

# A STUDY ON CUSTOMER PERCEPTION

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**ABSTRACT:** This is discussing understanding about the how customer view a certain product based on their own conclusion. These conclusions are derived from a number of factors, such as price and overall experience. This paper has started with concept of customer perception and has demonstrated the modal factors affecting the customer perception. The main objective of this paper is to critically appraise various customer perception modals and benefits. The success of a business depends upon its ability to attract and retain customers that are willing to purchase goods and services at prices that are profitable to the company. Consumer perception describes how customers and potential customers view a company and its products and services. Consumer perception is important to businesses since it can influence consumer behavior, which ultimately affects the profitability of a business. Many businesses spend large amounts of resources to influence consumer perceptions.

**Keywords:** Perception, customer and experience

## INTRODUCTION

A customer perception refers to how customer view a certain product based on their own conclusion. These conclusions are derived from a number of factors, such as price and overall experience.

A marketing concept that encompasses a customer impression, awareness or consciousness about a company or its offerings. Customer perception is typically affected by advertising, reviews, public relations, social media, personal experience and other channels.

Perception is one of the objects studied by the science of customer behavior. Analyzing the work of scientists studying the customer behavior, it is possible to make a conclusion that perception is presented as one of personal factors, determining customer behavior.

## DEFINITION

Customer perception refers to the process by which a customer selects, organizes and interprets information / stimuli inputs to create a meaningful picture of the brand or the product. Three stage process that translates raw stimuli into meaningful information.

## REVIEW OF LITERATURE

**Androulidakis :** G.kandus (2011) correlated the brand of mobile phone to users security practices. Users show different behavior in an array of characteristics, according to the brand of the mobile phone they are using. As such, there is a categorization of areas, different for each brand, where users are clearly lacking security mind, possibly due to lack of awareness. Such a categorization can help phone manufacturers enhance their mobile phones in regards to security, preferably transparently for the user

**Rodolfo Martínez Gras ;** Eva espinar ruiz (2012) highlight a new dimension in information and technology with respect to teenagers in Spain. The main objective of this article is to analysis the relationship between information and communication technological and Spanish adolescents. Specifically, researchers have studied, though qualitative methodology, the characteristics of teenagers' access and uses of technological devices. And analyzed the purpose that motivate the utilization of information and communication technological devices and analyzed the purpose that motivates the utilization of information and communication and entertainment. On the contrary, there is an under-utilization of all these devices for teaching and learning purposes.

Wafa N.Muhanna; Awatif M.Abu-Al-sha r (2009) aims at investigating Jordanian university undergraduate and graduate students attitudes towards the learning environment where cell phones are used as learning tools in classroom. The study comprised two independent variable, level and learning tools in classroom. The study comprised that undergraduates are more favorable to cell phone environment. On then graduate

Nasr Azad; maryam safaei (2012) states that there are many evidences to believe that customers select their products based on brand name. In this paper, researchers have present an empirical study to determine important factors influencing customers' purchasing intend for cellular phones in capital city of Iran, Tehran. The result of the study show that there are some positive relationships between exclusive name and quality perception, between exclusive name and word of mouth

advertisement, between quality perception and fidelity, between word of mouth advertisement and brand name and between brand name image and brand name.

### Consumer Perception Basics

Consumer perceptions can determine the success or failure of a business. For example, if a certain restaurant has a reputation as being the best pizza place in town, the general consumer perception in the town might be that you should go to the restaurant if you want a good pizza. This sentiment could strongly influence the pizza shop's ability to make profit. On the other hand, if consumers have negative views about company it could seriously hamper revenue success. For instance, if a hardware store becomes known for cheap, shoddy products, consumers might avoid purchasing its goods unless they cannot afford higher quality goods.

#### ➤ Marketing

Marketing describes how a company chooses what types of products and services to offer and how it distributes, prices and promotes those products and services. Consumer perceptions often determine the types of products and services companies offer. For example, if consumers expect to be able to eat for \$5 at a fast food restaurant, restaurants might be compelled to offer products that are profitable at a price of \$5 or less. Businesses create advertisements to make consumers aware of their products and services and influence how consumers perceive those products and services.

#### ➤ Branding

A trademark is a name, phrase, symbol or combination of words and symbols that a company uses to distinguish its identity or brand or its products from others. Businesses spend large amounts of resources to build up brand name recognition and to get consumers to associate certain positive qualities with their brands. Consumers may be more trusting of more recognizable brands, which can influence buying behavior.

#### ➤ Considerations

Businesses often conduct market research to gain insight into consumer perceptions and preferences. Understanding how and why consumers make the choices they do is integral to providing products and services that will be in demand and promoting those products and services effectively.

### IMPORTANCE OF CUSTOMER PERCEPTION

Customer perception is an important component of our relationship with our customers. Customer's satisfaction is a mental state which results from the customer's comparison of expectation prior to a purchase with performance perception after a purchase. A customer may make such comparisons for each and every part of a called "domain – specific satisfaction" moreover, this mental state, which we view as a cognitive judgment, is conceived of as falling somewhere on a bipolar continuum bounded at the lower end by a low level of satisfaction where expectation exceed performance perceptions and at the higher end by a high level of satisfaction where performance perception exceed expectations.

The lowest level at which an individual can experience a sensation a difference between something and nothing is referred as absolute threshold for example notice of bill board car, point at which you notice vibrating sound of tongs, point at which you feel cold etc., as our exposure to the stimulus increases we notice it less for example taking bath cold water everyday no shivering / cold as "getting used to". In the field of perception the term refers specially to "getting used to" certain sensations.

### IMPACT FACTORS ON CUSTOMER PERCEPTION

Customer perception is influenced by a variety factors. Besides the actual outcome –i.e. did the product or service deliver the expected function and did it full file the customer need –the whole process of consumption and all interaction involved are of crucial importance in today's globalised information driven economy this can also comprise issues like

- How other customer or influencing group perceives the product or brand
- The degree to which the customer feels the actual marketing campaign addresses the most important issues
- Responsiveness and service quality any affiliates, e.g. distribution partners

### THE BENEFITS OF COMPLETING REGULAR CUSTOMER PERCEPTION

- It enables fact- based decision making
- Helps you understand what customer like about your company and why
- Identifies opportunities for improvement

- Prioritizes change based on customer feedback
- Strengthens your customer relationship
- Measures effectiveness of advertising and PR programmes
- Develops a focused and effective communications programme
- Bench marks you against your competitors

### **POSITIVE EFFECTS OF INCREASING MARKET SHARE ON CUSTOMER PERCEPTION**

- Increasing market share can send out positive signals by action as an indicator of superior quality that is recognized by more and more other customers. This effect is particularly strong for premium priced products. Customers normally assume that a product must be of exceptional quality if it can gain such an unexpected market success despite its high price
- Many brands offer emotional benefits of using a product that is popular in the markets.
- The value of a product or service can rise though increasing number of users of the same product, e.g. number of members of an online community, better availability of software for popular computer systems.

### **NEGATIVE EFFECTS OF INCREASING MARKET SHARE ON CUSTOMER PERCEPTION**

- For premium and luxury product, customer may translate an increasing market share into a loss of exclusivity and thus perceive it as less valuable.
- This quality of service may suffer if they are consumed by increasing number of users. Diseconomies of scales and congestion can be observed with busy airports and many other services so that customers may look out for other providers that promise more timely service and convenience.

### **IMPORTANT COMPONENTS OF CUSTOMER PERCEPTION**

The characteristics of service also make service in the form of unique and different from goods as described below.

#### **INTANGIBILITY**

Unlike manufactured goods that are tangible, a service is intangible in nature. The products from service are purely performance. The customer is in a position to see, taste, smell, feel or touch the product before it is produced.

#### **HETEROGENEITY**

A service is difficult to produce consistently and exactly over time. Service performance varies from producer to producer, from customer to customer, and from time to time. This characteristic of service makes it very difficult to standardize the quality of various service products.

#### **INSEPARABILITY**

In service industries, usually the producer performs the service at the time the consumption of the service takes place. Therefore, it is difficult for the service producer to hide mistakes or quality shortfalls of the service. In comparison the goods producers, have a buffer between production and customer's consumption.

#### **PERISHABILITY**

Unlike manufactured goods, service, cannot be stored for later as well as consumption. This makes it impossible to have a quality check before the products are sent to the customers. The service providers then only have one path, to provide service right the first time and every time.

#### **NON- RETURNABLE**

A service is not returnable as in the case of products. On the other hand in many services, customers may be fully refunded if the service is not satisfactory.

#### **How consumer perception influences business?**

The success or failure of a business to a great extent is influenced by consumer perception. Though a consumer's perception about a product or service to some extent is said to be based on his or her actual experience obtained from the use of specific goods or service, it is also to a great extent influenced by a variety of other factors such as price, quality, and reputation of the manufacturer, branding, and packaging including other complex psychological factors.

For instance, the positive opinion about a specific food joint in town will result in greater business while a negative view about a specific product or company will lead to its losses. Thus, consumer perception not only influences consumer behavior but also

affects the performance and profitability of the business. This is the reasons why large business houses spend huge amounts of money to influence the perceptions of consumers.

## **Consumer Perceptions & the Affecting Factors**

### **1. Pricing of a product or service**

Pricing of a product has a key effect on consumer perception. Though a large majority of consumers appreciate and favor a low or reasonably priced item, there are also cross sections of sophisticated and skeptical consumers who look down up a product that is considerably low priced than the other available alternatives.

Many such sophisticated consumers tag the product as cheap and not fit for use though the product may be of the same good quality. Hence pricing of a product or service should form the basis of a larger marketing plan. By doing so, even low priced products can be marketed as favorable ones with good quality and at a better price.

### **2. Quality of a product**

The importance of the quality of a product or service from the perception of a consumer can never be undermined. Any feature of the product such as its use, durability and how reliable the product is in satisfying or disappointing the consumer can be described as its quality.

Marketing to a great extent helps in influencing the consumer's perception about the quality of product but even word of mouth communication about quality of a product is equally effective and travels fast.

Though marketing plays a greater role in influencing the consumer's opinion about quality of a product, it is the consumer's inherent opinion from the use of a specific product or service that will determine the awareness about quality.

### **3. Branding and Packaging of a Product**

First impression is the best impression very aptly applies to consumer perception of a product especially at the time purchase. How a product is attractively packaged to exhibit the display quality by the manufacturer determines the perception of the product. Even branding messages such as reliable, long lasting, tough are of great help in promoting the product perception.

Businesses regularly conduct market research to obtain insight about consumer preferences and perceptions. This forms the basis to understand how and why consumers prefer some products over others. This further helps businesses to provide and promote such products and services effectively that are in demand from consumers.

### **4. History & Reputation**

History and reputation of a company and its products and services plays an equally important role in the consumer perception. Age old businesses with strong reputation and history are always preferred by consumers whereas new products are always tried with caution and based on public opinion and reviews.

Online as well as offline reputation of a company and products and services largely influence the consumer perception. Any negative reviews and opinions online or by word of mouth can strongly affect the overall performance of any business. If any product has not performed well in the past or if any company has been alleged for any unscrupulous activity will strongly affects its performance for long period of time.

## **CONCLUSION**

The customer perception is one of the basic opportunities this help to improve customer relationship and understand what customer like about your company and also what they need for your company. So, organization will be understanding customer overall experience and take suitable decision making.

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