

Business Opportunity Focus

INFORMATION BROKER

The vast information explosion in virtually every field of knowledge has made it possible for companies to find a steady stream of new data on an endless list of subjects, including those which affect the way they do business. But, despite the existence of such information and their desire to have it, most companies lack the time and personnel required to sort through mountains of documents in search of a specific piece of needed information.

Enter the information broker. This high-tech researcher basically acts as a liaison between the provider of raw data and the data consumer. Based on his client's needs, the broker seeks published and/or electronic sources of specific information, organises it in a form that best suits the client's purpose and resells it to the client for a fee.

The deployment of computers into every field of British life has enabled the information brokerage to become the small business of the decade. Before the computer revolution, a small-scale research service would have not been able to catalogue, store, retrieve and resell information to clients in a cost effective way. Now, with the ever growing amount of information, its availability through computer communications and its bearing on corporate decision making, information brokering has gained a new importance in the business world. This new technology has made it possible for small business owners to do the work of a vast research staff and library.

There are numerous research needs that can be met by your company, depending on the type of client you have. Some clients will want market research covering a specific industry, while others will want information about individual companies. An industry's growth or decline can be tracked, as can the activity of a company's competition in the marketplace.

Other clients may want information they can use in public relations activities, advertising or money-raising activities. A few clients, particularly academics and students, may want research that can be used for a wide range of major writing projects. They will come to you for information that is difficult to track down using traditional methods of research - telephoning sources, going to the library, subscribing to specialised periodicals, etc.

In some respects, working as an information specialist resembles working as a clipping service, but the information broker offers much more detailed, highly focused information.

You can vary the types of clients served or specialise in a specific research category. This is a business in which you can focus or expand your base of operations as far and as fast as you want.

Client Data

Industry insiders agree that it is a mistake to think of the market as a single entity. There are a lot of niche markets with specific information needs. At this time, the big money in this business is being made serving the business and professional community, though some information brokerages may evolve into serving consumer-segment customers in the future. On a national level, the most profitable types of information to sell, respectively, are securities and commodities quotes, legal and medical information and scientific or technical information. The DTI predicts that although most information demand will come from business segments, the household market for information services will be an increasingly consequential factor throughout the 1990's; non-business consumer information is currently the fifth most popular information marketed.

On a local level, legal and medical professionals as well as medium size and large companies represent lucrative markets for the small and generalised broker. Here, you can serve their marketing, money-raising, technical and/or public relations needs. For example, suppose your client is a computer programmer who's creating a business plan in order to write and sell software to the commercial market. He wants to know what competing products are already on the shelves, how much they are selling for, where they are being sold, etc. He could dredge up this information himself by going to the library and combing through the Readers Guide to Periodical Literature, numerous tables of contents and reference books, which would take several days. He could then spend more time either photocopying or typing the data, analysing it and entering it into his business plan. But an information broker could search electronically for key words and phrases in databases containing industry specific information the programmer needed. He could begin the analysis, storage and use of data immediately.

Wholesale Information

Wherever you obtain information (library, reference books, catalogue, databases) you are going to be reselling it in one form or another. If someone owns the form of information you resell, you are going to have to pay for it. Where do you obtain this information and how much do you pay for it?

Accessing Electronic Databases.

Although computers did not create the onset of information science, they did make information retrieval quick, easy, and affordable for small scale entrepreneurs. Data in all categories of information, from humanities to agriculture, mathematics to music, can be found

in the electronic databases of some 2,000 electronic publishers. By means of computer-modem hook-up and command protocols, you can tap in to these databases, view the information and retrieve or download it into your own computer system, later analysing it or otherwise processing it or your clients at an appropriate time.

Some databases have direct lines and computer hooks with users, while others are accessed through electronic clearing houses. In addition to the charges already mentioned for accessing various databases, you are charged for what are known as types or displays of information on-line. These may consist of bibliographic entries, numeric/financial data, abstracts, full texts or articles and cross references.

Depending on the format or extent of information wanted, there may be a charge of anywhere from \$10 to well over \$100 for something accessed by your computer from these bases and printed for use.

Typically, service users pay an initiation fee of some kind plus charges for connect time on individual databases. Some database suppliers have cheaper rates for off-hour usage, but others charge standard rates at all times. Users are billed by invoice or on their credit cards from month to month.

You are also charged by the communications network whose telephone system you use to access the data banks.

Additionally, some services have their own carrier phone systems; Dialogue, for example has a system known as Dialnet. You may also dial directly into the phone number assigned to the mainframe data bank itself. Some data banks use 0800 numbers, but they are not free. The telephone company does not access special phone charges for calls made on modems, unless the call itself is a toll call.

Therefore, you will not be charged for a telephone call made to a local communications network, but you will be charged by the data network itself for connect time.

Buying Information from Brokers.

If you are coming into the information business cold, you may be somewhat insecure about your ability to retrieve data cost-efficiently. We recommend attending seminars that will teach you how to obtain information from individual databases to facilitate the learning process.

Again, practice will be the best means of advancing your skills, but classes and seminars can cut down on unnecessary time spent on basic computer tasks. If you chose inexpensive databases to gain practical experience on-line, you can save money.

Another solution is to use an alternative tutorial method, such as the one offered through the NASA Industrial Application Centre (NIAC). This is a non-profit making organisation providing interactive database searching. The NIAC computer hooks up with its client's while the client and NIAC refine a search problem over the telephone. NIAC does the search while the client watches and comments as required.

According to NIAC, this is an excellent way for a beginner to obtain on-the-job training in search techniques.

CD Rom Libraries

Since its introduction in 1985, CD-Rom has become the key element in the electronic publishing of encyclopaedias, professional directories, as well as other large reference works and databases. In addition, CD-Rom disks are becoming the medium of choice for shipping data cross-country - sending disks by courier costs less than two pence per megabyte, cheaper than microwave or satellite technology and as much as 10,000 times cheaper than modem communication on direct-dial lines.

Planning a Search

Once an information request comes in, you should clarify the scope of the search so that information is obtained as quickly and efficiently as possible. Use a search strategy worksheet to outline how the information will be sought; refer to the sample at the end of this section.

The biggest hurdle you face as an information broker is defining exactly what question the client wants answered. Sometimes the client will state an information request one way but actually want additional data he has not specified. Or, once the search has begun, electronic databases may reveal information possibilities not previously conceived.

Determining whether or when to contact the client for more clarification will be a valued judgement on your part.

Each search strategy worksheet should serve as a checklist, itemising all features the customer has requested. Be sure to record all customer information to facilitate billing.

Approach an electronic search in a logical manner. First, put down the questions to be answered. You need to identify the scope of the question, listing it on a form designed for that purpose. You can design forms to fit the type of searches you typically conduct (statistical, bibliographical, subject-based, etc). The form will accompany the information-retrieval process every step of the way, from the moment the question is refined until the time the finished material is sent to the client. It should then be filed away in the client's file.

Define the types of information retrieval required to complete the project. Are you assigned to telephone a client's competitor to obtain a sample product the client cannot obtain in person? Will you have to obtain a list of rare books stored in the local college library? Neither of these projects require electronic computer access (though it is possible they could be stored on-line somewhere). But if you have to track down historical data or market information contained on some computer system, this is where computer-assisted data searching begins.

On-line data retrieval should be used whenever possible, mainly because of the enormous amounts of time saved. Information that might take hours of manual searching can be retrieved in minutes. If you believe that your information is retrievable on-line, you have to determine which database(s) will be most likely to contain the specific data you need, entering them by name and/or number on the strategy worksheet. Identify certain concepts that are synonymous and those that are different but relevant to the overall question. As revealed by the concept columns in the worksheet, synonymous terms are listed vertically within the columns, while different terms are tracked down between them.

You may want to begin your search by doing a free-text exploration across several databases for key words in the problem. This will help you get an idea of whether it makes sense for you to pursue an extensive search in a particular database.

However you search for information, given the parameters of the job, keep in mind that a pile of data means nothing unless it can be put to some use by the recipient. Any brokered information must have meaning, beyond its mere existence or quantity and should have an application - educational, financial, political, economic, organisation.

This does not necessarily mean that you have to interpret the significance of the information you obtain, though some industry insiders believe this gives a competitive edge. It does mean that you have to define with your client, as much as possible, the specific needs underlying his request for information.