MARKETING
INFORMATION PRODUCTS AND SERVICES

A Primer for Librarians and Information Professionals
Recognizing the importance of information in the process of development, Canada's International Development Research Centre (IDRC) has over the years supported a large number of projects aimed at developing information systems and services in support of research and development activities. An important objective related to the development of such projects was to ensure that the systems and services developed could be sustained over the long term. A crucial element in the sustainability of information systems and services is effective marketing. It presents avenues to generate revenue and reduce the financial constraints that many information services are facing in developing countries. This has long been recognized by IDRC, and the development of marketing plans has been introduced in several information projects to study how this could be achieved.

A literature review conducted in 1993 revealed that marketing of information was a relatively new issue in developing countries and that most of the literature on the subject originates in the North. The review concluded that marketing potential is underestimated by libraries and information services and that information professionals were generally reluctant to embrace the marketing concept. Information professionals need a better understanding of marketing concepts and approaches to be able to introduce them into their services and to recover the costs of the information services and products that they provide.

In this framework, leaders of a number of IDRC-supported information projects were brought together with a team of specialists in marketing of information at a meeting held at the Indian Institute of Management in Ahmedabad (IIMA), India, in February 1994. The discussion at this meeting focussed on how institutions in developing countries could be assisted in evolving relevant
marketing strategies. The meeting recommended the preparation of marketing guidelines and case studies that would help information specialists to design proper marketing strategies and marketing plans. Participants at the meeting prepared an outline for a manual that would respond to this need, and IIMA indicated its interest in coordinating the arduous work of compiling the manuscript. In October 1994, IDRC agreed to finance the activity.

This book is the result of IIMA's work. IDRC hopes that the guidelines and approaches proposed to introduce marketing activities within information services and systems will assist information professionals in developing countries with the development of sound marketing strategies. IDRC is proud to have contributed to this work—a collaborative effort of several information and development specialists from around the world.

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Preface

The information era is here. Even at the beginning of the last decade, John Naisbitt in *Megatrends* (1982) indicated that over 60 per cent of the people worked with information. He pointed out that between six and seven thousand scientific articles were being written each day, scientific and technical information was increasing by 13 per cent per year, and the rate would soon jump to perhaps 40 per cent per year.

On one hand, computers and networking have tremendously enhanced information storage, retrieval and dissemination capabilities. However, the new facilities require significant investments, which many libraries and information centres, particularly in the developing world, cannot afford.

On the other hand, economic reforms, globalization and privatization trends in the developing world lay emphasis on private enterprise and competitiveness. Consequently, government funding of libraries and information centres has been declining, and librarians and information managers have been forced to generate revenues not only for acquiring state-of-the-art facilities but also for their own survival.

Information is power, and more so in a competitive environment. Businesses, governments and individuals are collecting and storing more data than any previous generation in history (Alvin Toffler, *Powershift*, 1990). Moreover, information is being recognized as a critical resource for socio-economic development. As a result, libraries and information centres have an opportunity to tap.

This marketing guide, therefore, introduces librarians and information professionals to marketing concepts and approaches, helps them to adopt a marketing orientation, and provides them
with a step-by-step approach to developing marketing strategies and plans for their libraries or information centres.

The guide contains nine chapters and two cases studies.

- **Chapter 1**: Prof. Sreenivas Rao highlights the need for adopting a marketing approach by librarians and information managers.

- **Chapter 2**: Drawing upon an earlier research on assessment of needs of management information, Prof. Jain and Prof. Rama Rao explain concepts of marketing management and how they are useful and relevant to libraries and information centres.

- **Chapter 3**: Ms. Gumbs describes the marketing plan developed by the Technology Information Centre at the Argus Institute of Technology and, through this example provides guidelines for developing a marketing plan.

- **Chapter 4**: Prof. Koshy explains the meaning of products and services in the context of libraries and information centres, and provides guidelines for planning a portfolio of products and services.

- **Chapter 5**: Mr. Vespry, Ms. Vespry and Ms. Avery discuss price—one of the four important marketing decisions. With the example of National Information Centre on Management (NICMAN) at IIMA, they explain the various considerations in taking pricing decisions.

- **Chapter 6**: Prof. Sreenivas Rao discusses another of the four marketing decisions, promotion, with examples of various libraries and information centres, such as INSDOC, ICRISAT, and CEIS; and provides guidelines for making promotion decisions.

- **Chapter 7**: Prof. Koshy deals with the rationale, procedure and steps of conceiving, designing and introducing new information products and services.

- **Chapter 8**: Mr. Chin and Prof. Jain discuss the what, why, and how of marketing research along with brief descrip-
tions, illustrations, and guidelines for planning and executing selected marketing research designs.

**Chapter 9:** Dominique Beaulieu describes how the Centre de recherche industrielle du Québec switched from free service to charged service and brought about changes in the outlook, attitude and structure of the organization to achieve a marketing orientation.

Towards the end of the guide, two case studies have been included.

- **(A) "Caribbean Energy Information System"** by Ms. Whyte and Prof. Sreenivas Rao and
- **(B) "Asian CD-ROM on Health and Environment"** by Mr. Chin and Prof. Jain.

CEIS was set up to enhance the capabilities of the Caribbean countries in energy information collection, storage and utilization for optimum conservation and utilization of the region's energy resources. The other case presents the market research conducted for assessing suitability and utility of CD-ROM publishing, a modern information technology, and the process of developing suitable marketing plans for the same in developing countries.

This guide can be used as

- a *text* to understand marketing concepts, tools and techniques relevant to a library/information centre,
- a *reference book* to draw up marketing strategies and plans, and
- a *training manual* in educational and training programmes for librarians and information managers.

Editors
Acknowledgements

This guide is an outcome of a workshop held at the Indian Institute of Management, Ahmedabad in February 1994, where project leaders of the International Development Research Centre, Canada, expressed the need for a marketing manual for librarians and information professionals. IDRC entrusted the job to the Indian Institute of Management, Ahmedabad. Mr. Renald Lafond, Senior Programme Officer, IDRC, gave us valuable guidance throughout the project. We are very grateful to him and to IDRC.

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INTRODUCTION

What is a Marketing Plan

A marketing plan provides the information manager with a blueprint for identifying and targeting opportunities and client groups (target segments) and for the cost-effective supply of specific information products/services to the identified client groups. Marketing plan may be prepared for specific product(s) or service(s) as well as for the library/information centre as a whole. The plan helps the librarian/information manager to answer the following broad questions:

1. What is the current situation regarding the library/information centre, the product or the service?
2. Where should the information centre/product/service be in the next year? ...2 years? ...5 years?
3. How does the information centre/product/service get there to realize specific targets?
4. To assess whether the information centre, product or service realized the goals and targets set?
To obtain answers to the above questions, the staff of the information centre must be prepared to go through several steps and processes. These steps require current information about the information centre, objectivity in approach and a vision for the future. To explain these steps, this chapter draws primarily on the experiences of the Technology Information Centre (TIC) at ARGUS Institute of Technology (AIT).

**Benefits of a Marketing Plan**

An information manager (like any other manager) is responsible for the most efficient use of resources at his/her disposal. In order to discharge this responsibility, he/she needs to set appropriate objectives for the centre. The limited physical, human and financial resources at his disposal need to be so deployed, that they are utilized in the best possible manner to achieve the objectives set. The actual deployment of resources and monitoring the achievement of objectives are also important functions/tasks of librarian/information manager.

Historically, most libraries/information centres were supported and set up by governments, universities, or other parent bodies for serving a limited set of clients, mostly internal to the parent body, having specialized information requirements. At first glance, one may be tempted to think that there is no need for these centres to market their services. However, the recent trends indicate that the information available in such centres may be of significant use to outside clients. Also, the internal clients need information from outside sources, which is multi-speciality as well as general. This is leading to a much wider potential client base for each of the information centres. While the technologies for storing as well as making the information available to a wider clientele are developing continuously, they are quite costly to acquire. For utilizing the existing information resources, centres must provide for and upgrade their services to meet the increasingly diversified and complex needs of emerging and different user groups. They would need resources to do so. The budgets and grants of the centres are either getting frozen at old levels or,
in fact, being cut. Under such situations, a centre would need to set specific objectives to be achieved, client groups to be served, their priority, as well as financial targets in consultation with the management of the parent organization. Besides, the information centre would have to prepare and implement specific plans to achieve the objectives. Thus, preparation, implementation and monitoring of marketing plans by information managers has become a critical activity for the very survival of an information centre/a library.

The development and implementation of a marketing plan can be beneficial in several ways:

- Identification of objectives in line with parent organization's goals and information centre's requirements.
- Identification and selection of target client groups to be served by the centre.
- Increase in the demand for existing products and services.
- Development of new and viable products and services, which have a sound client base.
- Collection and analysis of relevant data and the monitoring of marketing targets enable the information centre to become more objective in decision making.
- Execution of preparatory analysis assists staff in developing a customer oriented outlook.
- Preparation of the plan and the implementation of activities encourage and motivate information staff to develop a proactive stance in the target market.
- Development of the marketing plan brings the information centre into focus within the organization—through its contribution to the marketing objectives of the parent organization.

**How to Develop a Marketing Plan**

This chapter will cover the steps, which an information centre should follow, in preparing a marketing plan for a product or service, or for the information centre as an entity. The **first step** in developing a marketing plan is to **analyze the current per-**
formance of the information centre. Having understood the current situation, the next step is to conduct a marketing audit. This step helps in: (i) identification of marketing goals of the parent organization; (ii) analysis of the market and customer behaviour; (iii) analysis of the macro environmental forces and business climate; (iv) analysis of competition; and (v) analysis of the internal environment, i.e. systems and procedures of, products and services offered by, and resources available to the information centre.

The findings of the marketing audit are used in the third step to decide the strategic direction for the information unit. Development of a marketing strategy follows as the fourth step. A detailed marketing plan is then prepared (fifth step) followed by the last step (sixth) of implementation and control. In addition, the marketing plan should be presented effectively.

A better understanding of these steps will be attained, if we examine them in the context of one information centre/library. The information centre chosen is one, which serves an industrial clientele—the Technology Information Centre (TIC) at the ARGUS Institute of Technology (AIT). Background information on TIC is presented in Box 3.1. The steps, in developing a marketing plan, are applicable to all library and information centres—whether or not the centre is fully supported or partially supported by government funding. Similarly, these steps are applicable where the clients being served are academics, industrialists or members of the general public. Depending on the particular environment in which the centre functions, marketing objectives may include increasing the size of the clientele or user group, expanding the information services offered and/or recovering full or partial costs for operational expenses.

This chapter will follow TIC through the steps taken in the preparation of its marketing plan, and each step in the marketing planning process will be identified. For each stage, first the step would be described/explained. This will be followed by an account of TIC's experience in dealing with the particular step. At
TIC’s Background

TIC was one of six divisions comprising the AIT. One of the mandates of the AIT was to promote the technological development of Small and Medium Enterprises (SME).

TIC served staff members from other divisions as well as external clients from any organization or group which required information. The absence of major competitors contributed to a constant flow of clients during the early period of TIC’s existence. In the past, no attempt was made to market TIC’s services—although several promotional programmes were presented to various clients. The time had come for TIC to become more marketing oriented, if it was to fulfill a new mandate given to its parent organization.

AIT conducted a strategic planning exercise, the output of which required TIC to:

- Recover at least 50 per cent of its operating expenses from the services it provided. In the previous year, TIC recovered only 45 per cent of its operating costs.
- Achieve a 30 per cent increase of SME exporters in TIC’s regular clientele base.
- Achieve a 25 per cent increase in demand for TIC’s services from staff in the Bio-technology and Material Technology Divisions in AIT.

Therefore, TIC had to develop a marketing plan to achieve the above targets.

the end, a summary of how to execute the step would be provided.

MEASURE THE PERFORMANCE

Ideally, the performance of any organization should be measured vis-a-vis the objectives or the targets set. For a large proportion of libraries and information centres, the specific objectives and targets may not be set. However, it is critical to develop specific targets/goals so as to not only measure the per-
formance of the information centre but also deploy the available resources in the best possible manner.

Performance should be measured for the centre as a whole. The performance of the centre would ultimately depend on the performance of its products and services in specific targeted markets/segments. Specific parameters need to be identified for measuring the performance of the centre and its products and services in the specific markets and segments.

The parameters, used for evaluating performance of any library/information centre as a whole or of its products and services in specific markets/segments, could be:

- Number/proportion of total clients served.
- Number of units of product/service sold.
- Total revenue generated.
- Total revenue generated, net of costs.
- Image of the centre and its products in target segments.

The targets of performance on the above types of dimensions could be in (i) absolute terms, and/or (ii) relative to the competitors. For example, the clients served could be measured in absolute numbers or as percentage of total number of clients in the target market (market share).

**CONDUCT MARKETING AUDIT**

Marketing audit is a critical assessment of the external and the internal environment of the information centre. It provides significant insights into the opportunities and the threats facing the centre, and its strengths and weaknesses vis-a-vis competition. Marketing audit must be carried out within the context of contributing to the parent organization's goals. These goals, therefore, must be identified first. The *market* and the *customers* of the information centre must be analyzed to understand the current opportunities in the market. Macro-environment forces or business climate must be analyzed to assess future opportunities and
For measuring the performance of TIC, no specific goals or targets were set. It was decided to measure the performance in terms of service to its clients, as well as in terms of the percentage of expenditure covered by the revenue generated by the centre. Performance of TIC was measured in absolute terms, i.e. number of percentage, but not in comparison to any competitor.

- Analysis of records in AIT's Clientele Management Database (CMD) provided the information that TIC served 200 external clients and processed 400 requests from internal clients.
- Of the 200 external clients, 80 per cent were from industrial estates in close proximity to AIT and 15 per cent from the western and southern regions.
- Of the external clients, 54 per cent of users (i.e., 108 companies) were from the industrial sector, 24 per cent were university students working on course assignments, 11 per cent were from Government Ministries and 11 per cent were from engineering consultancy services.
- The two major industrial sectors utilizing TIC's services were the food processing and the chemicals sectors—50 per cent (54 companies) were from the food processing sector and 25 per cent (27 companies) were from the industrial chemicals sector.
- Among the internal clients, the Food Technology, the Chemical Engineering, and the Mechanical Engineering Divisions together, generated 86 per cent of the requests (i.e. 344). Only 5 per cent (20 requests) were received from staff in the Mineralogy Division and 4 per cent (16 requests) were received from members of the Bio-technology Division.
- TIC recorded 45 per cent of its operating expenses in the current year.

future trends in the market. (Analysis of competitors and internal environment of the information centre is critical for assessing its strengths and weaknesses.)

**Identify Organizational Goals**

The first important step in conducting the marketing audit is to determine the marketing goals and policy of the parent organiza-
tion. The information centre is but one of several units, which comprise the parent organization. The information centre's programmes must therefore conform to the overall policy and direction of the parent organization. Specifically, the following information needs to be assessed:

- The targeted sectors for the institution and the information unit.
- The corporate image which the organization is seeking to build.
- The corresponding actions which will lead to the development of the image, e.g. promotional mechanisms, pricing strategies.
- The goals which should be attainable within a given time-frame.

The organization's strategic plan and its marketing policy are two documents/statements which provide a framework for the marketing planning process.

**Analyze Market and Customers**

The major purpose of market and customer analysis is to ultimately decide on (i) which set of markets/segments to focus on, and (ii) which set of products/services to offer to them. The output of this analysis is a two-by-two grid or table where one dimension represents the different groups of customers, the other dimension represents the different sets of products and services and the entries in the cell represent the size and nature of market opportunity available in each cell.

**Customer Analysis**

The objective of customer analysis is to identify characteristics by which the customers can be divided into groups (markets/segments) with similar needs and requirements.

The key questions asked for analyzing customers are:

- Who is the customer?
- What does he/she need/want/buy?
**BOx 3.3**

**TIC: Identifying Organizational Goals**

The first step, in the process for the formulation of TIC's marketing plan, was to seek relevant information from the following documents:

- AIT's strategic plan incorporating its marketing plan.
- TIC's strategic plan.

After perusal of these documents, the information manager identified the following relevant parameters:

**AIT's Strategic Plan** (excerpts relevant to the marketing plan)

- The focus of AIT's major work programmes, for the next three years, was on environment, food and chemicals.
- AIT had to develop the capability of being a leader in the transfer of technology to SMEs.
- Sixty per cent of professional time had to be spent in income earning activities.

**AIT's Marketing Policy** (excerpts)

- The major target groups of AIT's marketing programme, for the next three-year period, had to be (SMEs) oriented towards the export market.
- The AIT had to be guided by a competitive pricing policy for its services.
- AIT's image had to be one of credibility and confidence.
- Personal contact and visibility had to become major elements in AIT's marketing strategy.

**TIC's Strategic Plan** (excerpts relevant to the marketing plan)

- The portfolio of technology information products and services had to be realigned to support export oriented SMEs.
- A product or service with a focus on the environment had to be introduced—based on the positive findings of a market opportunity study and on AIT's focus.
- Information support for the work programmes of the Bio-technology and Mineralogy divisions needed to be strengthened.

- Why does he/she buy what he/she buys?
- How does he/she buy?
- Where does he/she buy?
- When does he/she buy?
Answers to the first three questions primarily help in classifying customers into groups/segments. Along with the analysis of competitors and internal environment, the manager will be able to decide which markets/segments to focus on.

Further, analysis of the last four questions helps in devising appropriate marketing strategies, promotional programmes and differentiated information services/products for each group, where it is economically feasible to do so. This analysis consists of identifying the purposes of buying (why), the process of buying by the customer (how), where does he buy (where), and when does he buy (when) so as to think through the four elements of marketing mix (4 P’s) for each group of customers.

**Market Analysis**

The objective of market analysis is to identify specific groups of products/services, that are/could be available in the market to satisfy the requirements of the customers (markets/segments) identified above. The groups are so made, that each group of products/services: (i) satisfies the broad requirements of a customer, and (ii) requires a distinct set of skills/resources to design and offer them to the clients.

For example, marketing managers, may be interested in knowing about marketing literature. For this purpose, separate products like indices, abstracts and digests of marketing literature, etc. may be offered by different libraries/information centres. Quite clearly the three sets of products satisfy the board requirement of marketing literature and also require different skills and resources (indexing/abstracting/digest preparation) to prepare.

**Assessment of Market Size and Characteristics**

Market size should be assessed for the total market, for each of the sub-market/segment, for each of the group of products and services, as well as for each combination of specific sets of customers and of products/services. For this purpose, first a two-by-two grid/table should be prepared. In this table one axis, say vertical, represents the distinct products/services as identified
**TIC: Market Size and Customer Analysis**

An analysis of returns from a user survey provided TIC with a profile of their clientele. The profile included information about clients' information needs, the sources they used, an indication of what they were willing to pay for information, factors which they regarded as important in the provision of information services and the level at which decisions were made in client organizations.

**Market Analysis**

TIC had two broad categories of clients whose information needs and use requirements were significantly different. These were the internal clients (of AIT) and the external clients.

The internal clients of TIC were the six other divisions of the AIT. The analysis of their broad requirements revealed that they mostly needed the services of the staff, rather than any product. The survey of external clientele revealed both the current and potential clients industrywise and according to their geographic distribution.

For understanding the external clients, TIC visited the Statistical Bureau to obtain a list of SMEs in various industrial sectors. TIC also consulted the directory of the Manufacturers' Association and the directory of the Exporters' Association to identify registered exporters and the items which they exported. TIC focused on the companies in the food sector and in the chemical processing sector where there was need to reduce waste generation. These sectors were those identified in AIT's Strategic Plan.

It was established that there were 100 SMEs registered as exporters in the food sector. Only 50 of these SMEs utilized TIC's enquiry services. Of these, 30 used the service more than once in the last year and the other 20 SMEs used the service only once. TIC identified this latter group as a potential group of clients—this group needed to be converted to becoming regular clients. Therefore, the potential client base in the food sector was 70 companies (50 which never used the service and 20 which still had to become regular users).

In the chemicals sector there were 50 exporters. Only 13 of these companies utilized the enquiry service; all of them were repeat users. Therefore, there were 37 companies which could be considered as a potential client base.

(Contd)
TABLE 3.1 Example of Competitor Analysis Matrix for an Information Centre

<table>
<thead>
<tr>
<th>Product/Marketing Characteristics</th>
<th>Competitors</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>TIC</td>
</tr>
<tr>
<td>1. Product or Services Offered</td>
<td></td>
</tr>
<tr>
<td>2. Resources Available</td>
<td></td>
</tr>
<tr>
<td>3. Professional Expertise Available</td>
<td></td>
</tr>
<tr>
<td>4. Collection Strength</td>
<td></td>
</tr>
<tr>
<td>5. Operational Budget</td>
<td></td>
</tr>
<tr>
<td>6. Regions Served</td>
<td></td>
</tr>
<tr>
<td>7. Target Group Sub-Segments</td>
<td></td>
</tr>
<tr>
<td>8. Delivery Strategies</td>
<td></td>
</tr>
<tr>
<td>9. Pricing Strategies</td>
<td></td>
</tr>
<tr>
<td>10. Promotional Strategies</td>
<td></td>
</tr>
<tr>
<td>11. Future Plans</td>
<td></td>
</tr>
<tr>
<td>12. Products</td>
<td></td>
</tr>
<tr>
<td>13. Clientele</td>
<td></td>
</tr>
</tbody>
</table>

Customer Analysis
TIC carried out an analysis of its customers in terms of a number of buyer behaviour dimensions. Below are the findings of the analysis.

1. Customer Segments
TIC grouped customers on the basis of willingness to pay.
   - Group A: One hundred companies/customers.
     Willing to pay fees up to NU 1,000 per request.
   - Group B: Fifty companies.
     Willing to pay between NU 5,000 and 10,000 per information contract.
   - Group C: Ten companies.
     Willing to pay between NU 10,000 and 20,000 per information contract.

2. Decision Makers
Technical managers were identified as the ones responsible for managing their own allocated budgets and for decisions on purchases in companies belonging to Group C above. In Group B, the professional and technical staff were responsible for making recommendations to the financial manager for purchasing services. In Group A, the final decision to buy services was made by the owner-manager.

3. Purchasing Criteria
Price, accessibility of the service, timeliness of delivery, accuracy of information, confidentiality and up-to-date or current information.

4. Information Sources Utilized
Vendors of raw material, colleagues, newsletters and seminars.
above. The other axis, say horizontal, represents the distinct markets/segments, also identified above. Individual cells in the table are called product markets. For each cell in the grid/table, number of potential customers as well as their current and likely expenditures would help in assessing the size of potential demand. Also, a study of their characteristics would help in deriving appropriate marketing programmes.

**Analyze Competitors**

Competitor behaviour profoundly influences any marketing plan. Consequently, it is strategic to determine the following types of information about competitors:

- Who are they?
- What services do they offer?
- Who are their clients?
- What new products or services do they plan to introduce?

The competitor analysis helps the information unit to assess its own strengths and weaknesses against those of the competing products/services. As a result, the information unit will be in a better position to devise appropriate marketing objectives and strategies and identify possible opportunities which may be explored. Information on competitors should include, the types of products/services being offered, the level of fees being asked, the location of these services, customer access to them, major target groups for these products/services, the mechanisms used in the promotion of these services and any perceived strengths which the competitors possess. Table 3.1 illustrates the kind of information that should be collected.

It may be advisable for the information unit to compare its performance vis-a-vis the performance of competitors on the key criteria used by the customers to evaluate competing offers. Table 3.2 is an illustration of this type of analysis.

**Analyze Business Climate**

An analysis of the business climate must take into consideration those factors which together, create and influence the level of
TIC: Competitor Analysis

The staff at TIC identified competitors for on-line services, technical enquiries and economic information analysis.

Among TIC's competitors was the banking community who served the needs of their corporate clients—both in terms of on-line access and intelligence gathering for trade and market opportunities. At another level, was a consortium of businessmen with direct links to international sources of economic and technical information; their focus was on the preparation of feasibility studies and bankable proposals. Another competitor was the University Library which offered on-line search services and a special provision for use of the library by the business community. Other competitors included special libraries in government ministries.

The media used by the competitors for the promotion of services included:

- Closed seminars, television slots and advertisements in local newspapers (banking community).
- Seminars and breakfast sessions (consortium of businessmen).
- Distribution of brochures and open-house days (university library).

The competitor analysis helped TIC to identify two of its strengths. The first was its accessibility to in-house technical professionals and technology based services. This could assist the information staff to provide an in-depth technology information service for SMEs. The second was the scope of the technical holdings of the information unit, particularly on local raw materials and food processes.

investment by clients, by the parent organization itself and by competitors. These include socio-economic, cultural, regulatory and technological factors. In some instances political factors also have a strong influence. At all times, these factor should be examined only in terms of the influence they can exert on the marketing of information products/services. This analysis can provide an initial indication of possible opportunities for the development of new products and services and threats for which the centre must adopt a proactive stance.
Developing a Marketing Plan

Example of Matrix for Assessment of Customer Criteria for Purchasing Information Services

<table>
<thead>
<tr>
<th>Criteria Identified by Customer</th>
<th>TIC</th>
<th>Company A</th>
<th>University B</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>Accessibility</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>Price</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>Delivery</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>Accuracy</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>Timelines</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>Confidentiality</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
</tbody>
</table>

Key: 1: Low rating; 5: High rating  •: Market Request; ☐: Current Status
Adapted from Marketing Orientation of Natural Research and Development Centre by Dr Karl J. Deulsch, A-T Kearney GmbH Management Consultants

Analysis of Internal Environment

An analysis of the internal environment requires an objective review of the systems and procedures used to support the marketing initiative, examination of the performance of products/services and an assessment of the availability of resources to the unit. This assessment must be done taking into consideration the characteristics of the external environment and the resources and strategies in use by the centre's competitors. Table 3.3 is an illustration of the kind of information used and analysis conducted for this purpose.

**SUMMARIZE FINDINGS OF MARKETING AUDIT**

Findings of the marketing audit exercise can be summarized broadly in terms of SWOT, i.e., Strengths, Weaknesses, Opportunities and Threats. The SWOT analysis is based on the information gleaned from an examination of the external and internal operational environment. This analysis is normally made within the context of major assumptions about the external environment. Any major change in the external environment is likely to influence the opportunities and threats in the SWOT analysis.
### Table 3.3: Summary Assessment of Resources

<table>
<thead>
<tr>
<th>Assessment of Resources</th>
<th>Performance</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Physical Resources</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a) Latest Edition of</td>
<td></td>
<td>Updates requested.</td>
</tr>
<tr>
<td>Reference Sources.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(b) Strong in Sectors</td>
<td></td>
<td>Deficient in patent collection.</td>
</tr>
<tr>
<td>served.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(c) Accessible to</td>
<td></td>
<td>Physical access only. Need</td>
</tr>
<tr>
<td>Internal Clients.</td>
<td></td>
<td>to extend access points.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(d) Communication</td>
<td></td>
<td>Updated material required.</td>
</tr>
<tr>
<td>Materials.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(e) Access to Data</td>
<td></td>
<td>Extend LAN to other divisions.</td>
</tr>
<tr>
<td>Networks.</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Financial Resources</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Recovery of 50% of</td>
<td></td>
<td>Marketing plans required for individual products</td>
</tr>
<tr>
<td>operating expenses.</td>
<td></td>
<td>and services.</td>
</tr>
<tr>
<td><strong>Human Resources</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a) Skilled and</td>
<td></td>
<td>Strong in information sourcing and information</td>
</tr>
<tr>
<td>Experienced.</td>
<td></td>
<td>analysis.</td>
</tr>
<tr>
<td>(b) Marketing Oriented.</td>
<td></td>
<td>Training required.</td>
</tr>
<tr>
<td>(c) Supplementary</td>
<td></td>
<td>Multidisciplinary support available inhouse.</td>
</tr>
<tr>
<td>Expertise.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Key:** 1—Low rating; 5—High rating

Table 3.4 illustrates a SWOT analysis for TIC. The assumptions were as follows:

(a) Government’s policy towards the development of SMEs would continue to facilitate the growth of this sector.
(b) The environmental focus would continue to be a major factor in sustainable development programmes at the national, regional and international levels.

Separate summaries should be made of the following analysis:

- Product-markets, their sizes and characteristics.
- Segments (within product-markets), their sizes and characteristics.
- Strengths and weaknesses of key competitors on the whole and in each product-market/segment.
Developing a Marketing Plan

Several variables, within the general business climate, influenced the operation of TIC. These included socio-economic factors, government regulations and fiscal measures and technological developments. The findings of the analysis of the business climate in which TIC operated are listed below.

**Socio-economic Factors**

- Restructuring of companies, within the industrial sector, resulted in the reduction of staff numbers and the contracting of services, from sources outside the company.
- The contraction of the job market resulted in the availability of an experienced labour force, which was forced into seeking self-employment as small and medium entrepreneurs.
- Trade liberalization measures which were enforced under GATT resulted in the opening of domestic markets to foreign competitors. Consequently, to survive in the international market, local exporters needed to conform to international quality standards and to aggressively develop export markets for locally manufactured products. In addition, regulations instituted by some trading partners required proof that products for export were manufactured using processes which safeguarded the environment.
- There was diversification of the traditional banking operations into export trade facilitation services, e.g. identification of export market opportunities and provision of corresponding information support.

**Implementation of Government Regulations and Fiscal Measures**

- Government established new programmes to support the development of small entrepreneurs. One aspect of this programme was the establishment of a ‘shop front’ walk-in programme, which provided business, managerial and basic technical information, free of charge to micro-entrepreneurs.
- The enactment of environmental legislation required industry to establish in-house programmes and to select environment friendly technologies, which could lead to the minimization of waste. Each company was responsible for recycling its waste, in accordance with the law.
- Provisions were made with financial institutions to provide credit guarantees to small and medium entrepreneurs.
- Government was encouraging small and medium entrepreneurs to use the services provided by science and technology institutions. Those entrepreneurs who used these services could qualify for a refund of 25 per cent of the fees paid for such services.

(Contd)
Technological Factors

- The banking community became advocates of the application of information technology. One such application was the development of on-line searching capabilities.
- Improved telecommunications facilities allowed direct connection to foreign databases and other information sources worldwide via the Internet. Such access was available to anyone, who had the skill and the equipment to search these databases.
- Regional and internationally funded programmes had resulted in the development of environment-friendly technologies, which could be applicable to local industry.
- The government industrial programme included the establishment of two new industrial estates in the western and eastern regions of the country. These industrial estates had a provision for common service facilities including small reference libraries.

Box 3.7

TIC: Analysis of Internal Environment

An examination of TIC’s internal environment revealed the following situation:

- There were weak control mechanisms and reporting procedures in respect of marketing programmes.
- Low user awareness of TIC’s services, by the staff in three divisions of AIT, largely accounted for their minimal requests.
- There was a need for better promotional materials (e.g., brochures, video tapes and computer presentation packages) to enable TIC to make presentations to different groups within the targeted sectors.
- Promotional programmes were not sustained over any period of time; consideration had to be given to the assignment of dedicated staff in the field.
- TIC’s major strength was in its access to multidisciplinary expertise available in other units within AIT.
- Additional training was required for an effective marketing programme.
- Reference tools had to be upgraded.
- There was a decline in demand for the Building Construction Fact Sheets—due to a slump in the construction industry.
- It was necessary to review the scope and range of services and a portfolio analysis was recommended.
- Additional access points for TIC’s service had to be arranged.
![Example of SWOT Analysis](image)

<table>
<thead>
<tr>
<th>Strengths</th>
<th>Weaknesses</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Reliable access to telecommunication network.</td>
<td>1. Lack of defined marketing strategy.</td>
</tr>
<tr>
<td>2. Information management expertise.</td>
<td>2. Old editions of directories and handbooks for the food sector.</td>
</tr>
<tr>
<td>3. Adherence to client's respect for confidentiality.</td>
<td>3. Dated promotional aids for services offered.</td>
</tr>
<tr>
<td>4. Access to professionals with subject knowledge.</td>
<td>4. Low user awareness of 3 divisions within AIT.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Opportunities</th>
<th>Threats</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. National, regional and international emphasis on sustainable development.</td>
<td>1. Provision of corporate profiles by banking sector.</td>
</tr>
<tr>
<td>2. Manufacturers; focus on export markets.</td>
<td>2. New publications on environmental news available free of charge.</td>
</tr>
<tr>
<td>3. Emphasis on strategic alliance with other organizations.</td>
<td>3. Establishment of common services including basic information service on industrial estates.</td>
</tr>
<tr>
<td>5. The need for intelligence services by external and internal clients.</td>
<td></td>
</tr>
</tbody>
</table>

What would it take for the information centre to successfully tap each of the product-markets/segments?

**SELECT STRATEGIC DIRECTION**

The previous two sections dealt with the marketing audit and the performance analysis of the information centre. This section deals with the selection of a strategic direction for an information centre. The steps involved are:

- Develop objectives.
- Develop strategic options.
- Select strategies for achieving the objectives set.
- Identify Critical Success Factors for achieving the objectives through the selected strategies.
Please note that the above steps are *not* sequential. It is necessary to go through more than one iteration to achieve a balance between the four elements. Ultimately, the objectives are set, specific strategies decided and critical success factors identified (which can be managed by the information centre) and stated.

**Set Marketing Objectives**

Marketing objectives give direction for the formulation of marketing strategies and the marketing plan. According to Macdonald, marketing objectives are simply about one or more of the following:

- Existing products in existing markets.
- New products for existing markets.
- Existing products for new markets.
- New products for new markets.

Objectives, for the information unit, must be set in a realistic manner. Besides setting specific objectives, the critical success factors (CSFs) for achieving the objectives must also be specified. CSFs, essentially, specify the obstacles to be taken care of by the information unit and/or the organization as a whole. For setting realistic objectives, it should be ensured that the resources and the capabilities of the organization are able to take care of the CSFs.

Marketing objectives for the information unit must be determined with reference to the marketing objectives of the parent organization, the SWOT analysis and the opportunities assessed. In formulating objectives, the manager needs to think of the future—as to what products and services should be provided to which market and in what time-frame. In addition to setting marketing objectives for the information unit as a whole, objectives must also be set for each product and/or service in turn.

To establish accountability, marketing objectives must be stated in such terms, that a quantifiable comparison can be made based on the original objectives and actual implementation.
Therefore, marketing objectives must be expressed in terms which express quantities, i.e. numbers, percentages and money (National Units, e.g. dollars, pesos, rupees or any other currency). Objectives should be clearly stated to allow staff members to know what returns are expected from them.

**Generate Strategic Options**

Portfolio Analysis is a useful tool to generate strategic options for any organization and its products and services. Portfolio analysis is an examination of the group of products and services offered by the information unit. Each product or service must stand objective scrutiny to determine its performance against competing products.

**Box 3.8**

*TIC: Setting Marketing Objectives*

Since the focus of marketing objectives are on products and target markets, TIC (a) consulted its portfolio analysis for its revised range of products and services and (b) examined relevant documents, which could provide organizational direction in terms of target groups, segments and income to be earned.

TIC’s marketing objectives for the next year were to:

- Recover 50 percent of operating expenses (an increase of 5 percent over the previous year).
- Develop a 30 percent increase in the regular client base of SME exporters over that achieved in the previous year.
- Achieve 25 per cent increase in demand for TIC’s services from the Bio-technology and Mineralogy Divisions, within AIT, over the previous year.

A portfolio analysis usually results in a revision of the ‘basket’ of services and products provided, when there are volatile changes either within the organization itself or in the external environment. In this analysis, each product/service of the organization is depicted in a table, like Table 3.5. One of the dimensions, say horizontal, of the table depicts the level of opportunity existing for the product/service as high, moderate or low. The second
dimension represents the current level of performance of the product or service, say as strong, middling or weak. Refer to Table 3.5 for the meaning and the interpretation of the levels on the two dimensions. The data for identifying the current position of any product or service on the table is obtained from the market and customer analysis (including user services) and competitor analysis. The specific position of the product/service in the table automatically suggests suitable possible options (see Table 3.6). For example, if the current performance of your product is strong (making good papers) and its market opportunity high (expansion of demand indicated), then you need to invest in building the product further. On the other hand, if the current stakes of your product is weak (product is not competitive) and the market opportunity is low (dwindling market size), then you might like to withdraw the product. All possible strategies for products/services

<table>
<thead>
<tr>
<th>Current Status of the Product in the Market</th>
<th>Opportunities in the Market</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>High</td>
</tr>
<tr>
<td>Strong</td>
<td>SDI</td>
</tr>
<tr>
<td>Middling</td>
<td>Technical Enquiry Services</td>
</tr>
<tr>
<td>Weak</td>
<td>Company Profiles</td>
</tr>
</tbody>
</table>

Key:

**Status**

*Strong*: The product is making good progress in the market.

*Middling*: There is a favourable comparison with competitor's product, while the product/service is differentiated from those of the competitors.

*Weak*: The product is not competitive.

**Opportunity**

*High*: Analysis point to an expansion in demand for the product/service.

*Moderate*: Indications are that there is potential for growth, but developments are expected to be at a slow steady pace.

*Low*: Opportunities are dwindling and the market is in decline.

Adapted from an example used by the Centre de recherche industrielle du Québec (CRIQ), Canada.
Developing a Marketing Plan

in different positions on the portfolio are provided in a summary form in Table 3.6. The write-up on TIC provides further insights into how to conduct portfolio analysis and what possible options need to be considered.

The strategic options suggested through the portfolio analysis need to be cross checked with ground level realities. These would include answers to the following types of questions:

- Is it possible to increase clientele/sales/profit with the current offering?
- Is it possible to provide better customer satisfaction and/or increase clientele/sales/profit by modifying the offer?
- Does the library/information centre or product/service have a competitive advantage vis-a-vis customer requirements?

![Table 3.6 Example of Possible/Portfolio Analysis](image)

<table>
<thead>
<tr>
<th>Current Status of the Product in the Market</th>
<th>Opportunities in the Market</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>High</strong></td>
<td>Extend the range of services offered (Product Development). Penetrate new markets. Maintain status quo.</td>
</tr>
<tr>
<td><strong>Moderate</strong></td>
<td>Improve the position of the service in the market. Penetrate new markets. Maintain status quo.</td>
</tr>
<tr>
<td><strong>Weak</strong></td>
<td>Improve the position in the existing market. Withdraw the service.</td>
</tr>
</tbody>
</table>

Adapted from an example used by the Centre de recherche industrielle du Quebec (CRIQ), Canada.
Is the advantage substantial and of value to customers?

Does the centre have or can the centre acquire base resources, human resources, etc. which are required to implement the strategic direction suggested?

Would investment into resources be worthwhile from the point of view of objectives of the library/information centre as well as customer satisfaction?

**Identify Critical Success Factors**

The process of identifying CSFs assists the head of the library/information centre and their staff in defining inputs, which are critical to the achievement of marketing objectives. To obtain a better grasp of CSFs, it will be useful to look at some definitions which were captured by Josef Herget.

Each of the following definitions presents a different but complementary perspective of CSFs:

(a) "The limited number of areas in which results, if they are satisfactory, will insure successful competitive performance for the organization. They are the few key areas where, 'things must go right for the business to flourish' " (Rockart, 1979).

(b) "Key success factors are those variables which management can influence through its decisions that can affect significantly the overall competitive positions of the various firms in an industry" (Hofer and Schendel, 1978).

(c) "Critical success factors ... therefore represent those managerial or enterprise areas that must be given special and continual attention to bring about high performance. CSFs include issues vital to an organization's current operating activities and to its future success" (Boynton and Zmud, 1984).

Within the context of a marketing plan, CSFs can therefore be defined as resources which have a direct influence on the successful implementation of the plan. The CSFs could be different for each strategic option generated for every product/service/market of the library/information service. These could be in the
TIC: Generating Strategic Options

TIC's portfolio of services included a Technical Enquiry Service (TES), Selective Dissemination of Information (SDI), provision of Company Profiles, Editorial Services and publication of Building Construction Fact Sheets. An analysis of the use of each product/service was done, based on data obtained from TIC's client management database, from a survey of users and from TIC's statement of income and expenses for the previous two years—year A and year B. The summary of the portfolio analysis is presented as an example in Table 3.5. The vertical axis indicates the current performance of a product or service, while the horizontal axis indicates the level of opportunity perceived in the market for the product.

The analysis of the internal operating environment of TIC recommended a review of the range and scope of the services offered. Possible marketing options for each product were guided by the options presented in Table 3.6.

Technical Enquiry Service—Maintain the Differentiation

The technical enquiry service, offered by TIC, was in a satisfactory position when compared with those offered by competitors. There was still a strong demand for this type of service in the market. The TIC team asked themselves the question 'where do we want to go with this product?' The consensus of opinion—based on the analysis—was that the product should move into a stronger position vis-a-vis competitors. To do this, the product had to be differentiated from its competitors. Differentiation could be accomplished either by implementing a new pricing structure, by changing the depth of the service, by targeting a special segment or by creating a new image for the service.

TIC decided that with the resources available, the technical enquiry service in its present form could be maintained for those clients, who were willing to pay not more than NU 1000 per request, i.e. Group A. At the same time, the background and experience of three professional staff members in the unit—economist, chemist and food technologist—could be utilized to prepare a more in-depth and professional research report for clients in Group B, who indicated a willingness to pay between NU 5000—10,000 for each information contract and those in Group C, who specified an amount ranging from NU 10,000—20,000. These reports could be presented in the form of technology dossiers, which were identified as needed by a group of users.

In this way the technical enquiry service was differentiated in terms of depth of information provided, the pricing structure and the target group to be served.
areas of base resources, technology resources, human resources, systems and processes of generating products/services, delivery, as well as specific elements of marketing plan (like product, price, promotion and distribution).

**Select Marketing Strategies**

Marketing strategy can be defined as the means of achieving the marketing objectives. It must be within the broad strategic direction determined, while ensuring that the CSFs are taken care of by the organization. The strategy can be devised for both, the information unit as a whole and for each product or service.

While a marketing strategy document may summarize the key means of achieving the objectives, two important decision areas in marketing strategy formulation are market targeting and positioning.

---

**BOX 3.10**

**TIC: Critical Success Factors**

For TIC to achieve its marketing objectives, the staff was required to identify CSFs which could influence the success of its programmes. The following were identified:

- Access to current sources of information on environment-friendly technology and on environmental regulations and conventions.
- Purchase of updated editions of reference tools and directories for the food sector.
- Availability of human resources—information specialists and technologists.
- Capacity building to enable staff to become proficient in:
  - sourcing information on the Internet;
  - marketing of information services.
- Preparation of a mix of promotional materials.
- Mounting of programmes to increase TIC’s visibility to target groups.
Developing a Marketing Plan

SDI Services—Invest and Extend the Range of Services Offered

The SDI service was one for which TIC had developed a strong presence among competitors and the market was expected to grow. The needs assessment indicated, that managers required monitoring services on environmental regulations and technology, which would affect industrial development and their export programme. The work programme of AIT also included environmental technology. The market opportunity study indicated that 'environmental services' was a growth area.

Taking the above factors into consideration, the SDI service was one which could be upgraded into an upper-end product, i.e., environmental intelligence; this product could be packaged to respond to the needs of chief executive officers and managing directors. There was still a demand for the SDI service by middle managers and technicians. In this exercise, the basis SDI service was segmented, extended and upgraded to serve needs in the market.

Company Profiles—Withdrawal of Investment

On examining Tables 3.4 and 3.5 with reference to TIC, a slow steady growth is expected for the provision of company profiles, given the export thrust of the government (determined from the analysis of the external environment). However, TIC's product is not competitive. One will recall that the competitor analysis carried out for TIC indicated that the banking sector was a major competitor for this product. According to Kotler, one can basically make one of three decisions concerning the product: invest, withdraw or maintain. TIC can either make a decision based on the expected growth in the market or withdraw the provision of this service. Based on the strong capabilities of the banking sector as compared with those of TIC, a decision was made to withdraw this product. Similarly, the demand for the product Building Construction Fact Sheets had declined and it was no longer feasible to provide this service; therefore, withdrawal was the logical decision to make at this time.

Editorial Services—Maintain the Status Quo

Editorial services were provided by TIC as an obligatory service to AIT in its quality control programme. There was no favourable market for this product beyond that of AIT itself. TIC had no choice but to maintain the status quo of this service.

TIC's revised portfolio

<table>
<thead>
<tr>
<th>Service</th>
<th>Target Group</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) Technical enquiry service.</td>
<td>Group A (NU 1000); AIT</td>
</tr>
<tr>
<td>(b) Technology dossiers/reports.</td>
<td>Group B (NU 5,000-10,000); Group C (NU 10,000-20,000); AIT</td>
</tr>
<tr>
<td>(c) Environmental intelligence service.</td>
<td>Group B; Group C; AIT</td>
</tr>
<tr>
<td>(d) SDI</td>
<td>Group B; Group C; AIT</td>
</tr>
<tr>
<td>(e) Editorial services.</td>
<td>AIT</td>
</tr>
</tbody>
</table>

Editorial Services—Maintain the Status Quo

Editorial services were provided by TIC as an obligatory service to AIT in its quality control programme. There was no favourable market for this product beyond that of AIT itself. TIC had no choice but to maintain the status quo of this service.
Market Targeting

No library/information centre is likely to have unlimited resources to satisfy the requirements of all customers, Therefore, the important element of marketing strategy is the targeting/choice of specific customer groups, called segments. For taking this decision, the market needs to be segmented first and then a choice of specific segments should be made.

Segmentation is the process of dividing the market into groups (segments), so that customers in any one group are similar to each other and are different from those customers, who are in any other group. An understanding of the characteristics of the product-market would indicate whether it needs to be segmented. Markets with similar characteristics need not be segmented, whereas those with different characteristics may have to be segmented.

The information centre needs to decide whether to target one/few segments or all segments. Further, which segment(s) should be catered to through what kind of offer/product/service would depend on the size and characteristics of the segment, the competitive situation, the resource position and objectives of the information unit. The size of opportunity in the market should be large enough to tap. Also, the information centre must have or be able to acquire resources to effectively meet the competition in the market segment and get a reasonable share to achieve its objectives.

Positioning

The information centre must decide as to what kind of position (image) it wants to have for itself/its product (service) in the minds of target customers. The position/image really represents the key as to why the target customers favour your product/service vis-a-vis those offered by competitors. Obviously, such a decision should be based on a thorough assessment of:

- What criteria do the customers use for making a choice of product/service/information centre?
- How important are each of those criteria in making the choice between competing offers?
On which criterion/dimension are (is) you (your product/service) superior compared to competitors?

Whether the criterion/dimension is communicable to customers and profitable for you to build?

Do you have/can you build resources and systems, to promise and deliver the intended position?

Rest of the decisions of marketing strategy are critically dependent on these two.

**Key Elements of Strategy**

The strategy document would summarize the following:

- Product market to be focused on, segments/customers targeted, and position to be achieved in the targeted segment.
- Product, pricing, promotion and distribution strategies to be deployed for achieving the position in the target segment of the product-market.
- Information resources, hardware and software needed, and human resources to be acquired/upgraded/trained.
- Marketing research and feedback systems for planning and controlling all elements of the strategy.

The first element ultimately depends on the ability of the library/information unit to take care of CSFs for catering to the targeted segments and for achieving a specific position. In other words, the strategy adopted should be both feasible from the point of view of availability of resources and desirable from the point of view of achieving organizational objectives.

**DEVELOP A MARKETING PLAN**

A marketing plan is a comprehensive document detailing the marketing opportunities to be tapped, marketing objectives to be achieved and specific decisions about each element of the marketing strategy.
TIC: Developing Marketing Strategies

Strategy statements for TIC's marketing objectives are provided in Table 3.7.

For the Technical Enquiry Service in its present form, TIC decided to focus on customers in group A (those who were willing to pay not more than NU 1000 per request). This group/segment was selected for focus from among the three external segments. The other two needed more in-depth reports and were willing to pay much higher charges for them.

TIC also decided to strengthen the position of the enquiry service. The options identified were either by changing the pricing structure, by changing the depth of service, by targeting a special segment or by creating a new image. The decision ultimately taken was a mix of the options. The purpose was to improve the image in the market as a whole. To achieve this, the customers belonging to segment B and segment C were to be provided with more in-depth and professional reports for prices between NU 5000–NU 10,000 and NU 10,000–NU 20,000 per contract. Before making this decision, it was made sure that TIC had professionals to deliver such reports.

<table>
<thead>
<tr>
<th>Marketing Objective — Three Year Period</th>
<th>Strategy Statement</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Recover 50% of costs during Year 1.</td>
<td>1. Pursue the development of products which are differentiated from those of TIC's competitors.</td>
</tr>
<tr>
<td>2. Expand the regular client base by 30% in target areas.</td>
<td>2.a Develop new marketing outlets in collaboration with marketing officers in the field.</td>
</tr>
<tr>
<td>3. Generate a 50% increase in demand from the Bio-technology and Mineralogy Divisions of AIT.</td>
<td>2.b Develop new alliances with industry associations.</td>
</tr>
<tr>
<td></td>
<td>3. Develop a programme leading to increased visibility of TIC's services in the target divisions.</td>
</tr>
</tbody>
</table>

A marketing plan must be prepared for each product/service. After a review of the situational analysis, objectives for the
Developing a Marketing Plan

product/service need to be set and a marketing plan developed. It is important that the target customers and the position to be achieved by the product/service in the minds of the targeted customers, is clearly specified. It is particularly important that the product is defined very clearly. The marketing plan should contain details, which will allow it to become a blueprint for launching the product/service in its niche market, i.e. the position to be achieved in the specific target groups, for which it was prepared. Therefore, the marketing plan should not contain information only about the product, price, plac and promotion. More details should be given on other elements, e.g. specific clientele for the product, the benefits or unique attributes of the product, competitors and their perceived advantages/disadvantages, marketing strategy for positioning the product within the target group and criteria for evaluating results.

The marketing plan should include the following:

**Executive Summary** A short summary of goals and the main recommendations meant for providing a quick grasp of the plan.

**Current Marketing Situation** This section would provide background information on the market situation; product, price, distribution, and promotion situation; competitive situation; external environmental situation, etc., which affect other elements of the marketing plan.

**SWOT Analysis** Briefly describes the output of the analysis of strengths/weaknesses of the organization vis-a-vis competition and opportunities/threats in the environment vis-a-vis customers. The section concludes by posing the important issues to be resolved by the information unit/specific products/services.

**Marketing Objectives** Statement of objectives in terms of both financial and marketing objectives to be achieved in a year/shorter time span.

**Description of Market, Product and Promotional Options** Provides (i) description of the target market aimed at and position to be achieved in the mind of target customers, (ii) description of specific product/features, price, promotion tools,
distribution channels and marketing research to be conducted, and (iii) support needed from other parts of the information unit/parent organization.

**Action Plan** Brief description of organizational arrangements for implementing the plan with specific and time bound activities.

**Revenue and Expense Statement** Describes the resources and costs with their relevant elements along with a cash flow statement.

**Controls** Describes the means of monitoring the progress of the plan and setting out time bound goals and budgets for important elements. It also outlines a contingency plan consisting of steps needed to be taken in case of unforeseen developments in the environment or on the competitive front.

**IMPLEMENTATION AND CONTROL**

After the marketing mix and the promotional mix have been defined, it will be necessary to:

- Prepare operational budgets—projected income and cash flow statements for each product or service and for the unit as an entity.
- Prepare action plans to accomplish targets.
- Develop measures for evaluating performance.

**Prepare Operational Budgets**

Budgeting is a process in which plans are made for the future and expressed in the form of income and cash flow statements. Operational budgets provide advance information on goals for income and the costs or expenses which must be incurred to attain these goals. These operational goals, in themselves, provide a yardstick against which actual performance can be compared and where necessary, remedial action taken.
Developing a Marketing Plan

Marketing plans were developed for the following products and services:
  — Technical Enquiry Service.
  — Technology Dossiers.
  — Environmental Intelligence Service.

The rationale for the selection of these products/services by TIC has been covered in the earlier sections. A marketing plan for the Technical Enquiry Service is presented below, as an illustration of a plan for a service offered by the information centre. A marketing plan for TIC as a whole has also been presented.

Marketing Plan for the Technical Enquiry Service

Situation Analysis and SWOT

Competitors: There are two competitors—Company A and University B.

Competitive Advantages
  — Industrial extension visits to factory sites.
  — Access to expertise with prior industrial experience.

Competitive Disadvantages
  — Walk-in access by clients is not encouraged.

Options available to the target group
  — Use of the company’s in-house library.
  — Contracting the services of consultants.

Objectives

Year 1: Market penetration of:
  — 10 per cent of the potential client base (70 companies) in the food sector—Group A.
  — 15 per cent of the potential client base (37 companies) in the industrial chemicals sector in Group A.

Target Segment

Actual Clientele
30 companies in the food sector (SMEs) and 13 companies in the industrial chemicals sector (SMEs)—a total of 43 companies.

Potential Clientele
Food sector—70 companies; Chemicals sector—37 companies

Targeted Clientele
Actual clients in both sectors: A total of 43 companies
New clients: Food processing sector: 7 new (10 per cent of the 70 potential clients).
  Industrial chemicals sector: 6 new (15 per cent of the 37 potential clients).

(Contd)
Position

Positioning Strategy

The Technical Enquiry Service will be projected as a service, which results in saving time and cost for the customer by timely delivery of information and access to practical advice when necessary.

Benefits of the Service to the Target Group

- The Technical Enquiry Service will assist the client to perform more effectively and efficiently, through the application of information to manufacturing problems.
- The Technical Enquiry Service can become an extension of the corporation's service facility without accompanying overhead costs.

Service

Definition of the Service

The Technical Enquiry Service sources data and information to address operational problems encountered by exporters in the Food Processing Sector and the Industrial Chemicals Sector.

Features of the Service

- An industrial extension service, in which experienced liaison officers assist in the definition of operational and managerial problems on the factory sites of companies in the defined segments.
- Sourcing of information and collation of responses from relevant national, regional and international information sources in response to technical enquiries from target groups.

Distribution

- Liaison visits to client sites.
- Telephone and facsimile and common service facilities on industrial estates.

Pricing

- Based on an hourly rate, direct costs for database searches and photocopying and an assessment of rates charged by other competitors.
- A minimum charge of NU 800 per request was decided.

Partners

- Common services bureaux on industrial estates.
- Small Business Development Banks.

Promotion

Target Group: Owner-managers, professionals and technical staff.
Promotional Mix: Visits to industry, open days and brochures.

Positioning

Projected as a service, which results in saving time and cost for the customer by timely delivery of information and access to practical advice, where necessary (this concept influenced the design of all promotional material and oral presentations).

(Contd)
Developing a Marketing Plan

Evaluation
- Evaluation will be based on the attainment of goals for the increase of the regular client base in Year.
- No decrease in the regular client base which existed prior to the implementation of the marketing plan.

Projected Income
Nu 120,000, based on approximately 150 contracts with a minimum charge of Nu 800 per request. A total of 56 companies will be approached to earn this income.

Marketing Plan for TIC
The description here consists of only the product, price, promotion and distribution. Other elements have been summarized earlier.

Product/Services
(a) Technical Enquiry Service (TES) to Group A (those willing to spend up to a maximum of NU 1,000 per enquiry). This service was not marketed to AIT staff. A policy decision was taken that AIT staff would utilize tools in TIC to find information for themselves. Assistance from TIC staff would be sought only when complex information was required from external sources. This approach allowed TIC staff additional time to develop income earning services.

Despite the inability of the TES to recover 45 per cent of its operating costs in the previous two years, TIC decided to continue the provision of this service. This decision was made because the service was identified, in a recent analysis as an entry point for other AIT services—not only for TIC. The TES was therefore accepted as a loss leader in TIC's portfolio. This means that the service was provided at less than economic return rates with an aim to recover the losses from the higher value products—technology dossiers and environmental intelligence services.

(b) Technology dossier to Group B (those willing to spend between NU 5,000 and NU 10,000 per contract) and Group C (those willing to spend between NU 10,000 and NU 20,000 per contract) and AIT staff.

(c) Environmental intelligence service to Groups B and C and staff at AIT.

TIC's choice in investing in (b) and (c) was influenced in the higher cost/benefit ratio which these products could bring to the customer and to TIC (see the benefits identified for customers of each product.) In terms of benefits to TIC, technology dossiers and environmental intelligence services were products which fulfilled the mandate of TIC—support to SMEs in their export thrust.

(Contd)
(d) Editorial services to divisions in AIT; this was a mandatory service based on the skills of the staff in TIC.

Pricing Strategy
(a) Technical enquiry service: Although based on an hourly rate and direct costs, a competitive strategy was adopted in relation to other providers in order to introduce clients to other AIT and TIC services.
(b) Technology dossier and environmental intelligence service: These products were presented as a quality product; since they were new products from TIC, an infiltration pricing strategy needed to be implemented in order to gain a market share.
(c) Editorial services: A mandatory service provided to AIT staff with charges based on an hourly rate established by AIT.

Place
Several channels were used to reach CEOs, technical managers and professional staff. These included:
- TIC's premises
- Industrial estates
- Small Business Agencies
- Clients' premises
- Electronic mail
The channels marked with an asterisk (*) were selected on the basis of the increased exposure which they provided.

Promotion
In the case of TIC, the corporate marketing strategy specified that personal contact and visibility had to be major factors in planning promotional programmes. Furthermore, the image which had to be created in the market was one of credibility and confidence. The communications specialists, graphic artists, advertising managers and public relations officers needed this type of information to develop the concepts of their promotional programmes.
Each product or service required its specific promotional mix depending on the desired positioning strategy and the target group of clients. The following promotional mix was decided for TIC:
- Presentations at seminars.
- Participation in Trade Association Meetings.
- Visits to plant sites.
- Home pages on the worldwide web.
These promotional mechanisms brought TIC staff into contact with clients. One should recall that visibility and personal contact were major elements in AIT's marketing strategy.

Together the above elements in the marketing mix were aimed to:
- Respond to the needs to TIC's industrial clientele.
- Support AIT's thrust in being perceived to be a leader in the transfer of technology to SMEs.
- Support the development of the SME export sector.
Developing a Marketing Plan

One of the tools found to be useful in determining sales goals is the Cost–Volume–Profit analysis. The CVP analysis is based on the income statement, which is divided into fixed costs and variable costs. The CVP analysis is useful as a guide only where economic conditions are fairly stable. The following assumptions are made when using CVP (Coltman):

- The costs associated with the present level of sales can be fairly accurately broken down into fixed and variable costs.
- Fixed cost will remain fixed during the period affected by the decision being made.
- Variable cost vary directly with sales during the period affected by the decision being made.

The CVP equation is expressed as follows:

\[
\text{Sales level} = \frac{\text{Fixed costs} + \text{Profit desired}}{\text{Contribution margin}}
\]

The contribution margin per cent is derived from the income statement.

The operational budget must relate to market targets and provision must be made in the budget to accomplish associated activities. Costs for staff time, materials and equipment, promotional programmes, accommodation and utilities must be taken into consideration.

It is usual to prepare income and cash flow statements on an annual basis. In addition to this annual statement, a monthly projection should be prepared to facilitate better control of actual performance.

In some organizations, the information centre is required to achieve a break-even point in its operations or for a specific product or service, i.e. the level at which income earned is neither a profit nor a loss. In this case one will need to determine the level of income at which this situation will occur. The cost–volume–profit analysis is a useful tool to determine the break-even point.
An income statement for Product X is given below:

**Income Statement**

<table>
<thead>
<tr>
<th></th>
<th>NU</th>
</tr>
</thead>
<tbody>
<tr>
<td>Projected income</td>
<td>200,000</td>
</tr>
<tr>
<td>Variable costs</td>
<td>17,000</td>
</tr>
<tr>
<td>Fixed costs</td>
<td>180,000</td>
</tr>
<tr>
<td>Profit</td>
<td>3,000</td>
</tr>
</tbody>
</table>

In CVP analysis the income statement is often expressed as a contribution statement.

**Contribution Statement**

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Projected income</td>
<td>200,000</td>
</tr>
<tr>
<td>Variable costs</td>
<td>17,000</td>
</tr>
<tr>
<td>Contribution to fixed costs</td>
<td>183,000</td>
</tr>
<tr>
<td>Fixed costs</td>
<td>180,000</td>
</tr>
<tr>
<td></td>
<td>3,000</td>
</tr>
</tbody>
</table>

The next step is to calculate the variable cost as a per cent of income:

\[
\frac{17,000}{200,000} \times 100 = 8.5\%
\]

The contribution margin per cent is worked out as

\[
100\% - 8.5\% = 91.5\% \text{ or } 0.92
\]

The contribution margin per cent can also be calculated by dividing the contribution to fixed costs by the income, i.e.

\[
\frac{183,000}{200,000} \times 100 = 92\% \text{ or } 0.92
\]

The CVP equation reads as follows:

\[
\text{Sales level} = \frac{\text{Fixed costs (i.e., 180,000) + 0 (no profit)}}{\text{Contribution margin (0.92)}}
\]

Therefore, the sales/income level for a break-even on Product X is NU 198,000.
Developing a Marketing Plan

Prepare Implementation Plan
Each product or service will require an implementation plan, which must take into account each step which is necessary for realization of the marketing targets. The more details expressed in the plan, the smoother the implementation process will be—both in terms of staff performance and management expectations.

Prepare Evaluation and Control Plan
The implementation of the marketing plan must be evaluated and adjusted as necessary, in order to achieve the objectives previously set. Consequently, before the plan is put into effect the information team must look at each objective and determine:

---

**Box 3.15**

### **TIC: Preparing Operational Budgets**

The following are pro forma income and cash flow statements for Technical Enquiry Service for Year 1. For each succeeding year, the budget will have to be adjusted according to the performance of the product.

<table>
<thead>
<tr>
<th><strong>Projected income</strong></th>
<th><strong>NU</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>56 Companies at a minimum rate of NU 800 per request</td>
<td>120,000</td>
</tr>
</tbody>
</table>

**Expenses**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subscriptions</td>
<td>25,000</td>
</tr>
<tr>
<td>Promotional Brochures</td>
<td>35,000</td>
</tr>
<tr>
<td>Telephone calls and fax messages</td>
<td>17,000</td>
</tr>
<tr>
<td>Database searches</td>
<td>20,000</td>
</tr>
<tr>
<td>930 hours professional time @ 150/hour</td>
<td>139,500</td>
</tr>
<tr>
<td>Accommodation</td>
<td>9,000</td>
</tr>
<tr>
<td>Electricity</td>
<td>8,000</td>
</tr>
<tr>
<td>Local travel</td>
<td>7,000</td>
</tr>
<tr>
<td>Stationery</td>
<td>15,000</td>
</tr>
<tr>
<td>Reprographic services</td>
<td>275,500</td>
</tr>
</tbody>
</table>

It should be noted that income from this service is contributing only 44% of the costs incurred.
Before implementing the plan, it was advisable to determine how many initial contacts needed to be made before potential clients commit to becoming regular clients of the information unit, i.e., a client who used the product or service more than once during the year. The data on the clientele management database revealed that:

- After the second visit to the client, a contract for a technical enquiry was usually secured.
- Attendance at each professional and trade meeting provided, on an average, four openings to follow-up meetings with CEOs and technical managers.

This information provided three very important inputs to the implementation of the marketing plan:

- The Technical Enquiry Service was a good entry point to reach potential clients. Therefore, the other services offered by TIC and AIT were also publicized during visits to plant sites.
- A goal of 13 new clients for the Technical Enquiry Service (7 in the food sector and 6 in the chemicals sector), therefore, required 26 visits in order to secure new clients.
- The information centre had to have representation at each of the five annual professional and trade association meetings, to assist in securing 20 follow-up contacts with senior management staff (CEOs and technical managers)—the ones who usually made decisions to purchase products such as the technology dossiers and the environmental intelligence service.

An example of an implementation plan is illustrated below. It serves to illustrate the type of details which must be included without attempting to be comprehensive.

A. Identification of companies in the food processing and chemical sectors which are exporting or are planning to export their products.

Objective
To contact these companies for creating an awareness and ultimately motivating them to purchase or subscribe to TIC’s services.

Persons Responsible
Mr Brown and Ms Jack
TIC: Preparing Implementation Plan

Actions to be Taken

1. Consult export manufacturer's directories to identify and update names of companies which export products made from tropical fruits and vegetables.
2. Assort and print the names of companies which have used TIC's technical enquiry services within the last two years.
3. Identify the names of managers and technicians working in the companies in Group A—the target group for the technical enquiry service.
4. Identify the names of Chief Executive Officers, technical managers and professional staff in Group B and Group C—target companies for technology dossiers and environmental intelligence services.
5. Find out what their areas of responsibilities are.
6. Find out the decision structure for buying-in services, e.g., who should TIC focus on within the company? Who has influence on what is purchased and from whom?

Output:

A list providing the names and full addresses of companies in each sector; the names and designations of CEOs, directors, middle managers and technicians with their major areas of responsibilities; the names of persons within the company who exert and influence on the buying-in of products and services.

Time Frame: Two weeks

B. Preparation for Monitoring a Promotional Programme (sample only)

1. Identify industrial exhibitions being planned for the food processing and chemicals sectors.
2. Identify professional conferences and trade meetings; monitor announcements for five of these meetings to prepare staff for the presentation of papers.
3. Prepare posters, slides and audio-visual material for mounting on stands at exhibitions.
5. Prepare copy for inclusion in AIT's internal newsletter.
6. Define the content of the promotional brochures with the help of the communications specialists.
7. Identify clients with fax numbers and e-mail addresses.

Objective

To sensitize the target groups to TIC's services in order to increase market penetration.

(Contd)
Persons Responsible
Ms Jones, Mr Wright and Mr Gordon

Output and Time Frame
Exhibition material—August 10th
List of exhibitions and dates—June 15th
Advertisement in the Food Services Directory—March 5th
Publication of article in AIT’s Newsletter—April 9th
Artwork for brochures—July 28th

Indicators which can be used to assess the degree of success of the plan.

The frequency with which this data will be collected and reviewed.

Mechanisms which will be used to collect this data.

Three illustrative forms to monitor and control a plan are given as Exhibits 3.1, 3.2 and 3.3. Exhibit 3.1 is for evaluating inputs. Exhibit 3.2 is for evaluating a product/service by a client. Exhibit 3.3 is a format for a quarterly report for a product/service.

Presentation of the Plan

When the marketing plan is completed, an executive summary should be prepared. If the marketing plan is for an individual product or service, e.g. environmental intelligence service, the executive summary should contain brief essential information about:

The target group to be reached.
Financial target, market penetration target.
Names of major competitors.
The marketing mix.
Strategies which will be adopted to achieve the marketing objectives.
The indicators for assessment.

The executive summary of the marketing plan for the information centre will follow the same approach, paying attention to the corporate targets set for the information centre, the strategies
Developing a Marketing Plan

Exhibit 3.1

Evaluation Input Form

Report for the month: _______________________________________________________
Name: ___________________________________________________________________
No. of companies visited: ___________________________________________________
Follow-up activity: _________________________________________________________

No. of presentations made: ___________________________________________________
Follow-up plan: ___________________________________________________________________

No. of contact calls made: ___________________________________________________
Contacts processed:
New ___________________________________________________________________
Ongoing ___________________________________________________________________
Completed ___________________________________________________________________

Work plan for period ____________ to ____________
(a) _________________________________________________________________________
(b) _________________________________________________________________________
(c) _________________________________________________________________________

Signature: ______________
Information Manager: ______________

for achieving them and the evaluation mechanisms for assessing performance.

To complete the presentation, prepare a table of contents which should include each of the major headings and sub-headings covered in this chapter. Include forms and charts which will be used in the implementation and the monitoring of the plan. The packaging, presentation and content of the plan are the components which will convey an image of the information centre's efficiency to top management.

SUMMARY

The contents of this chapter are summarized in this section. It is presented as a guideline for information managers, who intend
Exhibit 3.2

Client Evaluation Form-002
Technology Dossier

1. Was the technology dossier delivered on or before the required deadline?
   Yes    No
2. Please assess the oral presentation of the report.
   Very Good    Good    Satisfactory
Please provide your comments on the dossier in the space below:


Would you recommend this service to your colleague?
   Yes    No    Do Not Know
State Reasons:


Name: ______________________ Position: ______________________
Company: ______________________

Exhibit 3.3

Quarterly Report: Technology of Dossier A

Period Ending: ______________________
No. of Completed Contracts for Dossiers: ______________________

<table>
<thead>
<tr>
<th>Names of Clients</th>
<th>New</th>
<th>Repeat</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>1st</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2nd</td>
</tr>
<tr>
<td></td>
<td></td>
<td>3rd</td>
</tr>
</tbody>
</table>

Income earned NU ______________________
Income projected for next period NU ______________________
to develop a marketing plan for the information products and services which they offer. These products may include acquisition lists, referral services, newsletters, journals or any other information product or service, which is required by their clientele. The principles of developing a marketing plan can be adopted by information managers in academic, industrial, public sector institutions or non-governmental organizations. The guidelines pertain to the key topics covered in this chapter, i.e., assessing current performance, conducting a marketing audit, selecting strategic direction, developing a marketing plan and developing an implementation and control plan.
3.18

**Guidelines for Preparing a Marketing Plan**

1. **Guidelines for Performance Analysis**
   1. Decide whether to measure performance of the centre as a whole and/or for specific products/services and in which segments.
   2. Identify important parameters for evaluating the performance of the centre/product/service in the total market and in different segments. Usually these would be available from the marketing plan for the current year/past year. If not, generate relevant ones.
   3. Measure the performance on the specific parameters vis-a-vis specific target values set and/or the trend over the past few years.
   4. Make an overall judgement about the need for improving performance on specific parameters in the light of the above analysis.

2. **Guidelines for Conducting Marketing Audit**
   Guidelines have been provided for identifying organizational goals, conducting customer analysis, conducting market analysis, conducting competitor analysis, analyzing business climate and internal analysis.

2.1 **Guidelines for Identifying Organizational Goals**
   1. The head of the library/information centre should prepare draft guidelines for the information centre’s marketing programmes, by studying the formal strategic plan and/or marketing policy documents of the parent organization.
   2. In case the parent organization (depending on their size and culture) does not have a formal strategic plan or a marketing policy, the head of the library/information centre will need to use alternative mechanisms to evolve a corporate consensus for guiding the information centre’s marketing programmes. In this case, the information manager should consult:
      - The document (Act or other legal instrument) which describes the organization’s responsibilities and its broad target groups.
      - Annual reports.
      - The most recently approved short term, medium term and long term development plans and budgets.
      - Key managers of other divisions to find out about their planned work programmes.
   3. It is strongly advised that the draft guidelines be discussed with and have the approval of the top management of the parent organization. Without firm commitment from the top management, the marketing effort of the information centre will never succeed.

2.2 **Guidelines for Customer Analysis**
   1. Develop and maintain an in-house database of actual and potential clients within the targeted sectors. Such a database can be used to
capture data on services provided to customers. An analysis of such data can provide insight into opportunities for new information products and services.

2. Having identified customers, their behaviour needs to be understood in terms of what they buy? why they buy? who actually buys? how they buy? and when and where they buy?

3. It is quite likely that desk research will need to be supplemented by a field survey or user study. Following is a sample of questions, answers to which will assist in customer analysis:
   - Location of customers: Where are the current and potential customers located—by region, by industrial sector, by industrial estate?
   - Actual customers: What department or which manager influences the decision to subscribe to or purchase a service/product?
   - Products purchased: What products/services are they currently purchasing?
   - Perceived benefits: What benefits are these customers really purchasing—convenience of location, timeliness, quality of service?
   - Value of purchase: What price do they pay for specific products/services? What is their information budget?
   - Purchasing pattern: Do they buy-in information services? If so, what are they? What is their preferred method of payment for services—by cash, invoicing or the setting up of special accounts? What type of suppliers do they use to buy information?
   - Attitude towards information: What is the customer's attitude towards information products/services? Try to determine the frequency with which information services/products are used by key persons in the organization.

2.3 Guidelines for Market Size and Market Analysis

1. Identify customers having a specific type of information requirement being (going to be) provided by the centre.

2. Classify customers into broad classes (markets/segments), like internal/external, on such a basis so that the requirements of information or manner of use or any other significant parameters of consumer behaviour differ significantly across groups and is similar within a group.

3. Identify types of products/services which are currently being used by all types of customers wanting to meet the information requirement.

4. Identify and understand new trends in environment which could not only influence the products/services offered by the library/information centre but also its clientele. For this, conduct desk research using sources like newspapers, government documents, publication of
trade/professional associations, etc. This research is for sharply assessing:

- Changes in mix of clientele.
- Changes in their requirements.
- Changes in information technology.
- Changes in government policies.

5. Finalize the classification of products/services and customers and prepare a grid of markets by types of products/services.

6. Assess the current and potential size of demand in each cell (product-market combination) in terms of volume (say number of copies required) and monetary value.

7. Assess any trends in products/services, prices, distribution, promotion, broad changes in customer requirements, etc. for the product-market as a whole as well as for each of the product-markets identified in the grid. If necessary, conduct primary research for collecting such information.

8. Monitor the application of information technology for communicating with prospective clients. Such developments can assist in expanding the unit's clientele.

9. Try to encourage all staff members to participate in the analysis of the market and of the customer base. Maintain an internal intelligence service which routinely monitors events which can have an impact on the services offered by the information unit.

2.4 Guidelines for Competitor Analysis

1. Identify the various types of organizations which offer information services. Local directories and various in-house databases are useful starting points for identifying such organizations. This list should also include those organizations which provide an in-house service for their staff members.

2. Select the most representative organizations and the ones which are most likely to provide competition to the information centre and/or its products/services.

3. Compile a detailed list of pertinent information which you will need to know about each competing service. This information will relate primarily to the information services offered by them and can include:

- Target groups served.
- Strength of the collection.
- Access to databases and other sources of information.
- Technical expertise available to the information centre.
- Number of staff assigned to the information centre.
- Strengths and weaknesses of the source/product for each important target group served.
- Price structure, and fixed and variable costs for each product/service.
- Importance of a particular product/service to the competitor to assess his likely reaction.
- Try and predict likely reaction to specific type of moves by your library/information centre.

If this type of information is not in your internal files, then it may become necessary to visit these competing centres to find out the information required. Brochures and newspaper clippings are additional sources.

4. Prepare a matrix showing competitors on the horizontal axis and the parameters being assessed on the vertical axis (Table 3.1).

5. Conduct a preliminary assessment to identify the major competitors of the information centre.

6. Identify the criteria used by existing and potential customers for selecting information services. Compare the criteria with the capability of your information centre and with the estimated capabilities of its major competitors (Table 3.2).

2.5 Guidelines for Analyzing Business Climate

1. The analysis of the business climate of the information centre can be done by the staff of the centre or alternatively, one can contract the services of a consultant. However if the latter route is followed, the consultant should obtain a full understanding and appreciation of the goals of the centre and its current operations. It is strongly recommended that a senior staff of the centre should participate in this process.

2. Identify and collect all current economic measures, national, regional and international regulations and technological developments, particularly in information technology, which can influence the demand for information products and services.

3. Collect, internally, the information about external influences on the information centre.

4. To obtain the information on business climate affecting both internal and external clients, consult all available sources including published ones.

5. Arrange for interviews with the heads of the concerned organizations, institutions, and associations of clients. Alternatively, senior information staff can arrange to be invited to attend annual general meetings of these organizations, at which a review of past performance and a prognosis of the (investment) climate is usually on the agenda.

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6. Senior information staff should review the data and information collected. Findings which can negatively and/or positively affect the current services or strategic plans of the information centre should be noted. These findings, together with the results of the market analysis and the competitor analysis, will assist in determining opportunities and threats to the information centre.

2.6 Guidelines for Internal Environment Analysis

This exercise should involve all members of the information centre. The analysis should be objective since this analysis results in the identification of the information centre's strengths and weaknesses. The following is a checklist, which can be used as a guide in conducting this exercise:

1. Compatibility with Parent Organization
   - What is the marketing philosophy of the parent organization?
   - Is the information centre's marketing programme projecting the marketing philosophy of the parent organization?

2. Marketing Philosophy of the Information Centre
   - Is this philosophy formalized in a written document?
   - Have staff bought-in to the execution of this philosophy in the unit's marketing programmes?
   - Who participates in determining the philosophy?

3. Marketing Mix
   - Are the objectives and roles of each component in the marketing mix clearly specified?

4. Structure of the Information Centre
   - Is the marketing function responsibility of a senior member of staff?
   - Has responsibility been assigned for marketing the services of the information centre to the staff of the parent organization?

5. Support Systems
   - Is there central administration support systems for the marketing function or does the information centre need to implement its own?
   - What systems and procedures are in place for the information centre to measure the impact of its marketing programme?
   - Are staff members aware of the monthly, quarterly reporting procedures required?
   - Are there quality control systems in place to monitor the products/services delivered?

6. Products/Services Portfolio
   - What products/services are offered by the information centre?
   - Do any of these products/services overlap or duplicate others being offered by the parent organization?
   - What are the major difficulties in offering these products/services?

(Contd)
— Is there a decline in demand for any of the products/services offered? If so, for each product specify reasons.

— Should any of the products/services be phased out, replaced or upgraded?

To answer the last two questions, we must take into consideration the performance of the products/services offered by competitors and an assessment of the opportunities in the market.

7. Delivery of Services
— Which geographical regions are served by the information centre?
— How easy is it for target groups to contact the information centre—by telephone, by visits?
— In terms of best return on resources and established priority of needs, are users in other regions being adequately served?
— When can users access the service? Do hours of access need to be revised in keeping with varying needs of user groups?

8. Promotional Programmes
— What promotional media are being used and on what basis are they selected?
— What follow-up mechanisms are in place to respond to requests arising from promotional programmes?
— Are there sustained promotional programmes or is there sporadic promotional activity?
— Are promotional programmes targeted to different categories of users?
— Are there clear objectives for each element in the promotional mix? (e.g., advertising, personal selling, promotion and public relations)?
— What rationale is used to decide which product/service is in need to promotion and which customer should be targeted?
— How does the unit measure the effectiveness of its various promotional programmes?

9. Pricing for services
— Does the unit’s pricing objectives reflect the pricing policy of the parent organization?
— What is the reaction of clients to the fees charged?
— Are pricing policies reviewed as the products/services gain acceptance in the market, or as the demand drops?

10. Human Resources
— Is there an adequate number of staff assigned to the marketing programme?
— Do staff require training in marketing techniques?
— Do all staff make inputs in planning the marketing programme and in feedback discussions on the programme?

(Contd)
In executing an analysis for the internal environment, it will be useful to set up criteria for each of the parameters identified. Establish a rating for each one and capture succinctly, what needs to be done to improve the internal environment so that it supports the marketing thrust. Table 3.3 (using some of the parameters) provides an example of how the summary assessment of the internal environment can be set out.

2.7 Guidelines for Summarizing Findings of Marketing Audit

1. For your library/information centre as a whole as well as for each of the products/services, summarize items 2 to 5.

2. State the nature and size of opportunities for each product/service.

3. State the threats from business environment and new entrants to each product/service.

4. State your strengths vis-a-vis competitors.

5. State your weaknesses vis-a-vis competitors.

6. Clearly state the assumptions about external forces which you have made while conducting SWOT.

3. Guidelines for Selecting Strategic Direction

Setting strategic directions involves the steps of (i) setting marketing objectives; (ii) conducting analysis of the portfolio of current products and services; (iii) identifying critical success factors, and (iv) selecting appropriate strategies. These steps are not sequential. They must, however, fit each other and be in balance before moving on to the development of the marketing plan.

3.1 Guidelines for Setting Marketing Objectives

1. Examine the strategic plan and marketing policy of the parent organization to determine the sectors to be targeted, the customer groups to be served and goals to be achieved.

2. Examine the summary of the SWOT analysis to identify opportunities which may be explored either alone or in collaboration with other divisions in the parent organization.

3. Determine the products and services to be offered for which the unit has the capability and the resources—based on the results of the customer analysis, including user survey and the SWOT analysis.

4. Examine the operational plan of the information centre to determine goals—financial goals or developmental goals which have been assigned.

5. Review reports and analyses of services provided for the previous year to determine variances from, and the reason for non-achievement of goals.
6. Take these variances into consideration when setting new objectives to avoid unrealistic expectations.

7. Assess physical, financial and human resources available for the achievement of objectives.

8. Set realistic objectives based on resources available/likely to be available.

3.2 Guidelines for Conducting Portfolio Analysis

1. Assess the potential market opportunity for each product/service offered by the library/information centre. Classify it as high, moderate, or low.

2. Assess the current performance of the product/service and classify it as strong, moderate or weak.

3. Generate strategic options including introduction of new products/services for each product/service-market (see Table 3.6).

4. Cross check feasible options for ability to take care of Critical Success Factors (CSFs).

3.3 Guidelines for Identifying Critical Success Factors

1. Involve all groups responsible for the development and marketing of identified products/services.

2. In a discussion session, review marketing objectives which have been set for the information centre.

3. Ask each group to identify specific resource items which must be available, or specific tasks which must be done, to meet objectives or goals.

4. In a group session, review the items or tasks to confirm and agree on the degree of importance attached to them, i.e., how critical is the item or task to the achievement of the group’s marketing goals.

5. Eliminate duplicate CSFs identified by groups and merge the remaining items and tasks to produce CSFs for the information centre as an entity.

3.4 Guidelines for Selecting Marketing Strategy

1. Examine the information centre’s broad marketing objectives.

2. Determine for each marketing objective, the major direction in which it is most likely to succeed—given the resources available.

3. Involve all staff responsible for product/services; this should not be a top-down process.

4. Understand the characteristics of the customers in the market.

5. If customers differ significantly on key characteristics, segment the market. Refer to the section on buyer characteristics for an illustrative list of characteristics.

6. Choose segment(s) which are (i) of significant size, (ii) growing, (iii) not having severe competition, and (iv) consistent with the information centre’s resources for achieving the objectives set.

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7. For the market (or chosen segments as the case may be) identify the key criteria which customers use/could use for making a choice between competing offers.

8. Identify those criteria/dimensions which are important to customer for making the choice and on which your offer is superior to competitors.

9. Further narrow down the criteria/dimensions on the basis of whether you can communicate the same to the customers, effectively.

10. Choose one/more of the dimensions identified to position your product depending on cost vs. benefit offered.

11. Check whether the CSFs can be taken care of by the currently available resources or by acquiring new resources.

12. The objectives, the positioning, the CSFs and the resources of the library/information unit should match with each other.

The process of formulating marketing strategies is an important one. Subsequent actions arising from the strategy can lead to the success or failure of the entire marketing plan. The outcome of the strategy planning process should be clear and unambiguous for implementation. Cross check the above steps.

4. Guidelines for Preparing Marketing Plan

4.1 Marketing Plan for a Specific Product/Service

1. All the analyses which were completed in the afore-mentioned sections provide guidance for the development of a marketing mix for each product and service.

2. The product or service should be defined as clearly as possible to allow marketing staff, clients or the CEO or Director of the organization to identify and understand what is being provided.

3. Identification of distinguishing features, when compared with similar services offered by competitors, will assist — the communications specialist in preparing suitable promotional material, and — the marketing staff in convincing clients to use the service.

4. Segment clientele according to homogeneous characteristics. These characteristics may depend on the broad target group being served by the information centre. For example — In an academic environment, characteristics may include course offerings, degree programmes (undergraduate, graduate, etc.), campus location (if there are several campuses) in different geographical areas.

— In an industrial environment, characteristics may include economic goals (e.g., exporters), geographical location (e.g., industrial estates), work responsibility (e.g., CEO's middle managers).

— In public service sector environment, one may want to segment clientele according to age groups (e.g., adult, children, young adults) or income groups.

(Contd)
5. Establish benefits to enable the marketing staff, the information specialists and the communication specialists to portray or sell the service, based on these benefits, to the clients in different segments.

6. Determine the competitive advantages and disadvantages of the service in comparison with major competitors.

7. In some cases it will be advantageous to market the service jointly with identified partners. For example, in an industrial information centre, this could be done by jointly establishing a presence with other government agencies on an industrial estate.

8. Where information services are not provided free of charge to clients, pricing is an important consideration. There are several issues which warrant consideration; these are identified as follows:
   — The desired image which should be portrayed, e.g. leader in the field, quality, knowledgeable in sourcing information,
   — The type of incentive policy for motivating clients to buy specific services, e.g. introductory rates for new products.
   — Strategy in relation to competitors, e.g. setting your prices lower than those of competitors, establishing the centre as a leader in quality for which a price, higher than that of the closest competitor may be in order.
   — Possible reactions from competitors, e.g. price war, heavy programme of advertising.

9. In addition to the above elements, the following strategies are usually taken into consideration when making a decision on the level of fees for services:
   — Costs (including marketing costs) for providing the service.
   — The market demand.
   — Competitor's products and services on the market.

10. A promotional mix is necessary for each product and if the target groups are distinctly different, a promotional mix will be necessary for each target group as well. The promotional mix, which is implemented, should be based on the results of past experiences, e.g. which promotional and advertising programmes achieved the targets which were set. If there is no experience on which to build, then there would be no guarantees that the promotional mix will yield specific results. This information will have to be compiled and monitored on an ongoing basis by the information centre. Although there may be established guidelines used by advertising companies, these may not be applicable to the specific information product and target group.

   In some cases marketing policies will provide guidelines on pricing, as in the case of TIC. In others, it will be necessary to explore pricing mechanisms within the organization, based on information contained in the marketing audit. Approval on the approach will need to be obtained from the top management in the establishment of institutional standards.

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4.2 Marketing Plan for a Library/Information Centre

1. Consult the parent organization’s policy documents.
2. Consult the unit’s SWOT analysis.
3. Examine marketing objectives for the information centre.
4. Examine the centre’s marketing strategy statements.
5. Examine the costs of the centre.
6. Obtain inputs from staff and leaders responsible for the development and marketing of each product/service.
7. Examine objectives, strategies, CSFs and resources of the centre for fittingness and complimentarity with each other.

5. Guidelines for Implementation and Control

5.1 Guidelines for Preparing Budget

1. Involve senior staff in the preparation of the centre’s budget. This approach builds commitment from staff and contributes to the attainment of targets.
2. Preparation of the budget requires the manager to forecast income and expenses for the year ahead. The manager will need to take into account the performance of previous years and any external or internal factors, which can affect performance in the coming year. Therefore, proper records and a system for monitoring the operating environment are essential. The creation and management of a clientele management database is useful for maintaining records of interactions with clients, e.g. contracts, proposals and visits.
3. Managers of new information centres will not have established a series of records for use in the budgeting process. In such cases, two sources can provide useful input—the feasibility study for the establishment of the service and other information managers in similar parent organizations.
4. Conduct cost-volume-profit analysis to establish sales/income goals. These can be used for preparing expenditure budgets. From a management standpoint, it will be extremely useful for the information manager to prepare monthly income statements (using the annual budget as a base). In this way, actual performance can be compared with the projected monthly income statement and remedial measures adopted before a crisis develops.

5.2 Guidelines for Preparing Implementation Plan

1. Consult the following information:
   — Critical success factors.
   — Marketing strategies to accomplish each objective.
   — Marketing mix and promotional mix for each product or service.
   — Cost–Volume–Profit analysis.

In many ways cross-checking of these elements, at each stage, ensures that the resulting marketing plan is a cohesive one.

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2. In the promotional mix, carefully plan and sustain efforts over a period of time. Advertising research has indicated that, generally, one needs to make approximately six impressions on potential clients before 60% of them are likely to be aware of who you are and what you do; they are then in a better position to make a decision to buy the service.

3. Prepare the promotional mix plan on the basis of costs and benefits of each activity. If the information centre has an already established marketing programme, the following data should be available: Costs of previous marketing activities and the benefits yielded by various promotional mechanisms. This information could be used to determine which promotional mechanism will yield the desired results in the particular environment and, therefore, influence the promotional mix, and hence the cost. If there is no such data, the formulation of the budget will have to depend on best estimates and be readjusted as the results are monitored for each promotional programme.

4. An action plan must be prepared for each product or service and for the information centre as well. This action plan should also include the responsibilities for each staff member in the marketing process.

5.3 Guidelines for Preparing Evaluation and Control Plan
1. To closely monitor progress, it will be necessary to set a monthly reporting schedule on income earned, contracts committed and proposals prepared. The information centre, as part of the organization, will need to follow the format and reporting procedures within the organization. However, to meet these organizational requirements the information centre may need to establish its internal control systems, to monitor progress. For example, if the organization requires a quarterly reporting schedule, it will be desirable for the information manager to build in a monthly reporting system among staff members. This step will allow the manager to make adjustments before the quarterly report is due.

2. Every effort should be made to encourage users to complete response cards as an assessment of the product or service provided. It may necessitate several telephone calls and promotional programmes but each client feedback is essential.

6. Guidelines for Preparation of the Plan
1. Prepare an executive summary.
2. Prepare a table of contents which should include the following headings:
   - Situational Analysis and SWOT
   - Objectives
   - Target Segment
   - Position

(Contd)
Service/Product
Pricing
Promotion
Distribution
Partners
Criteria for Evaluation
Projected Income

3. Include forms and charts which will be used by the information centre in the implementation and monitoring of the plan.

4. Prepare a cover, the layout of which will clearly identify the product or service and the information centre. In some cases, the organization will already have a standard format for the packaging of such corporate documents.

REFERENCES


