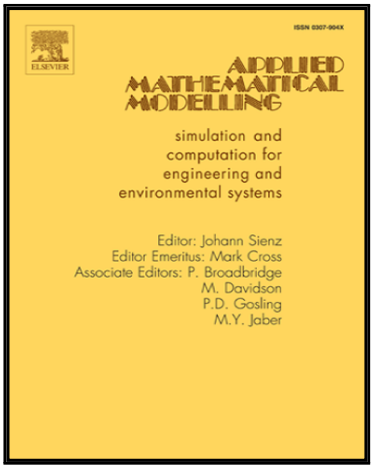

Achieving Optimal Performance of Supply Chain under Cost Information Asymmetry

Xinhui Wang , Hongmei Guo , Renxiu Yan , Xianyu Wang

PII: S0307-904X(17)30553-X
DOI: 10.1016/j.apm.2017.09.002
Reference: APM 11947

To appear in: *Applied Mathematical Modelling*

Received date: 20 April 2016
Revised date: 29 August 2017
Accepted date: 5 September 2017

Please cite this article as: Xinhui Wang , Hongmei Guo , Renxiu Yan , Xianyu Wang , Achieving Optimal Performance of Supply Chain under Cost Information Asymmetry, *Applied Mathematical Modelling* (2017), doi: 10.1016/j.apm.2017.09.002

Highlights

- We model an innovative contract under cost information asymmetry.
- We examine how the reservation profits and balance parameter affect the profit improvement.
- The increasing supplier’s reservation profit decreases the lower and the upper bounds of the balance parameter.
- The supplier with a higher production cost prefers a smaller balance parameter whereas the retailer prefers a larger one.
- The intervals length of supply chain’s profit improvement decreases in the balance parameter.