What kind of return can investment on UX bring to libraries?

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UX Workshop at LIBER 2016 Conference
Outline

- How important is it? – Results from the questionnaire
- ROI in private sector business (Why? & How?)
- User-Centered design in libraries (Input – output)
- Is it worth it? – Challenges of ROI of UX
- Which measure to use?
- How to measure return?
- Let’s try calculating the investment, at least…
How important is it? – Results from the questionnaire

- In your opinion, investment on UX is…

<table>
<thead>
<tr>
<th>Percentage</th>
<th>Total waste of money</th>
<th>Extremely profitable</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.0%</td>
<td>9,1%</td>
<td>27,3%</td>
</tr>
<tr>
<td>100,0%</td>
<td>18,2%</td>
<td>36,4%</td>
</tr>
</tbody>
</table>

(Results from the questionnaire)

Kaikki (KA:8.18, Hajonta:2.04) (Vastauksia:11)
ROI
= Return on Investment
= Measure of net benefits of a project/service against total costs
ROI in private sector business

Why?

- *Rational* comparison of projects for feasibility assessment
- Framework for performance expectations
- Forecast of the long-term value of capital expenditure
- Tool for strategic decision making

How?

- Risks, costs, and returns on investments, e.g.
  - break-even analysis
  - net present value (NPV)
  - discounted cash flow (DCF)
  - economic value-added (EVA)

- NB! Context dependent
User-Centered Design in Libraries

Input, output and “black box” design solution adapted from Hirsch, Fraser and Beckam 2004:

Current user behavior

Known impact

Known value

UX Design Intervention

Changed user behavior

Improved impact

Improved value
Is it worth it? – Challenges of ROI of UX

- No convincing and transferrable models easily available
  - Dependent on context and stakeholders
  - Private sector – public sector

- Which metrics to use?
  - User/customer behavior
  - Productivity
  - Value
    - Anthropological theory of value according to Graeber (2001): Sociological, **economic** and linguistic
    - Public value framework according to Crosswell, Burke & Pardo (2006): **Financial**, political, social, strategic, ideological, stewardship (~integrity)
Which measure to use?

- Human Factors International: The ROI of User Experience
  - Inspiring ideas
  - Tools for calculating ROI:
Assessing customers' satisfaction – Results from the questionnaire

- **Annual customer survey targeted to all customer groups**: 54.5%
- **Limited surveys targeted to a special customer group or service**: 45.5%
- **Polls at customer service desk**: 27.3%
- **Online polls**: 54.5%
- **Library web page usage**: 90.9%
- **Library system usage (e.g. number of queries)**: 81.8%
- **User tests or customer interviews**: 36.4%
- **Customer forums or councils**: 27.3%
- **Participatory design**: 18.2%
- **Customer diaries and probes**: 27.3%
- **Some other measurement, which**: 9.1%

Kaikki (KA:5.08, Hajonta:2.61) (Vastauksia:11)

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How to measure return?

Identifying connection between user behavior and business goals
adapted from Hirsch, Fraser and Beckam 2004:

**Business Problem**

- **WEBSHOP**
  - Increase leads
- **FINNA.FI**
  - Increase use of the service

**Desired User Behaviour**

- User requests contact
- User visits the service

**Behaviour Metric**

- Leads per month
- Unique visits per month

**Value Metric**

- € per lead
- € per visit

**Financial Metric**

- € per project (per month)
- € per service (per month)
Return per month/year

Investment per month/year
Let’s try calculating the investment, at least...
Coffee table – Round 4 Instructions

1. Choose **secretary** for your group
   - The secretary will sum up the outcome of your table.

2. Have a look at the **case** that your table discussed during the 3\(^{rd}\) round

3. What kinds of **investments on user-centered design and user experience** there could/should be?
   - Use the **service blueprint model** as a starting point

+ Discuss how the return of the case could be evaluated (in €).
Thank you for your contribution!

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