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**CONSUMERS' BRAND LOYALTY AND CIGARETTE CONSUMPTION IN CALABAR,
CROSS RIVER STATE, NIGERIA**

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ABSTRACT

The research paper focused on the factors influencing brand loyalty for cigarette consumption in Calabar, Cross River State, Nigeria. The study aimed at determining the influence of peer influence, tar, nicotine, and price on brand loyalty for cigarette consumption in Calabar. The study adopted cross-sectional survey research designs. Data were analysed and hypotheses tested using simple regression. The results revealed significant relationship between price and brand preference; tar/nicotine and consumer preference as well as peer influence and consumers' brand loyalty of cigarettes consumption in Calabar. The research concluded that price, tar/nicotine and peer influence affect brand loyalty for cigarette consumption. The study recommended that taxes for cigarette and other tobacco products should be increased to reduce frequency of the product by users. Also, tar/nicotine content in cigarette should be reduced and more sensitization on the hazard of cigarette consumption to both consumers and the general public.

Keywords: Brand, Brand loyalty, Peer influence, Tar, Nicotine, Price, Cigarette.

Introduction

Brand loyalty is the hallmark for many business organizations. American Marketing Association views brand loyalty as the degree to which a customer consistently purchases the same brand within a product class. Many business now develop, maintain and create brand loyalty for long term profitability and source of competitive advantage. Brand loyalty has been studied in many industries and countless product categories. Despite the fact, very few research here been

conducted on the tobacco product category in Nigeria.

Cigarette smoking became popular in the late 19th century, and its popularity grew constantly until the mid-20th century. When it comes to brand loyalty, smokers are well known to be extremely loyal to their brands (Saeed, Tufail, Lodhi, Ahmad, Arshad & Saeed, 2013).

According to Alop (1989) brand loyalty in the cigarette industry is the highest among all existing consumer products. Due to the very high loyalty in the industry, the percentage of smokers that switch from

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one type of cigarettes to another is very low, less than 10% every year. Firms use signs, symbols and/or designs which are either vocalized or non-vocalized to differentiate their brands/products from those of competing brands or products that are close substitutes. Brand is associated with loyalty, and the extent of customer loyalty determines the rate of patronage. Consumers are either brand (hard core) loyalists or switchers. Hard core brand loyalists, stick to their preferred brand(s), whereas brand switchers are not tied to specific brand(s), thus, are likely to go for available close substitutes that may provide similar satisfaction. (McCarthy and Perrault, 1991).

Statement of the problem

Cigarette product had suffered serious criticism from both medical professionals and the society at large. Hence, it is not enough to ignore research on the said product. It could be said that, there exist a gap between factors influencing loyalty and consumption. In the light of the social stigma attached to its consumption, the study intends to unravel the factors influencing brand loyalty for the product consumption and its usefulness by World

Health Organization (WHO) and government agencies effort intended to change behaviour towards smoking.

Research hypotheses

H₀₁: There is no significant relationship between price and loyalty to cigarette brand.

H₀₂: There is no significant relationship between tar/nicotine and loyalty to cigarette brand.

H₀₃: There is no significant relationship between peer influence and loyalty to cigarette brand.

Literature review

Cigarette and brand loyalty

Despite negative advocacy against cigarette consumption the product still enjoys social acceptance. A product may be constituent of psychological and physical attributes that provide consumers with satisfaction which may be legally accepted for its marketing programme to be executed in the open market (Nwokoye, 1996). These qualities make cigarette an acceptable product, because its activities are regulated in spite of the societal perception of it.

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The cigarette market in Nigeria is dominated by British America Tobacco since 2000. The market is experiencing a steady growth with an investment of over \$70million factory in Ibadan in 2001. This investment has employed over ten thousand direct and indirect workers, as well as payment of tax in form of revenue to the federal government of Nigeria. The average consumption in 2010 was 20 billion sticks valued at ₦200bn annually in the Nigeria market (NTCB, 2012). The dominant market brand of the products are Benson and Hedges, Rothmans, St. Moritz, and lowly priced Dorchester and Aspori (EI, 2012).

An understanding of brand loyalty towards cigarette consumption will assist World Health Organization (WHO), Nigeria government's health agencies and institutions to direct programmes that would be implemented by the National Orientation Agency and other Non-governmental organizations to change behavior (reducing or eliminating smoking) which is a component of social marketing (Kotler & Zaltman, 1971).

Factors influencing brand loyalty for cigarette consumption

Price and brand loyalty for cigarette consumption

According to Kotler & Armstrong (2010) price is the amount of money charged for a product or service, or the sum of the values that customers exchange for the benefits of having or using the product or service.

To economist, price includes not only monetary cost of purchasing a product, but also the time and other costs associated with buying it, as well as the health consequences and costs from using the product.

Cadogan & Foster (2002) opined that price is the most vital consideration for an average customer. Saced, Tufail, Lodhi, Ahmad, Arshad & Saeed (2013) in their research paper – Antecedents of Cigarette brand loyalty in Pakistan revealed that there was a significant relationship between price and cigarette brand loyalty. Price is a strong driver of loyalty. Yee & Sidek (2008) found a positive relation between brand loyalty and price.

Consumers that are loyal tends to pay more for a brand. Smokers that are cigarette addict are less price sensitive. Yee & Sidek (2008) stated that consumers

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with high brand loyalty are less price sensitive.

Tar/Nicotine and brand loyalty for cigarette consumption

In the early 1970s, evidence revealed that nicotine dependence was the main reason underlying the maintenance of smoking. Nicotine is a nitrogen-containing chemical – an alkaloid, which is made by several types of plants, including the tobacco. Tar is partially combusted particle matter produced by the burning of tobacco and other plant materials in the act of smoking.

Smokers tend to be loyal to a brand of cigarette with high tar/nicotine content. Some studies have shown that more intensive smoking results in an increase in the tar/nicotine ratio (Kozlowski, Rickert, Pope, Robinson & Frecker, 1982; Hoffman, Adams & Haley, 1983).

Evans & Farrelly (1998) asserted that some smokers respond to price increases by switching to longer and/or higher tar and nicotine cigarettes. The boost per cigarette, during steady-state, averages about 10-12ng/ml and reflects the average “smoking dose” of 1.0mg/cigarette of systemically available nicotine (Benowitz

& Jacob, 1984 and Feyerabend & Ings & Russell, 1985).

Peer influence and brand loyalty for cigarette consumption in Calabar metropolis

Peers are people who are alike in several respects: age, gender, interests, language, use of time, aspirations and so on. A peer group consists of persons of approximately the same age and status sharing common interest (the same sex, education, profession, etc). Peers and peer relationships have been cited frequently as major factors involved in cigarette use (Friedman, Lichtenstein & Biglan, 1985; Conard, Flay, & Hill, 1992; Flay, Hu & Richardson, 1998 and O’Loughlin, Paradis, Renaud & Gomez, 1998).

An adage says that “birds of a feather flock together”, smokers tend to choose other smokers as friends. People who are friends with smokers have been found to be more likely to smoke themselves than those with only non-smokers as friends. Best friends, romantic partners, peer groups and social crowds all have been found to contribute to smoking (Kobus, 2003).

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Researches have reveal that the lines of friendship are often characterized by smoking behavior, where smokers befriend smokers, and non-smokers befriend other non-smokers (Eiser, Morgan, Gammage, Brooks & Kirby 1991; Eiser & Van der Pligt, 1984; Urberg, Cheng & Shyu, 1991; Ennett, Bauman & Koch, 1994, and Michell, 1997). Evidence have shown that when definitions of smoking are favourable, example peer and parent approval of smoking or perceptions of smoking prevalence are high, youth are more likely to smoke (Botvin, Giffin, Diaz, Miller, Hill-Williams, 1999).

Teenagers and pre-teenagers are strongly influenced by peer pressure, or normative and identification group influences. Unfortunately, these influences sometime lead to injuries occasioned by consumption involving cigarettes, alcohol, drugs, sexual activities, and so forth (Hawkins, Mothersbaugh & Best, 2007). Non-smokers who associate with smokers have been found to be at greater likelihood use

tobacco than people without smoking friends.

Data collection procedures

Research design: The study adopted cross- sectional survey research design

Instrumentation: The instrument used for data collection is the questionnaire developed to assess factors influencing brand loyalty for cigarette consumption (Peer influence, Tar/Nicotine, and Price). A five point scale of strongly agreed (5), agreed (4), undecided (3), disagreed (2) strongly disagreed (1) were used to measure the responses from respondents.

Sample size: A total of 600 questionnaire were administered and 510 were duly completed and returned.

Data analysis: Data were analyzed and hypotheses tested using simple regression.

Reliability: The reliability was tested using Cronbach's Alpha. The Cronbach's Alpha coefficient of 0.873 indicated a high reliability of the instrument.

Presentation of result and interpretation

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H_{01} : There is no significant relationship between price and loyalty to cigarette brand.

Table 1

Model Summary showing the relationship between price and loyalty to cigarette brand.

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.523 ^a	.274	.272	1.682

a. Predictors: (Constant), Price

Table 2

ANOVA^a showing the relationship between price and loyalty to cigarette brand.

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	541.470	1	541.470	191.324	.000 ^b
	Residual	1437.698	508	2.830		
	Total	1979.169	509			

a. Dependent Variable: Brand Loyalty

b. Predictors: (Constant), Price

Table 3

Coefficients^a showing the relationship between price and loyalty to cigarette brand.

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	8.584	.217		39.503	.000
	Price	.338	.024	.523	13.832	.000

a. Dependent Variable: Brand Loyalty

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The tables above report the regression analysis carried out to test H_{01} . The results show that there is a significant relationship between price and loyalty to cigarette brand ($B = 0.338$, $p < 0.05$). H_{01} was therefore rejected. Tables 1 and 2 further report a significant F statistic, indicating the model's strong prediction strength ($F = 191.324$, $R^2 = 27.4\%$, $p <$

0.05). This research work is in tandem with Saced, Tufail, Lodhi, Ahmad, Arshad & Saeed (2013) and Yee & Sidek (2008) that price influences cigarette consumption.

H_{02} : There is no significant relationship between tar/nicotine and loyalty to cigarette brand.

Table 4

Model Summary showing the relationship between tar/nicotine content and loyalty to cigarette brand.

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.406 ^a	.165	.163	1.804

a. Predictors: (Constant), Tar/Nicotine

Table 5

ANOVA^a showing the relationship between tar/nicotine content and loyalty to cigarette brand.

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	325.666	1	325.666	100.053	.000 ^b
	Residual	1653.503	508	3.255		
	Total	1979.169	509			

a. Dependent Variable: Brand Loyalty

b. Predictors: (Constant), Tar/Nicotine

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Table 6
Coefficients^a showing the relationship between tar/nicotine content and loyalty to cigarette brand.

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	8.193	.331		24.739	.000
Tar/Nicotine	.363	.036	.406	10.003	.000

a. Dependent Variable: Brand Loyalty

The tables above report the regression analysis carried out to test H_{02} . The results show that there is a significant relationship between tar/nicotine content and loyalty to cigarette brand ($B = 0.363$, $p < 0.05$). H_{02} was therefore rejected. Tables 4 and 5 further report a significant F statistic, indicating the model's strong prediction strength ($F = 100.053$, $R^2 = 16.5\%$, $p < 0.05$). In support of this study

Kozlowski, Rickert, Pope, Robinson & Frecker, (1982); Hoffman, Adams & Haley (1983) and Evans & Farrelly (1998) opined that Smokers tend to be loyal to a brand of cigarette with high tar/nicotine content.

H_{03} : There is no significant relationship between peer influence and loyalty to cigarette brand.

Table 7
Model Summary showing the relationship between peer influence of cigarette and loyalty to cigarette brand.

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.306 ^a	.094	.092	1.879

a. Predictors: (Constant), Peer Influence

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Table 8

ANOVA^a showing the relationship between peer influence and loyalty to cigarette brand.

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	185.412	1	185.412	52.510	.000 ^b
	Residual	1793.757	508	3.531		
	Total	1979.169	509			

a. Dependent Variable: Brand Loyalty

b. Predictors: (Constant), Peer Influence

Table 9

Coefficients^a showing the relationship between peer influence and loyalty to cigarette brand.

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	10.068	.203		49.650	.000
	Peer Influence	.198	.027	.306	7.246	.000

a. Dependent Variable: Brand Loyalty

The tables above report the regression analysis carried out to test H_{O3} . The results show that there is a significant relationship between peer group and loyalty to cigarette brand ($B = 0.198$, $p < 0.05$). H_{O3} was therefore rejected. Tables 7 and 8 further report a significant F statistic, indicating the model's strong

prediction strength ($F = 52.510$, $R^2 = 9.8\%$, $p < 0.05$). In support of this finding Eiser, Morgan, Gammage, Brooks & Kirby 1991; Eiser & Van der Pligt, 1984; Urberg, Cheng & Shyu, 1991; Ennett, Bauman & Koch, 1994, and Michell, 1997 in their studies revealed that non-smokers who associate with smokers have been

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found to be at greater likelihood to use cigarette than people without smoking friends.

Conclusion

While there is still much to be learned, the existing research clearly shows that price, tar/nicotine, peer influence are factors that influence cigarette smoking in our society. Though loyal cigarette brand consumers are less sensitive to price, increase in price will reduce the frequency of use by continuing users. Cigarette brand with high tar/nicotine is consumed by users than those with less tar/nicotine. Many respondents who are involved in smoking of cigarette brand were influenced by their peer.

Recommendations

1. Increased in taxes on cigarette and other tobacco products will reduce the use of these products, resulting from reduction in the frequency of use by persisting users and prevalence of use.
2. Reduction in tar/nicotine content in cigarette need to be encouraged in order to emiolorate smoking among users.

3. Parents, guardians etc. need to influence and advice their wards from early age on the dangers of smoking.

4. Government, World Health Organization (WHO), and non-governmental agencies should increase sensitization on the hazards of cigarette smoking.

5. Smoking of cigarette in public places (stadia, viewing centers, public transportation etc.) should be banned and offenders prosecuted.

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