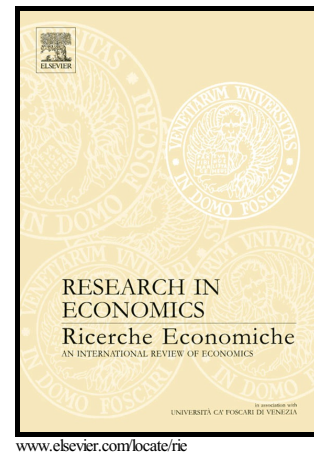


Author's Accepted Manuscript

Mixed Bundling May Hinder Collusion

Edmond Baranes, Marion Podesta, Jean-Christophe Poudou



PII: S1090-9443(16)30088-6
DOI: <http://dx.doi.org/10.1016/j.rie.2016.06.003>
Reference: YREEC672

To appear in: *Research in Economics*

Received date: 18 April 2016
Revised date: 6 June 2016
Accepted date: 6 June 2016

Cite this article as: Edmond Baranes, Marion Podesta and Jean-Christoph Poudou, Mixed Bundling May Hinder Collusion, *Research in Economics* <http://dx.doi.org/10.1016/j.rie.2016.06.003>

This is a PDF file of an unedited manuscript that has been accepted for publication. As a service to our customers we are providing this early version of the manuscript. The manuscript will undergo copyediting, typesetting, and review of the resulting galley proof before it is published in its final citable form. Please note that during the production process errors may be discovered which could affect the content, and all legal disclaimers that apply to the journal pertain

Mixed Bundling May Hinder Collusion*

Edmond BARANES,[†] Marion PODESTA,[‡] and Jean-Christophe POUDOU[§]

June 10, 2016

Abstract

We study the incentives to collude when firms use mixed bundling or independent pricing strategies for the sale of two components of a composite good. The main finding is that collusion is less sustainable under mixed bundling, because this increases the profitability of deviations from the collusive path. The result is robust to extensions with an endogenous choice of the mode of competition (with bundling or independent pricing) and to competition in quantities. These results offer a novel argument against a *per se* rule concerning bundling in antitrust policy.

JEL classification: D4, L1

Keywords: Mixed Bundling; Collusion; Price Competition

*We are grateful to participants at the conferences of the European Association for Research in Industrial Economics (Evora, Portugal), the Association of Southern European Economic Theorists (Alicante, Spain) and Journées de Microéconomie Appliquées (Besançon, France) for helpful comments. We are also highly indebted to the Editor, Federico Etro, we thank Yolande Hiriart for her kind review and two anonymous referees for their helpful comments on this article. We also thank a lot Heather Luna for her thorough proofreading. All of the errors or omissions are our own.

[†]LAMETA, University of Montpellier.

[‡]ART-Dev, University of Perpignan Via Domitia

[§]LAMETA, University of Montpellier, Faculty of Economics, Espace Richter, av. Raymond Dugrand, CS 79606 34960 Montpellier cedex 2. jean-christophe.poudou@umontpellier.fr

Download English Version:

<https://daneshyari.com/en/article/7384211>

Download Persian Version:

<https://daneshyari.com/article/7384211>

[Daneshyari.com](https://daneshyari.com)