


 WEEK 7
CASE STUDY 1 -- SUBMIT HERE

Attached Files:  Copy of Article Auctions King Under Attack Concierge Auctions.pdf (239.121 KB)

Case Study 1: Auctions

Due Week 7 - Worth 250 points

The following video describes auctions as price discovery mechanisms

<https://www.youtube.com/watch?v=4kWuxfVblaU>.

Use the video on auctions and at least 3 academic and/or high-quality business publications, see definitions below, to answer the following questions in 5-7 pages:

1. There are many types of auctions each with strengths and weakness at uncovering the real price/value of an item. Compare and contrast:

- a) the English and Dutch auctions; and,
- b) the sealed-bid, first-price auction, and the Vickery Auction.

2. Concierge Auctions Limited sells very high end and unique properties worldwide using an English style auction, selling to the highest bidder. They have been embroiled in multiple lawsuits see the link to the Wall Street Journal. Advise Concierge as to the weakness that an English auction may have in uncovering a property's value. Provide a recommendation for at least one other auction type which may better uncover the value of unique real estate properties.

<https://www.wsj.com/articles/luxury-real-estate-firm-concierge-auctions-fights-allegations-of-fraudulent-bids-11549568689>

3. Auctions are widely used in finance, e-commerce and in e-games. Identify 3 uses of auctions by firms in finance, e-commerce and/or e-games. Explain the:

- a) need for an auction in the product/service, and
- b) what type of auction is used and why that type of auction is appropriate for the product/service.

4. Auctions are also widely used to generate revenue for not-for-profit organizations. What are the advantages/disadvantages of auctions as revenue generators for not-for-profit organizations?

5. Suggest ways in which the company you work for, or the company which you aspire to work for, can use auctions to better uncover value and increase revenue.

Your assignment must follow these formatting requirements:

- Be typed, double spaced, using Times New Roman font (size 12) with one-inch margins on all sides; citations and references must follow APA format. Check with your professor for any additional instructions.
- Include a cover page containing the title of the assignment, the student's name, the professor's name, the course title, and the date. The cover page and the reference page are not included in the required assignment length.

Acceptable Types of Publications

The definition of a high-quality professional business publication is one which is primarily a publication directed to reporting and/or analysis of the workings of a business. Examples are the Wall Street Journal, Bloomberg, Reuters... etc. Avoid general news publications such as USA Today, Washington Post, NY Times.