

## ARE 'SWIGGY' ADVERTISEMENTS BELIEVABLE?

Dr. Manisha Karandikar\*  
Mr. Joel Kappen\*\*

### ABSTRACT

The purpose of this empirical study is to examine the 'believability' aspect of Swiggy advertisement. The business of delivering restaurant meals to the home has undergone a rapid change across the globe. For the products in the early phase of their life cycle, advertising has to shoulder the responsibility of making potential customers aware of their product as well as communicating the product differentiators. It is imperative for a new product or service, that their advertisement is believable. Though ordering food has been quite an old concept in our country, most hotels would insist on a minimum order value for the food to be delivered. Swiggy overcomes this obstacle by having no minimum order quantity and the same has been communicated through the advertisement. The advertisement of Swiggy was themed as "No order is too small" and depicts how Swiggy would deliver even 'one Gulabjamun'. In addition to measuring the believability aspect of the advertisement, the study also measures the skepticism levels of consumers towards advertisements in general. The study also examines whether there is a relationship between skepticism to advertisements in general and believability aspect of Swiggy advertisements. The research implies that respondents who have skepticism towards advertisements tend to show lesser degree of believability in Swiggy advertisement. But if they have ordered from Swiggy then the believability factor is higher thereby demonstrating that Swiggy has to induce trails.

**Keywords :** Believability, Skepticism, advertising

#### Introduction :

The Online Food Delivery segment in India stands at US\$7,730m in 2019 and with an annual growth rate of 12.8%, it is expected to reach US\$12,536mn. The food delivery business showed a growth of 24.4% in 2019 while the platform to customer delivery witnessed a growth of 33% (Eservices Report 2019). Swiggy, Zomato, Foodpanda, Uber Eats are the major players in the app based food delivery business. Swiggy held nearly half of the market share by transactional volume in the Indian online food-delivery space by December 2018, as reported by market intelligence firm Kalagato. Zomato was a distant second with just over 26% share. (Bhattacharya, 2019).

#### Literature Review :

Consumers who are already used to shopping online for various products are now geared up for ordering food online as well. Two types of online platforms viz. 'aggregators' and 'new delivery' players, are becoming increasingly popular. Both allow consumers to compare menus, scan and post reviews, and place orders from a variety of restaurants with a single click. However, the difference between the two is that the aggregators, which are part of the traditional-delivery category, simply take orders from customers and route them to restaurants, which handle the delivery while the new-delivery players build their own logistics networks, providing delivery for restaurants that don't have their

\*Associate Professor - Fr. C. Rodrigues Institute of Management Studies, Vashi, Navi Mumbai, Maharashtra

\*\*Junior Associate - LYNK Global, Mumbai

own drivers. Many companies that started off as aggregators have moved towards delivery as well, the case in point being, Zomato Skepticism to advertising has been studied in the context of Green marketing. (Goh & Balalji 2016) concluded that green skepticism affects purchase intention of green products as it lowers customer's environmental knowledge and environmental concern. (Paco & Reis, 2013) concluded that the individuals who are concerned about environment are more skeptical about green claims made by companies. Several other studies have studied skepticism towards green advertising and its impact on Green Consumerism (Matthes & Wonneberger, 2014), Green Consumption (Mostafa, 2009), Green purchasing behaviors in Istanbul (Boztepe, 2012) Study by (Obermiller, et.al, 2013) support the hypotheses that more skeptical consumers respond more positively to emotional appeals than to informational appeals. In fact such consumer like and rely less on advertising claims. (Pan et.al, 2017) conducted studies to understand relationship between celebrity credibility and advertising skepticism and concluded that first person perceptions in the context of celebrity credibility played a higher role in reducing advertising skepticism than the third person perceptions.

#### **Gaps in Literature :**

Advertising and its impact has been an area of study for several researchers in the past. Advertisement Believability as construct has been studied for many advertisements. However, they have not been studied with respect to food delivery apps in general and definitely not for Swiggy. Further the impact of Skepticism to advertising that is a general trait and its impact on Advertisement Believability for Swiggy has not been studied in the past. The study also measures the impact of customer experience of Swiggy and its impact on Advertisement Believability.

#### **Objectives :**

- To measure general skepticism towards advertisement of respondents
- To measure the believability of Swiggy advertisement
- To examine the relationship between believability of Swiggy advertisement and general skepticism

towards advertisements.

- To study the impact of customer status on advertisement believability of Swiggy

#### **Methodology :**

This paper focuses on this proposition of 'No minimum order' advertisement of Swiggy. Advertising has a significant role to play in business and given the highly competitive environment of today, it is imperative that advertisements need to be evaluated in terms of their believability and effectiveness. Irrespective of how convincing an advertisement appears, consumer bias may trigger skepticism and need for cognition. Since Swiggy is just over 5 years old (started in Aug 2014), the business is in early growth phase and the focus of advertisement would be on convincing the potential and current customers of its benefits and make them repeat users of their platform.

The research used Survey method to collect data to and attain the above objectives. Questionnaire was designed to capture both the constructs, viz. Skepticism towards advertisements designed by Obermiller & Spangenberg in 1998 and 'TV Ad Believability' designed by Beltramini in 1982 (Beardern & Netemeyer, 1999). In addition to this, the demographics and customer status of respondents was also captured.

Skepticism towards advertising is defined as the general tendency towards disbelief of advertising claims. Skepticism is a general trait that individual may possess and may vary in terms of its degree and is not considered as a response to a particular advertisement or claim but a generalizable characteristic.

Ad Believability is viewed as the extent to which a particular advertisement is capable of evoking sufficient confidence in its truthfulness to render it acceptable to consumers (Beltramini, 1982). The questionnaire was administered to a sample of 206 respondents residing in Mumbai and Navi Mumbai using convenience sampling.

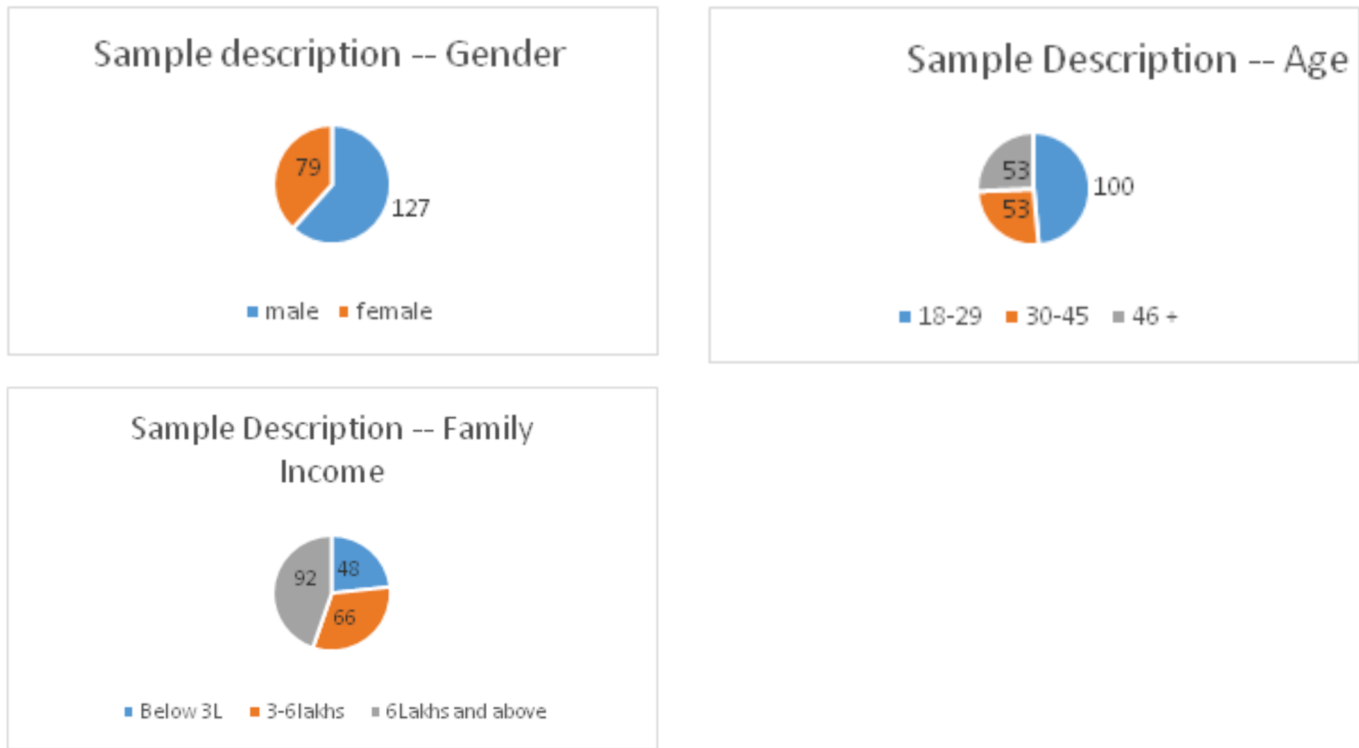
The scores on both the above mentioned scales were checked for variance across the demographic factors using one-way ANOVA and chi square test. Later correlation was checked between both the scores. It was hypothesized that respondents who had high skepticism towards advertising would score lower on TV Ad

believability scale. Further the researchers tried to examine whether the fact that whether the customer had

ordered using Swiggy had any moderating impact on the scores.

Analysis & Findings :

The description of sample is given in charts below :



The mean scores for the 'Skepticism to Advertising' scale indicate that higher the mean value, lower is the skepticism towards advertising. As we can see that the highest values of 4.5 are on the items regarding the role of advertising as information agents. This means that respondents believe that advertisements are supposed to impart information to its viewers. Ironically, the lowest scores are on items regarding truthfulness. This means that the respondents believe that the role of advertising is to inform the consumers, however the claims made by them cannot be taken at their

face value.

In order to check for variation in skepticism to advertising levels across demographic variables, the following hypothesis were framed

H<sub>0</sub>: There is no significant difference between skepticism levels across age, gender & income

H<sub>1</sub>: There is a significant difference between skepticism levels across age, gender & income

The variation across the demographic variables was checked using one way Anova for age and income and chi square was used for gender. The results of the same are given in Table No.1 below.

Table No.1: Variation in skepticism levels across demographic variables

	Skepticism towards Advertisement	Method Used	Hypothesis Testing	Hypothesis Result
Age	0.001	ANOVA	<0.05	H1 Accept
Gender	0.06	T-test	>0.05	H0 accept
Income	0.007	ANOVA	<0.05	H1 accept

Since the significance levels are below 0.05 for age and income, we reject the respective null hypotheses and accept that skepticism varies across age and income of the respondents.

The mean values across different levels of age (as

given in Table No.2) indicate that skepticism is lowest in younger age groups and increases with increase in age. Similarly,with respect to family income, it is seen that skepticism is lowest in the lower income groups and with increase in income, skepticism also increases (Refer Table No.3).

Table No.2: Variation in skepticism with respect to age.

	N	Mean	Std. Deviation	Std. Error
1	102	3.66	0.83	0.08
2	52	3.32	0.80	0.11
3	52	3.03	0.84	0.12
Total	206	3.42	0.86	0.06

Table No.3: Variation in skepticism with respect to income.

	N	Mean	Std. Deviation	Std. Error
1.0	48	3.69	0.92	0.13
2.0	66	3.48	0.83	0.10
3.0	92	3.23	0.82	0.09
Total	206	3.42	0.86	0.06

The mean scores on each of the 10 items of the TV Ad Believability Scale fall in a very narrow between 3.27 to 3.82.

In order to check for variation in Tv Advertising Believability to Swiggy Advertisement across demographic variables, the following hypothesis were framed

H<sub>0.1</sub>: There is no significant difference between Tv Advertising Believability for Swiggy Advertisement

across age, gender & income

H<sub>1.1</sub>: There is a significant difference between Tv Advertising Believability for Swiggy Advertisement across age, gender & income

The variation across the demographic variables was checked using one way Anova for age and income and chi square was used for gender. The results of the same are given in table No.4 below.

Table No.4: Variation in TV Advertisement Believability for Swiggy advertisement across demographic variables

	To measure believability of Swiggy Advertisement (significant)	Method Used	Hypothesis Testing	Hypothesis Result
Age	0.000	ANOVA	<0.05	H1 Accept
Gender	0.374	T-test	>0.05	H0 accept
Income	0.452	ANOVA	>0.05	H0 accept

Since the significance levels are below 0.05 for only age, we reject the respective null hypotheses and accept that Advertisement Believability varies only across age of the respondents.

Further analysis shows that advertisement believability is highest for oldest age group viz. Above 45 years and is lowest for '30-45 years' age group as seen in Table No.5below.

Table No.5: Variation in Swiggy Advertisement Believability with respect to age.

	N	Mean	Std. Deviation	Std. Error
1	102	3.56	0.73	.07196
2	52	3.22	0.87	.12106
3	52	3.92	0.43	.05913
Total	206	3.57	0.75	.05202

Further the correlation between the average scores of Skepticism towards advertising and Ad Believability scale was checked. As expected there was a significant but weak correlation of 0.2 was observed between the two scores.

In addition to this, the variation in advertisement believability was checked across the two categories of customer status, I.e those who have ordered in the past and those who have not ordered in the past using independent 't test'. It was observed that there was a significant difference between the scores and those who had ordered from Swiggy had a higher believability score. Since significance level is less than 0.05, we can conclude that at 95% level of confidence, there is a significant difference in advertisement believability score across the two categories. The mean values indicate that respondents who have ordered on Swiggy in the past have a higher score than the ones who have never used Swiggy (Refer to Table No.6).

Table No.6: Mean scores for Advertisement Believability across categories of customer status

Group Statistics					
Haveyoueverorderedfr omSwiggy		N	Mean	Std. Deviation	Std. Error Mean
Siggy	1	114	3.53	0.77	0.07
Advertise ment	2	92	3.27	0.95	0.10

So the analysis reveals that the Tv Advertisement Believability scores vary across the age and across the customer status. It may be interesting to see whether there is an interaction effect between the two independent variables vis. The age of the respondent and the customer status.

### Findings & Conclusion :

The results of the study thus indicate that skepticism towards advertising which is a general trait among consumers vary across age groups and income groups. Specifically, with increase in age, skepticism also increases, this may be due to the fact that the exposure of consumers also increases with age and they are no longer as impressionable as younger customers. However, when we examine the construct TV advertisement believability particularly for Swiggy Advertisement, we find that older age groups score higher indicating that they believe the advertisement. If we consider the advertisement selected, it is an advertisement depicting a fact that Swiggy delivers even the smallest order in terms of quantity or even ticket size. Since it has informational appeal and not an emotional appeal, older age groups find it more believable.

The respondents who had ordered from Swiggy had high scores of Advertisement Believability, this indicates that those who have used their service, probably trust them and hence score better on the said scale. Generally, advertisements are made so as to persuade the potential customer to by the product or service. However, this study indicates that users of your product or service tend to find the advertisement more believable as they probably had positive experience with the service.

### Scope for further research :

The study did not capture the satisfaction levels of respondents to Swiggy. Further Swiggy now has a membership program called Swiggy Super, and whether the respondents were members of this program was not captured. It is possible that the believability levels of these respondents are higher than mere users of Swiggy.

### References :

1. Bearden,W.O. &Netemeyer. R.G. (1999), Reactions to Advertising Stimuli, Handbook of Marketing Scales, pp. 305-308), Sage Publications

2. Bhattacharya, A. (2019 June 06), Nearly Half of all food transactions in India happened over Swiggy, qz.com <https://qz.com/india/1635965/in-2018-swiggy-beat-zomato-olas-foodpanda-uber-eats-by-a-mile/>
3. Boztepe, A. (2012), Green marketing & its Impact on Consumer Behavior. *European Journal of Economic & Political Studies*, vol.5, No.1, pp. 5-21
4. Goh, S.W. & Balaji, M.S. (2016) Linking green skepticism to green purchase behavior, *Journal of Cleaner Production*, vol.131, pp. 629-63
5. Matthes, J. & Wonneberger, A. (2014) The Skeptical Green Consumer Revisited: Testing the Relationship Between Green Consumerism and Skepticism Toward Advertising, *Journal of Advertising*, Vol. 43, No.2, pp. 115-127
6. Mostafa, M.M. (2009) Shades of Green: A psychographic segmentation of the green consumer in Kuwait using self-organizing maps. *Expert Systems with Applications*, Vol. 36, No. 8, pp. 11030-11038
7. Obermiller, C., Spangenberg, E. & MacLachlan, D.L. (2005) Ad Skepticism: The Consequences of Disbelief, *Journal of Advertising*, Vol.34, No.3, pp.7-17.
8. Online Food Delivery (2019) Statistika.com, Retrieved 13<sup>th</sup> Feb 2020 from <https://www.statistika.com/outlook/374/119/online-food-delivery/india>
9. Pan, P, Meng, J., Lee, P. (2017) The Mediating Effects of Presumed Influences on Taiwanese Consumers' Skepticism toward Celebrity Endorsed Advertising. *Journal of International Consumer Marketing*. Jan/Feb2017, Vol. 29 Issue 1, p48-58. 11p.

