Dynamic Booking Control for Car Rental Revenue Management: A Decomposition Approach

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Highlights

- We consider dynamic booking controls for car rental revenue management.
- A decomposition approach and two dynamic heuristic policies are proposed.
- Their strong revenue performance is in contrast to the PNLP policy used in practice.
- The proposed policies are robust to vehicle transhipment cost while PNLP not.
- The PNLP policy might still work well in peak seasons and downtown rental stations.