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| **eBay Auction case study**      embay, the world’s foremost leading online auction site has become a major online seller over the Internet. eBay was founded by Pierre Omidyar in September 1995 inside his living room in San Jose. At the time, it was meant to be a small personal site to sell used items utilizing a simple ascending bidding system. Little did Omidyar know that his system of online auctioning would revolutionize the world by blending in the convention of auctions with the technology of the Internet to increase the efficiency of day to day “sales.”  Over eighty million people visit eBay.com with over two hundred million individual auctions. This combination generates over four billion dollars in transactions each year, representing an unprecedented amount of economic activity online through auctions.  Since online auctions is still a relatively new concept, extensive studies and theories have not been conjectured until recently. Due to this limitation, eBay consumers had to rely on logic, and trial and errors in the first years of eBay. G  Instead of strict prices and amounts that dictate the consumer attitude toward purchasing, the procedure of buying and selling to a selfimposed price brings about an entirely new way to understand the rationality behind internet sales and auctions on sites like eBay.  One interesting business problem is to examine if the seller’s “reputation”, measured by seller’s feedback, has a positive correlation to buyer’s willingness to bid on an item as well as the price of the item. Furthermore, it is of interest also look at whether the length of the days the seller puts an item for sale has any correlation to the final price bidders are willing to pay.  **Use the attached data file.**  The file *eBayAuctions.csv* contains information on the auctions that transacted on eBay.com during May–June . Also the data file is attached herewith  The goal is to use these data to   1. **Build a model that will classify auctions as competitive or non-competitive.** 2. **Identify important attributes leading to competitive auction** 3. **Suggest actionable recommendations to the manager so hat higher rate of competitiveness can be achieved**   **Note:** A *competitive auction* is defined as an auction with at least two bids placed  on the item auctioned. The data include variables that describe the item (auction category), the seller (his/her eBay rating), and the auction terms that the seller selected (auction duration, opening price, currency, day-of-week of auction close). In addition, we have the price at which the auction closed.  Your presentation should explain business problem, deliverables i.e. at the end of the report what are the actionable recommendations you will be suggesting to the management, required data pre-processing steps ( including any data dimension reduction ) , model building process, evaluation of your model etc  Try Logistic regression and KNN classifier |