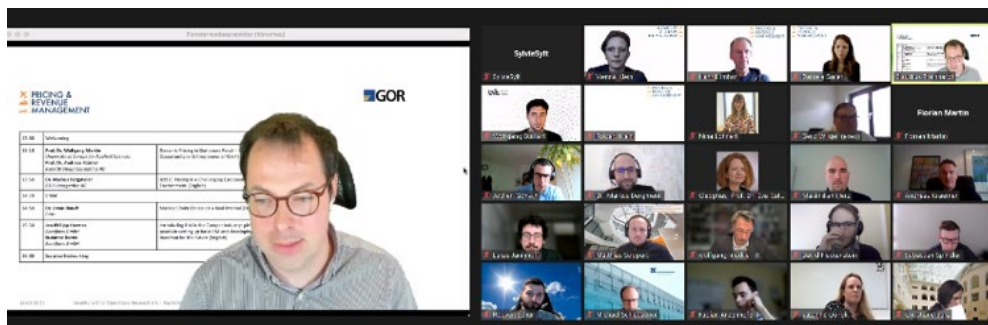


Online Session 2022 of the GOR Working Group Pricing & Revenue Management

Vienna Klein and Claudius Steinhardt, Munich



Since a physical meeting of the Pricing & Revenue Management Working Group could not be offered again in 2022 due to the Covid 19 pandemic, another online session of the Working Group was held. This year's session was blocked to a single afternoon and involved an online networking event to enable and encourage the direct exchange among our community members. It took place on February 18, 2022.



There were more than 80 registrations from researchers and practitioners of a wide range of industries and more than ten universities, originating from numerous European countries. This shows the tremendous commitment and loyalty of our working group members even in these challenging times.

Overall, this year we were able to offer an appealing program with a wide range of topics. It comprised a market research project on dynamic pricing, a talk about challenges and obstacles in B2B2C pricing of home appliances, a technical talk on Markov Chain choice modelling as well as an exciting presentation of how to introduce Revenue Management into the daily business of a start-up of the rental and leisure industry.

The first talk was the presentation of joint work of Prof. Dr. Andreas Krämer (exeo Strategic Consulting AG) and Prof. Dr. Merkle (University of Europe for Applied Sciences). They conducted market research which, on one hand, uncovered the need for digital and dynamic pricing in brick-and-mortar stores to stay competitive amongst alternative marketplaces, i.e., online marketplaces. On the other hand, it highlighted the obstacles and challenges of introducing dynamic pricing in stationary retailing. Thereby, especially customer rejection is of concern.

The second talk, given by Dr. Markus Bergmeier (BSH Hausgeräte AG), addressed opportunities and obstacles of B2B2C pricing of home appliances. He first showed growing market potential and the development of the market participants' market shares which motivated a pricing transformation towards a "direct to consumer" (D2C) pricing strategy that does not cannibalize or harm B2B business. It bases on a differentiation through added value rather than aiming on a price leadership.

After a short coffee break, Dr. Jonas Rauch (PROS, Inc.) presented a recent research project about Markov Chain choice modelling which was initiated by last year's online sessions of the working group. He presented a model that he developed to predict customer choice in settings which are distinguished by a high number of options that are subject to frequent changes, some on short notice, and where substitution between neighbouring options is observed. The model is an extension of a continuous Markov chain choice model towards a parametric model, such that it can also be applied when options are unobserved so far.

Finally, the last talk of the day took the audience back to a more practical field. Suzanne Dorok and Jan-Philipp Harmes (ROADfans GmbH) talked about their experiences and challenges of introducing revenue management into the daily business of a fast-growing start-up in the rental and leisure industry. The company buys camper vans, offers them for rent in a 24/7 fashion for a certain period and sells them at the end of the season. Thereby, they face distinguishing challenges such as low cancellation rates, limited upgrading opportunities, and specific in-house sales business challenges. They started-off their business with fixed prices and are now developing a dynamic pricing logic that is supposed to base on revenue management-related KPIs and a specifically tailored forecasting strategy.

After the talks, all participants had the chance to join an online networking event to meet-and-greet other members, discuss topics from the talks of the day, address potential collaboration opportunities, and accelerate joint work projects. All in all, although face-to-face exchange is certainly indispensable, the online format has proven again to be a good bridging platform for maintaining mutual exchange and knowledge transfer in the revenue management community. We believe that especially now, in times of



dramatic upheaval in almost all markets, the connection and integration of research and practice, as well as the informative exchange between revenue management professionals from different industries, brings significant benefits. Nevertheless, we look forward to returning to a more traditional working group meeting and expect to welcome our community members back in person at the next meeting.

The next meeting will take place on March 3, 2023 in Düsseldorf. We are very pleased that ROADfans GmbH could be won as a host and would like to take this opportunity to sincerely thank the managing director Jan Philipps Harms for the invitation. Further information will be announced via the working group's community platform at <https://www.pricing-und-revenue.management>.