



An Exploratory Study of Advertising Appeals of Life and Health Insurance Advertisements of India

Saloni Sinha¹
Manoj Kumar Pandey²
Peeyush Singh³
Shreya Rakesh⁴

1. Introduction

The strongest persuasive communication model adopted in human communication, since as early as 2000 years ago, was the “Rhetorical Triangle” propounded by Aristotle i.e., all successful communication *appealed* to the audience/receiver due to “*ethos*”- credibility, “*logos*”- logic and “*pathos*”- emotions. Several frameworks like “The Elaboration Likelihood Model” (Petty and Cacioppo, 1981) and “Affective Response Theory” have been developed on this philosophy to study emotions and appeals in the field of marketing. It has been applied in the study of understanding attitude and emotions of customers evoked due to the advertising campaigns (Batra, Rajeev & Ray, Michael.,1986). Research and measurement of Advertising Appeals has been an area of exploration in the field of Consumer Psychology, Consumer Research, Emotional Marketing, Neuromarketing, Branding and Strategy in the field of marketing. **Advertising Appeals** as per the The Dictionary of Media and Communication, Oxford University Press (2016) has been defined as “The rhetorical modes of persuasion underlying the implicit psychology of advertisements. Distinctive appeals contribute to brand positioning.”

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Theoretical Framework

Affective Response Theory

Advertising is a part of the marketing promotional mix, which helps in the communication in a bi directional way i.e from producer to customer and vice versa, with an objective of creation of favourable attitude or reinforce existing attitudes, this communication elicits some reaction or a response, to understand this One of the most popular theories on consumer reaction to information of a promotional nature is the affective response theory.

Affective Response Theory is made up of three words:

- Affective describes something that has been influenced by emotions, is a result of emotions, or expresses emotion
- Response is referred as the reaction to something
- theory is a collection of ideas intended towards explaining something

¹ Assistant Professor, BIMTECH, Gr Noida, Email id: salonisinha.sinha@gmail.com

² Associate Professor, BIMTECH, Gr Noida, Email id: manoj.pandey@bimtech.ac.in

³ Research Scholar, BIMTECH, Gr Noida, Email id: peeyush.singh21@bimtech.ac.in

⁴ Research Scholar, BIMTECH, Gr Noida, Email id: shreya.rakesh21@bimtech.ac.in

Affective response theory is based on emotional responses or the emotional appeals created in an advertisement, as per the theory the consumer can base its choice on few things like pleasure, feelings or emotions that come up from the message of the ad, the features of the product plays a less prominent role. To determine the desired effect the exposure needs to be repeated several times, but this excess might lead to a lack of effectiveness.

This affective response takes into account, on the one hand, the promoted brand and, on the other hand, the advertisement itself. The creative concept may be largely based on melody, whose emotional effects are recognized.

The problem with this theory is the impossibility of separating the affective effect from the cognitive ones. Although it is undeniable that advertising induces affective effects, they cannot however be detached by the cognitive ones.

GUNN's Ad Types

In 1978, Donald Gunn was a creative director for the advertising agency Leo Burnett. He studied the best TV ads he could find, and looked for elemental patterns, After rigorous research he narrowed down to a point that all good ads fall into one of the 12 categories which he called "master formats".

David GUNN's 12 Types of Advertising

Types	Meaning
1. 'The Demo'	Demonstrative advertising aims at highlighting and bringing out the benefits of a particular product and persuade the customer to make a purchase decision.
2. Show the Problem / Need	Such advertisements first demonstrate the ineffectiveness of the present existing products and then as a solution to the problem they show their own product.
3. Symbolize the Problem	The problem is symbolized using a symbol, analogy, or exaggerated graphic and once the product is used it returns to its original form.
4. Symbolize the Benefit	The benefit of the product is displayed for better understanding of the customer, here also the benefit is displayed using symbol, analogy, or exaggerated graphic
5. Comparison	This kind of advertisements display the problems present in the product of the competitors and then come to the point of why their own product is better than the competitors.
6. Exemplary Story	This kind of advertisement provides an example of where and how a product shall be used in case of a situation and how it eradicates the problem that was earlier not addressed or if addressed they were not up to the mark.

7. Benefit Causes Story	conceive the ad back-to-front, by imagining a trail of events that might be caused by the product's benefit
8. Testimonial	It is also called as tell it, presenter or A tells B. where in a human or an animated character takes a form of a friend or a neighbor who shares their experience about the product and recommends it to you.
9. Ongoing Characters / Celebrities	Many times the audience tends to remember the ad but forgets the brand so, to solve this problem the advertisement uses a recurring character, or celebrity, that can help cement a brand's identity into the viewer's brain.
10. Associated User Imagery	Such kind of advertisements come up with the people or character with whom the target population can easily associate it
11. Unique Personality Property	These advertisements highlight something indigenous to the product that will make it stand out.
12. Parody or Borrowed	Advertisements that have parodied movie, TV shows—and even other ads. Such symbols or analogies show an exaggerated element in demonstrating a benefit of the product.

Background of the Study

Insights on Life & Medical Insurance in India

The concept of insurance has well been found mentioned in our religious scriptures. In Rigveda, there is a concept called “Yogakshema”, which means prosperity, well being and security of people. This was probably a pre-cursor to modern day insurance.

The modern form of commercial insurance came to India in early years of 19th century & Oriental Life Insurance Company with base in Kolkatta was the first life insurance company. The insurance companies in yearly years were mainly taking care of the needs of European community and Indian natives were either not being insured or given a poor treatment by these companies. Bombay Mutual Life Assurance Society established in 1870 was the first Indian life insurance company & it started covering Indian lives without any discrimination. The Swadeshi movement of 1905-1907 gave rise to more insurance companies such as The United India in Madras, National Indian and National Insurance in Calcutta and the Co-operative Assurance at Lahore.

Passing of the Insurance Act 1938 was a milestone. This act continues to be the mother act even at this point of time. There were 176 companies with total business-in-force as Rs.298 Crores in 1938. The year 1956 was again a mile stone year as the Govt of India took a call of nationalization of insurance business & formed a public sector enterprise by name Life Insurance Corporation of India by merging 256 insurance companies. The industry remained in Govt control till year 2000 when the same was opened up for the private sector & today India has more than 60 insurance companies. The life insurance business now is more than Rs 2,75,000 Crores & contributes to around 2.75% of GDP (Ref IRDAI report 2019).

Though the medical care & insurance got its formal footing in India just after the independence by the enactment of CGHS & ESIC schemes but they were confined to the Govt & industrial employees only. The commercial medical insurance for general customer got introduced only in 1986. It remained a small line of business for long. However the last decade has seen a very upward movement in business volume on account of collapse of public healthcare infrastructure & rising medical care cost at the private hospitals. The launch of some govt schemes such as Rasthriya Swath Bima Yojana (RSBY) & in recent time Ayushman Bharat led to awareness of health insurance & it contributed a lot in business growth. Today health insurance business is of Rs 30000 Cr volume & growing at high rate year after year.

Advertising in past

The very purpose of nationalization of the life insurance in 1956 was to channelize the savings of the citizen for the nation building the marketing communication was always around the safety & security of the savings. Even though coverage of risk of life happens to be the prime reason for the life insurance, it always got a back seat in communication strategy by LIC till last decade when private insurance companies started using it to establish themselves. Hoardings in cities & the wall paintings in rural areas were the main platforms for advertisements well supplemented by a bit of print & radio. Tax saving also used to be a strong sales pitch particularly during the last quarter of the financial year. These ad platforms were having its own limitation in terms of creativity. Things changed for good with the arrival of national TV in mid 80's & satellite TV in mid 90's. The TVC became the lead instrument in reaching out to the customer base. Because of the audio-visual inputs they had a long lasting impression & the customers got to see some beautiful communication creations. The dull & static way of communicating some boring messages got replaced by vibrant visual media. The growing influence of the younger generation added more spice to the creativity. The ad appeals also changed from saving & tax saving to more of family bondage & other emotional appeals. However of high cost associated with the TVC were a limiting factor.

The emergence of social media & its wide reach at much lower cost has changed the dynamics. The target audience which is well dominated by the young generation is not only fun loving but are willing to understand the realities of lives. Talking of death & resulting financial crisis for the family is no more a taboo. They want to save not for the possible difficult phase of life but to enjoy & meeting their aspiration. No wonder that getting #LifeGoal be it a planning for a foreign trip or happy retirement life has become the most favored tagline for life insurer in recent past.

In comparison to life insurance where saving aspect continues to dominate, medical insurance is all about taking care of hospital bills. But here also the approach has changed. It is no more about feeling burdened of the hospital stay / bill but looking forward to celebrate get-together post discharge from hospital.

The Significance of This Study

The authors intend to explore Advertising appeals reflected in advertisements of Life and Health Insurance products of few leading companies of India who have a presence on digital media like Youtube. The authors are engaging in this exploratory study of companies who have been present on digital platforms for at least last five years. With the change in consumers' mindset towards life and health insurance products due to the efforts of the companies and the government in the past decade, the authors intend to identify Ad Appeals adopted by these companies in their earliest campaigns and across past five years, and in the process highlight if there has been any shift in the Ad appeal and attempt to analyse the reason for the same.

The main objectives of this exploratory study are –

1. To identify Ad appeals adopted by Indian Life and Health Insurance companies
2. To identify any shift in Ad appeals over the last five years
3. To correlate industry environment with the shift in Ad Appeal
4. To explore any significant link between the Ad appeal and the buying behavior

Literature Review & Hypotheses

The authors were encouraged to take up this study as there was no literature found on an exploratory study of Ad appeal in Insurance Advertisements in India. However, studies of Ad appeal in American insurance industry advertisements do exist. The global papers showed predominant use of FEAR in the campaigns. The researchers have also observed that the predominant ad appeal has shifted from fear to other appeals like humour, youth etc in the campaigns across past decade.

Methodology

The authors analysed Indian advertisements of past five years by three leading Life and Health insurance companies. The authors first catalogued 5 predominant ad appeals for their study. They selected few leading Insurance companies who have actively promoted life and health products through emotional advertisements on Youtube for the last five years. A matrix of 5 Ad appeals and Youtube videos of all 20 campaigns were shared with a group of 60 consumers in the age group of 25-30 years. The respondents were required to register the Ad appeal that the advertisement evoked as per their understanding. The results showed a predominance of the Ad appeal of “fear” in the early campaigns and also indicated a shift in the ad appeal to “humour” and “Youth” etc in their recent ones.

PHASE 1

RESEARCHER'S Task

1. Researchers collected various ads of past decade of some leading health and life insurance products of Indian Companies sourced from Youtube
2. TWENTY ads were identified for the study
3. FIVE predominant Ad appeals/emotions were identified taking reference from Gunn's Ad types and Affective Response Theory
4. QUAL-QUAN (Mixed Method) approach of Data collection method was decided upon-like response collection to be done through Focussed Group Discussion (open ended) and 7- point Likert Scale
5. Researcher shared URLs of all Ads and FIVE Ad Appeals to respondents between age group of 25-65

Ad Appeals explored in this study



PHASE 2 Recording RESPONDENT's Observations

1. Researcher records gender, current age of the respondent and age in which they bought their first policy and the most recent one
2. Respondent watches Ad and records the emotion generated by selecting one or more from the five emotions shared along with URLs
3. Researcher conducts a Focussed Group Discussion and records the remarks of respondents justifying their choice
4. Researcher shares the Ad appeal identified by him/her with the respondent
5. Respondent rates the Ad appeal on a 7-Pt Likert Scale with a range from 1-Strongly Disagree, 2-Disagree 3-Somewhat Disagree, 4-Neutral, 5-Somewhat agreee, 6-Agree,7-Strongly Agree
6. Researcher maps his observation with that of respondents

*Focused Group Discussion using whatsapp voice and video calling as this research was undertaken using web 4.0 hyperconnected groups during COVID-19 Quarantine.

* approximately 50 urban people (selected randomly) were interviewed who were members of either a biological family or a flatmate family unit, with varied age groups, professions and income

Data Analysis

The authors intend to extend the matrix of Advertising appeal and revisit the “Affective Response Theory”. With a Mixed Method approach (Qual-Quant) they also intend to take up some qualitative analysis of the responses evoked through these advertisements and recorded using the methodology of Focussed Group Discussion.

Analytical tools identified for analysis are Advanced Excel and MAXQDA 2020.

Study Implications

This research is exploratory in nature and will benefit Insurance companies in developing future branding strategies by understanding consumer psychology and attitude formation towards insurance products. This study intends to provide insights to professionals and researchers in the field of Consumer Psychology, Integrated Marketing Communication, Branding, Neuromarketing, Emotional Marketing, Product Development etc as it intends to presenta survey of the Indian Psyche towards insurance products. Though there may be limitations in the theory selected which may limit the scope of this research.

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