

Screenshots for:

Can we overcome the Winner's Curse
by (behavioral) Auction Design?

Dan Levin
The Ohio State University

J. Philipp Reiss
Karlsruhe Institute of Technology (KIT)

November 02, 2018

On the following 10 pages we illustrate a few screens used in the experiment.

Period

1 out of 1

Remaining time (sec): 7

At the end of the experiment your ECU capital balance will be paid to you in cash such that 1 ECU are worth 1 Euro.

Move on !

Period

1 out of 1

Remaining time [sec]: 17

The object value is unknown to you and it is always between 50 und 250 ECU.
The object value is also not known by any of the other 3 bidders in your auction.

You receive a signal value to narrow down the object value. It is between (object value - 18) and (object value + 18).
Every other bidder also receives a signal value to narrow down the object value that is also between (object value - 18) and (object value + 18).

Your signal value is **112.15 ECU**.

Therefore, this period's object value is between **94.15 and 130.15 ECU**.
[= between (signal value - 18) and (signal value + 18) ECU]

Your bid for the object is:

125.38

Your Profit:

if your bid is not the highest bid: **Profit = 0 ECU**

if your bid is the highest bid: **Profit = (object value - price) ECU**

The price is the average of the second-highest and the lowest bid.

Move on !

Period		Remaining time (sec): 0										
1 out of 1												
<p>The object value is unknown to you and it is always between 50 und 250 ECU. The object value is also not known by any of the other 3 bidders in your auction. You receive a signal value to narrow down the object value. It is between (object value - 18) and (object value + 18). Every other bidder also receives a signal value to narrow down the object value that is also between (object value - 18) and (object value + 18).</p>												
<p style="text-align: center;">Your signal value is 112.15 ECU.</p> <p>Therefore, this period's object value is between 94.15 and 130.15 ECU. [= between (signal value - 18) and (signal value + 18) ECU]</p>												
<p>Your bid for the object is: 125.38 Your Profit: If your bid is not the highest bid: Profit = 0 ECU If your bid is the highest bid: Profit = (object value - price) ECU The price is the average of the second-highest and the lowest bid.</p>												
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left; padding: 2px;">bids</th> <th style="text-align: left; padding: 2px;">signal values</th> </tr> </thead> <tbody> <tr> <td style="padding: 2px;">125.38</td> <td style="padding: 2px;">112.15</td> </tr> <tr> <td style="padding: 2px;">107.00</td> <td style="padding: 2px;">107.13</td> </tr> <tr> <td style="padding: 2px;">105.47</td> <td style="padding: 2px;">101.05</td> </tr> <tr> <td style="padding: 2px;">101.00</td> <td style="padding: 2px;">100.79</td> </tr> </tbody> </table>	bids	signal values	125.38	112.15	107.00	107.13	105.47	101.05	101.00	100.79	<p>Your bid of 125.38 ECU is the highest bid so that you obtain the auctioned object. This period's object value is 100.73 ECU. The price of the object is 104.00 ECU This is the average of the second-highest bid (107.00 ECU) and the lowest bid (101.00 ECU). Your profit = object value - price = 100.73 - 104.00 = -3.27 ECU. This period you made a loss that decreases your capital balance. Your capital balance is now: 6.73 ECU.</p>	
bids	signal values											
125.38	112.15											
107.00	107.13											
105.47	101.05											
101.00	100.79											
<div style="border: 1px solid black; background-color: red; color: white; padding: 2px 5px; display: inline-block;">Move on to the next round!</div>												

Period

1 out of 1

Remaining time (sec): 3

The object value is unknown to you and it is always between 50 und 250 ECU.
The object value is also not known by any of the other 3 bidders in your auction.
You receive a signal value to narrow down the object value. It is between (object value - 18) and (object value + 18).
Every other bidder also receives a signal value to narrow down the object value that is also between (object value - 18) and (object value + 18).

Your signal value is 107.13 ECU.
Therefore, this period's object value is between 89.13 and 125.13 ECU.
[= between (signal value - 18) and (signal value + 18) ECU]

Your bid for the object is: 107.00
Your Profit:
If your bid is not the highest bid: Profit = 0 ECU
If your bid is the highest bid: Profit = (object value - price) ECU
The price is the average of the second-highest and the lowest bid.

bids	signal values
125.38	112.15
107.00	107.13
105.47	101.05
101.00	100.79

Your bid of 107.00 ECU is lower than the highest bid of 125.38 ECU so that you do not obtain the auctioned object.
This period's object value is 100.73 ECU.
The price of the object is 104.00 ECU
This is the average of the second-highest (107.00 ECU) and the lowest bid (101.00 ECU).
This period's high bidder made a loss of -3.27 ECU.
Your profit is 0 ECU.
This period you neither made a profit nor a loss. Hence, your capital balance does not change.
Specifically, your capital balance remains at 10.00 ECU.

Move on to the next round !

Period

1 out of 1

Remaining time (sec): 0

The auction will start automatically after everyone is ready to bid in the auction.

Click the button if you are ready to bid in the auction.

Ready for auction !

Period 1 out of 1	Remaining time [sec]: 498
<p>The object value is unknown to you and it is always between 50 und 250 ECU. The object value is also not known by any of the other 3 bidders in your auction. You receive a signal value to narrow down the object value. It is between (object value - 18) and (object value + 18). Every other bidder also receives a signal value to narrow down the object value that is also between (object value - 18) and (object value + 18).</p>	
<p>Your signal value is 113.30 ECU. Therefore, this period's object value is between 95.30 and 131.30 ECU. [= between (signal value - 18) and (signal value + 18) ECU]</p>	
<p>..... The auction begins in [sec]: 2 The current price of the object is: 50.00 Number of other bidders that now continue bidding in your auction: 3 </p> <p style="text-align: right;">--> Stop bidding! <----</p>	
<p>Your Profit: If you stopped bidding while someone else continues bidding: Profit = 0 ECU If everyone except of you stopped bidding: Profit = (object value - price) ECU The final price of the object will be the price at which the next-to-last bidder stops bidding.</p>	

Period 1 out of 1	Remaining time (sec): 454 <p>The object value is unknown to you and it is always between 50 und 250 ECU. The object value is also not known by any of the other 3 bidders in your auction. You receive a signal value to narrow down the object value. It is between (object value - 18) and (object value + 18). Every other bidder also receives a signal value to narrow down the object value that is also between (object value - 18) and (object value + 18).</p> <p>Your signal value is 107.96 ECU.</p> <p>Therefore, this period's object value is between 89.96 and 125.96 ECU. [= between (signal value - 18) and (signal value + 18) ECU]</p> <p>----- The auction continues while you stopped bidding at a price of: 107.50 -----</p> <p>The current price of the object is: 109.70 Number of other bidders that now continue bidding in your auction: 2 -----</p> <p>Your Profit: If you stopped bidding while someone else continues bidding: Profit = 0 ECU If everyone except of you stopped bidding: Profit = (object value - price) ECU The final price of the object will be the price at which the next-to-last bidder stops bidding.</p>
----------------------	--

Period 1 out of 1	Remaining time (sec): 450
<p>The object value is unknown to you and it is always between 50 und 250 ECU. The object value is also not known by any of the other 3 bidders in your auction. You receive a signal value to narrow down the object value. It is between (object value - 18) and (object value + 18). Every other bidder also receives a signal value to narrow down the object value that is also between (object value - 18) and (object value + 18).</p>	
<p>Your signal value is 113.30 ECU. Therefore, this period's object value is between 95.30 and 131.30 ECU. [= between (signal value - 18) and (signal value + 18) ECU]</p>	
<p>..... Currently you bid for the object in the auction ! The current price of the object is: 110.50 Number of other bidders that now continue bidding in your auction: 1 </p>	
<p>Your Profit: If you stopped bidding while someone else continues bidding: Profit = 0 ECU If everyone except of you stopped bidding: Profit = (object value - price) ECU The final price of the object will be the price at which the next-to-last bidder stops bidding.</p>	

Period		Remaining time (sec): 7										
1 out of 1												
<p>The object value is unknown to you and it is always between 50 und 250 ECU. The object value is also not known by any of the other 3 bidders in your auction. You receive a signal value to narrow down the object value. It is between (object value - 18) and (object value + 18). Every other bidder also receives a signal value to narrow down the object value that is also between (object value - 18) and (object value + 18).</p>												
<p style="text-align: center;">Your signal value is 113.30 ECU.</p> <p>Therefore, this period's object value is between 95.30 and 131.30 ECU. [= between (signal value - 18) and (signal value + 18) ECU]</p>												
<p>The price of the object is: 114.50 Your Profit:</p> <p>If you stopped bidding while someone else continues bidding: Profit = 0 ECU If everyone except of you stopped bidding: Profit = (object value - price) ECU</p> <p>The final price of the object will be the price at which the next-to-last bidder stops bidding.</p>												
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">stopped bidding at</th> <th style="text-align: left;">signal values</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">-1.00</td> <td style="text-align: center;">113.30</td> </tr> <tr> <td style="text-align: center;">114.50</td> <td style="text-align: center;">109.62</td> </tr> <tr> <td style="text-align: center;">107.50</td> <td style="text-align: center;">107.96</td> </tr> <tr> <td style="text-align: center;">94.00</td> <td style="text-align: center;">98.62</td> </tr> </tbody> </table>	stopped bidding at	signal values	-1.00	113.30	114.50	109.62	107.50	107.96	94.00	98.62	<p>The auction finished since everyone else except of you stopped bidding so that you obtain the auctioned object. This period's object value is 114.33 ECU. The price of the object is 114.50 ECU This is the price at which the next-to-last bidder stopped bidding. Your profit = object value - price = 114.33 - 114.50 = -0.17 ECU. This period you made a loss that decreases your capital balance. Your capital balance is now: 9.83 ECU.</p>	
stopped bidding at	signal values											
-1.00	113.30											
114.50	109.62											
107.50	107.96											
94.00	98.62											
(-1 ... did not stop bidding)												
<div style="border: 1px solid black; display: inline-block; padding: 2px 5px; background-color: #f00; color: white; font-weight: bold;">Move on to the next round!</div>												

Period		Remaining time (sec): 0										
1 out of 1												
<p>The object value is unknown to you and it is always between 50 und 250 ECU. The object value is also not known by any of the other 3 bidders in your auction. You receive a signal value to narrow down the object value. It is between (object value - 18) and (object value + 18). Every other bidder also receives a signal value to narrow down the object value that is also between (object value - 18) and (object value + 18).</p>												
<p style="text-align: center;">Your signal value is 107.96 ECU.</p> <p>Therefore, this period's object value is between 89.96 and 125.96 ECU. [= between (signal value - 18) and (signal value + 18) ECU]</p>												
<p>The auction finished, you stopped bidding at a price of: 107.50 The price of the object is: 114.50 Your Profit:</p> <p>If you stopped bidding while someone else continues bidding: Profit = 0 ECU If everyone except of you stopped bidding: Profit = (object value - price) ECU</p> <p>The final price of the object will be the price at which the next-to-last bidder stops bidding.</p>												
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">stopped bidding at</th> <th style="text-align: left;">signal values</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">-1.00</td> <td style="text-align: center;">113.30</td> </tr> <tr> <td style="text-align: center;">114.50</td> <td style="text-align: center;">109.62</td> </tr> <tr> <td style="text-align: center;">107.50</td> <td style="text-align: center;">107.96</td> </tr> <tr> <td style="text-align: center;">94.00</td> <td style="text-align: center;">98.62</td> </tr> </tbody> </table>	stopped bidding at	signal values	-1.00	113.30	114.50	109.62	107.50	107.96	94.00	98.62	<p>The auction finished. You stopped bidding at a price of 107.50 ECU while someone else continued bidding so that you do not obtain the auctioned object. This period's object value is 114.33 ECU. The price of the object is 114.50 ECU This is the price at which the next-to-last bidder stopped bidding. This period's high bidder made a loss of -0.17 ECU. Your profit is 0 ECU.</p> <p>This period you neither made a profit nor a loss. Hence, your capital balance does not change. Specifically, your capital balance remains at 10.00 ECU.</p>	
stopped bidding at	signal values											
-1.00	113.30											
114.50	109.62											
107.50	107.96											
94.00	98.62											
(-1 ... did not stop bidding)												
<div style="border: 1px solid black; background-color: red; color: white; padding: 2px 5px; display: inline-block;">Move on to the next round!</div>												