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Credit Card Program Value Maximization with Promotion Density for Product Discounts in Shopping Malls

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Abstract

We model value maximization of credit card programs for shopping malls, when card customers can obtain product discounts of different percentages in the presence of promotion density and competition. Our results suggest strategies for quantitatively evaluating the trade-offs in value outcomes when consumer sensitivity to product discounting varies. This research is supported by Singapore National Research Foundation under Intl Research Centre @ Singapore Funding Initiative administered by IDMPO.

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^{**} Presentation slide will be accompanied after the conference.