Editorial

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Under today's competitive business environment characterised by intense competition, increasing globalisation and established customer reference, a firm's success in marketplace is not only dependent on a firm's operation, but also reliant on coordination among all members in the supply chain. In this light, we select six articles in this special issue to address the interface issues between marketing and operation management in a supply chain framework. The topics covered in these six articles include pricing, advertising, procurement, inventory, quality and their joint decisions.

In the first article entitled 'Decisions of retail channel choices for the traditional retailer competing with a pure play online retailer', Chao Liu et al. analyse the competition between a pure play online retailer and a brick and motor seller, where the brick and motor seller could either just sell his product in traditional stores or sell them both in the traditional and online stores. With an assumption that the pure play online retailer has advantage in cost but simultaneously suffers a disadvantage in reducing a kind of consumer's online disutility cost which is original from various disadvantages of online shopping, the authors formulate a competitive pricing problem between a traditional retailer and a pure play online retailer. Their analysis shows in which condition should the traditional retailer open the online channel or not.

While the previous article addresses a static pricing problem, Jing Huo and Ting Zhang consider a dynamic pricing problem with a consideration of the price-quality effect in the second article entitled 'A dynamic pricing model with goodwill influenced by price-quality effect'. Price-quality effect means that buyers are less sensitive to price and often view high price as a signal of high quality. The authors utilise a modified Nerlove-Arrow model to incorporate the price-quality effect assuming that not only the quality of a product can affect the consumer's goodwill, but also that the retail price can improve the goodwill when the quality of the product is higher than a certain threshold.

Their analysis shows that a firm should consider the quality of his products when he selects his pricing decisions.

Similar to the second article on the price-quality effect, the third paper entitled 'Effect of new inflation-brought competitive purchasing and leasing demand functions on revenue of a joint inventory-pricing decision making model' by Sina Keyhanian and Masoud Rabbani also addresses an interesting cautious behaviour of consumers on inflation. The authors argue that customers may react differently in the beginning phases of inflation. On the one hand, some customers assume that the situation might continuously get worse and thus will purchase the required products at their earliest convenience. Such behaviour of consumers leads to an initial demand enhancement. On the other hand, inflation growth increases demand for leasing, which is a suitable option to satisfy needs of products that are to be used only in a specific duration. As a result of these two facts, a competition between purchasing and leasing demand occurs. In this article, the authors analyse such a competition for an integrated finance lease-sales system with a joint pricing and inventory problem.

The next article, which is written by Wei Xiong and Jin Qin and entitled 'To overstate or not: how to describe new products online for e-tailers considering full return policy', addresses an interesting question on whether e-trailers should exaggerate their product description when online return policy occurs. Their analytical results show that an e-retailer will not exaggerate his product description in the monopoly case but may do this in the duopoly case, depending whether the quality of his product is high or low.

While the previous four articles in this paper focus mainly on pricing problems in the supply chain framework utilising traditional approaches such as optimisation or game theory, the last two articles apply other research methods to the research area between the marketing and operation management.

In the fifth paper entitled 'A DEA-based measurement of effectiveness of provincial image advertisement for local tourism destination: evidence from China', Hua-Qing Wu et al. combine two different research approaches to analyse Chinese regional image advertising for local tourism destination. In detail, they first utilise data envelopment analysis (DEA) to evaluate the efficiency of provincial image advertising for in China, and then estimate a regression model to identify the impact factors of advertising efficiency.

The last paper, entitled 'Data mining the adoption intention of e-procurement system for Chinese companies' by Sharma Pillutla et al. is an empirical research. Utilising their structured survey data from 211 Chinese firms in the City of Suzhou, the authors explore the impact of operations as well as supply chain performance measures on organisational behavioural intention to adopt e-procurement systems. Their results demonstrate that a series of operations and supply chain performance measures, such as improved supply chain efficiency, improved operational efficiency, and reduced inventory level, are critical drivers for the adoption of e-procurement systems among Chinese companies.