GLOSSARY OF MARKETING DEFINITIONS Sponsored by IFLA Section on Management and Marketing Updated and Corrected Version January 2001

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> Definitions extracted and revised into library related terminology from <u>Dictionary of Marketing Terms</u>, second ed., edited by Peter D. Bennett, published in conjunction with American Marketing Association, Chicago, IL, USA; and

## NTC Publishing Group: Lincolnwood, IL, USA, 1995. Definitions from other sources are referenced. **Glossary of Marketing Definitions**

**access** Access to library materials and services, on one dimension, is represented in the location of physical facilities. Because libraries are traveled-to outlets, marketing location theories can be applied successfully to library siting. (Wood and Koontz)

**accountability** Libraries like private sector businesses are increasingly called upon to make all units accountable for results. Growing funds are needed for technology as opposed to only books. Funders often cut the library budget first, in favor of other agencies such as police and fire or other seemingly, more necessary agencies. Libraries are developing better performance measures within the present day control systems to offer better accountability. (Wood and Koontz)

**acculturation** The process by which people in one culture or subculture learn to understand and adapt to the norms, values, life styles and behaviors of people in another culture or subcultures. For example, acculturation is the process by which a recent immigrant learns the way of life of the new country. Library services and materials facilitate this process.

**acquisition value** The users' perception of the relative worth of a product or service to them. Formally defined as the subjectively weighted difference between the most a buyer would be willing to pay for the product or service, less the actual price of the item. Time user must spend to 'acquire' is often used as a surrogate for 'relative worth or price paid,' in library research. For example, a user might be willing to expend drive time and a brief time in the library to check out a best seller, but not wait two weeks for a copy to be returned.

activities, interests, and opinions (AIO) A measurable series of psychographic (as opposed to demographic) variables involving the interests and beliefs of users. Note, because psychographics are usually expensive to gather, yet offer a more precise profile of users, demographic variables are usually relied upon.

**adopter categories** Persons or agencies that adopt an innovation are often classified into five groups according to the sequence of their adoption of it. (To illustrate this think of individual use of the Internet within the library, and for an agency, libraries that offer Internet access to the general public. 1) Innovators (first 2-5%); 2) Early adopters (10-15%)' 3) Early majority (next 35%); 4) Late majority (next 35%); 5) Laggards (final 5-10%). This is important when considering how long it may take for the general public to 'adopt' a product or service.

**advertising** The placement and *purchase* of announcements and persuasive messages in time or space in any of the mass media by business firms, nonprofit organizations. This has not been a traditional method for libraries of informing the public, but rather public service announcements, which are placed at no cost, are the norm.

**aggregation** A concept of market segmentation that assumes that most consumers are alike.

- A library of the past had an 'opening day' collection of materials, that could be found in most towns and cities. Today's libraries are more aware of considering the unique needs of individuals in the market area.
- **aging** The length of time merchandise has been in stock. For the library this could be of benefit by gaining knowledge about the duration of certain goods.
- **all-you-can-afford budgeting** An approach to the advertising budget that establishes the amount to be spent on advertising as the funds remaining after all other necessary expenditures and investments are covered. Libraries often relegate all promotion related materials and services into this category.
- **ambiance** An overall feeling or mood projected by a store through its aesthetic appeal to human senses. A brightly colored children's room is more appealing to juveniles than an area sectioned off within the adult room which blends in.
- **analysis** In marketing and other social science disciplines, a variety of statistical and non statistical methods are used to analyze data, instead of sheer intuition, or simple descriptive statistics-- which have been the norm in the library filed. (Wood and Koontz)
- **attitudes** Enduring systems of positive or negative evaluations, emotional feelings, and action tendencies with respect to an object. Consumer's overall liking or preference for an object. (Assael)
- **atmospherics** The physical characteristics of the library such as architecture, layout, signs and displays, color, lighting, temperature, access, noise, assortment, prices, special events, etc., that serve as stimuli and attention attractors of users to the library or information agency.
- **audience** The number and/or characteristics of the persons or households who are exposed to a particular type of advertising media or media vehicle. In a library this could be a certain number of people that attend a library program.
- audit The process of reviewing the library's strengths and weaknesses (internally), and opportunities and threats (externally) to shed light on the agency's performance.
- **balanced stock** The composition of merchandise inventory in the colors, sizes, styles and other assortment characteristics that will satisfy user wants. For the library this would mean, services and materials based upon users wants and needs.
- **barcode** An information technology application that uniquely identifies various aspects of product characteristics, increasing speed, accuracy, and productivity of distribution process. Most library materials are barcoded for security.
- **benefit segmentation** The process of grouping users into market segments on the basis of the desirable consequences sought from the product. For example, the library market for children's books, may include children and parents who are benefiting by developing the library and

reading habit, and or recent immigrants who benefit from learning the language of the new country. Each is receiving a benefit from the product or service.

- **block** (census) These are the smallest of the census geographic designations. They are roughly equivalent to a city block and provided for areas lacking census tracts.
- **block group** (census) A subunit of a census tract or block numbering area, typically having 1,000 residents.
- **block numbering area** (census) Similar to a census tract; a term used by the Bureau of the Census for areas lacking census tracts.
- **body language** The nonverbal signals communicated in interactions through facial expressions, arms, legs and hands--or nonverbal communication. This can be positive ( a smile) or negative (a frown.)
- **brand** A name, term, design, symbol, or any other feature that identifies one seller's good or service as distinct from those of other sellers. The legal term for brand is trademark. A brand may identify one item, a family of items, or all items of that seller. If used for the firm as a whole, the preferred term is trade name. Library could be considered a trade name.
- **broadcast television** A method of distributing television signals by means of stations that broadcast signals over channels assigned to specific geographic areas.
- **budget** The detailed financial component of the strategic plan that guides the allocation of resources and provides a mechanism for identifying deviations of actual from desired performance so corrective action can be taken. A budget assigns a dollar figure to each revenue and expense related activity. A budget is usually prepared for a period of one year by each component of an organization. A budget provides both a guide for action and a means of assessing performance. A budget is a library's post control system.
- **bureaucratic organization** Official decision making is circumscribed by laws, rules, and regulations which often result in inflexibility, "red tape" and slowness to act. A hierarchical business structure, unlike business that operates in a competitive environment that does not reward slow decision making if it results in poor sales or customer service. Library's are often linked to large bureaucracies, government or schools and universities.
- **cable television** A method of distributing television signals by means of coaxial or fiber-optic cables. Some libraries have programs on public access channels.
- census A complete canvass of a population.
- **census block** Usually a well-defined rectangular area bounded by streets or roads. It may be irregular in shape and may be bounded by physical features such as railroads or streams. Census block do not cross boundaries of countries, tracts, or block numbering areas.

- census tract A small, relatively permanent area (US) into which metropolitan statistical areas (MSAs) and certain other area are divided for the purpose of providing statistics for small areas.
  When census tracts are established they are designed to be homogeneous with respect to population characteristics, economic status and living conditions. Census tracts generally have between 2,500 and 8,000 residents, the average is 4,000.
- **chain store system** A groups of retail stores of essentially the same type, centrally owned and with some degree of centralized control of operation. This would be similar to the public library's system of branches.
- **channel of distribution** An organized network of agencies and institutions which in combination perform all the functions required to link producers with end customers to accomplish the marketing task. For a library this would include vendors, publishers as well as library facilities.
- **circulation** The number of copies of a print advertising medium that are distributed. For the library field, this is numbers of items checked out by users.

**classic merchandise** The merchandise that is not influenced by style changes for which a demand virtually always exists. For the library this might be print encyclopedias, indexes, classical literary works.

**clustering** A statistical method of forming natural groupings in which a number of important

characteristics of a large diverse group are identified in order to define target markets. For a library such a cluster might include higher education levels, and income. (Wood and Koontz)

**community analysis** For a public library this is a market research exercise reviewing library statistics, population served characteristics, users and other stakeholders in the library characteristics to better profile the library's market area. (Wood and Koontz)

**community relations** The library's interactions with the locality in which it operates, with emphasis on disseminating library-related information to foster trust in the library or information organization's activities.

**competition** The rivalry among sellers trying to achieve such goals as increasing profits, market share and sales volume by varying the elements of the marketing mix: price, product, distribution and promotion. The agency changes to better meet consumer wants and needs. For a library competition may be bookstores, community events, video stores or even other libraries, or other agencies vying for public funds.

**consumer** The ultimate user of goods, ideas or services. Also the buyer or decision maker, for example, the parent selecting children's books is the *consumer*.

**consumer behavior** The behavior of the consumer or decision maker in the market place of products and services. Library user behavior is often captured in library literature under *use studies*.

**consumer characteristics** The demographic, lifestyle and personality characteristics of the consumer. For a library this would be the *user*.

**consumer satisfaction** The degree to which a consumer's expectations are fulfilled or surpassed by a product. User satisfaction with library services and materials is often difficult to determine because: 1) there is no clear ring of the cash register at the end of the day; 2) privacy issues concerning use of library materials and services usually deter marketing-type exit interviews; 3) and little research is conducted in this area due to lack of expertise.

**contingency planning** Developing plans to provide alternative plans to the main plan. This is proactive management that deals with events considered unlikely to occur. For example, while a library budget may appear to be adequate and stabile, a *contingency* plan should be in place in case of cutbacks in funding.

**convenience product** A consumer good and/or service (such as soap, candy bar, and shoe shine) that is bought frequently, often on impulse, with little time effort spent on the buying process. A convenience product usually is low-priced and is widely available. For a public library this type of material might be newspapers or magazines, or perhaps a quick selection of other materials with little browsing or research. These materials or services are usually located within facility for easy and quick access.

**convenience sample** A non probability sample of individuals who just happen to be where the study is being conducted when it is being conducted. For example, a library could interview people exiting the library asking, 'Were you satisfied with the materials and services, if not why?'

**copyright** A copyright offers the owner of original work that can be printed, recorded or "fixed" in any manner the sole right to reproduce and distribute the work, to display or perform it and to authorize other to do so., during the author's lifetime and for fifty years thereafter.

**core product** The central benefit or purpose for which a consumer buys a product or service. The core product varies from purchaser to purchaser. For a library user the core benefit of checking out a book, may be for one user that there is no charge, and to another the availability of a work which can no longer be purchased.

**correlation analysis** A statistical technique used to measure the closeness of the linear relationship between two or more interval scaled variables. For example public library use has a close linear relationship with people of higher education and income.

**culture** The set of learned values, norms, and behaviors that are shared by a society and are designed to increase the probability of the society's survival. These include shared superstitions,

myths, folkways, mores and behavior patterns that are rewarded or punished. For libraries, the understanding of different cultures, as new immigrant groups move into the market area is extremely important to take into consideration, in order to provide the needed materials and services.

**customer** The actual or prospective purchaser of products or services. The library user is the library's *customer*.

**database** A compendium of information on current and prospective users that usually includes demographic data as well as use data, volume and content. This is a privacy issue in American libraries. The address data of library users can be called "point-of-sale (use) data and is a rich source of marketing data for library management.

**decennial census** In the U.S. this is a complete count of the population every ten years. For example the next count is the year 2000, and previous years 1990, 1908, etc. There is also a sample census which is taken for hundreds of other population descriptive characteristics. For the library field census data are identified that strongly indicate library use through research.

**decision support system (DSS)** A decision support system (marketing definition) is a systematic collection of data, techniques and supporting software and hardware by which an organization gathers and interprets relevant information from business and the environment and turns it into a basis for making management decisions. A DSS differs from a management information system in that it is designed to answer precise questions and what/if questions. An example would be, 'What affect on system library use will there be if Branch X is closed?'

**Delphi technique** - A frequently used method in futures research to gain consensus opinion among experts about likely future events, through a series of questionnaires.

**demand** The number of units of a product sold in a market over a period of time. For example, six thousand library books were circulated in Branch X's market area last year.

**demarketing** The process of reducing the demand for a product--or decreasing consumption. For example, the library discontinues offering income tax assistance and forms.

**demographics** Objective characteristics of consumers such as age, income, education, sex or occupation (Assael.) For public libraries in the US, most relevant demographics are education and age.

**descriptive research** A research design in which the major emphasis is on determining the frequency with which something occurs. For example, how often users access the Internet in a given month.

**destination merchandise** A type of merchandise that motivates or triggers a trip to a specific store. A library's special collection on African history is an example. This is also a 'specialty good.

**developing country** Characteristics: 1) more than 33% of the population is engaged in agriculture, less than 30% of population is urban; 2) at least 50% of population is literate; and 3) highly developed industrial sectors and consumer markets of significant per capita size.

**diffusion model** A model representing the contagion or spread of something through a population. (Examples: spread of air conditioning in Florida and subsequent population growth, and spread of Library of Congress pre-printed cards to American libraries.) Mathematical formulations are available to predict spread/growth.

**diffusion of innovation** The spread of innovation with a market group in stages--innovators (2-5%), early adopters (10-15%), early majority (next 35%), late majority(next 35%), and laggards (final 5-10%.) Fair amount of disagreement about the percentages.

**direct marketing** Marketing efforts, in total directed toward a specific targeted group--direct selling, direct mail, catalog or cable--for soliciting a response from customer. A library may mail a library registration card to every new mother in the hospital.

**directional and departmental signage** A signage system that helps guide the library user through the library and locate specific departments of interest.

**display** A special exhibit of a product or service at the point of sale, generally over and above standard shelf stocking. Simply books place on display over specific subject areas.

**distribution** The marketing and carrying of products to customers (bookmobiles, facilities, library loan.)

**diversification (Wood)** - Extends skills or experience from current product or market activities rather than covering totally unfamiliar territory. Customized online searches by reference librarians would extend their current research in print skills.

**dummy** Preliminary layout for an ad, or other print material.

**dwell time** The amount of time a customer/user spends in time waiting in line. For a library user this is a *price* expended.

**dwelling unit** A single home or other unit in which a cohesive set of individuals reside, and typically many good s are purchased in common.

**economic environment** Part of the macro environment encompassing wealth, income, productivity, inflation, credit, employment, etc. which affect the agency/library's markets and opportunities.

**eighty-twenty principle** The situation in which a disproportionately small number (e.g., 20%) of staff, products or users generate a disproportionately large amount (e.g., 80%) of a firm's use/profits. A use analysis should be conducted to determine what the cause is.

**elasticity** The degree that an economic variable changes in response to a change in another economic variable. For example, how much library use changes according to how far an individual must travel for library services.

**environment, external** The complex set of physical and social stimuli in the external world of consumers.

**environmental analysis** Gathering data regarding political, cultural, social, demographic, economic, legal, international and ecological forces, identifying trends affecting agency.

environmental monitoring Keeping track of a changes in the environment.

**erratic demand** A pattern of demand for a product that is varied and unpredictable, e.g., some best sellers, or specific online databases randomly assigned in curriculum by teachers.

**evoked set** A set of alternatives that are activated directly from memory--certain brands considered during the buying process.

**exchange** All activities associated with receiving something from someone by giving something voluntarily in return. This is the heart of the marketing process. A library user gives time instead of money to borrow materials, but it is still an exchange.

**exhibit** The gathering and displaying of products, people, or information at a central location for viewing by a diverse audience. Most libraries have exhibits created by staff, community or other stakeholders.

**experience survey** A series of interviews with people knowledgeable about the general subject being investigated.

**exploratory research** A research design in which the major emphasis is on gaining ideas and insights.

**external data** Data that originate outside the organization for which research is being done.

**factor analysis** A body of statistical techniques concerned with study of interrelationships among a certain set of variables--none of which is given the special status of a criterion variable.

**family** A group of at least two people in a household based on marriage, cohabitation, blook relationships or adoption.

**family decision making** The processes, interactions, and roles of family members involved in making decisions as a group.

**family life cycle** A sociological concept that describes changes in families across time, emphasizing effects of marriage, divorce, births and deaths on families and changes in income.

**feature** The use of advertising, displays, or other activity, generally by a retailer, to call special attention to a product, generally for a limited period of time.

**feature story** A type of publicity material that can be used by the media at their convenience because it is not time-related. Library materials and services available are good candidates for this type of story.

**fill rate** An inventory's availability goal used when setting customer service objectives, for example 80 out of 100 reference questions were answered in a workday.

**flagship store** In a local department store organization/library system, the main or central store/library when it is large or dominant in relation to other company stores.

**focus group** A method of gathering quantitative data on the preferences and beliefs of consumers through group interaction and discussion usually focused on a specific topic or product.

**forecasting models** In forecasting sales, or library use, or other objectives, a variety of statistical models are used and available, offering insights otherwise difficult to obtain. **galley proof** A copy of the individual pages of an ad, brochure, poster or other printed material used for final proofreading of the text before final negatives are made for the printing process.

**gatekeeper** Usually the individual who controls the flow of information from the mass media to the group or individual.

**geodemography** The availability of demographic consumer behavior and life style data by arbitrary geographic boundaries that are typically quite small. For example, a library-designated service area of two census tracts (US).

**goals** A broad and lofty big picture approach to what the organization wants to achieve. Goals are not always quantifiable. For example, the library's goal is to improve reference services, its objectives include increasing fill rate by 20% in two months.

**goods** A product that has tangible form in contrast to services that are intangible. A book versus a story read.

**gravity model** A theory about the structure of market areas. The model states that the volume of purchases by consumers/users the frequency of trips to the outlets are a function of the size of the stores/library and the distance between the store and the origin of the shopping trip.

**growth state of product life cycle** Second stage during which sales/use are increasing. For examples, the second year of the library's talking books program for the visually handicapped.

**habit** A learned response to a stimulus that has become automatic and routine, requiring little or no cognitive effort. It is often said that the reading and library habit if not learned as a child, will not be learned as an adult.

**halo effect** A problem that arises in data collection when there is carry over from one judgement to another. For example, estimation of reference questions inferred from the previous week's count.

**high income countries** Countries whose income per capita are high compared to the rest of the world.

**image** The sum of beliefs, ideas and impressions that a person has of an object or agency. (Assael). For example, the library holds an image of prestige for some communities.

**income differential** The difference in income levels among people of various categories, such as different jobs, geographic areas, age classes, sexes, races and the like.

**industrialized country** Characteristics: 1) degree of urbanization increases, literacy levels are high, exceeding 85%, population engaged in agriculture drops substantially; 2) wage levels rise sharply and ownership of durables; 3) need for labor saving methods creates new industries. **key success factors** The factors that are a necessary condition for success in a given market. For example in a highly Hispanic market, a library to succeed would have Spanish language materials.

**knowledge** Consumers' meanings or beliefs about products, brands, stores, that are stored in memory.

**legal service area** (library) The geographic area for which a public library is established to offer services and from which or on behalf of which) the library derives income, plus any areas served under contract for which the library is the primary service provider.

**life style** The manner in which people conduct their lives, including their activities, opinions, and interests (AIO). This is more difficult to obtain and more expensive. For libraries it is important to understand the lifestyle of users, and how the library may better fit into those lifestyles. Sometimes this data is gathered by community media, or large companies in the community.

**literature search** A search of statistics, trade journal articles and other media for data or insight into the problems at hand. Special libraries often provide customized searches for a fee.

**low income countries** Countries with the lowest income per capita compared with the rest of the world. The bottom quartile is often considered low income.

**macroenvironment** The conditions facing a company/library including demographic economic, natural, technological, political, and cultural forces.

market - The set of actual or potential users/customers. (Kotler)

**market area** A geographical area containing the customers/users of a particular firm/library for specific goods or services. This would be determined by geocoding library users' addresses and determining the boundaries of the primary geographic market.

**market demand** The total volume of a product or service bought/used by a specific group of customers/users in a specified market area during a specified period. For example, the demand for best sellers during the fall.

**market development** Expanding the total market served by 1) entering new segments, 2) converting nonusers, 3) increasing use by present users.

**market positioning** Positioning refers to the user's perceptions of the place a product or brand occupies in a market segment. Or how the company/library's offering is differentiated from the competition's. For a library a competitor may be another public agency competing for public funds. What unique niche does the library serve when competing against police for same \$\$ **market profile** A breakdown of a facility's market area according to income, demography, and life style (often.)

**market research** The systematic gathering, recording and analyzing of data with respect to a particular market, where market refers to a specific user group in a specific geographic area.

**market segmentation** The process of subdividing a market into distinct subsets of users that behave in the same way or have similar needs. Segments for the library could be demographic (Asian); geographic (branch-level); psychographics (leisure-oriented); customer size (largest user group area); benefits (have children in the home learning to read.)

**market share** A proportion of the total sales/use in a market obtained by a given facility or chain. Branch A has 35% of the system's circulation.

**marketing** The process of planning and executing the conception, pricing, promotion, and distribution of ideas, goods, and services to create exchanges that satisfy individual and organizational goals.

**marketing channel** A set of institutions necessary to transfer the title to goods and to move goods from the point of consumption. (Vendors, publishers, library facilities.)

**marketing mix** The mix of controllable variables that the firm/library uses to reach desired use/sales level in target market, including price, product, place and promotion- 4 P's. For a library this would be embodied in price of user's time to access goods, a product would be a book or storytime, place is a branch or bookmobile, and promotion is publicity, displays etc.

marketing opportunity - An attractive arena of relevant marketing action in which a particular

organization is likely to enjoy a superior and competitive advantage. The library is selected to

host the community heritage festival which is funded by the city. (Kotler)

marketing plan A document composed of an analysis of the current marketing situation,

opportunities and threats, analysis, marketing objectives, marketing strategy, action programs,

and projected income statement. This could be very similar to a library's long range plan. **maturity stage of product life cycle** Initial rapid growth is over and use/sales level off. **microenvironment** The set of forces close to an organization that have direct impact on its ability to serve its customers, including channel member organizations, competitors, user markets, publics and the capabilities of the organization.

**mission statement** An expression of a company's/library's history, managerial preferences, environmental concerns, resources, and competencies. It is used to guide the company's decision making process, answering what is our business, who do we serve, etc. **mores** The cultural norms that specify behavior of vital importance to society and embody its basic moral values.

**motivation** The positive or negative needs, goals, desires and forces that impel an individual toward or away from certain actions, activities, objects or conditions. The inner needs and wants of an individual--what affects behavior.

**multiple purpose trip** A key concept in central place theory that argues consumers prefer to visit more than one store per trip, generating positive externalities for neighboring stores. This view has mixed reviews in the library field, yet is usually the norm for rural areas.

**newsletter** A brief digest of important or noteworthy information. A method of reaching various publics quickly--e.g., the friends of the library newsletter.

**nominal scale** A measurement scale in which numbers are assigned to attributes of objects or classes of objects solely for the purpose of identifying the objects.

**nonprobability sample** A sample that relies on personal judgment somewhere in the element selection process.

**nonprofit marketing** The marketing of a product or service in which the offer itself is not intended to make a monetary profit for the marketer.

**norms** The rules of behavior that are part of the ideology of the group. Norms tend to reflect the values of the group and specify those actions that are proper and those that are inappropriate, as well as rewards for adherence and the punishment for conformity. Norms are important for librarians to understand when serving culturally diverse markets.

**objectives** The desired or needed result to be achieved by a specific time. An objective is more specific than a goal, and one objective can be broken down into a number of specific actions.

**observation** A method of data collection in which the situation of interest is watched and the relevant facts, actions and behaviors are recorded. This is a important area of library use which is usually uncounted--what people are actually doing in the library e.g., browsing, using the computer, reading to a child, etc.

**opinion** A belief or emotionally neutral cognition the individual holds about some aspect or object in the environment.

**ordinal scale** A measurement in which numbers are assigned to attributes of objects of classes of objects to reflect the order.

**output evaluation** An objective measure of use performance, such as circulation per capita of a library population, reference transactions per capita, etc.

**patronage motives** The motives that drive an individual/user toward selection of a particular outlet, retailer, or supplier of services.

penetrated market Actual set of users actually consuming the product/service. (Kotler)

**per capita income** A nation's or other geographic market's total income divided by the number of persons in its population.

**perception** Perception is the cognitive impression that is formed of "reality" which in turn influences the individual's actions and behavior toward that object.

**personal income** The current income received by persons from all sources less contributions for social insurance--e.g., Social Security (US).

**personal interview** A direct, face-to face conversation between a representative of the research organization (the interviewer) and a respondent or interviewee.

**personality** Consistent pattern of responses to the stimuli from both internal and external sources.

**physical inventory** An inventory determined by actual count and evidenced by a listing of quantity, weight, or measure. Number of volumes, periodicals, vides a library owns.

**place** In the channels of distribution, the physical facilities point of location (bookmobiles, branches, etc.)

**point-of-purchase** Promotional materials placed at the contact sales point designed to attract user interest or call attention to a special offer, e.g., 'Sign up for Summer Reading Program.'

**point-of-sale (POS)** A data collection system that electronically receives and stores bar code information derived from a sales transaction. This could the zip codes for library users, facilitating the library in determining geographic market are that users reside in.

**population** The totality of cases that conforms to some designated specifications.

## positioning (see product positioning)

**potential market -** Set of users who profess some level of interest in a designed market offer. (Kotler)

**poverty level** The poverty level is based solely on money income and updated every yearr to reflect changes in the consumer price index, used to classify families as being above or below the poverty level.

**preindustrialized country** Characteristics: 1) low literacy rates and high perecentage of employment in agriculture; 2) low population density and low degree of urbanization; 3) linguistic heterogeneity and a small percentage of working age population; 4) industrial sectors nonexistent and undeveloped; 5) heavy reliance on foreign sources for all manufacturers and principal engagement in agricultural endeavors.

**press conference** A convening of media by a person or organization to explain, announce or expand on a particular subject.

**price** The formal ratio that indicates the quantities of money goods or services needed to acquire a given quantity of goods or services. For a library user price may come in the form of *time* the library users must expend to obtain library materials or services.

**private sector** Activities outside the public sector that are independent of government control, usually, but not always carried on for a profit.

**product** A bundle of attributes or features, functions, benefits and uses capable of exchange, usually in tangible or intangible forms. The library's products include materials to use, questions answered, storyhours, online searching, etc.

**product life cycle** The four stages products go through from birth to death: introductory, growth, maturity, and decline.

**product mix** The full set of products offered by an organization e.g., books, videos, storyhours, etc.

**product positioning** The way users/consumers view competitive brands or types of products. This can be manipulated by the organization/library. The library's video collection, available for *free*, is competitive with local video stores that charge, if video collections are comparable. If the collections are not, the library is differentiating the video collection from the video store.

**promotion mix** The various communication techniques such as advertising, personal selling, sales promotion, and public relations/ product publicity available to the marketer to achieve specific goals. A library may use a combination of newspaper editorial, public service announcements (PSAs) on radio and possible television, if no budget is available for advertising.

**psychographic analysis** A technique that investigates how people live, what interests them, what they like--also called lifestlye analysis or AIO because it relies on a number of statements about a person's activities, interests and opinions.

**psychographic segmentation** Dividing markets into segments on the basis of consumer life styles.

**public opinion** The consensus view of a population on a topic.**public policy** A course of action pursued by the government pertaining to people as a whole on which laws rest.

**public relations** The form of communication management that seeks to make use of publicity and other nonpaid forms of promotion and information to influence feelings, opinions or beliefs about the agency/library and its offerings. This is a traditional form of communication for library management, as paid advertising media is rarely used.

**public sector** Those marketing activities that are a carried out by government agencies for public service rather than for profit.

**public service announcement (PSA)** An advertisement or commercial that is carried by an advertising vehicle at no cost as a public service to its readers, viewers, or listeners. While the no cost aspect is appealing, a library or other agency utilizing this media quickly realizes there is no control on the most effective time of placement.

**publics** The groups of people that have an actual or possible interest in or impact on the company's efforts to achieve its goals.

**quality control** An ongoing analysis of operations, to verify goods or service meet specified standards, or to better answer customer/user complaints. Libraries have been criticized for not employing more quality control standards on library services.

**quality of life** Sometimes measured by income, wealth, safety, recreation and education facilities, education health, aesthetics, leisure time and the like.

quantity discount A reduction in price for volume purchases.

**questionnaire** A document that is used to guide what questions are to be asked respondents and in what order, sometimes lists the alternative responses that are acceptable. An excellent research instrument for libraries to assess customer satisfaction on exit interviews.

**range** The maximum distance a consumer is ordinarily willing to travel for a good or service; as such it determines the outer limit of a store/library's market area. Research in the library field indicate there is an average two mile limit for a library user to travel to a branch, while for a central library with specialized good, it may widen to even 10 or 15 miles. This research does not allow for the travel limitations imposed by culture, age, or physical handicap, or topographical barriers.

**reach** The number of people or households exposed to a particular advertising media or media schedule during a specified time.

**reference group** A group that the individual tends to use as the anchor point for evaluating his/her own beliefs and attitudes. Teenagers influence their peers regarding library use.

**regression analysis** A statistical technique to derive an equation that relates a single, continuous criterion variable to one or more continuous predictor variables.

**Reilly's law** A model used in trad area analysis to define the relative ability of two cities to attract users from the area between them.

**respondent** A person who is asked for information using either written or verbal questioning, typically employing a questionnaire to guide the questioning.

roles The behavior that is expected of people in standard situations.

**rural population** The part of the total population not classified as urban.

**salary** Compensation paid periodically to a person independent of performance (in sales or levels of use stimulated.)

sample The selection of a subset of elements from a larger group of objects.

**sample survey** A cross sectional study in which the sample is selected to be representative of the target population and in which the emphasis is on the generation of summary statistics such as averages and percentages.

**scanner** An electronic device that automatically reads imprinted codes, as the product is pulled across the scanner. The library field is successfully using these for circulation and other use counts.

**secondary shopping district** A cluster of stores outside the central business district that serves a large population within a section or part of a large city.

## segmentation (see market segmentation)

self-concept The ideas, attitudes, and perceptions people have about themselves.

**self service** The type of operation in which the customer/user is exposed to merchandise (browsing and self-selection) without assistance, unless customer/user seeks assistance.

**selling orientation (Wood)** A company-centered rather than a client-centered approach to conduct of business. This orientation tends to ignore what the customer/user really wants and needs.

**service(s)** Products such as a bank loan or home security or library loans, that are intangible or at least substantially so.

**shopping good** Goods and products can be classified as convenience, shopping or specialty. A shopping good is one that more time is spent selecting (browsing) than a quick convenience good. Example, a certain type of mystery book.

**situation analysis (SWOT)** An examination of the internal factors of a library to identify strengths and weaknesses, and the external environment to identify opportunities and threats.

**slogan** The verbal or written portion of an advertising message that summarizes themain idea in a few memorable words--a tag line.

**social advertising** The advertising designed to education or motivate target audiences to undertake socially desirable actions.

**social class** A status hierarchy by which groups and individuals are classified on the basis of esteem and prestige.

**social indicator** The data and information that facilitate the evaluation of how well a society or institution is doing.

**specialty advertising** The placement of advertising messages on a wide variety of items of interest to the target markets such as calendars, coffee cups, pens, hats, note paper, t-shirts, etc. These are widely given out to librarians at professional conferences from vendors. Libraries may use these items as well, but are usually sold in library gift shops.

**specialty good** A specialty good is one that users/consumers will spend more time searching for, and time travelling to and pay higher for. A library specialty good could be a certain online service or special collection of materials.

**stakeholder** One of a group of publics with which a company must be concerned. Key stakeholders for a library could be users, employees, board members, vendors or other who have a relationship with the library.

**store layout** The interior layout of the store/library for the ease of user movement through the store to provide maximum exposure of good and attractive display. Retail store layout, is also successfully applicable to library layout.

**strategic market planning** The planning process that yields decisions in how a business unit can best compete in the markets it elects to serve. The strategic plan is based upon the totality of the marketing process.

**subculture** The segments within a culture that share distinguishing meanings, values, and patterns of behavior that differ from those of the overall culture. These subcultures are important to recognize in library communities that may serve a disproportionate number, whose information needs may be nontraditional and unique.

**subliminal perception** A psychological view that suggests that attitudes and behaviors can be changed by stimuli that are not consciously perceived.

**target market** The particular segment of a total population on which the retailer focuses its merchandising expertise to satisfy that sub market in order to accomplish its profit objectives. Or for the library, a target market might be within the market area served, children 5-8 years old, for summer reading programs, to increase juvenile use and registration,

**target market identification** The process of using income, demographic, and life style characteristics of a market and census information for small areas to identify the most favorable locations.

**technology** The purposeful application of scientific knowledge; an environmental force that consists of inventions and innovations from applied scientific and engineering research,

**telephone interview** A telephone conversation between a representative of the research organization, the interviewer, and a respondent or interviewee.

**thumbnail** A rough sketch for a layout for a piece of print advertising.

**transportation** A marketing function that adds time and place utility to the product by moving it from where it is made to where it is purchased and used. In includes all intermediate steps in the process.

**underdeveloped country** Characteristics: small factories erected to supply batteries, tires, footwear, clothing, building materials and packaged foods; agricultural activity declines and degree of urbanization increases; available educational effort expands and literacy rises.

**underprivileged family** A family in social class that does not have enough money to purchase the necessities, i.e., shelter, clothing and transportation, appropriate for its class status.

**unit control** The control of stock in terms of merchandise units rather than i terms of dollar value. This is representative of a the number of books, magazines, etc of a library collection.

**urban population** Persons living in places of 2,500 or more inhabitants incorporated as cities, villages, boroughs, or areas designated as such by the US Census, with some exceptions.

**utility** The state or quality of being useful. What is the utility of marketing practices to the library field?

**VALS (values and lifestyles)** An acronym standing for values and life styles. VALS is a psychographic segmentation approach developed at Stanford Research Institute International. This data is useful to public and private sector. Unfortunately, the data is still largely expensive, therefore, libraries and other non-profits still widely rely on demographics.

value The power of any good to command other goods in peaceful and voluntary exchange.

values The beliefs about the important life goals that consumers are trying to achieve. The important enduring ideals or beliefs that guide behavior within a culture or for a specific person.

**variety** The number of different classifications of goods carried in a particular merchandising unit. How many different children's authors are represented in the juvenile collection?

**vicarious learning** The changes in an individuals behavior brought about by observing the actions of others and the consequences of those actions. Research indicates that immigrant adults often learn about the reading land library habit through their children's same experiences at school.

**vision** A guiding theme that articulates the nature of the business/library and its intentions for the future, based upon how management believes the environment will unfold. A vision is informed, share, competitive and enabling.

wants The wishes, needs, cravings, demands or desires of human beings.

wealth The aggregate of all possessions of economic good owned by a person.

**will-call** The products ordered by customers/users in advance of the time delivery desired. Books on reserve.

**word of mouth communication(WOM)** This occurs when people share information about products or promotions with friends--research indicate WOM is more likely to be negative.

**workroom** A service department such as apparel alterations, drapery manufacture, library materials processing.

**ZIP code** A geographical classification system developed by the U.S. government for mail distribution, a nested numeric range of 5 to 9 numbers.

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