

# Investigation on the Perception of Yield Management Policies by Visitors of a Cultural Heritage Institution

The Case of the Arena in Verona  
Selena Marogna



# Agenda

1. Yield Management
2. The Case Study: The Arena
3. Methodology
4. Results & Implications
5. Limitations & Further Research

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# Yield Management I

## Definition

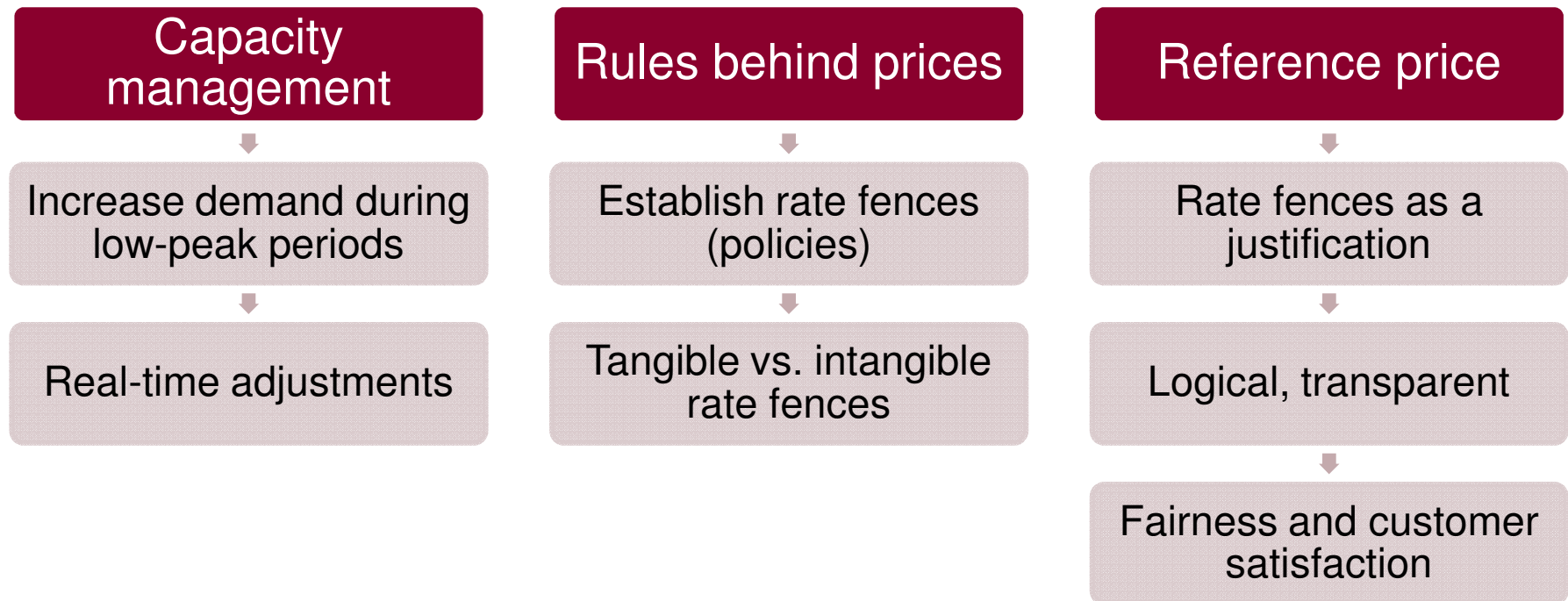
*selling the right product to the right customer at the right time and right price (Kimes, 1989)*



## Yield Management II

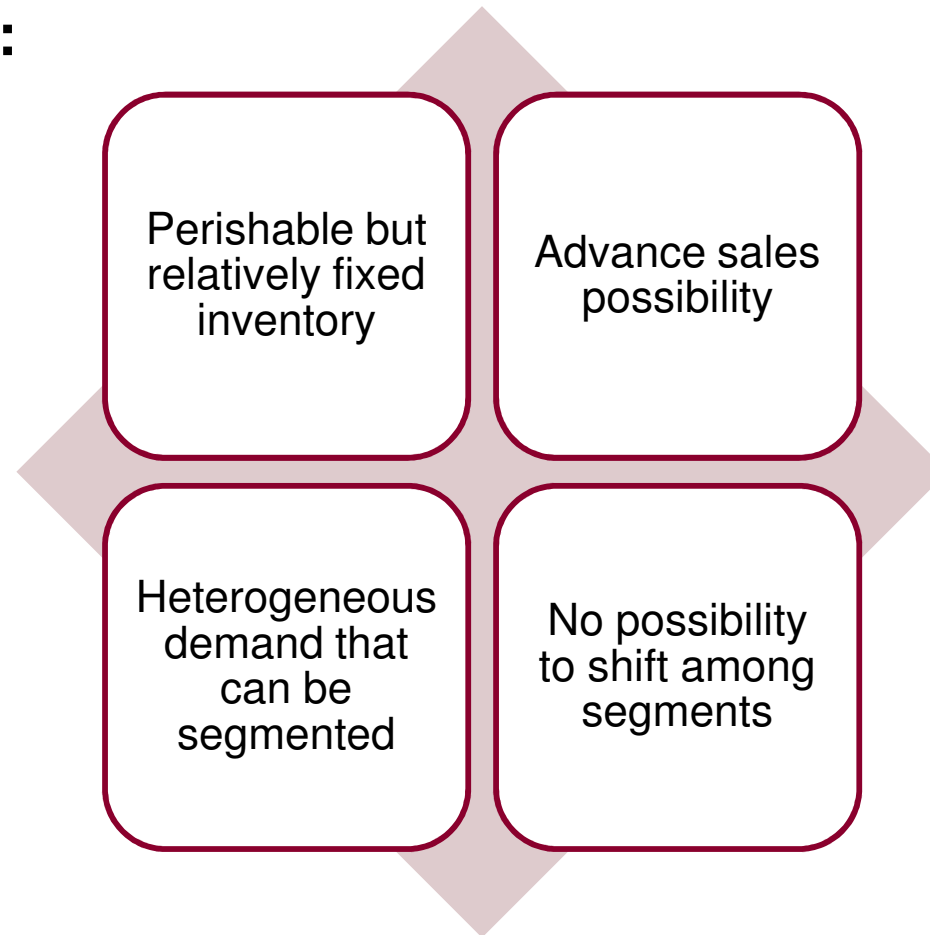
### Price Management:

*is the ability to offer discounted rates for limited periods of time to selected group(s) of customers (Kimes, 1989)*



# Yield Management III

## Requirements:



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## The Case Study: The Arena I

General c



# The Case Study: The Arena I

## General

- Open



# The Case Study: The Arena I

## General outlook:

- Opera festivals in summer
- Up to 15,000 customers
- Fixed number of performances

2010:

50 performances  
9,000 customers/performance  
Occupancy rate: 62%

# Why yield management?

# The Case Study: The Arena II

## Ticket sale procedures:



## The Case Study: The Arena III

### Ticket sale procedures:

Already established rate fences

Day of  
consumption

Type of  
performance

Young,  
elderly,  
customers  
with  
disabilities

Type of seat



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# Methodology I



## Research questions (RQ):

1. How do customers judge rate fences?
2. Which characteristics can influence their opinions?

## Hypotheses:

- Directionality of statement: fairer when presented as discount
- Familiarity influences fairness: fairer when more familiar
- Customers' characteristics influence their opinions

# Methodology II

## Research design:

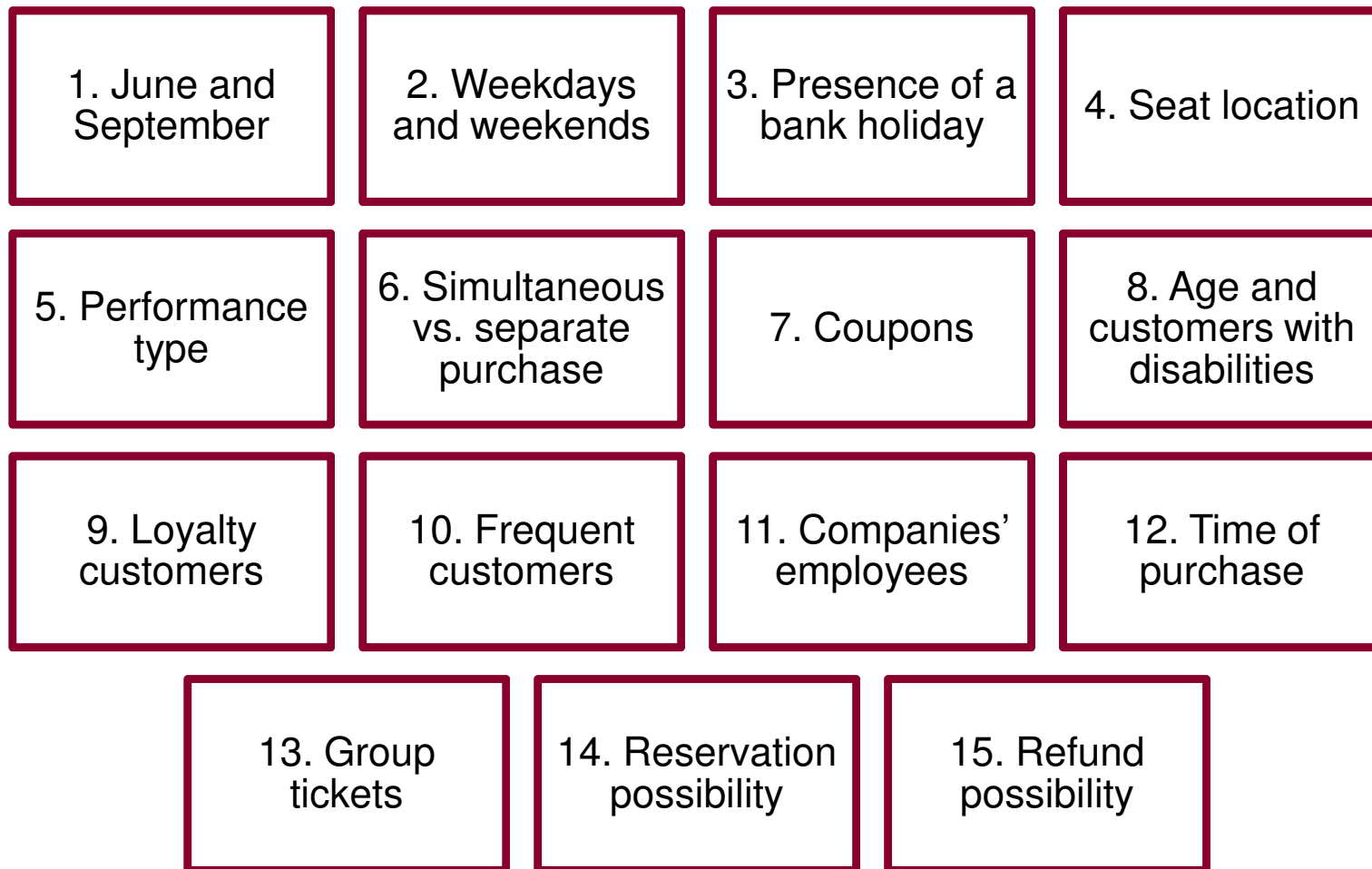
### Population

- Customers who had already purchased an unnumbered ticket, waiting for the opera to begin

### Survey

- Fairness, familiarity and respondents' characteristics
- Likert scale
- 2 versions (discount vs. surcharge)
- 15 rate fences

## Methodology: The Rate Fences (Policies)

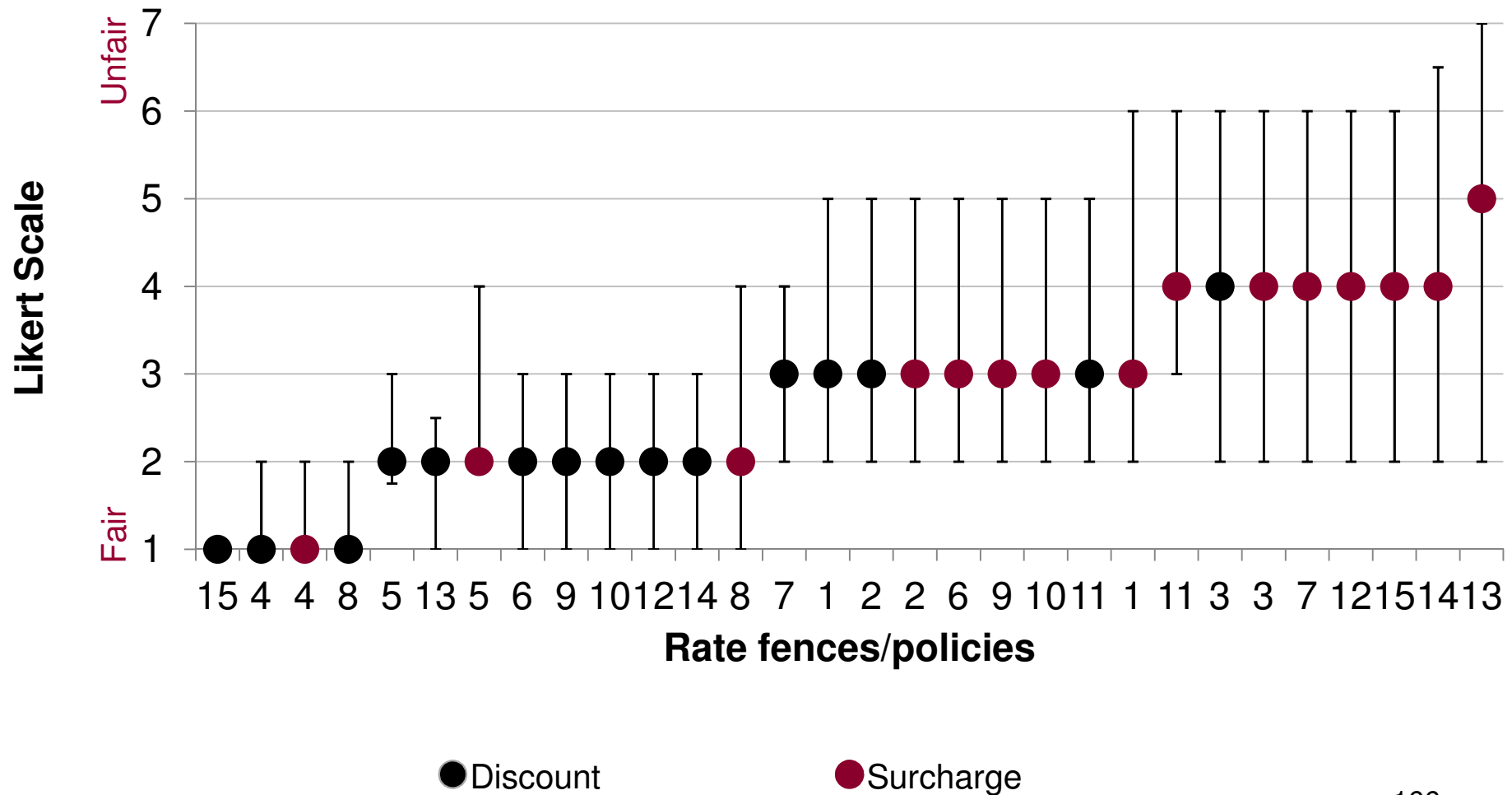


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## Results & Implications: RQ 1

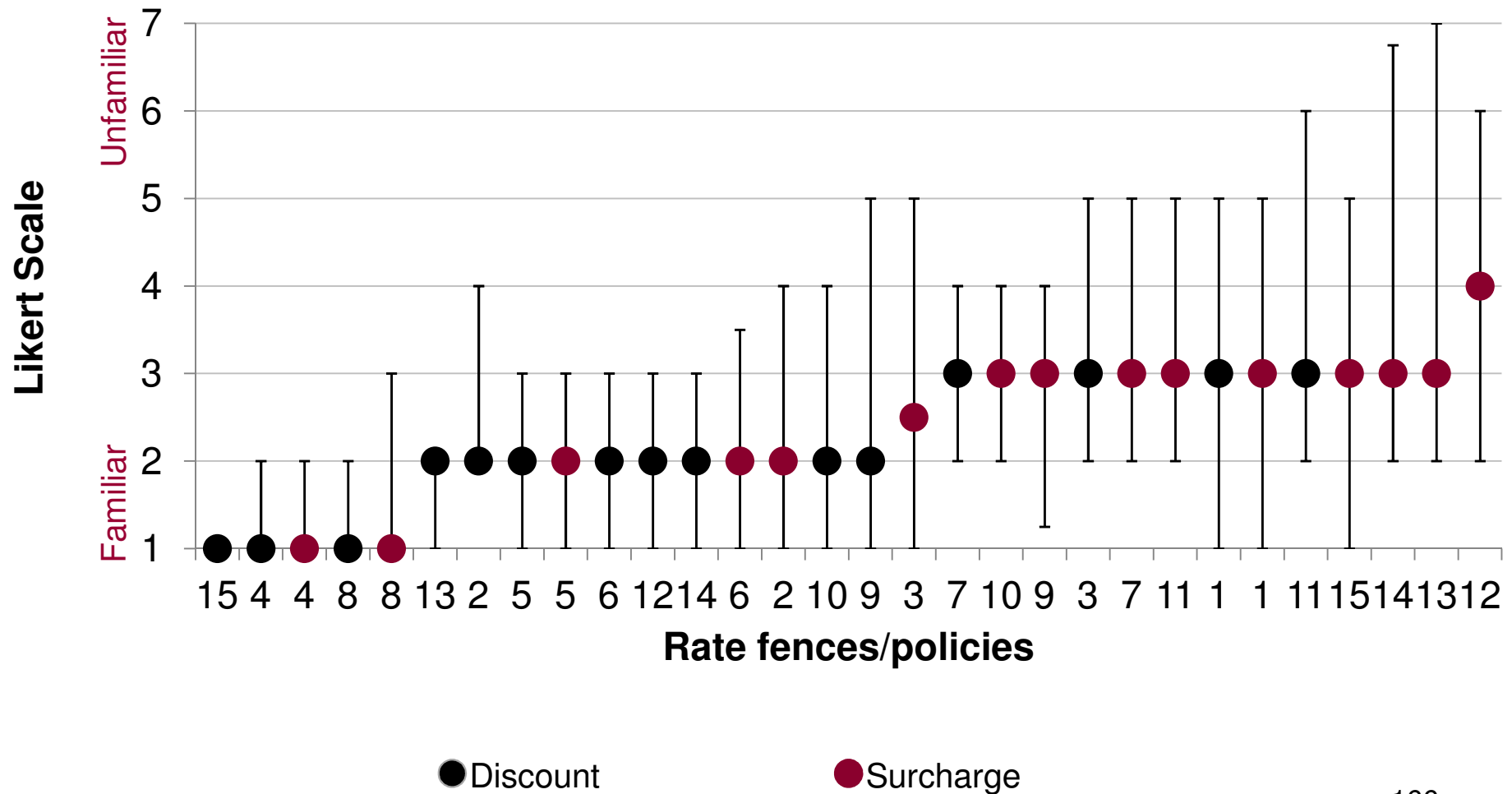
### Fairness Perception



n=166

## Results & Implications: RQ 1

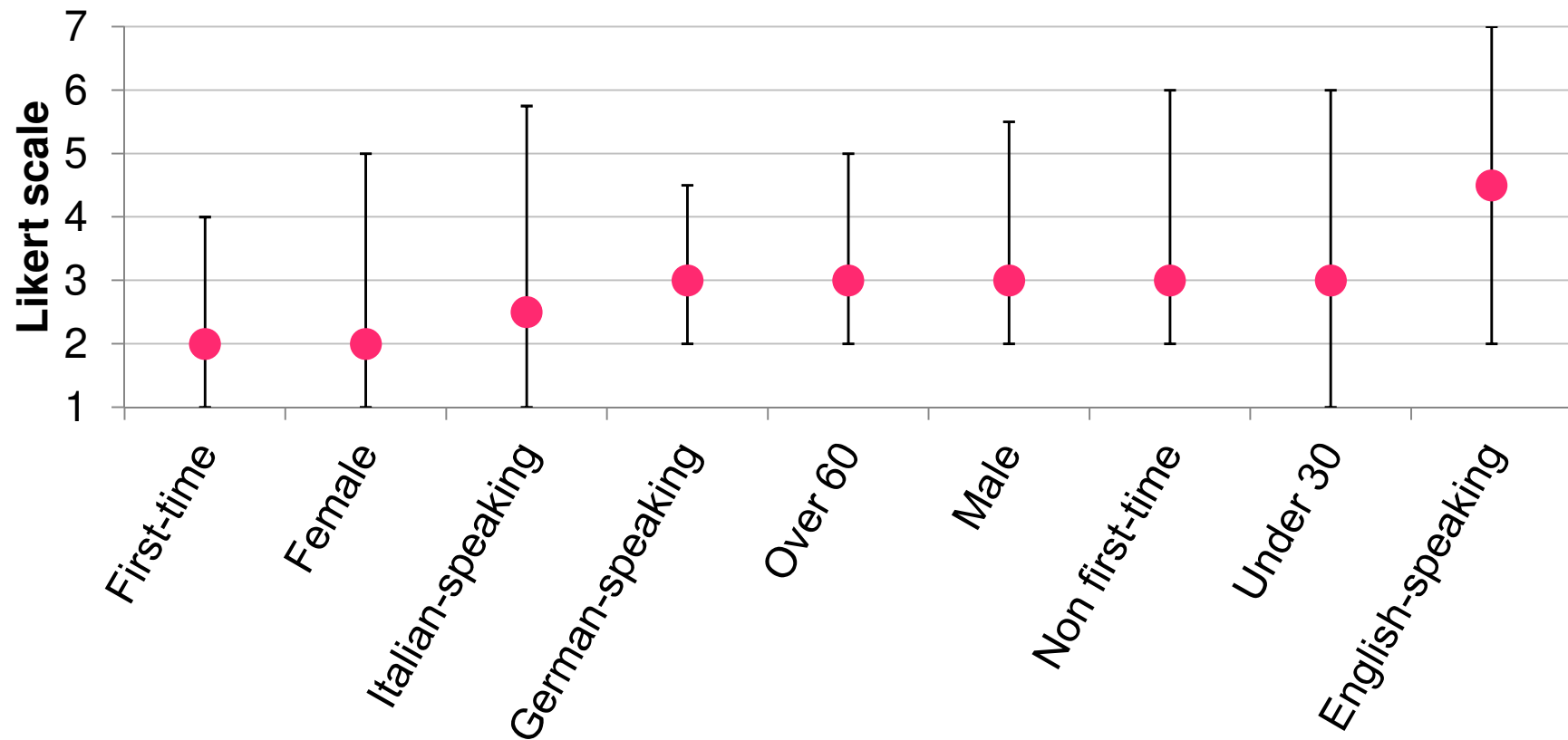
### Familiarity Perception



n=166

## Results & Implications: RQ 2

### Policy 12, Respondents' Characteristics - Familiarity



n=166

## Results & Implications: Hypotheses testing

### Hypotheses:

- Directionality of statement: fairer/more familiar when presented as discount ✓
- Familiarity influences fairness: fairer when more familiar ✓
- Customers' characteristics influence their opinions ✓

## Results & Implications: What then?

### The next steps

Solve problems  
cannibalization  
and re-sales

Relevant  
segments

Include name  
on ticket and  
display  
documents

Attention to  
customer  
satisfaction

Only fair and  
familiar  
policies

Fully inform  
customers

Already  
implemented  
rate fences

4. and 8.: ok!

15. rephrase  
it as a  
discount

Open issues

Overbooking  
system?

Cancellation /  
rebooking  
fees?

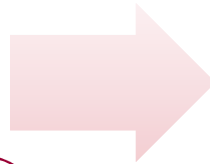
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## Limitations & Further Research

### Limitations

- Only price-sensitive respondents
- No data on customers
- Cannibalization: were they entitled?



### Further research

- More comprehensive study about customers
- Over time
- Extent of discounts
- Motivations

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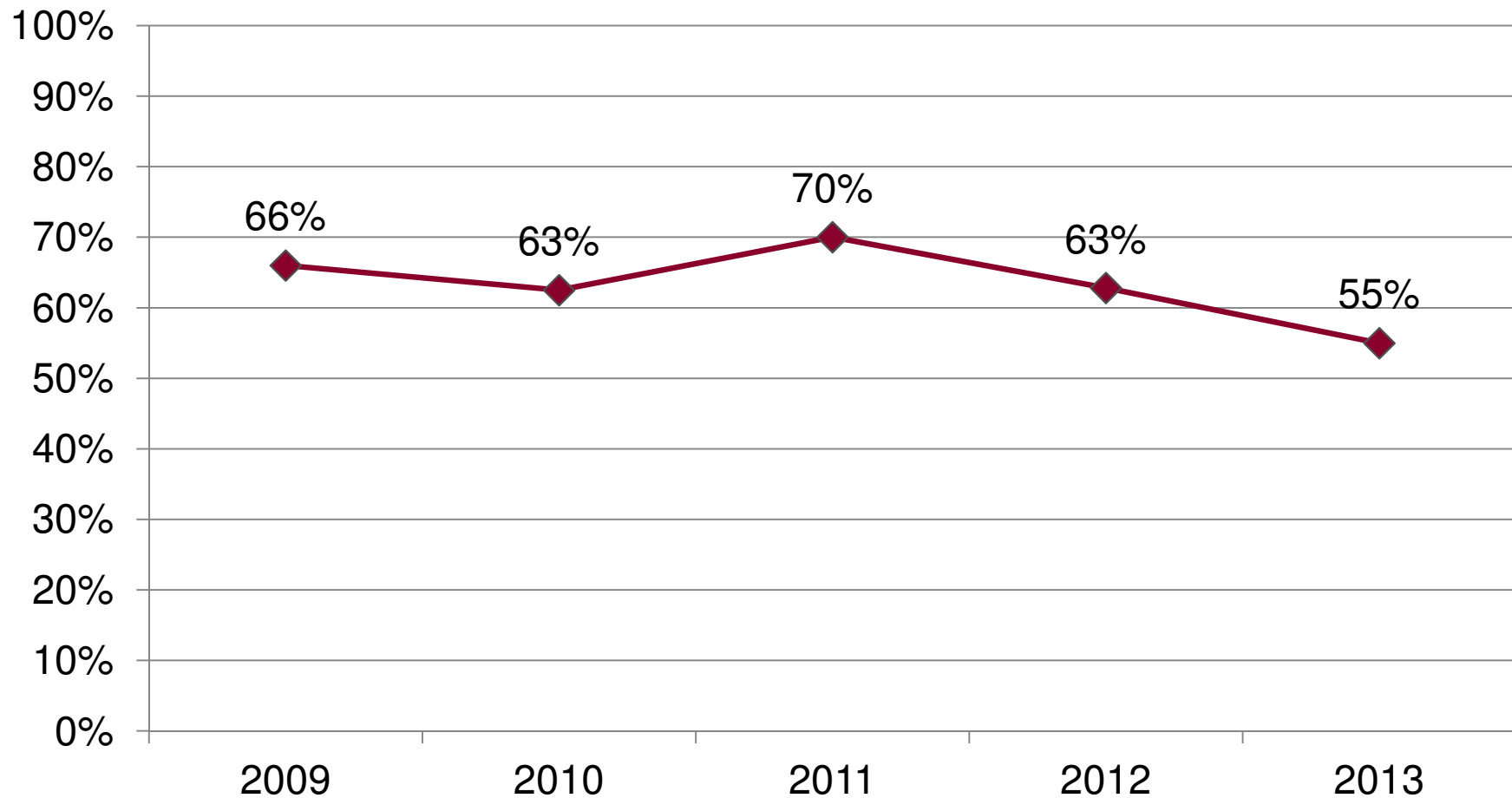
The Case of the Arena in Verona

**Thank you for your  
attention!**

## Bibliography

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## Average Occupancy Rate



## Income generated by sales channel

