

The Interplay between Scarcity Appeals and Hyperopia

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Conceptual Background and Research Questions

Marketing practitioners use scarcity appeals to restrict the perceived availability of their products, usually to great success (Quelch, 2007). Scarcity appeals (e.g., limited-time or limited-quantity promotions) have been shown to increase consumers' purchase intentions (Inman et al., 1997, Aggarwal et al., 2011).

Considering the strong effect of scarcity promotions on consumers' intentions, are there any conditions that could inhibit their effectiveness?

Hyperopia is a personality trait associated with overcontrol and excessive farsightedness, or the difficulty to deviate from "doing the right thing" and acting responsibly (Kivetz and Keinan, 2006). These consumers exhibit an aversion to indulgence (Haws and Poynor, 2008). As such, scarcity offers for luxuries might not work on indulgence-averse consumers.

However, based on previous research showing that people are more likely to indulge when they can provide a justification for the behaviour (Xu and Schwarz, 2009), scarcity appeals could conversely further help hyperopic consumers rationalize the indulgence.

Could scarcity promotions for luxuries be ineffective when targeted at hyperopic consumers or, conversely, can such promotions lead them to indulge even more?

Methods

Study 1

No restriction - quantity



MORE THAN 300 AVAILABLE
PROMOTIONAL SALE
RELAXING MASSAGE
\$25 FOR 60 MINUTES
REGULAR PRICE : \$75/60 MINUTES

Restricted quantity



ONLY 5 AVAILABLE
PROMOTIONAL SALE
RELAXING MASSAGE
\$25 FOR 60 MINUTES
REGULAR PRICE : \$75/60 MINUTES

Study 2



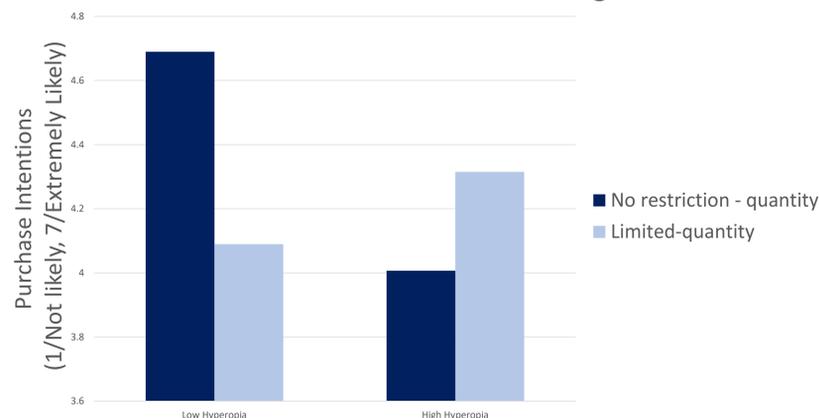
Measure: Purchase intentions

Measure: Number of chocolates demanded

Findings

Study 1

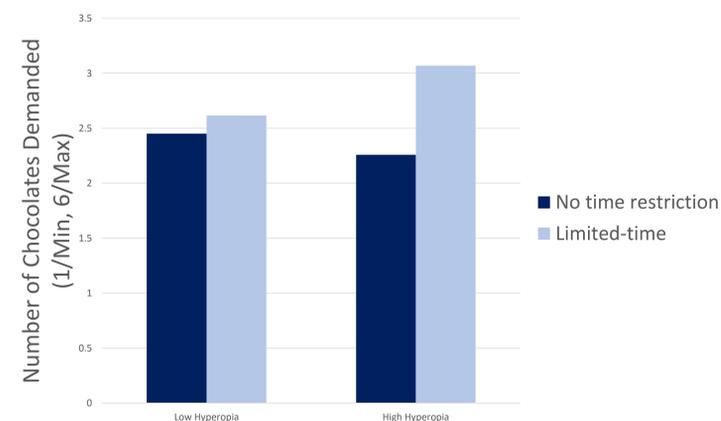
Effect of Scarcity Promotions and Hyperopia on Purchase Intentions for Massage



Limited-quantity promotions increase hyperopic consumers' intentions to purchase a "luxury" service.

Study 2

Effect on Limited-Time and Hyperopia on Number of Chocolates Demanded



Limited-time offers increase hyperopic consumers' consumption of "temptations."

Implications for Marketers & Consumers

- Scarcity promotions seem to be able to overcome hyperopic consumption tendencies
- Scarcity promotions seem to be less effective for non-hyperopic consumers, who do not need an external justification to indulge
- Hyperopic consumers may be unaware of their vulnerability to scarcity promotions

Future Research

- Further investigate whether hyperopic consumers' response to scarcity promotions stems from anticipated regret
- Further investigate why non-hyperopic consumers are less responsive to scarcity promotions
- Investigate if cues in consumers' environment can prompt hyperopic tendencies