Marketing with a capital S: Strategic planning for knowledge based services
Ulla de Stricker
Information Outlook; Feb 1998; 2, 2; Research Library
pg. 28

MARKETING WITH A CAPITAL S:
Strategic Planning for Knowledge Based Services

by Ulla de Stricker

INTRODUCTION:

Strategic Thinking Wasn’t a Core Course in Library School

Some have said that strategic planning is a fancy expression for the simple notion of deciding “where/what/who do we want to be (for whom) in one-three-five years?” In our hearts, we know it’s anything but simple to achieve that warmly glowing picture we hold of a desirable future state... in fact we might hesitate to believe it could actually come true. Hence strategic planning may fall apart somewhere between dream and action—not to mention somewhere in the crush of daily workloads.

The fact is, of course, that without strategic planning few of us will succeed (in anything other than surviving, if that). “Vague” as some might find the activity, it is nevertheless crucial and deserving of much more time than most of us feel we have to devote. Management planning retreats gone awry, or merely to waste, have given the discipline a bad name, and there is some skepticism about “consultababble”.

Marketing lore, of course, is so well known—the P’s and all that—that all we have to do is think strategically about our Products; their Place (where and how clients can obtain them); their Positioning (vis a vis alternatives clients have); their Price (even if no money changes hands, clients still pay with their time and effort); and how we Promote them. Inspired by Stephen Abram, I’d like to add another P: the method by which we Provoke the sale.

However, I suspect thinking strategically comes naturally to a minority among us. Planning and organizing for a future event are no sweat—for example, moving a largish library facility to another location involves a lot of detail without fazing us—but deciding on and executing a strategy is another matter. Not only that, strategy has become a more and more challenging domain in step with the increasing complexity of most organizations’ knowledge related activities.

There’s more. It is not even possible to isolate the information center’s strategy and deal with it the way we might, for example, deal with its budget. Our strategic direction must be closely aligned with that of the entire organization, and especially with that of the Information Technology component. Hence we cannot determine our strategy without intimate knowledge of the overall direction of the organization and its future approach to knowledge management. For that reason among others we must develop strong relationships with key organizational units in order to “be at the table” when decisions are made. Therefore, our “strategic planning checklist” begins at the beginning, with efforts to ensure we are connected to the corporate decision-makers in a way that goes beyond the relationship between requestor and service provider.

Ulla de Stricker is president-elect of the Toronto Chapter and president of de Stricker Associates, a consulting practice focusing on strategic planning for information products and services. She can be reached at uds@se.net.

28 Information Outlook • February 1998

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.
So how to get a grip on the future? What are some concrete steps one could follow in order to form, articulate, and then implement a strategic plan for the future success of a knowledge based service (once known as an information center)? In the following, I use the information center as a reference example, but the points made are equally applicable to professional associations and their chapters.

In many cases, I have found that a basic set of questions can be helpful in raising related questions and hence in guiding the process of shaping the future. I organize the questions according to a natural sequence involving assessing the current situation; understanding stakeholder priorities; responding appropriately to those priorities; communicating appropriately (marketing) to stakeholders; and ensuring that stakeholder reaction is fed back into adjustments and new future plans.

1. Taking Stock:
Perception, other Players

Skilled to the nth degree in measuring the tangible evidence in use statistics, search logs, and vendor bills, we may find that assessing the perception others have of us is rather less straightforward. Two main questions should be addressed with brutal honesty:

1. How is our information center perceived in the organization by identifiable groups?

Right now, if we were to accost three random employees in the hallways of knowledge intensive departments (such as R&D, marketing, customer service, and IT) and ask them what they thought of the information center, what would be the likely reaction? In other words, what proportion of employees (a) know we exist and (b) have an opinion about our service?

How do key individuals see us? As conveniently available and highly competent support staff, or as key players in corporate direction setting? It may hurt, but finding out what the key people really think can be a healthy beginning to a long-term process because it invites the next question: What did we do or fail to do in order that this perception came about? Ergo, what should we do differently in the future?

It is important to recognize the implication of the fact that information technology has proliferated: We can no longer be the reactive masters of an esoteric art (as Stephen Abram has clearly explained in his pieces concerning transformational librarianship); now we must be part of the business process of the organization that pays our keep. In other words, we must be at the table when the business makes business decisions. No longer a separate (albeit responsive) service available on call, we must be an integral part of the business process and the decision process.

It all adds up to assessing our profile and reputation, deciding what we’d rather they be, and working backwards to put in place activities that will generate a new profile and reputation. New behaviors may have to be learned, such as projecting an “I am a key player in corporate success” attitude and backing the projection up with concrete accomplishments, becoming comfortable asking a senior executive to lunch in order to discuss matters of mutual concern, and the like.

Who else in the organization is doing something others compare to (or confuse with) what we do?

Interestingly, there is another huge class of individuals who describe themselves as information professionals. They work in Information Technology, and typically they have VPs with budgets that are orders of magnitude larger than ours. As a direct consequence of technology developments, specifically in the area of Intranets, they are increasingly involved in information management and tend to approach information tasks without hesitation, regarding them as just another manifestation of the IT work they have always done. Vendors are aware of the situation and may, for example, approach the VP of IT with a proposal to sell information content into the IT’s “pipes”; electronic newsclipping services are a familiar example.

In an ideal world, and in many concrete instances, vendors work through the information center to sell content. But if they don’t, why is that? Did the sales rep simply make the unfounded assumption it wasn’t worth dealing with the “library”, or could it be that the information center’s profile in the organization isn’t prominent enough to reach the rep’s radar?
The bottom line is that end-users do not care what department provides content and service. Whoever delivers what is needed gets the nod. Hence, it is far more strategic to ally the information center with the IT division (and/or any other entity offering “information” services) than it is to attempt a definition of turf. A close collaboration with IT ensures that when the vendor comes calling, the information center is at the meeting—as a matter of course.

2. Identifying Stakeholders and Understanding Their Priorities and Plans: Preoccupation

Could you identify the top three concerns of your CEO today? How about the CFO and COO? If you aren’t certain, now is a good time to begin getting to know them. Stephen Abram is an enthusiastic proponent of the “what’s keeping you awake at night?” approach, and I wholeheartedly agree that we must put our feet in the management shoes where we work.

First of all, who are our stakeholders? The clients who come through the door, voicemail, or email are stakeholders of course; but the important ones are those who look after the strategic direction of the entire organization. Ideally the two groups would be the same, but they aren’t always. It is important to identify those who have a stake in employee productivity, competitive advantage, embarrassment insurance, competitive intelligence, and all other areas associated with an organization’s future success.

Second, what do they care about? What are the problems they are wrestling with? What goals and projects are priorities for them? What do they see as major time-wasters? When do they give up and do without information because they feel it’s just too time consuming to get it? In what areas do they believe there is no information to be had? What are their current habits and preferred methods when it comes to information?

The techniques for finding answers here vary (informal conversations, formal focus groups, email discussions), but personal interaction is key.
3. Creating Products to Match the Priorities: Product, Place, Price

Understanding the preoccupation of key stakeholders helps us focus our efforts on activities that will get their attention. Note that the term “product” encompasses the totality of a service and its associated tangibles (such as a digest of current news prepared by staff and delivered via e-mail or Intranet). This is the time when long honored activities get examined: For example, is journal routing really necessary? Would individual user accounts with a table of contents service such as UnCover Reveal (paid for by individual departments) do the job?

What deliverable can we offer that will address the key concerns? (Is it a desktop delivered news alert, an analysis of consulting reports, a daily summary of events in a given industry, a “knowledge map” of expertise/documents/data held in the organization, or …???) Since we sometimes tend to project our own value judgments about information onto others, focus group activity can be helpful to pinpoint the products most likely to appeal to stakeholders. One-on-one sessions to observe an individual’s use of a current product can be priceless. No matter what the specific methods, it is essential that we do not attempt to apply marketing principles to existing products we believe should be valued and instead focus energies on understanding just what it is that stakeholders value.

How will stakeholders receive the deliverable (push or pull)? Daily fax, hourly e-mail, on demand? It is important to recognize individual work styles and preferences in setting delivery options, and to accommodate those who are not accustomed to our own preferred means.

It is likewise important to acknowledge the value of others’ time and adjust the product delivery accordingly. Time and effort are expensive, and we should seek the “cheapest” alternative in the sense that we do not require users to go out of their way to obtain our product. The art of being right there without being obtrusive is a subtle one.

What should we charge? What will stakeholders pay? If money is to change hands (even by means of interdepartmental chargeback adjustments) it is important that pricing be clear and easy to calculate and predict. Appropriate prices send a message about value just as inappropriate ones do. Again, some informal sleuthing and focus group work can be helpful in establishing thresholds and acceptable price bands.

In the context of price, it is essential that we understand the difference between total out of pocket cost and per-seat investment. Organizations have already invested heavily in LAN infrastructure and desktop tools for employees; if (as Gartner Group has explained for the last decade) the total cost of keeping a PC on one desktop amounts to anywhere between 20 and 50 thousand dollars per year, then the incremental investment for useful information knowledge access tools to appear on its screen may be trivial. Our communications should speak in the language of infrastructure investment and incremental per-seat investment rather than in the naked terms of the total cost of e.g. the newsfeed service we are advocating. And our communications should echo the corporate philosophy with respect to employee technology empowerment (assuming that there is one). At all costs, we should avoid libraryse and instead speak in the business terms our stakeholders use and understand (“daily news” is different in impact from “ensuring you won’t be caught off guard”).

4. Communicating to Stakeholders: Press, Promotion, and Pushing

Having undertaken the current situation assessment, the preliminary product design and pricing, and the beta test to ensure it flies and works, we now face the job of communicating to a broader community what we have to offer.

Human beings tend to react to new information with indifference or mild awareness, followed—if the information touches key pain points or priorities—by intrigue, then interest, and finally action. Our communications to our stakeholders should be geared to generate just those reactions. How can we catch someone’s attention long enough to, and phrase our message so as to, have a shot at intrigue? How can we reward the intrigue with enough substance that interest follows? (Of course, this is where our knowledge of what keeps the key people awake at night comes in…)

After we ensure a general “buzz” (awareness among a critical mass that the information center is up to something fairly cool), we then need to dispatch targeted messages to key stakeholders that will motivate to action (replying to an e-mail, coming to a lunch event or private information session, or whatever we decided was appropriate). Crafting a message sequence that generates action is not an easy task, and we should not hesitate to call in the experts. Yes, we are excellent communicators when it comes to facts and analysis; but do we know how to get a person to do the hardest thing of all, change to a new behavior from old habits or nothing at all? In this context, it’s worth remembering that focusing on early adopters always pays off (no point in communicating to laggards…yet) and hence it’s yet again handy to have a detailed understanding of our constituents.

In the context of behavior change, remember that peer pressure is strong and ensure that the opinion leaders are in your corner. If it means “servicing the h** out of them…” then let’s do that. Personal memories of having had one’s bacon saved last almost forever, and in corporate interactions “you came through for me so I’ll come through for you” is a powerful dynamic. Managing a positive favor bank balance and calling in favors is an important skill.

5. Provoking the Sale

A certain amount of persistence and pushiness is called for now. It is not enough to communicate benefits and wait for others to act. We could learn valuable lessons from sales professionals who know when to say, “Could I have the order now?”. If the answer is no, then we have the opportunity to discover objections, deal with them appropriately, and keep the momentum going. There is always a reason for resistance; perhaps it has to do with a nuance we missed during our focus groups. Provoking the sale is a useful method for learning about that reason so we can adjust our strategy accordingly.

I stress that there is nothing wrong with asking a person to act once the reasons for buying and the resulting benefits have been explored. We might consider the standard technique of enlisting converts for the occasion: if key stakeholder representatives...
CONCLUSION:

Strategy is an Everyday Affair: What Will We Do and Not Do?

We come now to a key matter. The fact is that our plates are already full to overflowing. Adding new products to our lineup of activities is unlikely to be possible without surgery to excise other activities. Traditionally, librarians have had difficulty with the harsh decisions of cutting out services, somehow attempting to deliver as before with fewer resources or deliver more with the same resources.

It is imperative that we identify (1) what we must start doing or do more of and (2) what we therefore must stop doing. It is equally imperative that we (3) adopt the value principle: If an activity is valued by stakeholders, they will fund it. If they won’t fund it, they can’t value it all that much.

Eliminating some products in favor of ones identified to be strategic may result in complaints (at times it doesn’t, leaving us to wonder why we bothered). Complaints about the termination of a product are golden opportunities to explore how much it is really worth: Would you pay for its reinstatement? If the answer is no, an offer to conduct an investigative focus group examining the need for the product may be appropriate. If the answer is yes, the same approach can work. Either way, the end result is a peer-to-peer communication telling us clearly just where in the scheme of things our terminated product figured; hence we are in a better position to suggest alternatives (each, of course, having a price tag we articulate in terms of dollars or time or effort).

The bottom line for us all is this: Are we participating in the knowledge management activities that will ensure our organization’s continued success, or are we running an information center? What library school rules can be ignored in favor of strategic work (such as meeting with key stakeholders one-on-one)? Where can we cut corners so we can focus on our vision for the next five years?

Strategic Planning and Strategic Thinking are essential, and fun. If we have a staff, it is critical that we get everyone on board so all staff members play a part in contributing to the strategic direction of the information center and the entire organization. Once more, our marketing and sales skills are called on.

who want our product are present when we ask for the sale, a decision-maker’s “no” will generate pressure from the stakeholders and at the very least highlight the need for some product similar to the one proposed. (It is not uncommon for stakeholders to give specific advice as to how to phrase a proposal so it will fly “upstairs”. Another good reason to develop strong relationships with key stakeholders.)

6. Getting and Using Feedback: Probing and Polishing

OK, we understood our stakeholders’ priorities and developed a product to suit. We promoted it to the right people and got an early adopter crowd to beta test and accept it. Their early endorsement by word of mouth created a natural growth, and by now a reasonably sized group has adopted our new product.

Right here, it’s critical to have a serious feedback solicitation exercise. Before launching to many more individuals, we must know exactly how the early adopters experienced it. Are there flaws or inconveniences? Could we add more content, increase frequency, etc., etc.? Once more the focus group approach comes in handy, as does the one-on-one “let me see how this works for you” approach.

A permanent user advisory body can be very helpful in guiding the ongoing product adjustments according to the relative priorities among stakeholders (we want to focus on the strategically important stakeholders, i.e. the ones who have a say in our future existence). Earning the respect and trust of key individuals so they will feel it is to their advantage to be a member of the advisory body can be a time consuming, but ultimately rewarding investment.