

BENCHMARKING

BUSINESS PROCESS MANAGEMENT

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2022/IS/023





WHAT IS BENCHMARKING?

Benchmarking refers to the practice of measuring and comparing a company's processes, performance, and practices against industry standards, best practices, or competitors. The goal is to identify areas where the company can improve to achieve higher efficiency, quality, customer satisfaction, and overall performance.

WHY BENCHMARKING?

Companies use benchmarking to improve work in areas like:

- Customer Service
- Operational Efficiency.
- Sales and Marketing.
- Employee Productivity.
- Financial Performance.
- Supply Chain Management.
- Innovation and Product Development.
- Compliance and Risk Management.
- Environmental Impact.
- Quality Assurance.



REAL LIFE EXAMPLES OF USING BENCHMARKING

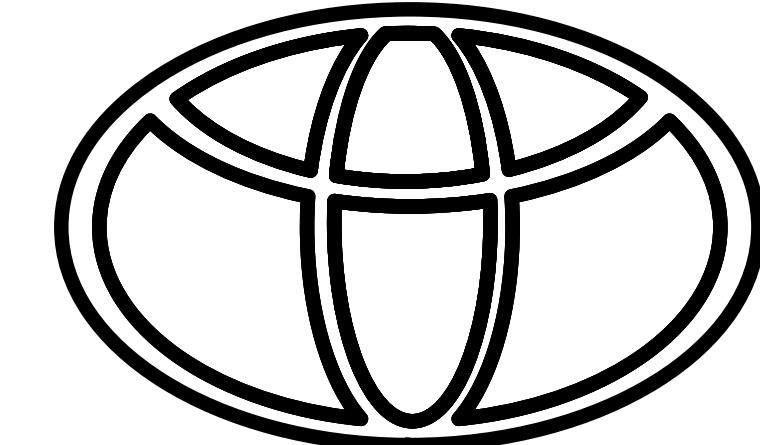
TOYOTA

Toyota benchmarks its production and lean manufacturing practices against global automotive leaders like **Ford and General Motors**.

The company has studied,

- manufacturing efficiency
- Waste reduction
- Quality control practices in the automotive industry

which has helped it refine its famous Toyota Production System.



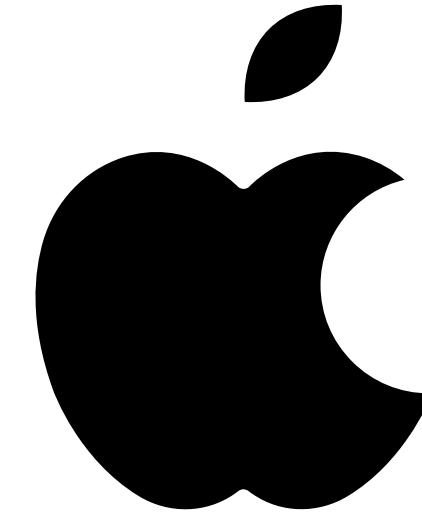
Toyota wanted to become more efficient in production and reduce costs in the 1980s. By benchmarking against General Motors and Ford, Toyota adopted and enhanced methods like just-in-time (JIT) manufacturing, reducing waste and inventory costs.

REAL LIFE EXAMPLES OF USING BENCHMARKING

APPLE

Apple benchmarks against tech giants like **Samsung and Google**, especially in areas such as product innovation, customer satisfaction, and software ecosystem integration.

This helps Apple maintain its competitive edge in both hardware and software user experiences.



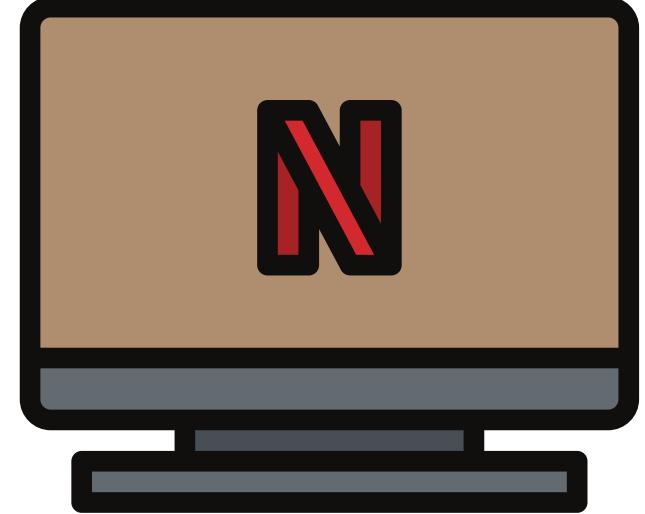
To stay competitive in the smartphone market, Apple benchmarked against Samsung in terms of **screen technology, battery life, and user interface**. For example, when Samsung introduced AMOLED displays that offered better color vibrancy, Apple benchmarked this and began investing in higher-quality screens for its iPhones. By comparing with Samsung's advancements, Apple improved iPhone display technology, contributing to a better user experience and retaining its premium brand image.

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NETFLIX

Netflix regularly benchmarks its content recommendation algorithms, streaming quality, and user engagement against **Disney+ and Hulu**.

By examining competitors' data, customer engagement tactics, and streaming reliability, Netflix ensures it stays ahead in content delivery and personalization.



When Disney+ launched, Netflix benchmarked user engagement and streaming quality to ensure it remained competitive. Netflix examined Disney+'s recommendation algorithms, pricing models, and exclusive content offerings. In response, Netflix improved its recommendation engine by investing in machine learning and artificial intelligence to make its content recommendations more personalized, helping retain viewer engagement even as competition increased.

REAL LIFE EXAMPLES OF USING BENCHMARKING

UNILEVER

Unilever compares its environmental initiatives with companies like **Procter & Gamble (P&G) and Nestlé**.

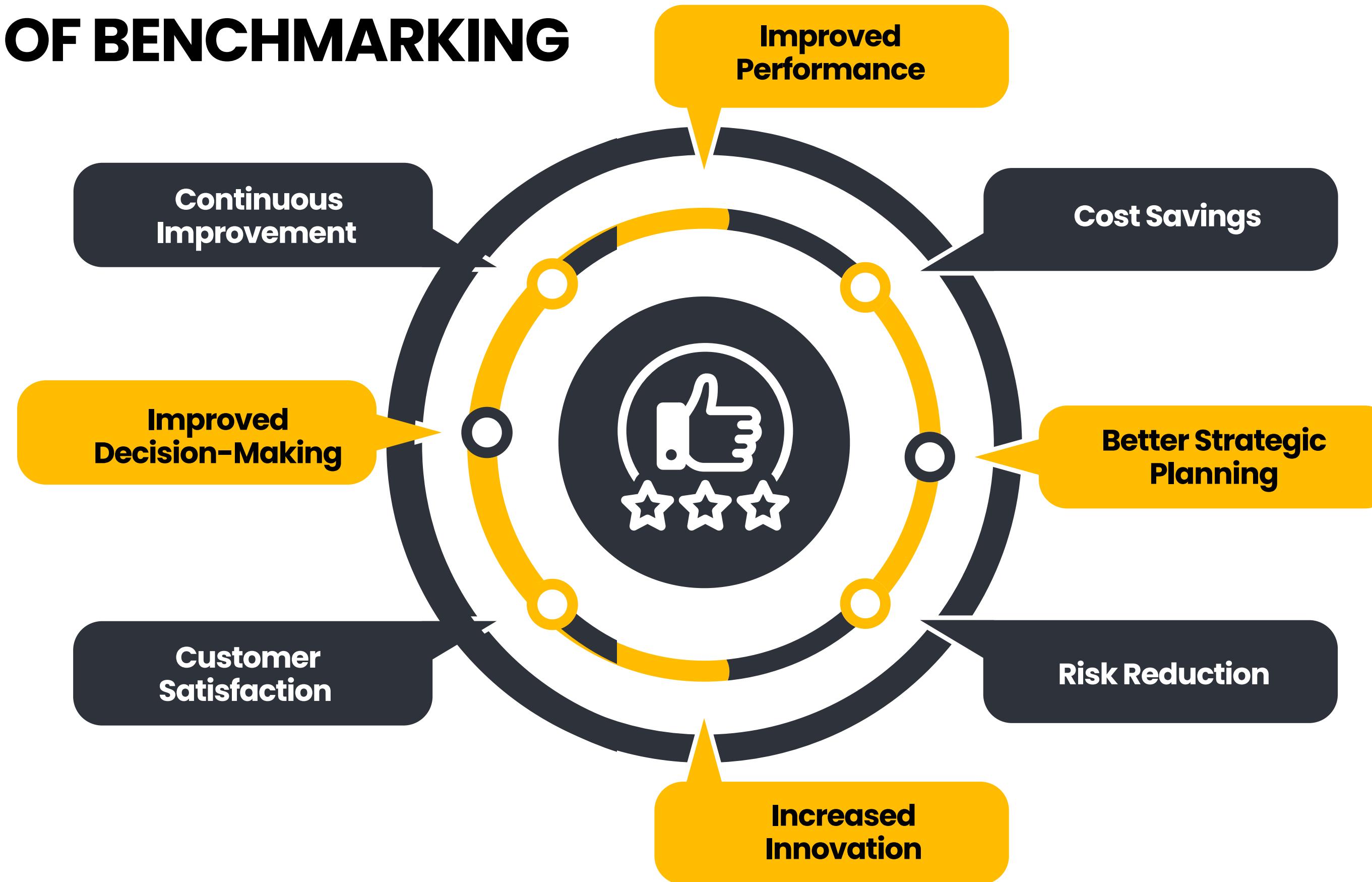
By benchmarking metrics such as,

- carbon emissions
- water usage
- sustainable sourcing, Unilever has been able to set ambitious environmental targets and lead in corporate sustainability.



Unilever benchmarked its sustainability metrics, such as water and energy usage, against P&G to improve its environmental impact. By comparing these metrics, Unilever identified areas for improvement in water conservation, especially in manufacturing. As a result, Unilever set ambitious goals to halve its water usage by 2020, which led to innovations like producing concentrated detergents that required less water.

BENIFITS OF BENCHMARKING



CONCLUSION

In conclusion, benchmarking is a valuable tool that enables organizations to gain insights into industry standards, identify areas for improvement, and enhance overall competitiveness. It provides companies with a structured approach to evaluate performance, align with best practices, and make data-driven decisions. By leveraging benchmarking, organizations can improve efficiency, drive innovation, and better meet customer expectations.

However, benchmarking also requires careful planning and strategic application to avoid drawbacks such as over-reliance on competitors, the risk of imitation over innovation, and potential misalignment with the company's unique goals and culture. For optimal results, companies should balance benchmarking insights with an internal focus on their own strengths and long-term objectives. When applied thoughtfully, benchmarking becomes a powerful catalyst for continuous improvement, growth, and sustainable success in a competitive landscape.

Thank You

For Your Attention

