

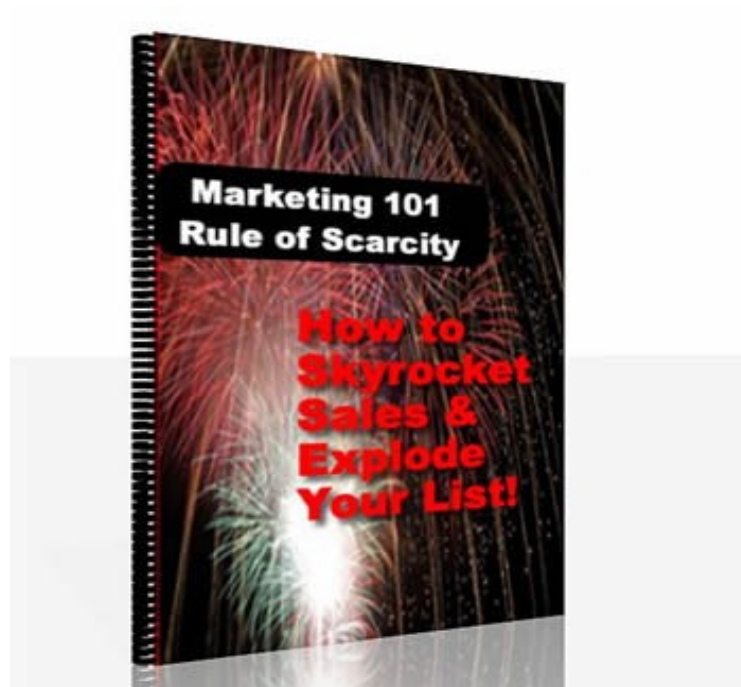
Marketing 101

Rule of Scarcity

How to Skyrocket Sales

&

Explode Your List!



by

Kathy Ball

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Table Of Contents

Foreword	1
What Is The Rule Of Scarcity?	2
How Does The Rule Of Scarcity Work?	3
Using the Rule of Scarcity Tactic To Increase Your Sales	3
Using the Rule of Scarcity to Build Your Opt In List	5
The Pitfalls Of Using The Rule of Scarcity Tactic	6
How to Avoid The Pitfalls When Using The Rule of Scarcity Tactic	8
Summation	10

Foreword

I have endeavored to make this report as condensed and straight to the point as possible. Time is money. This is especially true for those of us who are self employed. Still I have not skimmed on the information provided. My goal is to provide you with quality tips you can use to build your opt in list and increase your sales, and that is what I have concentrated upon when writing this report.

Ironically, Many people who receive this report will not even read it. Some will read it then neglect to act upon the information. Only a very few individuals will take the information provided here and use it to help themselves build a successful business online. Which one will you be my friend?

What is The Rule of Scarcity?

Simply defined, the rule of scarcity is that the value of an item is perceived to be greater if it is more scarce or difficult to attain than similar items with a direct consequence for achievement or failure. For instance, gold is basically just a base metal ore like copper or silver. All three of these metals are shiny, and can be molded into beautiful pieces of jewelry. Only the fact that veins of gold ore are more difficult to locate (scarce) than copper and silver veins increases its perceived value.

Scarcity can take many forms. Whether it be a limited quantity of any item, or a limited amount of time to obtain the item or a limited time to take action of any kind. The fact that an item is perceived to be scarce will automatically increase its value in the eyes of the beholder and make them desire it far more than they would if it were easily attained.

In Internet marketing, the rule of scarcity is widely used by marketers of all sorts of products and services. One time offers, fire sales, and limiting the number of positions available for a coaching program or membership site are all examples of the scarcity marketing tactic.

Time limits are another example of common uses of the rule of scarcity. The IRS gives you until April 15th to complete your taxes. Failure to do so results in penalties and interest being levied against you. Success results in your avoiding the penalties and interest.

Marketers use time limitations to optimum advantage by setting a predefined time limit that a person has to take action, whether it be a time limit on a coupon, or a sale price for a product or setting a predefined time limit on a free gift.

How Does The Rule Of Scarcity Work?

The consequences are the focal point for those subjected to the rule of scarcity. Let's face it, none of us WANT to do our taxes every year. It's the consequences that force us to scurry to get those taxes prepared by the deadline. In this case the consequences of failure are penalties and interest or in extreme cases, imprisonment that spurs us on to get the odious task completed by the deadline.

By the same token, none of us WANT to spend our hard earned money on a small gold bracelet, it's the consequences that drive us to do it. Buying that bracelet will bring you the *pleasure* of seeing a loved one's joy when you present them with the gift. Or the *satisfaction* of seeing the envy and admiration of your friends when they see it displayed on your wrist. *Disappointing your loved one*, or the *failure to attain your friends' admiration* are the painful consequences if you decide to hold on to your money.

Of course, your loved one may not expect you to buy a gold bracelet and therefore, wouldn't be disappointed at all. And the fact that you do not own a gold bracelet will probably not sway your friends' opinion of you either way. Basically, it's the *shopper's perception of the consequences that are what makes the rule of scarcity work so well.*

Using the Rule of Scarcity Tactic To Increase Your Sales

The rule of scarcity has been used to the marketer's advantage for decades. A recent example that comes to mind is the “Tickle Me Elmo” doll. If you recall, a few years ago, the manufacturer of this doll announced that there

were simply not going to be able to produce enough “Tickle Me Elmo” dolls to meet customer demand for the product in time for Christmas that year.

The result of that “news release” was amazing! Potential customers stood in long lines outside stores all over the country for hours just for the chance to buy that doll. Some enterprising entrepreneurs offered them on eBay for hundreds of dollars more than they were selling for in the stores and got it. All because the consumer perceived the doll as a valuable commodity because of its scarcity.

So how can you, personally, benefit from the use of this tactic? Quite easily, actually.

Let's say you've just spent a week writing an ebook that you want to sell for \$97.00. Now let's say you've set a goal of achieving a minimum of \$23,500.00 in sales—not a bad return for a week's work--for the ebook with any additional sales being icing on the cake.

Let's call the ebook How to Start Your Own Business Without Spending A Penny. (Yeah, I know there's thousands of ebooks on that subject out there, but bear with me, okay.)

Now, let's create your sales page.

Your headline could read something like this:

Finally! You Have Discovered The Real Secret Of How To Start Your Own Business Without Spending One Red Cent!

Now here's your rule of scarcity:

This information is so powerful that only 500 people will be given the opportunity to get their hands on it at this low introductory price of \$47. Once those 500 are gone, the price will increase to \$97 and this page will disappear forever! Only ~~497 350 225 95 42...~~ only 3 left.

In case you don't have a calculator handy, $500 \times \$47.00 =$ the \$23,500 sales goal you set.

Look familiar? It should. Marketers use this tactic over and over and over again to increase their sales. Why? Because it works over and over and over again.

Using The Rule of Scarcity To Build Your Opt-In List

Time can also be used as a rule of scarcity tactic. Let's say you want to build your list. You set up a squeeze page offering a really nice gift and promote it everywhere you possibly can. After the first week you check your stats and find that although you had over three hundred visitors, only one third of them joined your list. Why? Because my friend, most people have a tendency to procrastinate. They often put off things they fully intend to do just as long as possible. They are not lazy, people just automatically prioritize their tasks based on their own needs or desires—I'll get to that, but I have to—or want to—do this first.

An old business adage is *“regardless of how much time you give a person to do a job, that is precisely the amount of time it will take them to do it.”*

The same holds true whenever you offer a free gift to get subscribers for your list. Sure they like the gift, and they don't mind giving you their name and email address to get it at all. But not right now. Right now, they're busy surfing the net, or the phone's ringing, or they've got to get ready for an appointment, but hey, that page's not going anywhere, so they'll just come back later... NOT! Once you lose that visitor, odds are they won't be back.

Now imagine that same squeeze page, but this time you added one line to the heading: **Your free offer will expire in 60 seconds**. How many of those same people are going to click away from your squeeze page knowing they'll lose out on the chance to get that free gift they want?

Unless their house is on fire, you can bet any visitor who really wants that free gift of yours is going to take that minute of time to fill in those two little blanks on your opt-in form before they leave your site.

The Pitfalls Of Using The Rule of Scarcity Tactic

The rule of scarcity is a great sales tactic, but, it can easily backfire on you, my friend. Take a look at that rule of scarcity we used for our limited quantity example. See that “only 3 left”? That should be the actual quantity of the products you have left available at that price. You must make sure it remains updated throughout your campaign or... Well, let's take a look at what could happen.

First, there's another old adage you should keep in mind: *“Birds of a feather flock together.”*

Let's say Customer 498 buys one of those 3 ebooks you have left at the special price and heads off to his workplace. During his coffee break, he tells half a dozen of his co-workers gathered around the table about this

fantastic bargain he got and how lucky he was because there were only 3 copies left at that price.

Let's say that five out of six of those co-workers have been looking for a way to quit their day job too (*birds of a feather*). So all five go to your site to see if they can get lucky and buy the ebook before it's sold out.

Only two of his co-workers should be able to get the bargain. But what happens if you are away from your computer and don't find out that those last two ebooks have been sold in time to take down your page?

The other three co-workers visit your site and buy your ebook for only \$47 bucks. You're probably thinking: "Great! I just made an extra \$141 bucks profit." Wrong, my friend, what you have done is lost your credibility!

At their next coffee break, those five co-workers are more than likely going to brag about their coup. And then they're going to do the math. Odds are you're going to get 6 requests for a refund and no second chance whatsoever to sell those 6 guys another product.

Think losing 6 customers out of 500 is not that great a loss? Think again! Yet another old adage is: *A satisfied customer will tell one, maybe two people about you. A dissatisfied customer will tell five people about you.*

Those six dissatisfied customers are probably going to tell 5 people each about your "phony" offer. That's 30 people that now have reason to doubt your credibility. Even if each of those thirty only mentions what they learned to one other person that's 60 more people, and if those 60 tell just 60 more... Well, you get the picture.

The same holds true with time limitations. If you tell your visitor they have one minute to get that free gift, then you better be able to back up that claim. Because that visitor may just get another email or read another article with a link to your squeeze page in it and discover they STILL have 60 seconds to get that free gift. And poof, there goes your credibility up in smoke!

How to Avoid The Pitfalls When Using The Rule of Scarcity Tactic

Whether you are running a limited time offer, or limiting the number of people who can sign up for a coaching program, or receive a special discount or you're simply getting rid of those last few discontinued items you have in stock, you must keep track of your sales and take down your offer the second that limit is reached. Neglect to follow through and end the offer as stated on your page and you'll lose far more than you gain in the long run.

Unless you're planning to spend every minute of every day glued to that chair in front of your computer, waiting for the last sale to go through so you can hit the delete button for that web page, then there is only one way to avoid the pitfalls when you use the rule of scarcity tactic. You must automate your campaign.

The same principle applies to limited time offers, once the time is up, you must make absolutely certain that that person cannot access your offer again.

Until recently, you either had to hire a programmer or purchase expensive software to create a fully automated scarcity campaign. There are a few “cheap” scripts that claim to automate your scarcity campaign, but the majority of them either don't work correctly or are far too complicated for anyone other than a computer whiz to setup.

Fortunately, that is no longer the case. There is an easy to use and affordable software available that you can use to fully automate any scarcity tactic campaign you like. Action Instigator is extremely easy to use. You don't have to create MYSQL databases or understand any of that annoying techie stuff.

This windows based software is setup right on your computer. With Action Instigator, all you have to do is fill out one simple form, select your sales page file and press a button. The software installs the code on your sales page for you and creates your customized script based on the form you filled out. All you have to do is upload everything to your website and you're done.

The software installs a digital counter right on your web page that shows your visitor precisely what quantity is left or how many minutes and or seconds they have to act before your offer ends. Once you have sold your preset quantity, your visitors will automatically be shown another page that you specify. After your visitor's time limit expires, he/she will not be able to access your page again. Instead your visitor will be shown whatever page you specify.

Naturally, once the limit you set has been reached your visitor will not be able to take advantage of your special offer, however, you can bet he'll be sure to pounce on your next time limited offer because he knows from experience that you mean precisely what you say—and that, my friend, is how you build your credibility.

This software is an excellent tool for creating One Time Offers and Firesales as well, since you can also choose to limit the number of times a person may view the page or the number of days to allow the page to be seen before your visitor is sent to the alternative page you specify.

In my opinion, Action Instigator greatest feature is that it offers you the capability of selecting how you want your visitors time limitation monitored. Most of the other products available use cookies to monitor the visitor's time limit. But these days, more and more people are disabling cookies on their computers. So unless you're ready to gamble your credibility on the remote possibility that every visitor to your site has not disabled the cookies on their computer, you must have an alternative monitoring system in place. Action Instigator offers you the option of using your visitors' IP address instead of cookies to monitor their time limitation. This additional feature alone is worth it's weight in gold when your credibility is at stake.

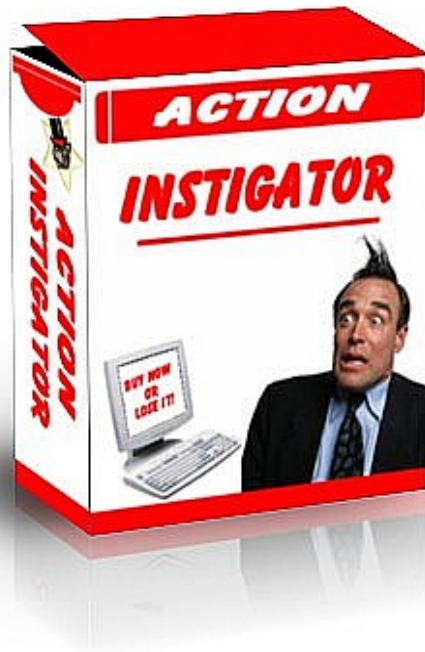
Fortunately, this fantastic software is priced so low (at this time) that it's well within the reach of most entrepreneurs—even those on a shoestring budget. To see an actual demonstration of the software in use, and a video showing you how easy it is to use, simply [click here](#).

Summation

Regardless of whether you use Action Instigator, hire a programmer or purchase one of the more expensive and complicated softwares, you absolutely must follow through on your rule of scarcity statement. To do otherwise could permanently damage your credibility. if you intend to succeed in the world of marketing, maintaining your credibility must always be your first priority.

**Skyrocket Your Sales and Explode Your List On
Autopilot**

With This Amazing Software!

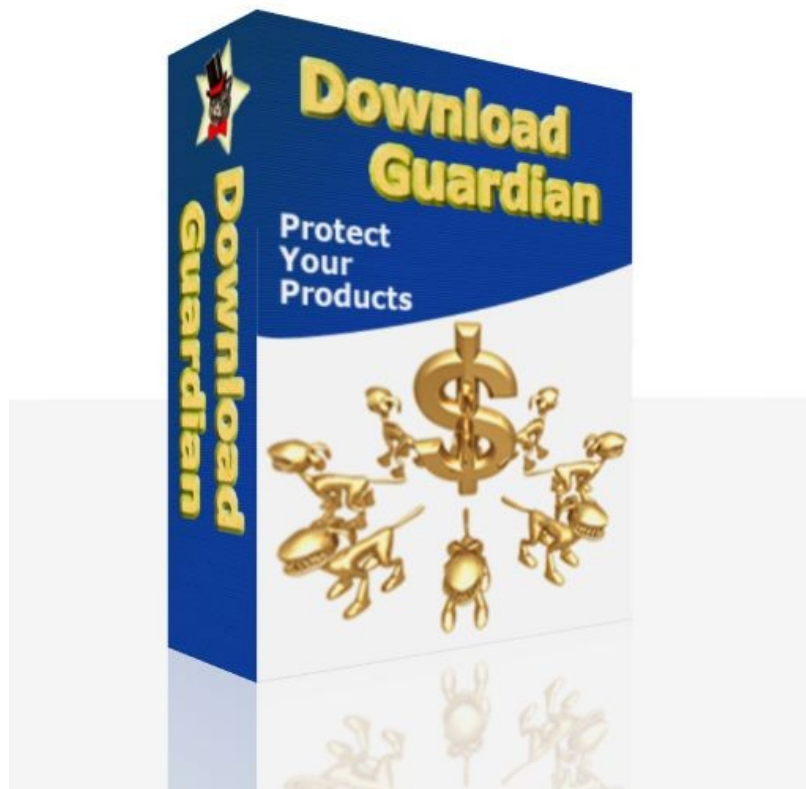


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