

AGCO Seminar

2019-06-03:

Author: Suraj Malladi, Stanford U.

Where: Sala i34 (3rd floor, República 799B).

When: Wednesday, March 6, 14:30.

Title: Fair Auctions with Asymmetrically Informed Bidders

Abstract: (With Aranyak Mehta and Uri Nadav) Agents often arrive to auctions with different levels of informations about their own value for the object sold. In such asymmetric settings, it may be optimal to charge different reservation prices to discriminate between bidders. However, it is often infeasible to expressly treat different bidders in the same auction differently, particularly in on-line settings. We characterize optimal nondiscriminatory mechanisms in the presence of informational asymmetries and compares them to the revenue of unconstrained optimal auctions. We find the revenue of the unconstrained optimal auctions never exceeds between twice to four-thirds of the optimal nondiscriminatory auction's revenue.