

ONLINE AUCTIONS

MAREK MAURIZIO

DOCENTE A CONTRATTO

ASSEGNISTA DI RICERCA

UNIVERSITÀ CA' FOSCARI, VENEZIA

AUCTIONS

- AN AUCTION IS A MARKET MECHANISM THAT USES A COMPETITIVE PROCESS BY WHICH:
 - A SELLER SOLICITS CONSECUTIVE BIDS FROM BUYERS (FORWARD AUCTION)
 - A BUYER SOLICITS BIDS FROM THE SELLERS (BACKWARD AUCTIONS)
 - PRICES ARE DETERMINED DYNAMICALLY BY THE BIDS

AUCTIONS

- AUCTIONS ARE USEFUL TO DEAL WITH PRODUCTS AND SERVICES FOR WHICH CONVENTIONAL MARKETING CHANNELS ARE INEFFECTIVE OR INEFFICIENT
- DIFFERENT TYPES OF AUCTIONS TO SERVE DIFFERENT GOALS

TRADITIONAL AUCTIONS

- LAST ONLY A FEW MINUTES
- RAPID PROCESS WITH LITTLE TIME TO MAKE A DECISION, OFTEN OUTCOME IN NO BIDS
- NO MUCH TIME TO EXAMINE THE GOODS
- DIFFICULT TO PHYSICALLY BE IN THE AUCTION SITE

MALTA PROPERTY AUCTION



MALTA PROPERTY AUCTIONEERS LTD

FOR SALE BY
AUCTION

MOB: 9949 3899

2138 8402

WWW.MALTAPROPERTYAUCTIONEERS.COM

MALTA PROPERTY AUCTION

ELECTRONIC AUCTIONS

- AUCTIONS CONDUCTED ONLINE
- EXISTED SINCE 1980 OVER LANS AND STARTED IN THE INTERNET IN 1995
- HOST SITES AS BROKERS OFFERING SELLING SERVICES
- EBAY IS THE MOST FAMOUS EXAMPLE, OFFERING ANY KIND OF GOODS AND FLEXIBILITY (BUY-IT-NOW FOR ITEMS NOT SUITABLE FOR AUCTIONS, FOR INSTANCE)

DYNAMIC PRICING

- MAJOR FEATURE OF ONLINE AUCTIONS
- PRICES THAT CHANGE BASED ON SUPPLY AND DEMAND RELATIONSHIPS AT ANY GIVEN TIME

TYPES OF DYNAMIC PRICING

Buyers	One	Negotiation, Bartering, Bargaining	Reverse auctions, RFQ, Tendering
	Many	Forward (regular) auctions	Dynamic exchanges
		One	Many
		Sellers	

TYPES OF AUCTIONS

- ONE BUYER, ONE SELLER: NEGOTIATION
- ONE SELLER, MANY BUYERS
 - FORWARD AUCTION, BIDDERS INCREASE PRICES SEQUENTIALLY
 - SEALED BID: AUCTION IN WHICH EACH BIDDER BIDS ONLY ONCE; A SILENT AUCTION, IN WHICH BIDDERS DO NOT KNOW WHO IS PLACING BIDS OR WHAT THE PRICES ARE (NEGOZI A VENEZIA)
 - VICKREY AUCTION: AN AUCTION IN WHICH THE HIGHEST BIDDER WINS BUT PAYS ONLY THE SECOND-HIGHEST BID

EBAY POWERSELLER



name: sheena

user id: www.SilverShake.com

location: thailand

feedback: 53734



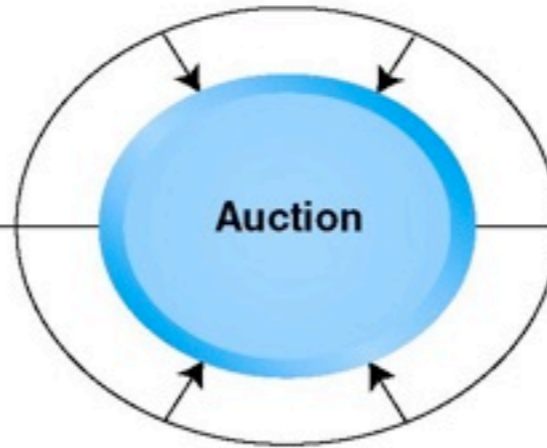
EBAY POWERSELLER

EXHIBIT 10.2 TYPES OF FORWARD AUCTIONS

Liquidation Auctions

Seek first to maximize existing channels and reduce inventory before using auction

Supplies



Customers

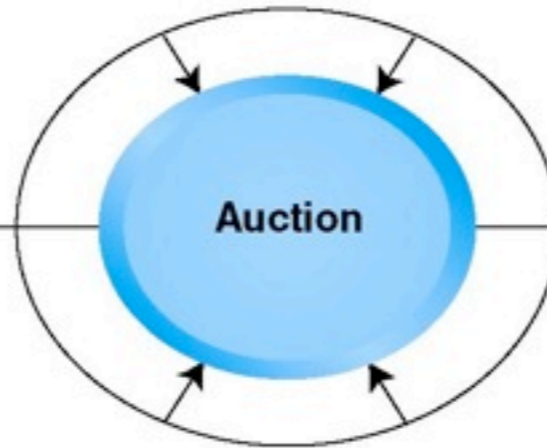
Seek lowest price on widely available goods and services

Disincentives to use auction shrink supply over time

Market Efficiency Auctions

Prefer market format that maximizes visibility with potential buyers

Supplies



Customers

Seek access to unique/rare products or services

Incentives to use auction increase supply over time

TYPES OF AUCTIONS II

- ONE BUYER, MANY SELLERS
 - REVERSE AUCTION: AUCTION IN WHICH THE BUYER PLACES AN ITEM FOR BID (TENDER) ON A REQUEST FOR QUOTE (RFQ) SYSTEM, POTENTIAL SUPPLIERS BID ON THE JOB, WITH THE PRICE REDUCING SEQUENTIALLY, AND THE LOWEST BID WINS; PRIMARILY A B2B OR G2B MECHANISM
 - NAME-YOUR-OWN-PRICE: A BUYER SPECIFIES HOW MUCH HE/SHE IS WILLING TO PAY

PRICELINE.COM

- USERS SELECT A PRICE THEY ARE WILLING TO PAY
- PRICELINE SEARCH ITS OWN DATABASE FOR A SUITABLE OFFER
- IT'S NOT A SEARCH! IF AN OFFER IS FOUND YOU HAVE TO BUY IT (CREDIT CARD IS GIVEN AT BIDDING TIME)

The screenshot shows the priceline.com website interface for a 'Name Your Own Price' search for hotels in Rome, Italy, from Wednesday, February 9 to Wednesday, February 16. The page features a navigation bar with links for Flights, Hotels, Cars, Packages, Cruises, Tours & Attractions, and a user account section. The main heading is 'Name Your Own Price® Hotels in Rome, Italy' with the dates. A promotional banner offers 'Save up to 60% off on a Rome, Italy hotel in three easy steps' and includes a '25%' discount badge. The interface is divided into three steps: Step 1: Choose where you want to stay, Step 2: Choose the star level for your hotel, and Step 3: Name Your Own Price® (per room night). A map of Rome is shown on the right, with numbered markers (1-5) indicating different areas. Step 1 options include Central (Best deal), Vatican City, North, South, and West. Step 2 options include 5-Star Luxury, 4-Star Superior (Best deal), 3-Star Quality, and 2-Star Economy. Step 3 is currently blank.

priceline.com Flights | Hotels | Cars | Packages | Cruises | Tours & Attractions
Sign-In | My Profile | My Trips | Check Your Account

Name Your Own Price® Hotels in Rome, Italy

 Wed., Feb 9 - Wed., Feb 16

Save up to 60% off on a Rome, Italy hotel in three easy steps.
Negotiating the ultimate hotel deal has never been easier. You choose the price, area and star level. We'll find a quality name brand or independent hotel for you in just seconds. Book with confidence. All hotels are backed by our new Big Deal Price Guarantee > details

Step 1: Choose where you want to stay
Choose more than one area in Rome, Italy to improve your chances.

- 1 Central – detail map Best deal
- 2 Vatican City – detail map
- 3 North – detail map
- 4 South – detail map
- 5 West – detail map

Step 2: Choose the star level for your hotel
Some star levels may not be available in all areas.

- 5-Star Luxury ★★★★★
- 4-Star Superior ★★★★★ Best deal
- 3-Star Quality ★★★★★
- 2-Star Economy ★★★★★

Step 3: Name Your Own Price® (per room night)
Total charges, including taxes and service fees, are shown on the next page. You're protected by our Best Price Guarantee.

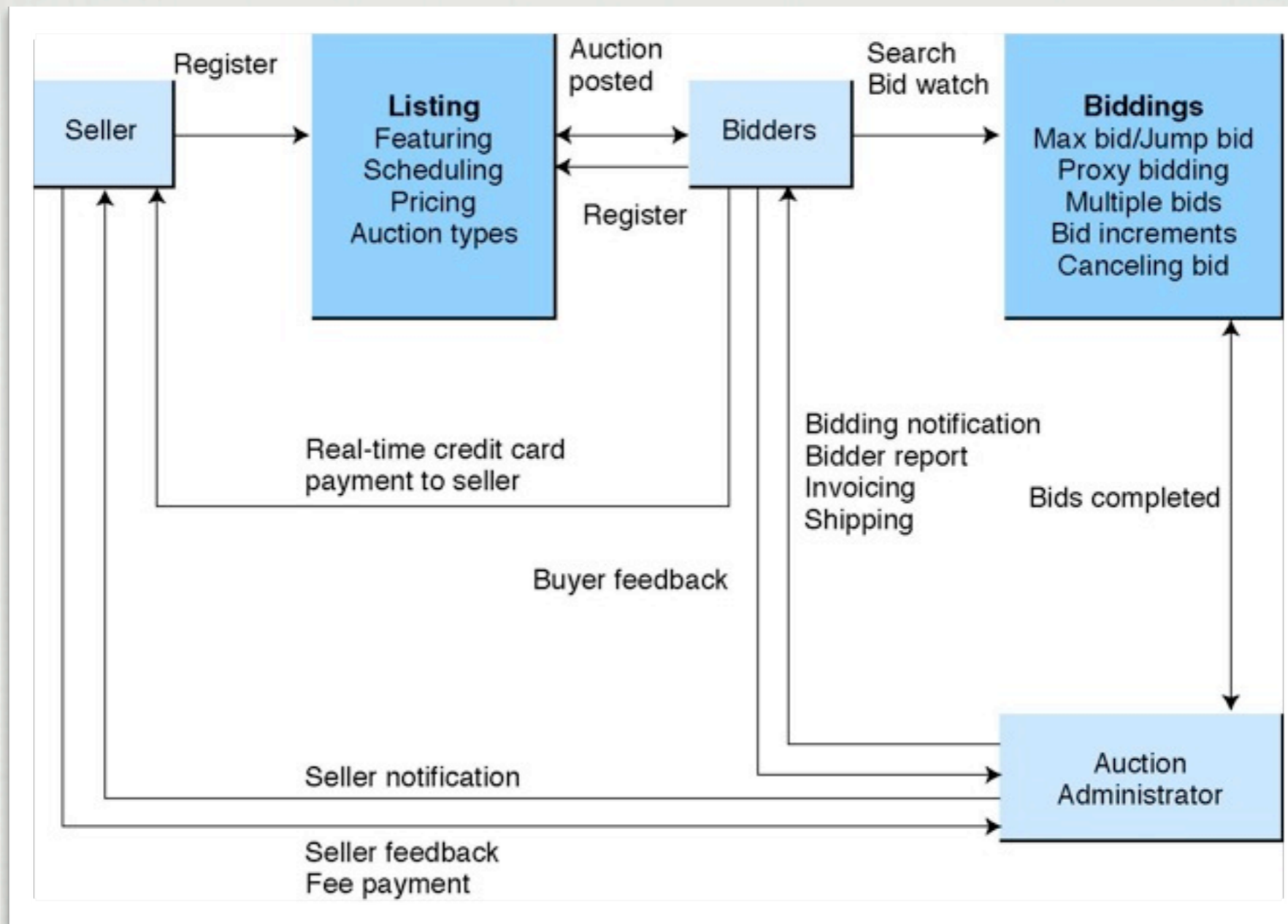
Name Your Own Price

MANY SELLERS MANY BUYERS

- BUYERS AND THEIR BIDDING PRICES ARE MATCHED WITH SELLERS AND THEIR ASKING PRICES BASED ON THE QUANTITIES ON BOTH SIDES AND THE DYNAMIC INTERACTION BETWEEN THE BUYERS AND SELLERS

THE E-AUCTIONS PROCESS AND SOFTWARE SUPPORT

- PHASE 1: SEARCHING AND COMPARING
- PHASE 2: GETTING STARTED AT AN AUCTION
- PHASE 3: BIDDING
- PHASE 4: POST-AUCTION FOLLOW-UP



THE E-AUCTION PROCESS

EXHIBIT 10.4

I - SEARCHING AND COMPARING

- SEARCH FROM THE AUCTION WEBSITE
- USE AN AUCTION AGGREGATOR
 - KEYWORD SEARCH
 - CATEGORY SEARCH
 - ADVANCED SEARCH



leaplightly

search

Products: Search from hundreds-of-thousands of green related merchandise
Guide: green website listings Blogosphere: tracking 600+ popular green authors

Wind Turbines
Art Furniture
Educational Toys
Natural Jewelry

Evergreen Trees
Tankless Hot Water
Houseboats
Organic Coffee

Hemp Accessories
Used Hybrid Autos
Composting
Organic Giftsets

Bamboo Items
DualFlush Toilets
Vintage Apparel
Reclaimed Items

Featured Merchandise:



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VisionNetwork

BIDFIND.COM

DEAD

AUCTIONBLOOPERS.COM



Save money by finding misspelled items on eBay. Take advantage of seller's misspellings and typos!

Auction Bloopers Search

[Show Advanced Options](#)

BLOOP IT!

Thank you for trying out Auction Bloopers!



How does Auction Bloopers work?

Step 1

Type the search term for the product you're looking for (spelled correctly) into the search box on the left

Step 2

You will be taken to an eBay search results page for all the possible misspellings of your search term.

Step 3

Start saving money!

 Include description

207 results found for (hakira,sakira,shkira,shaira,shakra,shakia,shakir,... [Save search](#)



CD Shakira Tributo a Los Grandes New/SEALED!



Buy It Now
or Best Offer

\$3.38

10d 0h 28m

2 - GETTING STARTED

- REGISTRATION OF PARTECIPANTS' PROFILES
 - CHECK THE SELLER'S ID AND PAST TRANSACTIONS
- ITEMS PROMOTION
- PRICING

Topic

Tools

Sell Your Item
Turbo Lister

Manage My
Seller Manager
Analytics
Dashboard
Offers

Manager Pro
Home Basic
Home Pro
Change
Log-In

Solutions
Seller Support
& Accounting
Tools

Shipping &
Pricing
Invoicing & Reporting
Payments

Right
Reports
Market Research

Stores
Open an eBay Store
or a Store

Get Your Tools for Success

Just getting started selling on eBay or looking to scale your business?

Whether you sell ten, a hundred or thousands of items on eBay - we've got the tools to meet your selling needs from start to finish! Get help to list more in a shorter time by automating your selling processes. Seller Tools help you maximize sales and increase profits.

- Take the burden out of listing
- Increase selling efficiency
- Improve your selling success



List

Choose a free option such as Sell Your Item (SYI) or Turbo Lister and get started selling.

[Get Details](#)

Track & Manage

Once your items are listed on eBay—track the status and make changes. Automatically send emails, invoices and labels.

[Get Details](#)

All-in-One

End to end selling tools for the professional or large-scale seller. Efficiency at its best!

[Get Details](#)

Additional Resources

stores
Subscribe for as little as \$15.95/month.

ProStores
Open a web store. Your first month is FREE

EBAY SELLER TOOLS

3 - BIDDING

- PERSONALIZED USER PAGES TO KEEP TRACK OF DIFFERENT AUCTIONS
- SNIPING: ENTER A BID AT THE LAST SECOND, OFTEN PERFORMED BY AUTOMATIC TOOLS
- SNIPING CAN BE USED BY SELLERS IN A FRAUDOLENT WAY
- PROXY BIDDING: AN AUTOMATED PROXY MAKES INCREMENTAL BIDDINGS

4 - POST-AUCTION

- END OF AUCTION NOTICES
- FEEDBACK AND RATING
- INVOICING AND BILLING
- PAYMENT
- SHIPMENT

- PRIVACY ISSUES (?)

Feedback Profile



motel268 (130931 ★) me

Positive Feedback (last 12 months): 99%
[How is Feedback Percentage calculated?]

Member since: Sep-08-08 in China

This member is a **Top-rated seller**

- ✓ Consistently receives highest buyers' ratings
- ✓ Ships items quickly
- ✓ Has earned a track record of excellent service

[Learn more](#)



Member Quick Links

- [Contact member](#)
- [View items for sale](#)
- [View seller's Store](#)
- [View ID History](#)
- [Add to Favorite Sellers](#)
- [View eBay My World](#)
- [View Reviews & Guides](#)
- [View About Me page](#)

Recent Feedback Ratings (last 12 months) ?

	1 month	6 months	12 months
Positive	2655	7530	26250
Neutral	50	107	493
Negative	38	69	348

Detailed Seller Ratings (last 12 months) ?

Criteria	Average rating	Number of ratings
Item as described	★★★★★	15900
Communication	★★★★★	15854
Shipping time	★★★★★	15878
Shipping and handling charges	★★★★★	15977

EBAY FEEDBACK PROFILE

POWERSELLER USER

BENEFITS OF E-AUCTIONS

BENEFITS TO SELLERS

INCREASED REVENUE

BROAD AUDIENCE

SAVE ON COMMISSIONS (OVER PHYSICAL AUCTIONS)

CAN LIQUIDATE LARGE QUANTITIES QUICKLY

IMPROVED CUSTOMER LOYALTY

BENEFITS OF E-AUCTIONS

- BENEFITS TO BUYERS
 - FIND UNIQUE ITEMS
 - ENTERTAINMENT
 - CONVENIENCE
 - ANONYMITY
- BENEFITS FOR AUCTIONEERS
 - REPEAT PURCHASES
 - STICKYNESS

LIMITS OF E-AUCTIONS

- MINIMAL SECURITY: IN C2C AUCTIONS CREDIT CARDS AND OTHER PAYMENTS ARE INSECURE (THAT'S WHY PAYPAL EXISTS)
- POSSIBILITY OF FRAUD: IN MANY CASES OBJECTS ARE USED, CAN BE DEFECTIVE. BUYERS CAN AVOID PAYMENT, SELLERS CAN AVOID SHIPPING
- LIMITED PARTICIPATION: IF THERE IS NOT ENOUGH PARTICIPATION OBJECTS WILL SELL FOR LESS
- ORDER FULFILLMENT COST

IMPACTS OF AUCTIONS

- AUCTIONS AS A COORDINATION MECHANISM
 - SETTING PRICES BASED ON SUPPLY, DEMAND, AND PARTICIPANT'S REQUIREMENTS
- AUCTIONS AS A SOCIAL MECHANISM TO DETERMINE A PRICE
 - FIND EXISTING AND CLOSED AUCTIONS CAN HELP DETERMINE A PRICE
- AUCTIONS AS A HIGHLY VISIBLE DISTRIBUTION MECHANISM

FRAUDS

- BID SHIELDING: HAVING PHANTOM BIDDERS BID AT A VERY HIGH PRICE WHEN AN AUCTION BEGINS; THEY PULL OUT AT THE LAST MINUTE, AND THE BIDDER WHO BID A MUCH LOWER PRICE WINS

- SHILLING: PLACING FAKE BIDS ON AUCTION ITEMS TO ARTIFICIALLY JACK UP THE BIDDING PRICE

FRAUDS

- FAKE PHOTOS AND MISLEADING DESCRIPTIONS
- IMPROPER GRADING TECHNIQUES
- BID SIPHONING
- SELLING REPRODUCTIONS AS ORIGINALS
- FAILURE TO PAY
- FAILURE TO PAY THE AUCTION HOUSE

FRAUDS

- HIGH SHIPPING COSTS AND HANDLING FEES
- FAILURE TO SHIP MERCHANDISE
- LOSS AND DAMAGE CLAIMS
- SWITCH AND RETURN
- OTHER FRAUDS

PROTECTING FROM FRAUDS

- THE AUCTION SITE CAN INTRODUCE SEVERAL MEASURES IN EFFORT TO REDUCE FRAUD
 - USER IDENTITY VERIFICATION
 - FEEDBACK FORUM
 - INSURANCE POLICY
 - NONPAYMENT PUNISHMENT

EBAY ANTI-FRAUD

[eBay's](#) antifraud effort will include a program for user identity verification, a ban on sellers buying their own items, up to \$200 in insurance, a policy against "deadbeat bidders," and a feedback forum akin to a [Better Business Bureau](#) center.

The first UK seller to be prosecuted for artificially inflating prices by bidding on his own eBay auctions has been told to pay £5,000 in fines and costs, and ordered to do 250 hours community service.

Changes in 100 categories include limits on the number of items sellers can sell and a ban on using one- or three-day auctions, a favorite of scammers, eBay said. The site also imposed geographical restrictions, such as preventing sellers in piracy-rich China and Hong Kong from listing in 100 categories at all.

Internet auctioneer eBay introduced five initiatives today in an effort to reduce fraud, stop the sale of illegal materials, and stymie those who try to misuse the site's person-to-person trading system

MOBILE AUCTIONS

- BENEFITS

- CONVENIENCE AND UBIQUITY

- PRIVACY

- SIMPLER AND FASTER

- LIMITATIONS

- VISUAL QUALITY

- MEMORY CAPACITY

- SECURITY

SUMMARY

- INTRODUCTION TO AUCTIONS AND ONLINE AUCTIONS
- TYPES OF AUCTIONS
- PHASES OF AN AUCTION
- BENEFITS AND LIMITES OF E-AUCTIONS
- FRAUDS