

# How Tech's "Long Tail" Is Changing Business

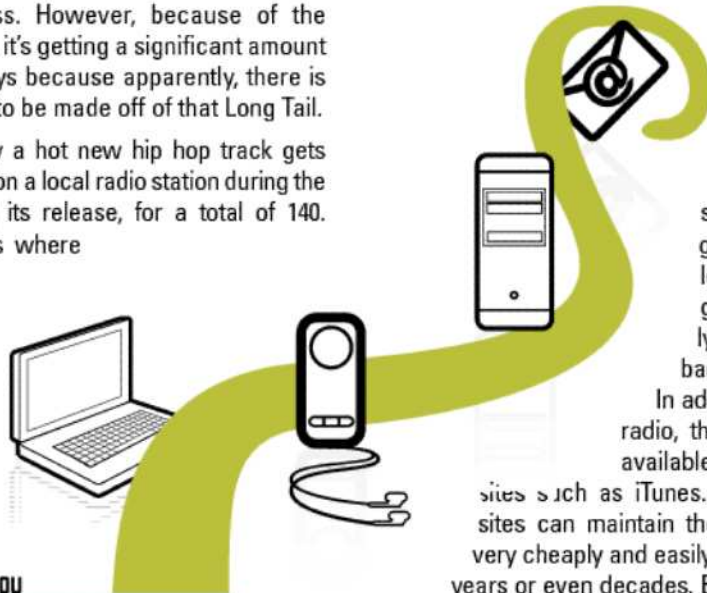
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When *Wired* magazine Editor in Chief Chris Anderson coined the term the "Long Tail" in an article he wrote a couple of years ago, he gave a very appealing moniker (it has since become a business catchphrase on par with "Web 2.0" and "synergy") to a long-known business principle. Simply put, the Long Tail refers to the lower end of distribution and consumption in business. However, because of the impact of technology, it's getting a significant amount of attention these days because apparently, there is a boatload of money to be made off of that Long Tail.

For example, let's say a hot new hip hop track gets played 10 times a day on a local radio station during the two weeks following its release, for a total of 140. However, (and this is where another economic tenet—the law of diminishing returns—comes into the picture) the general listening audience gets a little tired of it after a while,

so in the three months after that, it gets played only twice a day on average. Even though it's much less popular, the song is played approximately 180 times during this time span, making more money for the record company and the artist even though it's not really a smash hit anymore. Those three months are the Long Tail.

What's truly revolutionary about the Long Tail these days is that it's being stretched out to greater and greater lengths via technology—and more explicitly, the Web. Let's go back to the hip hop song: In addition to airplay on FM radio, the track also is made available on music-download sites such as iTunes. Because these Web sites can maintain those songs indefinitely very cheaply and easily, the Long Tail can last years or even decades. Even if only a few hundred people download it every month or so after the rest of the public has forgotten about it, the musician's work hasn't just fallen down the memory hole into peniless obscurity. It continues to generate profits.



## WHAT THE LONG TAIL MEANS FOR YOU

The influence of this on IT is obvious to some extent. Clearly, the Long Tail has helped build an entirely new industry: e-commerce. Although companies such as Amazon and Netflix surely generate substantial revenues from popular new releases, they also make piles of money from out-of-print books, cult classics and other rarities that consumers can't find at most typical retailers. With the exception of the low overhead involved with not maintaining physical locations of business, this differentiates these enterprises from their brick-and-mortar competitors more than anything else.

However, unless you're working for an e-commerce firm, it might be hard to see exactly what all this has to do with you. But the answer is simple, really: It makes your skills and knowledge more valuable for a longer period of time. If you specialize in a legacy language or system, you can market your capabilities on the Web—via a personal site or blog—to the minority of companies that still use them in their IT environments.

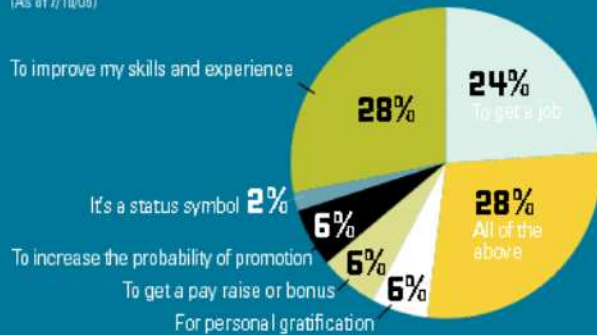
For instance, Microsoft recently announced that it was ending all support for its Windows '98 operating system. The company has other things, like its Vista OS and Office software suite, to worry about and can't afford to spend more of its time and money focusing on a product from its distant past (at least in terms of technology time spans) that few of its customers use anymore. Yet an enterprising IT pro with considerable experience with this OS could offer support to its remaining Long-Tail users through the Web, and probably make a good deal of money doing it in the years to come.

The conditions are right for techies to profit from the niche markets that large IT enterprises ignore or decide aren't lucrative enough to take part in. All they have to do is grab the Long Tail and let it pull them along.

## WEB POLL

What was your initial goal with earning certification(s)?

(As of 7/10/06)



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