

University of Nebraska - Lincoln

DigitalCommons@University of Nebraska - Lincoln

---

Library Philosophy and Practice (e-journal)

Libraries at University of Nebraska-Lincoln

---

June 2021

## Importance of Information Product for Economic Development

Supriya Mallik

*Moyna College, West Bengal, India, supriyamallik.mc@gmail.com*

Debasis Bera

*Prabhat Kumar College, West Bengal, India*

Follow this and additional works at: <https://digitalcommons.unl.edu/libphilprac>



Part of the [Library and Information Science Commons](#)

---

Mallik, Supriya and Bera, Debasis, "Importance of Information Product for Economic Development" (2021). *Library Philosophy and Practice (e-journal)*. 5612.

<https://digitalcommons.unl.edu/libphilprac/5612>

# Importance of Information Product for Economic Development

*Debasis Bera<sup>a</sup>, Supriya Mallik<sup>b\*</sup>*

*<sup>a</sup> Librarian, Prabhat Kumar College, Purba Medinipur*

*<sup>b</sup> Librarian, Moyna College, Purba Medinipur*

\* Corresponding email id: [supriyamallik.mc@gmail.com](mailto:supriyamallik.mc@gmail.com)

**Abstract:** The collection of information and the construction of knowledge has become an inevitable part for the economic growth and development. Now we are living in an advanced world where information is becoming important for every human to upgrade as technical development. The present information age is running to face many more challenges to achieve these much-needed goals. That is rapid technological advancement, which also creates new opportunities for using information virtually in all human pursuits. The extensive development of informational technologies, the emergence of information networks, the increasing reliance of the contemporary society on collecting, processing and distribution of information for its economic health, a paradigm shift to information work as a predominant occupation have led to the conception of information as a primary source of income. This paper attempt to highlight how information product affects the economic development through different medium of collecting information.

**Keywords:** Information economics, Information system, Information product, Economic-development.

## 1.1 Introduction

Information plays a significant role for the transformation of the economic development, which has been touted in the literature. The expectation of gathering information and the creation of knowledge will accelerate economic development by solving existing problems which was already developed in the past. Information products through information technology are the main resource center for the empowerment of any community by reducing the poverty level which indeed helps us for the economic development (Roztock et al., 2019). Information technology and its implications for the production of economic resources enable us for the economic development. The excludability of information product can be restricted to some extent by the introduction of information technology. In this process, the link between economic growth and information technology has been established (Kah & Kah, 2008). According to Wikipedia “Information economics or the economics of information is a branch of microeconomic theory that studies how information and information systems affect an economy and economic decisions. Information has special characteristics. It is easy to create but hard to trust. It is easy to spread but hard to control. It influences many decisions. These special characteristics (as

compared with other types of goods) complicate many standard economic theories” (Information economics, n.d.).

Information as that which is reduces uncertainty (Buckland, 1991). Information System is a collection of technical (hardware and software) and human resources that provide the storage, computing and communication for the information required by the organization. Economics of Information assesses the role of information in all economic activities as a factor of production, growth and development of the organization (Branscomb, 1994). According to Stiglitz, the information economics has explored the extent by which markets and other institutions practice and communicate information with the world. The problems arise from themselves may result costly information (Stiglitz, 2008).

The article deals with different resources as information products mostly from information technology which will drive us for the economic growth and development.

## **1.2 Objectives of the Study**

The objectives of the studies about the aforementioned titled are as follows:

- (i) To study the effects of the economy by information and information system.
- (ii) To study the economic tracks of information.
- (iii) To study the role of information in economic development.
- (iv) To study information services as products.

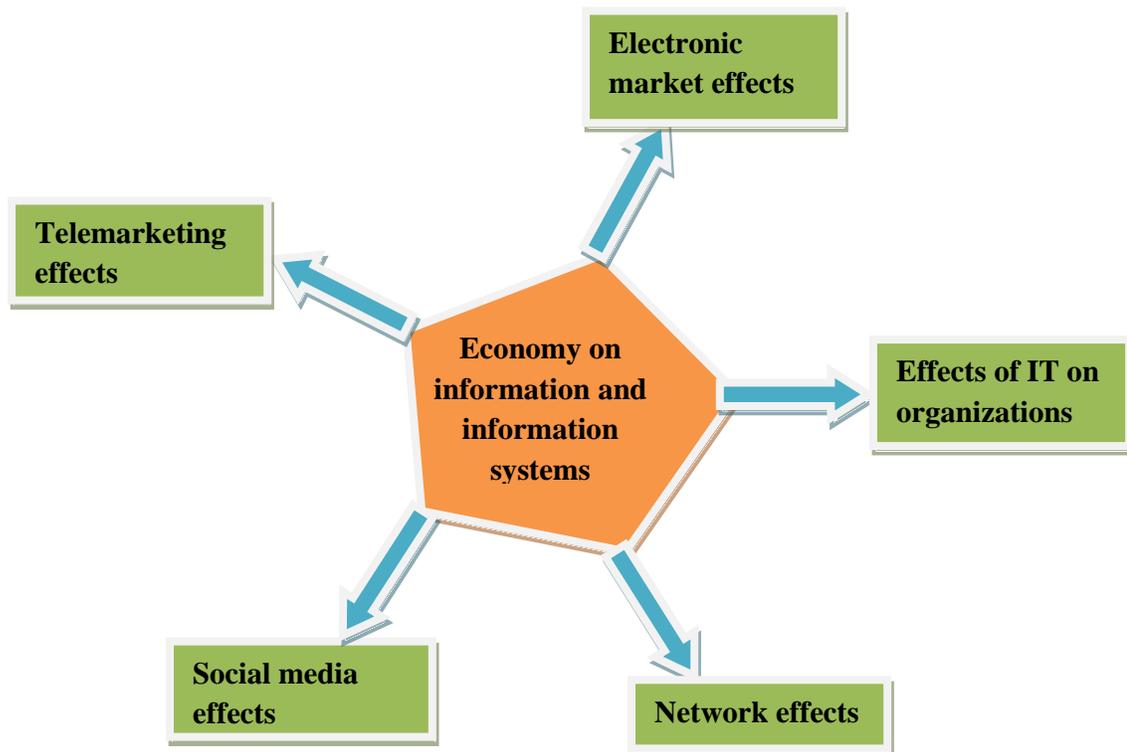
## **1.3 Methodology**

Some economic information-related literature has been thoroughly studied for the fulfillment of the objectives. We have also studied some books, journals and browse some websites to retrieve relevant information as per as possible. The study of the economic tracks of information for dissemination of economic information, information products, and finally some recommendations for the betterment to reach authentic information for economic development have been examined.

## **1.4 Economy on information and information systems**

Here, we have explored (Fig. 1) how information and information systems together affect economy, which are as follows:

- (i) Effects of IT on organizations - Good information systems in place of organizations also tend to reduce their internal management costs, i.e., the cost of monitoring and supervising the staff (Rajaram, n.d.).



**Figure 1:** Different factors of economy on information and information systems

- (ii) Electronic market effects - E-markets refer to the use of the Internet and digital media capabilities for marketing products. It means the application of all marketing principles and techniques via electronic media for the business shall be implemented (Braman, 1999, p. 112).
- (iii) Network effects - This effects' refers to the effect whereby goods or services become more valuable when more people use it (Katz & Shapiro, 1994).
- (iv) Social Media effects - Social media is the driving force in the current global economy. Today social networking sites are not used just for personal interactions, but also for serious business. Social media has helped for creating millions of job opportunities throughout the world (Rajaram, n.d.).

- (v) Telemarketing effects - Telemarketing directly motivated people for purchasing the products at the cheapest cost.

## **1.5 Economic tracks of information**

As information is an important economic resources for development, let us consider the economic tracks of information (Braman, 1999).

**1.5.1 Storage vs carrier:** The physical carrier of information does not change and affects its content. The content of a book would remain unchanged whether it is in various formats like print or in e-format in a CD.

**1.5.2 Production and cost:** First copy is always costly and also includes in major costs. Additional copies can be created which reduced the cost.

**1.5.3 Format reduces transportation cost:** In the electronic format of information definitely nullified its transportation cost.

**1.5.4 Priced vs consumer value:** The price of information is depending on its consumer value but not according to its production cost.

**1.5.5 Time and value of information:** Relationship between information and time is very complex. For example, a pharmaceutical company continued to conduct research today that may be considered a breakthrough result in the future.

**1.5.6 Distance and value of information:** The tangible commodities value decreases if one has to travel on long-distance to acquire it, similarly the value of the information would also decay if one has to travel a long distance to access it.

**1.5.7 Multipurpose usage:** In real situation, small percentage of users tends to use information more frequently and pay high price for information.

**1.5.8 Accumulation and value:** Larger the accumulation of information means the information is more valuable.

**1.5.9 Property rights of Information:** Intellectual Property Rights (IPR) confers ownership rights and protection to the creators of their intellectual products. Such protection gives the creators some opportunity to recover the investments that they have made and an incentive to make it available to the rest of the world.

**1.5.10 Copyright and Information:** In India, the length of copyright is the life of the author plus 60 years. In most of the world, it varies from 50 to 70 years after the death of the author. So it means the authors can hand down these rights to their heir and like any other property, it can be inherited by the relatives.

## **1.6 Role of information in economic development**

Information has an active economic role to play as discussed below:

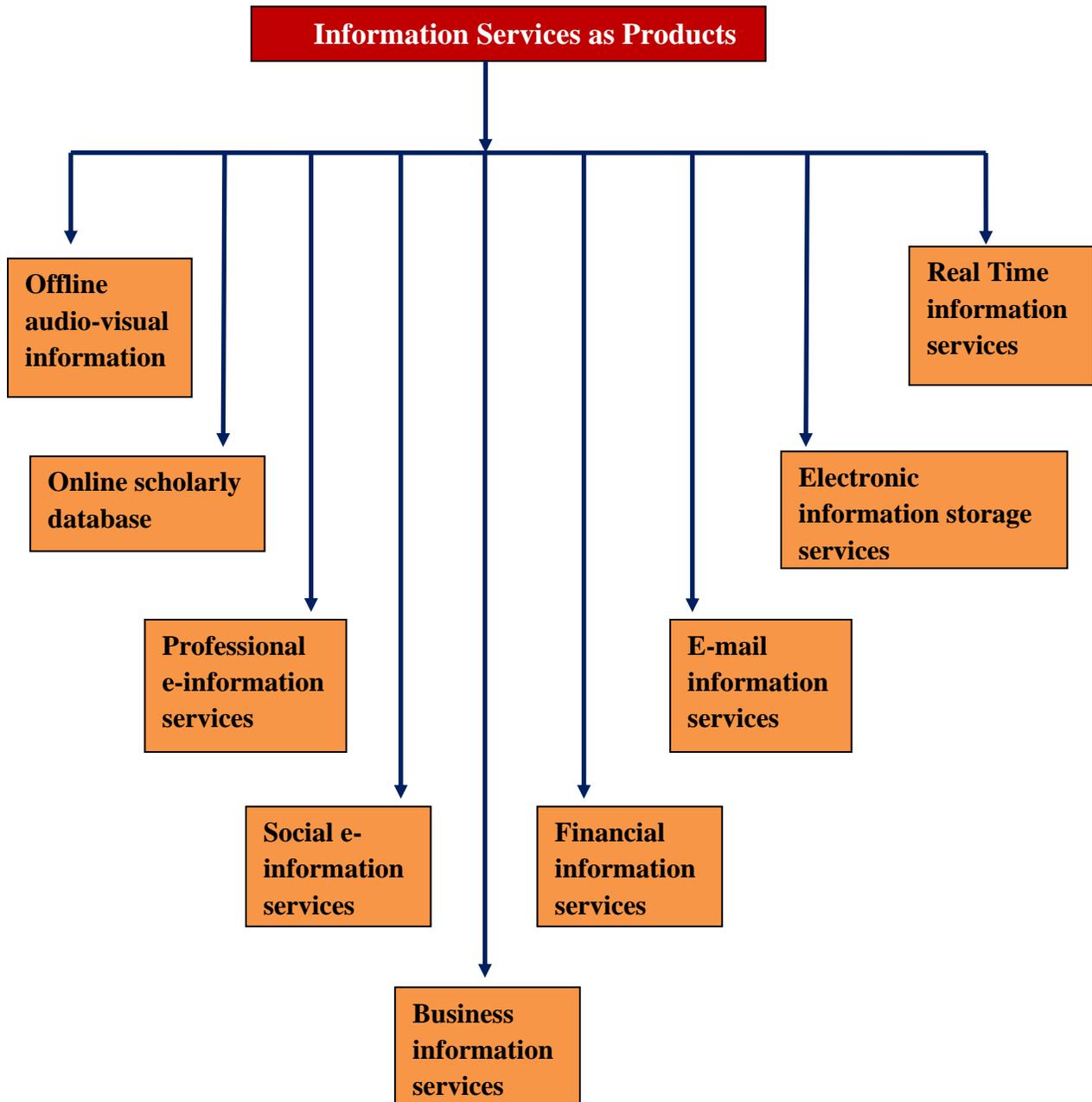
- Information is essential to help us in taking the right decision in all kinds of organizations.
- Management information systems (MIS) help in the operational management of the organizations.
- Information has a very important role to play in the market for better customer services.
- As information can be substituted for man, material and land for reason it can bring down the cost of production of goods.
- Information through advertisement and sale promotions influences and encourages people to buy their products.
- Information is essential in education, research and development. Teaching and learning process can take place through information.
- Information is essential to legislate and for the judiciary.
- Information is essential for the navy, air and armed forces.
- Information is the substance of the entertainment industry; be it a feature film, theater, TV or radio show.
- Information is vital for the tourism sectors like the transportation and hospitality industry.
- Information also supports service sectors like banking, insurance, logistic, media etc.
- Information services can be sold by private individuals as consultants.
- Information by itself is a subject of scientific study and research. (Eaton and Bawden p.160-161).

## **1.7 Information Services as Products**

Information and Communication Technology (ICT) has made the creation, collection, organization and dissemination of information products much easier. Technology also solves the flexibility of these products by making maximum possible customization according to the demand of the user. Information services are distributed as products to the users (Fig. 2). The following products are essentially information-related activities for the development of the economy (Rajaram, n.d.).

### 1.7.1 Offline audio-visual information products

Offline information products on CD-ROMs, VCDs, DVDs and some external storage devices abound in multiple areas of human activity. Back volumes of scholarly databases, journals or encyclopedias, dictionaries are available on CDs and DVDs in diverse disciplines. At the same time, we have the whole entertainment industry thriving on music and motion film CDs, VCD, and DVDs. The video game industry is yet another multimillion dollar industry engaged in the development, marketing and sales.



**Figure 2:** Different types of information services as products

### **1.7.2. Online scholarly database products**

Researchers, teachers and students generally depend upon these databases for their study and research. As subscription-based databases are very expensive for individual subscriptions, it is the libraries that normally subscribe to them and give access to their members. Ex. Scopus, JSTOR, Web of Science etc.

### **1.7.3. E-information services as a product for professional**

There are employment websites that are like professional information services helping prospective employers as well as employees. In India naukri.com is a popular site for job hunters. Monster.com is also a popular website worldwide for searching jobs.

### **1.7.4. E-information services as a product for social purposes**

In India, matrimonial websites are very much popular. Some popular websites are bharatmatrimony.com, abpweeding.com, shaadi.com, communitymatrimony.com, jeevansathi.com, simplymarry.com, etc. There are also matrimonial websites specifically for Bengali, Tamil, Marathi, Kerala etc. The online matrimonial matchmaking business in India is growing and earns crores of rupees. For travel and tourism the government websites and also private websites like makemytrip.com, yatra.com, Trivago.com is available in India for tourism information services. Most of the tour operators offer their holiday packages at competitive prices to lure the customers.

### **1.7.5. Business information services products**

Business sectors are highly competitive every time where access to critical information is the key to success. Any organization can hire them for technology services, recruiting services, business intelligence research and the like. These services are sold as products in a variety of languages, in any part of the world, collecting information from a wide variety of sources. These services provide quality, timely and up-to-date information needed for success in the business world. Besides business information services, there are many online shopping sites Flipkart, Amazon etc.

### **1.7.6. Financial information services products**

Individuals need professional help to manage and plan to invest their finances. They need advice on money issues such as investments, insurance, savings, estate planning, taxes, retirement, portfolio management, education for children's etc. Clients are often prepared to pay for such services. Such financial advices are offered by many sites like policybazar.com. Many financial services companies besides wealth and asset management also give advisory on capital market. So such services also give the latest on the stock markets. Many services just specialize on providing stock market tips and they provide free as well as paid tips. Real estate services help in

buying and selling property. For example, 99acres.com, magicbricks.com, indiaproperty.com, makaan.com are such property services in India.

### **1.7.7. E-mail services products**

Email services help users to send, receive and view e-mail from their Web browsers. Gmail, Yahoo Mail, Rediffmail, Hotmail, etc. are all popular e-mail services. All these e-mail services are free and they offer easy access and storage of e-mail messages to users. For high security, there are some e-mail are paid services products.

### **1.7.8. Electronic information storage services products**

To fulfill it may need many online storage service sites which are available for free as well as for fee. They allow users to store photos, videos, textual documents and any other file. Some online storage services are Dropbox, Google Drive, Mozy etc.

### **1.7.9. Real-Time information services products**

Online banking gives real-time access to the accounts of account holders. Clients can receive payments, view details of their account, open fixed deposits or request a cheque book etc. Some apps i.e., Yono, Phonepe, Google pay, Airtel money, amazon etc. are available for payments, account checking, fund transfer etc.

## **1.8 Recommendations**

Few recommendations have been suggested which are as follows:

- (i) Information products most of them are private but databases put together by governments in order to serve the public interest that should be monitored properly.
- (ii) Digital divide are existed that should reduce the knowledge gap between rich and poor information users.
- (iii) Information communication channels are poor in rural areas that should be developed.
- (iv) Social Medias are played an active role for the dissemination of economic information for economic development. In such a case Government should be monitored properly for the avoidance of violence.

## **1.9 Conclusion**

Information along with its products has been great part to empower the tool for the collection of knowledge and more conclusively, to understand the economic development globally. Several factors e.g., telemarketing, electronic market, social media, network etc. in information and information systems and their roles to the economic development has been established. It is also observed that information economics can play a very important role in effective information

management. It has risen in importance because of the shift to an information economy that is best described as a network economy. Sociologists were studying the effects of the "knowledge gap" as it played out between the poor and the rich, the rural and the urban, the uneducated and the educated, the female and the male etc. Cooperation and coordination have joined the competition as all-important strategies for long-term economic success. The frameworks as described and also the proposed recommendations would be the aide to the future of information services as a products for the economic development.

## References

- Braman, S. (1999). The information economy: An evolution of approaches. In S. Macdonald & J. Nightingale (Eds.), *Information and Organization* (pp. 109-125). Amsterdam: Elsevier Science.
- Branscomb, A. W. (1995). Public and private domains of information: Defining the legal boundaries. *Bulletin of the American Society for Information Science*, 21(2). <http://www.asis.org/Bulletin/Dec-94/branscom.html>.
- Buckland, M. K. (1991). Information as thing. *Journal of the American Society for Information Science*, 42(5), 351-360.
- Eaton, J. J., & Bawden, D. (1991). What kind of resource is information?. *International Journal of information Management*. 17, 156- 165.
- Kah, J. M. L., & Kah, M. M. O. (2008). Social Dimensions of Information and Communication Technology Policy. In Chrisanthi Avgerou, Matthew L. Smith, Peter van den Besselaar (Eds.), *ICT and socio-economis development: A university's engagement in a rural community in Yola, Nigeria*. IFIP International Federation for Information Processing Boston, Springer. Retrieved from [https://link.springer.com/chapter/10.1007/978-0-387-84822-8\\_15](https://link.springer.com/chapter/10.1007/978-0-387-84822-8_15).
- Katz, M.L. & Shapiro, C. (1994). Systems competition and network effects. *Journal of Economic Perspectives*, 8(2), 93-115.
- Rajaram, S. (n.d.). Economics of information. Retrieved from [https://epgp.inflibnet.ac.in/epgpdata/uploads/epgp\\_content/S000021LI/P000210/M004312/ET/1483090829P1\\_M12.pdf](https://epgp.inflibnet.ac.in/epgpdata/uploads/epgp_content/S000021LI/P000210/M004312/ET/1483090829P1_M12.pdf).
- Roztocki, N. Soja, P. & Weistroffer, H. R. (2019). The role of information and communication technologies in socioeconomic development: Towards a multi-dimensional framework, *Information Technology for Development*, 25(2), 171-183.
- Stiglitz, J. E. (2008). Information. In David R. Henderson (Eds.), *The Concise Encyclopedia of Economics* (2<sup>nd</sup> ed.). Retrieved from <http://www.econlib.org/library/Enc/Information.html>.

Information economics. (n.d.). Retrieved from  
[http://en.wikipedia.org/wiki/Information\\_economics](http://en.wikipedia.org/wiki/Information_economics).