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The Hungry Ghost Dinner and Auction: Real-World Auction, Other-World Meanings

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This paper provides insights into how social and cultural goals influence the bidding behavior in a real-world auction, the Hungry Ghost Dinner and Auction. Using interview and fieldwork data from a diversity of auction sites, I examine the psychology of bidding where participants derive something more significant from the sale other than the price, namely the social recognition from being a part of the real-world community and the satisfaction from performing the duty of compassion for the other-world community of hungry ghosts.

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EXTENDED ABSTRACT

The Hungry Ghost Festival is celebrated in indigenous and diasporic Chinese communities around the world during the seventh month of the Lunar Calendar. The festival has several mythologies relating to its origins and religious significance. Traditional festivities have evolved over the years and have incorporated urban folklore and other cultural practices. In particular, for the Chinese community in Singapore, an integral event that has taken prominent place is the Hungry Ghost Dinner Auction (HGDA). The HGDA is laden with socio-cultural meanings and exhibit immense economic potential and impact. With an estimated 200 events taking place over the entire month at about an average of S\$30,000 spending per event, it is a multi-million dollar industry.

Given the recent interest in auction theory due to the proliferation of Internet auction sites, this paper seeks to enhance the understanding of the bidding behavior and the social interactions of bidders in a live auction setting, and the extent to which social and cultural goals influence the bidding behavior of auction participants. In particular, this paper asks the following research questions: (1) What motivates participants and bidders to attend and be involved in the HGDA? (2) What is the psychology of bidding when the final prices paid are exorbitantly higher than the economic value of the goods?

I first review the literature on motivations for attending auctions and the psychology on bidding. There are many reasons (economic, social, psychological and otherwise) for participation in auctions. In the literature on auctions, the phenomenon of overbidding has been frequently observed. In common value auctions, people may bid past their limits because they are using personal and social information to evaluate an item's value. The psychology of overbidding can be attributed to various factors such as the winner's curse, escalation of commitment and auction fever (or competitive arousal). The time-compression of decision making and the adrenaline-charged atmosphere combine to make live public auctions a crucible for highly emotional and fiercely competitive manifestations of bidding behavior.

The principal researcher and the research team visited over forty locations where the Hungry Ghost events were held over the duration of the lunar seventh month. These auctions represented diversity in terms of the scale of operations with tables ranging from twenty to two hundred (an equivalent of two hundred to two thousand guests). Ethnographic techniques were used for data collection. Organizers and participants were interviewed before and during the dinner and auction. The research team also observed the proceedings and took detailed fieldnotes which were further supplemented with photographs and videos. The textual and visual data were reviewed, organized and analyzed within each auction and across auctions. The research context is described with an emphasis on the auction mechanism and auction items. The funds raised in the current HGDA are used to organize the following year's HGDA, and successful bidders have up to a year to pay for the items.

Reasons like those suggested by Greenleaf (2004) such as getting a good bargain and paying prices lower than those at fixed price retailers do not exist in the HGDA as other social and emotional reasons for participating in the HGDA take precedence. The consensual and cooperative nature of the exchange is apparent in the case of the HGDA. Dinner guests and auction participants are first and foremost constrained by social obligations to attend the

event. Showing up at the event means "showing face" to the important people in one's business and social community and an opportunity to return the favors of business associates. The HGDA participants who bid for such items are often able to enhance their standing in the community through the social visibility and prestige that such participation brings.

HGDA bidders appear to be paying exorbitantly high prices for the various categories of auction items. Although most of the HGDA items have some value outside the auction, these values are dramatically enhanced within the context of the HGDA. For example, a DVD player which retails for S\$300 can fetch a final bid of S\$600. A stack of twenty oranges that costs no more than S\$10 from a neighborhood grocer is considered an auspicious item worth hundreds of dollars in bids when it is decorated with elaborate trimmings and prayed over by a priest.

The construction of value takes place in a web of complex social relations as bidders are extensively influenced by others in the cultural context of the HGDA. The effect of social facilitation is strongest because of the live auction setting and the social prestige factor involved. Bidders are happy to put in high bid amounts because they feel they are giving back to the community and fostering good business relationships. In addition to social facilitation, the participants believed that their decisions and actions have important cosmic influence. They are pleasing the gods, and helping to take care of the "good brothers" (i.e., the hungry ghosts). For participants and bidders at the HGDA, the auctions are more than a process of assigning values to material goods. For them, the symbolic value they derived is the social recognition they are accorded as being part of the real-world community and the satisfaction of performing the duty of compassion for the other-world community of hungry ghosts.

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