

Application of Marketing mix elements (4Ps) in the Library sector

J. J. Garusing Arachchige, Senior Asst.
Librarian, University of Ruhuna

Libraries and information centers of Sri Lanka, in spite of various financial constraints have been able to build up satisfactory resource collections for the purpose of providing information to their users. Information demands from the educational, vocational, professional, socio-economic, cultural and recreational segments of the market are high while the utilization of the library collections are poor and deteriorating. Information specialists and some librarians commonly view that the under-utilization has emerged as a consequence of poor marketing approaches and lack of know-how in the library. Under-utilization can badly affect the budget and manpower allocation of the library. Librarians should be able to justify their expenditure and the utility of manpower and the services provided by the library. This process depends on the level of user satisfaction of the library. The marketing concept helps the library for this justification. Here the library is required to undertake adequate marketing techniques and tactics capable enough to forecast user needs and their satisfaction. Specially *marketing mix* elements can be adopted in the Library.

Marketing concept at its beginning entered to the business sector organizations and it is now increasingly attracting the interests of non-profit organizations such as hospitals, libraries, health care services, and environmental and charity services. Attempts have been made to apply marketing principles and theories to service organizations, which are not aimed purely at obtaining a monetary profit, but the achieving of customer satisfaction and the fulfillment of objectives of the organization (Kotler Philip and Andreasen Alan R, 1991).

Marketing oriented organizations are required to carry out marketing activities under well-thought, well-defined and socially accepted strategies. Organizations can choose their marketing activities under five kinds of competing concepts (Kotler Philip, 1997, p.17):

1. Production concept where customers favour organizational products that are widely available and of low cost. Organizations, which are production oriented, should concentrate on the increasing of high production and wide distribution.

2.Product concept in which customers favour those products which offer the most quality, performance and innovative features. Marketing personnel of product-oriented organizations should focus their effort on making quality products and improving them over time.

3. "Selling concept/Sales concept, which holds that the customer must be coaxed into buying the products because they themselves are not attempting to buy them. Here the organization should have to undertake an aggressive selling and promotion effort. The selling concept, taking an Inside-out perspective starts with the factory (organization) focussed on the existing products, and calls for heavy selling and promoting to produce profitable sales" (ibid. p. 20).

4.Marketing concept which believe the philosophy of achieving organizational goals as a key, and be more effective than competitors in integrating marketing activities towards determining and satisfying the needs and wants of target markets. This concept takes an Outside-in perspective, and starts with a well-defined market, focused on customer needs

integrating all the activities that will affect customers and produce profit by satisfying customers.

5. "**Societal Marketing concept** holds that the organization's task is to determine the needs, wants, and interests of target markets and to deliver the desired satisfaction more effectively and efficiently than competitors in a way that preserves or enhances the consumer's and society's well being" (ibid. p. 27). In the societal marketing oriented organization the marketer needs to build up social and ethical considerations in their practices. This concept is a type of Cause-related marketing because some companies are organized to enhance competitive image, thwart negative publicity, pacify consumer groups, launch a new product or brand, broaden their customer base, and generate incremental sales. Societal marketing concept on one way seems to be related to philanthropic fulfillment. The marketer, under this concept is expected to balance company profits, consumer wants, satisfaction, and public interests.

When we consider the above concepts, the *societal marketing concept*, which offers the main concern on the customer (*user*) satisfaction and the achievement of organizational objectives is mostly relevant to the library and information services sector. Therefore, fundamental principles, strategies and theories of societal marketing concept are based on the framework for library marketing.

Organizations - for the planning of marketing tasks, need to understand the existing market, its needs wants and demands, and drives that influence on the creation and development of these demands. Understanding of consumer requirements alone is not sufficient because it is also very much important to have a comprehensive understanding of the buying-behaviour of customers so that the company can realize effective marketing tasks, goals and product lines which enable them to meet customer requirements appropriately. Customers continuously are exposed to the changes and experiences of their lifestyle, and make changes of their behaviour as responses to those changes. Customer-needs are also subjected to changes due to environmental differences, and this can create opportunities and challenges to marketers. "As our situations change, opportunities usually emerge as we are subjected to a wider range of influences which we may respond to consciously or sub consciously in positive or negative manner" (Lancaster Geoff & Reynolds Paul, 1995, p.248).

Marketing process of the library involve several steps:

- The library should clearly understand the mission of the organization and then define the marketing objectives and goals.
- The library then understands the market through investigating the customer needs wants, demand and the potential demand as well.
- The Market is segmented on the basis of various characteristics and the behaviour of customers
- Marketing programmes are planned for target market segments with the process of developing and maintaining a viable fitness between organization's objectives, skills and changing marketing opportunities. The marketing strategic planning takes place at four levels: corporate level, divisional level, business unit level, and product level. It is performed under Total Quality Marketing concept, which holds an organization-wide approach and aimed to continuously improve the quality of all the organizational process, products, and services as a whole.
- Select proper marketing mixes, tactics; and implement them.

- Rearrange the strategy in accordance with the changing user need and implement again (Re-engineering).

Normally a marketer can understand the buying/consuming behaviour through experience. Yet, as the wider development, and complexity of organizational functions, marketers happen to seek for models to realize it. Kotler Philip (1997) observes seven 'O's as key points to understand the customer behaviour.

- Occupants - Who constitute the market?
- Object - What does the market buy?
- Objectives - Why does the market buy?
- Organizations - Who participates in the buying?
- Operations - How does the market buy?
- Occasions - When does the market buy?
- Outlets - Where does the market buy? (p. 171).

These 'O's are equally applied to the library sector too.

Marketing mix elements

Marketing mix is recognized as a strategy used to perform marketing functions. "The marketing mix is the planned package of elements which will support the organization in reaching its target markets and specific objectives" (De Aze, Elliot E. 1985 p. 38). Marketing mix is the key concept in the marketing task. "The tools of the marketing mix are a set of controllable variables to be applied to a given situation with creativity and imagination" (Lancaster Geoff and Reynolds Paul 1995, p. 44). Marketing mixes have a number of facets and are important to devise strategies in order to manage the dynamic environmental affects of the market. Marketing mixes are inter-related, interdependent, and also a combination of many factors. McCarthy, E.J. (1978), negates of the marketing mix under 4ps: Product, Price, Place, and Promotion.

Product mix and Products of the library

A product is anything that can be offered to a market to satisfy a need or want (Kotler Philip 1997, p.431). Products, which can be marketed, include physical goods, services, persons, places, organizations, and ideas. In the deeper sense, the product is not a physical item but a perception of the consumer/user. Product means the satisfaction of the customer rather than a physical good. Goods are ingredients of customer satisfaction. Marketing mix is the process or devise that makes this customer satisfaction.

Product can be a physical object, service or a benefit offered by the marketer. They have tangible as well as intangible attributes.

Product can be categorized as consumer products and 'industrial products'. Consumer products are finished products offered to the end-user while the industrial products are products that are bought by other companies in order to make another product or sell them to obtain a profit. Consumer goods can be identified in forms of convenience goods, shopping goods, specialty goods, and unsought goods on the basis of their consuming pattern, and frequency of buying (Lancaster Geoff and Reynolds Paul 1995, p.95). People purchase convenience goods in regularly and frequently basis with a minimum effort of selecting. Customers evaluate suitability, quality and price style characteristics when they buy shopping goods. Specialty goods are those, which have a brand reputation, unique identification, and purchased habitually requiring a special brand. There are some products which are not known

to buyers, or although, they are known, customers are not concerned about them. Such products like life-insurance, food processors, new machines, new books, magazines, computer software etc. are identified as unsought goods.

"Products and services which provide benefits for users and which answer users' most important needs are the core business of the library and information service"(Aze de Elliot E.1985, p.5). These products appear as a response to user priorities in the form of commercial intelligence, educational, leisure, recreational or social information. All of the services offered by the library: lending services, inter library loan, on-line searching, house-bound-readers services, picture loans etc. are library's products that can be marketed successfully. Product concept in the information sector is spread out over three levels; core level, tangible level, and augmented level. Library can provide bibliographic information, abstracts and summaries of information, which disseminate the core level information. Books, databases, journals, bulletins, etc. represent the tangible information. Library can also augment information through quality, reliable, speedy and timely professional services. Weingand Darlene E (1995) negates that the library's product can be arranged within a three dimensional structure of the product mix, product line, and product item (p.307). Under the product mix, library's resource collection represents as a product line while product items include books, periodicals, videos, films, audio recordings etc. For further fact, services of the library can be considered as a product line and the circulation of library materials, ILL, reference services, and on-line searching represent as product items. 'Programmes' of the library would be another product line where product items comprise of bibliographic instructions, displays, and lectures

Products, while they vary according to the scope and objectives of the library, can be identified in physical forms and intangible forms.

Library purchases readily available materials to build up a well balanced and comprehensive resource collection for users. The collection constitutes books, periodicals, microform publications, manuscripts, research papers, and non-book materials (audio cassettes, filmstrips, slides, and audio/visuals). These are not the library's real products, but the resource collection is the raw material for products.

Library produces paper media products such as acquisition lists, bibliographies, printed indexes, directories, news letters, reviews, content page bulletins, chapter headings etc. in order to provide quick information to users. Catalogues are established to facilitate users access to the collection easily and obtain desired bibliographic information quickly.

Electronic media products include databanks prepared by the library itself or bought from another database vendor. Databases are searched through online or CD ROM versions. Databases provide various levels of information, full text, abstracts, or bibliographic.

Users can borrow library materials for a period of time depending upon their membership type. Institutional membership facilitates the maximum utility of materials to a number of users at a time. Reservation facilities are provided under special programmes.

Reference services are available for users who wish to obtain information by self-searching, and/or with staff help. Ready reference sources like encyclopedias; dictionaries, directories, thesaurus etc. are made available for self-searching. The staff replies to user queries using these reference sources.

Resource sharing programme of the library includes Inter Library Loans (ILL) and Reciprocal borrowing. Photocopies of journal articles/chapters of books etc. are provided through ILL. Under the Reciprocal Borrowing Programme, library holding the responsibility for the resource, facilitates users to borrow the desired library materials from another library.

Research and Consultations services are conducted for users who seek for the assistance from the library. Selective Dissemination of Information (SDI) services are launched with the

utility of user profiles for individuals, or for groups relying on their interests. Relevant information packages are distributed to them.

Document delivery service undertakes the provision of photocopies, and duplicating facilities to the user. Documents are also delivered via E-mail, Fax, and computer printouts or by downloading.

Librarians are involved in the reproducing and repackaging of information for target user groups. Information bulletins, content page sets, newspaper clippings, news digests, digests for journal articles, abstracts, translations of articles in local languages etc. are provided to the user. Community information services involve the provision of day-to-day information to the user. Information related to vocational development, agriculture, economy, marketing, political events, know how, and entertainment etc. required for the day-to-day life are also provided.

Library's building space, reading rooms, furniture and other equipment are arranged conveniently for users. Various software and hardware for the computer can provide a friendly interface for users. Accessible terminals are also provided to the user. Application software can be provided to the members of the library. Here the library can purchase the license copy of the software from the dealer and can become an agent for the provision of copies. Library can also deal as an Internet connection provider and network coordinator.

Like the product of business industries, library's products also pass through a life cycle. The life cycle concentrates on the changes of demand through the lifetime of the product. This refers to different levels of market acceptance of the product. The first phase is the introduction phase at which the product is unknown to the public. Special offers should be made to advertise and commercialize it.

The second stage refers to the growth phase. During this stage the product achieves a wider distribution as a consequence of publicity and promotion and also encounter competition from other similar products. During the third level, the product becomes stable in the market opportunity and reaches the stage of maturity. In the maturity phase, the product earns maximum profit/market share or the utility of the product and then the products are characterized by price warning, which requires lowering the price. Product passes through the decline phase due to rival products, changes in the customer preferences, and the change of fashion. When the old product has declined, library must introduce new products designed to reach a profitable component of the market.

Price Mix and Pricing of Library products

Price is a flexible and influential element, which determines the revenue/profitability/market share for the organization. On the customer's point price is a determinant factor because most customers depending on their income level consider the price before they purchase the product. Price attributes different names. "Price is all around us. You pay rent for your apartment, tuition for your education and a *fee* to your physician or dentist. The airline, railway, taxi, and bus companies charge you a *fare*; the local utilities call their price a *rate*; and the local bank charges you *interest* for the money you borrow. The price for driving your car on Florida's Sunshine parkway is a *toll* and the company that insures your car charges you a *premium*..." (Kotler Philip 1997, P.494).

The concept of price constitutes two different types: the monetary price, and the social price. Monetary price implies the payment of certain sum by the customer, and the social price refers to the additional effort that the customer must make in order to obtain access to a product. Price for the product is set when the organization introduces or acquires a new product. Price can be revised to match the change of the product.

Organizations have different objectives and offer various products to different market segments. Their position of the market may be different from each other. Strategies are defined to accord with these objectives. Therefore, pricing as a mix is obviously based on the marketing objectives of the company. Some organizations price their product mainly for the survival in the competition.

Most of traditional librarians believed that the price for library services was irrelevant. Library services were considered free until recent and now librarians have understood the price potential of services provided by the library. "The fact that most library services are free obscures the importance of price in service planning" (Ritche Seila 1982, p.19). "Most traditional librarians believed that the price was irrelevant for library services. However, librarians recently came to know library's price potentials with the practice of charging fees for online searching, inter library loans, and photocopies. Price is not always concerned in monetary terms, but ones associated with time effort, and psyche" (Bell Ann Jo 1985, p.140). Pricing is one of the most difficult disciplines in any marketing exercise. For information services there are added complications - the price of any service delivered is not generally paid directly by the user in relation to any one transaction." (Offor Colin, 1993, p.66)

Librarians should consider the 'monetary price' concept as well as the 'social price' concept when the price is decided for library products. In calculation of monetary price, factors such as size of the demand, cost for the product, and the impact of the competition must be taken into account. Real value of the product can be ascertained by the practice of cost analysis. Costing is important even when a service is provided free of charge. White Martin S. (1981) identifies a number of pricing policies for the information sector: Lost leadership, Offset, subscription, deposit, discount, guarantee, and constant prices. Loss leaders policy involves the setting up of a lower price below the real cost in order to get new business. Library spends for the acquisition of more valuable library materials, but does not change the membership fees for that reason. In the Offset pricing strategy a basic or initial price is quoted with extra costs added on at a later stage. Current awareness services may have a search through online for which is charged separately. By this policy client is controlled by the cost for the search. Subscription strategy makes the client pay a regular amount of fee on a discount rate or not for the service rendered. The client can obtain the membership for bulletin boards, SDI services etc. under this method. On the deposit pricing system, client is requested to pay a deposit, and product/services are provided debiting against the deposit. The deposit is topped up from time to time. Online searching, E-mail, fax etc. can be handled by this means in the library. Discount tactic can be used to encourage members to use more services e.g. library's permanent members are provided special discount to search online and CD-ROM. First half an hour can be provided free of charge if a person searches the online more than three hours. Guarantee method is more practicable for high cost services because guarantee can ensure the reliability of the product. The library provides a guarantee on consultancy services ensuring that the consultancy report is potential to enhance the client's information need. Fees are not charged in failures or to resume new efforts. The danger of not meeting the agreed target is managed. Constant pricing involves the change of the price or adjusting the product quality in the competitive market. Services are reduced rather than raising the price in due occasions.

However, price of library products represents as fees for the membership, fines, photocopy/fax/downloading charges, database searching costs, subscription for services, reservation fees, and direct sales of publications etc.

Place Mix and Distribution of Library products

Organizations provide their product to customers through an effective position. Place mix represents the distribution channels that the organization utilizes to convey their physical products or services to the end user. Distribution channel designer must understand the service output levels that are expected by target customers. It is necessary to have a clear understanding of what, how, why, where, and when customers purchase, his waiting time for the purchase, the convenience that facilities the customer when buying is completed, product variety for the choice and the service backup which represents additional services associated with the product. Distribution can be performed through single channel or multiplicity of channels.

Although the traditional distribution of products involved the process of production, selection of warehouses, and the transport of goods to the destination (final customer); recent trends practices the procuring of inputs, converting them into finished products, and the distribution of them to the end user. This involves the supply chain management process where distribution is considered. This process is identified as the marketing logistics. Market logistics is the provision of right things to the right places at the right time for a minimum cost, to meet customer requirements in an efficient and profitable way. It requires that the order processing, warehousing, inventory and transportation etc. are handled efficiently.

Information products (services) are distributed to end users via various channels. The traditional distribution channels of the library services represent two models. The first model One-on-one model involves the provision of information through face-to-face interaction of librarian and user/patron/client. Second model – ‘the concept of the library as a physical place’ implies that the library services are provided as the physical location site/building (Weingand Darlene 1984, p. 51).

However, these are not only conceivable modes of distribution. “The inclusion of middlemen and intermediaries, as exemplified by the private sector’s use of human and technological distribution channels, can well be adapted in certain circumstances to library operations”(ibid.).

Distribution of the library’s products refers to ‘When’ ‘Where’ and ‘How’ service is made available for the user. ‘When’ implies the time period in which information are provided. ‘Where’ indicates the location of the services and ‘How’ constitutes the type of distribution.

The place where the library is situated is important because, the sighting of the library can make an effect to the user

Library’s location must be easily found, easily entered, and conveniently visited. Building arrangement and furniture, equipment, shelving etc. must be comfortable to the user. Library’s service points include the issuing counter, catalogue, reading rooms, and computer terminals. Geographical location in the information marketing means the branch libraries and special service points such as mobile libraries.

For example, the university library establishes branch libraries in their faculties in order to overcome geographical distance from the main library. Department libraries/special collections are maintained to provide easy access. This can prevent long queues near the issuing counter and save user’s time. Special libraries set up separate units to provide access to desired information. Public libraries organize outreach services such as house bound delivery of books, mobile services, kiosks etc.

Reference librarians answer user queries orally by the face-to-face contact over the telephone or by the mail in written format. Photocopies, Fax pages, computer diskettes, and audio/video cassettes are some other means of physical distribution. Online databases through computerized networks are important channels of dissemination. Internet is a popular

example. Information agents, brokers, and online hosts are considered as intermediaries of the library market. Mass media like TV, radio, newspapers, are also means of indirect distribution.

Opening days and hours are different for different libraries because opening hours are decided considering the needs of users/ potential users. Public libraries have wider and heterogeneous segments of the market. Therefore, opening hours must be convenient for the majority and should be generalized as possible as to optimize the service time.

Distribution channels of the library should ensure the quality of the service, time, convenience and format and priorities of the delivery. Factors like the nature of the output, output format, and the speed of obtaining are important to ensure the quality.

Promotion mix and Promotion of the library

Promotion mix involves the function that marketer communicates with customers in order to acknowledge the product. Marketer needs to plan strategies to attract the present and potential customers to the product. Product awareness with wholesalers, retailers, suppliers and others is made through various communication tools. Usually, customer awareness is developed through the company image and publicity. Simply the main objective of the marketing communication is the persuasion of customers to purchase products of the company. Marketer in the communication process identifies the target audience, set communication objectives, and designs communication channels for the promotion of the product. The message for the promotion is designed to get the attention, hold the interest, arouse desires, and to perform action to buy. What to say, how to say, and when to say' are answered by the format and the source of communication. Appropriate tools must be decided for the promotion. Generally popular tools are advertising, sales promotion, public relation and publicity, sales force and direct marketing.

“Library’s market must be aware of the services available (and perhaps of what could be available) and should be persuaded to use them. This point may be contentious but it makes sense to fully exploit any service it has been instituted. The library as a medium for the communication of information is a failure if it cannot communicate its own potential value to its market” (Riche Sheila, 1982, p.23).

Market. The basic aim of library promotion is to select a technique that can encourage the recipient to respond either by buying or requesting further information, or by filling the promotional material away for the use in the future (White Martin 1981, p.39).

A number of viable promotional techniques are found utilized either singly or in combination in the library.

Advertising:

The purpose of advertising in the library context is to develop the awareness of users, increase the use of services, and intensify the image of the library. Advertising programmes must be designed to achieve reader’s attention, arouse interest for the product, lead the user to decide purchasing, and buy/use the product with a satisfaction.

Library can advertise its products through displaying, ads on in-house newsletters, local press, billboards, posters, on-screen announcements, radio, cinema advertisements, Television commercials, and networks. In-house information services are commonly used through leaflets and brochures, which are aimed at a target user group.

Public relations and publicity:

Library in the aspect of Public Relations incorporates the interaction between the library and its customers. Public relations involve the interpersonal contact, which is to develop the communication of trust, mutual respect, perception, attitude and opinion to communicate the benefit of the library and its products. This associates a wide range of practice like editorial coverage of press, publishing of in-house journals, staff magazines, newsletters, and other publications. Library's image is developed through calendars, logos, letterheads, etc. Relationship with media is an important vehicle for the publicity and library personnel can produce seasonal press releases. Media interviews, bookmarks, posters, and displays are also tools for the publicity. The library services themselves can make publicity. Staff performances, face- to- face contact with users, and the quality and the structure of the library building are important factors.

Customer care is another tool for the promotion of the library. This implies the training of staff to take client's attention to the library. Needs are fulfilled by setting priorities instead of insisting to apply the rule. Customer-care deals also with complaints and, this causes the user becomes more loyal advocator of the service.

As another tool for promotion of the library, personal selling involves the presentation of conference papers, seminars, lectures, demonstrations, exhibitions, and other presentations. Here, the sales force should be carefully recruited and administered.

Library promotes its services through extension services such as library visits, ceremonies, seminars, book exhibitions, contests, rewarding functions, get-togethers, and sponsorship programmes. User education and current awareness services play the role of advertising and personal selling. Library can communicate through various modes of messaging – oral, written, electronic or implied.

Library extension services are not purely related to the library's professional activities, but help users become loyal customers to the library. Displays of new arrivals, book reviews, and organizing of exhibitions, and book fairs are important. Library can conduct public lectures, speeches, discussions and seminars under various topics, which are believed interesting to users. In public libraries Story hours can be conducted targeting children, blind or old aged persons and illiterate people. Library guide tours, visits, commemorations and seasonal celebrations are conducted to attract users.

Apart from the above-mentioned **4Ps** among marketing mix elements there are other 3Ps namely 'Process mix', 'Physical evidence mix', and 'People mix' extended in the service marketing.

Although theoretically not applied, the above mentioned marketing mix elements are not new or strange for the library sector. Our librarians have provided a rather user-centered library service since the very beginning. The most necessary task today is to conceptualize these theories and adopt them to suit the fulfillment of changing user-needs in the modern time-limited society.

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