

Last-Minute Bidding and Rules for Ending Second-Price Auctions

Evidence from E-Bay and Amazon Auctions on the
Internet

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Amazon Auctions

- Does the timing of placing the bids really matter?

- Buyers Perspective
 - Early Bidding of true private values vs Sniping

- Sellers Perspective
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- Why does E-bay still persist with using a fixed deadline in ending an auction, while extending the deadline could yield a higher revenue for seller, and to e-bay eventually?
- Which of the two auction rules maximizes revenue?
- Would the buyers prefer one auction over the other?
- Would the sellers prefer one auction over the other?
- Does bidding late in an auction lead to strategic demand reduction?
- If the value of the current highest bid is not revealed, how does it affect the auction dynamics?

- In common-valued auctions, would it be of any advantage for an expert to bid early or misrepresent their true evaluations early on in the auction?
- Any suggestions for creating auction rules which would end in a general equilibrium?