



**THE HONG KONG UNIVERSITY OF SCIENCE AND TECHNOLOGY
DEPARTMENT OF MARKETING**

When and Why Bundling Two Material Goods Makes an Experience

**Prof. Sarah Moore
University of Alberta**

Date: 14th Apr 2023 (Friday)

Time: 10:00 am – 11:30 am

Venue: Online meeting via Zoom

Abstract:

Experiential and material purchases differ in ways relevant to firms (e.g., word-of-mouth). However, research has not examined how firms' actions might alter the extent to which consumers perceive material purchases as experiential. This research identifies bundling as one such action. We demonstrate that consumers perceive two material goods as more experiential when bundled, and examine when and why this "experiential bundling effect" emerges. To do so, we introduce a novel framework charting four bundle types, differentiated by their component products and frequency of joint use. Bundle type moderates the experiential bundling effect, which emerges only when bundled products are non-identical and infrequently used together (e.g., coffee mug and outdoor cushion). The effect is mitigated when bundled products are identical (e.g., two coffee mugs); non-identical and frequently used together (e.g., coffee mug and coffee pod carousel); and non-identical and almost never used together (e.g., coffee mug and shoehorn). Mediation and moderation experiments show that this effect arises because bundling products that are infrequently used together prompts consumers to consider when and where the products could be jointly used. Such usage contextualization increases experiential perceptions, which shape marketing-relevant downstream consequences such as word-of-mouth intentions, purchase intentions, and impatience to receive a purchase.