



Meme-onomics: How memes are driving the advertising markets in India: A Case Study of Zomato and Swiggy

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Abstract

In the current era of technological advancement, visual communication mainly takes place on the Internet. Of the many forms of visual expression on the Internet, one of the most widespread and expressive is memes. The creation of memes involves an amusing juxtaposition of phrases and pictures. Largely, Internet Memes are visual (photo and text, or video) content, popularly circulated via social media platforms, that are intended to convey a humorous message and meanings which are well-grounded in the global culture. Advertisers play creatively with memetic elements to get the audiences' attention. By carefully cleverly selecting certain bits from the content on various media, marketers are able to attract audience attention to the songs, videos, series, serials, or movies and make profits on basis of increasing views and shares.

In this context, it is relevant to study the meme market and their impact which is enabling convergence of media. This study focuses on Zomato and Swiggy's outreach through memes. The memes were using yearly trend analysis and range from the period between 2020 and 2022 (between the pandemic period). We find that both have used the model extensively during the pandemic period despite a cut in their overall advertisement expenditures.

Keywords: memes, meme culture, advertising cases, social media, Zomato, Swiggy

Subject Classification : New-Age Media and Marketing, Mass Communication

1. Introduction

The meme culture has evolved from being just another humorous description of events or sequences or instances in daily life into a way of advertising and promoting social causes, businesses, and content on the social media space. It has also become a means of conveying complex issues in a simple manner to drive home the main point of teaching and also raise public awareness. The etymology of ‘meme’ shows that its roots are in the greek word ‘mimema’ which means to imitate. The word’s modern usage emerges from its introduction through the famous biologist Richard Dawkins who first coined it to suggest an item parallel to ‘genes’. The word was introduced in his book ‘Selfish Genes’. This was in the backdrop of ‘memes’ being used to represent an idea or a style or behavior that spreads from person to person within a culture. As per Richard Dawkins, a meme was also a unit of cultural transmission or unit of imitation.

In today’s day and age, memes have also transcended from just showcasing serious situations in a lighter vein to providing a perspective about human thought and its evolution. Such a rapid change has come on account of the internet and more specifically through social media which is the main source of such content. The content produced is of a large variety and difficult to compartmentalize and analyze but on a broad scale, memes generated and shared portray every aspect of life in the 21st Century. The meme culture is open-source as existing meme ‘templates’ are used by social media users to create their own content and in doing so increase its popularity along with popularizing the content in question (movies, series, songs, or political happenings). The advantage of such content lies in the fact that it not only conveys opinions and counter-opinions but also produces direct messages in a humorous manner. The application of memes in shaping the thought processes of the public through law enforcement agencies’ social media outreach has been an ongoing process and would continue in the future. The impact of memes on the public, therefore, has been immense and this indicates a necessity for a closer look at the trends in the meme culture, especially during the pandemic. It also has grown as a vehicle for low-cost advertisements with memes becoming the face of the products in the ad market. It is this particular trend that saves on cost and the product is spread by word of mouth through a popular culture which can be coined **memeonomics**. The paper further explores this aspect in detail in the following sections.

2. Literature Review

This section deals with the literature perused. A select number of papers were reviewed in relevance to the broad idea of the topic to understand the trends in the literature on memes and find relevant research gaps in order to proceed further on the topic.

Bauckhage (2011), by collecting time-series data from Google Insights, Delicious, Digg, and StumbleUpon, addressed the epidemic dynamics of 150 famous Internet memes. Based on the analysis, differential equation models from mathematical epidemiology as well as simple log-normal distributions were found to give a good account of the growth and decline of memes. The paper highlights the role of log-normal distributions in modeling Internet phenomena and understanding how memes spread.

Bury (2016) highlights the creativity of Internet memes used in advertising campaigns by analyzing a random selection of memes where advertisers used familiar ideas, and juxtaposition phrases and pictures in order to make new and surprising combinations of Internet memes. In this way, advertisers' aim is to play creatively with memetic elements by skilfully and cleverly altering the original meme content and creating a humourous effect for attracting customers, making internet memes, the core of their advertising campaigns.

The paper by Csordás et al. (2017) noted that successful memes had the potential to create an entirely new business and highlighted the 'Streisand' effect which refers to information on the internet being confidential so long as it was not manipulated. It presented a concise review of existing literature on the categorization and creation of memes and what could make a meme viral. Furthermore, it touched upon the aspect of '*Consumer Tribe Generation*' which was an outcome of the culture. It also noted a key transformation in terms of advertisements through memes and referred to them as advertising assets by citing examples of various big brands. The paper is insightful in providing a basic understanding of the meme world and suggested that memes can be also used in market forecasting.

Lee et al. (2019) utilized the value–attitude–behavior model as its theoretical core to discuss how the values formed by consumers under the impact of an Internet meme influence their purchasing behaviors through their attitudes. The paper highlights whether consumers generate purchase intention after being attracted to an Internet meme by studying participants

who are internet users and are habitual of checking Facebook. The study concludes that hedonic and utilitarian value in participants influences their purchase intention and that marketers focus on the hedonic brought by an Internet meme by designing fun and witty internet memes to attract maximum consumers.

Milosavljevic (2020) studied 150 most popular Memes in the period from 22 to 24 of May 2019, on the site www.9gag.com and classified and compared the data to find out the most popular types of memes i.e., those in the form of photos or images, that are mostly comically character and in the function of entertainment. The paper had concluded that the common and invariant feature in the widest number of popular and unpopular memes, in the period considered for the study, is that they are in the function of entertainment.

Research Question(s)

- 1) How effective is meme marketing in promoting business for food delivery companies?
- 2) Which of the two food delivery companies considered in the study has been doing meme marketing better?

3. Methodology and Sources of Data

Since the study is attempting to understand how good meme marketing is, the paper attempts to understand the effects through select case studies to see how companies are investing in memes-based ads or promotions of their products or offers through memes. In the process, the paper also uses elementary data analysis to try to assess the impact of the same.

The sources of data are Statista, posts from the social media handles of the sample brands, and other sources available in the public domain.

4. Analysis

The paper applies a content analysis approach using select companies and their means of marketing through memes to answer the research question(s). By considering a few parameters, each brand/ company's strategies would be studied with regards to how changes in the advertising model, by using memes have helped these companies grow and earn max profits.

The considered parameters are as follows:

1. (Subject to availability): Digital Advertising Expenditure
2. Identifying the top memes of each brand (through reach - number of likes, shares, or retweets)
3. Annual Revenue trends
4. The originality of brand/ creativity and/or the brand recall value

The companies that were shortlisted were Zomato and Swiggy. The basis for choosing these companies is widespread use in each of their sectors and prominence in media space through ads. Incorporated in 2008, Zomato is a food delivery service and has cut-throat competition with Swiggy, another food delivery service which has also been considered.

4.1. Zomato

The company's origins lie in restaurant reviews, and menu provisions online, and upon expansion, it forayed into the food delivery market. Founded by Deepinder Goyal, it has expanded in a big way. In recent times, Zomato's marketing campaigns have been unique and focused on targeted social media outreach through novel adverts on YouTube and catchy tweets on Twitter. The brand has fierce competition from other players in the area such as Swiggy and Uber Eats. A key determinant in this business is data about consumer preferences and restaurants and this helps them in their advertisement campaigns too.

4.1.2. Digital Advertising Revenue (based on the Annual Revenue Trends)

Table.1. Zomato's Advertisement and Sales Promotion Expenses: Source: Zomato's IPO Prospectus

2019	2020	2021
₹1,235.96	₹1,338.42	₹527.06

Table.2. Promotions and Advertisements as Percentage of Total Income: Source: Zomato's IPO Prospectus

2019	2020	2021
88.43 %	48.80 %	24.88 %

The figures show that there has been a reduction in ad expenditure. This implies the cut in expenses during the COVID period would have made the company look for alternative advertisements and marketing outreach and looked at innovative means of marketing. This is evident through their social media marketing outreach through memes. Select memes and tweets have been identified to understand the way the firm is using memes to promote its brand and USP. The brand also has brought out automated targeted personalized emails or notifications to consumers to advertise, generating a wider reach.

4.1.2 Top memes (based on reach- through likes, comments, and retweets)

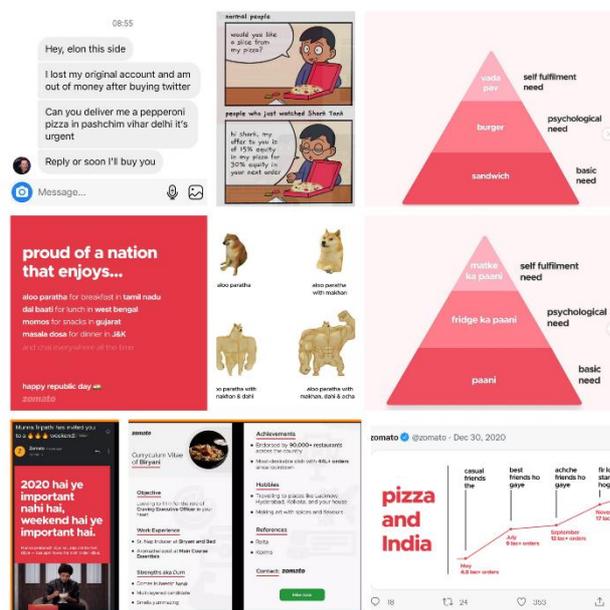


Figure.1. Collection of Memes sourced from Zomato India’s official Instagram Page
Compiled by authors.

The above ‘memes’ were selected on the basis of wide reach and engagement (through analysing likes and comments on Zomato India’s Instagram page). They give an insight into Zomato’s targeted marketing based on popular culture and the contextually popular social media trends. The context of the memes is such that they tap on the existing social media and popular culture trends in addition to happenings around the world. The most recent one was a ‘text message’ meme based on Tesla CEO, Elon Musk’s widely reported purchase of Twitter. Meme using the reference of the show ‘Shark Tank India’ highlighted the popularity of the show amongst Indians and its usage by Zomato suggested that the trends were being

monitored carefully and pointed references were being used to promote the brand more. Application of the famed ‘Maslow’s Pyramid’ to their advert as seen above would have to be seen as catering to both the educated bloc who was aware of the pyramid and common folk who had not heard of it. The usage of the Shiba Inu breed dog’s meme template also points to effectively grasping Twitter and Instagram trends as it was on those two platforms that the particular meme template using the dog’s expressions was widely circulated. Zomato also began to focus on sending personalised notifications on their apps to customers with clickbait style messages and tried to make the experience of using their application more appealing by using consumers’ choices made earlier through orders.

In addition to the above memes, certain ‘meme’ styled tweets were put out on Twitter to tap on to the base which was widely growing in India just before COVID.



Figure.2. Key tweets put out by Zomato Source : @zomato (Twitter)

The context of the above tweets much like the memes are picked up from the trends on various social media platforms and popular culture. The Rahul Dravid ad where he was shown to be angry while being usually calm was used as the context for Bangalore tweet while popular Telugu film *Pushpa*’s popularity was also cashed in on by the brand by releasing an advertisement on Youtube starring the main lead Allu Arjun and alongside releasing it as a tweet.

4.1.3. Target audience

Zomato's target audience includes people between 18 to 35 years of age who have access to smartphones and are comfortable using apps. Even in this range, there are two types of people Zomato is targeting- the ones who prefer to order food (including working professionals who do not have the time and space to cook for themselves and hence order food in their offices or homes, students living in hostels or independently in PGs, and people who occasionally like to eat outside food) while the others are the ones who prefer to dine out. There's also a group of people for whom the choices overlap. For people who prefer to dine out, Zomato incentivizes them to dine out through its Zomato Gold program.

4.1.4 The originality and creativity of the brand's content marketing

Zomato is leveraging their content marketing strategy to increase the engagement of customers in the market. There are many reasons why Zomato's marketing strategy is unique and incredibly effective. A highly effective Search Engine Optimization strategy which involves the use of right keywords, and backlinking is one reason why Zomato's website and social media handles rank high.

The messages sent out either as memes or general notifications are extremely creative. Zomato uses the simplest memes and images to communicate messages uniquely. People love how Zomato is not just doing content marketing but changing their perspective of looking at food. "Timing" of memes or messages shared by Zomato and the element of "humour" is what attracts people towards it. Right from festivals, to the special days, Zomato leaves no chance to engage the audience on their posts.

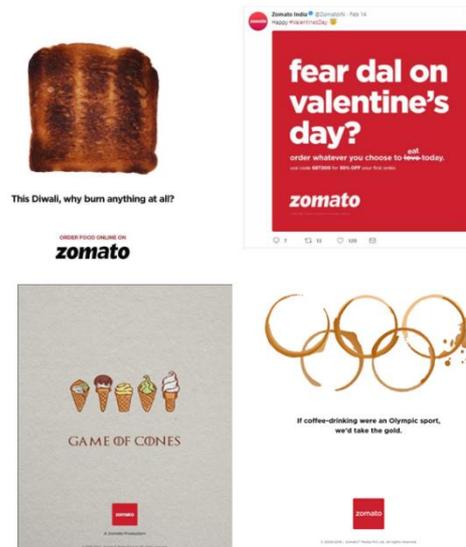


Figure. 3. Memes based on Originality - Zomato

Zomato associates their larger marketing strategy through a tactical push to trending OTT series/ movies and ongoing events in the country like IPL matches. This trend has also been observed in Television (via ads) where consumers reach the apt touch-points driving RoI for the food ordering apps.

Zomato engages its audience by posting about trending topics whether it is from politics, sports, series, or other categories. They understand their audience and promote content which is relatable for a larger audience. This type of content prompts the users to like it, comment on the posts, view the post again and again and share it worth their wide networks. The idea is to increase connectivity with the audience. Understanding the different tendencies and habits of people and leveraging on the trends with social media content pieces like a few shared below, greatly increases the engagement of audiences online.

4.2. Swiggy

Started in 2014 by Nandan Reddy, Sriharsha Majety, and Rahul Jaimini, Swiggy is an online food ordering platform connecting people with restaurants in their local area. The super fast and efficient delivery team of delivery executives is the highlight of Swiggy. Using the \$2 million funding from Accel Partners and SAIF Partners that Swiggy received within 8 months

of its launch, it expanded exponentially, and now has over 40,000 restaurant partners spread over more than 44 cities in the country.

4.2.1 Digital Advertising Revenue (based on the Annual Revenue Trends)

Table.3. Swiggy’s Advertisement Expenditure: Source : Tofler , Business Standard

2020	2021
₹ 1806 Crores	₹ 447.5 Crores

Table.4. Percentage of Swiggy’s Advertisement Expenditure as part of Total Income: Source : Tofler, Business Standard

2020	2021
65.05 %	20.86 %

4.2.2 Top memes (based on reach- through likes, comments, and retweets)

Based on Swiggy’s Instagram trends, posts with memes with the maximum likes and comments

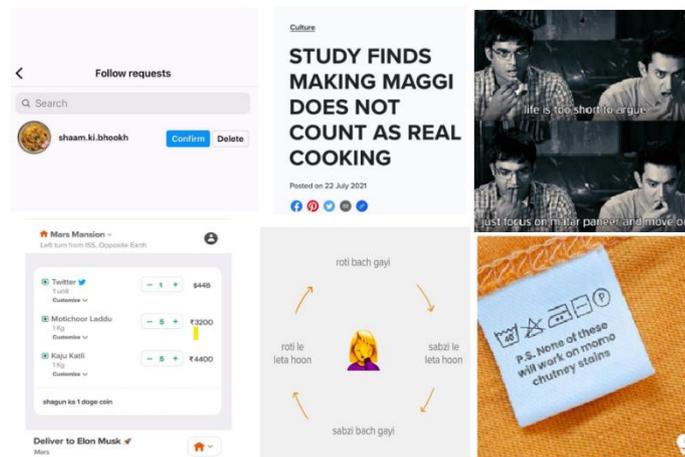


Figure. 4. Collection of memes posted by Swiggy on their Instagram handle (@swiggyindia)

The memes considered above have a different touch from that of Zomato by appearing to connect with the users even more by relatable memes as opposed to personalised notifications approach of Zomato. It considered a humorous instance from ‘3 Idiots’ to highlight the importance of cottage cheese (panneer) and likewise, the need to order extra on account of insufficient food through a catchy phrase. The latest being a ‘Mars’ related meme coming in

the backdrop of Elon Musk's purchase of Twitter and ongoing plans to undertake a man-mission to Mars; the common theme in both Zomato and Swiggy turned out to be capitalising on Elon Musk being in the news prior and post purchase of Twitter and promoting their brands through tweets and memes. The 'Shaam Ki Bhookh' meme connected users directly to their routine lifestyle where post work or school or college, an evening snack is a necessity out of tiring work or a long day. Swiggy also used the widely acknowledged notion on social media that being able to make 'Maggi' noodles does not count as cooking in a very interesting way by creating a meme as if it was reported in a media through a fictitious study. The content analysis of memes shows that Zomato highlighted its memes and brand at the same time while Swiggy's memes were more penetrating and had a marginally higher reach. Swiggy India's tweets too were analysed for the content presented and is reproduced below :

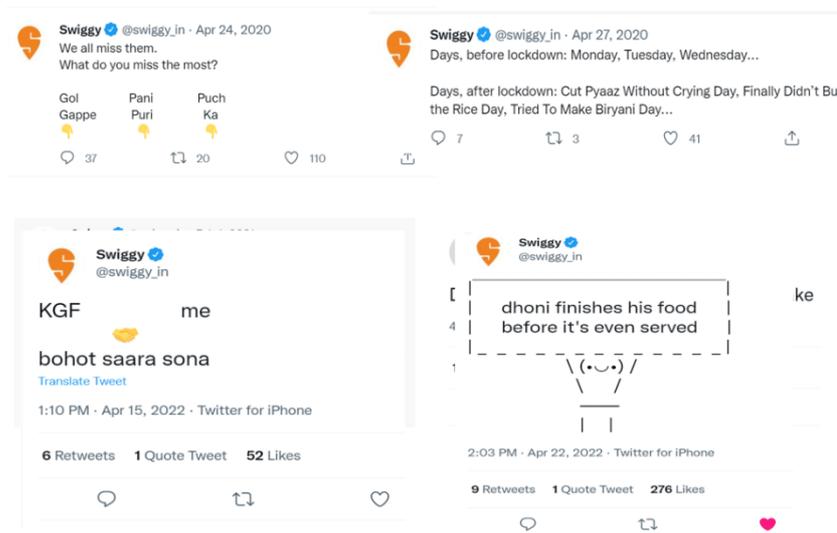


Figure.5. Trending tweets put out by Swiggy between 2020 and 2022 (@swiggy_in)

The above collection of tweets from 2020 to 2022 suggest that Swiggy has tapped into the twitter trends much like Zomato and also has extensively used the social media savvy crowd to its advantage by tweeting regarding lockdown and its aspects. It also touched upon the coffee trends on Twitter as many were posting about their coffee routine, as well as the 'dal-chawal' combination which is a popular combination for food in Indian homes. The key element is it factors in the social media trends very well and puts out tweets which are very cryptic and relevant at the same time. A few examples are the promotion of KGF 2 movie and recognition of MS Dhoni's recent innings in an IPL match which many felt was a nail-biter.

The difference is not very much but the tweets are also recycled as Instagram posts in both cases.

4.2.3 Target audience

Swiggy's main target audience is the 18-35 demographic, which has easy access to a smartphone, is fluent with using apps to get services and looks towards online platforms to fulfill their daily necessities. This includes students who cannot cook on their own and working professionals who face hunger pangs during office hours. This also includes people who have migrated for white-collar jobs and do not have a place to cook their own meals and families who prefer to skip cooking on certain days and order their food.

4.2.4 The originality and creativity of the brand's content marketing

Swiggy, like Zomato, has made a great deal of investment in Search Engine Optimisation and Search Engine Marketing (which includes features like paid searches and paid keywords). While Zomato capitalizes majorly on content marketing, Swiggy's revenue model is based on other robust streams including Delivery Charges, Advertisements, Commissions, Swiggy Access (the creative cloud kitchen idea that allows for restaurants to cater to a wider audience even in places where they are not originally located), Swiggy Super and the recent addition Swiggy Go (instant pick and drop facility for parcels within the city).

Swiggy's creative side is prominent in how they are building a solid business model with robust revenue streams tapping ripe business opportunities. Their constant and continuous innovations in business model is playing a big role in increasing the relevance and revenue of the brand.

In the communications perspective, Swiggy's email marketing has been playing a major role in reaching out to a wider consumer base and also in boosting the business growth. has set a record with Click Through Rate (CTR) of 7%, Open Rate of 25% on a user base of millions.

The recent talk of the market was their latest campaign, "*Swiggy Karo, Fir Jo Chahe Karo*" a sharp 20 sec video with simple characters encapsulated in a rather emotional message about family time, to encourage audiences to order from Swiggy. Swiggy has also been leveraging creative content marketing by understanding their audience well. Like Zomato, they also have

adopted the “trending” trend and send messages and memes that are based on recent or trending series, events and issues across the globe in their breezy and humorous style.



Figure.6. Memes created to generate recall value (@swiggyindia)

4.2.5. Comparative Analysis

A comparative analysis based on select parameters has been adopted to see how both the brands play out. The select parameters such as social media traffic, engagement rate and remaining data has been sourced from The Social Blade, SimilarWeb.com, Wikipedia, KrAsia.com and various published newspaper agencies’ reports such as that of Business Standard, Economic Times and MoneyControl.com. The table reproduced below provides a detailed comparison between both food delivery partners using key metrics.

Table.5. Key Comparative Statistics of Zomato, Swiggy

Source : Social Blade, Zomato IPO document, Business Standard ; Compiled by authors

Parameters	Zomato	Swiggy
Age of Brand	Founded in 2008 (13 years ago)	Founded in 2014 (8 years ago)
Subscribers	Instagram :6,93,575 YouTube :3,18,000 Twitter: 15,50, 140	Instagram: 3,23,707 YouTube : 2,24,000 Twitter : 1,82,226
Instagram Engagement Rate	4.27 %	2.09 %

Social Media Traffic rate (%)	0.9%	2.56 %
Avg. Visit Duration (on Website)	3 minutes 54 seconds	34 seconds
Advertisement Expenses (2021)	527.06 Crores	447.5 Crores
Total Revenue/Sales (2021)	1804 Crores	U 145 Crores
Market Share in Food Delivery Business (2021)	43 %	44 %
Key Marketing Advantage	Creative and engaging content Marketing (meme marketing and personalised notifications)	Constantly evolving business model with robust revenue streams tapping ripe business opportunities

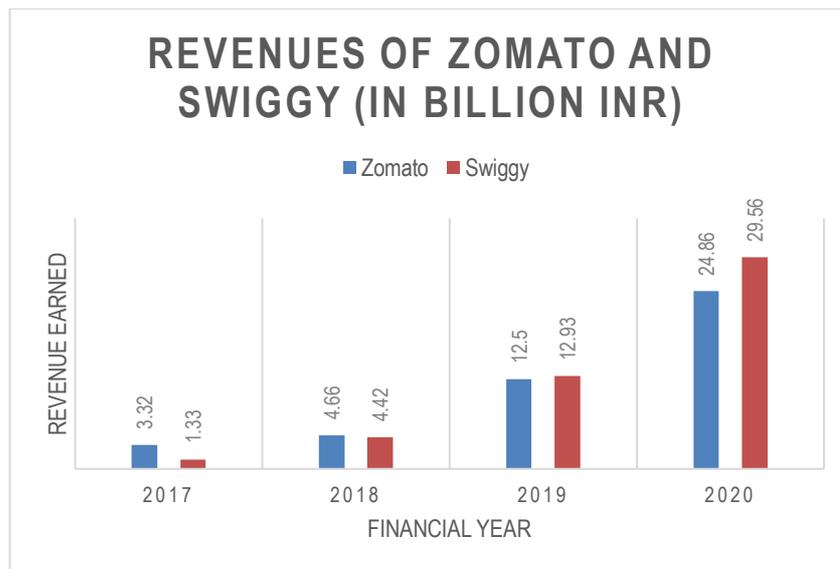


Figure.7. Revenue of food delivery apps in India from 2017 to 2020, by the company (in billion Indian rupees), Source : Statista, Compiled by authors

During the financial year 2020, the total revenue of food delivery company Swiggy amounted to approximately 30 billion Indian rupees. Its competitor Zomato reported revenue of nearly 25 billion Indian rupees. Both companies were having a tight race over the last few years with Zomato leading in the financial year 2019.

5. Scope for Further Study

The paper studies how the emerging content marketing trends (specifically memes and personalized messages) are driving advertising for the two big food delivery brands in India. In a similar manner, the success of emerging content marketing trends like memes and reels in driving other markets can be studied further. How meme marketing improves brand recall value and increases brand loyalty of customers is also an interesting avenue that can be further explored.

6. Conclusion

The paper has tried to trace the origin of what is ubiquitous in today's social media space - 'Memes'. They use multiple aspects of social media such as trends based on films, politics, popular culture, daily realities of the middle class and many more and connect many people who find them relatable on various levels. This strategy was adopted by major brands to drive their business' outreach on the social media and develop even better connect with the users and this has created a market for memes from all corners.

The paper considered the two major food delivery giants in India - Zomato and Swiggy to understand how both their marketing strategies uses 'memes' to improve their overall business share. It was found that both Zomato and Swiggy used memes extensively as part of their marketing framework and developed their business on that basis. Memes have been extensively used to generate recall values for both brands in rather unique ways with each brand creating a certain style. The paper also found that during the considered time period, both the companies saw a major cut in their advertising expenses due to COVID-19 business losses. However they have continued to retain strong market share. based on comparison of select parameters such as Engagement Rate, Age of Brand, Social Media Traffic Rate, Advertising Expenses that of the two, (while each has their own unique memes-based marketing campaigns) Zomato has seen a higher Engagement Rate and a higher average duration spend on their application. The factor that aids Zomato in its wider social media outreach is the age of the brand (13 years) as well as a higher advertisement and marketing expenses vis-a-vis Swiggy which has a lesser brand-age of 8 years. However, an interesting

aspect is that Swiggy earned a higher revenue during the pandemic period relative to Zomato which had reserved a higher budget for marketing. Thus, in essence it is observed that while memes do aid in promoting brands and brand recall, it need not translate into higher sales as observed. Nevertheless, it proves that memes-based marketing business in India is helping brands compete strongly and connect more with the users on various social media trends which is backed by a wide-ranging usage of social media applications in India.

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