Chapter 2

CONSUMER PERCEPTION – A CONCEPTUAL FRAMEWORK

Research is the process of going up alleys to see if they are blind.
― Marston Bates,
CHAPTER 2

CONSUMER PERCEPTION

A CONCEPTUAL FRAMEWORK

2.1 INTRODUCTION

2.1.1 Definitions:

2.1.2 Process of Perception.

2.1.3 Modes of perception

2.1.4 Theories of Perception

2.1.5 Basic factors affecting perception

2.2 FEATURES OF PERCEPTION AFFECTING CONSUMER BEHAVIOR

2.3 CONCLUSION

REFERENCES
2.1 INTRODUCTION

Every day, each consumer is bombarded with hundreds of stimuli, television ads, billboards, window displays, coupons in one mail, conversation with a coworker even a trip to a retail store. In addition consumer may also remember or perceive need, prompted by an almost empty pack of a product like a jar of chyawanprash. But only a few of these stimuli actually bring forth responses. A major reason is that each stimulus is screened, processed & interpreted by one individual consumer, in a process called perception. Perception acts as kind of filter that allows only certain cues to pass through to rigger the process of learning about what certain stimuli mean or even whether they should be noticed consciously or not. In other words, perception & learning are continuously interrelated.

In biology, perception refers to the five senses that any organism uses to collect information about its environment. But in consumer behaviour, the term refers to much more than just seeing or hearing. It includes the way stimuli are interpreted & integrated by the consumer.

2.1.1. Definitions:

(1) Perception includes all those process by which an individual receives information about his environment seeing, hearing, feeling, tasting & smelling. The study of these perceptional process shows that their functioning is affected by the three classes of variables - The objects or events being perceived, the environment in which perception occurs, and the individual during the perceiving.

(2) “Perceptional process” should be understood as the manner in which the first causal affect of existing objects on our senses becomes an object of our perceptual judgment.

(3) Perception is the process whereby stimuli are received & interpreted by the individual and translated into a response (Engel et.al, 1968).

(4) Perception is the entire process by which an individual becomes aware of his environment & interprets it so that it will fit into his own frame of reference (Walter, 1970).
5. Perception is the process of becoming aware of situation of adding meaningful associations to sensation (Giliner & Halter, 1970).

6. Perception can be defined as the process of receiving, selecting, organizing, interpreting, checking & rearing to sensory stimuli or data (Pareekh, et.al, 1981).

7. Perception can be defined as a process by which individuals organize & interpret their sensory impression in order to give meaning to their environment (Stephen, 1989).

An analysis of these definitions reveal that:

1. Perception is the interpretation of the meaning of sensation.
2. Sensations are the constituents as raw materials of perception.
3. Whereas sensation is the first or at least the first conscious response born out of the stimuli, perception is the second response of the stimuli after sensation.
4. Perception refers to what is immediately experienced by an individual & it is a way in which the stimuli are interpreted.
5. Perception is a mental activity which acquaints us with situations by giving us direct knowledge of it.
6. Perception screens out that which an individual does not find relevant & involves not only the reception of physical stimuli but also the interpretation that an individual gives to the sensation he receive.
7. Perception is the direct response to the sensation & only an indirect response to the physical stimulus.
8. Individual actions, emotions, thoughts, feelings of ultimately his behaviour are set of in motion by a perception of his surrounding (Kumar, 1995:161).

All individual do not view the world in the same perspective. People see things differently & there are radical difference in which way people think & react. Differences in perceptions should, not, however, lead to the misleading conception that the perceived world is a chaotic one (Kumar, 1995:163). It is rather an orderly
world, in which perceiver discuss an interpretative meaning from the perceived object. It may be true that the some object may look clear & meaningless to one person, but it may be more meaningful, genuine or real to the one who perceives it to be so. Perception is thus formed in some orderly manner & can be studied systematically by the manager.

2.1.2 Process of Perception:

Fig : 2.1 Process of Perception:

Hence, perception essentially consist of five processes viz receiving, filter in assigning, interpreting & finally reaching to the stimuli. These all processes are greatly influenced by the perceiver & environment. Another model is "Young's model" He has presented perception in terms of five sense.
Fig 2.2: Facts of perception

According to him, two facts of perception are of special interest:

Ist fact - People become aware of their environment through the five senses, and therefore, sensation is the process with which perception begins.

IInd fact - It is the process of interpretation which depends on the socio-psychological meanings an individual attaches to the object perceived (the stimulus). Perception of reality differs from individual to individual, and each person interprets physical and social stimuli so that they are harmoniously accommodated within their overall world-view.

A simplified model of the perceptual process can be represented by the following diagram.
Perceptual Process

Fig 2.3 Perceptual Process

The above model consists of a variables:

1. **Inputs**: Perceived inputs are the stimuli such as information, events, objects etc. that are received by the perceives.

2. **Process**: The receiver stimuli (inputs) are processed though the selection, organization & interpretation.

3. **Outputs**: The output is obtained through the processing mechanism. These outputs may be in the form of feelings, emotions, attitude, love, hatred, action etc.

4. **Behaviour**: The perceived outputs are reflected in terms of behaviour of an individual, the perceivers behaviour, in turn generate responses from the perceived & these again give rise to a new set of inputs. Thereby the outputs becomes inputs & the process continues.

Another model proposed by Aswathappa visualizes perception as the process of receiving & interpreting stimuli.
This model proposes that perceptual process begins when stimuli are received through sensory organs. Most stimuli are screened out the rest are organized & interpreted based on various information - processing activities. The outcomes of the process are Covert & Overt behaviour.

Another model proposed on perception is “The Human Model
According to this model the flow of a stimulus reaches the brain in a continuous stream. The density, speed etc. of the stimuli varies and this flow reaches the brain. The stimuli passes through the perception screen, and are given meaning. Each perception screen is unique in itself because attitudes, opinions, beliefs, personality, emotions, knowledge, thought, experiences, values etc. of individuals are not identical. Each perception screen is unique and since meaning is assigned to the stimuli as it filters through this screen, it becomes obvious that the meaning assigned to a given stimulus will also be unique in the case of each individual to a large extent. The reaction to this stimuli may be predominantly or entirely physical or verbal. Generally, in most of the cases, an individual’s reaction to a given stimulus is to communicate conversationally. Hence, in order to perform this conversation process, he selects some type of symbols. These selected symbols can be in words, facial expressions, gestures or a combination of all the three activities. The competence of my any communicator at this stage largely depends upon the size and knowledge of his vocabulary and the ability to choose the correct words which must accurately express his meaning. The greater number of word symbols one knows, the more precise one would be able to express his meaning.

At this stage symbols are selected and the individual sends his response to another individual. This completes the first cycle of the communication process. The same
process is repeated when the second person responds to the stimulus of the communicated message of the first individual. It must always be borne in mind that the second person also has his own personal perception screen, and hence there is always a chance for him to misinterpret the meaning of the first individual, in which case, instead of communication miscommunication results.

2.1.3 Modes of perception:

The basic modes of perception are visual, aural, olfactory & tactile (Berkman & Gilson, 2003). We see, hear, smell, taste & touch the world around us. Also we perceive in a “Kinesthetic” mode i.e. using muscles & joints & in a “vestibular” mode, through our internal organs. These are the senses that react to energy-emitting external stimuli; mechanical, chemical or electromagnetic energy.

**VISUAL:** Visual perception is a crucial input for consumer decision making and product advertising and packaging are all designed to provide visual cues. In packaging, for example, laundry detergents are dressed in bright, even garish, boxes with design elements such as lightning bolts and “prominent, hard-hitting names like Tide. Their jarring appearance is designed to compete with the other detergents in the same supermarket display. Expensive cosmetics, however, are usually found in sophisticated, often award-winning packages to enhance the glamorous image.

**AURAL:** Like vision, hearing can be measured scientifically: “The human ear is sensitive to sounds with frequencies between about 20 and 20,000 cycles per second... the upper limit for a, normal adult being about 12,000-15,000 cps.” Yet such statistics do not reveal why some sounds are mere noise and others create sensations of pleasure, why one person’s favorite music is another’s severe irritant. Swedish researcher Lage Wedin conducted an investigation of perceptual-emotional qualities in music, finding that there was indeed some agreed-upon correlation between technical properties – tempo, pitch, and the like and the emotions they induce: solemnity, triviality, gaiety, dignity, and so on Some music has rather narrow appeal (such as punk rock) but other forms are perceived as enjoyable by large and diverse groups of people. Among the highest-paid
individuals in the advertising world are the jingle composers who can create tunes so catchy that people will make them a part of their humming or whistling repertoire. The jingle has developed into a major awareness technique for advertisers who want a certain tune associated, through repetition, with a certain product or service.

**OLFACTORY:** Since smell and taste are closely entwined, they can be discussed jointly as the “olfactory” mode of perception. The tongue is the physiological organ of taste, containing nerve endings sensitive to bitterness, sweetness, saltiness, liquidity or solidity, heat and cold. That smell is crucial to taste is obvious to anyone whose nose has been stuffed up with a bad cold. The old trick of pinching a child’s nostrils shut while spooning down some foul-tasting medicine is still an effective measure for alleviating the nasty flavor.

Perceptions of smell and taste may not be as well developed in human beings as in other animals, but their role in everyday existence is greatly influenced by cultural and social factors. The many advertisements for products that deodorize bodies and change mouth odors from pizza to mint show how aroma-conscious we are. As Dory points out, odors are “more than experiences tallying with the chemical composition of substances and involve emotional and other conditioned responses which may be too varied and diverse to catalog.”

Recent technological advances have extended marketers’ ability to appeal directly to consumers’ sense of smell. The 3M Company has recently developed a technique of microencapsulation that coats fragrant oils with a resin and then mixes them with a glue that can adhere to paper. The result is a scent strip that liberates the aroma of the oils when the strip is pulled apart; unlike earlier “scratch and sniff” attempts, the scent is absolutely true to life. Initial use has been confirmed to makers of perfumes. Giorgio, a perfume named for an exclusive Beverly Hills specialty store, was promoted by a $7 million scent-strip campaign, with the result that sales increased from $15 million in 1983 to $70 million in 1984. In the future, other products, such as coffee, chocolates, or room deodorizers, may be advertised with the aid of scent strips. They are almost literally a way to sell the sizzle along with the steak.
Some intriguing conclusions about olfactory perception include:

1. While agreement is unanimous on what smells are dreadful, it is not so strong on what smells are desirable.

2. Children dislike oily smells, but the smell of onions and chives are enjoyed most by young adults.

3. One cannot predict odor preference on the basis of personal temperament, but introverts are more receptive to strange odors than extroverts. Males are more stable in odor preferences than females.

**TACTILE:** Perceptions of the feel of things are important to people. Fingertips are particularly sensitive preceptors, because nerve endings are clustered very closely there. Other parts of the body, the lower back, for example, have nerve endings widely spaced. A pin prick readily perceived on finger or forearm is far less noticeable on the back or thigh.

Psychological studies of perception by touch are scarce, but some conclusion may be drawn about tactile stimuli. Perceptions of the textures of clothing, upholstery, hand lotion, and carpets occur through our sense of touch constantly. Even those far-spaced nerve endings in the lower back take notice of a tack seat. This has given rise to taglines like ‘the skin you love to touch.’

**2.1.4 Theories of Perception:**

Two major theories that have shaped current thinking about perception are-

(a) **Gestalt theory of perception:** - Gestalt contends that a whole object cannot be predicted simply by adding up our perceptions of the parts. The parts may, in fact, become unobservable when combined with other parts. The term “gestalt” means “whole form or configuration”. The Gestalt theory holds that we perceive form above all else. Other way in which it can be interpreted is simply “the whole adds up to more than the sum of its parts.” This theory contends that a whole object cannot be perceived simply by adding up our perceptions of its parts some of the parts may, in fact become unobservable when combined with other parts.

Gestalt psychology Postulates that the whole is different from the sum of its part.
Hence, when several objects are present in visual field, we tend to perceive a fine form only, leaving the rest. In other words, when several objects are present in the visual field, we tend to perceive them organized into patterns or growing according to proximity, similarly & continuity.

A very good example could be seen in arrangement of the McDonald’s jingle “You are the one” which change in different versions of the commercial. It may be played fast & bouncy or in a slow balled style, it is sometime sung by a single vocalist.; Sometimes by a group, sometimes presented in an instrumental. But whatever form it takes, consumers usually recognize it as a familiar tune song for McDonalds. Or in Gestalt terms the form, we perceive remains constant ever though specific points may be change. Hence, Gestalt approach is considered especially useful in understanding how individuals process perceptions data into meaningful wholes (Berkman & Gilson, 2003).

A contemporary branch of philosophy that deals with perception, phenomenology carries this view one step further. Phenomenologist assert that deep medicating can bring is to eidetic reduction that is, a perception of the most basic qualities of a form; these feature alone allow an object to be perceived as itself. This principle seems evident ever in the evolution of corporate logos. Sine “lower order variables” - color, single tones and the live can change without affecting our perception of form must be bused on “higher order variables.”

Certain laws of organizations emerge from Gestalt experiments. When visual stimuli are ambiguous, that is capable of being interpreted in two or more way, these laws determine perception of shape.

- **Area**: The smaller a closed region, The more it tends to be seen as figure.
- **Anonymity**: Dots or objects that are close together tend to be grouped together.
- **Closed ness**: Areas with closed contours tend to be seen as figures more than do those with open contours.
- **Symmetry**: The more symmetrical a closed region, the more it tends to been as a figure.
• **Good Continuation**: That arrangement of figures and ground tends to be seen that will show the fewest changes or interruptions in straight or smoothly arriving lines or contours.

Hence three aspects of organization of perception are:

(a) **Figure and ground** :- It is supposed to be the most basic form in organization of perception.

It is a distinction of a central object from the surroundings i.e. the ability of an individual to distinguish an object from its general back ground, which is basic to “Form Perception”. Therefore, according to this concept perceived objects stand out as separable from their general background. The figure seems to be well defined, at a definite location, solid, and in front of the ground. In contrast, the ground seems to be indefinite, shapeless and continuous behind the figure. The common outline of the Figure and the Ground appears to belong to the figure rather than to the ground.

![Fig. 2.6 Peter-Paul Goblet](image)

**Fig. 2.6 Peter-Paul Goblet**

A Figure - Ground illustration is the famous Peter-Paul goblet as following:-

We perceive it as a white vase or a stylish ice-cream cup and then as two faces opposing each other and on a closer look as two identical twins opposing each other.
Though learning has a bearing on what will be perceived as Figure and what as ground, the tendency to organize their perceptions into Figure and ground is inborn Natural and inherent in people. Sender in 1932 demonstrated this truth by conducting an experiment on a person who was born blind. On gaining sight after an operation, congenitally blind person exhibited Figure-ground organization before many other visual abilities.

The perception of Figure-ground relationship can also be perceived through our various sense organs beside vision. To substantiate this, Hilgard postulates that we may hear the song of a bird against a background of outdoor noises or the melody played by the violin against the harmonies of the rest of the orchestra.

(b) **Grouping:** Gestalt psychology postulates that the whole is different from the sum of its parts. In a situation presenting a set of figures, an individual is not content with the mass of unrecognized figures. He devises and perceives a fine form only, leaving the rest. In other words, when several objects are present in visual field, we tend to perceive a fine form only, leaving the rest. In other words, when several objects are present in the visual field, we tend to perceive them as organized into patterns or grouping, according to proximity, similarity and continuity.

(c) **Proximity:** The principle of proximity also referred to as the principle of nearness suggests that the objects which are nearer to each other are grouped together.

We notice a row of small dots grouped from lower left to upper right.

In an organization several group of employees are identified as a single group because of the principle of proximity. Similarly, people sitting in one room or coming from the same place or working on a same machine are perceived to be belonging to the same and one group. Taking the clue of this principle the Japanese management style insists on wearing the same type of clothes, same layout and furniture in the office and having meals together at the work place for all levels of employees, so that the whole organization is perceived as one single entity and the sense of belongingness in the workers is enhanced.
(d) **Similarity:-** The principle of similarity of familiarity clarifies that the greater the similarity of the stimuli, the greater is the possibility of being perceived as a common group or whole. Any two objects similar in any way e.g. figure, shape, size or colour etc. have the tendency of being perceived as a group. Similarity is conceptually related to proximity but generally similarity predominates proximity.

(e) **Continuity:-** The principle of continuity states that one will tend to perceive continuous lines of patterns because an individual sees only obvious lines and fails to have some creative thinking.

(f) **Closure:-** The Principle of closure is almost similar to principle of continuity. This principle states that if the stimulus pattern is incomplete, the perceiver tends to fill in missing elements.

A synoptic view of the process of the organization of perception can be represented as. \( P = f (O, E, I.) \) Where

\( P = \) Perception, which includes all such processes through which an individual perceives and receives total information about environment.

These processes are basically our sense organs which form the basis for the organization of perception.

\( O = \) Objects or events perceived and basically have two elements selection and characteristic organization - like,

Similarity, Figure and Ground, continuity, Closure, Good Figure etc.

\( E = \) Environment in which perception takes place, physical and social environment.

\( I = \) Individual who perceives and this includes all basic factors responsible for affecting perception, like, Mental set, Past experiences, Expectation, Motivation, Interest, Mood, Status and Group Factors.

The final perception which does not agree with other perception or reality can be known as illusion. An illusion is nothing else but misinterpretation of the real meaning of the perception. In this mental activity we misinterpret an object presented before us. It is a very normal mental activity because it is experienced by all people but it is different from a normal perception. In illusion the object which is
wrongly or falsely perceived is present and imagination normally does not play any role. In other words, we may say that illusion is neither a dream, because the perceived object is present, nor it is an imagination, because the object of perception is not a creation of the mind of an individual.

2.1.5 Basic factors affecting perception:

Perception and the resultant behavior are greatly influenced by a considerable number of factors. They affect how we interpret and assign meanings to the stimuli which we encounter and which are bombarded on our senses. These factors include such influences as:

1. **Our Mental Set:** Mental set refers to the tendency of each individual to have a conditioned pattern reaction in certain way to a given stimulus. Most of our mental set comes about through a wide variety of past experiences and prejudices developed from them. An individual (perceiver) in appraising other people, have an inherent tendency to respond either favorably or unfavorably. Thus, mental set plays an integral role in perceptual selectivity. People's own characteristics and predisposition (mental sets) greatly influence the characteristics which they are likely to see in others. They select only that aspects to which they find match with their characteristics.

2. **First Impression:** - It is a normal human tendency to evaluate others on the basis of their first impression. Since first impression evaluation is not always based on sufficient information it may not be true reflection of people being perceive. Even though, people continue to evaluate on the basis of first impression, though possibility of its being correct as remote. However, this can be overcome by more frequent interaction, but the erasing of first impression evaluation is not that easy. Love at first sight is an ample proof of the first impression evaluation.

3. **Past Experiences:** Previous experiences condition most of us in relation to any given situation. We only need to think a minute of the many times we have wished and we could do something over. Next time when we encounter a similar situation, our past experiences and reactions to it influence our course of action which we take in the new situation. For example, if the previous boss is friendly,
generous and fair to his subordinates, the subordinates are most likely to assume that his new boss will also be friendly, generous and fair to them. Because of the past experience, attributes belonging to the significant other are perceived in the new person whether or not they are appropriate to this new person.

4. **Expectations:** Studies have proved that people tend to see that which they expect to see or expected to be. It is a well-established fact that the student will achieve more in school according to the levels he feels his teacher expects of him than according to his actual mental ability.

5. **Social and Psychological Needs:** Our self-image and the degree to which we feel a need for recognition, reassurance, security, achievements and social acceptance affect the way we perceive something and the way we react.

   A person may feel compelled to laugh at a joke that does not seem funny to him if his boss is telling it and he is expecting for a raise. The way we talk, dress and act indicates a great deal about us.

6. **Status & Group Factors:** This is to a large extent inter-related with the preceding factors.

   People’s social class and back-ground cause them to see a situation differently, and an individual tends to be influenced by the shared feelings of the group to which he belongs or to which he wants to belong.

7. **Interest:** The degree to which something interests us or is important to us will sharpen our perception of it and influence a positive or negative reaction.

8. **Mood:** This is simply the way we wake up feelings on any given day or time. It is the part of a dominant personality pattern that affects the way we perceive any situation or set of stimuli. **Special factors affecting Perception:**

   Besides the basic factors which affect perception, there are certain special factors which greatly influence this selectivity. These are broadly classified under two major heads.
A. **External factors**: Perception is a selective process. As we cannot assimilate all of the information coming in, we select a certain amount of information from the total outside information. Some of the factors are:

- **Colour and contrast**: Although a color print or television generally captures greater attention than one in black and white, it loses impact when seen in the context of other color advertisements. The principle of contrast suggests that, in a full-color context, a black and white advertisement is more likely to be noticed. Color perception involves subjective judgments. While fluorescent colors may gain attention, they may also cause irritation. Some products seem to have very limited ranges of acceptable color. Our perception of body cleanliness traditionally demands white or pastel color, although new soap products in brown and green are gaining acceptance today. Shampoos, on the other hand, have always come in deep and varied colors.

Size large sizes tend to attract greater attention than small, but the ratio of size increase to attention gained is not a simple one. The larger an object is, the greater any enlargement must be to be perceived. The amount of size increase needed for its perception is proportionately related to the initial size of the stimulus.

- **Intensity**: Intensity has to do with the strength of a stimulus, for example, the loudness of sounds or brightness of colors. More attention is usually gained as intensity increases. As with size, however, doubling the intensity of a stimulus does not double the attention given to it. There is only a fractional increase in attention.

- **Position** is one of the most interesting determinants of sensory perception. When a written language runs left to right down the page, as English does, the upper half of a page gets more attention than the lower half, the left-hand side more than the right. However, languages with different movement such as Arabic or Japanese, give perceptual emphasis to other portions of page.

Isolation centering a small object in a virtually blank page draws the eye to it immediately. One television advertisement for an antacid began with a tiny rotating white sphere in a dark space – a dramatic use of the isolation principle.

- **Movement**: A moving object receives great attention than an object that is
standing still. Advertisers affectively use the principle of “movement” by displaying an object which incorporates moving parts eg roving billboards.”

**Repetition:** - Repetition of stimuli increases sensitivity & alertness to the object. A stimulus that is repeated has a better chance of catching us during one of the periods when our attention to task is waning, Advertisers most frequently use repetition principal by flashing the same advertisers again and again” on a regular basis catch the attention of prospective customers. This principle is also referred to as the principle of frequency.

**Familiarity & novelty:** This states that if a stimulus in the one that is either familiar or novel to the perceiver it can serve as a battle attention getter. New objects in a familiar situation or familiar objects in a new setting are bound to draw more attention to the perceiver.

**Internal Factors:** These are basically related to the psychological make-up of an individual and include-

**Personality:** The Personality of an individual is an internal factor which greatly influences the perceived behavior. Optimistic people perceive things in favorable terms while pessimistic people perceive in negative terms.

Maslow argues that between these two extremes there exists a category of people who can see things more objectively and accurately. Levitt reported on a senior executive whose biggest problem with young managers was their tendency to avoid making unpleasant decisions. The young managers paid no heed to disciplining people, to digging through boring and repetitive records, or to writing unpleasant letters. Obviously, the reason was that these unpleasant activities were not compatible with the personalities of those young managers, rather than those older executives because their personality make-up had made them accustomed, over the years.

Similarly, a person who has a pleasant personality can strike a better sales deal. Research on the effects of an individual personality on perception has revealed interesting facts.
Self-accepting individuals perceive themselves as liked, wanted and accepted by others.

Secure individuals tend to perceive others as warm rather than cold.

Persons who accept themselves and have faith in their individuality perceive things more favourably than others.

Thoughtful individuals do not expose themselves by expressing extreme judgments of others.

Learning: Learning is another psychological cognitive factor which have its bearing on perception and probably plays the biggest role in developing perceptual set.

Motivation: Our needs play a significant role in perceptual selectivity unreal things often look real because of deprived needs.

2.2 FEATURES OF PERCEPTION AFFECTING CONSUMER BEHAVIOR:

There are four characteristic features of perception that influence how an individual will process and interpret information. These are called perceptual cues, selectivity, organization, and thresholds.

Perceptual Cues: Cues are stimulus associations, or symbols, that influence perception of a given stimulus. People use perceptual cues to make judgments about what they find in the environment.

Consumers use cues like store names, brand names, packaging, and price to help them make buying decisions. These are known as relevant cues when they are actual indicators of the store or product’s identity or value. We can usually make judgments about a store that are fairly accurate from its personnel (helpful or detached) and decor (expensive or utilitarian) or the advertising it runs (image oriented or bargain basement). But some researchers note that consumers may rely on irrelevant cues during complex perceptual problems, especially where information is ambiguous.

Perceptual Selectivity: Consumers are faced with a staggering variety of stimuli every day. It has been estimated that a person is exposed to more than 300
advertising messages daily, although he or she may be consciously aware of very few of them. Bauer and Greyser have found that a consumer actually perceives only seventy-six advertising messages each day and responds to perhaps a dozen. The process of coping with the dazzling number of stimuli around us by perceiving only some of them is known as perceptual selectivity. This process operates through the factors of needs, interests, values, and cognitive set.

**Perceptual Organization:** Perceptual stimuli occur in a field, only taking on meaning as we organize them. Thus, once some stimulus has gained our attention, we struggle to organize it, to resolve its ambiguity, through our personal frame of reference. We want to know where a sound is coming from and what it means; we want dots, lines, and other shapes to have meaning.

In categories where differences are not easily perceived, marketers must rely on distinctive positioning through packaging, pricing, more widespread distribution, or other factors that will give the product a competitive advantage.

One of the first problems marketing experts confront in capturing or increasing their brand’s share of market is that of gaining brand recognition. Once recognized, a brand must be accepted into the consumer’s system of buying needs and alternatives. Brand acceptance depends in part upon price perception. The question of a product’s worth is closely linked to the consumer’s perception of the product’s value. For instance, no price will be too high for the drug that can save your life. For the sake of social acceptability, esteem, and status, some consumers will perceive that a higher price defines a more desirable product.

**Perceptual Thresholds:** A threshold is a point of minimum stimulus needed to produce perception. In addition to lower threshold and a terminal threshold - the point beyond which increase in stimulus intensity or frequency produce no greater sensation - there is a “difference threshold. The smallest increase in a given stimulus that can be perceived as an increase is called the JND, the Just Noticeable Difference.

**Interpretive Perception**⁴¹: How a consumer interprets his or her own perceptions about a market item can be examined most directly in four areas: perception of
brand image; price perception; perception of salespeople, self, or object; and perception of risk. A consumer is stimulated to select a given product or service from among the plethora of alternatives not so much by the product’s intrinsic qualities as by perception of its qualities as they are linked with its brand name. The consumer, in turn, interprets what he or she sees through the filter of individual needs, desires, and personality characteristics.

While items in some product categories can readily be distinguished from one another, perceptible differences in other categories are practically nonexistent. The latter are referred to as parity products.

In categories where differences are not easily perceived, marketers must rely on distinctive positioning through packaging, pricing, more widespread distribution, or other factors that will give the product a competitive advantage. One of the first problems marketing experts confront in capturing or increasing their brand’s share of market is that of gaining brand recognition. Once recognized, a brand must be accepted into the consumer’s system of buying needs and alternatives. Brand acceptance depends in part upon price perception. The question of a product’s worth is closely linked to the consumer’s perception of the product’s value. For instance, no price will be too high for the drug that can save your life. For the sake of social acceptability, esteem, and status, some consumers will perceive that a higher price defines a more desirable product.

**Brand image**- Various Studies have shown that product distinctions or differences, in the minds of the participants, arose primarily through their receptiveness to the various firms’ marketing efforts rather than through perceived physical product differences.

**Price Perception**: There is much research evidence that price is a factor in brand sales performance. Generally, higher actual prices suggest greater risk to the consumer because the hazard of financial loss looms larger if the product does not satisfy. Consumer perception of price may be distorted, like perception in any other area. Also, consumers interpret and respond differentially to price information.

There are absolute limits, or price threshold, that theoretically can be
established for every product category. For an individual consumer, the price threshold of a particular item is determined by total income, availability of credit, and personal ranking of the importance of the product category.

**Attribution Theory:** Attribution theory attempts to explain how people attribute causes to events and behavior are three basic approaches to attribution theory - person perception, self-perception, and object perception.

![Fig. 2.7 A Schematic Diagram of the Attribution Process](image)


**Person Perception:** Fritz Heider, the originator of attribution theory, suggested that individuals act as naive psychologists” when interpreting the behavior of others. They try to determine to what degree personal force rather than environmental factors influence another’s action, and make inferences on that
Self-Perception: Daryl Bern contends that individuals, in trying to make sense of marketplace situations, analyze their own beliefs as well as others’ to make inferences of causality. They try to determine whether their own beliefs about a product, for instance, are true or whether they have been influenced by environmental factors.

Product Perception: To test whether or not their own perceptions of a market item (for instance, a brand or gasoline) are based on objective reality, consumers use four criteria: (1) Is the perception distinctive? The effect must be present only when the item is, and missing in its absence. (2) Is it consistent over time? (3) Is the reaction consistent even when the interaction with the item changes? (4) Is there a consensus - is the same effect perceived the same way by other observers?

Risk Perception: The perceived quality-price relationship is related to the compelling desire to minimize risk. While brand image usually works strongly in a positive-choice direction, price perception can work in either a positive or negative direction when a product is considered.

Financial risk is the most obvious chance one takes in making a consumer choice, and it looms larger the longer one expects to live with the choice. The risks in buying a house or condominium guarantee sleepless nights for even the shrewdest consumers. Performance risk entails anxiety about whether or not the item under consideration will do what it is supposed to do.

Then there is also the problem of psychosocial risk. Even if a consumer reconciles the chance elements of loss of time or money in a choice decision, will the choice prove embarrassing before family, friends, business associates, or neighbors? The risk that such discomfort will ensue is increased by the conspicuousness of the item under consideration. A final category of risk is the possibility of actual threat to health, or even life, that the product carries with it.

Time Perception: We tend to think of time as given, a fixed unit that is measured rigorously by the clock. But in fact anthropologists have demonstrated that time is perceived differently in various cultures, as is the need for measuring time. These
differences may be individual as well as cultural one grocery shopper may perceive that the right time to go the supermarket is the day of a big sale on meat, while another perceives the right day as being the one that fits into his or her accustomed schedule. Robert J. Graham has pointed out that marketers should be aware of three different perceptions of time in order to understand the consumer behavior of the people who hold them.

2.3 CONCLUSION:-

Perception is the way in which individuals gather, process & interpret what they encounter in the environment one major goals of most consumers is to feel satisfied that the goods & services they have purchased are fulfilling their need. Much of a consumers perceptual energy is directed towards that goal. Out of his or her economic, social, physical and psychological background arise the determinants of perception- the ability, needs and desire to respond to certain stimuli in certain ways. The Indian market place offers a wide range of choices of any given product and innumerable stimuli bombarded on a customer. This situation far from confusing and frustrating may go for to satisfy a person’s need to feel competent.
REFERENCES

Adopted from Kae M. Chung & Leon C. Muggings, ‘Organizational behaviour, Developing managerial skills’, Harpeet& Row, New York, 1981

Aswathappa, K., Organizational behaviour’ Himalaya, 2008, Pg 117


Berkman& Gilson, Consumer behaviour concepts & Strategies, 2003, Pg 312 & 315


Gordon, R. Foxall& Ronald E. Goldsmith, Consumer psychology for marketing, Pg No. 286.


Engel, J.F. et.al, Consumer behaviour, Holt Pub; 1968, Pg 79
Foxall, Gordon R. & Ronald E. Goldsmith, Consumer psychology for marketing Pg No. 286.


Sender, Marius, Raum and Gestalt- auffasung bei operierten Blindgeborenen und nach der operation 1960, Earth, pg 106

Walter, C.G., Consumer behaviour - theory & practice, Irwin pub., 1974, Pg. 138

Young, CP. T., Motivation & Emotion Wiley Pub., 1961, Pg. 30