

## Information architecture essentials, Part 8: Packaging and reselling information

Does your information architecture take advantage of all market opportunities?

Skill Level: Introductory

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Whether you find the concept interesting or annoying, information architecture designs can be used to package and sell information to third parties. In this article, learn about these opportunities so you can determine whether or not your organization should jump into the game.

Over the past few months, this [series](#) has explored many of the elements involved in the creation of a successful information architecture design. Once you've set up the design that works best for your organization, you might be tempted to sit back and relax. But there is one more item to consider: Your design potentially holds information that some people might be willing to pay a lot of money for. If you haven't yet thought of packaging and reselling that information to make money for your organization, now might be the time to consider it.

The most common use of the information retrieved from your design is for mailing lists. These lists can be sold by either names and snail-mail addresses or by e-mail addresses. Thousands of organizations use these lists daily to market their products based on every conceivable demographic. For example, if your company sells buttons, someone out there might be interested in obtaining your mailing list to market custom thread colors.

Mailing lists can be a source of irritation for some customers, however, so some organizations use a less controversial method of packaging and reselling information: providing data for analytical research to individuals and companies.

Research companies, for example, might be interested in the data you have that shows the button-buying habits of women aged 21 to 64. They can then use the information to produce reports for all kinds of organizations that sell products related to buttons and women in this demographic.

The key to successfully reselling information is to target the data to the right customers at the right time. I'm not talking about spamming millions of people here. I'm talking about smartly selling the information you have so it can be intelligently used by others. You might have the most important information in the world for a thread supplier, but if you try to sell your button-purchaser data to an automotive manufacturer, you're probably just wasting your time. This article takes a look at the basics of packaging and reselling information so you can focus your time productively.

## Skills and competencies

Check out the other parts of the series *Information architecture essentials*:

- [Part 1](#), "The data and content dilemma"
- [Part 2](#), "Managing enterprise information"
- [Part 3](#), "Organizing complex information"
- [Part 4](#), "Improving usability of information systems"
- [Part 5](#), "Business intelligence in your information architecture"
- [Part 6](#), "Distributed data mining"
- [Part 7](#), "Data-store design"

The skills and competencies you need to effectively package and resell information aren't that different from those outlined in earlier articles of this series. The way you apply the skills and competencies differs, however. You think in strictly business terms for the most part with this process, rather than in information technology (IT) terms. While you still need to be sure you have the tools available to get the information and package it the way you want to, a bigger part of this process is determining who wants the data you have and how you can market it to them.

### Research and information retrieval

As you consider whether or not to package and resell your own information, take some time to research your

- Competitors

- Customers
- Peripheral markets

With your competitors, see whether or not you can find out what their privacy practices are. Do they sell customer information? If so, how is it sold? Do they promise complete privacy, limited privacy, or none at all? If they are promising total privacy to customers, then you need to think long and hard about selling customer information for mailing list purposes. If your company sells information for mailing lists and a competitor does not, customers might well prefer to buy from your competitor so their information stays private.

If, on the other hand, no privacy statements are made, then the chances are good that your competitor is selling information for public mailing lists. You can improve your own organization's competitive advantage by promising privacy and still be able to make some money by selling data for analytical research instead. You don't necessarily have to divulge any private information, just details about buying habits.

With customers, consider using an opt-in process that allows them to decide whether or not to release information about themselves. For example, if your site requires registration, ask customers whether they would agree to release mailing information, information about buying habits, or no information at all. This puts your customers in the driver's seat and gives them a stronger sense of control over what happens to their information. Plus, it gives you a good idea of how many of your customers are sensitive about their privacy. If your site doesn't require registration, consider using a quick survey. Ask for the age, sex, and household income level of the user, for example. (When you know who you will be selling the information to, you can better define these survey terms.)

When you research *peripheral markets*—markets that support your market or touch it in some way, such as a suit manufacturer who buys buttons—try to determine how they might have a need for the information you can obtain from your customers. If, for example, your customers are primarily seamstresses, then perhaps the suit manufacturer might have a need to reach those seamstresses with job offers. The point here is to think creatively and broadly.

You might be thinking, “I'm an architect, not a sales rep!” True enough. But if you're going to get into the packaging and reselling of information, your job description just took a right-hand turn down Sales and Marketing Street. You can't rely on your marketing and sales teams to do any of this work for you. They aren't paid a commission for the number of mailing list names they can sell, so they will be completely uninterested in what you're doing. When you think about it, packaging and reselling information is a thankless job. Until you show how it's producing income for your organization, most people aren't interested in it. At that point, however, lots of people will want to take credit for the idea.

## Market and sell the concept

The term “thankless” brings to mind another skill you need to be proficient at: sales and marketing. Certainly, you need this skill to sell the information, but you also need it to get internal approval for your efforts. You can't just go around collecting information about customers and selling it to third parties without some sort of executive or legal approval.

It's possible you'll run into some resistance when you first broach the idea to your management or executives. The concept of packaging and reselling information can fit nicely into the frightening arena of spam, so you'll want to have some solid business reasoning to present when you bring up the idea for your organization. For example, can you sell a million names and addresses for a penny each? Ten cents each? Maybe you can sell purchasing information for analysis at a similar rate. At the same time, know exactly how much it's going to cost you to package the information.

In addition, there must be a compelling return on the investment of time you're making. If you're going to spend 160 hours preparing information to be sold, will your return be at least twice the amount invested in time and salary? More? Any savvy executive is going to see the value in making a profit, so be sure you have sample numbers ready for review before you ask for approval. If you don't, you're just wasting everyone's time. Think of this as an internal sales and marketing process.

There's an art to this process, by the way. Great sales people don't make tons of money because the job is easy; they make tons of money because they have honed the skills of relationship building, can focus on the prospect's needs, and can use language that speaks to the prospect's priorities. If you're not great at persuading or speaking to others, take an interpersonal communications class and then practice, practice, practice what you learn. If you don't know what your executive's needs are, find out by researching company publications and talking to your management about organizational goals.

If you tend to use IT-speak instead of simple business terms, take the time to listen to your executives and non-IT managers to get a grasp on the types of business terms they use the most. It's critical that you speak to your executives in terms they understand. Most of them become bored quickly when IT terms are tossed around. For more information about how to speak to your executives, take a look at my article "[Obtain approval for your process change recommendations](#)." It contains a lot of tips about how to present recommendations to management. You can easily adjust those to any topic.

Remember, you can do this. You're a good architect because you can conceptualize ideas and apply them in concrete ways. Internal sales and marketing works along the same lines, it just uses more business language than IT language.

## Packaging information by subject area

After you've obtained the necessary approvals, it's time to look again at the markets you plan to sell the information to. What are their needs? Where are their target markets? Who are their primary buyers in those target markets? Package your information by the subject areas that most interest these markets. You might discover that you can sell the same information to several different markets just by packaging the information into different subjects that appeal to different markets.

Sometimes, this step is most easily accomplished after you've located a purchaser for the data. You can certainly speak in general terms initially, then narrow down the information into the specific subject areas the purchaser wants.

## Tools and techniques

The tools and techniques required for packaging and reselling information lie primarily in the marketing and sales aspect of business, although you should certainly have some decent retrieval aspects built in to your design.

### Information architecture and content management

To make your life easier when you package and resell information, your information architecture design should have a robust information retrieval system. There are plenty of products that can do this for you depending upon your organizational requirements. For example, you might check out IBM Informix® Dynamic Server (IDS) Enterprise and Developer Edition V11 or IBM OmniFind™ Analytics or Discovery Editions. Whatever you use, just be sure it's something that can help you gather, manage, and analyze data easily for purposes of packaging and reselling information.

### Market research

I mentioned earlier that you need to understand your target markets and what they want, but you might still be wondering how to determine that. The best place to go is to your marketing department. Ask them for research about the industry you're in. That should give you a good idea of the competitors in your industry, peripheral markets, and any problem areas that exist in the market.

Be on the lookout for market sizes, growth markets related to your industry, and trends that can help you pinpoint where buyers of your information might be located. Remember, this isn't rocket science. You might have to contact several places before you find someone who is truly serious about purchasing your data, so don't give up after a few people say no. In writing, there is a saying that you only get accepted for publication after every 100 rejections, so consider yourself doing well if you only have 10 or 20 rejections before that first sale.

## Establishing a market need

If you're hearing, "Oh, we don't really need that kind of data," as you start making contacts, turn that into an opportunity. Ask the person what type of data they do need, then start making contacts based on that information. Just because someone says no to your initial pitch doesn't mean they won't say yes if you come back with another pitch that shows them how much they need your data.

Here's what I mean: If you offer information about the types of buyers who purchase buttons and no one seems interested, then think about how you can manipulate that same data into something people do want. For example, maybe a research firm could use information about whether or not button purchases are going up or down as support for an economic report. Try to think beyond your data. Think instead about how your data can help others.

Essentially, you need to provide information that is flexible to the needs of the purchaser. Don't get your heart set on selling a specific piece of data. You'll risk disappointment and waste time. Establish a market need for the information, however, and you'll keep selling the same information over and over again. Purchasers will keep returning to you, because they'll know that you can obtain the changing information they need.

## Milestones

There are several milestones to consider if you plan to package and resell information. If you decide to move forward with the concept, here are the key milestones to remember:

1. Obtain necessary internal approvals to package and sell information.
2. Identify the potential markets for your information.
3. Develop methods to collect the information.
4. Collect the information.
5. Package the information for sale.
6. Establish market needs and maintain customer relationships.

These are fairly basic milestones, and ones that can be built into almost any information architecture design.

## Summary

That's it for this [series](#). I hope you'll keep reading the articles on developerWorks to continue learning more about information architecture and how you can best apply it to your situation.

# Resources

## Learn

- Check out [developerWorks Information Management Zone](#) to learn more about DB2, find technical information, articles, education, downloads, and more.
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