

Importance-performance mapping

Importance–performance mapping uses benchmarking techniques but goes beyond in that it helps us to define relative priorities for improvement by keeping an external perspective and taking account of the customer as well as the competition.

Two things are of central concern to any business and indeed most organisations, even if they are not for profit. These are:

1. Customers
2. Competitors

Benchmarking exercises frequently look at performance against competitors. A simple classification for the findings regarding a particular operation might be:

- ◆ Better than competitor
- ◆ The same as competitor
- ◆ Worse than competitor

However, using a 9-point scale may be more helpful.

Better than competitors	Strong	1	Considerably better than competitors
	Medium	2	Clearly better than competitors
	Weak	3	Marginally better than competitors
Same as competitors	Strong	4	Sometimes marginally better than competitors
	Medium	5	About the same as most competitors
	Weak	6	Slightly lower than the average of most competitors
Worse than competitors	Strong	7	Usually marginally worse than most competitors
	Medium	8	Usually worse than competitors
	Weak	9	Consistently worse than competitors



Importance–performance mapping is exciting as a tool to help you define improvement priorities, taking into account your customer and competitor situation. Based on benchmarking, this tool goes further and helps you prioritise for action.

Select the things you want to benchmark, who you will benchmark against, and how you will gather the data. You can now use the 9-point scale to mark your performance on the areas you selected against your competitors.

This is, however, where we go beyond benchmarking against competitors alone and think about customers. What matters to our customers and what does not matter to our customers? What if the competition is better than us at things that do not matter to our customers? Does that matter?

Now think about your customers, conducting research on the same areas as you benchmarked the competition. Use a 9-point scale to capture the results:

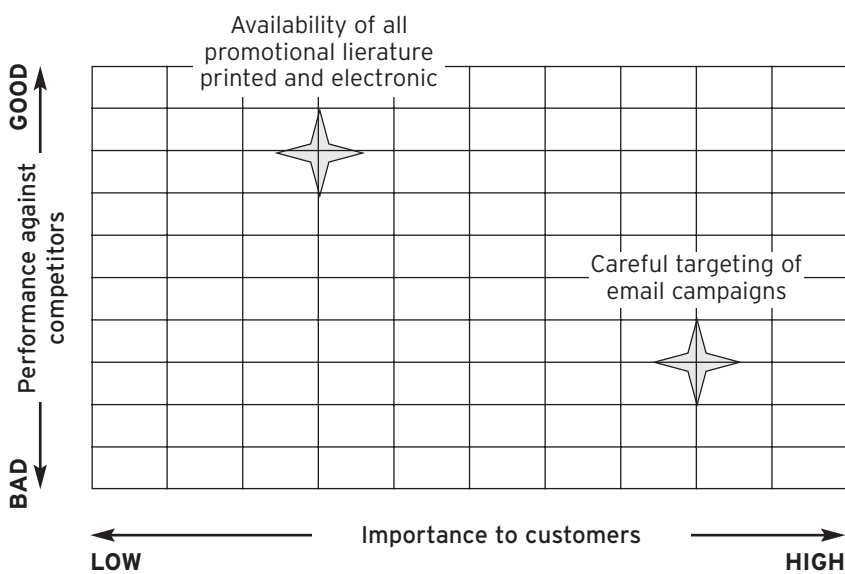
Order winner	Strong	1	Provides a crucial advantage
	Medium	2	Provides an important advantage
	Weak	3	Provides a useful advantage
Qualifier	Strong	4	Needs to be up to good industry standard
	Medium	5	Needs to be up to median industry standard
	Weak	6	Needs to be up to within close range of industry
Less important	Strong	7	Not usually of importance but could become more so
	Medium	8	Very rarely considered by customers
	Weak	9	Never considered by customers

It is possible at this point to map the information onto a matrix, mapping performance against competitors on the vertical axis and importance to customers on the horizontal axis. This brings the areas of importance and performance together before any judgements are made on relative priorities for improvement.



In this example, the grid shows that customers indicated that availability of all promotional literature, both printed and electronic, was of relatively low importance to them. However, we are good at providing it in both formats, compared with our competitors.

It also indicates that careful targeting of email campaigns is of high importance to our customers but that this is an area where we perform badly against our competitors.



We can now begin to look at priorities by introducing four key zones that indicate different priorities:

- ◆ 'appropriate' zone: satisfactory at least in the short to medium term although most organisations will want to edge performance towards the upper boundary zone.
- ◆ 'improve' zone: things do need improving but they are not the issues for immediate attention.
- ◆ 'urgent-action' zone: action is needed to improve these at least into the 'improve' zone in the short term, and into the appropriate zone in the longer term.
- ◆ 'excess?' zone: cost savings may be possible here, diverting resources to areas in the 'urgent-action' and 'improve' zones.