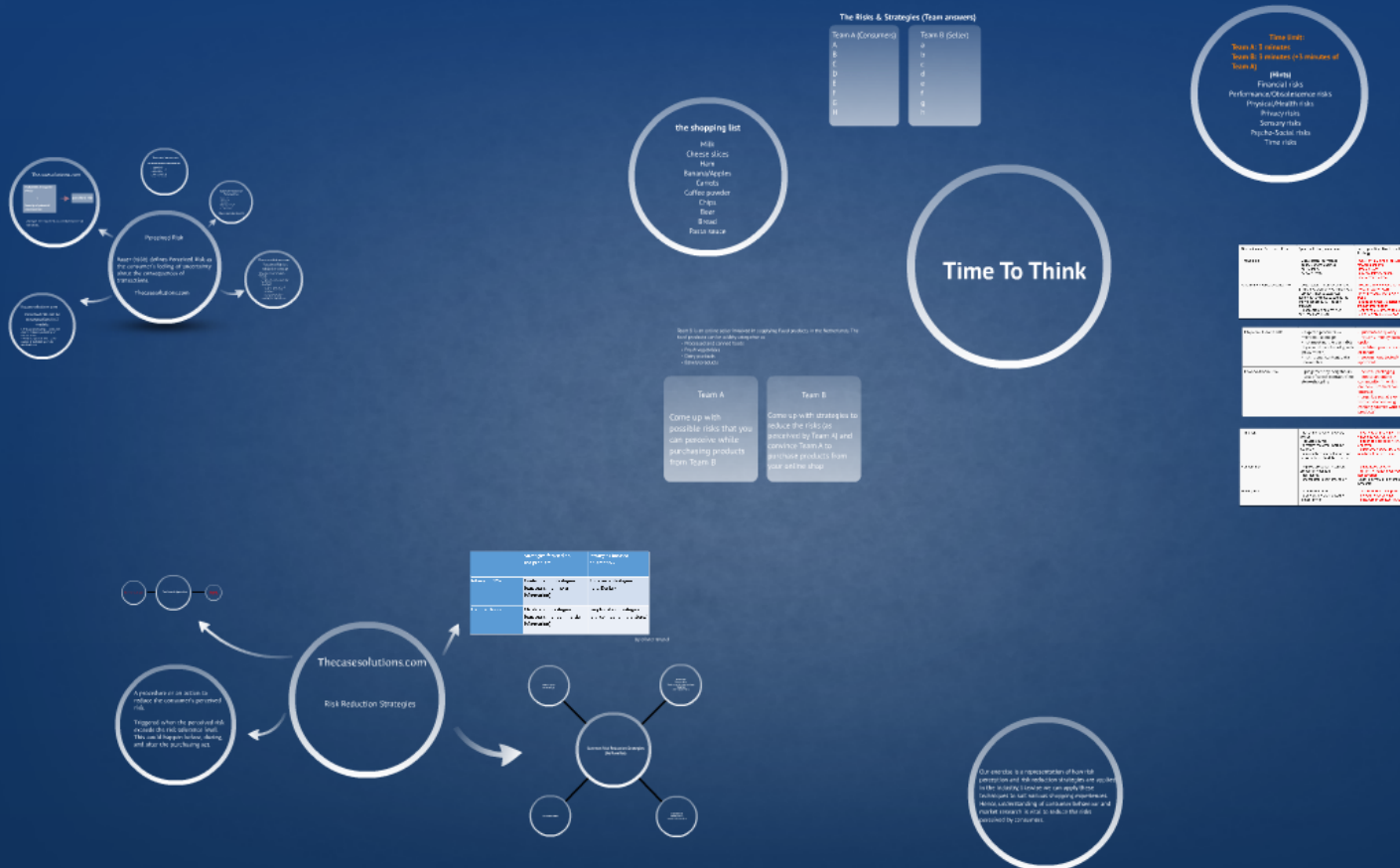


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*Happy shopping*

**Thank you!**



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## Perceived Risk

Bauer (1960) defines Perceived Risk as the consumer's feeling of uncertainty about the consequences of transactions.

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Perceived risk can be  
conceptualized in 2  
models

1. **Risk as uncertainty:** consumer cannot evaluate probability of consequences
2. **Risk as expected loss:** some degree of probability can be attached to it

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Probability of negative  
effects

x

Severity of potential  
consequences



perceived risk

Overall Perceived risk as multidimensional  
construct



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### **General Dimensions of Perceived risk**

- Financial risk
- Performance risk
- Physical risk
- Psycho-social risk
- Time-related risk



## **Specific dimensions of Perceived risk**

- Privacy risk
- Sensory risk
- Operational risk
- Communication risk
- Obsolescence risk
- Perceptual risk

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## Perceived Risk is a subjective concept

Differences in risk perception between :

- products
- shopping-channels (supermarket vs. internet)
- consumers
  - attitude toward risk (risk-taker vs. risk-avoider)
  - personality
  - socio-economic status
  - culture / nationality
- technological level of service





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Risk Reduction Strategies