

# The effect of public information in a hybrid auction model

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## **Abstract**

It is a widely accepted result that providing additional information about a commodity to be auctioned has a positive effect on the sellers' expected revenue in a common value auction. Models concluding the latter result typically apply a non-cooperative framework. My thesis topic is to build up a more general hybrid auction model, which incorporates private and common value elements of the bidders valuation and which would allow for forming a bidding ring with a bid coordination mechanism (BCM). My hypothesis is that making additional information public, modeled as a downscaled distribution of the common value component, might result in a feasible BCM, making the effect on expected revenue ambiguous. The derived results can be tested in an experimental setting.