

## **Get Anyone to Take Immediate Action**

Online auctions drive me nuts. In most auctions, I find an item I like and I put in what I think is a reasonable, winning bid. I promise myself that I won't bid higher. But I always get caught. When I get the outbid notice, I can't believe somebody outbid me. What if I can't find this item again? They obviously think this item is worth more than I do. Then I find myself wanting it even more – whatever it is – and I bid far more than I originally intended. The thrill of winning usually outweighs the pain of the price I paid.

In 1996, Jackie Kennedy's personal belongings were put up for auction. Everyone knew such items would reel in top dollar. More than 100,000 catalogs were sold prior to the auction. Hardcover catalogs sold at \$90 a copy, while paperback catalogs cost \$45 a copy. The week the belongings were on public display, more than 40,000 people took part. The hype and anticipation surrounding the event catapulted prices far beyond the originally anticipated prices. For example, a brooch estimated at \$6,000 to \$8,000 sold for \$415,000; John F. Kennedy's golf clubs were estimated at \$700 to \$900 but sold for \$772,500; a wooden cigar box priced at \$2,000 sold for \$547,500; even a cigarette lighter inscribed with the letter "J," estimated to be priced at \$300, sold for \$85,000.

Think about potatoes. Nothing special, right? There was a time in history (late 1700s) when potatoes were not a popular food. The French thought potatoes were connected with leprosy, the Germans thought they were nothing better than feed for livestock, and Russian peasants actually thought they were poisonous! Then Catherine the Great came along and turned potatoes into gold. She had high fences installed to enclose her potato fields. Signs dotted the land warning the Russian citizens not to steal her potatoes.

With the potatoes suddenly off limits, they became the talk of the town! Imagine what those peasants were thinking as they watched those big, tall fences go up: "Why are they fencing in the potato fields? Why are the rich keeping the potatoes all to themselves? Why are we restricted to the same old beef stew every single day? We deserve potatoes, too! We *need* potatoes! Give us potatoes!"

### **Why Scarcity Drives Us Wild**

The Law of Scarcity plays a large role in the persuasion process. Opportunities are always more valuable and exciting when they are scarce and less available. We want to be the ones to own the rare items or to get the last widget on the shelf. The more the scarcity of an item increases, the more the item increases in value, and the greater the urge to own it.

Whenever choice is limited or threatened, the human need to maintain a share of the limited commodity makes us crave it even more. Scarcity increases the value of any product or service. Scarcity drives people to action, making us act quickly for fear of missing out on an opportunity. Potentially losing something before we've even had an opportunity to possess it drives people to action. We don't want to miss out on anything we could have had. We want to get around any restriction placed upon us. We feel

uptight and want back our freedom. This causes tension and unrest. The Law of Scarcity not only pertains to physical products, but also to time, information, price, and knowledge.

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