

# MAKING A CHARGE FOR LIBRARY AND INFORMATION SERVICES

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The debate concerning whether to charge or not library and information services (LIS) has only ever been settled in various specific circumstances by discussion. A country concerned with economic development will be keen to encourage free flow of information. Organisations engaged in exploiting information, may prefer to keep the information to themselves and not to share it with their competitors. There has been discussion in various forms as to whether or what extent libraries should seek to sale their services. The present paper describes the prevailing conditions of charging for LIS in Indian context.

## ECONOMY IN TRANSITION

India embarked on the course of planned development in 1951 with the objective of achieving self-reliance socialistic pattern of society. Within the framework of a mixed economy in which public and private sectors co-exist, the role of public sector was steadily enlarged so that it may occupy the 'commanding heights' in the economy and can prevent concentration of wealth and economic power in private hands [1]. Over the forty years of planned development the economy made considerable progress. But many weaknesses still persist coupled with low efficiency and profitability of public sector units despite the presence of considerable management talents. Reasons for this include multiple and sometimes conflicting objectives, inadequate managerial autonomy, political and bureaucratic interference, overmanning, administered price regime, a lack of commercial culture etc.[2]. To cope up with these challenges Govt. of India launched a number of economic reforms since 1991 aimed at improving efficiency, productivity and competitiveness, so that the economy may attain its fuller growth potential and to be in a position to integrate with the world economy.

The change in approaches may be shown as in the juxtaposition of pre and post 1991.

Pre 1991	Post 1991
state support	de-regulation
state control	competition
state intervention	capital venture
nationalisation	privatisation
overmanning	restructuring
boiling out	self help
income policies	free market forces

## PRESSURE ON LIBRARIES

The present day Indian library and information centres are unable to maintain their acquisition and services at previous level with the finance made available by state agencies, which has been cut down or almost remained static for the last few years. A major portion of the state grants goes for staff salary and it has become difficult for L&I centers to cope up with the growth of literature resulted into great pressure on acquisition. Similarly, there has been great necessity of funds for the acquisition of newer technologies to enhance services and products. There is also a threat from competitors to maintain quality services, as in market economy, public funded institutions and commercial organisations co-exist for making free flow of information. Commercial organisations engaged in production of information and its organisation and retrieval would charge for services. Hence, a sense of resource mobilisation/revenue generation becomes essential for survival of public funded L&I center.

## SCOPE FOR MAKING A CHARGE

The notion of making a charge to users for library and information is not new. The libraries have been charging for overdue, postage, etc. since long. In preceeding decade charging for information services like photocopying, translation, abstracting, indexing, current awareness services, selective dissemination of information etc. was conceptualised. These services helped users in acquiring pin-pointed, exhaustive and expeditious information. Technology,

particularly in making available on-line services, and rapid take up of these, altered LIS managers, not only to the potential for providing services and providing access to a far wider range of sources material, but also to the very real possibility of rapid escalation of costs. Unlike the one-off price associated with buying a reference book, or the annual subscription of journal, both allowing subsequent unlimited use at no extra cost [3], the online service usually raised a charge each time it was used. CD-ROD technology also requires a large amount of investment and is also not beneficial for infrequent searches. Life expectancy of information technology is also an important challenge for the profession.

It is understatement that resources available in L&I centres are underused and the information technology makes it possible to provide customised information services to users. Hence, LIS managers may insist upon -

- enhancing use of available resources
- diversifying service activities
- attracting potential users
- introducing more user-oriented services

This insistence makes for libraries possible to introduce on-demand information services as per requirement of every individual customer or customer groups. In such a situation users don't mind in paying for information services. L&I centres can also attract external users and enhance its resources. Many of the Indian L&I Centres have introduced priced information services, e.g. IIM library, Lucknow offers services to business and industrial organisations on the following basis.

<u>Membership</u>	<u>Amount Charged</u>
Registration Fee	Rs. 2,500/-
Annual Subscription	Rs. 2,500/-
Life Membership	Rs. 50,000/-

A member is entitled to make free use of reading, reference and referral facilities provided by the library.

Similarly, IIMHR, Jaipur offers membership to externals having interest in population studies, health management, hospital administration, general management and related fields.

Annual Membership Fee	Security Deposit (Refundable)
Individual Rs. 300/-	Rs. 2,000/-
Institutional Rs. 500/-	Rs. 5,000/-

CD-ROM search services, NICNET, clippings and other facilities are also available at nominal charges.

## IMPLICATIONS

In market environment, users become customers of the L&I centres who wish to access the service but spend as little time as possible in the building, as rapid access to the system at the convenient time. They particularly value the ability to communicate with library from remote locations and to have access to the library database from their homes and offices [4]. Not only this, they expect in-depth, analysed, repackaged, tailored information which is more labour intensive and requires specialist skill [5]. Hence, with a diversified customers base, the L&I services may experience increased pressure, the greatest additional workload may be coming to information staff. At the same time they are required to offer competitive services and products. A sense of accountability would also come up. Setting up a priced information services the LIS managers are involved in **MARKETING RESEARCH** : Firstly, LIS managers are required to analyse the conditions prevailing in information world. Recognising patrons, customers and competitors is essential. Regarding customers the following information are useful.

- Who are the customers ?
- What are their preferences ?
- How users need keep changing ?
- What are their subject areas ?
- To what extent their information needs are being fulfilled ?

These information for internal customers may be acquired through various internal documents or making a survey or interviews. The external users will fall into two categories [6], namely regular users and occasional users. Regular users may already be the customers of the organisation, whereas occasional users provide less opportunities for regular consultation and feedback.



Pricing information is also influenced with the existing competitors in the market. In order to be able to assess potential market, seeking answers to following questions are needed [7] -

- Who is offering the same type of products ?
- What charges they make ?
- What methods of delivery they offer ?
- Where they are located ?
- What is their target catchment area ?
- What resources and expertise do they have and use ?
- How do they promote their services ?
- How are their clients ?

### **COSTING**

Cost incurred on the each particular service required break-down of current costs within the existing budget to show how much expenditure is being made on which aspects of service provisions, e.g. the cost involved in online information retrieval relates to running cost of hardware, software (if applicable), telecommunications access to the remote online host, online host's charges, and in some cases subscription or other direct charges to the database producer [8]. In addition to it, expenditure made on stationary, overheads like light, accommodation, etc., is to be taken into account. Staff cost based on time taken and cost of that time to the employer would also be considered.

### **PRICING**

Once cost is identified, it is important to make price policy. There are different approaches to make prices for information [9], such as (a) token pricing, in which a fixed fee is charged usually to encourage maximum use, but enough to discourage frivolous use, such as @ Rs. per search; (b) Partial cost pricing allows to cover some of the cost incurred, typically direct or out-of-pocket expenses; (c) full cost pricing allows to recover all direct cost and marketing cost; (d) loss leader pricing, it gives a search for free or at very little cost with the expectations that individuals will be repeat customers and tell other people about the services.

### **CHARGING**

Charging policy deals with how to charge price from customers, Most commonly used charging options are [10] : charging back, charging out

and direct selling. In charging back method, price is charged from the departments or persons within the organisation to whom service is provided; The charging out method passes fees for the information service to the clients of the organisations. The direct selling methods allow to charge price directly from the customer, no matter whether they are internal or external to the organisation.

Mechanism of charging also differs widely. Six mechanism of charging are as under [11] :

- subscription (annual or longer)
- pay-as-you-go
- standard charges for certain services
- differential charging
- charging by results
- charging by work done

### **CONCLUSION**

Since L&I centres are seen as conservative organisations with traditional values and time honoured practices, financial pressures were virtually guaranteed in the past. But, this outlook seems to be changing due to pressures from internal and external forces like competition, budget cuts, inflation, technological changes, commercialisation of service sectors, etc. pertaining to the nature and provision of income or funds, and the changing perception of information and use. For survival of any L&I centre in market economy, customer care is essential. Feedback from customers help professionals in redesigning services and products, which makes organisation to compete with others. This all requires specialised skill in communication, presentation and use of information technology and training in marketing, financial management and entrepreneurship for survival in commercial environment, because L&I centres are known less for the collection they house than for quality of access they provide to customers, and customers would not mind in paying for the service tailored as per their convenience.

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