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The Limited-Edition or what they call "Scarcity Marketing": propaganda or a promotional strategy through "FOMO" thinking

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Abstract:

The case describes the phenomenal element of scarcity marketing effects on customers' purchase intention. It is a concern as nowadays it has started showing some elements of customer exploitation due to their level of innocence that is easily driven by the mentality of "Fear of Missing Out", FOMO. Guided by the recent explosions in sales shown by McDonald's in 2021 upon their collaboration with BTS K-pop Boys Bands from South Korea, the case is intended to bring into perspective how customers and marketers need to honour the holy relationship between marketers and customers by ensuring the promoted products bundled with the commensurate amount of value as promised, not merely because of its being scarce or limited or because of the influencers' ability to influence.

Keywords: Scarcity marketing, promotional strategy, consumer behaviour

Introduction: The Phenomena - Mcdonald's with its limited-edition promotions

BTS fans were happily and "hungrily" marching to Mcdonald's in February 2023 to get the "limited set" of BT21(The BTS Meal, n.d.), or was it really for the meals? The "as usual" chicken McNuggets were instead boxed in a purplish-coloured packaging (as illustrated), just as it was claimed to come with Cajun sauce inspired by the K-Pop Boys Band, BTS. It was being promoted as a must-have to all the fans, and the fans just queued for hours for the limited edition BTS Meals.

Was it a must-have, limited edition, scarce item, or due to fear of missing out? Which enthusiasm truly has helped the campaign that was proven to help the company increase its worldwide sales by 41%? Nonetheless, McDonald's promotional strategy of limited-edition was not only with BTS. McDonald's has long been leveraging on the approach of limited-edition strategy in its marketing campaign (Onyusheva & Salim, 2022).



Source: McDonalds.com

Limited Edition, Scarcity Marketing of propaganda – what was the hidden agenda?

A limited edition always helps to create hype and desire for a brand to which Mcdonald's has successfully applied for quite a while till today. There will be an upsurge in demand whenever there is scarcity, and a product's value will intensify. That is the core idea while developing limited edition products. In the competitive landscape of modern business, brands are continuously searching for innovative strategies to captivate consumers and differentiate themselves from their competitors. It seems that the drive for a limited edition of offerings has successfully led to increasing the number of consumers who want to buy a particular product. So as a customer who also got attracted to the idea of collecting the BTS minis, I asked myself, "Which one was it? Was it being limited or being scarce drives the enthusiasm? Or was it just because of the sentiments of fearing missing out?

It involves convincing consumers to aggressively seek a product to get retailers to stock it. Brands will reach out to consumers through a direct marketing campaign, creative promotion and, most of the time, colossal consumer advertising. The brand must **spend a lot on consumer advertising** to entice final consumers to buy the product, creating a demand vacuum that pulls the product through the channel. Customers' attention was caught easily via integrated marketing communications, directly and digitally. Limited edition products are those that are produced in a predetermined quantity for a specific period or event, creating a sense of urgency among consumers. This exclusivity factor drives the psychological desire for ownership and plays into the innate fear of missing out (FOMO) (Hamilton et al., 2019). When consumers realise a product is available in limited quantities, it triggers a strong emotional response, motivating them to take immediate action to secure their coveted item.

A limited-edition product also helps to generate interest in a brand and helps it to collaborate with another brand to create something that diverges from the norm. It is a great strategy to attract new customers. Not just the concept of a limited-edition marketing strategy has helped Mcdonald's; even minor players like the "influencers" are starting to adopt it to promote their products on social media platforms. Names like *Khairul Aming* and his "Sambal Nyet" and Alha Alfa with his limited edition of cosmetics were among those who saw the impact of the limited-edition promotional campaign on their sales, or was it scarcity marketing? But no doubt that when we discuss this campaign, what was so significant to be considered must be

the offerings that come with positive perceived value, healthy customer engagement and strong brand loyalty, besides the probable collaborations and partnerships, exclusive packaging and design, communication and scarcity messaging.

When it comes to developing a limited edition, the focus should be on the audience. Importance should be placed on what the audience loves and not what the brand wants to show. The product should be unique and fun. A limited edition is about connecting with customers in a new way. Thought must be given to what the audience already knows and what they would like to know. A limited edition aims **to create a short-term buzz**. The products can be made desirable by being sold only in stores and not online or the other way around, and this is the limitedness that comes in. But is limited edition as a strategy creating the notion of product scarcity that later shapes the perception of scarcity and creates desirability in consumers? Or was it the sentiment of "FOMO" that became the pushing factor?

Limited-edition or scarcity propaganda?

Scarcity marketing emphasises that the products are available only as a limited-edition version. Scarcity marketing makes consumers feel that the product is rare, unique, valuable, and precious to the user. Customers are willing to queue for limited-edition products due to the thinking ignited by the strategy; the products must be grabbed as soon as possible as they are too limited, creating eagerness among the customers. But looking at the reality, were the customers pursuing the products for their positive outcomes or because of the influencing aspects coming from all those names?

Scarcity taps into fundamental aspects of human psychology, such as the fear of missing out (FOMO) and the desire for exclusivity. When consumers perceive a product or service as scarce, it triggers a heightened sense of urgency, leading to increased motivation to acquire the item. Several psychological factors contribute to the effectiveness of scarcity marketing, including it capitalises on consumers' fear of regretting missed opportunities. The thought of being unable to obtain a scarce item generates anxiety and prompts consumers to take immediate action to avoid potential remorse. The feeling of scarcity is further amplified when consumers observe others actively seeking or acquiring the limited item. This social validation reinforces the desirability of the product or service, leading to a bandwagon effect where consumers feel compelled to join in and secure the offering. It is propaganda! We need to make ourselves wiser customers than ever and protect our innocence from the propaganda of limited-edition of scarcity marketing.

DISCUSSION QUESTIONS

- 1. Describe the promotional strategy of which the campaign for limited-edition or scarcity could work well.
- 2. Assuming you have learnt about BTS and McDonald's' limited edition campaign from an advertisement. Explain the three (3) advertising objectives McDonald's has adopted to have successfully made you aware of the offering.
- 3. Discuss how limited-edition or scarcity marketing could be considered an acceptable and ethical marketing strategy.
- 4. How does scarcity marketing tap into consumers' psychological factors, such as fear of missing out and the desire for exclusivity? Discuss the impact of scarcity on consumer motivation and behavior.
- 5. In what ways does social validation contribute to the effectiveness of scarcity marketing? Explain how the observation of others actively seeking or acquiring limited items influences consumer behavior and the bandwagon effect.

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