

Live & Breathe

Competitor Case Study

Beating IQOS

2023





THE PMI-IQOS
STORY IS ONE OF
CONSISTENT RISK
TAKING.



DOING THINGS
UNCONVENTION
ALLY.



**FAILING FAST
AND LEARNING
QUICKLY.**



SINCE LAUNCH,
THEY HAVE **LED** AND
DEFINED THE HT
CATEGORY.



ESSENTIALLY, THEY
HAVE BECOME
SYNONYMOUS WITH
CATEGORY.

SIX BIG IDEAS CONTRIBUTE TO CONTINUED SUCCESS AND **SYNONYMITY** WITH CATEGORY.



PRODUCT

1. Technology

Leading the pack

2. Range

An option for everyone

3. Personalisation

Something just for you

MARKETING

4. Target audience

Clear but evolving

5. Messaging

Consistency is king

6. Consumer experience

Trailblazers

1. Technology

Leading the pack



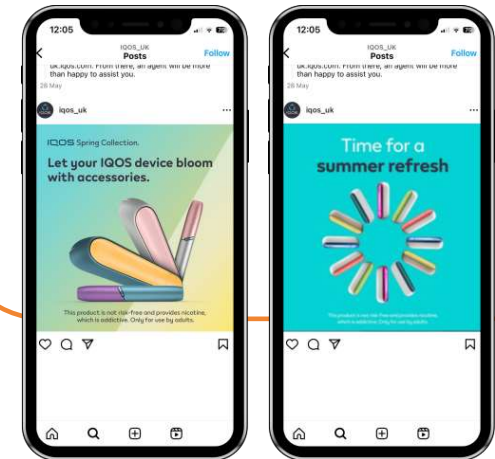
2. Range

An option for everyone



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Something just for you



IQOS HAS LAUNCHED NEW DEVICES ROUGHLY EVERY 2 YEARS



IQOS 2.4 PLUS – Launch 2017 (discontinued)



IQOS 3 Multi – Launch 2019 (discontinued)



IQOS 3 Duo – Launch 2019

Through the evolution of the different devices, IQOS have consistently focused on delivering three key areas for customers:

1. Simple functionality

**2. Health benefits –
no tar, less carbon monoxide**

**3. Multiple sessions
per charge**

New ILUMA devices deliver 'revolutionary' technology



IQOS ILUMA
Launched 2022

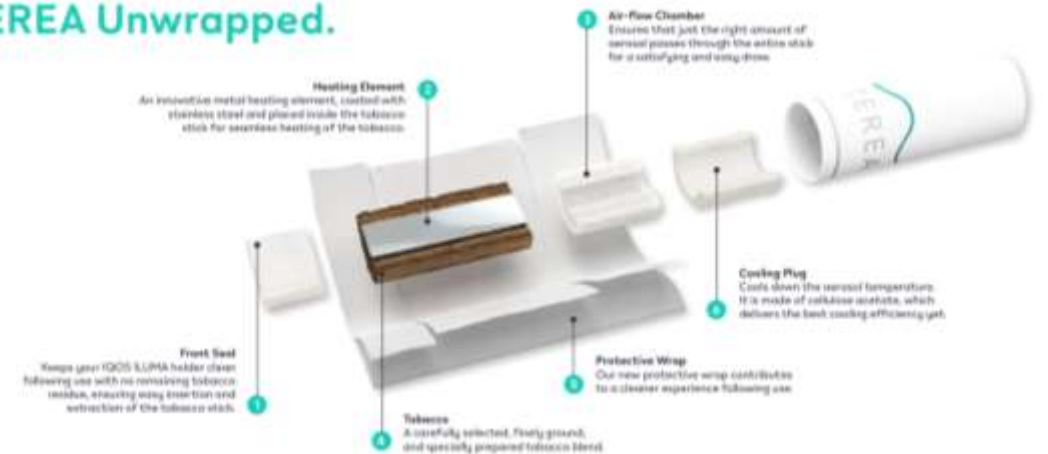
IQOS ILUMA (UPGRADED)
An upgrade on existing device, with the same number of sessions delivered by a pocket charger with faster charging.

IQOS ILUMA PRIME
A totally new device design, with premium aluminium and textured wrap. Device has the same functionality but more ways to customise and style product.

IQOS ILUMA ONE
The simplest all-in-one pocket-sized device, which is perfect for being on the go.



TEREA Unwrapped.



COMMANDING PRODUCT CUSTOMISATION & PERSONALISATION



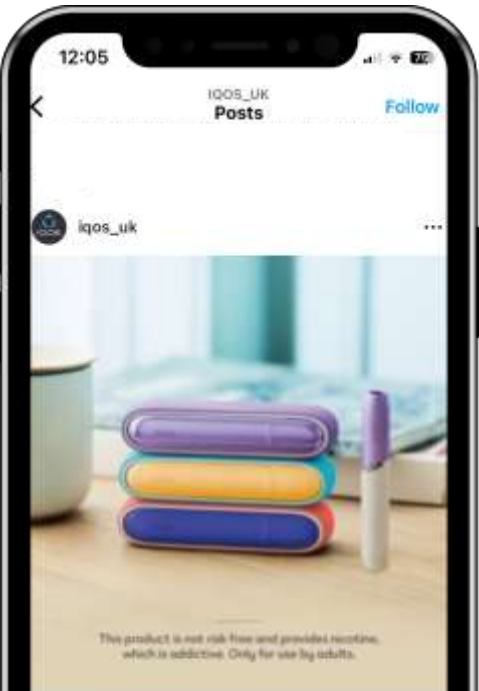
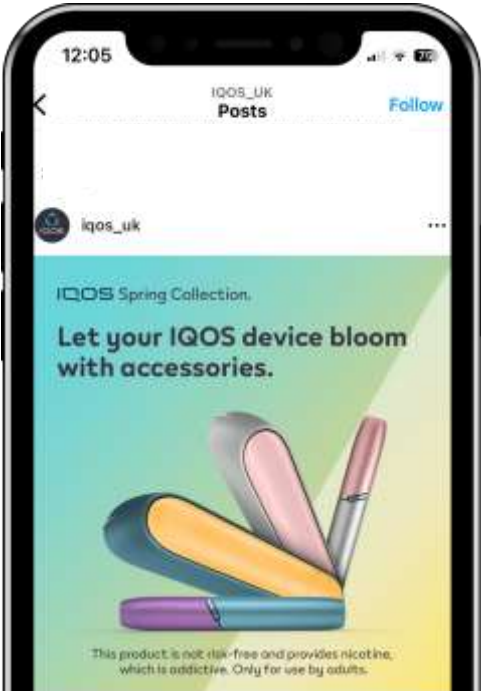
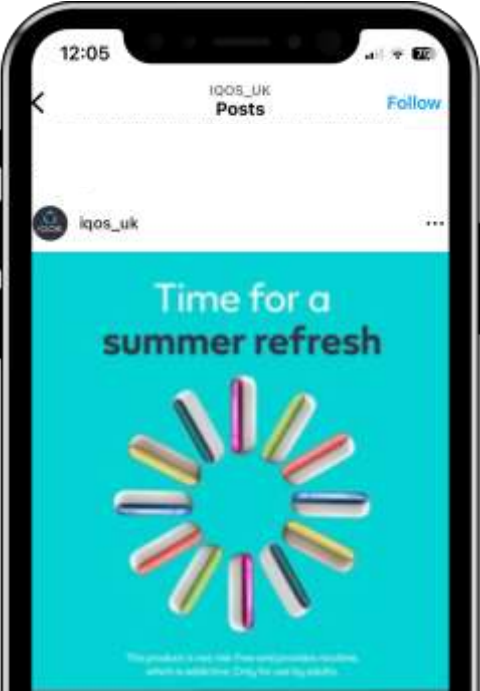
A key aspect of the IQOS product offering, is the wide variety of accessories that allow customers to create a personalised device.



Door Cover

Sleeve

Cap



Limited editions that offer something new and defend against boredom

Limited editions allow for customers to feel special, to feel rewarded and to feel as though they own something much more than just a heated tobacco device. They own a special slice of a lifestyle.



Mega Colectionar

Un colecționar dedicat merită un badge pe măsura colecției sale, așa că poți primi acest badge pentru orice dispozitiv suplimentar pe care îl adaugi în cont (cu excepția transferului de dispozitive de pe un cont pe altul).

Dacă dispozitivul este achiziționat din IQOS.ro sau din magazinele și insulele IQOS, acesta va fi înregistrat automat în contul tău.

Pentru a câștiga acest badge trebuie să efectuezi următoarele activități:

→ 1/3

Înscrii un dispozitiv suplimentar în IQOS Club

Mega collector' Rewards

A dedicated collector deserves a badge to match your collection, so you can receive this badge for any extra device you add in your account.





THE FUTURE IS BRAND EQUITY SHARING.



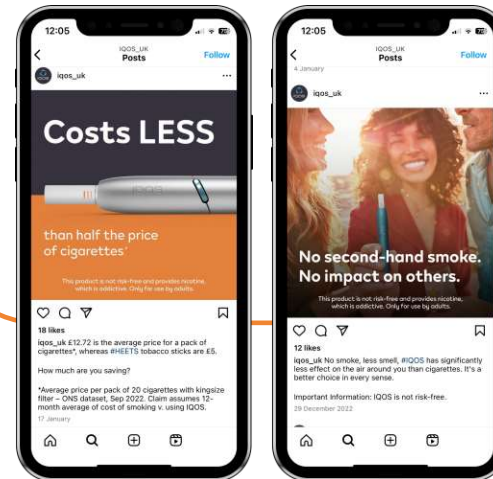
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IQOS HAVE CONSISTENT BENEFIT-LED MESSAGING



PILLARS Switching

Why switch?

Satisfaction

A better choice.

Saving

Switch to IQOS for good.

Health

Real tobacco, real satisfaction.

Unlike a vape product, which uses liquid, IQOS heats tobacco for a more satisfying taste experience. That's why the majority of smokers who trial it, switch away from smoking for good.*

IQOS uses real tobacco and gives real

tobacco taste

Savings Calculator

The Cost of Cigarettes vs Vaping vs Heated Tobacco

For those looking for better alternatives to continued smoking, there are a variety of choices available in the UK - two of these being vaping and heated tobacco products. Find out more about the differences between these.

Switch and save up to £2,500 this year.*

Cigarettes produce tar, IQOS doesn't.

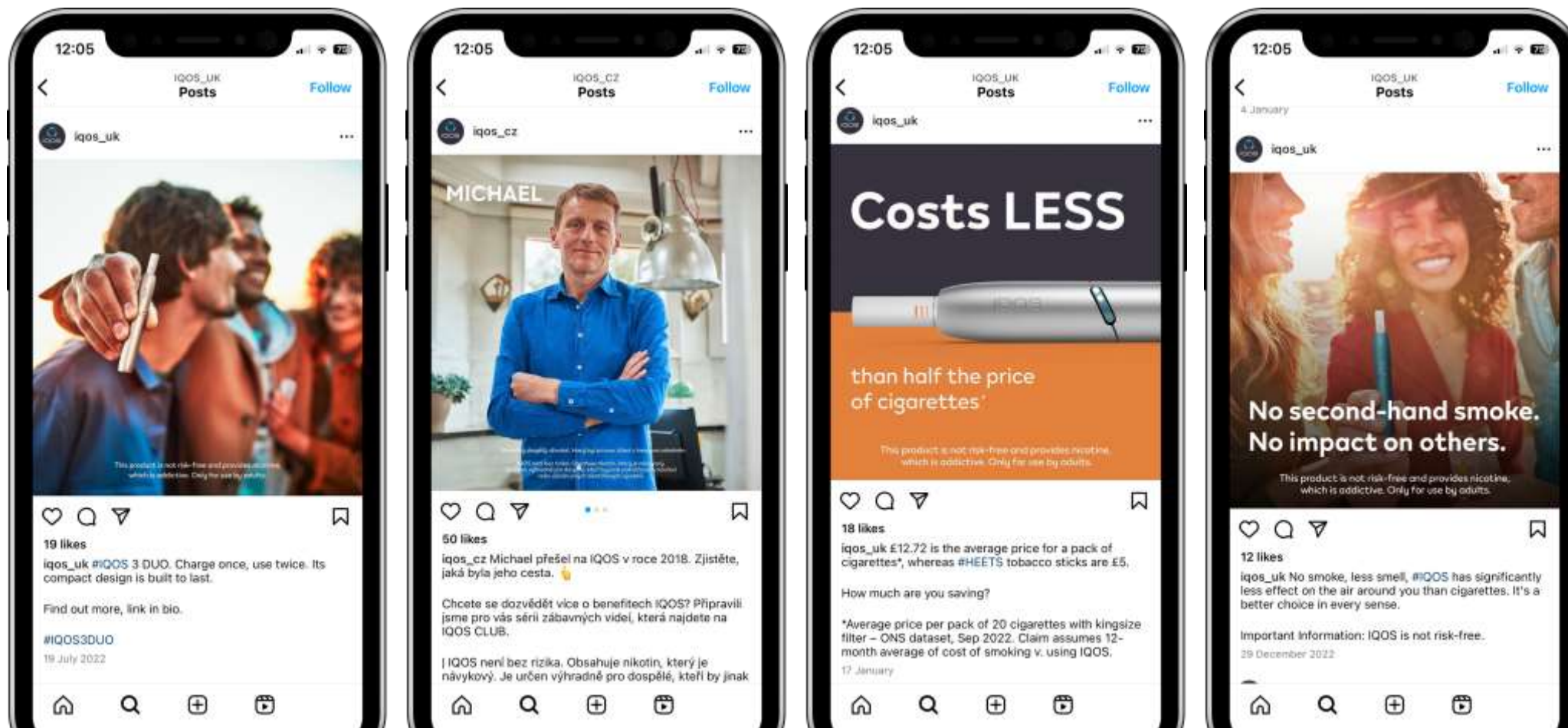
No second-hand smoke. No impact on others.

Cigarettes produce high amounts of carbon monoxide, IQOS doesn't.

OWNED SOCIAL MEDIA CONSISTENCY REINFORCES KEY PRODUCT BENEFITS



IQOS uses social media as an opportunity to deliver consistent RTBs to their audience. There is little attempt to create lifestyle content or to deliver more emotive brand messaging.

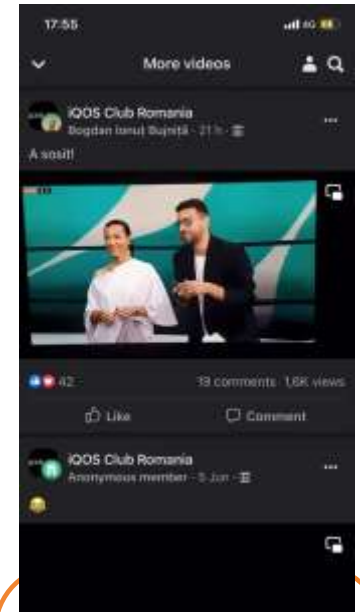


BLOGS, LIVE CHAT AND PRIVATE GROUPS ALLOW FOR CHAMPIONS TO EMERGE



IQOS Live Chat
Through trade you have the possibility to trade your old device and buy IQOS ILUMA, with a 80 lei discount from the initial price of 299 lei – you will pay only 219 lei.

Also, you can choose to buy IQOS ILUMA Prime, the most refined and advanced device from our portfolio, with a 80 lei discount from the initial price of 549 lei- you will pay only 469 lei.



With Trade-In! I traded a 2.4 and a Lil. I had a 40 lei discount voucher for buying a device and this morning I won a 50 lei voucher at a contest. So I paid 49 lei for Iluma. Terea packs I bought them with 3+1!



Post about IQOS ILUMA launch on IQOS Club Romania

Live on Facebook- influencers moderators speaking with AI about IQOS Iluma

Instore experience makes you feel like you're buying into a lifestyle. Brand ambassadors are apple genius bars.



EVENTS DRIVE MASS AWARENESS FOR IQOS AND CONTRIBUTE TO LIFESTYLE FEEL.



IQOS use events across European markets to build awareness and engagement with the brand. Sponsorships help to associate the brand with wider everyday activity, whilst also reaching new audiences.

Exclusive Parties

IQOS hosts private parties which aim to engage existing loyal customers with the brand through the IQOS CLUB.



Pop-up Activations & Sponsorship

IQOS has a consistent presence across different events across Europe; ranging from food festivals, music festivals and even at ski resorts.



Premium, premium and more premium.





ALL THIS STUFF IS LOVELY. BUT HOW SHOULD PULZE BEAT IQOS?



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THE FACT THAT IQOS LEAD THE
CATEGORY DOESN'T MEAN WE
CAN'T COMPETE.

IN FACT, WE HAVE BEEN DOING A
GREAT JOB ALREADY AT
ENSURING WE HAVE THE CX



BUT MAYBE IT'S TIME TO THINK
ABOUT CX THAT DELIVERS THE
EXACT **OPPOSITE** TO IQOS.

BUT **RIGHT** FOR THE
CONSIDERATE BALANCER.



AND SO, I LEAVE YOU
WITH A SLIGHTLY
DIFFERENT BEST
PRACTICE LEARNING.



LET'S NOT COPY
WHAT IQOS DO.

**LET'S COPYING HOW
IQOS THINK.**



LET'S LIVE THE MENTALITY OF
DOING THINGS DIFFERENTLY.

SIMPLE, CLEVER, **UNCHARTED**
TERRITORY.