

THE EFFECT OF COVERT ADVERTISING ON BRAND PATRONAGE

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ABSTRACT

The use of covert advertising in film production is an emerging brand communication strategy in the Nigerian society. In this advertising strategy, it integrates an advertiser's product into movies and TV shows on-screen visibility; it involves the inclusion of a product, brand name or the name of a firm in a movie for increasing awareness of the brand and instant recognition at the point of purchase. This paper examines the effect of covert advertising on brand purchase, using the movie 'Letter to a stranger'. The study also examined if the products advertised were noticed; their level of awareness as well as if the placements contributed to the patronage of the product towards the advertised products. The paper suggests that Nigerian movie producers and advertisers should work together to create more placements in Nollywood movies, but these placements should be creatively done so as to be able to recapture the hearts of many Nigerians.

Keywords: Covert, Advertising, Brand, Purchase, Preference and Nigeria.

INTRODUCTION

In the world of business, a lot of consumers are exposed to numerous advertising messages that come their way through various media; hence advertisers have developed covert advertising strategy, which is seen as a hybrid form of advertising. It is believed by many that this medium is more powerful than traditional advertisements because the advertised products appear natural to many audience members who may not realize that this is another form of advertising, but because they have seen their favorite actors or actresses use that particular product they consciously or unconsciously believe in the brand name and then go for it. Ross and Andrews (2005) have observed that the continuous bombardment of consumers with overt marketing communications has made them so accustomed to such messages that most consumers are now skeptical of marketing messages, hence ignoring them.

Covert advertising is one major form of brand communication which allows the advertiser communicate a salient message to the audience, it gives an opportunity to develop an ongoing relationship between a consumer and a brand. The concept of covert

advertising is aimed at having consumers pay attention to the communication but not realize that it is an advertised message that they otherwise might ignore, the advertiser here also tries to make the disguise appear material to consumers (Russel, 1998; Stephen, Pola & Sonja, 2000; Rotfed, 2000). The embedding of products in a movie simply means placing particular products in such a 'natural' way that the audience would feel that it is perhaps a mere coincidence. The embedded product(s) would be used by all the characters in the movie or could be favorably mentioned times without number, for example in *Casino Royale*, a Hollywood movie all the characters made use of Sony Vaio laptops, Sony Ericsson phones and Bravia television sets; also in Nollywood's *Modupe Temi*, an indigenous movie, *Nasmalt* was the only drink the characters took and they also made favorable mention of it in the course of the movie. Therefore it takes a very attentive audience who pays attention to details to be able to know that information is being passed across.

There have been quite a number of researches as to whether or not advertising influences purchase, but this paper examines the role of covert advertising in promoting patronage for a product (MTN). In addition, the

study seeks to determine if covert advertising contributes to the preference level of individuals towards MTN services.

1. The movie: Letters to a Stranger

Letters to a Stranger, is a Nollywood movie produced from the stable of project Nollywood in association with Ecobank. It was produced by Fred Amata, it has Genevieve Nnaji, Fred Amata, Yemi Blaq, Ibinabo Fiberesima, as major characters, the movie also have guest star, such as Dapo Oyebanji ('D'banji') and a new character Elvina Ibru.

This movie centers around Jemima Lawal (Genevieve Nnaji), a management consultant and Frederick (Fred Amata), they were both lovers but they are presently separated due to some misunderstandings. This separation gets to her and it affects her work as well, her boss notices that she is not doing too well at work and he sends her on a compulsory leave which is supposed to last for 31 days.

After much pressure, Jemima goes to Lagos with her friend Tare (Elvina Ibru), while in Lagos she intends to call her sister Kemi (Ibinabo Fiberesima) through the 'MTN happy hour' but she dials a wrong number which puts her through to Sadiq (Yemi Blaq). All these calls were made through Motorola phones, each time any of the characters phones rang; the Motorola ring tone, 'hello moto' is heard or the MTN slogan, 'everywhere you go'.

This movie was chosen because of the unique storyline, the excellent characterization and the use of covert advertising in promoting MTN, which is a telecommunication service provider. It is unlike other Nollywood movies, the producer was able to bring a new dimension to the already streamlined pattern of all Nigerian films which now talk about love and nothing else; all these make the movie gain a lot of attention among Nigerians.

2. Objectives of the study

- To determine the level of awareness of individuals to covert advertising.
- To determine if covert advertising actually increases brand preference of individuals towards the product

(s) that is being advertised.

- To determine if covert advertising would contribute to brand patronage of the products

3. Hypotheses

H¹: There is a significant relationship between the exposure of covert advertising and patronage for MTN services

H²: There is a significant relationship between the awareness of covert advertising and preference for MTN services.

4. Covert Advertising and Product Placement

Covert advertising involves the use of product placement in brand communication. According to Stephen, Pola & Sonja (1997: 37), 'Product placement in movies involves incorporating brands in movies in return for money or some promotional or other consideration'. This kind of placement also involves placement in other media such as television, it has been viewed as a hybrid of advertising and publicity. In other words, it is arranging a company's products to be seen or referred to in the media such as during television programs and cinema films. Let's take a look at the extract below

Kemi: (standing up to take her leave). I have Tari's number, so I will call you tonight.

Jemima: Na true

Kemi: Or no you call me, it's free calls

Jemima: Na true

(they both bet on who calls first, and place a price of 1,000 naira on it.)

Jemima: You owe me 1,000, starting from tonight.

Kemi: Call me o! MTN is free

This is not the script of a television commercial for MTN but rather, an excerpt from one of the scenes of the Nigerian Movie, Letters to a Stranger, which was produced by Fred Amata. This is an example of covert advertising as discussed by Stephen, Pola & Sonja (1997). Here, advertisers use subtle means to reach potential consumers with a recognizable marketing message but through unconventional means.

Russell, (1998:307) categorizes covert advertising along

three dimensions in product placement: visual, auditory and plot connection. The visual dimension refers to the appearance of the brand on the screen. Screen placements can have different levels, depending on the number of appearances on the screen, the style of camera shot for the product. The second dimension is auditory or verbal, and it refers to the brand being mentioned in a dialogue. Such "script" placements also have varying degrees, depending on the context in which the brand is mentioned, the frequency with which it is mentioned, and the emphasis placed on the brand name (tone of the voice, place in the dialogue, character speaking at the time, etc.). Finally, the plot connection dimension refers to the degree to which the brand is integrated in the plot of the story. 'While lower plot placements do not contribute much to the story, higher plot placements constitute a major thematic element' (Russell, 1998: 308). Taking a major place in the story line or building the persona of a character. A mere mention of the brand or a brief appearance of the product on the screen would be considered lower plot.

Although limited in number, all empirical studies of covert advertising to date measure the effectiveness of product placements in terms of how well they are remembered (Stephen, Pola & Sonja, 2000: 41). This reliance on brand recall and recognition measures presumes that the effects for memory are similar to the effects for attitude. However, the absence of correlations between memory and attitude measures often found in the persuasion literature challenges this assumption and suggests that the memory-attitude relationship is not necessarily linear.

So far, the advantages of covert advertising have been discussed, but in a bid to critically examine the two sides of the coin, this paper also look at the negative aspect. A typical product placement involves only a brief view and perhaps use of a product in passing as part of entertainment. The characters do not praise the product or mention anything about its performance or attributes. To date, research indicates that these placements may not even be consciously perceived or remembered by consumers, but they might still have an emotional impact on purchasing decisions. However, the biggest problem

with the use of covert advertising in product placement is that the placement may go unnoticed by the viewers. Some people pay so much attention to the movie that their attention needs to be called to the use of the product and for its appearance to register. Another concern is that advertisers have no idea whether the movie will be a success or a failure while they negotiate a contract for placement; if the movie does not turn out as expected, it will affect the brand image (Stephen, Pola & Sonja, 2000; Morton, 2002).

In the long run, product placements in covert advertising can work, but that does not mean that they will work in any specific case. A positive brand image does not necessarily translate into sales. Most covert advertising efforts are undertaken with professional uncertainty of whether they will work, and the activities usually defy pragmatic measurement of their impact (Russel, 1998; Morton, 2002).

5. Method

For this exploratory study, a survey was carried out in February, 2009 using the sample of Covenant University registered for the 2008-2009 academic session. All the Colleges in the University were first of all divided into three broad groups with the use of stratified sampling technique. These groups were the College of Human Development, College of Science and Technology and the College of Business and Social Science. A Department was then selected from each College with the use of simple random sample. The Department of Electrical Engineering was selected from the College of Science and Technology; the Department of Mass Communication was selected from the College of Human Development, while the Department of Accounting was selected from the College of Business and Social Sciences. A sample size of 378 was derived out of a population of 7000 undergraduate students of Covenant University with the use of sampling formula i.e. $n = N / (1 + N(e)^2)$ where N is the population size, which is 7000 undergraduates, e^2 is error margin (level of significance : 0.05), which is 0.0025 and n is the sample size. Questionnaire was used as an instrument of data collection and the data was analyzed with the use of cross

tabulation and chi square using SPSS i.e. the hypotheses were tested using the Chi Square Test of Independence at the 5% level of significance (i.e. $\alpha = 0.05$). Chi Square Test of Independence was used because it is a standard measurement test instrument. Secondly, it is used to establish relationship between two variables or establish independence. Also, the Chi Square test result were further subjected to the Somer's d directional measure and symmetric measures so as to determine the strength and nature of the relationship using a Statistical Package of Social Sciences (SPSS).

6. Result

The administered copies of questionnaire were used to obtain information from respondents, a total of 307 copies of questionnaire were returned out of 378. The copies of the questionnaire which were adequately filled formed the basis for this analysis. The data gathered will be represented in tables and charts, which shows the various categories, frequencies and percentages based on the responses of the respondents. Taking a look at the demographic response of the respondents, 79 respondents were male representing 25.7% while 228 were female representing 74.3% of the total respondents. The age distribution revealed that 84 of the respondents were between the ages of 15-18 with 27.4%, 202 respondents were between the ages of 19-22 with 65.8% and 21 respondents were between the ages of 23-25 with 6.8%. At the college level, 170 respondents (55.4%) were from college of science and technology, while the remaining 137 respondents (44.6%) were from college of development studies.

The Table 1 reveals that a greater majority of the respondents have watched the movie Letters to a Stranger, 92.8% are in this category. This result shows that majority of the respondents were exposed to the movie.

Table 2 reveals that majority of the respondents (54.4%) are MTN subscribers, it was important to find this out because purchase precedes loyalty, so if people are not subscribers of this network, there will be no point talking about loyalty. The missing system here refers to those who were unable to provide answers to this particular question

because they have not been exposed to the movie. This leads us to the Table 3 which shows the number of respondents who use Motorola phones. Table 3, it reveals that only 13.7% of the respondents use Motorola phones, thus we can barely test for their loyalty because majority of the respondents do not use the product, however even when the respondents do not make use of Motorola brand they are still able to identify it as one of the advertised brands in the movie. This leads us to the next table which confirms this statement.

Table 4 reveals that 83.4% of the respondents identified Motorola as the advertised brand in Letters to a Stranger, even when statistics in the above table (4.4) has shown that only 13.7% of the respondents use Motorola phones, a greater percent of the respondents are able to identify the Motorola brand even when they are non-users of the brand.

Table 5 reveals that 79.2% of the respondents actually noticed the presence of MTN in Letters to a Stranger, the missing system in the above table refers to those that did not give an answer to this particular question, it was

Responses	Percent (%)
Yes	92.8
No	7.2
Total	100.0%
N=307	

Table 1. Respondents who have Watched 'letters to a Stranger'

Responses	Percent (%)
Yes	54.4
No	38.4
Total	92.8
Missing system	7.1
Total	100.0%
N=307	

Table 2. Respondents who are Mtn Subscribers

Responses	Percent (%)
Yes	13.7
No	79.1
Total	92.8
Missing System	7.1
Total	100.0 %
N=307	

Table 3. Respondents who use Motorola Phones

Responses	Percent(%)
Nokia	7.8
Motorola	83.4
Samsung	.7
Total	91.9
Missing system	8.1
Total	100.0%
N=307	

Table 4. Frequency Distribution of Respondents that can Identify the Advertised Brand of Phone

Responses	Percent(%)
Yes	79.2
No	13.0
Total	92.2
Missing system	7.8
Total	100.0
N=307	

Table 5. Respondents who Noticed the Presence of Mtn in the Movie

represented by 7.8% of the respondents, 13% of the respondents did not notice the presence of MTN, this means that this category of people might have only paid attention to the story.

7. Test of Hypothesis

Hypothesis one

There is a significant relationship between the exposure of covert advertising and patronage for MTN.

Hypothesis two

There is a significant relationship between the awareness of covert advertising and preference for MTN

8. Discussion

This study set out to examine the effect of covert advertising on brand purchase, the focus was on Letters to a Stranger; a Nollywood movie. As earlier stated, the sample size for this study was 307 respondents among undergraduate students of Covenant University, out of which 92.8% of them had been exposed to the movie; this study was therefore based on this 92.8% who had been exposed to this movie.

From data presented in Tables 1,2,3,4 and 5, it was obvious that many of the respondents noticed the MTN and Motorola placements in this movie, although a

greater majority of the respondents noticed it by themselves. This result has confirmed what Bullen (2009:497) says when she says 'screen texts are routinely used to promote a range of disparate brand name items via cross selling and product placement'. He further explained that this method of advertising has contributed to the hybridization of entertainment and advertisement.

Hypothesis one was analyzed with the use of Chi Square and Somer D directional measure, which was presented with Table 6.1 and Table 6.2. Table 6.1 shows the chi-square measures test, it tests the hypothesis that the row and column variables in a cross tabulation are independent. A low significance value (typically below 0.05) shows that there may be some relationship between the two variables. In this case, the asymmetrical values are .000, .000 and .000, all values are less than 0.05, thus it can be said that there is a relationship between the respondents' awareness to covert advertising and patronage towards the advertised brand. Table 6.2 shows the Somers'd directional measure, Somers'd is an ordinal directional measure that indicates the significance, strength and direction of the relationship between the row and column variables of a cross tabulation. From the table, the approximate significance has 0.00, which reveals there is a relationship. Also, the values are all less than 1 i.e. .225, .228, .222, which indicate the relationship is a weak one. However, all the

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi - Square	35.275 ^a	16	.000
Likelihood Ratio	33.304	16	.000
Linear-by-Linear-Association	16.377	1	.000
N of Valid Cases	283		

a. 12 cells (48.0%) have expected count less than 5. The minimum expected count is .04.

Table 6. Chi Square Test

	Value	Asymp. Std. Error(a)	Approx. T(b)	Approx. Sig.
Ordinal by Ordinal	.225	.052	4.245	.000
Symmetrical	.228	.052	4.245	.000
how often Dependent	.222	.052	4.245	.000
patronage level Dependent				

a Not assuming the null hypothesis.

b Using the asymptotic standard error assuming the null hypothesis.

Table 7. Directional Measures

values are positive, which makes the relationship a positive one. In essence, there is a relationship between the exposure of covert advertising and the patronage of MTN. though; this relationship is a weak and positive one. This means covert advertising is gradually becoming effective in contributing to the purchase of goods. This result affirms what Yang & Roskos-Ewolden (2007: 472) state in the article, 'The effectiveness of brand placements in movies: levels of placements ,explicit and implicit memory, and brand-choice'. The authors stated that covert advertising in TV shows and movies are gradually becoming more commonplace that 'my kids now cynically take note of them whenever they appear'. He also states that nearly every household has a DVR allowing viewers to fast-forward through commercials, advertisers are relying more and more heavily on product placement to show off their wares, this also relates to the Nigerian scene, in many Nollywood movies, there are so many commercials that many a times the viewers just tend to skip them thus defeating the purpose of the advertisements but gradually Nigerian movie makers and advertisers now rely on product placement to display their brands.

Hypothesis two was analyzed with the use of Chi Square and Somer D directional measure, which was presented with Tables 8 and 9. Table 8 shows the chi-square

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi - Square	18.486 ^a	3	.000
Likelihood Ratio	19.208	3	.000
Linear - by - Linear Association	15.473	1	.000
N of Valid Cases	282		

a. 3 cells (37.5%) have expected count less than 5. The minimum expected count is .71

Table 8. CHI Square Test

	Value	Asymp. Std. Error(a)	Approx. T(b)	Approx. Sig.
Ordinal by Ordinal				
Somers' d				
Symmetric	.218	.047	4.141	.000
I noticed the presence of MTN Dependent	.154	.037	4.141	.000
I prefer MTN services Dependent	.378	.079	4.141	.000

a Not assuming the null hypothesis.

b Using the asymptotic standard error assuming the null hypothesis.

Table 9. Directional Measures

measures tests, it tests the hypothesis that the row and column variables in a cross tabulation are independent ,a low significance value (typically below 0.05) shows that there may be some relationship between the two variables. In this case, all asymmetrical values are .000, which is less than 0.05 at a degree of freedom (df) of 3 with a linear association of 15.473. From the results, it can be said that there is a strong relationship between the two variables. Table 9 shows the somers'd directional measure was carried out to indicate the significance, strength and direction of the relationship between the row and column of a cross tabulation. Somers'd is also appropriate when both variables are ordinal, categorical variables. A low significance value (typically less than 0.05) indicates that there is a relationship between the two variables. In this hypothesis, the values are .218, .154, .378 which are all positive values. We can therefore say there is a relationship between the exposure of covert advertising and preference for the advertised product.

Conclusion

In the world of brand and marketing communication, covert advertising performs a pivotal role in promoting brand purchase. The role of covert advertising in product placement is very essential for any firm that wants to engage in the selling or transaction of goods and services in the society. Beside the persuasive nature of advertising, covert advertising exerts information that reinforces brand values as well as projects goods or services to a particular target audience in an excellent light, in which consumers become favorably disposed to a product.

Recommendations

Based on the findings of this study, it has been observed that covert advertising, on the global scene is now taking a new form as advertisers combine efforts with movie makers to show case their products. The following recommendations are thereby suggested.

- Advertisers must ensure that the overall goal of their product or service is promoted in an excellent light through the appearance of the brand on the screen and integration of the product in the story line. Screen placements can have different levels, depending on the

number of appearances on the screen; the style of camera shot for the product must be creatively done. Also, the degree to which the brand is integrated in the plot of the story helps to promote the features and values of the brand.

- On the part of the movie producers, they must ensure that the storyline is good, because the movie is the first point of attraction. It is after the audience has been exposed to the movie that they can notice the placements. The creativity of the movie maker is also very paramount because the placements must be in consonance with the story line. It is also to be noted that a good placement is a bonus to the movie makers because it affects the artistic and creative direction of the movie as different brands or products are accommodated for the different products within the dialogue or shots on location.

- Finally, Advertisers should also note that covert adverts are not only done in movies, they could also be done in television programs, series, books, video games, etc. This would introduce a new form of advertising products or services in Nigeria and it might also be able to recapture the hearts of many people who might have given up in the use of advertising as a brand communication strategy in Nigeria and other developed countries.

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