The research explores the intrapersonal and social factors of sniping. Snipping is a strategy of placing a bid on an item in the very ending stages of an auction in an attempt to win the auction, while leaving other bidders a short period of time or no time to respond. Results from a laboratory simulation experiment, a field study and a web survey, indicate that consumers perceive sniping to be an effective auction strategy. The findings further highlight that when there is greater interest in the auction and the auction site provides social information, the relative use of sniping increases.

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The Interpersonal Determinants of Sniping in Internet Auctions
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EXTENDED ABSTRACT
The current research explores the intrapersonal and social factors of the sniping phenomenon. Sniping occurs in on-line auctions when the auction closes at a specified pre-determined time (a “hard close”). Snipping is placing a bid on an item in the very ending stages of the auction in an attempt to win the auction, while leaving other bidders a short period of time or no time to respond.

Four studies were conducted to examine the social factors affecting the sniping strategy. The first study was based on on-line survey among 144 eBay bidders. Its findings pointed out that consumers perceive sniping to be an effective auction strategy by which the bidders can achieve a higher probability of winning the auction at a lower price. The second study was based on an on-line auction simulation setting among 62 participants. Its results revealed that participants were more likely to snipe when there was a higher number of other bidders showing an interest in the auction than when the number was low. The last two studies were conducted in actual eBay auctions. The third study was conducted among 141 eBay bidders in the presence of high or low counter. eBay counter is a visual representation of the number of viewers who inspected the specific item. The results demonstrated that the tendency to snipe was higher in case of high counter (many other potential bidders) than in case of low counter. The fourth study was conducted among 286 eBay bidders. The findings indicated that when the auction displayed the counter, sniping took place more often in public auction (i.e. when knowing the bidders’ identity) compared to private auctions (i.e. when the bidder’s identity is concealed). However, when the counter was hidden, there was not a significant difference in the percentage of sniping.

The findings of this research shed new light on the determinants affecting bidding behavior, specifically—sniping in internet auctions. The research also uncovers extant beliefs that bidders have about sniping effectiveness. It would be interesting to further explore the boundaries of the social impact on sniping. It can be implemented through controlling for other factors which earlier studies observed that they have an effect on sniping. The closing rule of the auction and the experience of the bidders are such factors which come to mind. These studies will enable the researchers to evaluate boundary conditions regarding the effect of the other bidders on sniping behavior as well as the interaction among the factors.