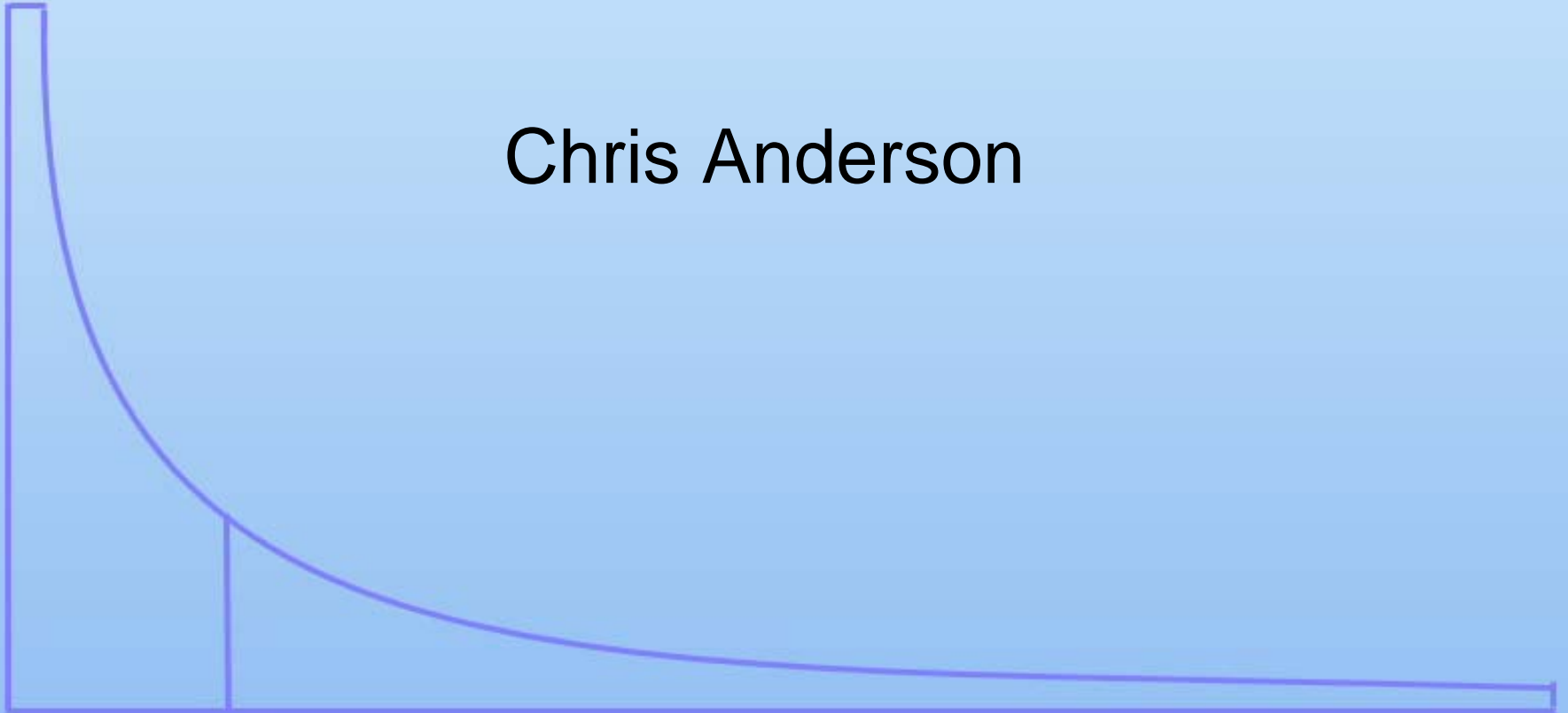
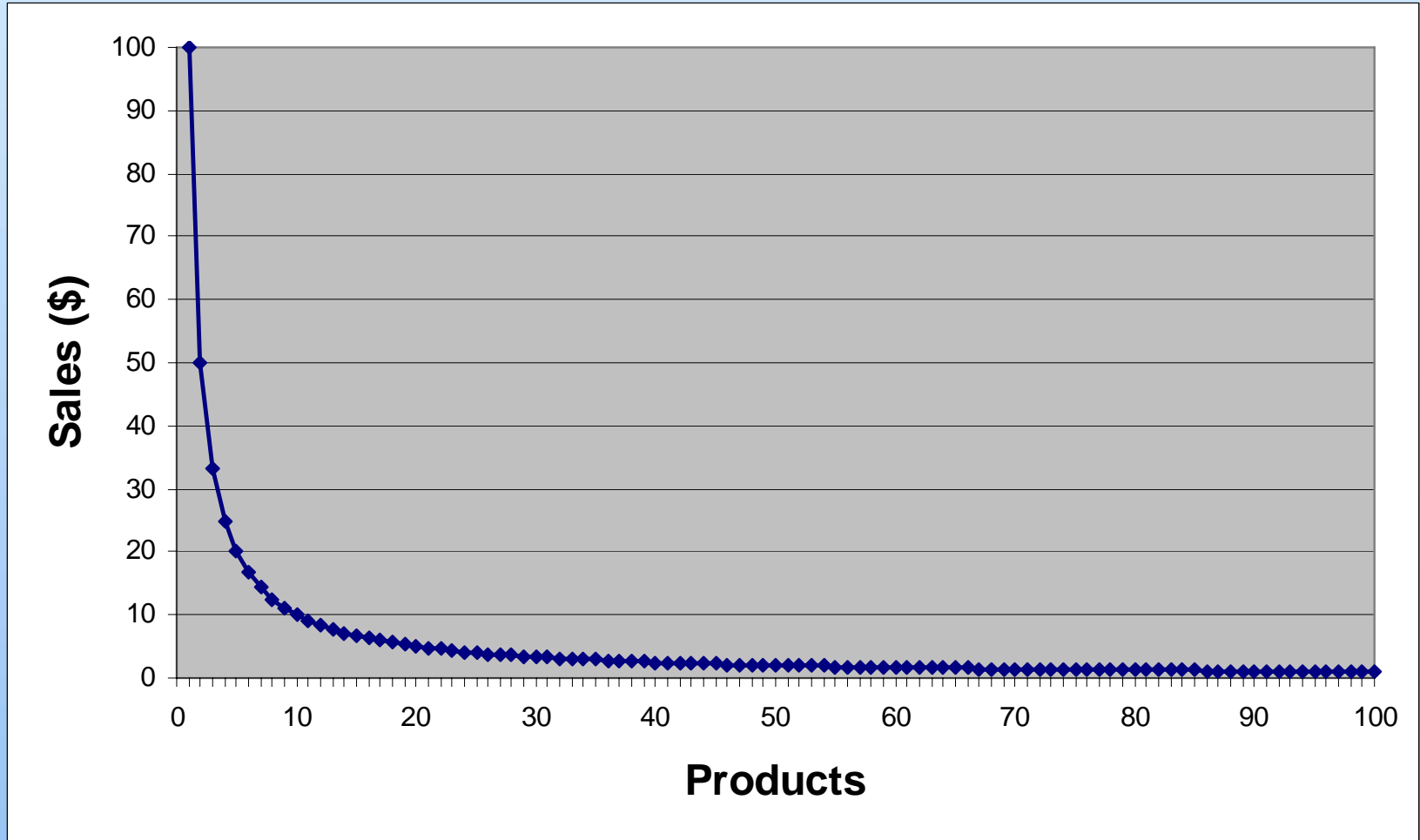


Does More Choice Mean More Sales?

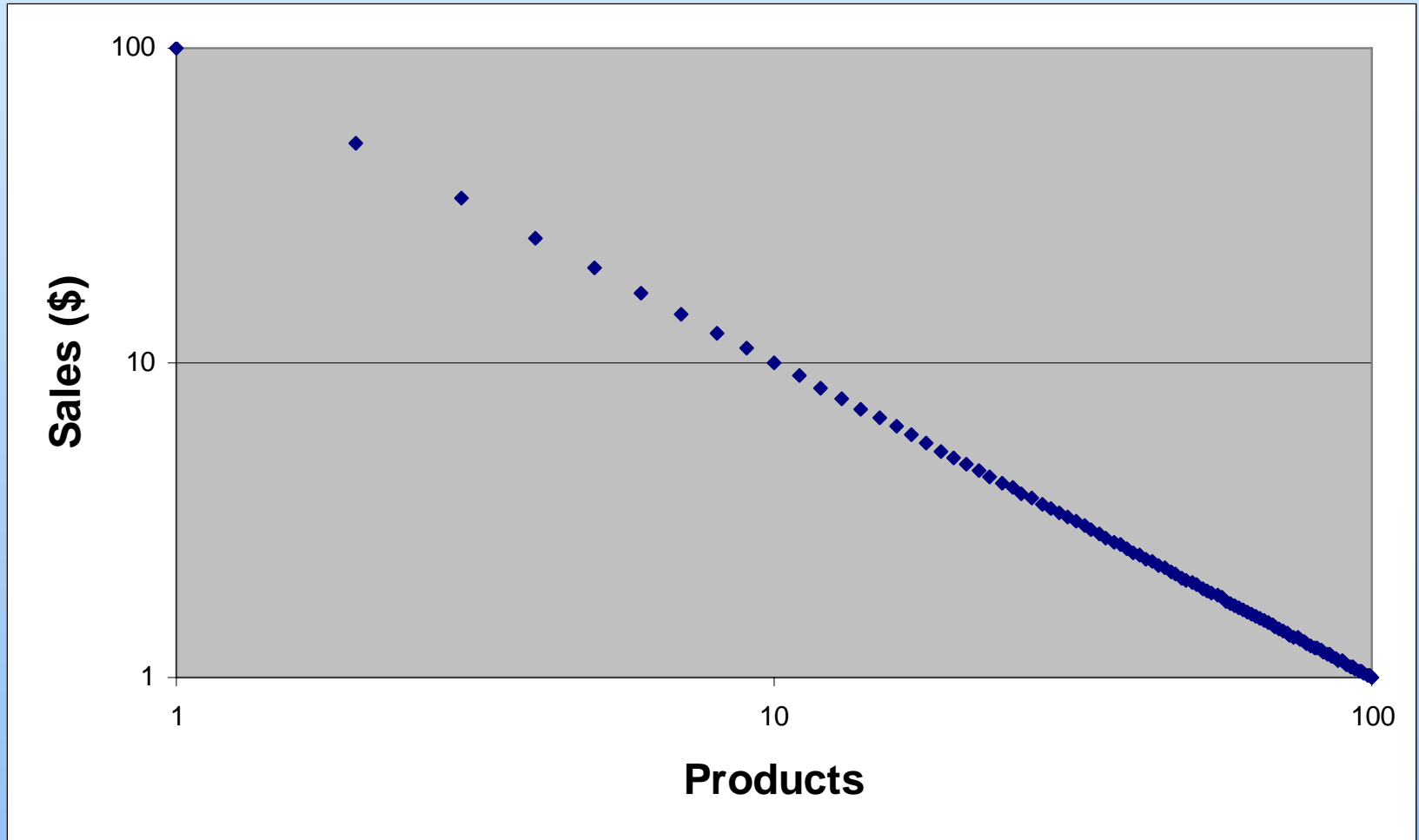
Chris Anderson



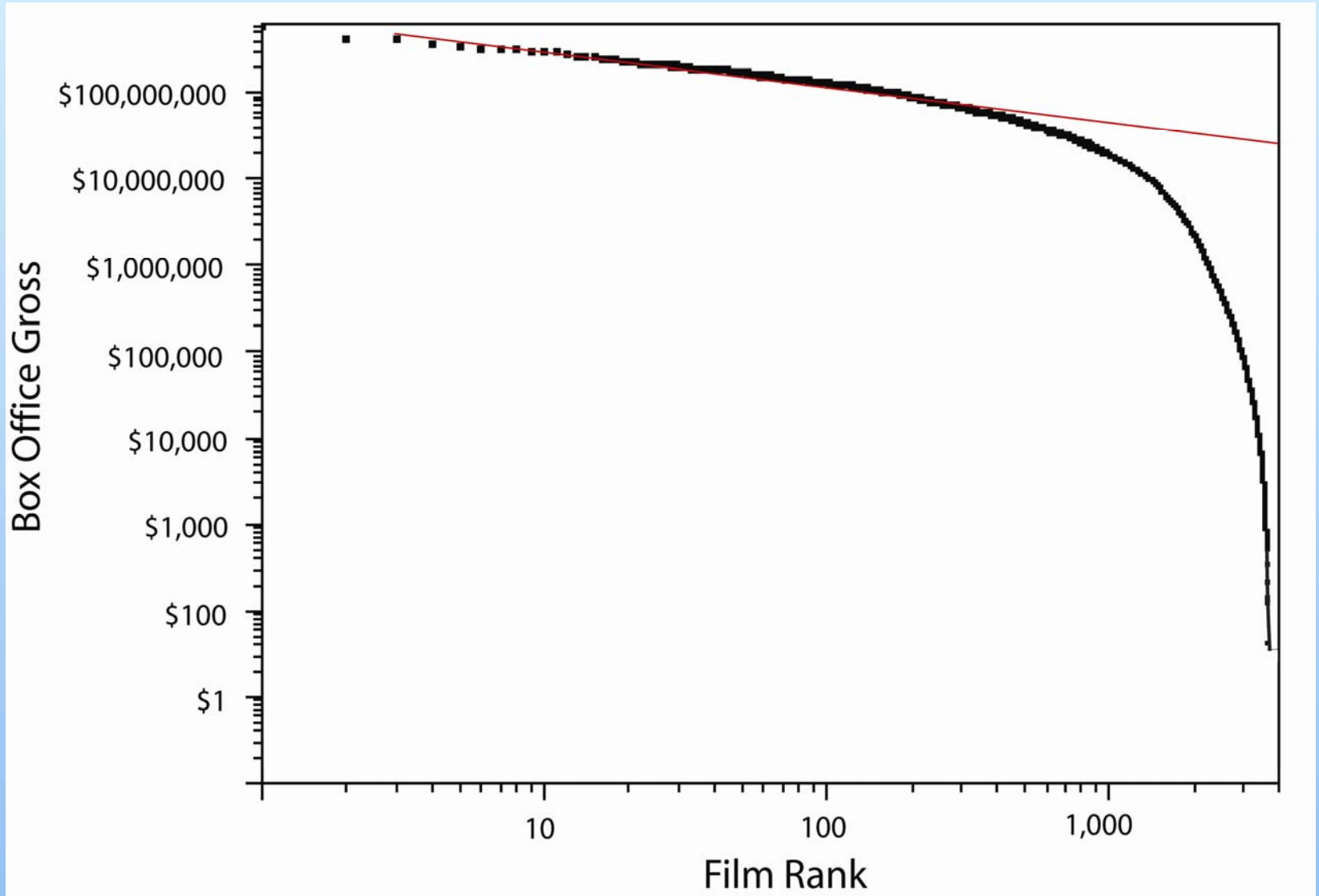
First, a powerlaw



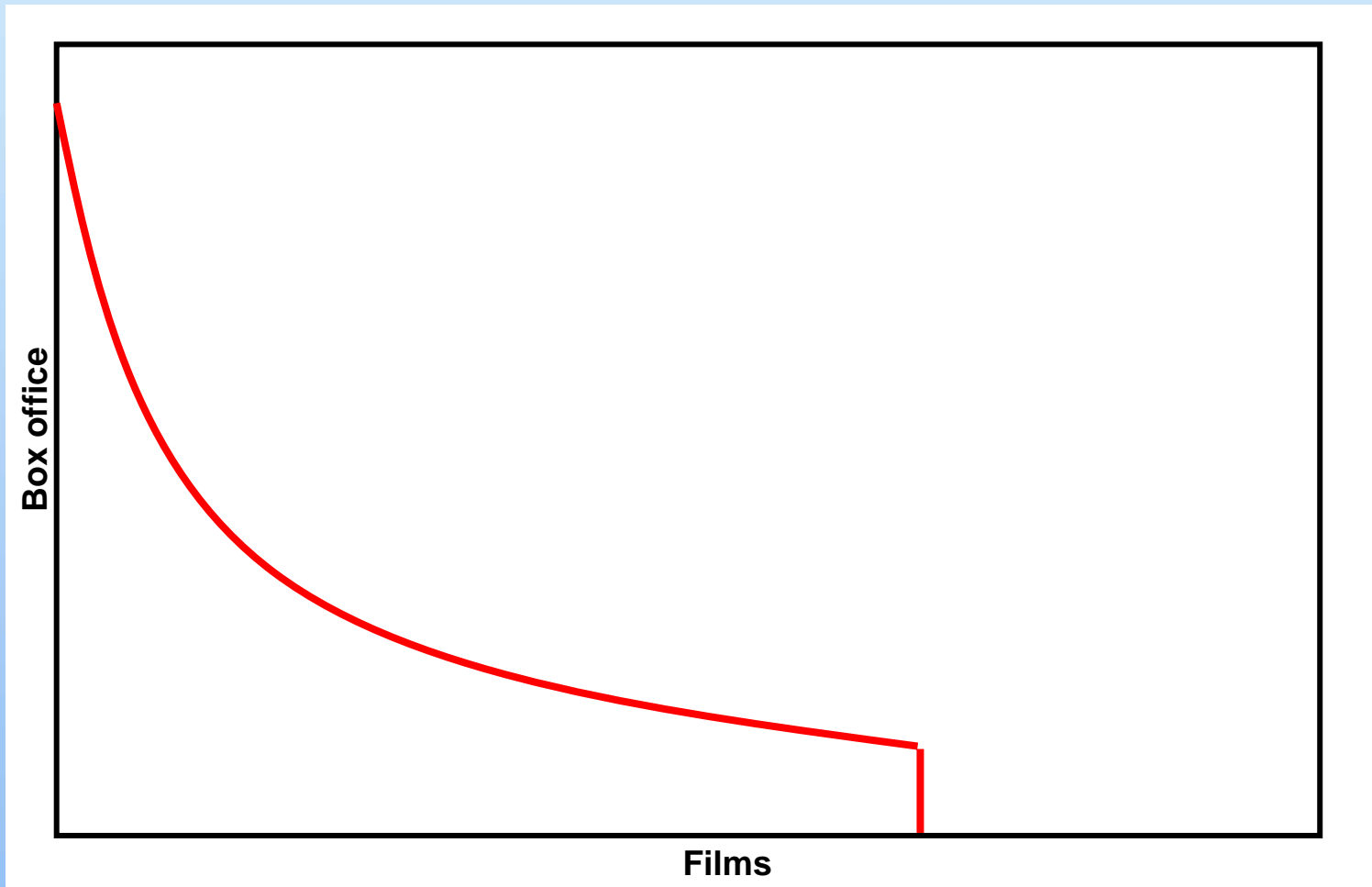
Shown another way



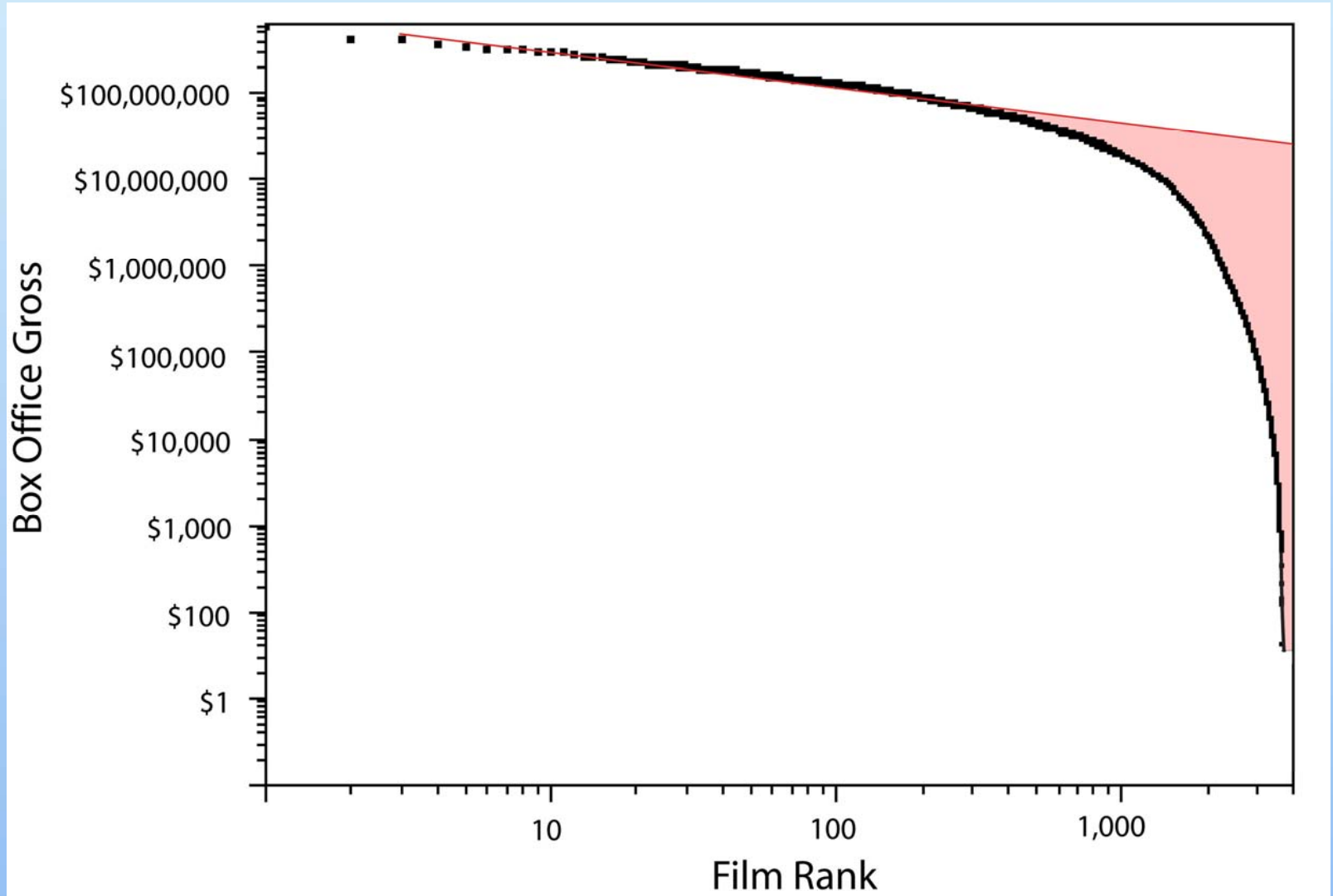
WTF?



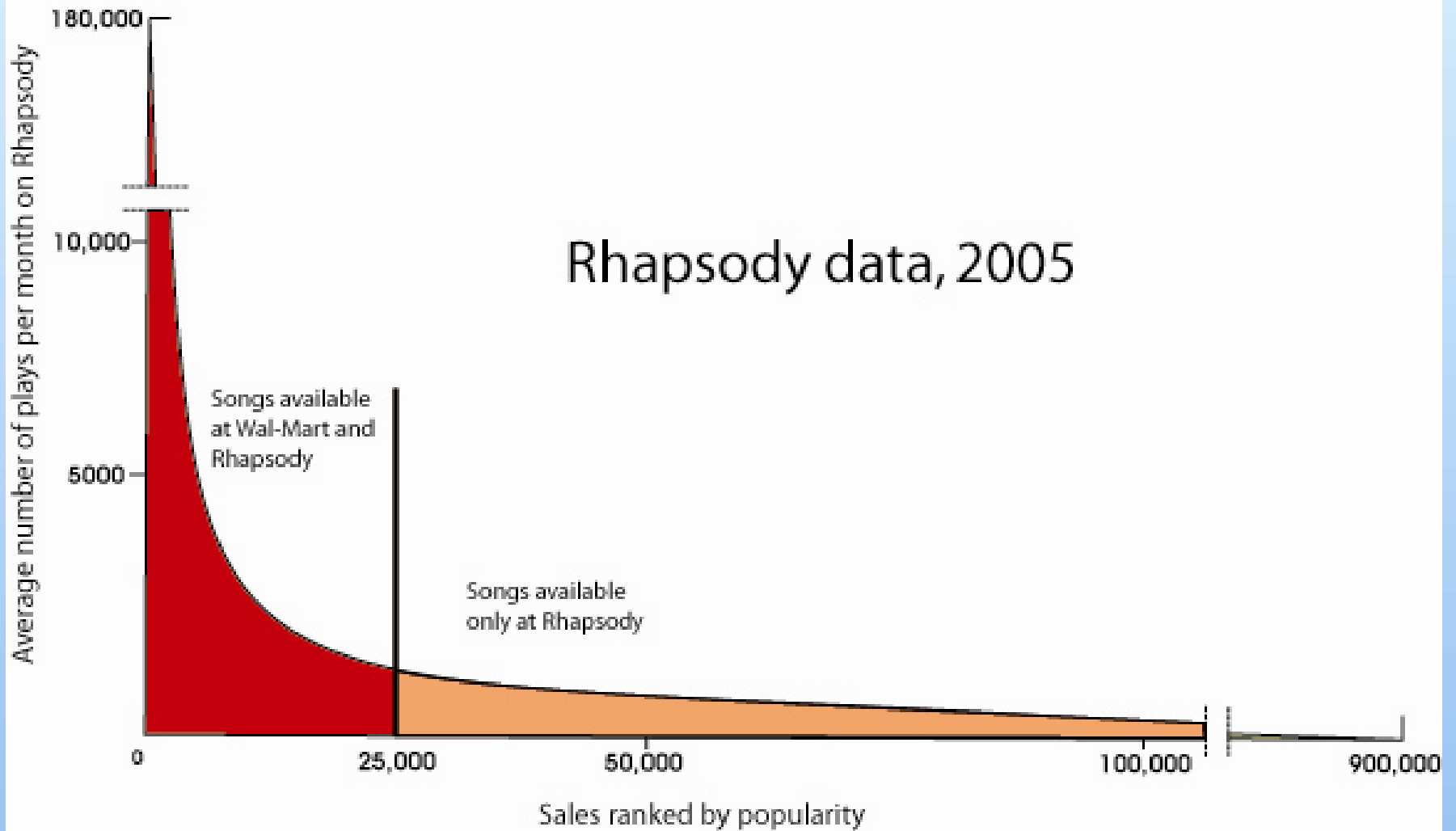
Savagely truncated



The Missing Market



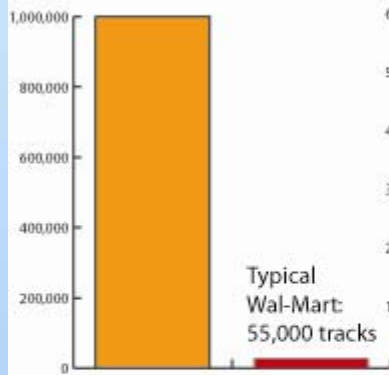
Rhapsody data, 2005



The New Growth Market: Products you can't find anywhere but online

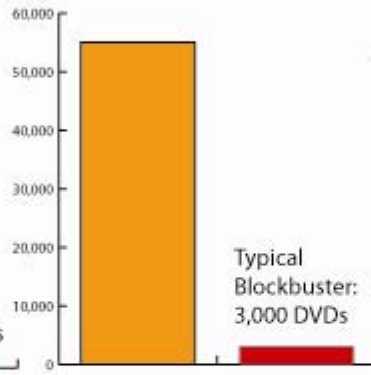
Rhapsody

Total inventory:
1.2 million tracks



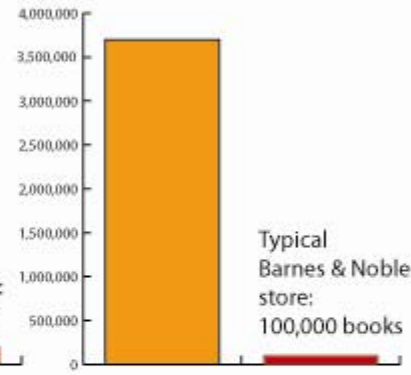
Netflix

Total inventory:
55,000 DVDs

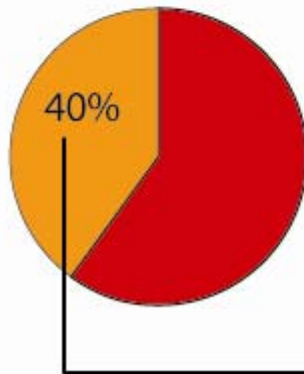


Amazon

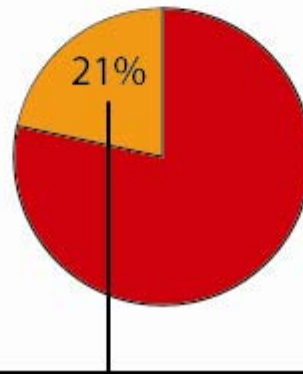
Total inventory:
3.7 million book titles



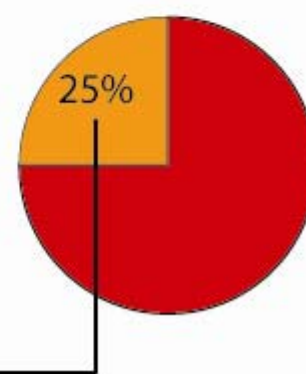
Total sales



Total sales



Total sales



Products not available in offline retail stores

Does more choice mean more sales?

Barry Schwartz: *The Paradox of Choice*

- Too much choice is oppressive
- It requires thought, expertise
- The more choices, the less satisfaction with the ultimate selection

“Jam”

Why Schwartz is wrong

Filters

The tyranny of choice



The liberation of choice







amazon.com | Chris's Store | Gourmet Food | See All 32 Product Categories | Your Account | Cart | Wish List | Help |

Browse Products | Top Sellers | Gifts | Chocolate | Coffee & Tea | Meat | Seafood | Wine

Search

1 - 24 of 1272 results in: [Categories](#) > "jam"

Sort by:

		
<p>Wild Chokecherry Jam-Preserves (NOT Jelly!) giant 19 oz jar \$8.95 \$4.95 Show only Whetstone Valley Preserves items</p>	<p>Wild Huckleberry Jam, 16oz \$12.75 Show only Taste the Wilderness! items</p>	<p>Tiptree Little Scarlet Strawberry Preserve \$15.99 Show only Tiptree items</p>
		
<p>3 Jar Gift Pack - Tomato Preserves \$16.99 Show only Catocin Kettle Korn items</p>	<p>Bonne Maman Strawberry Preserves, 13 oz \$2.99 Show only Bonne Maman items</p>	<p>Hard-to-find Gourmet - Rose Petals Preserve \$5.89 Show only Indulgence items</p>

Two steps of abundance

1990: Explosion of variety of products.

Now: Explosion of information *about* products.

You need both.

(The jam researchers agree!)

Academic work (such as it is)

- Ice cream
- Movie screens
- Mall shops

All “small n”.

The Long Tail is “Big N”.

Isn't the Long Tail full of crap?

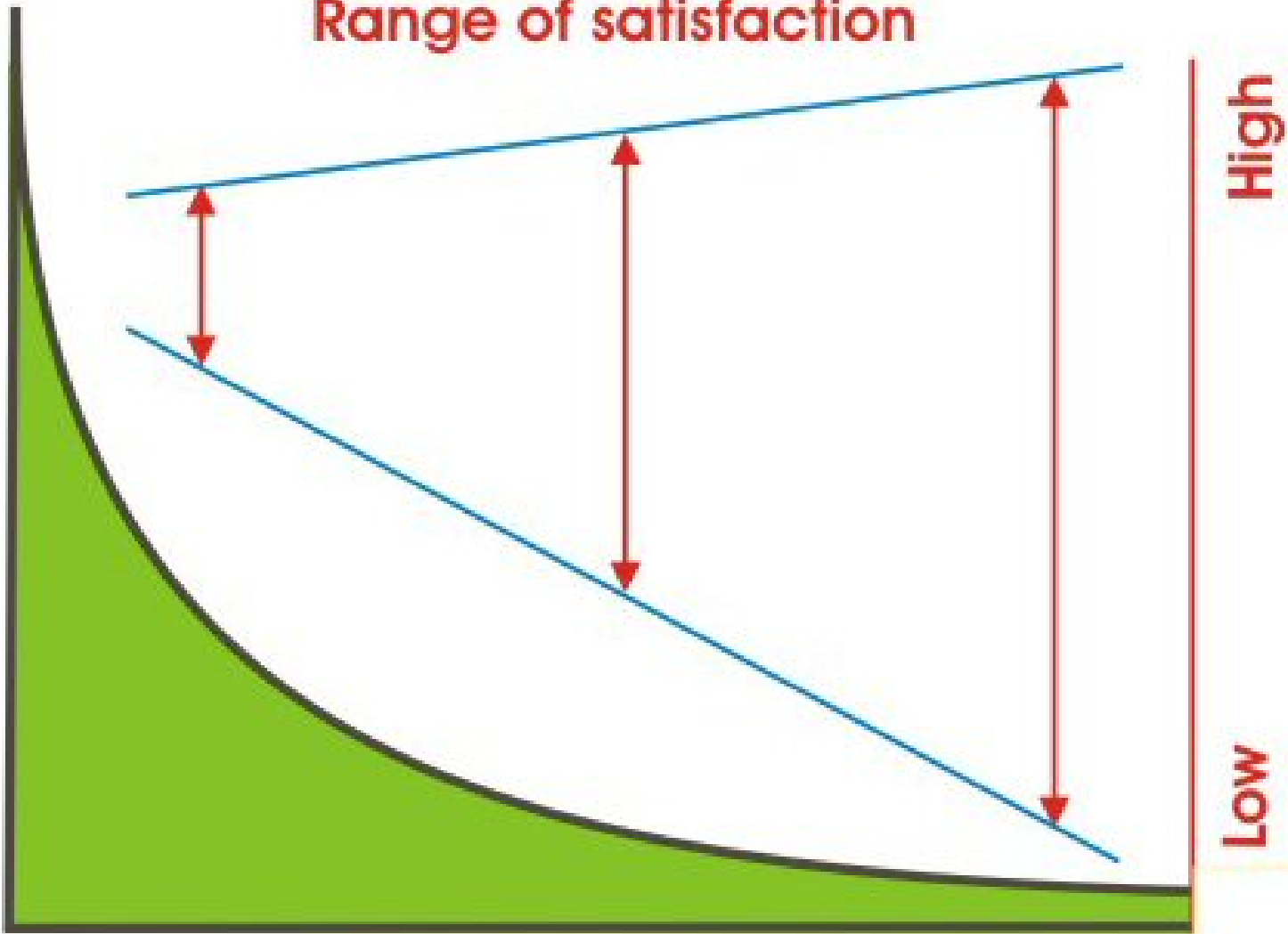
Yes.

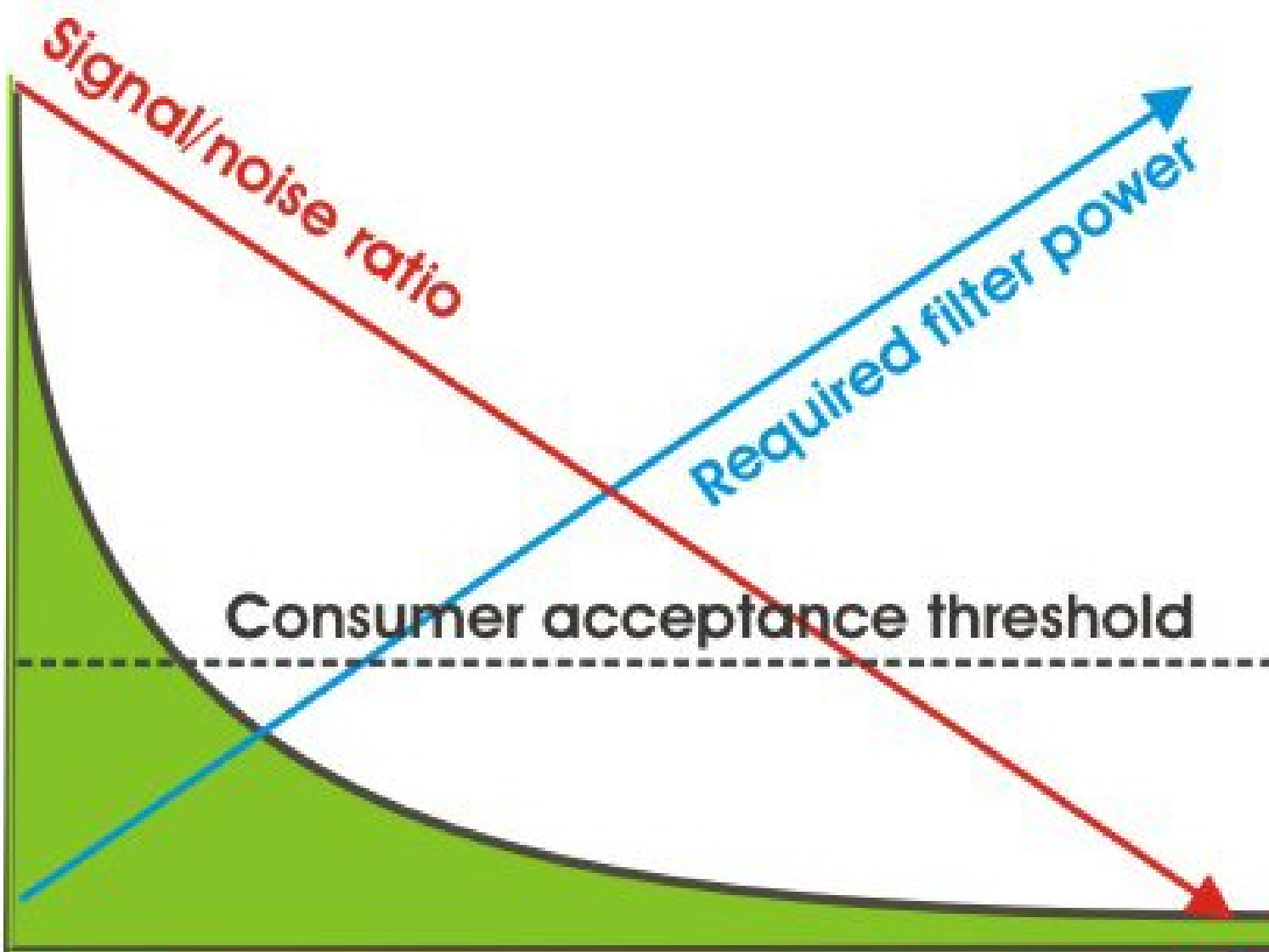
But so is everything else.

Sturgeons Law:

“Ninety percent of everything is crud”

Range of satisfaction

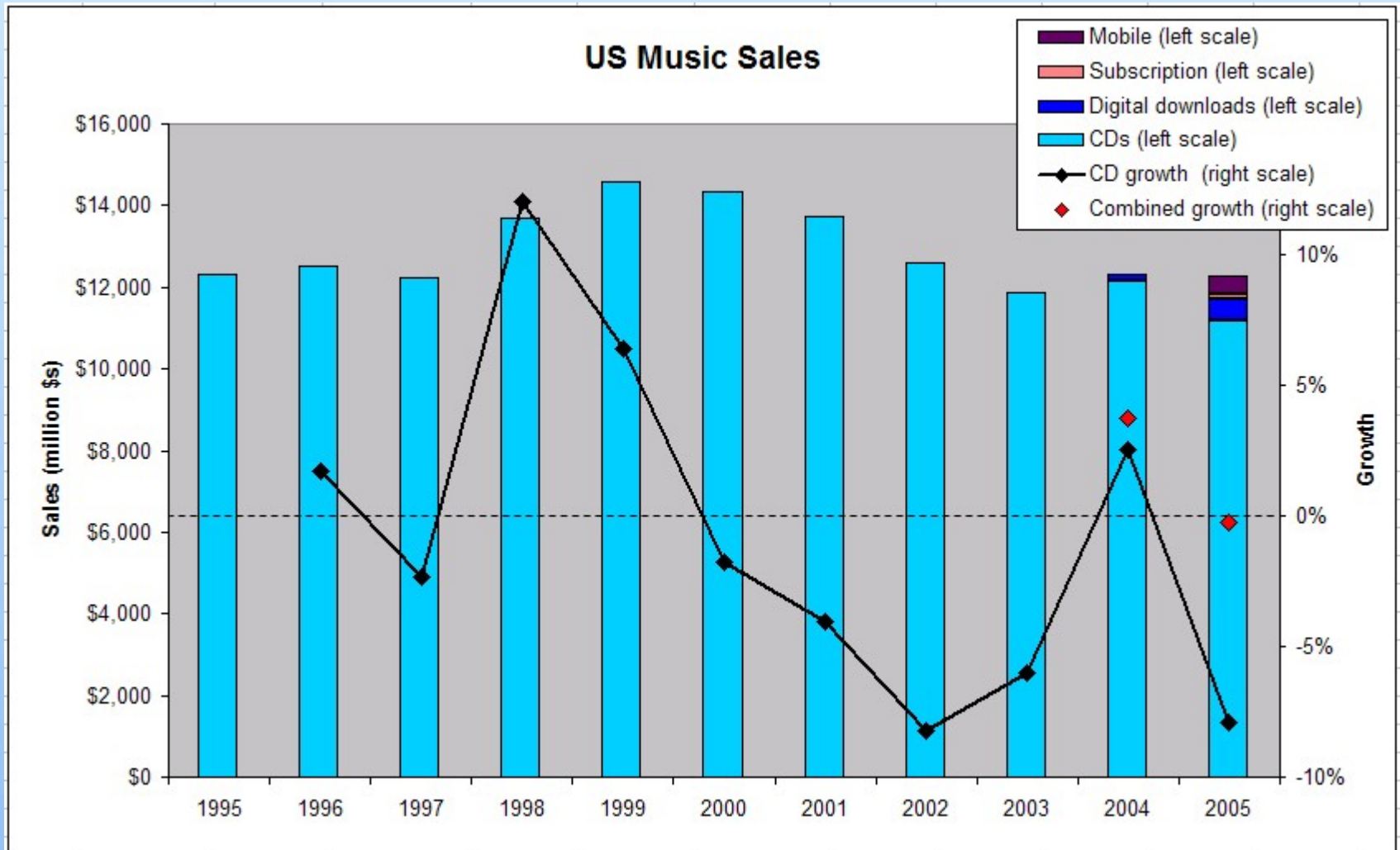




Technology can expand consumption

- iPod takes music into entire day
- Video iPod takes video into a commute
- Portable game players extend game time
- Web promotes voracious reading
- DVR owners watch more TV

Music



DVDs

“Netflix subscribers say they rent twice as many DVDs as they did before joining the service”

60,000 DVDs in 200 genres; 95% are rented at least once every three months

But what about books?

More choice

+

Better filters/search

=

Greater satisfaction

=

Greater sales

Evidence?

Growth drivers

- Niche titles online (~25% of sales)
- Used books (double-digit growth)
- POD/Self-publishing (double-digit growth)

Meanwhile...

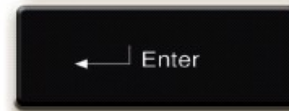
- Bookstores more than keeping up with GDP

In bookstores on
July 11th

Blog:
thelongtail.com

How Endless Choice Is Creating Unlimited Demand

The Long Tail



Why the Future of Business
Is Selling Less of More

CHRIS ANDERSON

"Anderson's insights influence Google's strategic thinking in a profound way.

READ THIS BRILLIANT AND TIMELY BOOK."

—ERIC SCHMIDT, CEO, GOOGLE