**Our Buying Secrets Program Webinar Agenda**

**Webinar 5**

**Benchmarking & Profit Focused Cost Modelling**

1. Review
2. Benchmarking Process & Objectives
3. Profit Focused Cost Modelling
4. Question and Answer

**Process & Objective of Benchmarking**

1. Benchmarking is a term used to describe the process of checking external sources of information and comparing what you find. This collected information is used for reference and analysis to compare with real *or* theoretical data when planning improvement.
	1. New concept/new product
	2. Existing product or process

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| **Differences Between Benchmarking and Competitor Research:** |
| **Benchmarking** | **Competitor Research** |
| Focuses on best practices | Focuses on performance measures |
| Strives for continuous improvement | Bandage or quick fix |
| Partnering to share information | Considered corporate spying by some |
| Needed to maintain a competitive edge | Simply a “nice to have” |
| Adapting based on customer needs after examination of the best (and also the “worst-of-the-best” re. products) | Attempting to mirror another company/process |

1. The objective of benchmarking in the Our Buying Secrets program is to develop data that can inform your product ideas, your business model and help to be more scientific in launch or change cycles.
2. Benchmarking is only as good as the data you find (keep this in mind, use relevant sources)
	1. [www.statista.com](http://www.statista.com)
	2. <http://www.imf.org/en/Data>
	3. Market place (Google, Amazon, Alibaba)
	4. Trade Associations (Austrade)
	5. [www.xe.com](http://www.xe.com)
	6. <http://www.ilo.org/global/statistics-and-databases/lang--en/index.htm>
3. Typically, items are benchmarked for Strategic, Competitive or Internal reasons. Things that are typically benchmarked may include:
	1. **Cost** (to you & cost to your customer)
	2. Logistics performance
	3. Design Features
	4. Material selections
	5. Quality
	6. Value Stream Map (efficiency)
4. The process for benchmarking usually looks something like this:

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