Price Discrimination Case Studies, Data

Cowan, 2022

p. 10

• The Microsoft Office suite is offered at different prices in different countries.

p. 10

• Economics textbooks are sold at different prices in different countries.

Tirole, 1988, p. 150

- Passengers in third class on passenger rail in the 1800s sat on wooden benches in open carriages while passengers in second class enjoyed upholstered seats in closed carriages.
- The conditions in third class were not primarily a cost-saving measure, and were instead aimed at making third class
 travel sufficiently unattractive for passengers who could afford to travel in second class. Rail companies "hit the poor, not
 because they want to hurt them, but to frighten the rich".

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- IBM sold a printer in two versions, a primary version which printed twelve pages per minute, and a secondary version that was handicapped such as to only print eight pages per minute. The two printers were otherwise identical.
- The objective of this handicapping, presumably, is to enable IBM to sell to mid-market customers at a lower price without
 also having to sell to more affluent customers at the lower price. By handicapping the printer, IBM made the low-end
 model sufficiently unattractive for affluent customers.

Tirole, 1988, Ch. 3

Varian, 1989

Belleflamme and Peitz, 2010, Ch. 11.1

<u>Varian, 1985</u>

Stole, 2007

Aguirre et al., 2010

Motta, 2004, Ch. 7.4

Shiller and Waldfogel, 2011

• Shiller and Waldfogel (2011) used survey data on 1,000 students' valuations of 100 popular songs between 2008 and 2009 to estimate potential revenue, producer surplus, and consumer surplus under alternative (non-uniform) pricing models for digital music. Shiller and Waldfogel find that discriminatory pricing models would increase revenue and total surplus. Even under discriminatory pricing, "much of the area under the demand curve for this product is beyond the reach of appropriation by sellers".

Adams and Yellen, 1976

Bulow, 1982

Katz, 1987