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Benchmarking as management tool of business marketing activity

Abstract: In this article the definition and scientific approaches to benchmarking have been considered. The main tasks and types of intra-industry benchmarking have been specified. The content of the five phases of the benchmarking process has been revealed: the definition of the object of the superiority's analysis, the identification of partners of the superiority's analysis, the information gathering, the information's analysis, the targeted implementation of the received information.

Keywords: benchmarking, superiority's analysis, comparative analysis, marketing research, management of processes, management of marketing.

In the dynamically developing market environment, the enterprises are in a constant search for the best methods of the management of marketing activities in order to create sustainable competitive advantages. One of the effective tools in solving this problem is a comparative analysis of ways of achieving the success in various subjects of a business activity. As the familiarity and the use in practice of approaches to conducting the business by market leaders allows to improve marketing and, subsequently, to strengthen their market positions for other companies, the benchmarking is a significant tool in the management of the marketing activity.

In practice and in theory different definitions of benchmarking are being met. The definition given occurs from "Bench-mark", which means "the bench of a mark" [1].

The benchmarking is the definition of the development guidelines, the definition of the goals and comparable indicators through the data collection. It is assumed that the indicators of the effectiveness can be improved by implementing the best methods of work of other organizations [2].

The benchmarking is the process of comparing its activity with the best companies on the market and within the industry with the further realization of changes for achieving and saving the competitiveness [3].

The benchmarking is defined as a comparative analysis of the effectiveness of companies based on a choice of interrelated indicators [4].

The use of the benchmarking is multidirectional. Thus, the benchmarking in logistics allows quickly, and with little costs, to identify problem situations in logistics systems, in the areas, closed to the buyer, on the execution of orders and the transportation (P. Bauer) [5].

The benchmarking shows the marketing Director, where on his company or market the problems with costs and quality have occurred, whether it is lagged by its positions from competitors. He reveals the issues in work by concretizing them, like G. Reves and E. Pflieger think so [6].

In the corporation "Xerox" everybody believes that the benchmarking should be a constant process, aimed not only against the accordance of the competition but also to win over it. In the framework of the benchmarking, the business functions are analyzed as the processes that create a product or service and promote them on the market. The sphere of the benchmarking's application involves the development of the strategy, the operations and the management functions, however, the main source of information about the market and about the competitors is the buyer (Y. K. Shetty) [7].

The benchmarking is considered as a way of the evaluation of the strategies and goals of work in comparison with the first-class enterprises, in order to guarantee the long-term market position (R. Venetucci) [8].

W. Krokowski believes that the benchmarking is used to provide the competitiveness and create the prerequisites of checking the performance of the company in terms of internationalization of the process of buying raw materials. Meanwhile, it is about the comparison of the results [9].

The analysis of the content of the benchmarking shows that it can be considered as the direction of marketing researches.

Thus, the use of benchmarking is that the industrial and marketing functions are becoming more controllable when the best methods and technologies of other companies or industries are being studied and implemented on your company. This

can lead to a profitable enterprise with a high efficiency, a creation of healthy competition and a satisfaction of the needs of customers.

The tasks of the benchmarking can be formulated as follows:

- to establish a competitive position and identify relatively weak sides;
- to develop the consciousness of the necessity to change and improve;
- to gather the ideas about how to achieve major breakthroughs in the implementation of processes;
- to identify "the best in its kind" examples of the practice;
- to develop creative and innovative approaches to the reconstruction of the processes;
- to contribute to the development of the purposes, that are beyond the operational planning, which are significantly higher than the current objectives of the activity;
- to develop new methods of improving the quality, the level of service and effectiveness;
- to facilitate the changes in the culture of the company and in the frame of mind in the direction of the improvement of the business processes.

On the basis of various challenges, which are standing before the benchmarking, there can be distinguished several its types.

"The internal benchmarking", under which the practice and the activity of similar units within the same organization are compared. Moreover, this study includes a comparison of the practice and activity of the same division during the whole period of time. This could become the first step to the beginning of the performing "the competitive benchmarking" for the company.

"The competitive benchmarking", under which the practice and the activity of the company are compared with the practice and the activity of its competitors. In fact, this is being done all the time, because it is an important part of the business strategy.

"The industrial/functional benchmarking", under which the company's place in the given industry or the functional area across several industries are being estimated. It is useful to make a comparison of the costs or measures of improving the effectiveness with the situation in this area in other similar organizations. However, the data needs to be interpreted carefully, as the comparison may not always be justified.

The types of benchmarking named are carried out within the same industry. However, "the benchmarking", which is beyond the same industry, is also possible. For example, a company, which is operating in the same industry, can compare itself with a company, which is operating in another industry, but at the same type of the process. For example, a network of hotels can conduct "the benchmarking" of its booking system, comparing it with a booking system, which is operating on the airline. This species is called "the benchmarking of the business processes" (the process benchmarking).

The benchmarking's process can be divided into five phases [10]:

1. The definition of the object of the analysis of the superiority. Here it is needed to set the objects (of the company), that can be explored with the help of the analysis of the production.

There is a possibility to review critically the organization generally or its separate components. Moreover, it is necessary to decide whether to carry out the analysis of the superiority of internal or external point of view, for example, of the position of the buyer's perception.

Then, this tool can find the application in the analysis of the goods, the control indicators of the sales volume, the customers' orientation, etc.

There are usually no restrictions of using, except for those which follow from the customer's needs and requirements of the company itself.

2. The identification of partners for the superiority's analysis. Having set the goals, there should begin the search of the best companies. Suitable partners should be not only high-class themselves, but also have preferably a high degree of comparability with the own company. This process includes the following steps:

- a quick overview (from the word "to skim" - a quick read to pass eyes). On this stage, a superficial review of existing sources of information is carried out, as well as an already available data is collected.

- a tidying up (from "to trim" - to decorate, to polish, to put in order). On this phase, taking into account the further information, available information to this moment is described.

- a selection of the best ones (from the word "to cream" - to remove the cream). On this stage of the process the partners are chosen who have been considered appropriate ones.

As sources of information, there are available: reports about the activities of the firms' activities; magazines, books, data bases; list of companies; business relationships; consulting companies; specialized conferences, seminars, fairs; unions, research institutions; specialists; marketing clubs; employees of the various commissions; participation in supervisory boards.

3. The collection of the information. This phase includes not only the collection of qualitative data, but also the study/description of the work's content, processes or factors that explain the productivity.

The collection of information includes the following subtasks:

- a concept of the questionnaire, which contains definitions and explanations;
- a selection of the information about own company (strengths and weaknesses);
- a collection of facts about the partner concerning the superiority's analysis;
- a use of additional sources;
- a documental design of the information;
- a check of the available data to ensure their recognition and acceptance of the responsibility by leading employees, like in the company itself so for the partners on the superiority's analysis.

4. The analysis of the information. This step puts forward the highest requirements to the creative and analytical skills involved in the process of the superiority's analysis. To analyze means not only to understand the similarities and differences, but also to understand the relationship.

Besides, it is necessary to identify the impacts which can complicate the comparison and falsify the results. Here there can be suggested the following course of actions:

- a streamline and comparison of the data received;
- a quality's control of the information materials;
- an observation of influencing factors, which can distort the comparison;
- an identification of weaknesses in work in comparison with the best methods;
- an understanding of the underlying reasons that explain the existence of the weaknesses;
- an analyzing, which allows to choose between the manufacture due to own resources and a delivery form the side in case there are doubts concerning some divisions or processes (the analysis "manufacture or sale").

5. The purposeful implementation of the data received in life. The fifth stage includes not only the implementation of the developed improvement's opportunities, but also the further development of the company's organization, in order to face the expected challenges in the future.

So, the best companies' achievements should serve as a stimulus for the further innovative development of the own organizational structure. The identified potential for the improvement needs to be implemented through specific activities. In this case, it is necessary to check whether the data received get along with the usual planning or there is a need for the radical reorientation.

The control of the process during the implementation of the results of the analysis typically occurs in two surfaces: at first, it is possible to follow the development of the established estimative indicators of the work results of the companies and, secondly, it is necessary to check the achievement of midterm goals and the adherence of the plans concerning resources and time.

Management methods and processes are undergoing to constant changes. Therefore, it is necessary to check regularly whether the best revealed indicators have enough force. The prerequisite of the optimal use of these skilled data is a detailed and systematic documentation of all previous information concerning the superiority's analysis and the repetition of the analysis.

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