Influence of Marketing on Tobacco Consumption Behavior in Rural and Urban Areas of the Southwestern Region of Nigeria

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Abstract

Tobacco industries has always shown much interest in marketing their line of products and have been very successful in portraying smoking as a socially acceptable behavior to billions of people throughout the world. Studies have shown in developed nations that tobacco marketing leads to the onset of smoking among adolescents; in Nigeria no such study has been done. The purpose of this research is to assess the potential influence of tobacco marketing on tobacco consumption among rural and urban residents in the southwestern region of Nigeria.

The survey was designed by the researcher in which thirty-six items, self-administered paper instrument using a cross-sectional design was administered to six hundred people in southwestern Nigeria. The study involved 436 males (72.7%) and 164 females (27.3%). Of these, 336 came from rural areas and 264 came from urban areas respectively. Some 337 respondents (56.2%), indicated that they were influenced by tobacco marketing to smoke, while 263 (43.8%) indicated that they were not influenced. Chi square statistic was used to test the null hypotheses. The result shows a positive significant relationship that supports the notion that tobacco marketing has a positive influence on tobacco consumption in the study areas. This study also revealed that more males in the urban area are being influenced more by tobacco marketing to smoke.

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This is dedicated to God Almighty, who gave me the power to complete this project. Also to my family members whose love and acceptance have helped turn this once lifelong dream into a shared reality. To my wife of twenty-two years (and still counting strong), thank you for the true love you have shown me. The completion of this education landmark would not be possible without the acceptance and love of my children – Oluseyi, Olusola, and Olajumoke. Thank you all.

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CHAPTER ONE: THE PROBLEM

Introduction

Tobacco was first introduced to Africa in 1560 when the Portuguese and Spanish merchants shipped the leaves to East Africa from where it spread to Central and West Africa. By the 1650's, European settlers were already growing tobacco in South Africa. Tobacco leaves are primarily used in making cigars, cigarettes, snuffs, and other products. Tobacco products contain small quantities of nicotine in them (Mackay & Eriksen, 2002).

The tobacco industry is one of the more widespread industries globally on earth. Cigarettes are the most widely traded product in the world, and more than a trillion "sticks" are traded internationally each year (Schapiro, 2002). The tobacco industry, however; is surrounded by numerous controversies, ranging from nicotine contents in their products, to the issue of consumer addiction to smoking, and the loss of lives attributed to smoking via different types of cancers and other vascular diseases. According to Brown (2006),

> Nicotine is highly addictive, and while no one has studied the effect
> of the increases on smokers, the higher levels theoretically could
> make new smokers more easily addicted as well as make it harder
> for established smokers to quit. (p.1)

The tobacco industry has been able to successfully appeal to youth and adolescents to consume their products specifically through the instrument of marketing. Notably, British American Tobacco Company and Philip Morris were found to have utilized a combination of marketing strategies and mass advertising

to infiltrate the market with their products and they were found to have provided financing terms that were favorable for distributors in exchange for an advantage in the market.

Smoking tobacco has been found to be the worldwide chief cause of preventable death, per the World Health Organization (WHO). This same organization reports a daily total of approximately 13,500 deaths stemming from tobacco-related illness and an annual 4.9 million people dying from deaths related to the use of tobacco products. This annual tobacco-related death rate is projected to increase, with an estimate of around ten million people dying from tobacco-related disease by 2030. Tobacco-related deaths include several different types of illness, including lung disease, cancer, and cardio-vascular disease. Without any intervention, it is anticipated that the increase in deaths from smoking and tobacco-related illnesses will continue its path and it is projected that by the end of the twenty-first century, there could be as many as one billion people dying from tobacco-related illnesses globally (Peto & Lopez, 2000). About 2.43 million deaths related to the use of tobacco occurred in developed countries in 2000 and in the same year, there were 2.41 million tobacco-related deaths in countries classified as "developing" (Ezzati & Lopez, 2003). The WHO reported that the impact on developing countries of smoking could be particularly devastating when compared to developed countries. The same organization also indicated that the proportion of people dying of tobacco-related illnesses would increase in developing countries as opposed to developed countries, with 70% of tobacco-related deaths occurring in developing countries by the year 2030. In spite of the

seriousness and lethality of the global epidemic of tobacco use and the consequences to global health, especially in developing nations, the majority of research regarding tobacco products has been limited to developed countries (WHO, 2004).

The theory of the economy relies mainly on the principle of the rational agent. The rational expectations theory in macro-economy and the rational consumer and game theories in micro-economy assume the common knowledge of rationality. An economist's ability to model human behavior hangs on the general assumption that economic agents will behave in a predictable way. There is abundance evidence that shows that consumer decisions about tobacco consumption obey the law of demand, whereby, when prices of tobacco products go up, the amount consumed falls (Ross & Chaloupka, 2002). The general assumption is that humans will act in their best interests. Despite this assumption, consumers under observation are making choices that do not promote their welfare or best interest.

The consumption of cigarettes, alcohol, and drugs will have adverse effects on human life. In addition, the consumption of these products could lead to addiction as once the product is consumed on a regular basis, it will become very hard to stop consuming the product as the side effects build up. Ironically, the side effects of these products are common knowledge. In view of this, consumer myopic theory is proposed, (i.e. consumers are blind to the future). This analysis further provides evidence on a theory that examines addiction and equally maintaining consumer rationality. Consumers, when making a choice, consider all

available information in order to make a choice that they believe will maximize

utility. This theory is called rational addiction and was initially proposed by

Stigler and Backer (1977). A paper presented by Becker and Murphy (1988),

revealing the dynamic optimization model followed this line of thinking. The first

empirical work providing details on derived demand equations for cigarette

consumption was proposed (Chaloupka, 1991). This dissertation focuses on the

influence of marketing on tobacco consumption behavior in the southwestern

region of Nigeria, by comparing consumption rates in urban and rural areas.

According to the U.S. Department of Health and Human Services

(USDHHS), there are now more than 70,000 scientific articles that link smoking

with a pervasive range of health problems (USDHHS, 1994). Studies performed

in China recently relating to epidemiological issues summarize the magnitude of

the tobacco epidemic (Zhang, Wang, Zhao, & Vartiainen, 2000; Richard,

Zhengming, & Jillia, 1996; & Lam, He, Li, Li, He, & Liang, 1997). The

consumption of tobacco products, including cigarettes, has been found to be the

world's primary preventable cause of death, and it is estimated that globally 5

million deaths occurred in 2003, with the majority of these deaths occurring in

poor countries and with poor populations (Ezzati & Lopez, 2000). As of today,

there are approximately 1.3 billion smokers worldwide and by 2025 it is estimated

that there will be 1.7 billion smokers if the current trend continues (Guindon &

Boisclair, 2003). Despite the increasing evidence that tobacco use is associated

with various diseases, many governments still fail to act because of fears that

tobacco control interventions might hurt their country's economic development

In recent years, cigarette makers are faced with intense criticism and pressure as industry documents began to emerge indicating that the companies knew more about the hazards and addictiveness of smoking than they had revealed to the public. Some of these documents were used in the recent smokers' lawsuit in Florida, in which a record $145 billion in punitive damages was awarded against the industry. Much less information has to come to light about the industry's activities overseas.

Efforts by the WHO to combat smoking around the globe are being undermined by the tobacco industry that has been waging a sophisticated, secret campaign for years against the claims of the agency. Kaufman (2000) indicated that other United Nations-affiliated agencies are being pit against WHO to discredit the world health agency and have its budgets cut, and also by supposedly hiring an independent expert to grossly distort findings from research that had previously been conducted into the effects of tobacco. Kaufman (2000), gives the example that in 1993 WHO learned that its funding from the Japanese fund would be cut to $300,000 from its original $600,000 for the 1994-1995 year and then, in 1995, the fund was completely eliminated and the money was shifted to the leprosy program run by the WHO.

A study by the World Bank indicated that with 11% of the world's population, Africa accounted for 2% of the world's total cigarette consumption. Average consumption of cigarettes per person 15 years and older in 1999 was only 16 packs. Despite the many countries that make up the continent and the large population encompassing these countries, little is known about this region in

terms of tobacco usage. Smoking prevalence is not very different among African countries, ranging from 9% in Nigeria to 49% in Kenya. Overall, about 21% of adult populations in the region are smokers, and the average annual consumption for these smokers was 16 packs in 1999 (World Bank, 2001).

<div align="center">Problem Background</div>

Tobacco companies were found to be very successful in promotion and marketing strategies in developing countries. Cigarettes are the one most highly promoted and advertised product in America (Tye, Warner, & Glantz, 1987). Between 1975 and 1983, the total spent on cigarette promotion increased from $490 million to $1.9 billion (FTC, 1986). Major health organizations have proposed the total elimination of advertising and promotion of tobacco products. They argue that this would decrease consumption, thereby reducing tobacco-induced disease and death. Studies showed that the majority of smokers begin at a young age, with around 60 percent starting before they turned 13 years old (Johnston, O'Malley, & Bachman, 1995), and a total of 90 percent starting before the age of 20 (CDC, PHS, 1986). Studies have further shown that advertising increases the rate of tobacco consumption (Borden, 1942; Telser, 1962; Simon, 1968; Peles, 1971).

Statistics such as those noted above become even more sobering when one sees that in order to simply maintain the size of the current smoking population, there would need to be more than 5,000 young people, including children and teenagers) to start smoking each day. The market segment of middle-aged male smokers has been shrinking as health-conscious adults, particularly those with

higher education levels, have quit smoking in large numbers. The market segments of young females and some minorities, on the other hand, have been recognized as growth sectors by the industry, and account for a large proportion of advertising and promotion expenses (Sobczynski, 1983; Englander, 1986).

Advertising and promotional expenditures could influence individual tobacco company profits by redistributing market share or by preventing the erosion of market share to competitors. They could also increase total industry sales, thereby increasing the potential profitability of all tobacco companies regardless of their market share positions. Industry sales could increase by the attraction of new smokers, the retention of smokers who might otherwise quit, or by increasing the daily consumption by existing smokers. It is largely accepted by empirical evidence, including econometric studies and examples of promotional expenditures being serially correlated with changed demand within the target market, that the total consumption of tobacco products is increased by cigarette and tobacco product promotion and advertising (Cox, 1984; Warner, Ernster, Holbrook, Lewit, Pertschuk, Steinfeld, et al., 1986).

These studies do not consider non-advertising promotional activities like event sponsorship and product "give-aways", the use of which has been increasing at a much faster rate than advertising in recent years. Nor do they consider the constantly changing advertising themes used by cigarette advertisers as they strive to reposition their brands to tap new market segments. If, despite these methodological difficulties, econometric studies detected a measurable influence of advertising on increased demand, it can be inferred that there is a

certain degree of advertising elasticity in the demand for cigarettes, and that the more advertising there is, the more cigarettes will be smoked. One of the major reasons given for ending tobacco advertising and promotion is that they increase tobacco use by young people. Many of the lifestyles glamorized in cigarette advertising today, like motorcycle and automobile racing, surfers and beach parties, as well as hang-gliders and mountain climbers, are those most aspired to by adolescents. The control of tobacco promotion and advertising is a pivotal policy area in the effort to prevent adolescent smoking (Biener & Siegel, 2001).

According to Pierce, Choi, Gilpin, Farkas, and Berry (1998), it has been found that adolescents classified as "non smokers" who are exposed to cigarette or tobacco product advertisements to the point that they can identify specific advertisement are the most likely to become smokers. Exposure to tobacco promotional campaigns and ownership of promotional items such as clothing with cigarette brand logos are associated with greater susceptibility to and actual use of tobacco (Altman, Levine, Coeytano, Slade, & Jaffe, 1996). As a result of these findings and other evidence linking tobacco marketing activities to youth smoking initiation, there has been widespread support among public health advocates for legislated controls on tobacco advertising and promotion (Lu, Mackay, Niu, & Peto, 2000). Therefore, environmental policy pertaining to controls on tobacco marketing in the remaining sectors of the world is in significant transition (Braveman & Aaro, 2004).

According to one researcher,

The battle over the advertising and marketing of tobacco products

ranks as one of the main fronts in the war between the tobacco

industry and the public health community over the last 20 years,

around the world. (Connolly, 2002, p. 64)

Depending on the organization, perceptions of the marketing functions may differ. Fast moving consumer goods (FMCG) companies, dependent on building relationships with consumers and securing their loyalty, tend to place great value and expectation on the marketing team and brand building and innovation are high on the Chief Executive Officer's (CEO) agenda. Since marketing is an engine of growth, it must prioritize innovation. Innovation, as an extension of marketing, is necessary to create organic growth and must be inextricably linked to brand strategies. This requires a hard-nosed, venture capitalist perspective, where consumers pay as much attention to the economics of the business.

The extent to which tobacco advertising influences tobacco use or consumption has been studied in industrialized nations, including the United States. There are very limited studies on the same issue; however, in developing nations, such as Nigeria.

Purpose of the Study

The use of tobacco products and in particular, cigarette smoking (CS) remains a significant health risk factor worldwide, contributing to the death and illnesses rates of cardiovascular and respiratory systems worldwide (Ambrose, &