

1 Topic: Industry and Company Specific Reports

Your project can focus on revenue management applications in a certain industry. Those industries include, but are not limited to:

- Transportation Industry: Airlines, Railways, Subways, Ferries, Maritime cargo/passenger transportation, Trucking companies, Toll-road operators.
- Hospitality Industry: Hotels, Resorts, Restaurants, Cruise lines, Casinos, Theme parks, National parks, Conference tourism, Ecological tourism, Medical tourism.
- Rental business: Cars, Furniture, Durable goods, Computers.
- Entertainment Industry: Movie theaters, Theaters, Operas, Symphonies, Concerts, Talk shows, Cirques.
- Sports: Prosports (MLS, NBA, NHL, NFL-AFL), College sports, Olympiads, World Cup.
- Advertisement: On Internet, Newspapers, Radio, Television.
- Healthcare: Hospitals (profit, non-profit), Clinics, Pharmaceutical companies.
- Retailers: Apparel, Beverage, Consumer electronics.
- Finance: Banking fees, Mortgage fees, Finance charges.
- Real estate: Housing, Apartment rental, Commercial real estate, Office rental.

You can also focus on local companies that operate in the above listed businesses.

2 Decisions

After you pick a topic, you should make a list of important revenue management decisions. Some examples of such decisions are pricing, segmentation, overbooking, markdowns, markups, timing of sending unsold inventory to secondary stores. What are the important issues or constraints while making these decisions.

3 Demand

Explain the peculiarities of the demand for your industry/company. Some peculiarities are strong trends, seasonality, jumps in the demand as a result of predictable or unpredictable events, dependence on macroeconomic factors, dependence on substitutes, dependence in the time until the expiration of the capacity or departure of a vehicle. Provide demand data in figure/table, if you can find such data.

Identify major demand drivers besides price. Demand-price relationship deserves a separate section.

4 Price

Explain list price and pocket price, if they apply to your industry/company. Point out the differences between these two. Point out if the company is a price leader or a follower or if the industry has a leader or a follower.

Explain if there is a reference price and how it is constructed. Are there ways of managing it such as up-down pricing?

5 Demand-Price Relationship

Qualitatively, preferably with the support of data, comment on demand-price relationship. Does this relationship look like linear, constant elasticity, logit, multinomial logit relationships?

6 Price Optimization

Is the price based on cost, competition or value? Explain.

Is the price optimized, how? If not, what are the hurdles to price optimization? Your answer can refer to data, information, ability to implement different prices, legal factors, customer preferences/resistance, previous attempts/failures, software availability.

7 Price Differentiation

Is price differentiation implemented in your industry/company? What are the customer classes? How are they separated? Several separation tactics are distribution channel, time/amount of the sale, versioning of the product, identity of the purchaser.

8 Competition

How is the competition taken into account? Is the competitor monitored?

9 Format

Project can be done in groups of 2-3 students. Graphs, charts and tables are useful to illustrate your points/data. You should write at most 30 pages for your report. Include your references at the end of your report.

If you have written reports on a specific industry in the past and would like to focus on revenue management aspects in that industry, you can use parts of your previous reports for this project report. However, please make sure that you are focusing on revenue management in your reports. To the extent that your report is revenue management specific, your grade will be higher.