

## Marketing the library service: lessons from the commercial sector\*

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This paper looks at ideas and attitudes derived from the world of marketing which may be helpful to health librarians. It covers the methods of developing and promoting services which are more closely geared to the needs of users. It examines, explains, discusses and defines some relevant and useful marketing concepts.

What is marketing? Is it selling, advertising, promoting or hustling? In a commercial environment marketeers persuade consumers to purchase their product regardless of its suitability. What they are selling is the dream behind the product, not the product itself. Many would argue that there is no place for this in librarianship, or any other profession. Doctors and lawyers do not advertise as it is considered unethical, not to say illegal. Some would say<sup>1, 2</sup> that the real professions are not in competition with each other to provide services and that anything that smacks of 'selling' is sharp practice and should be avoided.

Are not librarians, like encyclopaedia salesmen, using public relations techniques and selling strategies, however unconsciously, to try to entice the wary public into accepting what *we* have decided is good for them? Libraries, and special libraries in particular, are in a market place, not only competing with others for limited resources but also competing with others in the provision of information. The 'marketing concept' is a framework which analyses this market place, highlights the important relationships and generates a strategy for change, growth and responsiveness.

Marketing is basically a philosophy, a style of management, an orientation which:

- concentrates on the enquirer, rather than the enquiry
- is service/customer-oriented, rather than process/product oriented
- looks for effectiveness before efficiency
- aims for fitness for purpose, rather than quality of product.

Classical marketing theory says that in order to put this philosophy or attitude into practice, there is a framework or programme that must be implemented. Even though librarians may not be in a position to put this into operation – a management audit can be very expensive – an understanding of marketing principles is useful and I would argue essential for the library manager. There are three main areas for analysis:

1 *Task analysis*: This is perhaps the most important lesson that marketing teaches. It is essential that the organization/manager asks the question 'What business are we in?' All further action will depend on the answer to this.

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2 *Market analysis*: This is an analysis of all the variables affecting the library and its clients. What are the strengths and weaknesses, opportunities and threats of the library. Strengths and weaknesses are internal (e.g. personnel, budget, plant), opportunities and threats are external (e.g. the economy, technology). The aim is to maximize strengths and opportunities and minimize weaknesses and threats. This is a very practical exercise that can be done to focus the problems more clearly.

3 *Marketing mix*: There are a number of key elements which have been identified as crucial to success. Four are of relevance here: product, price, place, promotion (four P's). The skill lies in identifying the balance between each of these for each user group.

### Definition of marketing

Philip Kotler, in the seminal work on marketing for non-profit organizations, defined marketing as:

The analysis, planning, implementation and control of carefully formulated programmes designed to bring about voluntary exchanges of values with target markets for the purpose of achieving organizational objectives. It relies heavily on designing the organization's offering in terms of the target market's needs and desires, and on using effective pricing communication and distribution to inform, motivate and service all markets.<sup>3</sup>

The overriding aim is to develop a customer orientation, rather than a product orientation. The key concept is that of the 'exchange relationship' and the assumption that each is offering something of value to the other.

One of the lessons of marketing is to understand that there is an exchange. Too often librarians see that they are offering their readers something but do not see that their readers are offering them something. In commercial terms this exchange is simple, the retailer offers goods and the customer offers money. In library terms this exchange relationship is very complex. The goods or services may be intangible and the value that the library receives ambiguous. Another complicating factor is that the library has two clients or two publics, i.e. its funding source and its users.

Figure 1 is a model of this relationship. Users validate services by their patronage.

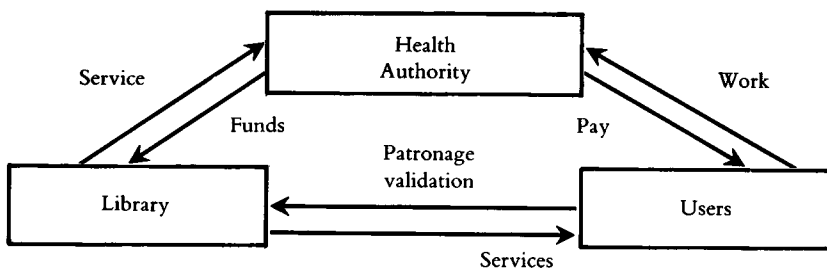


Fig. 1. Exchange relationships.

The aim of the marketing analysis is to understand the constituent parts of this model, the relationships between them and the variables that affect them.

### **Task analysis**

Organizations must ask themselves the question ‘What business are we in?’ The originator of the marketing concept Theodore Levitt, writing in 1960,<sup>4</sup> urged organizations to define their industries broadly, to take advantage of growth opportunities. I take it as self-evident that libraries want to grow. We have not reached a stage of maturity yet and I am not sure we have even established ourselves to the extent that we are not concerned about continued funding. It is my contention that growth should be an essential element in organizational objectives. So what business are we in, information, education, communication or books?

Theodore Levitt explained the decline of two American industries, Hollywood and railways, because they did not define their businesses broadly enough. American railways declined in the 1950s because they saw their business as railways – tracks, rollingstock, stations. Their real business was transport and this was filled by cars, planes and lorries which they did not see as competitors. Hollywood declined because they saw their business as films rather than as entertainment. Television to them was a threat rather than an opportunity. They have now gone into making TV films. Another example is Parker pens. What business are they in – pens, writing, ink? No, they are in the gift business. This has important repercussions on how the product is presented, packaged and advertised. The important point is to be customer oriented rather than product oriented.

For libraries the dangers are well expressed by Blaise Cronin,<sup>5</sup>

As far as information transfer is concerned, it doesn’t take a great deal of insight to realize that libraries are little more than delay lines in a transmission process and that in an era of rapid technological advance the library, as presently constituted, can easily appear anachronistic.

Information, education, communication, books are all too narrow definitions of the role of libraries. What we are really offering is a support service and we are facilitators or helpers. Wherever staff want help we should be prepared to offer it. We already offer help in the collection, organization and dissemination of information but it should not stop there. Why should libraries not run other services?

- hospital photocopying departments
- printing departments (including medical illustration)
- secretarial services
- management of internal correspondence
- health education programmes
- public relations
- even snack bars adjacent to the library.

An interesting paper has recently appeared on the expanded role for hospital libraries.<sup>6</sup> Four case studies were outlined showing how librarians had moved into related areas and seized growth opportunities.

1 *Director of research administration:* the librarian convened the hospital research committee, monitored legal and ethical regulations, advised on developments and trends in research, assisted in locating funds, and supported those writing, publishing and disseminating research.

2 *Audio-visual production:* the librarian was appointed to unify all educational technology departments which included the medical photography department.

3 *Ad hoc administrative function:* this arose because the librarian was seen as having certain administrative skills useful to the hospital. They employed a team approach, brought the library into hospital administration and appointed the librarian chairman of certain hospital committees, project teams and interviewing panels.

4 *Microcomputer responsibilities:* the librarian acted as microcomputer specialist in the medical education department. He ran classes to promote computer literacy, evaluated software for the department and assisted staff in processing data.

Another thought-provoking concept has been put forward by Carmel, which is that the business of the librarian is as problem solver.<sup>7</sup> The role of librarian in the health service has been changing. In the 1960s it was one primarily of organizing literature, a custodian in larger medical libraries. With the growth of postgraduate medical education and increasing networking of libraries through the 1970s the role developed into that of intermediary between the increasing number of users and the growing literature. Carmel now says we are moving into a time of growing 'partnership' with practitioners, whose need is for answers to clinical problems, not references. The job of the librarian must be to search, with the practitioner, for that answer – the role (business) is that of problem solving. This has enormous implications for librarians. We must have subject knowledge and it is not enough to simply have the information, we must make sure it is used and implemented effectively.

My own thesis centres on the librarian as helper. Why cannot the library be called something else and function as a central core running through the health service offering help, support and answers to enquiries on all topics? I fear that libraries are not doing enough. They need to become a more vital, useful and helpful cog in the wheel. These are corporate decisions. It is dangerous to artificially narrow organizational objectives but we must think more of what the clients want rather than our own technical skills that are on offer. Our mission is to help staff and possibly patients. It is not to educate, or achieve better patient care, although this may be a secondary objective. The idea is very simple, not profound. We want to create organizational dependence on the library and make libraries a less dispensable part of the health service.

**Market analysis**

In order to make decisions which are consumer oriented a good understanding of the market and its customers is necessary. This is obvious but how many of us have done any form of market analysis? There are four areas for research:

1 *Market definition:* This means defining the actual and potential consumers and how big the market is both in geographic and consumer terms.

2 *Market segmentation:* This means identifying homogenous groups, how much interest and resource potential they have, how big they are, and where they are located. Segmentation is fundamental to the structure of the marketing concept. The programme that will be eventually implemented is aimed at target markets which are defined areas that are measurable, accessible and viable.

	Areas of concern	Examples of factors to be audited
Internal factors: strengths and weaknesses	Organizational elements	Levels of stock Personnel: experience, skills, salaries Standard of physical plant Location of service points Morale and motivation of staff Network: degree of co-ordination Budget levels: access to fund givers Management structure
	Range of services	Loans and inter-library loans Photocopies Current awareness services Answering enquiries Online retrieval Study facilities Audio-visual facilities User education programmes
External factors: opportunities and threats	Consumers	Market segments (user groups) Non-users Image of library services Invisible colleges Demand for personal databases Resource potential of user groups Attitudes of professional groups
	Environment	Cost of books, journals, etc. Volume of literature being published Economy: nil growth Information technology Political policy: community care emphasis Social trends: self-help Medical research NHS efficiency targets Alternative informative sources

**Fig. 2.** Strengths, weaknesses, opportunities and threats analysis for libraries.

3 *Market positioning*: This means deciding for whom services are to be provided and what range of target groups is to be covered. Select a mix which is complementary. (Schools of Nursing have resource potential for example but can a service to qualified nurses be provided through them?)

4 *Consumer analysis*: This means analysing how and why consumers decide to choose one service as opposed to another. What is the 'buyer behaviour process'? This is a very complex area and needs an understanding of psychology and attitude formation.

It is necessary to gloss over what is a very sophisticated and technical analysis. Further reading<sup>8, 9</sup> will be required before implementing such a programme. I must detail one other technique that is used in industry, for managers to formalize problems prior to making strategic plans. It is called a SWOT (strengths, weaknesses, opportunities and threats) analysis and is an 'audit' of the library's position (see Fig. 2).

Areas of concern need to be identified, for example the organization, range of services, consumers and the environment (see Fig. 2). Other areas might be operational elements or finance. Within these areas specific factors can be audited to establish whether they are a strength or weakness to the system (internal resources) or opportunities or threats (stemming from environmental change external to the system). What is achieved is a qualitative picture of the organization using a model to identify particular areas of concern. Figure 2 gives examples of factors which need to be audited prior to establishing the strategic plan.

### **The marketing mix**

The objective of this model is to tailor the library service's approach to the different user groups already identified. The four P's are:

- product
- price
- promotion
- place.

Different groups of consumers will have different behaviour patterns and different needs. They will require different products, priced differently (opportunity cost), promoted differently and offered at different places. These are tactical decisions regarding the exchange relationship between librarian and user. Successful marketing depends on achieving the optimal balance between these four elements of the mix.

### **Product**

We now need to discuss what these things are. What is a product in library terms? How many products do libraries offer? Is a product different from a service? I have already mentioned the complex nature of libraries and that what they are offering is intangible. How then do you promote something that does not have an identity in itself?

I do not think that each book or journal is a product. What the library is offering is a service, or a number of services. For instance:

- facilities for study using own books
- facilities for study using library books
- browsing facilities for current awareness
- reference enquiry answering service
- literature searching service – manual/online
- photocopying
- current awareness bulletin
- loans service, from stock/I.L.L.

Others may be:

- meeting place
- hideaway.

These are not so much physical tasks as uses of the library. Identifying and differentiating these services have important implications for promotion, location (place) and what may be required are different services for different groups.

Another tool is what Kotler called the 'product–market growth strategy' (Fig. 3).<sup>10</sup> This is an analytical framework within which strategies for development can be planned.

1 *Market penetration*: the library needs to establish itself by increasing its market share by expanding existing services to its current clients, for example, by ensuring that

- all medical students are aware of short loan collections
- all registrars know how to use *Index Medicus*.

2 *Market development*: the library grows by offering its existing services to new client groups, for example,

- online searching to GPs
- photocopying to ancillary staff
- loans to self-help groups.

3 *Product development*: the library grows by offering new products/services to its existing clients, for example,

Present markets	1 Market penetration	3 Product development
New markets	2 Market development	4 Diversification
	Present products	New products

Fig. 3. Product–market growth strategy.

- new *Current Awareness Bulletin* to Intensive Care Department
- patient information to hospital doctors
- typing theses for students.

4 *Diversification*: the library grows by developing new services for new client groups, for example,

- information to patients
- special collection for dietitians/paramedics (if not previously catered for).

### **Pricing**

The next element of the marketing mix is pricing. This is a difficult concept in library terms because it is traditionally a free service. When a charge is levied how is the amount reached?

- cost
- cost plus
- ‘fair price’
- revenue maximization.

Charges result in a revenue consequence and a rationing consequence. New services may even pay for themselves e.g. photocopying, current awareness bulletins. Differential pricing, (one group to pay one price and another group slightly more) needs considering.

There is an opportunity cost because the user always gives something up – time, energy or pride. This is the opportunity cost which the librarian must identify and try to minimize.

### **Place**

Channels of distribution is market jargon for the place from which or the channel through which the service is offered. In commercial terms this means, for example in food – supermarkets, corner shops and mobile shops, or clothes – haute couture, Marks and Sparks, fashion shops and catalogues. In other words, degree of specialization, level and quality of service, size of unit, location of unit, direct or indirect sales and single unit or network are important considerations.

Let me quote from Keith Morton<sup>11</sup>

In this market there is no shortage of information . . . users and potential users abound . . . the wholesalers, the middlemen and the customers are all present in the market, but the analogy breaks down with the realization that there is a dearth of packaging departments, salesmen and retail outlets.

What he is saying is that there are not enough libraries and librarians and also that the networks are weak.

The main issues that face librarians are



- 1 *Network*: type of network required, centralized or distributed
- 2 *Location*: in the high street and the number of service points required
- 3 *Specialization or supermarket*: multidisciplinary libraries or specialist libraries
- 4 *Direct versus indirect*: if the user cannot come to the library should the library take its services to the user?
- 5 *Quality of service*: bespoke or off-the-peg information services.

## Promotion

Promotion is concerned with persuasive communication, that is, altering people's behaviour through communication. It can be a highly sophisticated technique involving knowledge of the behavioural sciences. Psychologists say there are four levels of understanding<sup>12</sup>

- awareness
- comprehension
- conviction
- action.

Whatever is being promoted in the library, be it a new service, a reclassification or problems with book loss, the promotional exercise should lead people along these steps. It is not possible to do all four in any one poster or letter.

Promotion can take the form of;

- advertising: posters, handouts, displays, T-shirts
- publicity: articles in hospital news, committee meetings
- personal contact: seeing heads of departments, over the counter
- incentives: badges, amnesty, free searches
- atmospherics: design, guiding, colour, atmosphere of library
- public relations: letter headings, logos, standard design, newsletter.

Another apposite quote from Blaise Cronin:<sup>13</sup> 'The library that does not speak until spoken to is destined for obscurity.' Relying on satisfied customers is not enough. We must identify the 'unique selling points', not just the unique selling point of the library but of each service and make sure all users and potential users are aware of it, understand it and take action on it. A starting point may be six appeals identified by McGarry & Burrell (1973).<sup>14</sup>

- 1 *Social*: everybody uses the library
- 2 *Prestige*: all the best people use the library
- 3 *Survival*: you cannot compete without it
- 4 *Fun*: use the library for leisure and recreation
- 5 *Egomaniac*: knowledge is power
- 6 *Fear*: if you are not seen in the library you will not pass your exams.

If reasons for non-use of libraries are studied services might be promoted with better understanding. Research has shown five reasons for non-use:<sup>15</sup>

- 1 It is quicker and easier for people to obtain information from sources other than the formal system.
- 2 Talking to people is regarded as preferable to reading books.
- 3 Individuals do not realize they have an information problem.
- 4 Potential users are not aware of the library's facilities.
- 5 Users have had bad experiences of past or present services.

### **Marketing problems in libraries**

Marketing gives many insights into the analysis of libraries and their services but there are four particular characteristics of libraries which complicate this management approach.

#### *Duality of publics*

As already mentioned the library has two publics, its funding source and its users. This is considerably more complex than in the case of a profit making organization. Library revenue and user success are not interdependent. The library may be providing a satisfactory service but not obtaining increased funds and vice versa. It could be that the library's continued financial support will come less from its actual ability or *willingness* to meet client needs, than from its ability to convince its funding source that it is meeting its clients' needs. It is paid for what it deserves, not what it earns. It is paid for not alienating important clients rather than for satisfying any one group.

#### *Problems of measuring performance*

In business success is measured by profit or from a share holder's point of view by return on investment. How does the Health Authority measure return on investment of the library? What is organizational success? Current input and output measures do not measure success, only workload. The systems that do exist at the moment<sup>16, 17</sup> suffer from either a lack or surfeit of sophistication. If librarians never know how well they are doing, how can they set targets that are real ones? In business there is a self-identifying method for measuring success – profit – which is not available in the public sector.

#### *Pseudo-monopolistic nature of libraries*

Many librarians assume falsely that the library is in a monopoly situation. They view their own library as the only disseminator of published information and if users do not go to the library, they are assumed to be non-readers. Research shows that there is competition in information flow.

- 1 *Oral communicators*: old boy network, gatekeepers
- 2 *Invisible colleges*: people who swap papers and books
- 3 *Laissez-faire*: people who read and work in isolation using their own material.

There are facets of marketing which would help overcome such reactions and these include designing a brand image, packaging details, atmospherics of location and product differentiation.

### *Complexity of product*

What service does a library offer and what are its products? How does the user evaluate the benefits gained? What does the user offer in exchange? As he does not pay the relationship is ambiguous. The services are mostly intangible and it is more difficult to choose between services. What the user offers is patronage and therefore validation. This is a very important half of the exchange.

The image of the product is also complicated by the strong link with the producer – the librarian. The personality and behaviour of the librarian becomes an integral part of the service and affects not only the decision to use the library but also the way it is used.

### **Conclusion**

This, then, is a brief outline of the marketing concept as it relates to library services. It consists of a broad range of decisions and activities, which can be categorized as either part of the task analysis, market analysis or marketing mix.

Task analysis provides the library with a definition of its goals, and the parameters within which it will operate.

Market analysis provides the library with the information necessary to carry out its task. Effective marketing management will require analysis of library users and potential users (the market), their structure and behaviour, division of users into segments and defining the needs and wants of the chosen target markets.

The marketing mix consists of integrating the functions of product design, pricing, distribution and promotion. Product design considers the decisions relating to the kinds of products or services the library will offer to satisfy users' needs or wants. Pricing relates to decisions about actual cost, opportunity cost, demand and competition, even if the service is 'free'. Distribution refers to the problems of designing a satisfactory storage and dissemination network of convenience to the users. Promotion refers to the methods of achieving positive communication, to familiarize users with the services available so that they are used (bought).

Marketing is therefore a useful tool to assess and convert users' needs and wants into an effective demand for a specific product or service. It is as relevant to libraries as it is to the profit sector.

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