



**BEST PRACTICE FORUM**  
FEBRUARY 2025



## Agenda 27<sup>th</sup> February 2025 9am – 10:30am

9.00 – 9.05	<b>Welcome and introduction</b>	<b>Jose Cabrera</b>
9:05 – 9:30	<b>blu UK &amp; France</b>	<b>Ihor Shymanskyi</b>
9:30 – 9:45	<b>Rebranding out of category examples</b>	<b>Ben Alalouff</b>
9:45- 10:15	<b>Guest Speaker</b>	<b>Marc Woods</b>
10.15 – 10.25	<b>Open discussion with guest speaker</b>	
10:25- 10:30	<b>Close</b>	<b>Jose Cabrera</b>

**SABRETOOTH** – FLAVOUR AND CONVENIENCE IN POD FORMAT

# DISPOSABLE FLAVOURS IN POD FORMAT

**RECHARGEABLE BATTERY  
FOR REPEATED USE**



## PRODUCT BENEFITS

- 1 1000 Puffs
- 2 Semi-transparent POD
- 3 3<sup>rd</sup> gen mesh heater for improved flavour delivery. Powered by blu Flavourtech
- 4 Device lock
- 5 Rechargeable battery
- 6 Removeable battery (NZ only)

# The pending Disposables Ban is now a burning platform

Requires an orchestrated multi-functional program to manage the transition, and win in the post-ban environment

Competition actively educating on the changing landscape and launching compliant portfolio offerings

**AQUAVAPE**

08081 687 551  
www.wholesale.aquavape.co.uk  
sales@aquavape.co.uk

**AV #24**  
NEWS 29th February 2024



**Pre-filled Pods**  
Pre-filled pod systems like Elfa Pro, Lost Mary Tappo, and SKE Crystal Plus provide a longer-lasting vaping alternative and they have been gaining traction over the past year. They are low-cost, portable, user-friendly, and ideal for on-the-go vaping.

**DISPOSABLE BAN  
WHAT NEXT?**

Introduce your customers to disposable alternatives to get ahead of the game and establish your shop as the number one spot for vapers.

With the recent Government announcement of a disposable ban, the vaping industry is expected to face significant shifts. In this newsletter, we dive into the world of pod systems and legal big-puff devices and what they can offer to both retailers and customers.

**Elf V2**  
**£5.99**  
**PUFFS 600**

**SWITCH**

**Elfa Pro**  
**£5.99**  
**PUFFS 1200**

\*Price for 2 x Pods (Device Excluded)

**Lost Mary**  
**£5.99**  
**PUFFS 600**

**SWITCH**

**Lost Mary Tappo**  
**£5.99**  
**PUFFS 1200**

\*Price for 2 x Pods (Device Excluded)

Sabretooth is IMB's mitigation for a disposable ban format, but we need a solid transition plan to galvanize the organization during the transition

WET KIT										POD PACK										DRY KIT				
This product contains nicotine which is a highly addictive substance.										This product contains nicotine which is a highly addictive substance.										This product contains nicotine which is a highly addictive substance.				
This product contains nicotine which is a highly addictive substance.										This product contains nicotine which is a highly addictive substance.										This product contains nicotine which is a highly addictive substance.				
This product contains nicotine which is a highly addictive substance.										This product contains nicotine which is a highly addictive substance.										This product contains nicotine which is a highly addictive substance.				
This product contains nicotine which is a highly addictive substance.										This product contains nicotine which is a highly addictive substance.										This product contains nicotine which is a highly addictive substance.				
This product contains nicotine which is a highly addictive substance.										This product contains nicotine which is a highly addictive substance.										This product contains nicotine which is a highly addictive substance.				
This product contains nicotine which is a highly addictive substance.										This product contains nicotine which is a highly addictive substance.										This product contains nicotine which is a highly addictive substance.				
This product contains nicotine which is a highly addictive substance.										This product contains nicotine which is a highly addictive substance.										This product contains nicotine which is a highly addictive substance.				
This product contains nicotine which is a highly addictive substance.										This product contains nicotine which is a highly addictive substance.										This product contains nicotine which is a highly addictive substance.				
This product contains nicotine which is a highly addictive substance.										This product contains nicotine which is a highly addictive substance.										This product contains nicotine which is a highly addictive substance.				

# Sabretooth improves consumer preference while meeting regulatory constraints vs disposable products



## Sensorial Experience Results

	Sabretooth	Elfa pro	Crystal plus	Blu bar
Overall liking	7.0	5.8	5.9	4.9
Taste liking	6.9	5.8	5.7	5.1
Preference (1 <sup>st</sup> place)	40%	18%	26%	18%

	Shira	Sabretooth (blu bar kit)	Lost Mary Tappo
Overall Liking	6.6	6.2	6.2
Taste Liking	6.2	6.5	6.1
Taste Expectation T2B	44%	41%	44%
Mouthpiece size liking	5.8	5.5	4.8

Dark green = highest scorer, light green = statistically on par, orange = significantly lower (p=0.05)

## WINNING Tested Consumer Claims



Possibly the Greatest Taste of All Time	229
Taste that makes you go Woooow	214
Flavour we're full of it	188
Best Taste ever ?	192

CEI\*:



\*CEI: One-number validated measure against IPSOS normative database of FMCG campaigns, indicating how well the ad will perform in market. A CEI of 130+ is considered excellent (top 33%).



**UK BLU BAR KIT / PODS  
EARLY LEARNINGS | JAN-25**

# BLU BAR KIT / BLU POD PORTFOLIO



5 WET KITS & 15 NEW POD FLAVOURS - BRINGING TOTAL FLAVOUR COVERAGE TO 70%!

## KITS (DEVICE & POD)

## CONSUMABLES (2 X PODS)



WAVE 1: Aug 24



NEW NEW



NEW NEW



WAVE 2: Jan 25



← 36% KIT Flavour Coverage →



NEW NEW

← 70% TOTAL Flavour Coverage →

# GO TO MARKET SUMMARY

## BUILD DISTRIBUTION AND DRIVE TRIAL IN FY24 - PREPARE FOR BAN SCALE UP IN FY25

**WHO / WHAT**  
TARGETED PROPOSITION



**WHERE**  
OPTIMISED LAUNCH



**HOW**  
DRIVE AWARENESS & TRIAL



**HOW**  
CONSUMER EXPERIENCE



### FOCUS

- Leverage blu bar brand with stretch into 'New Pod' sub-category relevant positioning

- Maximise distribution & listings, whilst mitigating risk of blu 2.0 returns and write off

- Focus on trial via high visibility POS / Instore Media, digital trade advocacy

- Create a seamless consumer journey to drive trial and loyalty

**Strategic priority to drive blu bar 1000 up to the ban. Activation levers to remain focused on Disposables until April'25**

### LEVERS

- Clear proposition & target consumer
- Focus on format/flavour/puffs
- Announce Kit proposition and drive acquisition with New Pod consumers

- Co-op and Wholesale to launch first, with remaining V1s to follow
- Focus on largest accounts seeing growth in New Pods

- Price parity with blu bar 1000
- High visibility instore signposting
- Trade advocacy kits, Gamification on Blu Bar Hub & objective drive on Ignite

- Personalised digital & eCRM experience
- Bundle offer
- SEO content
- Social channels



# BLU BAR KIT CAMPAIGN

## LAUNCH KEY VISUALS TO SUPPORT ANNOUNCEMENT & ACQUISITION

### LEADING HEADLINE

### SUPPORTING HEADLINES

**TRADE FACING ONLY**

- Key messages we wanted to land with consumers: Rechargeable Battery, Replaceable Pods (beginning to speak to consumers about the changing landscape of EVP within the UK); 1000 Puffs (equal to or leading vs. OM); and Intense Flavour from Start to Finish (a key choice driver for consumers)
- KV's showcase our two new flavours Pineapple and Cherry, however to ensure stronger differentiation from blu bar 1000, we strategically led with Pineapple (Yellow) until April'25 when focus moves from Disposables to 'New Pods'

# ANNOUNCING KIT PROPOSITION & DRIVING ACQUISITION WITH NEW POD CONSUMERS

FOCUS ON INSTORE & PROXIMITY MEDIA SINCE LAUNCH, WITH SCALE UP TO OOH AWARENESS FROM APRIL 2025

## PROXIMITY MEDIA



- ▼ BBKit creatives live across our FY25 Q1 proximity media bookings along with BB1000 creatives (2:1 ratio); Led with Pineapple variant to ensure differentiation from disposables.
- ▼ £89,000 Spend
- ▼ 5,763,999 Delivered Impressions
- ▼ Live across Tesco, ASDA, COOP, Morrisons; Sainsburys launched post-bookings.
- ▼ Strategy in FY25 Q2 will follow suit, ensuring we are bringing consumers into the brand via both device formats.

## INSTORE MEDIA



- ▼ BBKit creatives live at POS across select key account outlets, utilising various formats depending on the account.
- ▼ £100,000 Spend
- ▼ 95,026,057 Impressions to be confirmed via PCR.
- ▼ Formats utilised: Kiosk Screens (COOP); Gantry Screens (Morrisons & ASDA Express)
- ▼ Continue to leverage the above formats into FY25 Q2, while incorporating printed formats (i.e., PinPad Surrounds to lower CPM and drive higher impressions).

## HORECA



- ▼ Focus in HORECA remains BB1000 until the Disposables Ban. Full transition of products and POS materials in May 2025.
- ▼ BBKit SKUs currently have full distribution across Diecast and Nottingham Motorpoint Arena. BB1000 remains the only product available at o2 venues due to contracts.
- ▼ 20 D2C activations were completed across our HORECA channel in FY25 Q1 (vs. 9 LY); where BAs engaged with consumers on both device formats.

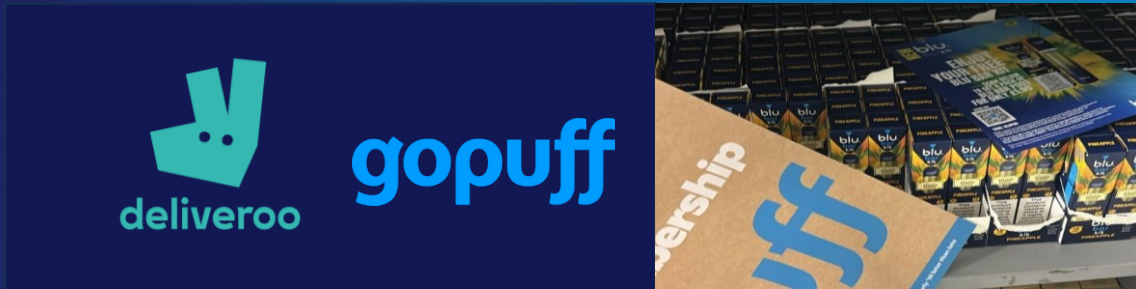
## DELIVEROO/GO PUFF



- ▼ NEW initiative for BBKit partnering with the UK's leading Q-Commerce providers.
- ▼ 20,000 free samples of BBKit delivered to target consumers with historic nicotine purchases.
- ▼ Consumers also received a leaflet with their sample to redeem a free pack of pods via blü.com (offline to online).
- ▼ PCR report for full analysis due end of January, which will detail all key metrics.
- ▼ Decision on scale up to be made post PCR call.

# CONSUMER FEEDBACK FROM DELIVEROO/GOPUFF TRIAL

64% WOULD RECOMMEND BLU BAR KIT & 71% likely to purchase



- NEW initiative for blu bar kit partnering with the UK's leading Q-Commerce providers – deliveroo & gopuff.
- 20,000 free samples of blu bar kit delivered to target consumers with historic nicotine purchases in Q1 FY25.
- Consumers also received a leaflet with their sample to redeem a free pack of pods via blu.com & chance to win £250 Amazon voucher to complete a campaign survey
- 201 campaign survey responses received



64%  
Would  
recommend



71%  
Likely to  
purchase



8.3%  
Average  
Product rating  
(vs 8.1 benchmark)

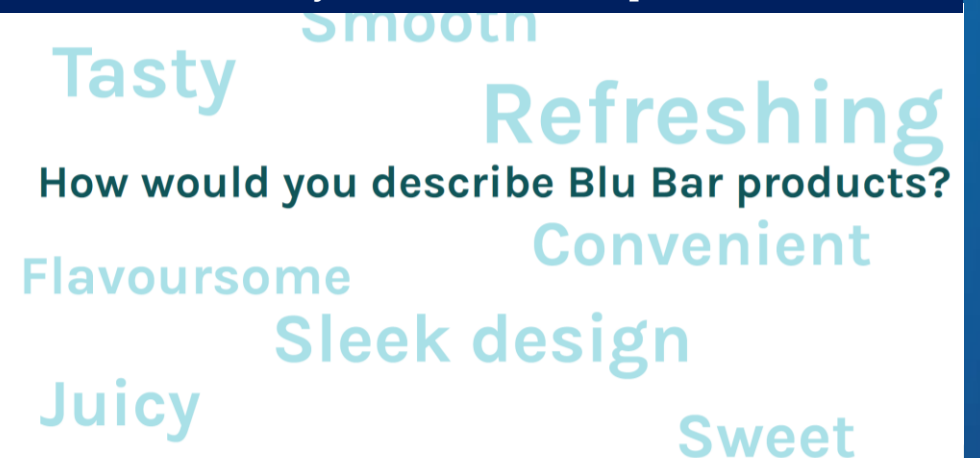


+43.33  
NPS Score  
(gopuff)  
(vs +33.43 benchmark)

## On what occasions are you most likely to consumer blu bar kit?



## How would you describe blu bar products?



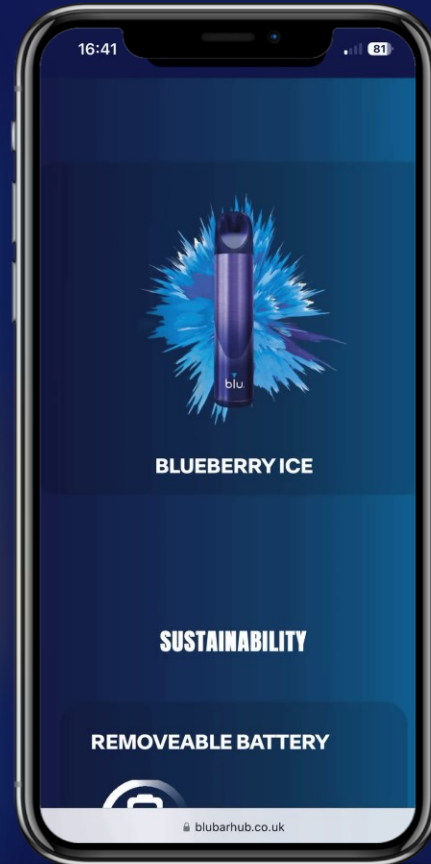
# DRIVING KIT AND POD EDUCATION WITH RETAILERS & STORE STAFF

## EXECUTION WITH TRIED AND TESTED “LEARN & EARN” MODEL INCENTIVES

### GAMIFICATION DEMO



### LANDING PAGE



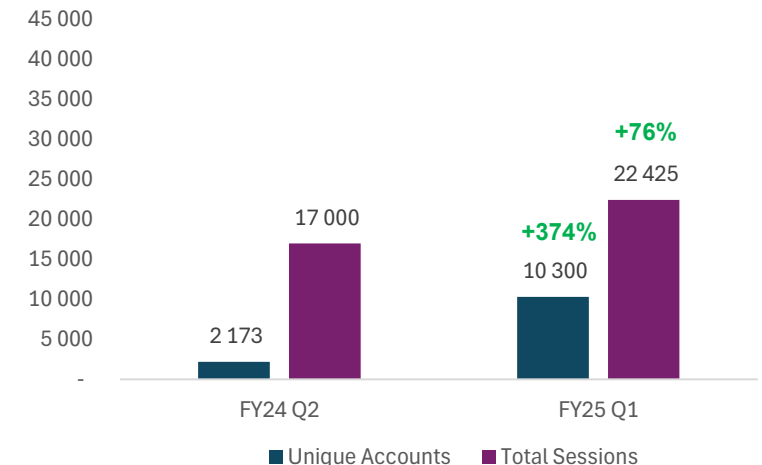
+10.3k

Registered Retailers & Store Staff

374%

Increase in Registrations since FY24 Q2 platform launch

### Progression of Retail Engagement





## **Blu Bar Kit**

France Launch July '24 – Market Learnings



# What we launched

A large range of pods and wet kits

1 dry kit  
10 wet kits  
15 pods in  
9mg



## WAVE 1 : JULY

### PODS (9)

Mint  
Strawberry Ice  
Watermelon Ice  
Blueberry ice  
Peach Ice  
Tropical Mix  
Mango Ice  
Leetchi Ice  
Grape Ice  
**9MG**



### BATTERY + 1 POD (5)

Mint  
Strawberry ice  
Watermelon Ice  
Blueberry Ice  
Peach Ice  
**9MG**



### BATTERY ONLY (1)

Blue battery



## WAVE 2 : AUGUST

### PODS (3)

Berry Mix  
Cherry ice  
Blueberry Sour Razz  
**9MG**



### BATTERY + 1 POD (5)

Berry Mix  
Tropical Mix  
Mango Ice  
Leetchi ice  
Grape Ice  
**9MG**



## WAVE 3 : JANUARY

### PODS (3)

Creamy Tobacco  
Dragon Fruit  
Kiwi Passionfruit  
**9MG**

September 24 -  
anticipated date of  
disposable ban.

# Why we launched that

Matching  
the  
consumers'  
needs

## RANGE/NB OF SKUS

A large number of wet kits & pods to recruit consumers

## FLAVOURS

Flavours that match the portfolio of blu bar and the best flavours of the market

## NICOTINE LEVEL

9mg, the largest nicotine segment of the market



- **Key Learning:** build a portfolio that mirrors blu bar's portfolio and the best flavours of the market

# How we launched it

Having the sales team on board and differentiating the consumers

## NATIONAL SALES EVENT



## CLEAR DIFFERENTIATION BETWEEN BLU 2.0 AND BLU BAR KIT

### blu 2.0



- Mature FMC dualists / switchers /
- 30-45
- Seeking a more discreet experience to keep going during the day
- Traditional flavours (tobacco & mint)

### Sabretooth



- Ex-disposable users & new users of hybrid pods
- 20-34
- Sociability
- Intense, sweet vaping experience

## Building excitement around the launch

## Plenary presentation + deep dive workshops



- **Key Learning:** having the sales team on board is of paramount importance
  - Allow the sales team to see and experience the product

# How we launched it

## Building distribution quickly with differentiated offers

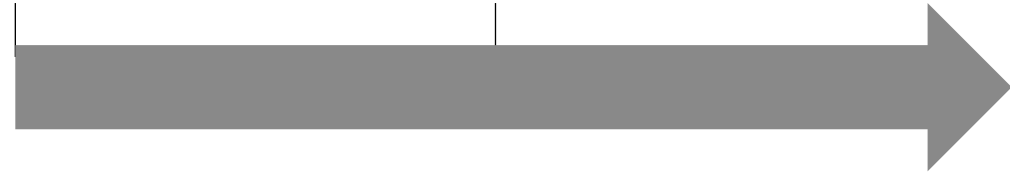
### Create the most optimal launch mechanism

Pack 1		<p>Pack 1 – 400 POS (10 wet kits; 1 dry kit; 12 pod packs)</p>
Pack 2		<p>Pack 2 – 800 POS (6 wet kits; 1 dry kit; 7 pod packs)</p>
Pack 3		<p>Pack 3 – 1,200 POS (2 wet kits; 1 dry kit; 6 pod packs)</p>
Pack 4		<p>Pack 4 – 5,100 POS (1 wet kits; 1 dry kit; 5 pod packs)</p>

1st of July

E.O September

E.O December



**Focus on distribution:**

- Activate 5000 POS with launch packs

**Distribution + volumes**

- Activate 2500 additional POS
- Ensure volumes

- **Different packs according to stock availability**  
Between July and Sept to ensure delivery to points of sale
- **Packs allowed the sales reps to target points of sale according to their potential**  
Agility
- **Packs ensure a minimum of choice for consumers and guarantee facings**  
Visibility in POS



- Aim to quickly reach the same level of distribution as blubar
  - Create packages that allow to reach smaller POS
  - Out of 10 limits our ability to build distribution



# Supported by a communication campaign

Focus on the number of puffs and the flavours

Number of puffs

Flavours

Very convenient



- **Key Learning:** flavours are of greater importance than anything else

# And visibility tools

Adapted and easy-to-implement POSM to be visible at key counter and shelf areas

## PLANOGRAMM



## VISIBILITY TOOLS



## VISIBILITY CONTRACTS



- 1 000 POS in France
- Visibility on the counter
- Visibility in linear
- Volume to be ordered



- **Key Learning:** having visibility tools to stand out at the point of sale is very important

# Sell-out activities and a BA program to drive trial

Generate trial to accelerate sales

## SELL-OUT ACTIVITIES



Incentive tobacconists on the first sales on blu bar kit  
*1€ per sale of blu bar kit*

## BRAND AMBASSADORS PROGRAM



20 Brand Ambassadors for 11 months to boost sell-out on blu bar kit  
*14 sales per day on average*



- **Key Learning:** putting the product in the hands of the consumers is key