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eAuction savings report

Q4 2022

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.

Q3 2022 commentary

As 2022 comes to an end, the global economy continues to grapple with geopolitical issues and concern over a potential impending recession that could impact all types of businesses. The procurement function has spent a lot of time troubleshooting and strategizing to ensure business continuity.

Despite the negative economic sentiment, e-auctions by Scanmarket in Q4 of 2022 reported a significant increase in average savings of 6.88%, up from 5.04% in Q3 and substantially up from 1.22% savings in Q4 of 2021.

At a category level, Q4 reported little top 10 category movement in terms of most e-auctioned categories.

Services once again took first place as the most-auctioned category with an average savings of 10.04%. It is also worth mentioning categories such as **Iron & Metals** (tools, parts, cables, etc.) and **Freight & Transportation** (land, air and sea) which both had in excess of 20% of savings (22.51% and 29.07% savings respectively).

While many categories reported positive savings, some did not. **Construction & Repair** (flooring, damage control, engineering, etc.) and Ingredients for **Food Production** (additives, flour, sugar, etc.) reported -16.39% and -12.10% respectively. This is an indication of current economic conditions where inflation and potential recession continue to be top-of-mind.

Overall, Scanmarket reported 6.22% savings vs. the current price in Q4, highlighting once again how buyers are turning to e-auctions to mitigate inflationary forces.

Stay tuned for Scanmarket's 2022 Global e-Auction Index report that looks at the entire year in much more detail.

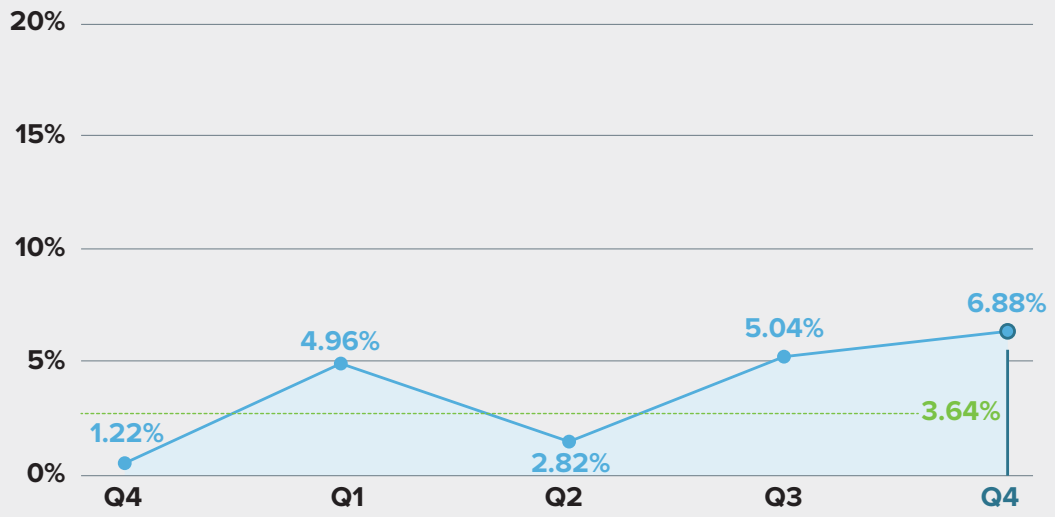
4th quarter 2022

The average savings realized in Q4 increased to 6.88% from 5.04% in Q3. Compared to Q4 of 2021, we saw an increase from 1.22%.

6.88%

Rolling five quarters of auction savings

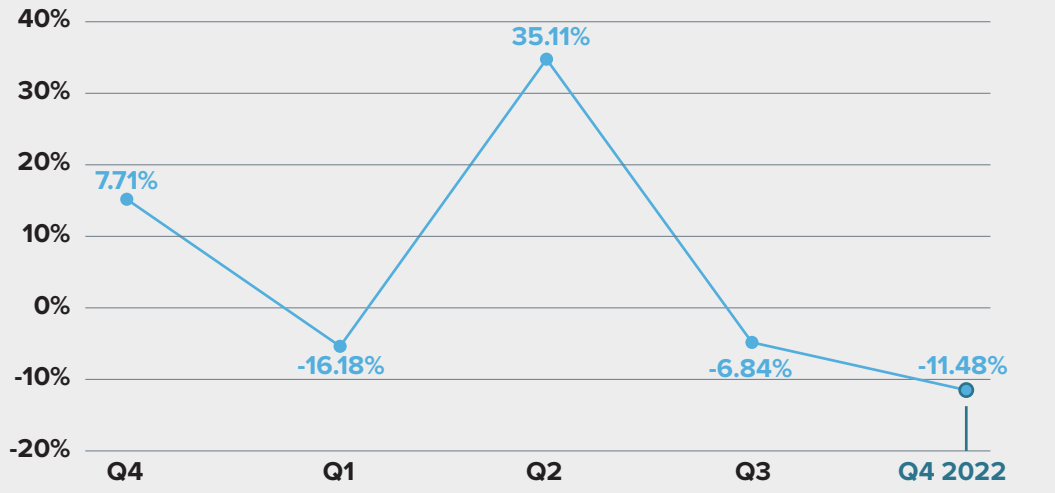
The following chart illustrates the past five quarters of average savings across all categories ranging from Q3 of 2021 to Q3 of 2022. The dotted line indicates the weighted average savings achieved over the five quarters.



Source: Scanmarket (2022)

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 Q4 of 2021 to Q4 of 2022 (both included).

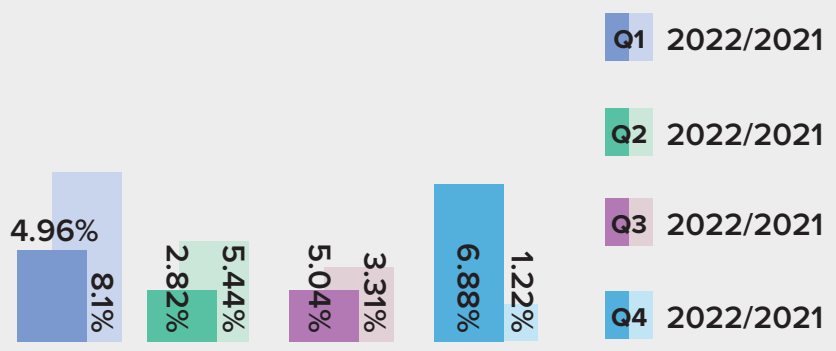


Source: Scanmarket (2022)

Quarter over quarter

The following chart shows 2022 quarters compared to 2021 quarters. 2022 is compared to 2021 in terms of average savings for all categories in each quarter.

Q4 of 2022 achieved 6.88% savings on average across all categories vs. 1.22% in Q4 of 2021.



Source: Scanmarket (2022)

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 fourth quarter of 2022.

Rank	Chg.	Prev.	Category area	% Savings
1	-	1	Services (temporary labour, cleaning, IT & security services, etc.)	10.04%
2	▲	3	Industrial machinery (assembly lines, injection moulding machines, etc.)	12.71%
3	▼	2	Construction & repair (flooring, damage control, engineering, rebuilding, etc.)	-16.39%
4	▲	6	Retail – non food (bags, cleaning, textiles, appliances, lamp oil etc.)	9.92%
5	▼	4	Iron and metals (tools, spare parts, cables, screws, etc.)	22.51%
6	▼	5	Electrical and telecommuniaction equipment (mobile phones, batteries, scanners, electrical wires, etc.)	3.11%
7	-	7	Office supplies and furniture (paper, prints, toner, usb stocks etc.)	3.25%
8	-	8	Freight & transportation (sea, land & air)	29.07%
9	New	-	Ingredients for food production (additives, flour, sugar, vegetables, etc.)	-12.10%
10	New	-	IT equipment (stationary, laptops, printers, flat screens, projectors etc.)	10.58%
Left top-10 since last quarter				
		9	Chemical products (chemicals, paint, cleaning appliances, etc.)	
		10	Packing materials (cardboard, foils, tape, pallets, labels, etc.)	

Source: Scanmarket (2022)

6.88%

Average savings for all catergories

Scanmarket

Scanmarket is an industry leading Source-to-Contract software provider that delivers superior results in savings, transparency and efficiency to hundreds of organizations globally. Known for its ease of use and expert support, Scanmarket increases user adoption by more than 300% on average. Whether it is Spend Analytics, eRFx, eAuction, Contract Management, Project Management, Supply Base Management, or Consultancy Services, we can help your organization get the results you need.

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