

# British American Tobacco Focuses on Vaping and Reduced-Risk Products

British American Tobacco (BAT) is making strategic moves to align with the growing demand for reduced-risk products. As part of its investment plans in new and expanding categories, including vaping, heated tobacco, and oral tobacco, BAT is set to cut approximately 2,300 jobs worldwide. This restructuring aims to position the company to better meet the ever-evolving needs of consumers, according to Jack Bowles, the Chief Executive Officer of BAT. The organization expects this step change to propel its goal of generating £5 billion in revenues from new categories by the year 2023/24.

## Investing in Emerging Categories to Meet Consumer Needs

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In the United Kingdom, BAT is preparing for the introduction of its latest innovation, the [Pod vape device](#), into retail stores. This device has already been made available to consumers online earlier this summer. Additionally, BAT recently launched two new heated tobacco products under its Glo range in Japan, although these products are not yet accessible in the UK.

Diverging from conventional cigarettes, the Glo range utilizes a heating mechanism instead of burning the tobacco. This approach is designed to produce no ash, emit less odor, and result in an aerosol that contains significantly fewer harmful substances compared to cigarette smoke, as stated by BAT.

## The Expanding Vape Market in the UK

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The vape market in the UK is experiencing remarkable growth, with an estimated worth of £1.4 billion, as reported by Ecigintelligence data provided by Blu. The country boasts a substantial vaper population of 3.2 million individuals, who, on average, spend £38 per month on vape products.

BAT's increased focus on vaping reflects the company's recognition of the shifting preferences and demands of consumers. By investing in innovative alternatives to traditional tobacco products, BAT aims to cater to the growing segment of individuals seeking reduced-risk options.

## Conclusion

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British American Tobacco's strategic decision to cut jobs globally and invest in emerging categories, including vaping, demonstrates its commitment to adapting to the evolving consumer landscape. As the demand for reduced-risk products continues to rise, BAT's actions position the company to meet consumer needs while aiming to achieve substantial revenue growth in the coming years.

### FAQs:

- 1. What is British American Tobacco's strategy regarding reduced-risk products?** British American Tobacco (BAT) is focusing on new and growing categories, such as vaping, heated tobacco, and oral tobacco, to meet the increasing demand for reduced-risk products. The company plans to invest in these areas and aims to generate £5 billion in revenues from these new categories by 2023/24.
- 2. What is the significance of BAT's job cuts?** The job cuts at BAT are part of the company's strategic realignment to better meet the evolving needs of consumers. By streamlining its operations, BAT aims to allocate resources more effectively and position itself for success in the growing market for reduced-risk products.
- 3. What are some of BAT's recent product launches?** BAT is gearing up for the launch of its new [vape brand](#) in retail stores in the UK. This device, which was previously available to consumers online, represents BAT's commitment to innovation in the vaping market. Additionally, BAT recently introduced two new heated tobacco products under its Glo range in Japan, showcasing its dedication to expanding its product portfolio.
- 4. How does BAT's Glo range differ from traditional cigarettes?** Products in BAT's Glo range heat tobacco instead of burning it, offering a different experience compared to traditional cigarettes. This heating method results in no ash, less smell, and an aerosol that contains significantly fewer toxicants than cigarette smoke. BAT's Glo range provides consumers with a reduced-risk alternative to traditional tobacco products.
- 5. What is the current state of the vape market in the UK?** The UK's vape market is thriving, with an estimated worth of £1.4 billion. It is home to approximately 3.2 million vapers who spend an average of £38 per month on vape products. This data highlights the growing popularity of vaping as a preferred alternative to traditional smoking and indicates the market potential that BAT seeks to capitalize on.

