

# The Newsletter of the INFORMS Revenue Management and Pricing Section

## In this Issue:

- Message from the Section Chair
- Annual State of the Section Address
- Upcoming Conferences
- 2017 INFORMS Revenue Management and Pricing Section Award
- 2017 INFORMS Revenue Management and Pricing Section Practice Award
- 2017 Revenue Management and Pricing Section Dissertation Award
- How to Join

## Message from the Section Chair

I would like to start my first message by thanking you for the opportunity to serve as Chair of our RMP Section for a year.

Darius Walczak, the former Chair, provides a detailed summary of the state of the Section by December 2016. Hereby, I want to give a big thank-you to him as well as to the outgoing Board members: So Yeon Chun, Bora Keskin, and Anton Kleywegt, with whom I shared the Section governance for a year. I also take the opportunity to welcome the new officers: Dan Zhang (vice-chair) and John Quillinan (treasurer), and the new Board member, Maarten Oosten.

During my first couple of months in this role, I worked closely with Sami Najafi-Asadolahi, our webmaster, on reformulating our Section website, in fact our primary platform as an INFORMS community. The current version is up-to-date with respect to news and events. Sami invested a significant time on this; my special thanks to him. In order to add more value there, I would kindly ask for your collaboration to further populate the “Resources” tab. Please, visit: <https://www.informs.org/Community/revenue-mgt>. Under the “Awards” tab (as well as in this newsletter) you will have information about the 2017 Prizes: Dissertation Award (chaired by Georgia Perakis (MIT)), Section Award (chaired by Vivek Farias (MIT)), and Practice Award (chaired by Robert Phillips (Uber)). I take the opportunity to specially thank the three of them for accepting to lead the respective prize committees.

The Board has also worked closely with the organizers of the Market Innovation Workshop (MIW) -held jointly with the RMP Annual Conference for the last two years- to define the future of our collaboration. Starting from the big overlap between the MIW audience and our community, we all agree to keep the synergies looking forward. In this regard, both MIW organizers and the RMP Board will do our best to collocate when our Annual Meeting takes place in US/Canada. In the meantime, members of our community will get a discounted fee for the MIW registration. See below in this newsletter for further details.

There are two other points that were started in the past and are still going their way, we think in a positive direction: 1) the presence of our field in a well-established and potentially new journal, and 2) our objective to achieve the INFORMS society status. Darius further elaborates on these points in his message below.



Finally, recall that our 2017 Annual Conference will take place at the Centrum Wiskunde & Informatica (CWI) in Amsterdam on June 29-30, 2017. It will be preceded by the EURO Working Group Pricing & Revenue Management Workshop on June 28. Registration and abstract submission are already open. Further information can be found below in this newsletter, or at <http://www.informsrmp2017.com>.

I want to close this message by encouraging you to approach me if you have suggestions or want to discuss any of the aforementioned or other issues.

Thanks for taking the time to read this newsletter. Stay in touch!

Gustavo Vulcano  
Leonard N. Stern School of Business, New York University  
School of Business, Universidad Torcuato di Tella, Argentina

## Annual State of the Section Address

*Did we just have yet another great year or what?*

The state of the section is strong. We have substantially increased our membership, have a comfortable financial position and our annual events turned out very successful; we have started a number of initiatives to improve our offering to the members.

Let me begin with our Section's focal event, the Revenue Management & Pricing (RMP) conference that was hosted by NYU Stern School on June 16—17, 2016. With 191 registered participants, four parallel tracks, and more than 82 talks it beat last year's record attendance. The conference also contributed mightily to our coffers thanks to the profit-sharing arrangement with NYU. So a really big thank-you is in order to the organizers: Ilan Lobel (NYU), Srikanth Jagathula (NYU), and Gustavo Vulcano (NYU, UTDT).

For the second year in a row the conference was preceded by the Market Innovation Workshop (MIW), a new and successful initiative. It was as well attended as the conference itself (183 registered participants) thanks no doubt to the high-profile presentations on new and intriguing topics, including the plenary by Al Roth (Stanford) on kidney exchange, a very relevant example of a so-called matching market. We very much appreciate the hard work put into organizing this day-long event and attracting speakers by the organizing committee: Ramesh Johari (Stanford), Ilan Lobel (NYU), Costis Maglaras (Columbia), and Gabriel Weintraub (Stanford). RMP board is currently working with MIW to make sure that this initiative contributes to our mutual success, within the broadly understood field of Revenue & Pricing Analytics.

Our biggest event of the year and with a somewhat broader focus is, of course, the INFORMS Annual conference. This year it featured 145 talks organized into 47 sessions, including a joint session with Behavioral OM. Congratulations to the RM&P Cluster Chairs Pelin Pekgun and Necati Tereyagoglu for making sure that our cluster continues to be one of the strongest at the biggest OR conference in the nation. The 2017 INFORMS Annual conference will be held, for the first time, in Houston, TX and we hope that Necati and Pelin will pass their organizing experience to the new cluster chairs Dana Popescu (INSEAD), Ruxian Wang (JHU), and Wei Wang (PROS).

The RMP Board held business meetings at each of the two conferences: after some hiatus we held an open board meeting at NYU where many of you voiced opinions and ideas about creating Section's own journal. At the end of the second day of the annual conference in Nashville, TN, we held our usual main business meeting



where updates were given, prizes awarded and the new board was seated; this was followed by a social merriment at the BB Kings, a short walk from Nashville's beautiful Music Center.

The Section's financial reserves stood at slightly above \$75,000 as of early November, which meant an increase of about \$19,000 as compared to their level at the same time in 2015. The increase was due in large part to our portion of the profit from the NYU conference but we also saw a proportionally large increase in revenue from membership dues. The latter was a result of, well, a significant increase in the membership count (from 329 to 484), year over year. We increased membership count in every category, including the non-INFORMS, RMP only category, which does not require taking out the general INFORMS membership first (but we do hope that those RMP members over time will see benefit in joining INFORMS itself).

Apart from the conferences, the second important function of the RMP Section is to select worthy research in the field and reward it. We would not be able to carry all this out without service of many Section members who devote their time to it. We would like to thank all the award committee chairs, members and the contestants themselves for making the effort.

The biggest prize is the Section Award for best work in the RM & Pricing area. The 2016 winner is the team of Arnoud den Boer and Bert Zwart (both CWI) for a series of recent papers on pricing and learning: 'Simultaneously Learning and Optimizing Using Controlled Variance Pricing', 'Mean Square Convergence Rates for Maximum Quasi-Likelihood Estimators' and 'Dynamic Pricing and Learning with Finite Inventories'. Bill Cooper (University of Minnesota) chaired the Section Award Committee and was helped by Vivek Farias (MIT) and Mark Ferguson (University of South Carolina).

The Practice Award Committee: Bob Phillips, Chair (Uber), Sharon Hormby (Marriott), and Pelin Pekgun (University of South Carolina) after some deliberations decided not to pick a winner in this category, but they strongly encourage applications for 2017 and Bob kindly agreed to continue as a chair.

Our newest addition is the Dissertation Award organized for the first time this year by Mikhail Nediak, Chair (Queen's University), Omar Besbes (Columbia) and Huseyin Topaloglu (Cornell). The winner of the inaugural award is Maxime Cohen (NYU) for his doctoral dissertation 'Pricing for Retail, Social Networks and Green Technologies' written under supervision of Georgia Perakis (MIT).

We should mention at this point that each of our awards now comes with a cash prize of \$1,000 (suitably divided amongst members of the winning team, should that be the case). Thanks to our financial position we should be able to continue disbursing those prizes in the foreseeable future.

While there are no cash prizes for service on the Section's Board we are happy to benefit from the continuous interest of members to serve as officers. This year we had another full slate of candidates for the three positions and the elections were smoothly and timely organized by Emmanuel Carrier (Delta) and Arne Strauss (Warwick) ---big thanks to them and to all the candidates who stepped forward. Congratulations to the winners:

- Vice Chair/Chair-Elect: Dan Zhang (UC Boulder)
- Secretary/Treasurer: John Quillinan (IBM)
- Board Member: Maarten Oosten (SAS),

and a big thank-you for their contributions in 2016 and previous years to the board members who have stepped down: Bora Keskin (Duke) and So Yeon Chun (Georgetown).

The conferences and the awards build off the Section's backbone of various support functions and we would like to thank all those who volunteered for those, often in an inconspicuous way. Some of them have been doing it for several years now. Our appreciations to the 2015-2016 team:

- Newsletter Editor: Anton Ovchinnikov (Queen's)
- Web Site Editor-in-Chief: Sami Najafi (Santa Clara)

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- LinkedIn Group Manager: Lila Rasekh (Sabre)
  - Corporate Sponsorship Coordinator: Andy Boyd (UH-EOOI)
  - Job Listings Coordinator: Rob Shumsky (Dartmouth).

We would like to express particular thanks to former Section Chairs and Board members Andy Boyd and Rob Shumsky for all their service to the Section over so many years.

In the 2016 the Board decided to reorganize those functions just a little bit, and with Anton Ovchinnikov (Queen's University) and Sami Najafi (Santa Clara) graciously agreeing to stay on the team's line-up for 2017 is as follows:

- Newsletter Editor: Anton Ovchinnikov (Queen's)
- Web Site Editor-in-Chief: Sami Najafi (Santa Clara)
- Social Media Coordinator: Tom Gorin (PROS)
- Corporate Sponsorship Coordinator: John Quillinan (IBM)
- Job Listings Coordinator: Dirk Sierag (CWI).

More organizational matters: the RMP Manual has been expanded to add more to the officers' responsibilities and update some of the procedures. The Manual codifies our learnings on how to conduct Section's business and since its creation several years ago by Anton Kleywegt has proven itself to be very useful. Those interested can get a soft copy from the library of the RMP Section at INFORMS Connect.

The 2017 RMP conference will be hosted by Centrum Wiskunde & Informatica (CWI), a well-respected research institute in Amsterdam at the end of June, and we have already scheduled the 2018 RMP conference back in North America: it will be hosted by Queen's University's Smith School of Business and will take place in Toronto, Canada.

The Board has started a number of initiatives that will continue in 2017, with the main ones being the question of potentially starting a new RMP journal as well as our level of affiliation with the existing (but independent) Journal of Revenue and Pricing Management, and of course achieving the INFORMS society status. We have reached out to the relevant parties including INFORMS Publications and Editorial Board of JRPM and are weighing available options. We are also very close to the membership count that is typically needed for a society status, namely the 500 members. We did not quite make it this year (just about 20 short) but we can show a steady positive growth and expect, with your cooperation, to check this box off in 2017. Find out more about membership benefits in this newsletter or at <https://www.informs.org/Community/revenue-mgt/Membership/How-to-Join> and pass information on how to join to those who are interested in the field.

Personally, I would like to thank the 2015-2016 Board that I was fortunate to chair, and all the volunteers for the very successful year. I will stay on for one more year as the Past Chair and I am looking forward to a great 2017 working alongside the new Board:

- Chair: Gustavo Vulcano (NYU, UTDT)
- Vice Chair/Chair-Elect: Dan Zhang (UC Boulder)
- Secretary/Treasurer: John Quillinan (IBM)
- Board Member: Dana Popescu (INSEAD)
- Board Member: Maarten Oosten (SAS).

All the best to Gustavo and the new Board! See you all in Amsterdam, NL, and in Houston, Texas.

Darius Walczak, PROS Inc.



# Upcoming Conferences

## 2017 RMP Section Annual Conference

The 17th Annual INFORMS RMP Section Conference will take place at the Centrum Wiskunde & Informatica (CWI) in Amsterdam, on June 29-30, 2017.

This event is the premier forum for both academics and practitioners who are active in research in the fields of pricing analytics and revenue management. The conference includes the announcement and the award ceremony for the winner of the Revenue Management and Pricing Section Practice Award recognizing an outstanding application of revenue management and pricing.

This year, two novel special events will be attached to the conference: Practical problem presentations, and a dynamic pricing challenge. Further details can be found at <http://www.informsrmp2017.com/> Registration and abstract submission is currently open.

The conference will be preceded by the annual workshop organized by the EURO Working Group Pricing & Revenue Management, on Wednesday, June 28, 2017. This is a single-track workshop focusing on successful applications of recent scientific insights in the field.

Abstract submission deadline: April 1, 2017.

## 2017 Market Innovation Workshop

The third edition of the Market Innovation Workshop will take place at Stanford University on June 1-2, 2017. See <http://marketplaceinnovation.net>

The purpose of the workshop is to improve the understanding of new markets, both from the perspective of the market operator and the market participants. The announced list of plenary speakers include Paul Milgrom (Stanford Econ), Asu Ozdaglar (MIT EECS), Bob Phillips (Uber), and Hal Varian (Google), among other prestigious researchers.

Abstract submission deadline: March 15, 2017

Take into account that there is a \$30 discount in the registration fee for RMP Section members.

## Other related conferences

Several upcoming conferences will feature RMP-related topics. Please contact the respective track chairs if you have questions.

- **INFORMS Conference on Business Analytics and OR**  
April 2-4, 2017, in Las Vegas, Nevada  
Presentations are selected after submission of a proposal for a 50 min talk  
In the 2016 edition (April 10-12, 2016), there was a track on RM and Pricing, with 5 speakers

- **POMS 28th Annual Conference**  
May 5-8, 2017, in Seattle, Washington  
Chair of the RMP track: John Turner ([john.turner@uci.edu](mailto:john.turner@uci.edu)), UC Irvine  
Chair of the Retail Operations Management track: Aydin Alptekinoglu ([aydin@psu.edu](mailto:aydin@psu.edu)), Penn State University
- **MSOM Conference**  
June 20-21, 2017, at UNC Chapel Hill, Chapel Hill, NC
- **IFORS 2017**  
July 17-21, 2017, in Quebec City, Quebec, Canada  
Chair of the “Revenue Management, Pricing, and Managerial Accounting” track: Luce Brotcorne ([luce.brotcorne@inria.fr](mailto:luce.brotcorne@inria.fr)), INRIA, France

## 2017 INFORMS RMP Section Practice Award

The RM&P Section Practice Award recognizes outstanding applications of revenue management and pricing techniques. The award includes a plaque and a cash prize. The total cash prize is \$1000 that is shared equally among the winners. Initial submissions are due by April 28, 2017. The final competition for the award will take place live during a special session of the INFORMS Revenue Management and Pricing Conference to be held at Centrum Wiskunde & Informatica (CWI), Amsterdam, The Netherlands, June 29-30, 2017.

The 1st-prize winner and finalists will be selected based on their impact, originality and innovation, and technical merit. The winner will be announced during a prize ceremony at the conference.

The 2017 INFORMS RMP Practice Award is chaired by Robert Phillips (Uber). Nominations should be submitted to him ([robert.phillips@uber.com](mailto:robert.phillips@uber.com)) by April 28, 2017.

More information about the prize, including eligibility rules, nomination instructions, and past winners can be found at: <https://www.informs.org/Community/revenue-mgt/Awards/Practice-Award>

## 2017 INFORMS RMP Section Award

The INFORMS Revenue Management and Pricing Section Award is awarded for the best contribution to the science of pricing and revenue management published in English. The prize is awarded each year at the INFORMS Annual Meeting if there is a suitable recipient and has \$1,000 cash component.

The 2017 INFORMS RMP Section Award is chaired by Vivek Farias (MIT). Nominations should be submitted to him ([vivekf@mit.edu](mailto:vivekf@mit.edu)) by August 11, 2017.

More information about the prize, including eligibility rules, nomination instructions, and past winners can be found at: <https://www.informs.org/Community/revenue-mgt/Awards/Section-Award>



## 2017 INFORMS RMP Section Dissertation Award

The INFORMS Revenue Management and Pricing Section Dissertation Prize is awarded for the best doctoral dissertation in the field of pricing and revenue management written in English. The award has \$1,000 cash component. This year the INFORMS RMP Section is running the second edition of this prize. The following criteria will be used in judging candidate dissertations:

- Fundamental contribution and originality of the ideas or methods.
- Practical importance or applicability in solving important real problems.
- Clarity and excellence of the exposition.

Eligible doctoral dissertations are those of which the dissertation defense took place between June 1, 2015 and May 31, 2017, inclusive. The dissertation should contain the date of the defense or a letter of nomination from a dissertation supervisor should state the date of the defense. To be considered, a dissertation must be nominated by the dissertation supervisor(s).

The 2017 INFORMS RMP Section Award is chaired by Georgia Perakis (MIT). Nominations should be submitted to her ([georgiap@mit.edu](mailto:georgiap@mit.edu)) by August 11, 2017.

More information about the prize can be found at: <https://www.informs.org/Community/revenue-mgt/Awards/Dissertation-Award>

## RMP section – How to Join

To become a member of the Revenue Management and Pricing Section, it is the easiest (but not necessary) just to add it to the regular INFORMS membership. Those who'd rather focus exclusively on the Section's activities can become members only of the Section by calling 1-800-446-3676; the membership comes with a number of benefits.

## Benefits of Membership

As a member of the Section, you will receive our [newsletter](#) with the latest information about section conferences, prizes, and other activities. You will also be eligible for a [50% reduction](#) in the subscription rate for the [Journal of Revenue and Pricing Management](#) – a savings of \$117 – while joining the Section costs \$15 only (with or without the regular INFORMS membership). Section members now receive a discount off the registration fees for the [Annual Section Conference](#) and the [Market Innovation Workshop](#). Only Section members can receive announcements via the Section's List Server. In the future, only the Section members will be able to access portions of the Website by logging in with their INFORMS username and password; one such portion of the website is [Job postings](#) page.