A pirate site explores a new way of paying for the internet that doesn't involve ads
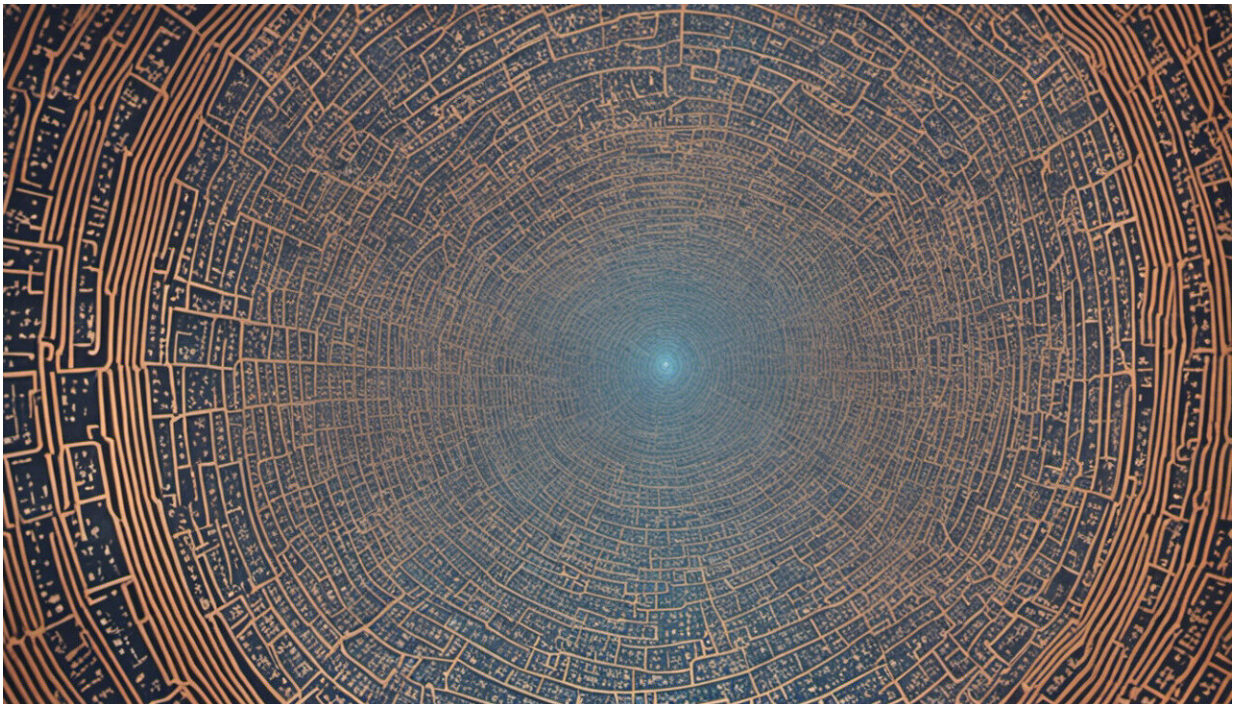
September 19 2017, by David Glance

Credit: AI-generated image (disclaimer)

To say that advertising as the main business model of the internet is in a crisis would be an understatement. For a start, there is the fact that Google and Facebook between them suck up most of the revenue from digital advertising. They accounted for 99% of revenue growth in digital advertising in the US in 2016 and took 77% of all advertising spending

in that same year. Then there is the growth of ad blockers whose use grew 30% also in 2016. Worse still, attempts to simply deny access to users with ad blockers until they whitelisted the site resulted in 74% of users simply leaving and not visiting that site. If that wasn't bad enough, Google is joining the ad blocking fight by building ad blocking directly into its Chrome browser. To cap it all, Apple has introduced intelligent ad-tracking prevention into Safari that has resulted in the American Association of Advertising Agencies to publicly oppose the move.

Like it or not, advertising, and the battle for the public's attention, is one of the principal means of supporting everything on the web that is free. Charging for services has been a long and hard battle that has only worked for some companies in some areas of the web.

This is what makes a recent move to generate revenue using a relatively untapped user resource an intriguing possibility. The Pirate Bay website is infamous for providing access to pirated copies of movies, music and other digital media. It recently ran an experiment where certain visitors to the site had a program run on their computers that "mined" the cryptocurrency Monero for as long as the visitors stayed on that page. Users noted the spike in the utilisation of their computer processor and discovered that the site was secretly running a program without their knowledge.

The Pirate Bay later released a statement saying that they had been testing the code as a possible way of replacing advertising as a means of creating revenue. Initially, there had been a bug which allowed the program to claim all of the processing power of the computer when only a smaller amount was intended to be used.

Surprisingly, comments on this statement were supportive of the move. As far as users were concerned, the use of their computer processing power for the brief time they were on the site was seen as being less

obtrusive than the usual pornographic ads that Pirate Bay normally showed. Their only complaint was that the Pirate Bay should inform them that this was happening rather than doing it covertly.

The statement from Pirate Bay made it clear that the code could still be blocked by users not wanting to participate in this type or revenue generation scheme.

What is ingenious about this approach however is that it has long been assumed that the only thing that the public could offer sites on the Internet was their attention and this has even lead to the idea of the attention economy being the only economic model for the Internet. However, Amazon, and other companies involved in cloud computing have shown that access to computing resources is also a scarce resource and is worth a huge amount of money. Amazon's Web Services business is worth US 12 billion a year.

Whilst the Pirate Bay is using consumer's processing power for the production of cryptocurrency, this type of distributed processing on home computers has been used to search radio astronomy data for extra-terrestrial life and explore protein folding to advance research into various diseases. These particular projects are voluntary at the moment but this approach could be used by commercial companies who are willing to pay for user's time.

Better still, users could even share in the revenues generated by a site using their computer or mobile phone for this type of processing work. This was the motivation for the Golem project which described itself as the "AirBnB for computers" where users would explicitly turn over their computer for commercial companies to use.

Somewhat more ironically, sites like Pirate Bay could even use some of the revenue raised to donate back to the movie and music companies

whose content it is helping to "share."

The meteoric rise of ad blockers has highlighted how much consumers despise ads on sites and has resulted in a pitch battle between content providers desperate to find a business model to support what they do, and customers who are unwilling to pay and hate the ad-driven alternative. Using a different resource that is not attention seems to actually represent a "win-win" for both the site and consumer although it would probably not come as a welcome development to Google and Facebook.

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