

Abstract: We consider a model in which an amusement park sells different priority passes to customers in a queue whose utilities depend on positions in the queue. A customer's valuation of a priority pass depends on the number of customers buying a higher-or-equal priority pass. Hence other customers' purchase decisions have an externality on the customer's valuation, which differentiates our model from the standard screening model. This paper discusses the implementability of selling multiple passes for different pattern of customer utility functions. We show that the externality makes the implementation of multi-pass schemes difficult, an issue that persists even when customers have heterogeneous utilities of positions in a queue.