TOPIC: Recent Research on Strategic Consumer Behavior in Dynamic Pricing Systems
SPEAKER: Yossi Aviv (Washington University in St. Louis)
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ABSTRACT

Dynamic pricing and revenue management practices are gaining increasing popularity in the retail industry, and have engendered a large body of Management Science research. When implementing dynamic pricing processes, retailers must account for the fact that, often, strategic customers may time their purchases in anticipation of future discounts. Such strategic consumer behavior might lead to severe consequences on the retailers’ revenues and profitability. In this talk, we will discuss some ways in which sellers can adopt creative dynamic pricing schemes to optimally price products in the face of strategic consumer behavior.