Abstract:
The continuing development of digital technology and interconnected digital and global networking are radically transforming media and information markets, cost and value structures, and consumer attitudes and expectations. This is contributing to a shift from a perception of traditional media products as the focus of consumer interest to an interest in content, with the media form of interest only to the degree to which it adds value to media consumption. This suggests a need for media and libraries to shift from thinking of themselves as distributors of specific media (newspaper, radio, TV, books, etc.) to a more generalized provider of access to information. They, as well as emerging cross-media platforms (Internet TV, Mobile TV, Cell TV, etc.) and digital media products, need to focus on not merely on providing valued content, but on identifying and taking advantage of the appropriate content added-value that new products and services bring.

Transforming information markets: Implications of the digital network economy
Historically, there has been a tendency to conflate content with medium. We tend to think, and speak, of books, newspapers, radio, records, and movies as products and the sources of value, and as separate and distinctive media industries and markets. Talk to a station owner, and he will tell you that he’s a broadcaster. A publisher is in the book business. Talk to a media consumer, and they would tell you that they enjoyed watching TV, listening to a record, or reading a book. A library was a physical repository for books and journals. Because content came embodied in distinctive physical forms and media, and firms did not tend to compete across the old industrial boundaries, people tended to equate the content with the media form.

That's beginning to change, however. Talk to a student today about their media use and they'll be more likely to talk about content -- listening to music, watching basketball or an old movie, reading a story. Ask them whether the basketball game they're watching comes to their screen from an over-the-air broadcaster, cable, satellite programmer, or even the internet, and they're likely to have to think about it. Ask them about how they get the music they listen to, or the latest news, and they'll name a range of sources and media.

This is one of the more consequential impacts of what has been called the Information, or Digital, Age. The rise of digital technology and the growth of telecommunications networks are radically and permanently transforming media markets (Anderson, 2006; Benkler, 2006; Brynjolfsson & Kahin, 2000). From our perspective, the most important transformation is the change in the information marketplace; the shifting cost structures that have led to an increase in media capacity while reducing or removing many of the old market barriers (DeLong & Froomkin, 2000; McKnight & Bailey, 1997). Content is no longer restricted to a single medium of distribution, but is often available through multiple channels and in multiple forms. And people are remembering that it is the content that is the primary and fundamental source of value in the media product (Bates, 1988, 1990).

Neither the old nor the new media can afford to proceed as if they had a monopoly on some content form or media product and an eager but passive audience; that they have a market all to themselves. Similarly, libraries face new challenges and competition; no longer simple repositories, they are access sites and competing with alternative storage, retrieval, and distribution systems. Both media and libraries have to recognize the impact of the digital revolution on media markets: recognizing that consumers increasingly place little value on the medium per se; rather, value lies in content (information) and their ability to find, access, and utilize it.

Of course, there are still aspects that are media-dependent, and can serve as the focal points for competitive marketing. There are, and will remain, a variety of ways in which a particular medium or
service can add value to the base information product. In fact, libraries and librarianship, embraced these ideas early; libraries not merely housed the books, but provided the added value of referencing, recommendations, improved access, and a range of other services that added value for themselves, their users, and for society more generally. In the new competitive environment, those are the areas where media and services will increasingly compete.

This paper will begin by discussing the economic and structural factors that contributed to the initial identification of content with medium, and which formed the basis of the old media/information market model. I will consider how the perceptions of information goods and products distinctive forms in unique markets had influenced consumer behavior, and thus demand characteristics. I will then discuss how the digital revolution is changing that market model, and contributing to the de-linking of the information “dual good” of content and distribution form. I will look at the changes in the information marketplace and in supply and demand attributes that emerge when the focus of value shifts from the physical joint good that is costly to reproduce to the non-physical content that is inexpensive to reproduce and distribute along digital networks. I will then talk about the implications of these shifts for media and media management strategies.

The Old Media/Information Environment

From the beginning, there was communication, the transmission of meaning between individuals; and communication made socialization and society possible. Even at its most basic level, communication combined message (content) with transmission (medium). As communication and information needs increased over the ages, people found ways to facilitate its distribution through the application of technology. The first great transition was the development of the word, that is, symbolism and language (Fidler, 1997), which enabled the standardization of meaning and provided for efficiency in communication (Hauser, 1996). However, with speech and language, communication was still in the moment, contemporaneous, and clearly among individuals. The message, in other words, was linked to the creator, who was also the disseminator. The message was tied to the speaker.

The next major evolutionary stage was the development of writing, which enabled communication to transcend the immediacy of the moment (Fidler, 1997). Writing was also tied to medium, as writing had to be done on something. From markings on cave walls to writing and printing, a link was established between the informational content and the physical medium used to facilitate distribution of that content (Innis, 1972, 1991). Once again, people extended this linking to their perceptions – the message was tied to the tablet, the temple walls, the papyrus, the book.

With the rise of economics and its focus on value, economists began to recognize that there was a problem with this perception, as the value of the information goods was not the same as the value of the physical medium. This fostered the concept of information products as dual goods: the combination of the informational content and the physical media distribution form (Albarran, 2002; Arrow, 1984; Babe, 1995; Bates, 1987; Kingma, 2001; Lamberton, 1971). As people increasingly identified the content with the media form, they tended to ignore the dual goods aspect; they increasingly identified the information content as a component of the physical good, forming the foundation for some of the problematic aspects of basic media and information economics (Bates, 1988, 1990).

The identification of content with medium was supported by the increasing differentiation of media and its products over time. New media enabled the distribution of new types of information goods and products. Movies brought motion, radio brought sound. Technology also brought changes to market structures that tended to accentuate media distinctions. Aspects of the technology and its economics created biases that influenced the nature of the content and its use (Innis, 1972, 1991; McLuhan, 1994), further linking content and medium. These biases can also be thought of as the distinctive characteristics of media, markets, and products. Economic efficiency in distribution networks also required that media and content forms be tailored to one another (Bates and Albright, 2006; Shy, 2001), in order to take advantage of particular characteristics of the information product and market.

The rise of mass production systems exacerbated this trend, placing greater emphasis on controlling and limiting physical production and distribution costs in order to maximize revenues. Thus, media differentiated, into analog and physical forms that were relatively expensive and/or difficult to convert from one format to another, in most cases. Even where the content was similar (say movies and television), the distribution systems and consumption experiences tended to be distinctive enough that they remained identified as distinctive products in the minds of both consumers and producers. This was reflected in the distinctiveness of media markets. The limits of “analog” technologies and market structures created economic barriers that placed strong limits on the ability to move into new markets.
The Roots of Change

The roots of change can be traced to the rise of electronic media, which took the physical analog message and transformed it into an electronic, non-physical signal. This demonstrated the ability to separate communication from a physical form, while enhancing the ability to distribute information to large audiences over distance. As technology developed, a variety of forms for distributing (wired networks, broadcasting) and storing (records, tapes) these electronic signals arose. The content was not limited to a single format or medium. Still, most analog electronic media were distinctive enough to be perceived, and treated, as distinctive, single, information goods. The relative economic advantages of particular media provided competitive advantages for certain uses, and media largely became niche products (Dimmick, 2003). This tended to accentuate the differences, and the identity of medium with content/use.

Two analog technologies of the last half-century, though, started to decouple the identification of a particular information good with a particular medium. They did this by providing an economically viable new distribution system for content; one that also provided a source of added value to consumers. The two technologies are taping and cable television.

Taping began with audio formats, and as technology improved, embraced the ability to handle video as well. As a major consumer product, taping really began with the rise of cassette taping in the 1960s. Tapes offered a lower quality alternative to records, but with the advantage of portability. They also offered a crucial second advantage – a low cost means for consumer recording. The ability of consumers to record their own tapes gave them a degree of control over their use of audio information goods that they had previously not enjoyed. They could make their own mix tapes of favorite songs, they could record broadcasts or live events, and they could share content with friends. Perhaps more critically, taping allowed format shifting. No longer was the music tied to either the radio or the record, but could be shifted to another format and manipulated.

The development of videotape systems further contributed to the de-linking process. First, it enabled content to transcend the limits of existing media, creating new markets and new ways to distribute consume recordings. While music had been available in commercial formats as records, movies and television content had not, for the most part. They had only been available to consumers through specific media. Videotape thus not only opened a new market for those information goods, but also contributed to the rise of choice and control for the consumer; this further contributed to a shift in emphasis from medium to the content. It created new uses and values (Rubin & Bantz, 1989), and brought out the fact that consumers were willing to pay for certain value-added aspects linked to the information good (in this case, the ability to control the time of viewing).

Cable television emerged in the years after World War II, initially as a local solution to technological and regulatory limits on the availability of broadcast television in the U. S. In those early days, cable offered, for a fee, a product that could be obtained freely from over-the-air broadcasters. At that point, cable was viable only in fringe areas, where it could offer signals that were not available locally, or could at least offer a better quality signal than was available off air with normal antennas. As the US television industry matured and expanded, cable faced a limited future as “free” broadcast markets and outlets expanded (Bates, 1985; Parsons & Frieden, 1998). Then cable came up with the idea that it could offer more television by importing distant signals, or providing its own programming. System operators found that the highest demand was for content that was not available locally. When satellite television signal distribution became economically viable, cable could suddenly differentiate itself not only by offering a clearer signal, but significantly greater choice (Bates & Chambers, 2004; Parsons & Frieden, 1998). Cable marketed content and greater choice, rather than a medium, and demonstrated again that content could transcend medium. Consumers responded by shifting their linking of content from stations to the programming services (networks) providing the content (Bates & Chambers, 2004). The later development of satellite distribution only increased the competition and consequent shift in attitudes. Increasingly, it did not matter to viewers how the content got to their TV set, it was the programming that mattered (Parsons & Frieden, 1989; Webster, 1986).

Consumer attitudes towards the consumption of some media products began to change with the diffusion of these and other technologies. As content became available in more than one medium or form, it began to be considered as being distinct from the channel. The economist’s notions of separating the value of the content from the value of the distribution medium started taking hold. In addition, this recognition of separate sources of value also allowed consumers to realize that media could compete in terms of the added value a particular form could provide in conjunction with a particular content. This added awareness on the part of both media providers and consumers,
contributed to an increasing recognition not only of the value of media existing in the content, but that aspects of distribution and consumption could also contribute to value.

The Digital Revolution

The digital revolution, embracing both computing and telecommunications, only enhanced this transition. The basic impact of the rise of digital computing lies in its ability to process signals – to convert virtually any form of information into a digital format, and to manipulate (including copying and shifting to other formats) that information without degradation. In theory, any manifestation of information can be converted to a digital file, transmitted, saved, copied, manipulated and converted into any other format. As processing power increases, and costs decrease, this theoretical ability becomes more and more practicable (Covell, 2000). As such, digital technology is transformative, as it opens new markets while significantly reducing both production and duplication costs (Anderson, 2006; Brynjolfsson & Kahin, 2000; DeLong & Froomkin, 2000; Negroponte, 1995; Shapiro & Varian, 1999).

The rise of telecommunications networks is also transformative. Telecommunication networks impose radically different operating cost structures than physical transportation networks (Bates & Albright, 2006; Benkler, 2006; Egan, 1991; Shy, 2001), as telecommunication networks largely remove distance as a cost factor. Duplication and distribution of digital information products over digital networks also largely occur at extremely low marginal costs, a marked contrast to physical networks. The new cost structures raise questions about the continued validity of old marketing approaches and strategies (Anderson, 2006; DeLong & Froomkin, 2000; Shapiro & Varian, 1999).

One of the key attributes of both digital technology and telecommunication networking is that costs have tended to decline over time, even as capabilities and capacities increase. Thus, it was inevitable that technology would develop to the point where media cost structures shifted to the degree that old economic and structural barriers were lowered to the point where market boundaries could be crossed (Bates & Chambers, 2004; Brynjolfsson and Kahin, 2000).

As processing power increased it became not only feasible, but economical, to convert analog information goods and services into digital forms. Text came first, as it was readily convertible and required only minimal processing; it was also relatively efficient in terms of file size and bandwidth requirements. As bandwidth and processing capacity improved, other information forms became viable: still pictures, sound, and video. And what could be converted from analog to digital could also be converted back into analog forms. As digital processing power continues to increase, the ability to convert materials becomes increasingly simple and inexpensive. The one handicap of digital media was the fact that raw digital files tended to be larger than the raw analog files, thus taking more space to store, and more bandwidth to transmit. However, advancements in file compression techniques and improvements in digital storage technologies have combined with the expansion in bandwidth to increasingly ensure that more and more digital networks have the ability to efficiently handle a variety of information goods and services.

This ability is often referred to in terms of the buzzword “convergence.” Increasing, content can be shifted from one form to another, and distributed over multiple media (Covell, 2000). This opens up new markets for content, and new sources for content and services for media. New opportunities are arising for producers, distributors, and consumers of intellectual property (Covell, 2004). It also starts to shift the ability to control content and distribution through technological means (Mulgan, 1990). Some of this occurs through a transfer of control and choice to the consumer through the new media channels. Some of this occurs because the technology also reduces the costs of making and distributing unlicensed copies of content; encouraging piracy.\(^1\)

From Monopoly to Competition

Another way of looking at this phenomenon is to argue that perhaps the biggest impact of the digital revolution is that it is changing what had been largely monopolistic markets for information products and services into highly competitive markets. Monopoly market structures, linked with the monopoly rights provided for information under copyright, reinforced the linking of product with medium, as they were largely based on the distinctive economic costs and efficiencies associated with making copies in a particular medium. They also allowed producers to charge a premium for their products.

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\(^1\) Evidence for this shift can be found in the various efforts to enhance copyright and the monopoly rights it enforces, as well as efforts to combat piracy of intellectual property.
The success of cellular and wireless networks, and MP3 players, is demonstrating the value to
value of systems to help find valued content; that is, the added value of intelligence in the network.
Recommendation systems such as used by Amazon.com and iTunes marketplace demonstrate the
and use of television programming, movies, and other audio-visual content. Systems like Tivo and
video recorders (like Tivo) demonstrates a willingness to pay extra for greater control over the access
for increased choice beyond the “free” broadcast offerings. The success of VCRs, DVDs, and digital

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consumers of portability, flexibility and convenience, of giving the consumer greater control over where and when information goods and services are used.

Emerging Structure of the Digital Information Marketplace

There is a new digital information market emerging. Instead of separate markets for each information product or medium, content is increasingly able to be delivered through multiple platforms and networks. New media and distribution systems continue to be developed, offering individuals more options, and information services more competition. Instead of being limited to local, regional, and/or national markets, content is also increasingly available globally. Market boundaries are fading, bringing to old media and information markets both new competition and new audiences. And while existing media will likely struggle and attempt to make use of regulatory and state mechanisms to try to maintain their old status as monopolies, the “new economics” of digital networks will make it increasingly difficult to do so. The digital revolution will occur and will transform media markets and behaviors.

The “new economics” of digital networks is not entirely new, nor does it imply that traditional economics does not work. As DeLong & Froomkin (2000) noted, the advent of the digital network marketplace does create problems for older information market models. But the problem is not that the old models were necessarily wrong, but that the rise of digital networks has changed cost and value relationships. The older economic models were problematic, but the problem arose from the fact that they tended to ignore certain costs and values (Bates, 1988, 1990; Benkler, 2006). In many of the older media markets, those nonmarket aspects were not significant, or could be partially included through the ideas of dual products and/or of media as public goods, or addressed through public policy.

However, the relative importance of these aspects shifts with the digital revolution. As production and distribution costs decline, the relative proportion of these other aspects of cost and value increases. In addition, it seems clear that the Information Revolution is creating greater awareness of, and valuation, of the non-physical aspects of information goods and services (Benkler, 2006). Consumers, as they are experience greater choice, accessibility, and control, are clearly coming to value those aspects of digital media. Still, much of the growth in added-value attributes discussed above lies in these non-traditional aspects that are difficult to measure. We know that we value choice and control, but can we place a pecuniary value on it directly? Thus, information and media markets seem more problematic because proportionally larger aspects of cost and value lie outside what has traditionally been considered as part of the marketplace. Thus, not only are the monetary values shifting, we are recognizing the existence and growing contribution of other sources of costs and values (Benkler, 2006). For example, Pekka Himanen, in *The Hacker Ethic* (2001), notes the value placed on recognition and contributions to reputation by open source software programmers. Similar arguments can be made for academics and creative artists (Bates, 1988).

The indeterminant nature of many of these additional aspects of nature makes it difficult to include them explicitly in market models (and is a primary reason they have not traditionally been explicitly considered). However, one can still be aware that these aspects exist, and their impacts on value and costs can be roughly estimated through their impacts on markets and behaviors. It just requires a new way of thinking about media products and markets.

Thus, it is vital, in the digital age to approach information market economic analysis in a new way, perhaps in two stages. The first stage considers the older traditional model of explicit costs and values. It is vital to note the impacts of the digital revolution here: the declining costs of replication and distribution, the disintegration of market boundaries between media and over distance, the increasing ease of market entry and exit, the declining costs of production technology, and the ready availability of substitutes (both in terms of competing goods and competing delivery systems). These contribute to a significant shift in market structures and its implications for media producers and consumers. Particularly hard hit by these changes will be the middlemen, the distributors. With content widely available, and a decreasing ability to control supply and extract monopoly profit for content, these firms will need to find other sources of value to justify prices.

However, this is only the first stage of information market analysis; there is at least a second stage, where the various alternative sources of value come into play. It is in this market aspect where various information media and services can seek competitive advantage, by product differentiation and emphasizing potential sources of added value – by exploiting whatever competitive advantage their particular medium and technology offers, or whatever added value services they can link to the content and services. Product differentiation allows for a transition from competitive markets to what
economists call monopolistic competition. There, firms retain a degree of monopoly power and price discrimination in markets through product differentiation. That can be critical for media, as competition will drive down prices for basic content.

There is another important aspect to this second stage of market analysis. It is here where demand structures fragment and differentiate. That is, while indeterminancy and variation in valuation exist in basic markets, they tend to become exaggerated when one starts to consider the kinds of ancillary value evidenced by information goods and services (Bates, 1990). This suggests that when considering this second phase, one should take into consideration even greater variability in demand, and the opportunities for demand fragmentation and price discrimination for different demand segments. This reinforces the idea of product differentiation and the versioning of products by offering different levels of added-value (Bates, 2004; Shapiro & Varian, 1999; Varian, 2000b). Offering content at different quality levels, or with different sets of usage rights, can permit firms to expand market opportunities while taking advantage of price discrimination.

These factors become more important as digital markets begin to take advantage of the “long tail” phenomenon (Anderson, 2006). There are two ways of looking at the long tail. First, that there is some level of demand for virtually every information good or service. With the shifting economics and expanding reach of digital markets, profitably serving low levels of demand is increasingly viable. Since the largest part of the cost of information goods and services is tied to production, any level of sales becomes beneficial. The second approach lies in recognizing that information firms often have the alternative of marketing their product at a high price to a fairly small audience, or at a low price to a much larger audience. For example, a record company may be able to make as much selling individual songs through a digital distribution system at 99 cents apiece as it would selling CDs at $15.99 (Anderson, 2004). Broadcasting exploited this by offering “free” access as they competed for audience to sell to advertisers. High duplication and distribution costs, though, generally favored the scarcity approach (higher price, lower demand); but with digital networks, duplication and distribution costs are negligible, at least offering the potential for the second strategy, particularly as shifting markets are making it more and more difficult for firms to extract the monopoly prices at the high end. Both aspects of the long tail suggest the value of shifting the marketing approach from marketing relatively few units at relatively high prices and profit margins, to one that focuses on extracting whatever value is available throughout all levels of demand.

Thus, what the new digital networks market structures suggests is that new approaches to media market analysis and behaviors are needed. On the producer side, it means thinking about the impact of non-financial costs and values upon production decisions, and being aware that multiple media exist for the distribution of almost all content. For distributors, it means thinking about how to differentiate your media or service from competitors such as by greater emphasis on branding (Todreas, 1999), and how to take advantage of those non-financial aspects of value to add value to your service. For consumers, it means being aware of what contributes value, and the variety of offerings.

**Strategies for the Emerging Digital Information Market**

What this suggests for firms and organizations in information markets is that managers can no longer rely on being monopoly providers of desired goods and services – they are losing the ability to control their markets. In the short term, media may try to retain control through regulation and/or policy and greater enforcement. But this is unlikely to be successful in the long term, as the emerging digital network market is too flexible and offers too many alternatives. Insisting on tough and costly legal enforcement of monopolies will also reduce demand and alienate consumers. Firms and industries that pursue that path are likely to lose market to legal and extra-legal alternatives, as well as find their monopoly profits eaten up by increased enforcement costs and reduced demand and sales.

Libraries are somewhat better poised to move into the emerging digital information marketplace. Libraries have rarely had protected status as monopolies, and thus have traditionally had to pay greater attention to recognizing and exploiting the value of its services. They have, much more than other traditional media, recognized that while the value of the content it collects is important, that there are ways in which they can offer services that add value for patrons. Much of what constitutes library and information science can be seen as dealing with how to increase their core value of providing

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2 This occurs for two reasons. First, the declining costs of reproduction and distribution make it easier to extract profit from even lower levels of pricing. Second, as markets expand, the absolute numbers of purchasers increase, to the point where even small proportions of the market can provide sufficient sales to recoup costs.
access to information. On the other hand, libraries as well find their markets and their costs transformed by the rise of the digital information economy. They, too, will need to adapt.

A better strategy for the long term is to embrace these changes and look for the new opportunities they offer. Providers of information goods and services, particularly those focused on distribution, will increasingly need to compete in new markets; with new competitors and substitute goods; in areas other than basic content. They will need to look for sources of added value associated with their products. They will need to recognize the shifts in costs and values brought about by technological advances in their markets, as well as in the emerging digital network marketplace. They will need to place more emphasis on the specific advantages they can offer, and identify and exploit those areas where they may have a competitive advantage, or can add value to their versions. They will need to recognize that old information market barriers are eroding, and they face growing competition, not only from new media and services, but from older, related markets. They need to consider new services, and new ways of creating value. And in doing so, they may well find themselves also expanding into new markets and services.

Successful organizations and managers will be those flexible enough to shift their strategies to meet a continually changing information market environment. In particular, those who embrace the idea that it is the content that has value (rather than the physical product), and develop and exploit ways to add to that base value in their provision of that content in the information marketplace, who will be successful in the long term.

How can they enhance value is likely to be one of the driving questions of this transitional period. We already have some indicators of added value epitomized by the public library – offering patrons greater access, choice, and control over media consumption, for example. Offering cataloguing services to help organize and locate valued information, and providing reference services. Still, there are likely to be other aspects, such as help in lowering the uncertainty of new products through branding (Todreas, 1999), provision of samples of content and services, and recommendation systems such as those offered by Amazon.com and others (Anderson, 2004). Providing flexibility in terms of the delivery and display of content looks to be a significant area for creating added value in the digital environment. We must also recognize that there are always unexpected sources of value arising with new products and services that can arise, if these new products and services can be initially priced low enough to encourage the experimentation that demonstrates value in the marketplace.

Concluding Thoughts

The transition to the Digital/Network/Information Age is likely to be revolutionary, at least for what could be termed the legacy media. They will need to wean themselves off of their local monopoly mindset, as media markets are increasingly neither local nor monopolistic. In the long run, success will come with identifying and adopting a new approach to marketing information goods and services that will emerge from the digital network revolution’s impacts on costs and values. The old way of doing business will grow increasingly impractical, and unprofitable, as markets continue to evolve. To a large degree, this means shifting from the old metaphors and creating new ways of thinking about media products, industries, and marketing. It means that producers, distributors, and consumers will need to be flexible, develop, and embrace new metaphors. As will policymakers and regulators.

What should that new metaphor be? What ideas and strategies should be embraced? I’ll end by offering my own suggestion. I believe that the old metaphor is one based on the notion of scarcity: physical products consume scarce physical resources. The new digital networks though, remove most, if not all, of the sources of scarcity for information goods and services. After all, information is itself non-physical. Further, the value of information comes primarily from its use (Bates, 1998, 2000). Thus, the metaphor of the future should not be one based on scarcity, but on encouraging the use of information goods and services, on providing consumers with greater flexibility, options, and control. The long-term future of media lies in its ability to promote and enhance the use of information more than its ability to impose scarcity and control.

This is one of the things I find valuable about the notion of the long tail (Anderson, 2004, 2006) – that it’s based on the idea that value comes from fully exploiting demand, rather than from restricting supply. The same emphasis on expanding use is also at the heart of Benkler’s (2006) The Wealth of Networks. In Benkler’s case though, the paradigm shift is framed in the argument that value is not limited to what is obtained in commercial markets; that there are other motivations for creating and distributing information, and that those rely to a great deal on the value derived from widespread distribution and use. In addition, the relative importance of added value features increases with a
metaphor shift from limiting to promoting distribution and use of information goods and services. Not only are “added value” features and services likely to increase demand for, and utilization of, information goods and services, but in moving to competitive metaphor, it is likely that it is these “added value” aspects that will be the source of competitive advantage and thus, profits.

Libraries are leading the way in this paradigm shift; their axial principal (or metaphor) is the encouragement of access, distribution, and use of information goods and services. Libraries are, therefore, better positioned for the transition than traditional media and publishers. They have a history and tradition of emphasizing access, promoting distribution, and finding ways to enhance the experience and add value to their basic product. While well positioned, they still need to consider the continuing shifts in the information marketplace if they are to maintain their important role in both the information marketplace and in society.

The emerging, radically transformed, information marketplace calls for a transformation in focus and practice for many media and other providers of information goods and services. The new market involves not merely the addition of new information systems and media, not only the radical transformation of cost structures, but perhaps most importantly, a shift in the role of those who demand. While the information content remains a core source of value to potential consumers, increasingly those consumers are interested in, and value, related features and services. There is a growing value seen in not only having the content, but in being able to find valued content more quickly and easily, in being able to control the conditions of access (time, format, etc.), and in enhancing the quality and value of the base information content. In an increasingly competitive information market, those sources of added value are likely to be the markers of success.

Bibliography


