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Mixed bundling auctions. (English) Zbl 1156.91353

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Summary: We study multi-object auctions where agents have private and additive valuations for heterogeneous objects. We focus on the revenue properties of a class of dominant strategy mechanisms where a weight is assigned to each partition of objects. The weights influence the probability with which partitions are chosen in the mechanism. This class contains efficient auctions, pure bundling auctions, mixed bundling auctions, auctions with reserve prices and auctions with pre-packaged bundles. For any number of objects and bidders, both the pure bundling auction and separate, efficient auctions for the single objects are revenue-inferior to an auction that involves mixed bundling.

MSC:

91B26 Auctions, bargaining, bidding and selling, and other market models

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Keywords:

[mixed bundling](#); [auction](#); [revenue maximization](#)

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