

## Long Tail or Big Head?

By Charles Vallance, Founding Partner of VCCP [www.vccp.com](http://www.vccp.com)

We've all heard about Long Tail marketing; the concept that treats consumers as individuals with unique interest and needs, and why the future of business lies in selling more of less. We've all seen that YouTube clip on it. We've all been led to believe that the Long Tail is taking over. But is it?

Certainly, the long tail is good at publicising itself. As a user generated phenomenon it has to be. And certainly it's here to stay. Everyone these days is a publisher, many are journalists, quite a few are film makers. And the world is a far better place for the internet and the free din of ideas it has unleashed.

But, in a curious way, the phenomenon of the Long Tail has achieved the opposite of what many of its observers expected. If we took them at face value, we'd believe that we now live in a world of fragmented, super-nichified markets. Where scale doesn't count and all the old bets are off.

And yet in many ways the reverse has happened. Where once we had million of notices in the newsagent's window we now have e-Bay. Where once we had a plethora of reference tools, we now have Google. Where once we had record shops we now have iTunes. This is before we consider the sheer buying power of Amazon, Wal-Mart or Tesco or the colossal influence of Microsoft, Sky, Facebook or YouTube.

Seldom have there been bigger heads or shorter tails. Seldom have we seen markets so compressed and so concentrated. Seldom have we seen brands emerge from nowhere and span the world so quickly and so thoroughly.

Of course, if Chris Anderson (who first coined the phrase Long Tail) was reading this, he'd be quick to point out that there is no contradiction between the concentration of markets in the hands of the few and the growth of the Long Tail. Just because the tail gets longer it doesn't mean that the head gets smaller. As he put it, "the future of business lies in selling more of less", not necessarily that more businesses or brands will be required in the selling of more lessness.

As it turns out, the statistical distribution graph he made famous has predominantly powered fewer brands into more dominant positions. They either deal in lessness (think of Google's x million searches a day, or e-Bay's x million auctions) or have responded most successfully to the cultural repercussions of the Long Tail, making themselves better in terms of interface (think iPod), more personalise-able (think Nike ID), more experiential (think The O2), more controllable (think Sky).

Where scale of physical distribution used to be the key to success the distribution of the Long Tail is now just as valuable, and this has not escaped the notice of the "old" powerhouses. Expect to see more collaborations between the old and the new as pioneered by Coca-Cola and iTunes.

Above all, expect more and more successful brands to reflect the new realities created by the Long Tail and its attendant lessons;

- we must stop thinking about markets of millions and start thinking about millions of markets of one
- we must re-engineer our customer services and interfaces accordingly
- we must spend less time paddling around in the shallow end of the Long Tail and more time thinking about how we can compete at the deep end (with the big heads of this world)

I was at a Marketing Week Conference the other day and one of the speakers was mapping out the inevitable decline of the mid-market. He was talking about price, and he was right. He could also have been talking about scale, and he would have been even more right. In today's consumer markets there seem to be only three strategic options;

- stay very small
- stay very big or become very big
- stay small but as part of something very big

*This article was published in Marketing Week, 2007*