

Telling it like it is...

The shock (and value) of competitor benchmarking

Mystery, rumour and some element of fear can surround the concept of competitor analysis or benchmarking: what will be unearthed by the process, what will be the ratio of “good” to “bad” news for the university or college and which institutions are snapping at its heels?

Together with portfolio planning, competitor benchmarking and analysis has been one of the most requested services from Stamp Consulting.

This specialist consulting process is sought-after by institutions both in the UK and internationally and it is now time to examine some of the myths.

To be successful and move forward in its chosen sectors and markets, any (and every) organisation must first have a thorough understanding of where

it is now and the opportunities and potential open to it for development and competitive improvement. A thorough, objective examination of other market players can provide this sound foundation from which to improve and develop competitive edge.

The process is not about “undermining” other organisations. Rather, it is about making a rational assessment, for example, of markets that are under served by other sector players (and so provide a portfolio development opportunity), or attaining an awareness of functions in which the client organisation performs less effectively than competitors and so operates at a competitive disadvantage.

Benchmarking provides the chance to assess how well an organisation's products, services and relations with potential students or business partners, for example, compare with other key or peer group players within the market.

Stamp Consulting's work in this field encompasses a wide range of benchmarking criteria, for example:

- PR and profile management.
- Brand “performance” and the extent of successful differentiation in brand equity among peer institutions.
- Corporate planning effectiveness.
- Effectiveness of marketing organisation within institutions.
- Competitive effectiveness of existing key strategies, such as alumni and education-tobusiness marketing.
- Strategic planning effectiveness.
- HR, recruitment and retention strategy.
- Student recruitment activity.
- Strategic marketing communications and expenditure.
- The scope of portfolio provision.

Criteria are set by the client, dependent upon known priorities, but Stamp Consulting provides an initial assessment for the institution of those additional areas likely to be vital in the process to understand competitive context.

OUTCOMES...

The results of competitor benchmarking can be shocking. The purpose of the consulting process is, inevitably, to provide an objective view that reaches beyond the scope of the organisation's own knowledge. Each benchmarking report provides a thorough assessment of an institution's performance in specific areas or functions and can therefore pinpoint extremely accurately competitive threat, under performance, wasted expenditure, non-competitive or "negative" activity, "insecure" corporate planning and underused potential.

However, the outcome must always be the provision of practical recommendations through tailored strategy to deliver future, positive development and this has certainly been the case. Benchmarking also flags good practice, and can identify areas for effective, additional investment, whether of staff or financial resources.

Outcomes of competitive analysis projects within the last two years have made a major competitive difference for client organisations. Corporate planning has been enhanced, marketing effort has been fine tuned or re-directed, functions and services to stakeholders improved, brand recognition and brand equity enhanced and staff resources in key functions developed to better serve institutional needs. The ultimate testimony of tangible benefits to clients includes the more effective development of corporate strategy, enhanced student recruitment (international and home) and increased inward investment and knowledge transfer opportunities.

Stamp Consulting has developed a competitor benchmarking model which informs tailored analyses for individual organisations.

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