

INFORMA D&B: REDEFINING BRANDED CONTENT

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Are we thinking about creating an online publication? Couldn't it be dangerous if we're perceived as competition by current press media? What would happen if they "turn the lights off on us" in the national press? (...) As we're a B2B company offering topics of interest for niche executive groups, it is not at all clear whether or not we can attract a substantial number of visits. With a directory, we could obtain a million visits per month. However, with this content, it could be difficult to reach 10,000 visits a month...

The meeting between the INFORMA marketing department and the management committee was taking longer than expected. The idea of investing in a website (EmpresaActual.com) in order to publish regular current business content using relevant information obtained from the company's database presented a radical change with respect to its communications strategy to date. "The idea does seem interesting, but isn't creating a branded content website just for large consumer enterprises? Are you sure we should commit to this idea?"

By their responses, it seemed the marketing department was confident in the strategy: "It's better to have 10,000 quality visits where potential customers have something interesting to read about than a million visits to content about services that have nothing to do with the user's experience." However, regarding the important question, "How many more reports will we sell by using this strategy?" the overwhelming impression was, "It doesn't cost much and it seems to work...Let's be the first to employ this kind of strategy within the B2B industry in Spain and let's see how far the initiative can go..."

THE BUSINESS REPORTS MARKET

For some time, the financial and business reports market in Spain had been dominated by companies that operated reactively. When a report was requested, the archive was searched, and if a report was found that was not too old, it was sent directly to the customer. Reports that were older than a certain number of months were sent to a researcher, whose job it was to check the information and update it.

Towards the end of the twentieth century, the market was not particularly active in Spain and had basically been dominated by the leading global business information provider (the US multinational Dun & Bradstreet) and by Incesa, a Spanish company that was acquired in 1997 by Equifax, another US multinational.

Compañía Española de Seguros de Crédito a la Exportación [Spanish Export Credit Agency] (CESCE) was set up in 1970 as a mixed capital company (majority owned by the government and in which the main finance and insurance entities had interests) to provide commercial risk management

services. In March 1992, CESCE founded Informa, Información Económica S.A., to provide the type of commercial, financial and marketing information it needed to perform its activities. To begin with, the company had a workforce of just eighteen. At that time, CESCE had considerable experience in using international commercial reports; it knew which models worked and which didn't, but it lacked sources of local information that were reliable enough for it to consider using them. Therefore, it joined forces with the French firm ORT Telematique and thereafter, provided the same services in Spain as ORT Telematique did in France.

Unlike the standard business practices of traditional companies, from the start, Informa was an innovative enterprise based on the idea of the database being a central component of its operations. Informa rejected the reactive philosophy of its competitors in favor of trying to acquire the maximum amount of information possible and systematically enter it into its database so that it could access information automatically and easily at a later date. It may seem straightforward to obtain information proactively or in advance that, in many cases, may never be requested as such by any customer. However, the idea represented a seismic shift for the industry. In fact, Informa's competitors had already rejected the model as they considered it economically unviable and doomed to failure. Meanwhile, Informa continued to increase its data sources by searching the entire records of financial brokers and purchasing accounts data and information about executive relationships in order to expand and improve its database, which it considered fundamental to its business operations and which was continually checked and updated.

The success of the business model used by companies providing commercial reports was based on data rotation. The more an item of information was accessed, requested and sold, the more profitable running the entire database would be. Based on this fact, in March 1994, Informa launched a flat-rate contract model for major customers called Open.

The market reaction to this initiative was extremely positive, and within the company it was felt that its domestic and international competitors were probably thinking, "These Spaniards have gone mad." In subsequent years, the flat-rate fee model dominated most markets worldwide and is now considered common practice.

Furthermore, in September 1996, Informa became the first European company (and second at a global level after Dun & Bradstreet US) to sell reports over the Internet. Before Internet use became widespread, companies producing commercial reports were only able to generate sales using sales teams and could only connect remotely to databases using technical teams. This made delivering a product somewhat complicated.

Transferring the process to the Internet made it much more straightforward and also enabled Informa to become an "Internet enterprise" which, at the time gave it a significant advantage in terms of reputation, rating and attracting talent. Informa's use of the Internet, just as it became more popular in Spain, enabled the firm to be much more efficient than its competitors. Especially with regards to delivering products, as it was able to use a process that was more logical and "natural" and that took advantage of the opportunities provided by an information exchange mechanism that, although new, had substantial pull. In time, the Internet also became a means by which to attract new users and to sell products directly. This enabled Informa to consider the use of SEO and SEM techniques long before its competitors realized the strategic importance of such practices.

CREATING eINFORMA

By the year 2000, Informa was already the industry's third leading company in Spain. It was estimated that fewer than twenty thousand companies would be interested in receiving commercial reports on a regular basis. Nonetheless, Informa was confident about its position. The company had been operating without a marketing department; however, as it already had an Internet presence, it now felt ready to use the web as a commercial channel. Analysis of the competition showed that Informa had more and better information, as well as quicker operational systems. What it had to do now was to find a way to communicate these facts to the market.

In response to this requirement, Informa created Informa Networks and the eInforma website in 2001. Informa Networks was incorporated as an independent entity so that it could act quickly. (It would later be absorbed by the parent company in 2009.) The idea behind eInforma was to use the Internet to offer the information generated by Informa to markets other than those that traditionally required such data. To do this, new information formats were designed that could be easily understood by the general business public, new fee structures were set up and new ways to sell these new reports were created.

The Internet was used intensively as a means to attract new users via a freemium model, which, at the time, was a highly innovative product that has since been adopted by the rest of the industry. The way the freemium model works is that when a user searches for a company on the Internet, they are provided with some free information about it and have the option to receive more information by registering with eInforma. After registering, users are offered three abbreviated reports and the tax codes of three companies they may be interested in. In return, eInforma gains the means to communicate via email with a potential customer. Thereafter, users are informed whenever there are any changes to the companies they are interested in. Ultimately, the aim is for these registered users to become "paying customers."

By adopting these common practices of emergent dot.com businesses, eInforma generated income of 7.2 million euros and obtained over three million users. Consequently, the firm has managed to rotate much more data and therefore generate much higher returns than the rest of the sector.

ACQUISITION OF DUN & BRADSTREET

By October 2004, Informa had become Spain's leading commercial report provider and bought and subsequently absorbed its main rival Dun & Bradstreet Spain and Portugal. In doing so, it became a partner in the D&B Worldwide NetWork, the world's premier corporate information network. This meant that its information about Spanish companies was now available to the global market in all languages.

One advantage of being part of the network was that it undoubtedly helped emphasize the importance of Informa's reports, which turned it into the best alternative for local information. The Spanish firm also gained the exclusive right to sell all Dun & Bradstreet's information and value added products in Spain and Portugal, which enabled it to become the best option for international information in the markets it operated in.

Informa was then present in Spain, Portugal and Colombia. There it uses the attributes of companies that have been acquired and integrated over time to offer services such as industry analysis, XBRL format financial information (acquisition in 2010 of DBK, Spain's leading industry information provider), communications, electronic contracting and publication (acquisition of Logalty in 2011) and online strategic and reputation reports and ratings for the alternative bond market (agreement with the Italian ratings agency Crif in 2013). Informa employs 350 individuals and has extremely low rates of employee turnover. In fact, of the eighteen members of staff who joined the company when it was originally set up, six remain and it is now ranked third in Spain in the Best Workplaces 2016 list for the 250 to 500 employees category.

CORPORATE CULTURE

Informa is an information provider. As such, its culture is based on valuing and processing such information appropriately. Since its inception, Informa has always tried to obtain and process all the information available to it from both traditional sources and others in order to be able to provide real added value. It has gone above and beyond the other companies in the industry by investing in a database, in verification and consistency processes and in technological developments.

Quality plays an important role. The consistency department comprises a total of fifteen individuals whose role it is to ensure that all the information obtained from multiple sources is appropriately recorded, which requires checking and updating data (where necessary) and correcting any errors that may have been made either at the source or after the information was acquired. Informa uses specific mechanisms to detect any data that has been incorrectly entered into the system or that already contained an error when it was acquired.

Regarding innovation, the company launches an average of ten new products or services every year. Consequently, Informa's business has diversified and the company now provides a wide range of financial solutions, B2B marketing and industry information and commercial reports.

Informa also focuses on the importance of customer relations. Despite being highly active online, the company also values direct contact with customers. Therefore, it employs 105 members of staff in its twenty sales and customer services departments throughout Spain to ensure that, in the words of Informa's Director of Marketing Conrado Martínez, the way customers are dealt with "gives our products a soul."

THE GROWTH OF BRANDED CONTENT

Branded content is a concept from the 1930s when the flourishing radio industry provided advertising opportunities that differed from traditional formats, which tended to bombard the growing listening public with information.

Developments in the online use of branded content have been surprisingly similar. As brands have progressed, fueled by a mistaken interpretation of relevance metrics and the use of increasingly intrusive and annoying formats, users have started to protect themselves from such mechanisms by employing tools that have become more efficient. In 2016, it arrived at a point where was estimated that more than 180 million individuals use some type of ad blocker.

Meanwhile, traditional media such as television have been struck by numerous changes in habits that have altered the nature of content consumption and enabled users to bypass advertising mechanisms altogether.

Branded content differs from product placement as it places content around the brand instead of positioning the brand within the content. Native advertising provides a way to integrate advertising into the original format and functions of the platforms used and is specifically intended to increase awareness and the popularity of a product.

According to studies carried out by the Branded Content Marketing Association, traditional advertising formats tend to generate skepticism until such time as only one-tenth of consumers trust the companies involved in making advertisements. In the vast majority of cases, consumers prefer new advertising methods to traditional ones. In 95 percent of cases, websites that include branded content tend to be more successful than those that show conventional advertising. They are also 24 percent more likely to generate purchasing intent. Branded content is most effective in the 18-to-34-year-old demographic, which tends to have a more positive view of and be more reactive to this type of format.

Branded content has experienced strong growth over recent years, due mainly to the media's efforts to remain relevant and not fall out of favor with advertisers. Simultaneously, the increasing demands of regulators have affected the clarity of these formats.

THE DEVELOPMENT OF EMPRESA ACTUAL.COM

EmpresaActual.com was launched in October 2013 in order to further develop publications such as infodeempresas.com and informacionalpoder.com on a much more ambitious scale. The above

publications were actually blogs created by Informa and eInforma to try to communicate with the public. As such, there was little to differentiate Informa from what other companies within the industry, or other industries, were doing. The idea of EmpresaActual.com was to try a different approach to others, provide more than just a blog and to try to align Informa with some of the trends of corporate communications.

The decision was not easy. The marketing department, which came up with the idea in the first place, had to defend it before a committee that tended to associate website content with mass consumption and that had certain doubts about its use within a B2B environment.

Writing a blog was one thing. However, designing a website that would generate information on a more ambitious scale using content from database analysis on a daily basis seemed much more complicated. Expectations were high, but it was not going to be easy.

Positioning a website of this kind that contained content created on a regular basis so it could obtain a reasonable number of visits would mean that Informa would have to focus all its content creation expertise on a single initiative, instead of employing two different strategies, as it had to date. It was generally accepted that the Internet already contained a vast amount of content and that it would be extremely difficult to position a new website among this wealth of information. However, the idea was not necessarily based on generating a high number of visits, but on providing users with a high-quality experience and helping the brand to become a market leader. Informa wanted to create a data center where it could publish the information obtained from the studies and statistics it generated on a regular basis in conjunction with collaborations and specialist articles. There was to be a global focus based on user requirements.

The intention was to create an expert business information community that could provide first-rate articles, statistics, studies and opinions free of charge using the philosophy, "On the Internet, those that give, receive." The company aimed to make lots of high-value information available through non-sales channels in order to show both customers and non-customers the depth and quality of the information it could provide.

As well as expanding the database of users and increasing awareness of the Informa and eInforma brands, the strategic objective of the new initiative was to generate a qualitative impact that would position them as leading business information providers. It was also hoped that the website would contribute to Informa's SEO and social network strategies through users sharing content, as this would ensure the highest level of collaboration between users, current customers and potential customers.

Informa did not want the website to compete with other traditional and online media outlets, but to collaborate with journalists by offering them easy and convenient access to statistics and information that were of interest to the business community. Ideally, the website would become a source of data for the media and would be referred to as a market leader as regards business information.

Informa had to change its approval mechanisms in order to ensure the website could be updated quickly. Initially, some executives thought website content would be subject to an approval process similar to that used for press releases, which were usually reviewed by at least one executive before being published to make sure there were no errors and that the style was in-line with the correct editorial policy. However, if this process were used, it would not be possible to maintain a rhythm of at least one publication per day containing fresh and current content.

Thus, a decision was taken to issue content to just a few individuals and operate a non-opposition policy by which, if nobody made any comment within a period of 24 hours, the content would be considered approved and could be published. This involved sacrificing a certain level of security in order to prioritize speed and efficiency. The aim was to avoid having to wait for a final review before content could be published.

It was also not clear who the initiative belonged to and what its focus should be. If it were classified as an SEO project, the online team should lead it; however, if it were considered a development aimed at improving the brand's image, the marketing department should be responsible for it. In fact, the marketing department was so enthusiastic about the project that ownership never became an issue. Nonetheless, some within the marketing team were of the impression that not many others within the company were as keen on the initiative as they were. Following several meetings, it was decided that the project's success would be dependent on the users' experience, how they were dealt with and on building relationships with individuals. Consequently, it was categorized as a public relations project that would focus on "branding" and "lead nurturing" rather than direct online sales.

In October 2013, 24 articles were published and there were 6,884 visits to the site. Since then, interest has been growing steadily. Between the months of March 2015 and March 2016, the website was visited around 27,000 times per month. During the same period, an average of 19 articles per month were published on the site. Site users tended to visit 1.3 pages per session. However, it still had a high bounce rate of 85 percent.

The website was reasonably active and provided Informa with an Internet presence while simultaneously contributing to its image and corporate reputation. The company also had a growing presence on social networks such as Twitter, LinkedIn and Facebook. However, the impression within the team was that the results of these types of initiatives were difficult to measure and that the website was actually much more active than statistics suggested. Ultimately, Informa's open culture, its ability to generate useful content and information and the opportunities it provided to target the executives of client companies, prospective customers and other influencers within the industry provided it with a platform to showcase its attributes that could not be directly demonstrated by statistics.

Overall, the team was extremely satisfied with the initiative. However, the same question that was asked at the first meeting before the website was launched continued to crop up at subsequent marketing meetings: "How many more reports will we sell using this channel?"

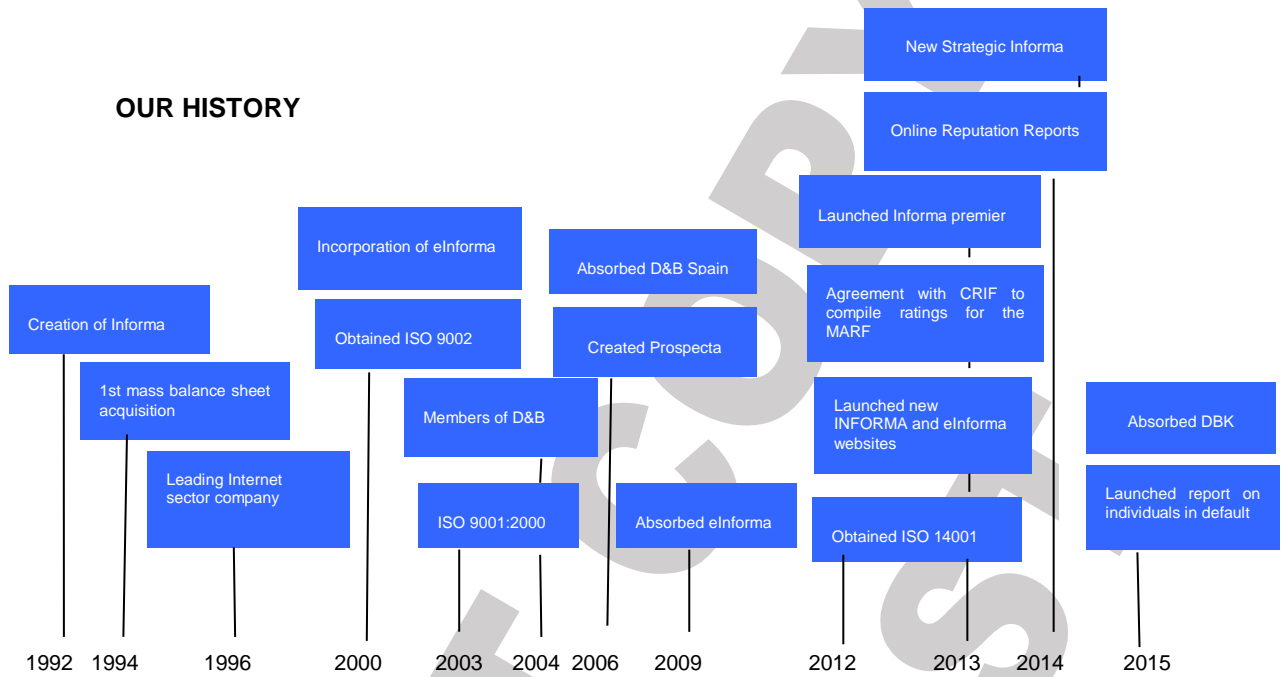
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ANNEX 1
MILESTONES IN THE HISTORY OF INFORMA

OUR HISTORY



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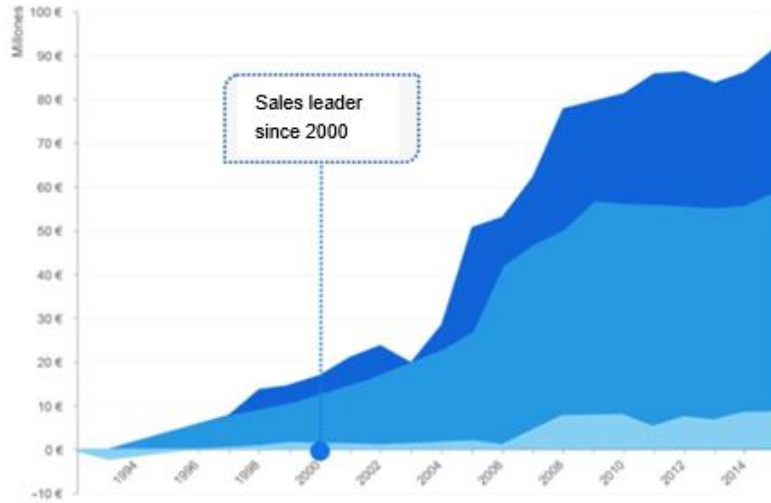
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ANNEX 2

CHART SHOWING DEVELOPMENT OF INOFORMA SALES

REVENUE AND SALES

- Consolidated sales
- Sales
- Profit for the year



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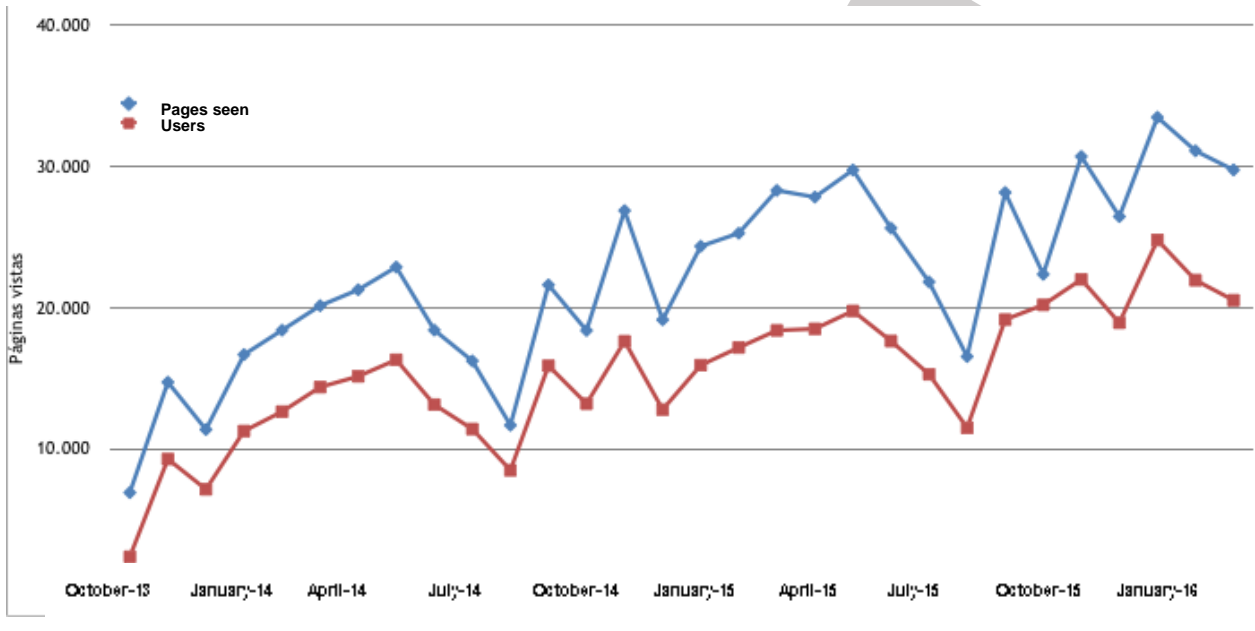
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ANNEX 3
CORPORATE STRUCTURE OF THE INFORMA GROUP



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ANNEX 4
GENERAL DEVELOPMENT OF EMPRESA ACTUAL.COM



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ANNEX 5

DEVELOPMENT OF EMPRESAACTUAL.COM

	Pages Seen	Users	Pages/ Session	% Bounce	% New Users	Articles Published	Total Viral
October-13	6,884	2,332	8.35	80%	97.80%	24	112
November-13	14,709	9,260	1.49	81%	88.99%	18	162
December-13	11,353	7,115	1.48	82%	88.91%	21	312
January-14	16,665	11,245	1.40	83%	89.50%	19	335
February-14	18,396	12,623	1.37	84%	89.91%	17	186
March-14	20,133	14,360	1.33	85%	88.76%	20	358
April-14	21,262	15,124	1.34	84%	88.90%	20	596
May-14	22,872	16,296	1.34	84%	87.42%	18	1,783
June-14	18,403	13,119	1.33	84%	86.44%	16	387
July-14	16,218	11,387	1.24	79%	78.26%	12	309
August-14	11,658	8,465	1.35	85%	88.51%	11	307
September-14	21,606	15,875	1.30	85%	87.02%	18	496
October-14	18,374	13,184	1.31	84%	88.22%	25	348
November-14	26,874	17,612	1.36	84%	86.42%	19	501
December-14	19,136	12,769	1.33	85%	85.01%	16	425
January-15	24,346	15,912	1.33	84%	94.34%	18	520
February-15	25,273	17,167	1.33	84%	87.20%	15	510
March-15	28,306	18,382	1.37	84%	86.06%	19	607
April-15	27,835	18,492	1.35	84%	86.19%	16	574
May-15	29,753	19,762	1.34	84%	85.25%	17	925
June-15	25,635	17,628	1.45	85%	85.45%	18	1,183
July-15	21,818	15,272	1.29	85%	86.47%	19	489
August-15	16,529	11,476	1.28	86%	86.31%	14	405
September-15	28,156	19,149	1.30	85%	85.55%	27	852
October-15	22,362	20,189	1.25	86%	87.19%	24	460
November-15	30,714	21,994	1.25	86%	86.37%	15	252
December-15	26,454	18,923	1.25	86%	85.94%	15	280
January-16	33,489	24,785	1.23	88%	88.16%	22	2,363
February-16	31,113	21,941	1.27	85%	86.53%	21	251
March-16	29,758	20,520	1.29	85%	85.61%	20	296

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