



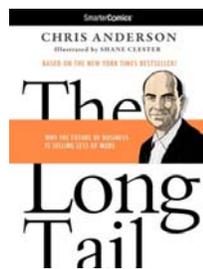
FINAL EXAM

Course # 571006 The Long Tail

based on the book:

The Long Tail

by: Chris Anderson (2008)



12 CPE Credit Hours
Communication & Sales

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This exam sheet is made available for your convenience in answering questions while offline. Please note that you will still need to enter your answers on the online exam sheet for grading. Instructions are provided at the end of this document.

Chapter 1 - The Long Tail

1. The tracking of top seller lists is a national obsession. Our culture is a massive popularity contest.

True

False

2. Every year network TV loses more of its audience to hundreds of niche cable channels.

True

False

3. The main effect of all this connectivity is

laziness

growth

unlimited and unfiltered access to culture and content of all sorts, from the mainstream to the farthest fringe of the underground.

confusion

4. From Ben's perspective, the cultural landscape is a limited continuum from high to low, with commercial and amateur content competing equally for his attention. He simply doesn't distinguish between mainstream hits and underground niches -- he picks what he likes from an infinite menu where Hollywood movies and player created video game stunt videos are listed side by side.

True

False

5. TV shows were more popular in the seventies than they are now not because they were better, but because we had fewer alternatives to compete for our screen attention.

True

False

6. The hits now compete with an infinite number of niche markets, of any size. And consumers are increasingly favoring the one with the most choice. The era of one size fits all is ending, and in its place is something new, a market of multitudes.

True

False

7. The simple picture of a few hits that mattered and the everything else that didn't is now becoming a confusing mosaic of a million mini-markets and micro stars. Increasingly, the market is turning into a mass of niches.

True

False

8. The Long Tail was published in Wired in

October of 2004

October of 2005

October of 2006

October of 2007

9. The three main observations noted upon the publication of The Long Tail in Wired, is all that listed below, except:

None of those mentioned below

the tail of available variety is far longer than we realize

its now within reach economically

all those niches, when aggregated, can make up a significant market-- seemed indisputable, especially backed up with heretofore unforeseen data.

10. What people intuitively grasped was that new efficiencies in distribution, manufacturing, and marketing were changing the definition of what was commercially viable across the board. The best way to describe these forces is that

they are causing loses at a faster pace

they are causing confusion due to the limitless choices

they are turning unprofitable consumers, products and markets into profitable ones.

none of the above

11. By combining infinite shelf space with real time information about buying trends and public opinion, they created the Touching the Void phenomenon. The result: rising demand for an obscure book.

True

False

12. The curse of traditional retail is the need to find foreign audiences.

True

False

13. The curse of broadcast technologies is that they profligate users of limited resources. The result is yet another instance of having to aggregated large audiences in one geographic area-another high bar above which only a fraction of potential content rises.

True

False

14. By overcoming limitations of geography and scale, companies like Google and eBay have not only expanded existing markets, but more important, they've also discovered new ones. Moreover in each case these new markets that lie outside the reach of the physical retailer have proven to be far bigger than anyone expected- and they're only getting bigger.

True

False

15. Companies like Google and eBay offered more and more (simply because they could), they found that demand actually followed supply. The act of vastly increasing choice seemed to unlock demand for that choice. Whether it was latent demand for niche goods that was already there or the creation of a new demand, we don't know yet.

True

False

16. When you can dramatically lower costs of connecting supply and demand, its changes not just the numbers, but the entire nature of the market. This is not just a quantitative change, but a qualitative one, too. Bringing niches within reach reveals latent demand for non-commercial content. Then, as demand shifts toward 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.

True

False

Chapter 2 - The Rise and Fall of the Hit

17. What caused a generation of the industry's best customers - fans in their teens and twenties- to abandon the record store?

Mashups

piracy

peer to peer file trading networks

social networking

18. In this book, Mashups were discussed and defined as

web pages customized for each customer and each visit

is a web page or application that combines data or functionality from two or more external sources to create a new service

playing a track from one artist over a track from another artist

low mass, subatomic particles that fly through planets like bullets through tissue paper

Chapter 3 - A Short History of the Long Tail

19. The 1897 Sears Wish Book contained _____ pages of everything under the sun at prices that can hardly be believed.

785

786

787

788

20. Automated Collect Calling was also known as

interstate inward WATS (Wide Area Telephone Service)

interstate inward WATS (Wide Area Telegram Service)

interstate inward WATS (Wide Area Television Service)

interstate inward WATS (Wide Area Telethon Service)

21. The limited shelf space of the Web retail allows them to offer their customers more variety and convenience, cementing brand loyalty with existing customers and extending it to new ones who may or may not be a physical store.

True

False

Chapter 4 - The Three Forces of the Long Tail

22. The Theory of the Long Tail can be boiled down to this: Our culture and economy are increasingly shifting away from 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. In an era without the constraints of physical shelf space and other bottlenecks of distribution, narrowly targeted goods and services can be as economically attractive as mainstream fare.

True

False

23. The true shape of demand is revealed only when consumers are offered a choice. It is the aggregate sales, use or other participation of all those people in the newly available niches that turns the massive expansion of choice into an economic cultural force. The Long Tail starts with a million niches, but it isn't meaningful until those niches are populated by people

who want them.

True

False

24. In economics , search costs refer to anything that gets in the way of finding what you want. Some of those costs are non-monetary, such as wasted time, hassle, wrong turns and confusion. Other costs actually have a dollar figure, such as mistaken purchases or paying too much for something because you couldn't find a cheaper alternative. Anything that makes it easier for you to find what you want at the price you want lowers your search cost.

True

False

25. Sellers also act as guides individually when they post user reviews or blogs about their likes and dislikes. Because it is now easy to tap this grassroots information when you're looking for something new, you're more likely to find what you want faster than ever. That has the economic effect of encouraging you to search farther outside the world you already know, which drives demand down the niches.

True

False

26. The ability to tap the distributed intelligence of millions of consumers to match people with the stuff that suits them best is leading to the rise of all sorts of new recommendation and marketing methods, essentially serving as new taskmasters.

True

False

Chapter 5 - The New Producers

27. It is when the tools of production are transparent that we are inspired to create. When people understand how great work is made, they're more likely to want to do it themselves.

True

False

28. The true miracle of Wikipedia is that this open system of amateur user contributions and edits doesn't simply collapse into anarchy. Instead, it has somehow self organized the most comprehensive encyclopedia in history. Reversing entropy's arrow, Jimmy Wales catalytic moment-putting up a few initial entries and a mechanism for others to add to them- has actually created order from chaos.

True

False

Chapter 6 - The New Markets

29. The typical used-book store's access to secondhand books is limited to whomever happens to be local and selling volumes from his or her own collection. As a result, the selection of these stores tends to be pretty random, reflecting the taste of the proprietor and the luck of the catch rather than any comprehensive slice of the book market. For patron's of used book store, this randomness is part of the appeal, providing a serendipitous sense of exploration and discovery. But if you are looking for a particular book, that process of cruising around the store and browsing the shelves can be unrewarding.

True

False

30. In economic terms, what makes the textbook market work is ample liquidity. There are so many sellers and so many buyers of a relatively small set of traded commodities that the odds of finding what you want at the right price are excellent. By contrast, what ailed the non-academic used-book market was poor liquidity- not enough sellers and buyers of an unbounded set of commodities. The result of too many products and not enough players was that the odds of finding what you want are poor. Thus, most buyers simply never consider a used-book store when they're shopping for something specific.

True

False

31. The root cause of the Long Tail : The lower the costs of selling, the more you can sell. As such, aggregators are a manifestation of the second force, democratizing distribution. They all lower the barrier to the market entry allowing more and more things to cross that bar and get that out

there to find their audience.

True

False

Chapter 7 - The New Tastemakers

32. A music label exists primarily to fulfill four functions, one of them being talent scouting and the rest below, except:

financing

litigating

distribution

marketing

33. One of the consequences of living in a hit-driven culture is that we tend to assume that hits are a far bigger share of the market than they really are. Instead they are the rare exception. This is what Nassim Tale calls the "Black Swan Problem."

True

False

34. Power law distribution is a term

for a curve where a small number of things occur with high amplitude and a large number of things with low amplitude. A few things sell a lot and a few things sell a little.

for a line where a small number of things occur with high amplitude and a large number of things with low amplitude. A few things sell a lot and a few things sell a little.

for a curve where a big number of things occur with high amplitude and a large number of things with low amplitude. A few things sell a lot and a few things sell a little.

for a curve where a small number of things occur with low amplitude and a large number of things with low amplitude. A few things sell a lot and a few things sell a

little.

35. As such, in Long Tail markets , the role of filters then shifts from gatekeepers to advisor. Rather than predicting taste, post filters such as Google measure it. Rather than lumping consumers into predetermined demographic and psychographic categories, post filters such as Netflix's customer recommendations treat them like individuals who reveal their likes and dislikes through their behavior.

True

False

Chapter 8 - Long Tail Economics

36. Who was the Italian polymath, who, in 1897, studied patterns of wealth and income in nineteenth-century England?

Robin Bechtel

Vilfredo Pareto

Mark Benoif

David Gottlieb

37. The best manifestation of Pareto/Zipf distributions is the

The Informational Theory

Law of the Vital Few

80/20 Rule

The Long Tail Theory

38. The 80/20 Rule is chronically misunderstood, for three reasons except :

Its almost never exactly 80/20

None of these

The 80 and the 20 are percentages of different things, and thus don't need to equal 100.

People use it to describe different phenomena.

39. All below are three aspects of the Long Tail that have the effect of shifting the demand down the tail, from hits to niches, except:

The availability of greater variety

Lower "search costs" of finding what you want, which range from actual search recommendation and other features.

Sampling, from the ability to hear thirty seconds of a song for free to the ability to read a portion of a book online.

None of the above

40. There are several ways to try to quantify the three aspects of the Long Tail that have the effect of shifting demand down the tail, from hits to niches, except:

watch out for any significant changes on the economy and strategize from it

compare a market that that offers relatively limited variety with one that offers much variety of the same sort of products.

Track a Long Tail aggregator/retailer over time, watching what happens as inventory grows.

Just look at the effect of lowered search costs online, making an apples to apples comparison with a similar offline inventory.

Chapter 9 - The Short Head

41. 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.

True

False

42. The reason MP3.com's model didn't succeed and the iTunes model- which is less oriented toward independent musicians- did is

that iTunes began by making deals with minor record labels, which gave it a critical mass of mainstream music.

that iTunes began by making deals with major record labels, which gave it a critical mass of mainstream music.

that iTunes began by making deals with major record labels, which gave it a critical mass of segmented music.

that iTunes began by making deals with major record labels, which gave it a uncritical mass of mainstream music.

43. Retail rules of thumb dictate that for every square foot of floor space used for shelves, you need another two to three square feet of aisle, checkout and common space.

True

False

44. In the realm of film and television, "shelved" means

cancelled

delayed

postponed

All of the above

45. The overwhelming reality of our online age is that everything can be available.

True

False

Chapter 10 - The Paradise of Choice

46. Most of the information that online retailers use to order massive variety and make choice easy are : popularity, comparative prices, and

reviews

surveys

advertisements

none of the above

Chapter 11 - Niche Culture

47. House music producers also rely on open access product strategies. In contrast to record labels that spend more and more time on litigation to enforce copyright infringement, house music producers (and underground producers in general) have long realized that opening up their goods to being remixed and tweaked has beneficial economic consequences.

True

False

Chapter 12 - The Infinite Screen

48. The advent of video rentals essentially placed thousands of movies on offer in every living room on every night. The result was a transition from pushed media (whether pushed onto the airwaves or into the local theatres) to pulled media.

True

False

49. Studios were horrified when they realized that a family of five that paid \$20 to see ET: The Extraterrestrial in the theatre would never drop \$20 on ET rentals. What they missed was twofold: First, Most obviously, the aggregate amount of time and money that a family would direct toward movies was primed to explode when the family could access any movie they wanted, rather than whatever was being marketed that month; and less obviously, they neglected to consider that the total amount of money in ET could draw might similarly explode as the film started reaching the unknown millions who would not pay \$20 to see ET but might pay, say, \$2.95.

True

False

Chapter 13 - Beyond Entertainment

50. Mark Benoit, owned which company?

Wikipedia

Bn.com

Salesforce.com

Sears

51. The CEO of Google is

Jimmy Wales

Eric Schmidt

Richard Weatherford

Chris Anderson

52. Google provides tools to customize and test ads to achieve the highest "click through". Clickthroughs are:

when a customer clicks on the ad and goes to the advertiser's site

when a customer clicks on the ad

goes to the advertiser's site

None of the above

Chapter 14 - Long Tail Rules

53. Users who happily do for free what companies would otherwise have to pay employees to do is not "outsourcing" , but is

crowdsourcing

networking

group activities

socializing

54. Micro chunking is

when content is separated into component parts so that people can consume it the way they want, as well as remix it with other content to create something new.

to bring back something old

to present a novelty

none of the above

Chapter 15 - The Long Tail of Marketing

55. The problem with fragmented markets and one-size-fits-one consumers is that there are, well, a lot of them.

True

False

56. Who ran a blog called Dell Hell brought upon buy his frustration against a brand new laptop he had bought from Dell but couldn't get decent customer support?

Michael Dell

Jeff Jarvis

Chris Anderson

Richard Weatherford

57. Who invented the Web in 1990?

Ted Nelson

Tim Berners-Lee

Michael Dell

Bill Gates

58. The hyperlink is the ultimate act of generosity online.

True

False

59. Process transparency means the more you know about how a system works, the more confidence you have in it.

True

False

60. The Web is the great leveler of marketing. It allows for niche products to get global attention.

True

False

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