

HAYPP

The Nicotine Pouch Report

THE UK

2024



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About the report

The Nicotine Pouch Report 2024 is produced by Haypp in collaboration with The Northerner. The aim is to create the UK's best evidence base on nicotine consumption and nicotine pouch use. The report is aimed at consumers and interested members of the public, but also at authorities, decision-makers, and opinion formers, intending to safeguard a fact-based public dialogue on tobacco and nicotine and enable everyone to follow developments over time.

The report is based on purchase statistics from Haypp.co.uk and Northerner.com – and the thousands of actual decisions nicotine pouch users make daily. The purchase statistics for the full year 2023 come from 30,000 customers. Insights from a consumer survey have complemented this rich evidence base. The consumer survey was conducted in March to April 2024 and is based on responses from a random sample of customers, totaling 1325 individuals.

When the term 'pouch users' is used in the report, it refers to those users who report using nicotine pouches (also commonly referred to as 'tobacco-free snus') unless otherwise stated. 'Regular pouch users' refers to those who use nicotine pouches at least once a week.



Summary

The use of nicotine pouches is growing rapidly and has been an integral part of UK nicotine culture for the past few years. This trend is explained by several factors. Consumers' drive to quit smoking and switch to healthier alternatives is a key factor. Another is the fast-growing supply on the market and new purchasing behaviors that are developing as a result of e-commerce opportunities.

In 2023, the overall performance of e-commerce was weak, due to tougher economic times. However, online sales of nicotine pouches defied the market and grew by 82%. Consumers' reasons for buying snus online include the attractiveness of the pricing, the convenience of home delivery, and the online choice of brands, cans and flavours. Purchases from physical stores are usually due to the consumer's immediate need for the product or because they happen to be in the store or in its vicinity for other reasons.

More than half of consumers actively choose nicotine pouches as a way to quit smoking. Almost half of Haypp.uk and Northerner.com customers are former cigarette smokers, but many nicotine pouch users have also quit other forms of tobacco and nicotine products. For example, more than a quarter are former e-cigarette users.

However, despite the benefits, consumers perceive the use of nicotine pouches as posing some health risks, albeit to a much lesser extent than, for example, cigarette smoking and the use of e-cigarettes, chewing tobacco or heat-not-burn products. Consumer concerns about the effects of oral nicotine appear to have increased over the past year, likely due to an intensified societal debate on risks and regulation.

Virtually everyone who switches from cigarettes to nicotine pouches experiences increased well-being after the change. Most people who have made this journey see returning to smoking as completely out of the question. The switch also leads to major savings at a societal level, for example by reducing sick leave and the burden on health care. However, the perceived risk of smoking relapse among ex-smokers has increased over the past year. Increased consumer concern about the potential risks of oral nicotine may have contributed, but it is also likely that concerns about future restrictions on nicotine pouches and other attractive alternatives to cigarettes have also contributed.

Over the past year, a flavour ban on nicotine pouches has been raised in public debate, with proponents arguing that a wide range of flavours attracts new users and creates new addictions. The attitude of nicotine pouch users to such a scenario shows that a ban would lead at least 16,000 people to start smoking cigarettes again. In addition, 31,000 people would replace nicotine pouches with alternatives that are neither cigarettes nor nicotine pouches, most likely primarily e-cigarettes. This means that around 47,000 people - about one in eight users - would switch from nicotine replacement therapy to either cigarettes or e-cigarettes. This is almost twice as many as the 25,000 people who could be expected to quit nicotine products completely if a flavour ban is introduced.

The Snus Year of 2023

- Online sales of nicotine pouches grew by 82% in 2023, driven by the increasing uptake of e-commerce and the introduction of many new brands, pods and flavours.
- The growth rate of nicotine pouches is currently faster among women than men. In 2023, almost a quarter of all packs were purchased by women.
- Three in ten consumers of nicotine pouches say they will shop more online in the coming year, a sharp increase from last year's 13%.
- Consumers' increasing ambitions to shop online - together with a likely modest economic recovery in 2024 - bode well for online growth.
- The main driver for buying nicotine pouches online is mainly attractive prices, highlighted by 68% of snus users. E-commerce convenience is also key (for 62%), as is the wide range on offer (for 37%).
- Velo is the most purchased nicotine pouch brand in the UK, taking over the top spot from Nordic Spirit in 2023. Velo Ice Cool Mint Slim Strong is the most popular can. However, Nordic Spirit maintains its position among UK nicotine delivery users with six products in the top ten list.
- An average UK nicotine delivery user consumes three cans a week. Nicotine pouch users in the North East and Greater London buy the most packs of nicotine pouches per capita - over 60 per cent more than the national average.
- Nicotine pouches are generally flavoured. The dominant flavour is mint - found in six out of ten tins - followed by berry and fruit flavours. The UK consumer prefers the 'slim' size and the favourite strength is 'extra strong'.
- More than half of users (56%) report that they started using nicotine pouches to quit smoking. In addition, nicotine pouches help many users (23%) to quit other tobacco and nicotine products, such as e-cigarettes and chewing tobacco.
- Almost all of those who switch from cigarettes to nicotine pouches (95%) feel better after the change. Five per cent experience no improvement at all and none feel worse.
- Despite the many benefits, concerns about the potential risks of nicotine replacement have increased slightly over the past year. Former smokers also feel that the risk of returning to smoking has increased, possibly due to concerns about future restrictions on nicotine delivery and other attractive alternatives to cigarettes.
- At least 16,000 people could be expected to start smoking cigarettes again if a flavour ban on nicotine pouches were introduced. Furthermore, 31,000 people would replace nicotine pouches with alternatives that are neither cigarettes nor nicotine pouches, most likely primarily e-cigarettes. Thus, around 47,000 people would start smoking or vaping - about twice as many as those who would quit nicotine use completely.

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Trends –
The changing
nicotine market

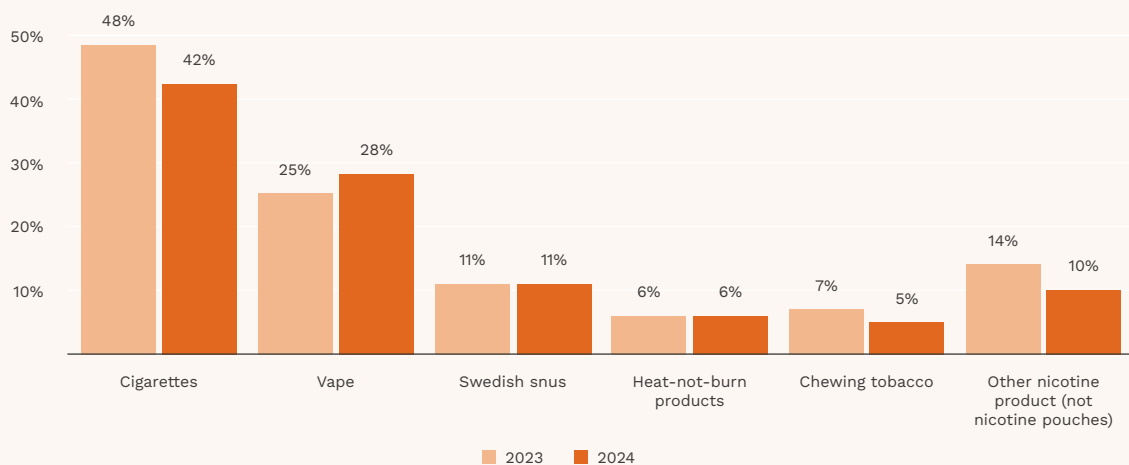
Smoking reduced with the help of nicotine pouches

In addition to snus being a ‘lifestyle’ consumption for many, nicotine replacement therapy has helped many tens of thousands of Britons quit smoking. According to the NHS, 75,000 people died as a result of smoking in 2019, accounting for 15% of all deaths.¹

Almost half of Haypp’s and Northerners’ customers (42%) are ex-smokers and almost three in ten (28%) are former road users. Of those who use snus, 56 per cent deliberately started using nicotine replacement therapy as a way to quit smoking. The proportion is highest for people aged 25-34 (62%) and lowest for people aged 65+ (41%).

In addition to serving as a smoking cessation strategy, the social factor comes into play as a reason for starting for some NRT users, especially among men. A quarter of snus users (24%) were introduced to nicotine pouches by being invited by a friend or family member. One in seven (14%) saw others using snus and became curious. In contrast, relatively few (3%) say they started because appealing marketing influenced their decision.

EX-USERS OF VARIOUS TOBACCO AND NICOTINE PRODUCTS AMONG NORTHERNER/HAYPP CUSTOMERS



¹ NHS, 2023. Statistics in Public Health 2021. <https://digital.nhs.uk/data-and-information/publications/statistical/statistics-on-public-health/2021/part-2-mortality>

New nicotine products drive consumers away from more harmful consumption

Among users of nicotine pouches, a quarter (23%) say that they started using nicotine pouches to quit tobacco other than cigarettes. This primarily involves switching from e-cigarettes (for 69%) but also from traditional Swedish snus (14%), chewing tobacco (7%) and heat-not-burn products such as IQOS (5%).

Nicotine pouches are thus growing partly at the expense of e-cigarettes, also known as vaping. There is thus a clear movement from more harmful to less harmful products as many e-cigarette users are in turn former

cigarette smokers. E-cigarettes, like nicotine pouches, are sold with different flavours, such as fruit flavours, which helps to stimulate the switch from cigarettes and traditional smoking tobacco.

Those who have switched from cigarettes to snus or nicotine pouches report increased well-being in the vast majority of cases (95%). Almost two out of three (65%) say they feel ‘much better’ after switching, 30% feel ‘better’ and 5% say they feel ‘the same’. The switch brings significant savings at the societal level, for example by reducing sickness absence and the burden of care, but above all it brings health benefits and improved quality of life for the individual.

Those who have given up cigarettes in favour of snus or nicotine pouches report in the vast majority of cases (95 percent) an increase in well-being.

Risk reduction paves way for nicotine pouches

Consumers generally recognise that nicotine pouches are less harmful than cigarettes and other smoking tobacco. However, it can be difficult for individuals to assess exactly how high the risks are. The effects of nicotine pouches are generally less well studied than the effects of smoking, as nicotine pouches are a relatively new product. Studies on the health effects of snus use also provide more complex answers because, in individual cases, snus use can have both positive effects - to the extent that it leads the user away from poorer nicotine habits - and negative effects, to the extent that it creates a completely new addiction.

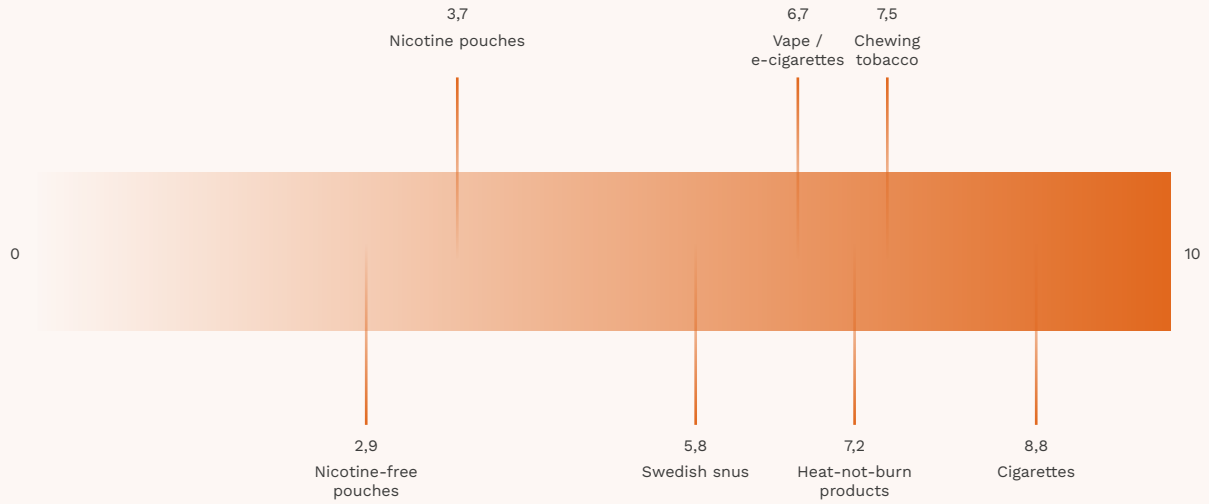
On a ten-point risk scale, where a one is 'completely harmless' and a ten is 'very dangerous', snus users on average rate their tobacco-free nicotine pouches at 3.7. Consumers have thus become more concerned about the risks of nicotine pouches, which is mainly explained by the fact that people who previously perceived snus as harmless now associate it with a slightly higher risk. At the same time, cigarettes (8.8), chewing tobacco (7.5), heat-not-burn products such as IQOS (7.2) and e-cigarettes (6.7) are considered significantly more dangerous to health than snus. Nicotine-free snus - which is a relatively new product on the market - is considered the least harmful product in the comparison with an average score of 2.9.

Higher social acceptance of products that do not harm others

Snus use also has the advantage of being more socially accepted than the use of most other nicotine products. The high social acceptability of nicotine pouches is partly explained by the ambition not to harm other people. Oral nicotine does not negatively affect non-users in the same way as cigarette smoking (through passive smoking, unwanted smoke odour, etc.). More than half of snus users (51%) cite this as one of the main advantages of nicotine pouches compared to using other types of nicotine products.

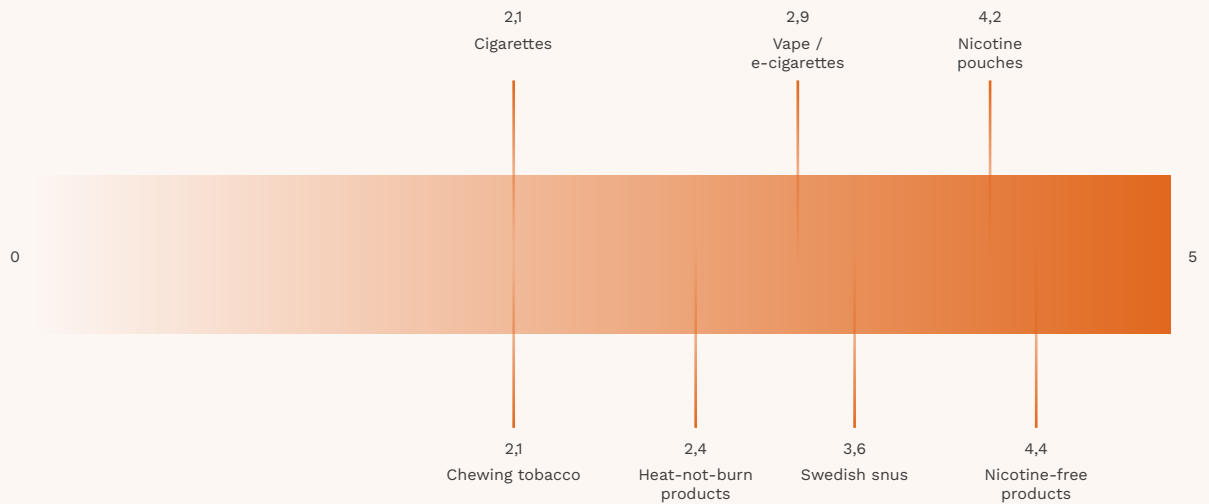
USERS' PERCEIVED RISK WITH VARIOUS NICOTINE AND TOBACCO PRODUCTS

AVERAGE BETWEEN 1 AND 10, WHERE 1="COMPLETELY HARMLESS" AND 10="VERY DANGEROUS"



SOCIAL ACCEPTANCE FOR VARIOUS NICOTINE AND TOBACCO PRODUCTS

USERS' AVERAGE SCORE BETWEEN 1 AND 5, WHERE 1="NOT AT ALL ACCEPTED" AND 5="FULLY ACCEPTED"



Effects of a hypothetical flavour ban on nicotine pouches

In recent years, a debate has emerged around flavour bans on new nicotine products that are alternatives to cigarettes, mainly nicotine pouches and e-cigarettes. The sale of flavoured cigarettes, including menthol cigarettes, is prohibited and the debate sometimes includes proposals to extend the ban on flavours to alternative nicotine products, especially nicotine pouches.

The proposal to ban flavoured nicotine pouches is usually justified by the argument that flavourings may increase the likelihood that people will start using nicotine in general and get stuck in a new addiction that would not have occurred otherwise. However, as we shall see, the lion's share of UK snus users used other nicotine products before taking up snus and many of those who did not say that they would have used some other nicotine product if they had not first taken up nicotine pouches.

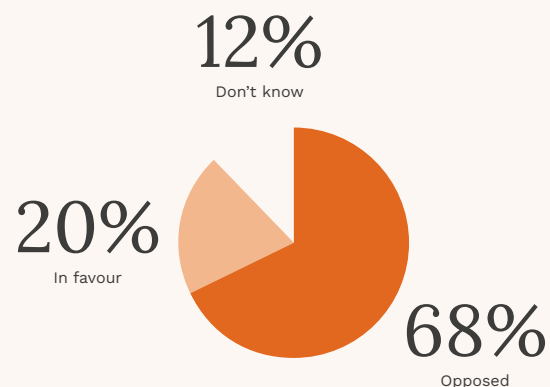
Most nicotine pouch users are against a flavour ban

Almost seven in ten snus users (68%) say they are against the introduction of a flavour ban on nicotine pouches and 12% say they are in favour, while 20% do not take a position. The proportion in favour of a ban has increased slightly compared to 2023, when the proportion was seven percent. This is likely to be linked to the fact that white snus and its potential risks have been widely discussed in the media over the past year.

At the same time, more than twice as many people this year say they are likely ('somewhat likely' or 'very likely') to start smoking cigarettes again - 17% of ex-smokers compared to just 8% a year ago. The intensified political debate on limiting the spread of nicotine pouches - for example through flavour bans - has likely contributed to the increase, as ex-smokers see risks that attractive alternatives to cigarettes may become less available in the future.

In the survey, opposition to flavour bans is significantly higher among women than among men. A partial explanation may be that more of Haypp's female customers are vape users, while men are more likely to use nicotine pouches. Men are therefore likely to have a greater interest in maintaining the flavour of their nicotine pouches.

ARE YOU IN FAVOUR OR OPPOSED TO A FLAVOR BAN ON NICOTINE POUCHES?

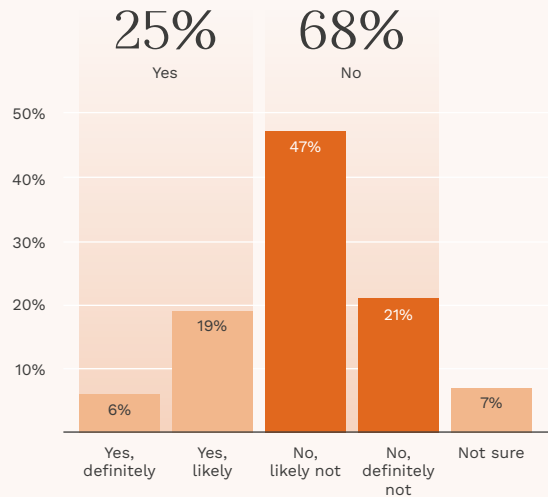


Small effect on overall consumption

Just over two in three (68%) say that the launch of new flavours does not affect their overall number of purchases. In contrast, a quarter (25%) indicate that the introduction of new flavours makes them more likely to buy more cans than they would otherwise have done.

The slightly higher consumption of one in four snus users can be contrasted with various risks that would be posed by a ban. Such risks include health concerns about some nicotine delivery users falling back into smoking as alternatives become less attractive. Smoking is estimated to account for 35% of all respiratory disease deaths and 25% of all cancer deaths.² Furthermore, a flavour ban risks leading to the emergence of an illegal market that fills the void of the controlled market. Finally, it is worth noting that a ban constitutes a restriction of freedom that reduces the choices available to the individual.

DOES THE LAUNCH OF NEW FLAVOURS MAKE YOU BUY MORE CANS THAN YOU WOULD OTHERWISE?



Opposition to flavour bans has many faces

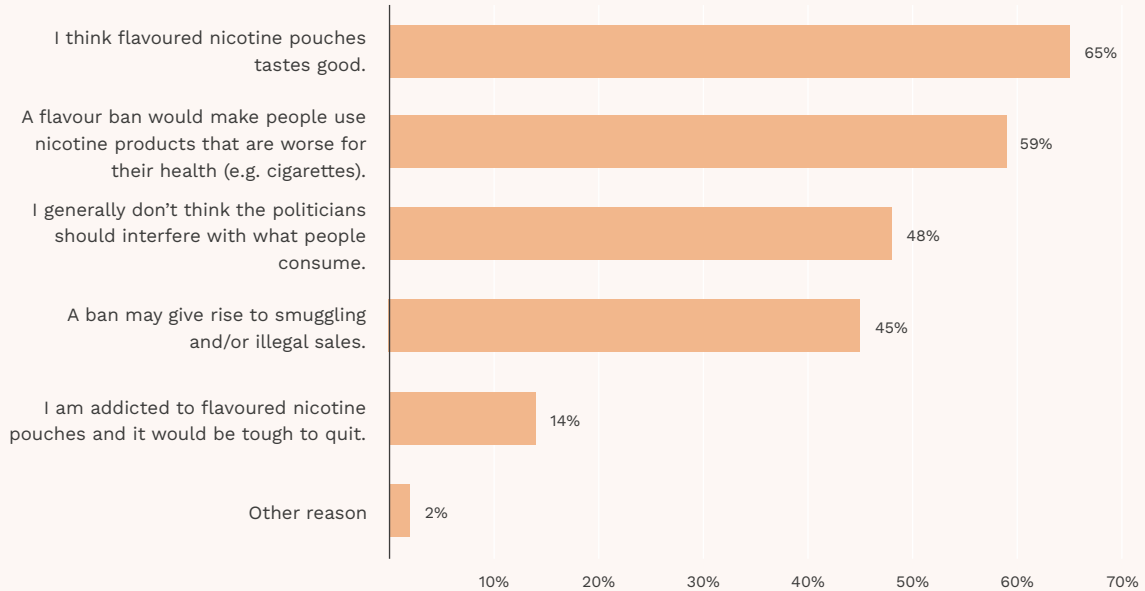
Why are most nicotine pouch users against a flavour ban? There are three main reasons that seem to be equally important and that are emphasised by a majority of opponents. These reasons are partly based on self-interest, as the flavour of nicotine pouches is often an additional pleasure factor. However, many other arguments come into play, including the defence of liberty and public health, and concerns about increased crime and illegal markets.

Almost two out of three opponents of the ban (65%) cite the taste of nicotine as a reason for opposing the ban. Almost as many - 59% - argue that a flavour ban would lead to greater consumption of products that are worse for health. About half (48%) believe that the state should not interfere in what individuals consume. A fear of the emergence of a black market, dependent on rogue traders and smuggling, also emerges as an argument among almost half of respondents (45 per cent).

² Ibid.

OPPOSITION TO FLAVOUR BANS ON NICOTINE POUCHES

POUCHES PERCENTAGE OF OPPONENTS OF A FLAVOUR BAN (68%) CITING EACH ARGUMENT AS A REASON



At least 16,000 people will start smoking again in the event of a flavour ban

According to a survey commissioned by Action on Smoking and Health (ASH) in 2022, 0.7 per cent of the adult population in the UK used nicotine pouches. This equates to 368,000 people. Half (49%) - an estimated 181,000 people - started using nicotine pouches to quit cigarettes. Of these former smokers, just over four in ten (43%) say they would continue to use nicotine replacement therapy (unflavoured) if a flavour ban were introduced. Two in ten (18%) say they do not know what they would do. The remainder - equivalent to four in ten (40%) nicotine delivery users - can be described as 'switchers' and would change their behaviour in some way in the event of a flavour ban.

What changes would 'switchers' make? A group equivalent to one tenth of ex-smoking users (9%) would go back to cigarettes and either use them exclusively or in combination with unflavoured nicotine pouches. About twice as many (17%) would switch to another

nicotine product that is neither cigarettes nor nicotine pouches. In many cases, this is likely to be vape e-cigarettes. A slightly smaller proportion (14%) say they would stop using nicotine products completely.

In addition to the fact that many people do not know how they would act, the uncertainty is compounded by the fact that people do not always act as they say they would in a hypothetical scenario. However, the results imply that at least 16,000 Britons would start smoking cigarettes again in the event of a flavour ban. In addition, 31,000 people would switch from nicotine pouches to alternatives that are neither cigarettes nor nicotine pouches, most likely primarily e-cigarettes. This means that 47,000 people would be likely to switch from nicotine pouches to smoking either cigarettes or e-cigarettes. This is almost twice as many as the estimated 25,000 people who could be expected to quit nicotine products completely.

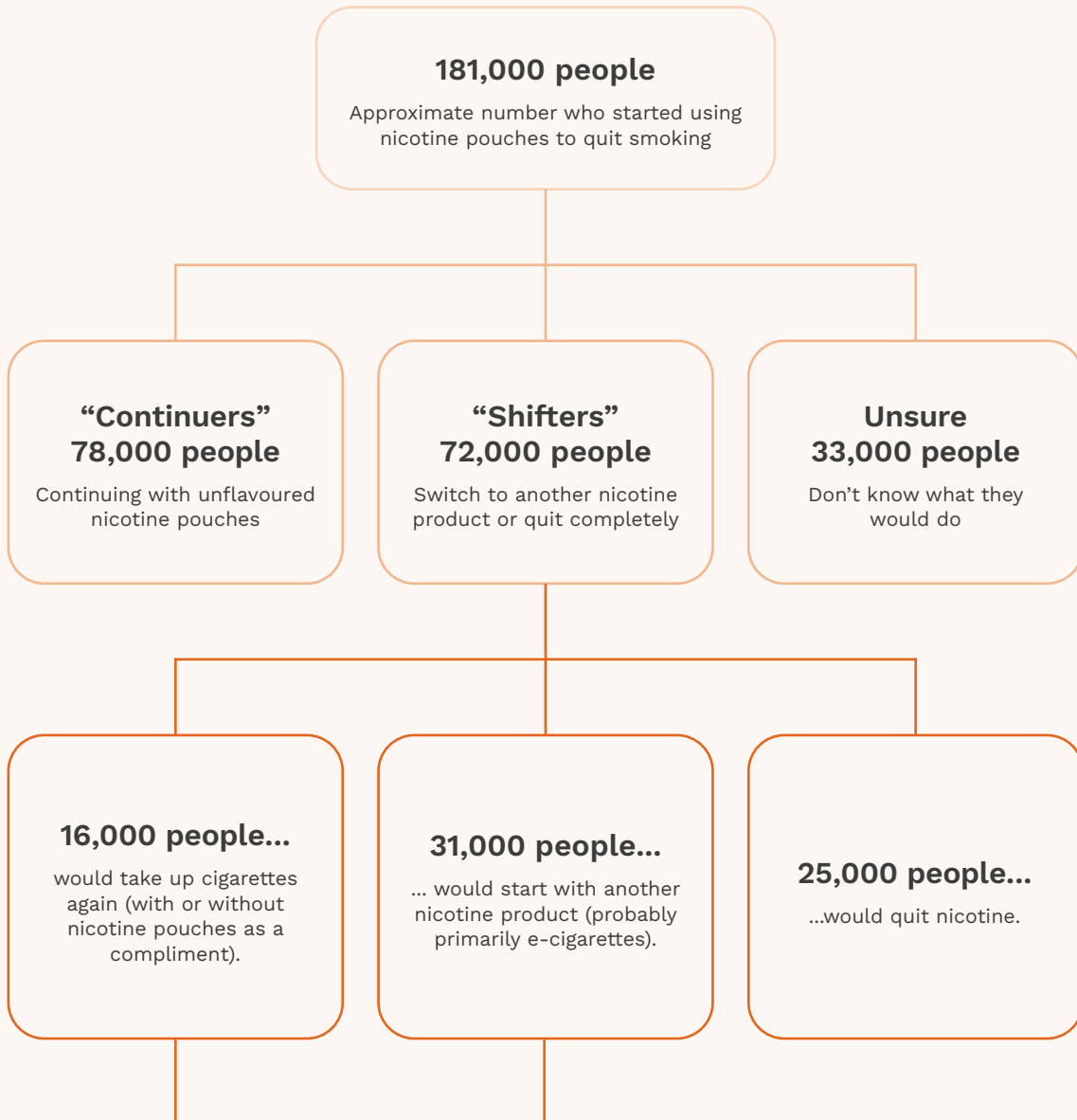
³ https://ash.org.uk/uploads/Awareness-and-use-of-nicotine-pouches_2022-10-31-110240_fyhq.pdf?v=1667214160

Refers to the population aged 18 and over and the calculation is based on population statistics for 2019.

⁴ "At least" because the figure excludes the group that does not know how they would act.

Effects of a flavour ban on nicotine pouches according to snus users

Source: Consumer survey, Action on Smoking and Health, Office of National Statistics, own calculations⁵



At least 16,000 people would start smoking again under a flavour ban. In addition, 31,000 people would switch from nicotine pouches to nicotine products that are neither cigarettes nor nicotine pouches, probably primarily e-cigarettes.

⁵The estimates of the number of persons in the figure have been rounded to the nearest 1000, which means that the sum of sub-items may differ slightly from the total figure shown.

For three out of four, nicotine pouches is a substitute for other nicotine products

Almost three out of four white snus users (72%) report that they started with nicotine pouches to quit other nicotine or tobacco products. The most common is that former smokers have replaced cigarettes with nicotine pouches, but also steps from, for example, e-cigarettes, chewing tobacco or heat-not-burn products are common.

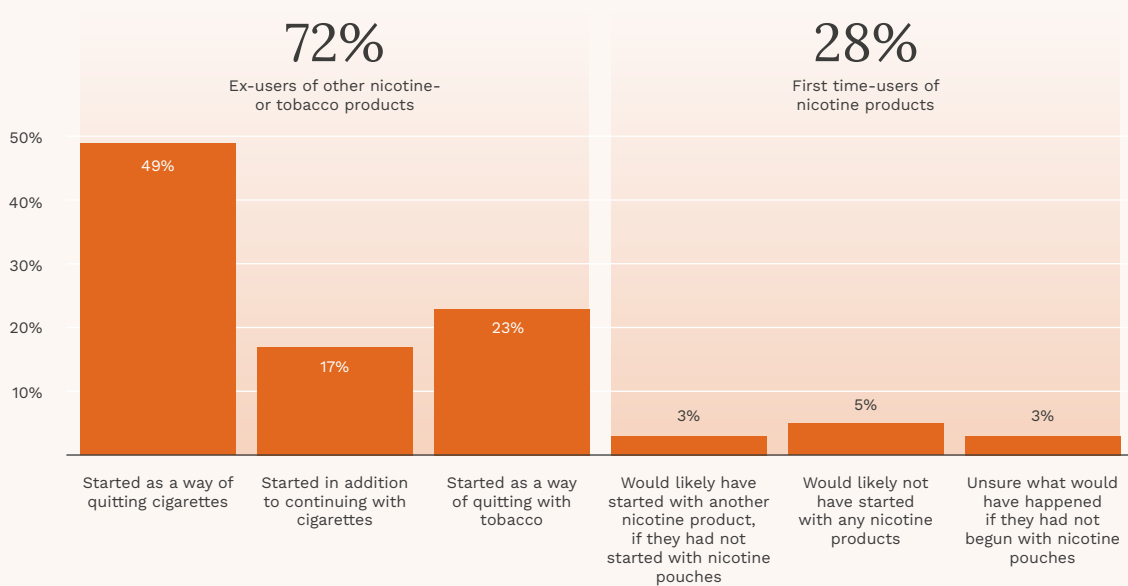
For just over one in ten users (11%), nicotine pouches were their first nicotine product. Among first-time users, one third (or three per cent of all nicotine pouch users) said that they would ‘definitely’ or ‘probably’ have started using another nicotine product if they had not started using nicotine pouches.

Slightly more than that - equivalent to 5% of nicotine delivery users - say that nicotine deliveries were their first nicotine product and that, in an alternative scenario, they would probably not have started with any nicotine products at all.

Taken together, the above means that nicotine pouches are a substitute for other nicotine products for three out of four users (75%). For the remaining users, nicotine pouches can be characterised as either a supplement or a complement to their existing consumption (for 20%), or there is uncertainty about the substitution effects (for 3%).

THE CONNECTION BETWEEN NICOTINE POUCHES AND OTHER NICOTINE- AND TOBACCO PRODUCTS

Share of the total nicotine pouch users



The digital future

Nicotine pouches' growth journey continued in a tough e-commerce market

The years following the pandemic have been characterised by a decline in face-to-face meetings and store visits. This led to declining e-commerce sales overall in 2022 and only modest growth in 2023, especially in terms of sales volumes and adjusted for high inflation. In 2023, the economy also weakened further, resulting in tighter household budgets and a shift in consumers' behaviour towards retailers' physical discount stores. However, sales of nicotine pouches bucked the general trend, **with UK snus users buying 82% more pouches online in 2023 than in 2022.**

Senior consumers more loyal to e-commerce

E-commerce in nicotine pouches has grown rapidly in recent years. Moreover, many people who shop online do so frequently. The average customer buys 85% of their nicotine pouches online. It is also interesting to note that the oldest nicotine delivery users are the most online-savvy e-commerce consumers, with almost four out of five users aged 65 and over buying 100% of their doses online.

A break in the trend for e-commerce and consumption in 2024

The upturn is supported by the fact that households are expected to experience rising real wages for the first time in three years and that consumption is slowly recovering after a period of rapid interest rate hikes that hit household wallets hard.

Three in ten will shop online more in the future

Three in ten snus users (30%) say they will buy more of their nicotine products online in the coming year. This is a sharp increase from a year earlier, when only 13% planned to increase their online purchases. Growth is expected to be highest among younger consumers. More than half (54 per cent) of snus users aged 18-24 plan to shop online more, compared to just over one in five (22 per cent) of the oldest consumers. Snus users in the West Midlands (42 per cent) and the North East (41 per cent) also plan to increase their online shopping more than the average snus user.

⁴ E-barometer, PostNord.

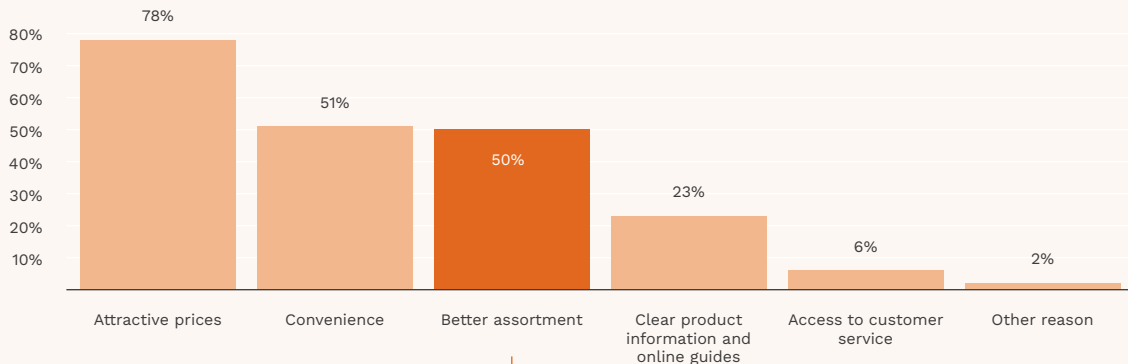
Low prices, high convenience and more choice drive online consumers

Nearly eight out of ten online shoppers (78%) highlight attractive online prices as a key reason for shopping online. Half (51 per cent) consider convenience to be crucial online, which includes the shopping experience itself, saving time and having goods delivered all the way to their door. One in two snus users also consider the wide range of products available online to be a key advantage. The range on Haypp.uk, for example, is vast, with more than 300 tins to choose from, compared to a typical shop where the range on the snus shelf is usually a few dozen different cans.

Shops live on consumer proximity and immediate needs

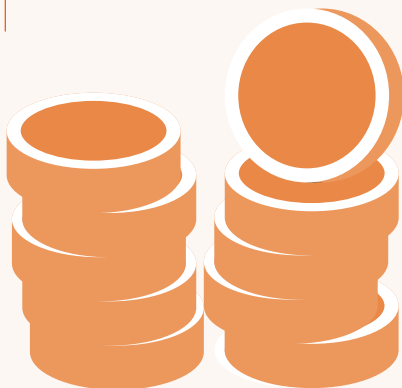
The most common reason for purchasing nicotine pouches in-store is to have immediate access to the product. Six in ten (59%) say this was the reason for their most recent purchase of nicotine pouches from a physical retailer. Sometimes opportunities for consumers to shop also arise as a result of passing the store or being there to do other business. Nearly three in ten, 28 per cent, last shopped in a store because they were ‘passing by’. Similarly, one in ten consumers (9%) say they made their last in-store purchase in connection with other purchases or errands in the store. Forgetfulness is also a common reason for store visits. Just over one in five nicotine delivery users (22%) say that they forgot their can at home and therefore decided to shop in store.

WHEN SHOPPING ONLINE, WHY DO YOU BUY THERE RATHER THAN IN A PHYSICAL STORE?



ONLINE OFFERS

HAYPP.UK – OVER 300 TYPES OF CANS



IN-STORE OFFERS

TYPICAL STORE – AROUND 30 PRODUCTS OR 1/10 OF THE ONLINE ASSORTMENT



2

The UK market for nicotine pouches

A new product with a long history

Oral nicotine has long existed in various markets, such as chewing tobacco in the USA and traditional snus in Sweden. In the UK, it has primarily appeared in recent years in the form of nicotine pouches.

Who is the nicotine pouch consumer?

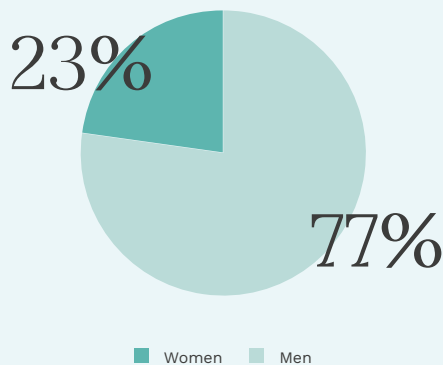
Nicotine pouches entered the UK market in 2019 and have since seen significant growth. In 2023, the number of cans sold increased by 82 percent on Haypp.uk and Northerner.com. Users of nicotine pouches span all ages, from 18 up to the oldest users nearing 100 years, and are found throughout the UK, from the English Channel in the south to the Scottish Highlands in the north. In 2023, the most cans per capita from Haypp.uk and Northerner.com were purchased in the North East and Greater London.

Men account for the most purchases but usage in women is increasing

Seven out of ten users (69 percent) consume nicotine pouches weekly or more often. Three out of four are men (77 percent) while women account for 23 percent of all nicotine pouch purchases in the UK. However, women’s usage is increasing faster and doubled in 2023 compared to 2022 (+98 percent), while men’s increase was “only” 80 percent.

Men dominate purchases of nicotine pouches

Share of nicotine pouch purchases in 2023, by gender



REGIONS WITH THE MOST CANS PURCHASED PER CAPITA FROM HAYPP AND NORTHERNER IN 2023 – TOP 5

Cans per capita in relation to the national average (index where the national average = 100)

1	North East	168
2	Greater London	164
3	Scotland	111
4	South West	102
5	South East	96

How much do we use nicotine pouches?

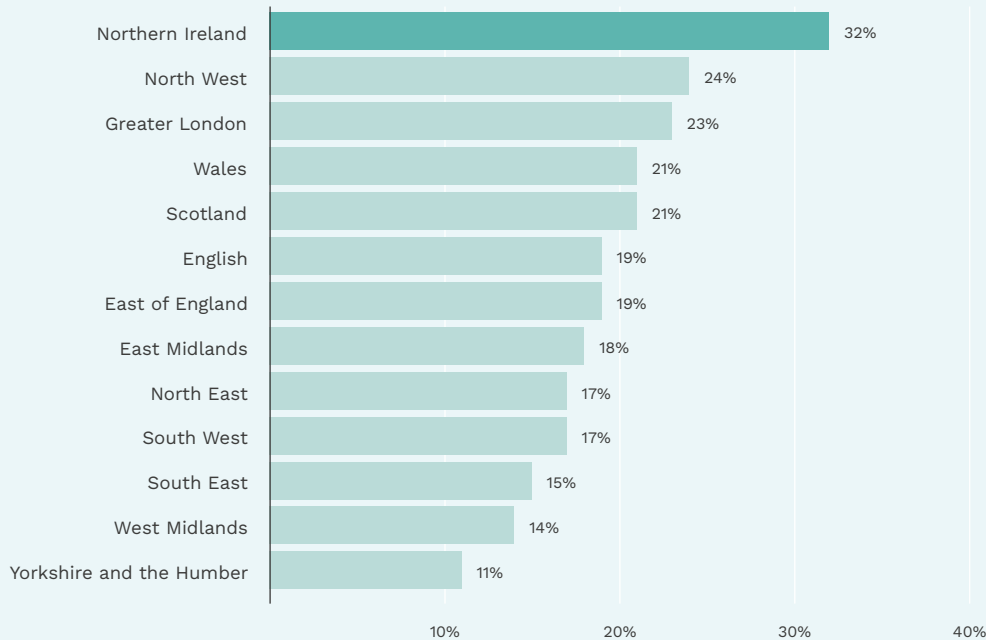
The average consumer of nicotine pouches uses three cans per week. The highest proportion of “high-frequency users” – those who use five or more cans per week – is found among men aged between 25 and 34 years. In Northern Ireland, the highest average usage is found at 3.5 cans, while the lowest average is in the North East at 2.7 cans. Northern Ireland also has the largest proportion of “high-frequency users” – one in three users (32 percent) reports using five or more cans per week.

Online, the average purchase is 13 cans per order, which lasts about a month. For many consumers, this monthly purchasing pattern creates predictability and awareness of costs, which can be particularly important during an economic downturn.

Just over a third (36 percent) stick to the same product over time, while the rest switch between two or more products. E-commerce has increased the ability to switch products for those who are less satisfied, as the range is larger and it is easy to find new varieties that suit an individual’s taste preferences or other desires.

The most common reason for regularly switching products (for 57 percent of users) is simply enjoying trying new varieties and brands. This reason for switching has increased by two percentage points since 2023. A change in behavior is also seen regarding price. In 2023, three out of ten (30 percent) stated that they switched between brands/products because it was too expensive to use their favourite product. Today (2024), the proportion is down to 22 percent. Consumers’ purchasing power may have begun to stabilize after recent years’ inflation shock and dramatic rise in living costs.

SHARE OF “HIGH FREQUENCY USERS” (CONSUMERS OF 5+ CANS PER WEEK)



THE AVERAGE USER OF NICOTINE POUCHES...

3 Consumes 3 cans per week

13 Orders 13 cans per purchase online

Why do we use nicotine pouches?

The most common reason for starting to use nicotine pouches is the user's ambition to quit smoking. Nearly six out of ten users of nicotine pouches (56 percent) cite quitting smoking as the explicit reason for starting to use nicotine pouches. This proportion is highest among men, 58 percent, compared to 49 percent for women.

Nearly eight out of ten users (78 percent) cite price, and just over seven out of ten (72 percent) cite taste as one of the three most important factors when choosing a product. The importance of price for the purchase has increased slightly (from 70 to 78 percent) over the past year, while taste has decreased in importance (from 77 to 72 percent). There has also been a shift (from 69 to 75 percent) indicating that nicotine strength has become somewhat more important.

For both men and women, price is the most important factor when choosing nicotine pouches, followed by taste and nicotine strength. Compared to men, taste is relatively

more important for women, while nicotine strength is relatively more important for men.

There are also regional differences. In Northern Ireland, price is the most important reason for nine out of ten (88 percent) when choosing a product, while an equally large proportion (87 percent) of nicotine pouch users in Yorkshire and the Humber prioritize taste the most.

What products do we use?

The largest brand in 2023 was Velo, followed by Nordic Spirit and Loop. Together, the three largest brands accounted for nearly half (45 percent) of all cans sold on Haypp.uk and Northerner.com during the year.

Velo took over the top spot, pushing Nordic Spirit down to second place. All the brands on the top list have shown strong growth, although some stand out more. Velo, Zyn, Helwit, Klint, Vid, and XQS are climbing the list.

MOST PURCHASED BRANDS IN 2023 - TOP 10

Ranking	Brand	Growth	Change compared to 2022
1	Velo	189%	+1
2	Nordic Spirit	115%	-1
3	Loop	48%	-
4	On!	64%	-
5	Zyn	142%	+5
6	Helwit	83%	+3
7	Klint	58%	+1
8	Vid	183%	+4
9	White Fox	21%	-2
10	XQS	226%	+6

Velo and *Nordic Spirit* are the best-selling brands among both men and women. The third place among women is held by the brand *On!*, while the third place among men is *Loop*. Women prefer *Helwit*, *Klint*, and *Skruf Super White* to a greater extent than men, while men rank *Loop*, *White Fox*, and *XQS* higher than women.

At the top of the most popular cans, the order has been reversed. Last year's third place, Velo Ice Cool Mint Strong Slim, holds the top spot and has pushed Velo Freeze Slim Strong down to second place. The brand Nordic Spirit has grown rapidly and had six different cans on the top-ten list, compared to 2022 when none of the brand's cans made the top list.

NICOTINE POUCHES, MOST PURCHASED BRANDS IN 2023 - TOP 10

Ranking	Women	Change compared to 2022	Ranking	Men	Change compared to 2022
1	Velo	+1	1	Velo	+1
2	Nordic Spirit	-1	2	Nordic Spirit	-1
3	On!	+1	3	Loop	-
4	Helwit	+4	4	On!	-
5	Zyn	+4	5	Zyn	+5
6	Klint	-	6	Helwit	+3
7	Loop	-2	7	Klint	+1
8	Vid	+3	8	Vid	+4
9	Skruf Super White	-6	9	White Fox	-4
10	White Fox	-	10	XQS	+5

MOST PURCHASED CANS 2023 - TOP 10

Ranking	Can	Change compared to 2022
1	Velo Ice Cool Mint Slim Strong	+2
2	Velo Freeze Slim Strong	-1
3	Nordic Spirit Mint Extra Strong	+13
4	Nordic Spirit Mint Regular	+22
5	Velo Freeze Max 17mg	+289
6	Loop Mint Mania Extra Strong	-4
7	Nordic Spirit Spearmint Extra Strong	+37
8	Nordic Spirit Mint Strong	+7
9	Nordic Spirit Spearmint Regular	+27
10	Nordic Spirit Bergamot Wildberry Strong	+18

Nicotine pouches are divided into four different strengths from “less intense” to “extra strong”. In addition, there is also a nicotine-free segment. Extra strong accounts for the strength in four out of ten cans (42 percent). “Normal” strength is the second most popular strength (accounting for 26 percent) and “strong” holds third place with a share of 23 percent.

Nicotine pouches are also divided into different sizes, from the smallest format “mini” to the largest, which is “large”. Slim is the most common format and accounts for the size in eight out of ten cans.

STRENGTHS 2023 – TOP 4

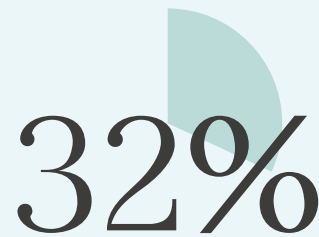
Ranking	Format	Share
1	Extra Strong	42%
2	Normal	26%
3	Strong	23%
4	Less Intense	8%

POUCH SIZE 2023 – TOP 3

Ranking	Format	Share
1	Slim	82%
2	Mini	16%
3	Large	2%

High innovation rate in a dynamic market

The pace of innovation within nicotine pouches is high. In 2023, four new brands and no fewer than 103 new cans were added on Haypp.uk and Northerner.com, meaning that one-third of the assortment consisted of new launches. The most popular among the newcomers was Velo Freeze Ultra 14mg. At the same time, many products disappeared as 13 brands and 153 cans were removed from the assortment. A total of 27 different brands and 319 different variants of cans were offered on Haypp.uk and Northerner.com in 2023.



Share of new launches within nicotine pouches

Many benefits with nicotine pouches

British users of nicotine pouches report several advantages compared to other nicotine products. Two-thirds (66 percent) state that nicotine pouches are more discreet and feel healthier (64 percent) than other nicotine products. Half (51 percent) also appreciate that nicotine pouches do not affect their surroundings.

The benefits users value most vary based on factors such as gender and age differences. Women consider nicotine pouches to be more discreet, taste better, and do not cause discoloration to a greater extent than men. Men, on the other hand, see more advantages in nicotine pouches feeling healthier and being cheaper compared to women.

WHAT ARE THE MAIN BENEFITS OF USING NICOTINE POUCHES COMPARED TO OTHER TYPES OF NICOTINE PRODUCTS?

	Total	Men	Women
It is more discreet	66%	66%	73%
It feels more healthy	64%	65%	61%
It does not affect others	51%	50%	52%
It costs less	40%	41%	33%
It tastes better	38%	37%	39%
It gives a better nicotine kick	25%	25%	27%
It does not discolour	17%	17%	20%

Taste is important!

A crucial difference between nicotine pouches and traditional nicotine products is that they do not contain or taste like tobacco, except in rare cases. Instead, a variety of other flavors are offered. The most common flavor of nicotine pouches is mint, which accounts for the flavor in six out of ten cans (59 percent). Berry and fruit flavors come in second and third place, respectively. “Coffee” and “Spices” climbed the flavor rankings in 2023.

TOP 10 MOST PURCHASED NICOTINE POUCH FLAVOURS (2023)

	Flavour	Change compared to 2022	Share
1	Mint	-	59%
2	Berry	-	14%
3	Fruit	-	9%
4	Citrus	-	7%
5	Coffee	+1	2%
6	Liquorice	-1	2%
7	Cola	-	2%
8	Spices	+2	1%
9	Traditional	-1	1%
10	Chili	-1	0,1%

The UK nicotine pouch map - a regional perspective

East of England - Testing

Over half (51 percent) use three different types of nicotine pouches, compared to 35 percent in the country as a whole.

East Midlands - Goes online

Four out of ten (42 percent) plan to buy more nicotine pouches online in the coming year, compared to 30 percent for the country as a whole.

Greater London - Loyal

Nearly half (47 percent) used only one type of nicotine pouch, compared to 36 percent in the country as a whole.

North East - Feel the best!

Virtually all of those who have switched from cigarettes to nicotine pouches feel better after the change.

North West - Switching from cigarettes to nicotine pouches

Six out of ten (60 percent) started using nicotine pouches as a way to quit cigarettes.

Northern Ireland - Heavy users of nicotine pouches

One in three (32 percent) consumes five or more cans per week.

Scotland - Bargain hunters

As many as 85 percent shop online instead of in-store because the prices are lower.

South East - Love online

Three out of four (75 percent) purchase nearly all their nicotine pouches (at least 90 percent) online.

South West - Discreet

Seven out of ten (67 percent) use nicotine pouches because they are a discreet option, compared to 58 percent for the country as a whole.

Wales - Attracted by the price

Eight out of ten (81 percent) state that an attractive price makes them try a new product/brand, compared to 71 percent for the country as a whole.

West Midlands - Attracted by new flavors

Over half (55 percent) are willing to try a new product if there are exciting new flavors, compared to 41 percent for the country as a whole.

Yorkshire and the Humber - Flavor-selective

Nine out of ten consumers consider flavor to be one of the three most important factors when buying nicotine pouches, compared to 72 percent for the country as a whole.

About Haypp Group

Haypp Group is a preeminent online retailer in the UK, selling nicotine pouches and smokeless nicotine products. Our platform, Haypp.uk boasts an extensive inventory exceeding 300 unique types of nicotine pouches. The 2024 Nicotine Pouch Report was produced in collaboration with Northerner.com. Our product range encompasses an eclectic mix of established and emerging brands and varieties. Once a purchase is made, the products are dispatched directly to your doorstep or mailbox.

Nicotine pouches are strictly for adults

As a digital marketplace for nicotine pouches and other nicotine products, we know we have a major responsibility for making sure minors don't get hold of products. This is why we adhere to strict regulations, especially around age restrictions for nicotine products.

At Haypp, we are committed to stopping young people from starting smoking; 9 out of 10 habitual smokers began smoking in their teens. By steering the next generation away from tobacco products, we significantly reduce the risk of them becoming smokers in their adult life. In line with our mission of inspiring healthier enjoyment for millions, Haypp actively collaborates with authorities, policymakers, and organisations to staunchly prevent the availability of all tobacco and nicotine products to underage individuals.



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