Title: Online Auction Markets in the Aftermath of COVID-19

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Abstract: An economically relevant implication of cities lockdowns, perhaps the most popular government policy enacted to limit COVID-19 virus contagion, is putting a stop to retail markets and paralelly boost online ones. In this paper we leverage rich data on more than 5,000 eBay auctions of a number of goods, to test, first, whether the virus spreadout led to sizable changes in supply or demand. This is unclear ex-ante as, for example, in electronics the increase in demand for telework or leisure may or may not exceed the increase in supply by sellers either disposing of unused electronics or in need of liquidity if the lockdown has put their job at risk. Second, we test whether changes are observed in the incidence of bidding “anomalies” not predicted by theory but typically in online auctions, such as multiple bids in a single auction or last-minute bids, as they may, on the one hand, increase due to the more frequent use of online devices during the lockdown and, on the other, decrease at times in which intermittent supply of competing online retailers is larger. In our analysis we will exploit information on sellers location and auctions dates to try to capture time variations in the virus spreadout to test whether potential changes in supply are observed at different points in time in different countries depending on the timing of the onset of contagion and its speed of diffusion.

Data description: We have been collecting from eBay data on more than 5,000 auctions, both before and after the lockdown, of a number of goods sold over a time span of more than 4 months. Our dataset includes information on bidders’ eBay ID, the bid amount, as well as on the time of the bid and whether it was a manual or proxy bid. We also collected data on bidders’ and seller eBay scores, which are a weighted average of positive and negative opinions received when buying or selling goods, and on sellers’ country of residence. Finally, we collected auction-level information on the date and time in which each auction began and ended.

JEL Classification: C57, D44, D83, D91

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