

## **CHAPTER 2**

### **Perception**

#### **CHAPTER OBJECTIVES**

When students finish this chapter they should:

- Understand the difference between sensation and perception.
- Understand that perception is a three-stage process that translates raw stimuli into meaning.
- Understand that marketers can appeal to each of the sensory systems in a variety of ways.
- Understand how the concept of a sensory threshold is important for marketing communication.
- Understand that subliminal advertising is a controversial—but largely ineffective—way to persuade consumers.
- Understand that a variety of factors can influence what stimuli consumers will pay attention to.
- Understand that we interpret the stimuli to which we do pay attention according to learned patterns and expectations.

#### **CHAPTER SUMMARY**

- Perception is the process by which physical sensations such as sights, sounds, and smells are selected, organized, and interpreted. The eventual interpretation of a stimulus allows it to be assigned meaning.
- Marketing stimuli have important sensory qualities. We rely on colours, odours, sounds, tastes, and the “feel” of products when evaluating them. Not all sensations make their way successfully through the perceptual process though. Many stimuli compete for our attention and the majority are not noticed or accurately comprehended. People have different thresholds of perception. A stimulus must be presented at a certain level of intensity before it can be detected by an individual’s sensory receptors. In addition, a consumer’s ability to detect whether two stimuli are different (the differential threshold) is an important issue in many marketing contexts, such as changing a package design, altering the size of a product, or reducing its price.

- In recent years, the sensory experiences we get from products and services have become even more important when choosing among competing options. Consumers increasingly want to buy things that will give them hedonic value in addition to functional value.
- Factors that determine which stimuli get perceived are the amount of exposure to the stimulus, how much attention it generates, and how it is interpreted. In an increasingly crowded stimulus environment, advertising clutter occurs when too many marketing-related messages compete for attention.
- Controversy has been sparked by so-called subliminal persuasion and related techniques, by which people are exposed to visual and audio messages below the threshold of perception. Although evidence of subliminal persuasion's effectiveness is virtually nonexistent, many consumers continue to believe that advertisers use this technique.
- A stimulus that is attended to is not perceived in isolation; it is classified and organized according to principles of perceptual organization. These principles are guided by a gestalt, or overall pattern. Specific grouping principles include closure, similarity, and figure-ground relationships. The final step in the process of perception is interpretation. Symbols help us make sense of the world by providing us with an interpretation of a stimulus that is often shared by others. The degree to which the symbolism is consistent with our previous experience affects the meaning we assign to related objects.

## **LECTURE/DISCUSSION IDEAS**

### **I. INTRODUCTION (The perceptual process)**

- Sensation – sight, sound, smell, taste and touch
  - Perception – process of selecting, organizing, and interpreting
- ☹ A classic misunderstanding stemming from a marketer's promotional campaign illustrates what can happen when the stimulus categorization process goes awry. Sample bottles of Sunlight dishwashing liquid, which contains 10 percent lemon juice, were mailed to consumers. Almost 80 people were treated at poison centers after drinking some of the detergent. These individuals apparently assumed that the product was actually lemon juice, because many of the packaging cues resembled Minute Maid frozen lemon juice. Among the characteristics the Sunlight stimulus used during the cue check stage in the perceptual process was a yellow bottle with a prominent picture of a lemon. During confirmation check, a juice schema was selected instead of a dishwashing liquid schema. Consumers found out their mistake the hard way following confirmation completion.<sup>i</sup>

## II. SENSORY SYSTEMS –

The inputs picked up by our five senses constitute the raw data that generate many types of responses. Sensory data emanating from the external environment can generate internal sensory experiences as when a song triggers a young man's memory of his first dance and brings to mind the smell of his date's perfume or the feel of her hair on his cheek.

## III. SENSORY MARKETING: HARDNESSING PERCEPTION FOR A COMPETITIVE ADVANTAGE – The impact of sensation on our product experiences to stand out from the competition

### A. Sight – What we see

1. How perception can be 'coloured' – symbolic value and cultural meanings

- ☉ The colour red is arousing, but this quality may be only in the eye of the beholder. A survey of colour preferences found that while men, particularly younger ones, prefer to buy bright red and hot pink undergarments for women, the wearers themselves are more likely to choose white, beige, or pale pink.<sup>ii</sup>
- ☉ THE MALL, located about an hour outside of Firenze, Italy, uses a black brochure with crisp type (similar to the Arial font) to convey the upscale image of the 12 designer outlets located in the midst of the Tuscan countryside. The three-fold brochure is written in three languages: Italian, English, and Chinese.
- ☉ Visual imagery is an important mediator of advertising effectiveness. A number of recent studies have explored the impact of such variables as 'vividness of imagery' on reactions to advertising copy.<sup>iii</sup>

***Class Interaction Opportunity:*** What colours are uniquely associated with a particular company or product? Give at least three illustrations. Have you noticed any confusing similarities with these companies or products?

2. How your eyes make you eat more – Visual illusions influence how much we eat and drink

### D. Smell – Odours can both stir emotions or create a calming effect; scented advertising, products, and outlets.

- ☉ Fragrances can be classified into various types: floral, woody, green citrusy, spicy, and oriental. Experts create fragrances by combining a number of individual scents from as many as 200-300 ingredients. Like colour, our perception of fragrance has three components, known as the top, middle, and bottom notes. Top notes, perceived with the first sniff, provide only a fleeting sensation; middle notes carry the aromatic theme; and bottom notes retain the character of the fragrance.<sup>iv</sup>

- ☉ In experimental studies students who smelled chocolate during a word memorization exercise were better able to recall the words the next day when they were again exposed to the smell.<sup>v</sup>

***Class Interaction Opportunity:*** Ask students to consider their favourite and least liked scents. Engage the class in a discussion about whether or not these scents affect product purchase or avoidance. The discussion can be directed to cross-cultural considerations as well.

**E. Hearing** – Sound can relax or stimulate consumers and workers

1. The sound of Muzak – increases the tempo of music during slack times
- ☉ The “sound of music” is becoming an issue with consumers who increasingly find themselves “on hold” for telephone inquiries. Perhaps companies should consider the option of choosing your own music – or waiting in silence.

***Class Interaction Opportunity:*** If you owned a store that sold mp3 players and speakers, what would you want customers to experience when they entered your store?

**F. Touch** – Richness, quality, and durability are assessed by touch

***Class Interaction Opportunity:*** Why do car dealers want you to test drive their cars?

**G. Taste** – People form strong preferences for certain flavours

- ☉ "Plain" vanilla has become a flavorful marketing concept. Vanilla flavored or scented products, from perfumes and colognes to cake frosting, coffees, and ice cream, are currently big sellers for the flavor industry. One industry executive explains that the flavor's popularity is because vanilla "evokes memories of home and hearth, warmth and cuddling."<sup>vi</sup>

***Class Interaction Opportunity:*** What is your favourite new taste? How did you discover it? What stimulus influenced you the most to try this “new” taste?

**IV. EXPOSURE** – The degree to which a stimulus is noticed

- A. Sensory Thresholds** – Psychophysics -- how the physical environment affects our personal experiences.
- B. Are Advertising and Marketing Necessary?** – Mass reach of advertising? Arbitrary links to desirable social attributes? Advertising communicates product availability; it is an information source.

1. The Absolute Threshold – the lowest amount of stimulus that a person is able to detect

***Class Interaction Opportunity:*** How is the absolute threshold important in designing marketing stimulation? Give illustrations related to each element of the marketing mix.

2. The Differential Threshold -- the ability to detect differences between two products

***Class Interaction Opportunity:*** Ask the class to write down the price of the following goods: (a) litre of milk, (b) Big Mac, (c) 3-piece set of luggage. Then see if they can figure out the differential threshold they have for these goods. (How much would the price would have to change before they would actually know it?) Why is it different depending on the price of the product in question?

- Wanting customers to change – e.g., a style of new model
- Not wanting customers to change – e.g., price increase
- Just Noticeable Difference (JND) – minimum change that is detectable

- ☉ Campbell's soup has been gradually modifying its label for the last 140 years. In perhaps the most dramatic packaging change, Campbell's unveiled new cans in 1994 that featured a photograph of a bowl of soup in the center. The Campbell Kid has also been slimmed down in recent years.<sup>vii</sup>

**C. Subliminal Perception** – Stimulus below your level of awareness (can't prove it occurs)

- ☉ An individual's perceptual threshold is usually defined as that stimulus value correctly detected 50 percent of the time. Many studies claiming to show subliminal effects present stimuli that may actually be noticed as much as 49 percent of the time. Responses may thus be due to weak but not subliminal stimulation. For example, when three of Pepsi's Cool Cans (introduced in 1990) were stacked vertically, the designs form the word "sex" in one of the four designs produced. A company spokesman insisted that the letters were randomly generated combinations of the letters in the word Pepsi, and the result was just a coincidence. In any case, the letters are clearly visible, and hence not subliminal at all.<sup>viii</sup>

1. Subliminal techniques

- Visual subliminals – 'embeds' are hidden figures often of a sexual nature
  - Auditory subliminals – hidden messages in sound recordings (self-help tapes)
- ☉ Much of the furor surrounding embeds can be attributed to Wilson Bryan Key, who has written several books on subliminal seduction. Systematic research studies, however, have found no evidence that embeds exert unconscious influence on

unwitting consumers. Success in an advertising context is unlikely, since the messages are not carefully calibrated and presented on an individual level to specific consumers.<sup>ix</sup>

**V. ATTENTION** – The degree to which consumers focus on the stimulus

***Class Interaction Opportunity:*** What do you think are the characteristics of the best banner ads (or best web ads)? Give an illustration.

**A. Personal Selection Factors** – We are selective about what we pay attention to; perceptual vigilance; perceptual defense.

- Selective exposure – the degree to which we pay attention to what our senses tell us; we “hear, see, etc., “what we want to “hear, see, etc.”
- Perceptual filters – consumer decisions are based on experience
- Perceptual vigilance – awareness of stimuli that meet our current needs
- Perceptual defence - people see what they want to see
- Adaptation – over time, consumers stop noticing a stimulus. Factors leading to adaptation – intensity, duration, discrimination, exposure, relevance.

***Class Interaction Opportunity:*** Ask students when they have used perceptual vigilance or perceptual defense. Think of examples and circumstances when advertisers consciously are able to overcome these effects in consumers. How can these barriers be broken?

**B. Stimulus Selection Factors** – Size, colour, position, novelty

***Class Interaction Opportunity:*** Bring a magazine illustration of each of the four contrast methods demonstrated in the chapter and discuss in class.

**VI. INTERPRETATION** – Deciding what things mean

**1. Schemas** – Organized collection of beliefs and feelings

**A. Stimulus Organization** – People tend to categorize stimuli based on their experiences

- The Gestalt – “the whole is greater than the sum of the parts”
- Closure – tendency to finish an established but incomplete pattern
- Similarity – grouping on the basis of similar physical characteristics
- Figure-Ground – act of focusing on either the object or its background

☹ The Matex Corporation was experiencing sluggish results with a rust-proofing compound called Thixo-Tex because consumers could not perceive product qualities from this meaningless name. When the product's name was changed to Rusty Jones, sales grew from \$2 million to more than \$100 million in four years.<sup>x</sup>

## **VI. THE EYE OF THE BEHOLDER: INTERPRETATION BIASES**

**A. Semiotics: The Symbols Around Us** – Making sense of a marketing stimulus; correspondence between signs and symbols and their meaning

**B. Perceptual Positioning**

- Positioning strategy - the place a brand occupies in the consumer's mind with regard to important attributes and competitive offerings
- Repositioning – changing the place a brand occupies in the consumer's mind to make it more competitive with other brands or to change its image
- Positioning dimensions - may include price leadership, attributes, product class, occasions, users, or quality

***Class Interaction Opportunity:** Ask students to think of a product or service that has been positioned or re-positioned recently. What new market was pursued? How did you find out about the positioning or re-positioning?*

- ☉ Marketers strive to develop the kind of affection loyal consumers have for strong brands: Krispy Kreme doughnuts, Poilane bread, Tide detergent, Harley-Davidson motorcycles, Cheerios cereal, Herman Miller's Aeron office chair, Google search engine, Crayola's Burnt Sienna shade of crayon.<sup>xi</sup>
- ☉ To counteract market fragmentation and aggressive competition from bottled water brands such as Dasani (Coca-Cola) and Aquafina (PepsiCo), Evian (bottled by Groupe Danone and distributed by Coca-Cola) was repositioned as a health and beauty aid – a wider appeal, rather than as a premium thirst-quencher – with a \$10 m. ad campaign.<sup>xii</sup>

## **END-OF-CHAPTER SUPPORT MATERIAL**

### **Summary of Special Feature Boxes**

**1. Consumers in Focus I: Sensory Experiences**

This box demonstrates how consumers enjoy activities with heightened sensory experiences, and presents the movie industry and specially equipped theatres with motion seats as an example.

**2. CB As I See It**

Dr. Antonia Mantonakis of Brock University explores how the order of options presented to consumer's influences what product they choose. Her research indicates that when consumers have fewer options, products presented first will be more appealing, whereas when more options are presented products presented last are preferred. In particular, 'expert' consumers tried hard to discriminate between products, and thus were more biased towards the last option. Her research thus identifies that the position products are presented in can give them a real

advantage with regards to consumer preference, and the number of options available will be an important predictor of consumer choice.

**3. Marketing Insight I: Perceptible Differences**

This box discusses how companies might choose to alter the size of packaging rather than simply charging more when they are looking to adjust costs. A change to package size provides companies with the opportunity to 'disguise' charging more for the product.

**4. Consumers in Focus II: Media Snackers**

This box highlights how consumers in their twenties switch media venues about 27 times per nonworking hour. Since consumers are media snacking, marketers must communicate in short, 'snack-like' bits of messaging."

**Review Questions**

1. What is the difference between sensation and perception? How are these constructs related? *Sensation is the immediate response of our sensory receptors to such basic stimuli as light, colour, and sound. Perception is the process by which such physical sensations are selected, organized, and interpreted.*
2. Does the size of a package influence how much of the contents we eat? How? *When pouring or eating foods from larger boxes, these boxes suggest it is appropriate or "acceptable" to eat more than smaller ones—and we do!*
3. How does the sense of touch influence consumers' reactions to products? *Moods are stimulated or relaxed on the basis of sensations reaching the skin, whether from a luxurious massage or the bite of a winter wind. Touch has even been shown to be a factor in sales interactions. We are more sure about what we perceive when we can touch it.*
4. Identify and describe the three stages of perception. *Exposure occurs when a stimulus comes within the range of someone's sensory receptors. Attention refers to the extent to which processing activity is devoted to a particular stimulus. Interpretation refers to the meaning that we assign to sensory stimuli.*
5. What is the difference between an absolute threshold and a differential threshold? *The absolute threshold refers to the minimum amount of stimulation that can be detected on a given sensory channel. The differential threshold refers to the ability of a sensory system to detect changes or differences between two stimuli.*
6. "Consumers practice a form of 'psychological economy' ". What does this mean? *Psychological economy is picking and choosing among stimuli to avoid being overwhelmed. How do we choose? Both personal and stimulus factors help to decide.*



7. Describe two factors that can lead to stimulus adaptation. *There are five factors that can lead to stimulus adaptation.*
  - *Intensity: Less-intense stimuli (e.g., soft sounds or dim colours) habituate because they have less sensory impact.*
  - *Duration: Stimuli that require relatively lengthy exposure in order to be processed tend to habituate because they require a long attention span.*
  - *Discrimination: Simple stimuli tend to habituate because they do not require attention to detail.*
  - *Exposure: Frequently encountered stimuli tend to habituate as the rate of exposure increases.*
  - *Relevance: Stimuli that are irrelevant or unimportant will habituate because they fail to attract attention.*
8. Define a “schema” and provide an example of how this concept is relevant to marketing. *Consumers assign meaning to stimuli based on the schema, or set of beliefs, to which the stimulus is assigned.*
9. “The whole is greater than the sum of its parts.” Explain this statement. *Gestalt roughly means whole, pattern, or configuration, and this perspective is best summarized by the saying “the whole is greater than the sum of its parts.”*
10. What is a positioning strategy? What are some ways marketers can position their products? *A positioning strategy is a fundamental part of a company’s marketing efforts as it uses elements of the marketing mix (i.e., product design, price, distribution, and marketing communications) to influence the consumer’s interpretation of its meaning. Marketers can use many dimensions to carve out a brand’s position in the marketplace. These include:*
  - *Price leadership:*

1. ***Many studies have shown that our sensory detection abilities decline as we grow older. Discuss the implications of the absolute threshold for marketers attempting to appeal to seniors.***

You could begin this exercise by identifying the particular senses and the ways in which they decline as the consumer gets older. Once this has been done, students should brainstorm to develop a list of the ways that a message may not be received or interpreted correctly. Students might be encouraged to develop a matrix, placing the senses down the left-hand side and forms of communication across the top. The matrix then could be filled in with descriptions of how communications may fail and how these failures could be avoided. For example, print advertisements aimed at an older audience could use larger type, or radio and television ads could decrease the pace of information presented and slightly increase the volume to allow older recipients to more fully process the information. Retail store and restaurants can increase lighting.

2. ***Do you agree that online retailers are at a disadvantage with respect to sensory marketing? How can online businesses meet the sensory needs of the consumer?***

Many important sensory qualities like sight (particularly colour and design elements) and sound can still be experienced online. Businesses can meet sensory needs by paying careful attention to colour and design detail and communicating design elements descriptively to consumer (e.g., clothing sites like Banana Republic that describe the fabrics in detail and provide close ups of details). Certainly though, online retailers have less ability to manipulate the sensory experience, or control it (e.g., you might be smelling or hearing something other than what they would ideally like you to when shopping from home).

3. ***Do you believe that marketers have the right to use any or all public spaces to deliver product messages? Where would you draw the line in terms of places and products that should be restricted?***

This question needs to split into two parts: (1) whether marketers have the right to use any public spaces, and (2) whether they have the right to use all public spaces. These are the two extremes on the issue, and the students will most likely find themselves somewhere between complete and unlimited access for marketers on one hand, and complete and total ban on the other. A key concept in this discussion is the definition of "public spaces" and, therefore, a common definition should be adopted early in the discussion. To develop their position on this issue, students should be encouraged to list both appropriate and inappropriate places for product messages and offer reasons why each place should be categorized in a particular way. See if they think signs on the highway should be eliminated. If they agree, ask them how they would ever find McDonald's!

## **Experiential Exercises**

4. ***Interview three to five male and three to five female friends regarding their perceptions of both men's and women's fragrances. Construct a perceptual map for each set of products. Based on your map of perfumes, do you see any areas***

*that are not adequately served by current offerings? What (if any) gender differences did you obtain regarding both the relevant dimensions used by raters and the placement of specific brands along these dimensions?*

Have the students start this project by listing a number of descriptive words that are or could be used when positioning perfumes in the market place. Have them ask the respondents to position various perfumes on the map according their impressions of the perfumes selected. (Possible Field Project)

5. *Using magazines archived at the library, track the packaging of a specific brand over time. Find an example of gradual changes in package design that may have been below the JND.*

You might give a few hints here. For example, Aunt Jemima, and Betty Crocker are trademarks that have changed over time and can be found in ads. Package changes include Ivory Soap, Kellogg's Rice Krispies, and Campbell Soup. Students can simply examine automobile ads to see how styles of a particular car have changed over the years; the body is the car's package. (Possible Field Project)

6. *Visit a set of websites for one type of product (e.g., personal computers, perfumes, laundry detergents, or athletic shoes) and analyze the colours and other design principles employed. Which sites 'work' and which don't? Why?*

See if the students will notice how similar many of the products and brands are in terms of shape, weight, colour, and size. (Possible Field Project)

7. *Look through a current magazine and select one ad that captures your attention over the others. Give the reasons why.*

After students have indicated what why the ad caught their attention, probe to see if there are any other reasons. Ask the class if it was struck by any other aspects of the ad. (Possible Field Project)

8. *Find ads that use the techniques of contrast and novelty. Give your opinion of the effectiveness of each ad and whether the technique is likely to be appropriate for the consumers targeted by the ad.*

Opinions will vary here. Some people like novelty in almost everything while others want people to be more serious. (Possible Field Project)

## CASE STUDY TEACHING NOTES

1. **Using information from the case, provide an example that highlights the difference between sensation and perception.**

Sensation is the immediate response of our sensory receptors in our eyes, ears, nose and mouth to basic stimuli such as light, colour and sound. In contrast, perception is the process by which these sensations are selected, organized and interpreted. As we recall, perception can be more influential than sensation in determining consumer preferences.

In some cases, two products identical in taste, smell or chemical composition may yield different consumer preferences. This is often the result of consumer perception. Based on sensation alone, it is difficult to distinguish between two products identical in taste, smell or chemical composition. However, when explicitly told the brand name or given the brand packaging, consumers rely on culturally learned meanings about the brand to organize, interpret and, ultimately, form preferences about the brand. In the Nature Path case, the disconnect between consumers' taste perceptions and the actual taste of the product is an example of the difference between perception and sensation. Despite the sensation - or more specifically, the taste - of the cereal as pleasant, expectations were based on consumer perceptions of the cereal as "twig-like" influenced by the old packaging.

**2. Why did Nature's Path elect to make changes to their original packaging? Were they correct to make changes in a way that targets consumers' perceptions or consumers' sensations? Why?**

Most marketers would argue that perception can be more influential than sensation in determining consumer preferences. As noted in Chapter 2, despite the identical taste in cola beverages, the brand names, Coca-Cola and Pepsi, and their associated perceptions can create different consumer preferences. The old packaging for Nature's Path cereal created negative consumer perceptions about the taste of the product i.e., the packaging created taste expectations that the cereal would taste like "twigs and bark." In addition, the multiple variations of packaging posed a challenge to the original brand identity of Nature's Path.

In contrast, in taste-testing, consumers were "surprised by how good the product tasted." However, given that a taste-test is unlikely before consumer purchase, Nature's Path adjusted their packaging in a way that changes consumers' taste perceptions. In other words, Nature's Path focused on what to add or take away from these raw initial perceptions and assign meanings to them.

**3. Paying particular attention to the visual elements of branding including logos, colour, package design, etc., do you feel that the packaging changes the company has made will be successful? Why or why not?**

As noted in Chapter 2, meanings are communicated on the visual channel through a product's colouring, size, styling, brightness and distinctiveness from competitors' products. These visual elements must enhance both the exposure of Nature Path's products and the attention given to them by consumers. First, in order to enhance exposure, Nature Path must rely on visual elements such as a product's packaging to ensure that consumer's have the potential to notice the product. For example, suitable-size and colour of font are required to ensure that a stimulus can be registered on a sensory channel. In this regard, the absolute threshold, the minimum amount of stimulation that can be detected on a sensory channel, is important in designing marketing stimuli.

Second, in order to enhance attention, Nature's Path must implement a positioning strategy that includes product and packaging design to influence customers' interpretations of the brand's meaning. Given that Kashi and Cascadian Farms have both strengthened their position in the market by branding and packaging cereals in a way that is health and wellness-oriented, Nature's Path had to differentiate itself based on its "triple-bottom line" brand image. For example, the colours chosen in the new packaging are rich in symbolic value and cultural meanings. By using Nature Path's trade dress green in product packaging, consumers' will associate the colour with the brand's "Earthiness" and "environmental-friendliness." In contrast, the old packaging used a variety of colours in product packaging and gave consumers the wrong impression about the product type and undermined Nature Path's brand identity. By using a signature colour to convey its overall "corporate social responsibility," Nature's Path can now convey a clear brand identity throughout its various product lines in order to capture attention, enable effective search and motivate purchase.

**4. What are some potential alternative courses of action for Nature's Path? As a marketing consultant, what other actions that might influence consumer perceptions would you recommend to Arjan?**

Arian could utilize other aspects of sensory marketing, the process by which consumer perception can be changed by changing raw perceptions and assigning meanings to them, in order to change consumers' perceptions. For example, he could utilize in-store sampling to provide consumers with an initial sensory exposure to the brand that would potentially change their perceptions. Further, he might consider utilizing other promotional methods (e.g., store signage, couponing, etc.) that could be aligned to the new brand identity. Using promotional methods that convey the same visual elements will reinforce the brand identity and enhance the perceptions of the new branded packaging.

## **FIELD PROJECT IDEAS**

### **Individual Assignments**

1. Have students find examples of scent strips in magazines and then interview a few people to determine their reactions to scent strips. Are they positive or negative? Do the people who were interviewed think that this type of advertising will have any effect on what products a person will buy? Record their remarks.
2. Have students bring to class several brands of well-known products and their "look-a-like" counterparts. Then have students compare the shared physical attributes of these products. What are some of the psychological attributes of pricing and packaging? Are there any legal or ethical implications for the producers of these products?

3. Ask students to visit a toy store and take note of the various types of toys that are displayed. Then have students categorize these toys based on age, gender, socioeconomic class, and educational level. Have them discuss how manufacturers and retailers use these attributes to appeal to potential customers.
4. Have students visit two different types of restaurants and make a note of how each establishment appeals to the five senses. How are they the same? How are they different?
5. Ask students to bring in three ads from a favourite magazine. Have students identify examples of the stimulus factors that the advertiser used to capture attention. What are some of the other stimuli that could have been chosen to accomplish the same thing?
6. Ask students to spend an afternoon watching a popular soap opera or an evening watching a favourite television show. Ask them to be particularly observant of the various products and services that are used as props during the show. Do these products or services have any symbolic value? Are they used to help develop the plot? How?
7. Instruct students to find one ad that is rich in symbolism and perform a semiotic analysis of it. Have students identify each type of sign used in the ad and the product qualities being communicated by it. Then have them comment on the effectiveness of the signs that are used to communicate the intended message.

### **Team Assignments**

8. Have three or four students develop ten brand names for a new (a) hamburger, (b) hair care centre, (c) car, or (d) a product of their choice. Then test these names on the class to capture their reaction. Have the project leaders describe the process they went through to choose the names.
9. Have students bring in three food products ads which present the products in a particular scene or setting. Ask them to report on the symbols used in the setting and how they believe the marketers intended them to be interpreted relative to the food product. Do they think the ads are effective?

### Individual or Team Assignments

10. Ask students to bring in a collection of sexually-oriented ads to stimulate discussion of the different techniques and types of products that use sexual themes in their ads. Did they find more nudity magazines targeted toward men or women? See if they think these ads are effective. What are the ethical issues?
11. Have your students look for several examples of magazine advertisements that use sexual themes or illustrations which seem to capture the reader's attention or in some way influence their perceptual process. Are these methods appropriate for the target market the advertiser is trying to reach?
12. Ask students to choose any two restaurants or pubs that are frequented by friends. Have them measure their image profiles by asking ten fellow students or friends to write a list of descriptive words that apply to each restaurant or pub. It will be easier for the subjects if the students provide the subjects with a list of potential descriptions. What conclusions can be drawn from these data?
13. Ask students to select two websites that contrast effective and ineffective application of techniques that attract the attention of web browsers.
14. Ask students to speak with international students about the meaning of specific colours and numbers in their culture. How do these meanings contrast with those of Canadians?

### eLAB

#### Individual Assignments

1. Go to **www.tvguide.com**. On the opening webpage, how many ads (including pop-ups) do you notice? Compare and contrast the approach of each ad to exposure, attention, and interpretation. Comment on how the consumer goes through these steps when coming in contact with each ad. Provide an illustration of your description.
2. Go to **www.leapfrog.com**. This is a website designed for children to facilitate learning. Analyze the Leapfrog site for sensory stimulation, attention value, and ability to promote a sale of the product. How are semiotics used on this site? Discuss briefly in class.
3. Go to **www.bose.com**. Bose promises that once you listen to their Quiet Comfort headphones you will never be satisfied with another comparable unit. Determine the competitive advantages and disadvantages of the Quiet Comfort product line. How does the company use sensory stimulation to promote the product? What key words can be used to evoke a response from consumers? Is the Bose approach effective? Explain.

## eLAB

### Team Assignments

1. Go to **www.crutchfield.com**. Spend some time becoming familiar with this website. The group should evaluate the Crutchfield's strategy. What is it? What do you think will be the long-term result of the strategy you just described? How is the organization using exposure, attention, and interpretation to its benefit? What does the group think will be the secrets of success for Crutchfield? The seeds of failure? Which symbols should be used to ensure success? Which should be avoided?
2. Go to **www.apple.com**. Your group assignment is to analyze how Apple used colour and design to differentiate the iPad line from competing devices. Give illustrations of what was done. Was this a good strategy? What target markets were pursued? How did Apple use exposure, attention, and interpretation to their advantage? What are the criticisms about the iPod line? Can colour and design overcome these criticisms?

## PROFESSORS ON THE GO!

### Chapter Objectives

**When students finish this chapter they should understand why:**

- The difference between sensation and perception

Have students visit two different types of restaurants and make a note of how each establishment appeals to the five senses. How are they the same? How are they different? Have them identify what the physical sensations they experienced where, and how they perceived and assigned meaning to those sensations.

- The three-stage process of perception that translates raw stimuli into meaning

Go to **www.tvguide.com**. On the opening webpage, how many ads (including pop-ups) do you notice? Compare and contrast the approach of each ad to the concepts of exposure, attention, and interpretation. Comment on how the consumer goes through these steps when coming in contact with each ad. Provide an illustration of your description.

Go to **www.crutchfield.com**. Spend some time becoming familiar with this website. The group should evaluate the Crutchfield's strategy. What is it? What do you think will be the long-term result of the strategy you just described? How is the organization using exposure, attention, and interpretation to its benefit? What does the group think will be



the secrets of success for Crutchfield? The seeds of failure? Which symbols should be used to ensure success? Which should be avoided?

- That marketers can appeal to each of the sensory systems in a variety of ways

Interview three to five male and three to five female friends regarding their perceptions of both men's and women's fragrances. Construct a perceptual map for each set of products. Based on your map of perfumes, do you see any areas that are not adequately served by current offerings? What (if any) gender differences did you obtain regarding both the relevant dimensions used by raters and the placement of specific brands along these dimensions?

Each student should visit a shopping mall and note all of the stores for which scents are an important component of their product offerings. Does it appear that each of these is appealing to the sense of smell in a strategic manner?

- How the concept of sensory threshold is important for marketing communication

Have students visit a grocery store and pick out five products. They should identify how each scent appeals to the five senses. How are they the same? How are they different? To what extent do any of them appear to be strategically designed to appeal to the five senses?

- That subliminal advertising is a controversial – but largely ineffective – way to persuade consumers

Assuming that some forms of subliminal persuasion may have the desired effect of influencing consumers, do you think the use of these techniques is ethical? Explain your answer.

Find an example of what you perceive to be a subliminal message. Explain your rationale to the class and show the product or message.

- There are a variety of factors that can influence what stimuli customers will pay attention to

Have students look through a current magazine and select one ad that captures their attention over the others, and identify the reasons why. Consumers interpret the stimuli to which they do pay attention according to learned patterns and expectations

Ask students to collect three different pieces of direct mail. How do the advertisers attempt to attract consumer attention? What are some of the other stimuli that could have been chosen to accomplish the same thing?

For this project, each student should keep a log of all the advertising information that he or she is exposed to in a single hour when out in public. The students should keep

track of the quantity and not try to note the names or descriptions of each. From memory, what are some of the ways that companies attempt to get their ads noticed?

- Consumers interpret the stimuli to which they do pay attention according to learned patterns and expectations

Ask students to notice and identify a piece of marketing material to which they have adapted and generally do not pay attention. Discuss the five factors of adaptation in relation to this particular piece of marketing material.

## ENDNOTES

<sup>i</sup> "The Lemon Juice that Wasn't," *Newsweek* (August 2, 1982): 53; Gail Tom, Teresa Barnett, William Lew and Jodean Selman, "Cueing the Consumer: The Role of Salient Cues in Consumer Perception." *Journal of Consumer Marketing* 4 (1987) 2: 23-27.

<sup>ii</sup> Barnaby J. Feder, "Demographics of the Colour Spectrum," *The New York Times* (September 1, 1993): D3.

<sup>iii</sup> Alvin C. Burns, Abhijit Biswas, and Laurie A. Babin, "The Operation of Visual Imagery as a Mediator of Advertising Effects." *Journal of Advertising* XXII (June, 1993) 2:71-85.

<sup>iv</sup> Cynthia Morris, "The Mystery of Fragrance," *Essence* (May 1988) 3:71.

<sup>v</sup> "Memory: It Seems a Whiff of Chocolate Helps," *New York Times* (July 10, 1990).

<sup>vi</sup> Quoted by Glenn Collin, "Everything's Coming Up Vanilla" *The New York Times* (June 10, 1994): D1: (2).

<sup>vii</sup> "Campbell Soups Up Its Old Label." *Sacramento Bee* (April 22, 1994): F1 (2).

<sup>viii</sup> Timothy E. Moore, "Subliminal Advertising: What You See is What You Get." *Journal of Marketing* 46 (Spring, 1982) 38-47; Patricia Winters "S-E-X or Pepsi?" *Advertising Age* (August 20, 1990).

<sup>ix</sup> Wilson Bryan Key, *Subliminal Seduction* (New York: New American Library, Inc., 1973; Wilson Bryan Key, *Media Sexploitation* (Englewood Cliffs, NJ: Prentice-Hall, 1976); Wilson Bryan Key, *The Clam-Plate Orgy* (Englewood Cliffs, NJ: Prentice-Hall, 1980); Joel Saegert, "Why Marketing Should Quit Giving Subliminal Advertising the Benefit of the Doubt," *Psychology and Marketing* 4 (Summer, 1987); 107:20.

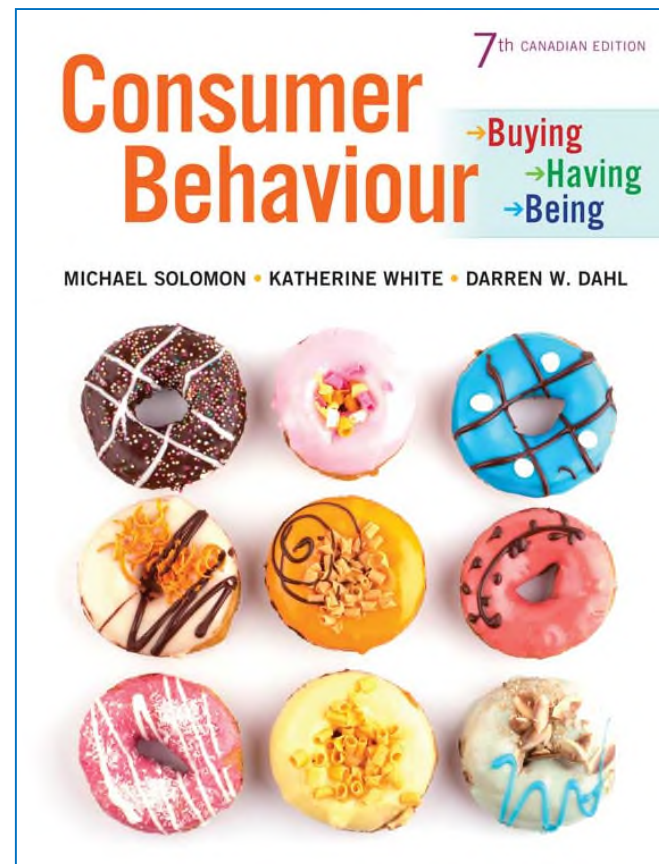
<sup>x</sup> Gail Tom, Teresa Barnett, William Lew, and Jodean Selman, "Cueing the Consumer: The Role of Salient Cues of Consumer Perception" *Journal of Consumer Marketing* 4 (1987) 2: 23-27; H. White, "Name Change to Rusty Jones Helps Polish Product's Identity," *Advertising Age* 2 (1980) 18: 47-50.

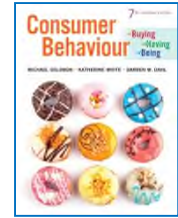
<sup>xi</sup> John Gapper, "The challenge of turning a brand into an object of love," *Financial Times*, March 23, 2004: 15.

<sup>xii</sup> Nat Ives, "Evian founders in a saturated water market," *International Herald Tribune*, March 29, 2004: 10.

# Perception

## Chapter 2

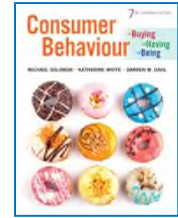




# Chapter Objectives

- Understand the difference between sensation and perception.
- Understand that perception is a three-stage process that translates raw stimuli into meaning.
- Understand that marketers can appeal to each of the sensory systems in a variety of ways.
- Understand how the concept of a sensory threshold is important for marketing communication.
- Understand that subliminal advertising is a controversial—but largely ineffective—way to persuade consumers.
- Understand that a variety of factors can influence what stimuli consumers will pay attention to.
- Understand that we interpret the stimuli to which we do pay attention according to learned patterns and expectations.

# Sensation & Perception



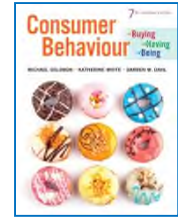
## Sensation

The immediate response of our sensory receptors (those in our eyes, ears, nose, mouth, and skin) to such basic stimuli as light, colour, and sound.

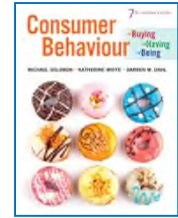
## Perception

The process by which sensations are selected, organized and interpreted

# Sensation & Perception



- Most marketers would agree that, oftentimes, perception can be more influential than sensation in determining consumer preferences.

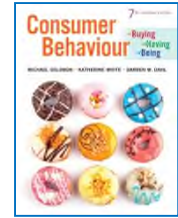


# Sensory Inputs

- Our senses react to touch, smell, taste and other stimulation
- People react to colour, noise and music
- Sensory inputs create many associations in terms of decisions, memories and choices

*Think about it: would  
you buy a new sweater  
without touching it?  
Why or why not?*

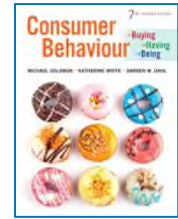




# Sensory Inputs

The process that makes up perception includes three components:

- Exposure
- Attention
- Interpretation



# Sensory Systems

- Sensations are selected, organized and interpreted

FIGURE 2-1

An Overview of the Perceptual Process

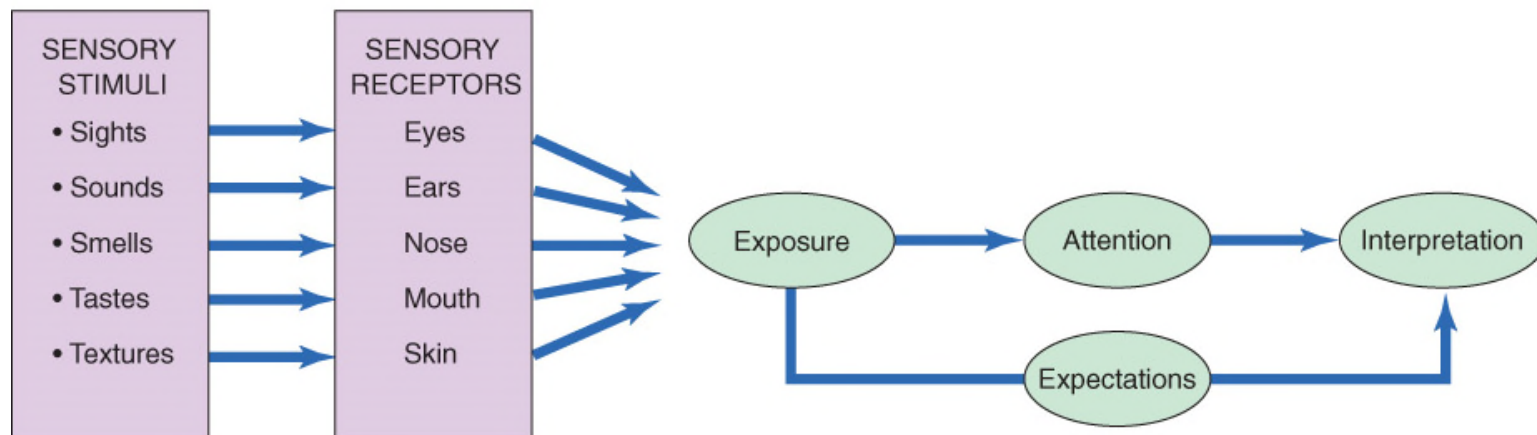
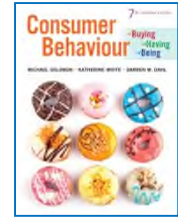


FIGURE 2 - 1

# Sensory Marketing: Harnessing Perception for a Competitive Advantage

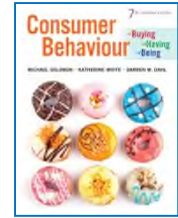


## Sensory Marketing

This is a new era of marketing, organizations pay extra attention to the impact of sensation on our product experiences. Areas to consider include:

- Sight
- Smell
- Hearing
- Touch
- Taste

# Sight



**Marketers communicate meanings on the *visual channel* through a product's colour, size, and styling**

## **HOW PERCEPTION CAN BE “COLOURED”**

- **Colour directly influences emotion**
- **Colours are rich in symbolic value and cultural meanings.**
- **The choice of colour is frequently a key issue in package design.**

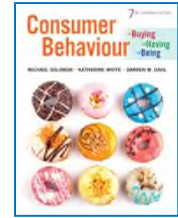
# Sight



- ← Renova first differentiated itself from competitors by introducing black-coloured toilet paper that conveyed an air of sophistication and exclusivity. Now the company has added multiple colours to its offerings.

*Courtesy of Renova SA*

# Sight



## HOW PERCEPTION CAN BE “COLOURED”

- Some colour combinations come to be associated so strongly with a corporation that they become known as the company's trade dress

# Sight

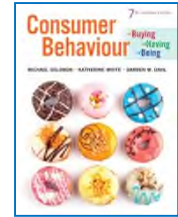


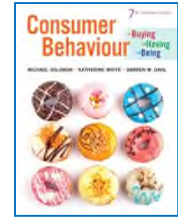
TABLE 2-1

## Marketing Applications of Colours

Colour	Associations	Marketing Applications
Yellow	Optimistic and youthful	Used to grab window shoppers' attention
Red	Energy	Often seen in clearance sales
Blue	Trust and security	Banks
Green	Wealth/Serenity	Used to create relaxation in stores
Orange	Aggressive	Call to action: subscribe, buy or sell
Black	Powerful and sleek	Luxury products
Purple	Soothing	Beauty or anti-aging products

Source: Adapted from Leo Widrich, "Why Is Facebook Blue? The Science Behind Colors in Marketing," *buffersocial* (April 25, 2013), <https://blog.bufferapp.com/the-science-of-colors-in-marketing-why-is-facebook-blue>, accessed February 23, 2015.

# Sight

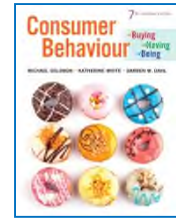


## HOW YOUR EYES MAKE YOU EAT

- Container size can influence the amount we consume
- Consumers ate 45 percent more popcorn from large as compared to medium popcorn buckets



# Sight



## HOW YOUR EYES MAKE YOU EAT

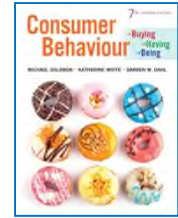
- Tend to pour over 30 percent more into the shorter, wider glass than a taller glass
- Consumers eat more from smaller packs of candy when multiple small packs are available
- College students ate more M&Ms when given bowls that have ten (vs. seven) colours of M&Ms

→ While 100-calorie snack packs have been very popular among consumers, packages that allow for smaller serving sizes can sometimes, ironically, encourage consumers to eat more.

*AP Photo/M. Spencer Green*

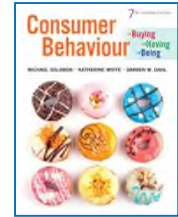


# Smell



- Odours stir emotion or create calm feelings
- Episodic memories of a pie out of the oven or a steaming cup of coffee...feelings of home
- *Limbic system* process our fragrance cues
- One study found the smell of fresh cinnamon buns induced sexual arousal in males
- Scent marketing: from cars to fragrances

# Smell

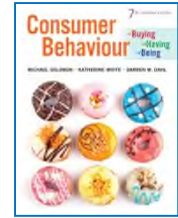


- The “Got Milk?” campaign harnessed the power of smell by releasing the scent of chocolate chip cookies at bus shelters.

*AP Photo/Jeff Chiu*



# Hearing

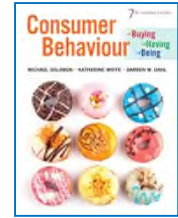


## Sound Symbolism

The process by which the way a word sounds influences our assumptions about what it describes and its attributes, such as size.

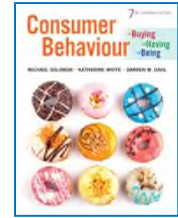
- Individual sounds called phonemes might be more or less preferred by customers ( an i- sound would be lighter than an a-sound)

# Touch



- Tactile stimulation is an important sensory channel
- Touching affects the product experience
- Waiters who touch patrons get bigger tips

# Touch

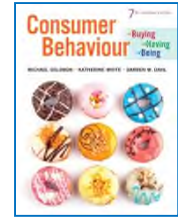


## Endowment effect

Endowment usually occurs when consumers ascribe more value to something simply because they own it.

- Touching an item forms a relationship with the product
- Haptic (touch) senses appear to moderate the relationship between product experience and judgment confidence

# Touch

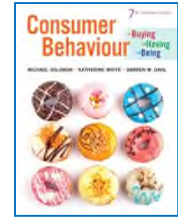


## Kansei engineering

A philosophy that translates customers' feelings into design elements.

- Mazda Miata stick shift
- Coca-Cola bottles

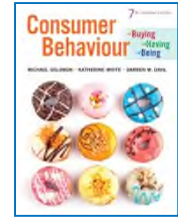
# Taste



- Flavour houses develop new concoctions for consumer palates
- Cultural changes determine desirable tastes
- Wine enthusiasts taste hundreds of wines
- *Think about it: How have your taste buds changed since you were a child? Do you eat foods now that you wouldn't touch in high school?*



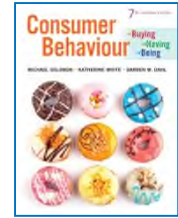
# Exposure



## Exposure

Occurs when a stimulus comes within range of someone's sensory receptors.

- **Consumers can focus on the stimulus, or ignore the information**
- **Cadillac goes from zero to 60 mph in 5 seconds—as shown in an ad that was just 5 seconds long**



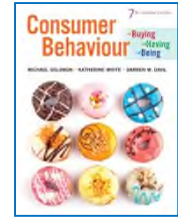
# Sensory Thresholds

## Psychophysics

Science that focuses on how the physical environment is integrated with our personal, subjective world

## Absolute Threshold

The minimum amount of stimulation that can be detected on a sensory channel



# Differential Threshold and JND

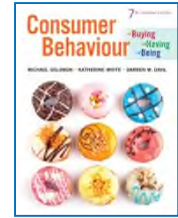
## Differential Threshold

Ability of a sensory system to detect changes, or differences between 2 stimuli

**-minimum difference between two stimuli is the JND—**

## Just Noticeable Difference

- **Campbell's change labels discreetly over time so consumers always recognize their product**

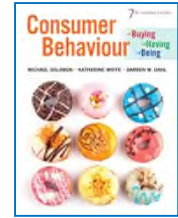


# Weber's Law

Used for two reasons:

- Reductions are not readily discernible to the public
- Product improvements are perceived by the public
- *Think about it: Have you noticed less chips in the bag and the amount of air in packages?*

# Subliminal Perception

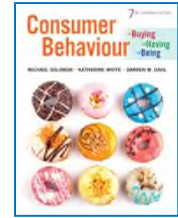


## Subliminal perception

Occurs when a stimulus is below the level of a consumer's awareness

- **Rumours of subliminal advertising is rampant-but with little proof**
- **Subliminal techniques such as an *embed* (tiny figures that are inserted into magazine advertising by using high speed photography or airbrushing)**

# Attention

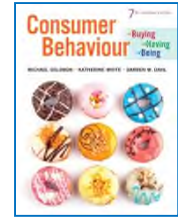


## Attention

The extent to which processing activity is devoted to a particular stimulus

- Much competition for our attention:
- 3,500 ad info pieces daily
- Sensory overload—too much to process
- Younger consumers can multi-task: process multiple media
- Marketers are challenged with finding a way to break through the clutter
- Some are taking to incorporate *guerilla marketing* tactics to help with clutter

# Attention

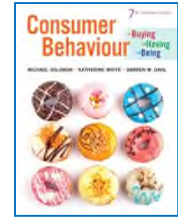


## Guerilla Marketing

Involves using communications that are unexpected and unconventional in ways.

E.g. Coca Cola happiness vending machine

# Perceptual Selectivity



M

## Perceptual filters

based on past experiences

## Perceptual vigilance

aware of stimuli that relate to their current needs

## Perceptual defence

See what you want to see and ignore what they don't want to see

## Adaptation

The degree to which consumers continue to notice a stimulus over time

→ One potential response to anti-smoking ads such as this might be perceptual defence on the part of smokers. This happens when people block out the marketing message if it is threatening in some way.

Courtesy of the Centers for Disease Control and Prevention, 2013 Tips From Former Smokers campaign.





## Slide 29

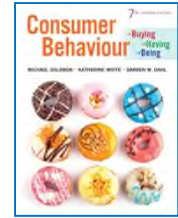
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**MM1**

This is a new image from page 48 please use this instead.

Madore, Michael, 11/12/2015

# Personal Selection Factors



MM2

## Adaptation

The degree to which consumers continue to notice a stimulus over time:

- Intensity
- Duration
- Discrimination
- Exposure
- Relevance



← Converse uses elements such as novelty and size to grab the consumer's attention.

*Wolfram Steinberg/picture-alliance/dpa/AP Images*

## Slide 30

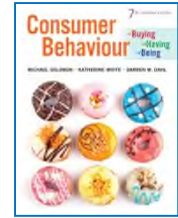
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**MM2**

Please add this pic from page 49 in chapter 2

Madore, Michael, 11/12/2015

# Stimulus Selection



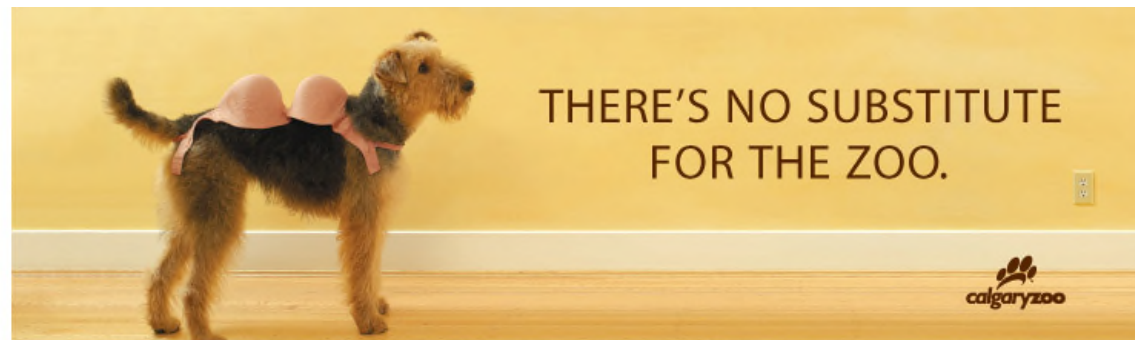
## Stimulus Selection

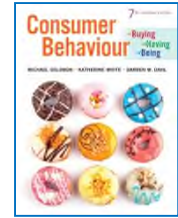
We are more likely to notice stimuli that differ from others around them:

- Size
- Colour
- Position
- Novelty

→ Calgary Zoo's "There's No Substitute" campaign took advantage of both novelty, by using humorous and unexpected imagery, and size by putting ads on large billboards.

*Courtesy of the Calgary Zoo*





# Interpretation

## Interpretation

Refers to the meanings that people assign to sensory stimuli

- McDonald's Fast-food Bags
- Beer swap
- Consumers assign meaning to stimuli based on the schema (set of beliefs).

# Stimulus Organization

## Gestalt

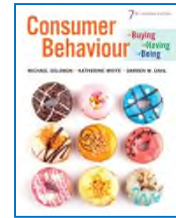
The whole is greater than the sum of its parts

Explains how stimuli are organized:

- Closure: people perceive an incomplete picture as complete
- Similarity: consumers group together objects that share similar characteristics
- Figure Ground: one part of the stimulus will dominate the figure, while other parts recede into the background



◀ This logo for the Pittsburgh Zoo is a clever application of the figure-ground principle.  
*Courtesy of the Pittsburgh Zoo & PPG Aquarium*



# Positioning Strategy

- Marketing mix elements influence the consumer's interpretation of brand's meaning
- Brand's position as a function of:
  - Lifestyle, price leadership, attributes, product class, competitors, occasions, users, and quality
- Repositioning

**You Might Expect A Luxury Sedan To Cater To Your Senses. But All Six Of Them?**

It comes standard with every Lexus ES 300. Let us explain. Have you ever been in a new place and felt like you had been there before? Some call it déjà vu, but we call it organometallic resonance. The ability of our cabin to have everything in exactly the place you would most likely want it. So whether it's the look for the climate control system or the switch for the power window or the buttons for the optional six-disc CD auto-changer, or whatever - the first time you reach for it, the very first time, it will be there, as if you had placed it there yourself. Kind of spooky. Of course, we also do a lot for your other senses: the look of a clock, aerodynamic body, the feel of gentle leather upholstery, the smell of available handstitched leather upholstery, and the soothing sound of eight strategically placed speakers. As for taste, it's in everything we do. Figuratively speaking.

**LEXUS**  
The Relentless Pursuit Of Perfection.

The sixth sense is a keen, highly intuitive power - a power of perception - that goes far beyond the five senses. That's according to the dictionary. According to our engineers, the first

← This ad for a luxury car emphasizes the contribution made by all of our senses to the evaluation of a driving experience. In addition to the five channels of sight, sound, touch, smell, and taste, the ad mentions the "sixth sense" of intuition in its treatment of the "power of perception."

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