

## **Module - 6**

# **CONSUMER BEHAVIOR**

**Sangeeta Sahney**

**Assistant Professor,**

**Vinod Gupta School of Management**

**Indian Institute of Technology**

**Kharagpur, India**

**Email. [sahney@vgsom.iitkgp.ernet.in](mailto:sahney@vgsom.iitkgp.ernet.in)**

## LESSON – 25

### CONSUMER PERCEPTUAL MECHANISM

#### Instructional Objectives:

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

#### 6.4.5 The Perceptual Mechanism: Perceptual Selection, Perceptual Organization, Perceptual Interpretation

#### 6.4.5 THE PERCEPTUAL MECHANISM: PERCEPTUAL SELECTION, PERCEPTUAL ORGANIZATION, PERCEPTUAL INTERPRETATION:

The perceptual mechanism is impacted by two kinds of factors; i) external factors, related to the stimuli and to the environment; and, ii) internal factors, related to the perceiver, in the form of demographic, socio-cultural and psychographic factors. People perceive things differently because of the perceptual mechanism that differs between people. Every person is unique in himself with unique backgrounds, experiences, expectations, etc, and so the resultant perceptions are also unique. The perceptual mechanism requires greater discussion owing to the great deal of complexity and dynamism that goes into play. The three sub-processes viz., perceptual selection, organization and interpretation are discussed as follows:

##### i) Perceptual Selection:

Human beings are simultaneously exposed to various stimuli in his/her environment. Due to the fact, that the various stimuli cannot be treated or processed at the same time, people become selective in their approach. They would choose some stimuli for further processing. The choice of the stimuli would depend on what they feel is relevant for them and or appropriate for them. This is referred to as perceptual selectivity.

Which of the stimuli gets selected, is based on two broad factors, viz., factors, external and related to the stimuli, and factors internal and related to the perceiver

a) External and related to the stimuli: These factors are those factors that exist in the environment and are in the form of characteristic features of the stimuli. These could take the form of size, intensity, contrast, motion, repetition, familiarity, novelty etc. In the

field of marketing, stimuli could include the product, the brand name, the features and attributes, the packaging, the advertisement, etc. These factors are elaborated upon in the table (See Table 1).

**Table 1: Factors that affect perceptual selectivity:  
Factors external and related to the stimuli**

<b>S. No.</b>	<b>Characteristic</b>	<b>Example</b>
1	Size	The larger the size of the stimuli, the more likely it is to be perceived; eg., headlines in the newspaper; brand name on the packaging of a product.
2	Intensity	The larger the force or power of a stimuli, the greater the chances of it getting perceived; eg., strong smell or a loud noise; flashy colours on the packaging or in the advertisement; strong aroma of food.
3	Contrast	Any stimuli that stands out from the rest of the environment is more likely to be noticed; eg., capital and bold letters; a black and white advertisement amongst coloured ads on TV; or a coloured advertisement in the black and white newspaper.
4	Motion	Anything that moves has greater chances of being perceived; eg., a scroll advertisement.
5	Repetition	A repeated stimuli is more likely to be noticed; eg., advertisements in audio-visual media are more likely to be noticed than in the print media.
6	Familiarity and Novelty	A new stimuli in a familiar setting or a familiar stimuli in a new setting increase the chances of perceptual selectivity; eg., substantive variation in advertisements, where the message content changes, while the background or the models or the jingle remains the same; or, cosmetic variation, where the model changes, but the message remains the same.

b) Internal and related to the perceiver: These factors are those factors that are related to an individual and would differ from person to person, viz., factors like motivation, learning, personality and self-image, etc. Perceptual selectivity of a person would depend upon what he considers relevant and appropriate as per these psychological variables.

- Needs and Motivation: Selection of a stimulus depends upon our needs, wants and motivation. We would be receptive to a stimulus which we feel is relevant for us, as based on our needs. For example, if a person wants to buy a flat (safety and security need), and he is high on the esteem need too, he would prefer looking at advertisements for availability of flats in the posh areas of the city. He would be receptive to such stimuli that support this need. Similarly for people strong on need for achievement, they would be receptive to inputs or stimuli that support their need. Thus, people with different needs select different stimuli (i.e. items) to respond to. The stronger the need is, the greater would be the tendency to select related stimuli and ignore unrelated stimuli in the environment.
- Learning: As individuals, we learn from our experiences, and store such learning in our memory bank. We tend to form attitudes and beliefs about product and service offerings, and would be receptive to stimuli that confirm to such attitudes and beliefs and would reject stimuli that does not support such attitudes and beliefs.
- Personality and self image: Personality and self-image also affect perceptual selectivity. A person would be attracted to stimuli that closely relates to their personality and self-image.
- Apart from these three, other factors that could affect selectivity of the stimulus are:
  1. Response disposition: it is the tendency to select a familiar stimuli rather than one which is unfamiliar.
  2. Expectations: the tendency to have preconceived notions about an input, and the resultant tendency to select anything that supports the expectation and vice versa.
  3. Past experiences

For marketers, the input that they can arrive out of this discussion on perceptual selectivity is that they should offer different products for different segments and position them accordingly.

While these are factors that affect perceptual selectivity, let us also have a discussion on sensory thresholds and more elaborately on absolute threshold and differential threshold.

**Sensory threshold:** Any and every stimuli that we are exposed to may not catch our attention. This is because the stimuli lacks in strength and intensity. The amount of strength and intensity that a stimulus must possess so as to get noticed by the sensory receptors for ultimate perception is referred to as sensory threshold. For example, a faint sound may not be heard, or a light smell may get unnoticed, etc. Each one of us has our sense organs, and we all differ with respect to how quick and competent they are to sense such stimuli. Sensory threshold is further elaborated upon by the two sub-concepts of absolute threshold, and differential threshold.

**a) absolute threshold:** The minimum amount of strength or intensity that a stimulus should possess to get noticed is referred to as an absolute threshold. It is the lowest intensity at which a stimulus can be detected i.e. in other words, it is the lowest level at which an individual can experience a sensation.

Our senses also have an absolute threshold that determines the minimum possible amount of stimulation that is required for getting noticed. Thus, the absolute threshold varies from person to person. Some people are good at hearing and can hear the faintest of sounds; on the other hand there are others for whom a faint sound would get unnoticed. Similarly, some people have good eyesight and can small prints while others cannot. Thus, absolute thresholds differ from person to person, and any stimuli that falls below one's threshold, would get unnoticed. Thus, in order to get noticed, the marketer should understand that the absolute threshold for a stimulus should be kept high; for example, when making decisions on packaging of potato wafers, the font size should be big, the colors flashy and attractive etc.

**b) differential threshold:** The minimum amount of change that is required to be brought about in a stimulus so that the change gets noticed is referred to as the differential threshold. It is the minimum level of change that is necessary for a person to detect that there has been a change in the stimuli. That is why it is also known as j.n.d. (or just noticeable difference).

The concept can also be defined from the perceiver's perspective. Human beings also have the ability to perceive changes in a stimulus. Differential threshold refers to a person's ability to detect and perceive a change in the stimulus.

The marketer should understand that while making changes in his 4Ps, he should keep the differential threshold in mind. He needs to determine the relevant j.n.d. for their offerings. For certain changes like decrease in price or discounts, he could keep the j.n.d. high so that it is noticeable, and consumers are attracted towards the discounted price; and in case of price increase, he should keep the j.n.d. low and increase the price gradually, so that it does not get noticed by the consumer. For changes like increased quantity at the same price, he should keep the j.n.d. high again, so as to be noticed. A new variant or a modified form, should exhibit the "NEW" so that it is noticeable.

In a nutshell, the j.n.d. should be used in a manner that while positive changes (eg. reduced price, discounts, "extra" quantity, product improvement etc) should be noticeable to the consumers, negative changes (eg. increased price, reduced quantity etc.) should not be apparent.

### Other Concepts in Perceptual Selection:

There are certain other concepts that relate to perceptual selectivity, viz., selective exposure, selective attention, perceptual defense and perceptual blocking. Each of these with examples are elaborated in the table (See Table 2).

**Table 2: Concepts in Perceptual Selection**

<b>S. No.</b>	<b>Concept</b>	<b>Description with Example</b>
1	Selective exposure	<p>While people are exposed to various stimuli at the same time, they have a tendency to seek out messages that they find pleasant, are comfortable with, and confirm their beliefs and preconceived notions and expectations. They avoid messages and block themselves from messages that they find to be unpleasant, are uncomfortable with, and are contrary to their beliefs and expectations. This is called selective exposure. In other words it implies that consumers are selective in their exposure to the various stimuli that they are exposed to, and often block themselves from various stimuli.</p> <p>For example, a vegetarian will avoid an advertisement like “Sunday ho ya Monday, Roz khaaye ande” from the National Egg Coordination Committee (NECC).</p>
2	Selective attention	<p>Of the many stimuli that people are exposed to, people are attracted to those stimuli that they consider to be relevant in terms of a match with their needs. They are attentive to those stimuli that match their needs and avoid those that are irrelevant. People are also selective about the message and the channel through which this information would be transmitted; we could relate this to the split-brain theory, the right side processing and the left side processing. Some prefer emotions in TV, others prefer logic and facts in print media. This phenomenon of being selective towards the input based on our needs and desires is called selective attention.</p> <p>For example, if a person intends buying a refrigerator in the coming 2-3 months, he would be very receptive to any input that comes his way and relates to refrigerators.</p>
3	Perceptual defense	<p>Sometimes people may select stimuli which they later find as psychologically threatening and uncomfortable. In such cases, they have a tendency to filter out that stimuli, although initial exposure has taken place. The threatening stimuli is consciously filtered away. This is called perceptual defense. Often people may also distort the stimuli as per their desire and give meaning to their advantage.</p> <p>For example, a smoker is exposed to an advertisement stating the harmful effects of cigarette smoking. As soon as such an advertisement appears, he would have a tendency to switch to another channel, and watch something else, so that he does not have to continue with the exposure to the stimulus and subsequent processing.</p>

- 4    Perceptual blocking    When exposed to a large number of stimuli simultaneously, people may often block the various stimuli, as they get stressed out. This is because the body cannot cope up with so many stimuli at the same time. The people thus, blocks out the various stimuli from their conscious awareness. This is called perceptual blocking.  
For example, we all have a tendency to “mute” the TV when the channels bombard us with so many advertisements, or to “zap” across or switch over channels when an advertisement appears so as to avoid watching the advertisements.

## **ii) Perceptual Organization:**

The next sub-process in the perceptual process is referred to as perceptual organization. After the input has been received from the selection stage and given attention to, the input/cue or the information is organized into a coherent form, so as to be able to extract meaning out of it in the next stage. Thus, perceptual organization deals with what happens in the perceptual mechanism once the information from the environment is received. It is a cognitive process, which is responsible for organizing the stimuli and the surrounding cues, to develop a “whole picture”, according to one’s physiological, socio-cultural and psychographic principles.

While exposed to the various stimuli, human beings do not select them as separate and unrelated identities, but they group them and perceive them as “a unified whole.” The various stimuli are put together as a unified integrated structure. This organization of the stimuli is based on certain principles, which were first proposed by the Gestalt school of psychology, and hence the name “Gestalt principles”. The term “Gestalt”, is a German word meaning “pattern” or “configuration” or a “unified whole”. As the various stimuli are patterned together and configured as a single whole, it is given the term Gestalt principles. The manner in which these stimuli are unified, and the basis of the configuration/pattern of relationships amongst the stimuli, influences an individual's overall perception of each stimulus in the configuration. The marketer should aim at making the principles of the Gestalt philosophy work in the product's favor.



There are certain factors that affect the Gestalt perception or the manner in which the configuration of the stimuli takes place. These factors are stimulus factors and individual factors.

**a) Stimulus factors:** These refer to the external and observable characteristics of the stimulus, i.e. of the person, object, thing or situation; in marketing terms it refers to the characteristics of the product, brand, packaging, advertisement etc.

Such factors would include size, intensity, motion, repetition, familiarity and novelty, color and contrast, position, and isolation. Most of these factors have been detailed above. Those that haven't been discussed are as follows:

- Colour and contrast: Colour always catches greater attention than black and white. But it has been observed, that it can lose impact when put with other coloured advertisements. Herein the contrast effect assumes importance. A coloured advertisement in a full context black and white or vice versa is a perfect example of contrast effect.
- Position: Research has indicated that position also has a role to play in sensory perception. For a language like English, which runs left to right on a page, the upper half of a page gets more attention than the lower half, and the left-hand side more than the right. This would vary across languages like for Urdu, Persian etc. This accounts for price differences in newspapers and magazines, where the price of an advertisement differs according to the position where it is placed.
- Isolation: Instead of being closer, when a stimulus stands apart from the other stimuli, the chances of it getting perceived are greater than when it clustered together with other stimuli.
- Unity: Unity as a principle has an important role to play while organizing the various stimuli into a unified group. Unity can be achieved by applying the Gestalt principles of proximity, similarity, and density.
  - Proximity: Those stimuli that are placed close to others form groups.
  - Similarity: Those stimuli which are similar to each other form groups.
  - Density: Those stimuli that have common density units form groups.

**b) Individual factors:** These refer to factors internal to and related to the perceiver; in marketing terms it refers to the characteristics of the consumer. For example, motivation, learning, personality and self-image etc. Such characteristics are unique to the individual and play an important role in selection, organization and interpretation. They differ from person to person and as such, they are less measurable and quantifiable than stimulus factors.

Motivation, learning, personality and self-image have been detailed above. Those psychological characteristics that haven't been discussed, but affect perception are as follows:

- Interest: The interest level varies from person to person. Some generalizations with respect to interest may be made on the basis of age, gender, social class and lifestyle etc. People would differ across gender, age etc with the level of interest.
- Involvement: this refers to the degree with which a person approaches a person, object, thing, or stimuli. It is indicative of how important and relevant something is to a person. When the level of involvement for a product/service category is high, the consumer would be more attentive to any kind of information that is provided; in such a case information gathering, retention and recall would be high. The consumer would perceive the offering differently as compared to one who is not that involved.
- Values: People are receptive to such product/service offerings that are compatible with their culture and sub-culture, and the respective value system. They would exhibit perceptual defense when exposed to stimuli that do not match their values or go against their values.

## Principles of perceptual organization:

There are four basic principles of perceptual organization, viz., figure and ground, grouping, closure and simplification. Each of these is discussed below.

**1. Figure and ground:** The figure and ground principle states that any stimuli that stands apart from its environment, and contrasts against is more likely to be noticed, and treated as a unified whole. It would appear as a well defined figure, in the forefront, clearly contrasted against the ground. In other words, the figure stands clearly against the background, or in contrast to the background, hence the term figure and ground. The stimulus acts as the figure and gets noticed, as distinct from the ground that gets unnoticeable.

The manner in which a figure is seen as separate from the ground and is given prominence (instead of the ground getting prominence) depends on two kinds of factors, i.e. factors external and related to the stimuli as well as factors internal and related to the perceiver. Learning, needs and motivation, personality make up, attitudes etc. – all of these have a role to play in the manner in which a person decides which stimuli are to be perceived as figure and which as ground. Both kinds of factors, related to stimuli and to the perceiver, affect the way in which a person organizes his perception into figure-and-ground relationship.

The implication that a marketer needs to draw from the principle is that:

- While placing their brands in a store, the packaging should be such that the brand stands out against the many others which should recede to the background. Thus, the packaging design should be chosen very carefully.
- While designing advertisements, it is essential that footage is given to the product and or brand rather than the spokesperson (model, celebrity, expert etc.). The marketing stimulus (for example, the product and its image as well as the message), must be seen as the figure and not the ground. The advertisements should not be so entertaining visually or emotionally that such elements become the figure and the product recedes to the background. The target audience should be able to differentiate the product image and the message as the figure, clearly

distinct from the scenery or the model, which will be the ground. The product should stand out as the figure and the spokesperson should recede into the ground.

**2. Grouping:** As per the grouping principle, people tend to group together the various stimuli so that they are seen as a unified picture or unified whole; the basis for such grouping is i) similarity amongst stimuli; and ii) proximity of the stimuli. The grouping of the discrete and distinct pieces of stimuli is done so as to facilitate storage in memory and easy recall.

- similarity amongst stimuli: The stimuli or the elements that are similar to each other in some way are grouped together. As the stimuli look similar to one another, people perceive them as a group or pattern. The human mind groups similar elements into collective entities or totalities, to extract meaning out of them. The similarity might depend on form, color, size or any other characteristic of the stimuli.

For example, in an International Conference, people and their nationalities are often identified on the dress that they are wearing; all those dressed similarly are perceived to belong to the same country.

In marketing terms, people rushing together to a store that announces a discount, can be grouped together as price sensitive and deal-prone. Or, products with a similar packaging are perceived to be the same. This accounts for the success of “me-too” (imitation) products.

- proximity of the stimuli: The stimuli or the elements that stand close to each other in some way are grouped together. As the stimuli stand close to one another, people perceive them as a group or pattern. The spatial or temporal proximity of the stimuli activates the human mind to perceive them as a collective entity.

For example, people sitting with each other in a classroom are perceived to be a friendship group.

In marketing terms, display of soaps in a shelf space give an impression to the consumer that all FMCGs will be placed together, and all the various brands of soaps would be stocked there. Or, the stimuli in an advertisement comprise a number of things, like for example, the advertisement for Raymond, the complete man. The stimuli

comprise a party, a celebration, a couple, a luxurious ambience and the man wearing a suit. He is shown as being handsome, caring and special. The proximity of the man in a suit to its surroundings impacts consumer perception in a manner that assumes some kind of an association or a relationship between the usage of the product (here suiting) and a similar reaction or outcome (looking handsome, caring and feeling special).

The implication that a marketer needs to draw from the principle is that:

- Consumers perceive that products that are similar to each other in appearance and use, are related to each other. That is why the marketers of “me-too” products try and copy the packaging of original brands.
- When marketers launch new brands, they should try and brand it as the blanket family name or go for a corporate name combined with individual product names, and have the brand logo. Consumers perceive the new brand to be related to the old one, in terms of the fact that they share the same logo. The benefits associated with the original product get translated to the newer product as well.
- Marketers should design their promotion messages in a manner that uses cues and stimuli in close proximity with the product. It is a tendency on the part of people to associate the cues with the product and see them in totality. The result is that the positive feelings generated by one or few stimuli can be translated to the rest in totality, so as to generate a positive outcome.
- Consumers relate the various stimuli that lie in proximity to each other. A product is perceived in the same way as the other stimuli are perceived in the proximate surroundings. If the mood generated by the surrounding stimuli is regal and royal, the product tends to get related to sophistication and style. So the marketer must be careful in using stimuli that blend perfectly with the product.

**3. Closure:** This principle of the Gestalt psychology, lays emphasis on an individual's need for completion. The closure principle states that in cases where an object is identified as incomplete by sensation, our perceptual processes give it a complete form. Closure is said to occur, when the human mind perceives it as a “complete whole” although the object is incomplete and some elements are missing. Thus, people tend to perceive an incomplete picture as complete by consciously or subconsciously fill in the

missing pieces. They add to the incomplete stimuli to which they are exposed according to their learning, motives, expectation, beliefs and attitudes etc.

For example, while reading a book, there may be a misprint, and the word or sentence may seem incomplete. Based on the context of what has been read, and what is to follow, we fill up the gaps, and we assign meaning to the word or to the sentence. This is known as closure.

In marketing terms, for example, consumers watch an advertisement on TV. When they hear the audio on TV, and hear the jingle, in their need for completion, they can form mental images and replay the advertisement as is shown on TV.

The implication that a marketer needs to draw from the principle is that:

- The principle of closure can be applied by a marketer to encourage audience participation, which increases the chance people will attend to the message. Teaser elements may be used in advertisements, and the consumers may be asked to fill up the gaps. This generates consumer attention and involvement, interest and excitement.

**4. Simplification:** As the name implies, the principle of simplification states that human beings have a tendency to simplify things to make it more understandable. The principle lays emphasis on the simplification of associations between elements, for better comprehension and understanding. When people are exposed to too much of stimuli, or information they subtract or delete the less relevant ones and give importance to the more important ones. This is done so that they can lessen the load on our cognitive processes. For example, when exposed to too much of information on a page, we prefer to read the portions in capital letters or in bold, as we feel that that would be sufficient.

In marketing terms, a person who wants to buy a laptop and browses through the brochures of different companies, and their configuration, looks for the key words, rather than reading the brochure sentence by sentence.

The implication that a marketer needs to draw from the principle is that:

- The marketer should avoid a clutter of information. The information that he needs to provide should be short, crisp and precise.
- The important inputs that the marketer wants to provide to the consumers must be highlighted in size, font and colour.

### iii) Perceptual Interpretation

The final sub-process in the perceptual process is referred to as perceptual interpretation. After the input has been given attention to, and has been organized into a coherent form, a meaning is extracted out of it. This is referred to as perceptual interpretation. It is a purely cognitive process, which is responsible for extracting meaning out of the organized stimuli (“whole picture”) that a person is exposed to. The process is totally individual, based on a person’s demographics, socio-cultural influences and psychographic influences. People interpret stimuli (i.e., they give meaning to them) subjectively in accordance with their needs, expectations, and experiences. That is why perception varies from person to person.

Similar to selection and organization, perceptual interpretation is also influenced by the forces external and related to the stimuli, as well as forces internal and related to the perceiver. It is also affected by the situation under which perception takes place.

At this stage of the perceptual process, a perceiver may make mistakes, and this could lead to misinterpretation of the stimuli. Such mistakes are referred to as perceptual errors and perceptual distortion. The various kinds of errors with examples are as follows:

**1. Selective perception:** People have a tendency to perceive things which they feel are relevant for them. In other words, they perceive only those things which are in accordance with their needs and motives, interests and desires, backgrounds, learning and experiences, attitudes, personality etc.

Example: A lady goes to a departmental store to buy a shampoo. Ignoring the various shelves and the various aisles she moves straight to the shelf (“let us say shelf H”) where she had bought the shampoo from a few weeks ago. This is because she is familiar with the space and has retained the exact location of shampoos in her memory. So she ignores the other shelves. The fact is that the shampoos have now been placed at another location (“shelf B”). She has thus, made an error by overlooking the shampoo on shelf “B” and moved to “shelf H.” Based on her past experience, she has been selective about her stimuli and committed an error.

**2. Distorting influences:** Often people commit perceptual errors due to a number of influences. Such influences are called distorting influences and these are discussed as follows:

**a. Physical appearance:**

-People often judge others (or the stimuli) on the basis of physical appearance and looks.

Example: Just because a car is good in looks, aesthetically designed and appealing, does not essentially imply that it gives a good mileage, its engine is robust and it is technically sound.

Marketers take advantage of physical appearance as an influencing factor to their advantage. They not only design their cars aesthetically, in bright and vibrant colours, thus making it look good but also design the advertisements accordingly so as to attract the buyers.

Another example: Marketers use attractive models as their spokesperson. Attractive models are regarded to be more persuasive than average looking models, as people relate the good looks of the models with pleasurable outcomes after usage of the product.

-Another error that relates to physical appearances is when we associate person “X” and his qualities to person “Y”, because person “X” resembles person “Y.”

Example: The very fact that a “me-too” product resembles an original product does not imply that the former would function as well as the latter.

**b. Stereotypes:**

-People judge another person (or the stimuli) on the basis of the characteristics of the group to which he belongs. It is a tendency to perceive another as belonging to the same group or category as the former. However, in reality, each individual is different and unique.

People have a tendency to generalize; they create expectations of what a stimulus (person, object, thing etc.) would be like on the basis of the group to which he/she belongs.



Example: Chinese goods are regarded as low in price and inferior in quality. However, not all goods may be inferior in quality. However, they are stereotyped as cheap and inferior.

Another example: Sony is a reputed electronics company. Even before a person has heard fully about a new product from Sony, he or she concludes that the product would be good because it is a Sony product.

### **c. Irrelevant cues:**

-When people make interpretations on the basis of irrelevant and unmeaningful stimuli, they are said to have made a perceptual error based on irrelevant cues. The perceptual judgment in such cases is made on irrelevant cues.

Example: While purchase of a car, people get carried away by the looks, aesthetics and appeal. Rather than thinking about the mechanical aspects and the technology used, they give importance to the looks and the accessories and take a decision. This is a perceptual error as the interpretation drawn is based on irrelevant cues.

### **d. First impression:**

-People often make judgments on the basis of the first impression. This may not always be true and could be erroneous. If erroneous, it would be known as a perceptual error based on first impression. First impression as a principle has implications for a marketer. A new product should never be introduced in the market before it has been market tested. In case it is not tested and launched, and subsequently fails, it could be disastrous for the company. All subsequent attempts to satisfy the customer would fail as first impression is long lasting.

Example: Companies recruit salespeople who have a good pleasing personality, can converse well and have the power to convince. This is because they want their salespersons to carve a good impression the first time they meet the customers.

**e. Jumping to conclusion:**

-People often exhibit a tendency to arrive at conclusion even before have gone through the entire stimuli or information. This is referred to as jumping to conclusion.

Example: A salesperson knocks at the door of the house, and introduces himself as a salesperson from Eureka Forbes. Even before he can say that he has come in to make a demonstration for a vacuum cleaner, the lady of the house interrupts and says that she already owns an Aquaguard and does not need another. This premature statement that she makes before letting the salesperson complete his sentence is an example of jumping to conclusion.

**f. Inference:**

-The tendency to draw out conclusion and making judgments about the stimuli (person, place, thing etc.) on the basis of incomplete or limited information is called inference.

Example: When a consumer assesses the quality of a product to be good, just because it is priced very high, he is said to be drawing an inference. He would be drawing a conclusion only on limited information that is price, and would be ignoring the technical details.

**g. Halo effect:**

-When a stimuli (person, place, thing etc.), is perceived on the basis of a single trait, it is referred to as a Halo effect. In case the assessment is based on a good and desirable, it is referred to as a Halo effect or a positive Halo effect, and in case the assessment is based on something bad and undesirable, it is called a reverse Halo effect. One particular trait overrides all the other traits and a perception is made on a single trait. The evaluation of the stimuli on a multitude of dimensions is actually based on the evaluation of just one or a few of the dimensions.

Example: Proctor and Gamble has roped in Kajol as their brand ambassador for Oil of Olay. When consumers perceive the Oil of Olay to be a good lotion, just because it is being endorsed by a successful actress like Kajol, the Halo effect would come into play. Kajol's presence overrides all other qualities present in Oil of Olay or in its company, Proctor and Gamble.

Another example: A marketer may go in for brand extension by using a successful brand name to launch a new or modified product in a new category. This is an example of halo effect.

Another example: iPod has had a positive impact on perceptions of other products from Apple. With the success of the iPod, the benefits have got translated to other products made by Apple Inc.

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## **FAQS (FREQUENTLY ASKED QUESTIONS):**

**Ques 1**      **Discuss with examples, factors affecting perceptual Selectivity.**

**Ans 1**      Human beings are simultaneously exposed to various stimuli in his/her environment. Due to the fact, that the various stimuli cannot be treated or processed at the same time, people become selective in their approach. They would choose some stimuli for further processing. The choice of the stimuli would depend on what they feel is relevant for them and or appropriate for them. This is referred to as perceptual selectivity.

Which of the stimuli gets selected, is based on two broad factors, viz., factors, external and related to the stimuli, and factors internal and related to the perceiver

- a)      External and related to the stimuli: These factors are those factors that exist in the environment and are in the form of characteristic features of the stimuli. These could take the form of size, intensity, contrast, motion, repetition, familiarity, novelty etc. In the field of marketing, stimuli could include the product, the brand name, the features and attributes, the packaging, the advertisement, etc. These factors are elaborated upon in the table.

**Table: Factors that affect perceptual selectivity: Factors external and related to the stimuli**

<b>S. No.</b>	<b>Characteristic</b>	<b>Example</b>
1	Size	The larger the size of the stimuli, the more likely it is to be perceived; eg., headlines in the newspaper; brand name on the packaging of a product.
2	Intensity	The larger the force or power of a stimuli, the greater the chances of it getting perceived; eg., strong smell or a loud noise; flashy colours on the packaging or in the advertisement; strong aroma of food.
3	Contrast	Any stimuli that stands out from the rest of the environment is more likely to be noticed; eg., capital and bold letters; a black and white advertisement amongst coloured ads on TV; or a coloured advertisement in the black and white newspaper.
4	Motion	Anything that moves has greater chances of being perceived; eg., a scroll advertisement.
5	Repetition	A repeated stimuli is more likely to be noticed; eg., advertisements in audio-visual media are more likely to be noticed than in the print media.
6	Familiarity and Novelty	A new stimuli in a familiar setting or a familiar stimuli in a new setting increase the chances of perceptual selectivity; eg., substantive variation in advertisements, where the message content changes, while the background or the models or the jingle remains the same; or, cosmetic variation, where the model changes, but the message remains the same.

b) Internal and related to the perceiver: These factors are those factors that are related to an individual and would differ from person to person, viz., factors like motivation, learning, personality and self-image, etc. Perceptual selectivity of a person would depend upon what he considers relevant and appropriate as per these psychological variables.

- Needs and Motivation: Selection of a stimulus depends upon our needs, wants and motivation. We would be receptive to a stimulus which we feel is relevant for us, as based on our needs. For example, if a person wants to buy a flat (safety and

- security need), and he is high on the esteem need too, he would prefer looking at advertisements for availability of flats in the posh areas of the city. He would be receptive to such stimuli that support this need. Similarly for people strong on need for achievement, they would be receptive to inputs or stimuli that support their need. Thus, people with different needs select different stimuli (i.e. items) to respond to. The stronger the need is, the greater would be the tendency to select related stimuli and ignore unrelated stimuli in the environment.
- Learning: As individuals, we learn from our experiences, and store such learning in our memory bank. We tend to form attitudes and beliefs about product and service offerings, and would be receptive to stimuli that confirm to such attitudes and beliefs and would reject stimuli that does not support such attitudes and beliefs.
  - Personality and self image: Personality and self-image also affect perceptual selectivity. A person would be attracted to stimuli that closely relates to their personality and self-image.
  - Apart from these three, other factors that could affect selectivity of the stimulus are:
    1. Response disposition: it is the tendency to select a familiar stimuli rather than one which is unfamiliar.
    2. Expectations: the tendency to have preconceived notions about an input, and the resultant tendency to select anything that supports the expectation and vice versa.
    3. Past experiences

**Ques 2      Discuss the four principles of perceptual organization. What are the marketing implications?**

**Ans 2** There are four basic principles of perceptual organization, viz., figure and ground, grouping, closure and simplification. Each of these is discussed below.

**1. Figure and ground:** The figure and ground principle states that any stimuli that stands apart from its environment, and contrasts against is more likely to be noticed, and treated as a unified whole. It would appear as a well defined figure, in the forefront, clearly contrasted against the ground. In other words, the figure stands clearly against the background, or in contrast to the background, hence the term figure and ground.

The implication that a marketer needs to draw from the principle is that:

- While placing their brands in a store, the packaging should be such that the brand stands out against the many others which should recede to the background. Thus, the packaging design should be chosen very carefully.
- While designing advertisements, it is essential that footage is given to the product and or brand rather than the spokesperson (model, celebrity, expert etc.). The marketing stimulus (for example, the product and its image as well as the message), must be seen as the figure and not the ground. The advertisements should not be so entertaining visually or emotionally that such elements become the figure and the product recedes to the background. The target audience should be able to differentiate the product image and the message as the figure, clearly distinct from the scenery or the model, which will be the ground. The product should stand out as the figure and the spokesperson should recede into the ground.

**2. Grouping:** As per the grouping principle, people tend to group together the various stimuli so that they are seen as a unified picture or unified whole; the basis for such grouping is i) similarity amongst stimuli; and ii) proximity of the stimuli. The grouping of the discrete and distinct pieces of stimuli is done so as to facilitate storage in memory and easy recall.

- proximity of the stimuli: The stimuli or the elements that stand close to each other in some way are grouped together. As the stimuli stand close to one another, people

perceive them as a group or pattern. The spatial or temporal proximity of the stimuli activates the human mind to perceive them as a collective entity.

The implication that a marketer needs to draw from the principle is that:

- Consumers perceive that products that are similar to each other in appearance and use, are related to each other. That is why the marketers of “me-too” products try and copy the packaging of original brands.
- When they launch new brands, they should try and brand it as the blanket family name or go for a corporate name combined with individual product names, and have the brand logo. Consumers perceive the new brand to be related to the old one, in terms of the fact that they share the same logo. The benefits associated with the original product get translated to the newer product as well.
- Marketers should design their promotion messages in a manner that uses cues and stimuli in close proximity with the product. It is a tendency on the part of people to associate the cues with the product and see them in totality. The result is that the positive feelings generated by one or few stimuli can be translated to the rest in totality, so as to generate a positive outcome.
- Consumers relate the various stimuli that lie in proximity to each other. A product is perceived in the same way as the other stimuli are perceived in the proximate surroundings. If the mood generated by the surrounding stimuli is regal and royal, the product tends to get related to sophistication and style. So the marketer must be careful in using stimuli that blend perfectly with the product.

**3. Closure:** This principle of the Gestalt psychology, lays emphasis on an individual's need for completion. The closure principle states that in cases where an object is identified as incomplete by sensation, our perceptual processes give it a complete form. Closure is said to occur, when the human mind perceives it as a “complete whole” although the object is incomplete and some elements are missing. Thus, people tend to perceive an incomplete picture as complete by consciously or subconsciously fill in the missing pieces. They add to the incomplete stimuli to which they are exposed according to their learning, motives, expectation, beliefs and attitudes etc.

The implication that a marketer needs to draw from the principle is that:



- The principle of closure can be applied by a marketer to encourage audience participation, which increases the chance people will attend to the message. Teaser elements may be used in advertisements, and the consumers may be asked to fill up the gaps. This generates consumer attention and involvement, interest and excitement.

**4. Simplification:** As the name implies, the principle of simplification states that human beings have a tendency to simplify things to make it more understandable. The principle lays emphasis on the simplification of associations between elements, for better comprehension and understanding. When people are exposed to too much of stimuli, or information they subtract or delete the less relevant ones and give importance to the more important ones. This is done so that they can lessen the load on our cognitive processes.

The implication that a marketer needs to draw from the principle is that:

- The marketer should avoid a clutter of information. The information that he needs to provide should be short, crisp and precise.
- The important inputs that the marketer wants to provide to the consumers must be highlighted in size, font and colour.

## SELF EVALUATION TESTS/QUIZZES:

### Section A True/false:

1. Response disposition is the tendency to select a familiar stimuli rather than one which is unfamiliar.
2. The absolute threshold varies from person to person.
3. People often exhibit a tendency to arrive at conclusion even before have gone through the entire stimuli or information. This is referred to as inference.

### Section B Fill up the blanks:

1. Perceptual \_\_\_\_\_ refers to a tendency within a person to select one or a few out of the many stimuli present in the environment.
2. \_\_\_\_\_ threshold is also known as j.n.d. (or just noticeable difference).
3. The organization of the stimuli is based on the \_\_\_\_\_ principles.

4. The \_\_\_\_\_ principle states that any stimuli that stands apart from its environment, and contrasts against is more likely to be noticed, and treated as a unified whole.
5. When people make interpretations on the basis of irrelevant and unmeaningful stimuli, they are said to have made a perceptual error based on\_\_\_\_\_.
6. When a stimuli (person, place, thing etc.), is perceived on the basis of a single trait, it is referred to as a \_\_\_\_\_.

**Section C Multiple choice questions:**

1. The amount of strength and intensity that a stimulus must possess so as to get noticed by the sensory receptors for ultimate perception, is referred to as \_\_\_\_\_threshold.
- a) Sensory
  - b) Perceptual
  - c) Absolute
  - d) Differential
2. When making decisions on packaging of potato wafers, the font size should be big, the colors flashy and attractive etc. This illustrates an example of:
- a) Sensory
  - b) Perceptual
  - c) Absolute
  - d) Differential
3. When exposed to a large number of stimuli simultaneously, people may often block the various stimuli, as they get stressed out. This is called perceptual\_\_\_\_\_.
- a) defense
  - b) blocking
  - c) barrier
  - d) none of the above.

4. People judge another person (or the stimuli) on the basis of the characteristics of the group to which he belongs. This is called:

- a) Inference
- b) Stereotype
- c) Jumping to conclusion
- d) Projection.

**Section D Short answers:**

1. The perceptual mechanism is impacted by two kinds of factors. Name them.
2. Define Differential Threshold.
3. Mention any two concepts of selective perception.
4. Mention the four principles of perceptual organization.
5. Write short notes on:
  - a) Selective attention
  - b) Grouping
  - c) Irrelevant cues

**KEY**

**Section A True/false:**

1. True
2. True
3. False

**Section B Fill up the blanks:**

1. Selection
2. Differential
3. Gestalt
4. Figure & ground
5. Irrelevant Cues
6. Halo effect

**Section C Multiple choice questions:**

1. a
2. c
3. b
4. b

**Section D Short Answers:**

1. i) external factors, related to the stimuli and to the environment; and, ii) internal factors, related to the perceiver, in the form of demographic, socio-cultural and psychographic factors.

2. The minimum amount of change that is required to be brought about in a stimulus so that the change gets noticed is referred to as the differential threshold. It is the minimum level of change that is necessary for a person to detect that there has been a change in the stimuli. That is why it is also known as j.n.d. (or just noticeable difference).

3. Selective exposure, Selective attention, Perceptual defense, Perceptual blocking

4. Figure and ground, grouping, closure and simplification.

5. a) Selective attention: Of the many stimuli that people are exposed to, people are attracted to those stimuli that they consider to be relevant in terms of a match with their needs. They are attentive to those stimuli that match their needs and avoid those that are irrelevant. People are also selective about the message and the channel through which this information would be transmitted; we could relate this to the split-brain theory, the right side processing and the left side processing. Some prefer emotions in TV, others prefer logic and facts in print media. This phenomenon of being selective towards the input based on our needs and desires is called selective attention.

For example, if a person intends buying a refrigerator in the coming 2-3 months, he would be very receptive to any input that comes his way and relates to refrigerators.

b) Grouping: As per the grouping principle, people tend to group together the various stimuli so that they are seen as a unified picture or unified whole; the basis for such grouping is i) similarity amongst stimuli; and ii) proximity of the stimuli. The grouping of the discrete and distinct pieces of stimuli is done so as to facilitate storage in memory and easy recall.

c) Irrelevant cues: When people make interpretations on the basis of irrelevant and unmeaningful stimuli, they are said to have made a perceptual error based on irrelevant cues. The perceptual judgment in such cases is made on irrelevant cues.