

The Use of Public Relations and Advertising as a Tool for Re-Establishing and Rebranding Failing Products: A Study of VITAFOAM Nigeria Plc

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Abstract: *In Nigeria, it is no longer surprising to hear that a company that everyone thought was doing well is going out of business. The prevailing financial crisis in Nigeria and the world over has not helped issues. Companies are folding up by the day. Vitafoam Plc. was just one of the many companies that were hard hit by this problem. However, after years of rebranding efforts, they finally emerged as market leader and have continuously being growing in leaps and bounds. The purpose of this research is to find out how Public Relations and Advertising activities helped reposition Vitafoam.*

Keywords: Public Relations, Advertising, Re-branding, DAGMAR

1. Introduction

In carrying out this research, it is pertinent that a detailed definition of PR and Advertising is attempted. This is to enable us have a broader view of the above topic. Also a brief description of what it means for a company/product to be failing is relevant to our study.

Advertising can therefore be defined as the non-personal communication for products, services, or ideas that is paid for by an identified sponsor for the purpose of influencing an audience. (Bruce G. Vanden Berge and Helen Katz, 1999). Public Relations on the other hand as been defined as the art and social science of analyzing trends, predicting their consequences, counseling organizations' leaders as well as implementing a planned program of action which serves both the publics and the organization interest. This definition was adopted in 1978 at the first global conference of National Public Relations Association and is known as The Mexican Statement.

It should be understood that there has been a history of companies that folded up and never found their way back into the market, some examples are, the Planta margarine, Miller brewing company, Dunlop Plc. amongst others. So the case of VITA FOAM is a very unique situation because the company was fast failing and rapidly losing market share, and in a bid to curb this downward trend did some campaigns that re-established them as market leaders. Hence my reason for researching on this unique situation and trying to see how PR and advertising helped in the rebound of this product. One of the reasons for this can be traced to the fact that most companies when they become big, they tend to believe that success automatically breeds more success which often results in "unfocusing" of a company's effort. In relating these professions i.e. Advertising and Public Relations, to the above topic (the use of public relations and advertising as a tool for the rebranding and re-establishing of failing products in Nigeria). It is pertinent to give a brief look at the roles and functions advertising and PR is

supposed to play generally and then relate it to the product: VITAFOAM.

2. Literature Survey

2.1 Conceptual Definition

The researcher for the purpose of clarity would give a detailed definition of basic terminologies that would be used in this research. In the early 1920s, Edward L. Bernays, often said to be the architect of public relations as it is practiced today, defined public relations in this manner:

Public Relations are the management function which tabulates public attitudes, defines the policies, procedures and interest of an organization followed by executing a program of action to earn public understanding and acceptance. Bernays identifies two aspects underlying the practice of public relations. The first is influencing the decision making process in a way that reconciles a client's or employer's objectives to accord with public expectations and serve the public interest; second, it employs communications strategies and tactics to motivate audiences to a specific course of action. In short: influence behavior and effectively communicate.

Advertising on the other hand, is the process of persuading potential customers to buy products or promote its services. The process of advertising involves a variety of strategies and media. Advertisements may appear in many forms, including newspaper and magazine ads, radio and television commercials, direct mail campaigns, and various other forms. With the emergence of brand recognition as a key factor in marketing and advertising, companies have entered into multi-billion dollar contracts with advertising firms to promote their products and services. These efforts have led to products becoming integral aspects of popular culture (Berge B.G And Katz H. 1999). Rebranding can be described as the total change in the logo, name, packaging or even the introduction of a totally new product for the purpose of re-establishing relevance in the market place.

2.2 The History of Advertising in Nigeria

Advertising development in Nigeria could be traced to about 1928 with the birth of West African Publicity Limited. An off shoot of UAC, the company was set up to cater for the marketing activities of the colonial masters in both Nigeria and West Africa. This company was later to transform to a full-fledged advertising firm in 1929 known as Lintas with two other subsidiaries newly Afromedia, the outdoor medium and Pearl/Dean, the cinema arm. With the setting up of the companies then headed by expatriates, the companies were to enjoy a monopoly for a long time to come it was not until 1950's when other advertising agencies started to emerge on the scene. Ogilvy, Benson and Martha (OBM) and Grant were later to join the fray to form the big three in the industry.

In the early days of advertising in Nigeria, the Federal Government owned and managed National Broadcasting Corporation (NBC) was the only station operating in the four regions of East, West, North and later Midwest. These regions later set up their private stations pioneered by the West, at Ibadan, prior to independence. In 1960 and 1962 respectively, Enugu and Kaduna followed suit. And with the creation of more regions by the General Yakubu Gowon (rtd) administration and creation of more states by both Alhaji Shehu Shagari and Ibrahim Babangida regimes, more state government-owned television and radio stations were established.

Daily Times, Express, Tribune, New Nigeria and Sketch were among the fore-runners in newspaper publishing. Some state governments also published newspapers that addressed their local audience. Two major magazines- Drum and Spear from Daily Times stable were also at the time published. Between the early 1960's and 1970, there was no spectacular development in the industry. But the promulgation of Nigeria Enterprises as promotion Decree of 1972 popularly known as Indigenization policy ushered in a new phase in the industry. The policy transformed key positions in corporate organizations to indigenes. Mr. Sylvester, Muoemeka was by the dictates of the policy to emerge the first indigenous chief executive of Lintas. Lintas further empowered more Nigerians to take up the business of advertising.

By the later 1970's however, two ambitious agencies, Rosabel Advertising and Insight Communication, sprang up. The coming of the two agencies which till today are still doing very well, no doubt, was a watershed in the industry of advertising in Nigeria as the agencies brought new ideas into the industry while taking creativity to a higher. Before the turn of the decade, 23 agencies had been formed.

With the steady growth in the number of practitioners and agencies arose the need for associations to be formed to advance their common interests and a regulatory body to that would regulate and standardize advertising practice. A meeting of the agencies held at Ebute Metta, Lagos in 1971 was to metamorphose into Association of Advertising Practitioners of Nigeria (AAPN) with the objective of protecting practitioners against unfavorable business. The association was later renamed Association of Advertising

Agencies of Nigeria. As the industry continued to grow in volume of business and complexity, more and more people were attracted to the industry. The need to establish an institution to regulate advertising practice became apparent. This gave rise to the establishment of Advertising Parishioners Council of Nigeria (APCON) by Decree 55 of 1988, later renamed Act 55 of 1988 by the civilian administration on November 1989, the first meeting of the association held somewhere in Ebute-meta, Lagos finally culminated to the birth of APCON. APCON started operation in 1990 with the employment of the pioneer registrar in the person of Dr. Charles Okigbo. The era of economic restructuring and liberalization opened up the Nigerian business to global economy. Foreign investments started flowing into the economy the expatriates who once left the shores of the land due to the indigenization policy gradually returned, and with them, the boom in economy. Aside, privatization of mass communication medium in the 1990's also witnessed the setting up of private owned media houses which are platforms for advertisement placements. "But in the 1990's the sector came alive. Not only that alarming and ambitious agencies such as Prima Garnet, Sotu and Caesars sprang up, the sector began to expand beyond advertising, as full services public relation firms such as the Quadrant JSP and Quest were established. Also the era witnessed the mad rush of foreign affiliations. While some agencies sought this affiliation to help boost their human capital, others just joined the bandwagon just to feel among." As the business expanded, related services providers joined the fray to cash in on the boom. Not long after they formed themselves into association to also further their cause and protect their interest. Media Independent Practitioners Association of Nigeria (ADVAN), outdoor Advertising Association of Nigeria (OAAAN) emerged. Not long after that, the industry became an all corners affairs. Competition became very stiff and practitioners started adopting unwholesome means to undercut one another. Industry debt became a major issue to the extent that it attracted the attention of past federal government who encouraged the practitioners to find a way of resolving the perennial problem. Just as competition continued to get stiff, agencies did not rest on their oars as they embarked on training of their staff that will be able to meet the challenge of modern day advertising. As creativity took center stage, the industry witnessed a lot of innovation and creative ideas. The foreigners who started coming back brought with them standard and professional which changed the advertising landscape. Restructuring, training and brand building and creativity have taken center stage.

2.3 Theoretical framework

This work shall adopt the following theories as a backdrop for this research:

Excellence theory by J.E Grunig
DAGMAR theory by Mackey
Hierarchy of effects theory by Lavidge and Steiner

2.3.1 Excellence Theory

The "Excellence Theory" (J.E. Grunig et al., 2002) was initially developed, and is continually being tested, in order to demonstrate what makes for public relations practices that

are both efficient and ethical for all parties involved. Public relations, as defined by J.E. Grunig (1992), are “the management of communication between the organization and the public’s that it interacts with”. Through the continued work of the Excellence Project, the “Excellence Theory” demonstrates how excellent public relations is able to interact and work with both internal and external publics, recognizing that publics are not merely passive audiences accepting messages in a hegemonic structure,¹ but that each public that comes into contact with the message is viable and enfranchised with agency.

2.3.2 DAGMAR

Russell Colley created DAGMAR when he prepared a report for the Association of National Advertisers. This report was entitled ‘Defining Advertising Goals for Measured Advertising Results’, shortened down to DAGMAR, and thereof the name, (Belch & Belch, 1995). DAGMAR was created to encourage measurable objectives for each stage of the communication (Smith & Taylor, 2002) and does not deal purely with the message (Mackay 2005). DAGMAR focuses on the levels of understanding that a customer must have for the organization and on how to measure the results of an advertising campaign (Belch & Belch, 1995).

2.3.3 Lavidge & Steiner’s Hierarchy-Of-Effects Model

This model was published during the same period as DAGMAR. The model was named the hierarchy-of-effects model which is the same name as some authors used on the foundation theory, and will therefore go under the name, Lavidge & Steiner’s Hierarchy-of-effects model in this study. According to this model customers do not switch from being completely uninterested to become convinced to buy the product in one step. Lavidge and Steiner’s hierarchy-of-effects model is created to show the process, or steps, that an advertiser assumes that customers pass through in the actual purchase process (Barry & Howard, 1990). The model is based on seven steps, which as with the other models must be completed in a linear way. Lavidge and Steiner (1961) write that the steps have to be completed in a linear way, but a potential purchaser sometimes may move up several steps simultaneously.

The seven steps are:

1. Close to purchasing, but still a long way from the cash register, are those who are merely aware of its existence.
2. Up a step are prospects who know what the product has to offer.
3. Still closer to purchasing are those who have favorable attitudes toward the product.
4. Those whose favorable attitudes have developed to the point of preference over all other possibilities are up still another step.
5. Even closer to purchasing are customers who couple preference with a desire to buy and the conviction that the purchase would be wise.
6. Finally, of course, is the step which translates this attitude into actual purchase.

This model also has as a premise that advertising occurs over a period of time, and may not lead to immediate response and purchase. It is rather a series of effects that has to occur,

with each step fulfilled on the way towards the next stage (Lavidge & Steiner, 1961)

2.4 Reasons Why Products Fails

It would surprise one to hear that, a staggering 70-80% of all new products in the retail grocery industry fail (www.allbusiness.com). In Great Britain, the rate may be as high as 90% (www.archives.tcm.ie/irisexaminer). Of every 3,000 raw ideas for new products, only one makes it to the marketplace (www.faculty.msb.edu). A whopping 46% of all resources allocated to new product development process in the U.S. are spent on products that fail (www.faculty.msb.edu).

Marketing Wise Group in Dallas-Fort Worth-Arlington, TX is of the opinion that no company can do without introducing new products or extending their brand line if they want to remain afloat in a competitive market or if they do not want their products and brand image to go stale. It is the opinion of this group that Quisp Cereal, Ipana Toothpaste or Commodore Computers failed because they failed to implement a new product development process to keep their stable of brands vital or had a flawed new product development process to begin with. According to Glenn Moray, companies that fail or that are at the verge of collapsing, at one point in time all made the same mistake that brought about their Waterloo: failing to focus on the concerns of their publics. If publics are the groups a company relies on for success, it is dangerous to neglect them by:

- Focusing on share price to the detriment of quality and integrity,
- Forming boards that are not designed for strong corporate governance,
- Misleading shareholders, employees and others by not sharing the full story,
- Emphasizing what is legal, rather than what is ethical, and/or
- Jeopardizing employee jobs and savings through business misconduct.

3. Methods

For the purpose of this work, the researcher made use of both the qualitative and quantitative methodologies. Five retail shop owners that sell VITAFOAM products were interviewed and a total of about 90 customers were made to fill in the questionnaire. Also the account manager in charge of VITAFOAM Plc. account in the advert agency responsible for their advertisements (TIE Communications Ltd) was interviewed to give an insight into how the campaign was conducted. It is the hope of the researcher that through this, the following questions should be adequately answered:

- What caused the decrease in sales of Vitafoam products?
- How did public relations and advertising help restore Vitafoam into the market?
- How do we identify a failing product?

- What strategies do public relations experts employ in re-establishing Vitafoam in the market?
- What advertising strategies were employed in re-establishing Vita foam in the market?

4. Results and Discussion

In this section, the information gained in the interviews with the account officer that handled the adverts for Vita foam in 2005/2006, shop owners around the different local government areas in Lagos, and customers of Vita foam products will be presented. The information will be presented by first retelling the information gained in the interview with the interviewee from TIE COMMUNICATIONS, and then shop owners around Lagos. Also information gotten from the questionnaires distributed among customers of polymer products generally would be presented in this chapter. 90/90 of the questionnaires distributed were returned.

4.1 Shop Owners

From the interviews conducted by the researcher on shop owners in Ikeja, Mushin and Agege local government areas, it was found out that, Vita foam Nigeria has been a very popular brand since the 1990s. They all agreed that around 2004, sales for the product had remarkably reduced and by 2005, Vitafoam product was hardly in demand. The interviewees said the reason for this decrease in sales can be attributed to the fact that other brands were springing up and were willing to sell the same or almost the same quality of products for a lesser price. They gave examples of this price differences that might have caused this reductions in sales one of which is; the queen size mattress (ordinary) was selling for Thirteen thousand Naira in 2005 and Mouka foam was selling the same type of mattress with the same quality for eleven thousand five hundred naira. The interviewees speculated that even the less popular brands like Vono foam, Sarafoam etc. were producing good quality mattresses for a reduced price. The interviewees said that Vitafoam's greatest rival in the polymer market was Mouka foam and Sarafoam, because these brands were not as expensive, available and also of good quality. It is the opinion of the shop owners that the adverts Vita foam did though were not so popular; they left an impression in the mind of anyone that was exposed to the advert. They are of the opinion that the rigorous Vita foam campaign carried out from year 2005 though to 2006, helped boost the sales of the product and helped re-establish their relevance in the market place.

4.2 Account Officer from Tie Communications

The account office confirmed that TIE communication was in charge of the Vita foam account in the year 2005/2006 and were responsible for the PR and Advert campaign carried out by Vita foam in the same year. He said that the company was approached by the client (Vitafoam) to help organize advert and PR campaign to help boost sales and popularity level of the brand. The interviewee went on to say that the client was troubled about the constant decrease in sales of its product. In the course of the Market research carried out by the company, It was discovered that the major cause of the problem was the fact that the competition was

giving the same quality for a reduced price and Vitafoam was also losing its name as people hardly knew their name anymore as products like Mouka foam was quickly taking over the market.

It was therefore the recommendation of the advert agency that Vitafoam should extend their product line and develop a product that can compete in terms of price and quality with what the competition is currently offering. This brought about Rainbow foam which is a brand of Vitafoam and is relatively cheaper than most of the other quality brands in the Nigerian market.

The company also proposed a 9 month advert and PR campaign for Vitafoam products which would promote all the products Vitafoam is producing including Rainbow foam. Scholarship and other social responsibility programs were carried out. This further helped in enhancing their popularity and market presence. Based on their evaluation of the campaign after it was concluded, it was generally accepted that the campaign was successful. The account manager stated that the evaluation was based on the following criteria:

- After campaign sales volume vis-a-vis sales volume before the campaign.
- Popularity of the brand.
- Current market share of Vita foam products.

The interviewee went on to explain that media relations are an essential tool when trying to win back the loyalty and trust of your consumers. He explained that Vitafoam organized series of facility tour for media houses and also the regulatory agencies such as Standard Organization of Nigeria and Manufacturer Association of Nigeria, Polymer Institute of Nigeria, Chemical and Non-Metallic Products Employees Federation and National Union of Chemical, Footwear Rubber, Leather and Non Metallic so as to get endorsements and approval for the products and also for the media to promote them in a positive light.

Based on the data gotten from the interviews conducted and questionnaires distributed, the researcher shall now attempt to answer the research questions this research aimed to answer.

Research Question 1: What caused the decrease in sales of Vita foam products?

From the interviews conducted with the shop owners and the account officer in charge of the Vita foam account in year 2005/2006, it is clear that the main reasons for the drop in sales of Vita foam products are;

- Stiff competition from Mouka foam, which was producing a similar product with almost the same quality, but was selling at a lower price.
- Lack of advertisement and Public Relations activities on the part of the Vita foam Nig. Ltd; this reduced their popularity in the market place
- High cost of their products as compared to the competition with no added benefit,

- Bad distribution network of the brand as a lot of customers complained that Vitafoam brands were not readily available.

From the interviews conducted with the account officer in charge of the Vita foam account in the year 2005/2006, it is clear that Public Relations and advertisement played a major role in restoring Vita foam into the market. Most respondents claimed that the adverts they saw influenced their decision to buy the brand. Based on the questionnaires distributed and interviews conducted, A product can be said to be failing if there is a sudden and constant decrease in sales. Also a correlation between advertisement and stability of a brand was established when over 50% of the respondents claimed that they felt Vitafoam had lost its position as market leader, when they stopped seeing or hearing their advert or anything whatsoever about them.

From the interviews conducted, it can be said that Public Relations played a major role in re-establishing Vitafoam. It was found out that the scholarships and other Corporate Social Responsibility activities carried out held register the brand in the minds of their customers and further popularized the brand. From the research, the advertising strategy used to re-establish Vitafoam back into the market was to create a nine month advert campaign that would run through 2005 and parts of 2006 on radio, television and print media. 55.6% of the respondents that filled the questionnaires distributed agreed that the vigorous advert campaign embarked on by Vitafoam influenced their decision to use the brand.

5. Conclusion

This study has shown that advertising and public relations played a major role in re-establishing and also maintain a product in the market. The study has shown that high prices of products, availability of the product, lack of PR, advert and other promotional activity might lead to a product failing. The major findings of this study are summarized below:

- Price, availability of the Vitafoam products, lack of adverts and public relations, and competition, caused the failure of the Vitafoam brand in the market place.
- Advertising and public relations helped restore consumer trust and helped restore Vitafoam back into the market.
- A product can be said to be failing if there is a sudden and constant decrease in sales, when adverts are suddenly not seen or heard anymore by the consumers, when friends and colleagues advised them to buy other products.

There is definitely no gainsaying the fact that advertising and public relations is a must for any corporate organization if they hope to remain in the market for long.

6. Future Scope

Due to time and space constraint, an elaborate discussion on the use of new media technologies and social media was not carried out. It is the suggestion of the author that further research should be conducted to find out how social media

and other new media can be used to promote a brand and how they influence consumer behavior. Do they influence the buying patterns of the consumers? If so, how? Are some questions I hope future researched would help answer.

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Author Profile



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