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0. Cards on the Table

My next several postings are going to be a critical reader's companion for *The Long Tail* by Chris Anderson. And if you're going to read these postings, there are some things you should know - and that's what this introductory post is for, to make sure all my cards are on the table.

The posts talk about *The Long Tail*, but they are really about two books. Both were published in summer 2006 and both were about the changing face of individual choice in today's economy and culture. If it wasn't for *The Long Tail*'s index being two pages shorter, both would be exactly 240 pages long. Both authors have a training in science, but neither are professional economists or cultural studies professionals. In fact, both work in the computer industry, one as an editor of Wired Magazine, and one for a computer software company. At the time of writing, *The Long Tail* is at number 310 in the Amazon best seller list. The other book currently stands at 806,127.

Obviously that second author is me. My book is "No One Makes You Shop At Wal-Mart: the surprising deceptions of individual choice" and it was published by Between The Lines of Toronto, a small publisher whose staff love books and love to publish provocative, left-wing titles with an
academic slant. *The Long Tail* is published by Hyperion, of New York. As for the subject and the authors' take on it, mine is encapsulated in that phrase "the surprising deceptions of individual choice" and Anderson's in a chapter title "The Paradise of Choice". Couldn't be more opposite.

So there's a danger here, because I have a chip on my shoulder. *The Long Tail* and *No One Makes You...* cover overlapping territory, and have almost diametrically opposite views. I think that Anderson is basically wrong. Not completely wrong, but basically wrong. What's more, and what's more important, I think his book is fundamentally sloppy and misleading despite the fact that there are a few good insights – and he does have a great title.

But you, dear reader, knowing that I have the aforementioned chip on my shoulder, might naturally and understandably think this is sour grapes – the envious grumblings of a bit player when a more talented writer has seized the agenda and won the argument.

And maybe it is. I'd like to say not, but who am I to say? Any honest person knows that we are not the best judge of our own motivations. I'm sure as hell not the best judge of mine, and that's why I wanted to get this off my chest before starting. If you see bias in what I say, you know where it comes from.

But even with that danger of misdirected envy, there are still things I want to say, so all I can do is put down what I think and you can judge it on its merits. One option would be to take a five paragraph run at the book, but its success and its influence have been so significant that it needs more. I'm going to take a chapter-by-chapter run at the thing (with a couple of extra posts as well).

Just a few more preparatory statements before we can start.

First, this is a reading of the book, which is a bit different from the idea...
behind the book. There are only a few cases where I have gone beyond what is in the book to cite discussion and research that has happened since its publication (or before). A book should stand reasonably well on its own, or point to places for more reading if it leaves discussions open-ended.

Second, there are some things that are important to me in non-fiction books. Consistency is important. So is clarity. And so is logic. If they don't matter to you – if rhetoric or eloquent phrasing or memorable stories matter more, then you and I are going to have different opinions.

Third, I reference page numbers in the book in square brackets, like [23] this.

I think that's all. The next post takes a look at the cover (this project may take a while to complete).
0.1 The Cover

I know, I know. Never judge a book by its cover. But books sell themselves based on their cover, even in the digital world, so covers matter. The cover is the author’s chance, and the publisher’s chance, to tell us in a few words and images what this book is all about before we put down our dollars or euros and buy it. At some point we all judge books by their cover: what does *The Long Tail*’s cover tell us to expect in this book?

At the top of the cover on the edition I have (probably the Canadian edition) is the phrase "The New Economics of Culture". On some other editions, like the one shown above, the phrase is "How Endless Choice is Creating
Unlimited Demand”. Either way the message is clear, and it sets the tone. New Economics of Culture, Unlimited Demand, Endless Choice: these are grand phrases proclaiming big ideas about dramatic change.

The title comes next, and a good title it is. *The Long Tail*. Even if you haven't read the book, there's a good chance you've heard that phrase, because it has become a catch phrase for many different developments in the digital economy. It's not quite up there with *The Tipping Point*, but it's close.

Getting a good title is an important thing. To summarize an argument in a pithy, evocative phrase is not just smart, it's good communication and good communication is what books are all about. Chris Anderson used the title first a few years before the book, in an article in Wired Magazine, of which he is the editor. I'll come back to that, because although the article forms the basis for the argument of the book, and much of the article forms chapter 1 of the book, an article and a book are two different things. Still, this is a promising start.

Below the title is a simple graphic. It's an Enter button from a computer keyboard, which both welcomes us to the book and tells us that this is a book about the digital world.

And then the subtitle: "Why the Future of Business is Selling Less of More". Again, this is a big statement and I'm going to hold Anderson to it. He's talking about the Future of Business. It's a big subject. He's not talking about the future of 15% of business, or the future of some companies in San Francisco, he's talking about the Future of Business and he's telling us what it's going to be, which is Selling Less of More. Diversification, the end of the blockbuster, the promise of variety and choice, the dream of a more democratic, participatory, and diverse future: these are the visions that the phrase conjures up.
At the bottom of the page is a blurb by Eric Schmidt, the CEO of Google no less. "Anderson's insights influence Google's strategic thinking in a profound way. READ THIS BRILLIANT AND TIMELY BOOK". Coming from the chief of one of the quintessential new Silicon Valley companies, this is high praise. The blurbs on the back cover continue the tone. They come from other CEO's – Reed Hastings of Netflix, Rob Glaser of RealNetworks, Terry Semel of Yahoo! – as well as other prominent commentators: James Surowiecki of the New Yorker Magazine, Lawrence Lessig of Stanford Law School and Geoffrey Moore, business author and founder of the Chasm Group. These are visible, prominent people.

It's interesting to see where the endorsers come from in the light of Anderson's claim in the book that the new economy eliminates "The Tyranny of Locality" [p17] or "The Tyranny of Geography" [162] or "the tyranny of physical space" [163]. There are eight people on the cover (including Anderson himself). Here is where they come from (look for the red dots):

There's one dot in New York (that's James Surowiecki) and one in Seattle (Rob Glaser of RealNetworks). The other six are grouped together,
indistinguishably at this scale, in and around San Francisco. Here's a close-up of the San Francisco Bay area with the six red dots marked:

So looking at the cover does tell us something. It tells us that this is a Silicon Valley book, written by someone who (as editor of *Wired* Magazine) is well connected with the movers and shakers of the digital world. Not only does he influence them (as Schmidt says) but he listens to them. He knows them and they know him.

There's an obvious irony here. A book about how the digital world permits small players from the fringes to reach a bigger audience (in ways I'll discuss later) and about how geography is fading as a force in our world
The Cover comes to us from the centre of that new world, praised by big names from the high-class-neighbourhood of the techno-culture. It is promoted by and emerging from a network of culturally similar, geographically close (and very wealthy) people: *The Long Tail* is a reflection of conversations among a new elite. The Long Tail is joined to a head, and the head is still very much the place to be.

In his blurb, the CEO of Yahoo! says that "Technology and the Internet are making the world a smaller and more connected place." Moore argues that the new economy will have "more collaborative, participative, and idiosyncratic offerings... knocking the Old Guard on its backside in the process". Glaser says it's "the biggest transformation of media since the commercialization of television fifty years ago". The cover tells us that perhaps this quirky and diverse new world may have aspects to it that are not entirely unlike the old one. Is that simply an irony, or is it a marker of a problem with the book? I'll argue in what follows that it is a symptom of some things that are wrong with the book itself.

The inside flap continues the extravagant praise for the book. It is compared to *The Tipping Point* twice. The Long Tail is "an entirely new model for business that is just starting to show its power". And it's not just the digital world that will be changed: "a similar transformation is coming to just about every industry imaginable." "What happens when everything in the world is available to everyone?" This is setting the bar pretty high for the actual content. Next time, let's finally get to the book itself.
0.2. Introduction

After taking two posts to get past the cover, you may be very glad to know I have nothing to say about the dedication page or the acknowledgments. This exercise will be long-winded enough without that. Yes, I'm ploughing on, turning pages recklessly past the Table of Contents and all the way to the Introduction. But I'll stop there, and look at it closely.

The point of an Introduction is pretty similar to the cover. It's to set out the main themes of the book, to sketch the argument, and so to draw the reader in. Some writers call it Chapter 1 (that's what I did) and others don't call it a chapter (that's what Anderson does), including it as part of the front matter for the book.

Unsurprisingly then, some of the things I have to say here will repeat what I said about the cover. Anderson starts off by talking about the world we are in now, and this world is "the world the blockbuster built" [1]. (Remember, numbers in square brackets are page numbers in the book, not footnotes) But that world is "starting to tatter at the edges" [2].

I want to spend some time on a paragraph on page 2 where he backs up this claim that blockbusters have had their day. It's not the only place he does this, and we'll return to the question of whether blockbusters are "starting
to, gasp, rule less" later, but this is the first time he attempts to bolster the claim. He writes that "Most of the top-fifty selling albums of all time were recorded in the seventies and eighties" [2]. (The end notes make it clear he is talking about the USA here. As elsewhere, most of his figures and data refer to the US.) Interesting, but what about other areas of culture? A parallel statement would be that most of the top-grossing movies of all time were in the same time period. But the top grossing film of all time is Titanic (1997) and even adjusted for inflation, the top box office hits are Gone With the Wind, Star Wars, The Sound of Music, ET, The Ten Commandments, and Titanic – one each from the thirties, fifties, sixties, seventies, eighties, and nineties. Among the top 50 are 2 from the 1930's, 4 from the 1940's, 5 from the 1950's, 9 from the 1960's, 11 from the 1970's, 7 from the 1980's, 7 from the 1990's, and 4 so far from the 2000's. So there is perhaps a bit of a peak here, but it is not a dramatic one, especially as the figures are biased towards pre-1980 films which have had multiple releases (Disney animations in particular). So movies do not seem to show the same waning blockbuster effect as music. Instead, Anderson points to the waning total theatergoing audience, which seems to me a different phenomenon entirely.

On TV he has a stronger case – the waning of network TV in the US means that "the number one show today wouldn't have made the top ten in 1970". But what about books, the other area of entertainment/culture that he talks about a lot? He doesn't say. The bestselling books of all time are books such as the Bible and Quotations from Chairman Mao, which don’t tell us a lot about book-buying habits in the sense he is looking for. A best-selling book can sell for years, decades, or more, giving Beatrix Potter's Peter Rabbit a head start over Asterix. So although I do feel sceptical about the fall-off of
blockbuster books (Da Vinci Code and Harry Potter anyone?) I'll give him a break here.

Returning to movies for a moment, there are other sides of the movie industry which tell a different story from the one that Anderson is telling. Peter Grant and Chris Wood's 2004 book *Blockbusters and Trade Wars* explains how (p 76) the era of the blockbuster started with *Jaws*. Before then, most movies launched in a "rolling opening" screening in major cities first and smaller centres later. *Jaws* opened on 460 screens – a big change. By 1995 however, "virtually all of the 150 or so movies released by major studios in the United States and Canada opened in more than 800 screens. By the turn of the century, 2,000– to 3,000–screen openings were commonplace. In 2001, *Harry Potter and the Sorcerer's Stone* opened in the United States on a breathtaking 8,200 screens -- nearly a quarter of all the theatres in America. On its opening weekend in Canada that year, *Goldmember* managed to seat an even more astonishing 52 per cent of all admissions". Here is a different story – if blockbusters are waning, it is not because we have more choice but because they are living a shorter time, rolling over ever more urgently to make way for the next big opening.

Anderson skips over these other consequences of the increasing returns to scale of digital production.

Anderson's conclusion, then, is that hits "are not quite the economic force they used to be". More dramatically, he goes on to say "Where are those fickle consumers going instead? No single place. They are scattered to the winds as markets fragment into countless niches." At this stage in the book, the reader can only say "well, we'll see." He hasn't proven his case yet, that's for sure.

*iTunes Killed the Radio Star* [2–6] contrasts Anderson's own upbringing in
the '70s and '80s with a modern teenager. The difference is simple: "The main difference between Ben's adolescence and my own is simply choice. I was limited to what was broadcast over the airwaves. He's got the Internet."

Now let's be clear: the Internet is a big thing. It is changing much about this world, including adolescent lives. It's going to change more. Some of the changes will be profound, some banal, some specialist, some pervasive – and it's only just starting. It is the multifaceted nature of the changes it is bringing that make comparisons dangerous. When Anderson says "He plays video games with friends, mostly online" he is confirming that one change is that play has shifted from the streets, from friends homes, to the computer screen and networks. So to compare Broadcast TV to "The Internet" is misleading. This is something I'll return to in later chapters, but what he is describing is not so much an increase in choice as a shift in choices. Some choices (playing in the street) have basically been lost, while others have risen to take their place. Just because these new options travel over the same network as online newspapers does not change the fact that it's just another form of playing with friends.

What's more, Anderson's description of his mass culture youth, hemmed in by the small number of rock stations, and by an inability to explore outside the mainstream, is just not plausible. I mean, I was there. I grew up in the '70s on the edge of Leeds, a middle-sized provincial city in the UK, and went to school in a town of 13,000 people. This was not a cutting edge environment, but even within that I was behind the times – unfashionable, with a narrow taste in music and a conformist taste in clothes. But even I managed, despite my best efforts, to be exposed to non-mainstream culture. The biggest band of the mid-'70s was Led Zeppelin, who thrived despite never being played on radio. My own particular favourite was Pink
0.2. Introduction

Floyd (ditto) but there were minor bands a plenty (Wishbone Ash anyone? Hawkwind?) My friend Matthew was into German techno-rock: Tangerine Dream and Kraftwerk. And that was before punk shook everyone up. So to portray this world as devoid of anything but the mainstream is, frankly, ridiculous.

But let’s leave my teenage years behind quickly and go back to the book. A section called "The 98 Percent Rule" [6-10] describes the beginnings of the book. The rule is based on a conversation he had with the CEO of Ecast, a digital jukebox company. This CEO pointed out that 98% of all their 10,000 albums had sold at least one track per quarter (three-month period). Anderson is stunned at the variety of people's tastes when unencumbered by the physical limitations of old jukeboxes. This 98 percent rule is that just about anything you can offer for sale will find a buyer, so if you can (in a digital world) offer everything, then you can make money off all those items that sell a few here and there. Hits still matter, but "What if the non-hits--from healthy niche products to outright misses--all together added up to a market as big as, if not bigger than, the hits themselves?" [8].

One reviewer who has challenged this part of the book is Wall Street Journal's Lee Gomes. Gomes argues (here) that whereas Anderson claims the 98% rule to be "nearly universal" citing iTunes, Netflix, Amazon and others ("And so it went, from company to company"), Gomes himself found something different:

But when I looked online, I was surprised to see what seemed like the opposite. Ecast says 10% of its songs account for roughly 90% of its streams; monthly data from Rhapsody showed the top 10% songs getting 86% of streams.
Bloglines, the widely used blog-reading tool, lists 1.2 million blogs; real ones, not computer-generated "spam blogs." The top 10% of feeds grab 88% of all subscriptions. And 35% have no current subscribers at all -- there's clearly no 98 Percent Rule in the blogosphere.

At Apple's iTunes, one person who has seen the data -- which Apple doesn't disclose -- said sales "closely track Billboard. It's a hits business. The data tend to refute 'The Long Tail.' "

Other economists, of course, are looking into these same questions, though some seem to be reaching far more restrained conclusions. Harvard's Anita Elberse, whom Mr. Anderson said was a consultant during his two-year research project, studies the video sales market, both online and off.

She said in an email that her work to date shows a "slight shift" toward the tail. But she also noted "a rapidly increasing number of titles that never, or very rarely, sell," which suggests "it is difficult for content providers to profit from the 'tail.' "

It would be wonderful if the world as Mr. Anderson describes it were true: one where "healthy niche products" and even "outright misses" collectively could stand their ground with the culture's increasingly soulless "hits."

But while every singer-songwriter dreams from his bedroom of making a living off iTunes, few actually do, mostly because so many others have the very same idea. And to the extent that Apple
is making money off iTunes, thanks go to Nelly Furtado and other hitmakers. Indeed, you can make the case that the Internet is amplifying the role of hits, even in relation to misses, not diminishing them.

Anderson responds on his weblog but while there is dispute over other portions of the book (and we'll get to those in a few posts time) he doesn't challenge this part so far. The 98 percent rule seems to be a rule that is often broken.

Anderson himself replaced the phrasing of "98 percent rule" with "The Long Tail" as he continued his work. The point to make here is that in the introduction, despite some intriguing-sounding stories and some big claims, he has not demonstrated that a "Long Tail effect" actually exists. This matters.

Tails Everywhere [10–11] is one of two places where the book goes seriously off the rails. As we'll see, for most of the book the meaning of "The Long Tail" is fairly clear, but every now and then Anderson seems to get carried away and treat it as just another word for "variety". So here he says "People often ask me to name some product category that does not lend itself to Long Tail economics. My usual answer is that it would be in some undifferentiated commodity, where variety is not only absent but unwanted. Like for instance, flour... Then I happened to step inside our local Whole Foods grocery and realized how wrong I was: Today the grocery carries more than twenty different types of flour... There is, amazingly enough, already a Long Tail in flour." [11] This passage has two large faults. First, it clearly implies that Anderson sees the logic of the Long Tail, most of which is about media and entertainment industries, as extending to pretty
much all of economics -- "The Future of Business". Also, he sees it as stretching beyond the digital world. Yet here (and again we'll come back to this when he explains in more detail what he means by a Long Tail effect) he seems to be saying that the mere presence of a variety of goods is sufficient to indicate a change. You have to wonder, does 37 brands of toothpaste reflect a long tail in toothpaste? And what if (something he doesn’t mention) they all come from two companies? If he is going to argue that Long Tail simply means the emergence of niche markets then he has to demonstrate that a change is happening, whereby niche markets are becoming more important. Once more, at least in his introduction, he does not do this.

A Preview Of Twenty-First-Century Economics [11–13] sets out how Anderson sees his book. First, he sees it as an economics research project (among other things). He's doing economic research that "very few economists" [12] are doing, and venturing into "uncharted waters". "Some of the data in this book" he says "has never before seen the light of day". Anderson claims his role is to "synthesize the results [of the efforts of online entrepreneurs] into a framework. That is, of course, what economics does: It seeks to find neat, easily understood frameworks that describe real-world phenomena". So this is an economics research book, he says.

Let's sum up what I've seen in the introduction. It has some nice sentences, some big claims, but is already showing at least three potential problems. First, he is so far unable to substantiate his claim that the era of blockbusters is waning and that the "mass–culture era" [2] of the '70s and '80s has given way to a world of niche cultures. Second, his 98 percent rule seems dubious. Third, he is claiming to have a book of research that sets
the stage for the future of business and twenty-first century economics --
he is setting the bar high. Can he clear it? Let's see...
Chapter 1 starts with the story of the mountaineering book *Touching the Void* being lifted from obscurity a decade after its publication by online recommendations at Amazon.com. It's a nice story, and while I haven't read the book, the film of *Touching the Void* is gripping and moving. But what does this story tell us? "By combining infinite shelf space with real-time information about buying trends and public opinion, they [online booksellers] created the entire *Touching the Void* phenomenon... Unlimited selection is revealing truths about what consumers want and how they want to get it." [16]

But this is, after all, just a story, and this is not the first time a product has been lifted from obscurity by a sudden word of mouth. In fact, the opening pages of *The Tipping Point* feature a story that is very similar – the return of Hush Puppies into style after an extended period in the commercial wilderness, as a result of word of mouth in the New York club scene and then fashion scene. And the Hush Puppy story has nothing to do with infinite shelf space – it may have more to do with second hand and unfashionable clothes stores where the first few people could get their Hush Puppies, before they became trendy again. It is tempting to start thinking...
"yes, but maybe those tiny stores represent a Long Tail of fashion" but that would be to miss the point of the book, which is that the phenomenon is new and coming from digital technologies. To interpret the Long Tail as "variety" leaves us with nothing but an appreciation of the diversity of the physical world (whose tyranny the infinite digital shelf space will release us from). The world does have a lot of variety, but that is not exactly a new observation. So as in the story about 20 kinds of flour in his introduction, we have to be careful about drawing lessons from *Touching the Void*, however fine the film is.

**The Tyranny of Locality** [17–18] is the beginning of this first outline of what *The Long Tail* actually means. And it is clear that there may be something here. There are limits to much retailing as a consequence of "the need to find local audiences". Geographically dispersed individuals with a taste for something non-mainstream (such as Bollywood movies in the USA) may find their tastes unmet because there are not enough of them *in any one place* to make it commercially viable to sell to them. The online world allows them to be sold without regard for geography (within a single country anyway, because of shipping) and so may allow more such non-mainstream products to find an audience. Another reason that geography is so limiting is that in the physical world there is "not enough shelf space" to carry everything; not enough screens to show all movies, not enough channels to broadcast all the TV shows [18]. The digital world promises to free us from this: "This is the world of *scarcity*. Now, with online distribution and retail, we are entering a world of *abundance*. The differences are profound."

This, then, is the beginnings of the hypothesis. Let's think about two things that might also be going on, not discussed here. One is that there has been a
long tradition of getting round some of the limits of the physical world. Anderson quotes *The Triplets of Belleville* as a movie that was critically acclaimed and yet "opened on just six screens nationwide" [17]. Yet the movie did appear right here in the small city where I live, in physical space, on the local arts cinema. So here is a mechanism (the smaller independent cinema) for diluting the tyranny of space, and it is a mechanism that may actually be threatened by the onset of digital distribution. Or may not – some have struggled and others prospered. The existence of independent arts cinemas in the physical world is a reminder that that world is not as homogeneous as Anderson portrays it.

The second phenomenon is to do with fixed against marginal costs. I'm not going to say much about this here (we'll come back to it in a few chapters) but there are things about digital distribution that are different from the physical world in addition to the length of the shelves. Will these other things mess up the Long Tail hypothesis? We'll see. (hint, yes to a degree, although not entirely). For now, again, let's just remind ourselves as we read that this is a hypothesis, not a theory.

**Markets Without End** [19–24] talks more about the world of abundance, painting a picture of the long shelf of the new digital world against that of the old constrained physical world. Anderson looks at the Rhapsody online music retail service owned by RealNetworks, whose CEO blurbed the book and compares it to Wal-Mart's CD offerings.

Wal-Mart carries about 4,500 unique CD titles, but Anderson shows by looking at Rhapsody's download data that demand for titles outside that number continues out to at least the 800,000th title (downloaded a few times). "Individually, none of those songs is popular, but there are just so many of them that collectively they represent a substantial market... From
1. The Long Tail

the perspective of a store like Wal-Mart, the music industry stops at less than 60,000 tracks. However, for online retailers like Rhapsody the market is seemingly never-ending." [22]

The comparison is not valid, for several reasons.
First, let’s think about using Wal-Mart as a "physical shelf" basis for comparison. It’s not a specialist store, and although it sells a lot of music by volume it does so by doing just what it does in other areas -- picks the top sellers and limits its stock to just them. Wal-Mart sells far fewer titles than a specialist CD store, just as it sells fewer book titles than a specialist bookstore and fewer toys than a specialist toy store. But it still drove Toys-R-Us to the brink (at the last time I checked) of bankruptcy. If you look at specialist stores the comparison is not so stark and may even go the other way. For example, HMV in the UK reported in 2004 (PDF file - see page 5) that "Whilst the 200 best-selling CD albums account for approximately 56% of the market, these titles in HMV UK are approximately 40% of sales. Similar ratios apply to DVD. So, with approximately 60% of HMV UK’s sales coming from the back-catalogue, the resilience of our model was proven during a year in which it faced the sternest of competitive tests." So the physical world consists of those like Wal-Mart who cherry pick the hits (shortest shelves) followed by the big chain stores like HMV (longer shelves) followed by specialist stores that stock just classical music for example, whose shelves may be short but whose stock complements that of HMV and Wal-Mart. To compare Wal-Mart against Rhapsody is misleading as a portrayal of the physical vs. digital worlds. In fact, numbers from a more recent weblog posting by Anderson shows that Rhapsody makes approximately 48–50% of its sales from the top 200 albums (it shows data for 100 and 1,000 so this is a rough interpolation), compared to HMV's 40%.
Rhapsody, by this measure at least (and there are other measures), is more hit driven than HMV.
There's another problem with choosing Wal-Mart as a basis for comparison. Anderson is looking to compare old models against new (remember that "preview of 21st-century economics" subtitle in the introduction?), but Wal-Mart is just as new as digital technology. Its growth in the US throughout the 1990's parallels that of the Internet. It's no old dinosaur being supplanted by new technology, it is just another face of new technology. We can think of another model for "the Future of Business", which you might call the Long Vice, in which specialist retailers like HMV and (even more) its smaller independent brethren are being squeezed from both sides. On one side is Wal-Mart, using its economies of scale to provide the hits and cherry-pick that revenue from the specialist retailer. On the other side is the online retailer who can pick up some of the smaller selling items. Whether this leaves us with more choice or less (or a bit of both) is up for grabs, and we can talk more about the forces that drive down choice in the modern economy later on when Anderson goes into "Long Tail Economics" in a little more detail. But at least let's acknowledge that the Long Tail story of old physical Wal-Mart vs new digital Rhapsody is fundamentally oversimplified and fails to make Anderson's case. Anderson spends most of this section on Rhapsody, and then does similar comparisons in other industries; Borders vs. Amazon, Blockbuster vs. Netflix. I'm just going to talk about Borders vs. Amazon here.
Having set the stage plausibly (but incorrectly, as we have seen) with the Rhapsody story, it seems to be just confirming evidence for the Long Tail hypothesis when he says that Amazon makes 25% of its business from books "not available in offline retail stores" or "products you can't find
anywhere but online” [23 – diagram]. But there are two problems. First is that misleading phrasing. We have three new-book bookstores in my town. Chapters sells more books, but Words Worth (our independent book store) sells an overlapping set, and A Mysterious Affair sells a different set too (and then there are Christian book stores and probably other ones I don't know of). So our total number of books "available in offline retail stores" is much bigger than the stock of Chapters. Phrasing the comparison between Borders and Amazon as a comparison between "the offline world" and "the online world" is misleading, just as the Wal-Mart vs Rhapsody comparison was misleading. This is especially so because (again, we'll come to this) there are reasons for thinking that while the physical world is populated by a variety of stores – even though some smaller ones are being threatened by the Wal-Mart/Borders model and (ironically) by Amazon and Netflix -- the online world has forces that encourage natural monopolies (quick, name a pure-play new-book online retailer that isn't Amazon) or at least oligopolies. At the beginning of this post I hypothesized about the role of small out-of-the-way stores in the revitalization of Hush Puppies. It is possible that the new world may have less variety in it than the old. The second problem with the story has been pointed out elsewhere and discussed (with honesty, I should add) by Anderson here. He says that "One of the most quoted statistics in my original article was the data point that 57% of Amazon's book sales are in the Long Tail, defined as beyond the 100,000 books available in the typical Barnes and Noble superstore". Well, that estimate came from an analysis of Amazon's proprietary data (it does not publish detailed breakdowns of its sales). A revised estimate, included without comment in the book, is that the Long Tail accounts for 25% of sales. This is a downward revision of over half, and yet it has not affected
Anderson's thesis or his winning enthusiasm for it at all. You have to wonder about a hypothesis that is so little affected by a big change in its underlying data from the real world.

The chapter finishes, as so many of them do in this book, with a ringing call towards a bright future. "as demand shifts towards the niches, the economics of providing them improve further, and so on, creating a positive feedback loop that will transform entire industries -- and the culture -- for decades to come" [26]. At this stage of the book, we just have to say that the jury is out, but if you are like me, you'll be feeling increasingly suspicious and frustrated by the slippery way in which Anderson is putting together facts, stories, and comparisons to create a misleading picture that, wouldn't you know, supports Anderson's hypothesis. There are forces pushing towards an increased reliance on hits (see Wal-Mart above) as well as pushing out the other way. Some people say that online stores are just as hit-driven as bricks-and-mortar. The burden of proof is on Anderson, especially given the evangelical language he uses to describe what he is talking about. And in this chapter he dramatically fails to make his case.
A book that paints a big picture, as *The Long Tail* does, and especially if it is paints using an informal, storytelling brush, can be difficult to refute. Point out the problems with any one story and you can be accused of splitting hairs -- that one story is just a little piece of the picture, and if it's a bit inaccurate then it doesn't affect the basic thesis. On the other hand, if you make big claims and say that "it's all wrong" you lose as well, because that's unconvincing. So if you really want to refute a book (and yes, reader, that is what I want to do) then you've got to go through it page by page, example by example, and make your case.

A big picture really does have to be backed up by real data and real mechanisms somewhere, and the onus is on the author to provide that data and those mechanisms. Anderson fails to do so in *The Long Tail*. If you construct a theory (and Anderson calls the Long Tail a theory, even though I'd argue it's not) and that theory is to hold water, then sooner or later there has to be something solid to it.

By Chapter 2 I was beginning to wonder where the solid foundation for The Long Tail could be found. We've seen how, in the Introduction and in Chapter 1, the book flits between engaging stories (Touching the Void, the
98 percent rule), ad hoc comparisons that hide as much as they reveal (Rhapsody vs. Wal-Mart, the coming-of-age teenage choice comparison) and generalizations. And so goes Chapter 2. It's not that it's completely wrong, it's that enough of it is inaccurate or misleading to make the big picture melt away like a snowman in the sun.

The main argument of Chapter 2 is that, as the final sentence tells us "we are turning from a mass market back into a niche nation, defined not by geography but by interests" [40]. Yet the content of the chapter shows only that the past contained a mass market culture (among other things) and the present contains niches (among other things). This is not the same at all. You cannot demonstrate a transition by listing all those aspects of the 1950's that were mass market and all those aspects of today that are niche – you have to ask if there were niches back then and if there are mass markets today. And that's where Anderson fails. He just lists examples of mass-market 1950s things and 2007 niche things. It's not enough.

So, now to the page-by-page look at the chapter.

The first few pages of the chapter are a caricature of a cultural history of the USA: of how culture has changed from a predominantly local agrarian structure (pre-industrial revolution) through the growth of urban "mass culture" in the 20th century, to the "end of the hit parade" as the twenty-first century opens. It describes the 1950's as "the ultimate in lockstep culture" [29] – an image of grey, authoritarian conformism -- and there were indeed aspects of the culture that showed such a shared and "lockstep" trend – "by 1954, an astounding 74 percent of TV households were watching I Love Lucy every Sunday night".

Even here we should remember that in 1954 TV was in its infancy – a third of households did not have one. And an accurate picture of the 1950s
would include the fact there was another aspect of society that declined from the 1970's on, and that was the "collapse of American community" documented so well by Robert Putnam in *Bowling Alone*. A whole set of diverse community activities was available in the 1950's that is not present now, and Anderson does not mention this. Putnam "draws on evidence including nearly 500,000 interviews over the last quarter century to show that we sign fewer petitions, belong to fewer organizations that meet, know our neighbors less, meet with friends less frequently, and even socialize with our families less often." Anderson says that the TV data show that "watercooler effect, the phrase describing the buzz in the office around a shared cultural event" peaked in the 1950s and 1960s, because "it was a safe assumption that nearly everyone in your office had watched the same thing the previous night". But this neglects all those other social activities documented by Putnam, which were more prevalent at that time and which were also markers of diversity.

So a more accurate picture might be that there was the growth of one form of mass culture (TV) at a time when other variegated activities were still present. I don't know how the arithmetic works out (and there's an apples vs. oranges quality to it of course) but the onus here is on Anderson to prove his case, and he is being selective in his evidence. It is easy to point at the 1950's as lockstep conformism if you focus only on those aspects of culture that were common and if you neglect all those that were diverse. And this is what he does.

Even as he goes on into the world of music [30] he draws the same caricature–like portrait. He says how "The [hit–making] machine [that was radio] hit its peak in the form of American Top 40, a syndicated weekly radio show started by Casey Kasem in 1970. It began as a three–hour
program that counted down the top forty songs on Billboard's Hot 100 singles chart... For a generation of kids who grew up in the seventies and eighties, this was the carrier signal of pop culture.'[30]

Now I grew up in the UK, not the US, so maybe things were a little different, but (as I've already touched on in the previous chapter) things were not this monolithic. We too had our Sunday evening Top Countdown (hosted by Alan "Fluff" Freeman, pop-pickers) and my brothers and I listened to it regularly, as did a lot of other people. But was it "the carrier signal of pop culture"? No. There are two carrier signals for pop culture – the media and word of mouth. The cool kids were all listening to John Peel from 10 to midnight or to Radio Luxembourg and the rest of us listened to the charts and then got the pointers from our cooler friends as to what's the newest on the alternative side of the music spectrum. So whether you were a Genesis lover or a Black Sabbath follower or whatever, even in those early 1970s there was a variety of tastes around. Anderson is suffering (have I said this often enough?) from a convenient selective vision when he paints his picture of the past.

**The End of the Hit Parade** [31–32] charts the turn away from mass culture. It is built around a graph that shows the number of hit albums (gold, platinum, multiplatinum and diamond) in each year. The graph shows a fairly steady rise from 1957 to 2002 followed by a rapid fall-off after 2002. This turn is explained as follows: "Between 2001 and 2005, the music industry's total sales fell by a quarter. But the number of hit albums fell by nearly half. In 2000, the top five albums... sold a combined 38 million copies. In 2005, the top five sold just half that; only 19.7 million copies. In other words, although the music industry is hurting, the hit-making side of it is hurting more. Customers have shifted to less mainstream fare,
2. The Rise and Fall of the Hit

fragmenting to a thousand different subgenres." [32–33]

Like so many other figures and paragraphs in the book, this sounds convincing but does not hold up to closer inspection. Anderson is right that "something happened" in the first years of the century, and that the something was, as he says, digital music. One consequence of the shift to digital, we all know, was a move away from buying albums and towards buying individual songs. Here is a paragraph from today’s (February 18, 2007) Sunday Toronto Star:

"Individual tracks are clearly driving the business," was the Entertainment Marketing Letter’s assessment of the music industry’s health at the end of 2006. "Album sales were down by 4.9% in both digital and physical formats to 588 million from 619 million in 2005, while 22 tracks were downloaded more than 1 million times each versus two the previous year."

By showing only albums on his chart, Anderson cannot distinguish between two effects of digital music. The first is a shift to individual songs from albums, and the second, to be proven, is the shift of purchases towards a long tail of niche markets. He claims the change is all about The Long Tail, but the quotation above makes it clear that the shift away from albums may have a big effect too. I can't say which one is the more important, except to note that the evidence from comparing HMV and Rhapsody shows little "shift to the tail". It is a topic that Anderson returns to later, and I hope present more evidence when I get to those chapters that the Long Tail effect appears to be muted, at least. And anyway, to be frank, the onus is on Anderson to prove his case and yet again, by his choice of comparison, he has failed to do so.
Who Killed the Hit Album? [33–35] is another section about trends in music; this is a digression on the factors behind the shift to the Long Tail, a shift which is yet to be proven. It is a descriptive section with few data except for music sharing among music fans (which do seem very diverse) and a glimpse into the subgenres that Rhapsody promotes. The remainder is a plausibility argument about people having many different tunes on their iPods. There’s not a whole lot to be said about this couple of pages.

Broadcast Blues [35–38] moves the discussion from music to the real problems of radio, and thence on to other areas of culture. It claims to show that "What’s happening in music is paralleled in practically every other sector of mass media and entertainment. Consider these statistics from 2005:

- Hollywood box office fell by 7 percent...
- Newspaper readership ... fell by 3 percent...
- Magazine newsstand sales are at their lowest levels... in more than thirty years.
- Network TV ratings continue to fall."[37]

But these figures do not parallel the shift away from hits that he claimed to have seen in music (albeit without good foundation, as I have shown). The drop in newspaper readership and magazine newsstand sales do not mark a shift from a hit parade to a niche market, although they do mark a move away from physical media to the Internet. The two are not the same: if I stopped buying This Magazine and instead got my social commentary from CNN Online I would be moving towards, not away from, a mass culture. It is clear, to repeat, that the Internet is important and is changing things. What is not clear is whether the shift from hits to the Long Tail is real, or in which
cases it is real, and what the magnitude and importance of such a shift (if it exists) would be.

The final section is **A Hit-Drive Economy is a Hit-Driven Culture** [38–40]. It argues that the structure of current media corporations is built around hits. Drawing on the well known fact that predicting hits is difficult (or, as Grant and Wood say "nobody knows") it argues that "existing media and entertainment industries are still oriented around finding, funding, and creating blockbusters" [38] with bad effects on the quality of the end product (a favouring of safe sequels over risky products) – a claim I have no argument with. As Anderson says, this fixation on hits has "leaked outside of the Hollywood boardrooms into our national culture" [39] (ours too, in Canada). It's not that I want Anderson to be wrong – I'd love a world of "groups bound together more by affinity and shared interests than by default broadcast schedules" [40] and I'd love it if we were "turning from a mass market back into a niche nation". It's just that wishing it to be so doesn't make it so, and it is far from clear that the operations of, for example, Rupert Murdoch's News Corp. (owner of the social networking site myspace.com) will take us there.

At the end of this chapter, are we any further ahead than at the beginning? Not really. We have seen that there is a real shift from physical to digital and that some shared "blockbuster" experiences of earlier decades (network TV in particular) have become diluted. But we have not seen evidence of a real shift away from a mass culture to a niche culture, partly because Anderson ignores those aspects of times past that were richest in niches (civic engagement, local organizations, and so on as documented in Bowling Alone) and partly because his data (musically with album charts) do not
demonstrate that people are really moving to the niches as they move online. It may be so, and there are forces pushing us in that direction, but as we shall see in later posts there are forces pushing us back the other way too, towards a hit-based, celebrity-based culture. Which one wins in what cases is up for grabs.
Chapter 3 is a complement to Chapter 2 and completes Part One of the book (although it's not labelled as such). While Chapter 2 set out to chart the rise and fall of the blockbuster, Chapter 3 charts the rise and rise of the Long Tail in a short ten page trip from the Sears Catalogue the web and beyond. It's a short chapter, and a digression from the main thread of the book, so I don't have a whole lot to say about it. But I said I'd go through chapter by chapter so I will.

The first section describes the rise of the Sears Wish Book and the catalogue retailing business. The catalogue allowed people – especially those in small towns and rural areas (as piefuchs pointed out in comments on the previous part) – to choose from a much wider range of goods than ever before (200,000 in the 1897 Wish Book [43]) because the catalogue replaced physical shelves in physical stores. "With the heavy thunk of a single mail drop, the choice of available products increased a thousandfold from the typical inventory at the general store". Sears was able to do this because, like Wal-Mart many years later, it introduced new efficiencies into its
management of the supply chain. Big warehouses in Chicago together with "virtual" warehouses that were its network of suppliers meant that they could stock items efficiently. It was a big change. The Sears Catalogue has several parallels to the online world that Anderson calls "the ultimate catalog". One that he does not mention is that it was not easily mimicked. Once there is a big catalogue, a second big catalogue doesn't help much. The cost of keeping an item on the virtual shelf -- whether that be a catalogue or a web server -- is small, but the cost of building a virtual shelf in the first place is actually pretty big, and once someone's built a good one it is difficult to compete with them.

Feeding the Tail [44–46] describes how supermarkets did the same thing as the Sears Catalogue had done years before – provided "greater variety, lower prices, and one-stop shopping" [45]: basically they exploited economies of scale. In fact, Anderson tells us the supermarket took off during the 1950s and 1960s: those years of "lockstep culture"[29] described in Chapter 2 did after all have another side to them and that side was variety – in the form of thousands of items on the shelves of the supermarket. It is worth reflecting on these parallel stories that Anderson is telling us. To characterize the 1950s as an age of mass culture and then to describe the rise of a culture of variety at the same time does raise questions. It is often said that the plural of anecdote is not data, and this chapter reminds us why. There are many stories in this world, stories that are true and which can illustrate any message you want to deliver. But stories by themselves are not enough to support broad conclusions. The chapter also reminds us that there are other sides to our current day culture in addition to the availability of lots of online books. We'll see more of what those are in later chapters, but Wal-
Mart is, as pointed out in the discussion of Chapter 1, just as much a creature of the modern technological world as Amazon. The Touchstone Customer [45–46] is a digression on how new technology -- toll-free calling and credit cards -- led to a resurgence in catalogue shopping, again by making it easier for sellers to present a wide selection of items to their customers, but it is The Ultimate Catalog [47–49] that brings to the real point of the chapter, describing Jeff Bezos building the Amazon enterprise. The discussion shows how the book market has some properties (a number of products too large for even the bulkiest paper catalogue, a mature wholesaling and distribution system, a product that doesn't decay in the warehouse) that made it the ideal place for Internet commerce to start. There are, it suggests, particular things about books that make them special when it comes to online selling. To the extent that is true, the success of Amazon may not indicate "the future of business". The success of Amazon is real, of course, although its profitability has been erratic. It's an interesting story. But if a book is put on a web page, does that make it a product? Given Anderson's failure in the early chapters to show a really significant shift of purchasing patterns between the offline and online worlds to a new Long Tail world, the story is interesting, but what lessons we learn from it are not so clear.

The final section of the chapter, Long Tails Everywhere [50–51] is, like the Tails Everywhere section of the Introduction, a bizarre leap that stretches the idea of the Long Tail to breaking point and beyond. Getting carried away, Anderson writes (without further justification or description) of open source projects as "the Long Tail of programming talent", offshoring as the Long Tail of Labor, microbreweries as the Long Tail of beer, customized clothing as the Long Tail of fashion, online universities as the Long Tail of
education, internet porn as the Long Tail of pornography, and al Qaeda as the Long Tail of warfare. Superficially attractive, such examples have no unifying mechanism underlying them and often little justification in terms of actual change. Was the Spanish Civil War any less Long Tail, whatever that means in this context, than 9/11? If offshoring is the Long Tail of labor are suburbs the Long Tail of cities? As for the resurgence of microbreweries, my explanation of that is here, and it has nothing to do with the cost of shelf space. Anderson provides no explanation of how microbreweries fit into his ideas, what shelves are longer and why. I know from experience that when you work on a project for a long time it is tempting to see the whole world through the lens of the ideas you are working on, but in this section Anderson needed an editor to haul him back from the edge.

Chapter 2, particularly in its final pages, opens questions about what Anderson really means by The Long Tail. He gives several different definitions throughout the book from narrow to broad, but, getting ahead of ourselves for a minute, perhaps the best summary sentence is that at the beginning of Chapter 4, where he says that the Long Tail is "shifting away from a focus on a relatively small number of hits (mainstream products and markets) at the head of the demand curve, and moving toward a huge number of niches in the tail." One thing about this definition is that it identifies the Long Tail as an economic phenomenon – it's about supply and demand, buying and selling – and as a shift – a change from a previous narrower market to some newer market. Interpreting the Long Tail in a non-economic and static sense as "variety" or "large number of things" (or "The Long Tail is nothing more than infinite choice" [180]) makes it so broad as to lose any useful meaning. Casual soccer games are not part of the Long Tail of Soccer just because there are a lot of them being played in different
places; my desk is not a Long Tail of Paper just because it's a mess of many different pieces of paper; and saying that "offshoring taps the Long Tail of labor" [50] adds nothing new or useful to discussions of changes in the patterns of international labour.

By the end of this chapter, Anderson considers that he has shown that the Long Tail is a real phenomenon and has both a history and a future. He's ready to move on to the mechanisms that give it shape in the next chapter. The thing about a book is, if you disagree with the setup (and as I hope I have shown in these postings, there are enough weak points in Anderson's description to make the reality and significance of the Long Tail highly questionable) it's difficult to go on. Discussion of mechanisms assumes a real phenomenon. It will be challenging to write about that without becoming repetitive.
Chapter 4 is a really short chapter (6 pages, including 3 diagrams and a table) which sketches the three forces of the Long Tail (and also the six themes of the Long Tail age – what is it with numbers?) Subsequent chapters talk about each force in turn. So this is a really short post as well. Given that it is short, this might be a good place to put the canonical picture of the Long Tail. So here it is.

The idea is that you arrange a set of products in decreasing order of popularity along the horizontal axis, and plot their popularity up the vertical axis. The first few are the most popular items (the hits) and as you
go to the right you go past many individually less and less popular items. There are a lot of items in the yellow area, and while there is not much demand for any individual one of them, it is possible for some shapes of graph that there is more total demand (a bigger area under the graph) in the tail (yellow area) than in the head (green area). The Long Tail idea is that the Internet is pushing demand away from the hits in the green area and into the yellow area of the Long Tail.

Before goods can be put on shelves, they have to be made, and so Anderson identifies the first force of the Long Tail as "*democratizing the tools of production*. The best example of this is the personal computer, which has put everything from the printing press to the film and music studios in the hands of anyone." [54] In this definition Anderson fails to distinguish two separate aspects to cost. One is the cost of making the first copy of something – be it a tube of toothpaste or a blog post like this – and the second is the *marginal* cost of making subsequent copies. It may cost a few hundred or a few thousand dollars for a student to make a short film while it can cost over $100 million for a major movie studio to make a big production. But making the second copy of each one costs the same. Anderson focuses, here and in the next chapter, on those technologies that make it easier for many people to make cheap films (and so on) – hence that loaded word "democratization". But price is not determined by that cost, it is determined by marginal cost – the cost of that second (or thousandth, or millionth) copy. It cost me about as much to watch Jim Jarmusch's shoestring-budget *Coffee and Cigarettes* as it cost me to watch *Return of the King*. We'll see in the next chapter that this overlooked distinction makes a big difference to the story of production in the digital world.

The second force is "*cutting the costs of consumption by democratizing*
The Three Forces of the Long Tail

It's the part of the story that Chapter 1 focused on – how companies such as Amazon and Netflix can exploit the Internet to more effectively distribute goods. The Internet, he argues "makes everyone a distributor" [55]. But it takes more than a computer to get a little homemade video seen by hundreds of thousands of people, it takes You Tube. It takes more than an Internet connection to buy and sell an obscure piece of jewellery, it takes eBay. Not everyone is a distributor – in fact the economics of the Internet is likely to decrease the number of distributors rather than increase them. Chapter 6 looks at "democratizing distribution".

The third and final force is "connecting supply and demand" [55] – those recommendations, links, and so on that help us to find things we like on the Internet. Those recommendations, perhaps most effectively on eBay where trust is such an issue, have helped Internet ventures overcome some big obstacles. But when he says "The other thing that happens when consumers talk amongst themselves is that they discover that, collectively, their tastes are far more diverse than the marketing plans being fired at them suggest" [56–57] we can see that there is a big hole right ahead of him on the path Anderson is walking. People have, after all, talked amongst themselves for a long time. Does the Internet increase the level of consumer talk and so increase its usefulness as a mechanism for identifying niche tastes, or does it simply replace one forum for talking (face to face) with another (Internet-mediated)? Chapter 7 looks at tastemakers on the Internet, where we will see if Anderson falls into the hole or not.
5. The New Producers

At the beginning of this chapter [58] Anderson is back in storytelling mode, taking us to the Kamiokande II observatory in Japan to tell us how "one of the greatest astronomical discoveries of the twentieth century unfolded. A key theory explaining how the universe works was confirmed thanks to amateurs in New Zealand and Australia, a former amateur trying to turn professional in Chile, and professional physicists in the United States and Japan." [60] The story shows, according both to British Think-Tank Demos and to astronomy author Timothy Ferris, that astronomy has shifted from "the old days of solitary professionals at their telescopes to a worldwide web linking professionals and amateurs" [60].

Like the story of *Touching the Void* in Chapter 1, it is a story that is intriguing by itself, but which has very little relationship to the actual Long Tail thesis. The world of astronomy is a different world from that of Amazon.com. The book is about "The Future of Business" and yet astronomy is not a business. It's about "a market of multitudes" [5], but there is nothing in this story about markets. It's about the changes being brought about by the World Wide Web, but although Demos referred to a
"worldwide web linking professionals" this story took place in 1987, before the World Wide Web was invented.

That is the weak point of this whole chapter: it tells us that amateur producers and volunteers have taken on a new importance in the world of the Internet but fails to show how this links to the rest of the book. In his original article Anderson did not talk about the production side of business at all. In short, this chapter is only tangentially related to the rest of the book. It looks as if Anderson needed material to fill out his 240 pages (this is one of the two longest chapters in the book), and so he bolted this on to the side. But it doesn’t fit.

So when, as in this first section of the chapter, the book talks [61–62] about SETI@home (the use of spare cycles on home computers to search through large amounts of data in the search for extraterrestrial life) or "clickworkers" identifying craters on Mars, or even open source software -- all interesting subjects -- I’m going to be relentlessly negative and ask "what does this have to do with the rest of the book?"

**Democratizing the Tools of Production** [62–65] is all about how people can use their PC's at home to engage in "production". Just like I'm doing now, in fact (I have a day off work). Anderson points us to the world of music – "Just as the electric guitar and the garage democratized pop forty years ago, desktop creation and production tools are democratizing the studio" [63], to the written word "aways the leading edge of egalitarianism" [63] and to photo editing and printing. He includes in his reach "video games that let people create and share their own alternative levels" and print-on-demand book publishing. Put together all these examples and it looks as if "we're starting to shift from being passive consumers to active producers" [63]. It's
5. The New Producers

an inspiring image and a common one these days. But again, and as in previous chapters, Anderson is being selective in his selection of examples as he seeks to bolster his thesis. There are two questions that we have to ask when confronted by this plethora of anecdotes.

The first is "What were these new producers (or their equivalents) doing before this new kind of activity came along?" They must have been doing something, after all. We know the answer, I suspect. Some of the time we were indeed watching TV (passive consumers). At other times, as Robert Putnam describes in "Bowling Alone", we were engaged in other activities in or outside the home – local and community activities, whether it be a drink at the local bar or playing second clarinet in a Little Theatre production. A generation ago, the equivalent of those kids spending hours at their desktop digital music studio were probably producing music some other way. I don't know of any study that shows that teenage participation in music-making has increased over the last decade. Maybe it has, maybe it hasn't, but Anderson doesn't even begin to make the case that it has, and pointing to PC software does not make the case.

Another question is about the definition of "production". The Internet is still a shiny new thing, and the things it gets used for are changing rapidly – and will continue to change. But just because something happens on the Internet doesn't make it important, and doesn't make it "production". When I was young I used to make Airfix models of planes and tanks and so on, and I spent hours painting small metal figures of Napoleonic soldiers and creatures from Lord of the Rings. It was fun, but was it "production"? Only in a very distorted view of the world. So what about Chris Anderson's kids "who are, as I write, into machinima -- short computer-animated movies
made with video game software.... The first reaction of the kids was to watch and enjoy the machinima movies as entertainment. Their second was to express curiosity as to how they're made. And their third was to ask if they could make on themselves (The answer, of course, is yes)." [64] Do the young Andersons' game-playing activities count as "production" any more than mine did? I suggest not. The fact that they are using a computer is not in and of itself very important.

Or consider home photography. Twenty years ago we may have been sticking photos in scrapbooks rather than putting them on Flickr, but we should ask whether posting on Flickr is any more "production" than sticking pictures in scrapbooks. It is a more visible activity for researchers, for sure. It is easier to count the number of photos on Flickr than to count the number of photos in scrapbooks around the globe, and as a result it is tempting to identify this as new activity or an expanding one. But like the "production" of music it may well not be. It's a shift of an activity from one medium, where it remains fairly private, to another where researchers can more easily access it. But that does not make it significantly different.

The end result is that, whereas Anderson sees the rise of a new expanded class of creative people: "millions of ordinary people have the tools and the role models to become amateur producers" [65], I suggest that those creative people have always been there, and have always been creating. It's just that the Internet makes it more easy to count their creations.

But, I conveniently hear you say, what about blogging, where "millions of people publish daily for an audience that is collectively larger than any single mainstream media outlet can claim" [63]? Isn't that production? Or
what about Wikipedia, which competes with the Encylopedia Britannica? Surely that is production? Patience. That's the next section.

The Wikipedia Phenomenon [65–67] is the first of four consecutive sections (ten pages) that talks about Wikipedia, the remarkable online encyclopedia. And remarkable it is. Even over the last few months, I've found myself using it more and more as a first reference source for a wide variety of questions, from wireless network technologies (where it is very strong, unsurprisingly) to historical questions. Sometimes it's great, sometimes not so much. But it is remarkable.

What's more, Wikipedia counts as production. If it competes with the Encylopedia Britannica, which it does, then I'm happy to count it as bona fide production.

But I'm still going to say that this ten–page section on Wikipedia does little for Anderson's Long Tail thesis, for a few reasons. First, a glance at the index confirms that this is the first place in the book where Wikipedia has been mentioned, and it is mentioned in only scattered places later on. We haven't seen it in the history of the long tail, or in the introductory chapter. Why not? Because like the astronomy story it isn't an example of a market and it's not a business. There has been a lot written about Wikipedia and other open–source content production; the best I've read is The Wealth of Networks, the exhaustive if sometimes heavy–going book by Yochai Benkler. Benkler describes Wikipedia as part of "the networked public sphere" – a public place that is provided by a network of loose collaborators. A public place is different from a commercial venture such as Amazon.com, and there is reason to believe that Wikipedia and Amazon are not part of the same thing.
Anderson links Wikipedia into his Long Tail thesis by pointing out that, while the Encyclopedia Britannica has to draw a line at which "the priests... decide 'This is not worthy'" [72], Wikipedia "just keeps going". While Britannica has 80,000 entries, Wikipedia has well over a million on all kinds of obscure topics. These entries, from 80,000 to 1 million and beyond, are "the Tail" of Wikipedia [72]. This does look a little like a Long Tail. After all, Britannica is put on a physical shelf and Wikipedia isn't. Britannica is pre-Internet and Wikipedia is Internet. So am I splitting hairs here when I say that Wikipedia is not "Long Tail"? Aren't these things enough to tie them together as part of "the same thing"? I'll argue not, precisely because the Internet is so important. Its impact is so big, so multifarious, that it does little good to link up all Internet-related activities as if they are a single thing.

Here’s an analogy. In Chapter 3 Anderson told us about the expansion of supermarkets in post–World War America, and explained how this was a precursor of the Internet Long Tail, driven instead by a technologically-enhanced infrastructure of better transportation and communication. At the same time a huge collective endeavour was thriving – scientific research, which expanded manyfold from its pre-war scale. This too was enabled by new technologies of communication and transport, enabling people to move around and share information, and providing the ability to collaborate across the miles. And guess what? There is a long tail structure to scientific research too. It goes all the way from the hits (DNA structure, the discovery of the laser, and so on) down to those niche items that are of interest to only a few (improved helium–acetylene potential energy functions, as a non–random example). Whereas pre–war research focused on the hits, the new post–war institution "just keeps going", exploring ever–more obscure
backwaters of knowledge, some of which turn out to be surprisingly important. But does it make any sense to talk about scientific R&D and supermarkets as two parts of the post-war Long Tail? No. There's nothing to stop you from doing it, but it doesn't really add anything to our understanding. In the same way, to see Wikipedia as a production-equivalent of Amazon and Netflix does not really help us.

Wikipedia and other large-scale collaborative ventures among both amateurs and professionals are best viewed as networked public goods, as Benkler describes them. The fact that they are big does not make them Long Tail. After all, take any large enterprise, break it into its constituent pieces, plot them along down an x axis in order of decreasing demand, and you are bound to see something like the long tail graph.

**Self-Publishing Without Shame** [75–78] follows Anderson’s discussion of Wikipedia (some of which I am skipping over, having said quite enough I think) and presents a different view of what lots of little–looked–at content can be on the Internet. There are, you will be shocked to hear, things I agree with in this section. He writes about blogs, other forms of self–publishing, and "citizen journalism" (especially South Korea's "OhmyNews" [78]) and points to these areas as a "crucible of creativity, a place where ideas form and grow before evolving into commercial form". This makes sense. Barnes & Noble CEO says it this way: "Over the next few years, the traditional definition of what a 'published' book is will have less meaning. Individuals will increasingly use the Internet as a first stage to publish their work... The best of this work will turn into physical books." [77] This view of blogs and other web–based forms of expression as "first–step publishing" or pre–commercial publishing seems realistic.
But I don't want to get carried away with this constructive and positive view of the Long Tail, so let me revert to negativism and point out that this interpretation of what is happening in the world of blogs and other self-publication is not what he has been talking about in the earlier part of the book. First, to see these DIY areas of self-publishing and social networks as a pool from which hits will be picked is quite different from saying that demand is shifting to niche products. Second, he says "Blogs are a Long Tail" [69] but blogs are a non-commercial space for unmediated discussion and opinion. That’s great, but the non-commercial nature of it sets it apart from most of what he is talking about as the Long Tail (an infinite shelf of commercial items for sale). The border between non-commercial and commercial parts of the Internet are blurred and changing, but there is still a border. It is not clear, for example, that Wikipedia contributors would continue to contribute if a company "owned" their product and made money off it. It is not clear that bloggers would contribute if others took their content and re-used it for money. Cases are appearing where photographers are complaining about the commercial use of their freely-produced images. The issues of rights and ownership are thorny and there will be years of debate to sort them out.

**Case Study: Lonely Island** [78–82] reverts to story-telling mode for the case of comedy troupe Lonely Island. It starts with media mogul Barry Diller scoffing at the idea that peer production, or "18 million people producing stuff they think will have appeal" could rival Hollywood and then tells how Lonely Island took their act online and found success after being picked up by Saturday Night Live. The lesson of the story is "on one hand, the existing entertainment industry filters did recognize the appeal of the Lonely Island and found a way to tap it. In that sense, maybe the system works. Yet if
three kids with a video camera doing goofy raps and putting them on their web site isn't '18 million people producing stuff they think will have appeal'... I really don't know what is." [81] It is a weak story, of the same kind as the earlier *Touching the Void* – the Internet as source for successful acts. I could tell the story of unsigned singer Billy Bragg hearing that DJ John Peel was hungry and taking a curry to the recording studio, getting a few tracks played on the show in return, and finding himself on the way to stardom. It's not the Internet, but if it's not someone producing stuff they think will have appeal, well I don't know what is. The point is, there is no point.

**The Architecture of Participation** [82–84] finishes the chapter in bizarre fashion by acknowledging that "we've seen parts of this story before" and talking about punk rock and its "anyone can do it" attitude. I do wish he would turn back a few pages to where he told us that the ’70s and ’80s were the years of blockbuster culture: now it's the start of an architecture of participation. And the punk rock story is a good reminder that, for all the mashups and videos on the Internet, there is not a single artistic movement to have come from the Internet culture that rivals punk in its impact. Lonely Island comedy troupe just doesn't do it.

So that's the end of the chapter. For anyone still reading, I want to add one thing about production of digital goods that Anderson does not mention, which is that while it does make certain kinds of production cheaper, it also tends to create "winner take all" markets as described by Robert Frank and Philip Cook, also explained in detail in *Blockbusters and Trade Wars* by Peter Grant and Chris Wood. The fact that the marginal cost of additional copies of a digital good are basically free to create, whether the first copy
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cost $1 or $100 million, has a number of consequences. One is that "cultural products that are attractive to consumers in a large geographical market have a lower risk and a much greater potential reward than do those that are produced for a smaller market" [Grant and Wood, p. 55] Here is a force that, as they describe, tend to constrain choice rather than promote it. I'm not going to go into this in detail here – just to say that (as John pointed out in a great comment on Chapter 3) – there are winner take all forces at work in cultural industries that push demand away from the "Long Tail", which are ignored by Anderson.

[Just to finish in a really picky way, Anderson says of Wikipedia "There are the popular top 1,000 [articles], which can be found in any encyclopedia: Julius Caesar, World War II, Statistics, etc." [72]. He is being selective again: according to a list linked to from Wikipedia itself, the most viewed articles in the English language version in February 2007 were (ignoring home page and other non-article pages): Anna Nicole Smith, Wiki, Valentine's Day, Wikipedia, United States, Naruto (a Japanese anime series), Chinese New Year, World War II, Sex, Deaths in 2007, List of Pokemon, List of Sexual Positions, Sexual Intercourse, Category: Female Porn Stars, and Barak Obama. How many of these top articles have entries in Britannica?]
It's time to take a breather and stop turning the pages of *The Long Tail*. I hope I've made the point now that there are a lot of problems with the book, a lot of places where (as John said) "It looks like his theory has become so obvious and inevitable to him that he sees the 'revolution' coming even when the facts seem to point in the other direction." It's time to step back a bit. After all, even if much of *The Long Tail* is fluff, what about the idea at the heart of the book? Even if it takes only a few sentences to state instead of 240 pages, it could still be a penetrating insight that holds up despite the sloppiness of the supporting material. So the question is, if I don't think the world of the Internet is Long Tail, what do I think it is like? Criticism can only take us so far without something constructive to put in its place.

The short answer to these questions are that I believe *The Long Tail* idea has merit only to the extent that the physical world is trapped in a digital vice of IT-driven big-box stores on the one hand and online stores on the other. Second, that to the extent a single image can be used to describe the world of the Internet, we could say that online commerce replaces a world of Many Little Tents by One Big Virtual Tent.
There is a lot of stuff under the One Big Virtual Tent, but that stuff is hard to find, there's only one of it, and it's probably based in California. The core of the Long Tail hypothesis is that (i) Internet-based businesses, unencumbered by the tyranny of physical space, are able to make far more different products available than "bricks and mortar" stores, (ii) Internet-driven increased access to these niche products leads to greater demand for them – demand is driven down into the Long Tail, with the end result that (iii) we move from a market driven by hits or blockbusters to a market of niches. Finally (iv) this coming together of a diversity of tastes with a democracy of production is a think to be celebrated as a natural, unfiltered, and diverse outcome. The Internet brings an "explosion of variety" where "On the infinite aisle, everything is possible" [226].

The first thing to say is that (the title of this entry aside) to stretch one simple image over the entire Internet phenomenon – which Anderson does sometimes – cannot work and is of little use. It's as if we tried to stretch a single image over the invention and development of the internal combustion engine. If you wanted to write a book in the early years of motorized transport talking about the future of business and of culture what would you say? Just that there were many futures to business. There were futures of families scattering across the miles as travel became easier, and of families overcoming distance to stay in touch. There were futures of homogeneity as economies of scale took hold, and futures of variety as people became exposed to influences from outside their own neighbourhood. There were futures of war and of peace, of great depressions, general strikes, longer lives, wonderful sights that could never be reached before. You get the idea. You just can't take a phrase like The Long Tail and stick in on a development with such far-reaching implications.
as computerization and the Internet and apply it to everything without it losing all meaning. So the Long Tail in its broadest use is meaningless, and needs no competing theory to replace it.

Narrowing the scope of the idea to something more manageable, a reasonable question is "will the shift to online commerce (Amazon, Netflix, iTunes) lead to a more diverse environment for cultural products?" I predict no with some qualifications. Such businesses are freed, as Anderson points out, from the constraints of geography. But geography, as Anderson admits from time to time, not only limits diversity, it is also a source of diversity. When we move our shopping online, the first physical stores to feel the pinch are not the Borders, Blockbuster, and Wal-Marts but are the smaller specialist sellers within physical communities. These specialist sellers are almost completely ignored by Anderson, as I've pointed out in the last several posts. Some specialist sellers will manage to thrive in the online world, but others (a computer book store in my town, for example) will be driven to the wall by online competition. To the extent that we abandon local businesses for online shopping, we lose rather than gain diversity.

If we are to compare the online world to the physical world we must do the job properly and compare all the online world to all the physical world. This is a difficult job, because the physical world is much more uneven than the online world: the economies of scale in the online world tend to create oligopolistic or even monopolistic markets in a way that outdoes even the Wal-Marts of the physical world, and Amazon is as accessible to people in small towns as it is to people in major cities. When looking at the availability of jazz music, for example, piefuchs' comment on Chapter 2 captures the difficulty of measuring the change:
Growing up in small-town NS I used to love to come to Boston to buy CDs – especially jazz. Now however, anyone can buy any CD on the web, but living here in Boston I can no longer go to a store see the same magnitude of selection, since every record store with a substantial new jazz department has closed. So are more people actually buying jazz instead of the blockbuster or are more people in small towns buying jazz on the web rather than when they travel?

The physical world is a world of heterogeneous variety, while the online world is a world of homogeneous variety. It is not clear that averages help very much when comparing physical apples to online oranges, but we can at least say that one thing you don’t do is compare Borders (or Chapters/Indigo, or Waterstones) to Amazon and claim you are comparing the physical and online worlds. The measurement biases of the book are pervasive and ignore the shift from a relatively heterogeneous retail environment in the physical world to a homogeneous retail environment in the online world. These biases are a big part of what make the book fundamentally wrong.

The other reason for my disbelief in the Long Tail is that it is not only the niches that benefit from being freed from "the tyranny of geography". Hits benefit too. The phenomenon of movies opening simultaneously worldwide is possible only in a digital age. The possibility of such global rewards, especially when complemented by supply–side economies of scale and multiplied by synergistic products (the action figure and video game of the movie of the book) and given the fixed costs of producing digital content pushes markets towards the Short Head, not the Long Tail. The
phenomenon of world-wide bestseller book releases is likewise a recent phenomenon (I believe, but confess I don't have figures to back it up) and as John commented, there is evidence via Anderson's weblog itself that midlist titles are struggling relative to hits in the bookselling market.

On the demand side too, there are forces that push us towards the Short Head. As Dipper pointed out in the comments to Chapter 1:

One reason people buy arts and cultural products such as books, dvd's, games, clothes, cars is to participate in cultural life. That means buying what other people are buying

The weakening of geographical constraints means that the definition of "other people" broadens out.

What is the net result of these competing forces? The nearest I can see to a simple statement is that the online world is One Big Virtual Tent whereas the physical world is Many Little Tents. There's little doubt that there is more variety under the One Big Tent than in any of the Many Little Tents (even the biggest of them). But is there more variety in the One Big Tent than in all the Many Little Tents together? Well, if you live close to only one little tent, the answer is undoubtedly Yes. If you live closer to a field crammed with Little Tents, then the answer may be No. And can you find what you want in the One Big Tent? Not yet would be my answer. Finding things online is a topic of Chapter 7 in the book, so there will be more to say there, but let's just say that if you know what you are looking for you can find it on Amazon, but you are unlikely to come across, as I did in my public library, the strange and compelling stories of Agota Kristof by chance.
In comparing Many Little Tents with One Big Virtual Tent also need to look at geography at the level of nations as a source of diversity. As in so much else on this topic, my favourite reference is *Blockbusters and Trade Wars, Popular Culture in a Globalized World* by Peter Grant and Chris Wood. The theme of the book is the breaking down of trade and cultural barriers by commerce, including but not exclusively online commerce, and the attempts by smaller countries to preserve and enhance their own cultural output in the face of this challenge. They make a convincing case that a state-driven "cultural toolkit" including tools such as public broadcasting, quotas, subsidies, and more have been essential in helping a diversity of culture to survive and even, on occasion, thrive.

Needless to say, Anderson does not even begin to address issues of international cultural diversity beyond the fondness of online teenagers for Japanese anime films. Sitting in San Francisco, he does not seem to even notice the fact that there is a distinction to be made between American cultural consumption and that in other parts of the world. I wish I thought he had even heard of Grant and Wood, but they come from Canada so I would guess that he hasn't. Google tells me that the only page outside this little corner of the Internet that mentions both "long tail" and "blockbusters and trade wars" is a bibliography page for a course on the Structure of the Book Publishing Industry in Canada from Simon Fraser University in Vancouver. The ability of online vendors to cross borders is a double-edged sword when it comes to diversity. The ability to keep diversity in One Big Virtual Tent will depend to a large extent on the ability of governments to regulate portions of that tent.
There is one scenario in which the Long Tail does lead to an increase in diversity compared to the physical world, which is the scenario of the Digital Vice (I’ve renamed it since Chapter 1). The variety of physical stores that unevenly drive an uneven amount of uneven variety may be replaced by a combination of homogeneous big-box stores that sell mainly best-sellers and online stores that sell best-sellers and everything else. In such a world, there is no doubt that the niche purchases will take place online, so that the online world will represent a Long Tail compared to the physical world. But it’s a grim outcome nonetheless.

The second question here is, what about the Long Tail of production represented by YouTube, Facebook, MySpace, Flickr, and the world of blogs and Wikipedia? To some extent I tackled this in the discussion of Chapter 5. There are, I would argue, two things going on here, neither of which is Long Tail. One is the moving online of social conversations, play, and pastimes. Writing a diary online does not make it more "production" than writing a diary at home. The shift online loosens some ties and builds others. We tend to end up with (as Yochai Benkler points out in The Wealth of Networks) a looser but wider set of connections than in the physical world – we inhabit networks rather than communities, with different networks for different parts of our lives. Again, Anderson has eyes only for the building of online networks, not the loss of those other contacts that they replace. He repeatedly welcomes the online world in terms of its potential for a democratic future, but such a future is far from assured. To take one example, while the Internet is a great source of information for those who oppose the US war in Iraq, it has failed to coalesce into a significant political movement in the way that opposition to Vietnam did. The opposition to globalization that crystallized around 1999 did so at a physical place...
5.1. One Big Virtual Tent

(Seattle): the effects of geography are strong and not easily replaced. While the Internet may provide new opportunities for political networking, to the extent that it replaces physical world actions it will not promote a broadening of democracy.

The most interesting and promising aspect of Internet technology is the large-scale collaborative efforts represented by the peer production models of Wikipedia, open-source software, SETI@home and others. These are remarkable, although again they tend to be operations that replace Many Small Tents by One Big Tent – there are fewer of them, but each one is bigger – than in the physical world. The endless comparisons of Encyclopedia Britannica to Wikipedia are somewhat misleading, because it again neglects the complementary physical books (specialist reference material that doesn't get into Britannica) that do not exist in the online world. Is there a big online reference for birdwatchers? I'm not sure, but my guess is that the ease of use of Wikipedia will make it the equivalent of many offline reference works, rather than a single general-purpose encyclopedia. In the offline world, there is no longer a need for Small Tent production – just put your material into the One Big Tent. Again, does this represent greater variety? In some senses yes, in some senses no.

So if there is a single image I'd use instead of the Long Tail, it's the One Big Virtual Tent. It's a tent that holds more than any of the Many Small Tents of the physical world, but which does not guarantee an overall increase in variety. And if you're going to build One Big Virtual Tent, the chances are you won't be building it from an out of the way place – to that extent, the revenue from the homogeneous variety of the online world is going to be finding its way to Silicon Valley rather than to your local community.
Bored of this yet? Well that's just too bad, because this blog is nothing but The Long Tail until I've gone through the whole thing, repetition and tedium be damned. So if you don't like that, come back in about three or four weeks if things go according to plan.

Still here? Great. Glad to have you. It is time to cast your mind back and recall that Chapter 4 spelled out the Three Forces of the Long Tail and that Chapter 5 was about the first one: Production. Chapter 6, today's subject, is about the second force: distribution. And whereas Chapter 5 was bolted on to the side of the Long Tail hypothesis, Chapter 6 is right in the middle of it. It's about Internet aggregators, in particular Amazon, and how they go about filling their long shelves.

The first section of the chapter is one of the more interesting stories in the book. It's about the success, at the third attempt, of Alibris, a company that seeks to "deliver the growing power of e-commerce to independent booksellers while delivering extraordinary selection to businesses and book lovers" (from the Alibris web site). The used book market (other than university textbooks) is fine if you are a browser hoping to stumble across a
quirky find, but problematic for people looking for a *particular* book because there are "not enough sellers and buyers of an *unbounded* set of commodities" [87]. As a result, the odds of finding your book are slim. "Thus, most buyers simply never consider a used-book store when they're shopping for something specific" [87].

Alibris takes the inventory of used book stores, gathers them together, and puts this big database online, making it available to Amazon and other online outlets such as bn.com, where used books appear alongside new books when customers search for a book. The result is a fast-growing used-book industry (11% in the US in 2004) [88]. This story shows what the Internet is good at: bringing unconnected people together. It sounds like, and maybe is, a hopeful story, "creating a liquid market where there was an illiquid market before" [88]. (Aside – it is odd that Anderson talks about the American Alibris and completely neglects its bigger Canadian competitor *Abebooks*, who now own the fine *librarything* web site, but perhaps he is subject to the tyranny of geography in the physical world).

It is likely that a move to used book buying and selling is a pretty diverse market compared to new books, but it may be of interest to note that the Alibris founder says, in discussing a new Alibris pricing initiative that "It's true that the Alibris Pricing Service really is oriented mainly around common books – but that's more than 80% of the demand out there, so it tackles the vast majority of the market". Alibris is a private company and does not make its detailed sales figures available, so it is difficult to know for sure. But used books are one of those areas where the Long Tail hypothesis has the strongest ring of truth.
Enter the Aggregators [88–89] picks up from the Alibris example and uses it as an example of a "Long Tail 'aggregator' – a company or service that collects a huge variety of goods and makes them available and easy to find" [88]. And the Alibris story shows that there are ways in which the Internet can pull people together. But while aggregation can be a fine thing, it does have a dark side, and that side is market power. Canny aggregators know this. Alibris, for example, does not put its customers in touch with the used book stores that actually sell the books. Instead, the book store owner sends their book to Alibris, who then sends it on to the customer. In this way, Alibris becomes the hub of the market: the central repository of knowledge, while the individual book stores who it relies on are kept in the dark. This appears to have led to some resentment amongst some librarians and book store owners, although I have no idea how widespread this is.

What this means is that online aggregators become the new powerhouse in the industries they move into. Amazon in the world of new books, Abebooks and Alibris in the world of used books, and so on. Google, of course, is seeking to aggregate everything and so become the hub for "the world's information".

This is a mixed development for those whose information is being aggregated. Newspapers, for example, are not thrilled at the idea of Google News presenting their information freely to the world, while the newspapers themselves struggle over lost income. With Google making scads of advertising money off presenting information to people, it looks like the balance of power has shifted from the content originators to aggregators.
Aggregators are here to stay. What remains to be seen, however, is if they bring with them any real move towards a more diverse pattern of demand and consumption.

So aggregators are the Long Tail enterprises that represent "the future of business", and Anderson says "there are literally thousands of them" [88]. Are we now going to hear about the wave of the future, and see what shape it is taking?

No. Frustratingly, the only examples he lists after that teasing sentence are our old friends Google, Rhapsody, iTunes, Netflix and eBay -- the same handful of companies he's been going on about in the first few chapters. He does also mention Bloglines, an RSS feed aggregator, and Wikipedia, which I've argued is not an "aggregator of the Long Tail of knowledge" but those are the only ones of those "literally thousands" that he actually lists.

What he means by his "literally thousands" becomes clear when he says that "a single blog that collects all the information that it can about a topic, let's say needlework, is an aggregator" [89]. Well, if this is where his "literally thousands" of aggregators are coming from, count me underwhelmed. Amazon is one thing, and someone collecting links on needlework is another. I mean, Wal-Mart puts things on shelves and I put things on shelves, but that doesn't make me the same kind of thing as Wal-Mart. And although he mentioned needlework or "SEC filings or techno music" he does not actually list real sites. The wave of the future, it seems, is still intangible.

Anderson does tease us again by claiming that "in this chapter, I'll focus on the business aggregators. They fall mostly into five categories:
1. Physical goods (eg Amazon, eBay)
2. Digital goods (eg iTunes, iFilm)
3. Advertising/services (eg Google, Craigslist)
4. Information (eg Google, Wikipedia)
5. Communities/user-created content (eg MySpace, Bloglines)" [89]

The rest of the chapter, however, is devoted to a discussion of just one aggregator -- Amazon (again!) with occasional mentions of old chums Netflix and Rhapsody. The fact that we are a third of the way into the book and, when it comes to specifics, Anderson keeps going back to the well to show us Amazon or Netflix one more time suggests that he is a little short of real examples, and that perhaps the aggregator model, while a powerful one for some people, is not something that is going to spawn large numbers of companies.

We've already seen (earlier chapters) that while Amazon does make more money off its "Long Tail" than individual brick and mortar stores, its figures are not spectacularly different after the downward revision between the original article and the published book, and that Rhapsody seems just as hit-dependent as HMV. When it comes down to it, we have here a short, limited list of examples which we've already seen provide little evidence for a significant Long Tail effect.

**Hybrid versus Pure Digital** [89–91] This section is devoted to a single rather obvious idea, which is that while it's pretty cheap to sell physical goods from digital shelves ("hybrid retailer"), it's even cheaper to sell digital goods from digital shelves ("pure digital retailer") because such a good is just a row in a database table until someone orders it. This latter form of business is, he says "the holy grail of retail – near-zero marginal costs of
manufacturing and distribution" [91]. Here, he actually mentions (unlike in the previous chapter) that it is marginal cost that is being minimized. He does not go on to point out that the industries with large fixed costs and tiny marginal costs tend to form oligopolies, but they do. It's the main reason why there really aren't "literally thousands" of aggregators and it's why he has to go back to the same old examples over and over again. Fixed costs and other forms of increasing returns mean that there just aren't that many of them.

**Tripping Down the Tail** [91–94] is also about Amazon (yawn), and shows how it is getting "closer and closer to breaking the tyranny of the shelf entirely" [94] by introducing Amazon Marketplace – a program in which the Amazon web site is a storefront for many small vendors (rather like eBay). "Retailers and distributors of any size, from specialty shops to individuals, could have their goods listed on Amazon.com just like the products in Amazon's own warehouses – and the customers could buy either just as easily." [93]

Amazon Marketplace shows the real appeal of the aggregator business model, and it's not about Long Tail, it's about One Big Virtual Tent (see yesterday's post). Why? Because the Amazon Marketplace model gets Amazon itself out of the physical shelf business, even though as Anderson writes, apparently without noticing the implications (he really is an incurable optimist) "With the Amazon Marketplace form of distributed inventory, the products are still on shelves around the country, but they are collectively catalogued and offered in one central place – Amazon's Web site. Then, when people order them, the products are boxed up and shipped directly to the customer by the small merchants who have held the
inventory all along” [94 – my emphasis] and if the goods don't sell "Amazon bears none of the cost -- the surplus stock simply depreciates on the shelves of a third party" [94].

It is easy to see why this is a great deal for Amazon: they are using their market power to put the squeeze on the individual retailers whose very physical shelves are holding very physical products. Like Alibris, Amazon have put measures in place to prevent customers and sellers communicating directly. They are the ones in charge of this relationship.

So Amazon Marketplace is yet another story with at most a tenuous relationship to the Long Tail thesis. It provides Amazon with another source of revenue, but it is not clear if or how it moves overall customer demand to a Long Tail in any significant way. Sales of small items are gravy for a site with the huge web site resources of Amazon, but Anderson does not say how much business has been done on Amazon Marketplace, whether the small suppliers (for whom it is one more outlet) are gaining or losing overall from any move online that has happened, and so on. If, for example, there is a move to online purchase of the kind of goods found on Amazon Marketplace, then it could make sense for individual retailers to put their items there (because any sale is better than no sale) and yet be worse off than they were before Internet selling came along. It's just shoddy writing. And it doesn't get better.

**Inventory on Demand** [94–96] is yet more Amazon smoke and mirrors. By this time it is really getting silly. Anderson talks about Amazon's big commitment to print on demand publishing as a way of selling all those niche books. But while he notes that "the potential of print-on-demand is extraordinary” [96] he doesn't give any real-world numbers. How many
print-on-demand books does Amazon sell? Not a clue. Will it help publishers get past the problem of returns from physical stores or does POD have its own problems? Who knows? Not Anderson, that's for sure. And then at the very end of the section he says that print-on-demand may also be useful for big sellers (hits) as well as niche products, so it may not actually "push demand down the long tail" at all. Remarkable.

**The End of Inventory Altogether** [96–97] is the final section of this chapter. It finally moves away from Amazon to talk about iTunes, Netflix and other pure-digital outlets as the wave of the future – which we have already seen are pretty hit–based. There is no doubt that the digital world is getting bigger, but this is not news. I for one am no cellulose sentimentalist and can't wait for flexible electronic paper, but when it gets here I hope there is something more solid than The Long Tail to read on it.

So there we are. Another chapter, another lack of real substance to Anderson's thesis. It is clear that there is money to be made by aggregators, but not at all clear that the coming of the aggregators is the coming of "infinite choice" [180].
7. Teaser

I usually try for about three chapters a week, but I only got two done over the last week, so here's a bonus teaser for the next chapter, which is Chapter 7. It's a little thing – one sentence in the middle of the book – but it says something about the author's cavalier attitude to facts.

Chris Anderson says:

Dell spends hundreds of millions each year on promoting its quality and customer service, but if you Google "dell hell" you'll get 55,000 pages of results.[99] (I put page numbers in square brackets)

At ten results per page (the default) that's 550,000 results. Let's see if we can reproduce this number.

First let's try "dell hell" in quotes, as he shows it. Over at the right of the page it says "results 1–10 of about 69,600". That's 696 pages, not 55,000.

But Google's "about" numbers are notoriously inaccurate. To get a more precise number, first I recommend changing the preferences to return 100...
results per page (less clicking), redo the search, and then click through the pages. How many results do you end up with? A total of 693. That's 70 pages of results, not 55,000.

Suppose he meant without the quotes. Let's try that. The "about" number at the top right of the page is now 1,620,000 – or 162,000 pages of regular results. That's about three times the number Anderson quotes – perhaps that's what's changed in the last two years. So this is where he gets his number from, I guess.

But as I said, that "about" number is notoriously unreliable. Click through the pages and how many results do you get? 753. That's 76 pages of results at the default ten-per-page.

So Anderson claims 55,000 pages of results because it's a big number, and a big number illustrates the point he is making, but a five minute test shows that he is overestimating by about 54,924.

So much for that claim. And unfortunately (in case you were wondering what I think) it's typical of the book.

[I may have got it wrong in this section. See the comments at the blog where someone put me right.]
7.1 The New Tastemakers

In a comment on Chapter 6, John points us to an article which mentions Ranganathan's Five Laws of Library Science. These laws are:

1. Books are for use.
2. Every person his or her book.
4. Save the time of the reader.
5. The library is a growing organism.

Laws 2 and 3 remind us that the whole publishing process is about guidance. Guiding readers to books they like, and guiding books to readers who like them. The various stages of writing, submitting to publishers, editing, publishing, publicising, reviewing, discovering, recommending, locating, browsing, requesting, buying/borrowing, delivering are one path through the maze that is needed to guide books to their readers and readers to their books. Guidance is the subject of Chapter 7.

I want to leap ahead some pages into the chapter this time. Because on at last, after a hundred and nine pages, we get some real evidence of a specific
industry that is showing a big Long Tail effect – and it's our old friend Netflix.

**Filters rule** [108–110] is a reflection of Anderson's belief in the power of filters to "level the playing field, offering free marketing for films that can't otherwise afford it, and this spreading demand more evenly between hits and niches" [110]. The main effect, he says, is "to help people move from the world they know ('hits') to the world they don't ('niches')" [109].

The evidence that he gives in this section in favour of the claim comes Reed Hastings, CEO of Netflix (and provider of a blurb for the book):

> Historically BlockBuster has reported that about 90% of the movies they rent are new theatrical releases. Online they're more niche: about 70% of what they rent from their website is new releases and about 30% is back catalog. That's not true for Netflix. About 30% of what we rent is new releases and about 70% is back catalog and it's not because we have a different subscriber. It's because we create demand for content and we help you find great movies that you'll really like. And we do it algorithmically, with recommendations and ratings.

In fact, since the book was published, Netflix have set up the Netflix Prize for people to suggest better algorithms. The first submission to improve the accuracy of the algorithm by 10% will win $1 million. So Netflix are taking this seriously. Finally, there appears to be some substance behind the shifting generalities of the book.

Or is there? Lee Gomes of the Wall Street Journal **begs to differ**.
Netflix defines "back catalog" expansively. A spokesman says it's anything outside of the 50 or so DVDs getting heavy studio promotion at any given time. So even recent megahits like "Spiderman II" are in the back catalog.

What’s more, since Netflix rents 60,000 titles, it follows that those 50 titles -- eight-tenths of 1% of inventory -- generate 30% of all rentals.

This was the second of two Gomes articles on the Long Tail and part of a debate that focused on the extent of the effect that Anderson is describing. The first article was a review of the book, and in that review he referred to work by Harvard Business School's Anita Elberse that only "shows a 'slight shift' toward the tail. But she also noted 'a rapidly increasing number of titles that never, or very rarely, sell,' which suggests 'it is difficult for content providers to profit from the 'tail.' ". Again, a "slight shift" is not an "epochal shift". Anderson responded to that review, arguing that

As Professor Elberse told Gomes, she was only describing Nielsen VideoScan data, which is almost entirely taken from bricks-and-mortar sources. The Netflix data, which was the basis of the Long Tail analysis that she and I worked on together, tells a very different story (Elberse's terms of data access don't allow her to share that data; my terms allowed me to share what I published in the book). We both urged Gomes to make clear that the "slight shift" measured didn't refer to the Netflix data that was at the core of the book's conclusions. But he chose to make the point he wanted to make.
In comments to that post, Elberse herself stepped in to say that

You [Anderson] say "Nielsen VideoScan data (...) is almost entirely taken from bricks-and-mortar sources." I don't think this is entirely correct. The VideoScan data reflect both offline and online sales, and actually break them down by channel. The breakdown is not as detailed as one might wish in an ideal world, but they do allow one to track whether, say, the share of offline sales go down over time. Therefore, I do think the fact that my colleague and I only observe a "slight" shift is meaningful.

In a letter published on Nicholas Carr's weblog, Gomes said.

I'd like to correct an extremely serious misrepresentation Chris made at the end of his blog posting, to the effect that Anita Elberse of Harvard "urged" me not to characterize her work the way I did. This is manifestly false. Chris is either misremembering or deliberately conflating two separate issues. Prof. Elberse did indeed in an email remind me that the data she had for Netflix was under NDA, and I could thus not report it. But the comment had nothing to do with what Chris says it does. Let Prof. Elberse herself describe whether I got it right; below is the full text of an email she sent me after the story ran:

"I just read your article, and just wanted to thank you for being so careful in quoting me. I wish all journalists stayed this close to what was actually said! :-)

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"You did beat me 'to the market' with your article, but I hope our academic article (which should be ready in a few weeks) will further clarify the long tail phenomenon (or lack thereof)."

A lot of heat there. For anyone interested in more depth, I recommend you to Anita Elberse and Felix Oberholzer-Gee's working paper "Superstars and Underdogs: An Examination of the Long Tail Phenomenon in Video Sales" (50 page PDF). Here is a paragraph from the abstract:

To shed light on this debate, we study the distribution of revenues across products in the context of the U.S. home video industry for the 2000 to 2005 period. We find superstar and long-tail effects in home video sales, but each effect comes with a twist. There is a long-tail effect in that the number of titles that sell only a few copies every week increases almost twofold during our study period. But at the same time, the number of non-selling titles rises rapidly; it is now four times as high as in 2000. Many underdogs thus in fact appear to be losers. We also find evidence of a superstar effect. Among the best-performing titles, an ever-smaller number of titles accounts for the bulk of sales. The caveat here is that today's superstars lack the punch of earlier generations: video sales generally decrease over time across all quantiles of the sales distribution, but this effect is most pronounced among best-selling titles. Our findings have important implications for entertainment companies. Exploiting the tail might prove unprofitable if many titles do not sell at all. At the same time, producing superstars is more difficult than ever. The trends
we uncover thus point to significant challenges for the entertainment industry.

In short, this most significant, most specific piece of information regarding an actual shift to long-tail behaviour, prompted and guided by Internet recommendation algorithms, turns out to be as insubstantial as other pieces of evidence. Filters don't rule.

Well, with that over, let's go back to the beginning. There is, we all know, a lot of stuff on the Internet, which is why the picture is so appealing. But as John pointed out in his Chapter 6 comment (and as I'll say in more detail in Chapter 8), the tail has to be fat as well as long for the "theory" to make any sense. We also know that increasing returns and large fixed costs coupled with small marginal costs and freedom from geographical limitations gives the aggregators of the Internet (Amazon, Netflix, iTunes and the other handful of examples that Anderson returns to over and over again) the potential to be globe-straddling colossi, or oligonomies, to use Steve Hannaford's word, who are oligopolies as far as customers go and oligopsonies as far as suppliers go. So the Internet is likely to have fewer vendors selling larger numbers of products than the brick & mortar world – One Big Virtual Tent rather than Many Small Tents. But where does this leave us when it comes to demand? It all depends on whether guidance on the Internet can help people find niche products in the Big Tent better than guidance in the physical world can help people find what they want in the Many Small Tents. The issue of guidance, then, is central.

Not only is it central, but it's a particularly difficult problem for niche items. The problem of finding quality in "experience goods" – such as books,
movies, and to some extent music – is a problem of asymmetric information. As such, it is prone to a form of market failure that goes under the name of the market for lemons. In short, the incentives are set up to encourage various forms of false reporting and gaming of the system (I have a strong incentive to give my own book a five-star rating on Amazon, for example). Knowing this, customers avoid those parts of the market where the asymmetry in information is strongest – the niches – and flee to those parts where information is most reliable – the hits. Predictability can drive out quality when information is scarce and unreliable. The market for lemons has been one of the most influential ideas in economics over the last several decades, its ramifications are ubiquitous, and it earned its inventor George Akerlof a Nobel Prize. But even though Anderson describes his book as "partly an economic research project" [11] there is no evidence this idea has troubled him, and it is not mentioned in his book.

Let's look at how Anderson says guidance happens in the Long Tail world. Here's the big picture, optimistic as ever:

Faith in advertising and the institutions that pay for it is waning, while faith in individuals is on the rise. Peers trust peers. Top-down messaging is losing traction, while bottom-up buzz is gaining power. Dell spends hundreds of millions each year on promoting its quality and customer service, but if you Google "dell hell" you'll get 55,000 pages of results [click here to see why this number is wildly wrong]. Even the word "dell" returns customer complaints by the second page of results. The same inversion of power is now changing the marketing game for everything from individual products to people. The collective now controls the
message....The new tastemakers are us... The ants have megaphones. [98–99]

But as Oligopoly Watch reminded us just yesterday, "while the myth is that the Internet represents an infinite array of shelves (I think of Borges’s library of Babel) with everything democratically and randomly available, the real world has a way of organizing things up front or way back, even when it's all cyberspace." Aggregators are One Big Virtual Tent, and vendors will scrabble to get a place on the tables by the entrance. Oligopoly Watch quotes a Wall Street Journal article on Apple's iTunes ('Music's New Gatekeeper') as saying "Every day, the roughly one million people who visit the iTunes Store home page are presented with several dozen albums, TV shows and movie downloads to consider buying -- out of the four million such goods the Apple site offers. This prime promotion is analogous to a CD being displayed at the checkout stands of all 940 Best Buy stores or featured on the front page of Target's ad circular." Here is a way that Internet commerce, with its tendency to produce oligopolies, promotes uniformity rather than promoting diversity. Instead of many different storefronts, we have One Big Virtual Storefront. A high proportion of regular bookstores' sales come from the highly-promoted items, and there is no reason to believe that aggregators’ sales will be different.

**Bonnie McKee** [98–103], **My Chemical Romance** [103–104] and **BirdMonster** [104–106] are three stories about different bands and their mixed experiences with online recommendation systems, social networking sites, and blogs to promote their music. While Anderson says that the stories show "how the three forces of the Long Tail are overturning the status quo in the music industry" [104]. A big statement, with little behind
it. My Chemical Romance is a success, Bonnie McKee is struggling, and BirdMonster is a local band in San Francisco. This is new? No.

The Power of Collective Intelligence [106–108] introduces us to the filter, which is "the catch-all phrase for recommendations and other tools that help you find quality in the Long Tail" [106]. Anderson is very enthusiastic about recommendation systems, saying that "the trend-watchers at Frog Design" see the rise of recommendations as "nothing less than an epochal shift" [107].

The adoption of recommendation systems on all kinds of web sites has been a boon to help promote worthwhile content and demote non-worthwhile content, and as they get more sophisticated they are a continuing innovation of great worth. But they set out to rectify a problem that is peculiar to the Internet, after all, which is the problem of anonymity and lack of trust. How do you establish trust in the online world? The existence of recommendations is a reflection of the fact that the Internet is handicapped when it comes to reliable and trustworthy communication. Recommendation systems are a great effort to overcome an obstacle that the physical world (which has its own problems) faces to a much smaller degree. When a friend recommends a book or movie to me, I have a reasonable idea of how to take that recommendation because I know my friend. When a book has a 3.5 rating on Amazon.com with three reviews, what am I to make of that? Was it friends of the author? Quite possibly.

The next section, "Filters Rule" was discussed at the top of the article.

One Size Filter Doesn't Fit All [110–112] looks at various kinds of filter in more depth. It shows that filters are an increasingly sophisticated set of
tools for aggregators to use to attract customers. But it does not show whether or not these filters are anything close to the power of our own offline networks of friends.

**Not All Top Ten Lists are Created Equal** [112–115] is more in a similar vein. Some online sites have developed filters that use an increasingly fine granularity and set of classifications of online lists. But can any algorithmic granularity capture our quirky tastes?

**Is the Long Tail Full of Crap?** [115–119] is a venture into explanation. It contains references to information theory, to zero sum games, to non-rivalrous goods, and to wide dynamic ranges. But they are name dropping, inserted to hint at a greater intellectual behind the Long Tail. It isn't there. The point he is making is that, as Theodore Sturgeon [I always thought he was a creation of Kurt Vonnegut, but Wikipedia tells me that Vonnegut's Kilgore Trout was based on the real-life Theodore Sturgeon] apparently said "ninety percent of everything is crud". But as long as you have unlimited shelf space, it doesn't matter, because filters can help you find the good. There is an odd unsubstantiated claim that the material "in the tail" ranges from worse than that in the hits to better but, he goes on, "averages don't matter. Diamonds can be found anywhere."[118].

**The Tail That Wags Everything Else** [119–122] is another slight section which reiterates the previous point: "As the Tail gets longer, the signal-to-noise ratio gets worse. Thus, the only way a consumer can maintain a consistently good enough signal to find what he or she wants is if the filters get increasingly powerful" [119]. It is out here in the tail, where comments on Amazon, links, and other filters are rare per item, that problems of asymmetric information are greatest, raising a further undiscussed barrier
to those good quality items in the tail achieving recognition. So filters have a greater job to do, and are fighting an uphill battle. How do they do? Well I could use the Anderson method and point out that typing "ebay fraud" into Google gives [about] 4,160,000 hits – but in fact, Google estimates being what they are, the number is actually 780, so that tells us little. But see here, here, and here for articles about manipulating reputation systems – the last two, ironically, from the Anderson–edited Wired Magazine. The first article of the three, by Princeton University Computer Science Professor Ed Felten, says this:

There's a myth floating around that such systems distill an uncannily accurate folk judgment from the votes submitted by millions of ordinary citizens. The wisdom of crowds, and all that. In fact, reputation systems are fraught with problems, and the most important systems survive because companies expend great effort to supplement the algorithms by investigating abuse and trying to compensate for it. eBay, for example, reportedly works very hard to fight abuse of its reputation system.

"The wisdom of crowds, and all that" just about summarizes Anderson's sunny outlook on this promising but still–flawed, and perhaps unavoidably flawed, method for directing demand.

I should also point out that Anderson also briefly quotes[120] Nassim Taleb's engaging book Fooled By Randomness, on the unpredictability of hits.

Pre–Filters and Post–Filters [122–124] distinguishes the "pre–filters" of the offline world which "filter before things get to market" and the
recommendation and search technologies, or "post-filters" of the Internet. Here, then, are two models of guidance in an attempt to achieve that "every book its reader" ideal. Given the challenges faced by post-filters (the increasing "signal to noise" ratio in the tail discussed by Anderson, the potential for gaming the system, the market-for-lemons problem that particularly targets niche products in the face of that potential), it is good to see Anderson does acknowledge the difficulties: "Because post-filters tend to be amateurs, oftentimes that means less critical independence and more random malice." But in general he is remarkably sunny about the prospect for Internet recommendations to direct people reliably to even the deepest darkest corners of the One Big Virtual Tent. Filters are great, but they have a big job to do. Overall, I don't share his optimism.
8. Long Tail Economics

By this time in the book we've seen variants on the long tail graph a lot of times.

The chapter is a collection of observations about this shape. I don't have a whole lot to say about this chapter, so this is a short post.

The chapter starts by talking about the Pareto 80/20 rule (that 20% of the people in populations Pareto studied owned 80% of the wealth) and Zipf's Law (that the frequencies of use of words in the language follow a similar kind of fall-off). These and others are examples of power law distributions.
that crop up in a bunch of different places. Power laws are called long-tailed curves because "the amplitude ... approaches but never reaches zero as the curve stretches out to infinity" [126]. This is true of many kinds of distributions, of course, including exponential and log-normal distributions. But even within the family of power-law curves, of the form

$$y = ax^{-k}$$

The area under the long tail depends on the value of the exponent k. A power law distribution itself is not enough to ensure a significant long tail. It's only if the exponent is a small number (close to 1) that the "tail" is "fat" as John says – has a significant area under the curve.

How Distribution Bottlenecks Distort Markets [127–130]. If you plot a power law on a log-log scale you get a straight line with slope –k. Anderson looks at some markets (movies on movie screens) and notices that they fall off below the line at a small value. He interprets this as a failure of markets to meet demand because of the cost structure of movie theatres. If there's not enough demand to fill a theatre, films won't get distribution. There's some truth to this – there are costs to producing and distributing movies that demand a return on investment, and movies that don't make the cut will not be distributed at all. In non-theatrical channels, where cost is less, more movies are available and watched. As the title of the section suggests, Anderson sees only the untruncated power law as somehow "natural" [127] and a reflection of consumer demand, and the truncated ones a measure of artificial scarcity caused by distribution bottlenecks, to be removed in the world of abundance. Yet even in the online world there are truncated distributions, they just occur at different places in the distribution chain. The small number of search engines or online auction houses are two
examples. The idea that consumer demand is "naturally" a power law shape is unsubstantiated, at least in the pages of the book.

The strangeness of the comparison between theatres and rentals is exemplified by this sentence: "demand keeps on going into niches that were never even considered before -- instructional videos, karaoke, Turkish TV, you name it" [130]. I don't know what he means by "never even considered before" but I'm sure the reason instructional videos were not made available on movie theatre screens was not so much "an artifact of the traditional costs of offering them" but the fact that the number of people who want to watch instructional videos in movie theatres is probably vanishingly small no matter how large a geography you spread them over. It's like comparing the market for banquets to the market for snacks – they're both food, but the demand pattern is different for one than for the other, and the limited demand for banquets is not "unnatural".

This section is one of those that come occasionally in the book, containing a scattered set of only loosely related data points, with sentences like "In books, Barnes and Noble found that the bottom 1.2 million titles represent just 1.7 percent of its in–store sales, but a full 10 percent of its online (bn.com) sales. PRX, which licenses a huge library of public radio programming online, reports that the bottom 80 percent of its content now accounts for half of its sales."[130] The "statistics" come from "direct personal correspondence with their executives". Is this trustworthy data or is it picked to illustrate a pre–conceived idea? What does PRX do and what is the nature of its business? Who knows – that sentence is the sole reference to them in the book. How does the Barnes and Noble statement fit with Lee Gomes' claim in the Wall Street Journal that "The head of a major
New York publishing operation says that the distribution of his titles is essentially the same in both online and "bricks and mortar" channels. These isolated, context-free sentences from executives seem to be the best we can do -- actual company data being tightly-held secrets.

I have little to say about the remainder of the chapter, The 80/20 Rule [130–135] is a meandering take on whether or not the Rule still applies. The other sections are Does a Longer Tail Mean a Shorter Head? [135–137], Does The Long Tail Increase Demand or Just Shift It? [137–138], Should Prices Rise or Fall Down the Long Tail? [133–139], "Microstructure" in the Long Tail? [139–142], The Long Tail of Time [142–143], and The Tragically Neglected Economics of Abundance [143–146]. As the titles suggest, this is a miscellany of observations about the shape of the graph. There's not a whole lot to disagree with, but there's not a whole lot of substance.

I could stop here... or I could just throw in a few things that irritate me, just to be grouchy. So don't take this too seriously, but:

In the section on "Microstructure" [140] Anderson shows a graph of the average sales for various of the many subgenres that Rhapsody divides music into and claims that this selection shows "a Long Tail". Yet it doesn't. The graph does fall off left to right, as it cannot help but do, but it is as close to a linear fall–off as a power law.

"One of the features of powerlaws is that they are 'fractal', which is to say that no matter how far you zoom in they still look like powerlaws" [138] Wrong. Straight lines still look like straight lines as you zoom in too, but that's not enough to make a fractal. A fractal reveals new structure as you
zoom in, and that structure is similar to the structure seen from further away.

"Einstein described time as the fourth dimension of space, you can think of it equally as the fourth dimension of the Long Tail" [142]. Wrong. It’s not the "fourth dimension of space", and the way he plots it is actually a third dimension of the Long Tail graph. Plus, it's name dropping. This section, by the way, is devoted to the realization that "If you think about it, today’s hit is tomorrow's niche", which is hardly shocking, but "Both hits and niches see their sales slow over time; hits may start higher, but they all end up down the Tail eventually. The research to quantify this conclusion is continuing" [142] Count me underwhelmed.

On abundance: "Abundance, like growth itself, is a force that is changing our world in ways that we experience every day, whether we have an equation to describe it or not" [146]. This is stuff that should have been thrown out during editing.
8.1. A Note on Networks

I meant to write about page 141, but I didn’t.

What happens on page 141 of The Long Tail is that Chris Anderson acknowledges, for the first and only time in the book, how some word of mouth effects can run counter to the long tail forces he talks about. Dipper asked the question, back in comments on Chapter 1, "One reason people buy arts and cultural products such as books, dvd’s, games, clothes, cars is to participate in cultural life. that means buying what other people are buying”. Anderson phrases the question here, in a section on music and how the one–big–powerlaw is composed of many little powerlaws:

The characteristic steep falloff shape of a popularity powerlaw comes from the effect of powerful word–of–mouth feedback loops that amplify consumer preference, making the reputation–rich even richer and the reputation–poor relatively poorer. Success breeds success. In network theory such positive feedback loops tend to create winner–take–all phenomena, which is another way of saying that they’re awesome hit–making machines.

Compounding matters, today’s filters make word–of–mouth even
more powerful by measuring so much more of it from so many more people and for so many more products. Shouldn't that then have the effect of making the powerlaw even steeper, increasing the gap between hits and niches rather than having a leveling effect?

I did wonder what Anderson was going to address this obvious counter-argument somewhere in his book, and this is the place he does so. It's a very plausible argument – and one that I personally believe has some merit, especially given the shaky empirical support the book musters for an actual Long Tail shift. He addresses it in half a page. He argues that

"filters and other recommendation systems actually work most strongly at the niche level, within a genre and subgenre. But between genres their effect is more muted... Thus the most popular "ambient dub" artist at the very head of the ambient dub popularity curve can hugely outsell the others in that category, but that doesn't mean the artist will snowball and tear up the charts to knock 50 Cent out of the top ten. The lesson from this microstructure analysis is that popularity exists at multiple scales, and ruling a clique doesn't necessarily make you the homecoming queen."

And that's it. There is no back-up in the end notes, not cases, no references to more detailed theoretical work, nothing. It is a tiny sketch of the beginnings of an argument, but it's nothing more than that. Here are some obvious questions that come to my mind:
If the effects of filters are muted between genres, why did you tell us about the great success of Touching the Void at the beginning of the book? Is that somehow different? Is there not a mountaineering genre in the book market? How does that fit with your argument here?

If the effects of filters are muted between genres, where does that leave the mechanism for "pushing demand down the long tail"? Haven't you just argued against the mechanism you promoted in the previous chapter?

Do you have any data from any industry to back up these speculations?

There is no answer to any of these questions in this book. It reads as if Anderson has found a plausibility argument strong enough for himself, and has then dismissed the question and moved on. Too bad – I thought we were going to get some real argument here.
9.1 The Short Head Part 1

Before I start, a tip of the hat to Aaron Swartz for his kind review of No One Makes You Shop at Wal-Mart – even if he does think my politics are odd – and for pointing to this series of posts on Chris Anderson’s The Long Tail. And welcome to all those readers who have followed the link. Hope you can stick around – I’m going to be posting two or three things a week until I get to the end of the book, which will probably take a week or two.

The first half of this chapter compares shelves with online stores in a little more detail than earlier chapters, looking at "the virtues of shelves and their costs" [147] as well as the benefits of "the Internet, where niche economics rule" [166]. The second half (coming later this week) looks at how you find things. Let’s get to it.

The introductory section puts forward an idea that hits and niches can be complementary. The Long Tail is not against hits. Hits, it says, will always play an important role: they "serve as a source of common culture around which more narrowly targeted markets can form" [148]. Anderson goes on: "Successful Long Tail aggregators need to have both hits and niches. They need to span the full range of variety, from the broadest appeal to the
narrowest, to be able to make the connections that can illuminate a path down the Long Tail that makes sense for everyone" [148].

"Long Tail" here has two separate meanings, not well distinguished. One is cultural – the claim that we are moving from "mass markets into millions of niches" [12]. The second is a more narrow business meaning – that you can build a successful online business if you do what Amazon has done so well. The book rarely mentions when it is moving back and forth between these meanings, but it’s worth remembering that they are not the same thing at all. We might get successful Long Tail businesses but not a Long Tail culture if online aggregators drive sources of variety out of business.

Let’s stick with the narrow business meaning for now. Pages 148–149 document the failure of one of the early online music ventures, MP3.com, because it had only niche music. "The reason MP3.com’s model didn’t succeed and the iTunes model -- which is less oriented towards independent musicians -- did is that iTunes began by making deals with major record labels, which gave it a critical mass of mainstream music. Then it added more and more niche content, as "rights aggregators" [not sure what that means – TS] shipped it hard drives full of hundreds of thousands of independent musicians [presumably their songs, not the musicians themselves – TS]. Thus, iTunes customers were able to dive into an already working market where the categories were defined by known commercial acts, which served as a natural leaping off point for the discover of niche music". [149]

There is an assumption by this stage in the book that iTunes is a "Long Tail aggregator". But is it? iTunes is mentioned on 30 separate occasions in the book, but the only actual figures about their sales are the following:
• "Apple said that every one of the then 1 million tracks in iTunes had sold at least once" [8]
• "As of early 2006, Apple had sold 42 million iPods and 1 billion tracks on iTunes" [175]

And that's it. This deserves to be emphasized. The book never demonstrates that iTunes is a "Long Tail aggregator", so its repeated references to iTunes' ability to (for example) "democratize distribution"[57 – table] and drive demand down the Long Tail are nowhere backed up.

iTunes has a lot of stuff, but does it sell it?

With Apple's own figures being -- like so many others on which the thesis of the book relies -- secret, I can only stand on the outside and listen to those who claim to know. Here's what I could find.

We already saw in the notes to Chapter 7 that, according to the Wall Street Journal, iTunes is a hits-driven business: "Every day, the roughly one million people who visit the iTunes Store home page are presented with several dozen albums, TV shows and movie downloads to consider buying -- out of the four million such goods the Apple site offers. This prime promotion is analogous to a CD being displayed at the checkout stands of all 940 Best Buy stores or featured on the front page of Target's ad circular."

As I quoted in the notes to the Introduction, Lee Gomes wrote that "At Apple's iTunes, one person who has seen the data -- which Apple doesn't disclose -- said sales "closely track Billboard. It's a hits business. The data tend to refute 'The Long Tail.' " One of the things about infinite shelves is that there's no harm in saying "sure, bring in those hard drives with all those songs. Throw them on the shelf." That doesn't mean they get sold.
Another claim, although also circumstantial, that iTunes is just as hit driven as physical stores was reported in the Guardian in August 2006:

At a recent debate hosted by digital music consultancy firm MusicAlly, eMusic's chief executive David Pakman came up with a startling claim. He said that 10% of product on iTunes accounts for 90% of the store's total sales. Rather than smashing the 80/20 rule, the world's most popular download store appeared to be exacerbating it.

He goes on to say:

"For the most part, stores that are stocked with music from the majors tend to focus on mainstream music," he says. "It doesn't mean they don't carry a more diverse selection, but when you have Beyonce and the Pussycat Dolls you put them on the home page, and you market and promote that and use it on your advertising. By definition, that tends to attract youth and mainstream music buyers. They come to your site looking for the hits."

As a competitor who focuses on niche music, Pakman has a vested interest in pointing fingers at Apple. This should make us treat his statement with caution, but it also reminds us that we should be suspicious of the vested interests on the other side – those CEO's who blurb Anderson's books and who are looking to promote their businesses as revolutionary and shiny new. It is interesting to note that Pakman and his eMusic does believe in the Long Tail, but with a different slant from the one Anderson is giving it in these pages:
Consequently, 70% of eMusic's catalogue sells more than once every quarter. It sells 5m tracks a month, from a subscriber base of only 200,000 users. "Our observation is that the Long Tail does exist," says Pakman, "but it doesn't happen naturally. You have to focus on selling it, almost at the expense of promoting the popular stuff."

iTunes' hits might be "a natural leaping off point for the discover of niche music", but there is little evidence that people are making the jump.

The Urban Tail [149–151] is one of those odd sections Anderson puts in from time to time where he wanders off to almost unrelated topics, seeing power laws everywhere. This doesn't have much to do with the remainder of the book. Here it's cities. "Another sort of 'hit' is major cities" [149] he says, pointing out that the distribution of city populations follows a power law distribution over many orders of magnitude. This is well known, of course. "In a sense, you can think of cities as the Long Tail of urban space in the same way the Internet is the Long Tail of idea space or cultural space" [150]. Hmmm. Not sure I know what that sentence means, but I'm sure it doesn't add to the basic thesis of the book, so I'll move on.

In Defense of Shelves [151–152] has a clear purpose. "Before we bury the shelf, let us first praise it" [151]. It provides some lovely little facts about just how detailed our knowledge of shelf space and how it works is. A nice couple of pages.

Rent by the Half Inch [152–154] starts the attempt to bury the shelf. And shelves do have their problems. Despite everything it's pretty expensive to stock things on shelves, and you can only put an item in one place – a
contrast to the digital world, where you can find this very page you are reading by searching for any number of the distinctive and elegant turns of phrase that grace its pixels. This section is a lead-in to the substance of the argument, so there's not much more to say except to point out that Anderson here does his usual trick of comparing the digital world to only the most hit-driven part of the physical world and presenting the comparison as if it was a complete comparison of physical and digital worlds: "Today, the average cost of carrying a single DVD in a movie rental store is $22 a year. Only the most popular titles rent often enough to make that back (there's a reason why they call it 'Blockbuster')." It is likely, of course, that any independent video store (hello Generation X) will have cheaper rent than a Blockbuster and so is more likely to stock minority interest content.

The Wal-Mart Effect [154–156], named after the excellent Charles Fishman book, continues this slanted comparison by focusing on the company with more shelves than anyone else in the world, and looking at its CD aisle. Wal-Mart stocks about 4,500 unique CD titles, as was noted in Chapter 1, compared to 800,000 for Amazon [155]. As Anderson points out, "Wal-Mart, which accounts for about one-fifth of all music sales in America, is by far the nation's largest music retailer" [155]. "Today, the number of large independent music stores like the one I worked at has dropped dramatically, the classical music listening room is now an endangered species. There are, needless to say, few import aisles left" [155].

There is no doubt that Wal-Mart's efforts have directly cut into the diversity of music available on those physical shelves. A 2004 article in Rolling Stone by Warren Cohen charts Wal-Mart's growth and impact: "Unlike a typical
Tower store, which stocks 60,000 titles, an average Wal-Mart carries about 5,000 CDs”. (Tower has apparently gone bust since then – I’m writing from outside the US, so American readers please excuse my unfamiliarity with Tower). Even some well known albums are missing, Cohen points out in the same article: "At a Wal-Mart Supercenter in Thorton, Colorado, for example, there were no copies of the Rolling Stones' *Exile on Main Street* or Nirvana's *Nevermind*.” Anderson makes a similar point, describing a walk he took around a Wal-Mart in Oakland, where "There are no copies of the Rolling Stones' *Exile on Main Street* or Nirvana's *Nevermind*." Oops! I guess Mr. Anderson has been reading *Rolling Stone*. Should have given Mr. Cohen some credit there.

But enough with the scurrilous suggestions – I do have a serious point to make about this section and it’s about that old Wal-Mart/digital comparison. Way back in Chapter 1 Anderson compared Wal-Mart’s 4500 CDs (60,000 tracks, he estimated) to Rhapsody, where "Not only is every one of Rhapsody’s top 60,000 tracks streamed at least once each month, but the same is true for its top 100,000, top 200,000, and top 400,000 -- even its top 600,000, top 900,000, and beyond" [22]. The listing of increasing hundreds of thousands of tracks is clearly intended to contrast the paucity of choices available on Main Street with the digital Nirvana. It's an intent made even clearer in his diagram on page 23 where he categorizes stuff you can't buy at Wal-Mart as "Products you can’t find anywhere but online". But this description is false. The Rolling Stone article suggests that a specialist music store would stock 60,000 titles which, at the same tracks per CD ratio used by Anderson, is 800,000 tracks. Rhapsody’s selling is not, perhaps, so niche driven or abundant as we would think.
The big point about *The Long Tail* is a cultural one, and the moral of the story according to Anderson is that we are moving away from a world of hits to a world of niche interests. But that's not the story this comparison tells. Instead, the story is of a retail model with a fair amount of effective diversity (the specialist record store) being squeezed in a technology-driven vice. One jaw of the vice is the technology-driven Wal-Mart, which uses its IT expertise and economies of scale along with other strategies to take the hits away from the specialists, driving them out of business. The other jaw is the online stores, which also benefit from economies of scale and are left to mop up any demand for diversity that is left, because it is no longer attainable in the physical world.

From what we can tell, iTunes is doing a poor job of selling niche products and, as the Guardian quotes Greg Eden, general manager of the trade organisation for the UK's independent music sector:

> unlike the high street, online distribution means one supplier can dominate the mass market. "What you see on the internet is very much the 'Highlander Theory'," says Eden. "'There can be only one'. There's only one search engine, there's only one big book retailer, one big online auction house, and so on. .

The driving force of technology is not having effect Anderson would like it to have. There may be ways of generating more demand for out-of-the-mainstream tastes and a challenging, diverse culture, but Wal-Mart + iTunes isn't it.

Next time, the second half of Chapter 9, which turns the topic to finding things on shelves.
9.2. The Short Head is Alive and Well

Hits really are as big as ever. Link: BBC NEWS | Entertainment | Record print run for final Potter.

A record 12 million copies of the final Harry Potter book are to be released in its first US print run. Publisher Scholastic said July’s release of Harry Potter and the Deathly Hallows would be supported by a multi-million dollar marketing drive.

Meanwhile, Waterstone’s is getting caught in the big vice between the online retailers and the big grocery chains, (see previous post for how this has affected CDs)

HMV is planning to close up to 30 of its Waterstone’s book shops, give more space to higher margin items and reduce the number of high brow books, as part of an overhaul to restore the fortunes of the struggling business. Details of the restructuring were announced yesterday as HMV issued yet another profits warning, sending its shares almost 16% lower to 128.5p...
The books and music retailer is facing an onslaught from all sides; the growth of digital music through the likes of iTunes, online retailers led by Amazon and the big grocery chains such as Tesco and Asda [Wal–Mart] selling discounted books and CDs.
9.3. The Short Head Part 2

The second half of Chapter 9 is a meandering stroll around the topic of "finding things". It's an odd place for it in the book – this reads like a part of Chapter 7 – The New Tastemakers that has wandered into the wrong part of the book by mistake. Warning – this is even more rambling than the other posts in the series: it is more of a set of half-baked thoughts than a coherent thesis. But hey, this is a blog.

In the Library of Misshelved Books [156–160] starts off this way: "One of the most vexing problems with physical goods is that they force us into crude categorization and static taxonomies, as we saw with Wal-Mart. That means a windbreaker can be in the 'Jackets' section or the 'Sports' section, but not in a 'Blue' section or 'Nylon' section" [156]. A thing has to be in one place or another but not both, and so can be difficult to find. In the online world, things can be in many places at once, and this opens new doors: "The efficiency and success of online retail have illuminated the cost of traditional retail's inflexibility and taxonomical oversimplification. It's one thing to have high prices or limited selection; it's quite another to simply be able to help people find what they want". [157]
Despite this start, the section is mainly about libraries. It describes the Dewey Decimal System for organizing books and its cultural biases and limitations. The numbers from 200 to 300, for example, are "Religion", but all religions apart from Christianity are lumped into the interval from 290 to 300. But although the cultural bias of the Dewey Decimal System is clear, its practical consequences are small because, as any library aficionado knows, the Dewey Decimal System goes on several places past the decimal point. As a result you can fit as many books between 290 and 300 as in any other interval, because *The Long Tail*, for example, is "658.802 And"; No One Makes You Shop at Wal-Mart is "306.123 Sle". Anyone who has spent time in a library knows there are some areas where the numbers fly by and others where there are whole shelves that have the same number up to the second decimal place. But that's OK, because additional numbers are free: you could say that the Dewey Decimal System exploits the free shelf space of numbers to extend into the Long Tail of digits. (Aaargh! I have to give Anderson this – the phrase is very infectious.) But anyway, once you have a number for a book, finding it on a shelf is rarely difficult and that's the point.

**Shopping in the Miscellaneous Aisle** [160–162] starts off by admitting this: "In libraries, at least there is a standard categorization scheme -- the card catalog is there to be searched, and librarians tend to know their stuff" [160]. Haven't seen a card catalog in a while, but it is good to know that Chris Anderson and I agree there is little problem with libraries. So where is there a problem?

Well, it's retail stores: those nylon jackets. And it's true that it can be difficult finding things from time to time (wandering around Toys–R–Us
with two pre-school kids was my worst experience, I think). But while this is
a section I actually have more agreement with than most in the book,
Anderson sets us up again. He complains how difficult it was to look for the
Japanese anime classic "Akira" in a Blockbuster store, but "As it turned out,
it didn't matter – they didn't have the film" [161]. He contrasts this
experience with Amazon, where he types the title into the search bar and
gets right to the film immediately, along with recommendations for other
films. He also says all films were "in stock and cheaper than Blockbuster.
The experience I had with these two stores couldn't have been more
different" [161]. He is exaggerating again. This section is about locating
things, and if you are searching for something not in stock, then it's not
surprising you don't find it.

But let me give credit where credit is due. The access methods that Amazon
has built into its site are very impressive and increasingly sophisticated. As
examples I looked for two obscure songs: Ken Boothe's 1972 "Freedom
Street" and Fontella Bass's "To Be Free" (I couldn't remember the title and
had to browse) and found both quickly, complete with sound sample; I also
tried to cheat by looking up "The The" – a band with the worst possible
name in a Google-dominated world (try finding them) – but Amazon
tracked them down.

If the thing you are looking for is a digital product (a category that is
growing rapidly, including songs, beginning to include movies and books)
then Amazon can take you to it. But if the thing you are looking for is not
digital, as in Anderson's example in Chapter 10 of looking for jam, then
Amazon can't take you to the product itself. It can take you to an image of
it, and written material about it, but sometimes these are not enough. The
virtual shelf is somewhere in between an actual shelf and a card catalogue. Some of the items on the virtual shelf are actual items, and others are cards that tell you "we can send you what's described here".

An area not covered by Anderson is browsing – which is what many of us do when looking through music stores, bookstores, or video stores. Amazon is doing wonders improving its browsing experience (the ability to look inside the book being an obvious example), but it is still struggling uphill, I would say.

**The Tyranny of Geography** [162–164] returns to one of the book's original claims, that geography limits variety: "in the tyranny of physical space, an audience too thinly spread is the same as no audience at all. Thus, local demand must be a high enough concentration to compensate for the high costs of physical distribution. In other, more obvious words, not enough local demand equals no store" [163]. The shortfalls in this argument – the various workarounds that we employ, the role of cities in providing that variety and of communities in passing niche products around – were already highlighted by piefuchs in a comment on Chapter 2. It's not that there's no truth to Anderson's claims, but it's just irritating that he stacks the deck in his own argument's favour even here. When looking at the restrictions on physical stores, he sets out the calculation of sales they can make this way [163]:

\[
\text{Sales} = \\
\text{The percentage of the population who might buy} \\
\text{Minus} \\
\text{The percentage not within ten miles of the store} \\
\text{Minus}
\]
The percentage that never comes in

**Minus**
The percentage that won't see the item on the shelf
And so on...

But for some specialist stores in big cities, it could be like this:

**Sales =**
The percentage of the city population who might buy

**Plus**
Those from surrounding towns who come in every now and then

**Plus**
Those who phone in special orders

**Plus**
Those whose relatives pick up something for them while they are in town
And so on...

Variety in the physical world is, as discussed earlier, much more uneven than in the online world. This heterogeneous nature of the physical world does have some other benefits. A place that is a centre for jazz music stores is also likely to be a centre for jazz clubs in the evening, and to be a place where jazz musicians as well as jazz audiences tend to aggregate. The benefits of such cultural centres spill over from the consumption of culture into the production of culture, and then into the invention of new forms of culture. So while it is true that, just like catalogue shopping increased variety in a convenient way to small-town residents in years past, so online retailers "can reach all those many low-density towns as efficiently as the high-density ones, they can tap the Long Tail of distributed demand" [163–164], it is also true that the homogeneity of the online retail
world may erode the vitality of those cultural centres that create the culture they sell.

The same is true – even more so – when it comes to international culture. The online world reaches small countries with the same ease that it reaches big countries, and promises to even out consumer access to cultural goods around the world. But this will do little to even out the production of cultural variety, because cultural variety is a product of the lumpiness of our world. It is the uneven concentrations of people, the barriers between one place and another -- the fact that we are all isolated, to some degree, from people elsewhere in the world and so have to grow within our own communities -- that lead to cultural diversity, whether its the brass bands of coal mining towns in the North of England or cajun cooking or the Milan opera. Various forms of cultural protection – subsidies to cultural industries, restrictions on imports, national content regulations – have been successfully used all around the world to promote local culture, and so to maintain diversity in the face of economies of scale.

Cultural protection has something of a bad reputation these days. Opponents argue that any culture worth its salt will prosper in a global market, but such an argument neglects the economics of cultural goods, where marginal cost is zero. Any revenue that an American TV show sold to a smaller market gains is gravy for its producers, and as a result American shows will typically be far cheaper for TV stations to broadcast than local fare. Again, cultural production is caught in a vice, with one jaw being those economies of scale driving production geared "for an international audience" and the other jaw being the online world, where endless variety is present in principle but not always in practice.
Skipping ahead a little, Anderson complains that "the Long Tail doesn't have a lobby, so all too often only the Short Head is heard" [167] in legislation of the Internet. But the Long Tail does have a lobby – all those national cultural industries lobbying for the promotion of local culture are part of a struggling Long Tail – but it's not a lobby that gets much support from the Silicon Valley entrepreneurs who praise Anderson’s book. This should remind us that if we are looking for a route to a "niche driven culture" then Amazon and Netflix and Rhapsody and Apple’s iTunes are not the people we should be looking to as guides to take us there.

**Scarce Air** [164–166] is a return to another earlier topic: broadcast radio and TV. It adds little to the discussion in Chapter 2. Only one paragraph demands comment, and it's the final one where Anderson laments ad clutter on television. In the US, apparently, "following deregulation in the mid-1980s, network TV ad time per hour increased from six minutes and forty-eight seconds in 1982 to twelve minutes and four seconds in 2001" [165] Why? Because viewers had nowhere to go.

The implicit claim is that audiences are now "starting to take back their attention" [166] and refusing to put up with this advertising overload. And yet it seems clear that the main way of making money from online activity has become, thanks to Google, the insertion of pervasive advertising content alongside and interspersed with content that we are actually interested in. To suggest that we are moving away from an advertising–driven culture is possible only with the blinkered view of cultural industries that characterise the whole book. But that's part of his irrepressible ability to see the online world through rose-tinted glasses, a trait continued in the final section, which is...
The Dangers of Hitism [166–167] Here Anderson celebrates those "Kids who started using the Internet as twelve–year–olds in 1995 [and who] turned eighteen (the beginning of Nielsen's 18–34 demographic that is highly coveted by advertisers). The males of the species, in particular, were watching less television. Given a choice between the infinite variety and easy ad–dodging online versus network TV, they were choosing the former... The audience is migrating away from broadcast to the Internet, where niche economics rule" [166].

It takes only a few moments of reflection to realise that the "infinite variety" of the online world was not the only place they were going. They were also spending many hours in the hit–driven world of video games, where endless variations on the theme of war games are aimed at precisely this 18–34 male audience. But Anderson is blind to all manifestations of hit driven culture that don't fit his thesis.

It takes only a few more moments to realise that an environment funded by advertising in which ads are easily avoided will not last for long. Something has to change – either companies whose commercial model is based on advertising will fail or advertising will become more intrusive so we can't avoid it.

The chapter as a whole does not, I would say, advance the Long Tail thesis. Instead, by returning to some of the topics from earlier in the book, it inadvertently opens our eyes to the complexities and subtleties of what it takes to make a world of variety. The Long Tail model of internet commerce is not up to the task of building such a world.
The purpose of this chapter is to counter "the notion that 'too much choice' is overwhelming, a belief so common and ill-founded that it deserves its own chapter" [167].

The last 50 years have seen "an explosion of variety" [169], which Anderson ascribes to three factors. The first is "globalization and the hyperefficient supply chains it brings"; the second is the change in the population – in the US, he mentions ethnic diversity and increasing affluence, leading to a cultural shift from "I want to be normal" to "I want to be special"; the third is The Long Tail – or the proliferation of variety brought about by iTunes, Netflix, Amazon, and eBay.

But there's variety and then there's variety. Grocery shopping is often a focus for this kind of discussion (and the book uses it in the next section) so let's use supermarkets as a way into the topic. For me, the proliferation of options at the cheese counter is a great thing: the range of options there seems to me a real variety. On the other hand, the toothpaste section (over forty different types of toothpaste) does not seem to be real variety. Now this could just be me, who likes cheese and can't really be bothered about
toothpaste as long as it does the job, but I think it's more than that. There is another difference between the two, and it's the issue of manufacturers or suppliers. The cheese counter contains products from a variety of producers, while the toothpaste shelves contain products mainly from two producers – Colgate-Palmolive has 37% of the American market; Procter & Gamble (makers of Crest and now merged with Gillette) follow with 34% – with a few "smaller" players like GlaxoSmithKline (Aquafresh) and Unilever filling out the remainder. If anything, the toothpaste market has become more dominated over the years by this small number of companies; meanwhile, the profusion of items on the shelf is growing. Oligopoly Watch (from a few years ago) describes these twin trends of corporate consolidation and product profusion in the world of toothpaste. Is the combination an increase or a decrease in real "choice" and "variety"?

Anderson is as ebulliently optimistic as ever that the increase in number of products is simply a reflection of what we consumers want – "More choice really is better" [174], but very well-known research by Richard Schmalensee showed that the proliferation of toothpaste varieties may have little to do with responding to consumer demand, and be more about preventing other companies from getting a foothold in the market. Back in 1978 he looked at the ready-to-eat breakfast cereal market, where six companies dominated the market and introduced eighty different brands between 1950 and 1972 – more choice, for sure. Now Schmalensee is no radical – he was on Microsoft's team in their anti-trust suit, arguing that Microsoft is not a monopoly – but he concluded that this particular case of product proliferation was all about trying to deter entry by other companies. The strategy is to "pack the product space and leave no profitable niche unfilled" (this from the standard graduate text by Tirole, p.
Schmalensee showed "how a cartel (a group of firms that act as a single monopolist) crowds a product space". The cartel in this case needs no explicit collusion, but the strategies of the incumbent firms complement each other to produce the same effect as a monopoly. The result – higher prices for consumers, as the incumbent firms can raise prices without new competitors coming to undercut them.

How much of the "explosion of variety" that we have experienced is real variety, and how much is entry deterrence and the ability to raise prices? It requires a lot more space and expertise than I have to pick apart what’s what in the myriad of different retail spaces, but it is something to think about when standing in front of a wall of shampoo, deodorant, mustard, breakfast cereal, or whatever. One would think that if The Long Tail is, among other things, an "economics research project" [11] and "a preview of 21st century economics" [11] then its author might have looked a little harder at the work of actual economists, however 20th century they might be.

Too Much Choice? [170–172] is a quick summary of one of the points made in Barry Schwartz's excellent book The Paradox of Choice. It describes one well-known experiment that Schwartz talks about on pages 19–20, carried out originally by Sheena Iyengar of Columbia University. The experimenters set up a table at a specialty food store and offered customers a taste of a range of jams, and a $1 coupon to use against the purchase of a jam. When only 6 jams were put on the table, 30 percent of customers went on to buy a jar of jam; when 24 jams were put on the table, only 3 percent did. Faced with extra options, people shied away from choosing any of them. After presenting the experiment, Anderson goes on to say:
Schwartz describes the conclusion this way:

As the number of choices keeps growing, negative aspects of having a multitude of options begin to appear. As the number of choices grows further, the negatives escalate until we become overloaded. At this point, choice no longer liberates, but debilitating. It might even be said to tyrannize.

I found those sentences on page 2 of the book (The Long Tail does not indicate where they came from – it's endnotes are lousy). They are separate from the jam experiment (pp 19-20). Schwartz’s book addresses a broad range of questions about the proliferation of choices that we are faced with, and while the sentences do reflect an argument that Schwartz makes, it oversimplifies his reaction to this particular experiment.

Anderson’s response to Schwarts is to say:

I’m skeptical. The alternative to letting people choose is choosing for them. The lessons of a century of retail science (along with the history of Soviet department stores) are that this is not what most consumers want [171].

His rebuttal does not do justice to The Paradox of Choice. Two sentences before the convenient quotation above, Schwartz says "When people have no choice, life is almost unbearable", and a few sentences after them he says "Choice is essential to autonomy, which is absolutely fundamental to well-being. Healthy people want and need to direct their own lives". So Schwartz is clearly not advocating Soviet department stores here, or the elimination of personal choice. The suggestion that the only options are "letting people
choose" or "choosing for them" is a silly false dichotomy that I got accused of with my book too. There are many forms of choice, from individual consumer choice to our choices as citizens to collective choices – not just "choosing for them". Anderson is substituting a quick dig for real argument. It's weak. But then, Schwartz's book is detailed, subtle, and packed full of references to work by other people...

In fact, Schwartz's book is more about how to cope with the profusion of choice than advocating a removal of it. One of eleven recommendations he makes is to "satisfice", but Anderson ignores the other ten and says: "Schwartz recommends that consumers 'satisfice,' in the jargon of social science, not 'maximize'. In other words, they'd be happier if they just settled for what was in front of them rather than obsessing over whether something else might be even better" [171]. Contrast this with Schwartz's actual definition of "satisfice" (p78):

   To satisfice is to settle for something that is good enough and not worry about the possibility that there might be something better. A satisficer has criteria and standards. She searches until she finds an item that meets those standards, and at that point, she stops.

I don't think Anderson's paraphrase is a fair one, and I don't think his arguments refute much of *The Paradox of Choice*. (They also don't even start addressing most of the problems that are the subject of *No One Makes You Shop at Wal-Mart*, but that's another story).

**Variety is Not Enough** [172–175] starts out by refuting Iyengar's jam experiment. Anderson wrote to Iyengar and asked "why the people who should actually know the most about consumer choice in a supermarket
were ignoring their [Iyengar and coworkers'] conclusions" [172]. He summarizes her reply (and a work in progress [PDF download]) as "The solution, they found, is to order the choice in ways that actually help the consumers" [173]. And with this, Anderson's faith in limitless choice restored and he is off to find out how online resellers manage to guide people through their choices.

But just as Schwartz is more nuanced than Anderson gives him credit for, so Iyengar and coworkers are more nuanced in their conclusions. They distinguish "Preference Constructors" from "Preference Matchers". Preference Matchers are often experienced with the particular choice they are faced with (choosing a cup of Starbucks coffee is one they discuss); they are "someone who enters the decision making task looking for either a specific option or an option that possesses a number of pre-defined attributes. This type of chooser restricts the multitude of available options in a purchasing situation by creating “consideration sets,” or sets of options with a high probability of containing his or her optimal choice". Meanwhile "Preference Constructors" are those approaching the choice for the first time. Faced with a dizzying array (24 jams) such a chooser may shy away. They can be helped by providing some guidance: "To enable Preference Constructors to distinguish a hazelnut steamer from a vanilla chai and thus successfully form their preference criteria before identifying their preferred option, these decision makers may require more than a limitless, unstructured choice set." Here is the basis for Anderson's optimism.

His contention is that online retailers are ideally placed to guide you through the choice in a comfortable way, so that us consumers are not faced with the 24-jam problem. But I'm just an old cynic. Whereas Chris
Anderson is thankful for all this guidance he's getting, I'm just suspicious. As George Akerlof wrote (and he knows about people guiding you through choices), the problem goes back as far as horse trading: "if he wants to sell that horse, do I really want to buy it?" Such questioning is fundamental to the market for horses and used cars, but it is also at least minimally present in every market transaction.

Here's Anderson's take on how online retailers can guide people through a proliferation of choices.

There are a nearly infinite number [nitpick alert: "nearly infinite"??? - TS] of techniques to tap the latent information in a marketplace and make that selection process easier. You can sort by price, by ratings, by date, and by genre. You can read customer reviews. You can compare prices across products and, if you want, head off to Google to find out as much about the product as you can imagine. Recommendations suggest products that 'people like you' have been buying, and surprisingly enough, they're often on-target. Even if you know nothing about the category, ranking best-sellers will reveal the most popular choice, which both makes selection easier and also tends to minimize post-sale regret. After all, if everyone else picked a given product, it can't be that bad. [173]

I confess I did a double-take when I read that paragraph. The first half is confusing: is the goal of "supplementing an unstructured choice set" really accomplished by adding to that bewildering array a second bewildering array of different techniques to find out bits and pieces about the merits of different choices? I don't think so. And the second half is a concise
argument as to why online retailers so often fail to drive demand down to The Long Tail – in direct contrast to what he claims elsewhere. Anything that gets people to choose an item just because other people have chosen it leads to increasing returns. Once you’ve chosen it, it will be recommended to other people because you bought it, and so on. Note that without recommendations, you can’t even tell if they liked it or not once they bought it. And pointing people to best sellers because "it can't be all that bad"? This is the logic of the blockbuster. Nevertheless, Anderson is so pleased with his conclusion that he reiterates it three times: "More choice really is better... The paradox of choice turned out to be more about the poverty of help in making that choice than a rejection of plenty. Order it wrong and choice is oppressive; order it right and it's liberating" [174].

The other argument that Anderson has in favour of unrestricted choice is taken from libertarian journalist Virginia Postrel, and is again about help. It is true that, around most choices that are both expensive and complex, an industry of brokers rises up. Real estate agents, wedding planners, financial planners and so on, all "help us be ourselves" [174]. Another way of looking at such an industry is that it represents the cost of choosing (wedding planners are not free, after all): the rise of such an industry indicates that there is a cost to choice that we are prepared to pay substantially for, but this is in itself neither an argument for or against the proliferation of variety and pseudo-variety that we are immersed in.

The Economics of Variety [175–176] finishes the chapter by asking "Does more choice encourage consumers to buy more?" [175], and concluding that, by making choices easier, digital distribution "widens the field of possible customers and shortens the search time. Over time, this should increase
sales and grow the overall market. As we saw in Chapter 8, longer tails can be thicker too" [176].

I'm not *entirely* sure what he means here by "the overall market", but if he is claiming – as I think he is – that the overall economy will grow because people will buy more stuff, then this is a claim that needs a lot of substantiation. The money, after all, has to come from somewhere. Unless he is advocating a further increase in consumer debt as a way of boosting the overall economy, then I'm not sure what his argument is.

But then that's how I feel about the whole book, of course. The Long Tail sounds nice, and it would be great if online retail could not only break the tyranny of the blockbuster and promote a diverse niche culture, but also boost the economy at the same time – but just because it would be nice doesn't make it so, and the book continues to fail to convince.
10.1. A Short Note

This set of posts has been a lot of fun. Thanks to those who have given me feedback along the way, and to those (like Dave of How To Furnish a Room and RAD) who have linked to it and said nice things about it. If you’re looking for a book to read, by the way, How To Furnish a Room is a great source of ideas.

I had some notes on each chapter and an idea of what I wanted to do with them once I finished reading The Long Tail, but it really is true that writing is a way of finding out what you think, so my views on the book have expanded along the way.

When I started out, I thought it would be enough to just go through the book as I have been doing, but now I don't think that will quite do the trick. The book is really a Big Picture book, so once I get to the end (four more chapters) I think I'll post a couple of Big Picture posts to wrap it up. Then I'll really have to return the book to the library and read something else.
11.1. Living in a Niche Culture (1)

We're getting towards the end of the book now, and it is moving on from the core material to some speculative asides about broader issues. The material in this chapter illustrates the reasons for the book's success and also one of its most pervasive weaknesses – which is all about the meaning of the title. Throughout the book, Chris Anderson uses the phrase "The Long Tail" to mean several different things.

1. It's a business model (create a profitable business by "selling less of more")
2. It's a commentary on the benefits of Internet commerce (online commerce is more diverse than those old physical shelves)
3. It's a trendspotting book about changes to contemporary culture (the end of the hit parade, the fall of the blockbuster)

The shift back and forth between these different meanings is what makes the book so frustrating. Anderson wants to eat his cake and have it too – which is the theme for this posting.
When it suits, Anderson can be very cautious about what he means by "The Long Tail". Witness two entries in his blog. First, here's part of his response to Lee Gomes's article, which I've mentioned a few times:

First, the book doesn't claim that there are any cases where sales of products not available in the dominant bricks-and-mortar retailer in a sector (my definition of "tail") are larger than the sales of products that are available in that retailer ("head")... Which is why the language Gomes cites from the book jacket is actually all phrased in the future conditional tense ("What happens when the combined value of all the millions of items that may sell only a few copies equals or exceeds the value of a few items that sell millions each?").

That "future conditional" thing is really a bit precious isn't it?

Or here, in a post he calls What The Long Tail Isn't:

There are many distortions of the term, but the most common one is to use it as a newly-positive synonym for "fringe"... for Long Tail effects to work, you need both a head of relatively few hits and a tail of many niches, so that recommendations and other filters can lead consumers from one to the other.

A tail without a head is too noisy and apparently random to get consumer traction; people need to start with the familiar and then move, via trusted recommendations, to the unfamiliar. Likewise a head without a tail is too limited in choice; the odds of finding a
niche you want are too low to bother exploring much beyond what you already know.

Thus the two big Long Tail opportunities are:

1. Aggregating hits and niches into a one big curve, from head to tail.
2. Creating content and products that can plug into someone else's aggregated curve.

He goes on to list some other things that "The Long Tail Isn't":

- **Commodification** – The LT is about nicheification, which is different.
- **Simple variety** – Offering a few different choices or a bit of customization (like the sandwich filling options in the risible example above) is not enough. Long Tail effects kick in when you're expanding variety and choice by orders of magnitude--from 10x to infinity.
- **The case for an all amateur, self-published future** – The LT will probably have as much commercial content as ever. It will just be joined by far more amateur fare, forming a relatively seamless continuum from pros to ams.
- **The actual end of hits** – The LT ends the tyranny of hits, shifting the market equally to niches. But it certainly acknowledges that some things will continue to be a lot more popular than others. Powerlaw distributions are as natural as diversity itself.
- **A focus on small markets at the exclusion of large ones** – Again, you need both hits and niches to allow the filters and recommendation engines to work, driving demand down the curve from the known to the unknown.
11.1. Living in a Niche Culture (1)

- **Just any powerlaw** – Powerlaws are ubiquitous. Long Tails are not. The first shows up anywhere you have variety, inequality, and network effects (word of mouth). The second requires massive variety and a wide range between the hits and niches. After all, many short tails are simply truncated powerlaw distributions. They just aren't, er, long.

Mr. Anderson wants to have it both ways.

He wants to disown the wilder uses of his catch phrase, ignoring the fact that the catchiness is the core of its popularity and influence. Also, he is not immune to misusing the phrase himself. He wants to say that "offering a few choices or a bit of customization" is not Long Tail – yet he writes about twenty varieties of flour as the "Long Tail of flour" [11], or customized T-shirts as the "Long Tail of fashion " [50]. He disowns "a focus on small markets at the exclusion of large ones", and yet writes that microbreweries are the "Long Tail of beer" [50]. He says that "just any powerlaw" is not a long tail and yet describes cities as "The Long Tail of urban space" [150] and Al Qaeda as "The Long Tail of national security" [50]? If it wasn't for the aura of universality that such misuses create then the thesis of the book would have attracted much less attention than it has.

The first section of Chapter 11 is about *The History of House Sound of Chicago*, a book by Stuart Cosgrove. The emergence of this form of music in the early 1980s, from the embers of disco, is the story of a "proto–Long Tail music culture" [177]. Mr. Anderson backs up the claim by reference to the three forces of the Long Tail from Chapter 4:
11.1. Living in a Niche Culture (1)

- "It started with the spread of affordable technology, from mixing decks to multitrack recorders. That's the first force of the Long Tail, the democratization of the tools of production." [178]
- An explosion of records created the need for a way for people to get to them: "Which is exactly what clubs and warehouse parties offered, thus providing the necessary second force -- democratized distribution" [179]
- The "hyperspecialized genres" of house music were identified by a proliferation of distinct record labels, sometimes owned by the same company: "Indie record labels are like tags, providing clues to which microgenre a track is likely to be" [179]. This "connects supply and demand" which is his third force.

Does Chicago House music have anything to do with the Long Tail? Well, what I know about House music could fit on a single 45rpm label, but the answer is clearly No.

The story of the House Sound of Chicago is a familiar story about the emergence of a subculture in a particular physical place and time – it is an example of variety and minority-interest culture emerging from the very offline, physical proximity whose limitations he decries in the remainder of the book.

Looking back at the criteria for something to be Long Tail, there is nothing here about either "Aggregating hits and niches into a one big curve, from head to tail" or "Creating content and products that can plug into someone else's aggregated curve." Whereas Anderson claims that The Long Tail is not "a focus on small markets at the exclusion of large ones", the indie music he is invoking did just that. As for his "three forces": folk music in the broadest
sense has always been produced by cheap technology, from harmonicas to fiddles to guitars to whistles, so there is nothing new there. Using clubs and parties as a way to share and provide access to music? Been done for hundreds or thousands of years. And the idea of labels as being "like tags" is simply a way of relating the culture of music to the culture his core audience is familiar with, which is the online computer world.

Elsewhere, Anderson laments that the physical world limits cultural diversity because of what we might call the Bollywood Problem: culture that appeals to a specific group of widely dispersed people has to reach a certain threshold of appeal in a single locale before being viable, and so might be viable nowhere (well, in North America anyway). One of the many things he neglects about the cultural phenomena at the core of his book is the fact that much of culture is not a "market" with distinct supply and demand. Culture as a participatory activity involves an intermingling of supply and demand, and it is precisely the specific nature of physical environments that leads to the development of new genres and flavours of music, whether it's Northern Soul or the collectivist music ethic that started in Montreal with Godspeed You! Black Emperor and has now given us the snow–influenced best band in the world and has also travelled down the 401 to Toronto to produce the almost–great Broken Social Scene.

From "Or" Culture to "And" Culture [180–182] continues with the big statements that Anderson disowns elsewhere, starting off with "The Long Tail is nothing more than infinite choice" [180]. Once people get on the internet "they don't just go from one media outlet to another -- they simply scatter. Infinite choice equals ultimate fragmentation" [181]. Yet he simultaneously wants to say that this is "simply a rebalancing of the
equation, an evolution from an 'Or' era of hits or niches (mainstream culture vs. subcultures) to an 'And' era... Mass culture will not fall, it will simply get less mass." [182]

So if "Mass culture will not fall" and the Long Tail is not "The actual end of hits" then why does he entitle a chapter "The Rise and Fall of the Hit", or title sections "Who Killed the Hit Album?" [33] or "The End of the Hit Parade" [31]? or write "We are turning from a mass market back into a niche nation" [40]. Parsing "The End of the Hit Parade" carefully (there is no tense, not even future conditional), you could argue that ending the Hit Parade is different from Hits themselves, but I think it's fair to say, in a book as rhetorical as this one, the author is out to create an impression that we are on the edge of a bigger transition than a mere rebalancing of the equation.

I'd like to say that Mr. Anderson needs to make up his mind, but plainly he doesn't need to at all. The ability to switch back and forth between eschatology and business models is what gives the book its appeal, and he's done very well by it. The fact that it is inconsistent to the point of foolishness appears not to matter. Too bad.
11.2. Living in a Niche Culture (2)

The Rise of Massively Parallel Culture [182–185] reveals yet another of Chris Anderson's weaknesses: as Editor of Wired Magazine in San Francisco he is surrounded by "geek friends" [182].

The Long Tail worldview is digital–optimist–libertarian, is characteristic of Silicon Valley – a culture called Cyberselfish in the book of the same name by Wired contributor Pauline Borsook. As The New York Times summarizes:

Ms. Borsook contends that many of the favorite arguments of technolibertrarians come from "bionomics" -- that is, they like to use metaphors drawn from biology to explain economic behavior and endorse a decentralized free–market system. Reduced to a bumper slogan, Ms. Borsook writes, bionomics states that "the economy is a rain forest"; in other words, it suggests that "no one can manage or engineer a rain forest, and rain forests are happiest when they are left alone to evolve, which will then benefit all the
happy monkeys, pretty butterflies and funny tapirs that live in them."

*Cyberselfish* is a few years old now (but a good read nonetheless), and bionomics is a bit last-generation these days, but judging from *The Long Tail* not much has changed. The outlook is self-involved and, to be frank, self-important. Chris Anderson looks out from Silicon Valley at the rest of the world and doesn't know a whole lot about it – and he doesn't think it important to know about it. When he quotes Karl Marx [62] he doesn't actually quote Marx, he quotes a report on digital technology by think tank Demos. *The Long Tail* is a book on culture with no reference to life outside the USA (except for anime videos). Chris Anderson sees no reason to pay attention to economists or social scientists (not a single economist who deals in the economics of information apart from his Berkeley neighbour Hal Varian, for example – no Stiglitz or Akerlof here), but calls essayist Clay Shirky "a prominent thinker". He quotes his intellectual stablemates Richard Posner, Virginia Postrel, and George Gilder, and says James Surowiecki's *The Wisdom of Crowds* – a quick read, but not deep – "needs to be read". There's nothing wrong with quoting these people, but the contrast between his references to a certain kind of thinker from a certain kind of place and his complete neglect of so many other strands of thought is stark, especially in a book that does not claim any distinct political outlook.

This narrowness of vision is surely why he calls his own work "research" even when he is discovering things well known by many others. He is an intellectual imperialist: Columbus "discovering" America all over again – thinkers from outside his own intellectual neighbourhood just don't count.
The people who endorse the book are of course, as already pointed out, a coterie of Silicon Valley digerati (and the aforementioned Mr. Surowiecki).

The outlook of the author and the audience for the book come through in the terminology he uses. "Massively parallel" is a computing term – elsewhere he's all, like, "impedance mismatch" and "fractal" and "network economics" and "meme" – the buzzwords of computer engineers and the Santa Fe Institute.

Given this outlook, it is not surprising that it takes Mr. Anderson just a couple of pages of sketchy story telling – references to a bunch of Internet "viral memes" such as Dancing Babies and the truly disgusting "goatse" picture – before he can conclude that the online world – his world – is far more diverse than the world outside his valley. "In short, we're seeing a shift from mass culture to massively parallel culture." [184] He claims that, while the diversity of humanity "has always been true, but it's only now something that we can act on. The resulting rise of niche culture will reshape the social landscape. People are re-forming into thousands of cultural tribes of interest, connected less by geographic proximity and workplace chatter than by shared interests." [184] The narrowness of his own intellectual horizons, and the proportion of his influences that hail from California, suggest that this is less true than he would like to think.

Yochai Benkler is an interesting writer who Anderson pays attention to, although not in The Long Tail. Benkler has a much better picture of the way that the online shift is changing our culture, and what happens when "people shift their attention online" [181]. The picture he gives (Chapter 10 of The Wealth of Networks) documents that the online world is not one of "virtual communities" heralded by the optimists, and is not one of isolation
and alienation feared by the pessimists. Instead, he argues that users "increase their connections with preexisting relations" [363] and leads to "weak ties" of networked individuals (rather than the stronger ties implied by the word "community") in the new relationships that we form. There is little indication of "tribes of interest", with the close ties that the phrase suggests, emerging online.

The section ends with a rare quote from an intellectual outside Anderson's usual sphere of influence: "In 1958, Raymond Williams, the Marxist sociologist, wrote in *Culture and Society*: 'There are no masses; there are only ways of seeing people as masses.' He was more right than he knew." [185] Now maybe he means something other than the way I read this, but the sentence strikes me as remarkably arrogant. To assert that Williams, a first-rank thinker and hugely influential in our understanding of the ways that culture and society influence each other, was "more right than he knew" is not only patronizing, but patronizing in an inappropriate, almost embarrassing way given the relative intellectual standing of the two.

**If the New Fits** [185–189] is about blogs – a truly interesting development (especially for us bloggers). He focuses on two influential blogs (from the short head?): Daily Kos and Instapundit and points out that they are influential. As I argued in the notes to Chapter 5, he will get no argument from me that the development of social software as a platform for both publishing and conversation, is an important development – but it ain’t Long Tail.

**A Million Little Pieces** [189–191] starts off by asking if a "fragmented culture [is] better or worse culture"? [189], and raises the question of whether the digital world may be a place where "you need not come across
topics and view that you have not sought out." [189] – creating a polarized world of insular thought where, as he quotes Christine Rosen, "we are, ironically, finding it increasingly difficult to appreciate genuine individuality" [190]. Anderson asks "Is Rosen right? I suspect not" [190] and then goes on a little idealistic detour that wanders between a paean to the openness and diversity of the online world. It is easy to agree with the statement that "Fundamentally, a society that asks questions and has the power to answer them is a healthier society than one that simply accepts what it's told from a narrow range of experts and institutions" [191], but less easy to see what it has to do with the Long Tail – a tale where our access to variety is channelled through a small number of aggregators whose recommendation systems are private and hidden – a narrow range of (machine-based) experts and institutions indeed.

His optimism is engaging: "I suspect that over time the power of human curiosity combined with near infinite access to information will tend to make most people more open-minded, not less" [191]. To dispute this seems Luddite in the colloquial sense – actual Luddites being admirable, or at least understandable, and Scrooge-like. But one can see opportunities in the Internet – real innovation, of real novelty, and real social changes – without subscribing to The Long Tail's particular muddled vision of commercial giants and social software platforms.
12. The Infinite Screen

Should we give Chris Anderson a break when it comes to Google Video?

The second sentence of Chapter 12 is "On January 19, 2006, Google unveiled Google Video, the ultimate Long Tail marketplace of the moving image" [193]. Of course, Google Video has been what us pre-digital folks call a "total bust" and YouTube (which doesn't get a mention in the book) is everywhere – so much so that Google bought it.

Well, in January 2007 Chris Anderson admitted that he got it wrong:

This is not to say that there aren't many things I don't cover in the book but should have, and a few things I did cover but shouldn't have *cough* Google Video *cough*.

So yes, let's give him a break. I mean, who knew? Not me. So let's put it on record that I'm giving him a free pass on this one.

But back to the point. Chapter 12 argues that TV is facing a Long Tail challenge from Internet video, and it starts off by charting the rise of Internet video with a comparison:
MSNBC's The Abrams Report, with a multimillion-dollar budget and a crew of dozens was at the time of this writing watched by an average of 215,000 homes per day. Rocketboom, a Jon Stewart–like comedy news program created online by exactly two people for the cost of some videotapes, two lights, and a cardboard map, was watched by 200,000 homes per day over the same period. Now it's selling advertising and got $40,000 for the five thirty-second spots in its first week. Not quite as high as broadcast TV revenues, perhaps, but the networks would kill for those margins.

...A generation that grew up online and developed its media consumption habits in the bandwidth paradise of American university dorm rooms is now totally comfortable watching video on a computer screen. [193]

Rocketboom may be a comedy news program (5 minutes per day) but let's just note it isn't news. There is no investigation going on, just some messing around with a camera, and studio comedy is pretty cheap no matter how you do it (that's why the cable channels had all those stand–ups on until they discovered reality TV – comedians come cheap). So the financial comparison is a bit apples and oranges.

But the big thing here is to ask where the Rocketboom numbers come from. We've seen that Chris Anderson is relentlessly optimistic in his view of internet technologies, and he lets that attitude get in the way of his objectivity here. Those first–week ads were something of a publicity stunt, being auctioned on eBay according to the MIT Advertising Lab. A recent posting by the same MIT Advertising Lab shows that the story is different now:
Rocketboom is searching for a new way to put fuel in its tank. Advertising is not doing it. "It's frustrating that we haven't worked it out by now," said the daily video blog's founder, Andrew Baron. "Even though we have a relatively large audience, advertisers are just not happy to do 'small deals,' he explained in an interview. Baron says there are 200,000 downloads of Rocketboom shows, seven days a week. 'They say they want to blast their commercials to millions of people.' So, Rocketboom is again toying with the idea of charging for content. (MarketWatch)

Andrew Baron last summer: "Or maybe in the future we will decide to take a hit and not run ads some days because we could afford to."

Wonder what happened to the Rocketboom being shown on TiVo.

The rule, which Mr. Anderson knows full well, is that you don't believe what people say about themselves, especially when they're trying to sell something. Let's take a closer look at some claims about the commercials and the viewership.

In October 2006 "Baron said he's just done a deal worth $80,000 for a week of commercials in his videoblog. Claiming a daily audience of some 300,000 people, Baron could be getting more than a $55 CPM for his ads. You could get a discount, though. He'll sell you a week of spots for $60,000 - if he likes the commercial content."

Another commentator, Ze Frank, has challenged the Rocketboom numbers, noting some inconsistency in the figures Baron has reported over time:
"Rocketboom is watched by 350,000 people a day."
April 21, 2006: Rolling Stone magazine (link)

"[Rocketboom's] audience is up about 100,000 the last month, to about 400,000 a day."
August 10, 2006: Dow Jones MarketWatch (link)

Q: "Since Amanda left, have you seen any change in the audience?"
A: "It's grown a bit."
October 11, 2006: Future of PR Conference (link)

"...over 300,000 downloads per day."
October 24, 2006 blog post (link)

Businessweek's Heather Green has chimed in too, suggesting that the October figure of "over 300,000 downloads" was an overestimate by about 50%. And how downloads translates into viewers is another issue entirely – does everyone watch to the end of the show, or do they drop it when a friend signs on to MSN? The picture – presented so breezily by Chris Anderson – is complex and obscure, and probably not nearly as dramatic as he makes it look.

The same problem appears elsewhere in Internet advertising-driven sites. There has been controversy over Second Life's claims, nicely summarized by The Register's Shaun Rudolph. There have been complaints about how difficult it is to cancel accounts created on a speculative whim at numerous sites – those account numbers translate into potential advertising money. And the effectiveness of web advertising itself is open to debate, with some
serious estimates of "click fraud" being around 15% of all clicks – which translates into about $1 billion over charged to advertisers.

So – don't trust self-reported numbers, especially if they support your thesis. Now on with the rest of the chapter.

**A Tail for the Taking** [194–196] sets out the reason why Anderson sees TV as vulnerable to alternatives – there's a lot of content, most of it not available to us for purely technological reasons, so "the ratio of produced content to available content is higher than in any other industry" [196]. It's a good point, and to his credit he goes on to point out one of the problems – it's not the technology, it's the issue of rights, which is a rat's nest. It's easy to think that the Internet is doing away with old-fashioned laws – and it does challenge many – but let's remember that Napster (the real Napster, that is) got beaten by the law. It's not impotent yet.

**TV Outside the Box** [196–197] suggests that new material on the Internet could more effectively challenge TV because the rights issues associated with old content are not so problematic. The section has a brief description of one such effort: Barrio305 – a web-only TV service for "urban Latin culture" [197] that each day "streams about 50,000 minutes of video to 5,000 unique users" [197] built on the Brightcove video distribution platform. It's an interesting story, but just a hint of one of many possible futures. Nothing definitive yet, that's for sure. And where do those figures come from? The book has no indication, in endnotes or anywhere else. In a recent interview the owners claim "about 10,000 viewers" daily. Who knows?

**Shorter, Faster, Smaller** [198–199] continues the argument in a small way. It points out that videos on the web are much smaller than TV shows" about 3
minutes instead of 30. Anderson thinks that the "arbitrary middle [of 30
minute shows] will not hold" [199]. So this is a nice setup for an argument.
So now can we see some data...

**Hollywood @ Home** [199–200] No we can't. The chapter switches to "The
other form of video that will be transformed in a Long Tail world is movies".
We're done with TV apparently – like a 3 minute video the story was over
before it got started. Is TV going to change? Sure. Will it go "Long Tail"? Who
knows?

One other point about this chapter. Given that Internet video is a different
beast from TV – as he says here – maybe the comparison of TV to Internet
video is not quite the right one when it comes to describing a change in
culture. They both come at us through a screen, but if they are different
things then the behaviour trend is not simply TV –> Internet video. There is
also Books –> Internet video, and TV –> video games (a "Short Head" form
of entertainment), and so on.

In looking at the way things change we have to forget the screen. It's natural
to think of things that come through monitors as being kind of like things
that come through TV screens, but there are other ways to think. MySpace
and Facebook, for example, are more about conversation than media. And if
we want to call these forms of activity "Long Tail" then let's remember that
the phone companies could be called the ultimate Long Tail business –
capturing big company phone bills but making most of their money off
those millions of little individual conversations ("verbal production?") and
making money off them because there are so many. There's nothing new
about providing a service to many people and making money off them. Oil
companies make a lot of money selling to hundreds of millions of individual car owners.

As for movies, as Anderson points out, the way we watch them has expanded from movie theatres to TV, rented DVDs, and now downloaded movies onto hard drives, which will surely become more common in the next two or three years. With each expansion, the nature of the business changes. For Anderson, the complex development is a simple story:

What the VCR and the video rental store hinted at was the rise of the age of infinite choice. Those stores increased the available selection of movies of any given Saturday night a hundredfold. Today, Netflix increases it a thousandfold. The Internet will increase it a gazillionfold. Every time a new technology enables more choice, whether it's the VCR or the Internet, consumers clamor for it. Choice is simply what we want and, apparently, what we've always wanted.

gazillionfold???

This big conclusion is speculation balanced on top of some very frail data in this chapter. As for whether choice is really "what we want and, apparently, what we've always wanted", well someone could write a book about that.
This penultimate chapter of the book describes "five examples of the Long Tail at work outside of media and entertainment" [201]. These examples are eBay, KitchenAid, Lego, Salesforce.com, and Google. There is another side to each of these stories.

**eBay** [201–203] has been hugely successful at being a marketplace for all kinds of odds and ends. Is it a Long Tail success?

The other side of the story. Let's remember that a Long Tail business is one that provides both the "head" and the "tail" of products. As Anderson writes, MP3.com was a music aggregation site, but it failed. The "problem with MP3.com was that it was only Long Tail" [149]. Meanwhile, iTunes focused more on the head, and makes all its money from it, then apparently builds on the familiarity it provides to use smart software to help people expand their tastes. Its growth came from being a marketplace for junk; Anderson's story of its growth implicitly admits this by saying that it "now does far more than clear the nation's attics" [202]. eBay is a broker ("facilitator" [202]) that matches buyers and sellers.
eBay breaks a second rule for Long Tail businesses. Because it does not stand between the buyers and sellers (unlike Alibris and Amazon Marketplace, as we saw in Chapter 6, who ensure that they are the hub of all transactions and so collect all the information from both buyer and seller), eBay "can't offer many of the powerful filter technologies, such as recommendation engines, that drive demand so effectively at other Long Tail retailers" [203]. Putting aside yet again the question of how successful they are in reality as opposed to imagination, this "one size fits all" model he has in his head leads Anderson to suggest that eBay has a "vulnerability" [203] because of its reluctance to collect information about all the trades going on under its virtual roof.

What Anderson doesn't point out is that the eBay model gives the small vendor who is selling through eBay a bigger say in the sale. I find the eBay model more "democratic" to use one of the book's favourite words, in that it actually shares information with the vendors rather than hiding information from them as Alibris and, apparently, Amazon Marketplace do.

eBay is a huge success, an important story, but not a Long Tail one in all but the most crude sense. Yes, it sells a lot of many things, but as Anderson says when he wants to spin things in that direction, that's not the force behind the Long Tail story.

**KitchenAid** [203–205] is a little anecdote about how the maker of small kitchen appliances sells lots of colours ("over 50") online, compared to only a handful in the stores it supplies.
The other side. Whoop-de-do: this is nothing that can't be done in a catalogue. It's a neat thing for KitchenAid to do, but there's nothing fundamental here.

**Lego** [205–207] is building an online community of enthusiasts, who design and share their own constructions ("peer production" [206]) and can order the pieces to provide them. Is this the "Long Tail of plastic bricks" [207]?

The other side. Lego may like openness and they are trying some interesting things (Mindstorms for example), but there is another part to this story. Lego is as interested in fixed ownership as ever: it has been fighting the loss of its patents for years. With the effort to extend its patent on the blocks themselves failing, it is nevertheless continuing to extend their patents and prevent other companies from making inroads in the world of blocks.

**Salesforce.com** [207–210] is an innovative company that is succeeding in a big way. It provides "hosted software" to companies (mainly small companies) to carry out "customer relationship management" tasks (CRM). Now it wants to become a one-stop shop: an aggregator for business applications, in the same way that Amazon is an aggregator for books. Salesforce has set up a platform called AppExchange that would "allow hundreds of smaller developers, many of them in low-cost places such as India, to reach those same customers" [208].

AppExchange may succeed in its goal. It's as close as Anderson comes to a legitimate Long Tail story here. In addition, Salesforce.com has just hired Peter Coffee, an industry journalist who has long been one of the smartest technical commentators on software, to handle part of its platform.
The other side. This is a story in its early days. There are two sides to the move to aggregation and platforms: the owner of the winning platform in a particular area can win big, and Salesforce may become one of those winners unless Google or one of its other competitors beats it. It is less clear how much of its revenue will come from niche providers (no figures yet), and it is even less clear that the providers of goods for those platforms can win significantly. I suspect that many participants in AppExchange will share the opinions of Geoff Merrick, chief architect of Salesforce partner Okere, who says "his company views being on the AppExchange as a way of developing name recognition rather than as a source of revenue". The venture is new, and the verdict is not yet in. Let’s see.

Google [210–216] is included here on the basis of extending the advertising market into the Long Tail with its Adwords and AdSense programs. Traditional advertising, Anderson says, "is a classic, hit-centric industry where high costs enforce a focus on the biggest sellers and buyers" [210]. Now, with customizable search engines (maps, images, etc), and the fact that most search terms are different (no surprise there) Anderson claims that Google is "barreling down the Long Tail of everything" [206].

The other side: The portrayal of "traditional advertising" is a straw man, like so many of the setups for the stories in this book. Traditional advertising is not just car companies advertising on prime-time television, it includes classifieds, Yellow Pages ads, flyers inserted in local newspapers, and so on. And does the Google money come from nowhere, or is this a shift of advertising budgets for small players from these local-focused efforts onto the Internet? There is nothing here to tell us. If advertising is shifting from
local papers to Google Adsense, you can't just close one eye and say "I see a Long Tail". Well, you can, but it doesn't mean much.

Even as a story of business success, there are no figures here. How much of Google's revenue comes from its "Long Tail" of advertising? He doesn't say. Somehow the vaunted openness that the book is so keen on always stops one step short of actual revenue breakdowns, whether its Netflix or Google. Anderson does admit that "Although most of its [Google's] revenues come from the head of the curve, most of its customers are somewhere in the tail" [215], which makes you wonder what the revenue pattern is for Google. At the time of its $1B investment in AOL just over a year ago, the BBC reported that "AOL is currently Google's biggest customer. During the first nine months of this year [2005], it accounted for about $429m, or 10% of Google's revenue."

Sometimes I feel like I'm nipping round the edges of the ideas in this book, but the lack of substance and lack of solid figures continues to irritate. Big Picture thinking is one thing, but this hyper-optimistic selective vision is another.

Let's just be clear here – I'm sure that there will be many success stories in the coming years of companies who build aggregation platforms for various kinds of content, and who make a LOT of money doing so. I'm just not convinced that most of their revenue will come from "the Tail" of their content. Despite the talk of "democracy" I'm not convinced that the residents of the Tail will benefit much; and I'm definitely not convinced the net effect on our culture is one of increased real variety and diversity.
I'm just finishing with The Long Tail. Do I have to do it all again with Wikinomics? Am I doomed to be a perpetual curmudgeon? If rabble.ca's newest venture is anything to go by, the answer is yes.

rabble.ca is a news site that I generally like. It describes itself this way:

> rabble.ca was built on the efforts of progressive journalists, writers, artists and activists across the country. We launched rabble on April 18, 2001, just before the protests against the Summit of the Americas in Quebec City, and leapt onto the Net with the kind of coverage you could only get from the point of view of the rabble. We have covered events and issues in ways you'd be hard pressed to find anywhere else ever since.

And I'd often agree – they reprint pieces by Rick Salutin, Linda MacQuaig, Thomas Walkom, Jim Stanford, Scott Piatkowski and other smart and left-wing journalists and commentators. It was founded by Judy Rebick. (For those of you outside Canada, there's a lot of Canadian lefty cred in the names in this paragraph.)
So why oh why are they giving a whole lot of space to *Wikinomics*, the web 2.0, long-tail–like wealth-of-networks, wisdom-of-crowds book by Don Tapscott and Anthony D. Williams. They’re even holding a virtual event in Second Life.

rabble.ca must think there is something about the book that is "progressive". But what it is defeats me entirely. Could it be the front-cover blurb by the CEO of Procter & Gamble? The praise by executives from ATT, the World Economic Forum, OgilvyOne, IBM, and Roche Diagnostics, Socialtext, Royal Bank of Canada, Walt Disney, MetLife, Google, and Cisco? Is it this week's *Business Week Special*?

I've read chapter 1 (available [here](#)) and it's Long Tail all over again. Breathless prose ("we are entering a new age... liberate people to participate in innovation and wealth creation within every sector of the economy... a world where knowledge, power, and productive capability will be more dispersed than at any time in our history... harness the new collaboration or perish... – and that’s just in the first dozen pages). Promises of democracy, empowerment of regular people (that’s you and me, squire), the breaking down of old hierarchies. It sounds great. But...

I hate to say it, but in these tech-utopian books why does no one follow the money? If we're all so empowered and trust our peers, how come they get CEOs to blurb their book? If we’re all so productive, how come inequality is increasing – and nowhere more so than in high tech industries?

And just like the Long Tail, the word-pictures the authors sketch are massively selective in their portrayal of the past and the future. The past is all rigid hierarchy, the future (left to technology and markets, apparently) is
all explosive growth and innovative open source. IBM is promoted as "embracing open source" but they don't mention how it just set a record for the number of patents in a year. Isn't this at least part of the picture?

I feel like I've read the book already. For those who have been following my Long Tail grumbles, doesn't the following paragraph read just like Mr. Anderson?

For individuals and small producers, this may be the birth of a new era, perhaps even a golden one, on par with the Italian renaissance or the rise of Athenian democracy. Mass collaboration across borders, disciplines, and cultures is at once economical and enjoyable... A new economic democracy is emerging in which we all have a lead role.

Come on rabble.ca: just because the new executives don't wear ties, business is still about the money. Technology is fine, but politics still exists. You disappoint me.

But wait! It so happens I know a thing or two about chemistry, and Wikinomics has something just for me, right there in Chapter 1. Maybe this will save the book for me.

"Or perhaps your thing is chemistry. Indeed, if you're a retired, unemployed, or aspiring chemist, Procter & Gamble needs your help... Now you can work for P&G without being on their payroll".

Is this some kind of joke? Sorry for being materialistic, but I think I'll give that opportunity a miss.
14. Long Tail Rules

I'm getting tired, and need to get to the end of this book quickly. Then I can write a wrap-up post and be done. This final chapter (almost! there is a "coda") contains nine rules for building "a Consumer Paradise" [217], grouped under three headings. Here we go.

Lower Your Costs [217–219]

Rule 1: Move inventory to the edge – The advice is to transfer your costs to your suppliers: keep a virtual inventory. For example, Amazon Marketplace products are "held at the very edge of the network by thousands of small merchants. Cost to Amazon: zero" [218].

Rule 2: Let customers do the work – He calls this "crowdsourcing" [219]. Let customer reviews rank your books, write your content, and so on, because "collectively, customers have virtually unlimited time and energy" [219].

As I've said repeatedly, the benefits of being an aggregator are that you profit from being a natural monopoly, or at least part of a natural oligopoly. Once you can establish yourself as the place to be, vendors will want to – have little choice but to – sell their stuff on your site. Once you become the bookstore of choice, customers may add their reviews to your site. But of
course there is one place where the Long Tail does not really eliminate scarcity – and that's in the supply of aggregators. When inventory is stored at the edge someone is still paying the cost of stocking it – it's just not Amazon. The Long Tail slides back and forth between talking about zero-cost (total) and zero-cost (someone-else's cost) – but never says which one is which. These are different things.

One of the changes we've seen in both sides of the technological vice (online stores + big-box stores) is that power has shifted away from manufacturers and to retail outlets. Amazon can sell goods without paying for them first. Wal-Mart is trying to introduce systems that will pay suppliers only when someone actually buys a product, so that their own shelf space becomes free (to them). It's a power shift leading to a transfer of costs, not a cutting of costs – and power matters.

Think Niche [219–221]

Rule 3 – One distribution method doesn't fit all
Rule 4 – One product doesn't fit all
Rule 5 – One price doesn't fit all.

As with much of the book, this section contains unsubstantiated claims: Rhapsody is "experimenting with track prices from $0.79 to $0.49 and finding that cutting the price in half roughly triples sales" [221]. Really? How often? All of them? We need more than this. And if the experiment was so successful, then we may wonder why the current (April 2007) Rhapsody web site says this:

Can I download tracks with Rhapsody?

Yes. You can purchase music from Rhapsody for $0.99/track, or $0.89/track with a membership.
No mention of variable pricing beyond encouraging membership.

**Lose Control** [221–224]

*Rule 6 – Share information.* Well, up to a point. One of the most pervasive ironies of the whole book is that it keeps going on about sharing information, but the very facts that are at the core of the book are hidden behind some of the thickest walls around. Actual Netflix sales distributions? Actual sales of Amazon books? Actual sales of iTunes music? None of it is here. Quite why Anderson thinks we are in a new age of openness is beyond me.

*Rule 7 – Think 'And', not 'Or'*

*Rule 8 – Trust the market to do your job* – His advice is to "throw everything out there and let the market sort it out", which is really a restatement of his Rule 2 – Let customers do the work. As I've said before, there is a big difference between what works for aggregators and what works for producing actual variety.

As just one example that I haven't mentioned before, Anderson keeps on about how referrals allow customers to move from the head to the tail of the distribution. But what happens if you start at the tail? No One Makes You Shop at Wal-Mart is currently (April 6) ranked 381374. The recommended books that appear on the page have the following rankings: 475137, 18675, 201, DVD #569, and 90396. That is, if you start off in the tail, the recommendation system pushes you back up towards the head of the distribution. Hence Amazon can profit by stocking all books, even if it doesn't sell much of them, because the reference system is a way of promoting other, better selling books. Now I don't know what the net effect is, but neither does Mr. Anderson.
**Rule 9 – Understand the power of free** is an argument for combining premium pricing and a free version of what you provide (fair enough), and for an advertising-supported revenue model. Well if one thing is becoming ubiquitous, it's advertising. Is this a move to a niche nation or a numb nation? I for one do not welcome our new advertising-sponsored overlords. Consumer paradise? I think not.
"Coda" is the very last section of the Long Tail, and this is the very last section of my critique of the book.

The book's "Coda" is a two page piece that talks about 3D printers, which may enable all kinds of other goods to become digital – just as documents and music and photos and videos have all moved from being solid things to being digital – "materialized" where you download them.

And the lesson of 3D printing is that we'll see "the explosion of variety we've seen in our culture thanks to digital efficiencies" [226] extended to other areas of our lives.

The coda summarizes some of the things I find so frustrating about this book, and why I've spent so much time on it. It's not just that it's a bad book – although I do believe it is – but that it is a bad book about some really important changes; changes with the potential to do great good and great harm. Reading Chris Kenny's reflective commentary emphasized this for me. Anderson holds up a picture that is very attractive – greater diversity, a broadening of voices in public discussion, a chance for people
without connections to have a say, and so on – and he says he's all for it. And he's all against stodgy old "institutions". So the book attracts people who are doing interesting things, and thinking along admirable lines.

But then he betrays us. Because when it comes down to it, he's on the side of multi-millionaires and billionaires, and the "institutions" he feels so rebellious about are small publishers, small bookshops, and so on. Not that he'd put it that way, but that's the effect of his arguments. He argues that we should celebrate Netflix, Amazon and a handful of others, and trust them to be the custodians of our culture because they'll deliver variety. It's a dangerous argument, predicated on the fact that these are somehow different companies – a kinder capitalism. And it's wrong, of course.

To review, here's what I see as the main flaws that run throughout the book:

**Flimsy Foundations** – Despite the talk of openness, the empirical core of the book is a set of numbers vouched for only by the CEO's of companies who stand to benefit from their association with radical new ideas. Netflix, Amazon, iTunes and Rhapsody let him see their figures under strict conditions. There is, in the end, little to demonstrate that some of these companies are delivering on the promise of the Long Tail. The evidence that iTunes is a "Long Tail aggregator", for example, is non-existent.

**Protean Perspectives** – The Long Tail is sometimes a set of rules for how to build a profitable business, sometimes an assertion about economic and technological forces, and sometimes a claim about cultural change. The book tries to shove Wikipedia, blogs, Netflix, and more into a single tent – and it doesn't hold. I've no problem with using a single name for multiple related ideas, but Anderson shifts from one meaning to another to another
throughout the book, and the result is a form of misdirection as he invokes whichever is needed to make the point he wants to make. It makes criticism difficult, but in the end consistency matters, and the book lacks it. Instead of each part of the story strengthening the others, the whole edifice turns out to be built on nothing.

**Failure to Follow the Money** – As Bertoldt Brecht said "Amongst the highly placed it is considered low to talk about food. The fact is: they have already eaten." Of course the CEOs of new technology businesses aren't interested in talking about something as mundane as money, but we must, and Anderson doesn't. This matters for two reasons.

First, the book conflates non-commercial and commercial initiatives – Amazon's recommendation engine and Wikipedia, for example – as if they are not different. But they are. There is much talk of community on the web, but corporate-sponsored "communities", while they do have their place, are not communities in any significant sense. On the other hand, an effort like Indymedia is a real community. These are different things. I have worried that by emphasizing how different the phenomena of the web are that I'm missing the big picture – but I'm pretty confident that's not the case. The Long Tail big picture is a mirage: the closer you get to it, the less tangible it is.

Second, there is a political effect that we've seen with successful aggregators. A single iTunes, coupled with Wal-Mart, drives many independent businesses out of existence. The result is the opposite of the democratization Anderson claims to be promoting. The emergence of iTunes is a centralization of influence within the music industry, not a decentralization. Amazon is not a proletarian revolt against the tyranny of
elitist bookshops, it's the driving out of many small businesses by one big business. Money is flowing through these new organizations, and it is flowing towards fewer people than ever, not more. To ignore the impact of technology on inequality is to take a political stance, and it's not a progressive one.

**Selective Vision** – We see this in the comparison of the "old world" to the "new world". By comparing Rhapsody music to Wal-Mart, Anderson is stacking the deck – something he does throughout the entire book. What's more, he's mistaking the dynamic that is at work in the world of business. While Anderson sees online commerce as challenging the Wal-Marts of the world, it too often complements them. If I had these posts to write over again I'd start off at the beginning by pointing out that technological forces are creating, not a Long Tail, but a technological vice. On one jaw is the big box store, stocking a few titles at cheap prices. On the other jaw is the online store, stocking everything (but not necessarily selling a whole lot of everything). This is not the way to produce a culture of variety. My prediction: as these enterprises realise how complementary they are, we'll start to see more in the way of mergers between the two worlds.

Selective vision is also at work in his perception of the new companies. While the book celebrates the open sides of their business models, he completely ignores the other side. Google, Amazon, Netflix are all secretive when they want to be. They all pursue patents with vigour in order to close down the possibility of competition. Netflix even patented its "mailing and response envelope" – this is not "radical transparency" as Anderson has taken to calling it. We the consumers are let inside the walls to play, but in a carefully controlled playroom. And we're kept out away from the valuables.
Finally, in his enthusiasm to celebrate variety he bundles pseudo-variety (wall-of-toothpaste variety) with real variety. Is there no distinction? Of course there is, but Mr. Anderson is blind to it.

The end result of all this selection is a muddled and distorted picture. It sounds great at first reading, as Anderson runs through examples of new variety at breakneck speed, but stop a minute and you realise he's only telling one half of the story – and half the story can never give the whole picture, no matter how many examples he finds. And even then he's not telling it straight.

So what do I think? Do I think the Internet is a force for good or bad? Yes. Is it a force for increased decentralization or increased centralization? Absolutely. Is new technology a source of increased variety or increased homogeneity? No doubt about it.

The Internet and related technologies are going to have a huge effect on our society. Or rather, many huge effects. And which ones win out – the good or the bad – will be determined by people actively struggling to ensure that their vision of it prevails, not by trusting to the market to solve it for us. Part of the appeal of The Long Tail is that it talks of the "democratization of production". Innovative cultural ideas (as opposed to technical ideas) will often be found at the margins; in Jane Jacobs wonderful phrase "new ideas need old buildings", and this means they need to be done on the cheap, often subsidized through non-market routes, and nourished. While Internet technologies are one more path that cultural innovators can follow, it is a big mistake to trust commercial enterprises, be it Amazon or Netflix, to act as custodians of the public space that is variety. With his heart, I suspect, in
the right place, Anderson is leading us down a dangerous road, and that's why I've spent so many hours showing what's wrong with his book.

For anyone who has made it to the end, let me finish by pointing you to a posting on the Long Tail blog, where Chris Anderson walks through the major objections to his book. Here are his "top five mistakes" with a one sentence answer from Anderson (there's more on his blog):

- **X was a hit! See? Hits aren't dead.** - "I never said they were"
- **I've done an analysis of this dataset and, in percentage terms, it shows that sales are become more concentrated in the head, not less** - "Hah! This is the percentage mistake."
- **I'm in the Long Tail and I'm not rich yet - the theory clearly doesn't work.** - "The big money in the Long Tail is in aggregation"
- **You said that 57% of Amazon sales are Long Tail. No way.** - "I know. That part .. has been revised to 25%"
- **You call Blockbuster and Barnes & Noble the Short Head. But what about Blockbuster.com and BN.com? They've got every bit as big an inventory as Netflix and Amazon.** - "Sigh. Please understand the definitions. Short Head = inventory in the typical store of the largest bricks and mortar retailer in a market.

None of these objections is a significant part of what I've presented here, except for number 3 - and I still think it is true that a "theory" unaffected by a 100% change in a major piece of data is a theory that needs a more empirical basis and a little less enthusiasm. My objections are on other grounds entirely. I suspect they come too late to slow down the passage of
"Long Tail" into the conventional wisdom of technological/business discussions but hey, you do what you can. Thanks for sticking with me.