

MANAGING INTERACTIONS BETWEEN TECHNOLOGICAL AND STYLISTIC INNOVATION IN THE MEDIA INDUSTRIES

INSIGHTS FROM THE INTRODUCTION OF eBook TECHNOLOGY IN THE PUBLISHING INDUSTRY

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**Managing Interactions between Technological and Stylistic
Innovation in the Media Industries**

Insights from the Introduction of eBook Technology in the Publishing Industry

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Abstract

The mainstream of innovation research pays a lot of attention to *technological innovation*, but has neglected its interaction with another type of innovation, which is particularly important in sectors like the furniture, fashion and the media content industries: *stylistic innovation*. This paper explains how the quality certification processes for technological and stylistic innovations differ and how they may interact in the media industries. Awards are discussed as specific instantiations of micro certification schemes indicating excellence with respect to stylistic and/or technological product features. Furthermore, a definition of stylistic innovation is developed with reference to organizational identity as well as reputation, two key concepts, which permeate the processes of innovation and certification discussed in this paper. Stylistic and technological innovation may take place in both, the content as well as the form of media products. It will be argued that the interaction between stylistic and technological innovation depends, first of all, on the location of each of these types of innovation within the product, and, secondly, on the characteristics of the certification scheme faced by the producing firms. Within the media sector the literary publishing industry has been chosen to provide the subject of the empirical part. Two case studies related to the introduction of eBook technology are presented: One is a study of the first digital literary publisher in Europe and the other is a case study of the first international eBook award, which mixes technological and stylistic criteria. Theory and cases lead to a number of hypotheses, which are offered as potential departure points for future research on the interaction between innovation in style and technology.

Key words: technological innovation, stylistic innovation, certification, awards, identity, reputation, media industries

Introduction

The mainstream of innovation research pays a lot of attention to *technological innovation*, but has neglected its interaction with another type of innovation, which is particularly important in sectors like the furniture, fashion and the media content industries: *stylistic innovation*. The value creation process in these industries is highly dependent on professional critics and experts certifying the quality of products. This paper explores how the certification processes for technological and stylistic innovations differ and how they may interact in the media industries. The aim is to contribute to a better understanding of how the different modes of interaction affect the ways in which firms in these industries can maximize the value of their different types of innovations.

In media products, stylistic and technological innovation may occur both in the content as well as the actual medium, which represents the form for this content. It will be argued that the interaction between stylistic and technological innovation depends, first of all, on the location of each of these types of innovation within the product, and, secondly, on the characteristics of the certification scheme faced by the producing firms. Awards are briefly discussed as a specific instantiation of certification schemes indicating excellence with respect to stylistic and/or technological product features. In their role as micro certification schemes within macro certification schemes in place in industries, awards will not only be used as a conceptual tool in this paper, but also in the empirical part. The phenomenon of the award will help to reveal that more subtle mechanisms and barriers may be involved in the diffusion of new technologies than have been explored so far. Furthermore, in the theoretical part, a definition of stylistic innovation is developed with reference to organizational identity as well as reputation, two key concepts, which permeate the processes of innovation and certification discussed in this paper.

The questions addressed in this paper have strategic implications for both, the Media Technology Industries as well as the Media Content Industries. The Media Content Industries, and especially the cultural ones among them, have been paid more attention in Management Research recently. The literary publishing industry has been chosen to provide the subject of the empirical part, because it is an industry in which stylistic quality has obvious importance and at the same time the opportunities for technological innovation have grown enormously in recent years. A review of the

literature on the literary publishing industry indicates that the use of new technologies is often perceived as associated with producers of poor quality content. The perceived antagonism between content quality and technological innovation in the form of a product has evolved into an obstacle to seizing new technological opportunities.

Two short case studies are presented which are related to the introduction of eBook technology: the first is about *00h00.com* in Paris, one of the first literary publishers in Europe working almost exclusively with the new technologies, Print on Demand, eBooks and the Internet; the second is a study of the *Frankfurt eBook Award*, which is an award mixing technological and stylistic criteria and specifically awarded to products published by means of the new technology. Whereas the first case focuses on the challenges and obstacles faced by a firm attempting to enter the industry and using the new technologies, the second case spotlights the opportunities offered by the creation of a micro certification scheme like an award to overcome these obstacles within the overarching certification scheme in place in the industry.

In the concluding section, the theoretical parts together with the implications of the cases lead to a number of hypotheses, which are offered as potential departure points for future research on the interaction between innovation in style and technology.

Certification and Interactions between Different Types of Innovation

Innovation is usually considered as a process of commercializing an invention (Rickards, 1991), or more generally, a process of bringing an invention into use (Schon, 1967). Many inventions take place in this world, but few of them are really transformed into innovations. In that sense it can rightly be understood as an innovation, when a media company like a publishing house discovers original contents within a large pool of individual content producers and decides to produce and commercialize this 'raw material'. Equally, the use of new technologies as a new means of production or distribution within these processes can be considered as an innovation. This is in line with Schumpeter's classic definition of innovation and all those later ones which in some way refer to his rather comprehensive set of basic innovation types including the introduction of a new good, the introduction of a new means of production, the discovery of a new source of raw material or semi-finished

products, the conquest of a new market, and the establishment of a new organization (Schumpeter, 1942).

Since these early days of innovation studies, different kinds of innovation as well as different degrees of an innovation's significance have been conceptualized in mainstream innovation research. Apart from the basic distinction between *product* and *process* innovation, different kinds of innovation have roughly been distinguished into sources of innovation and degrees of the significance of an innovation. To name just a few, innovations have been labeled as *radical* and *incremental* (Henderson & Clark, 1990). *Disruptive* (Christensen, 1997) or *revolutionary* (Abernathy & Clark, 1985) have been similar expressions of the radical scale of an innovation. With respect to the sources of innovation a fundamental distinction has been made between innovation coming from *inside* and *outside* the firm (Nelson & Winter, 1982; Von Hippel, 1988).

However, most of the types of innovation have been discussed in the context of technological innovations and mainly with reference to manufacturing. The scientific importance of other types of innovation, for instance artistic innovation (Castaner & Campos, Forthcoming), and also the interaction of technological innovation with such other types of innovation has been neglected. Few exceptions explore practical issues concerning the link between innovative technology and style, for instance in the production of films (Salt, 1992). In a theoretical approach a strategic management perspective on this relationship could be taken. For instance in the context of new technology acceptance and adoption, the interaction of technological innovation with other types of innovation might help explaining differences in the receptiveness of firms to new technological opportunities. Traditionally, variables like 'perceived usefulness' and 'perceived ease of use' have been explored, for instance in the technology acceptance model (Davis, 1986). Only very recently, factors rooted in social influence processes, such as the image of the adopting unit, have been included in the analysis (Podolny & Stuart, 1995; Venkatesh & Davis, 2000). They have also been referred to in the literature as the 'soft' elements of a technology complex, which are needed to make a technology work (Fleck & Howells, 2001). How social and cultural influence processes, also the ones underlying other types of innovation may interact with the certification processes for technological innovations in a product is the subject of this paper.

In the literature, some non-technological innovations have been identified as different from technological innovation in particular characteristics, for instance service innovations, which may involve far more interaction between producers and consumers (Gallouj & Weinstein, 1997). Such innovations may also be more dependent on intermediaries, in other words the opinion of experts certifying the innovativeness of a product. This is similar for stylistic innovations in media content products, where for instance aesthetic enjoyment as a key part of consumer satisfaction arises from recognizing stylistic differences, as will be explained in a later section. It seems that the higher the degree of interaction between production and consumption in a particular industry, the more influential certifying intermediaries can become for the success or fall of a product. It will be argued in this paper that the interaction between stylistic and technological innovation depends, first of all, on the location of each of these two innovation types within the product, and, secondly, on the characteristics of the certification system faced by the producing firms.

Content and Form: The different locations of innovation in the media product

In Economics and management science little explicit attention has been paid to the different modes of interaction between the form and the content of a product notwithstanding its practical importance in modern business. Notable exceptions can be found in the literatures on new product development and marketing, where the different content and form dimensions of a product have been discussed (Muthukrishnan & Kardes, 2001; Normann, 1971). Whereas the term content is more widely used in business contexts, the term form figures more in other disciplines, for instance biology, philosophy and art-history.

For the purpose of this paper a model of the media product has been developed (Figure 1, Appendix), which might help to capture the dynamics of innovation within media products. According to this model, the media product can be deconstructed into three parts. First, there is the core of the product, which for a media product will represent the thematic part or message of the product. This core together with the inner form in this model represents the content of a product, in turn surrounded by the outer form of the product. The inner form in the case of the book - to use an example relevant to the discussion of the literary publishing industry later in this paper- would be the 'literary form', which has for instance been defined by the Russian formalists

as the linguistic structures of a text considered separately from the contents of the text. However, they even degraded content to the status of mere basic material to realize the actual aim of experimenting with forms (Eagleton, 1983). The outer form includes in a wider sense the way in which the content is transmitted and presented to the consumers. This refers to characteristics, which are directly related to the outer appearance of a product. In the case of a book this would include design characteristics of the cover, but also new technologies in the mode and means of producing and transmitting content to the consumer. Technological innovation, however, may not only figure in the form, but also the content of a product. In the content, technology may open up new stylistic opportunities in the 'inner form'. Vice versa, stylistic innovation may not only occur in the content, but also in the outer form, where it is usually referred to as *design* innovation. A definition of the style concept as well as stylistic innovation will be developed in a later section.

To achieve a particular function of the media product as a whole, the relationship between content and form may vary. The different options for this relationship have most intensively been discussed in the theory and philosophy of art (Schapiro, 1994), but are no less important in other non-cultural industries. Among the most important options the form may, first, support the content. The degree of this support may be so strong that the form may even be perceived as a part of the content. Secondly, the form might not add anything to the content and thirdly it might even limit the optimal function of the content. In the example of a Porsche car the function of the car's form is supposed to support the content, an approach also exemplary for the ergonomic designs of the famous Italian designer Luigi Collani. Taking the example of the car, the production process is an iterative process between engineers, who are responsible for the function of the content and designers responsible for the form and aesthetic characteristics in it, such as style. The car designers deliver a form concept based on design studies. Their stylistic suggestions are supposed to add up in a consistent form, for example the consistent use of oval form elements such as oval mirrors and oval buttons on the instrument panel. Then engineers check whether it is compatible with the core technical requirements. The cases presented later will illustrate the third relationship between form and content, where characteristics of the outer form have a detrimental effect on the perception of the content.

There are products, where the value to the consumer lies more in the form than in the content- an example back in the media industries would be the bibliophile book

edition. In contrast, the purchase of a ragged second-hand paperback is strongly content-oriented. The outer form is not an important carrier of value in this case. Often average consumers do not consciously identify the share of content and form characteristics in their appreciation for a product. Their personal value perception is rather based on an aggregate of all the parts of the product. The overall product as perceived by them may also include quality certification signals reflected onto the product for instance by intermediaries with particular expertise. These signals can spotlight the contents of the product just as they can focus on the form in which it reaches the consumer. The deconstruction of the product in content and inner versus outer form as presented in the foregoing allows us to clearly determine the main location and type of innovation in the following. This paper focuses on the interaction between two specific types and locations of innovation and the certification systems related to them: technological innovation in the outer form of a media product and stylistic innovation in the content.

Certification, Reputation and Identity in the Value Creation Chain

Different structures of certification environments (Caves, 2000) characterize the value creation chain in which firms participate with their products. Within such environments different kinds of opinion leaders (Rogers, 1995), also called gatekeepers (Verdaasdonk, 2001), can act as certifiers of product quality for the consumers at the end of the value creation chain. Usually they are professional critics or experts in the field. Apart from these professional certifiers, every other actor who naturally forms a part of the production and distribution chain can to some degree act as a certifier. In the media content industries already the producing firms act as gatekeepers of content quality, as soon as they choose from the pool of ‘raw material’ offered to them by individual content producers. The better the firm’s reputation, the more it will act as a certifier of quality in its own right. Further down in the value creation chain, distributors may fulfill gatekeeper functions. However, the acknowledgement of a distributor’s and also a retailer’s certification signals by the next actor in the chain will depend on whether the firms are incorporated into the producing firm, as it is often the case with large media conglomerates. Finally, also a

small group of trend-setting consumers can act as certifiers and activate bandwagon effects in a market.

Different certification schemes can be distinguished by identifying which mix of the above actors is involved in the certification process, and also the different norms, values and beliefs underlying their decisions. In turn, different industries and sub-sectors of them can be distinguished according to the types of certification schemes, which are governing them. In some industries, professional certifiers are needed as intermediaries between producers and consumers in the value creation process of new products. Such industries can be classified as more certifier-dependent, in that more actors are involved in the certification process than naturally form a part of the production and distribution chain. Also, firms and groups of firms can be distinguished according to the certification schemes they face, which is something they can partly influence by their strategic choices, as will be explained below.

Content innovations in the media industries, such as stylistic innovations in the inner form of the content or innovations in its core, that is the message and thematic part of the contents, tend to be highly certifier-dependent. This can be considered as a particular innovation style predominant in a number of sectors, which is comparable to the notion of a specific *innovation system* on the national level, where a knowledge base is built referring to a longer track-record of interaction between the actors in this system (Lundvall, 1998). In order to be recognized as an innovation in a particular industry, most of the times a new media content product first needs to be certified as an innovation by one or more professional gatekeepers generally acknowledged for their expertise in this industry. This is mainly due to the experience and *credence qualities* (Darby & Karni, 1973; Emons, 1997) of such innovations, which means that *belief* in the (innovative) quality experienced by others forms a central part in the perception of such products, a belief, which the certifiers have the power to create. Simultaneously with this belief, these certifiers create reputational value for a producer or a product. It is also generally accepted that for these types of certifier-dependent products the potential margin for variation in quality judgments is highest and the influence of individual certifiers can become disproportionate. Apart from that, it is obvious that the same inventive product might fail to become recognized as an innovation in one certification scheme, but may be a success in another. One reason is that the value creation potential of different types of content innovations

varies between different media industries. Comparing scholarly publishing with literary publishing we will find that in literary publishing stylistic innovation in the inner form of the content tends to be most appreciated, whereas in scholarly publishing innovation in the core of the content, that is the thematic contents is the most appreciated type of content innovation.

As the cases presented later in this paper will illustrate, the specific certification scheme for stylistic innovations in a particular media industry may interact with the perceived value and acceptance of technological innovations in the same industry. The beliefs and attitudes of the professional certifiers with respect to different types of innovation can translate into the behavior of managers in firms operating within their environment (Fishbein & Ajzen, 1975). In a process of internalization managers may for instance perceive that important referents think one should use or refuse a technology and then incorporate these referents' belief into their own belief structure (Kelman, 1958). Expert power is the most important force behind such internalization processes (French & Raven, 1959).

The process of certification strongly relies on reputation and identity mechanisms. All the actors involved in the value creation chain have an interest in building or protecting their reputations and identities, and within the certification process these various reputations interact. Firms, the key actors in this chain, usually seek to maintain a favorable reputation within their reference system. This goal plays a role in the firms' receptiveness for new technologies as soon as the 'use of an innovation is perceived to enhance one's status in one's social system' (Moore & Benbasat, 1991; Shrum & Wuthnow, 1988). By the same token, a new technology may be refused to preserve one's status in a particular certification environment with fixed certifier preferences (Karni & Schmeidler, 1990) marked by technology-averseness, as the empirical part of this paper will illustrate. Reputation is a relational concept, in that it represents the opinion of other certifiers about particular producers or products. Reputations have the highest value creation potential in particularly certifier-dependent industries. In turn, the reputation of certifiers will only create value, if it is known to a wider public.

Also identities held by the different actors within the certification scheme play a major role in the value creation process. Identity as understood in contemporary relational theory is closely linked to the concept of reputation. Like reputation *identity* is seen as relational in the sense that the inner unity and continuity of an actor can

only be maintained, when it also exists in the eyes of others, who are perceived as important by the holder of the identity (Seligman & Shanok, 1995). In this sense it is considered as a psychic construction, which anchors in a continuous dialogue between the inside and the outside, where the outside counterpart to identity is the *reputation* of an actor. The behavior of managers strongly depends on organizational identity, a link, which has recently received particular attention in management research (Albert, Ashforth, & Dutton, 2000). The certifiers' identity also feeds into organizational identity, which in turn is a determinant of an attitude towards technological characteristics such as in the form of a content product. Such identities may differ from industry to industry. Equally, the value of a reputation for being technologically innovative will vary in different certification schemes, since also identity-wise technological innovation may count for less in an industry, where the influential certifiers are either not adequately equipped and where there are no incentives for them to become knowledgeable about technological matters. Also, radical changes of attitude in such cases are unlikely, since a good reputation and a strong identity both live on a certain consistency.

In some industries like the cultural industries, a reputation for innovation is extraordinarily important in the competitive process (Wijnberg & Gemser, 2000). It is particularly in such industries that the decision to perform a type of innovation, which is less accepted in the certification scheme faced by the firm, strongly depends on the strength of the firm's identity, as well as the power of its reputational resources at different parts of the value creation chain. A firm may hold a reputation with actors at the supply end of the value creation chain, which are central for its access to good raw material, human resources or capital (Milgrom & Roberts, 1982). At the demand end of the value creation chain, the set of reputational resources a producer has with different participants in the certification scheme may strongly interact with the decision to use new technologies, which may help to bypass the traditional distribution channels. Producers who have built up a reputation for innovativeness with professional certifiers in the traditional channels of marketing and distribution of course tend to be more certifier-dependent in their value creation process than others who hold immediate reputational resources with their customer base. The competitive advantage which such reputational resources with certifying intermediaries will mean (Barney, 1991; Dierickx & Cool, 1989; Weigelt & Camerer, 1988) would be lost if they used the new technologies to bypass these traditional channels. Since this is not

the case for firms who are more independent of the certifiers in place, maybe also because they have built more direct customer contact and distribution channels, they will be more likely to experiment with technological innovations related to distribution channels. For them, reputation-induced performance differences (Fombrun & Shanley, 1990; Rao, 1994; Stuart, 1998) might even be compensated by using the new technologies to bypass the channels, in which reputations with professional gatekeepers strongly influence the value creation process. These firms may develop reputational resources for instance by differentiating themselves through innovation and excellence in customer contact (Fombrun, 1996). Apart from these indirect and long-term ways of value creation through reputational resources, they may directly create value for themselves and/or the end-consumers by saving the higher costs in the operations of the traditional distribution channels.

It can be argued that the existence or non-existence of reputational resources here respectively seems to lead to a situation in which there is either nothing to loose or that the resources are strong enough to compensate or convince certifiers. Some firms may be forced to bypass traditional channels, whereas others may see it as a strategic option. One might argue that firms who have a very good reputation in traditional channels and therefore highly certifier-dependent performance patterns may still behave more independent and experimental with new technologies, because their strong identity concerning the quality of their content might make them more confident in convincing the certifiers of something new in the form of their products. However, in the worst case such firms might not be able to efficiently buffer potential sanctions coming from the traditional distribution channels, if they do not hold reputational resources in the direct customer channels and therefore cannot realize cost-savings supported by the technological innovations.

The foregoing arguments also imply that firms can to some degree design the certification scheme which they want to face, by the strategic decisions they take, for instance with respect to building up resources in direct customer channels. In the context of technology, this clearly touches the strategic alignment literature (e.g. Henderson & Venkatraman, 1999), where the question is asked, whether strategy follows technology or visa versa. Another strategy of how firms can influence the certification process of their products is by taking part in awards, or even creating them, for instance for the promotion of a new technology in the media content environment as will be explained in the next section.

Awards: micro certification schemes

Awards can be considered as special instantiations of certification schemes formed by a specific group of certifiers who in turn handle a particular set of certification criteria, norms and beliefs. Awards are certification contests (Rao, 1994), which take place within an overarching certification scheme of an industry or sector of an industry. The role of critics and experts on an industry level corresponds to the role of the jury in an award. The former may be influenced by the latter in their judgments about a product. It can be argued that the aggregate of all awards in a particular sector represents a valid cross-section of the norms and values predominant in this sector. The phenomenon of the award will play a major role in one of the cases presented in this paper and will therefore be embedded in the above theory with particular care.

During recent decades a great number of awards or prizes has been established and public attention paid to awards has risen steeply. However, in management science and economics, research about awards has been largely restricted to studies of the effects of particular awards, eg Oscars, on market performance and little attention has been paid to other aspects and effects of awards which might be of managerial significance. Only very recently, the consequences of award processes and jury composition on the outcomes of awards have received more attention in the cultural industries context (Gleiser & Heyndels, 2001).

The value created by an award can be *material* or *symbolic* (Bourdieu, 1979), but most of the times a mixture of both. Symbolic value may result in material value at a later stage, or there are honorary money awards, which come with material and symbolic value at the same time. Usually, the higher the awarded sum, the greater the publicity for an award. In fact, a useful way of classifying different types of awards is to look at the order in which material and symbolic value is created in the life cycle of a conferred award. Whenever professional certifiers dominating an industry take an award into account in their judgments about a product, the reputational resources embodied in an award create value. Furthermore, the reputational value attached to an award can enable a producer to build certain types of beneficial relationships with competitors or other actors in an industry. However, the reputational value, which an award can create, depends on the prior stock of reputational resources of the involved

actors, such as the reputation the prizewinner already possesses before winning the award or the reputation of the certifiers and the award itself (Wiesand, 2001).

This paper focuses on the reputational value created in certification processes, which corresponds to the symbolic value of an award in its function of a micro certification scheme. Certification processes, both on the micro and the macro level, involve mechanisms of reputation transfer. By means of reputation transfer the symbolic value of awards can move in the form of reputational resources between various levels (Baden-Fuller, Ravazzolo, & Schweizer, 2000; Schweizer & Wijnberg, 1999), such as the level of the individuals, the institutions/ firms, groups of firms and whole systems, like the certification schemes in place in an industry. Like in the case of macro certification schemes, the quality signals sent out by certifiers on a micro level of award juries divide the firms in an industry into reputational groups- those who are favored by the criteria of the particular certification process and those who are not. Firms will seek to be perceived as members of the group favored by the certifiers and have a common interest in the protection of similar individual reputations within the collective reputation of the group. It will become obvious later in the eBook award case, how such dynamics may interact with the symbolic value of an award, and which particular types of reputation transfer it may then catalyze.

Awards can be directed towards a particular product, a particular producer, a whole oeuvre or even serve the promotion of a new technology in the cultural industries like in the specific case of the eBook award presented below. In terms of the media product model introduced above, criteria of awards conferred to individual products can be focused on characteristics of the core and the inner form within the content or characteristics of the outer form of the potentially award-winning products. The eBook award is an example of an award, which seeks to promote a new media technology within a media content industry. In such 'promotional' awards, actors involved in the presentation of the award, seek to benefit from the reputational resources, which for instance the members of the jury and the award-winners hold in the certification scheme of the media content. In exchange for this reputation transfer from the media content circuit to the media technology, the jury and award winners profit financially from the award procedure. Such an award artificially mixes criteria focusing on the inner form of media products, usually stylistic traits of the product with technological criteria referring to features in the outer form of the media product.

The under-researched concept of stylistic innovation will be explored in the following.

Defining Stylistic Innovation by Way of Identity and Reputation

Style is a widely used concept, but neglected in management contexts, where it can figure in the *product* as well as the *process* of creating a product. The style in the process has for instance been referred to as *strategic management style* (Campbell & Goold, 1988; Goold, Campbell, & Luchs, 1993), and also *organizational design* is a term used in this wider context. In the technological innovation literature different *innovation styles* have been distinguished using national, regional and industrial sector perspectives (Green, Walsh, & Richards, 1998). This section will not focus on the style of the innovation or production process, but innovation in the style of a product and its contents as such. However, like it is the case with product and process innovation, the style of a product is not always clearly separable from the style of its production process. The stylistic particularities of van Gogh's products for instance are inexorably entwined with his particular style of production.

Every product, process or actor has a particular style, but there are industries in which the relative weight of stylistic features in a product is comparatively high. Apart from the arts, other examples are the clothing fashion (Crane, 1999; Jarnow & Dickerson, 1997) and the furniture industry. But even in these contexts, style and stylistic innovation have rarely been explicitly addressed as a research issue, let alone properly defined for management contexts. The practitioners themselves often seem to avoid commenting on their style, since too much transparency of its composition may take away part of its mystery and value. In some industries such transparency threatens the producer's competitive advantage and claim of innovativeness, since correspondence with earlier producers might be detected. In other industries, as will be explained below, the detection of reference to earlier products is even an ingredient of success. In both ways such detection work takes place in certification processes.

In depth definition work on style has been performed in (socio)linguistic research (Hickey, 1989; Love & Payne, 1969). Here, particular styles characterize the behavior of individuals, groups, movements and gender in different cultural or social

settings. In the arts and science one mostly refers to the style of a movement, school or genre. In the context of a genre the word style is often used synonymous to the word form. What most definitions have in common is that they define style as the ‘how’ of the ‘what’- that is the sum of the characteristics of how something is said or done, which forms an identifiable pattern. A treatment of style can be approached in a descriptive way, where the patterns and choices, which make the style, are analyzed. However in a management context an explorative approach seems to be more useful, because it helps spotlighting social and medial interactions between managerial behavior and other factors such as the certification environment. Producers as well as certifiers conceive of style as a value term (Schapiro, 1994). Most importantly in this context, style can be considered as a means of creating value by differentiation. For managers, the style of their products, as well as the style of their managerial actions are very suitable means of distinguishing themselves socially (Bourdieu, 1979). In the fashion context style has been defined as the sum of the features which make two products of the same type different, in other words produce different variations of the same product (Jarnow & Dickerson, 1997). Thus, style builds on choice and deviation (Rosengren, 1972). Everything, which can be substituted in a product without changing its functionality is style. At the same time, stylistic elements play a ‘distinctive functional role’ within a product (Wollheim, 1993), however not functional in a technical sense, but in that they for instance make the same basic product appear more acceptable or fashionable (Pessendorfer, 1995) within a particular certification scheme.

Identity and the reputation of producers and their products are key concepts underlying style and stylistic innovation. Typical elements do not yet make a style. To be called a style, they need to form a pattern with a certain consistency, which is identified by a (group of) actor(s) (Sowinski, 1999). This relational quality clearly links the concept of style to processes of reputation building and maintenance. Style also shares features with reputation in that it can positively qualify something or someone without further specification: Someone or something *has style* or someone *has a reputation*. This characterization of someone or something seems to implicitly underlie the recognition of stylistic or reputational features corresponding to a certain set of norms and values, either earlier seen or perceived as different from that. Style is not only linked with reputation, but also expresses the identity of an actor, in that who we are is expressed in what we are doing and how others interpret who we are and

what we are doing (Gioia, Schultz, & Corley, 2000). One could say that in the cognitive structures underlying a style, the identity of a producer in a particular period of time is encoded. Style can be a means of defining oneself (Machotka, 1999) and intentionally communicating one's identity within a social environment. But also unintentionally one's style can express one's identity. From an identity perspective, style can be defined in terms of the preferences and actions of producers, the ends they want to achieve and the means they consider as appropriate to achieve these ends, as well as the cognitive structures which result from and are maintained by these actions (Weick, 1995). How actions are performed denominates style. In that sense, style and innovativeness in style already starts in the cognitive structures of a producer consisting of beliefs, attitudes and desires, which are channeled into different stylistic choices with respect to the product and the process of its production.

Stylistic innovation lies in differences perceived against the background of a set of accepted stylistic norms, which have created certain collective expectations within a specific certification environment. Such stylistic norms are also the tools of any kind of certifiers who determine whether an innovation can be recognized as an innovation. Certifiers may also have collective expectations, which are fed by the reputation a firm has with them. A firm's reputation for being stylistically innovative or having a certain style may also influence the certifiers' judgment about a new product presented by that firm. As briefly indicated above, stylistic innovation can be distinguished from technological innovation in that it belongs to the types of innovations in which the response of certifiers or end-consumers is constitutive of the innovation, whereas in technological innovation consumer involvement is essentially limited to adoption. If you like, one could say that a stylistic innovation may take place at any interface within the value creation chain, depending on the type of certification scheme faced by the producing firm.

Comparing different industries, the cultural industry setting seems best suited to illustrate the link between stylistic innovation and a high degree of certifier-dependence. The cultural industries are marked by high levels of interaction between production and consumption (Bourdieu, 1979; DiMaggio, 1987; Griswold, Janssen, & Van Rees, 1999) and originality and inner consistency of style are most appreciated product features in these industries. At the same time there is a particularly strong emphasis on the perception of product features referring to earlier products of the same class. It requires a certain expertise to be aware of the range of stylistic

variations produced in the course of history and to establish the link to the choices a producer has made (Luhmann, 1984). This is why in settings such as the cultural industries the evaluation of a product is more dependent on certifying intermediaries with particular expertise, which leads to a higher degree of certifier dependence for firms operating in such industries. If the newness of a product is not perceived by professional certifiers, even a significant stylistic innovation is very unlikely to be recognized, let alone take its place in a historical canon.

Referring to the above considerations the following definition of stylistic innovation may prove useful in management contexts:

Stylistic innovation is the sum of the features in a product or the process of its production, which differentiate a (group of) producer(s) from other (groups of) producer(s) based on differences in their cognitive structures underlying the realization of new means and/or ends in a product and/or its production process, which do not match with the collective expectations in a particular certification environment, but are recognized as novel.

Interactions between Style and Technology: Two cases from the Literary Publishing Industry

Literary Publishing: some opening remarks

The sense of ambition and achievement typically associated with technological innovation in industries like aeronautical engineering or car production is not exactly felt by managers in the literary publishing industry, when they are confronted with the new production and distribution technologies, such as Internet, Print on Demand and eBooks. Although literary publishers increasingly recognize the solutions, which the new technologies have to offer to some of the conflicts between commercial and cultural considerations (Schweizer, 2001), the lack of openness and interest, even towards mere information about the new technologies is widely spread in the industry. This has certainly to do with the early stage of development of some of these technologies, but, as will be argued in the following, this is also due to the characteristics of the certification scheme faced by firms in the literary publishing industry or specific sectors of it.

The literary publishing industry can be divided into a more popular sector and a high literature sector, in which stylistic innovation is considered a key quality. In the

high literature sector the certification of quality is usually conducted by professional critics, whereas in the more popular part marketing campaigns and bandwagon effects among end-consumers tend to be the driving force. The best possible outcome in the certification scheme of the high literature sector is that the product will enter the so-called 'literary canon'. This canon does not contain the typical short-run bestsellers, but those books that have been certified as top quality products in the course of history. In other words, the canon contains those products, which have once been identified by influential certifiers as potential candidates for becoming classics, which usually also become bestsellers, but on the long run. In modernity, stylistic innovation has become a 'high art' quality indicator often related to a kind of 'anti-commercialist' concept. Therefore, literary publishers usually produce some more short-run bestsellers to cross-finance innovative products, which might make it into the canon. This long-termism in the value creation process is typical of content innovations in the cultural industries. For instance the fact that *Editions Minuit* once decided to support the initially unprofitable works of *Samuel Beckett* very well illustrates the fact that short-run value maximization is not the primary goal of a stylistically innovative publisher. As this case shows, the long-term profit of such an investment have also been generated via the reputation mechanism which becomes activated with the gradual adaptation of the certifiers' preferences in the face of Beckett's innovative products.

Literary publishers at the high literature end wish to be considered as guardians of the modernist literary tradition and find it important to communicate exactly this to the community of certifiers dealing with their products. Their identity has been reinforced by the constantly increasing level of concentration in the literary publishing industry due to mergers and acquisitions (Coser, 1982; Kobrak & Luey, 1992; Schiffrin, 1999; Whiteside, 1981). Concentration goes hand in hand with the use of modern mass production technology and has been perceived as working against the modernist ideals of publishers of avant-garde literature. Mass-reproduction has been considered as leading to a loss of the 'aura' of the authentic cultural products (Benjamin, 1966). This also relates to the philosophical arguments of the critical theorists (Adorno & Horkheimer, 1969), who see media conglomerates as a power elite, which has monopolist control of cultural production and the capital for adopting technological innovations. In this line of argumentation technology is a clear expression of the need to be economical. What follows is that high quality cultural

content, if it has to be free from practical necessities, should also be free from anything to do with technology. It then seems that ‘economic innocence has been thoroughly built up in theory and is threatened by technology’ (Leschke, 2000). These beliefs and attitudes, which mark the cognitive structures underlying the certification scheme in the industry, clearly turn non-innovative production and distribution styles into an accomplice in refining the perceived stylistic quality of the cultural content published. They may have ‘long historical roots, which tend to persist over long periods’ just as this may for example be the case with national systems of innovation (Vertova, 1998). The high literature publishers obviously form a niche in which the actors are connected by their ‘motivations and expectations about the technology and the perception of their environment’ (Weber & Hoogma, 1998). In this particular case, the actors’ niche-specific beliefs do not support but rather block the diffusion of the new technologies.

It can be argued that publishers whose identity, reputation and value creation patterns do not bind them that much to the certifiers’ norms and values with respect to stylistic innovation, will feel less threatened by the hazards of technological innovation than more certifier-dependent publishers. This allows us to predict that in the more mass-market and popular sector of the publishing industry, new technologies like the ebook will more likely be adopted after a shorter time or at least there will be more interest and openness to know more about this innovation than there will be in the sectors of the industry, where potential canon literature is produced. Equally, literary publishers who regularly send programs, information and advertising brochures directly to end-consumers and also deliver directly can be predicted to be more receptive to new technologies, since they are less dependent on the certifiers in place in the industry.

In the following, two short cases are presented in order to illustrate what has been argued in this paper so far. Most of the data were collected in 2000, supplemented by some follow-up data gathered in autumn 2001. The first case is a study of the first literary publisher in Europe, working almost exclusively with the new digital technologies (Internet, eBooks and Print on demand): *éditions 00h00.com* in Paris. Semi-structured interviews were conducted with employees from the editorial department, the marketing department, the Webmaster and the Managing Director. The second case is about an award with technological criteria, the *Frankfurt eBook*

Award (FeBA) conferred by the *International eBook Award Foundation* (IeBAF). Part of the data about the newly established award originates from press releases around the event, other archive material and data from discussion forums established in web communities such as *digitalworm.com*. The other part has been gathered by means of interviews with people directly involved in the award procedures 2000 and 2001: the chairman of the International eBook foundation and one of the award winners. Furthermore, interviews were conducted with the Managing Director of the German Division of *Gemstar eBooks*.¹

Case 1: *00h00.com* ('Zero Heure'): The first digital literary publisher in Europe

Since its foundation in May 1998, the Parisian firm *00h00.com* has been the European trailblazer in literary publishing with new digital formats². *Jean-Pierre Arbon*, one of the two founders and now chairman of *00h00.com*, used to be the General Director of the prestigious traditional French publishing house *Flammarion*. His reputation was an important factor in accruing venture capital for the start-up. The business concept of *00h00.com* is that readers connect to the web site, where they can purchase a book and choose between different formats. They can either download a digital copy of a text to be read on an eBook or other electronic reading device, or order a hard copy of a book, already published traditionally, which is then taken from the original publishers' stock. Traditionally published books, which are out of print, as well as their own publications, *00h00.com* prints on request using print-on-demand technology. Today, *00h00.com* has reached a leading position in European online publishing with a web site for France, an additional English web site and literary products offered in Portuguese language. The aim is to expand the business to even more European markets by establishing web sites in Germany, Italy and Spain. According to the strategy reconstructed from the interviews, *00h00.com* was build up to be bought, which became reality in autumn 2000, when it was acquired by *Gemstar eBooks*, one of the most serious competitor of *Microsoft* in the eBook reading device business.

¹ For an overview of the interviews for the cases, please see Table 1 in the Appendix.

² Adobe Acrobat PDF, Palm Pilot, Rocket eBook, MS Reader, Print on Demand, etc.

The interviewees at 00h00.com emphasized the innovativeness of their editorial policy as well as their marketing approach. From the beginning 00h00.com has been committed to publishing innovative contents instead of exploiting trends. 'What interests us is how electronic publishing allows for new content,' Arbon says. An example of their commitment to new ways of writing is their *2003 series*, which contains innovative texts conceived and written specifically for digital media. These texts make use of all the possibilities hypertext, interactivity and multimedia have to offer for the creation of new reading experiences. In this context, the interviewees mentioned the hyper-novel *Apparitions inquiétantes* by Anne-Cécile Brandenbourger as a good example of the style of their original publication list. As another example, they refer to a collection of original texts about the 'Revolution of Writing' which was planned, written and published within less than three weeks in spring 1999. Apart from on the web, it was also on sale at the *Forum de L'Écrit* in the Odéon Theater in Paris. Innovative strategies are not only a marker of 00h00.com's editorial policy, but also of its marketing approach. New book releases are for instance supported with 'literary clips' presented on the Internet. For these video clips 00h00.com collaborates with promising young directors who are at the beginning of their careers. This is a comparatively cheap web alternative to other forms of advertising.

00h00.com's business concept builds on a process in which traditional publishing is nourished while experimenting with the new technologies. About 70 percent of 00h00.com's list fall under the category 'Belle-lettre' and about 12 percent³ of the whole list are original publications. It is in this latter part, where Jean-Pierre Arbon has wanted to design *Editions 00h00.com* as a *Maison d'édition* in the French tradition: a house, which cultivates new authors and takes the risk to publish their work. These original publications form the culturally oriented side of the business. The rest is more commercial in nature: 00h00.com collaborates with traditional players in the publishing industry, whose products they seek to bring out in new digital formats. This also explains why, compared to the rather restricted programs of conventional literary publishers of a comparable size, 00h00.com is able to publish at least one book a day, covering a wide range of genres from novels, poetry, plays, film screen plays, science fiction, non-fiction to educational and university textbooks. The majority of these texts (more than 600 in September 2000) are under copyright, for

³ Figures from July 2000.

which online distribution agreements have been signed with reputable literary publishing houses in France, among others *Le Seuil*, *Gallimard* and *Flammarion*. 00h00.com exploits the particularities of online publishing in order to offer these houses a complementary approach to traditional publishing. In autumn 2000, 00h00.com has even started to co-publish some of its own originals simultaneously with the traditional paper publishers.

In sum, 00h00.com's strategic publishing concept includes the following key elements: First, Internet distribution rights for their own original texts and for the texts from conventionally distributed publishers, which they release in various digital formats. The original publishers retain the rights and 00h00.com receives a commission as online distributor. Another important element is the readers' participation. In forums tied to book releases and salons established on the web site, readers have the chance to communicate their personal comments and reviews, have discussions and get information. The third key element in 00h00.com's business concept is the comprehensive range of online publishing solutions it offers to its publishing partners.

The interviewees reported that at some points since the foundation of 00h00.com, the use of new technologies has been an obstacle to building up good literary content and being recognized in the circles of literary critics for the innovative literature they publish. As one of the main problems they recognized that the publicity they received for the technological side of their operations completely distracted the public from 00h00.com's contents. Unlike the large publishing conglomerates, who are now gradually getting into the digital business, 00h00.com had to break a lot of technological ground and work out the right solutions for themselves. Another reason they gave was that high literary quality is usually not expected and searched for in the web. 'Digital content still needs to overcome an inferiority complex, as paperbacks did 50 years ago'. To further this aim, the firm publishes classics by Flaubert, Molière, Hugo and Balzac. However, despite the problems with the literary reputation, further investments, the interviewees said, would not be channeled into the editorial department, but directly into R&D on digital formats, data handling and techniques, where they see their future in using eBook technology rather than print on demand. The fight for recognition in literary circles, as well as the continuous profitability problem have not only been phenomena of the start-up's early phase. Even in October 2001, more than 3 years after the foundation, the Managing

Director's reaction towards questions on these touchy issues is concise, but forthright: 'It is hard.'

Case 2: The Frankfurt eBook Award (FeBA)

The Frankfurt eBook Award is the first prize designed to recognize e-publishing and technology achievements in the electronic book industry. eBooks are 'handheld electronic reading devices or PCs and laptops running special software, designed to allow the on-screen reading of books, periodicals or other documents'⁴.

The objectives of the award clearly represent the interests of its sponsors- among them *Microsoft Reader*, *Gemstar Rocket eBook and Softbook*, *Adobe TM Glassbook* and some other institutions. The official awarding entity is the *International eBook Award Foundation (IeBAF)*, which conferred the award for the first time in October 2000 and a second time in October 2001. According to Peter Mollmann, Judging Director of the IeBAF, the goals of the award are, first, to honor authors of electronic books, second, to encourage the publication of books in eBook format, and third, to bring eBooks to a greater audience⁵. Most important among these objectives is the 'support of the eBook industry', says Roxanna Frost, President and Executive Director of the IeBAF⁶. The Frankfurt committee states that they want to 'recognize the importance and the great potential of the new media (the eBook) for authors, publishers and the reading public throughout the world'.

Most of the individuals playing representative roles in the organization of the award, have also played an important role in the traditional publishing scene. Examples are *Alberto Vitale*, former chairman and CEO of *Random House*, now Chairman of the IeBAF and one of the interviewees for this case study; or *Peter Mollmann*, Judging director of the IeBAF, used to be a publishing executive, among others with Random House. Also the jury consists of carefully selected experts: among them are authors, previous literary award winners or public figures which held or still have important functions in the publishing business- be it CEO of a publishing house, president of a reputable library, literary critic, journalist, literary agent, or professor of experimental literature. According to Alberto Vitale the aim was 'to pick very important and powerful celebrities (...), which could relate in some way to the

⁴ The Guardian, October 6, 2000 ,Frankfurt ebooks award nominations announced'.

⁵ IeBAF press release, New York, NY, 20 October 2000

new technologies, (...) and which could bring tremendous prestige to the technology. (...) If it had to be a purely literary prize, of course we would have picked a different jury' (Interview details Table 2). The Frankfurt eBook Award consists of a number of sub-awards. The judges pick a Grand Prize-Original eBook winner and winners in five other categories, including eBook originals in fiction and non-fiction, eBooks converted from print, also in fiction as well as non-fiction; and finally a winner in the category of eBook Technology concerning 'the advancement and implementation of ebook technologies and features'. The IeBA has been set up with extraordinarily high award sums- the Grand Prize with 100 000 Dollar and the five categorical awards each 10 000.

Most of the winning titles came from leading US-based publishing conglomerates including *Simon and Schuster*, *Random House*, *Doubleday* and *iPublish.com*, *Time Warner's* new e-publishing imprint, but no winners from pure e-publishing start-ups like *00h00.com* in Paris. Also, the majority of the award winners are better-known authors, rather than new talent (for an overview of all the short-listed authors and their publishers please see Table 3 in the Appendix). Still the award gave chances to authors who are usually not considered in the procedures of conventional general fiction awards. For example, *Ed Mc Bain*, American crime writer and one of the eBook award winners, recognizes this particularity in the fiction category of eBook awards:

'This is the first time mystery fiction has been equaled with fiction. Good mystery writers are usually dismissed, (...) they are often looked down upon by serious critics. I am a mystery writer and this prize does not say mystery fiction. For me it is an honor to be among the fiction contenders' (Interview, see Table 2).

Around the first award ceremony in 2000, there has been a lot of controversy over the exact criteria for the eBook award nominations. Among others it has been criticized that some finalists coming from well-known publishing conglomerates did not even qualify according to the foundation's rules, while eBooks submitted by independent and less known publishers would have qualified. Among the submissions only three out of ten titles have come from pure e-publishers, whereas the US publishing giant *Simon and Schuster*, who only launched their first season of original eBooks in autumn 2000, got four of their books on the shortlist. Among the general public

⁶ quoted in *The Guardian*, Oct 6, Op.cit.

responding to the jury's choice in the web⁷, Conny Foster, who runs the e-publisher *Ebooksonthe.net* claims that 'Microsoft paid for these awards and it's pretty obvious that they rely on big publishers to provide content for the MS reader'. Pure e-publishers sensed a conspiracy, for instance fueled by the fact that award winner Ed Mc Bain's 'original ebook' according to Simon and Schuster's own web site only came out four months after the print edition. Simon and Schuster later admitted that the listing was a mistake. One e-publisher argued that 'it can hardly be a recognized as a prestigious award if it leaves out the pioneers in the field'⁸. In the interview, Alberto Vitale explains that awarding authors from big publishing players were the only way to achieve the aim of the award, which 'is to draw the attention of the publishing community to this new medium- and then we have done it, there is no two ways!'

According to Alberto Vitale's prognosis in October 2000, the effect of the award 'apart from the impact on the winner, is all the publicity around the new technology'. Economic effects on the sales of publishing houses would be 'negligible' at this initial stage. Award winner Ed Mc Bain compares the effect he expects to have from the eBook to other conventional awards. He does not expect this award to make his work more successful like it had been the case with conventional awards he received in mystery and crime literature circles. 'Do you think they will say on the jacket: winner of the eBook award?' He doubts it. However, he is convinced that 'Microsoft will get a lot of play out of it in the trade magazines, the *Publishers Weekly*, *Bookseller* and so on.' Also he thinks that the award criteria are designed to be as broad, because it is wise for the technology firms, not to exclude people and make enemies in important sections of publishing: 'The guy from Microsoft is not a complete idiot- he must know what he is doing'.

The quality of the literary content in the Frankfurt eBook award procedures 2000, according to Alberto Vitale, was a disappointment for the jury. His prognosis for the future is similar: 'In electronic publishing there will be a lot of junk people, really a lot of junk (...). The value of the imprint will become very, very important in e-publishing'. In contrast to his official statement as chairman of the IeBAF, where he communicates that the eBook award 'has taken its place among the most prestigious

⁷ Data results from search conducted in Web Communities such as *digitalworm.com* where e-mail discussion forums publish correspondence between people from the general public about the award event.

of literary awards that recognize significant contributions to the world of letters' (www.iebaf.org), the view he gives in the personal interview is more realistic:

'Everybody is getting into e-publishing (...). The structure of the whole eBook foundation prize will have to change. (...) The prize will evolve. Then, the eBook Award will be an award for applications of technology. Exactly! For instance, if this novel becomes animated, gets a musical background, a landscape instead of a white page. The *Prix Goncourt* is given for the text. (...) the eBook award will be for the things which make a difference.'

He argues that there will be no need for pure e-publishers, eBook literature and e-literary awards, because 'what is new is the technology, the content is the same.', which is something he still contends in an interview one year later at the award ceremony 2001.

'The fact that you write the content on a screen, on a tape, on a book or on the wall does not make any difference. If the content is good, it is good, you see? However, there is no pay-back yet, because there is a disconnect between software developers, content providers and the developers of devices'.

Vitale thinks that, not at this stage of the game, some publishers might use the new technologies to bypass traditional channels:

'Start-up publishers will save the capital investments publishers today need to buy a big warehouse, establish a salesforce, accounting, marketing and all that. It will be done on the web. In my opinion it will create a lot of new publishers. Whether they survive depends on the taste and quality of the books. But even, if the devices were ready, the culture has not yet caught up. Publishers are afraid. They are used to what they do, and they don't like changes in procedures. But one reason that they are that way, is that we don't have proper devices yet. For the rest it is just the fear of change.'

Apart from meaningless sales figures and very little publicity, another problem Vitale mentions is that traditional reviewers do not review eBook contents, 'they are still slow with it and busy with the traditional thing. What is going to drive eBooks is technology, the devices and the evolution of a new consumer mindset. It is a cultural evolution, it does not happen from one day to the other'. Due to the 'stylistic innovations in the presentation of intellectual property', which the eBook makes possible Vitale predicts publishers' access to new consumer segments of non-readers raised in a visual culture.

⁸ idem

Concluding remarks and some hypotheses for future research

The first case study shows the difficulties of a technologically innovative literary publisher (00h00.com), in which people with highbrow credentials publish stylistically innovative as well as classic literary contents, but do not get the same value attributed to their products as a traditional publisher within the certification scheme in place. The second case describes an attempt to overcome the obstacles of being technologically innovative. Here, firms create a micro certification scheme in the form of a new award to increase the acceptance for a new technology in a media content industry governed by a certification scheme, which encourages managers to be unreceptive to technological innovation. In order to become established and recognized within this certification scheme, the technology firms try to transfer reputational resources from well-established representatives of the media content circles by involving them in the award procedure- without much success.

In this paper the first steps have been taken to reveal that the interaction of technological innovation with other types such as stylistic innovation may play an important role in the diffusion of new technologies. In a wider perspective, this addresses the difficulty of managing more than one process of innovation at the same time, here within different parts of the media product. The concepts of reputation, identity and the certification scheme have been used to try and explain variation in the interaction between the different innovation types. The cases indicate that, although the representatives of the media technology industry do not seem to be conscious of these interactions and just put down the hesitance in adoption to mere fear of change, some of their statements do refer to the tension between style and technology. In contrast, among the adopters in the media content industry the awareness of the techno-stylistic interactions seems stronger. Based on the implications of the cases and the theoretical parts presented earlier, a number of hypotheses are offered below as potential departure points for future research in this area. They have been developed within the media sector, but are supposed to provoke comparisons to other industries inside as well as outside the media context:

- 1) *The interaction between different types of innovation in the content and the form of media products depends on the characteristics of the certification schemes typically faced by the producing firms in particular (sectors of) industries.*
- 2) *In the certification scheme governing sectors of the publishing industry in which the importance of stylistic innovation as a quality indicator is higher, technological innovation visible in the form of a product is more likely to unfavorably influence the certifiers' perception of the product's content quality.*
- 3) *Literary publishers who have built-up either very strong or very weak reputational resources with respect to stylistic content innovation within a technological innovation-averse certification scheme are more likely than those with average reputations to be receptive to technological innovations, which support the bypassing of traditional distribution channels.*
- 4) *The more resources firms operating within a technological innovation-averse certification scheme have built up with respect to direct customer contact, the less dependent they are on certifiers, and therefore the more receptive they are for technological innovations affecting their production and distribution channel.*
- 5) *The greater the correspondence between the characteristics of the certification scheme expressed in an award and the certification scheme governing the sub-sector of the industry in which the awarded product is presented, the greater the reputational value created by the award.*
- 6) *The introduction of a technological innovation visible in the form of a media product is more likely to be successful if it is presented with content which is already well-established in the media content industry, rather than with innovative contents.*

Research along these lines is not only relevant to management scientists and management practitioners, but to society as a whole. Firms, which neither conform with the norms underlying the certification processes, nor manage to profit from the established certifiers' reputational resources to become established, are only likely to succeed, if they change the certification processes as such, including the norms and values governing them. Such managerial behavior, so history teaches, may pave the way for paradigm shifts, for instance in technology or style or both at the same time. The mechanisms explored in this paper shape the societies of tomorrow. This is particularly obvious in the context of the scholarly and the literary publishing industry, where certification processes determine whether products make it into a canon handed down to future generations.

Appendix

Figure 1: A Model of the Media Product

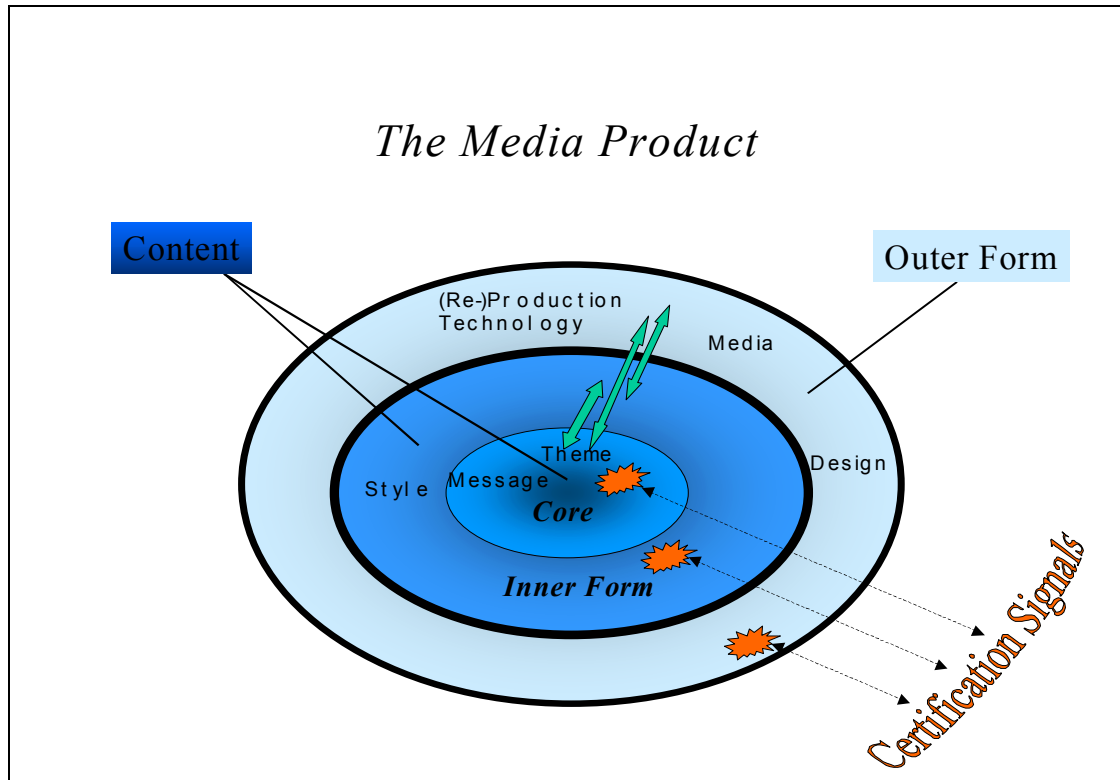


Table 1: Interview Details

Name Interviewee	Firm, Department, Function	Place/ Date
	Editions 00h00.com, Paris	
Jean-Pierre Arbon	Managing Director	Frankfurt Bookfair, October 2000 & 2001
Constance Krebs	Editor	Paris, July 2000
Pascale Lebel	Webmaster	Paris, July 2000
Marjorie Marlein	Communication and Marketing	Paris, July 2000
	International eBook Award Foundation	
Alberto Vitale	Chairman	Frankfurt, October 2000 & October 2001
	Gemstar eBooks	
Hermann Salmen	Managing Director, Germany	Various informal interviews in Hamburg, Cologne, Munich and Frankfurt in 2000 and 2001
Ed Mc Bain	Crime and Mystery Writer, eBook Award Winner	Frankfurt, October 2000

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