

PUBLIC LIBRARIES – A WISE INVESTMENT

DOUGLAS COUNTY LIBRARIES



Douglas County Libraries recently participated in a Return on Investment study conducted by the Library Research Service at the Colorado State Library. This study found a substantial return for taxpayers when investing in their local library. **For every \$1.00 invested in Douglas County Libraries, \$5.02 of value is returned to the community.**¹

Returns on Investment Douglas County Libraries²

- 65%** Nearly two-thirds of Douglas County Libraries' patrons come to the library over 25 times per year.
- 63%** Over half of Douglas County Libraries' patrons said they would have spent \$20 or more getting their information from another source if the library did not exist.
- 1.4 million** Patrons came to Douglas County Libraries specifically to check out books over 1 million times in the previous 12 months.
- 74%** Almost three-fourths of Douglas County Libraries' patrons connected to a Colorado public library from a home computer in the previous 12 months.
- 77%** Three out of four Douglas County Libraries patrons have used a library computer.

¹ Data was compiled from surveys of the individual libraries, the 2006 Colorado Public Library Report (accessible at www.LRS.org), and a survey in which library users were asked to estimate their cost of using alternative sources to meet their library-related needs, as well as their non-library expenditures.

² Based on responses to the ROI patron survey.

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Why Return on Investment?

In the spring of 2006 a need was identified in Colorado to describe the variety of benefits delivered by public libraries to their patrons and to quantify the return on investment to taxpayers for monies invested in public libraries. To provide this data, the Library Research Service (LRS) undertook “What’s It Worth to You? A Return on Investment Study of Selected Colorado Public Libraries” (ROI) in May 2006. Using a multiple case study approach, this research was designed to create such information for eight public libraries, representing geographically diverse regions of Colorado. Data were gathered using a combination of questionnaires, key informant interviews, and available data sources.

ROI Methodology

This study follows a model of contingent valuation that has been used in similar studies to determine ROI for public libraries. Contingent valuation is an economic technique often used for the valuation of non-market resources. This figure was calculated by examining the ramifications of not having a public library for the communities served. It includes:

- **Cost to Use Alternatives:** The estimated amount of money that would have been spent using an alternative information source.
- **Lost Use:** The estimated value of the lost information for users who would not have tried to attain the information elsewhere.
- **Direct Local Expenditures:** Contributions made by the library to community businesses and individuals in the form of purchasing goods and services.
- **Compensation for Library Staff:** Library staff would not receive compensation and unemployment would be a factor for at least some period of time.
- **Halo Spending:** Purchases made by library users from vendors and business that are located close to the library. A recent study found that approximately 23percent of these purchases would not occur if the library did not exist.³

Table 1

Return on Investment Factors – Douglas County Libraries⁴

Cost to Use Alternatives	\$66,283,529
Lost Use	\$2,965,705
Direct Local Expenditures	\$582,830
Compensation for Library Staff	\$10,042,081
Halo Spending	\$5,362,720
Total Return on Investment	\$85,236,865
Total Local Investment	÷ \$16,983,799
Return per Dollar Invested	\$5.02

³ Proctor, Richard, Bob Usherwood, and Gill Sobczyk. *What Happens When a Public Library Service Closes Down?* Library Management 18, no. 1 (1997): 59-64.

⁴ Data were compiled from surveys of the individual libraries, the 2006 Colorado Public Library Report (accessible at www.LRS.org), and a survey in which library users were asked to estimate their cost of using alternative sources to meet their library-related needs, as well as their non-library expenditures. Estimates for alternative costs are conservative, as they do not include the value of extra time that might have been necessary to meet their needs elsewhere.

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Douglas County Libraries at a Glance

Douglas County Libraries (DCL) are located on the Rocky Mountain Front Range. Organized as a library district, DCL serves residents of Colorado's fastest-growing suburban county.⁵ It has a legal service area population of 251,418. Douglas County Libraries has 5 branches throughout the county and a bookmobile. The collection includes over 500,000 print volumes, 58,000 audios, 71,000 videos, and 1,300 periodicals. To access its many electronic resources, DCL also has 95 public access computers.

Table 2
Selected Statistics for
Douglas County Libraries⁶

Description	Total	Ratio⁷
Circulation	5,479,355	21.8 per capita
Visits	1,631,483	6.5 per capita
Library Programs	4,454	446 Program attendees per 1,000 served
Public Access Computers	95	0.38 per 1,000 served

Funded primarily through local revenue (93.4%), DCL receives nearly \$17 million from a district mill levy and \$1.2 million in other operating revenue.⁸ Local revenue per capita is \$67.55. Because this study examines the return on investment for each library's community⁹, only local revenue is used in calculating the monetary contribution of community members to each library.

⁵ Metropolitan status, legal basis, and geographic area are defined by the Federal-State Cooperative System for Public Library Data and the National Center of Education Statistics (accessible at <http://nces.ed.gov/surveys/libraries/public.asp>). These definitions are also used in the Colorado Public Library Annual Report (accessible at www.LRS.org).

⁶ 2006 Colorado Public Library Annual Report (accessible at www.LRS.org).

⁷ Per capita is figured using legal service area (LSA) population (accessible at http://www.lrs.org/pub_stats.php).

⁸ 2006 Colorado Public Library Annual Report. "Other operating revenue" refers to funds not reported under local, state or federal revenue and may include, but are not limited to, monetary gifts, donations, and grants (accessible at www.LRS.org).

⁹ A library's community is defined as the legal service area as specified in the library's establishment documents.

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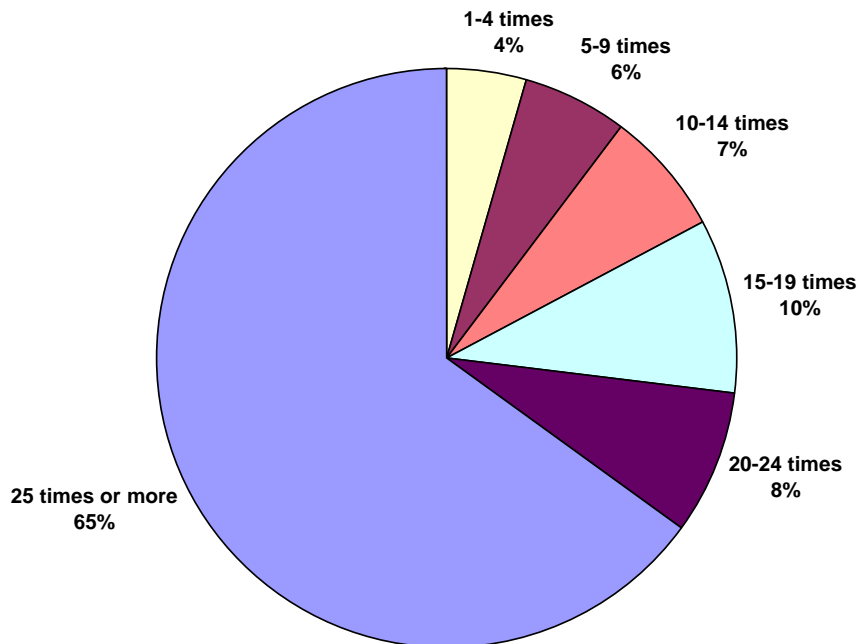
SURVEY RESULTS

Library Use

Once through the doors, visitors to Douglas County Libraries tend to be heavy users of library resources. Of the library visitors who responded to the ROI survey, nearly two-thirds of them had visited the library 25 times or more over the last twelve months; essentially, these patrons come to the library at least every other week (see Chart 1). Another quarter had visited on about a monthly basis over the previous year - between 10 and 24 times. Only 1 out of 20 respondents said that they visited the library fewer than 5 times in the previous 12 months.

Chart 1

**Return on Investment - Douglas County Libraries:
Respondent's Number of Visits to the Library in the Last 12 Months**



Douglas County Libraries Helping Businesses Succeed

Douglas County Libraries is heavily engaged in the business development of their community. In addition to library staff being involved in the Chamber of Commerce, some DCL librarians contribute to the community by attending Economic Development Council meetings in Castle Rock. Notably, librarians were able to participate in the development of the new Castle Rock Community Center.

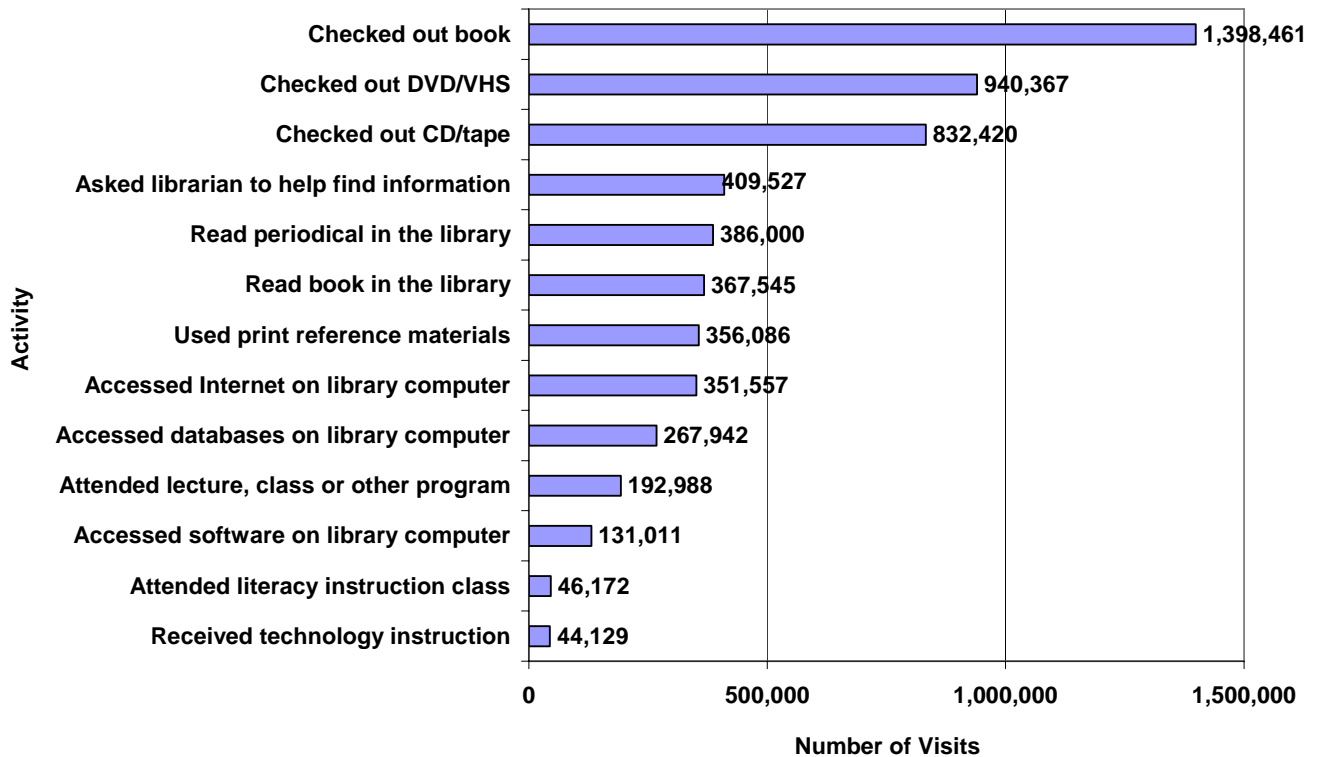
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In 2006, there were 1,631,483 visits to the Douglas County Libraries. Despite the changing ways in which the public uses libraries, checking out materials remains the primary reason for library visits. More than four-fifths of these visits (1,398,461) resulted in the library user checking out a book (see Chart 2). Additionally, the concept of “library as place” remains strong. Nearly one-quarter of respondent visits included reading a book (23%) or periodical (24%) in the library, and programs and instruction still draw a considerable number of people into the library. However, for many of these visits, library use patterns are changing, as computer use has grown to encompass a large part of the library user’s experience. Based on responses to the survey, during 22 percent of these visits the visitor accessed the Internet on a library computer. Accessing databases and software via library computers is a large part of use as well.

Chart 2

Return on Investment - Douglas County Libraries:
Number of Visits During Which Users Performed Specific Activities



Douglas County Libraries Helping Businesses Succeed

DCL provides a site for the SCORE (Service Core of Retired Executives) Program, a series of classes on starting a new business taught by retired business people in the community. The library also provides Job Search Seminars that meet every Tuesday. Each seminar has a different theme related to the job search, such as resume writing or interviewing skills. In addition, library staff conducts training on business databases like Morningstar and Value Line.

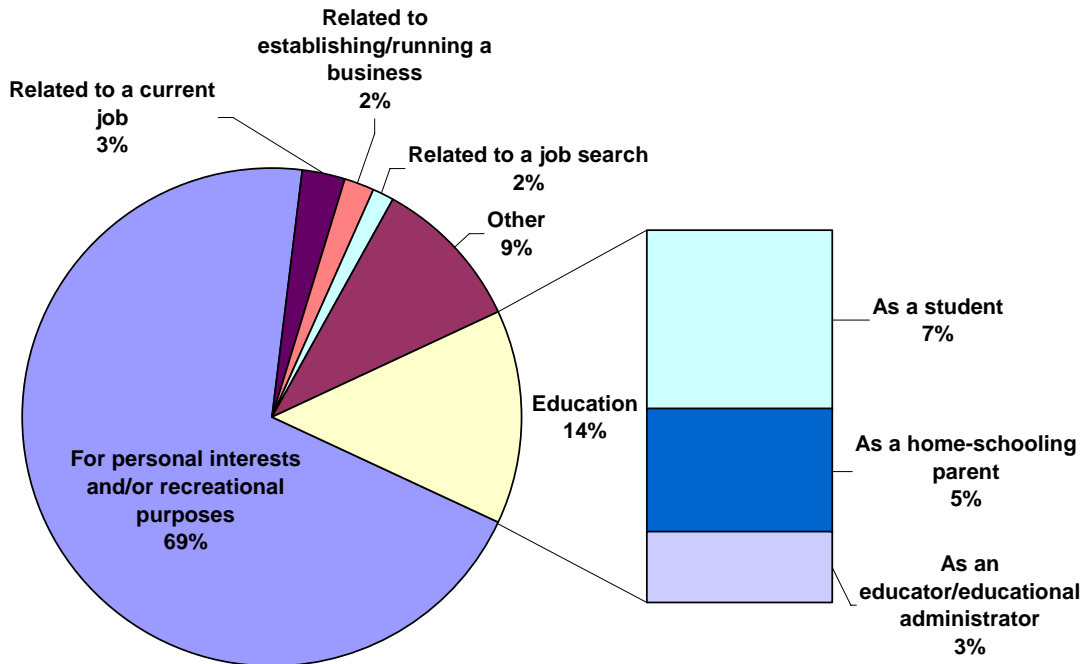
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The majority of respondents (69%) reported coming to the library primarily for personal interests and/or recreational purposes (see Chart 3). In addition, a large percentage of respondents came to the library for educational purposes (14%), meeting their needs as students, educators, and home-schooling parents. Job-related reasons also attracted visitors to the library (7%).

Chart 3

Return on Investment - Douglas County Libraries:
Primary Reason for Respondent's Trip to Library



Note: Due to rounding, percentages may not add up to 100%.

Douglas County Libraries Patron Comments

"My library is terrific! I love the online catalog and ability to reserve from home. I use the library for my kids and their homework, for family movies and music travel and consumer information and materials for substitute teaching."

"Libraries have been a major source of my educational and business research. Thank goodness for libraries and all they offer."

"Almost our entire curriculum is based on library resources. The wealth of information in our library resulted in my children excelling in school and graduating with scholarships. Thank you for public libraries!"

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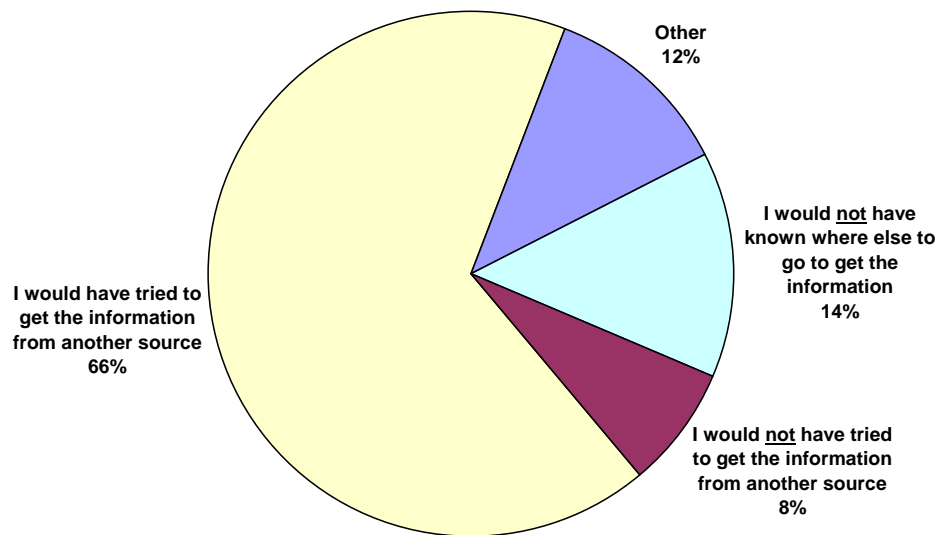
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Alternatives to Library Use

When asked what they would do to meet their information needs if the library did not exist, a majority of respondents (66%) said that they would have tried to get the information elsewhere (see Chart 4). However, 14 percent would not have known where else to go to get the information they received at the library, and another 8 percent would not have tried to get the information from another source. Without the library, the information needs of these users would not have been met.

Chart 4

Return on Investment - Douglas County Libraries:
Respondent's Alternative Strategy for Meeting Information Needs
If Library Did Not Exist



Douglas County Libraries Patron Comments

"The libraries are invaluable. Without them I would struggle with school."

"Public libraries with free access are a part of America and our country that make it great. If you go to a library in any city with a large immigrant base, they rely on these resources to learn, integrate, and advance themselves to become solid contributing members of our society. If you travel to countries that do not provide this service, poverty and ignorance keep the country and its citizens from improving their circumstances."

"It is one of the greatest resources in our community. A good library with many outreach programs for the community members increases the value of our community and the educational opportunities for children and adults."

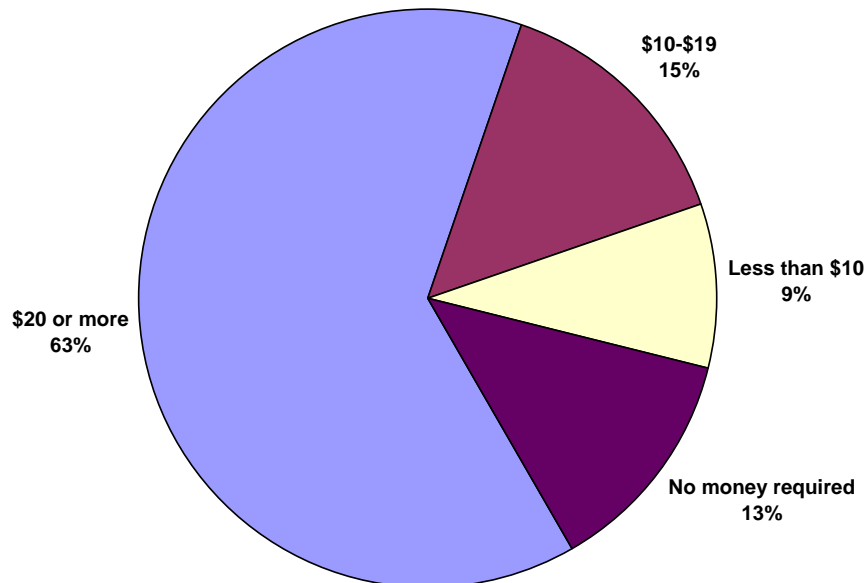
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Obtaining the information received during library visits would be expensive if acquired through alternative means. Respondents who would have tried to meet their information needs using an alternative source were asked to estimate how much money they would have spent using the other source. Over half (63%) of Douglas County Libraries respondents said that they would have spent at least \$20 to have their information needs met elsewhere. Fewer than one in five (13%) said that they would not have needed to spend any money to meet their information needs with an alternative source (see Chart 5).

Chart 5

**Return on Investment - Douglas County Libraries:
Respondent's Estimated Cost of Alternatives to Library Resources**



Douglas County Libraries Patron Comments

"The library is an excellent use of our tax dollars and a huge bargain. Keep up the good work!"

"The library is a very valuable resource. Saves my company thousands per year."

"I have learned more about my world through the library than I could have any other way."

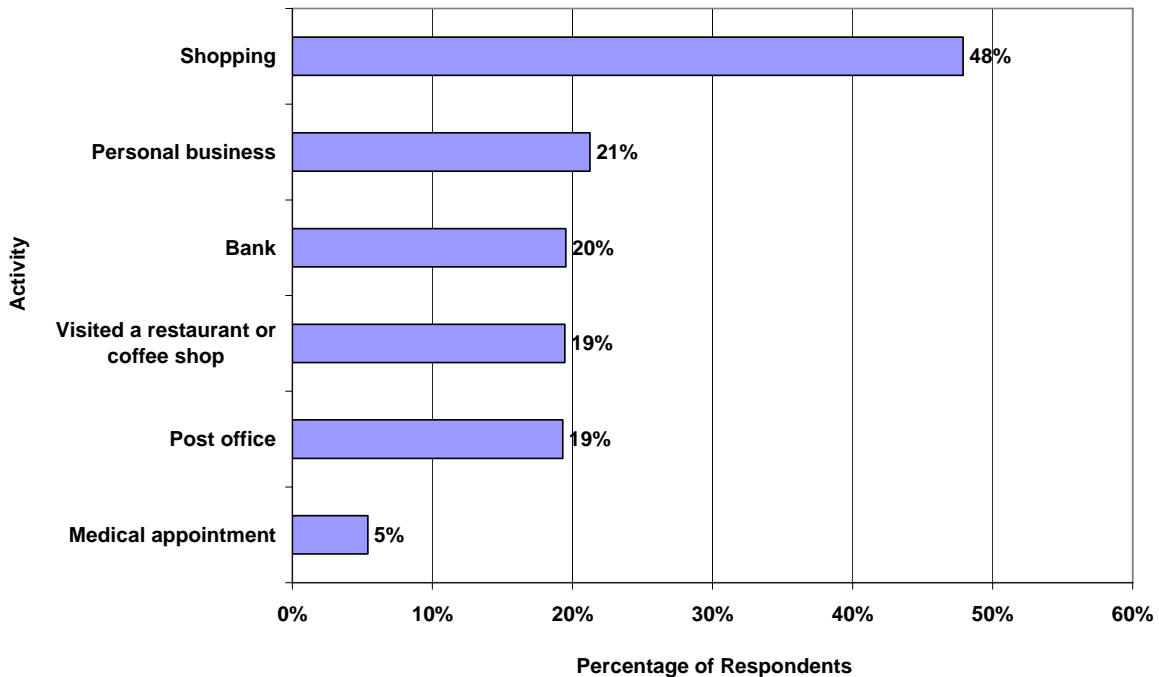
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Many respondents to the survey reported doing other activities or errands during the same trip as their visit to the library. The most likely peripheral activity, with 48 percent of respondents, was shopping (see Chart 6). Many respondents also reported attending to personal business (21%) and going to the bank (20%) during their trip. Additionally, many reported going to a restaurant or coffee shop (19%) or the post office (19%).¹⁰

Chart 6

Return on Investment - Douglas County Libraries:
Activities Performed by Respondent on the Same Trip as Library Visit



Douglas County Libraries Patron Comments

“It is a central part of our family and community life.”

“A public library is an investment in our citizens!”

“We LOVE the Douglas County libraries. I do all of my holds and renewals online. We check out music, movies, books and magazines. I am an artist and I can check out art instruction books to my hearts content.”

¹⁰ As noted in the section on methodology, a U.K. study reported that a portion of the spending on these “halo” activities would not have occurred if the library were not available.

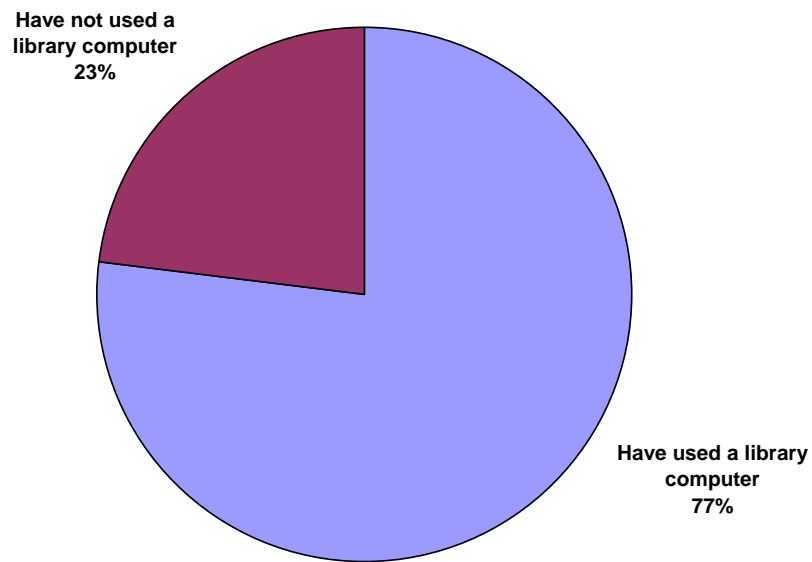
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Douglas County Libraries' computers are extremely popular with their users. More than three out of four respondents (77%) reported having used a library computer at some point (see Chart 7). The fact that so many patrons are using computers suggests that DCL is serving as a location to bridge the digital divide.

Chart 7

**Return on Investment - Douglas County Libraries:
Percentage of Respondents Who Have Used a Library Computer**



Douglas County Libraries Patron Comments

"I love the online (Internet) access - I search the catalog, reserve materials, and renew them all using the Internet. I occasionally read magazines and do research in Consumer Reports."

"Public libraries are one of the most essential institutions a government/civil society can provide."

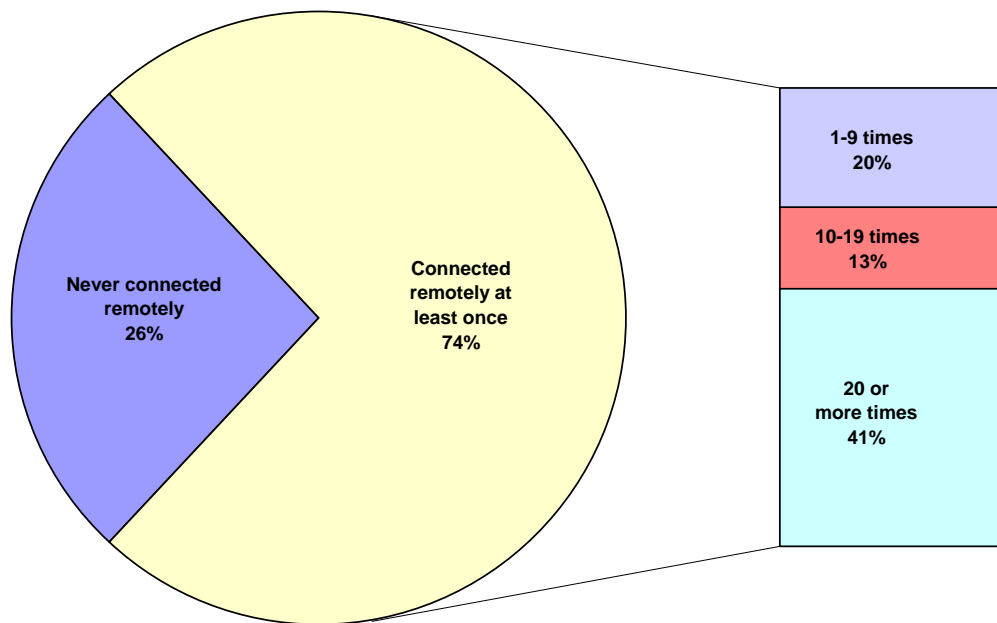
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In addition to in-library use, Douglas County Libraries' users appear to frequently connect to libraries from home. Almost three-quarters of the respondents to this survey (74%) had connected to a Colorado public library from a home computer in the past twelve months (See Chart 8). As with visits, those that connect do so often. Over two-fifths of the respondents (41%) had connected to a public library from home at least 20 times within the last year. Not only is the library a place to visit in the community, it is a place to visit in cyberspace as well.

Chart 8

Return on Investment - Douglas County Libraries:
Number of Times Respondent Connected to a Colorado Public Library
from a Home Computer in Last 12 Months



Douglas County Libraries Patron Comments

"I love the ability to log on at home, search the database, reserve books/materials and then only have to run into the library and pick them off the holds shelf and do self check out. It is very efficient and a time saver for a mom of three."

"I reserve books to be held for pick-up and I MUST say this is THE most convenient way to go. I am in and out of the library in less than one minute."

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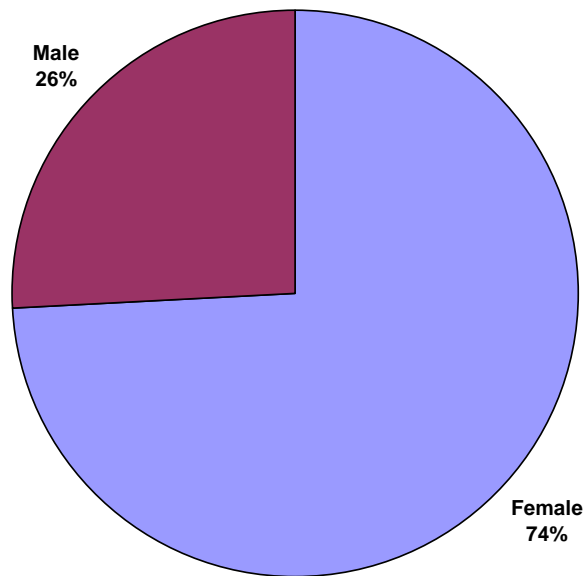
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Demographics

The following five charts illustrate the demographics of the respondents to the Douglas County Libraries ROI patron survey. Demographic data includes gender, age, highest level of education, race and ethnicity, and personal and household income.

Chart 9

**Return on Investment - Douglas County Libraries:
Respondents by Gender**



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Chart 10
Return on Investment - Douglas County Libraries:
Respondents by Age

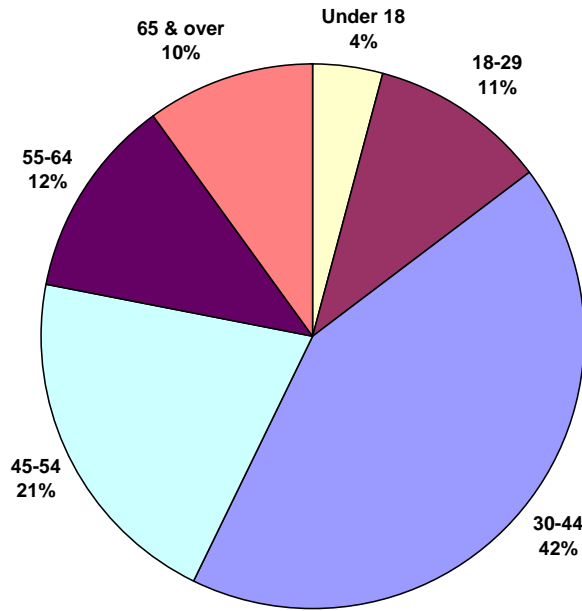
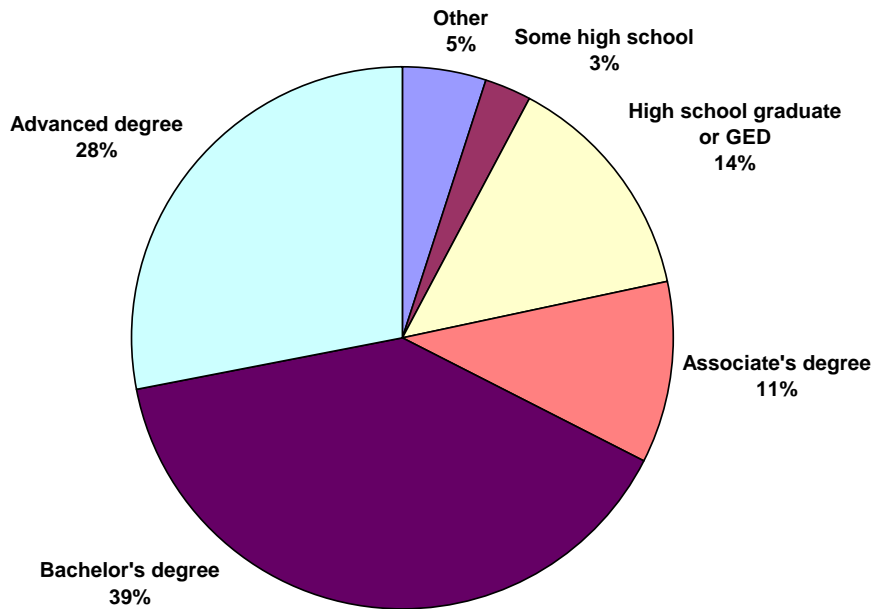


Chart 11
Return on Investment - Douglas County Libraries:
Respondents by Highest Level of Education

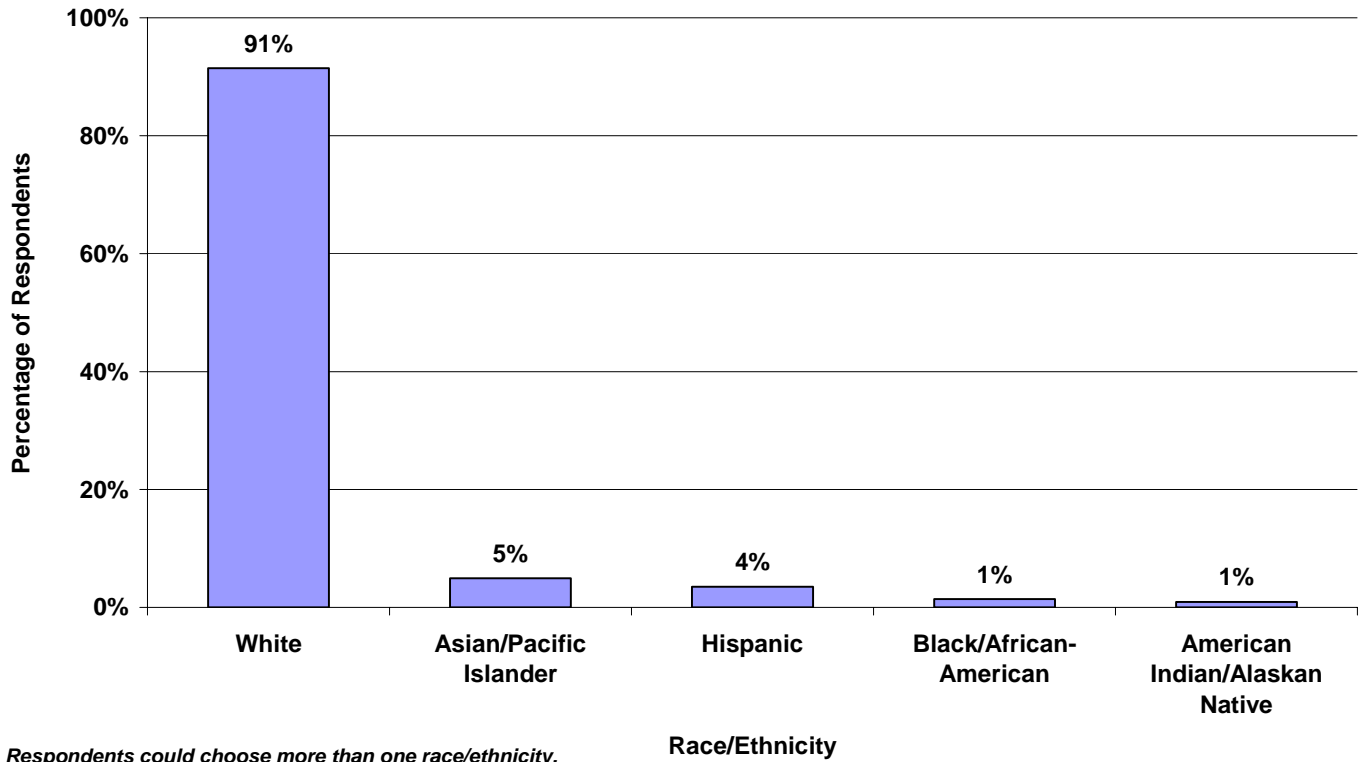


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Chart 12

Return on Investment - Douglas County Libraries:
Respondents by Race and Ethnicity



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Chart 13

Return on Investment - Douglas County Libraries:
Respondent's Personal and Household Income

