

Insane Prices at Auctions



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Example of a Solution

1. Learners are likely to be familiar with such stars and will recognise the accuracy of the message.
2. Presumably, the majority of learners will also decide in the vote that such dreamlike prices can only be achieved in auctions (emotional surplus value/behavioural economics).
3. a) The fact that bidders at auctions often pay far more than the estimated market price is likely due to a variety of factors: People are attracted to the auction, they want to purchase a certain item despite the costs, they want to outbid other bidders, they can remain anonymous at an auction, etc.

b) The fact that bidders at auctions often want to pay far less than the estimated market price could also be attributed to a variety of reasons: One does not have sufficient financial means, one realises that the price will be driven up by co-bidders, one comes to a different assessment of the object value during the auction.

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