

eAuction savings report

Q1 2021



eAuction savings report

Every quarter, Scanmarket reports on statistics covering insights into the savings performed by eAuctions executed globally.

The statistics are provided for procurement professionals who wish to better understand and optimize their businesses to achieve higher savings and efficiency.

Scanmarket has been reporting these statistics each quarter since 2006, and they continue to be a highly valuable data asset to gain insights into categories and strategic sourcing trends.

Q1 2021 commentary

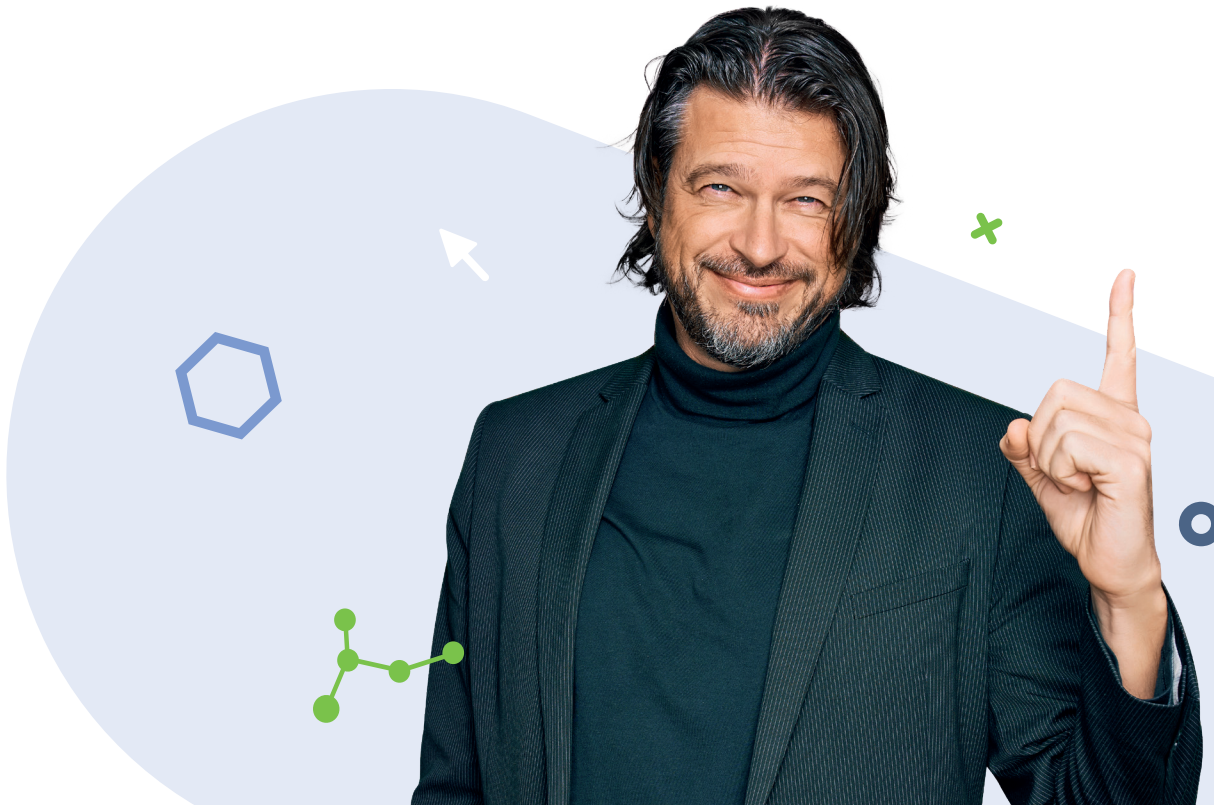
At a top line level, we have seen a market increase on the previous quarter's average eAuction savings vs. current price with a total of 8.10% achieved across the platform to date. Those of you who read our many updates throughout last year will remember the rollercoaster-nature of the year with near record-breaking savings achieved alongside a record-breaking number of eAuctions conducted. However, 2020 finished much softer than the previous quarters thus, the increase in savings in Q1 2021 vs. Q4 2020 has been met with much excitement.

Moreover, eAuctions often take center stage for the savings they drive, but not nearly as often for the enhanced costs they mitigate which are too often hidden. Q1 2021 has seen significant price rises in many key commodity areas globally, and is worth noting that a savings figure of 8.10% vs. current price is not only impressive on its own but masks a great deal of cost mitigation enjoyed by Scanmarket's clients around the world.

1st quarter 2021

The average savings realized in Q1 raised to a level of **8.10%** from 6.02% in Q4 of 2020. This is significantly lower compared to Q1 of 2020, where we saw a savings of 14.2%.

8.10



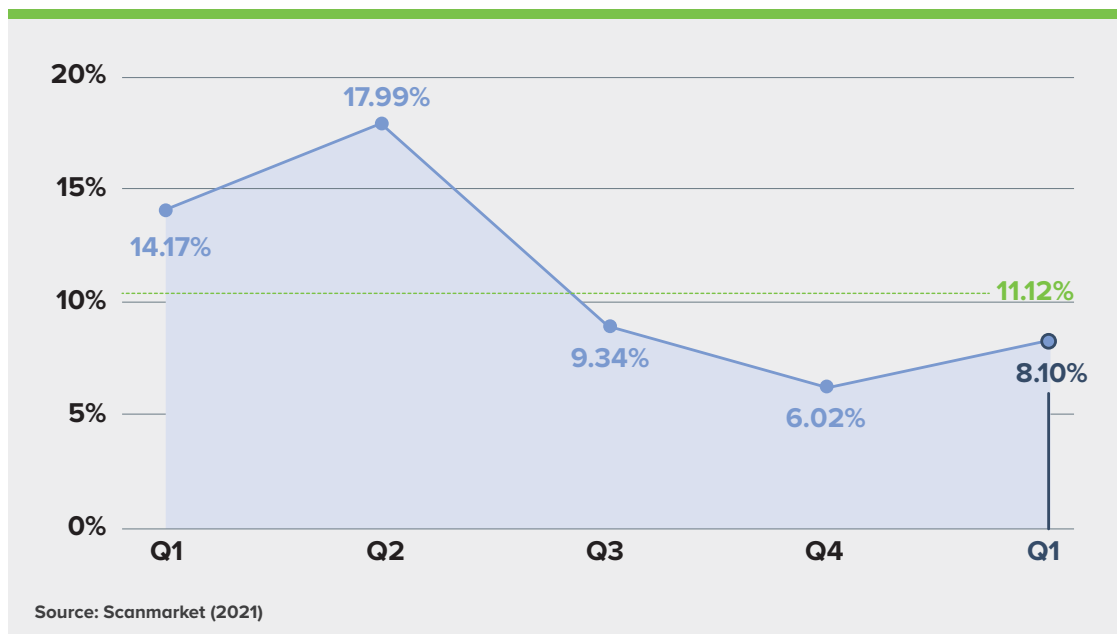
Other interesting highlights

At a category level, as ever, there have been some thrilling developments within the top 10 categories. **Irons & metals** and **Packaging materials** have seen blockbuster levels of savings against current price. It is also very encouraging to see that **Freight** continues to yield good savings given the current climate. **Freight** has been featured within the top-10 most eAuctioned areas in all four of 2020's quarters, highlighting not only its suitability for eAuction, but the continued ability for eAuctions to drive savings against current price time and time again. Additionally, it's again worth noting the continued dominance of the **Services** category for the fifth successive quarter as the highest most eAuctioned category (a category so often written off by those resistant to the auction concept) continues to dispel the myths around its suitability for auction.

Finally, another key area for 2020 was its record-breaking number of events conducted. The key headline for Q1 2021 is that we are continuing this trend with a 114% increase in the number of events conducted, a true testament to the usage and value eAuctions have provided our clients during the age of COVID. Given 2020's already impressive number of auctions conducted, this news has been welcomed warmly as a truly fantastic feat by our clients. As we now look ahead to the remainder of the year, it will be truly thrilling to observe whether the incredibly strong start the year has got off to will be enough to force another record-breaking full year.

Rolling five quarters of auction savings

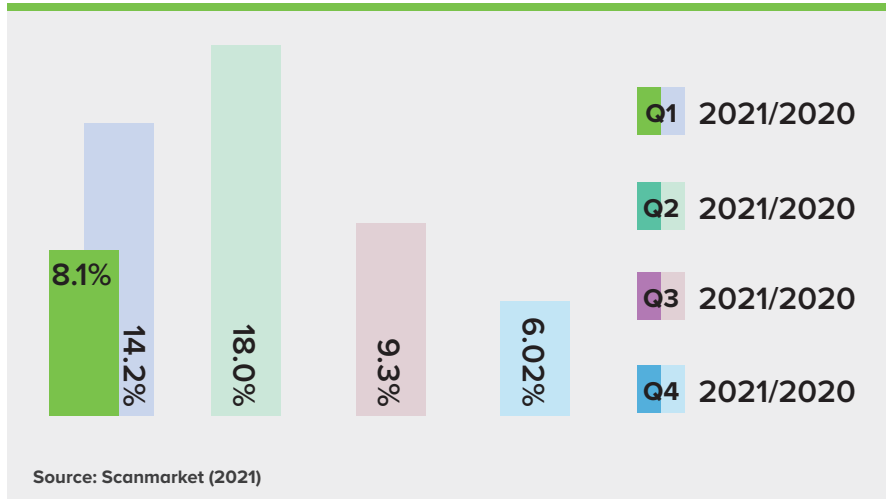
This chart illustrates the past five quarters of average savings across all categories ranging from Q1 of 2020 to Q1 of 2021. The dotted line indicates the average savings achieved over the five quarters.



Quarter over quarter

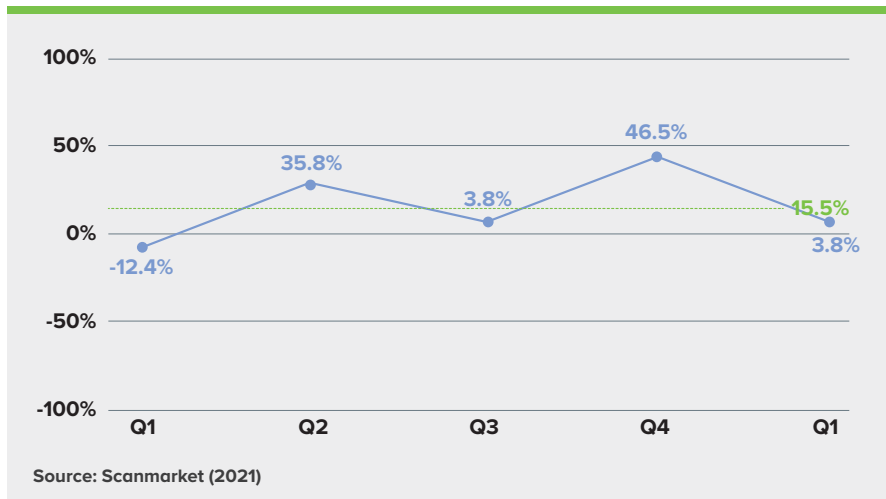
This chart shows this year’s quarters compared to the previous year’s quarters. Here, 2021 is compared to 2020 in terms of average savings for all categories in each quarter.

Q1 2021 achieved 8.1% savings on average across all categories versus 14.2% in Q1 of 2020.



Rolling five quarters of auction growth

This chart illustrates the past five quarters of average auction growth, from quarter to quarter, across all categories ranging from Q1 of 2020 to Q1 of 2021 (both included). The dotted line indicates the moving average growth achieved over the five quarters.



Categories

The ten best performing categories are reported every quarter, and we rank these categories by volume (number of auctions in the quarter) and by the savings achieved in the various categories.

Top 10 categories by volume

This table shows the top 10 highest performing categories in terms of auction volume during the first quarter of 2021.

Rank	Chg.	Prev.	Category area	% Savings
1	-	1	Services (temporary labour, cleaning, IT & security services, etc.)	8.59%
2	▲	4	Iron and metals (tools, spare parts, cables, screws, etc.)	22.04%
3	▼	2	Construction & repair (flooring, damage control, engineering, rebuilding, etc.)	5.61%
4	▼	3	Industrial machinery (assembly lines, injection moulding machines, etc.)	6.76%
5	▲	6	Electrical and telecommuniacion equipment (mobile phones, batteries, scanners, electrical wires, etc.)	9.78%
6	▲	7	Freight & transportation (sea, land & air)	6.69%
7	▼	5	Clothing (safety equipment, working clothes & shoes, bags, gloves etc.)	-2.84%
8	New	-	Packing materials (cardboard, foils, tape, pallets, labels, etc.)	15.82%
9	-	9	Retail – non food (bags, cleaning, textiles, appliances, lamp oil etc.)	3.97%
10	New	-	Office supplies and furniture (paper, prints, toner, usb stocks etc.)	5.74%
Left top-10 since last quarter				
		8	Ingredients for food production (additives, flour, sugar, vegetables etc.)	
		10	It equipment (stationary, laptops, printers, flat screens, projectors etc.)	

Source: Scanmarket (2021)

8.10

Average savings for all categories

Scanmarket

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