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Annex 14:

Summary of Consumer Evaluation Studies

Product	<i>Marlboro Amber HeatSticks</i> <i>Marlboro Green Menthol HeatSticks</i> <i>Marlboro Blue Menthol HeatSticks</i> <i>IQOS System Holder and Charger</i> <i>IQOS 3 System Holder and Charger</i>
FDA STN	PM0000424-PM0000426, PM0000479 and PM0000634
Reporting Period	PM0000424-PM0000426 and PM0000479: March 1, 2020 to February 28, 2021 PM0000634: December 7, 2020 to February 28, 2021

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1. IQOS CONSUMER RESEARCH OVERVIEW

The Marketing Orders¹ require submission of an Annual Report with a summary of how the marketing of the tobacco products continues to be appropriate for the protection of public health, including summaries of two types of consumer research studies, as follows:

“A summary of all formative consumer research studies conducted – whether by you, on your behalf, or at your direction – among any audiences, in the formation of new labeling, advertising, marketing, and/or promotional materials, including qualitative and quantitative research studies used to determine message effectiveness, consumer knowledge, attitudes, beliefs, intentions and behaviors toward using the products, and including the findings of these studies and copies of the stimuli used in testing.”

“A summary of all consumer evaluation research studies conducted – whether by you, on your behalf, or at your direction – among any audiences, to determine the effectiveness of labeling, advertising, marketing and/or promotional materials and any shifts in consumer knowledge, attitudes, beliefs, intentions, and behaviors toward using the products, and including the findings of these studies and copies of the stimuli used in testing.”

We conducted consumer research studies during this reporting period that were not classified as formative or evaluative when conducted; yet, many study elements could be reasonably viewed as formative and evaluative based on the definitions provided in the Marketing Order. Therefore, rather than attempt to categorize the research studies we have provided a list of all consumer research studies and a summary of all completed studies in this Annex.

We have provided a list of the eight research studies carried out during this reporting period, as seen in Table 1, and a summary of all completed studies in this Annex 14.

Table 1: IQOS Consumer Research

Study Name	Research Fielding Dates	Status
(b) (4)	03/09/2020 – 03/12/2020: 07/20/2020 – 07/24/2020	Complete
	04/13/2020 – 04/17/2020	Complete
	10/22/2020	Complete

¹ This Annex is responsive to the April 30, 2019 Marketing Order for PM0000424-PM0000426 and PM0000479, and the December 7, 2020 Marketing Granted Order for PM0000634. We refer to both orders collectively here as the “Marketing Orders”.

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Study Name	Research Fielding Dates	Status
(b) (4)	05/26/2020 – 06/10/2020	Complete
	11/30/2020 – 12/07/2020	Complete
	01/30/2020 – 11/20/2020	Complete
	11/20/2020 – 12/02/2020	Complete
	09/15/2020 – 10/24/2020	Complete

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Study Name

(b) (4)

Principal Investigator

Altria Client Services LLC
Consumer & Marketplace Insights

Research Objective and Design

The objective of this study was to qualitatively² explore four price framing concepts and determine the most effective ways to present the value of an *IQOS* device and *HeatSticks* among adult smokers 21 years of age or older (AS 21+) and understand how these options would support AS 21+ interest in purchasing *IQOS*.

(b) (4)

Summary of Findings

(b) (4)

² As with all qualitative research, the findings from this study are not necessarily representative of, or projectable to the larger US population of adult smokers, ages 21+. These findings are considered directional and intended for hypothesis generation or strengthening only.

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(b) (4)

Stimuli Used in Testing³

Figure 1

(b) (4)

³ Concepts not for actual market use; used for exploration purposes only.

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Study Name

(b) (4)

Principal Investigator

Altria Client Services LLC

Consumer & Marketplace Insights

Research Objective and Design

The objective of this qualitative⁴ study was to gain insights regarding impactful marketing messaging that complements the Modified Risk Tobacco Product (MRTP) language for *IQOS*. The study was conducted prior to the issuance of a Modified Risk Granted Order for MR0000059 - MR0000061 and MR0000133. Therefore, the claim and the messaging that accompanied it were hypothetical, although based on what became the authorized reduced exposure claim.

(b) (4)

⁴ As with all qualitative research, the findings from this study are not necessarily representative of, or projectable to the larger US population of adult smokers, ages 21+. These findings are considered directional and intended for hypothesis generation or strengthening only.

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Summary of Findings

(b) (4)

Stimuli Used in Testing⁵

Figure 2

(b) (4)

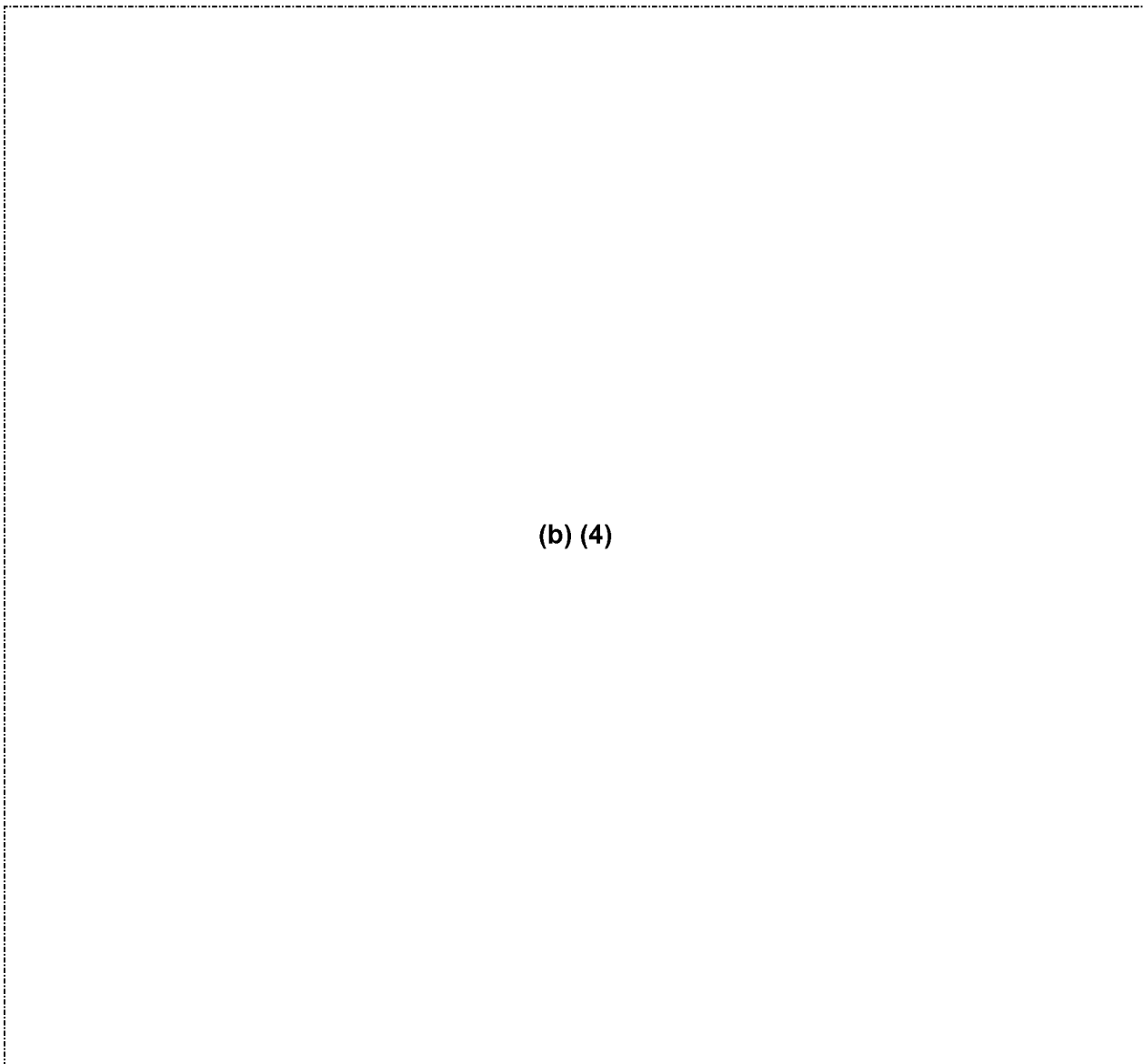
⁵ Concepts not for actual market use; used for exploration purposes only.

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Figure 3



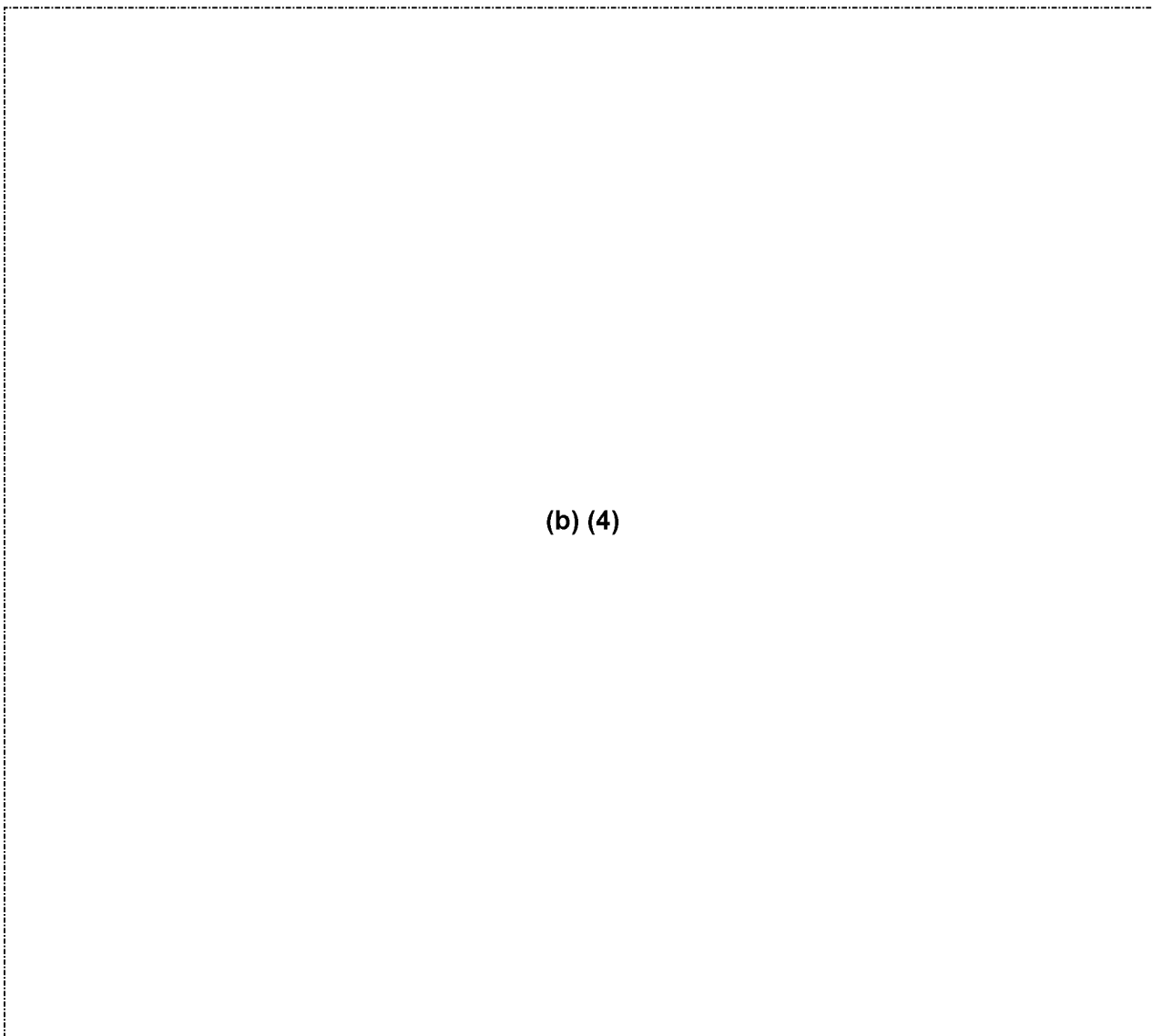
(b) (4)

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Figure 4



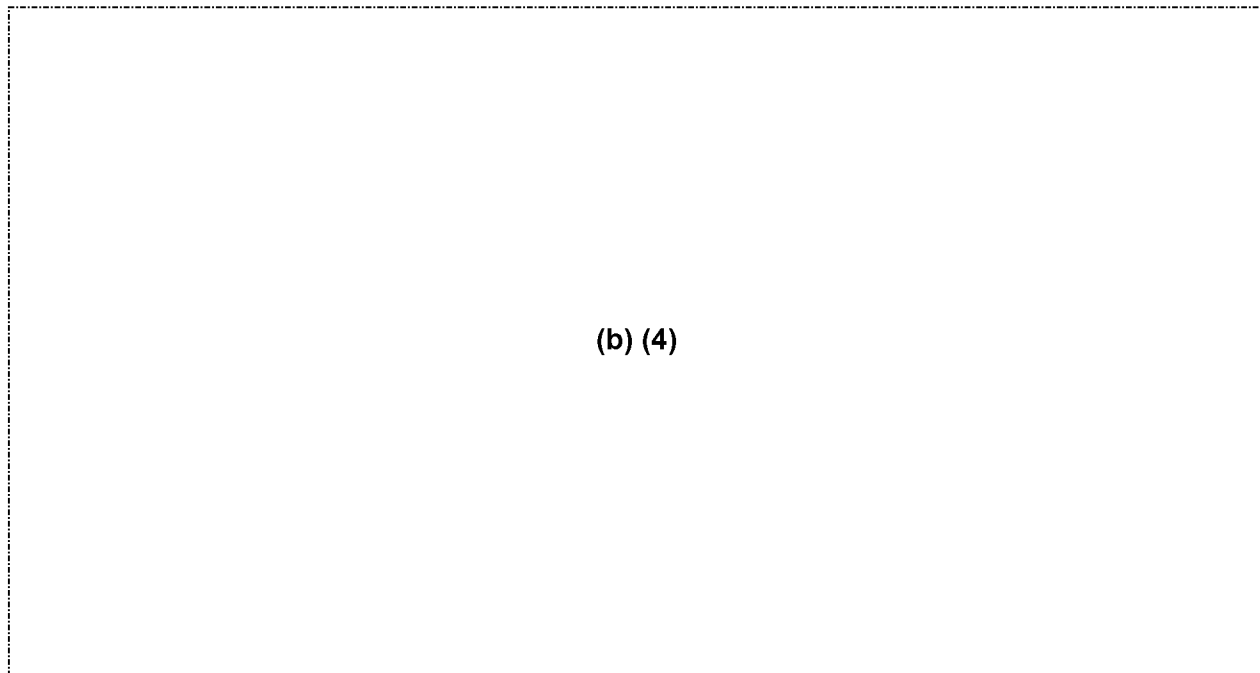
(b) (4)

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Figure 5



(b) (4)

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Study Name

Principal Investigator

(b) (4)

Altria Client Services LLC

Consumer & Marketplace Insights

Research Objective and Design

The objective of this qualitative⁹ study was to understand which potential *IQOS* print advertisements would resonate most with adult smokers 21 years of age or older (AS 21+). By assessing six versions of potential print advertisements (Figures 6 and 7), our goals were to understand which ones clearly and effectively communicated *IQOS* and its relevance to AS 21+, while also supporting AS 21+ interest in trying *IQOS*.

(b) (4)

Summary of Findings

(b) (4)

⁹ As with all qualitative research, the findings from this study are not necessarily representative of, or projectable to the larger U.S. population of adult smokers, ages 21+. These findings are considered directional and intended for hypothesis generation or strengthening only.

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(b) (4)

Stimuli Used in Testing¹⁰

Figure 6: (b) (4)

(b) (4)

¹⁰ Concepts not for actual market use; used for exploration purposes only.

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Figure 7: (b) (4)

(b) (4)

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Study Name

(b) (4)

Principal Investigator

Altria Client Services LLC

Consumer & Marketplace Insights

Research Objective and Design

The objective of this qualitative¹¹ study was to gain insight into perceptions about *IQOS* and assess engagement with *IQOS* from *IQOS* owners and *IQOS* aware non-purchasers who are adult smokers ages 21 years or older (AS 21+). Additionally, the study evaluated the response to the *IQOS* product and marketing concepts, see Figure 8 among AS 21+ who were not aware of *IQOS*. The study also sought to develop a preliminary understanding of the impact of the COVID-19 pandemic on AS 21+ attitudes and behaviors toward shopping and socializing.

(b) (4)

Summary of Findings

(b) (4)

¹¹ As with all qualitative research, the findings from this study are not necessarily representative of, or projectable to the larger U.S. population of adult smokers, ages 21+. These findings are considered directional and intended for hypothesis generation or strengthening only.

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(b) (4)

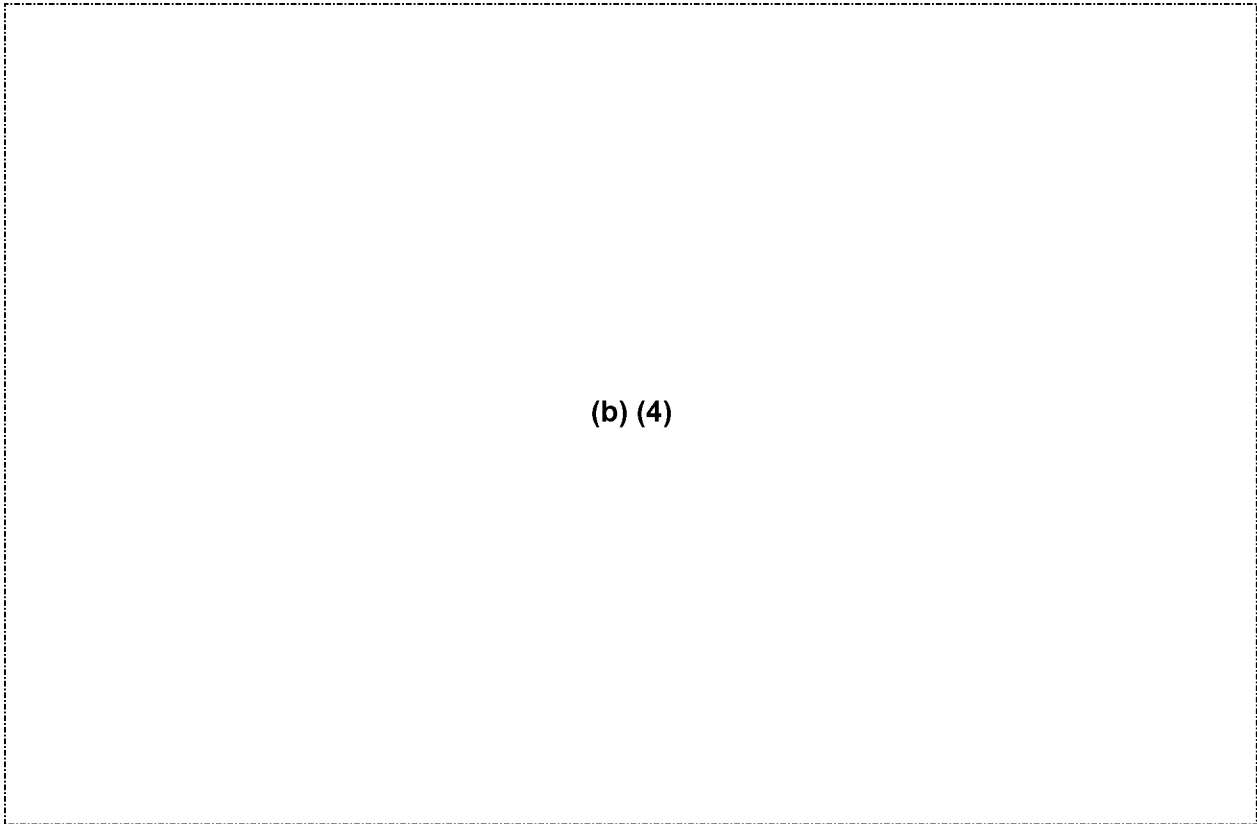
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Stimuli Used in Testing

Figure 8



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Study Name

(b) (4)

Principal Investigator

Altria Client Services LLC
Consumer & Marketplace Insights

Research Objective and Design

The objective of the (b) (4) was to evaluate and explore ways to improve the (b) (4) was (b) (4)

(b) (4)

(b) (4)

Summary of Findings

(b) (4)

¹² As with all qualitative research, the findings from this study are not necessarily representative of, or projectable to the larger U.S. population of adult smokers, ages 21+. These findings are considered directional and intended for hypothesis generation or strengthening only.

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(b) (4)

Stimuli Used in the Study

None.

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Study Name

(b) (4)

Principal Investigator

Altria Client Services LLC

Consumer & Marketplace Insights

Research Objective and Design

The objective of this quantitative study was to continue tracking the level of awareness and understanding of *IQOS* over time among adult smokers 21 years of age or older (AS 21+).

(b) (4)

(b) (4)

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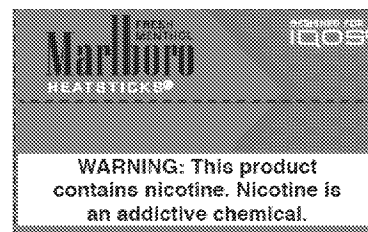
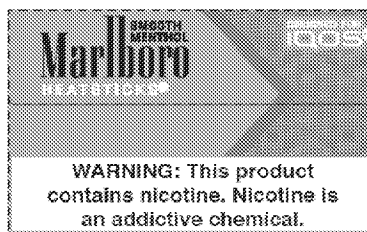
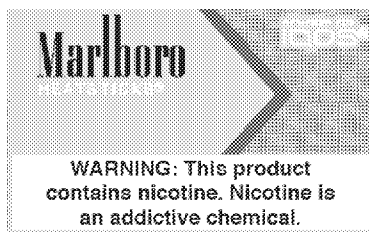
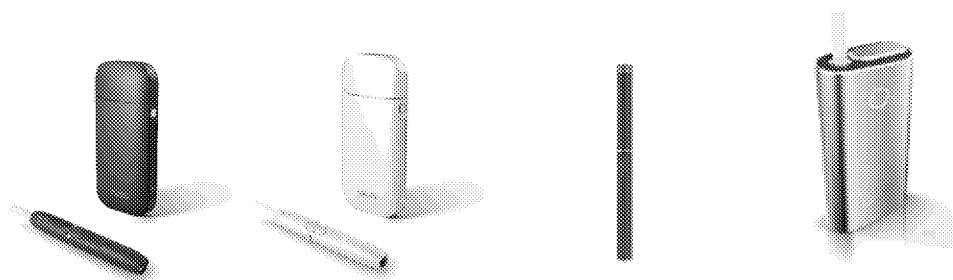
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Summary of Findings

(b) (4)

Stimuli Used in the Study



(b) (4)

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Study Name

(b) (4)

Principal Investigator

Altria Client Services LLC

Consumer & Marketplace Insights

Research Objective and Design

The objective of this quantitative study was to guide *IQOS* expansion strategies by understanding adult smokers 21 years of age or older (AS 21+) openness to non-combustible tobacco product alternatives to conventional cigarettes across different markets¹⁵ in the U.S.

(b) (4)

Summary of Findings

(b) (4)

(b) (4)

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Stimuli Used in the Study

None.

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Study Name

(b) (4)

Principal Investigator

Altria Client Services LLC

Consumer & Marketplace Insights

Research Objective and Design

The objective of this quantitative study was to assess several introductory product bundle options and pricing tiers to understand how these options would support adult smokers 21 years of age or older (AS 21-54) interest in purchasing *IQOS*. In addition, the study assessed the impact of a reduced exposure claim on bundle preference and pricing. Given the uncertain economic environment, the study also sought to understand how changing adult consumer sentiment towards the economy may impact pricing decisions. The study was intended to help guide product bundle and pricing decisions for *IQOS* in the context of a reduced exposure claim and an uncertain economic climate.

(b) (4)

Summary of Findings

(b) (4)

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(b) (4)

Stimuli Used in Testing¹⁶

Figure 9: (b) (4)

(b) (4)

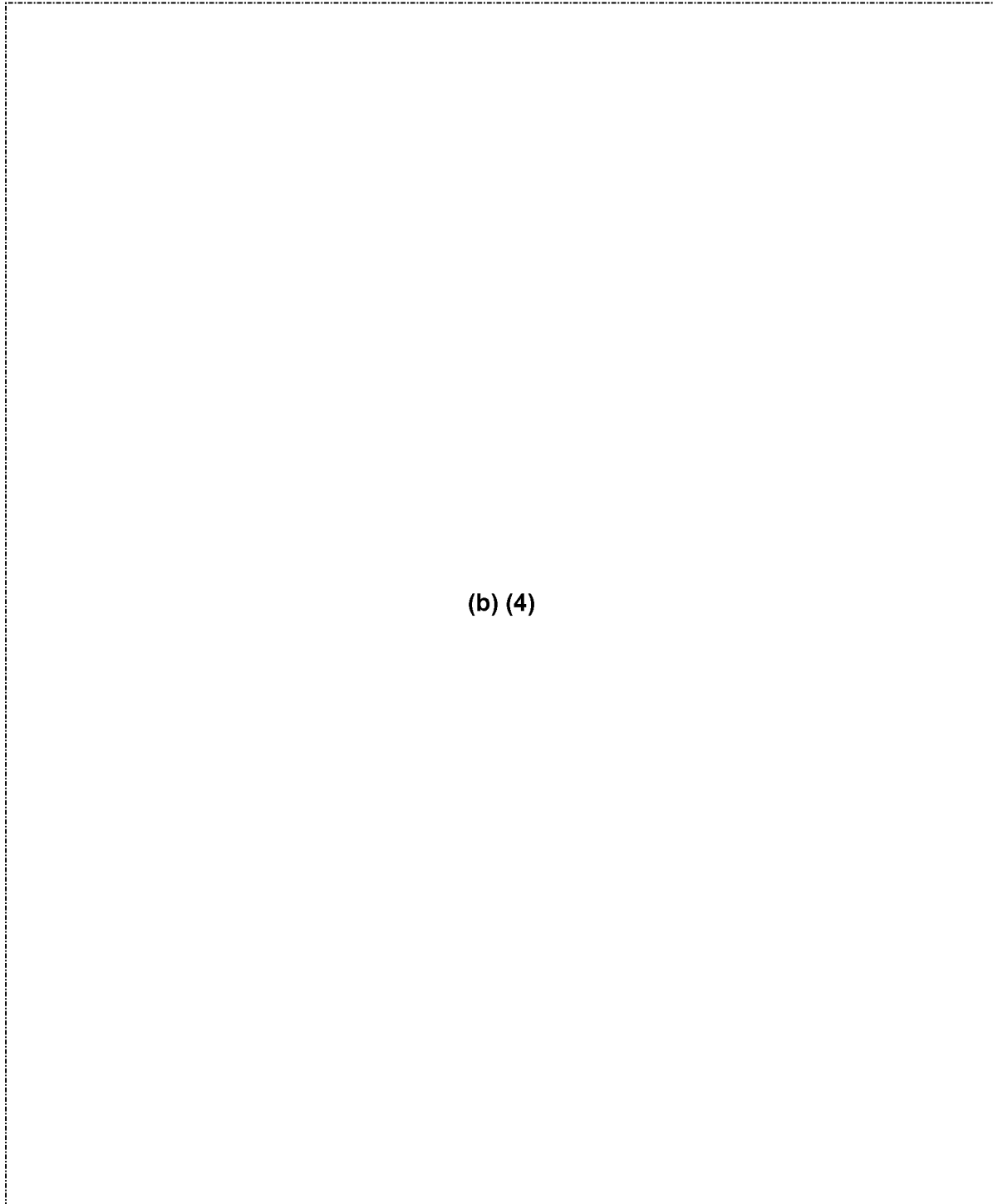
¹⁶ Concepts used for exploration purposes only.

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Figure 10



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Figure 11:

(b) (4)

(b) (4)

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Figure 12: (b) (4)

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