AUCTION : THE MODERN NAME OF BUSINESS TRANSACTION

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Abstract

In business field, the new trend that shows unexpected rise through its various application which provide any type of electronic customer services. One of the major rise was the offer of online auctions which makes the clients to bid for and buy large variety of goods. One of the main feature of online auction is having a high degree of value, and also having a large number of legal opportunity to buy as well as sell, cost comparison etc., bluffers can made frauds in auction activities. The picture is clear from the information asymmetry among buyers and sellers as well as lack of authencity of goods, the buyer can't check the seller and the features of goods until after the transaction has been made. This paper deals with the different aspects of e-auctions which spread out its variety in the world.

Keywords Online auction, Internet – based auctions, e – auctions, auction frauds

Introduction

1.1 Internet based Auction

Auction is a Latin word which means augment. Auctions have been prevalent for centuries. Auction is a bid, a process of selling or buying and services offered take place.

The major rise of business and commerce activities over online based system which may result in a fast involvement of auction models and techniques into broadly usage by e – commerce applications and frameworks. Since quotations are included in almost all product or service prices, the web based applications provide on ideal environment for trading businesses. Negotiation based on Internet make easy opening of businesses and alliance among a vast number of clients, which targets the improvisation of economic measures (likewise decrease in both the trading / business cost and the client accessing times).

Auctions are commendable negotiation mechanisms, particularly well-suited to computerization. A large variety of auctions, model and techniques exist due to the differences in the business world, in the rules for users as well as in the pricing policies.

2. Researches in Web – based Auction System

The main aim of this paper is to mark out the very vibrant / persistent issues in the field of online web – based technology. The main focus of paper depend on the following research topics, which are as follows:-

i. **Web – based Sale by Bid Pattern**: - A web – based sale by bid should be governed by a model that will define the deal making and also make computerized business

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schemes. For example, an advent to such pattern is to point multi – attribute auctions to barbarize quotations accompanied by various techniques and mechanisms for products and services attainment. Majority cases, multi – attribute auctions leads an extension to the set of current market gimmicks.

ii. **Combinative Auctions and Usage of Computer – Based Auctions**: - The contraption governing certain types of auctions and quotations are little bit complex, specifically when there are large number of buyers who are permitted to bid for subsets of all the products for sale. The most advantageous distribution problems arising from such auctions are bit difficult combinative problems needs efficient algorithm for the solutions.

iii. **Security concerns in Web – based Sale by bid**: - The users of web – based or internet based auctions and quotations have to maintain their security and privacy. Several efforts have been made to avoid deceit in negotiations pay particular attention in designing and implementing suitable protocols all parties muddled in a web based action.

iv. **Utilization and Agent Based Execution**—Several auction platforms and prototype replica have been recommended in the research or commercial attempts made earlier. Various web based actions have instigate agent based executions in the quotation process. Now a days a large amount of economic transactions is coordinate through actions, still a lot of work is going to be carried out in economics related to action theory.

Online Auction Imposter

Now a days a huge rush on internet based auctions which may results into large profits also allure surveillance of criminals who deceit to cash in on the profitable online business word. According to one report published on Norton's website shows internet based action fraud reaches to its peaks by the year 2013. The report shows 431 million adults experience internet based fraud per year
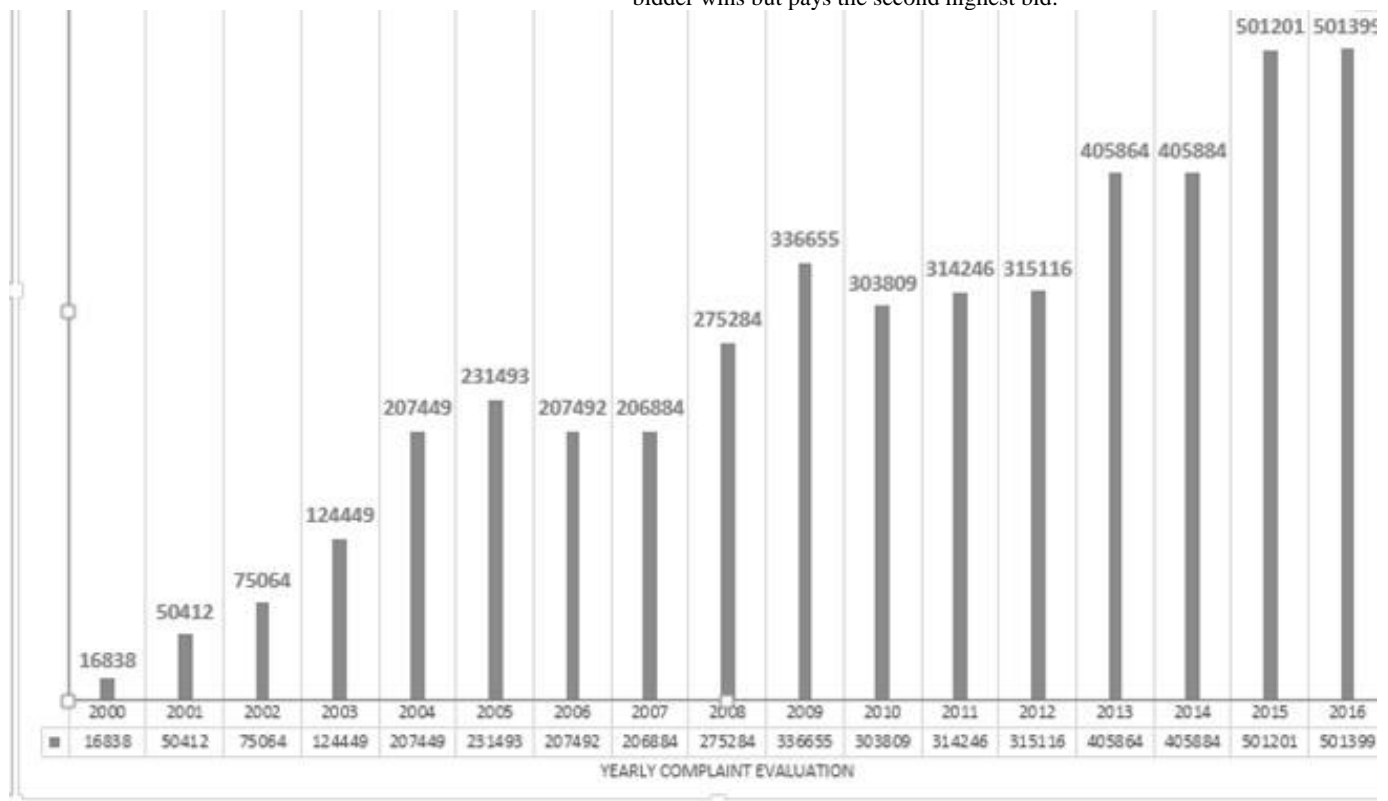
More than one million became victims every day.

14 adults suffered from web based fraud every second.

According to one study there are four commonly used and studied forms of actions, mention in the table given below:-

Table 1 Auction forms descriptions

Different forms of Auctions

Auction Forms	Description
Ascending Order Bidding	Cost is updated until and unless a customer (bidder) persists
Descending Order Bidding	The auctioneer starts at a very high price and lowers it continuously until someone accepts the currently announced price.
First – Price Preserved Bid	Each bidder submits her bid in a sealed envelope without seeing other's bids and the object is sold to the highest bidder at her bid.
Second - Price Preserved Bid	Bidders submit their bids in a sealed envelope; the highest bidder wins but pays the second highest bid.

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
■	16838	50412	75064	124449	207449	231493	207492	206884	275284	336655	303809	314246	315116	405864	405884	501201	501399

YEARLY COMPLAINT EVALUATION

SECURITY ISSUES

The most critical issues in auction and negotiation systems is security. Security is related to several different strands which are pertinent to the safety or protections of the involved parties against deceit / fraud, the authorization of the participants, the verification of the bids, the auctioneer's integrity and the customer's privacy. Even in auction / sale by bid that follows a non – interference policy and leave the clients to handle the auctions in a person – to – person manner, the risk of fraud prevails. Likewise, eBay was forced by public opinion to take special measures in order to lessen fraud. EBay's sale by bid scenario assists a security control program that performs user peculiarity verification, prohibits sellers from buying their own items, impose a policy against dead – beat bidders, and provides a feedback forum.

The main security concern in relation to the web – based auctions includes various research topics such as architecture for protocols, cryptography etc. The distributed auction service guarantees the secrecy of sealed bids, the proclamation of the genuine winning competitor and the collection of digital cash payment from only the winning bidder. The design of the service is based on several cryptographic indigene, such as multicast secret sharing, digital cash and verifiable signature sharing and arranges clemency against malicious association by any number of bidders and less than one – third of the auction servers.

When we are talking about Online Auction, a protocol is presented for fully computerization of auctions among unknown customers and a merchant whose identity is public. The set of rules is presented and judged taking into account an intruder capable of passive or active attacks and the authors prove that it arranges security, atomicity, invisibility, penetrably and low overhead cost. A set of rules for sealed – bid electronic auction is described in, where a bidder's privacy is secured by using a form of safe dispensable computerization. The proposal scalable secret – bid, second – price auction is based on a two – phase bid resolution towards finding the winning bidder. Open problems are discussed and a list of further work directions is provided in this area.

An architecture is proposed [Naor et al. 1999] by preserving the privacy of the participants while maintaining communication and computerized efficiency. The originality of the architecture depends on a new entity, the Auction Issuer(A financial institution or a large company) which held responsible for generating the programs computerizing the actions without taking an active part in the protocol.

For technical instance, the name is cryptography (Catalano and Genaro, 2000) which presents new protocol for verifying signature sharing that can be applied to provide security in distributed actions. An amazing application is an electronic action in which all the bids should by verifiably sharing the check drawn from the same bank. Through this way the winner of the action cannot default the final price since the proxies can reconstruct this check, while their bids will never come out.

Moreover, a paper [Watanabe and Imai, 2000] presents a protocol for sealed bid action which permits the auctioneer to determine the winning bid in a universally verifiable way and also protects both the bidder and the actioners from getting the useful information regarding the bids of losers. The entire protocol depends upon the presence of a trusted third party invoked only when a bidder cheats or simply crashes. This proposed protocol achieves all the desirable security properties.

Conclusion

Online actions have become a vital and emerging component to most consumers and business electronic commerce applications. This paper covers an outline of present research efforts in relation to web based action modelling and applications. In this paper, several efforts in connection to action parameterization and their environments modelling, design and better use of agents for actions implementation, combinatorial and computational actions analysis as well as security issues. Ever since e-actions and e-negotiations are very crucial process to the overall performance related e- commerce application, still lot of research work are going in this field.

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