



The Best Strategic Method for Optimizing Segmented Forecasts: Revenue Management

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ABSTRACT

This study explores the notion of revenue management, which has typically been regarded as a method for adjusting pricing, and advocates for a more comprehensive interpretation of its significance. In contemporary contexts, it appears essential to reassess this perspective. Revenue Management, a strategy aimed at maximizing profits, stabilizing operations, and managing demand, cannot merely be classified as a variant of pricing policy. Its implementation primarily relies on the interplay between market behavior and income optimization. It constitutes a systematic process that encompasses the management of available units alongside the predictive logic associated with customer segments. This approach must consider the availability of supplied units and their alignment with the anticipated characteristics of demand. This paper emphasizes the importance of segmented prediction within the context of Revenue Management application..

Keywords: Revenue Management, strategic approach, forecasts, Segmentation, Services.

Introduction

Revenue Management involves a range of complex strategies aimed at improving and forecasting demand across various segments. This multifaceted approach is essential for businesses seeking to optimize their revenue streams. By employing these strategies, organizations can better align their offerings with market demand, ultimately leading to increased profitability. This approach aims to enhance the revenue capabilities of service-based enterprises by meticulously evaluating their existing capacity. The focus is on understanding how to optimize resources to achieve the highest possible financial return. By analyzing operational limits, businesses can strategically position themselves to capitalize on market opportunities.

Utilizing these strategies enables organizations to more effectively synchronize their products and services with consumer needs, which in turn fosters enhanced economic outcomes. This alignment not only satisfies customer expectations but also positions the company favorably within the competitive landscape. As a result, businesses can experience a significant boost in profitability and market share, reflecting their responsiveness to market dynamics.

The aim is to customize the products and services for different market segments through the application of a strategic pricing model. This approach seeks to enhance market penetration and customer satisfaction. By aligning pricing strategies with the specific needs of each segment, businesses can optimize their revenue potential and competitive positioning. By utilizing data gathered on consumer behavior, businesses can create a pricing strategy that is distinctively aligned with the structure of production and distribution. This approach not only enhances the relevance of the pricing model but also aims to optimize total revenue generation.

Understanding the precise characteristics of each market segment is crucial for creating an accurate demand forecast. This knowledge allows businesses to tailor their strategies to meet the unique needs of different consumer groups. Consequently, a well-informed approach can lead to more effective resource allocation and improved sales performance. Robust optimization methodologies significantly impact pricing strategies by effectively managing price categories. These techniques prioritize classes that contribute substantially during peak demand periods, ensuring that businesses maximize their revenue potential. Furthermore, they play a crucial role in attracting customer segments that might otherwise be overlooked, thereby enhancing overall market reach.

I – An overview

1 - Revenue Management

Revenue management, a concept rooted in Anglo-Saxon terminology, has been a subject of ongoing debate regarding its translation into French. The complexities surrounding this term have resulted in various interpretations among researchers. Some scholars draw parallels between revenue management and revenue management; however, this connection can be somewhat deceptive, especially when revenue is considered in a more expansive context. It is essential to recognize the distinctions that exist within these concepts to avoid conflating them.

providers to not only possess relevant information but also to adeptly manage their pricing strategies. This strategic approach enables them to enhance their overall revenue potential (Coulter, 1999; Desiraju and Shugan, 1999).

Effect	Description	Impact on price sensitivity
Unique value	Customers perceive the product to have unique benefits or value to them	Lower
Perceived substitute	Customers believe that substitute products are easily available	Higher
Difficult comparison	It is difficult for customers to make product characteristic, benefits or price comparisons	Lower
Total expenditure	The expenditure on the product represents a large portion of the customer's total expenditure	Higher
End benefit	Customers believe that the benefit received from the product is unique	Lower
Shared cost	Customer only pay for a part of the cost of the product	Lower
Sunk investment	Customers have already purchased complimentary products that are used in conjunction with the item	Lower
Price-quality	Customers believe that the product is a prestige item of high quality	Lower
Inventory	Customers cannot store the product	Lower

Figure 2: Factors affecting price sensitivity (Adapted from Nagle and Holden 12)

2 - Revenue Management a careful strategic segmentation of markets to maximize revenue potential.

Revenue management refers to the strategic adjustment of pricing based on various factors such as time, product category, and target consumer demographics. It is essential for service-oriented businesses to create a pricing structure that is easily comprehensible to diverse consumer groups. This approach is supported by the findings of Desiraju and Shugan (1999) and Lovelock and Wirtz (2005), who emphasize the importance of clarity in pricing strategies.

Determining suitable pricing strategies for each market segment is essential for maximizing profitability and enhancing market communication. By carefully analyzing the characteristics and needs of different consumer groups, businesses can tailor their pricing models to align with the perceived value of their offerings. This strategic approach not only fosters a deeper understanding of market dynamics but also facilitates more effective engagement with target audiences.

It is important to recognize that the implementation of this pricing strategy must consider the rates set by rival firms in order to enhance market competitiveness (Colla and Dupuis, 1997). This consideration is crucial for businesses aiming to position themselves effectively within their respective industries. By analyzing competitors' pricing structures, companies can make informed decisions that align with market expectations and consumer behavior.

Following the identification of the intended consumer segments, it is essential to make strategic trade-offs among them. For instance, a decision may need to be made between catering to 'individual customers' versus targeting collective groups (Capiez, 2003). This process requires a careful analysis of the potential benefits and drawbacks associated with each segment.

Research by Jones and Hamilton (1992) indicates that during times of high demand, hotel managers often choose to remove lower-priced options from their offerings. This approach is designed to enforce a minimum stay requirement, thereby optimizing revenue during busy periods. Additionally, the acceptance of group reservations is dependent on their readiness to pay the highest rates, allowing the hotel to benefit from the surge in demand.

II- Revenue Management a businesses can effectively respond to market demand fluctuations

1 -The effectiveness of segmentation in optimizing targeted marketing initiatives.

In their 1995 study, Donaghy and McMahon outlined essential marketing strategies for implementing revenue management. Among these strategies are the segmentation of customers and a methodical emphasis on anticipating customers' future requirements and desires. Revenue management, therefore, prompts service-oriented businesses to enhance and develop their customer segmentation techniques.

In the hospitality industry, it is feasible to execute a revenue segmentation strategy that categorizes customers based on their business or leisure purposes, geographical locations, duration of their stay, and their spending behaviors according to different market segments (Capiez, 2003). This approach allows for a more tailored service offering, enhancing customer satisfaction and optimizing revenue streams. By understanding the distinct needs and preferences of each segment, hotels can better allocate resources and marketing efforts to maximize profitability.

Segmentation refers to the process of categorizing a collective of consumers into uniform subsets, which are determined by their buying behaviors, anticipations, and usage patterns. This analytical approach allows marketers to tailor their strategies to meet the specific needs of each segment. By understanding the distinct characteristics of these subsets, businesses can enhance their engagement and improve customer satisfaction.

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The transition is occurring from conventional segmentation methods to micro-segmentation, culminating in the focus on individual customer segments (Desiraju and Shugan, 1999; Bosse, 1997; Cross and Samuelson, 1997; Coulter, 2001; Oberwetter, 2001). This evolution reflects a growing recognition of the importance of personalized marketing strategies. As businesses strive to enhance customer engagement, the shift towards micro-segmentation allows for more tailored approaches that cater to the unique preferences of each consumer.

Revenue management incorporates both cost analysis and marketing data pertaining to various market segments, enabling the differentiation of customer categories based on their sensitivity to specific factors (Autissier, 2000; Shine, 1992). This differentiation is crucial for understanding consumer behavior and optimizing pricing strategies. Essentially, the market can be divided into two primary segments: those that exhibit sensitivity to price fluctuations and those that remain unaffected by such changes (Desiraju and Shugan, 1999; Oberwetter, 2001).

The price-sensitive consumer segment primarily consists of leisure travelers who tend to make reservations well in advance, prioritize cost savings, and prefer to travel during off-peak seasons. This group is characterized by their careful budgeting and strategic planning, which allows them to take advantage of lower prices. Their travel choices are often influenced by the desire to maximize value while minimizing expenses, leading to a distinct set of behaviors in the marketplace.

The limitations imposed on this category of consumers prevent them from accessing various services tailored for the business sector. These services include the ability to select the overall duration of their stay or to determine the departure date for their travel arrangements. This exclusion is highlighted in the works of several scholars, including Ladany (2001), Capiez (2003), and Desmet (1999), among others.

The growing focus on customer segmentation within revenue management can be attributed to its beneficial effects on demand forecasting. This relationship highlights the importance of understanding customer behavior and preferences. By effectively segmenting customers, businesses can tailor their strategies to better meet the needs of different groups, ultimately enhancing their forecasting accuracy.

2- Revenue Management : the strategic approach of optimizing revenue through the careful allocation of resources

The implementation of revenue management encompasses various objectives, including the management of price reductions. This strategy aims to optimize revenue by adjusting prices in response to market demand and consumer behavior. By effectively managing price reductions, businesses can attract a broader customer base while maximizing their profit margins.

To create a pricing structure that meets the needs of all customers, it is essential for the company to possess comprehensive data regarding daily sales from the previous year, as well as insights into events that may influence business operations in the current timeframe (Garraud, 1997). This information is crucial for understanding consumer behavior and market dynamics. Without such data, the company risks setting prices that do not align with consumer expectations or market conditions. In a similar vein, it is essential to gather data regarding customers in order to effectively classify them. This process of categorization is crucial for understanding customer behavior and preferences. By obtaining relevant information, businesses can tailor their strategies to meet the specific needs of different customer segments.

The organization establishes a distinct pricing structure based on the classification of the customer, which may be an individual, a business proprietor, or a collective entity (Scuto, 2000). This approach allows for tailored pricing strategies that reflect the varying needs and capacities of different customer segments. By differentiating rates in this manner, the company can optimize its revenue while ensuring that each customer type receives appropriate value for their investment.

The implementation of Revenue Management fundamentally hinges on a predictive framework that utilizes a historical database segmented by customer demographics (Farrell, 2002; Busuttil, 2001; Barro and Canestrelli, 2005; Lovelock and Wirtz, 2005; Perdue, 2002; Capiez, 2003; Wang, 2001; Desiraju and Shugan, 1999; Guilloux, 2000; Baker and Collier, 1999; Zollinger and Desmet, 1997). This approach allows businesses to analyze past behaviors and trends, enabling them to make informed decisions regarding pricing and inventory management. By leveraging this data, organizations can optimize their revenue streams and enhance customer satisfaction through tailored offerings.

A comprehensive examination of historical data must prioritize occupancy rates, the volume of reservations from the inception of service to its actual provision, and various performance metrics. Additionally, it is essential to consider sales refusals, walk-ins, no-shows, and cancellations. Furthermore, one should account for business-related occurrences such as holidays, trade shows, fairs, and conferences, as these factors significantly influence overall performance (Guérin, 1997; Capiez, 2003; Belobaba, 1989).

The predictive framework facilitates the identification of significant occurrences that necessitate immediate intervention (Sinsou, 1999). In the realm of decision-making, such a system proves invaluable as it highlights events that could potentially disrupt operations. By prioritizing these critical incidents, organizations can allocate resources more effectively and respond in a timely manner.

Consequently, through a methodical prediction of cancellations and instances of no-shows, the hotel company is able to ascertain the appropriate degree of overbooking (Capiez, 2003). This analytical approach allows for a more informed decision-making process regarding room allocations. By leveraging historical data and trends, the firm can optimize its occupancy rates while minimizing potential revenue loss.

3- The role of consumer segmentation in enhancing demand forecasting methodologies

Numerous research efforts have been undertaken to assess the influence of segmentation on demand forecasting. These studies aim to elucidate the relationship between market segmentation and the accuracy of demand predictions. By analyzing various segments, researchers seek to enhance the precision of forecasting models, thereby improving operational efficiency in various industries (see figure3).

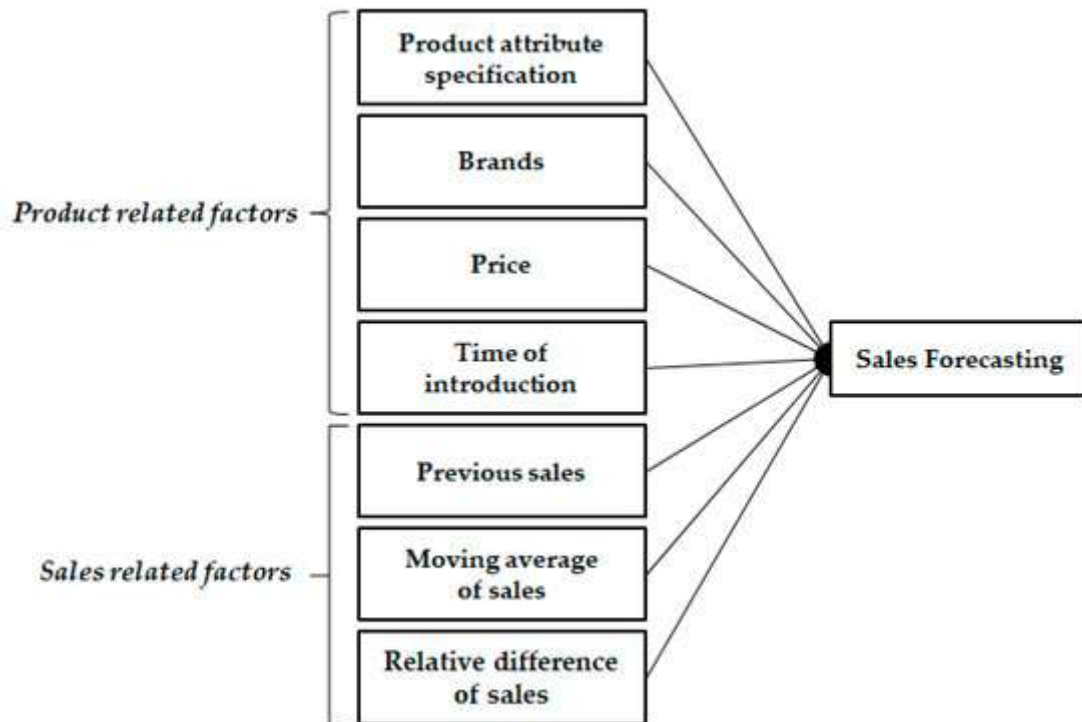


Figure 3- A conceptual framework of integrated sales forecasting for mobile phones. Hwang (2023)

These models have been tailored specifically for the hospitality sector, as noted by Baker and Collier (1999), Kimes (2000), Bourbonnais and Usunier (2001), Raeside and Windle (2000), Bodily and Weatherford (1995), Quain, Sansbury, and Quinn (1999), Le Gall (1998), Weatherford (1995), and Capiez (2003). The adaptation of these models highlights their relevance and applicability within the context of hotel management. By integrating these frameworks, the industry can enhance its operational efficiency and decision-making processes.

By analyzing the demand projections for each market segment, the service company can ascertain the expected number of units to provide in each fare category and the optimal timing for shifting from one fare to another (Smith, Leimkuhler, and Darrow, 1992). This strategic approach allows for a more tailored offering that aligns with market needs, enhancing customer satisfaction and operational efficiency. Furthermore, it enables the firm to respond proactively to fluctuations in demand, ensuring that resources are allocated effectively to maximize profitability.

Understanding the demand trends within each market segment enables the service provider to strategically adjust its pricing. Consumer purchasing and consumption patterns exhibit a degree of predictability that is unique to each demographic segment (Coulter, 2001). This specificity allows for a nuanced understanding of market behaviors. Consequently, businesses can tailor their strategies to align with the distinct preferences and tendencies of various consumer groups.

Effective demand forecasting enables a service organization to prevent the rejection of full-price offerings while discounted options remain accessible (see example figure 4). Consequently, it is advantageous to motivate price-sensitive customers to make reservations early in order to take advantage of lower rates. This proactive approach not only maximizes revenue but also enhances customer satisfaction by providing them with the opportunity to secure better deals.

Consensus Forecasting Process		Procedural Blind Spot	Informational Blind Spot	Incentive Mis- alignment
<i>Business Assumptions Package</i>				
Multiple sources		✓	✓	
Multiple interpretations		✓		
Interpretation source explicitly labeled				✓
<i>Functional forecasts</i>				
Private info not in BAP			✓	
Functional interpretation of assumptions		✓		
Aggregate forecasts at family level		✓		
Ignoring planning expectations supply chain constraints		✓		✓
<i>Proposed Consensus Forecast</i>				
Weighted average of functional forecasts				✓
Weights in terms of past proven performance		✓		
Initial anchoring for consensus process				✓
<i>Final consensus meeting</i>				
Resolution of diverging forecast				✓
Uncover private information used in functional forecasts			✓	
Uncover private interpretation of public information		✓		✓
<i>Forecast Review</i>				
Financial and Operational		✓		✓
BAP revision		✓		✓

Figure4 Example of Process Steps and Biases Mitigated (Oliva 2009)

The management of forecasts within the hospitality industry is significantly dependent on reservations made by tour operators. These operators play a crucial role in attracting a diverse array of consumer groups from various national backgrounds. Their commitment to facilitating these bookings is essential for the operational success of hotels (figure 5).

It is important to highlight that these travel organizations secure bookings well ahead of time at significantly reduced rates. The revenue manager is responsible for adjusting the room inventory to accommodate upcoming travel organization reservations. This process involves reserving a segment of the hotel's accommodations while considering the likelihood of cancellations.

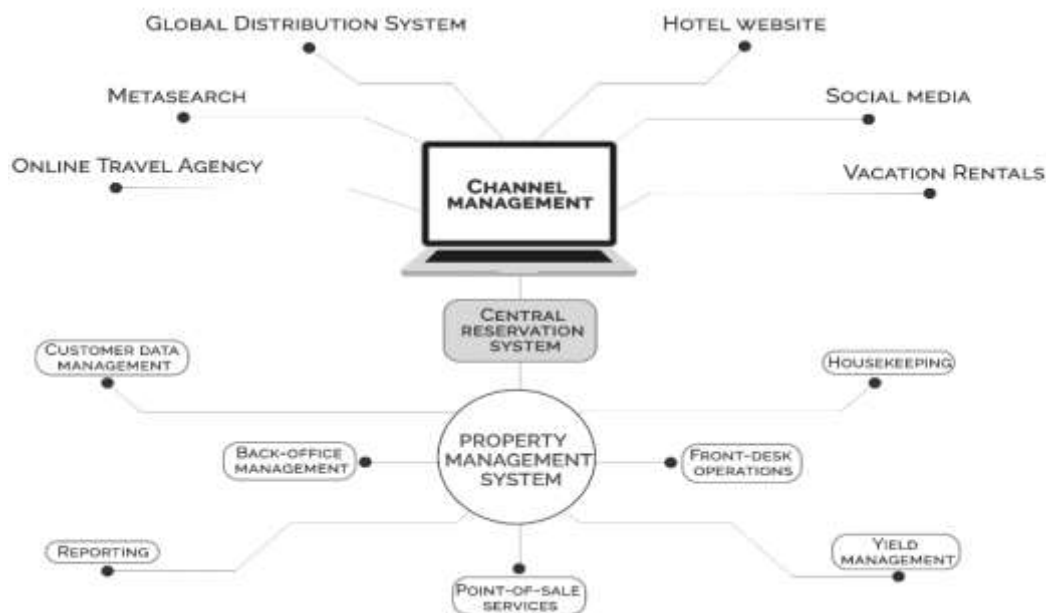


Figure 5 property management system (DDI Development 2018)

In France, there are approximately 300 entities known as travel organizers, which are also referred to as wholesalers or tour operators. These intermediaries play a crucial role in the tourism sector by acting as both assemblers and purchasers of various tourism-related services. Their operations encompass

essential components of the tourism chain, including transportation, catering, and accommodation, thereby facilitating a comprehensive approach to tourism management.

The current landscape of tour operators is characterized by the rise of two distinct categories. On one hand, there are the large conglomerates such as Fram, Accor Tour, Club Méditerranée, Havas Voyages, and Marmara. These organizations dominate the market with their extensive resources and broad service offerings. On the other hand, we observe a growing presence of medium-sized and small tour operators that focus on niche markets, providing specialized services tailored to specific customer needs.

French tour operators encounter a notable challenge when compared to their counterparts such as Thomson, Neckermann, and TUI, which boast sizes that are four to five times greater than the largest French entities like Nouvelle Frontières and Jet Tours. This disparity in scale presents significant operational and competitive hurdles for the French market. Furthermore, it is essential to highlight Clio, a company that focuses on premium cultural travel experiences, as well as Quantus Evasion, which offers two prominent products: Terres d'aventure and Terres de charme, emphasizing a return to nature, authenticity, and thematic exploration.

Consequently, the establishment of a database that encompasses detailed information regarding demand across various segments, as well as the historical progression of bookings, is deemed crucial. This database would serve as a vital resource for understanding market trends and consumer behavior. By analyzing this data, stakeholders can make informed decisions that enhance operational efficiency and customer satisfaction.

This enables service-oriented firms to mitigate the effects of trade-offs from earlier periods, thereby facilitating a more accurate assessment of contemporary trends (Guilloux, 2000; Capiez, 2003). In doing so, these companies can better align their strategies with the evolving market dynamics. Consequently, they are positioned to respond more effectively to the demands of their clientele, ensuring sustained competitiveness in their respective sectors.

The core principle of revenue management involves the daily monitoring of reservation statuses from the moment of booking until the service is fully rendered (Barro and Canestrelli, 2005; Farrell, 2002; Busutil, 2001; Wang, 2001; McEvoy and Bernard, 1997; Zollinger and Desmet, 1997; Noone, Breffni, Griffin, and Peter, 1997; Turley, Phillips, Johnson, Jones, and Chambers, 2003; Koide and Ishii, 2004; Vinod, 2004; James, 2004; Jesitus, 2004; Perdue, 2002; Ladany, 2001; Lomanno, 2004; Choi and Mattila, 2004). This systematic approach allows for effective management of resources and optimization of revenue streams. By ensuring that all reservations are tracked meticulously, businesses can enhance their operational efficiency and customer satisfaction.

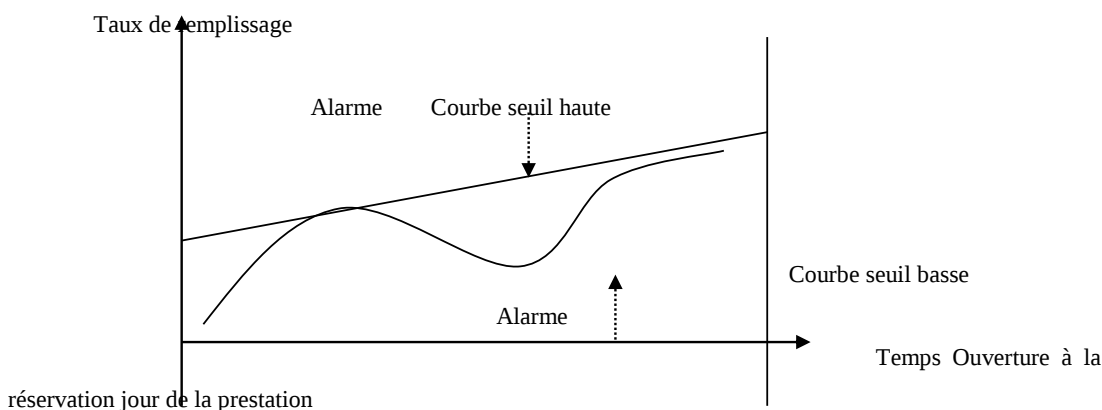
Understanding booking ramp-up profiles is crucial for determining the acceptance or rejection of a request (Kimes, 1989; Pratte, 1986; Guilloux, 2000; Capiez, 2003). This knowledge allows decision-makers to evaluate the potential impact of a request on operational capacity. Consequently, it plays a significant role in optimizing resource allocation and ensuring service quality.

Consistent updates to forecasts prove beneficial during the interval from the initiation of the service to its actual implementation. In this context, Pratte (1986) introduced a methodology designed to track the progression of bookings at predetermined intervals. These intervals are specifically marked as D-90, D-67, D-49, D-35, D-21, and D-14, allowing for a structured approach to monitoring booking trends.

This approach entails the creation of two distinct threshold curves, as illustrated in Figure 6. The initial curve, referred to as the upper curve, signifies the maximum boundary of the estimates. This delineation is crucial for understanding the limitations of the data being analyzed.

The second curve, positioned lower, represents the anticipated minimum level of bookings. This curve serves as a benchmark for evaluating booking performance. It is essential to understand this metric in the context of overall demand and supply dynamics.

Figure 6 : Courbes seuils



Capiez : *Revenue Management, optimisation du revenu dans les services*, Hermès Science, 2003, Paris, p. 65

Results

Consequently, when the real demand patterns diverge significantly from the predicted figures and surpass either of the two established threshold curves, a notification is activated. This alert compels the service provider to implement appropriate corrective actions. Such measures may include the adjustment of fare classes, either by closing or opening them, as noted in the works of Kimes (1989), Pratte (1986), and Guilloux (2000).

This approach enables the observation of booking growth on designated dates (day 80, day 60, day 40, day 20, day 10) by utilizing recent historical data (Pratte, 1986; Capiiez, 2003; Barro and Canestrelli, 2005). The examination of this data facilitates a deeper comprehension of booking trends across various timeframes. By concentrating on particular intervals, scholars can discern patterns that could guide future booking methodologies. This analytical approach not only enhances understanding but also aids in the development of more effective strategies.

When booking patterns deviate from the norm, a system of automatic reallocation is activated by segments to oversee and enhance operational efficiency. This mechanism is designed to respond promptly to irregularities in booking behavior, ensuring that resources are utilized effectively. By continuously monitoring these patterns, the system can make necessary adjustments to maintain optimal performance levels.

This approach mitigates the potential for waste among high-value customers when a product is priced lower than its optimal value (Desiraju and Shugan, 1999; Busuttil, 2001; Barro and Canestrelli, 2005; Perdue, 2002; Capiiez, 2003; Wang, 2001; Desiraju and Shugan, 1999; Guilloux, 2000; Baker and Collier, 1999; Zollinger and Desmet, 1997).

In light of this principle, it may be beneficial to limit the variety of products available to consumers who are particularly sensitive to price, given their minimal contribution to overall profitability (Cross and Samuelson, 1997; Autissier, 2000; Guilloux, 2000; Zollinger and Desmet, 1997; Ladany, 2001; Capiiez, 2003; Kenneth, Layton-Rodin, Rerolle, and Harrington, 1998; Kimes, 1994; Smith, Leimkuhler, and Darrow, 1992; Desmet, 1999). This approach could streamline offerings and enhance operational efficiency. Furthermore, it aligns with the strategic goal of maximizing returns from more profitable consumer segments.

Belobaba and Weatherford (1996), along with Belobaba (1987-1989) and Guilloux (2000), introduced an alternative model that integrates two distinct categories of reservation classes: 'independent' and 'nested.' This model aims to enhance the understanding of reservation systems by categorizing them into these two types. The differentiation between independent and nested classes allows for a more nuanced approach to analyzing reservation dynamics.

In the context of independent reservation categories, a specific allocation of units is designated for each category. This allocation operates under the principle that the sale of a unit diminishes the availability within its respective category. Importantly, this reduction in availability does not influence the stock levels of other categories, ensuring that each class operates independently in terms of unit availability.

This approach provides the benefit of allocating the optimal distribution of units available by class prior to initiating the reservation phase (Belobaba, 1987). The strategic allocation of resources is crucial in maximizing efficiency and ensuring that the needs of different classes are met effectively. By implementing this method, airlines can enhance their operational performance and customer satisfaction.

Nonetheless, this approach has faced criticism for potentially causing the service provider to decline sales to customers who are prepared to pay the highest price (Belobaba and Weatherford, 1996; Guilloux, 2000). This concern raises important questions about the implications of pricing strategies on customer relations. The refusal to engage with high-paying customers may ultimately harm the company's reputation and profitability.

In relation to the nested class system, each transaction within a specific class diminishes the overall availability of that class as well as the availability of other classes. This approach is viewed as an enhancement compared to earlier methods, as it safeguards classes with high contributions from those with lower contributions. The implications of this system are significant, as they ensure that the integrity of high-contribution classes is maintained, thereby promoting a more equitable distribution of resources.

Conclusion

The division of the market, informed by insights gained from consumer behavior data, enables service-oriented companies to implement a pricing strategy that is both distinctive and in harmony with their production and distribution frameworks. This strategic alignment ultimately enhances total revenue generation. By examining consumer behavior, firms can identify various segments within the market, which facilitates the development of pricing strategies tailored to the unique characteristics of each segment. These strategies not only resonate with consumer preferences but also align with the operational capabilities of the organization. As a result, the adoption of such pricing strategies can lead to improved financial performance, allowing firms to optimize their revenue streams while ensuring their offerings remain competitive in the marketplace.

This methodology not only enables the development of a customized pricing strategy but also guarantees that the services provided align with the distinct requirements and preferences of various consumer groups. In doing so, it enhances customer satisfaction and loyalty. Furthermore, by understanding the unique characteristics of each segment, businesses can optimize their offerings to better meet market demands. This strategic alignment ultimately leads to improved financial performance and competitive advantage.

Utilizing consumer data insights enables organizations to refine their pricing strategies, aligning them with the perceived value across different market segments. This approach not only enhances profitability but also strengthens competitive positioning within the marketplace. By understanding consumer behavior and preferences, companies can make informed pricing decisions that resonate with their target audience.

Furthermore, understanding the precise characteristics of each market segment is essential for creating an accurate demand forecast. This knowledge allows businesses to tailor their strategies effectively, ensuring they meet the needs of their target audience.

Through the examination of these particular characteristics, organizations are able to predict market developments and modify their products and services in response. This proactive approach enables businesses to stay ahead of competitors and meet consumer demands effectively. By aligning their strategies with anticipated trends, companies can enhance their market positioning and drive growth.

Price differentiation, coupled with demand forecasting, enables a strategic segmentation of the market, which effectively minimizes the proportion of customers who are sensitive to price fluctuations. This approach allows businesses to tailor their pricing strategies to different segments, thereby optimizing revenue generation. By understanding the varying levels of price sensitivity among consumers, companies can implement targeted marketing strategies that appeal to each segment's unique preferences and behaviors.

In order to achieve this objective, it is crucial to impose restrictions on certain services for the demographic that exhibits sensitivity to pricing. This approach ensures that the needs of this particular segment are adequately addressed while maintaining overall service quality. By carefully managing the availability of these services, organizations can better align their offerings with the financial constraints of price-sensitive consumers. This strategy entails reducing the number of units allocated to consumers who are sensitive to price fluctuations. Such a reduction allows for the protection of units reserved for more profitable market segments. Consequently, this approach aims to enhance overall profitability by prioritizing high-value customers.

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