Pricing Strategy: Prefatory Note

The papers appearing in this supplement to the *Journal of Business* were presented at a conference organized by Subrata K. Sen and held at the University of Rochester on September 24 and 25, 1982. The conference brought together businessmen and leading researchers in marketing and economics who have been investigating problems in the area of pricing. Pricing is one of the most important decision areas in business. Yet it is an area where businessmen often feel that they have inadequate guidance from the available academic research. In recent years, however, researchers have made significant progress in developing practical pricing strategies that can be very useful for business firms. This increased knowledge of pricing has not been disseminated well to the business community. Therefore, a conference that brought together business people and academic researchers in marketing and economics to discuss pricing strategies appeared to be a useful undertaking. The specific objectives of the conference were: (1) to review the state of the art in pricing research and discuss current business applications of existing research; (2) to present the latest research in pricing; and (3) to identify unsolved problems and future directions of research.

In order to fulfill these objectives, the initial session of the conference was devoted to a review of existing research in pricing in both the economics and marketing literatures (see the papers by Thomas Nagle and Vithala Rao). This was followed by several sessions where some of the latest research on pricing was presented. The papers that fall into this category are those by (1) Oren, Smith, and Wilson on product line pricing; (2) Goldberg, Green, and Wind on pricing hotel packages; (3) Katz on competitive multiproduct pricing; (4) Clarke and Dolan on dynamic pricing strategies; and (5) Schmalensee on pricing product bundles. The final session consisted of a panel discussion which had the following objectives: (1) to discuss the managerial implications of the papers presented at the conference; (2) to cite available pricing research that was not presented at the conference; and (3) to identify future research directions. The panelists were individuals from business (Herbert Blitzer from Eastman Kodak Co. and Abe Schwartzbard from AT & T) as well as academics from both marketing and economics (John Little and Jesse Markham).

Each paper presented at the conference was formally discussed by a marketer and an economist. The discussants' comments are also published in this volume.

The conference was sponsored by the American Telephone and Telegraph Company, Eastman Kodak Company, Marketing Science Institute, and the Graduate School of Management of the University of Rochester. Special thanks are due to Abe Schwartzbard (AT & T), Herbert Blitzer (Eastman Kodak), and Alden Clayton, Raymond Corey, and Diane Schmalensee (all of the Marketing Science Institute) for their help in obtaining the funds to support the conference. Thanks are also due to the Graduate School of Business of the University of Chicago and the *Journal of Business* for agreeing to publish the conference proceedings in this special issue. It is hoped that this volume will serve to disseminate the results of the conference to a wider audience and encourage further research on pricing problems. Readers of this volume may also be interested in an earlier special issue of the *Journal of Business* (vol. 53, No. 3, pt. 2, July 1980) which carried the proceedings of a related conference, "Interfaces between Marketing and Economics."

In addition to those listed in the Table of Contents, the following individuals also participated in the conference (e.g., as session chairmen): Frank Bass (University of Texas at Dallas), Robert Blattberg (University of Chicago), Alden Clayton, John Farley (Columbia University), Donald Morrison (Columbia University), Ram Rao (University of Texas at Dallas), Brian Ratchford (State University of New York at Buffalo), Allan Shocker (Vanderbilt University), Richard Staelin (Duke University), and Russell Winer (Columbia University).

Finally, we would like to acknowledge the assistance of the following individuals in planning the program: Alden Clayton, Raymond Corey, Diane Schmalensee, Richard Schmalensee (MIT), Patricia Reagan (Ohio State University), and Anne Coughlan, Martin Geisel, Dan Horsky, Michael Jensen, Shlomo Kalish, John Long, William Meckling, and Sridhar Moorthy (all of the University of Rochester).

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