

## EDITOR'S NOTE

Dear Readers,

for over ten years, the proliferation of electronic markets has been predicted. However, for the most part of this period, the theoretical arguments were convincing but the empirical evidence was not. The emergence of the World Wide Web has profoundly changed that situation: electronic market mechanisms gain more influence and coverage where there have been traditional markets and they emerge even in areas that have not seen markets before. Among the different market mechanisms, electronic auctions have gained the most attention. Maybe this is due to the fact that most people are intrigued by the dynamics of real time price determination or perhaps by the glamour of auctions in fine art or even by the opportunity to gain a bargain. And it may be it is just this amount of attention, which is so critical for a medium like the Web that is governed by the competition of attention, that continually attracts auctioneers and vendors to the World Wide Web.

This issue's focus section on Electronic Auctions covers conceptual as well as empirical aspects: The introductory framework exhibits basic distinctions and constituting elements of electronic auctions (Stefan Klein). Efraim Turban assesses the risks and benefits of the Web for auctions - and bidding in particular - and gives a number of illustrating examples. Clive Wrigley introduces principle design criteria for an electronic market. A scrutiny of the rule sets that govern different types of auctions leads to suggestions how these rule sets may be used and modified in order to define new

auctions types (Martin Reck). It is shown how the Web can improve the efficiency of electronic trading. Two case studies reflect the influence of industry settings on the design and success of auctions: The network for used car auctions, AUCNET, is used to analyze the role of electronic intermediaries (Ho Geun Lee). A comparative study of auctions in the Dutch flower industry exhibits the critical success factors for electronic auctions (Eric van Heck and Pieter Ribbers). The analysis illustrates the salience of institutional factors, in particular the interests of respective stakeholders, in addition to the improved efficiency of trade procedures.



*Stefan Klein*

This issue furthermore has a research section with a paper on market space strategy (John Sviokla and Michael Quinn) and an example of a virtual catalog on housewares (Arthur M. Keller and Michael R. Genesereth).

The focus Asia is continued with a study on Chinese Information Super Highway Project (Zhenyu Liu). I hope that this issue will convey the impression of profound structural changes in many industries that is highlighted and reinforced by the emergence of electronic markets and in particular electronic auctions.

Stefan Klein  
*Guest Editor*