IV. MARKET OPPORTUNITY ANALYSIS

The challenge: Find a need and satisfy it.

. Are your products consistent with your customers' current and future needs?

- Do you have a flow of new products to meet the information needs of your market?

- Are the products you're developing strategically significant?

IV. MARKET OPPORTUNITY ANALYSIS

An important building block

The result of the Needs Assessment was an analysis of your potential market: The concerns of each market sector and the information needed by each customer or potential customer. The Information Audit helped you analyze what products the library is capable of offering and how effective it has been in marketing its services.

Your next step will be to synthesize what you've learned about your organization, what your current and potential customers want and what the library is best able to deliver. The Market Opportunity Analysis will help you determine the information services you should be offering, based on the needs of the organization and the library's capabilities. The Market Opportunity Analysis will let you:

- Determine what new products need to be developed.
- Determine how existing products can be modified to better serve a market need.
- Evaluate which existing products should be eliminated.
- Determine how your library's structure might be reoriented to better serve your community.

Identify and analyze the opportunities which exist.

Understanding the motivation of each client-that is, why the client needs the information-will help you determine how to effectively market your products.

1 .O In marketing the product itself, you will be promoting its benefits. A benefit is something that helps the customer solve <u>his</u> problem. Those benefits, your selling points, will differ from customer to customer.

2.0 The key questions to answer are:
- What needs are not being satisfied with the library's current products?
- Is the library targeting all potential customers of its existing products?
- How effectively is the library targeting those users that have a particular appreciation for the value of information?

3.0 During the Needs Assessment, you may have uncovered problems in a group's use and management of information.

3.1 Use the Market Opportunity Analysis to address these issues as well, not necessarily with a new product from your library, but by suggesting to your clients how they might improve the collection and applications of information they receive.

3.2 If you know information already exists but the group is not aware of it, share this knowledge with them.

4.0 Work to facilitate information exchange.
Putting groups in touch with one another to share or exchange information, eliminating duplication of effort, and facilitating communication between groups, are all important tasks for an active, involved librarian. This person not only manages the information for which the librarian is directly responsible but helps others manage information as well.

Developing new products for your marketplace.

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1 .O What is a new product?
Keep in mind that your new products can include products that:
- Are common elsewhere but are new to your library's offerings.
- Are already existing products that have been modified to improve their use or repackaged for a new market segment.
- Have been created by you and are original.

2.0 Prioritize the market segments you want to reach.
Take the results of your information needs assessment and look for the areas most critical to your organization's success. These groups of people or departments should be heavy users of the library's services and logically should be the first targets for the new products your library plans to develop.

3.0 Group current library users according to their needs.
Classifying your customers enables you to develop prototypes of generic products and services that can be tailored to specific groups or individuals. The product should be useful to the widest possible group to assure the greatest return on investment.

4.0 Integrate your products vertically by offering a range of complementary products to a particular group of users, and extend your products by marketing them horizontally to other groups in the organization.
This will ensure maximum sales through minimum effort. Developing products that foster repeated use will ensure that your efforts are not wasted.

5.0 Find ways that you might wean a customer away from a competitor's product to one that the library develops.

5.1   Useful techniques include adding value, offering a comparable product at a lower cost, fast turnaround, or personal service. Adding value to your product by including more information or by providing it for less money will be the key to developing **a** successful product.

5.2 Take into account how the customer will apply the information when you design your information product and make it more appropriate in terms of content or form.

5.3 Develop information products with the needs of your clients in mind. Look fkr what makes tham more valuabla to their customers.

6.0 Present the results of your Needs Assessment po each department that you consulted for feedback and offer the ideas that you and your staff have generated.
        These may be new products you plan to offer or merely an improvement on technique or technology currently used. Ask the group to help you rank the improvement projects in descending order of priority.

6.1   It is important that the group determine those areas in which improvement would most greatly benefit it. Once you have asked for input, don't ignore the suggestions which have been made,

6.2 Ask for suggestions as to how your current product line can be altered to best serve them. Have the various groups contribute to the design of any new products you plan to offer.
        Create a strategic alliance with your clients by making them a partner in your endeavor. Their participation at the outset will serve to keep you on track throughout the development process.

7.0 For each product and service, formulate detailed proposals to your customers as to the products you will offer, including content, format, schedule for implementation, staffing, training and technology required.
        Remember to set goals and milestones by which to evaluate your progress and be certain that you have allotted adequate resources to the project-people, time and dollars.

1.0 Be aware of your competition: know who your competitors are, both within the firm and external to it, their capabilities and limits.

Position yourself and your information products with the competition in mind.

2.0 Make certain your product is identifiable and distinct from your competitor's.

Make it stand out from all the others in style as well as content.

3.0 Target the products to specific markets or customer groups and market to them.

Each group will have a particular characteristic that binds its members together; identify this characteristic and use it as a selling point.

4.0 Just as companies customize their products, you must tailor your products to your customers.

Understand the differences between customers of each of your products and services and try to address these differences.

5.0 As corporate strategic alliances become important, so does monitoring potential partners and acquisition targets.

In addition to supplying the information, ascertain the financial considerations as to what makes one company more attractive than another. Adopt the same criteria-for instance, a return on investment (ROI) ratio-for your information products that your firm uses when it evaluates an acquisition target.

6.0 Create strategic alliances with your suppliers and customers.

Vendors can help make you stronger if you let them know how they can be of service; customers can become advocates of your services and marketers of your products.

7.0 Decrease production costs by using the technology available to you in the acquisition, formatting, and delivery of information.

Do not be intimidated by the technology. If you don't know how to do something, find out. Never be afraid to ask for help, from those within your organization as well as outside of it.

8.0 Help others in the organization use information and information technology.

Are there areas in which using a computer or particular database might help? Would the use of the database on CD-ROM be more cost-effective in the long run?

9.0   Just as products are matched to a specific user group, so are the techniques you will use to market those products.
Remember, you are not selling the library but the individual services it provides. Each service will require **a** separate marketing plan.

10.   Know what business you are in, but determine what business it would be advantageous to appear to be in.
This may vary from customer to customer. Once you understand the needs of each customer, what motivates the customer to purchase your product and how much the customer is prepared to spend, you can develop useful services and market them effectively.
Remember, you are selling solutions to your customers' problems, not products. Use your Needs Assessment research to determine what each group is seeking from your product, and market with these needs in mind.

A market opportunity analysis checklist.

1.0   **Have you set the library's priorities in terms of your organization's priorities?**

2.0   Are you being flexible, showing your customers a willingness to tailor your services to their needs?
Are you working with your customers to design and redesign your products?

3.0   Are you offering products and services that you can support over the long-haul?
Don't make promises to deliver what you cannot.

4.0   Have you designed the library's services with a sensitivity to the pressures under which your clients work2

5.0   Can you recommend ways in which your organization can make better, more productive use of the information to which it already has access?

6.0   Have you developed the library's products and services to complement the information resources that currently exist within the organization?

7.0 Have you assessed the existing policies, procedures and practices governing the management and use of information throughout the organization?

Can you recommend any specific improvements in the process; for example, centralization of subscription ordering?

8.0 Have you determined the future direction of the organization as a whole, as well as individual market segments?

Can you predict their information requirements in the future, including cost? Are you preparing to meet those needs?

9.0 Have you set targets for selling your products?

Make it a game by setting goals and then raising the target once you've achieved those goals. Be realistic in your expectations as to how receptive potential clients will be and how much they will expect for the price they are paying for your services.

10.0 Have you developed an adequate and efficient strategy to support each product and service you have developed?

The opportunity

- Don't be bound by preconceived notions of what the library can offer.

- Broaden the base of products and services offered by the library.

Case study

There seems to be some need to organize the way in which the company acquires information regarding its competitors.

The library offers several different products, to various departments, all addressing some aspects of competitor activity. A coordination of these services seems warranted.

Competition is getting tougher and one major department has been caught twice by a smaller firm. New products were introduced at a lower price, and the smaller company walked off with two major accounts which management thought were locked up.

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┌─────────────────────┐          ┌─────────────────────┐
│   Assess strategic  │          │ Determine strategic │
│    issues of the    │─────────▶│   direction of the  │
│     organization    │          │     organization    │
└─────────────────────┘          └─────────────────────┘

┌─────────────────────┐  ┌─────────────────────┐  ┌─────────────────────┐
│ Determine current   │  │  Detail scope of    │  │     Determine       │
│    information       │  │    information      │  │  future infor-      │
│   requirements       │  │    currently        │  │   mation re-        │
└─────────────────────┘  │    available        │  │   quirements        │
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┌─────────────────────┐  ┌─────────────────────┐
│ Develop appropriate │  │  Develop plans to   │
│     information      │  │  acquire access to  │
│   products and      │  │  information which  │
│     services        │  │   will be needed    │
└─────────────────────┘  └─────────────────────┘

┌─────────────────────┐          ┌─────────────────────┐
│ Modify existing pro-│          │ Develop new products│
│ ducts and services to│          │ and services to aug-│
│ satisfy future infor-│          │  ment existing ones │
│ mation requirements │          └─────────────────────┘
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