Advertising Strategy of Swiggy Instamart and its Impact on Customer Satisfaction and Preferences

*1Dr. A Sree Lakshmi and 2Dr. P Ramalinga Prasad

*1, 2Assistant Professor, Department of Commerce, Andhra Loyola College (Autonomous), Andhra Pradesh, India.

Abstract

Swiggy Instamart, the instant grocery delivery arm of Swiggy, has redefined the quick-commerce segment in India. This research paper investigates the advertising strategies used by Swiggy Instamart and examines their influence on customer satisfaction and buying preferences. With the proliferation of digital platforms, advertising has become a crucial tool for brand engagement. This study uses both primary data from a survey and secondary literature sources to assess the impact of advertising. A chi-square test is used to determine whether customer demographics, especially age, influence preference due to advertising. The paper also reviews recent ad campaigns launched by the company and evaluates their effectiveness in meeting customer expectations.

Keywords: Advertising strategies, customer satisfaction, buying preferences.

Introduction

Importance of the Study

The quick-commerce (q-commerce) industry is experiencing rapid growth, driven by evolving consumer needs for speed and convenience. Swiggy Instamart has emerged as a key player, offering a unique advertising strategy that emphasizes instant delivery, emotional connection, and regional personalization.

This study is important because:

i). **Consumer Behavior Insight:** It helps businesses understand how advertisements affect consumer decision-making in the grocery delivery segment.

ii). **Marketing Effectiveness:** It assesses the effectiveness of Swiggy Instamart's ad campaigns, providing valuable inputs for marketers.

iii). **Strategic Planning:** It supports strategic decision-making for new entrants and existing players in the q-commerce space.

iv). **Academic Contribution:** It adds to the limited academic literature on advertising effectiveness in the context of Indian q-commerce.

v). **Business Innovation:** It explores how technology and creativity in advertising can influence brand perception and preference.

Statement of the Problem

In the highly competitive and rapidly evolving quick-commerce (q-commerce) market, customer acquisition and retention are heavily influenced by advertising strategies. Swiggy Instamart has emerged as a dominant player in this field, yet there is limited academic research examining how its advertising efforts affect customer satisfaction and preferences. Understanding this connection can offer valuable insights for marketing strategy and customer engagement in the q-commerce sector.

Objectives of the Study

i). To analyze the advertising strategy of Swiggy Instamart and its impact on consumer preferences and satisfaction.

ii). To examine the relationship between customer demographics (specifically age) and their preference for Swiggy Instamart due to advertisements.

Literature Review

The effectiveness of advertising strategies in influencing consumer behavior and preferences has been widely studied across various industries. This literature review explores key studies and findings on advertising strategies, customer satisfaction, and preferences, particularly in the context of quick-commerce (q-commerce) platforms like Swiggy Instamart.

i). **Advertising and Consumer Preferences:** Advertising plays a pivotal role in shaping consumer preferences, as it creates awareness, builds perceptions, and influences decision-making. According to Kotler & Keller (2016) [1], advertising serves as a powerful tool for brand positioning, fostering emotional and functional connections with consumers. The study emphasized that ads which resonate emotionally and reflect the brand's values tend to generate greater consumer loyalty. Rogers

*Corresponding Author: Dr. A Sree Lakshmi

< 70 >

(2014) [2] noted that advertisements are not only intended to inform consumers but also to persuade and induce action. For quick-commerce businesses like Swiggy Instamart, the convenience factor highlighted in advertisements can drive customer preference. Ads that promise instant gratification, like Swiggy's "30 minutes or free" campaign, appeal to customers who prioritize speed.

ii). **Impact of Digital Advertising in Q-Commerce:** The role of digital advertising in shaping the success of online businesses has become more prominent with the rise of e-commerce and q-commerce. Gupta & Soni (2019) [3] discussed how e-commerce platforms utilize digital advertising on social media platforms and search engines to target specific customer segments, creating tailored ads based on user behavior. In the context of quick-commerce, Bansal & Gupta (2021) [4] explored how q-commerce companies such as Swiggy Instamart leverage targeted ads through social media and OTT platforms, ensuring high visibility and engagement. Their study found that a personalized approach, focusing on convenience and speed, resonates well with modern consumers who seek quick and hassle-free solutions for their grocery needs.

iii). **Emotional Appeal in Advertising:** The emotional appeal in advertisements has been shown to enhance customer engagement and loyalty. Sashi (2012) [5] highlighted that emotional content in advertising, such as humor, nostalgia, or empathy, can lead to higher brand recall and a positive attitude towards the product or service. Swiggy Instamart's advertising strategy often incorporates humor and emotional elements, as seen in the "Insta Happiness" campaign, which promotes convenience and speed in a fun, relatable manner.

Lee & Jeong (2016) [6] further elaborated on how emotional ads positively influence customer satisfaction, noting that ads that create a sense of emotional connection often result in increased brand loyalty.

iv). **Regional Targeting in Advertising:** Regional targeting is increasingly important in India due to its diverse cultural, linguistic, and regional preferences. Chakraborty & Shankar (2018) [7] examined the effectiveness of regional advertising strategies for consumer-facing platforms in India. They found that localized ads that incorporate regional languages, preferences, and festivals yield a higher response rate. Swiggy Instamart, through campaigns like "India's Mood, Delivered Fast," has adopted a region-specific approach to cater to the diverse tastes and preferences across India.

v). **Impact of Advertising on Customer Satisfaction:** Keller (2013) [8] argued that consistent and relevant advertising helps manage consumer expectations, which is essential for customer satisfaction. In the case of Swiggy Instamart, aligning ad messaging with the actual customer experience helps build trust. As per Singh & Gupta (2020) [9], when customers find that the service matches the promises made in advertisements, it leads to higher satisfaction levels and customer retention.

Panda & Pradhan (2021) [10] further supported this by stating that consumer satisfaction in the digital age is significantly influenced by the perceived congruence between advertising content and actual service delivery.

vi). **Advertising in the Indian Context:** Srinivasan & Suresh (2015) [11] examined how Indian consumers respond to advertising in the context of digital platforms. They concluded that Indians are more receptive to ads that showcase community bonding, regional pride, and family-oriented messaging. Swiggy Instamart's approach of regional targeting, by showcasing local flavors and cultures, aligns well with the preferences of Indian consumers.

vii). **Use of Influencers in Advertising:** Influencer marketing has become a crucial element in digital advertising. Jin *et al*. (2019) [12] explored how influencer collaborations help brands reach a targeted audience more effectively. Swiggy Instamart's partnership with IPL players and influencers for campaigns such as the "Cricket IPL 2024" campaign highlights the growing importance of influencers in promoting quick-commerce services.

viii). **Advertising and Consumer Trust:** Chaudhary (2019) [13] found that transparent and consistent advertising builds consumer trust, which directly affects their purchasing decisions. In the case of Swiggy Instamart, its advertising strategy emphasizes trust and reliability, ensuring customers that their needs will be met quickly and efficiently.

ix). **Behavioral and Psychographic Segmentation:** Kumar & Rathi (2017) [14] discussed how understanding customer psychographics and behavioral patterns helps advertisers craft more effective campaigns. This aligns with Swiggy Instamart's approach, where advertising is tailored to appeal to customers based on their lifestyle-working professionals, students, or families-and their desire for convenience and quick service.

x). **Effectiveness of Flash Sales and Time-Sensitive Ads:** According to Vasquez & McKinley (2020) [15], time-sensitive offers and flash sales, as seen in Swiggy Instamart's "30 minutes or free" campaign, effectively create urgency and prompt action from customers. These advertisements capitalize on FOMO (fear of missing out), influencing customers to act quickly.

xi). **Social Media and Engagement in Advertising:** Singh & Verma (2022) [16] highlighted the growing role of social media platforms in amplifying brand messages. Swiggy Instamart has capitalized on platforms like Instagram, Facebook, and YouTube to reach younger, tech-savvy consumers. Their use of Instagram Reels, YouTube Shorts, and influencer collaborations to promote real-time, relatable ads has proven to be a key driver in their advertising strategy.

Research Methodology

This research adopts a mixed-method approach involving both qualitative and quantitative analysis to evaluate the impact of Swiggy Instamart's advertising strategies on customer satisfaction and preferences.

i). **Research Design**
- **Type:** Descriptive and analytical
- **Approach:** Primary data collection through a structured questionnaire, supplemented by secondary data from articles, campaigns, and journals.

ii). **Data Collection**
- **Primary Data:** Collected via online and offline surveys from 100 respondents across age groups (18–25, 26–35, 36–50).

< 71 >

- **Secondary Data:** Sourced from Swiggy's campaigns, articles, case studies, online portals, and academic papers.

iii). Sampling Method
- **Sampling Technique:** Convenience sampling (due to time and resource constraints)
- **Sample Size:** 100 respondents

iv). Tools and Techniques
- **Statistical Analysis:** Chi-square test was used to determine the relationship between age group and preference influenced by advertisements.

v). Variables
- **Independent Variable:** Age group (18–25, 26–35, 36–50)
- **Dependent Variable:** Preference for Swiggy Instamart due to advertisements

vi). Hypotheses
- **H₀:** There is no significant relationship between age group and preference for Swiggy Instamart due to advertising.
- **H₁:** There is a significant relationship between age group and preference for Swiggy Instamart due to advertising.

Discussion on Objectives
Objective 1: Advertising Strategy and Its Impact
Swiggy Instamart has adopted a multi-pronged advertising strategy that includes:
- **Digital-first Approach:** Social media, YouTube, and app-based promotions are the core channels.
- **Emotional Branding:** Campaigns like "Insta Happiness" connect emotionally by showing how Swiggy fits into daily life.
- **Influencer Marketing:** Collaborations with celebrities and local influencers enhance visibility.
- **Assurance Messaging:** Campaigns like #30 Minutes or Free focus on speed and reliability, key drivers in customer satisfaction.

Recent Advertisements by Swiggy Instamart
i). **"Insta Happiness" Campaign:** Launched to highlight the emotional value of fast delivery, this ad series uses humorous skits to promote everyday convenience and happiness.
ii). **"Late Night Delivery" Ads (2024):** Targeted toward night owls, students, and professionals, these ads use short video formats on Instagram and YouTube Shorts to promote Swiggy's late-night services.
iii). **Cricket IPL 2024 Campaign:** Swiggy Instamart partnered with influencers and cricket players to create interactive ads and flash deals during match breaks, enhancing brand engagement during peak viewership.
iv). **"India's Mood, Delivered Fast":** Focused on hyperlocal flavor assortments and snacks, this campaign appeals to regional preferences using local languages and cultural references.
v). **#30 Minutes or Free Campaign:** Aimed at reinforcing reliability and speed, this campaign assures customers of delivery within 30 minutes or offers the order for free, creating urgency and excitement.

Based on Survey Data
- 82% of respondents felt that advertisements influenced their choice.
- 70% believed the advertisements matched their actual user experience.
- 59% reported checking out Swiggy Instamart after watching a campaign.

These findings suggest that the company's advertising strategy has a strong positive influence on both customer preference and satisfaction.

Objective 2: Demographics and Advertising Influence
While age-based preferences were assessed, the chi-square test showed no statistically significant difference across age groups. This implies that Swiggy Instamart's ads have a broad appeal and are effective across age segments, which is a key strength in its advertising strategy.

Primary Data Analysis
Survey
- **Sample Size:** 100 respondents
- **Age Groups:** 18–25, 26–35, 36–50
- **Question Asked:** "Do you prefer Swiggy Instamart because of its advertisements?"

Contingency Table

Table 1: Contingency

Age Group	Prefer Instamart	Do Not Prefer
18–25	25	10
26–35	30	8
36–50	20	7

Chi-Square Test Result
- **Chi-Square Value:** 0.566
- **Degrees of Freedom (df):** 2
- **P-Value:** 0.753

Interpretation: Since the p-value > 0.05, we fail to reject the null hypothesis. This means there is no significant relationship between age group and preference due to advertising.

Conclusion
Swiggy Instamart has skillfully used advertising as a tool to enhance brand recall, customer trust, and user engagement. Its emotional, regional, and speed-centric messaging resonates with a wide customer base. Although demographic factors like age do not significantly affect advertising impact, the campaigns have successfully cultivated positive brand preferences. Continuous innovation in advertising strategies will be essential as competition in the q-commerce space intensifies.

References
1. Kotler P, Keller KL. Marketing Management (15th ed.). Pearson Education, 2016.
2. Rogers EM. Diffusion of Innovations (5th ed.). Free Press, 2014.
3. Gupta A, Soni N. The Role of Digital Advertising in E-Commerce. *Journal of Digital Marketing*. 2019; 12(3):54-62.

< 72 >

4. Bansal R, Gupta S. Impact of Digital Advertising on Quick-Commerce Platforms in India. *International Journal of Marketing Studies*. 2021; 14(1):28-39.

5. Sashi CM. Customer Satisfaction and Loyalty in the Online Retail Industry: A Literature Review. *International Journal of Retail & Distribution Management*. 2012; 40(2):106-118.

6. Lee SM, Jeong MK. The Role of Emotional Appeal in Advertising: Evidence from Online Platforms. *Journal of Consumer Psychology*. 2016; 26(3):384-394.

7. Chakraborty S, Shankar A. Regional Targeting in Advertising: An Indian Perspective. *International Journal of Advertising*. 2018; 37(4):582-594.

8. Keller KL. Strategic Brand Management (4th ed.). Pearson Education, 2013.

9. Singh S, Gupta N. The Impact of Advertising on Consumer Satisfaction: A Case Study of Quick-Commerce Platforms. *Journal of Business Research*. 2020; 18(2):102-112.

10. Panda M, Pradhan S. Advertising and Consumer Satisfaction in the Digital Era. *Journal of Marketing and Consumer Behavior*. 2021; 10(3):45-58.

11. Srinivasan R, Suresh K. The Role of Regional Advertising in India. *Asian Journal of Marketing Studies.* 2015; 24(1):34-47.

12. Jin SV, Lee SH, Kim SH. The Role of Influencers in Advertising: The Effect of Social Media on Consumer Behavior. *Journal of Digital Marketing*. 2019; 21(4):174-185.

13. Chaudhary R. Building Consumer Trust through Advertising: Evidence from Online Markets. *Journal of Consumer Research*. 2019; 28(3):122-134.

14. Kumar S, Rathi A. Behavioral and Psychographic Segmentation in Advertising. *Journal of Marketing Research*. 2017; 45(2):67-80.

15. Vasquez D, McKinley J. The Impact of Flash Sales and Time-Sensitive Advertising. *Journal of Advertising Research*. 2020; 40(3):102-113.

16. Singh S, Verma V. Social Media and Brand Engagement: A Study of Digital Marketing Strategies in India. *International Journal of Digital Marketing*. 2022; 10(4):95-110.

< 73 >