

# eAuction Statistics for Q2 2020



## eAuction Statistics

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.

## Q2 2020 commentary

After reporting a record breaking Q1 with reported savings at their highest in the past ten years, coupled with COVID-19's impact globally, we have been looking forward to bringing you the latest data. Will the trend of high savings continue, and will we see a significant impact of COVID-19 on the numbers? The answer is a resounding YES to both questions.

There is a strong parallel with the high savings following the financial crisis in 2008 and those underway in 2020. COVID-19 has had a significant impact, and indeed positive correlation with the savings being realized today. This is even more apparent when observing data at an individual category level. The usual high performing categories such as Services, Construction, Iron & Metals (MRO), Freight and Packaging continue to show strong savings. However, categories such as Healthcare are showing one of the highest negative savings that we have ever experienced (-12.46%). We also experienced an increase of 38% in the number of eAuctions from Q1 to Q2 compared to an increase of only 12% in 2019, which also outperformed previous years. This is a strong indication that eAuctions have been one of the most effective solutions in combatting the effects of the pandemic.

### **Other interesting highlights**

In general, most categories reported high levels of savings with Iron & Metals (MRO) showing the highest at an incredible 38.24% across all auctions. On the other hand, several categories showed negative savings such as Healthcare, Plastic Materials and Food ingredients for Production.

From Q1 to Q2, we saw a massive increase in the number of eAuctions in China and a decrease of eAuctions in Europe and the United States. As Europe continues its recovery from COVID-19, the overall impact is unknown for Europe as it was with China. Will we experience an increase in the number of European eAuctions in Q3?

Reflecting on these statistics, it is certainly a great time to be deploying eAuctions as they are increasingly being seen as the go-to solution and key part of the response to COVID-19. Stay tuned in October for our Q3 statistics report to see whether these trends continue and how COVID-19 will shape the Q3 results.

## 2ND QUARTER 2020

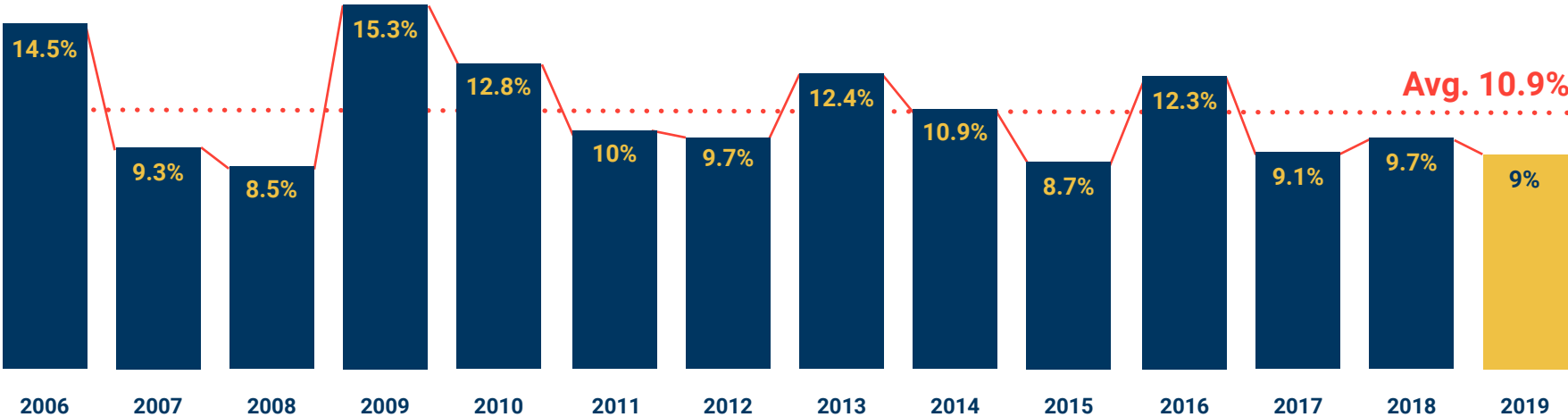
Q2 saw another record breaking high with an average savings across all categories of 17.99%. That's almost double what we experienced in Q2 of 2019 which saw comparative savings of 9.85% on average. To see higher savings than the ones reached in the latest quarter (17.99%) we have to look all the way back to Q1 2009, where average savings reached an astonishing 18.04%. This is of particular interest as this was the quarter that followed the global financial crisis peaking in the back half of 2008. We're still likely to observe the full extent of the consequences from COVID-19, but so far, the statistics have tracked similarly to those observed after the global financial crisis. This could be an indication that we can expect the high savings to continue for the rest of the year and deliver a potential average annual savings close to an impressive 15%. It will be interesting to follow the stats for the second half of 2020 to see if this becomes a reality.

# 17.99%

# HISTORICAL FULL YEAR SAVINGS

## eAUCTION AVERAGE SAVINGS BY FULL YEAR

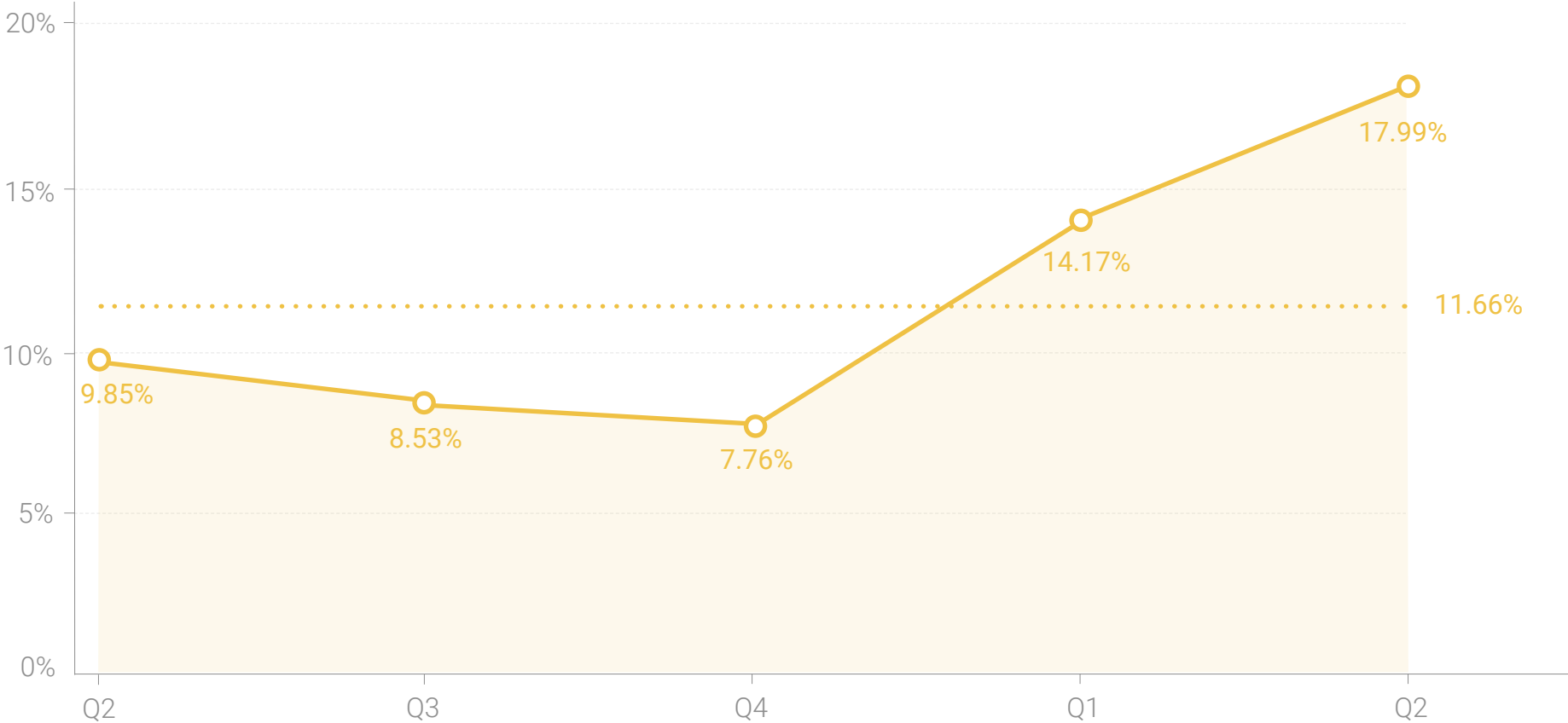
This chart shows the average annual savings in percentages compared to the current price. The average savings from 2006 to 2019 is 10.9% with 2009 representing the all-time high savings of 15.3% and 2008 with the all-time low of 8.5%.



Source: Scanmarket (2020)

# ROLLING FIVE QUARTERS

This chart illustrates the past five quarters of average savings across all categories ranging from Q2 of 2019 to Q2 of 2020. The dotted line indicates the average savings achieved over the five quarters.

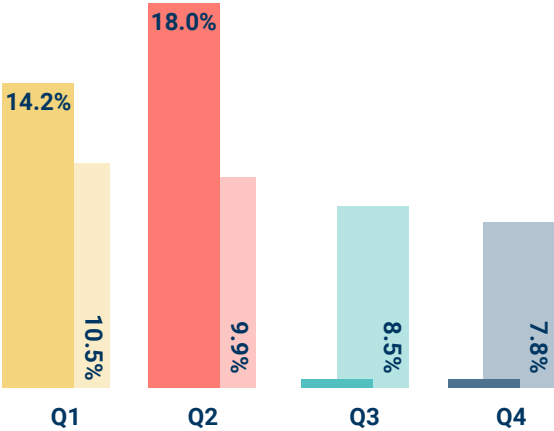


Source: Scanmarket (2020)

# QUARTER OVER QUARTER

This chart shows this year's quarters versus the previous year's quarters. Here, 2020 over 2019 in terms of obtained average savings for all categories in each quarter. Q2-2020 achieved almost 18% savings in average across all categories over 9.9% in Q2 of 2019.

- Q1** 2020/2019
- Q2** 2020/2019
- Q3** 2020/2019
- Q4** 2020/2019



Source: Scanmarket (2020)

# 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 second quarter of 2020.

# 17.99%

Average savings for all categories

Rank	Chg.	Prev.	Category area	% Savings
1	-	1	Services (Temporary Labour, Cleaning, IT & Security Services etc.)	14,77%
2	▲	3	Construction & Repair (Flooring, Damage Control, Engineering, Rebuilding etc.)	22,89%
3	▼	2	Iron and Metals (Tools, Spare Parts, Cables, Screws, etc.)	38,24%
4	▲	6	Electrical and Telecommunication Equipment (Mobile Phones, Batteries, Scanners, Electrical Wires, etc.)	23,80%
5	-	5	Industrial Machinery (Assembly lines, Injection moulding machines, etc.)	3,77%
6	▼	4	Freight & Transportation (Sea, Land & Air)	19,99%
7	-	7	Retail – Food (Oil, Dressings, Cereals, Bread, Rice, Pasta etc.)	9,18%
8	New	-	Healthcare (Lab equipment, Medical consumables, Ingredients for production etc.)	-12,46%
9	New	-	Chemical Products (Chemicals, Paint, Cleaning appliances etc.)	6,82%
10	-	10	Packaging Materials (Cardboard, Foils, Tape, Pallets, Labels etc.)	23,78%

### Left top-10 since last quarter

8 Retail – Non Food (Bags, Cleaning, Textiles, Appliances, Lamp Oil etc.)

9 IT Equipment (Stationary, Laptops, Printers, Flat Screens, Projectors etc.)

Source: Scanmarket (2020)



# PREVIOUS YEARS

The following section contains the top 10 ranked categories by volume for the past two years.

## CATEGORIES BY VOLUME

These tables show the top 10 highest performing categories in terms of auction volume during the previous two years (2018 and 2019).

# 9.68%

Average savings for all categories in 2018

Rank	Category area	% Savings
1	Construction & Repair (Flooring, Damage Control, Engineering, Rebuilding etc.)	20.83%
2	Freight & Transportation (Sea, Land & Air)	11.37%
3	Iron and Metals (Tools, Spare Parts, Cables, Screws, etc.)	11.37%
4	Services (Temporary Labour, Cleaning, IT & Security Services etc.)	17.85%
5	Retail – Food (Oil, Dressings, Cereals, Bread, Rice, Pasta etc.)	5.62%
6	Household and Industrial Appliances (Coffee Makers, Dishwashers, Generators, Production Machines etc.)	9.96%
7	Retail – Non Food (Bags, Cleaning, Textiles, Appliances, Lamp Oil etc.)	6.96%
8	Electrical and Telecommunication Equipment (Mobile Phones, Batteries, Scanners, Electrical Wires, etc.)	15.89%
9	Packaging Materials (Cardboard, Foils, Tape, Pallets, Labels etc.)	12.91%
10	Ingredients for food production (Additives, Flour, Sugar, Vegetables etc.)	10.19%

Source: Scanmarket (2020)

# 9.01%

Average savings for all categories in 2019

Rank	Category area	% Savings
1	Freight & Transportation (Sea, Land & Air)	11.42%
2	Construction & Repair (Flooring, Damage Control, Engineering, Rebuilding etc.)	12.65%
3	Services (Temporary Labour, Cleaning, IT & Security Services etc.)	11.20%
4	Retail – Non Food (Bags, Cleaning, Textiles, Appliances, Lamp Oil etc.)	8.07%
5	Electrical and Telecommunication Equipment (Mobile Phones, Batteries, Scanners, Electrical Wires, etc.)	18.71%
6	Industrial Machinery (Assembly lines, Injection moulding machines, etc.)	11.89%
7	Iron and Metals (Tools, Spare Parts, Cables, Screws, etc.)	10.07%
8	Retail – Food (Oil, Dressings, Cereals, Bread, Rice, Pasta etc.)	3.80%
9	Ingredients for food production (Additives, Flour, Sugar, Vegetables etc.)	4.28%
10	Packaging Materials (Cardboard, Foils, Tape, Pallets, Labels etc.)	19.74%

Source: Scanmarket (2020)



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