Chapter 5

Regulatory Challenges in Sub-Saharan Africa and Marketing Malpractices of "Big" Tobacco

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ABSTRACT

The purpose of this chapter is to highlight the implications of the marketing activities undertaken by tobacco companies in Sub-Saharan Africa (SSA) and especially as it pertains to vulnerable groups such as children. Using illustrative cases of two SSA countries—particularly Malawi and Nigeria—with disparate economic sizes but nonetheless critical for the discussion in question. Consequently, the chapter posits that the marketing practices of tobacco giants (i.e., Big Tobacco), exploiting the weak regulatory environment in SSA, is worthy of scholarly and policy attention. The chapter focuses primarily on the promotion element of the traditional marketing-mix (which also includes the production and its packaging and branding attributes, pricing strategies, and distribution/place elements) as well as the public policy implications of these four Ps. It also touches upon some of the institutional elements that handicap governments from undertaking necessary corrective measures/action such as in the case of Malawi where tobacco accounts for a substantial part of the GDP.

CHAPTER OVERVIEW

The purpose of this chapter is to highlight the implications of the marketing activities undertaken by tobacco companies in Sub-Saharan Africa (SSA) and especially as it pertains to vulnerable groups such as children. Using illustrative cases of two SSA countries—particularly Malawi and Nigeria—with disparate economic sizes, but nonetheless critical for the discussion in question. Consequently, the chapter posits that the marketing practices of tobacco giants (i.e., Big Tobacco), exploiting the weak regulatory environment

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in SSA – is worthy of scholarly and policy attention. The choice of countries is discussed in subsequent sections of the chapter as these countries are the most at-risk and tobacco marketing-prevalent in SSA.

A further rationale and/or motivation for the chapter was a 2008 BBC documentary, which highlighted the marketing practices of tobacco giants in these countries. The aforementioned countries are used as multiple case studies drawing upon the observation technique (and analysis of the video clip) based on the aforementioned BBC documentary, which prompted the study. The chapter focuses primarily on the promotion element of the traditional marketing-mix (which also includes the production and its packaging and branding attributes; pricing strategies; and distribution/place elements) as well as the public policy implications of these four Ps. It also touches upon some of the institutional elements that handicaps governments from undertaking necessary corrective measures/action such as in the case of Malawi where tobacco accounts for a substantial part of the GDP.

In the first section of this chapter, a general background of what to expect is provided – especially in the light of what aspect of consumerism the chapter focuses upon (i.e. consumer protection). The second section provides an overview of the global tobacco industry and its importance/contribution to the economy of countries used as case illustrations in the chapter. This is followed by a brief review of the literature. In the third section the current marketing malpractices of BIG Tobacco in SSA is documented. The chapter starts off with a brief introduction into consumerism and consumer protection as it pertains to the marketing of harmful products. It then delves into the global tobacco industry in the second section where the “Big 6” players are identified. In section three the literature on consumer buying behavior (notably consumer involved in low-involvement products) as well as Tobacco marketing practices are reviewed. In the fourth section a discussion is undertaken in the light of the key players – British American Tobacco, Japan Tobacco and Imperial Tobacco. This discussion is further reviewed in the light of the regulatory environment across the three countries being investigated – notably Malawi and Nigeria – in section five. Section six concludes the chapter with a discussion of learning points opening avenues for student debates on the subject taken from the purview of tobacco buying behavior and the interactions between markets, consumers and governments.

INTRODUCTION

Consumerism is a social and economic order and ideology that encourages the acquisition of goods and services in ever-greater amounts. Early criticisms of consumerism are present in the works of Thorstein Veblen (1899). Veblen’s subject of examination, the newly emergent middle class arising at the turn of the twentieth century, comes to fruition by the end of the twentieth century through the process of globalization. In this sense, consumerism is usually considered a part of media culture – a subject that resonates with the cool exhibited in the marketing of tobacco companies. In the domain of politics, the term “consumerism” has also been used to refer to something quite different called the consumerists movement, consumer protection or consumer activism, which seeks to protect and inform consumers by requiring such practices such as ‘honest packaging’ and advertising, product guarantees, and improved safety standards. In this sense it is a political movement, or a set of policies aimed at regulating the products, services, methods, and standards of manufacturers, sellers, and advertisers in the interests of the buyer.

This chapter is based on the politico-legal dimension of consumerism – notably consumer protection, highlighting how marketers of harmful products have managed to remain on the right side of the law by