

COMPARING ADVERTISING EFFECTIVENESS DUE TO PRODUCT SCARCITY, ADVERTISING APPEALS, AND DESIRE FOR UNIQUE CONSUMER PRODUCTS

*Ming-Yih Yeh, Department of Business Administration,
National Taiwan University of Science and Technology, 43, Keelung Road, Sec. 4,
Taipei 106, Taiwan, R.O.C., 886-2-2737-6730, yeh@ba.ntust.edu.tw*

*Chin-Lung Lu, Department of Business Administration,
National Taiwan University of Science and Technology, 43, Keelung Road, Sec. 4,
Taipei 106, Taiwan, R.O.C., 886-2-2733-3141#7803, b3704036@ms16.hinet.net*

ABSTRACT

Scarcity is pervasive in human society. It can cause changes in people's attitude and/or behavior. In this article, the relationships between product scarcity, advertising appeals, personal desire for unique consumer product (DUCP), and advertising effectiveness are investigated. The results of this study show support to the commodity theory. Advertisements for scarce products enjoy higher advertising effectiveness than ads for abundant products. For scarce products, utilitarian appeals are more effective than value-expressive appeals in terms of perceived quality, product preference, and purchase intention. Value-expressive appeals are more persuasive to people with high DUCP scores than those with low DUCP scores, while the opposite is true for utilitarian appeals.

PRODUCT SCARCITY

Scarcity exists in the world around us. One theory that deals with the psychological effect of scarcity is the commodity theory [2]. The essence of the theory states that a commodity's value depends not only on intrinsic, functional product attributes, but also on supply and demand characteristics. Hence, unavailability increases the desirability of commodities. Scarcity has been found to enhance the attractiveness of records and cookies [1] [13], the desirability of wine and recipe book [5] [11], and the tastes of dormitory food and soft drinks [12] [13].

ADVERTISING APPEALS

Advertising appeals can be classified into value-expressive appeals, and utilitarian appeals [8] [10]. Utilitarian appeals stress the functional features of the product. Such ads tell consumers how good the product is, how well it works, or, in the case of things to eat and drink, how good they taste [3].

Value-expressive appeals project an image of the generalized user of the product [4]. The goal involves building a personality for the product or creating an image of the product user [7]. The focus of the ad is on what the product symbolizes or communicates to others [9], or on the images associated with the use of the product [10].

DESIRE FOR UNIQUE CONSUMER PRODUCT

Desire for unique consumer product (DUCP) is a personal trait propounded by Lynn and Harris [6]. They defined the DUCP as: "the individual differences in the extent to which they hold as a personal goal the acquisition and possession of

consumer goods, services, and experiences that few others possess." They showed that the DUCP was positively related to personalities such as: need-for-uniqueness, social status, materialism, and conformity; negatively related to age; and unrelated to gender.

THE STUDY

There are three independent variables in this study: product scarcity, advertising appeals, and DUCP. Product scarcity has two levels: abundant vs. scarce. Two advertising appeals considered are utilitarian and value-expressive. The value of DUCP is calculated using the 8-item DUCP scale developed by Lynn and Harris [6]. Subjects were later classified into high or low DUCP groups based on their DUCP scores. The dependent variables consist of perceived product quality, perceived product price, product preference, and purchase intention.

Three hypotheses were proposed:

H1: Advertisements for scarce products are more effective than those for abundant products.

H2: Advertisements using utilitarian appeals are more effective for scarce products than for abundant products.

Advertisements using value-expressive appeals are equally effective for scarce or abundant products.

H3: Advertisements that use value-expressive appeals are more effective to people with high than those with low DUCP. In contrast, advertisements that use utilitarian appeals are more effective to people who have low than those who have high DUCP.

One hundred eighty-seven male and eighty female undergraduate students in a university joined the between-subject experiment. Sneakers with a fictitious brand name were used as the test product. There were four versions of the advertisement (abundant/scarce \times utilitarian/value-expressive). They only differed in the messages. Product scarcity and advertising appeals manipulations were successful. The results of ANOVA are summarized in Table 1.

Table 1 Summary of ANOVA results

		Scarcity (S)	Appeals (A)	DUCP (D)	S \times A	A \times D	S \times D
Perceived quality	F	5.717	14.396	.184	5.606	1.139	1.074
	p-value	.018**	.000***	.668	.019**	.287	.301
Perceived price	F	26.581	2.085	.224	.016	.135	.013
	p-value	.000***	.150	.636	.900	.713	.911
Product preference	F	2.364	3.307	.094	5.138	6.477	.290
	p-value	.125	.070*	.760	.024**	.012**	.591
Purchase intention	F	4.379	7.538	.009	2.793	7.187	.534
	p-value	.037**	.006***	.926	.096*	.008***	.466

Note: *** $p < .01$; ** $p < .05$; * $p < .1$

The main effects of scarcity on different advertising effectiveness measures are significant. Advertisements for scarce products make people believe the product is of better quality with higher price. Participants have higher purchase

intentions for scarce products than for abundant products. The first hypothesis is confirmed.

The interaction effects of scarcity \times appeals on product quality perception ($p < .05$), product preference ($p < .05$), and purchase intention ($p < .1$) are significant. For scarce products, subjects regard product quality to be higher, hence like it better, and are more willing to purchase it than for abundant products, when they are exposed to advertisements with utilitarian appeals. The advertising effects are about equal between abundant and scarce products when value-expressive appeals are adopted. The results support the second hypothesis.

Significant interaction effects of appeals \times DUCP are observed for product preference ($p < .05$), and purchase intention ($p < .01$). As expected, value-expressive appeals are more persuasive to people having high DUCP than those having low DUCP; the case for utilitarian appeals is the opposite. For people who have low DUCP, utilitarian appeals are more persuasive than value-expressive appeals; but for people who have high DUCP, the effectiveness of utilitarian and value-expressive appeals is about the same. The interaction effects of appeals \times DUCP are not significant for perceived quality or perceived price. The results partially confirmed H_3 .

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