

## Quarterly Newsletter of the INFORMS Revenue Management and Pricing Section

**Fall 2009**

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### **Message from the Chair**

#### **Volunteerism in America**

As the nation continues to face an economic crisis, volunteers may be needed more now than ever. Wikipedia defines volunteering as the practice of people working on behalf of others without being motivated by financial or material gain. According to the Bureau of Labor Statistics of the U.S. Department of Labor, about 61.8 million people, or 26.4 percent of the population, volunteered through or for an organization at least once between September 2007 and September 2008.

In 2008, the main organization--the organization for which the volunteer worked the most hours during the year--was most frequently religious (35.1 percent of all volunteers), followed by educational or youth service related (26.0 percent). Another 13.5 percent of volunteers performed activities mainly for social or community service organizations. Professional organizations were clustered with civic and political organizations, and accounted for 5.5 percent of volunteers.

About 43.7 percent of volunteers became involved with their main organization after being asked to volunteer, most often by someone in the organization. A slightly smaller proportion, 40.8 percent, became involved on their own initiative; that is, they approached the organization. Most volunteers were involved with either one or two organizations--69.6 and 19.3 percent, respectively. Individuals with higher educational attainment were more likely to volunteer for multiple organizations than were those with less education.

These are interesting facts on volunteering in the United States. Professional organizations such as INFORMS and its predecessors ORSA and TIMS, have always relied on volunteers. The Society's Business Office provides a tremendous amount of support to INFORMS at large, its

membership, national meetings, and publications, as well as the communities, including our Section. While the Business Office processes membership, handles our treasury (or finances), orders refreshments for our business meetings, administers our elections, and provides plaques for our award (just to name the major activities), the Section relies mostly on its volunteers. It is countless presenters that volunteer to prepare presentations, and come to meetings at their own or their company's expense and take time off from their regular jobs...to put themselves in front of their peers for their research or implementations to be applauded or questioned. Most of us have been in the "hot seat". It is the volunteer efforts of session chairs, and track/cluster chairs that bring continuity and coherence to Section's programs. Without the meeting organizers, we would not have a summer conferences, or for that matter, national meetings. Then, there are the behind-the-scene volunteers, such as the prize committees, the newsletter editor and the webmaster (or web site editor). Some section members serve as special and associate editors of the journals, including the Journal of Pricing and Revenue Management. We have members that are willing to serve the section in some capacity to oil the wheels that allow all of us to come together twice a year to network, and collect/exchange ideas.

Perhaps, you would like to see something done differently, or you have been thinking about finding a niche in the Section, please contact either myself or any of the Section Board members. It is a rich and rewarding experience that could lead you to a life of volunteerism.

John Quillinan  
Section Chair

References:

- U.S. Bureau of Labor Statistics, "Volunteering in the United States, 2008" (available [here](#))
- "Volunteering in America" ([website](#))

### **Congratulations to new Section Officers**

As of the Section meeting at the San Diego INFORMS meeting, new officers have taken over leadership of this section. John Quillinan ([john.quillinan@gmail.com](mailto:john.quillinan@gmail.com)) is our new Chair, Bill Cooper ([billcoop@me.umn.edu](mailto:billcoop@me.umn.edu)) is our Vice Chair/ Chair Elect and Ahmet Kuyumcu ([akuyumcu@prorize.com](mailto:akuyumcu@prorize.com)) is our Secretary/ Treasurer. Joern Meissner continues in his role as webmaster. In addition, we have three board members: Ioana Popescu, Costis Maglaras and Nicola Secomandi. Kalyan Talluri ([kalyan.talluri@upf.edu](mailto:kalyan.talluri@upf.edu)) will chair the prize committee this year. Thanks to these individuals for volunteering their time and talent to our section. Please contact any one of these leaders for opportunities to volunteer in this Section. Thank you to Costis Maglaras and Maarten Oosten for their service last year as Chair and Secretary/ Treasurer (respectively). Also, thank you to Rob Shumsky as he rotates off of his three years of service from chair elect/ chair/ board member and to Itir Karaesmen for her two year term as board member.

**Bitran, Chen, and Simchi-Levi win awards for research significantly contributing to the RM field**

Gabriel Bitran won the 2009 Historical Prize for contributing both to the theory and practice of revenue management as well as introducing revenue management to the broader community. His papers from 1995 and 1996 are specifically identified as establishing a rigorous framework for hotel reservations RM research and his 1997 paper helped influence practice by illustrating optimal markdown pricing in the retail sector.

Xin Chen and David Simchi-Levi won the 2009 section prize, awarded for work “in the best tradition of the practice of operations research and management science”. Their paper presents a fundamental contribution and advancement of our understanding of the integration of inventory control and dynamic pricing decision. By introducing the concept of “symmetric K-concave functions”, the authors generalized the well-known (S,s) policy and characterized optimal inventory and pricing strategies.



Xin Chen (left) and David Simchi-Levi (right) receive their awards from Rene Caldentey (middle). Congratulations!

### **Join the RM&P LinkedIn group**

We have successfully opened a new LinkedIn subgroup entitled INFORMS Revenue Management and Pricing Section. This subgroup focuses on people who are interested in research and practical applications in Revenue Management and Pricing. You can connect to interesting people and receive news feeds in the subject area. LinkedIn puts your curriculum vita on the web and is a great tool to introduce yourself and make professional connections. Best of all, you can join LinkedIn and the group for free. To join, follow one of these links:

[www.linkedin.com/groups?gid=2434869/](http://www.linkedin.com/groups?gid=2434869/) Or [www.linkedin.com/e/vgh/2434869/](http://www.linkedin.com/e/vgh/2434869/) For more general information on LinkedIn, follow this link: <http://press.linkedin.com/about> Join now to

enjoy the benefits of LinkedIn in general and our group in particular. Contact Lila Rasekh (Walt Disney World) ([lila.rasekh@gmail.com](mailto:lila.rasekh@gmail.com)) with any questions.

### **News from the *Journal of Revenue and Pricing Management***

The Journal of Revenue and Pricing Management carries timely, relevant articles drawn from both industry applications and academic research.

Highlights for 2010 include a number of topical special issues: The first is a double issue from the INFORMS RM&P section, guest edited by Robert Shumsky, Dartmouth College, USA. Volume 9, #3 is a special partial issue on new service economy. Guest Editor: Professor Irene Ng, Exeter University, UK. Volume 9, #4 is a special partial issue from the AGIFORS Amsterdam conference, Guest Editor: Sunny Ja Shau-Shiang, American Airlines.

Members of the RM&P Section are entitled to significantly reduced subscription rates an individual annual rate of \$120 rather than the standard \$223. To receive the reduced rate, download and mail the subscription form, available [here](#).

To learn more about the journal, visit [www.palgrave-journals.com/rpm/](http://www.palgrave-journals.com/rpm/).

### **New award! Call for submissions for the RM&P Section Practice Award**

The RM&P Section Practice Award recognizes outstanding applications of revenue management and pricing techniques. The 1st-prize winner and finalists will be selected based on their impact, originality, and technical merit. The prize committee consists of Warren Lieberman (Veritec Solutions), Maarten Oosten (PROS), and Robert Phillips (Columbia School of Business and Nomis Solutions).

Initial submissions are due by April 1, 2010 (not a joke!) and should include a 3 – 5 page description of the work and its impact. The submission should summarize the problem, the solution approach, and the results. Please submit your entry to [robert.shumsky@dartmouth.edu](mailto:robert.shumsky@dartmouth.edu).

Finalists will present at the INFORMS RM&P Conference at Cornell June 16 – 18 and the winner will be announced at the conference. Any work completed within the past 3 years is eligible. Questions about the application procedure should be sent to [robert.shumsky@dartmouth.edu](mailto:robert.shumsky@dartmouth.edu).

### **Upcoming conferences**

Mark your calendar for future conferences.

The RM&P Section Summer conference will be held at Cornell University June 16 – 18. Chris Anderson will chair the conference. As we get closer to the conference, more details will follow. However, for early information, check the website: [www.cornellRMandPconference.com](http://www.cornellRMandPconference.com) or email: [RMandP@cornell.edu](mailto:RMandP@cornell.edu).

The 2010 INFORMS conference will be held in Austin, TX Nov. 7 – 10. Wei Ke ([wke@novantas.com](mailto:wke@novantas.com)), Maarten Oosten ([moosten@prospricing.com](mailto:moosten@prospricing.com)) and Darius Walczak ([dwalczak@prospricing.com](mailto:dwalczak@prospricing.com)) will co-chair the RM&P cluster.

### **Corporate sponsorship opportunities**

There are still opportunities for your organization to sponsor section activities – these include but are not limited to sponsoring the section’s web site or sponsoring a coffee break the upcoming Northwestern conference. Sponsoring a RM section initiative prominently associates your organization with the premier organization for quantitative pricing and revenue management. To learn more, contact Ahmet Kuyumcu at [akuyumcu@prorize.com](mailto:akuyumcu@prorize.com).

### **Join the Revenue Management and Pricing Section**

For \$8 (slightly more if you don’t belong to INFORMS) you can become part of the most respected group of analytical pricing professionals in the world. Simply check the box when you sign up for INFORMS and Section membership ([www.informs.org/index.php?c=52&kat=MEMBERSHIP](http://www.informs.org/index.php?c=52&kat=MEMBERSHIP)). Those who wish to sign up for the Section without joining INFORMS will need to mail in a form with an attached check ([PDF](#)). Alternatively, you can call INFORMS at 1-800-446-3676.

If you have information that you would like included in future issues of the newsletter, please contact Carrie Queenan at [c\\_queenan@nd.edu](mailto:c_queenan@nd.edu).