is to provide LCF&L's recommendation to lower the age of Carlton's target audience.

BACKGROUND

The age of the Carlton customer has risen over the past years to the current mean of 50.5 years of age. The brand's franchise is both older than competitive ULT's (44.6 years old) and the low tar segment (40.1 years old) Exhibit I.

In order to reverse this trend, and most importantly bring new smokers into the Carlton franchise, we believe a younger target must be sought.

RECOMMENDATION

LCF&L recommends that Carlton's target audience be changed from 35+ years of age to 35-39 years old. All other target audience elements we believe to be correct. Thus, Carlton audience would change from

ADULTS 35+

Low & ULT smokers
65% female/35% male
Education-any college
Household Income \$35M +
A & B county

TO

ADULTS 35-39

Low & ULT smokers
65% female/35% male
Education-any college
Household Income \$35M +
A & B county

DISCUSSION

While it is impossible to deliver all media to the proposed 35-39 year old segment we believe this shift in audience will allow a greater level of Carlton impressions to be directed at the younger smoker.

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These smokers, while representing 15% of the Carlton franchise in 1990, have slipped to 10% currently. This change in composition was the largest decrease in Carlton age group penetration. Since 1990, the ULT category continued to enjoy 14-15% level of penetration against the 35-39 year olds while Carlton has decreased.

To regain Carlton's position against this younger audience and bring new smokers into the franchise we recommend lowering the age of the Brand's target.

Jim, if you have any questions or wish to discuss this subject further, please don't hesitate to call.

Cordially,

Al Magnane

AM/aml

Attachment

cc: R. Smith
E. Gesell
K. Noone

C. Goldschmidt
R. Adler
M. Schan
L. DeLuca
M. Hodes