



Developing a benchmarking tool for BSR heritage tourism SMEs and destinations

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1 Background and aim of this paper

BASTIS, the Baltic Sea Heritage Tourism Information Service is part of AGORA 2.0, co-financed by the Baltic Sea Region Programme 2007-2013. Part of BASTIS will be a benchmarking tool for BSR heritage tourism SMEs and destinations on a local level. This benchmarking tool will allow BSR heritage tourism products, services or processes to be compared against best practices or competitive practices in order to help define their performance.

This paper documents the first step in establishing this benchmarking tool by laying the theoretical foundations for this tool and defining its content.

2 Benchmarking theory

Benchmarking is a concept that is widely used within different sectors and industries. Increasingly, this concept is also applied within the tourism industry, to tourism suppliers as well as destinations.

Benchmarking can be defined as a “process by which companies set standards for themselves, based on a study of best practices elsewhere” (Palmer, 2001, p. 220). The aim of benchmarking is generally to improve one’s own performance. Wöber (2002, p. 2) e.g. states “in summary, benchmarking can be defined as a systematic procedure of comparative measurement with the objective to achieve continuous improvement.”

Benchmarking is seen as particularly beneficial due to its ability to gain momentum for improvement and change (Johnson and Scholes, 2002). Since best-practices benchmarks have already been realised by competitors, these benchmarks are usually accepted more readily which in turn improves the motivation for improvement and change (Pepels, 1996).

Various types or methods of benchmarking are described in the literature, varying according to their focus and sometimes also overlapping (examples from Johnson and Scholes, 2002; Kozak, 2003; Palmer, 2001; Wöber, 2002):

- ▶ External benchmarking: benchmarking with other organisations
- ▶ Internal benchmarking: inside the own organisation (e.g. over time = historical benchmarking)
- ▶ Industry norms/standards: benchmarking with organisations in the same industry or between similar public service providers
- ▶ Best-in-class benchmarking: benchmarking against best in class (possibly outside the own organisation’s sector) – wherever that is found
- ▶ Performance benchmarking: based on outcome measures (e.g. throughput per hour, profit per customer)
- ▶ Process benchmarking: e.g. effectiveness and efficiency of customer handling processes
- ▶ Competitive benchmarking: e.g. with respect to market share, selling price etc.
- ▶ Functional benchmarking: compare an organisation’s functions (e.g. sales or advertising) with best practice

Within the tourism industry, Wöber (2002) distinguishes the following general types of benchmarking:

- ▶ Benchmarking of profit-orientated tourism businesses (e.g. accommodation suppliers, airlines etc.)
- ▶ Benchmarking of non- profit-orientated tourism businesses/organisations (e.g. attractions operated by public bodies or other forms of non-profit oriented businesses, e.g. museums)
- ▶ Destination benchmarking (at national, regional or local level)

Fuchs (2004) states that the aims and methods used for benchmarking in the tourism industry can vary quite strongly due to the varied nature of the industry, as illustrated by the categories provided by Wöber above.

3 Conceptual framework for benchmarking within AGORA 2.0

As stated in the beginning, the aim within AGORA 2.0 is to provide a benchmarking tool for BSR heritage tourism SMEs and destinations on a local level. The benchmarking tool is to be tested and implemented within the agora pilot projects which are comprised of tourist attractions' associations (e.g. national parks, museums, castles and churches), local communities and rural accommodation providers. These are grouped together within five transnational thematic pilot project groups:

- ▶ Baltic Sea Red Brick Gothic
- ▶ Baltic Sea Castles and Museums
- ▶ Baltic Sea Forest
- ▶ Baltic Sea Moving Landscapes (sand dunes)
- ▶ Baltic Sea on the Rocks (stones)

Clearly, the nature of these pilot projects is quite diverse. Hence, the most common denominator as well as their most important asset for these pilot projects are their guests or visitors. Knowledge about guests and visitors in terms of sociodemographic structures, their travel behaviour and most importantly their satisfaction with the visited attraction or used accommodation is therefore crucial.

Such data about guests or visitors is best collected via a standardised guest or visitor survey. Standardised means that most questions are the same for all participants, so that the results can be easily used for benchmarking later on.

Such types of tourism benchmarking tools already exist:

- ▶ The “Qualitätsmonitor Deutschland Tourismus” is a Germany-wide standardised guest survey which enables participating destinations and in future also organisations to compare themselves in terms of guest structures, travel behaviour and guest satisfaction (see www.qualitaetsmonitor-deutschland-tourismus.de).
- ▶ “T-Mona” (Tourism Monitor Austria) is an Austrian standardised guest survey which also surveys guest structures, travel behaviour, information behaviour etc. in Austrian destinations (see www.austriatourism.com/xxl/_site/int-de/_area/465219/_subArea/479562/_subArea2/481366/index.html)

For AGORA 2.0, the standardised guest survey will be carried out as self- or interviewer-administered paper questionnaire. Hence, the questionnaire should not be longer than 4 pages and will therefore include the following data:

- ▶ Sociodemographic structures: age, gender, nationality, place of residence
- ▶ Travel behaviour: nature of trip (daytrip from holiday destination vs. from place of residence), repeating visitors, information used for becoming aware about the respective attraction, transport to attraction, time spent at the attraction,
- ▶ Additional questions for day trippers from holiday destinations: holiday type, accommodation, transport to holiday destination, number of travel companions (adults and children)
- ▶ Guest satisfaction with various aspects (service, prices, content etc.)

Furthermore, the benchmarking tool will also include some general data about each participating organisation/location in order to allow for a more meaningful comparison. Such data could be:

- ▶ A clear but simple categorisation of participating organisations/locations, e.g. accommodation provider, tourist attraction etc.
- ▶ Size (number of beds, acreage etc.) (if appropriate)
- ▶ Site data (country, type of location, accessibility etc.)
- ▶ Number of guests/visitors
- ▶ Turnover (if appropriate)

By comparing and benchmarking this data, participants will be able to:

- ▶ analyse their strengths and weaknesses in comparison to others;
- ▶ analyse opportunities for product optimisation;
- ▶ and, as a consequence, know and improve their positioning in the market.

4 Further steps - Timing

In the process developing and implementing the benchmarking tool the following timing is planned:

Activities	1/2010	2/2010	1/2011	2/2011	1/2012	2/2012
Identification of appropriate processes and indicators for benchmarking						
Draft benchmarking tool including implementation guideline						
Practice test (pilot implementation) of draft benchmarking tool						
Publish final version of tool						

5 Literature

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