Scarcity

People value things that are less available

Scarcity

Scarcity creates potential for loss.

Fear of loss more important than possibility of gain

Home Insulation Study
Gonzales et al., (1988)

Cost of Poor Insulation
Savings from Good Insulation

More likely to insulate their homes

Self-Examination Study
Meyerwitz & Chaiken (1987)

Lose potential health benefits
Gain potential health benefits

More likely to perform self-examinations

Strategies Derived from Scarcity Principle

1. Limited Numbers:
   - Customer told that a particular product is in short supply

2. Time Limits:
   - Customer told that there is a deadline to the sale of a product

Why Does the Scarcity Principle

1. Heuristic:
   - People use an item's availability to judge its quality

2. Reactance to loss of freedom:
   - Scarcity makes people feel like their freedoms are reduced
   - Reduction of freedom produces reactance

Reactance and Toy Preference
Brehm & Weintraub (1977)

Toddlers put in room with attractive toys

One toy behind a Plexiglas sheet that was:
- 1 foot high (no barrier)
- 2 feet high (barrier)

Toddlers made contact with toy behind the barrier 3 times faster
Reactance and Teen Love
Driscoll, Davis, & Lipetz (1972)

The more parents objected to their teens' relationship, the more in love the couples said they were, and the more the couples wanted to get married.

The couples' love increased as parental interference increased and decreased as parental interference decreased.

Factors that Influence Effectiveness of Scarcity

1. New scarcity

People are more likely to want something that has just become scarce than something that has already been scarce for some time.

Cookie Study: A Modification

Participants given jar of:
- 2 cookies (Always scarce)
- 10 cookies, which was then replaced with a jar of 2 cookies (Newly scarce)

More positive reaction to the newly scarce cookies than the always scarce cookies.

Factors that Influence Effectiveness of Scarcity

1. New scarcity
2. Competition for scarce resources

People are more likely to want a scarce item that they are competing for.

Cookie Study
Worchel, Lee, & Adewole (1975)

Showed people a jar of cookies

Jar had either:
- 10 cookies in it
- 2 cookies in it

People rated cookies as more desirable, more attractive, & more expensive when there were only 2 in the jar. They were the same cookies!