Abstract
Consumers often confront overall abundance or overall scarcity when choosing among items from a product class. A grocery store can present large or small quantities of each type of fruit and vegetable, a clothing store can display large or small baskets of accessories, and governments can describe natural resources such as national parks as abundant or scarce. While prior research suggests that object specific scarcity can enhance product preference, whether category level scarcity and a general sense of scarcity systematically affect the evaluation and choice of individual items from a product class remains an intriguing, uninvestigated question. In the first set of studies, we examine whether the salience of scarcity leads consumers to include a different proportion of their most-preferred (vs. less-preferred) alternatives when making simultaneous choices of multiple items from a product category. Results show that scarcity polarizes the evaluations of individual items contained in the choice set, which leads to higher (lower) choice share of the most-preferred (less-preferred) items. In the second set of studies, we show that scarcity polarizes preferences only when consumers have distant initial preferences towards the options in the choice set. When consumers have close initial preferences towards the options in the choice set, scarcity leads to preference convergence, consequently increasing decision difficulty and decreasing decision satisfaction. We find that the preference polarization and preference convergence patterns occur because scarcity focuses consumers’ attention on the primary (vs. secondary) attributes of the options to make a decision. We provide further process evidence by showing that consumers faced with scarcity spend a greater proportion of their time examining the primary versus secondary evaluative cues, and that the undesirable influences of scarcity on decision difficulty can be attenuated by experimentally expanding consumers’ attention on secondary attributes of options.

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All interested are welcome.