

ONLINE AUCTION GAME

Instruction Sheet for Seller (Auctioneer)

Background

Suppose that you have just set up a wholesale company and are going to do business by selling and buying the items as shown in Table 1. A merchant, Mr Chan, can provide the stock of the items for you. The maximum amount of quantity for each item that you can purchase from Mr. Chan and the unit cost for each item are shown in Table 1. For the time being, Mr. Chan is the only supplier for your business.

Your business model is very simply. Once you buy the items from Mr Chan, then you will sell the items through an Online Auction Site (OAS) at the PolyU. Your business objective is to make profit through the buying and selling of these items.

Initial capital HK\$60,000 (\$60,000 in saving account + \$20,000 VISA **credit limit** account) is allocated to you when you have successfully registered in the e-bank.

Game Period

Auction time: 10th April – 16th April 2003 (end at 24:00)

Seller Objective

To make as much profit as possible by buying items from Mr Chan and selling the items through OAS at the PolyU.

Playing Guidelines for Seller

- You have to go to the following e-bank's URL and create a bank account if you have not done it.
Group A: <https://en.mgt.polyu.edu.hk/ebankA>
Group B: <https://en.mgt.polyu.edu.hk/ebankB>
- You have to go to the following URL of the OAS registering as a **seller**.

You should receive an email informing you that your status in this game as a **seller** and which Group you belong to. Make sure you go to the correct assigned Group.

URL for the Online Auction Site (OAS)

Group A: <http://en.mgt.polyu.edu.hk/auctiongameA>

Group B: <http://en.mgt.polyu.edu.hk/auctiongameB>

- After you have successfully registered with the system, you will receive a confirmation email. Make sure that you have clicked "Confirm" button in the confirmation menu in order to confirm your registration with the OAS.
- Post your new auction items in a suitable category that is available in the OAS. Make sure the potential customer can browse your posted items easily.
- Prepare corresponding **item images** to upload to the auction site for auction and input corresponding **item description** for each item you are going to post for

auction (say, if you sell a CD, then upload a CD image and the CD description to the OAS for auction).

- Decide suitable auction type (i.e. English auction, Dutch auction, Buy It Now), starting price, quantity, etc.
- If you use up all you VISA credit limit, you should settle the payment before you continue to purchase the item shown in Table 1.
- You will receive email notifying whether your auction is successful or not. Alternatively, you can login the OAS to enquire your auction status via auction history under the control panel.

Item Name	Quantity*	Unit Cost (HK\$)
CD	10	50
VCD	5	30
DVD	3	80
Hi-Fi	4	3,000
Posters	5	10
Cashier	4	2,000
Computer	1	5,000
Furniture	4	2,000
Telephone	4	100
Bar Code Reader	1	300
Television	2	3,000

* Maximum quantity you can purchase from the merchant

Table 1: Items are available from Mr. Chan for selling in the OAS

Report Guideline

You are asked to submit a report including the following:

- Print the system screen indicating how much profit/loss you have made. Also print the system screen reporting the auction items cannot be successfully sold in the auction site within the **game period**.
- Login e-bank and print the screen of your saving account and VISA account and attach them onto the report to submit to your tutor.
- Based on the above print screen, summarize your profit, unsold items, and your current asset.
- Comment on the auction game based on your experience.
- Compare the OAS with other auction site (e.g. e-Bay, Red-dots or Go2hk).
- Report any difficulties encountered in this assignment if any. Any suggestion for enhancement in this auction game?
- Specify what you have learnt from this assignment? You may consider from the 3 major areas: the auction, strategic and tactical planning.
- Submit a hard copy and soft copy **on or before 22 May 2003** to your tutor (after your examination).

Remarks

- Bonus marks will be given to the top three students making largest profit in each Group A or B.
- Items cannot be sold in the auction site will be considered as wasted items. Waste items cannot be resold.
- In this game, OAS will not charge any service charge if seller can successfully sell their items.
- For a same type of product, you can post the auction separately. (e.g. you can post two auctions for selling CDs; one auction selling 6 CDs with English auction and one auction selling 4 CDs with Dutch auction)
- You are highly recommended posting all the items as early as possible and avoid posting items at last minute.
- Monies are not allowed to transfer between students bank account using ebanking system. Otherwise, students will be disqualified for the game.
- Report any abnormal case in the online auction site (marketplace) to the OAS administrator “Complain email to site administrator” in your control panel.

Enjoy your Online Auction Game!