JUUL Sales Rebounded within Weeks of Self-Imposed Flavor Ban

Sales surpassed previous highs after short dip as consumption shifted to other available flavors

A new study finds JUUL sales recovered within weeks following a dip after the company withdrew some flavored products from stores, eventually surpassing sales from before the change as consumption shifted to the menthol/mint and tobacco flavors that remained on shelves. The finding comes from a new study of sales data by American Cancer Society researchers appearing in the American Journal of Public Health.

> *“JUUL’s withdrawal of fruit-flavored products was quickly offset by a combination of increased fruit-flavored sales by JUUL’s competitors and increased sales of other flavors”*

In November 2018, under pressure from the U.S. Food and Drug Administration to curb rising youth vaping rates, JUUL removed most of their flavored products, excluding tobacco, menthol, and mint flavors, from retail stores. Using Scantrack data on e-cigarette sales in the United States from January 2015 to October 2019 provided by The Nielsen Company, investigators led by Alex Liber, MSPH, senior scientist, with the Economic & Health Policy Research program at the American Cancer Society, looked at sales trends to characterize the effects of JUUL removing mango, crème brûlée, fruit medley, and cucumber flavors from store shelves.

From 2017 through 2018, JUUL sales grew, with a concurrent increase in the share of fruit-flavored e-cigarettes sold in Nielsen-tracked retail channels. Fruit-flavors rose from 12.9% of sales ($10,161,000 per month) in January 2017 to 33.3% of sales ($96,486,000) in October 2018. Fruit briefly exceeded menthol/mint as the flavor category with the largest proportion of sales in October 2018. At the same time, tobacco-flavored e-cigarettes’ share dropped from 39.7% of sales to 16.6% of sales.

JUUL’s voluntary decision to remove fruit flavors in November 2018 led to a decline in sales of fruit-flavored products across Nielsen-tracked retailers to 9.1% ($30,494,000) by April 2019. During this period, the share of menthol/mint flavor spiked from 33.0% to 62.5% ($95,592,000 to $209,567,000), and the share of tobacco flavor rose from 16.6% to 22.3% ($48,038,000 to $74,789,000).

Fully 91% of the growth in tobacco and all of the growth in menthol/mint was captured by JUUL. JUUL sales surpassed their previous maximum within 12 weeks, as JUUL consumption shifted marginally toward the tobacco and heavily toward the menthol/mint flavors that remained on shelves. Fruit-flavor sales began to increase again to 15.8% ($60,594,000) by September 2019, driven by sales of the NJOY brand.

Notably, e-cigarette sales in the Nielsen data peaked in August 2019 at $441 million per month (including hardware). The authors say while it is too soon to determine why sales slowed after that peak, plausible explanations include consumers’ reactions to media reports detailing the outbreak of vaping-related illnesses and announced government actions including forthcoming bans on the sales of all or some e-cigarettes by the governors of several states and the president of the United States.

“There are two lessons to take away from this study,” said Liber. “First, companies’ attempts to self-impose their own restrictions are unlikely to improve public health. JUUL’s withdrawal of fruit-flavored products was quickly offset by a combination of increased fruit-flavored sales by JUUL’s competitors and increased sales of other flavors—notably, mint/menthol—by JUUL. It is highly unlikely that overall youth use declined given the short-lived impact on sales trends for JUUL cartridges and the rapid recovery of flavored cartridge sales within the very retail channels that should have seen the largest declines from JUUL’s actions.

“Second, our study shows when exceptions to regulatory policies are made, the market will fill the void. The growth of fruit-flavored sales experienced by NJOY once JUUL stopped selling mango-flavored e-cigarettes is a striking indication of that happening. If governments exempt some e-cigarettes from a flavor regulation and not others –for example if governments exempt disposable or “open system” e-cigarettes from prohibitions on selling

flavored products—we might expect consumer demand for flavored products to migrate to those types of products."

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