FREE GUIDE · FOR SMART SHOPPERS

# The Smart Shopper's Guide to Penny Auctions

How they work, what a bid really costs, and how real people pay pennies for name-brand items.




- How a penny auction works in 60 seconds
- The simple math behind the low prices
- 10 secrets smart shoppers use
- How to spot a fair auction site
- Bonus: 100 FREE Plays to try it yourself

Brought to you by MADTIDE™

A 5-minute read

BEFORE YOU START

# Why we wrote this guide

Penny auctions are one of the most exciting ways to shop online. They're also one of the most misunderstood.

Most people have heard a story about someone getting a laptop for a few dollars. Fewer people know how that actually happens, what it costs to take part, and why some sites earned penny auctions a bad name in the first place.

This guide puts it all on the table. In about five minutes you'll know how the auctions work, how the math behind the low prices adds up, the habits that help smart shoppers do well, and the questions to ask before you trust any site with your money.

We think the best shoppers are informed shoppers. So read this first, then decide for yourself.

CW

"When I first looked at penny auctions, I loved the excitement but didn't like how many sites treated the people who didn't win. So we built one that gives something back on every bid. This guide is where we start: with the facts."

**Cliff Walker · Co-Founder, MadTide**

## What's inside


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THE BASICS

# How a penny auction works in 60 seconds

Forget everything you know about eBay. A penny auction isn't about who bids the most. It's about who bids **last**.

1. **Every auction starts at $0.00**
   A real, name-brand item goes up for auction with its retail price shown. The price starts at zero.

2. **Each bid adds one cent**
   Every time someone bids, the price goes up by just a penny. That's why it's called a penny auction, and why prices stay so low.

3. **Each bid resets the clock**
   A countdown timer runs, usually around ten seconds. Every new bid puts the clock back to the start, so the auction keeps going as long as people keep bidding.

4. **When the clock hits zero, the last bidder wins**
   If nobody bids before the timer runs out, the auction ends. The last person to bid wins the item and pays the final price.




*The first time you watch a clock hit 3 seconds, you'll get it!*

THE SIMPLE MATH

# How can prices stay this low?

Here's the part most sites don't explain clearly. Once you see it, everything makes sense.

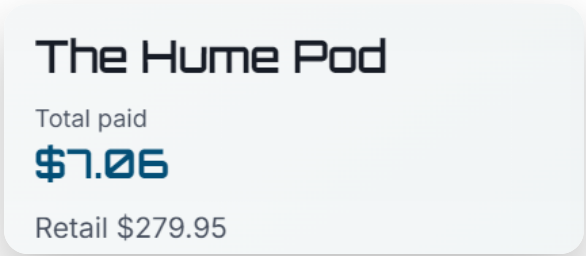
## Bids cost money

On a penny auction site, you buy bids in advance, in packs. Every bid you place uses one up. That's how the site makes its money. It isn't from the final price of the item, which is why the final price can be so low.

## So what does a winner actually pay?

**FINAL PRICE + THE BIDS YOU USED = TOTAL PAID**

That's the honest number, and it's the one to compare with the retail price. Here's a real example from a live auction:




| $279.95 | $7.06 |
|---|---|
| RETAIL | TOTAL PAID |
| 101 | 97% |
| BIDS USED | OFF RETAIL |

**The catch on most sites.** If you bid and someone else wins, the bids you used are simply gone. That's the part that gave penny auctions a bad name, and it's the first thing to check on any site. (See page 7.)

*100 bids at 1¢ each only adds $1.00 to the price!*

Real result from a live MadTide auction, Nov 6, 2026. Total paid includes bids used. Results vary.

WHAT EXPERIENCED PLAYERS KNOW

# 10 secrets smart shoppers use

None of these are tricks. They're the habits that separate people who enjoy penny auctions from people who burn through bids.

## 01
### Watch before you bid

Spend a few minutes watching an auction close. You'll learn how the clock behaves near zero and how other bidders act, all for free.

## 02
### Start small

Make your first auction an everyday, low-priced item. It takes the pressure off and you'll learn the rhythm much faster.

## 03
### Find the quiet auctions

Everyone crowds the big-ticket items. Auctions with only a handful of bidders are where the lowest prices often happen.

## 04
### Set a limit before you start

Decide the most bids you'll spend on an item before you join, and stick to it. Many sites let you set this automatically.

## 05
### Know the retail price

Check what the item really sells for. A great auction is one where your total paid is well below what you'd pay in a store.

## 06
### Don't chase it

Bids you've already used are spent either way. If an auction goes past your limit, walk away. There's always another one.

## 07
### Timing matters

Many experienced players wait until the last few seconds on the clock rather than bidding on every reset. It keeps their bid count down.

## 08
### Try off-peak hours

Auctions that close when most people are busy, early mornings or late evenings, tend to have fewer bidders.

## 09
### Choose a site that gives back

Some sites return value on bids you don't win, so losing an auction isn't a dead loss. This one feature changes everything.

## 10
### Check the winners are real

A trustworthy site shows its results in public: the item, the retail price and what the winner actually paid.

THE GOLDEN RULE

## Play for fun, set a budget, and treat every win as a bonus.

Nobody wins every auction. The people who enjoy penny auctions most are the ones who go in with a budget, pick their auctions carefully, and love the excitement of the countdown whether they win or not.

**Your first auctions.** The best way to learn is to try one with no money on the line. That's exactly what the 100 FREE Plays on page 10 are for.

*Tip 3 is the one most beginners miss!*

BEFORE YOU TRUST ANY SITE

# How to spot a fair penny auction site

Not all penny auction sites are built the same. Ask these five questions before you spend a cent.

| The question | Good sign | Red flag |
|---|---|---|
| **What happens to my bids if I don't win?** | You get something back | They're just gone |
| **Can I try it before I pay?** | Free Plays to start | Pay before you play |
| **Can I see real results?** | Public wins with prices paid | No results shown |
| **Are the rules clear?** | Bid price and fees shown up front | Small print and surprises |
| **Is shipping explained?** | Published policy and tracking | Vague or missing |

## Why this matters

The excitement of a penny auction is the same on every site. What changes is how you're treated when you don't win, whether you can try it before you pay, and whether you can see the results for yourself. Those three things decide whether penny auctions are fun or frustrating.

*Over the page: real results, shown in public.*

THE SAVINGS WALL

# Real results from one week

Every win on MadTide is posted on the public Savings Wall, with the item, the retail price and what the winner paid. Here are real results from one week in November 2026.

| | |
|---|---|
| $272.89 saved | 97% off retail |
| ≈ $132.50 saved | 99% off retail |
| ≈ $66.22 saved | 99% off retail |
| $31.97 saved | 99% off retail |
| $95.40 saved | 95% off retail |
| $28.70 saved | 95% off retail |
| $139.38 saved | 69% off retail |
| $22.45 saved | 89% off retail |




*Only 2 people were bidding on this smart scale!*

Want to see more? Every auction has a replay you can watch, so you can see exactly how it closed. **madtide.com/wins**

Real MadTide results, Nov 6 to 12, 2026. Savings shown against retail. Results vary.

WHERE WE COME IN

# How MadTide does it differently

We built MadTide around the five questions on page 7. On MadTide, a bid is called a **Play**, and our auctions are called **Countdown auctions**, because the clock is what decides every one.

### Every Play gives something back

Every Play earns **Pearls**, win or lose, and that includes your free Plays. Use your **Pearls** in **MadGames**, where you can earn more Plays. Not winning an auction is no longer a dead loss.

### Try it before you pay

Your 100 FREE Plays let you learn how the countdown works before you spend a cent. Watch a few auctions close, try one or two, and decide for yourself.

### Every result is public

Every win goes on the Savings Wall with a replay you can watch. The money and timer logic run in our core engine, not in anyone's hands.

### You stay in control

Set an autoplay limit and MadTide makes your Plays for you, up to the number you choose. Every charge is shown in full before you pay.

### Clear shipping, with tracking

Many digital items arrive as soon as payment is confirmed, and others within 36 hours. Physical items can take up to two weeks to prepare, then ship with full tracking.

LAUNCH OFFER

**1,000 Plays for just $50**

In your first 7 days as a Member. Just 5 cents a Play.

MADTIDE

YOUR BONUS

# Try it yourself with 100 FREE Plays

Reading about a penny auction is one thing. Watching that clock tick down with Plays in your pocket is another. Here's how to start, at no cost.

**1**

### Claim your Plays

Register in about two minutes. Your 100 FREE Plays land straight in your wallet.

**2**

### Watch one close

Pick a live auction and watch the last minute. Secret 01 in action.

**3**

### Start small

Choose an everyday item for your first try and look for a quiet auction.

**4**

### Enjoy the countdown

Win or lose, you'll understand penny auctions better than most people ever do.

**Claim my 100 FREE Plays ›**

madtide.com/join/madteam

Free Plays cost nothing, there's no obligation to buy anything, and they're good for 21 days. Free Plays earn Pearls too.



Results shown in this guide are real auction results. Results vary.