

CHAPTER 6

Consumer Perception

LEARNING OBJECTIVES

After studying this chapter students should be able to:

1. Understand the sensory dynamics of perception.
2. Learn about the three elements of perception.
3. Understand the components of consumer imagery and their strategic applications.

CHAPTER SUMMARY

Perception is the process by which individuals select, organize, and interpret stimuli into a meaningful and coherent picture of the world. Perception has strategy implications for marketers because consumers make decisions based on what they perceive rather than on the basis of objective reality.

The lowest level at which an individual can perceive a specific stimulus is that person's absolute threshold. The minimal difference that can be perceived between two stimuli is called the differential threshold or just noticeable difference (j.n.d.). Consumers perceive most sensory stimuli above the level of their conscious awareness; however, weak stimuli can be perceived below the level of conscious awareness (i.e., subliminally). Research refutes the notion that subliminal stimuli influence consumer-buying decisions.

Consumers' selections of stimuli from the environment are based on the interaction of their expectations and motives with the stimulus itself. People usually perceive things they need or want, and block the perception of unnecessary, unfavorable, or painful stimuli. The principles of selective perception include the following concepts: selective exposure, selective attention, perceptual defense, and perceptual blocking.

Consumers organize their perceptions into unified wholes according to the principles of Gestalt psychology: figure and ground, grouping, and closure. The interpretation of stimuli is highly subjective and is based on what the consumer expects to see in light of previous experience, on the number of plausible explanations he or she can envision, on motives and interests at the time of perception, and on the clarity of the stimulus itself. Stereotypes that distort objective interpretation stem from physical appearances, descriptive terms, first impressions, and the halo effect.

Just as individuals have perceived images of themselves, they also have perceived images of products and brands. The perceived image of a product or service (how it is positioned) is probably more important to its ultimate success than are its actual physical characteristics.

Products and services that are perceived distinctly and favorably have a much better chance of being purchased than products or services with unclear or unfavorable images.

Compared with manufacturing firms, service marketers face several unique problems in positioning and promoting their offerings because services are intangible, inherently variable, perishable, and are simultaneously produced and consumed. Regardless of how well positioned a product or service appears to be, the marketer may be forced to reposition it in response to market events, such as new competitor strategies or changing consumer preferences.

Consumers often judge the quality of a product or service on the basis of a variety of informational cues; some are intrinsic to the product (such as color, size, flavor, and aroma), whereas others are extrinsic (e.g., price, store image, brand image, and service environment). In the absence of direct experience or other information, consumers often rely on price as an indicator of quality. How a consumer perceives a price—as high, low, or fair—has a strong influence on purchase intentions and satisfaction. Consumers often rely on both internal and external reference prices when assessing the fairness of a price.

Consumer imagery also includes perceived images of retail stores that influence the perceived quality of products they carry, as well as decisions as to where to shop. Manufacturers who enjoy a favorable image generally find their new products are accepted more readily than those of manufacturers with less favorable images.

Consumers often perceive risk in making product selections because of uncertainty as to the consequences of their product decisions. The most frequent types of risk that consumers perceive are functional risk, physical risk, financial risk, social risk, psychological risk, and time risk. Consumer strategies for reducing perceived risk include increased information search, brand loyalty, buying a well-known brand, buying from a reputable retailer, buying the most expensive brand, and seeking reassurance in the form of money-back guarantees, warranties, and prepurchase trial. The concept of perceived risk has important implications for marketers, who can facilitate the acceptance of new products by incorporating risk-reduction strategies in their new-product promotional campaigns.

CHAPTER OUTLINE

INTRODUCTION

1. Individuals act and react on the basis of their perceptions, not on the basis of objective reality.
 - a) Reality is a totally personal phenomenon, based on that person's needs, wants, values, and personal experiences.
 - b) Therefore, consumers' perceptions are more important to a marketer than their knowledge of objective reality because people make decisions based on their perceptions.

2. Through advertising, marketers create and shape consumers' perception of their products by positioning their offerings as fulfilling consumers' needs and delivering important benefits more effectively than competing alternatives.
 - a) The most effective positioning is getting consumers to believe that a given brand delivers a product or service benefit that is important to consumers.
 - b) Such a benefit becomes the core identity of the brand, is also termed unique selling proposition, and is the essence of the brand's competitive advantage.
3. This chapter examines the psychological and physiological bases of human perception and discusses the principles that influence our perception and interpretation of the world we see.
 - a) Understanding this information enables marketers to develop more effective advertisements.

ELEMENTS OF PERCEPTION

1. **Perception** is the process by which an individual selects, organizes, and interprets stimuli into a meaningful and coherent picture of the world.

Sensation

1. **Sensation** is the immediate and direct response of the sensory organs to stimuli (an advertisement, a package, and a brand name).
2. A **stimulus** is any unit of input to any of the senses.
3. **Sensory receptors** are the human organs (i.e., the eyes, ears, nose, mouth, and skin) that receive sensory inputs, sight, sound, smell, taste, or touch.
4. Human sensitivity refers to the experience of sensation.
 - a) Sensitivity to stimuli varies with the quality of an individual's sensory receptors and the amount or intensity of the stimuli to which he/she is exposed.
 - b) Sensation itself depends on energy change, or the difference of input.
 - c) Thus, a constant environment, whether very busy and noisy or relatively quiet, would provide little sensation because of the lack of change—the consistent level of stimulation.
5. As sensory input *decreases*, the ability to detect changes *increases*.
 - a) This ability of the human organism to accommodate itself to varying levels of sensitivity as external conditions vary not only protects us from damaging, disruptive, or irrelevant bombardment when the input level is high, but has important implications for marketers.

The Absolute Threshold

1. The lowest level at which an individual can experience a sensation is called the **absolute threshold**.
 - a) The point at which a person can detect the difference between “something” and “nothing” is that person’s absolute threshold for the stimulus.
 - b) For example, the distance at which a driver can note a specific billboard on a highway is that individual’s absolute threshold.
 - c) Under conditions of constant stimulation, such as driving through a “corridor” of billboards, the absolute threshold increases (that is, the senses tend to become increasingly dulled).
2. Sensory adaptation refers specifically to “getting used to” certain sensations, or becoming accustomed to a certain level of stimulation.
 - a) **Sensory adaptation** is a problem that causes many advertisers to change their advertising campaigns regularly.
3. Marketers try to increase sensory input in order to cut through the daily clutter consumers experience in the consumption of advertising.
 - a) Some increase sensory input in an effort to cut through the advertising “clutter.”

The Differential Threshold

1. The minimal difference that can be detected between two stimuli is called the **difference threshold** or the **j.n.d. (just noticeable difference)**.
2. A nineteenth-century German scientist named Ernst Weber discovered that the j.n.d. between two stimuli was not an absolute amount, but an amount relative to the intensity of the first stimulus.
3. **Weber’s law** states that the stronger the initial stimulus, the greater the additional intensity needed for the second stimulus to be perceived as different.

Marketing Applications of the J.N.D.

1. Manufacturers and marketers endeavor to determine the relevant j.n.d. for their products so that:
 - a) Negative changes—reductions or increases in product size, or reduced quality—are not readily discernible to the public, so that product improvements are readily discernible to the consumer without being wastefully extravagant.
2. Marketers use the j.n.d. to determine the amount of change or updating they should make in their products to avoid losing the readily recognized aspects of their products.
3. Marketers want to meet or exceed the consumers’ differential threshold so that they readily perceive the improvements made in the original product.
4. Marketers use the j.n.d. to determine the amount of improvement they should make in their product.
 - a) Less than the j.n.d. is wasted effort because the improvement will not be perceived.

- b) More than the j.n.d. is wasteful because it reduces the level of repeat sales.
- 5. Marketers often want to update their existing package designs without losing the ready recognition of consumers.
 - a) In such cases, they usually make a number of small changes, each carefully designed to fall below the j.n.d., so that consumers will perceive minimal difference between succeeding versions.

Subliminal Perception

1. People are also stimulated below their level of conscious awareness—they can perceive stimuli without being consciously aware of it.
2. Stimuli that are too weak or brief to be consciously seen or heard, may be strong enough to be perceived by one or more receptor cells.
 - a) This is **subliminal perception** because the stimulus is beneath the threshold, or “limin,” of conscious awareness, though obviously not beneath the absolute threshold of the receptors involved.
 - b) Over the years, there have been sporadic reports of marketers using subliminal messages in their efforts to influence consumption behavior.
 - c) When most of the methods were tested using scientific research procedures, the results did not support the notion that subliminal messages can persuade consumers to act in a given manner.

Evaluating the Effectiveness of Subliminal Persuasion

1. There is no evidence that subliminal advertising persuades people to buy goods or services. .
2. There is some indication that subliminal advertising may help modify antisocial behavior by calling for generalized behavior change.
3. As to sexual embeds, most researchers are of the opinion that “What you see is what you get.”
 - a) That pretty much sums up the whole notion of perception: individuals see what they want to see (e.g., what they are motivated to see) and what they expect to see.

ELEMENTS OF PERCEPTION

1. Raw sensory input by itself does not produce or explain the coherent picture of the world that most adults possess.
2. The study of perception is largely the study of what we subconsciously add to or subtract from raw sensory inputs to produce our own private picture of the world.
3. Human beings are constantly bombarded with stimuli during every minute and every hour of every day.
4. Perception is not a function of sensory input alone; rather, perception is the result of two different kinds of inputs that interact to form the personal pictures—the perceptions—that each individual experiences.
 - a) *Physical stimuli* from the outside environment and predispositions (expectations, motives, and learning) based on *previous experiences*.

5. Because each person is a unique individual, with unique experiences, needs, wants, desires, and expectations, it follows that each individual's perceptions are also unique.
6. There are three aspects to perception—**selection**, **organization**, and **interpretation of stimuli**.
 - a) Individuals are very selective as to which stimuli they “recognize.”
 - b) They subconsciously organize the stimuli they do recognize according to widely held psychological principles.
 - c) They interpret such stimuli (i.e., they give meaning to them) subjectively in accordance with their needs, expectations, and experiences.

Perceptual Selection

1. Consumers subconsciously exercise selectivity as to the stimuli they perceive.
2. Which stimuli get selected depends on two major factors in addition to the nature of the stimulus itself:
 - a) Consumers' *previous experience* as it affects their expectations.
 - b) Their *motives* at the time (their needs, desires, interests, and so on).
3. Each of these factors can serve to increase or decrease the probability that a stimulus will be perceived.

Nature of the Stimulus

1. Marketing stimulus contains an enormous number of variables. Examples include:
 - a) Nature of the product
 - b) Its physical attributes
 - c) The package design
 - d) The brand name
 - e) The advertisements and commercials
 - f) The position of a print ad or commercial
 - g) The editorial environment
2. *Contrast* is one of the most attention-compelling attributes of a stimulus.
 - a) Advertisers use extreme attention-getting devices to get maximum contrast and penetrate the consumer's perceptual screen.
 - b) Advertisers use color contrasts, size, etc., to create stopping power and gain attention.
3. Packaging is also differentiated sufficiently to ensure rapid consumer perception.

Expectations

1. People see what they expect to see.
2. What they expect to see is usually based on familiarity, previous experience, or preconditioned set **expectations**.
3. Stimuli that conflict sharply with expectations often receive more attention than those that conform to expectations.

4. For years, certain advertisers have used blatant sexuality in advertisements for products to which sex was not relevant in the belief that such advertisements would attract a high degree of attention.
5. Ads with irrelevant sexuality often defeat the marketer's objectives, because readers tend to remember the sexual aspects of the ad, not the product or brand advertised.

Motives

1. People tend to perceive things they need or want.
 - a) The stronger the need, the greater the tendency to ignore unrelated stimuli in the environment.
2. An individual's perceptual process attunes itself more closely to those elements of the environment that are important to that person.
3. Marketing managers recognize the efficiency of targeting their products to the perceived needs of consumers.

Selective Perception

1. The consumer's "selection" of stimuli (**selective perception**) from the environment is based on the interaction of expectations and motives with the stimulus itself. These factors give rise to four important concepts concerning perception.
 - a) **Selective exposure**—consumers actively seek out messages they find pleasant or with which they are sympathetic.
 - i) Consumers actively avoid painful or threatening messages.
 - b) **Selective attention**—consumers have a heightened awareness of the stimuli that meet their needs or interests.
 - i) Consumers have a lower awareness of stimuli irrelevant to their needs.
 - ii) People vary in terms of the kind of information in which they are interested and the form of message and type of medium they prefer.
 - c) **Perceptual defense**—threatening or otherwise damaging stimuli are less likely to be perceived than are neutral stimuli. Individuals unconsciously may distort information that is not consistent with their needs, values, and beliefs.
 - d) **Perceptual blocking**—consumers screen out enormous amounts of advertising by simply "tuning out."

Perceptual Organization

1. People do not experience the numerous stimuli they select from the environment as separate and discrete sensations.
 - a) People tend to organize stimuli into groups and perceive them as unified wholes.
2. **Gestalt psychology** (*Gestalt*, in German, means pattern or configuration) is the name of the school of psychology that first developed the basic principles of perceptual organization.
3. Three of the most basic principles of perceptual organization are **figure and ground**, **grouping**, and **closure**.

Figure and Ground

1. Stimuli that contrast with their environment are more likely to be noticed.
2. The simplest example is the contrast between a **figure and the ground** on which it is placed.
 - a) The figure is usually perceived clearly.
 - b) The ground is usually perceived as indefinite, hazy, and continuous.
3. The figure is more clearly perceived because it appears to be dominant—the ground appears to be subordinate and less important.
4. Advertisers have to plan their advertisements carefully to make sure that the stimulus they want noted is seen as figure and not as ground.
5. A marketing technique experience growth and stems from the figure-and-ground concepts is product placement (or “branded entertainment”).
 - a) When this method is used, the advertised product (i.e., the figure) is integrated in to the TV show or film (i.e., the ground) in one or more of the following ways:
 - i) The product is used by the cast
 - ii) The product is integrated into the plot
 - iii) The product is associated with a character
 - b) A recent study found that a brand integrated and prominently featured in a TV program may produce negative feelings toward the brand among viewers who liked the program but those who liked the program less were more likely to develop positive attitudes toward the brand.

Grouping

1. Individuals tend to group stimuli in “chunks” rather than as discrete bits of information.
2. **Grouping** can be used advantageously by marketers to imply certain desired meanings in connection with their products.
 - a) Most of us remember things like a social security number because it can be broken into three “chunks.”

Closure

1. Individuals have a need for **closure**.
 - a) As a result, people organize a perception so that they see a complete picture.
 - b) If the pattern of stimuli to which they are exposed is incomplete, they tend to perceive it as complete—they fill in the missing pieces.
2. The very act of completion serves to involve the consumer more deeply in the message.

Perceptual Interpretation

1. The interpretation of stimuli is uniquely individual because it is based on what individuals expect to see in light of their previous experiences, the number of plausible explanations they can envision, and their motives and interests at the time of perception.
2. Stimuli are often highly ambiguous.
 - a) When stimuli are highly ambiguous, individuals usually interpret them in such a way that they serve to fulfill personal needs, wishes, and interests.

3. How close a person's interpretations are to reality depends on the clarity of the stimulus, the past experiences of the perceiver, and his or her motives and interests at the time of perception.

Stereotypes

1. Individuals tend to carry "pictures" in their minds of the meaning of various kinds of stimuli.
2. Sometimes, when presented with sensory stimuli, people "add" these biases to what they see or hear and form distorted impressions.
3. Marketers must be aware of possible stereotypes because these images reflect people's expectations and influence how stimuli are subsequently perceived.
4. The main factors that can trigger stereotypes are:
 - a. **Physical Appearances**—people tend to attribute the qualities they associate with certain people to others who may resemble them.
 - i) Culturally attractive models are likely to be more persuasive and have a more positive influence on consumer attitudes and behavior than do average-looking models.
 - b) **Descriptive Terms**—stereotypes are often reflected in verbal messages.
 - i) Distinct brand names are important to all products or services, associations that consumers make with certain names are particularly crucial in marketing services due to the abstract and intangible nature of many services.
 - c) **First Impressions**—these tend to be lasting..
 - d) **Halo Effect**—describes situations where the evaluation of a single object or person on a multitude of dimensions is based on the evaluation of just one or a few dimensions
 - i) Consumers often evaluate an entire product line on the basis of the one product within the product line.
 - ii) *Licensing* also is based on the halo effect—associating products with a well-known celebrity or designer name.