

# Price Competition with Revenue Management and Costly Consumer Search

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# Paper Contents

- Proposes a search duopoly model with sequential arrival.
- **New** Price is a function of available space and amount of remaining clients.
- **New** Duopoly can charge higher price than monopoly.
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- So, merging might be beneficial.

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- Monopolist is likely to choose a smaller capacity than two duopolists (you have an example when two duopolists choose the capacity of 2 each — no way monopolist will find it reasonable to have a capacity of 4).
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