

Swedish Match to spotlight nicotine pouch brand ZYN in Dubai



Swedish Match's nicotine pouch brand ZYN will be on display at the MEADFA Conference this month

Swedish Match is set to expand in the travel retail channel with its nicotine pouch brand ZYN, which will be on show at this month's Middle East & Africa Duty Free Association (MEADFA) Conference in Dubai.

As part of its commitment to a world without cigarettes, Swedish Match has gone from a monopoly offering cigarettes to a market leader in the smokeless sector, manufacturing and offering tobacco consumers reduced risk alternative products.

In 1999 the company divested its cigarette arm on the domestic market, convinced that with snus and smokeless alternatives could conquer the market with products that are significantly less harmful than cigarettes.

ZYN, one of Swedish Match's nicotine pouch brands, is poised for rapid expansion in the travel retail sector after seeing great success in the domestic market.

In 2016, when Swedish Match began expanding the availability of ZYN nicotine pouches in the US, the brand was available in approximately 4,000 stores in the western US. By the end of 2020, ZYN was available in about 100,000 stores, making it the market leader for nicotine pouches in the US, which is the world's largest nicotine pouch market.

Now Swedish Match is ready to leverage its long and successful history as a producer of leading oral nicotine products to enhance its tobacco offer in travel retail and provide a lucrative opportunity for travel retail partners.

Johannes Varhelyi, Swedish Match Manager Travel Retail, said: “Nicotine pouches are the perfect addition to any retailer’s duty free tobacco offer. Far from cannibalizing sales, this innovative young category in the travel retail sphere can provide incremental growth within the sector.

“In recent years the tobacco sector has become increasingly complex, with big brands seeking to match more varied demands from consumers. Swedish Match is already an established leader in the provision of smokeless tobacco and nicotine pouches and we look forward to sharing that expertise with the wider global travel retail market.”

Untapped potential

The untapped potential for this category in travel retail is vast, noted Varhelyi. In the UK, nicotine pouches are the fastest-growing segment in the tobacco market (source: F Fernandez Consulting 2019). Sales volume grew by 220% in the past year and is predicted to increase seven times in the next four years, from 3 million cans in 2021 to 23 million in 2025.

Swedish Match predicts similar growth for the travel retail sector due to the products’ unique appeal for travelers. Traditional tobacco shoppers can buy nicotine pouches to use on the plane or in airports, where they struggle to smoke otherwise, thereby creating incremental sales without cannibalizing purchases of traditional tobacco products.

New innovations for the Middle East

The company’s focus on the travel retail sector will begin with its upcoming expansion in the UAE.

Given that the Middle East is a key market for the tobacco sector, Swedish Match will unveil its latest innovations at the MEADFA Conference in November.

To mark its arrival in MEA travel retail, the ZYN brand will showcase the recently launched flavor: Bellini. The product, which will be on show at the company’s stand at the MEADFA Conference, joins ZYN’s core range including Cool Mint, Espresso, Citrus and Spearmint.

Varhelyi added: “We at Swedish Match are dedicated to championing and leading the smokeless sector and helping to build and expand this as a new category in travel retail and duty free, beginning right here in the UAE. We look forward to seeing you at the MEADFA Conference and sharing our vision with you.”

Swedish Match will be a Diamond Sponsor at the MEADFA Conference at the Jumeirah Creekside Hotel, Dubai, from November 21-23.