

DRIVING MISS DAISY, OR MISS DAISY DRIVING?  
EXPLORING A NEW SERVICE MODEL FOR ACADEMIC LIBRARIES

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ABSTRACT

Customer Relationship Management (CRM) is a much-used phrase in the current business environment. It is promoted as a strategy to attract and retain profitable customers. The model grew out of the realisation that customer loss and the subsequent attraction of new customers is an ever increasing corporate cost; the need to improve customer retention; and a recognition of the value in increasing the share of *each* customer's business in organisations. Each of these is relevant to the delivery of information services in University libraries. Taking CRM one step further is the Peppers & Rogers "1:1 enterprise"<sup>i</sup> model of *customer driven* service.

The traditional *aggregate market approach* focuses on one product or service at a time, and then tries to find as many customers as possible who want that specific need satisfied, for example reference services in university libraries. This is the manner in which most university libraries have operated. The *customer driven* approach focuses on one customer at a time, with the aim of satisfying as many of that particular customer's needs as possible.

Griffith University Brisbane, Australia is developing *1:1 learning relationships*<sup>ii</sup> between the university's academic staff and Information Services staff to create a new customer service dynamic. *Customer-driven* competition and 1:1 marketing is more usually regarded as a prerequisite for commercial success. At Griffith our customers and our Information Services staff are together redefining what it means to participate in partnerships and alliances that will ultimately benefit the teaching/learning process, the students, and the whole university as it creates a market position of strength.

This paper will demonstrate that the "*1:1 relationship*" principles can deliver enhanced service partnerships and efficiencies in a University Library and Information Service environment. It will also demonstrate the applicability of a model that was developed for the commercial world to a not-for-profit service environment. Building strong and focussed customer relationships will strengthen the leadership position of academic libraries in the delivery of information services and information technology, and especially in building ongoing relationships for the benefit of the teaching/learning process.

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INTRODUCTION

Customers' expectations of suppliers, products and services are rising. University libraries/information centres seeking to develop new business simply by becoming better at what they have been doing may find themselves unprepared to fight tomorrow's battles. New approaches will need to be adopted to meet the changing and rising expectations of customers - sometimes at the expense of dropping some long standing programs.

It is time for libraries to take the lead - in other words to make sure that we are "Driving Miss Daisy" rather than being driven by forces over which we have little control.

## BACKGROUND

Australian universities operate in a highly competitive and global environment. The 38 universities compete not only with each other for customers but also with universities worldwide - either through franchised courses provided offshore eg Harvard business courses, or in a virtual environment eg Greenwich University. With very few exceptions Australian universities are government funded. Government attitudes and policy changes over the last 10 years have resulted in severe reductions in the levels of funding provided, combined with an active push for universities to generate an increasing amount of their own funding.

As a result Australian universities are turning to likely commercial comparisons to seek appropriate business and service models. Not surprisingly this exploration has led Australian universities to recognize that the provision of pro-active and focussed customer service is a key strategy to achieve growth and contain costs. As university management becomes more business focussed so too are the providers of library and information services within universities - traditionally university libraries.

Griffith University ([www.gu.edu.au/](http://www.gu.edu.au/))

Just 31 years old Griffith is one of the youngest Australian universities, and has earned a reputation as innovative, flexible in its provision and delivery of courses, and focussed on high tech research such as bio-technology. Griffith has a footprint stretching from Brisbane to the Gold Coast in the S.E. corner of the State of Queensland, and has 5 campuses serving 27,000 students, 16% of whom are from overseas countries.

Underpinning our services is a highly sophisticated information technology infrastructure including a private backbone (fibre optic and microwave) with 100Mb to the desktop. Griffith uses modern clustered midrange UNIX servers and multi-tiered application deployment infrastructure, workstation image technology, and has a "web enable" strategy for service delivery.

The Division of Information Services (INS) is an integrated administrative element of the university comprising four service units:

- Flexible Learning and Access Services
- Library and Learning Environment Services
- Information and Communication Technology Services

- Learning Services
- All of which are supported by a
- Business Services group *and a*
  - Strategy Services group
- See Appendix A

In traditional jargon the Division represents the university library, computing services, flexible learning and information literacy.

#### Relationships, not silos

Universities are high-end businesses. They develop high-value educational products for target markets - typically undergraduates, postgraduates, teaching, and research staff. Universities build relationships with customers - staff, students who may later become postgraduate researchers, Alumni, parents and influential business people.

University libraries/information centres are also big business. Typically they operate with multimillion-dollar budgets, across geographically dispersed campuses, as well as house and manage valuable corporate assets (collections, buildings, IT infrastructure, and capital equipment).

University libraries are now part of a global and competitive environment, and experiencing tightening budgets, increasingly demanding end-user expectations, and the ongoing demand from our funders to do more with less. University libraries need regular and active customers to justify the increasing investment in learning materials, scholarly journals, technology and the associated infrastructure that enables access to electronic materials.

The Australian university library is no longer the primary source of information for many students or academics. Information is now a commodity, available via the Internet, from other libraries and information sources - at a time, and in a format that suits the customer. The provision of many university developed, student-centred learning materials via the Internet (eg lecture notes, course reading materials, and past exam papers) adds to a common perception that libraries are irrelevant, especially for students. A major challenge is how to maintain relevance to our customers, and continue to demonstrate our strategic importance to the wider university business. University libraries have, in general, resisted identification as a business, reserving special venom for the truly awful business words "marketing", "sales" and "customers". The question facing the Division of Information Services is how to attract, keep and "grow" our customers in the face of severe budgetary restrictions.

Libraries in general, and university libraries in particular have a well-developed service culture - "we'll serve no matter the cost, difficulty or inconvenience". This is both our strength and our downfall. Within such a highly developed service culture the principles of equality and equity are entrenched, and often have become the mantra of staff in justifying a particular process, policy or rule. However a closer look at "equality" and

"equity" reveals significant issues that underlie the relationships university libraries need to build with their customers.

"Equality" is the *state* of being equal, whilst "Equity" is *justice and fairness* (Oxford English Dictionary). All customers are not equal, and never will be, but all our customers should be treated in an equitable manner. Building relationships with customers helps us understand these distinctions and deliver our products and services accordingly. The commercial world realised the value of working *with* customers rather than simply delivering *to* them. CRM (customer Relationship Management) models grew out of the realization that customer loss and the subsequent attraction of new customers is an ever-increasing corporate cost, and recognition of the value of increasing the *share* of each customer's business. This is as appropriate in a university library environment as it is for business.

The next stage of managing customer relationships is to move more and more towards the individual customer and their needs - *customer driven competition* where the aim is to deliver highly tailored, individualised products and services to *each* customer - *one-to-one marketing*<sup>iii</sup>. It is this model that INS is adopting, refining, and implementing.

Management and marketing literature is littered with ways to identify customers for products, retain those customers, develop new products for this expanded customer base and so on. Typically university libraries take an *aggregate market approach* to servicing customers.

The *Aggregate Model* has some underlying assumptions:

- That the business (university library) knows what is best for its customers;
- That the business (university library) designs and delivers the appropriate products at the right time, *and*
- That all customers of the business (university library) are equal, need the same products, and operate in the same timeframe

This model is clearly defined by Rogers & Peppers<sup>iv</sup> in their statement:

*"The aggregate market competitor is in business to sell as many new products to as many new customers as possible by treating all customers from any single market or segment the same way, and getting as accurate a fix as possible on their average needs."*

University library and information staff, as custodians of information, are in a strong position to develop new products and services - all the time. However all customer services need to be integrated and the learning from each point of contact needs to be incorporated within the organisation to ensure customer relationships are managed in a planned way. This also requires that the organization address the capabilities required to deliver.

Management literature has for some time been focussing on the need for business to be customer driven. A *customer-driven* business relies on delivering highly tailored,

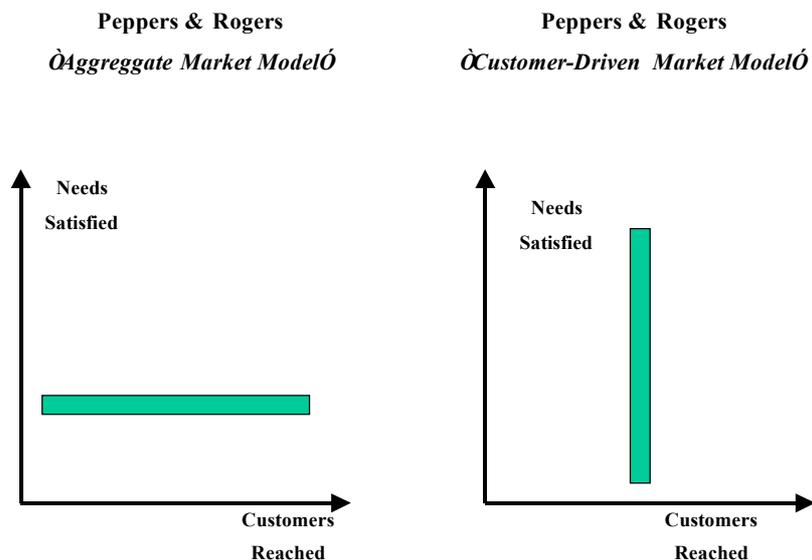
*individualized* products and services to *each* of its customers - based on feedback from an interaction with these customers. This shift is a long way from taking the average view as we have in the past - the customer-driven model is based on individual customer interactions - *one at a time*. This new dynamic creates a "customer feedback loop" with each customer. The customer and the business together redefine what it means to participate in a business relationship. A dialogue might go something like this:

*"I know you. You tell me what you want. I make it.  
I remember you next time."*

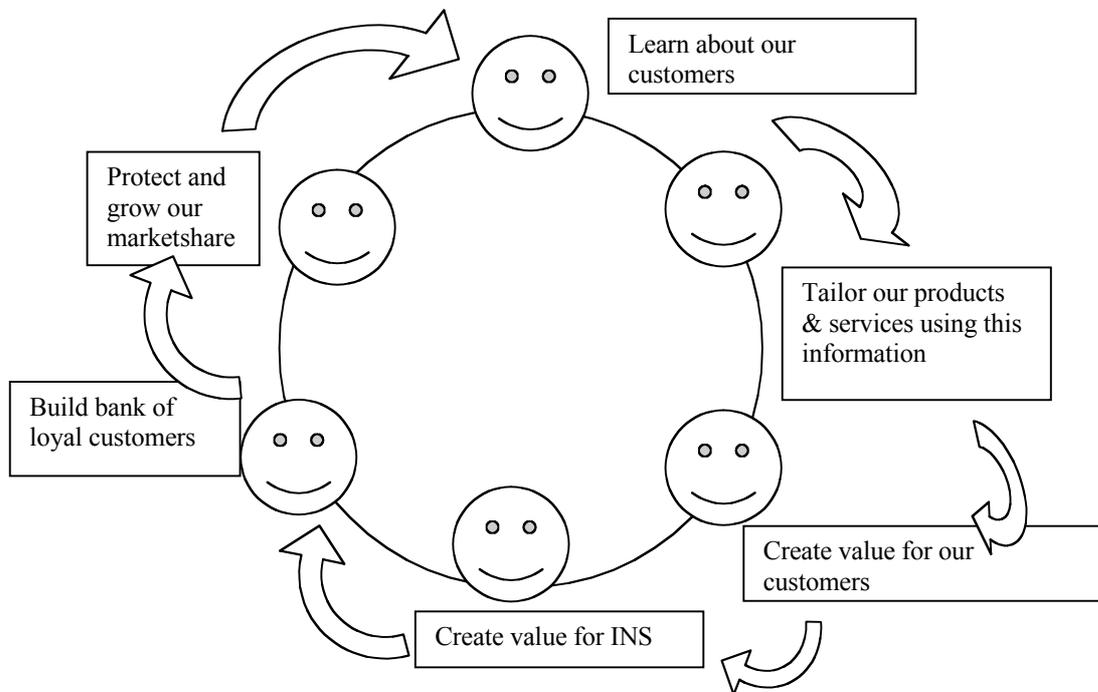
Pepper & Rogers clearly spell out the focus of a "1:1 marketing model":

*"Instead of selling one product at a time to as many customers as possible ... the 1:1 marketer.... [sells to] one customer at a time as many services and products as possible, over the entire lifetime of that customer's patronage. This is a strategy that requires a business to manage customers individually rather than just managing products, sales channels and programs."*

The diagram below highlights the difference between the traditional aggregate market model and a customer-driven market model as demonstrated by Peppers & Rogers



## 1:1 Marketing Relationships Process as adapted by INS



A 1:1 relationship generates great rewards - profit expressed as customer loyalty being the most important for us. The 1:1 business becomes almost invulnerable to competition since it has developed deep customer loyalty through the feedback loop - the customer relationship has become a Learning Relationship.

Learning Relationships between a customer and a business get smarter over time, so that it becomes in the customer's self interest to remain with the business. The strategy behind a Learning Relationship is simply to put yourself in the customer's shoes.

*"Give your customer the opportunity to teach you what he wants. Remember it, give it back to him, and keep his business forever".<sup>vi</sup>*

## JOURNEY TO THE NEW WORLD

Towards the end of 2000 the Division of Information Services (INS) under the stewardship of Janice Rickards, Pro Vice-Chancellor Information Services, embarked on a most ambitious, challenging and exciting journey - to position INS to be "*Provider of choice for information services & learning support*" for staff and students of Griffith University. The objective is to realign the organisation and build on the existing strong customer service culture so that INS became customer-driven. Building and maintaining strong and interactive customer relationships is a critical success factor for this journey. The analogy of a journey is appropriate - we start with small steps building as we go and never quite finishing since new goals will be identified as we progress. INS staff will indeed be leading, and "driving Miss Daisy" to achieve our vision.

As stated earlier the model chosen to underpin service delivery in the new environment is based on *Peppers and Rogers* 1:1 relationship marketing.

This model was chosen for several reasons:

- A key business strategy is for INS to be customer driven;
- INS wants to know each time a customer "touches" us, so that we can respond appropriately
- The commitment of the Executive team to a knowledge management system - an essential underpinning to 1:1 relationship management;
- The new organizational structure is designed to support customer relationships;
- The match between the objective of "growing" customers and our need to map customer needs and potential value;
- Building customer relationships fits with the INS values (see Appendix B), *and*
- The model, whilst developed in the commercial environment, is eminently suited to a non-commercial service environment

INS has a wide range of customers - students, academic staff, administrative staff, suppliers and partners, and currently offers a wide range of products and services (see Appendix C). In the past we operated in an "aggregate market" manner - aiming to find as many customers as possible for individual products. Our focus is now on a) generating lifetime value for our customers, and b) generating strategic value for INS. In other words understanding each customer so well that we can provide them with as many products and services as possible, over their lifetime with Griffith. Our customers share some common characteristics, but their differences are even greater as shown in the tables below.

### "Common" characteristics

Time-conscious	Students and staff are often juggling work, family and study/research
Lifelong learners	Moving in and out of formal study on a needs basis
Activity driven	Responding to specific requirements - assignments, research project, etc
Fixed lifetime as	Usually customers only for the duration of their time at

customers	university
Low information literacy levels	Many customers come with low levels of understanding about finding and using information
"Differences"	
Wide range of technology literacy	Customer base is made up of school leavers most of whom have very high skill levels ; mature age students who often have low levels; and teaching staff who are not always aware of the benefits of using technology appropriately to enhance their teaching and/or research
Wide range of information service requirements	Type and level of assistance required varies throughout "life" of customer - from 1 <sup>st</sup> year undergraduates to Ph.D. and Research Fellows
Low level of understanding of an information service delivery product	Customers typically do not have a clear idea of the range of services provided as part of a university library/information services centre
Wide range of expectations	Life experiences, needs and wants result in the very wide range of expectations customers bring to university with them

The two tables above clearly highlight the fact that we can no longer generalize about our customers. We need to know *each* customer - where they are in their "life cycle" as a Griffith customer; what is of value to them - today; and what value to they bring to us - now and in the longer term.

INS addressed the need to know the customer by appointing four account managers (Information Services Consultants) from existing staff. As account managers their responsibility is to build Learning Relationships, and work through the "relationship cycle" in conjunction with the product managers to deliver as many products and services as possible to *individual* customers, obtain their feedback, rebuild products/services, and deliver. This ongoing cycle gets smarter as our customer knowledge grows. This will enable INS to develop the "high communications flexibility" identified as key to a "1"1 relationship"<sup>vii</sup>

The introduction of the new role of Product Manager positions (26 product managers) enables INS to effectively manage the "production and logistics flexibility" component of the "1:1" model. In this way INS will deliver value to each customer based on their identified need, whilst at the same time assisting customers to return high value "profit" to INS. In a 1:1 environment profit is customer loyalty, constructive input to new product development, and active referral of new customers. In this way INS will achieve its vision to become "*provider of choice....*"

Genuine loyalty is created through the interaction of learning and teaching. Customer loyalty is increased when customers experience a genuine opportunity to teach an organisation, and at the same time the value of that customer to the organisation is increased. A simple example highlights this statement. A customer, not noted for his positive attitude toward INS, made a suggestion for a change to our document delivery processes, which was agreed to and quickly implemented. INS now has an influential "champion" - for the cost of one small change.

### *STATUS REPORT*

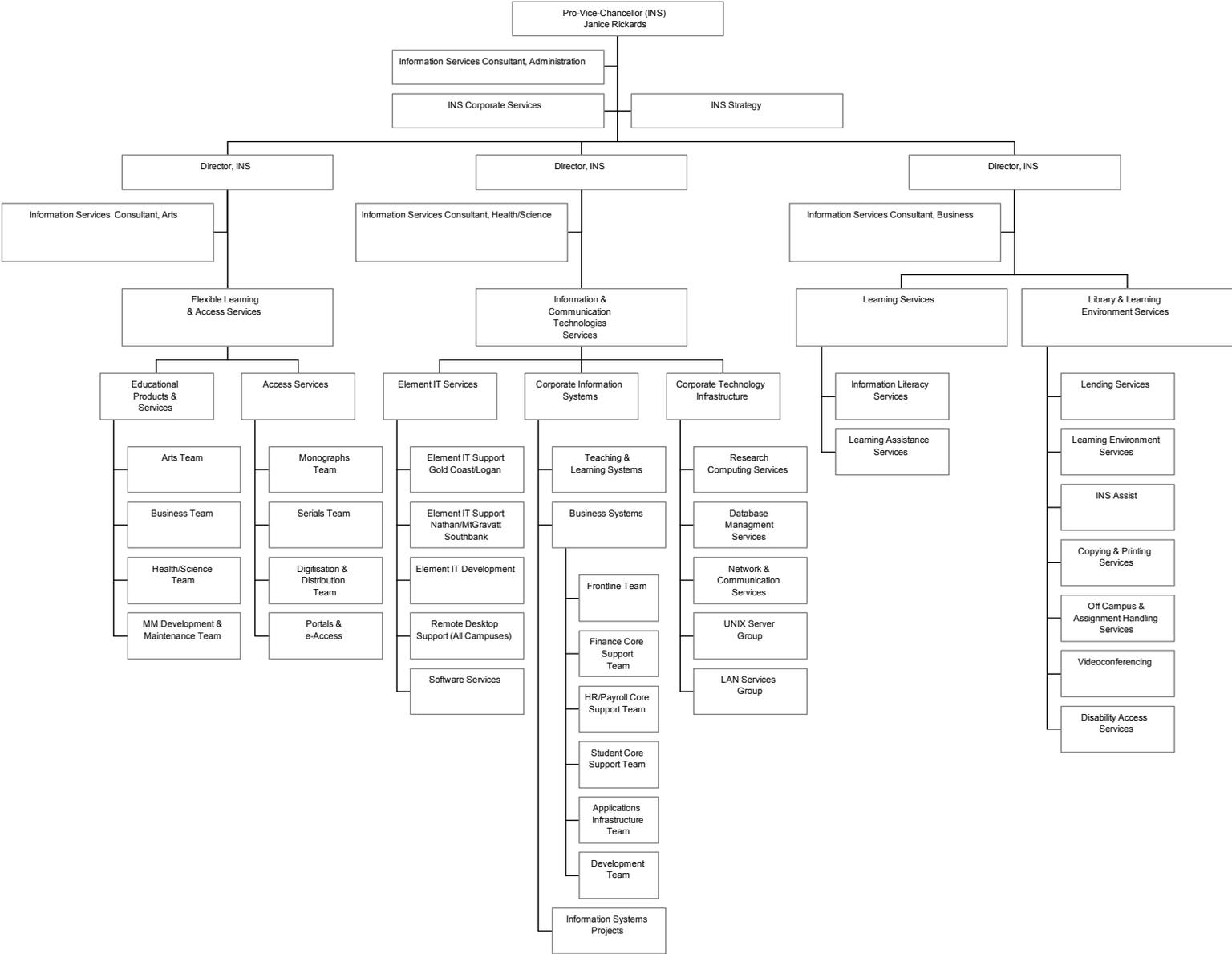
We have a long way to go to achieving our goals but the first steps on the journey to achievement have been taken. Anecdotally we know that first year Science students have different information service requirements to first year Humanities students. As we gather accurate data and maintain it as part of a knowledge management system a clear picture will emerge. How do we measure the "value" to INS of a Ph.D. student, or an academic working on a specialized research topic? What about the high achieving students - potentially they are very high value customers for INS and the University. How can INS deliver value to them? How should we manage relationships with the staff or student who is a low value customer? What is a low value customer? Is it someone who chooses to make minimal use of the range of products and services - and is happy with that level?

Keep watching as we move ahead on this exciting journey and ensure that INS does indeed "drive Miss Daisy".

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**APPENDIX A: Division of Information Services (INS), Griffith University - Organisation Chart, 2002**





## APPENDIX B: INS Values

### Division of Information Services (INS) Values Statement

Integrity underpins all our values:

- We are trustworthy and act in good faith.
- Our actions match our words.
- We are accountable for our decisions.

We value:

- People
- Learning
- Leadership
- Innovation

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#### People

- We work together to foster cooperation and achieve common and individual goals in an atmosphere of mutual respect and trust.
- We collaborate with our clients to create and provide excellent services.
- We recognise, celebrate and reward effort and achievement.

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#### Learning

- We create an environment that encourages and supports continuous learning.

- We each seek opportunities for our own development.
  - We ensure people have the abilities to achieve our common goals.
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#### Leadership

- Our leaders inspire a shared vision, lead by example, and create an environment in which we can all live our values.
  - We are encouraged to exercise leadership; our leaders believe in our abilities and trust our decision-making.
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#### Innovation

- We anticipate and respond to change and explore new ways of doing things.
- We take risks and challenge the status quo.
- We actively seek different points of view and value diversity, which contributes to creativity.

APPENDIX C: INS Products and Services

<i>Service Group</i>	<i>Product</i>
<i>Flexible Learning &amp; Access Services</i>	
Educational Products & Services:	Resource Discovery & Selection
	Resource Creation
Access Services:	Content Management
	Content Delivery
	<a href="#">Learning@GU</a>
<i>Information &amp; Communication Technology</i>	
Corporate Technology Infrastructure:	Servers
	Voice Data Network
	Database
	Security
	Authentication
	Internet (inc Netcheck)
	E-mail (staff and student)
	<a href="#">GU@home</a>
Corporate Information Systems:	Integration & Interfaces
	Research Computing
	Business Systems
	Teaching & Learning Systems
	Groupware
Element IT Services:	Element IT Services
	Software Services
<i>Learning Services</i>	Information Literacy
	Learning Assistance
<i>Library &amp; Learning Environment Services</i>	Lending
	Learning Environments
	Info Services
	Off Campus & Assignment Handing
	Copying & Printing
	Videoconferencing
	Disability Access
<i>INS Corporate Services</i>	Corporate & Management Support
<i>INS Strategy Group</i>	Project Portfolio Management

	Marketing
	Product Development

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<sup>i</sup> PEPPERS, Don and ROGERS, Martha. Enterprise one to one : tools for building unbreakable customer relationships in the interactive age. London, Piatkus, 1998.

<sup>ii</sup> Ibid. p.15

<sup>iii</sup> Peppers, Don & Rogers, Martha Enterprise one-to-one: tools for building unbreakable customer relationships in the interactive age. Lond., Piatkus, 1997

<sup>iv</sup> ibid

<sup>v</sup> ibid p.14

<sup>vi</sup> ibid. p 169

<sup>vii</sup> ibid p.67