

Paper Title: HOW TO BOOST REVENUES IN FPAS? THE MAGIC OF DISCLOSING ONLY WINNING BIDS FROM PAST AUCTIONS

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Abstract: We show that an auctioneer (such as an auction house, or a procurement agency) should disclose historical information about winning bids from past auctions, as opposed to disclosing all bids, because this induces bidders to bid more, and raises revenues. We provide a theoretical explanation for our experimental findings based on a bias: at least some subjects may miss that winning bids are not representative of all bids when processing the available information about past bids.

Keyword(s): auctions, bidding, feedback, mechanism design

JEL Classification(s): C91, C92, D44