Sourcing price-gap worksheet

Pull one SKU across five marketplaces, then price against the band instead of the lowest listing.

1. Why the same item shows an 8 and a 19

A two-times spread inside one keyword is normal. Before treating it as an opportunity, check the four sources of the gap:

Source	What to check
Pack size	Capacity, colour, bundle count. A 2-pack against a single unit is not a price gap.
Shipping and tax	Whether the listed price already includes delivery and duties.
Seller type	Brand store, reseller, or clearance. Clearance prices are not benchmarks.
Timing	Promo price against list price. Never compare one against the other.

2. The worksheet

Fill one row per comparable listing. Keep only rows that survive step 1.

#	Marketplace	Listed price	Ship & tax included?	Pack / spec	Seller type	Landed equiv.
1						
2						
3						
4						
5						

> **Landed equivalent** = listed price + shipping + duty, normalised to the same pack size. This is the only column you are allowed to sort on.

3. Read the band, not the lowest listing

Sort the landed equivalents and take three positions:

- **25th percentile** — the floor. Undercutting here starts a price war you cannot win.

- **Median** — what the market believes the item is worth.
- **75th percentile** — the ceiling. Only reachable with reviews or a bundle.

Position	Value	Your gap to it
25th percentile		
Median		
75th percentile		

4. Four costs to add before you commit

Cost	Formula
Landed cost	Goods + inbound freight + packaging
Marketplace fees	Commission rate × price + ad spend per order, for that specific marketplace and category
Returns	Return rate × (refund + return shipping + unsellable loss)
Capital cost	Cash tied up × months to sell × your cost of money

Net = price − landed − fees − returns − capital. If net at the 25th percentile is negative, this is not a category you can enter on price.

5. Pick a strategy by position

- **Below the band** — only if landed cost is genuinely lower. Otherwise you are subsidising buyers.
- **At the median** — the default for a new store that needs impressions and reviews first.
- **Above the median** — needs a bundle, a warranty, or a content asset competitors do not have.

6. Re-check weekly

Pick one fixed day. Re-run the same keywords. If the median moves more than 10 percent, re-price. Promotions move the whole band, so a single reading is always a snapshot, never a fact.

Five mistakes that ruin the sheet

1. Using a promo price as the benchmark.
2. Comparing on one marketplace only.
3. Ignoring the return rate.
4. Mixing pack sizes.

5. Counting goods cost but not inbound freight.
