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SIIA INFORMATION INDUSTRY SUMMIT: CONTENT IN A SELF-ORGANIZING WORLD

by Steve Sieck, Managing Partner, EPS-USA

At this week's conference in New York, many established information industry players gathered under the theme of "connecting for growth."

Discussions returned repeatedly to the challenges of moving from a "command and control" publishing model to one that requires the ability to thrive within an increasingly interconnected information ecosystem of search engines, user-generated content, on-demand web services, and end-user workflows.

We've just begun reading James Surowieki's "The Wisdom of Crowds," which explores the seemingly counterintuitive idea that large groups of people are "smarter" than elite experts, and that such collective wisdom is increasingly shaping business and society. This idea, with its broad and powerful implications, emerged as a major theme of the conference, as many of the event's speakers and participants described how the supply-driven approaches of traditional publishing are confronting the challenges and opportunities of 'connecting' and blending with the organic collectivity of the internet.

Naturally, the impact of search engines (the announcement of Google's remarkable billion-dollar fourth quarter came during the conference's first day) and blogs figured prominently in presentations and discussions.

One of the keynote speakers, CNET founder Halsey Minor, noted that the power of self-organizing systems applies not only to Google's underlying PageRank system (in which the community ultimately shapes what is considered most relevant to a given search), and its (auction-based) determination of pricing for keyword advertising, but even to how it organizes itself internally: development projects live or die by the number of developers who individually choose to get involved. Minor posed the question of the day this way: what if the collective wisdom of the internet became a substitute for journalists and editors? One of countless possible answers was illustrated by Corzen CEO Bruce Murray. At Corzen (EPS Insights, 12 November, 2004), whose technology automatically measures the patterns of online recruitment advertising to provide strategic intelligence and sales leads, one of the criteria for new products is that (like Google News) they require no human intervention.

Another panelist, CEO Kelly Gay of KnowledgeStorm - which provides information for a huge audience of buyers of IT products and services - described how her company organizes content available elsewhere on the web, and derives traffic and leads from a network of some 80 partner sites.

EPS Chairman David Worlock, moderating a session on "Leveraging and Extending Your Content," noted how content providers are now "allowing customers to use your information in a way that years ago would have been regarded as 'out of control.'" The Associated Press's chief strategy officer, Jim Kennedy, described the challenges of "training a new generation of AP journalists in these technologies, and the

intrusion of the audience into the news gathering and information flow," recognizing that "the audience wants to participate." Azhar Rafee, SVP for Reuters.com, compared the blogosphere favorably to his company's experience with content aggregators: whereas the latter, he argued, tended to submerge the company's brand, bloggers support the brand by linking to Reuters.com and adding value through their commentary. From another perspective, the new, organic empowerment of users was noted by Thomson Scientific & Healthcare chief strategist Shahir Kassam-Adams: he described the challenge of new-generation information solutions like the recently launched Thomson Pharma (EPS Insights, 23 December, 2004): "to have...solutions that you are continuously monitoring and refining - seeing what customers are using it for, and modifying it."

AOL's Ted Leonsis, a long-time champion of the intersection of content and community who cited "The Wisdom of Crowds" in his remarks, described his business as a "government unto itself, where we get voted on every day"

and where reliable connectivity, security, and privacy are comparable to electricity and clean water. He related how pre-election polls within the AOL community turned out to be amazingly accurate in predicting the Bush margin of victory - a discovery that the company expects to apply to future prediction opportunities. And Halsey Minor provided another example of the "organic" publishing models of the future: his company, Grand Central Communications, a web services technology provider, is enabling e-commerce environments where information about suppliers and customers, traditionally sold only in batches, is accessed by event-driven processes and "consumed massively on a one-off basis."

Thomson's Kassam-Adams provided perhaps the most colorful - and apt - metaphor for the opportunities and challenges facing content providers in a radically more interdependent infosphere. He argued that, as traditional publishers, "we sit on these containers of content with a feeling of invincibility....in my view these containers are powder kegs...although we talk about search engines as though they're outside of us, they have a well-deserved seat at our table....Search engines and blogs, under the guise of illuminating the world, are really lighting matches....we have a choice between an uncontrolled explosion that destroys a lot of value, or leveraging these technologies and turning a potential nuclear bomb into a source of safe, clean energy for a long time to come."

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