Article Side

New Concepts of the "One Penny Auction"

by Limken Thomas

Article published on July 15th 2012 | Auctions

The new concept of penny bids provides a unique opportunity to sell your items for good price without having to ponder on what price to set so someone would purchase the item and you could be satisfied as well.Beside that it is a good opportunity to get sales up through the number of visitors that are interested in your product, and some experts even advise the one penny auction approach for big auctioning sites. The logic in this system is the psychological frame of things; for example, when multiple equal products are available, and the only difference is the price, it is logical that the bidders will bid on the lowest price.

Users say that one penny auctionprovides a good opportunity to sell items at good price without the winning bidder investing the actual value and to the satisfaction of the seller. They claim that penny bids allow for trading just as any other where the price is to be determined involves certain risk and that people participate by their own will and calculations. This is exactly what the Californian law is talking about, that gambling moment that appears in the whole penny bidding system.

On the other hand, the successful sales of certain product can result for lower price than intended, and this is the tricky part of the one penny auction system, for instance an item that is worth 100Â£ can sell for 2Â£ due to low bidders` numbers and so presents a loss to the seller. This makes penny bids a system that needs some training or better said certain expertise, to be able to know which items are good to be sold through this system and which items are prone to bring loss.

Most experts agree that the one penny auction systems introduced a new way of marketing and the ways on which they conduct business may vary, as it seems that certain companies that provide these services use questionable methods. The penny bids present a good opportunity to get a lot of new visitors and hence improve the seller`s ratings, as well as allowing the customers to purchase items for much more affordable price as the original.

The system is said to work so that the auctioned item is put out with the reserve price of 1 penny, or 1 cent, and people bidding for the item increase the price by bids while the time of the auction is prolonged each time the new bid comes in. The one penny auction system basically allows the final buyer a very affordable purchase, while the rest of the bidders lose their money, put in the bidding process. This is one of the problematic sides to the penny bids, experts say. However the online community has accepted the new marketing well and the systems are thriving, even the largest online auction sites are beginning to use this exact approach with setting the initial bidding price at 1 penny so to achieve the highest interest in item and hence the optimal finishing price of the auction.

Article Source:
http://www.articleside.com/auctions-articles/new-concepts-of-the-one-penny-auction.htm - Article Side

Limken Thomas - About Author:

PennyAuctionOnline.com site is updated when needs be with the current traffic rankings of the top 10 Penny Auction Sites online.He has applied his knowledge and understanding to a wide variety of a one penny auction.

Article Keywords:
one penny auction

You can find more free articles on Article Side. Sign up today and share your knowledge to the community! It is completely FREE!