

# Library Delivery 2.0: Delivering Library Materials in the Age of Netflix

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Netflix and Amazon have developed service and delivery models that are personal, easy, fast, and very convenient for users. They've found ways to get low-demand and thus previously hard-to-find products into their customers' hands quickly and conveniently. In the language of economics, they are taking advantage of the "long tail" phenomenon, wherein online purchasing and cheap distribution methods make it profitable for retailers to sell a wide array of items, none of which sells in large quantities. (For more on the concept of the long tail, see Anderson, 2004. For more on the impact of the long tail on libraries, see Dempsey, 2006.)

Both companies also recognize how important personalization is to customers. For example, Amazon helps users locate items they are likely to enjoy based on their previous purchases, as well as similar purchases made by other customers: on most product pages Amazon indicates, "Other people who bought this item also bought [a list of other items]." Amazon offers users the option of purchasing new or used items and gives users a range of delivery options. In other words, Amazon makes it very convenient for customers to purchase both popular items and items in the long tail.

By learning to leverage the long tail and eliminating some of the hurdles involved in accessing library materials, libraries will increase their user base. Netflix provides a particularly apt model for libraries.

## How Netflix Works

Netflix offers a variety of monthly subscription plans. Most plans allow users to view an unlimited number of movies in a month, restricting them only by how many movies they can have in circulation at one time. For example, for \$14.99 per month, users can have up to two movies in their possession at a time with an unlimited number of rentals per month. Netflix mails movies in envelopes that double as prepaid return mailers, and each time a user returns a movie, Netflix sends out

another—namely, the top movie in the user's queue. Customers have complete control over their queues and can add, reorder, and delete movies at any time. Users usually receive a new movie within two days of returning one. There are no restrictions on how long a user can keep a movie, so there are no late fees. Netflix just automatically sends the next movie whenever one is returned.

In addition to the low cost and convenience of the delivery and return service, Netflix assists users in finding and selecting movies they are likely to enjoy. Unlike movie rental stores, where users make most of their selections from the “just released” section, Netflix makes recommendations to users based on how they have rated movies they've borrowed. Rating a movie is simply a matter of assigning it one to five stars. Netflix incorporates customers' ratings into personalized profiles and uses these profiles to suggest new titles. The more movies customers rate, the better the recommendations become.

Netflix makes it easy for customers to locate any movie, regardless of whether it was a success at the box office. Moreover, Netflix helps users find special titles that may match individual tastes and viewing habits. In addition to personalized recommendations, Netflix provides a wealth of search tools and topical title lists: genre, title, director, actor, critics' picks, local favorites, and more. With recommendations and a variety of search and browse options, Netflix customers have many tools for building their queues.

### What if the Library Worked Like Netflix?

Netflix is easy, personal, fast, and convenient. It assists users in finding titles they'll not only enjoy but also be excited to find—either because the movies are hard to find elsewhere or because users haven't heard of them before. In other words, users' choices are not limited to the blockbusters of the day. Furthermore, Netflix makes it very easy for customers to borrow and return titles. In short, Netflix is to movies what libraries should be to books.

### Make It Easy

De Rosa, Dempsey, and Wilson (2003) tell us that library users prefer to do things on their own. Studies have shown that the more unmediated a service is, the more popular it is. Libraries everywhere report increases in circulation after self-check is rolled out. ILL is more likely to be used when it can be initiated without talking to a human being, and remote borrowing has also been shown to increase circulation.

Dempsey (2006) uses the term “transaction costs” to refer to the cost in time or effort to perform the steps required to meet a goal (par. 8). With libraries, there is a “transaction cost” for each step involved in finding, requesting, and actually taking possession of an item. These costs are measured in time, attention, money, and expertise. The first transaction cost involves locating the item in the OPAC. If the user

is able to find the desired item in the OPAC, she or he must then determine how best to acquire it. Is it on the shelf? Can I put it on hold? Can I borrow it from another library? Do I need to put in an interlibrary loan request? Each of these steps may require additional authentication or search steps. These transaction costs inhibit use.

### Make It Personal

While library search and discovery tools are improving with innovations such as faceted browsing, they are neither intuitive nor personalized for users. Using patrons' circulation histories and their feedback about items borrowed, libraries could also find those special titles that would excite their patrons. Some academic libraries have made inroads into providing personalization by offering portals designed around students' coursework. Public libraries, on the other hand, have done very little to personalize the online experience of their users.

### Make It Fast and Convenient

Remote borrowing, as opposed to the traditional, cumbersome ILL process, makes it easy for patrons to request items. But there are few new developments when it comes to quickly and conveniently putting items into users' hands. Patrons can place holds on items from most library websites, and they are notified by email or phone when items become available. But that's where the convenience ends. The completion of requests is then left in the hands of patrons.

Depending on how long items circulate at a library, how many people have the same item on hold, and how long it takes to get items transferred from one library to another, it may take weeks for items to become available. Already, the delay in fulfilling patrons' orders may fall outside of the "window of usefulness"—that is, the period of time when patrons could make use of items (Weaver-Meyers and Stolt, 1996, 35-37). If patrons still want them, they must find the time to get to the library to pick them up.

Getting to the library isn't necessarily easy. It certainly isn't convenient. In urban and suburban settings, it may require navigating traffic to get across town, paying for parking, waiting for public transportation, or squeezing the trip in around work schedules. For some, the cost of the trip could be unaffordable. For others, purchasing items and having them delivered may be affordable, and thus an efficient and appealing option. In rural settings, the distance to the library might make the trip particularly time-consuming and untenable.

Libraries could make it much easier for their patrons to get and return books by offering home delivery options using UPS or FedEx. For some, home delivery options with an additional fee would be a welcome service option. Allowing patrons to return items by U.S. Mail using library-provided envelopes would reduce their burdens. Even drive-through pick-up and drop-off services would alleviate some of the transaction costs of using the library. Libraries could also reduce wait times for items on hold by

purchasing more copies of particularly popular items. In many cases, the cost of acquiring new books is less than the cost of getting copies through ILL (Campbell).

If libraries made it as personal, easy, and convenient to find and borrow titles as Amazon and Netflix do, circulation in libraries would skyrocket. Instead, business is booming at Amazon and Netflix, and circulation is holding relatively steady in public libraries.

### The Value of Convenience

Consider Ranganathan's Five Laws of Library Science:

1. Books are for use.
2. Every reader has his or her book.
3. Every book has its reader.
4. Save the time of the reader.
5. The library is a growing organism.

These rules still ring true. The difference is that now every reader has his or her book, and his or her fulfillment preferences. Some users pick up their books at the library and do not take issue with the time it takes to transfer an item from another library to the holds shelf. Others might prefer to download their books immediately and would always choose e-books when available. Given the option, many users would happily pay for home delivery. It will be increasingly important to offer *convenient services* to current library users who demand them. Providing these types of services is also likely to expand the population of active library users.

A study by ALA found that 63% of Americans possess a library card but that 25% of those with a library card have not visited the library in the last year (KRC Research, 2006). The study reports that 90% of library users taking out books have incomes between \$15K and \$35K. It is time for libraries to consider the value other library card holders, those with higher incomes, place on convenience. There is no question that many readers use Amazon not because they want to own a book but because they want it delivered to their home quickly, even if purchase and delivery cost money. Amazon is convenient. The library is not. Everyone loves the library—in theory. But there are large swaths of the public who just don't use it because it isn't convenient enough.

### Expanding Fulfillment Options

Calhoun (2006) and Dempsey (2006) suggest that in the future users will have access to multiple discovery experiences (ways to find the books), which will be connected to multiple fulfillment services (ways to get the books). Library holdings would appear alongside items for purchase. Dempsey envisions a registry of services that would match users to their delivery options based on their location, preferences, and affiliations (Library Catalogue). Calhoun sees the possibility of the library catalog

providing that delivery service function (38). In other words, one way or another, users will eventually require multiple options for fulfilling requests.

Whether requested items are obtained from the local library, a consortial partner, or a library with whom the requesting library has no particular relationship, libraries need to find ways to get those items for their users and put them into the users' hands promptly. Offering a wider range of delivery options is one way to that. Not only must users be able to request UPS, Next Day FedEx, hand delivery, or download, libraries must also consider offering digitization on demand and purchase options instead of just borrow options. Rather than sending a user to Amazon to buy a secondhand book, make it possible to buy the book through the library using a linked PayPal account. And rather than sending a user to audible.com to download an audio book, make it possible to buy through the user's library account (perhaps even getting a discount in the process, or perhaps a kickback for the library).

Rather than leaving users' requests unfulfilled, libraries need to find a way to expand their fulfillment service offerings and keep their patrons satisfied. While a basic level of service must continue to be free (especially in public libraries), there is no reason that premium or convenience-based services must be free. Users make fulfillment decisions in all aspects of their retail life, and they are comfortable finding their own balance between cost and convenience.

### The Future of Libraries

Now is a turning point for libraries as they make their catalog holdings discoverable across library systems and regions. Using OCLC's WorldCat plug-ins and toolbars, sophisticated users can discover items from all over the country. These tools provide critical opportunities for libraries to reach out to new users and expand the role of the library in the public's life. Libraries could be far more than community centers with public access computers, free videos, and free fiction: they could become the primary service outlet for information. To compete with other information providers, libraries need to adopt the philosophies and techniques used by Amazon and Netflix, which make it easy for customers to find interesting items and provide convenient options for fulfilling their orders.

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