This is a post about content that I wish I had written. Props to Peter Kim for recognizing an emerging trend among content creators. They are giving up. They are narrowing their audience scope to where they can make money or have the most impact. Or, they are selling out. (See TechCrunch). Im not sure where I read it, but I believe Michael Arrington of TechCrunch said it was the exhaustion of the grind that led him to sell more than anything else.

Its the grind. Here we are years into social media. Blogging. Vertical Social Networks (see Ning). Content creators have been grinding it out chasing the ability to make a living and possibly put some money away for the better part of a decade with little or no success. Rather than continue to 6am to midnight grind, they are revamping or selling. You can't blame them. At some point every business has to become not only a labor of love, but one that can pay off your credit card dreams as well.

No one wants to live in the content ghetto forever. Below is an article I wrote 4 years ago. its as valid today in concept as it was back then.

## Is the Internet A Long Tail Ghetto?

Oct 28th 2006 5:38AM

Chris Anderson did a masterful job of identifying and defining The Long Tail back in 2004 in a Wired Article. What i havent seen yet is a definition of when content crosses over from being part of the long tail, and onto the Vert Ramp (The perfect term to steal from skateboarding).

I think trying to define where the Long Tail ends and the Vert Ramp begins is critical, because the fact of the matter is: **No Content Creator wants to be on the Long Tail**. Anyone who has ever created content realizes that there is a very thick bar a bit above the the base of the Vert Ramp that acts as a content ceiling (thanks to Oliver Luckett for the term), that they are desperately trying to break through in order to get off the long tail and on to the Vert Ramp.

The concept of the content ceiling recognizes that there is a hierarchy that each content creator tries to work their way up.

First content providers, whether podcasters, vloggers, bloggers, movie makers, writers, poets, whatever the content type make the decision of the creation of the content is about love or money. Is the goal of the finished product commercial, or purely personal?

If the goal is commercial, whether to make money directly or indirectly from the content, then the battle to fight through the Content Ceiling begins.

The bottom line is that people want to get paid for their work. Creators have a vision. They think there is something special about it, and they want to get rewarded for their effort. Its a simple goal in concept, but its incredibly difficult to achieve.

Very few commercial content creators aspire to get 10k aggregate views from all the videohosting sites. Very few bands are happy with having 10k free downloads, or even 10k friends on Myspace as their endgame. Very few commercial content creators aspire to see their creations end up on Community Access TV. All content creators recognize each of these as a way to create incremental demand for their content, in hopes of **breaking through the Content Ceiling**, but none of these will reward the content creator with direct revenue. For content creators trying to make a living from their work, they all just represent the Long Tail Ghetto.

The first step towards the Vert Ramp and up the hierarchy is to get paid. More and more sites like <u>Revver</u> are creating opportunities for video creators to make money, just as sites like <u>WeedShare.com</u> and <u>CDBaby.com</u> have been doing for music for years. The reality however, is that very few make minimum wage for their work.

If a content creator gets paid for his/her work, that by itself pulls them out of the longtail of the longtail. Thats how difficult it is.

The next step up the hierarchy comes from breaking out at least once. You got paid enough for your work to think you or your company have a chance to create content full time. It may be a one time reward, or just the first of many rewards. But as long as its just one so far, you are still in the long tail. Still underneath the content ceiling looking up at the Vert Ramp, but at least you lost your financial virginity.

Its for those that have gotten paid that the content ceiling really becomes an issue. At this point, the content creator has had a taste of some level of success and the pressure is on not only to recreate that success in some manner, but also to gain financially from it. **Are you a 1 hit wonder, or a meal ticket?** 

At this point, in order to fight through the content ceiling almost all content creators look to Big Money for help. Big Money is/are all the people and companies that control distribution and have big bank accounts. They are the people who can elevate the content creators from fearing their lights will be off when they get home, to buying a new house.

For all the talk of the internet changing distribution, the reality is that in order to break through the Content Ceiling and to climb the Vert Ramp, 99.9 pct of content creators are going to do need OPM (Other Peoples Money). The internet alone is not going to get the job done. You can put your content everywhere and anywhere the net allows you to be hosted, but for most people the amount of revenues for that content you had before you started the hosting process will be the exact same as what you have after the hosting process.

This is exactly why media celebrates when someone is discovered on Youtube, or when a contest winner is given a budget to produce a broadband show, or possibly even a TV show for a cable network. They broke out from poverty to primetime. This is exactly why they said yes to production deals and financing. They know that they cant break through the content ceiling without the help. Revver and its peers are working hard to change this, but its far from there.

Its not that signing a deal with a Big Money company guarantees that you will sell enough of your content to break onto the VertRamp. It certainly doesnt. There are plenty of failures with Big Money behind them. However, regardless of content type, if Big Money invests enough of their money and distribution, you chances of being on the VertRamp have increased exponentially.

If you do a deal with Big Money, AND your content sells enough to be on the Vert Ramp of content sales in your genre, you have broken through the content ceiling. The chances are very good that BigMoney will want to work with you again. They have made money from their investment in you. Success breeds success. They will probably come back to you and give you another shot to stay above the content ceiling and climb higher up the Vert Ramp

Once you as a creator have broken through the content ceiling and are on the Vert Ramp, the rules of the game get interesting. In fact, the success of your work, is far more dependeng on Big Money than it is on you. The further up the ramp (unless you reach the very top), the less influence you have in the success of your content. The competition on the Vert Ramp is cut throat. Big Money vs Big Money with enormous stakes. They dont want your help. They want to be Big Money and do what Big Money does. They try to make as much money as possible.

Every Big Money company wants everyone of their products to reach the very top of the Vert Ramp. To be #1 in sales, ratings, viewers, whatever their critical metric is. This is an important definition at this point in time. With all the discussion of the value of views and listens on the internet, it raises the question of just how valuable is a view or listen to a product/company with a product on the Vert Ramp.

The first distinction that needs to be made is a view/listen that Big Money creates versus one that a user creates for Big Money content. Big Money created views/listens are controlled to the liking of Big Money. You only see or hear what they want you to see or hear. So we dont have to identify value there. They do that internally before the content is posted.

User Created uploads of Big Money content, infringing content a user uploads content that belongs to someone else on to a hosting site for open consumption is a different story.

A lot of people feel that user uploads of infringing content is always a good thing. its new or incremental viewership. Its a new fan for a TV show. Its possibly a revenue share o

f advertising. All would seem to be positive. However they are not always positive.

A revenue share might seem great, until you realize that the videohost selling advertising around The Daily Show is competing with the Comedy Central sales force that is selling ads on the TV show, in the cable VOD, on the ComedyCentral.com website, on the mobile distribution of the show, etc., etc. It may also be competing for viewers, with the revenue per user from their website split being lower than what they earn for ads on the TV show itself.

This is a simple example. You can find examples of how it helps and how it hurts for any piece of infringing content. But the real question is; At what point does the copyright owner, usually Big Money, step in and say that they dont want their content being uploaded by users? Here is a way to get an idea when.

I think there is a correlation between the Vert Ramp and the value of "views" on video hosting sites, or listens on illegal download sites. In fact they are inversions of each other.

Each company has an expectation of where their content will fall on the Vert Ramp. They have a point they consider failure. They have a point they consider break even. They have a point they consider good, not great. They have a point where its a success. Each is a higher and higher point up the Vert Ramp.

If we were to graph that point on the Vert Ramp, the higher up the Vert Ramp the performance is, the less value there is to views of infringing uploaded content. In addition, the higher up the Vert Ramp the performance is, the more likely BIg Money will go after the infringer or host to take down the infringing content. The reason is obvious. The more successful the content, the more confidence Big Money has in its ability to optimize the value of the content to their organization.

The more control Big Money wants over every aspect of the content. Infringing content creates risk to them that can negatively impact value (an exclusive interview on a super popular syndicated talk show that airs at different times around the country). Its not that they always will. Maybe Fox likes the idea of American Idol videos around the net. I dont know. But i do know that they likelihood that they will have questioned it is much higher than say from the producers of a tv show that is underperforming or at risk of cancellation. The more expectations of performance are achieved, the less value a view or listen online is.

On the flipside of course, the lower on the Vert Ramp, the more value of every listen or view. Big Money content that is not meeting expectations lets users do whatever they want with their content in hopes of increasing their metrics past the failure, then break even points. So it wont be unusual to see one company allow content from one show to slide under the radar in terms of copyright violation, while pumping out takedown notices for another show.

I think its an interesting discussion. What is the long tail. What happens when content gets off. What happens to the people who are on it. what is the impact of the internet. Is the only way out of the Internet Long Tail ghetto to work with Big Money?

Time will tell.