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The value and impact of public libraries

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Fundamental changes of society

- IT development and digitization in an environment of rapidly changing technologies
- Multiculturalism and a tendency of fragmentation of society
- Urbanization and globalization
- Continuous economic pressure on public budgets where public libraries are expected to operate in ways that are financially sustainable

Impact from a wide range of public library services

- **Early literacy and school readiness** (Southern Ontario Library Service, 2007)
- **Educational disadvantage and low achievers** (Proctor and Bartle, 2002; Lu & Gordon, 2007; Usherwood, 2007)
- **Employment information and ICT skills** (Sawyers, 1996; Strode, I. et al, 2012)
- **Social exclusion** (Muddiman et al., 2000; Vincent, 2010; Willett & Bradley, 2011)
- **Book reading** (Toyne and Usherwood, 2001; Krauss-Leichert, Paul & Pilzer, 2012)
- **Integration of immigrants** (Audunson, Essmat & Aabø, 2011; Berger, 2002; MacDonald, 2012; Svensk biblioteksförening, 2008)

Impact on community building

- Providing free community space
- Providing technological resources
- Connections to the local economy
- A sense of ownership by the community
- A high level of community trust

(Kretzman & Rans, 2005)

- Support stability, safety and quality of life

(Greenhalgh et al., 1993, Manjarrez et al. 2008)

- Social dimension, relieve isolation, relationship to the library staff

(Johnson, 2010; Johnson & Griffis, 2009)

Overall or social impact of the public library

Matarasso (1998):

- * Personal development
- * Social cohesion
- * Community empowerment
- * Local culture and identity
- * Imagination and creativity
- * Health and well-being

Linley & Usherwood (1998):

- * The social role
- * Community ownership
- * The educational role
- * The economic impact
- * Reading and literacy
- * Developing confidence in individuals and communities
- * Equity in service delivery

Huysmans & Oomes (2012):

- * Educational
- * Economic
- * Social
- * Cultural
- * Affective

Vakkari & Serola (2012):

Benefits in:

- * Everyday activities
- * Cultural interests
- * Career

- Necessary to be able to determine and measure the value of public libraries
- Clear and accurate statements of benefits from use of public money on libraries are needed

Valuation studies hold promise

Imholz & Arns (2007). *Worth Their Weight: An Assessment of the Evolving Field of Library Valuation*

- Recent advances in economic valuation research suggest that this discipline can provide tools and data making a strong fiscal case for the operational efficiency of public libraries and their contribution to national prosperity.

The Contingent Valuation Method

- A direct and explicit method
- Circumvents the absent of markets for public goods by constructing a hypothetical market
- Uses a questionnaire that includes a measure instrument to elicit how each individual assesses the value of the non-market good, here: the public library

The aggregated estimate expresses the social value of public libraries in monetary terms

Economic value and impact of public libraries in Latvia: Study report

(Strode, I. et al., 2012)

- The study covers all public libraries in Latvia (829 library units) that serve the 2 mill. inhabitants
- Attendance at has grown (from 7,9. mill. visits in 2008 to 9,9 mill. in 2010), while the annual funding has decreased

Benefit-cost ratios of public library services in Latvia

(Strode, I. et al., 2012)

LIBRARY SERVICE	BENEFIT-COST RATIO
Public library services in general	1 : 1,4
1. Exhibitions	1 : 5,5
2. Use of PCs and Internet	1 : 3,0
3. Reading	1 : 1,5
4. Lending	1 : 1,4
5. Photocopying	1 : 0,9
6. Printing	1 : 0,8
7. ICT training classes	1 : 0,5
8. Public events	1 : 0,4
9. Individual consultations on ICT	1 : 0,4
10. Reference services (per 1 reference)	1 : 0,3
11. Scanning	1 : 0,3
12. Services for library users with disabilities	1 : 0,1

Latvia study, conclusion

- Overall, the findings lead to a crucial conclusion suggesting that public libraries not only contribute to the cultural development of society, but also should have a solid economic ground for their existence as the benefits they provide outweigh the costs.

An economic valuation study of public libraries in Korea

(Ko, Shim, Pyo, Chang & Chung 2012)

- The economic value of public libraries for local residents in Korea was measured
- Data were collected from 1220 users from 22 public libraries
- ROI was calculated to be 1 : 3,66

Expert workshop in the UK 2013

Halpin, E., Rankin, C., Chapman, E. & Walker, C. (2013).
Measuring the value of public libraries in the digital age,
Journal of Library and Information Science [Online First version
of Record –Sep 3, 2013]

- A challenging time for publicly-funded services, with an acute need to better communicate public libraries intrinsic value and worth at a time of government financial restraint
- What are the most appropriate ways of measuring the value and impact of the new public library service in the 21st century?

The Norwegian Project

— Aim

- Measure the value of Norwegian public library benefits to the population in monetary terms.
- Determine if the benefits of public libraries outweigh the costs to provide them.
- Elicit motivations, *why* do Norwegians, both users and non-users, value public libraries.

— Purpose

- Provide a better understanding of their total value.
- Demonstrate their instrumental as well as their democratic and cultural value.

Public library facts

	Norway	Finland
Municipalities (library units)	428 (742)	320 (794)
Opening hours	800 000	1,4 mill.
Book mobiles (stops)	29 (1270)	153 (12 380)
Operation costs per capita	38 euro	58 euro
Collection items per capita	4	7
Loans per capita	5	18
Visits per capita	4	10

Explanatory factors for high valuation

- Gender
- Age
- Family size

These variables were **not** statistically significant

(Aabø, 2005)

Explanatory factors for high valuation

- Cultural activity
- Household income
- Distance to the library
- Living in a city
- High education
- Library user
- Used the library as a child
- Local library with a professionally qualified chief librarian

Motivations for valuing public libraries

- Self-interest
 - Direct use value 40 %
 - Option value 20 %
- Social interests
 - Other people use the library 17 %
 - Cultural and social value 19 %

Conclusions of the Norwegian valuation project

- As much as 94% of the Norwegian population thinks they have a **right** to have access to a public library in their municipality
- The library has a value for the library users, but also for persons that are not using the library themselves
- The bottom line: for each NOK that the local government use on their public library, the citizens in average get 4 times back in benefits

Meta-analysis

- Quantitative analysis of previous empirical studies
- Combine previous study results to reach a summary conclusion about a body of research
- Infer general findings and lessons
- Synthesize the results from a set of studies on a common issue
- Explore the use of prior valuation studies within the same research field
- Transfer their estimated values to new and similar areas where value estimates are needed for policy decisions

Two meta-analyses

1. Chung, Shim & Pyo (2009). An exploratory meta-analysis of library economic valuation studies. *Journal of the Korean Society for Library and Information Science* 43: 117-137 et al. Based on 42 studies.
2. Aabø (2009). Libraries and return on investment (ROI): A meta-analysis. *New Library World* 110: 311-324. Based on 38 studies.
 - The studies both used multiple regression models
 - The researchers wanted to see whether library types (public, academic, special or national libraries), measurement methods, benefit types, per capita GDP, or different combinations of these factors affected ROI figures
 - The results showed that ROI scores could be statistically explained by per capita GDP

Published studies reporting a ROI figure

(Aabø, 2009)

Year	# studies	Country	# studies	Library Type	# studies
2008	4	United States	30	Public	32
2007	3	U.K.	2	Academic	2
2006	12	Australia	2	Special	2
2005	5	New Zealand	1	National	2
2004	3	South Korea	2		
2003	1	Norway	1		
2002	2				
2001	2				
2000	4				
1999	1				
1995	1				
Total	38		38		38

Return on investment in public libraries (Aabø, 2009)

	All public libraries	All US public libraries
Mean	4.5	4.9
Median	4.4	4.6
Std. Dev.	2.08	1.91
Min.	1.3	1.3
Max.	10.0	10.0
N	32	27

