

Market Research- Electronic Cigarette in India

Overview

A US firm mandated Ingenious to conduct market research for electronic cigarette in India by identifying the key players and their SWOT analysis.

Approach

In-depth assessment of electronic cigarette market structure and characteristics, market size (historical & forecasted), recent trends and market news and international regulations

Outcome

Our analysis helped the client to assess the opportunity in the market and effectively target potential customers in Indian market

Methodology

Key Technology Search

Data search on the market shares for existing players followed by patent landscape

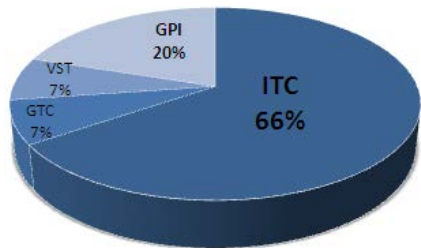
Expert Interviews

Discussions with >300 vendors and manufactures across India. Focus on key drivers & challenges, supply chain, pricing, key offerings and regulations in the market

Result Analysis

Results scrutinized to map key manufactures and importers, thereby identifying the opportunities in the market

Market Share



Key Insights

- Our analysis predicted the growth of E-cigarette market in India - CAGR of ~59.25 for 2014-2020.
- Online sale of E-cigarette will be main driver for the growth in this segment
- BAT, Philip Morris & Japan Tobacco have stakes in ITC, VST, Golden Tobacco and Godfrey Philips. These companies will be major players in this segment.
- We shortlisted key suppliers of E-cigarette from China which can influence the market. We reported their compound annual growth rate at 33% for 2014-2020 (for only China made E-cigarette)

SWOT of E-cigarette market/business in India

- S**
- Desire to quit smoking
 - Status symbol
 - Eliminated passive smoking
 - Availability of different flavors

- W**
- High cost
 - Use of tobacco
 - Lack of safe disposal methods

- O**
- Niche market in India
 - No strict government regulation
 - High CAGR predicted for over six years
 - Very high percentage of smokers (12% of the world's smokers)

- T**
- Skepticism among users
 - Unregulated Chinese players
 - Studies showing use of carcinogens (e.g. diethylene glycol)
 - Chances of new strict regulation by government