Half yearly Research Journal Vol. I, Issue: III, Aug. 2013 to Jan. 2014

# **Role of Emotional Appeal in Insurance Advertisement**

# **Mushtaq Ahmed**

Research Scholar, Dept of Management Science, Dr BAMU.

# **Research Paper - Commerce**

#### Abstract:-

Introduction

The advertising is rising day by day and subsequently profits are being squeezed. Insurance industry spend high amount in advertising. Its contribution in terms of insurance product sales or profitability can only be estimated to reasonable extent. The main concept is that additional cost of insurance product advertising must produce additional profit and, therefore, the advertising should prove its contribution in total marketing efforts of insurance companies .the researcher focus on identifying the gaps by knowing the perception of customers about different component of advertisement for effective presentation of ad copy.

Thetertiary sector of the economy orservice sector or the service industry is one of the three economic sectors, the others being the secondary sector and the primary sector. The relative importance of service in a product offering. Products today have a higher service component than in previous decades is the service sector which is the main source of national income. Therefore service sector contribute more than 50% of the GDP.

The Government of India recognizes the importance of promoting growth in services sectors and provides several incentives because Services sector growth is governed by both domestic and global factors. The sector is expected to perform well in FY16. The Indian facilities management market is expected to grow at 17 per cent CAGR between 2015 and



ISSN 2279-0632

Half yearly Research Journal Vol. I, Issue: III, Aug. 2013 to Jan. 2014

2020 and surpass the \$19 billion mark

#### RESEARCH METHODOLOGY

<u>An Exploratory Research Design</u> is considered appropriate for this article. As such, the study would be flexible to accommodate different aspects of the problem under study. Apart from this comparative research has been carried out.

#### **Primary Data Collection:**

Primary data was collected by way of Structured Questionnaire specifically designed for the purpose. The questionnaire consists of open ended and closed ended questions so as to take advantages like, limiting responses as well as eliciting more information from the respondents. The primary data was also been supported by Personal interviews with the various Insurance Company Personnel.

<u>Secondary Data:</u> Secondary data was gathered to supplement the data from Primary sources. It has been collected from various sources like, Journal of Insurance, Magazines, Newspaper Articles, Company Manuals and Internet sites, and others wherever necessary.

#### Objectives of the study:

- 1. To understand Role of advertising appeal in insurance business.
- To analyze the perceptions of customer towards different brands of insurance products.
- To suggest the measures to design advertisement for insurance products.

## Hypothesis:

- **Null Hypothesis:** There is no relationship between emotional appeals in advertisement and a its impact on the consumer brand.
- Alternate Hypothesis: There is relationship between emotional appeals in advertisement and its impact on the consumer brand.

#### **REVIEW OF LITERATURE**

Emotional or "feeling" advertising appeals have established substantial consideration over the previous decade in consumer behavior research. Past research has concentrated on the precise kinds of emotional appeals regularly used (Stayman, Aaker and Bruzzone 1989), as well as the effects of emotional appeals on consumer advertisement and brand attitudes, as well as purchase intentions 1

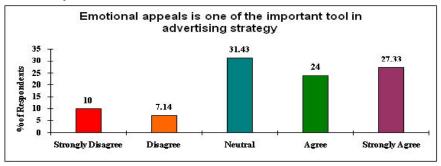
Half yearly Research Journal Vol. I, Issue: III, Aug. 2013 to Jan. 2014

## **Analysis And Interpretation**

## Emotional appeals is one of the important tool in advertising strategy

Opinion on the statement	No. of Respondents	Percentage (%)		
Strongly Disagree	75	10.00		
Disagree	54	7.14		
Neutral	236	31.43		
Agree	180	24.00		
Strongly Agree	205	27.33		
Total	750	100		

Source: Primary Data



# Source: Primary Data

## INTERPRETATION

The table and graph represents the opinions of the respondent on emotional appeals is one of the important tool in advertising strategy. The majority of the respondents with 27.33% have strongly agreed with the statement. This is followed by 24% of respondents, who have agreed. However, 10% of the respondents expressed their strong disagreement. A Meager of 7.14% respondents have disagreed. Only 31.43 % of respondent have neither agreed nor disagreed. It can be concluded that emotional appeals is one of the important tool in advertising strategy

#### **Kolmogorov-Smirnov Test**

The Kolmogorov-Smirnov Test was applied to test the first hypothesis of study"There is no relationship between advertised brands by MNCs in India and perception of consumers on the advertised brands" for which the data collected to know whether television advertisements encourage consumer preference towards life insurance products. And

ISSN 2279-0632

Half yearly Research Journal Vol. I, Issue: III, Aug. 2013 to Jan. 2014

perception of consumers on the advertised brands taking the data from the following tables the kolmogorov-smirnov test was done

#### The test was done by following the below steps

- Step 1 :- The tables for the test were selected based on the null hypotheses
- Step 2 :- The selected tables were Cross tabulated
- Step 3:-The weighted average are calculated
- Step 4:-The weighted average calculated are ranked
- Step 5 :-Kolmogorov-Smirnov Test will be calculated using the formula
- Step 6 :- The Result are drawn

Aim: To test whether There is any significant relationship between advertised brands by LIC products in India and buying of consumers on the advertised brands.

Null Hypotheses (H0): There is no significant relationship between advertised brands by LIC products in India and buying of consumers on the advertised brands.

Alternative Hypotheses (H1): There is a significant relationship between advertised brands by LIC products in India and buying of consumers on the advertised brands.

Cross tabulation of data of Advertised brands of life insurance products are sold in more number and Emotional Appeal through advertisement has a good impact on the consumer Emotional appeal through advertisement has a good impact on the consumer.

# The table shows the information related to impact LIC products advertised

Consumers Purchase Advertised Brands	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Total	
Strongly	3	11	12	12	18		
Disagree	5.36	19.64	21.43	21.43	32.14	56	
Disagree	6	12	23	28	7	76	
	7.89	15.79	30.26	36.84	9.21		
Neutral	27	18	29	12	28	114	
	23.68	15.79	25.44	10.53	24.56		
Agree	29	37	36	115	51	268	
	10.82	13.81	13.43	42.91	19.03	1	
Strongly Agree	13	18	20	32	153	236	
	5.51	7.63	8.47	13.56	64.83	230	
Total	78	96	120	199	257	750	

ISSN 2279-0632

Half yearly Research Journal Vol. I, Issue : III , Aug. 2013 to Jan. 2014

## Table Showing Analyzed Data

Consumers Purchase Advertised Brands	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Total
Disagree	6	12	23	28	7	76
Neutral	27	18	29	12	28	114
Agree	29	37	36	115	51	268
Strongly Agree	13	18	20	32	153	236
Total	78	96	120	199	257	750

# **Kolmogorov-Smirnov Test**

F	CF	F <sub>0</sub> (X)	E	CE	F <sub>e</sub> (X)	$F_0(X)-F_e(X)$
4.22	4.22	0.23	3.61	3.61	0.20	0.03
3.64	7.86	0.44	3.61	7.22	0.40	0.035 (Dmax)
3.55	11.41	0.63	3.61	10.84	0.60	0.032
3.41	14.82	0.82	3.61	14.45	0.8	0.02
3.24	18.06	1	3.61	18.06	1	0
18.06						18.06

 $F = Observed \ frequency. \qquad CF = Cumulative \ frequency.E = Expected \\ frequency. \qquad D_{max} = Maximum \ deviation.H_0 = Null \ Hypotheses. \qquad H_1 = \\ Alternative \ Hypotheses.n = Sample \ size. \qquad Calculated \ value \ of \ D_{max} = 0.035 \\ Table \ value @ 5\% \ level \ of \ significance = 1.36/"n = 1.36/"750 \ , \qquad = 0.049 \\ Result: \ Calculated \ value \ of \ D_{max} \ (0.035) \ is \ less \ than \ the \ table \ value \ (0.049), \ Hence \ H_0 \ is accepted \ and \ concluded \ that \ there \ is \ no \ significant \ relationship \ between \ advertised \ brands \\ by \ LIC \ products \ in \ India \ and \ buying \ of \ consumers \ on \ the \ advertised \ brands.$ 

ISSN 2279-0632

Vol. I, Issue: III, Aug. 2013 to Jan. 2014

Half yearly Research Journal

#### Findings and conclusions:-

The present study was conducted to know the role of advertisement appeals in selecting advertised insurance brands. It is observed that the respondents do not consider emotional appeal as important in advertisement, during the review of advertisement of different insurance players emotional appeal is incorporated in there advertisement copy. It is concluded that the market is not brand image oriented rather its brand identity oriented. most of the respondents purchasing insurance product are under extensive decision making category and need more information therefore print media is one of the best source of advertisement considered and the insurance companies may use print media and paperless media with summarized information for promoting insurance products. It is analyzed that the advertisement of insurance brand have positive impact, the service providers has to focus more on awareness and interest oriented advertisement rather than desire and action oriented..



- Cohen, J.B., Pham, M.T. and Andrade, E.B., 2008. The nature and role of affect in consumer behavior.
- 2. Williams, P., 2000. The impact of emotional advertising appeals on consumer implicit and explicit memory: an accessibility/diagnosticity perspective. *Online. May.*
- 3. Bhatnagar, J., 2007. Talent management strategy of employee engagement in Indian ITES employees: key to retention. *Employee relations*, *29*(6), pp.640-663.
- 4. Blakeman, R., 2014. Integrated marketing communication: creative strategy from idea to implementation. Rowman& Littlefield.
- Cook, S.W. and Berrenberg, J.L., 1981. Approaches to encouraging conservation behavior: A review and conceptual framework. *Journal of Social Issues*, 37(2), pp.73-107.
- Vashishtha, N. (2015). Role and effectiveness of advertising in India\_with reference to insurance sector.
- 7. Sharma, N., & Patterson, P. G. (1999). The impact of communication effectiveness and service quality on relationship commitment in consumer, professional services. Journal of services marketing, 13(2), 151-170.

ISSN 2279-0632

Half yearly Research Journal Vol. I, Issue: III, Aug. 2013 to Jan. 2014

- Bhayani, S. J., &Balyan, Y. S. (2011). Critical analysis of advertising and strategic media planning in FMCG sector in India.
- 9. Bhayani, S. J., &Balyan, Y. S. (2011). Critical analysis of advertising and strategic media planning in FMCG sector in India.
- 10. Bhayani, S.J. and Balyan, Y.S., 2011. Critical analysis of advertising and strategic media planning in FMCG sector in India.
- 11. Bhayani, S.J. and Balyan, Y.S., 2011. Critical analysis of advertising and strategic media planning in FMCG sector in India.
- 12. Mier, J.P., 2016. Business" Buyers" Are People Too: Do Personal Characteristics Help to Explain the Effectiveness of Selected Marketing Activities in a B2B Setting?.
- Gilly, M.C. and Wolfinbarger, M., 1998. Advertising's internal audience. The Journal 13. of Marketing, pp.69-88.
- 14. Porter, M.E. and Kramer, M.R., 2002. The competitive advantage of corporate philanthropy. Harvard business review, 80(12), pp.56-68.