Response to referee

Referee comment:

Still I am not convinced that the question, whether solar panels are commodities, really relates to operations research. It might be an interesting economic question, and as the authors point out, decision makers would take different methodological approaches, depending on the answer. However, the question is not related to the operational decision making process.

Reply:

In this revision I have worked at placing this paper within the existing operations research literature. I do this, most substantively in two areas: topically and theoretically. In the first paragraph of page 1, I give an overview of the operations literature on solar power, and in particular the literature on investment and procurement of solar panels. Further, I have added discussion on how this article fits in theoretically with the operations research literature on supply chains and procurement under asymmetric information (page 6, last two paragraphs).

Importantly, I point out how my research is relevant to some of the key questions and themes in these OR literatures. I point out how decision models in the literature on solar power procurement have neglected to consider quality as a salient decision factor. At a more general level, a strand of literature in OR often takes as an assumption the existence of spot and other financial markets. I point out how this assumption is dependent on the traded good being a commodity with a certain level of uniform quality. This article presents a case study of how the presence of that necessary underlying trait can be tested for.

Referee comment:

Moreover, given the author's answer to the issue of methodological contribution, it can be clearly seen that the paper does not contribute any methodological novelty. Applying some available standard approaches cannot be counted as novelty in this sense, especially when submitted to an important journal like EJOR.

Reply:

It is correct that I have not created an entirely new methodology. The methodological novelty in this article, as is the case for the operations literature that I refer to in the 3rd paragraph of page 5, is in the application and adaptation of an existing general methodology in a novel way. To my knowledge no other research both applies Bayesian hierarchical models in order to detect quality differences in a durable good and further tests for the implications of asymmetric information in the market for that good.