



159159

1

Method for Obtaining Prices for Goods and Services

Technical Field

This invention relates to a method for obtaining prices for goods and services and refers
5 particularly, though not exclusively, to such a method where bids for supplying goods
and/or services are submitted in response to published requests.

Background

There are many portals and websites that provide merchants (sellers) with a platform to
10 sell their products. Buyers have to bid for the products directly on the website. Most
require the completion of the transaction to be on their website.

Conversely, there appears to be an absence of portals and websites where consumers
can request bids (from merchants) for the supply of products and/or services, and where
15 merchants can interactively submit bids.

Summary

According to a preferred aspect there is provided a method for a bidding system to
obtain prices for products, the method comprising receiving data from a consumer
20 machine, the data relating to a product of a product category, bids being required for the
product; determining all registered merchants registered for product category; sending
an alert to machines of all registered merchants; receiving bids from at least one
registered merchant; ranking the received bids according to ranking criteria; and
supplying at least some of the ranked bids to the consumer machine.



G00002

According to a second preferred aspect there is provided a method for a consumer machine to obtain prices for products, the method comprising: sending data to a bidding system, the data relating to a product of a product category, bids being required for the product; receiving from the bidding system at least some of the bids received by the bidding system, the at least some of the bids being ranked according to at least two ranking criteria; and finalizing a transaction with a selected merchant of a selected bid of the at least some of the bids, the selected bid being selected from the ranked bids.

For both aspects the at least two ranking criteria may be: a price for the product, a feedback rating of the merchant, and/or a time of submitting the bid. The data relating to the product may be in accordance with a plurality of fields. The product category may be progressively narrowed in accordance with the plurality of fields. The alert may be sent by: SMS, email, real simple syndication, and instant messaging.

Feedback from the consumer machine may be sent to the bidding system. The feedback may be of a performance of a selected at least one of the registered merchants. A numerical value may be allocated to the feedback. The feedback rating may be based on a summation of weighed scores arising from answered questions of a questionnaire. The answers may be sent to the bidding system by the consumer machine. The scores may be 2, 1, 0, -1 & -2, representing “very satisfied”, “satisfied”, “neutral”, “not satisfied and “very unsatisfied” respectively. The summation of the weighted scores may be over a predetermined period. The predetermined period may be in the range 1 to 3 months, and may vary according the product category.

The at least some of the bids may be a set number of bids. The set number may vary according to the product category. The set number may be selected from: in the range 1 to 10, in the range 3 to 7, and five.

5 **Brief Description of the Drawings**

In order than the invention may be fully understood and readily put into practical effect there shall now be described by way of non-limitative example only exemplary embodiments, the description being with reference to the accompanying illustrative drawings.

10

In the drawings:

Figure 1 is an illustration of the system architecture;

Figure 2 is a flow chart for the operation of the system;

Figure 3 is a representation of the ranking criteria;

15 Figure 4 is a flow chart for the ranking system; and

Figure 5 is a flow chart of the rating system.

Detailed Description of the Preferred Embodiments

The purpose of the exemplary embodiments is to provide consumers with the ability to
 20 request bids for products and/or services (“products”) from both traditional “brick and mortar” retailers/sellers/businesses and/or “cyber” retailers/sellers/businesses (“merchants”) using a single web portal operated by a bidding system. At the same time, merchants will be able to target their products and/or promotions specifically to the consumers who are searching for them.

Merchants will submit bids for the products requested by consumers. All bids will be ranked and are subsequently discarded if they do not fall within a predetermined range of the lowest bids based on predefined ranking criteria. The predetermined range may be the third to seventh lowest bids. The predefined ranking criteria may be based on

5 three factors:

price,

merchant rating, and

timeliness of the submission of the bid.

The actual number of bids accepted will be dependent of the product. Accepted bids
10 will then be forwarded to the consumers.

As shown in Figure 1, a number of client machines 110 of consumers may be connectable to a bidding system 120 by use of the Internet 130. Also, a number of client machines 140 of merchants may be connectable to the bidding system 120 also by use
15 of the Internet 130. Merchant machines 140 and consumer machines 110 do not communicate directly with each other and all communication is through the bidding system 120. The bidding system 120 includes application servers 121, database servers 122, a bid ranking engine 123 and a merchant rating engine 124.

20 As shown in Figure 2, each consumer machine 110 must first register (200) with the bidding system 120 before any request for bids can be submitted, or any services available from the bidding system 120 are used. A verification email (together with an account activation code) will be sent to the email account of the machine 110 upon completion of the initial registration.

When the machine 110 submits a bid request (201) the data supplied must be sufficient to fully identify that for which bids must be submitted. Each request is given a unique identifier such as, for example, a sequential number, and comprises a number of prescribed fields. Fields may be based on drop-down menus and/or buttons to be

5 selected. The prescribed fields are to provide a successive narrowing of the product category. The first field may be a broad description of product category. For example: Home Entertainment Systems, Home Appliances, Cameras, Plasma/LCD Televisions, and so forth. If the field selected is cameras, the second field may be to select the nature of the camera. For example: Digital SLR, Film SLR, Compact Digital Camera, Compact

10 Film Camera, SLR Lenses, Flashes, Tripods, Others, Accessories, and so forth. If the selection is for a digital SLR camera, the third field will narrow the selection to specific brands such as, for example: Canon, Nikon, Olympus, Sony, Samsung, Konica Minolta, Pentax, Others, and so forth. Upon the selection being made, the various models for that brand or manufacturer are then listed for the fourth field selection. For example, if the

15 selection was for a Canon digital SLR camera, the list provided may include all current models of Canon digital SLR cameras that fit the product description: EOS-1D Mark IIIn, EOS-1Ds Mark II, EOS 5D, EOS 30D, EOS 350D, EOS 400D, and so forth. The selection is then made and the relevant model selected.

20 Each field may include option for a missing description to be inserted. For example, in the fourth field there may be included in the selection listing the entry: "Please Enter Model Number".

Upon successful submission of the bid request (201), the consumer machine 110 will be provided with the unique identifier and an acknowledgement email will be automatically sent by the bidding system 120 to the email account of the consumer machine 110. The email will contain pre-determined information (including a hyperlink
5 to the bid request) based on each request.

Once a request has been submitted, it will be tagged with a unique request identifier.

Merchant machines 140 are also required to register. During their registration basic
10 information about the business is provided, as is information about the product categories of interest. The product categories may be in accordance with the fields of the bid request. Both will be in accordance with pre-defined product categories. The business information required may include, for example: full business name, registration number, business address(s), contact person, contact number, email account, preferred
15 login ID/password, payment method, and so forth. All requests for registration submitted by a merchant machine 140 are subject to review for reliability. For example, if a merchant has been deregistered due to consistent bad rankings (see below) they will not be allowed to re-register without the approval of the system administrator.

20 Upon a successful registration, each merchant machine 140 will be provided with a unique identifier, and will be requested to provide additional information such as, for example, billing details and preferences, preferences for automated email alerts, and so forth.

Merchant machines 140 will be informed of new requests for bids within the product categories for which they have registered by use of an information distribution system such as, for example, SMS, email, real simple syndication (“RSS”) or instant messaging, upon new requests for bids being submitted to the bidding system 120.

5 After determining those merchant machines registered for the product of the request for bids, automated alerts are supplied to each merchant machine 140 that has registered for the category of products that was selected at the registration of the merchant machine 140.

10 Merchant machines can access new requests for bids as they are being submitted to the bidding system 120, but only for products that fall within the category of products for which that merchant machine 140 is registered.

A bid for the supply of the product requested can then be submitted (202) to the bidding
15 system by a merchant machine 140. All bids submitted are date and time stamped. At any time before the close of bidding, a bid may be amended if so desired (208).

All unexpired requests for bids can be accessed by each merchant machine 140. The requests for bids can be accessed by their product categories using, for example, drop-
20 down menus. All requests for bids that are displayed will be ranked according to price and only a set number of bids will be displayed. Responses to a plurality of requests for bids for the same product may be by responding to the plurality of requests for bids for the same product with a single bid rather than individually.

When submitted, the bid is ranked (203) as is described below. All bids are then displayed and each merchant machine 140 can access the bid data but only for a set number of the lowest-ranked bids (if any). The set number may depend on the product category, but would be a relatively low number such as, for example, in the range 1 to 10, 3 to 7, or about 5. The data available would not include any identification of the merchant(s) who submitted the bids. These bids will be stored in the database server 122 and ranking of the bids will follow the methodology described below with reference to Figures 3 and 4.

After the close of bidding (204), the set number of lowest ranked bids (as described above), together with the details of the relevant merchant and the feedback ranking, will be provided to the consumer machine 110 in the form of a response email (205). The deal is finalized by direct contact between the consumer and the merchant. A Merchant will not be charged any fees for an unsuccessful bid. The response email may include information on how the consumer can rank the bids received, and the performance of the relevant merchant(s). The information may be one or more hyperlinks. All feedback provided (206) will be tagged to the identifier of the sending consumer machine 110. However, the identifier will not be provided to any merchant machine 140, nor be released in any public manner. Only system administrators will have access to the identifier of the feedback. The feedback is used in the ranking of bids (207).

The bid ranking system is more fully explained with reference to Figures 3 and 4. When a new bid arrives from a merchant machine 140 for an existing bid request (401), the ranking engine will collect all bids associated with the particular request. Bids with time-stamp later than the submission deadline will be discarded (402). The remaining

bids are then ranked by ascending bid price (403). The price ranked bids will be further ranked by descending merchant rating scores available from the merchant rating database (404) where higher rating scores relates proportionately to better buyer satisfaction. This ensures that ties in bids by price will be resolved by differences in ratings with higher rating scores being given priority.

Finally, the bids (now ranked by price as well as ratings) will be further ranked by ascending time-stamp. If there are ties in bid price as well as ratings, these will be resolved by time of submission. Earlier submissions are given priority. By virtue of the fact that no two bids can arrive at the same time into the bids database, the time-stamp will always deliver a final ranking differentiation.

The top set number of price bids can now be returned to the system as an outcome of the ranking machine.

15

The following scenarios illustrate how this system operates for a straight forward ranking, and one with multiple ties.

Scenario A: No ties in bid price

	Bid Price	Merchant Rating	Submission Time	Rank Order
Merchant A	\$ 100	19	9am	-
Merchant B	\$ 90	20	10.45am	-
Merchant C	\$ 95	12	8.30am	-
Merchant D	\$ 101	6	1pm	-
Merchant E	\$ 99	8	1.45pm	-
Merchant F	\$ 105	10	3pm	-

Applying 403 produces:

	Bid Price	Merchant Rating	Submission Time	Rank Order
Merchant B	\$ 90	20	10.45am	1
Merchant C	\$ 95	12	8.30am	2
Merchant E	\$ 99	8	1.45pm	3
Merchant A	\$ 100	19	9am	4
Merchant D	\$ 101	6	1pm	5
Merchant F	\$ 105	10	3pm	6

5

If the set number of bids to be set to the consumer's machine 110 were to be 3 (as an example), then the details of the bids and rankings of merchants B, C and E, as well as their details, will be sent to the consumer's machine 110.

10 Scenario B: Bids with multiple ties

	Bid Price	Merchant Rating	Submission Time	Rank Order
Merchant A	\$ 110	19	9am	-
Merchant B	\$ 95	12	10.45am	-
Merchant C	\$ 95	20	8.30am	-
Merchant D	\$ 99	15	2.30pm	-
Merchant E	\$ 99	15	1.45pm	-
Merchant F	\$ 105	10	3pm	-

Applying 403 yields:

Iteration #1	Bid Price	Merchant Rating	Submission Time	Rank Order
Merchant B	\$ 95	12	10.45am	1
Merchant C	\$ 95	20	8.30am	1
Merchant D	\$ 99	15	2.30pm	2
Merchant E	\$ 99	15	1.45pm	2
Merchant F	\$ 105	10	3pm	3
Merchant A	\$ 110	19	9am	4

As there are two pairs of ties in bid pricing, applying 404 gives:

Iteration #2	Bid Price	Merchant Rating	Submission Time	Rank Order
Merchant C	\$ 95	20	8.30am	1
Merchant B	\$ 95	12	10.45am	2
Merchant D	\$ 99	15	2.30pm	3
Merchant E	\$ 99	15	1.45pm	3
Merchant F	\$ 105	10	3pm	4
Merchant A	\$ 110	19	9am	5

5

There now remains one pair of ties (merchants D and E with same bid and rating). By further applying 405 gives:

Iteration #3	Bid Price	Merchant Rating	Submission Time	Rank Order
Merchant C	\$ 95	20	8.30am	1
Merchant B	\$ 95	12	10.45am	2
Merchant E	\$ 99	15	1.45pm	3
Merchant D	\$ 99	15	2.30pm	4
Merchant F	\$ 105	10	3pm	5
Merchant A	\$ 110	19	9am	6

- 10 If the set number of bids to be sent to the consumer's machine 110 is three, merchants C, B and E will be returned as the final outcome.

Once the relative ranking has been determined (as above) it will be sent to the associated merchant machine 140 for those merchants whose bid ranking fell within the
15 set number.

As shown in Figure 5, feedback may be submitted by the consumer via the use of an online questionnaire. There will be a number of questions that pertain to, for example:

- (a) consistency of the bid price vs. actual price provided by the selected merchant;
- 5 (b) availability of the product/service as bid by the selected merchant;
- (c) quality of the product/service provided by the selected merchant; and
- (d) overall satisfaction with the selected merchant.

Each of these questions will carry a choice of discrete scores that represent the buyer's level of satisfaction by the different aspects. For example, the scores may be 2, 1, 0, -1 & -2 representing "very satisfied", "satisfied", "neutral", "not satisfied" and "very dissatisfied" respectively. The merchant rating engine 124 will compute an overall score using the responses to these questions. This may be by, for example, a summation of the scores further adjusted by pre-determined weights (501). The weights would not be known to the consumer providing the feedback. The weighted scores are then computed (502).

The following example illustrates this:

Question	Score: 2 = very satisfied, 1 = satisfied, 0 = neutral, -1 = not satisfied, -2 = very dissatisfied	Weighting
How consistent was the actual price vs. the bid price?	1	65%
How readily available was the product at the selected merchant?	2	15%
How was the quality of the product you received from the selected merchant?	0	15%
How would you rate your satisfaction in general with the selected merchant?	1	5%

The overall score associated with this particular transaction will then be computed as:

$\sum (1 \times 0.65, 2 \times 0.15, 0 \times 0.15, 1 \times 0.05) = 1.00$. This score will then be incorporated as a

new data point in the merchant rating database and the new rating for the merchant and the product category determined. As a merchant may deal in many different product

5 categories, the merchant rating will be assessed independently for each product

category. The database may contain previous scores for the product category in

consideration. These will be averaged. For instance, there could be twenty-three prior

feedback scores associated with the merchant's camera product category yielding a

running average of 1.45. This will be the new rating for the merchant in that product

10 category (504). With a new, twenty-fourth data point the new running average may now

be adjusted to 1.33 by taking the average of all feedback scores including the new score

of 1.00. The more data points there are, the more representative the resultant rating will

be of buyers' satisfaction with the merchant in question. The new rating is then sent to

the merchant rating database (505).

15

If after some investigation (500) the weightings need to be changed for a product

category or categories, the new weights are determined (506) and added to the database

(507). They are then used in (501).

20 Merchants will be grouped according to product category and a summary of their

ratings over different periods will be shown. The different periods may be, for example,

1 month, 3 months and 12 months. The details of all feedback that is less than three

months old will be accessible by all consumer machines 110.

Merchant machines 140 will have access to all successful bids that have been accepted by the bidding system 120 and provided to consumer machines 110 over a previous period such as, for example, one month, 30 days, or the like.

- 5 Whilst there has been described in the foregoing description preferred embodiments of the present invention, it will be understood by those skilled in the technology concerned that many variations in details of design, construction and/or operation may be made without departing from the present invention.

The Claims

1. A method for a bidding system to obtain prices for products, the method comprising:
 - receiving data from a consumer machine, the data relating to a product of a
 - 5 product category, bids being required for the product;
 - determining all registered merchants registered for product category;
 - sending an alert to machines of all registered merchants;
 - receiving bids from at least one registered merchant;
 - ranking the received bids according to ranking criteria; and
 - 10 supplying at least some of the ranked bids to the consumer machine.

2. A method for a consumer machine obtaining prices for products, the method comprising:
 - sending data to a bidding system, the data relating to a product of a product
 - 15 category, bids being required for the product;
 - receiving from the bidding system at least some of the bids received by the bidding system, the at least some of the bids being ranked according to at least two ranking criteria; and
 - finalizing a transaction with a selected merchant of a selected bid of the at
 - 20 least some of the bids, the selected bid being selected from the ranked bids.

3. A method as claimed in claim 1 or claim 2, wherein the at least two ranking criteria are selected from the group consisting of: a price for the product, a feedback rating of the merchant, and a time of submitting the bid.

4. A method as claimed in any one of claims 1 to 3, wherein the data relating to the product is in accordance with a plurality of fields.
5. A method as claimed in claim 4, wherein the product category is progressively narrowed in accordance with the plurality of fields.
6. A method as claimed in any one of claims 1 to 5, wherein the alert is sent by at least one selected from the group consisting of: SMS, email real simple syndication and instant messaging.
7. A method as claimed in any one of claims 1 or 3 to 6 when appended to claim 1, the method further comprising receiving feedback from the consumer machine, the feedback being of a performance of a selected merchant of a selected bid of the at least some of the bids, the selected bid being selected from the ranked bids, and allocating a numerical value to the feedback.
8. A method as claimed in any one of claims 2 or 3 to 6 when appended to claim 2, the method further comprising sending feedback to the bidding system, the feedback being of a performance of the selected merchant, and allocating a numerical value to the feedback.

9. A method as claimed in claim 7 or claim 8, wherein the feedback ranking is based on a summation of weighted scores arising from answered questions of a questionnaire.
- 5 10. A method as claimed in claim 9, wherein the answers are sent to the bidding system by the consumer machine.
11. A method as claimed in claim 9 or claim 10, wherein the weighted scores may be 2, 1, 0, -1 and -2 representing very satisfied, satisfied, neutral, not satisfied
10 and very unsatisfied, respectively.
12. A method as claimed in any one of claims 9 to 11, wherein the weighted scores are averaged over a predetermined period.
- 15 13. A method as claimed in claim 12, wherein the predetermined period is in the range 1 to 3 months.
14. A method as claimed in claim 12 or claim 13, wherein the predetermined period varies according the product category.
- 20 15. A method as claimed in any one of claims 1 to 14, wherein the at least some of the bids is a set number of bids.

16. A method as claimed in claim 15, wherein the set number is varied according to the product category.

17. A method as claimed in claim 15 or claim 16, wherein the set number is selected
5 from the group consisting of: in the range 1 to 10, in the range 3 to 7, and five.