How to play — and maybe even outsmart — the dynamic pricing game

Dominique Hanssens, the Bud Knapp Professor of Marketing at the UCLA Anderson School of Management and an expert on the practice of dynamic pricing used by online retailers, offers these tips for using dynamic pricing to your advantage:

- To keep online merchants from seeing your online shopping activities altogether, disable cookies in your browser. Check for this in your browser's Help section. One drawback: When you disable cookies, some websites won't allow you access. If you want to go ahead and visit one of these sites, erase your cookies when you're finished to clear the trail they've recorded. Either approach can be a lot of work, however. If it seems like too much, try the following tips.

- Use multiple browsers or even multiple computers. Do all your online store browsing, for instance, on Internet Explorer, while making your purchases in Firefox. Or do this on two different computers.

- If you're concerned that an online business isn't showing you its best price, look up the same product on, say, your laptop computer and again on your desktop, and do a side-by-side comparison. Or if you only have one computer, contact a friend and ask them to check the website from their computer.

- Visit price comparison sites like PriceGrabber.com or Shopzilla.com. When sites like these got their start years ago, merchants paid to participate. Some sites still operate this way – you might notice the same merchants regularly appearing in their price lists, to the exclusion of others you might expect to see. Look for sites that independently search a variety of merchants' inventory.

- If price is a priority for you — and given that dynamic pricing is something of a cat-and-mouse game — consider using one computer or browser to search for and purchase lower-priced items and another computer for higher-priced items. You may find yourself receiving varying price offers depending on the divergent cookies trails you've created.

Learn more about dynamic pricing in the UCLA Today story "The online price is right — or is it?" at http://today.ucla.edu/portal/ut/dynamic-pricing-dominique-hanssens-242512.aspx.