The Newsletter of the
INFORMS Revenue Management and Pricing Section

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Message from the Section Chair

This is a late Spring newsletter, with several updates that I think are relevant to our community.

The first of the two most important events relevant for our community will be happening in June 2017. Our RMP Section Annual Conference will be hosted by the Centrum Wiskunde & Informatica (CWI) in Amsterdam on Thursday, June 29, and Friday, June 30. It will be preceded by the annual workshop organized by the EURO Working Group Pricing & Revenue Management, on Wednesday, June 28. Registration is open until June 15. The other big event for the Section, the INFORMS Annual Meeting to be held on October 22-25, 2017 in Houston, TX, looks at least as big as the past year event. More information about these two events can be found below.

Our Section Board has also been working on accounting for the evolution of our field in terms of interests and scope. Nowadays, *analytics* is not just a trendy word but also a reality that has flooded the industry practice and the research production. In addition, revenue and price optimization are playing a major role in the design, implementation, and operation of online markets. Two major initiatives were pursued in this regard.
- First, we have updated our Mission (included below) to reflect the new era in our field.
- Second, we have joined forces with the organizers of the annual Marketplace Innovation Workshop and proposed the creation of new editorial areas related to Market Analytics in the two flagship journals of the OR/MS communities: Management Science and Operations Research. The former is undergoing a usual 3-year review process, and the latter has been under the process of appointing the new EIC (to start in January 2018). Both Prof. Teck-Hua Ho, current Management Science EIC, and Prof. Xiuli Chao, Chair of the Search Committee for Operations Research, acknowledged the importance of this prolific research area in the field and were receptive of the proposal.

One concern that was raised repeatedly in the past among our community members was the need to have our own research outlet. In addition to the proposal of new editorial areas in the two flagship journals, we have been in contact with Prof. Ian Yeoman, the EIC of the Journal of Revenue and Pricing Management (JRPM) – the journal affiliated with our Section. Ian gently proposed to create a new area within the journal, fully managed by an editorial team appointed by the Board of our RMP Section. We are currently working on defining the terms of the agreement.
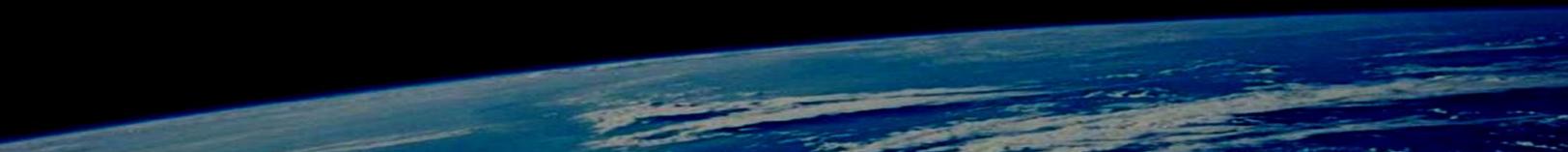
In parallel, the RMP Board is working on preparing the application for the society status within the INFORMS structure. One important aspect of the submission prospects is the membership count, which is currently around 400. We need to do our best to increase this number. If you forgot to renew your membership, or if you know friends and colleagues who may be interested in joining us, please refer them to the registration site. More information is provided below.

The RMP Section primary online platform continued to be updated with the hard work of our webmaster, Sami Najafi-Asadolahi (Santa Clara University). The website has been reformulated following the new INFORMS design. I would kindly ask for your collaboration to further populate the "Resources" tab (podcasts, webinars, books) to add more value. Please, visit our new link: http://connect.informs.org/rmp/home.

Finally, I would like to thank Prof. Omar Besbes (Columbia University) for accepting my invitation to be the chair of the nominating committee for the upcoming election for new RMP officers and Board members. The candidates, jointly with their bios and statements, will be announced soon.

I take the opportunity to thank the committee members of our annual RMP Awards: for the Section Award: Vivek Farias (MIT, chair), Guillermo Gallego (HKUST) and Hamid Nazerzadeh (USC); for the Dissertation Award: Georgia Perakis (MIT, chair), Rene Caldentey (Chicago Booth) and Ilan Lobel (NYU Stern). The nomination deadline for both awards **is August 11, 2017**.

The submissions for the third prize we give, the Practice Award, are now closed. I also thank the committee members: Robert Phillips, Columbia University (Uber, chair), Sharon Hormby (Marriott International), and Pelin Pekgun (University of South Carolina). The winner will be announced during the forthcoming annual conference in Amsterdam.

As in my previous message, I want to close this one 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
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Our Current Mission

In order to account for the new trends in the field towards analytics and market design, the RMP Board has been working on the update of the original Mission, more oriented to the origins of the field in the airline and the hospitality industries. The new Mission was voted unanimously by the Board in April.
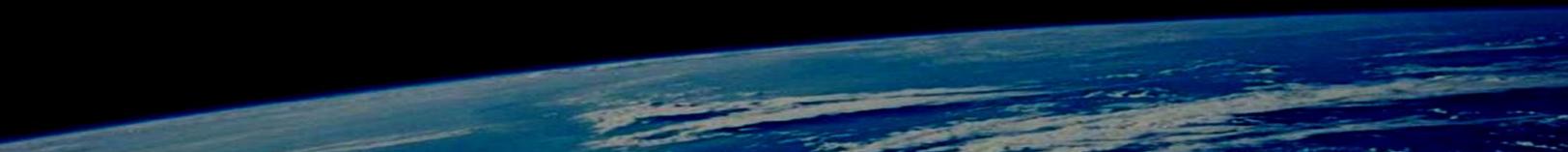
Mission of Revenue Management and Pricing Section

The INFORMS Revenue Management and Pricing (RMP) Section promotes the use of operations research and analytics to study how to better match the supply of a good or service with its demand, often as a process happening over time, i.e., selling the right product to the right customer at the right price at the right time. While pricing and capacity control decisions are emphasized by operators of many traditional industries (e.g., airlines, hotels, and car rentals), recent developments in the sharing economy and in online marketplaces allow the control of a host of additional variables, such as information structure, liquidity, matching mechanism, and terms of trade.

The RMP Section supports innovative research and applications in traditional industries with the purpose of leveraging our understanding of increasingly complex market conditions, and promotes the spread of best practices. At the same time, recognizing the new analytics developments, the Section is broadly interested in research and applications that enhance our understanding of how markets can be better designed and operated, and of how market participants interact to determine market outcomes. Our interests encompass a wide range of applications spanning retail analytics, online advertising, commodity markets, transportation-on-demand, and cloud computing, among others, and a mix of approaches including modeling, theory, and empirics, employing tools drawn from game theory, auctions and mechanism design, optimization, stochastic modeling, econometrics, statistics, and behavioral modeling.

To that end, our goals are:

- To advance the development and application of operations research and analytics in the field of Revenue Management and Pricing in both traditional and innovative settings;

- To promote the development and application of Revenue Management and Pricing in new industries;

- To encourage the exchange of information among practitioners, users, and researchers in the area of Revenue Management and Pricing; and more broadly, Marketplace Analytics, and

- To promote high professional standards in the application of Revenue Management and Pricing.

Conferences Updates

Several upcoming or recent conferences feature RMP-related topics. Please contact the respective conference/track chairs if you have questions.

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 schedule includes over 70 technical talk, 2 plenary lectures aimed at the more practice-oriented attendees, and 7 talks focused on practical problems. The conference includes the announcement and the award
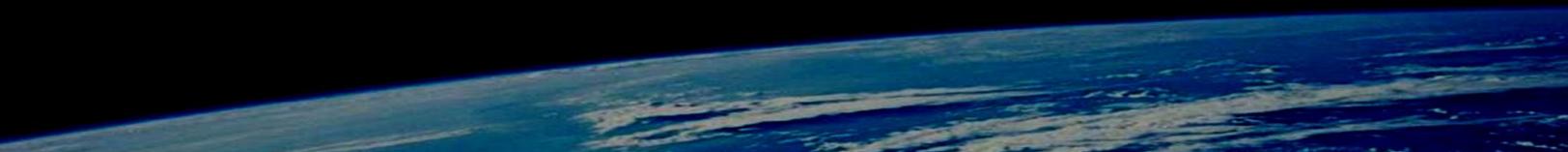
ceremony for the winner of the Revenue Management and Pricing Section Practice Award recognizing an outstanding application of revenue management and pricing.

This year the conference will be preceded by EURO WG Pricing & Revenue Management Workshop 2017 on June 28, with 3 talks focused on practical applications.

Registration deadline: **June 15, 2017**.

INFORMS Annual Meeting 2017: Revenue Management and Pricing Track

It will take place on October 22-25 in Houston, TX. The track has a record-breaking 60+ sessions with topics highlighting tremendous opportunities for both academics and practitioners to learn more about the recent development in modeling, analytical, and empirical techniques, many of which have been widely used in a variety of real businesses.
The track offers sessions with topics including choice models, demand learning and dynamic pricing in the sharing economy and social networks, together with applications in retail, advertising, airlines, and hotels.

Cluster chairs: Dana Popescu (Dana.POPESCU@insead.edu), Ruxian Wang (ruxian.wang@jhu.edu) and Wei Wang (weiwang@pros.com).

The Third Marketplace Innovation Workshop

It will be held at Stanford's Graduate School of Business on June 1 and 2. In its first two iterations, the workshop was held jointly with INFORMS Revenue Management and Pricing Section Conference and featured only plenary speakers. This year, it is a standalone event featuring 11 plenary speakers, 50 contributed talks and dozens of posters. The workshop focuses on the design and operation of new marketplaces and is a great venue for RMP research.

Other Related Conferences

2017 MSOM Conference It will be held at the Kenan-Flagler Business School of University of North Carolina at Chapel Hill. The main conference will be held on June 20 and 21, and the SIG Meetings will be held on June 19. The conference co-chairs are Vinayak Deshpande (Vinayak_Deshpande@kenan-flagler.unc.edu) and Jayashankar Swaminathan (msj@unc.edu).

IFORS 2017 Meeting in Quebec City, Quebec, Canada, July 17-21. Contact Luce Brotcorne at luce.brotcorne@inria.fr.

Recent Conferences

POM Society Annual Meeting was just held in Seattle, WA, May 5-8, 2017. The RMP track was chaired by John Turner, Assistant Professor, University of California at Irvine. As we thank him for his work, below is a quick summary of the event.
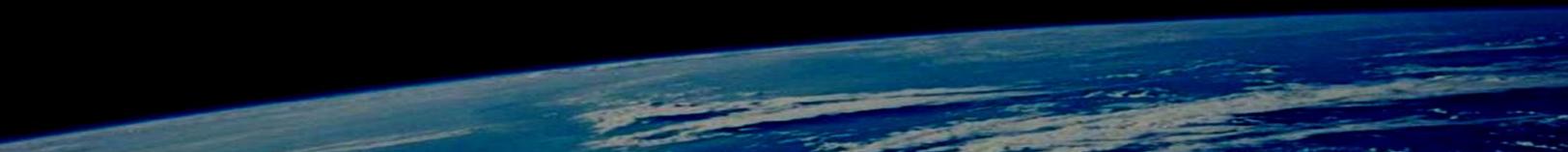
"The RMP track was a major success. Wide participation demonstrated the increasing popularity and importance of the RMP area. A total of 63 talks (47 invited, 16 contributed) in 16 sessions (12 invited, 4 contributed) set a new record for the number of RMP talks, a 17% increase over last year. The diversity of topics showcased the maturity of RMP; these included dynamic pricing, customer choice modeling, assortment optimization, empirical research, capacity sharing, and demand learning; applications included crowd funding, social learning, online advertising, hotels, rail, markdown pricing, drone-based deliveries, and the sharing economy. In addition, topics related to RMP were featured in several other clusters (most notably, retail operations, behavioral operations, and supply chain management)."

INFORMS Conference on Business Analytics and OR was held in Las Vegas, Nevada on April 2-4. There was a track on RM and Pricing, with 6 speakers. More information at http://meetings2.informs.org/wordpress/analytics2017/revenue-management-and-pricing/.

Airline Revenue Management AGIFORS Study Group Meeting 2017 was hosted by United Airlines in San Francisco, California. The meeting took place on May 16 through May 18, 2017, with 20 technical presentations. Conference website: http://www.agifors.org/RM2017.

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 committee members are Vivek Farias (MIT, chair), Guillermo Gallego (HKUST) and Hamid Nazerzadeh (USC).

Nominations should be submitted to Prof. Vivek Farias (vivekf@mit.edu) by August 11, 2017.

More information about the prize, including eligibility rules, nomination instructions, and past winners can be found at: http://connect.informs.org/rmp/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.
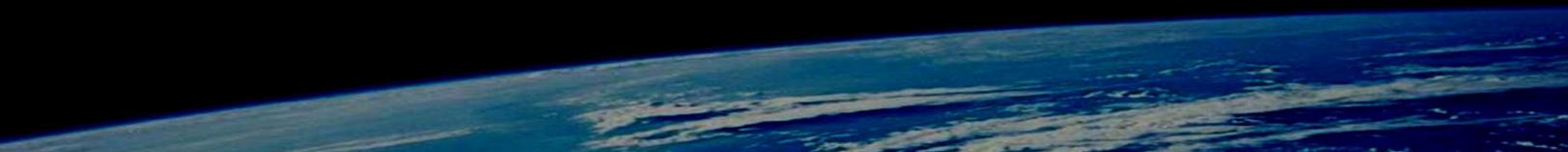
Eligible doctoral dissertations are those of which the dissertation defense took place between June 1, 2015 and May 31, 2017, inclusive. The dissertation should contain the date of the defense or a letter of nomination from a dissertation supervisor should state the date of the defense. To be considered, a dissertation must be nominated by the dissertation supervisor(s).

The 2017 INFORMS RMP Section Award committee members are Georgia Perakis (MIT, chair), Rene Caldentey (Chicago Booth) and Ilan Lobel (NYU Stern).

Nominations should be submitted to Prof. Georgia Perakis (georgiap@mit.edu) by August 11, 2017.

More information about the prize can be found at: http://connect.informs.org/rmp/awards/dissertation-award.

RMP section – How to Join

To join INFORMS and our community, or if you are already an INFORMS member and want to join our community, follow this link, or print and submit the membership application. Make sure to select the Revenue Management and Pricing Section as part of your INFORMS Communities Selection. To join our community without joining INFORMS, please call INFORMS at 1-800-4INFORMS.

Current annual fees:

- For INFORMS members
  - Regular: $15
  - Students: $5
  - Retired: $5
- For non-members: $20

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.