

Vitamin-Based Vaping Products Proliferate Online

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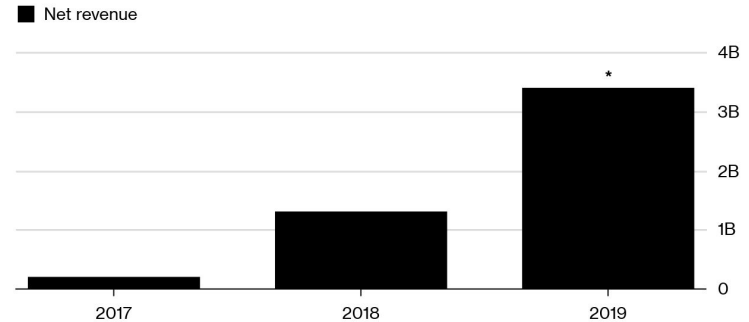
Background

- Tobacco replacement
- Teens start because of the flavor
- Largest player: Juul
- Vaping Epidemic
 - 30+ people dead
 - Over 1600 cases
- States banning flavored e-cigs
- Solution: Vitamin Vapes?



Juul's Bright Future

The company told investors it's on track to make \$3.4 billion in net revenue this year, almost triple what it generated last year.



* Company projections
Source: Bloomberg reporting, Altria earnings call

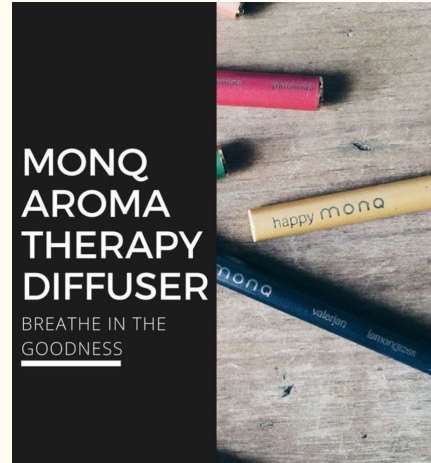
Vitamin-Based Vaping



- Inhalable Vitamins for a variety of uses
 - Melatonin for sleeping at night
 - Vitamin B for the morning
- Major companies:
 - Ripple
 - MONQ
 - Inhale Health Melatonin
 - Immune Nutriair

Marketing

- Ways for people to quit smoking altogether
- **Product Development** growth strategy
- Ripple's mission "is to help get the world off of Nicotine"
- Companies like Monq believe that people are going to be vaping anyway so why not make it a "healthy alternative"
- Not technically a health/diet supplement because they would be subject to FDA investigation



Marketing to Minors?

- Companies like MONQ have been questioned to be advertising to minors due to their social appeal of vaping
- 17 year old, started inhaling vitamins because the product is “safe and healthy, and not hurting [her]”
- **STP**
 - **Segment:** Psychographic, Benefits: supplement takers, people addicted to nicotine
 - **Target:** Concentrated: shown as a healthy alternative, more uses to vaping than nicotine
 - **Position:** Value, Competition: alternative to Juul and like products, “healthy alternative”

Longevity Concerns

- Amazon
 - “We have not allowed e-cigarettes on Amazon.com for many years, and we are expanding our policy to also prohibit non-tobacco, non-nicotine vaporizers”
- Walmart
 - “We have removed [vitamin vaporizers] while they are being reviewed under our prohibited products policy.”
- Facebook:
 - Vaporizers of any kind are not allowed to advertise “regardless of the substance.”

The Amazon logo, featuring the word "amazon" in a bold, black, lowercase sans-serif font. Below the text is a curved orange arrow that starts under the letter 'a' and points to the right, ending under the letter 'z'.The Walmart logo, featuring the word "Walmart" in a bold, blue, sans-serif font. To the right of the text is a yellow six-pointed starburst icon with a registered trademark symbol.The Facebook logo, featuring the word "facebook" in a bold, blue, lowercase sans-serif font.

Sources

<https://khn.org/news/vaping-by-the-numbers/>

<https://www.wsj.com/articles/vitamin-based-vaping-products-proliferate-online-11572281358>

<https://www.bloomberg.com/news/articles/2019-02-22/juul-expects-skyrocketing-sales-of-3-4-billion-despite-flavored-vape-ban>