

# **Post-pandemic eCommerce industry report 2021**

# ***Introduction***

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There are very few people and fewer businesses for whom the previous year hasn't been turbulent. This includes our clients, and ourselves, as well.

Listening to our clients is one of the foundational elements of Price2Spy. We felt like our clients needed to be heard now almost more than ever.

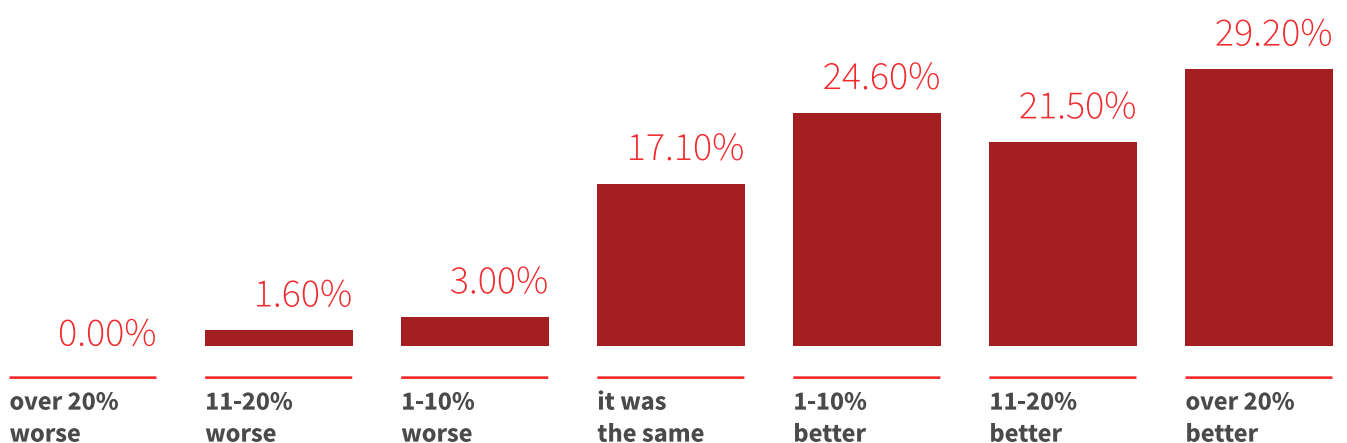
Paired with our own ideas and expertise, these are the main ingredients we use for improving our service.

This is why we've decided to ask our clients about 2021 in terms of business results. Our intention is to use our clients' feedback to further improve Price2Spy and make it even more adaptable to sudden changes in the global business environment.

# *In terms of your business results, did you see any changes compared to 2020?*

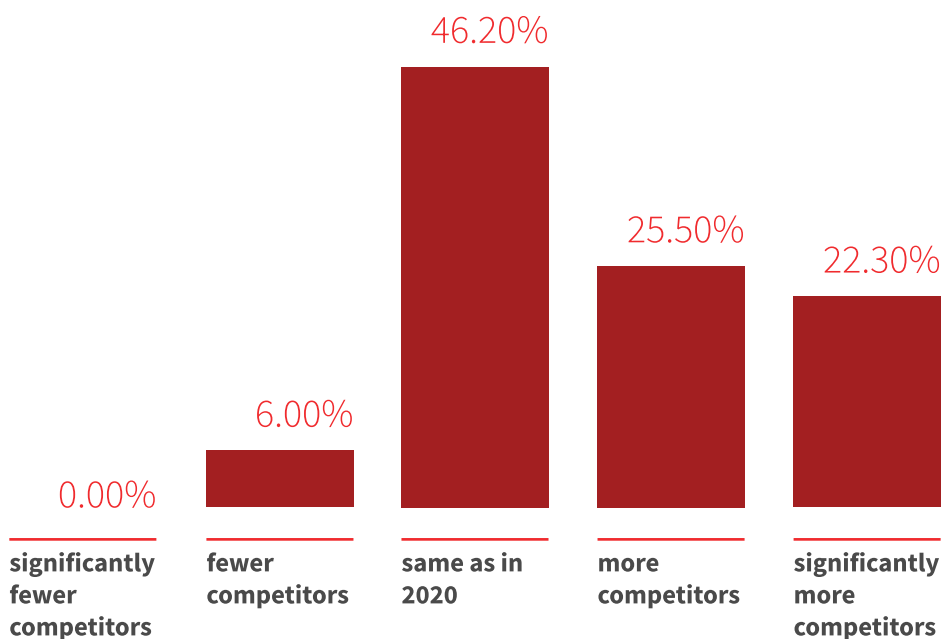
We've asked our clients to tell us if 2021 was better or worse for their business. Most of us can agree that 2021 was a turbulent year, to say the least. Thankfully, a large majority of our clients has seen some improvements. Almost a third of our clients who have responded have seen results better than 20%. We believe these are great achievements and great news. Knowing that even in the direst of times growth is possible, will give us motivation to work even harder in the upcoming years. This brings us to 2 important conclusions:

1. eCommerce has continued to grow in 2021
2. Using Price2Spy is an important ingredient in growth of an eCommerce store



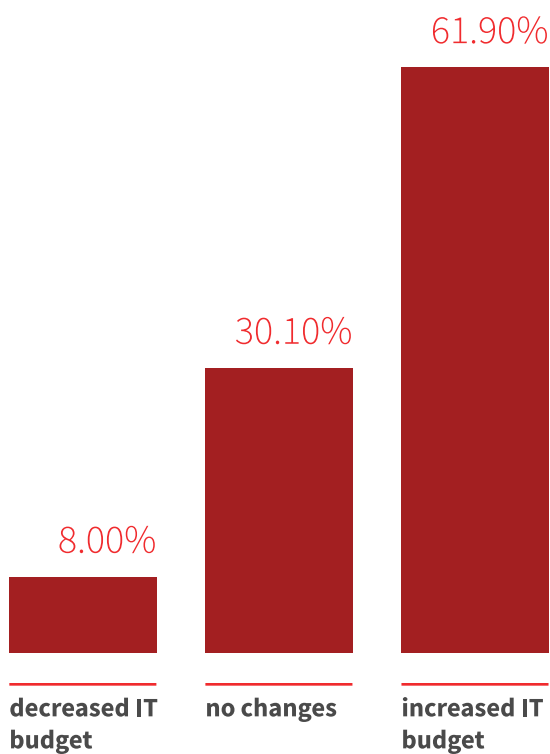
# *Did you notice more or less competitors in 2021 compared to 2020?*

The crisis caused by COVID has affected every aspect of the world economy. Due to this, one could assume that people would be discouraged to start a new business or look for expansion. This is for the most part true. However, it's interesting that a significant number of our clients is reporting an increase in the number of competitors. We can conclude that, although already fragmented, the market fragmentation is still taking place.



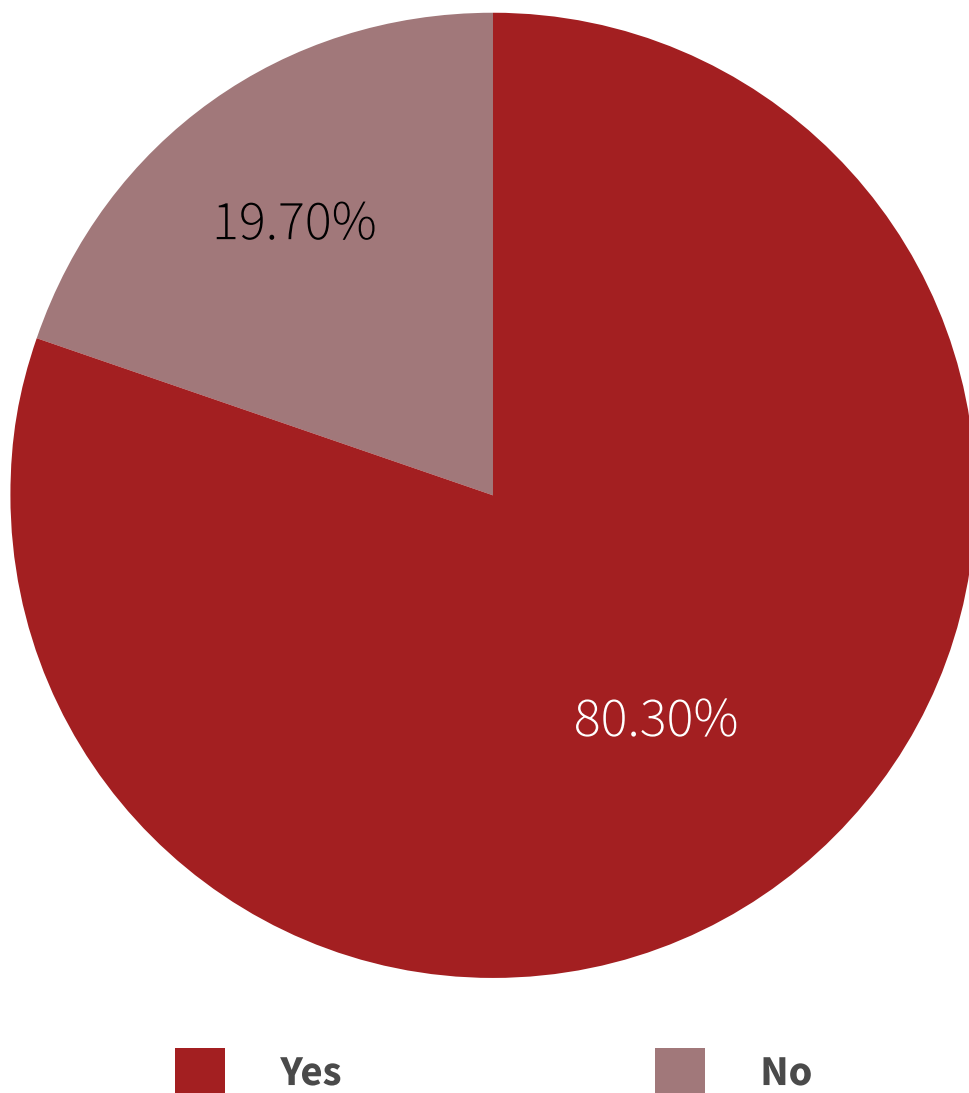
# ***Did you make any changes to your IT budget in 2021 compared to 2020?***

We have witnessed how in the conditions of remote work and businesses generally turning online, the power and impact of technology grows further. It's no surprise that most of our clients have recognized the need to increase the resources they allocate for their IT sector. Conclusion - in order to keep up with competitors, online retailers have to increase their IT budget. Fortunately, in most cases that is paired by increased revenue.



# *Did you see any significant changes in clients' behavior due to COVID?*

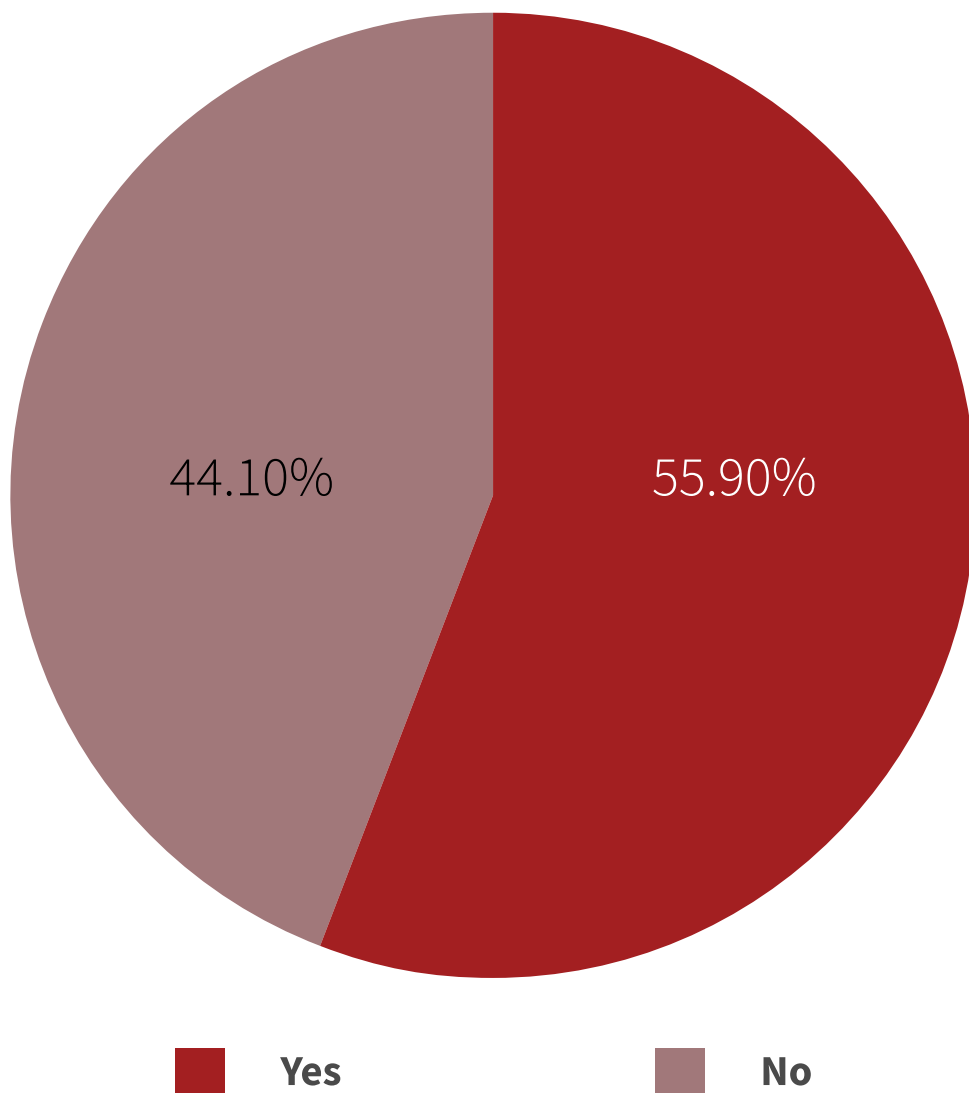
The COVID crisis has changed the way many people go about both their everyday lives and their business. It took time for everyone to adapt to the new circumstances and this is reflected in our clients' answers.



# ***Do you have a pricing manager in your company?***

Pricing decisions are not easy to make and they require a high degree of responsibility from the person making them. As a company that offers price monitoring services we're very well aware of this facts. This is why we are not surprised by the majority of our clients answering yes to this question.

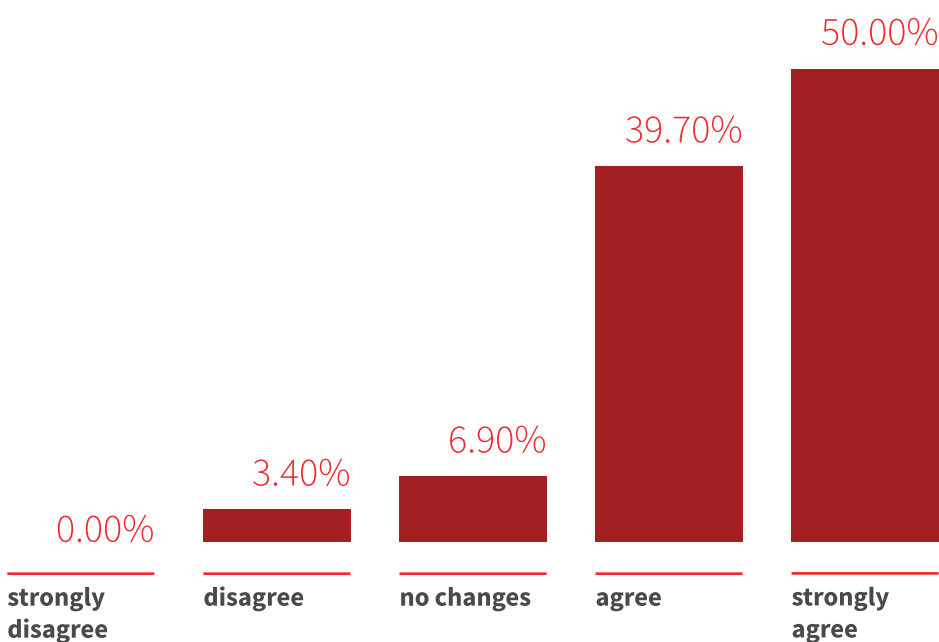
Conclusion - more and more companies recognize the fact that pricing is a function in its own right, and requires a separate resource.



# *Do you agree that price changes in your industry are more frequent than before?*

Changing prices is one of the primary ways businesses deal with competition. Whether someone drops or raises their prices will depend on the circumstances. However, with the competition becoming more intense and as the difficulty to attract and retain customers increases, it's no surprise that price change frequency follows the course.

Conclusion - as competition is growing more fierce, and clients are more savvy in buying at optimal prices, price changes have become more and more frequent. This trend is expected to continue in the future.

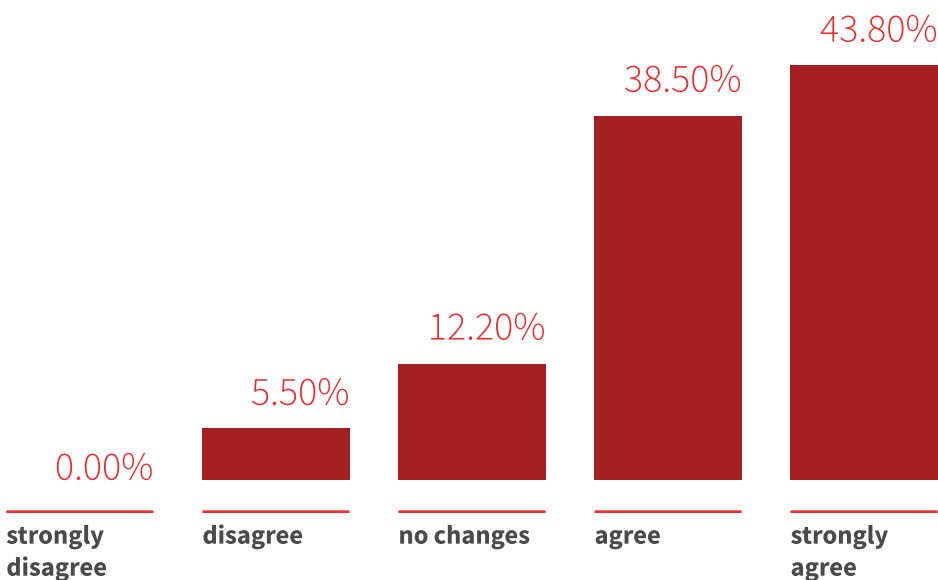




# *Is your company changing prices more frequently in 2021 compared to 2020?*

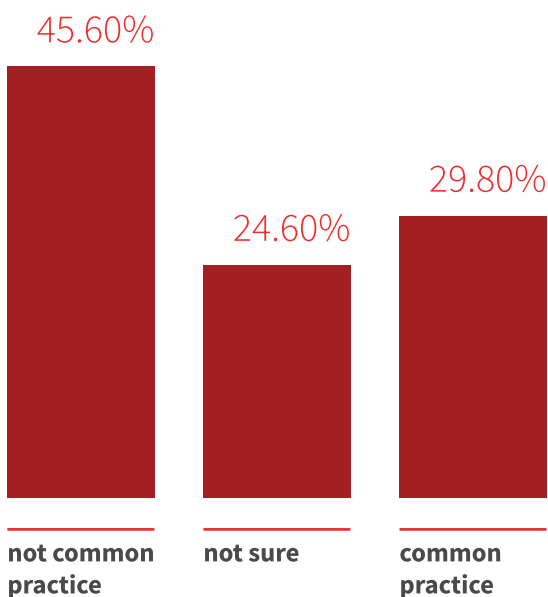
This question is a logical follow-up to the previous one. We wanted to know how our clients have responded to the increasingly dynamic market conditions. A large majority (82.3%) have begun changing their prices more frequently.

Price2Spy makes it possible for its clients to adapt to the trend of more frequent price changes.



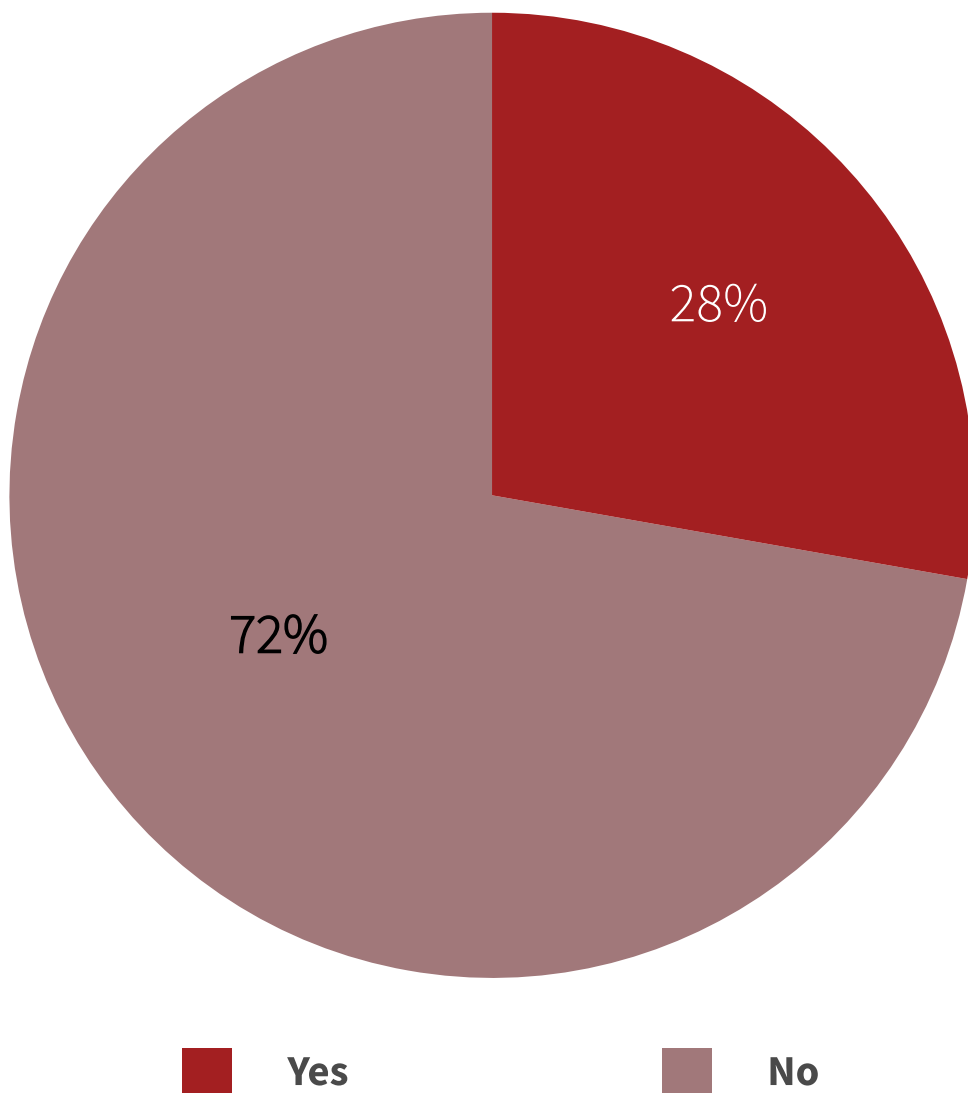
# *Is showing different prices to different customers expected in your industry?*

This approach, although somewhat controversial, is not something that has appeared only recently. Showing different prices to different customers is a long-standing business practice. However, not all industries have the need for it.



# *Are you showing different prices to different customers?*

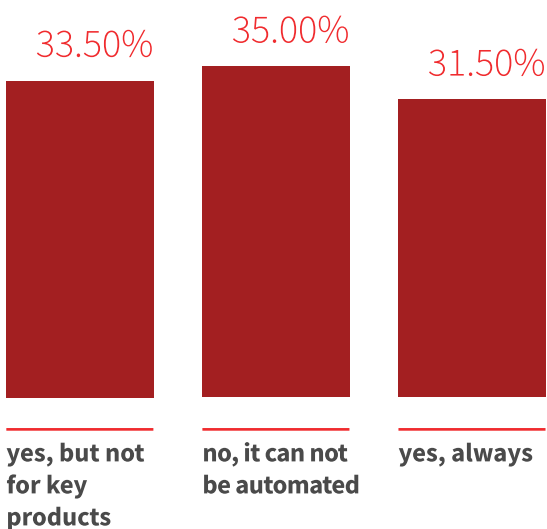
A large majority of our clients doesn't show different prices to different customers. However, we can't know the exact reason for this. We can only assume that they have no need for it in their respective industries.



# *Do you think that pricing decisions need to be made by humans (pricing managers)?*

Pricing strategies are becoming increasingly important in brands' market appearance. Do our clients see the need for a dedicated position that would be in charge of dealing with prices? It seems our clients are undecided on this matter.

The results show that there is no clear 'winning pricing strategy' - each company will have to experiment and establish optimal level of automation for price changes. With more automation, less human work will be needed.



# Conclusion

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In short, eCommerce is still growing, and will continue to do so, for the foreseeable future. However, the factors of economical instability (COVID, war in Ukraine) tend to make consumers think twice before spending their money.

Modern marketplaces and price comparison engines enable them to compare prices easier than ever - and they will take advantage of it.

Retailers will have to adapt by:

1. Being ready to perform more frequent price changes
2. Performing smarter price changes (not just undercutting the competition)
3. Assign pricing tasks to specialists - pricing managers
4. Finding efficient solutions to help pricing managers do their work efficiently
5. Establishing balance between automated and manual price changes

Price2Spy will be happy to help with all of the above.

Please [schedule a meeting](#) so we can show you how.

