THE NASCENT ONLINE AUCTION

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Abstract- *Online auction is an auction system which takes place on the internet. It is a well-known form of trading products and services. This paper contains the study of different auction systems. In this, different bidding forms used are specified. Mostly English auction form is used where in the highest bidder gets the product. Online auction has become more popular way to the expectations of online buyers as it excludes the need of physical presence of bidder at the auction place and also the product can be obtained at the affordable price. This paper gives the idea about different online auction system and their functionalities.*

Index Terms: Online Auction System, Traditional Auction System, Auction system types, Auction system fraud, and bidding.

1. INTRODUCTION

Internet has driven the globalization which addresses the interaction and integration among the people, different business institutes, government bodies, and many more. As people are exposed to unlimited number of quantitative and qualitative products through use of internet, they seek for the expected one at reasonable or favorable cost and time.

Online auctions can be fun! Many users of online auctions clearly enjoy contemplating the subtleties of strategic bidding, and sharing their insights with others. Most online auction sites have active message boards that provide collectors with a sense of community and where one can learn the fine points of collecting.

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The purpose of this project is to build an "on-line auction management system", a place for buyers and sellers to come together and trade almost anything. In fact, the system consists in a web-portal where registered users can propose new auctions, place bids in order to buy the items on auction, send messages to other users and receive automatically news via e-mail (when they receive new offers for the proposed auctions, when an auction is over etc.).

Registration of users is preceded by a "pre-registration": to check whether users insert their real mobile number, they receive an auto-generated OTP (One Time Password)code that they will be asked to type in a second moment to confirm the data (name, address, phone number etc.) they entered. Without this confirmation, a user cannot access the functionality of the portal.

Auctions have a name, a description, possibly a photo (of the related item) uploaded by users and an end period: users cannot place bids when the auction interval (start - end period) ends, but, in case there were no offers for an item, there is the possibility to extend the interval. Moreover, administrators have the possibility to accept or refuse auctions proposed by users, to view information about users and items and to create, modify and delete the categories of auctions (auctions regarding cars, books, music stuff etc.).

The system is realized with a 3-tier architecture: a relational database that store the information regarding items, users, auctions and categories of auction; an application server that cares about the business logic of the system and the presentation layer that consists in the web browser where users can interact with the system. With such architecture, the database is never directly accessed: for example administrators can change the data stored in the database without connecting directly to it but using their own browser.

2. LITERATURE SURVEY

In online auction system one can bid as per his wish in any on-going auction. In this, bidders play an important role for carrying out the auction. More the bidders, more is the fun in getting a product. Admin controls and manages the on-going auction. Admin checks if any fraud bidder is present and removes him from that process. Before placing an auction the admin checks the complete details of the seller and his product. Once he is satisfied, the process continues and an auction slot is booked.

2.1 TRADITIONAL:

The concept of auction is officially originated from western country. Traditional auction system is a market procedure where the price is specified by fair rules and regulations as well as buyers bidding, and to assign products to specific price. In traditional auction the prices are confined according to the participants who participated for the auction. Friedman is the one who published the first paper on auction theory in1956. In traditional auction system a certain time and place is decided by a certain organization for specific goods or products which is transferred to the buyers in the form of minimum bid.

2.2 ONLINE AUCTION:

An on-line auction is the process of bidding of participants against one another to buy items offered for sale at an Internet auction platform. On-line auctions can be achieved for business to business, business to customer, or customer to customer. In online auction, between seller and bidder the system act as an mediator.

There is the system called automatic agent system in the online auction. This automatic agent system gives an maximum amount of price, which that bidder can bear, that price amount is not displayed immediately on the site that price amount is also kept secret from the bidders and auctioneers.

If the highest bid which is accepted is greater amount than that of the auction price, the system automatically place bid for this bidder at the higher level of price amount with increase in minimum unit based on the current auction price amount and let that new bidders become new winners.

2.2.1 TYPES OF ONLINE AUCTION

1) **English auctions:**

English auctions are where bids are announced by either an auctioneer or by the bidders and winners pay what they bid to receive the object. The common operational method of the format is that it is an ascending bid auction in which bids are open for all to see. The winner is the highest bidder and the price is the highest bid.

The popularity of the English auction is due to the fact that it uses a mechanism that people find familiar and intuitive and therefore reduces transaction costs. It also transcends the boundaries of a traditional English auction where physical presence is required by the bidders, making it increasingly popular even though there is a susceptibility to various forms of cheating.

2) **Dutch auction:**

Dutch auctions are the reverse of English auctions where the price begins high and is systematically lowered until a buyer accepts the price.

3) **First Price sealed bid:**

This auctions are when a single bid is made by all bidding parties and the single highest bidder wins, and pays what they bid. The main difference in English auction and first price sealed bid is that this bids are not openly viewable or announced as opposed to the competitive nature which is generated by public bids. This auction and Dutch auction are quite similar that is, in both auctions the players will be using the same bidding strategies.

4) **Vickrey auction:**

Second-price sealed-bid auction is also called as vickrey auction. It uses the same principle as first price sealed bid. here, the highest bidder and winner will only pay what the second highest bidder had bid.

5) **Reverse auction:**

In reverse auction the role of buyer and seller are reversed. Multiple sellers compete to obtain the buyer's business and prices typically decrease over time as new offers are made. Reverse auctions bring buyers and sellers together in a transparent marketplace.

6) Bidding fee auction:

It is also called as penny auction. It requires customers to pay for bids, which they can increment an auction price one unit of currency at a time.

2.3BIDDING PROCESS

The user has to participate in the option before the countdown timer reaches zero.

Bidding is used to determine the cost or value of something. It is an offer to set a price by an individual for a product or service or a demand that something be done.

Bidding perform in two ways on online. One is Unique Bidding and another one is Dynamic Bidding.

Unique Bidding: In this bidding users bid for the product, in that bids which one is unique that user will get the product. For Example if A, B, C, D, E users are there who are bidding for the same product. A bid for $5 and B also bid for $5, C and D bid for $2 and E bid for $3 then E got the product, because his bid is unique in those 5 bids.

Dynamic Bidding: Dynamic Bidding is type of bidding where one user can set his bid for the product. At this time if the user present or not for bidding, automatically the bidding will perform up to his defined amount. After reaching his bid value the bidding stops from his side.

2.4 FLOW DIAGRAM

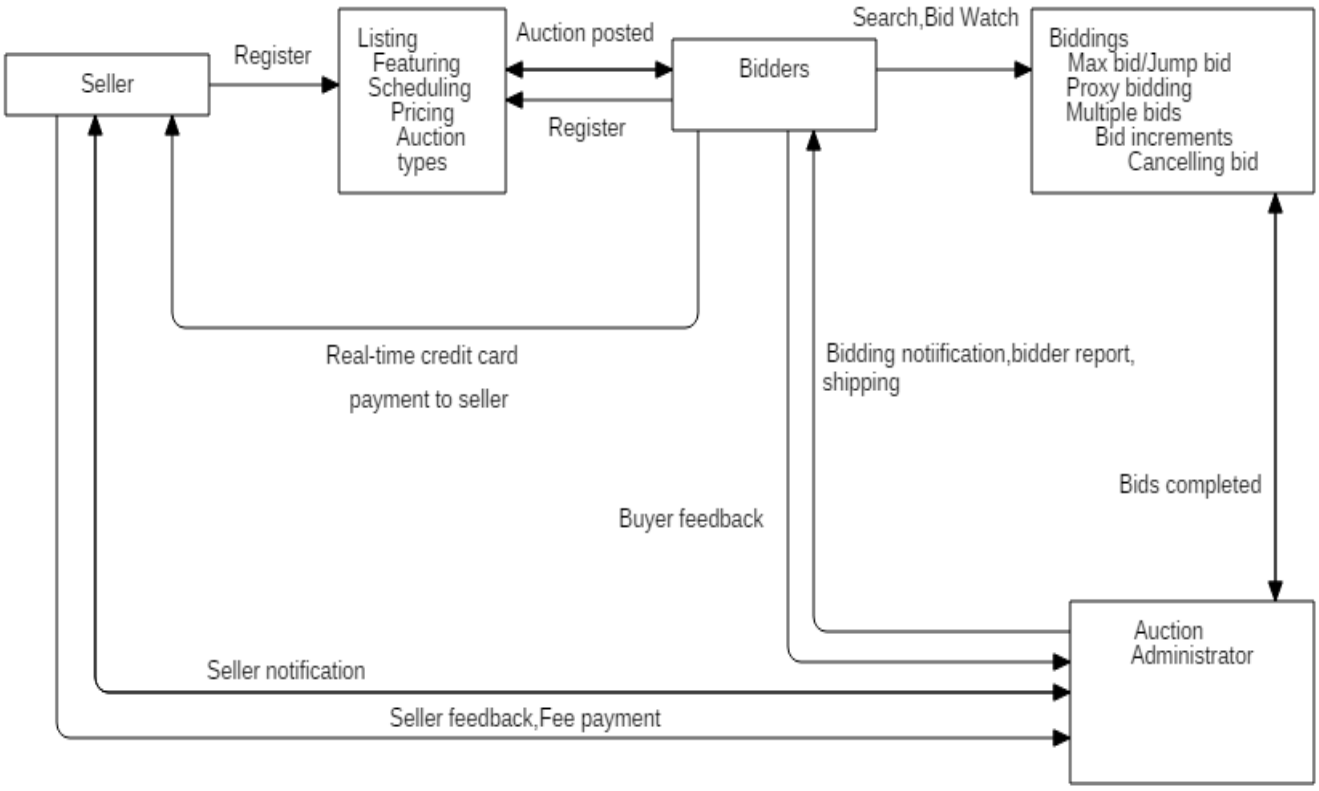

FIG1. FLOWCHART OF THE SYSTEM

2.5STUDY OF DIFFERENT WEBSITES:

User Stories	eBay.com	asteinrete.com	onsale.com	Nascent auction
Home Page	X	X	X	x
Registration	X	X	X	x
Login	X	X	x	x
Personal Page	X	X	x	x
Search	X	X	x	x
Excluding a word	X			x
In a given category	X	X	x	x
In a given city	X			x
Browse	X	X	x	x
Item Page	X	X	x	x
Bid	X	X	x	x
Post an auction	X	X	x	x
Help	X	X	x	x
Chat	X			x
Change language				x

CHART 1. COMPARISON TABLE

According to the above given table, different system contains different functionalities. For ex. eBay, asteinrete, on Sale, nascent auction all are contains the home page, registration, login, personal page etc. present in all the systems. But in some system some functionalities are not presents like search in a given city, excluding a word. Also there is nothing a feature like change language that is present in nascent auction

3. CONCLUSION

In this paper we surveyed various types of auction system. Mentioned the comparison between traditional auction method and online auctions. This survey makes a noticeable contribution in extending past analysis and developing the system for mapping online auction bidder satisfaction. The paper concludes about the different bidding methods of players from different research papers. And also surveyed how to detect fraud bidders. This study conceptually defines the key domain of the bidder satisfaction research framework and important constructs.

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