



## Market Analysis and Audience Research for Libraries

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A GROWING CONCERN with understanding "consumers" in the commercial world led to the development of numerous sophisticated techniques for analyzing consumers and their interrelationships with firms. This area of "market research" covers product/service analysis; consumer information surveys; attitude, trait, and motivation analysis; experimentation with controllable variables; forecasting demands for products and services; and analysis of secondary sources of data. All of these approaches are aimed at providing better information, so that present and potential customers can be better served through understanding and identifying current problems and formulating better plans for the future. Application of some of the basic market research techniques to the library appears to offer helpful insights for librarians also seeking to serve their communities better.

While the breadth of market research techniques precludes complete coverage here (basic college texts on market research can be useful references for further application), some specific library applications illustrate the potential values to librarians.

An area of vital concern to librarians is the library user, both present and potential. Because the user is the basis for existence, these "customers" need to be understood in as much depth as possible. Certainly, most librarians, as well as business people, have a great deal of "gut" knowledge about their clientele. However, a systematic analysis of consumers is one of the most vital tools for improving services. For this purpose, the concept of market segmentation was developed.<sup>1</sup>

As a basis for market analysis (studying the people who comprise the groups one serves or hopes to serve), market segmentation has become increasingly popular. Essentially, segmentation looks at the demand

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for services and shows how rational and precise adjustments can better satisfy user requirements, i.e., specific knowledge about consumers can help to design and offer services that best serve the needs of customers. Since all customers are not the same, they are divided, or segmented, into different categories. The ways of segmenting customers are almost limitless—French-speaking, high income, high-school education, small family unit, rural, etc. However, several traditional patterns have been developed to provide segments relevant to understanding and planning purposes.

Probably the most common basis for categorizing customers is geographic. The total area served is simply divided on the basis of users. Typically, such a division is based upon geographic boundaries and limiting factors, i.e., county lines, highways, rivers, districts, etc. While customers often cluster within geographic units, there is frequently—particularly with high mobility—little clear-cut definition; rarely will many libraries have customers only from specific geographic subsections unless some arbitrary limitations are present. Further, geographic segmentation defines only where people are and little else.

Another popular approach to segmentation uses demographic variables: age, income, occupation, ethnic variables, sex, etc. However, in the marketplace demographic variables have not necessarily given the best indications of actual behavior.<sup>2</sup> For example, is there a direct relationship between library usage and age or income? There is, perhaps, to some extent, but the causal factors for use are probably much more complicated than age, income, or other quantitative variables.

A third approach to segmentation is based upon volume. This "heavy half" theory notes that, at least for many products in the marketplace, perhaps only one-half of the customers account for 80 percent of the consumption.<sup>3</sup> For many libraries this segmentation approach seems to have merit—the heavy users generate a large proportion of the activity, but comprise a small percentage of actual customers served. However, this method of segmentation also lacks insights into causal factors of the behavior.

Although limited in several respects, the preceding approaches to segmentation do offer several benefits for libraries. Geographic segmentation could improve scheduling of bookmobile services, or might show areas of high use rate for particular services, or even high concentrations of abuse (overdue or lost books). Demographic data might show that there are fairly clear distinctions between users and nonusers of certain library services. The "heavy-half" theory might

indicate directions for budgeting future services, both expanding and declining.

However, all of the above approaches to segmentation focus on descriptive factors rather than causal factors, and thus cannot render an insight into future behavior. To achieve such predictive ability, a more sophisticated approach can be used for segmenting library customers—benefit segmentation. Although relatively recent in popularity, benefit segmentation is growing as a technique not only for understanding consumers better, thereby increasing predictive ability about them, but also as a focus technique for directing many market analysis efforts.<sup>4</sup>

The key to benefit segmentation is to analyze the benefits which people are seeking in their consumption of products and services. After categorizing consumers on this basis, each segment is contrasted with all other segments on the basis of demographic characteristics, usage rates, attitudes, behavior patterns, images held of the library, lifestyles, and/or any other descriptive characteristics that could offer useful insights into better understanding these groups.

Through such an in-depth understanding of these segments, libraries could determine how to reach them better, communicate with them in the most meaningful terms, and offer them the most useful services—a true “consumer orientation” to serve the community best.

Although sophisticated techniques and computers are used in many such market analyses, it is possible to use intuitive reasoning with equal success. A few points should be kept in mind:

1. A segment is defined by the principal benefit it is seeking. Most people seek multiple benefits; however, it is the relative importance of a benefit to one group versus another group that isolates that segment.
2. While the principal benefit sought is the critical segmenting factor, other descriptive characteristics should be included. For example, if the segment is unique, then the people in that segment may be very similar in certain demographic characteristics (age, income, education, etc.), have certain patterns of lifestyle and personality (aggressive, passive, innovative, hedonistic, etc.), or may be relatively alike in their images of the library (dull, quiet, intellectual, etc.). As many characteristics should be described as might be useful to the given library in understanding its consumers and/or nonusers.
3. Benefits should always be defined from the user's point of view,

not the library's. For example, what is the real benefit the children's collection offers—entertainment, education, babysitting service? A good technique is to divide a sheet of paper into five or six columns (for segments) and rows (for characteristics), define the principal benefits, and fill in the obvious demographic characteristics, followed by other important characteristics. A small group of library staff can effectively create a basic benefit segmentation analysis in a few hours.

As a rough example, the following segments might emerge (the titles are usually applied after the basic benefit group is defined):

*The toilers* need specific information or materials, are students who are forced to use the facilities, need quiet to some extent, require good light, would like refreshments available for breaks, prefer comfortable chairs.

*The lonely hearts* need social contact, use the library because they have nothing else to do, are retired people, are lonely single people, like to talk and therefore resent "cold shoulders" and quiet rules.

*The searchers* are project-oriented—e.g., frantic about the family tree, want information about a specific topic, need special assistance, may not be regular users, need reproduction/copy machines, need areas to spread out, are in a hurry.

*The escapists* are bored people looking for personal fantasy escape in the materials, housewives, single people, regular users; new materials are most important to them.

*The uninformed* are not frequent users, but should be, are not familiar with facilities (guide books and large signs would help), are young people seeking answers to personal questions, probably intimidated by the authoritarian image of the librarian.

The above segments are only given as suggestions for the approach which should be taken. Obviously, real analyses should be made in greater depth.

Specific applications of such an analysis can be in designing new services, curtailing present methods of operations, changing hours, restructuring fine systems, physically remodeling sections, creating displays, designing publicity and public relations activities, etc. Major improvements of many types will then be directly related to better knowledge of the library's market segments. From such insights into consumers, better products can be designed and better facilities developed to serve the needs and wants of the customers.

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A more direct approach for gathering information about library consumers is the unobtrusive methodology of observation.<sup>5</sup> Simply defined, observation is "viewing with a purpose." A great deal of insight into consumers comes from observing their behavior patterns and any other physical aspects of their usage of library facilities. For example, what "search pattern" do people use to reach their destination in the library? Do they stand perplexed and scan for signs and other directional information, or do the majority come directly to the main desk? Do frequent users still need help? Are people always seeking directions to facilities such as the music room, restrooms, the auditorium, etc.?

In order to collect data useful for analyzing the preceding situations, events should be recorded as they occur. A simple tally sheet can be kept convenient for the staff member observing. Useful information to be included might be approximate age of patron; time; whether alone or with others; approximation of patron's occupation—e.g. housewife, student, businessman; category of request; etc.

Resulting tallies and summaries of such observations may lead to the improvement of physical aspects of layout, the placing of informational signs, the changing of staffing patterns to meet high demand times, and other improvements. For example, one library installed large colored globes to aid in directing patrons after they observed confusion in following typical directions such as "down the second aisle to the right." The bright globes were suspended above the areas and the directions became simply "under the blue globe."

Observations can be made of any overt event, but care should be taken to not inject any bias by making the recording obvious to the person being observed. Care should also be taken to avoid injecting any bias by the subjectivity of the recorder. For example, it is very difficult, particularly if several people record observations, to determine such things as the "mental state" of the patron (angry, confused, embarrassed). This is a weakness of the observation technique, but there is no way to observe direct data on an individual's attitudes, motivations, plans, past actions, or highly personal activities. Observers should further remember that just because someone checks out certain types of materials does not necessarily mean he actually uses them. However, these weaknesses are minor in contrast to the ease of this technique, relative low cost—since it can be done by library employees in conjunction with other duties—and the speed of data collection. Some libraries may already have some mechanical devices that record observable data, such as turnstile counters or time-registering checkout

systems. Data from such "counters" can be easily analyzed for time sequences or use rates. In brief, observation techniques can provide valuable data which frequently substantiates or negates subjectivity about patron behavior within library facilities.

One of the most perplexing, but potentially useful, problems faced by businesses is how to measure accurately the image people hold of a company or product. These difficult-to-verbalize reactions are highly subjective. A unique approach to quantifying these images was initially developed by Charles Osgood and his associates, and has enjoyed increasing use in market research.<sup>6</sup> Its application to libraries could provide valuable insights into several areas: Should the library launch a public relations campaign to change its image? What is the present image of physical facilities, collections, and/or personnel? Do images vary between users and nonusers? Osgood's technique is called the semantic differential and involves repeated judgments by respondents of a "concept" (e.g., a collection) against a series of descriptive polar adjectival scales on a seven-point, equal-interval, ordinal scale. The pairs of adjectives can be selected from a series developed for the original test. Examples of these pairs would be: good/bad, pleasant/unpleasant, ancient/modern. The scales move from left to right and are described to respondents (columns are labeled at top) as representing "extremely good," "very good," "slightly good," "neutral," "slightly bad," "very bad," and "extremely bad." Subjects are encouraged to use the scales quickly and honestly and not to ponder any particular set.

To measure the results, weights are assigned to each position, and these are converted to mean scores and presented in profile form. This simple calculation provides a relatively easy-to-interpret profile: if the means are very pronounced (i.e., if there is little standard deviation), then the image point is very consistent. Furthermore, the relative positions of the points will show the strength of the image ("extremely" versus "slightly").

Several modifications in the original technique have made results very useful for specific marketing problems, such as measuring the image of one brand against those of its competitors.<sup>7</sup> Application to libraries can also be very useful. For example, what do people think about the library in general (useful, wasteful, babysitting service, active in community, behind the times, progressive, underfunded, sterile, etc.)? How does the library compare with other sources of information and entertainment (media, book clubs, in-house collections, schools,

etc.)? How do users and nonusers feel about specific services the library offers?

The following factors should be kept in mind in designing a semantic differential format image study:

1. Descriptive nouns and phrases may be used in addition to the original single-word adjective pairs. For example, the concept "typical library user" might be evaluated by the phrase pairs: happy-go-lucky/somewhat serious, takes life easy/always on the go, higher social class/lower social class, intellectual/nonintellectual. A library can easily construct tailor-made word and phrase lists.
2. Some respondents hesitate to rate a concept in the extreme, causing "clustering" toward the neutral. This can be overcome by increasing the level or intensity of the dimensions or by using phrases which fit more naturally into a person's frame of reference. For example, really modern/sort of old-fashioned.
3. Use a control concept of an "ideal." Thus, if your library is being evaluated, it will be helpful to use the same set of scales to measure "the ideal library." (Note: always print the concept to be measured at the top of each scale list.)
4. Randomly reverse the positive/negative scale points; otherwise, a list with all positives on the left side may create a respondent pattern of just going down a given scale point.
5. Variations of the semantic differential are best given in person. While some success occurs in mail forms, the personal interview or use of groups of respondents seems best.

Overall use of this technique should provide quantitative image profiles of interest to libraries, and provide a focus on previously unidentified problems.

A fourth type of market research activity—the experiment—may be useful for libraries.<sup>8</sup> Although experiments exist in many forms (more than twenty-five "typical" designs are used in the social sciences), some very simple applications can provide useful information for the library. Basically, an experiment involves the introduction of a controlled variable into a situation, the measurement of the change created by the variable, and then the determination of whether the variable should be incorporated into operations. An experiment is artificial in the sense that situations are created for testing purposes. A key consideration is to control the variable to make sure it is the contributor to change, rather than some other, noncontrolled external factor.

Market experiments are frequently designed to measure the impact



of changes in advertising themes, package designs, or sales techniques. In the library, experiments might show the changes created by display design, methods for getting materials returned, attendance at special programs, etc.

If a "response rate" is known—e.g., the percentage of materials returned from return requests—then a variable can be injected: a "new" reminder card is sent out to patrons with overdue materials. Time is allowed for the reaction, another measurement is taken, and the situation is analyzed to verify that no external factor has generated a change (a local newspaper campaign on the costs of "minor" crimes such as stealing books can trigger a jump in the return rate unrelated to the library's direct efforts).

A slightly more sophisticated approach to the preceding "before/after" experiment (so named because of when the measurements are taken) would involve the use of a "control" group. In this design, two groups, equal in as many characteristics as possible, are measured, but only one group is subjected to the variable, while the other is influenced only by "natural" events. Using the preceding return-rate example, the groups of delinquents would be divided in half; one subgroup would receive the "new" notice, the other would get the standard one. Comparison of the responses would show both the effect, if any, of outside variables and the impact of the new approach. For example:

|                         | <i>Group A</i> | <i>Group B</i> |
|-------------------------|----------------|----------------|
| Normal response pattern | 25%            | 25%            |
| Variable                | New form       | No change      |
| "After" rate            | 45%            | 30%            |
| Net effect=             | 15%            |                |

Using this basic approach, several applications can be developed. The essence of the experiment is to provide quantitative measurement of the impact of proposed changes. The experiment can also be used in "reverse" sense—to measure the effect of stopping a given practice.

In summary, the preceding market research techniques appear to offer relatively simple, inexpensive means for libraries to generate useful data about their "consumers" and their operations. Librarians are urged to make further application of basic market research techniques through interpretations of their own (see Additional References for helpful sources). With improved knowledge in these areas, patrons can be better served in a true "consumer-orientation"



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sense—a critical need in today's cost-conscious, service-oriented world. Both the library and its community will gain.

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