

THE TRUE VALUE OF INFORMATION: MAKING THE CASE FOR VALUE-ADDED AGGREGATORS

By Mary Ellen Bates,
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THE TRUE VALUE OF INFORMATION: MAKING THE CASE FOR VALUE-ADDED AGGREGATORS

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FOREWORD

Knowledge professionals in successful organizations play a critical role in providing essential information to those who need it. However, there is a common misperception that most business-critical information can be accessed on the Web for free.

Mary Ellen Bates, Founder and President of Bates Information Services, is one of the nation's leading experts in customized information research. Mary Ellen has written six books and hundreds of bylined articles and white papers on various aspects of research and information-gathering; this is the third time she has helped Dow Jones to address the important topic of value-added aggregators.

With the rise of Google and the staggering amount of information available on the Web, information professionals struggle to collect and distribute the information needed by their colleagues to react to competitor movement, identify new opportunities, avert risks, and detect industry or market trends and patterns. And while one might assume that Google searches the same topic in the same way for every user, the contrary is actually true; Google filters search results based on each user's past behavior.

Value-added aggregators, such as Factiva, allow information professionals to spend less time looking for information and more time doing something constructive with it. More than 92% of respondents in a recent survey reported that Factiva saved them time and improved productivity. Some additional indicators of a positive Return on Information (ROI) for value-added aggregators include:

- Better perspective on competitors
- New ideas for the product development team
- Better connections with new markets, clients and opportunities
- Improved processes and better strategic decisions

We are pleased to present Mary Ellen Bates' well-researched and thoughtful insights on the value of strategic information acquired using intelligence tools. It is our hope that this white paper will paint a compelling picture of the pivotal role that value-added aggregators, such as Factiva, play in helping information professionals connect with the news that truly matters.

Anne Caputo

Executive Director, Learning & InfoPro Programs
Dow Jones & Company

INTRODUCTION

We are either suffering from or are the beneficiaries of an explosion in digital content. Newspapers have shifted their focus from print copies thumping on our front steps to constantly updated info-bites consumed on mobile devices. Amazon.com is selling more Kindle editions than print books. Not only does virtually every print publisher have a presence on the Web, but digital-only publishers are becoming mainstream. Even the rarified air of peer-reviewed journals is feeling the impact; the Public Library of Science (plos.org) publishes seven online, peer-reviewed scientific and medical journals that are “open access” – that is, freely available for readers to print, distribute and use with attribution.

The Pew Internet & American Life Project recently looked at who purchases online content. Among households with incomes of \$75,000 or more, a quarter have paid for digital news and one in six have paid for access to members-only premium content. While there is still an impression that all news is available on the Web for free, professionals and executives are more likely to have first-hand appreciation of fee-based content.

And yet there is reluctance on the part of many organizations to subscribe to fee-based news aggregators' services. One reason may be that, when presented with an immediate need for information and a price tag on that information, people are willing to pay. The connection between payment and value is clear and immediate. Making the value proposition for an annual contract for value-added news and information is more difficult; “you can just Google it” is often the first reaction.

In order to make a case for fee-based information, info pros can take a variety of approaches.

- There's still no free lunch; trends are toward less accessibility of information, not more
- Search engines aren't the tools for strategic business research
- There are measurable ROIs in using fee-based aggregators
- Value-added business news enables info pros to move up the value chain and offer higher-end information products

Let's look at each of these approaches.

THERE'S STILL NO FREE LUNCH

Back in 1985, Stewart Brand, innovator and critical thinker, famously opined that “information wants to be free.” And, indeed, the amount of information that content creators make available on the Web for free is daunting. But the rest of Brand’s quote proved to be even more prescient.

Information wants to be free. Information also wants to be expensive. Information wants to be free because it has become so cheap to distribute, copy, and recombine – too cheap to meter. It wants to be expensive because **it can be immeasurably valuable to the recipient**. That tension will not go away. It leads to endless wrenching debate about price, copyright, ‘intellectual property’, the moral rightness of casual distribution, because each round of new devices makes the tension worse, not better. (The Media Lab)

A quarter century after Brand described this tension surrounding information dissemination, info pros are wise to note what he described as valuable, or “expensive,” information. Yes, information in the aggregate has little intrinsic value; it gains value in the context of an individual recipient.

Publishers have taken Brand’s inspiration to heart, although many have had a difficult time selling online subscriptions to their content. They know that a particular article may be “valuable” to an individual right now, and many have established pay-walls to collect a fee for each article that someone sees as “valuable.”

Information per se
has little intrinsic
value; it gains value
in the context
of a client.

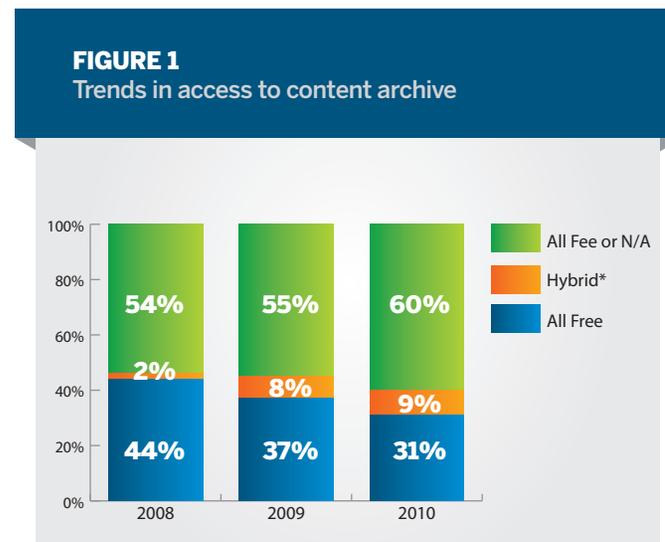
In a move to expand the value from individual articles to offering access to a wide range of multimedia content, the New York Times introduced a metered model for its Web content in March 2011. Online users who do not subscribe to the print edition have access to a limited number of articles for free, before being required to subscribe; currently, an annual subscription costs from \$195 to \$455. Other publishers of business news have taken the same approach, including the Economist (\$110/year), the Financial Times (\$260/year), American Banker (\$995/year) and Broadcast (\$365/year). In essence, info pros are required to purchase access to multiple information sources just in case there is a need for them. This presents significant issues regarding predictability in budgeting, as there is no assurance that subscriptions will not rise, that the

publisher will continue to make an archive available, or that other publishers won't begin requiring subscriptions.

This trend of making a distinction between free information and "valuable" information is reflected in an internal study conducted by Dow Jones. A strategic analyst identified the percentage of key business news and information sources in Dow Jones's Factiva service that are available for free on the Web, and what portion are either fee-based or a hybrid combination of free and fee. The study looked at both timely access to the current edition of each publication and access to an archive extending back at least a month. When compared to similar data from 2008, the trends are striking.

As Figure 1 shows, in 2008, 44% of the publications surveyed made all their archival content available for free on their website, while 54% either had no available archive or required payment to access the content. Only 2% of publications had a hybrid free/fee structure.

By the end of 2010, there was a noticeable trend away from free content and toward a fee-based model. In 2010, only 31% of the sources offered a free archive and 69% were either charging for at least some of their archival content or did not make their archive available over the Web.



*Note that some of the hybrid free/fee sites make a very limited number of “teaser” articles available for free, or limit the number of articles that can be downloaded, followed by an invitation to subscribe.

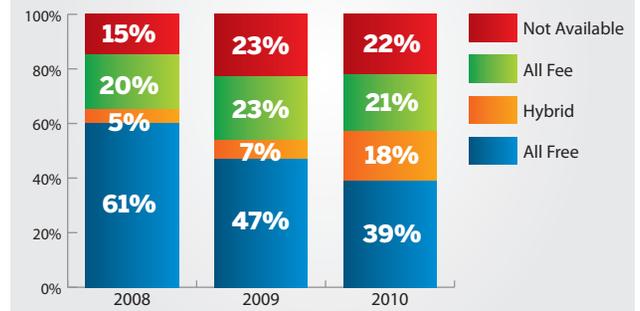
TAKE AWAYS

- » Publishers are pulling back from free access to their content; almost two-thirds of key business and information sources aren't available for free.
- » A growing number of publishers are requiring monthly subscriptions rather than offering articles on an ad hoc basis, significantly adding to the information budget.

While retrospective searching is important to researchers, the ability to monitor the current environment is just as essential. This is where the story is even more striking. In Dow Jones's study, free access to the current issue of key business information sources has dropped from a high of 61% in 2008 to today's low of 39%. Relying on free sources on the Web means you could miss almost two-thirds of the news available through fee-based aggregators.

Significantly, half of the "all fee or not available" sources offer no Web access to their current content at any price. And of the sources that do provide full access to the current issue, not all have tools for monitoring that publication for information on specific topics or organizations; creating separate alerts on each publisher's website is time-consuming to set up and maintain.

FIGURE 2
Trends in access to current news



CAN'T YOU JUST GOOGLE THAT?

Most people assume that everyone has the same version of Google; if you search Google News for updates on an earthquake, you will see the same information that everyone else is seeing, right? Eli Pariser, author of *The Filter Bubble: What the Internet Is Hiding From You*, examines the implications of Google's change in how it calculates relevance. In December 2009, Google initiated its "personalization" feature, in which it uses 54 signals (what browser version you're using, your prior searches, location, and so on) to customize search results for each user. As Pariser explains it:

Most of us assume that when we google a term, we all see the same results [...] But since December 2009, this is no longer true. Now you get the result that Google's algorithm suggests is best for you in particular – and someone else may see something completely different. In other words, there is no standard Google anymore.

An informal survey conducted by Mary Ellen Bates in August 2011 showed that only 11% of users saw the same three top results for the same search in Google News at the same time. In fact, 20% of the respondents saw at least one unique news story, i.e., one that did not show up among the top three headlines of any other search result. (The survey results are at http://www.librarianoffortune.com/librarian_of_fortune/2011/09/is-google-really-filtering-my-news.html.)

Since this personalization is done regardless of whether the searcher is signed in and since it cannot be disabled, info pros cannot assume that they are seeing the same news on Google that their competitor, colleague or client is seeing.

On top of that, relying on Google News for any information published more than a couple of months back soon may no longer be possible. In August 2011, Google eliminated the landing page for Google News Archive, the collection of free and fee-based articles that date back more than a month or so. The archive is still available by changing the date filter in the Google News advanced search page, but this suggests that Google may be phasing out access to its archive and focusing exclusively on access to current information.

Even so, we seem to have more information than we can use. A study by the Pew Research Center found that 70% of people say they are overwhelmed by the amount of news and information available today.

One of the contributing factors to that feeling of being overwhelmed is that looking for information has gotten harder as more material is added to the Web. Because of the full-page indexing of search engines and lack of consistent and meaningful metadata, an equivalent search retrieves far more irrelevant content on the Web than when searching an aggregator.

To find out what their company's competitors are doing, info pros will monitor a range of industry and trade publications, for example. Value-added aggregators enable searchers to limit their alert by type of source in an aggregator's site. This type of filter cannot be set in Google News Alerts – the only option is to search for specific sources by name, a time-consuming process.

A comparison between the functionalities of Google News Alerts and the alert service of a value-added aggregator reveals the limitations of relying on Google for monitoring the competitive environment. Figure 3 looks at the distinctive features of Google News Alerts and Factiva Alerts.

Figure 3: News Alert Feature Comparison

	Google News Alert	Factiva Alerts	Comparison
Find two concepts discussed together	"social media" AROUND(10) "financial services" (within 10 words, in either order)	social media ADJ10 financial services (within 10 words, in that order) social media NEAR10 financial services (within 10 words, in either order) social media SAME financial services (within the same paragraph, in either order)	More focused search possible with aggregator
Focus a search	allintitle: Samsung (Samsung must appear in title) allintext: Toyota (Toyota must appear in text) allinurl: Toyota (Toyota must appear in article URL)	hl=Samsung (Samsung must appear in headline) hlp=Samsung (Samsung must appear in headline or lead paragraph) td=Samsung (Samsung must appear in the remaining text) Toyota/f100/ (Toyota must appear in first 100 words of article) wc>700 (Article must have more than 700 words) fds=applc (search for articles tagged for Apple Computer)	Better filter and focus options with aggregator
Find word variants	(Word-stemming happens automatically) +globalization (Adding + at start of words disables stemming)	earn\$4 (up to 4 characters after earn) telecom* (any number of characters after telecom) globali?ation (any single character can replace the ?)	Far more flexibility with aggregator
Limit by:	source:cnn (limit by individual source) author:Mossberg (limit by author) location:belgium (limit by country or U.S. state)	Limit by source: rst=nwsrm (CNN Newsroom) rst=tmbas (all major Asian news sources) Limit by author: by=mossberg Limit by region: re=meastz (Middle East countries) re=use (Northeast U.S.) Limit by subject: NS=C22 (articles on new products or services) Limit by industry: in=iaer (aerospace & defense industry)	Far better options to focus a search with aggregator

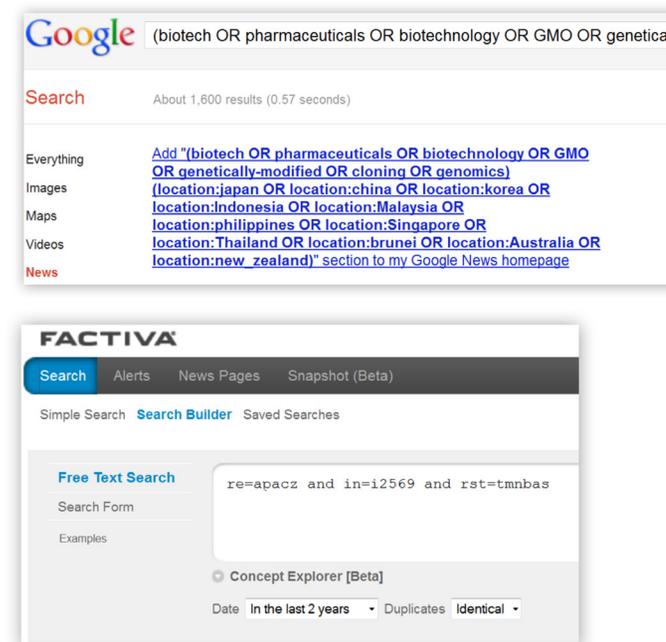
TAKE AWAYS

- » Publishers are moving toward fee-based access to content, including requiring digital subscriptions.
- » Google News search results are filtered based on user behavior, limiting a searcher from seeing the full spectrum of news available.
- » The search features that info pros need for strategic news monitoring are available on fee-based aggregators but not on Google News.

Google is fine-tuned for relatively straightforward searches, involving no more than two or three words. Information professionals, however, need powerful search tools that can filter across a broad or a specific range of sources, and that will search for a number of synonyms and related concepts. Compare the search strategies required for monitoring news on the biotech sector in the major business publications in the Asia-Pacific region through Google News and through a value-added aggregator. Info pros need to construct queries that capture the various aspects of a topic, without being inundated by irrelevant material. Figure 4 shows what a business search query looks like in Google News and Factiva.

Another disadvantage of Google News is that it cannot limit a search to business-related news as can a value-added aggregator. The Google News search described above retrieves news from sources such as Horsetalk, Health Talk and You, Green Left Weekly and Korea IT Times. An aggregator allows a search focused on titles like Nikkei Weekly, China Daily and The Wall Street Journal Asia, which are much more likely to have the strategic information an organization needs in order to stay competitive.

Figure 4: News Alert Query Comparison



[re=apacz limits the search to news about Asia-Pac]

[in=i2569 limits the search to articles on biotechnology]

[rst=tmnbas limits the search to major news and business publications in the Asia-Pac region]

RETURN ON INFORMATION

Demonstrating the return on an organization's investments in information resources has always been challenging for info pros. In order to measure the ROI of "soft" investments such as a subscription with a value-added aggregator, they have to decide what metrics will most accurately reflect the value of getting the right information to the right person at the right time.

While some information centers count usage as a proxy for value, activity does not necessarily equate to productivity. While it is more challenging to track the ultimate result, which occurs outside the information center, that is where strategic measurements can be found.

The insight and analysis provided by info pros can ripple throughout an organization. Calculating value means examining how the information affects the organization as a whole in ways that are valued and that can be measured, or at least identified. When making a business case for a value-added aggregator, the time saved can be a compelling argument.

According to a survey of clients reported in Return on Intelligence: How Integrated Information Advances Business Metrics, an e-book published by Dow Jones, 92% of users found that Factiva saves them time and helps them be more productive. Two-thirds said that Factiva saves them 1 to 2 hours a week; a quarter said it saves them 3 to 4 hours a week; 10% said they save 5 hours or more a week.

While other benefits are not as quantifiable as time savings, value-adding aggregators have impact far beyond the information center:

- By setting up customized news alerts, sales professionals and account executives can monitor their markets, identify new prospects and find new opportunities.
- By watching for best practices and case studies in their industry, organizations can constantly improve processes and approaches and enhance competitiveness.
- Executives can better identify opportunities and opportunity costs, and make better strategic decisions. Access to the most relevant information means that executives consider all the factors important to the organization and the competitive environment.

Using a value-adding aggregator also enables an organization to understand clients' competitive pressures and needs, and proactively offer solutions to those concerns. As one Factiva client quoted in Return on Intelligence put it, "I can get market and company news in English for all the European countries in which we are interested, all in one source. It would take me hours to find alternative English language sources providing the same or similar information."

TAKE AWAYS

- » An information center staffed with 10 info pros could save over 20 hours a week by having access to a value-added aggregator service.
- » Info pros are involved in the strategic decisions of the organization. They can demonstrate this by linking their metrics to those of their constituencies.

To gather truly compelling measurements, look at each of the core constituencies within the organization and consider what “return” looks like in each context. What are the metrics used by each group to measure its own performance, and how can the information center measurably increase each group’s performance?

- A procurement director monitors cost of materials; monitoring the political stability of the source countries enables the company to anticipate and prevent supply interruptions.
- Customer retention can be enhanced by enabling account executives to better understand their clients’ industries and competitive pressures.

- Human resources departments work to reduce employee turnover and increase employee satisfaction and productivity; they benefit from monitoring best practices in the industry and around the world.
- Product development teams need a pipeline of new product ideas as well as a current picture of their key competitors and the issues affecting their industry.

Info pros can directly and measurably contribute to the strategic direction of the organization by identifying what has measurable strategic importance to their organization and developing information deliverables that address those concerns.

CREATING AND ADDING VALUE

The Alignment Project, a research study conducted by the Special Libraries Association (www.sla.org/alignment), identified the services that executives most value in info pros – providing competitive intelligence information and getting the right information delivered to their desktop. This suggests that info pros can spend less time looking for information and more time doing something with it... making it “expensive” in Stewart Brand’s words.

The Dow Jones ROI paper mentioned earlier found that over 90% of users saved time by using Factiva. Without a value-added aggregator, info pros would have spent time going from one publisher’s website to another, using rudimentary search tools and finding that what they want is behind a pay-wall.

The challenge in searching for business-related blogs is even greater. According to ComScore, in the first nine months of 2011 the number of blogs increased 12%, to 171 million. Finding relevant business content in blogs means wading through pages of irrelevant content on a blog search engine. Value-added aggregators, on

the other hand, have identified the key blogs and made the content searchable with the power tools info pros need.

With the time saved with an aggregator, info pros can focus on adding their value to the content. Since the information from an aggregator is uniform in appearance, they don’t have to spend time converting free Web content to a consistent format. Value-added aggregators also offer tools for data analysis and insight, enabling info pros to detect trends, patterns and outliers not immediately obvious by reviewing the results.

Info pros have the tools to “widgetize” information – extracting valuable content from a data flow of business news and information, and delivering it to the right people in a format and with the functionality they need. Free Web news sources are designed as ‘one size fits all’; the user is sent whatever matched the keywords, in whatever format and from whatever source it happened to appear in.

TAKE AWAYS

- » With the time saved with an aggregator, info pros can focus on adding their value to the content.
- » Web alerts are ‘one size fits all’; with an aggregator, info pros can ‘widgetize’ information for each client’s needs.
- » Value-adding info pros learn what a client’s objective is and how they can enable the client to best meet that objective.

With the power tools of a value-added aggregator, info pros can add intelligence and insight to information, turning it into something uniquely valuable to each client. An info pro can:

- create e-newsletters to deliver content, using ‘drag, drop and deliver’ tools (For more information, see the Dow Jones e-book, *The Art of E-Newsletters: Ideas to Effectively Create and Market Electronic Newsletters*)
- feed news to public relations professionals, enabling them to quickly address reputation issues with key influencers
- create filters so CI professionals can monitor global sources, in multiple languages
- keep sales executives updated on their accounts through focused alerts
- monitor the target market for a product team
- build triggers to generate sales calls based on specific news items
- distribute copyright-compliant content to a project team
- provide authoritative and permanent sources, as opposed to impermanent URLs
- offer editorially managed news feeds on key issues to knowledge workers
- build alerts to update compliance managers on public figures and companies they do business with

To make the most strategic use of information, info pros learn what a client’s objective is – client retention, risk reduction, market insight, trademark protection – and then ask how they can most effectively help the client to meet that objective. The more info pros can get connected with the final use of information, the greater value they provide.

Most knowledge workers are far more familiar with open Web sources than they are with the features and capabilities of value-added aggregators. As a result, they may not realize that they have access to customized feeds from insightful sources. Info pros can raise the commitment within their organizations to strategic information sources by communicating the value and variety of intelligence tools available, through as many channels as possible.

WANT MORE INFORMATION?

Measuring Return on Investment, Jan Sykes. Dow Jones Knowledge Professionals Toolkit. 2011 http://know.dowjones.com/wp-content/themes/knowledgecenter/pdf/ROI_HiRes.pdf

Pay Now or Pay Later: Exposing the Hidden Cost of “Free” Information, Brigitte Ricou-Bellan. Dow Jones e-book. 2009 http://solutions.dowjones.com/ebook/2009/PDF/PNPL_ebook.pdf

Return on Intelligence: How Integrated Information Advances Business Metrics, Brigitte Ricou-Bellan. Dow Jones e-book. 2009 http://solutions.dowjones.com/ebook/2009/roi/ROI_eBook.pdf

i “65% of Internet Users Have Paid for Online Content,” Pew Internet & American Life Project. Dec. 30, 2010. pewinternet.org/Reports/2010/Paying-for-Content.aspx

ii First appeared in the May 1985 Whole Earth Review; this wording from The Media Lab: Inventing the Future at MIT, Stewart Brand, New York, N.Y. Viking, 1987.

iii “65% of Internet Users Have Paid for Online Content,” Jim Jansen, Dec. 30, 2010. <http://www.pewinternet.org/Reports/2010/Paying-for-Content/Report/1-Background-Importance-and-implications-of-paying-for-online-content.aspx>

iv Calculation based on breakdown of time saved in ROI e-book, calculated conservatively.
92% said Factiva saves them time. Of that 92%, 64% saved 1-2 hours/week (averaged at 1.25 hours);
26% saved 3-4 hours/week (averaged at 3.25); and 10% saved 5 hours or more (averaged at 7 hours/week)

FOR STAFF OF 10 PEOPLE:

1 person saved no time

6 people saved 1.25 hours/week each + 2 people saved 3.25 hours/week each + 1 person saved 7 hours/week =21 hours/week saved

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