

Misplaced Marketing: Guerrilla Marketing of Tobacco/ Cigarettes to Children in Africa

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This paper investigates how marketers of harmful products have managed to remain on the right side of the law by engaging in guerrilla marketing tactics (notably below-the-line promotional strategies) as distinct from the conventional above-the-line promotions (advertisement). We define misplaced marketing as the marketing of socially hazardous products to vulnerable groups such as women and children. Taking the marketing of tobacco products as a point of departure, we highlight the marketing antics adopted by big players such as British American Tobacco (BAT) in encouraging smoking amongst vulnerable groups (especially children) in Africa. Although the ban on tobacco smoking in public places has spread across the developed world and many other parts of the developing world including Africa, the impact in the latter case remains to be seen as children as young as eight years old have easy access to cigarettes which is supposedly 'cheaper than biscuits.' In the light of the above, we investigate themes such as the (i) issue of accessibility; (ii) regulatory impact; (iii) societal acceptance; and (iv) implications for marketing in Africa.

INTRODUCTION

This paper investigates how marketers of harmful products have managed to remain on the right side of the law by engaging in guerrilla marketing antics which are below-the-line and hence far from conventional marketing strategies. Products that are usually marketed in this way tend to include steroids, amphetamines or other drugs such as speed and ecstasy pills (targeted at young clubbers); tobacco and alcohol etc.

However, studies of this nature are very rare especially in the management literature and this paucity adds value to our paper in its originality. Moreover, amongst the existing studies, the focus have mainly been on misplaced marketing in the food and beverage industry/ sector (mostly fizzy drinks) and their contributions to the obesity concerns of their respective governments. Breaking ranks therefore, we focus on how tobacco marketers such as British American Tobacco (BAT) have subjected vulnerable groups in Africa as a laboratory for their 'global marketing' campaigns - having been banned and literally banished from most parts of the developed world. For instance, tobacco - i.e. cigarettes are not sold in singles in most parts of the world including many emerging markets (e.g. the Middle East), but this is very common in practice in African markets especially in places such as Nigeria, Malawi and Mauritius as one documentary undertaken by a rich British Entrepreneur (the key figure in the popular Dragon's Den) once demonstrated in a UK channel 4 documentary.

The rest of the paper is structured as follows: In section 2, we provide an overview of the global tobacco industry. Our research approach/ methodology is presented alongside mini case studies of three leading tobacco companies in section 3, which is followed by a brief description of alternative promotional strategies in section 4. In section 5 we review prior work on the implications of marketing restrictions by governments in select countries in line with the previous section. Section 6 concludes this 'exploratory phase' of our paper.

THE NATURE OF THE TOBACCO INDUSTRY

Tobacco is a wide-ranging industry. Most countries have a tobacco manufacturing industry, and the industry usually forms an important part of the economic and social fabric. Even in countries that do not have tobacco manufacturing, tobacco distribution is an important source of economic activity and revenue source. The tobacco industry contributes substantially to the economies of over 150 countries, and the number of people worldwide depending on it for employment has been estimated at around 100 million – more than the populations of Canada, South Africa and Australia combined. Moreover, tobacco taxes are a major source of revenue for almost every government in the world. In Sri Lanka, for example, corporate taxes and excise represent 10 percent of the government’s revenue. In Kenya and Brazil, the figure is in the region of 6 percent.

Tobacco is also the world’s most widely cultivated non-food crop. The farmers who choose to grow it – many of them in developing countries – do so because it is hardy, grows well in poor soils and volatile weather, and is known for fetching stable prices. It is not surprising, therefore, to observe that tobacco creates more employment per hectare of cultivated land than any other crop in the world. Furthermore, the tobacco industry produces more than 5,000 billion cigarettes a year globally. The biggest market is China (where the industry is state-owned and controlled) with some 350 million smokers consuming around 1,800 billion cigarettes a year, or 35 per cent of the global total. Outside of China, stock market quoted international tobacco companies compete and account for more than 51 per cent of the global market. The market shares of the ‘big six’ (see table 1) add up to over 50 percent of the global total – notably (i) Philip Morris 18.7 percent; (ii) British American Tobacco (including associates’ total volumes) 17.1 percent; (iii) Japan Tobacco 7.7 percent; (iv) Imperial Tobacco 3.5 percent; (v) Gallaher 3.1 percent; and (vi) Altadis at 2.1 percent.

Table 1. The Big-six Tobacco Manufacturers

Manufacturer	Market share (%)
Philip Morris	18.7
British American Tobacco*	17.1
Japan Tobacco	7.7
Imperial Tobacco	3.5
Gallaher ⁷	3.1
Altadis	2.1
Total	52.2

*Including associates’ total volumes

⁷ In December 2006, Japan Tobacco made an agreed takeover bid for UK-based Gallaher which will consolidate the Japanese company’s world number three position. Gallaher is thus now part of JT International, whose headquarters is in Switzerland. JT international employs around 24,000 people and operates in over 80 markets.
<http://www.gallaher-group.com/>

RESEARCH APPROACH & MARKETING STRATEGIES OF THE BIG THREE

Research approach

For the purpose of this paper we undertake a qualitative approach, drawing upon secondary data on the subject matter from a range of sources across regions. A very valuable resource in our approach is that of the *World Advertising Research Center*, which has undertaken a series of *legal briefings* on Advertising & Marketing to Children dating back to 2003. Moreover, other media sources indicated that major tobacco brands have infiltrated African markets in droves using below-the-line promotional strategies aimed at tapping into the youth segment – notably among young children. From our detailed review of the literature we observe that most studies have centred upon misplaced marketing in the food and beverage industry (mostly fizzy drinks) and their complications in the obesity brouhaha. As a result of this paucity of academic research in this particular area, our paper (mostly outside the academic framework) could only be exploratory at this stage - highlighting how tobacco marketers have subjected Africa to a launch pad for guerrilla marketing antics – i.e. through sponsorship manoeuvres such as the *John Players Gold Leaf* music festival and the sale of single cigarettes/ mini countlines (i.e. sales promotions) amongst others.

Mini Case studies

British American Tobacco – is a world leader and key player in the Africa sub-region with four Global Drive Brands - Dunhill, Kent, Lucky Strike and Pall Mall - are well represented across the segments and since 2001 have together grown volumes by 57 per cent. According to Jimmi Rembiszewski, British American Tobacco's Marketing Director:

While developing our Global Drive Brands is central to our strategy, we are also increasing the profile of Vogue in the super premium segment and Viceroy, a leading low price international brand. We have never believed that 'one size fits all'. Our portfolio of some 300 brands is based on distinct 'must-win' consumer segments - *international, premium, lights* and *adult smokers aged under 30 (ASU30)*.

This is a clear acknowledgment that BAT's focus on the younger consumer is deliberate. It also confirms that the company is intentionally geared towards consolidating its international markets – notably Africa (one of its largest). But this is not all, as sources close to BAT also disclosed the company recognizes that tobacco is a hazardous product that requires restrictions:

"We recognise that our business starts with our consumers and our brands. It's not about encouraging people to start smoking or to smoke more, but about meeting the preferences of adults who have chosen to consume tobacco, and differentiating our brands from competitors....Our aim is to satisfy adult consumers' demands better and more profitably than our competitors. We fully acknowledge that our product has health risks, so there should be restrictions on how it is marketed..."

Japan Tobacco - JT International or JTI (a new company, formed by two leading tobacco manufacturers- Japan Tobacco and RJ Reynolds in 1999) is an operating division of Japan Tobacco Inc. (JT), handling the international production, marketing and sales of the group's cigarette brands. JT Group has just completed the acquisition of Gallaher Group to become the world's third largest international tobacco manufacturer. Total net sales were US\$39.5 billion during the fiscal year that ended 31 March 2006. JT sells 8 out of the 10 top brand styles in Japan, with the top three styles all coming from the *Mild Seven* brand. In Asia, the group has significant presence through JTI, where Mild Seven is the major brand in the portfolio. In the global market, three of the best-selling international cigarette brands: Camel, Mild Seven and Winston, are within JT's product portfolio, along with Salem, one of the world's leading international menthol brands.

Imperial Tobacco Group Plc - Imperial Tobacco believes that tobacco products are for adults. We support the enforcement of legal minimum age restrictions by the appropriate authorities for the purchase of tobacco products. According to sources close to the company “We are committed to promoting and selling our products responsibly, within the laws and voluntary agreements of the countries in which we operate. The company also proudly declares that “our international standard for the marketing of tobacco products reinforces this commitment and sets out clear rules and principles to ensure that our advertising and promotional activities are directed only to adult smokers in all circumstances. We adhere to these stringent marketing standards at all times, wherever we operate.” This is in addition to further claims on the company’s website that it ‘encourages governments’ and ‘other relevant authorities’ in the markets in ‘which we operate to incorporate the practices laid out in our Marketing Standard into national laws and agreements, respecting the principles of informed adult choice and commercial communication.’ All national laws, codes of practice and voluntary agreements relating to tobacco products to which Group companies are signatories are always observed. Where such requirements are less stringent than our Marketing Standard, the Standard takes precedence unless otherwise required by law. The adoption or absence of a national code does not in any way relieve our obligation to comply with the Standard.

MARKETING MIX AND THE TOBACCO INDUSTRY

Advertising: Only one variant of promotions

Advertising is defined as any non-personal form of mass communication paid for and controlled by the sponsor (Swanson & Everett, 2000:17; Du Plessis & Rousseau, 2003:31). The American Marketing Association (2005) define advertising as the placement of persuasive messages in any of the mass media by organisations in order to inform and/or persuade people of a specific target market “... *about their products, services, organizations [sic], or ideas.*” Therefore, marketing managers hope to influence people with their messages to take a particular action. Two types of advertising approaches have mostly been utilised - namely emotional or rational. Emotional advertising approaches seek to emotionally influence the target audience and to encourage them to identify with the advertisement. Rational advertising approaches, on the other hand, are based on the objective and factual features of the product. One specific form of the rational approach is the testimonial advertisement, in which a significant personality or celebrity appears (Du Plessis & Rousseau, 2003:66). Consumers seek information in order to aid them in their purchase decision-making processes (Lamb *et al.*, 2000:69). Information from external sources, for example celebrities, might sometimes be sought in order for consumers to compare their purchase options to each other (Lamb *et al.*, 2000:69; Watson *et al.*, 2002:397).

Sponsorship & PR

Rosenberg and Siegel (2001) investigated the impact of corporate sponsorship as a tobacco marketing tool in the USA between 1995 and 1999. Using two data sources - a customised research report from IEG Inc, and internet web site searches, they concluded that tobacco corporate sponsorship served as an important marketing tool for tobacco companies, serving both a sales promotion and public relations function. Public health practitioners need to develop better surveillance systems for monitoring tobacco sponsorship, to seek out alternative funding sources for tobacco company sponsored events and organisations, and to consider promoting a ban on tobacco sponsorship, possibly linking such regulation to the creation of alternative funding sources. For example, although the UK Tobacco Advertising and Promotion Act (2002) banned virtually all forms of tobacco promotion, sponsorship had some gaping holes and was perceived as a vital medium for the tobacco industry in the face of these advertising and promotion restrictions. Indeed it works in a very similar manner to advertising and is used to associate brands with successful and aspirational characteristics which contravene the voluntary regulations that were in place at the time. This therefore meant that sponsorship had to be subjected to the same statutory restrictions as advertising and other promotional techniques.

Sales Promotions

This is often linked with pricing strategies where tobacco is highly discounted not the least with the introduction of mini count lines. Indeed the price of cigarettes is one of the most important factors affecting tobacco consumption as high cigarette prices can discourage people from taking up smoking and encourage those who smoke to quit. Due to the increasing price of cigarettes, discount brands have become very popular. Indeed research shows that discount brands have the potential to fulfil both the practical needs (e.g. monetary costs) and emotional needs (e.g. quality concerns) of smokers. It has also been highlighted that discount brands have become more popular among lower socio-economic groups and have the potential to attract the patronage of young smokers.

SELECT COUNTRY STUDIES ON TOBACCO MARKETING RESTRICTIONS

Vadehra (2004) noted that in India there are central government guidelines on the sale of cigarettes and alcohol (see table 2), but each state has a different age limit for the consumption of these products e.g. you must be over 25 to buy alcohol in New Delhi. Most retailers display these age restriction signs. Hastings and Aitken (1995) reviewed the evidence for links between tobacco advertisement and children's smoking and concluded that "within the confines of doubt that will always exist in social scientific research, it now has to be accepted that tobacco advertising does influence children's smoking behavior." Cassim (2005) in her research on advertising to children in South Africa, reviewed the demographics of the children's market in that market, discusses current advertising practice, the regulatory environment in which marketers operated. Still on the regulatory environment, Clarke (2005) reported on how an industry funded media literacy programme works in the UK and suggests how it may be replicated in other European contexts. He concluded that "the current concern about advertising and marketing to children is not going to go away, and it is in the industry's interest to take an active part in encouraging children to understand fully what advertising, and marketing is all about..." (p. 32)

Take in Table 2.

Skirstad (2006) described the restrictions on advertising in relation to children in Norway. He described Children and young people to include minors up to the age of 18. According to him, in Norway one does not operate with any clear boundaries when it comes to designating what age the term 'child' covers, but the younger the target group of the advert is, the stricter the judgment will be. Instructively he pointed out that "...reference to the fact that marketing targeted to adults may also be of interest to children..." only got a brief commentary in Section 10 of the Nordic Consumer Ombudsman of 1998..." The opening section of the Norwegian Marketing Control Act (MCA) of 1972 clearly states that "*in the conduct of business, no act may be performed which is unfair in relation to consumers or which is otherwise in conflict with good marketing practice.*" Strong and Eftychia (2006) probed the influence of family and friends on teenage smoking in Greece. They investigated the influence of family and friends on teenage smoking behavior in Greece, as distinct from tobacco marketing. They thus concluded that smoking among Greek teenagers is strongly influenced by family and friends: roughly one in ten were offered a cigarette by a relative; two-thirds came from families containing at least some smokers, with only two with no friends who smoked. According to them (Strong and Eftychia, 2006, p. 125): "*the inescapable conclusion is that the influences on teenage smoking are more complex than the media and anti-smoking activists suggest... The findings can also add to the general picture of smoking behavior are susceptible groups for social marketers, health campaigners and opponents of tobacco promotion...*"

CONCLUSIONS

In this paper we have succeeded in moving away from the traditional focus on fatty foods and fizzy drinks by presenting evidence of the poor social responsibility records of multinational marketers into order spheres such as tobacco/ cigarettes. In other words, we have moved the discourse on socially responsible marketing away from the clichéd obesity concerns and binge drinking (alcoholic beverages) to a clear and present danger in the African sub-continent – underage smoking. Studies of this nature are very rare

especially in the management/ marketing literature and even more so in the African context. We therefore add value to the existing body of knowledge as well as signal a ‘call to action’ for more quantitative studies either on a country/ regional basis or on a larger scale covering a distinct market segments e.g. primary school children across clearly defined geographical boundaries.

Overall, our paper centres on how tobacco marketers have subjected Africa to a launch pad for guerrilla marketing campaigns - having been banned in most parts of the western world. For instance, tobacco - i.e. cigarettes are not sold singly in most parts of the world, but this is very common in African countries especially in places such as Nigeria, Malawi and Mauritius as one documentary undertaken by a rich British Entrepreneur (the key figure in the popular *Dragon’s Den*) showed. Moreover, tobacco companies tend to get readily involved and with the support of African governments in publicity stunts including PR and sponsorship manoeuvres such as the *John Players Gold Leaf* music festival etc - which projects smoking as the new ‘cool’. The timing of this paper is, therefore, critical in the sense that South Africa will play host to the FIFA 2010 World Cup and tobacco companies would be one of the key players at kick-off. Indeed our paper goes beyond mere advertising targeted at vulnerable groups – especially children. It contextualises marketing in terms of below-the-line adverts as well as guerrilla marketing. We nonetheless acknowledge the need to consider other aspects such as viral marketing where marketers penetrate social networking sites in order to reach a vulnerable segment s of the market, as well as the need to review the experiences of select western cultures and other emerging markets in order to benchmark the African experience.

ABRIDGED REFERENCES

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Table 2. Select country studies on tobacco marketing restrictions

Author/ Year/ Source	Purpose	Context	Results/ Conclusions
Hastings, G., and Aitken, P. (1995)	Reviews the evidence for links between tobacco advertisement and children’s smoking.	General	Concludes that “within the confines of doubt that will always exist in social scientific research, it now has to be accepted that tobacco advertising does influence children’s smoking behavior.”
Vadehra, S (2004) <i>Young Consumers</i>	Part of the <i>Series of Legal briefings</i> Outlines Indian law relating to advertising to children and explains	India	There are few laws which deal with children adverts in India. In practice TV channels often flout even the existing vague laws with great impunity (p. 77) Children in

	why legislation in India still compares unfavourably with European and American standards.		India seem particularly vulnerable to the infringement of these regulations. But the raging debates over advertising targeted at children (especially junk food ads) have increased awareness on these issues and this is a positive step.
Cassim, S. (2005)	Reviews the demographics of the children's market in South Africa, discusses current advertising practice, the regulatory environment in which marketers operate, and speculates on the future of the issue in the country	South Africa.	The furore around advertising to children and its impact on children's food choices has not reached yet South Africa. While the developed world hotly debates the issue and implements strict controls on advertising aimed towards children, South Africa with its very young population (birth rate of around 3% and nearly half the population under the age of 21) has paid little attention to the issue. As the debate on the effects of advertising on children (and particularly food advertising) rages on, worldwide attention is focused on the activities of marketers. South African marketers will not escape the debate. (p. 55)
Clarke, B. (2005)	Reports on how an industry funded media literacy programme works in the UK and suggest how it may be replicated in other European contexts.	United Kingdom	Reports that "the current concern about advertising and marketing to children is not going to go away, and it is in the industry's interest to take an active part in encouraging children to understand fully what advertising, and marketing is all about..." (p. 32)
Skirstad, H. (2006)	Describes the restrictions on advertising in relation to children in Norway.	Norway	Reference to the fact "that marketing targeted to adults may also be of interest to children..." only got a brief commentary in Section 10 of the Nordic Consumer Ombudsman of 1998. The opening section of the Norwegian Marketing Control Act (MCA) of 1972 clearly states that "in the conduct of business, no act may be performed which is unfair in relation to consumers or which is otherwise in conflict with good marketing practice." (p. 78)
Strong, C., and Eftychia, S. (2006)	To investigate the influence of family and friends on teenage smoking behavior in Greece, as distinct from tobacco marketing.	Greece	Concludes that smoking among Greek teenagers is strongly influenced by family and friends: roughly one in ten were offered a cigarette by a relative; two-thirds came from families containing at least some smokers, with only two with no friends who smoked. The inescapable conclusion is that the influences on teenage smoking are more complex than the media and anti-smoking activists suggest. (p. 125).

