



WSPM GROUP  
**EMPTY PACKS SURVEY**  
NORWAY Q3 2021

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October 2021



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NORWAY



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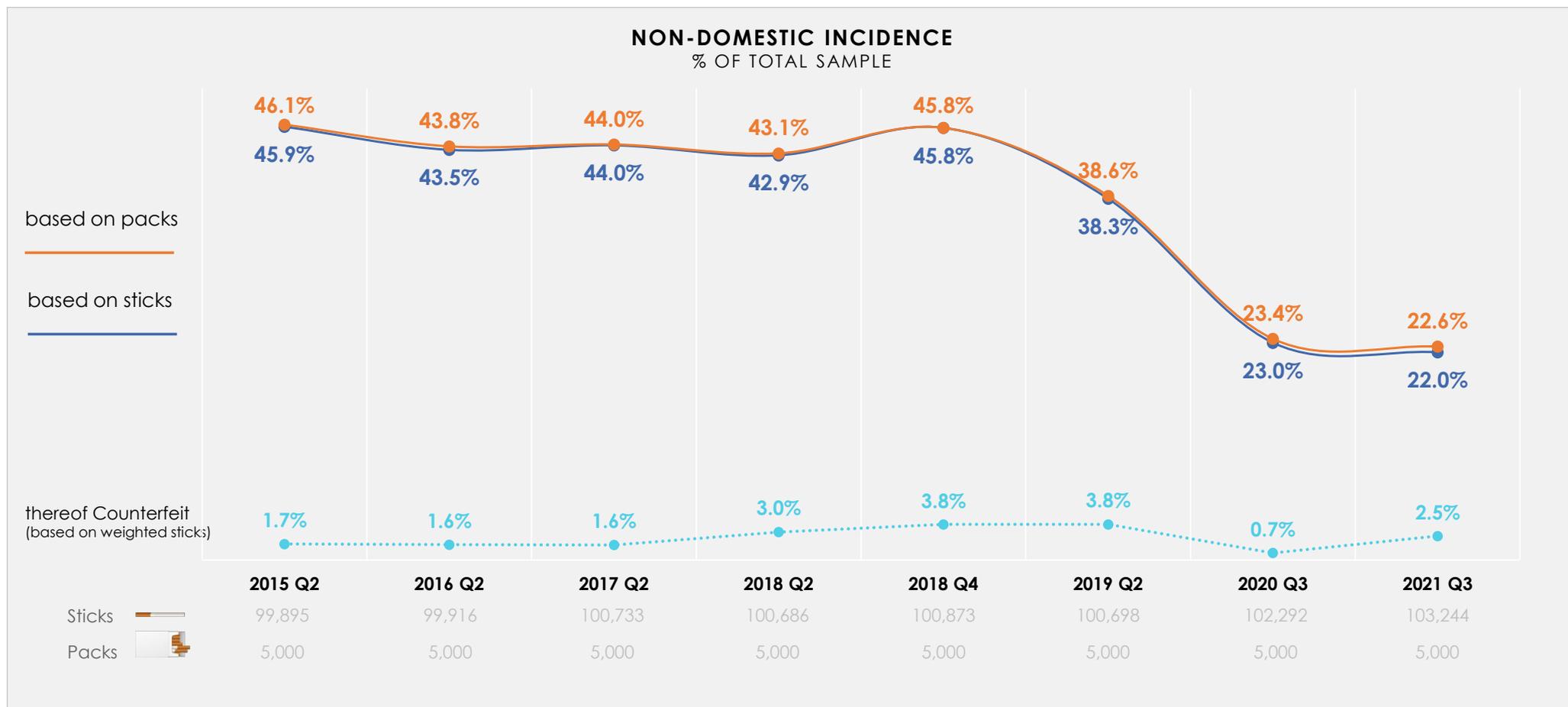
01.

# EXECUTIVE SUMMARY

QUARTER 3, 2021



# EXECUTIVE SUMMARY: NON-DOMESTIC TREND



TOTAL SAMPLE = DOMESTIC AND NON-DOMESTIC PACKS  
EPS NORWAY – Q3 2021

# EXECUTIVE SUMMARY: KEY MESSAGES



## Industry overview

- Non-domestic incidence decreased to 22.0% (vs 23.0% in Q3 2020, 38.3% in Q2 2019).
- Counterfeit incidence increased to 2.5% (0.7%, 3.8%).
- Main non-domestic brands found were (excl. counterfeit):
  - MARLBORO (PMI) with 9.4% of all packs collected (11.6%, 18.7%).
  - WINSTON (JTI) with 2.0% (1.4%, 1.7%).
  - CAMEL (JTI) with 1.2% (1.0%, 1.6%).
- Main non-domestic market variants found were (excl. counterfeit):
  - POLAND with 4.7% of all packs collected (4.7%, 2.9%).
  - DUTY FREE with 4.1% (6.6%, 13.1%).
  - SWEDEN with 3.8% (5.6%, 7.3%).
- At city level, the highest non-domestic incidence was found in OSLO at 29.3% (27.2%, 39.6%), in FREDRIKSTAD at 23.1% (23.8%, 38.8%), and TRONDHEIM at 20.1% (20.5%, 42.2%).



# EXECUTIVE SUMMARY: KEY VARIANCES

% OF TOTAL SAMPLE Based on number of sticks

— Total: 103,244 sticks (5,000 packs)

	Q3 2021	Q3 2020	Q2 2019
<b>NON-DOMESTIC INCIDENCE</b> (incl. counterfeit)	<b>22.0%</b>	23.0%	38.3%
<b>MAIN MARKET VARIANTS</b> (excl. counterfeit)			
POLAND	4.7%	4.7%	2.9%
DUTY FREE	4.1%	6.6%	13.1%
SWEDEN	3.8%	5.6%	7.3%
<b>MAIN BRAND FAMILIES</b> (excl. counterfeit)			
MARLBORO (PMI)	9.4%	11.6%	18.7%
WINSTON (JTI)	2.0%	1.4%	1.7%
CAMEL (JTI)	1.2%	1.0%	1.6%
<b>MAIN CITIES</b>			
OSLO	29.3%	27.2%	39.6%
FREDRIKSTAD	23.1%	23.8%	38.8%
TRONDHEIM	20.1%	20.5%	42.2%
<b>COUNTERFEIT INCIDENCE</b>			
<b>TOTAL COUNTERFEIT INCIDENCE</b>	<b>2.5%</b>	0.7%	3.8%
PMI	1.0%	0.1%	1.2%
JTI	0.8%	0.5%	0.9%
BAT	0.7%	0.0%	1.7%
IMPERIAL TOBACCO	0.1%	0.0%	—



# EXECUTIVE SUMMARY: INFLOW MATRIX

% OF TOTAL SAMPLE Based on number of sticks

— Total: 103,244 sticks (5,000 packs)

## MAIN INFLOWS

	COUNTERFEIT	POLAND	DUTY FREE	SWEDEN	LITHUANIA	LATVIA	OTHERS	Total	Q3 2020	Q2 2019
MARLBORO (PMI)	0.9%	2.6%	2.5%	1.7%	1.0%	0.4%	1.2%	<b>10.3%</b>	11.7%	19.7%
WINSTON (JTI)	0.8%	1.1%	0.1%	0.4%	—	0.1%	0.3%	<b>2.8%</b>	2.0%	2.6%
PRINCE (BAT)	0.7%	—	0.4%	0.8%	—	—	—	<b>1.9%</b>	2.2%	4.9%
CAMEL (JTI)	—	0.2%	0.3%	0.3%	—	0.0%	0.4%	<b>1.2%</b>	1.0%	1.6%
L&M (PMI)	0.0%	0.3%	0.3%	0.1%	—	0.1%	0.2%	<b>1.0%</b>	1.5%	1.9%
MINSK (GRODNO TOBACCO FACTORY)	—	—	—	—	—	—	0.7%	<b>0.7%</b>	0.5%	—
OTHERS	0.1%	0.6%	0.5%	0.5%	0.0%	0.4%	2.0%	<b>4.1%</b>	4.1%	7.5%
<b>Total</b>	<b>2.5%</b>	<b>4.7%</b>	<b>4.1%</b>	<b>3.8%</b>	<b>1.1%</b>	<b>1.1%</b>	<b>4.7%</b>	<b>22.0%</b>	<b>23.0%</b>	<b>38.3%</b>
Q3 2020	0.7%	4.7%	6.6%	5.6%	0.9%	0.2%	4.3%	<b>23.0%</b>		
Q2 2019	3.8%	2.9%	13.1%	7.3%	2.4%	0.1%	8.7%	<b>38.3%</b>		

02.

# METHODOLOGY

QUARTER 3, 2021



# OBJECTIVES, PROVISIONS, LIMITATIONS

## OBJECTIVES

Provide an indication on the incidence of non-domestic or illicit cigarettes consumed in NORWAY:

- Tax-paid and non-tax paid cigarettes from other countries
- Counterfeit cigarettes
- Gain information related to non-domestic or counterfeit cigarettes by: Manufacturer, City, Brand family, Market variant

## PROVISIONS

- Participating companies: British American Tobacco (BAT), Imperial Tobacco (ITL), Japan Tobacco International (JTI) and Philip Morris International (PMI)
- Participating companies provided financial support for this study. WSPM Group conducted the empty pack collection independently. The market variant of all collected packs and the authenticity of the collected packs bearing their packs trademarks were examined by the participating companies
- WSPM Group assumed limited responsibility for the report findings and conclusion. The objectives and limitations of the report are set out on this page. Should any party choose to rely on the report, they do so at their own risk.
- Non-domestic includes legal allowances

## LIMITATIONS

- Homes and workplaces are not covered
- No information on counterfeit incidence of non-participating companies
- The survey is designed to focus on trends rather than incidence at a single point in time

# RESEARCH APPROACH



## METHOD

Random collection from streets & public bins. Any brand, any market variant.

## TIMINGS

Fieldwork:  
14 - 23 July, 2021

## REPORTING

The results are calculated based on number of sticks equivalent to the number of packs collected.

**COVID-19** – At the time of the collection in each city there were no restrictions that limited the collection operation.

## GEOGRAPHY

- The largest 8 cities
- 30.8% coverage of population

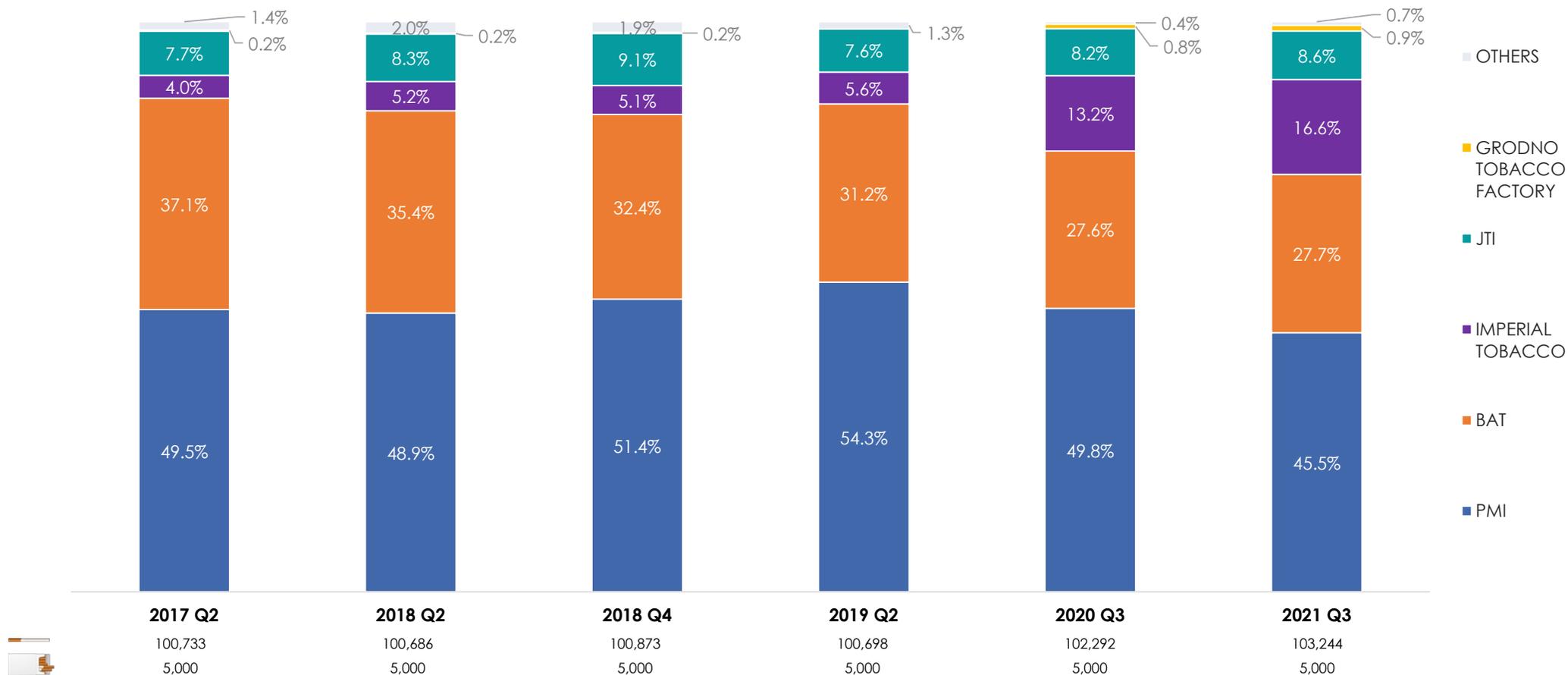


Region	Population Covered	Sample	Weighted Sample
Oslo	634,463	2,012	2,012
Bergen	271,949	866	866
Trondheim	182,035	579	579
Stavanger	130,754	419	419
Baerum	118,588	376	376
Kristiansand	85,983	273	273
Fredrikstad	77,591	248	248
Tromsø	71,590	227	227
<b>Total Sample</b>	<b>1,572,953</b>	<b>5,000</b>	<b>5,000</b>



# SAMPLE COMPOSITION: SHARE BY COMPANY

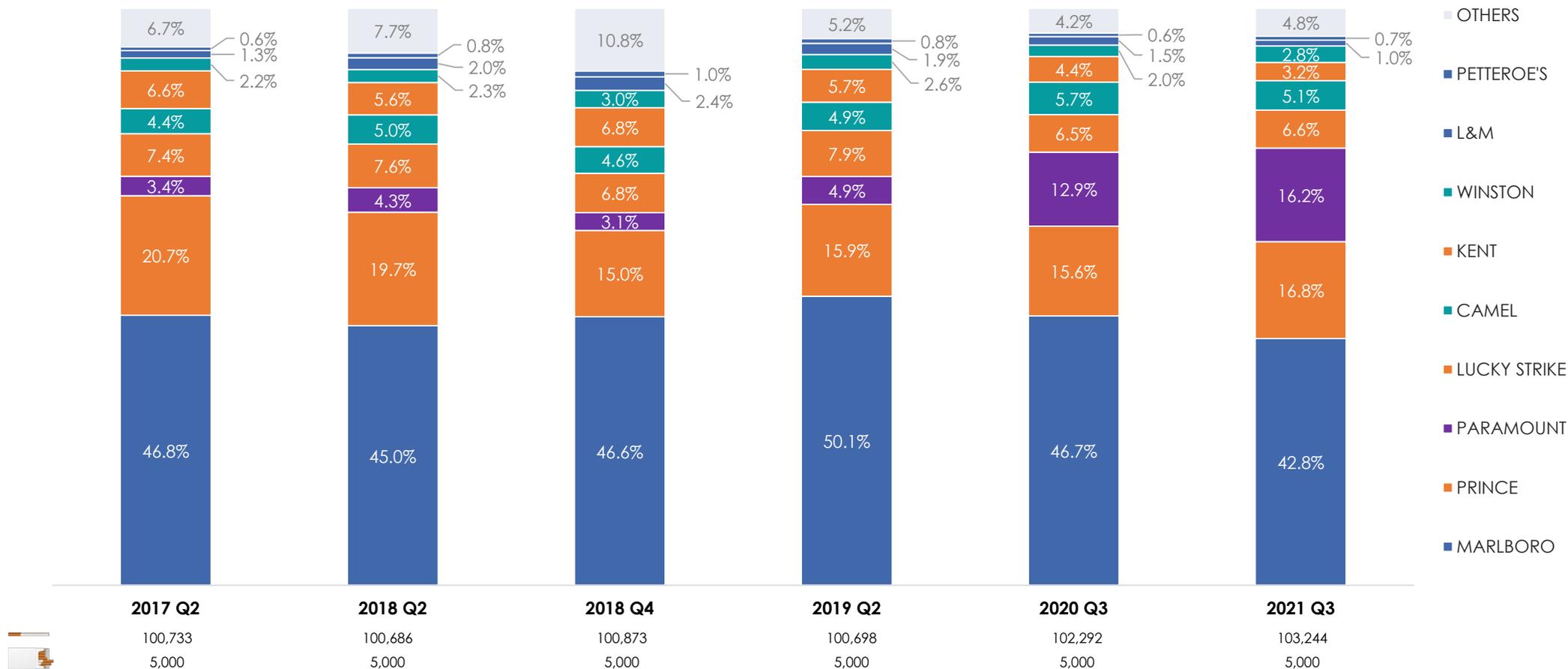
% OF TOTAL SAMPLE Based on number of sticks





# SAMPLE COMPOSITION: SHARE BY BRAND

% OF TOTAL SAMPLE Based on number of sticks





03.

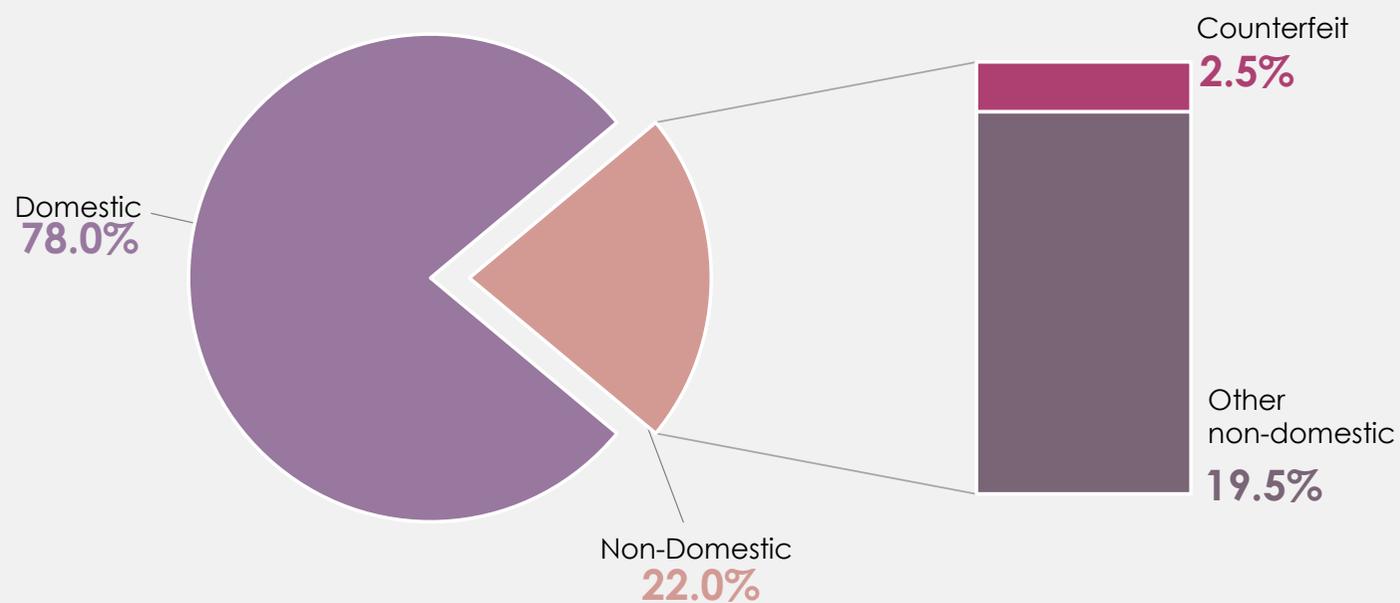
# KEY RESULTS

QUARTER 3, 2021



# NON-DOMESTIC: CATEGORIES

**NON-DOMESTIC INCIDENCE CATEGORIES**  
% OF TOTAL SAMPLE

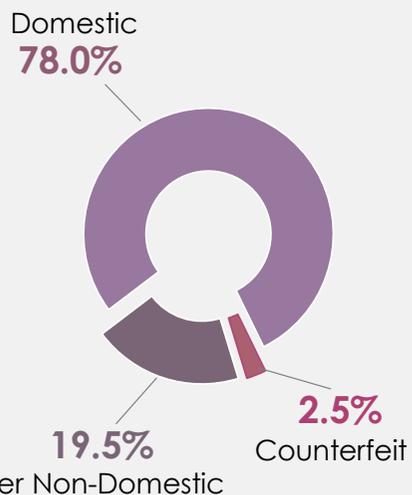


Total: 103,244 sticks (5,000 packs)



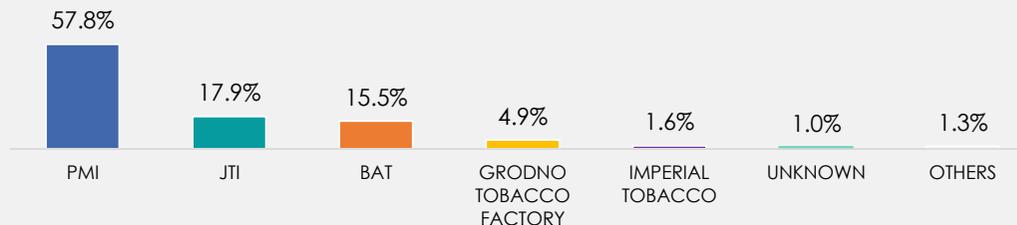
# OTHER NON-DOMESTIC: BREAKDOWN

## NON-DOMESTIC INCIDENCE % OF TOTAL SAMPLE



Total: 20,102 sticks (1,000 packs)

## SPLIT BY COMPANY % OF OTHER NON-DOMESTIC SAMPLE



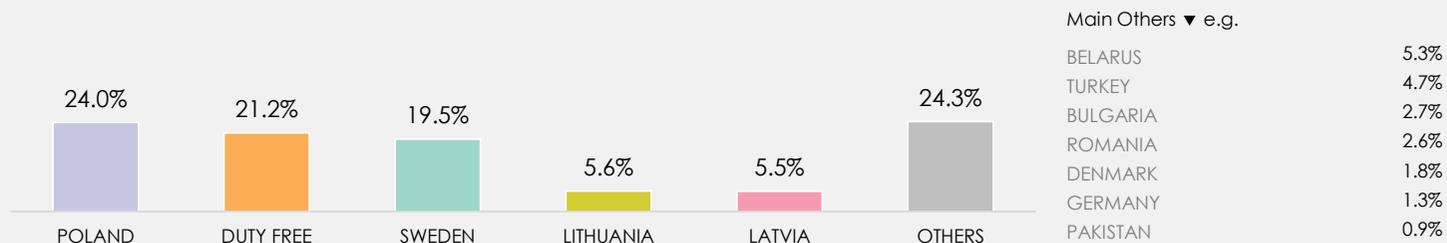
Others ▼ e.g.

KING'S TOBACCO	0.5%
GRAND RIVER ENTERPRISES	0.4%
KARELIA TOBACCO	0.2%
CHINA TOBACCO HUNAN INDUSTRIAL	0.1%
GLOBAL TOBACCO USA	0.1%

## SPLIT BY MAIN BRAND (Top 5) % OF OTHER NON-DOMESTIC SAMPLE

MARLBORO	48.2%	WINSTON	10.4%	PRINCE	6.1%	MINSK	3.4%	DAVIDOFF	0.8%	MAC	0.9%
L&M	5.0%	CAMEL	6.2%	ROTHMANS	2.0%	FEST	1.3%	GAULOISES	0.4%	GOLDEN BIRD	0.1%
PARLIAMENT	3.0%	LEVEL	0.8%	KENT	1.9%	NZ	0.1%	WEST	0.2%		
CHESTERFIELD	1.4%	SOBRANIE	0.2%	CAINES	1.7%	QUEEN	0.1%	P&S	0.2%		
BOND STREET	0.1%	LD	0.1%	LUCKY STRIKE	1.3%			R1	0.1%		

## SPLIT BY MARKET VARIANT % OF OTHER NON-DOMESTIC SAMPLE

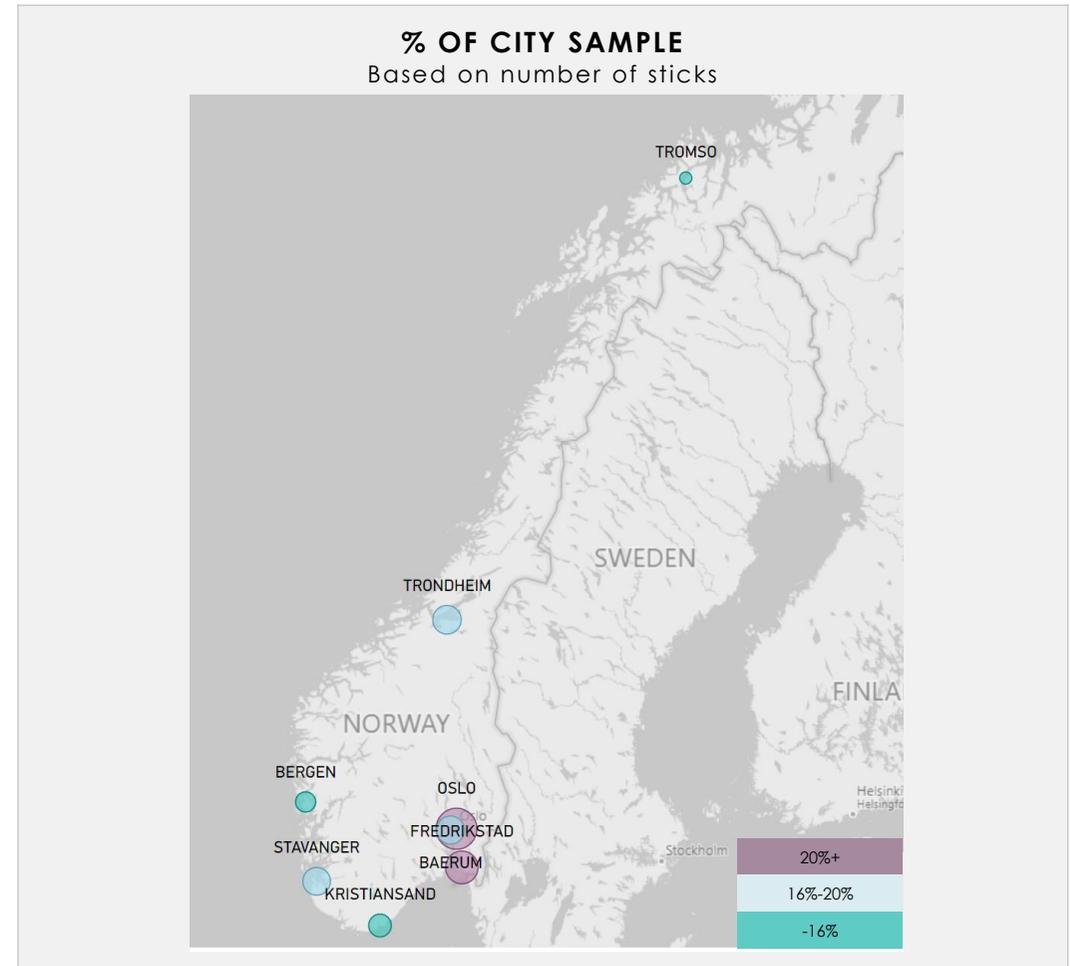
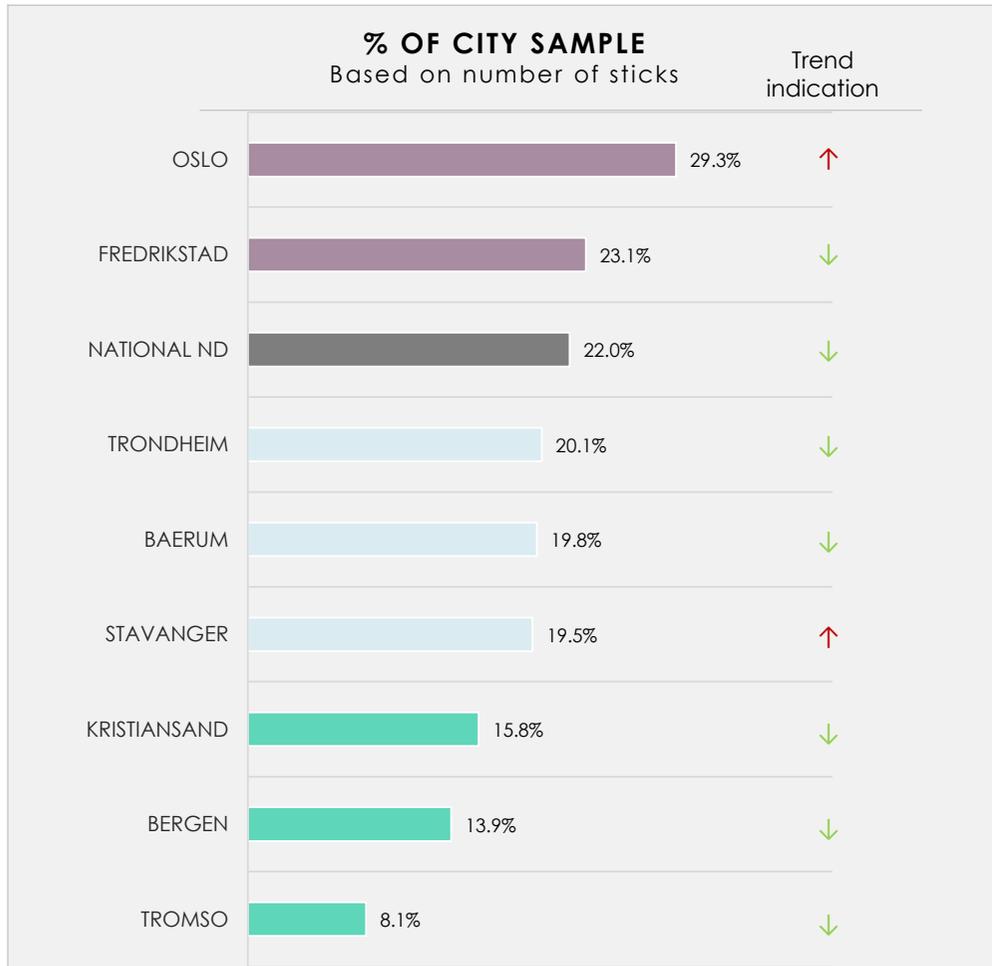


Main Others ▼ e.g.

BELARUS	5.3%
TURKEY	4.7%
BULGARIA	2.7%
ROMANIA	2.6%
DENMARK	1.8%
GERMANY	1.3%
PAKISTAN	0.9%

# EMPTY PACK SURVEY Q3 2021: NORWAY

## NON-DOMESTIC: BY CITY



## EMPTY PACK SURVEY Q3 2021: NORWAY

# NON-DOMESTIC: BY MAIN BRAND FAMILY & CITY



% OF TOTAL SAMPLE Based on number of sticks

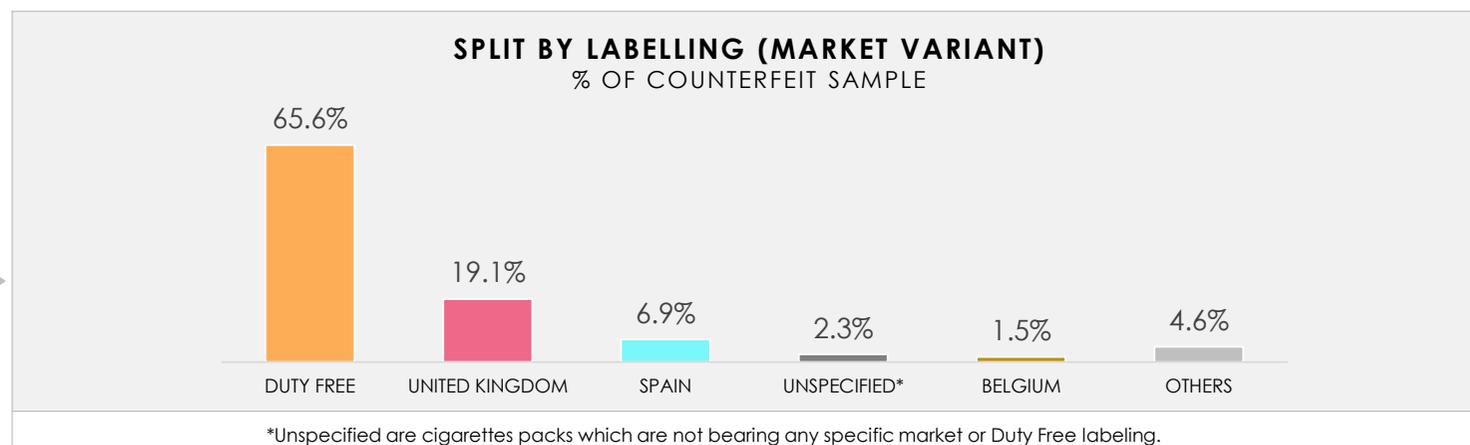
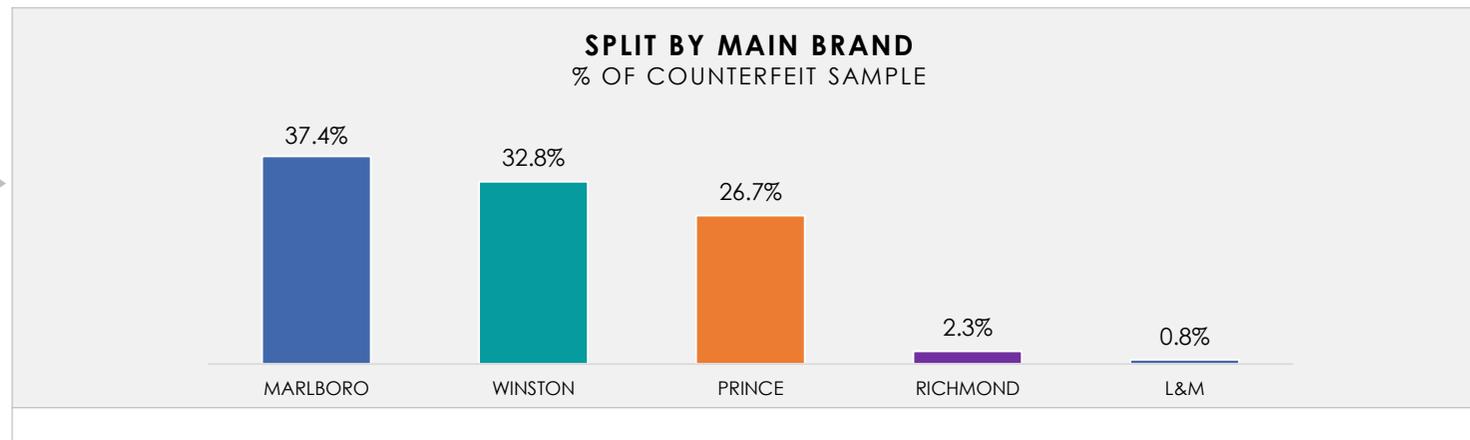
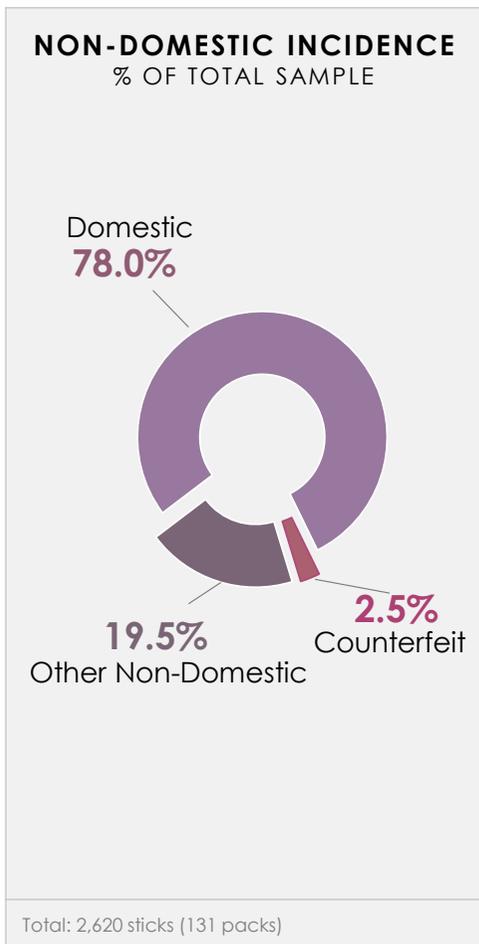
— Total: 103,244 sticks (5,000 packs)

### NON-DOMESTIC

	COUNTERFEIT	MARLBORO (PMI)	WINSTON (JTI)	CAMEL (JTI)	PRINCE (BAT)	OTHERS	TOTAL	Q3 2020	Q2 2019
OSLO	1.6%	4.7%	1.1%	0.6%	0.6%	3.1%	<b>11.8%</b>	10.9%	15.9%
BERGEN	0.2%	1.1%	0.2%	0.1%	0.2%	0.6%	<b>2.4%</b>	3.9%	6.6%
TRONDHEIM	0.2%	1.1%	0.2%	0.2%	0.1%	0.6%	<b>2.3%</b>	2.4%	4.9%
STAVANGER	0.2%	0.7%	0.2%	0.1%	0.1%	0.3%	<b>1.6%</b>	1.5%	2.7%
BAERUM	0.2%	0.6%	0.2%	0.1%	0.0%	0.4%	<b>1.5%</b>	1.5%	2.5%
FREDRIKSTAD	0.1%	0.6%	0.0%	0.1%	0.1%	0.3%	<b>1.1%</b>	1.2%	1.9%
KRISTIANSAND	0.1%	0.4%	0.1%	0.0%	0.0%	0.2%	<b>0.9%</b>	0.9%	2.0%
TROMSO	—	0.1%	0.0%	0.0%	0.1%	0.1%	<b>0.4%</b>	0.7%	1.8%
<b>TOTAL</b>	<b>2.5%</b>	<b>9.4%</b>	<b>2.0%</b>	<b>1.2%</b>	<b>1.2%</b>	<b>5.7%</b>	<b>22.0%</b>	<b>23.0%</b>	<b>38.3%</b>
Q3 2020	0.7%	11.6%	1.4%	1.0%	2.2%	6.0%	<b>23.0%</b>		
Q2 2019	3.8%	18.7%	1.7%	1.6%	3.3%	9.2%	<b>38.3%</b>		



# COUNTERFEIT: BREAKDOWN





# COUNTERFEIT: BY MAIN BRAND FAMILY & CITY

% OF TOTAL SAMPLE Based on number of sticks

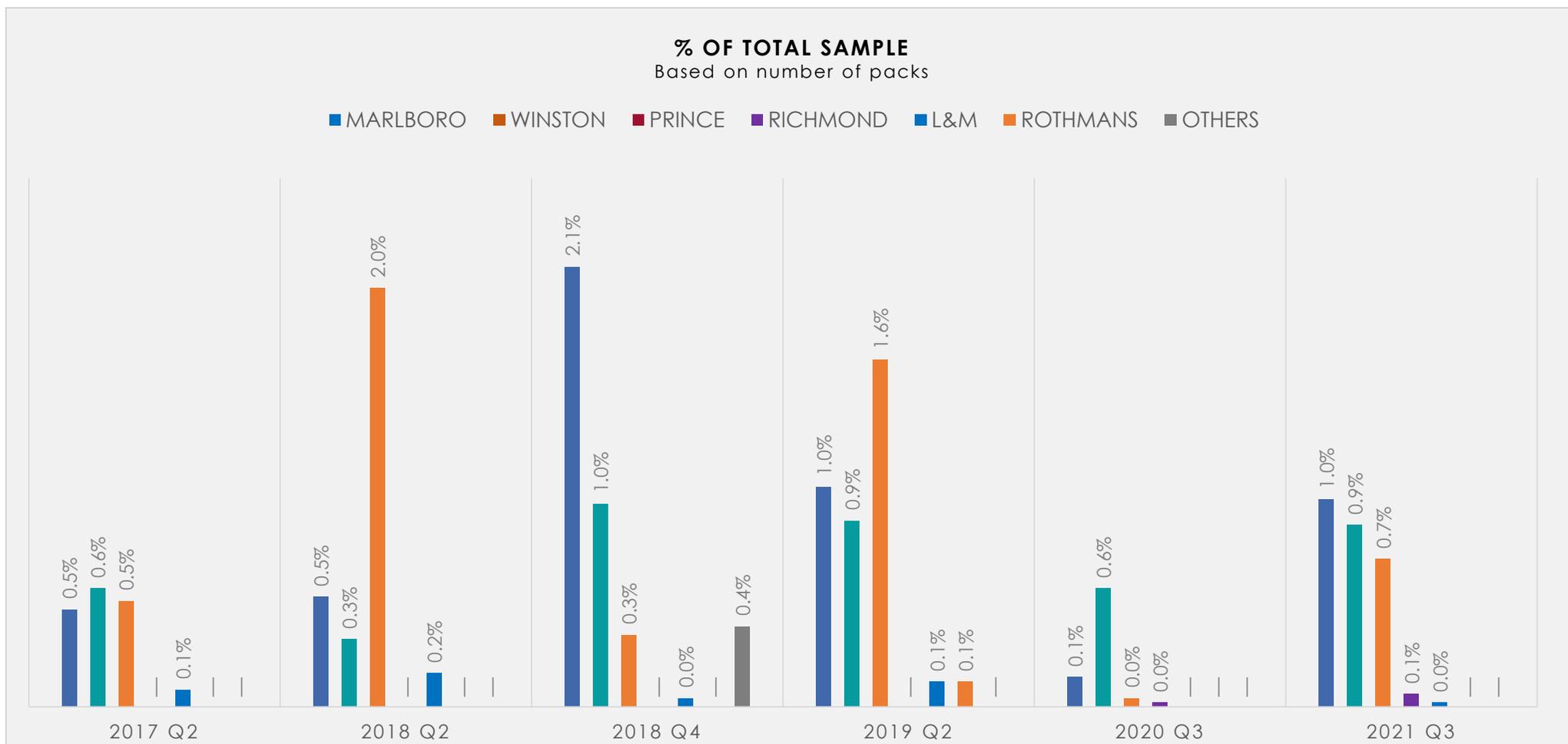
— Total: 103,745 sticks (5,000 packs)

## COUNTERFEIT

	MARLBORO (PMI)	WINSTON (JTI)	PRINCE (BAT)	RICHMOND (ITL)	OTHERS	TOTAL	Q3 2020	Q2 2019
OSLO	0.6%	0.5%	0.4%	0.0%	0.0%	<b>1.6%</b>	0.5%	1.8%
BAERUM	0.0%	0.1%	0.1%	—	—	<b>0.2%</b>	0.0%	0.1%
BERGEN	0.1%	0.1%	0.0%	—	—	<b>0.2%</b>	0.1%	0.6%
STAVANGER	0.1%	0.1%	0.1%	—	—	<b>0.2%</b>	0.0%	0.3%
TRONDHEIM	0.1%	0.0%	0.0%	0.0%	—	<b>0.2%</b>	0.1%	0.5%
KRISTIANSAND	0.0%	0.0%	0.0%	—	—	<b>0.1%</b>	0.0%	0.0%
FREDRIKSTAD	0.0%	0.0%	0.0%	—	—	<b>0.1%</b>	0.0%	0.2%
TROMSO	—	—	—	—	—	—	—	0.2%
<b>TOTAL</b>	<b>0.9%</b>	<b>0.8%</b>	<b>0.7%</b>	<b>0.1%</b>	<b>0.0%</b>	<b>2.5%</b>	<b>0.7%</b>	<b>3.8%</b>
Q3 2020	0.1%	0.5%	0.0%	0.0%	—	<b>0.7%</b>		
Q2 2019	1.0%	0.9%	1.6%	—	0.2%	<b>3.8%</b>		

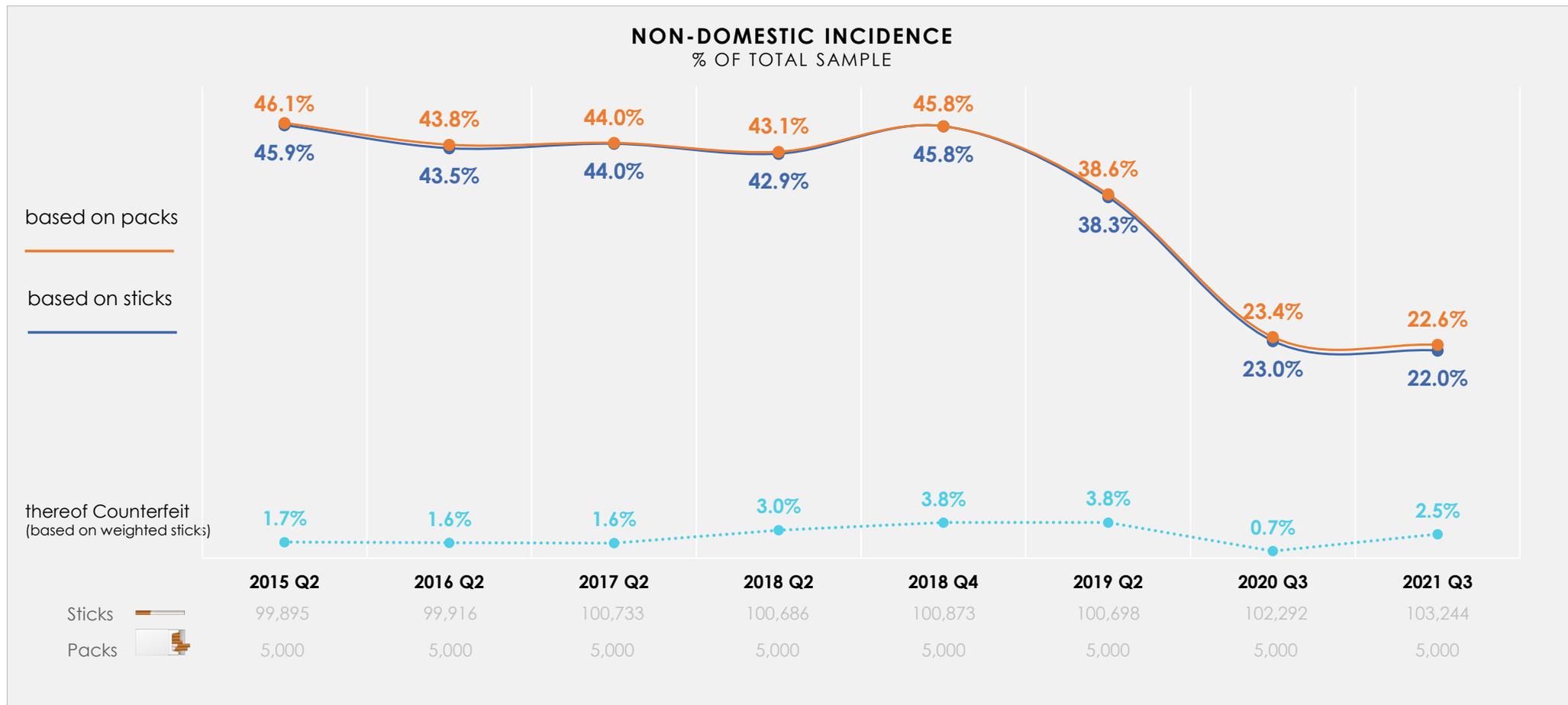


# COUNTERFEIT: BRAND FAMILY TREND





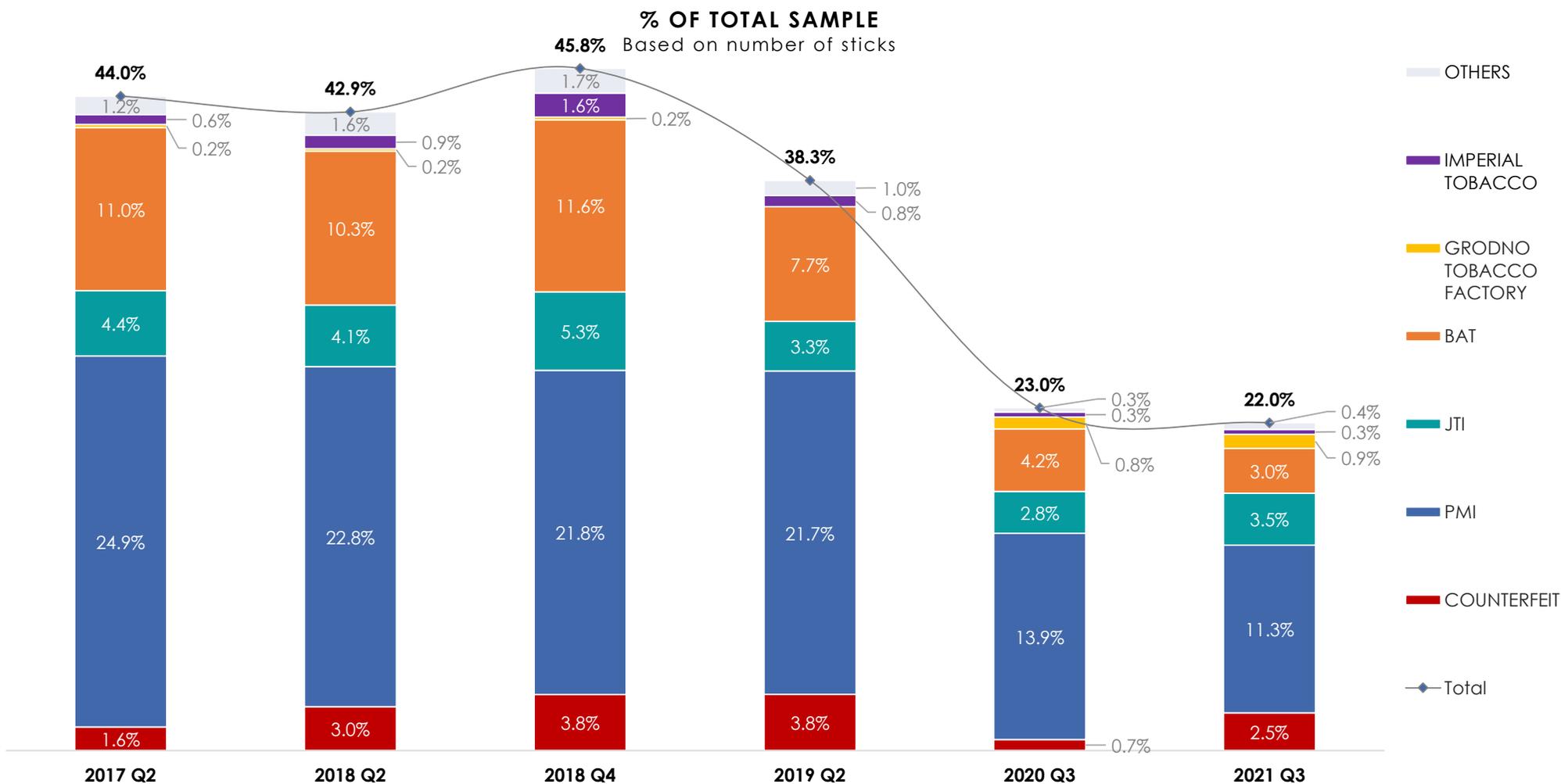
# NON-DOMESTIC: INCIDENCE TREND



TOTAL SAMPLE = DOMESTIC AND NON-DOMESTIC PACKS  
EPS NORWAY – Q3 2021

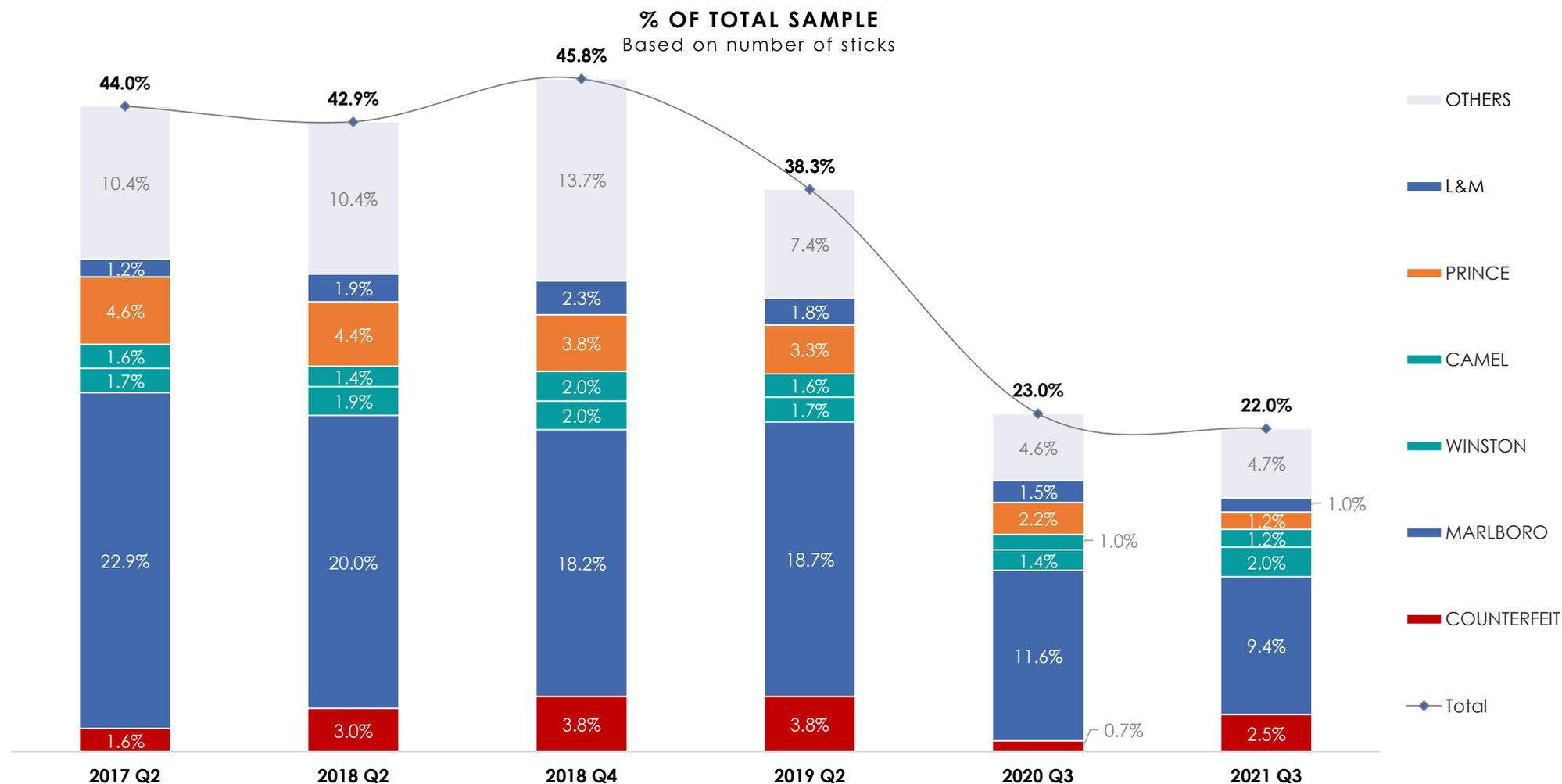


# NON-DOMESTIC: COMPANY TREND



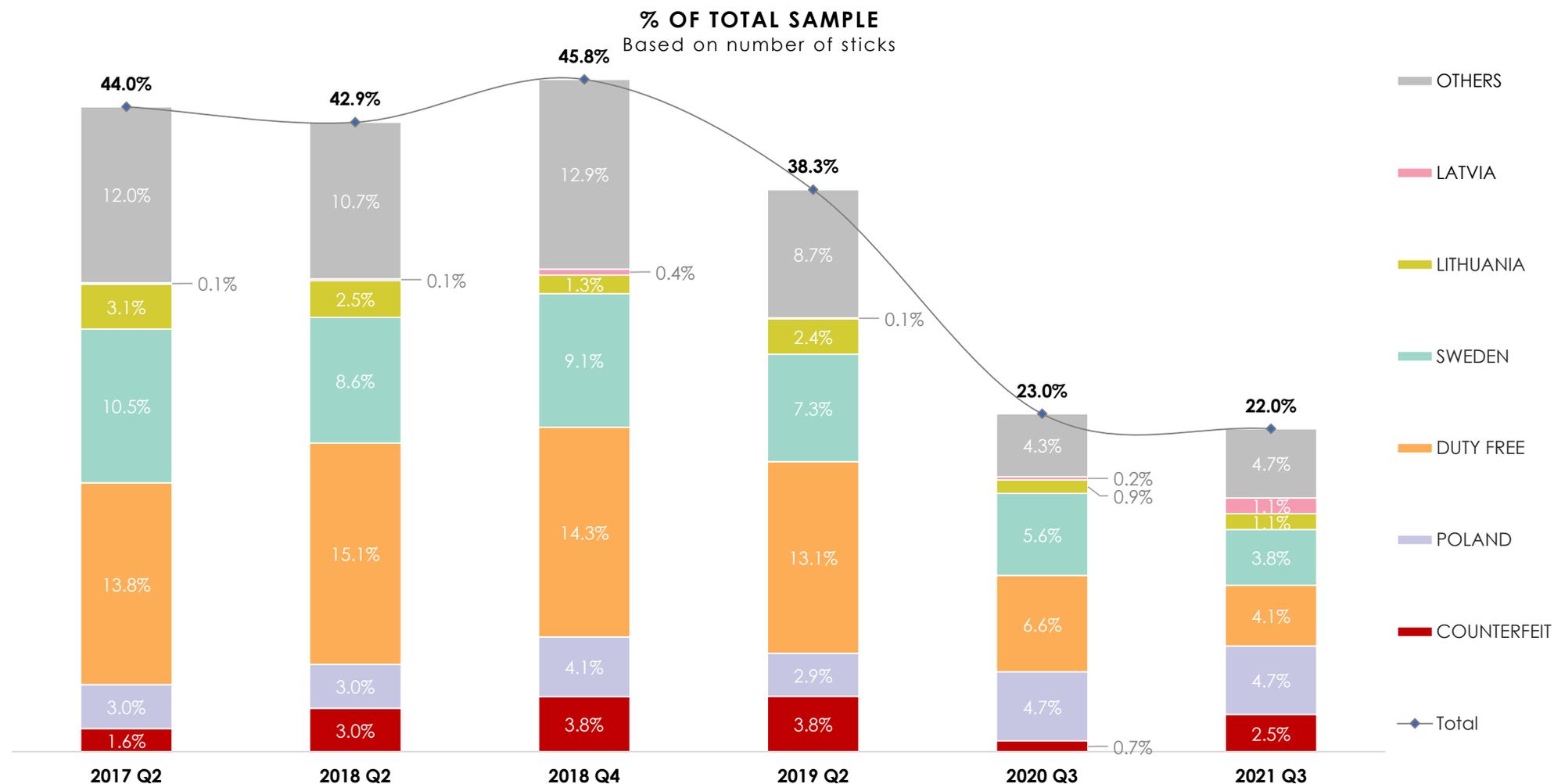


# NON-DOMESTIC: BRAND FAMILY TREND





# NON-DOMESTIC: MARKET VARIANT TREND



# NON-DOMESTIC: CITY TREND



SAMPLE			NON-DOMESTIC INCIDENCE PER CITY						
CITY	PACKS	STICKS	2016 Q2	2017 Q2	2018 Q2	2018 Q4	2019 Q2	2020 Q3	2021 Q3
OSLO	2,012	41,422	44.8%	43.4%	45.6%	53.3%	39.6%	27.2%	<b>29.3%</b>
FREDRIKSTAD	248	5,112	44.1%	48.3%	43.5%	44.6%	38.8%	23.8%	<b>23.1%</b>
TRONDHEIM	579	12,036	43.2%	43.0%	34.9%	32.1%	42.2%	20.5%	<b>20.1%</b>
BAERUM	376	7,800	42.2%	43.1%	44.0%	36.1%	33.2%	20.1%	<b>19.8%</b>
STAVANGER	419	8,628	42.4%	42.9%	40.2%	46.4%	32.2%	17.4%	<b>19.5%</b>
KRISTIANSAND	273	5,699	39.4%	49.1%	47.7%	36.9%	35.7%	16.2%	<b>15.8%</b>
BERGEN	866	17,847	43.2%	43.3%	41.2%	44.9%	38.0%	22.9%	<b>13.9%</b>
TROMSO	227	4,700	41.9%	46.2%	42.6%	44.3%	39.8%	15.6%	<b>8.1%</b>
<b>TOTAL</b>	<b>5,000</b>	<b>103,244</b>	<b>43.5%</b>	<b>44.0%</b>	<b>42.9%</b>	<b>45.8%</b>	<b>38.3%</b>	<b>23.0%</b>	<b>22.0%</b>



04.

# APPENDIX

QUARTER 3, 2021



# TOTAL SAMPLE: DETAILS PER COMPANY

NUMBER OF STICKS PER CATEGORY AND COMPANY

IN % OF COMPANY TOTAL

	NUMBER OF STICKS PER CATEGORY AND COMPANY				Domestic	Genuine Non-Domestic	Non-Domestic	Counterfeit
 PHILIP MORRIS INTERNATIONAL	34,322	11,623	1,000	<b>46,945</b>	73.1%	24.8%	—	2.1%
 BRITISH AMERICAN TOBACCO	24,840	3,107	700	<b>28,647</b>	86.7%	10.8%	—	2.4%
 Imperial Tobacco	16,770	331	60	<b>17,161</b>	97.7%	1.9%	—	0.3%
 JTI	4,370	3,601	860	<b>8,831</b>	49.5%	40.8%	—	9.7%
GRODNO TOBACCO FACTORY	980			<b>980</b>	—	—	100.0%	—
OTHERS	220	460		<b>680</b>	32.4%	—	67.6%	—



# TOTAL SAMPLE: DETAILS PER BRAND FAMILY

## NUMBER OF STICKS PER CATEGORY AND BRAND FAMILY

## IN % OF BRAND FAMILY TOTAL

				Domestic	Genuine Non-Domestic	Non-Domestic	Counterfeit	
MARLBORO (PMI)	33,482	9,683	980	44,145	75.8%	21.9%	—	2.2%
PRINCE (BAT)	15,440	1,220	700	17,360	88.9%	7.0%	—	4.0%
PARAMOUNT (ITL)	16,770			16,770	100.0%	—	—	—
LUCKY STRIKE (BAT)	6,520		264	6,784	96.1%	3.9%	—	—
CAMEL (JTI)	4,040		1,240	5,280	76.5%	23.5%	—	—
KENT (BAT)	2,880		380	3,260	88.3%	11.7%	—	—
WINSTON (JTI)	2,081		860	2,941	—	70.8%	—	29.2%
L&M (PMI)	1,000		20	1,020	—	98.0%	—	2.0%
PETTEROE'S (PMI)	700		20	720	97.2%	2.8%	—	—
OTHERS	2,774	1,440	60	4,964	13.9%	55.9%	29.0%	1.2%

## NON-DOMESTIC: TREND TOTAL COMPANY SAMPLE



## NON-DOMESTIC INCIDENCE BY COMPANY – TREND

% OF TOTAL COMPANY SAMPLE

		PMI	BAT	IMPERIAL TOBACCO	JTI	OTHERS
Q3 2021	N (Sticks) 	46,945	28,647	17,161	8,831	1,660
	Packs 	2,339	1,428	711	439	83
	<b>Non-Domestic</b>	—	—	—	—	<b>86.7%</b>
	<b>Counterfeit</b>	<b>2.1%</b>	<b>2.4%</b>	<b>0.3%</b>	<b>9.7%</b>	—
	<b>Genuine Non-Domestic</b>	<b>24.8%</b>	<b>10.8%</b>	<b>1.9%</b>	<b>40.8%</b>	—
	<b>Non-Domestic</b>	—	—	—	—	<b>88.9%</b>
	<b>Counterfeit</b>	<b>0.3%</b>	<b>0.1%</b>	<b>0.1%</b>	<b>6.7%</b>	—
	<b>Genuine Non-Domestic</b>	<b>27.9%</b>	<b>15.2%</b>	<b>2.5%</b>	<b>34.1%</b>	—
	<b>Non-Domestic</b>	—	—	—	—	<b>81.0%</b>
<b>Counterfeit</b>	<b>2.1%</b>	<b>5.6%</b>	—	<b>11.5%</b>	—	
<b>Genuine Non-Domestic</b>	<b>40.0%</b>	<b>24.6%</b>	<b>13.4%</b>	<b>44.1%</b>	—	

# OTHER NON-DOMESTIC: PACK EXAMPLES

Brand	MINSK	FEST	MAC
Company	GRODNO TOBACCO FACTORY	GRODNO TOBACCO FACTORY	UNKNOWN
Market variant	BELARUS	BELARUS	DUTY FREE



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WSPM GROUP

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THANK YOU