Abstract

Quantity limits involve imposing an upper bound on the quantity of a particular good that consumers purchase. Previous studies have shown that they have a purchase acceleration effect. Based on the anchoring and adjustment model, the present study examined two unexplored issues of this promotional tool: (1) How should one sets a limit value that is effective; (2) whether the acceleration impact of a limit is the same despite differences in product usage velocity (how quickly a product is being consumed) and deal frequency (how often a store offer promotions on its products). No evidence supported the hypothesized diminishing effect of a limit when its magnitude exceeded the normal limit (a limit with a value that lies within the acceptable range of amount purchased). Product usage velocity and deal frequency were not found to influence the degree of quantity limit effects. Although the results were nonsignificant, data displayed a pattern which suggested the possibility that: (1) The acceptable range of amount purchased of products promoted under an infrequent deal was broader than that of products promoted under a frequent deal; (2) the effect of a quantity limit was stronger in an infrequent deal condition relative to a frequent deal condition. Research limitations and implication were discussed.