Consumer Preferences for E-Cigarette Attributes

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BACKGROUND

The Food and Drug Administration (FDA) has the authority to set standards for cigarette nicotine and tar levels, ban flavored cigarettes with the exception of menthol, and require cigarettes be sold in packs of at least twenty. Unlike cigarettes, e-cigarettes face fewer regulations. However, in August 2016, the FDA assumed jurisdiction over e-cigarettes and, therefore, has the ability to regulate e-cigarette attributes. There is a critical need from both research and regulatory perspectives to understand how consumers perceive various e-cigarette attributes to acquire insight into the outcomes of potential regulations targeting e-cigarettes attributes(s).

OBJECTIVES

• To examines the impacts of key e-cigarette attributes that affect the choice of e-cigarettes.

• To Perform Countertaxial Policy Simulations

DATA

We use the Nielsen Company’s household-based scanner data as our primary data source, which include samples of more than 40,000 nationally representative households (e.g., in terms of gender) in 52 U.S. markets and the nine remaining U.S. areas.

EXPECTED RESULTS

Applying the choice model to the Homescan data, we will be able to identify the impact of each attribute on the probability e-cigarettes are purchased. We will test several hypotheses based on previous research using surveys and experiments. These include:

• Consumers prefer sweet, menthol, and fruit flavors.\(^3\),\(^5\)

• There is no difference between current smokers and ex-smokers in flavor preferences.\(^2\),\(^3\)

• Menthol and coffee flavors have greater quit efficacy\(^1\)

• None-smokers prefer no nicotine or low nicotine e-cigarettes, while smokers preferred medium and high nicotine e-cigarettes.\(^4\)

• African Americans prefer flavored e-cigarettes.\(^6\)

• Regulation on e-cigarette attribute(s) and/or advertising might affect the e-cigarette market.

SELECTED REFERENCES


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