

We consider an experiment goods market where a seller has two methods to advertise her products quality; informative advertising and uninformative advertising. Informative advertising tends to reduce an equilibrium price since an uninformed buyer undervalues the product quality. In equilibrium, uninformative advertising can work as a partial signal of quality and keep the equilibrium price high, thus uninformative advertising can complement informative advertising. However, the seller may not benefit from combining uninformative advertising with informative advertising due to high expenditure for uninformative advertising. In addition, there exist other equilibria in which uninformative advertising substitutes informative advertising and uninformative advertising is just redundant.