Title: The Price-Size Comparison Effect: Consumers Are More Responsive When Packaged Products Differ in Size Than When They Differ in Price

Abstract: Prior research has found that in the context of promotions consumers tend to prefer a bonus pack (a pure gain) over an economically equivalent price discount (a reduction in loss), given that a pure gain looms larger than a reduction in loss on the value function (Diamond and Sanyal 1990). The present research extends this theorizing to a neutral setting where competing brands are framed as either having different package sizes or having different prices. This research proposes and demonstrates in a series of online and lab based experiments that consumers perceive a larger value difference when comparing products on size than when comparing products on price. Consumers are therefore more likely to choose a given option when it is framed as a larger package than when it is framed as a lower price. Across a series of experiments, this research shows that this price–size comparison effect depends on the presence of the second attribute which has the same value across product options, is moderated by the numerosity of the attribute with the different values, is eliminated when quality loss is primed and is persistent even when unit prices are displayed.