Module - 6

CONSUMER BEHAVIOR

Sangeeta Sahney
Assistant Professor,
Vinod Gupta School of Management
Indian Institute of Technology
Kharagpur, India
Email. sahney@vgsom.iitkgp.emit.in
MODULE 6.4: CONSUMER PERCEPTION, RISK AND IMAGERY (3 HOURS)

6.4.1 Definition and Meaning of Consumer Perception
6.4.2 Difference between Perception and Sensation
6.4.3 Nature of Perception
6.4.4 The Perceptual Process and the Mechanism
6.4.5 The Perceptual Mechanism: Perceptual Selection, Perceptual Organization, Perceptual Interpretation
6.4.6 Consumer Imagery
6.4.7 Perceived Risk
6.4.8 Consumer Perception and Implications for Marketers
LESSON – 24
CONSUMER PERCEPTION

Instructional Objectives:

After completion of this lesson, the student shall know about:

6.4.1 Definition and Meaning of Consumer Perception
6.4.2 Difference between Perception and Sensation
6.4.3 Nature of Perception
6.4.4 The Perceptual Process and the Mechanism

6.4.1 DEFINITION AND MEANING OF CONSUMER PERCEPTION:

The term “perception” can be defined as the ability to derive meaning. Derived from the word “perceive”, it refers to the ability of giving meaning to whatever is sensed by our sense organs. It is the process through which an individual interprets one’s sensory impressions to give meaning to them. Schiffman defines it as “the process by which an individual selects, organizes, and interprets stimuli into a meaningful and coherent picture of the world.”

6.4.2 DIFFERENCE BETWEEN PERCEPTION AND SENSATION:

There is a difference between perception and sensation.

Sensation is the ability of our five sense organs to sense a stimulus. It is an auto reflex mechanism (direct and immediate) of our sense organs, i.e. eyes, ears, nose, tongue, and skin towards a stimulus in the environment. This stimulus could be anything, a person, object, situation or thing. In terms of marketing, it could be a product, a brand name, an advertisement or even a store. Thus sensation is the reaction or response of a sense organ or a sensory receptor towards a stimuli.

Perception is much broader in scope. It is complex process by which a person organizes facts around the stimuli and gives meaning to it. The perceptual process depicts
a complex and dynamic interplay of three processes, viz., selection, organization and interpretation.

The person selects the stimuli and organizes and interprets the input received from the sense organs, so as to give a meaning to the stimuli. Thus, for example, as a person is caught by a new packaging of a familiar brand, he picks up other stimuli on the package through his senses, as well as organizes other facts from internal (memory) and external sources (dealer, packaging) etc, so as to conclude that the package is new but the brand is old and familiar. This is perception. While the sense organs report a change in the form of flashy colours on the packaging, the human mind works cognitively and organizes other information around it to give a meaning and arrive at a conclusion. This is referred to as perception. Thus while sensation is physiological, perception is broader and includes not only the physiological component but also the sociological and psychological component.

While perception starts with sensation, it ends up when meaning is given to the stimuli, through cognitive processes. While sensation picks up bits and pieces as stimuli, the cognitive processes involved in perception can add to/delete/modify the diverse sensations and information. Also, while each one of us would be similar in sensing a stimulus, the way we interpret it would be different. In other words, sensation is similar but perception is not. This is because as far as our sense organs are concerned, we are similar, but when it comes top the human mind and the cognitive processes, we are all different. We have varying cognitive capacities and capabilities; our backgrounds are diverse and psychological processes (needs, motivation, learning, attitudes, values, etc) and sociological factors (culture, sub-culture, social class, etc) different. So while sensation is an objective process, perception is highly subjective.
6.4.3 NATURE OF PERCEPTION:

Perception can be better explained by understanding the nature and characteristics of perception:

1. Perception is a complex process. After a stimulus is detected by the sense organs, the perception process comes into play and involves the interplay of three processes, viz., selection, organization and interpretation. It is a dynamic process.

2. It is also an intellectual process; it involves a lot of cognitive effort. Once sensation takes place, the perception process involves the selection, organization and interpretation of data.

3. Perception is broad in nature; it includes a physiological component (through sensation), as well as sociological and psychological components.

4. Perception is a subjective process as two people may perceive the same stimuli differently. While two persons may be exposed to the same stimuli, the manner in which they select them, organize and interpret them is different. This is because the two are impacted by their background, learning and experiences, motivation, personality, cultures, values and lifestyles, social class effects etc which may be different from each other.

6.4.4 THE PERCEPTUAL PROCESS AND THE MECHANISM:

The perceptual process starts when a person is exposed to a stimulus and the sensory receptors report the same to the human body. While the senses may be exposed to various stimuli, the human senses select only some of these at a point of time. This is because the sense organs have a limited capacity at a particular point of time. After the sense organs, report a few stimuli, the perceptual process takes over. Of the stimuli that have been detected, few are selected, organized and interpreted for meaning. This is known as perception.

During this process of selection, organization and interpretation, the human being is assisted by the memory bank or the information that is stored in his long term memory. This is known as the schema. The scheme acts as a filtering mechanism and helps select some of the stimuli, and then interpret and organize them. The selection, organization and
interpretation by the human mind is done on the basis of i) characteristics of the perceiver, and ii) characteristics of the situation. The characteristics of the perceiver include learning and experiences, knowledge and beliefs, motivation, need and involvement, attitude, personality, social class, culture etc. All these constructs act as the bases of the schema, and put together affect the perceptual process. The characteristics of the situation include the time and location.

People perceive things differently because of their characteristics and backgrounds, and because of the different perceptual mechanisms that take place. Although we may differ in such processes, universally speaking, the perceptual process comprises four components, viz., input, perceptual mechanism, output and behavior. Let us have a discussion on these.

i. **Input:** The input to the perceptual process refers to the various stimuli that surround an individual and exist in his environment. It could assume various forms, for example, it could be another person, object, thing, or situation. The perceptual process begins when the sensory receptors detect a stimulus in the environment, which acts as an input to the perceptual mechanism.

ii **Perceptual mechanism:** The perceptual mechanism consists of three sub-processes, viz., selection, organization and interpretation. Once the sense organs detect a stimulus in the environment, a person selects, organizes and interprets it through perceptual selectivity, perceptual organization and perceptual interpretation. Put together, these are known as perceptual mechanisms.

  - Perceptual selection or perceptual selectivity refers to a tendency within a person to select one or a few out of the many stimuli present in the environment; this selectivity is based on one’s demographic, socio-cultural and psychographic factors. A person would tend to select those stimuli that appear relevant and attractive to him.

  - Perceptual organization refers to the process of organizing the various stimuli with other cues around so that a whole picture can be created. In other words, the various stimuli are organized and given a form. It is the process of organizing inputs into a definite, coherent and interpretable structure.
- Perceptual interpretation refers to the process of drawing inferences out of the organized whole (of stimuli), and giving meaning to it.

**iii Output:** Once the input has been interpreted, it results in an output. This output towards the stimuli assumes various forms, for example, in the formation of emotions and moods, feelings and opinions, as well as attitudes and beliefs.

**iv Behavior:** The resultant behavior is an outcome of the output. Based on his emotions and moods, feelings and opinions, as well as attitudes and beliefs, a person would enact out a behavior. This behavior is a function of and will be reflective of such emotions and moods, feelings and opinions, as well as attitudes and belief.

### REFERENCES FOR FURTHER READING:

Ques 1  What is perception? What is the difference between sensation and perception?

Ans 1  The term “perception” can be defined as the ability to derive meaning. Derived from the word “perceive”, it refers to the ability of giving meaning to whatever is sensed by our sense organs. It is the process through which an individual interprets ones’ sensory impressions to give meaning to them. Schiffman defines it as “the process by which an individual selects, organizes, and interprets stimuli into a meaningful and coherent picture of the world.” There is a difference between perception and sensation.
**Perception**

Perception is much broader in scope. It is a complex process by which a person organizes facts around the stimuli and gives meaning to it. The perceptual process depicts a complex and dynamic interplay of three processes, viz., selection, organization and interpretation.

While the sense organs report a change in the form of flashy colours on the packaging, the human mind works cognitively and organizes other information around it to give a meaning and arrive at a conclusion.

Perception is broader and includes not only the physiological component but also the sociological and psychological component.

Cognitive processes involved in perception can add to/delete/modify the diverse sensations and information.

Perception is highly subjective.

Human beings differ with each other with respect to perception. They perceive things differently.

**Sensation**

Sensation is the ability of our five sense organs to sense a stimulus.

It is an auto reflex mechanism (direct and immediate) of our sense organs, i.e. eyes, ears, nose, tongue, and skin towards a stimulus in the environment. This stimulus could be anything, a person, object, situation or thing. In terms of marketing, it could be a product, a brand name, an advertisement or even a store. Thus sensation is the reaction or response of a sense organ or a sensory receptor towards a stimulus.

Sensation is physiological in nature.

Sensation picks up bits and pieces as stimuli.

Sensation is an objective process.

Human beings would be similar in sensing a stimulus.
Ques 2 Discuss the components of the perceptual process.

Ans 2 The perceptual process starts when a person is exposed to a stimulus and the sensory receptors report the same to the human body. While the senses may be exposed to various stimuli, the human senses select only some of these at a point of time. This is because the sense organs have a limited capacity at a particular point of time. After the sense organs, report a few stimuli, the perceptual process takes over. Of the stimuli that have been detected, few are selected, organized and interpreted for meaning. This is known as perception.

Although we may differ in perceptual processes, universally speaking, the perceptual process comprises four components, viz., input, perceptual mechanism, output and behavior. Let us have a discussion on these.

i. Input: The input to the perceptual process refers to the various stimuli that surround an individual and exist in his environment. It could assume various forms, for example, it could be another person, object, thing, or situation. The perceptual process begins when the sensory receptors detect a stimulus in the environment, which acts as an input to the perceptual mechanism.

ii Perceptual mechanism: The perceptual mechanism consists of three sub-processes, viz., selection, organization and interpretation. Once the sense organs detect a stimulus in the environment, a person selects, organizes and interprets it through perceptual selectivity, perceptual organization and perceptual interpretation. Put together, these are known as perceptual mechanisms.

- Perceptual selection or perceptual selectivity refers to a tendency within a person to select one or a few out of the many stimuli present in the environment; this selectivity is based on one’s demographic, socio-cultural and psychographic factors. A person would tend to select those stimuli that appear relevant and attractive to him.

- Perceptual organization refers to the process of organizing the various stimuli with other cues around so that a whole picture can be created. In other words, the various stimuli are organized and given a form. It is the process of organizing inputs into a definite, coherent and interpretable structure.
Perceptual interpretation refers to the process of drawing inferences out of the organized whole (of stimuli), and giving meaning to it.

iii Output: Once the input has been interpreted, it results in an output. This output towards the stimuli assumes various forms, for example, in the formation of emotions and moods, feelings and opinions, as well as attitudes and beliefs.

iv Behavior: The resultant behavior is an outcome of the output. Based on his emotions and moods, feelings and opinions, as well as attitudes and beliefs, a person would enact out a behavior. This behavior is a function of and will be reflective of such emotions and moods, feelings and opinions, as well as attitudes and belief.

SELF EVALUATION TESTS/QUIZZES:

Section A  True/false:
1. Perception is highly subjective.
2. The perceptual process starts when a person is exposed to a stimulus and the sensory receptors report the same to the human body.

Section B  Fill up the blanks:
1. The process by which an individual selects, ________________, and interprets stimuli into a meaningful and coherent picture of the world is known as perception.
2. The ___________ to the perceptual process refers to the various stimuli that surround an individual and exist in his environment.

Section C  Multiple choice questions:
1. Perceptual ____________ refers to the process of drawing inferences out of the organized whole (of stimuli), and giving meaning to it.
   a) Mechanism
   b) Selection
   c) Interpretation
   d) Output
Section D  Short answers:

1. Define perception.

2. Mention any two features of perception.

3. Mention the three sub-processes of the perceptual mechanism.

Section A  True/false:

1. True  2. True

Section B  Fill up the blanks:

1. Organizes  2. Input

Section C  Multiple choice questions:

1. c

Section D  Short Answers:

1. Perception is the process through which an individual interprets one’s sensory impressions to give meaning to them.

2. Perception is an intellectual process; it is broad in nature; it includes a physiological component (through sensation), as well as sociological and psychological components; it is a subjective process as two people may perceive the same stimuli differently.