

The Weekly Listen: Generative AI's biggest impact, Lululemon looks to sell Mirror, and what makes shopping convenient?

Audio

On today's episode, we discuss what the biggest impact of generative artificial intelligence (AI) will be, whether time spent with ad-supported media is falling, why Lululemon is looking to sell its connected fitness company Mirror, the battle between SMS and email, what makes a shopping experience convenient, which country could see its population cut in half; and more. Tune in to the discussion with our vice president of content Suzy Davidkhanian, and analysts Blake Droesch and Paul Verna.

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Episode Transcript:

Marcus Johnson:

Hello everyone and thanks for hanging out with us for the Behind the Numbers Weekly Listen, an eMarketer podcast made possible by InMobi. This is the Friday show that is trash talking

up a storm. Guests came in spicy today, and by guests, I mean Susan. I'm your host, Marcus Johnson. In today's show, generative AI's biggest impact.

Blake Droesch:

I do think that when you do take an assessment of the net impact of the internet, you also have this access to information and to resources in general that have made the world a much better place.

Marcus Johnson:

Is the time we spend with ad-supported media falling?

Suzy Davidkhanian:

Consumers are squeezed, so it is no surprise that people are making different choices and they might be choosing more ad-supported platforms so that they can save money.

Marcus Johnson:

Lululemon looks to sell Mirror.

Paul Verna:

It's a market that's just not going to grow at the rate that it did anywhere close to that, but I think the purchase, I'm guessing, was probably predicated on just a too aggressive outlook.

Marcus Johnson:

SMS versus email. What makes a shopping experience convenient and which countries are seeing their populations decline?

Join me for this episode. We have three people, let's meet, then we start with our Vice President of Content, also Desk Lead for the Retail and eCommerce Team, Principal Analyst, it's Suzy Davidkhanian.

Suzy Davidkhanian:

Hi everyone.

Marcus Johnson:

Resident Trash Talker. Also joined by someone on that very Retail and eCommerce Team, Senior Analyst, Blake Droesch.

Blake Droesch:

Hello everyone.

Marcus Johnson:

And finally, we have our Principal Analyst who heads up our Media and Advertising practice. It's Paul Verna.

Paul Verna:

I'm bleeping happy to be here.

Suzy Davidkhanian:

You guys are the best.

Marcus Johnson:

All folks based out of New York today. What do we have in store for you?

Well, we start with Story of the Week: generative AI's impacts. We'll look at the good, bad and the confusing. We then move to the Game of the Week where our contestants will go head-to-head-to-head to give us the best takeaways they can from the four stories we have for you to win a championship belt. We then move on to Dinner Party Data. We'll talk some random stats and things, but we start with Story of the Week.

Generative AI's biggest impact, good and bad. Should we automate away all the jobs, including the fulfilling ones, develop non-human minds that might soon outnumber, outsmart and replace us? Risk loss of control of our civilization?

These questions were recently asked in an open letter from NGO Future of Life Institute. The letter called for a six-month pause in the creation of the most advanced forms of AI signed by over 10,000 folks including Tesla's Elon Musk and Apple co-founder Steve Wozniak. The Economist notes that the letter is the most prominent example yet of how rapid progress in AI has sparked anxiety about the potential dangers of the technology.

Experts appear divided on the level of potential risk. A 2022 survey of AI researchers cited by The Economist said nearly 50%, half, thought there was a 10% chance AI's impact would be extremely bad. An example of that being human extinction, which is not ideal, but 25% said the risk was 0%. 25% of folks, researchers, AI researchers said there was no chance of that happening. The median researcher put the risk at 5%. Anything above zero is quite concerning, but evil intent aside, folks are concerned about bias, privacy, intellectual property rights, et cetera.

I want to go around the hull on this one, folks. Paul, I'll start with you. I want to get your takes on the biggest generative AI impact that you think is going on right now, good and bad.

Paul Verna:

Well, I'll start with the bad. My sense is that artificial intelligence is no match for natural stupidity, and by that I mean that the capacity of humans to misuse the technology is really the biggest issue. I think the technology itself could be very productive, very helpful, but I think the ways that we're already seeing it deployed do raise a lot of concerns. And it's everything that you mentioned in your intro, it's this whole anxiety about people losing their jobs. It just goes right down the line. It's the potential misappropriation of intellectual property. It's really just a lot of impacts all rolled into one. And I think what we're seeing now is that AI filters into text and creativity and video and audio and things that we really have to think hard about.

The six-month pause, I say good luck with that. You really can't stop technology, so you have to learn to harness it productively.

Marcus Johnson:

Yeah. Even if you can stop it in this country, other countries are going to continue to press forward.

Paul Verna:

Right, yeah. And I think the things that I'm more excited about are the productivity increases and really just using it the way those of us of a certain age remember using just simpler tools like Excel and a lot of things that-

Suzy Davidkhanian:

Or like Control-Find.

Paul Verna:

Prior to that, had to be done manually and took a long time, so once you started using everything from Photoshop to Excel to even word processing, it really did open up new possibilities. So that's what I'm more excited about is just using it intelligently, at least in our own work.

Marcus Johnson:

Yeah.

Suzy Davidkhanian:

So actually, what I found interesting in general is there's a lot of conspiracy theory, sort of human extinction-type, and it's not the first time. The way a lot of people are talking about AI and ChatGPT is around, it's like a whole tech shift, which I thought is interesting, right? There aren't that many times when there's new technology where we're really talking about a complete shift, and overall, it's kind of like when the light bulb electricity was created sort of idea around a shift in the way we do everything.

What I think, like Paul, it's great for repetitive low-human sort of activities where you don't need a human touch. I don't think we're anywhere near there, at least that's not what I thought until, everybody knows I'm Canadian, until I heard in the Canadian news that one of what they're calling "The AI Godfather" just quit from Google and he's being a little bit alarmist about it. And then there's quite a few other prominent tech people, some of which are a little bit more respected than others, that are also starting to get a little nervous about this.

I think, for me, up until that moment, I was like, "Guys, we always need a little bit of balance. It's good to change." But then with that new wave, I'm a little bit more nervous.

Marcus Johnson:

So Geoffrey Hinton, "The Godfather of AI," so pioneering research on neural networks. This is why he's the godfather apparently. He just quit his job at Google and he said AI chatbots were scary, and he also said, "Right now, they're not more intelligent than us," as far as he can tell, but he thinks they soon may be. So some very prominent voices in this space starting to ring the alarm.

Suzy Davidkhanian:

I do think that anxiety is good, right? Cause anxiety brings about checks and balances and we're making sure that we're all sort of on the same wavelength, if you will, around when and how to use it. I think it's interesting that different governments are applying different sort of regulations to the same technology. I mean, we're all using the same technology, but different governments are in or not in. And like the UK, I'm surprised, they're super light-touch versus Europe, but it might also just be the way the governments are structured.

Marcus Johnson:

Yes, they do seem to be implementing a light-touch approach, similar to the US. Europe going more heavy-handed. ChatGPT was banned in Italy for a short time. I think now it's available again. So interesting to see this kind of patchwork across the world in terms of how regulated or how heavy-handed governments are being on this technology.

Blake, what, to you, are going to be some of the good and bad impacts of generative AI at the moment?

Blake Droesch:

When I was reading this article in The Economist, the survey that they asked, basically asking to gauge the net impact of AI, I was thinking about how you could really ask those same questions about the internet in general because when we try and gauge the impact of any new technology, but particularly the internet, there's a strong case to make that the outcome has been extremely bad. When you think about the spread of misinformation, the ways in which that we've struggled to protect intellectual property and copyright with internet piracy of media.

And when we talk about AI, by and large, we talk about the same things when it comes to the more practical and immediate risks. I mean, obviously there's some of the more far-fetched scenarios that are being put forth, but I do think that when you do take an assessment of the net impact of the internet, you also have this access to information and to resources in general that have made the world a much better place, particularly to the democratization of information and resources.

Marcus Johnson:

Two things for me really quickly in terms of its impact. One is this ability to distort reality, and I thought it's interesting how companies are adopting generative AI or experimenting with it to varying degrees. The Economist article was saying, it said 12,000 workers surveyed in January by Workplace Network at Fishbowl. 43% had used tools like ChatGPT for work-related tasks. Then it went on to say, "A large majority, without their bosses knowing." And so I wonder how many folks are going to be using these tools without the company knowing and going on vacation 60% of the year because their job, they basically automated it using these different tools without the company being aware.

The second thing, in terms of AI's impact, the average worker might be grossly unprepared for generative AI or AI in general outside of tech and media circles because they're just not reading about it. They're not aware that this wave is going to hit them the way that we are because we talk about it so much.

Two things to that point. One, a recent labor market impacts study by the creator of ChatGPT, OpenAI, found eight in 10 working Americans, if you took 10 workers and lined them up, eight of them belong to a job where at least some of their tasks can be done or aided by AI. Of the eight of that 10, if you take those eight, for six of those eight, 10% of their tasks could be impacted by GPT technology. The other two of those eight belong to a job where 50%, half of their work tasks, could be impacted by AI. And that's now. God knows where we'll be by the end of this year, even.

And then the second point to that, the workers being unprepared, according to a December Pew survey, 62% of people thought AI would have a major impact on job holders in the next 20 years. Nearly two-thirds said it would have a big impact on job holders in the next 20 years. But far fewer, way fewer, thought that it would greatly affect them personally, which we see a lot in research. People think, "Oh yeah, it's a thing that people, everyone else is struggling with. I'll be fine."

That's all we've got time for for the Story of the Week. Let's move, folks, to the Game of the Week. Should be spicy. There was mad trash talk beforehand. Just you guys wait.

Today's game: What's the Point?

I read out four stories. Suzy, Blake, and Paul give us the main takeaway. Okay answers, one point; good answers, two; and answers that give you the same feeling as forehead kisses... Not bad, huh? You know when your mum kisses you on the forehead?

Suzy Davidkhanian:

I love that one.

Marcus Johnson:

There's nothing better. No?

Suzy Davidkhanian:

I'm not so sure.

Blake Droesch:

I think if you're in the mafia, that's not a... You don't want a forehead kiss.

Paul Verna:

Yeah.

Marcus Johnson:

Why does it always come back to the mafia with this podcast?

Blake Droesch:

That's just the reality of life.

Marcus Johnson:

All right.

Paul Verna:

Yeah. As a Sicilian, I can vouch for that, Blake.

Marcus Johnson:

Oh my goodness. America.

Paul Verna:

But I will say that I've increased my forehead surface area dramatically over the past several years. And I will also say, just going back for a second to ChatGPT and being reinstated in

Italy, the reason it was reinstated, this is not a well-known fact, is that they realized they could call it "ChatGipetto," so it worked really well for them so...

Marcus Johnson:

That's not true at all. Bad joke!

Paul Verna:

Sorry.

Marcus Johnson:

-2 for Paul.

Suzy Davidkhanian:

Yes!

Marcus Johnson:

False starts are -2.

Paul Verna:

That joke was generated by my chatbot.

Suzy Davidkhanian:

Blake, we have a chance!

Marcus Johnson:

-2.

Blake Droesch:

A chance.

Marcus Johnson:

Good god. All right. Answers that leave you with whatever feeling we just talked about, good feelings, get you three points. 20 seconds to answer before they hear this noise. It's a bell. Run

Long, technical foul, minus two points. Two techs gets you ejected from the game. Whoever has the most points, wins, gets the last word.

Round one. We start with Paul.

Time spent share with ad-supported media falls, notes Joe Mandese of MediaPost, according to PQ Media. Time spent with media overall is up, but time spent with ad-supported media, the share of it, continues to decline. In 2018, the share of time users spent with ad-supported media, 2018, fell below 50%. Today, it's 46%, and by 2027, it'll be closer to 40%, time spent share with ad-supported media.

But Paul, what's the point?

Paul Verna:

Well, I have to say I have a lot of questions about this study and they're not really elucidated in this article. My first question is how do they define ad-supported media? Because that's a very broad category and that could include everything from TikTok to now Netflix to traditional TV, right down the line.

The other thing is when we talk about the share, that means that it's being measured against a base and we don't know what that base is. So I would like to see more clarity about exactly what they mean because what we're seeing is, at least on the video side of the world, ad-supported video content is kind of on the rise. You're seeing all these platforms launch ad-supported tiers. We're seeing AVOD, ad-supported video on demand, usage go up quite a bit. We're seeing time spent on that type of video go up. So on the surface, this data would contradict what we're seeing. But I think the devil is in the details because there's probably a lot of fine points about how this is defined, both in terms of the actual ad-supported media and the base against which it's measured.

So, I would love to see more from PQ Media on this.

Marcus Johnson:

Suzy?

Suzy Davidkhanian:

I mean, what can I say after the expert on this topic outside of, I also found it very confusing, so I'm glad I wasn't the only one. I was wondering because it started off talking about news

and then it moved into just regular ad-supported media, so the whole thing was confusing for me.

I wonder though, when they do think about media and news, are they including Instagram, Facebook, and TikTok in that? They are. Paul is shaking his head yes, which is kind of scary.

Paul Verna:

No, I mean, I'm wondering the same thing. That's what I raised before. We know that Facebook time and Facebook usage, that Facebook, the app, is declining, but Instagram is not declining. And we also know that social ad spending has declined, but that's not necessarily because of time spent. So really interesting thought pattern here, but we just need more details.

Suzy Davidkhanian:

But I will tell you the one thing that he said which has nothing to do with the study is something that we talk a lot about in retail, which is consumers are squeezed. So it is no surprise that people are making different choices and they might be going, so again, a little bit contradictory to what he was saying, but they might be choosing more ad-supported platforms so that they can save money, and they might also be choosing less of them, which is why we're seeing less time spent because there's just less of them to be on. I don't know. It was confusing.

Marcus Johnson:

Blake?

Blake Droesch:

This article made me think of the main story that we discussed last week, basically talking about how social media is really morphing into entertainment, which is then morphing with the larger world of entertainment. And whatever the baseline is here that they're looking at, I think the through line really is that video consumption and media consumption is getting shorter and shorter. It's going into bites. So if the younger generation is watching less premium video ad-supported cable, whatever, and spending more time being entertained watching TikTok videos and Instagram Reels, what that means for ad-supported in general is that the opportunities to have longer video advertisements, whether it's on AVOD, cable or even pre-rolls and mid-rolls on YouTube, that is really diminishing as ad-supported diminishes in general.

And I think if you're an advertiser who really relies on premium video, that's going to be an issue as this trends in that direction.

Which I went over, but I feel like I was still shorter than everyone else, so.

Marcus Johnson:

You were, yeah. I was going to go techs for everyone, but there's no point because it's the same scores. So, two points for me.

Quick, zooming out. We have some numbers on time spent with media, not ad-supported media overall. It jumped an hour 2019 to 2020 hitting 13.5 Hours. We also, if you're on your smartphone whilst watching TV, that's an hour for each. It's how we count it. So 13.5 hours overall for media time spent in America today. But that has fallen about 10 minutes since 2020. So 2019 to 2020 jumped an hour to 13.5, but has since fallen by 10 minutes over those last couple of years.

Second point is when you break that down, time spent with smartphones has continued to climb unsurprisingly, perhaps. 3.5 hours, it's a quarter of the total time we spend with media is on a smartphone, TV is down to under three hours and falling.

Story two, we start with Suzy.

Lululemon looks to sell Mirror, writes our Senior Retail Analyst, Zak Stambor. The athletic apparel retailer, Lululemon, bought the connected fitness company Mirror known for giant vertical workout screens for \$500,000,000 three years ago. Zak notes that the deal fell flat and Lululemon just wrote off \$440 million related to Mirror, suggesting its value is now about 10% of the amount Lululemon paid for the fitness tech brand.

But Suzy, Lululemon looking to sell Mirror. What's the point?

Suzy Davidkhanian:

So, I think there are a few. One, and probably the biggest lesson, is that you can't transfer your brand power to an adjacent brand if you don't have the right timing and you don't pay attention to what the market landscape looks like. So in this instance, there are two really big dominant market players. So just because you are one of the preeminent brands and you buy a third-place group, let's call Mirror third place in this instance behind Peloton and Tonal, it doesn't mean that there's going to be success.

And then, of course, there were other sort of bigger, overarching, recession, economic impact, the pandemic sort of ended but not really. People are going back to the gym, so there's all those other things. But from a branding perspective, the lesson is you can't transfer the brand pattern.

Marcus Johnson:

Blake?

Blake Droesch:

I would actually think that the biggest takeaway here is just they're another brand that bet way too much on pandemic behavior sticking and then totally missing the mark. To me, that is 100% the biggest mistake that Lululemon made. And I agree with Suzy's point, for sure, but then when you look at Peloton, a company that had just massive, massive brand status going into the pandemic and then it just multiplied seemingly infinitely at the height of the pandemic, now we're seeing still struggle once again for just betting on that stickiness of behavior that just did not remain as much as we thought it would.

Suzy Davidkhanian:

So I would say Lululemon is really trying hard to make it sticky because they're embedding the Mirror into their app and into their membership program, but still probably not enough.

Blake Droesch:

Right.

Marcus Johnson:

The Lululemon Studio, is that right?

Suzy Davidkhanian:

Correct, yes.

Marcus Johnson:

Paul, how about you?

Paul Verna:

I think when they made this purchase, they thought they were getting a Lulu, but they ended up with a lemon and that's really-

Marcus Johnson:

Oh!

Blake Droesch:

Just give him the points.

Suzy Davidkhanian:

This is how he wins!

Marcus Johnson:

Three points.

Suzy Davidkhanian:

Yeah, this is it.

Marcus Johnson:

Congratulations to Paul. He wins this week's Game of the Week.

Moving on to Dinner Party Data.

Paul Verna:

I mean, when you look at the stats on the number of adult connected fitness users, that number jumped by 41% in 2020, which is when Lululemon bought Mirror. And frankly, I think they were looking at this as, "We're at the beginning of this bonanza," but they weren't looking at it as like, "We're at the very, very peak." So then growth went down to below 20% in 2021, and now it's down in the sort of 5%-ish going down to like 3%. So it's a market that's just not going to grow at the rate that it did anywhere close to that. But I think the purchase, I'm guessing, was probably predicated on just a too aggressive outlook, which is what I think a lot of companies did during the pandemic.

Marcus Johnson:

Yeah, to those numbers, so US adults who are connected fitness users, 17% US adults who are connected fitness users, 17% this year and it's flat, to Paul's point about growth.

All right. At the halfway mark, Paul and Blake with five, Suzy just behind with four. So we'll play four, we move-

Suzy Davidkhanian:

Stop, this is all made up. All of it.

Marcus Johnson:

It's interesting how, Suzy, when you are not doing well in the game, there's a problem with the scores. Have you noticed that?

Paul Verna:

It's rigged. It's rigged.

Suzy Davidkhanian:

When do I ever do well? This is the problem.

Marcus Johnson:

Rarely.

Let's move on to round three. We start with Blake. SMS versus email. Americans 55 and older still prefer email as a brand messaging channel, but most younger, 25 to 54 year olds, prefer SMS, according to the 2023 Mobile Consumer Trends Report from Vibes Media. Ray Schultz of MediaPost writes that in this younger age group, 32% now say SMS is their preferred communication medium versus 26% who like email.

But Blake, SMS versus email, what's the point?

Blake Droesch:

Yeah, I mean, the point is fairly simple. I think that the younger generation is just more mobile-forward and it's more conducive to access a communication with a brand via an SMS, particularly when it comes to, and I think this is the caveat, is communication that is wanted and proactive. So basically, getting updates on when your package is en route and when it's going to be delivered. Maybe not necessarily the case when it comes to marketing messaging

because of the fact that it can be a little bit more spammy and email might be preferred if you look at sort of the different types of communications, even with young people.

Marcus Johnson:

Paul?

Paul Verna:

I mean, I think this is a straight demographic story, and I got an inkling of this when I was doing off-campus interviews for my alma mater. So everything was done by email, but these students who, here they were getting a chance to have an interview which wasn't a given and we all know how competitive college admissions are, and they literally weren't checking their emails at all. And when I tell my 19-year-old daughter that I'm sending her an email, I might as well be telling her that I'm going to poison her with strychnine because it's just not something that she... She just starts shuttering and I'm like, "Dude, chill."

So, it totally didn't surprise me to see that younger shoppers prefer SMS over email.

Marcus Johnson:

Suzy?

Suzy Davidkhanian:

So I agree, it's a demographic thing, but I also, I don't know how 25 to 54 was the younger cohort. So already, I thought that that made the survey a little bit off.

I also think, to be honest, it's not really... I mean, I agree it's an age thing, but when you think about 25 to 54, it's no longer an age thing. It becomes a preference thing. I think everybody has a different communication preference and understanding that from a brand perspective is more important. There are people who love text, there are people who don't. I don't think it has to do with how you're hearing from a brand as much as it does how you like to hear from your parents or your friends. Some kids don't like voicemails, they want you to send a text if you don't reach them. I think it's sort of all mixed together and it has nothing to do necessarily with branding.

Blake Droesch:

That's a good point. I prefer that my family strictly communicates with me via-

Marcus Johnson:

A fax?

Blake Droesch:

The post office, yeah.

Marcus Johnson:

Yeah.

Suzy Davidkhanian:

Come on. The other thing is did you guys notice how it says, it was like, "An outsize number of people want one text a day from a brand?"

Marcus Johnson:

That's madness. That's too much.

Blake Droesch:

Yeah, that's just a straight-up lie. Sometimes we say that research, there might be some nuance, but sometimes it just seems like it's a lie.

Marcus Johnson:

That's how often Suzy contacts me about the points system on this game.

Suzy Davidkhanian:

It might be more often. You're being very generous now.

Marcus Johnson:

Yeah, that's true. It's three times an hour.

Suzy Davidkhanian:

Perhaps.

Marcus Johnson:

Let's move to our final round. We've got Blake-

Suzy Davidkhanian:

And if it's not about the points, it's about the farm.

Marcus Johnson:

Oh geez, we have to move on.

Blake Drosch:

Is it? It's a farm now? It went from an [inaudible 00:26:05] into a farm?

Marcus Johnson:

No, it's not a farm. It's a state, for crying out loud.

Suzy Davidkhanian:

Yeah, I just sent Stu a video. Well, it's not doing very well.

Marcus Johnson:

Shocking.

Suzy Davidkhanian:

I think Marcus is voodooing it somehow.

Marcus Johnson:

How is it my fault?

Suzy Davidkhanian:

Because. Because it has to be your fault.

Marcus Johnson:

Of course.

Suzy Davidkhanian:

It has to be someone's fault. It's not mine.

Marcus Johnson:

That's the spirit.

Let's move on to round four. Blake out in front of seven points. Suzy and Paul with six a piece. Double points round four. We start with-

Suzy Davidkhanian:

Oh, that's new, double points round four.

Marcus Johnson:

Go on, Blake, you can tell her. I'll let you take this one.

Blake Droesch:

It's not new. It's not new.

Paul Verna:

It's been that way for a while, Suzy. I hate to break it to you.

Marcus Johnson:

It's not new. Yeah, okay. Thanks guys. Appreciate it, yeah. Thanks for paying attention, Suzy. It was a pleasure to have you on.

Paul Verna:

Maybe you didn't get the message because it was sent to you by postcard in Canada.

Suzy Davidkhanian:

That's totally true.

Paul Verna:

We'll add you to the SMS distribution.

Suzy Davidkhanian:

The snail mail?

Paul Verna:

Yeah.

Suzy Davidkhanian:

Good. I'm glad it's a shopping one, then I have a shot to win.

Marcus Johnson:

Ah, see, probably not.

We start with Paul for round four. What makes a shopping experience convenient, asks Dan Berthiaume of Chain Store Age. Well, according to a recent study by Numerator, eight out of 10 shoppers say convenience is extremely or very important to them. Even more, nine out of 10 millennials, agreed. Overall, shoppers ranked convenience as their third priority behind price and quality. 40% of folks put convenience first or second. The thing that made shopping in-store most convenient to people was store location. The number one factor that made online shopping convenient was being able to easily use coupons and promotions.

But Paul, what makes a shopping experience convenient, what's the point?

Paul Verna:

I think one thing that's overlooked in a lot of this research is that a lot of times, we have to shop online because we have to because things are just no longer available in stores that used to be, or you go to a place like Staples and it's just really hard to find that one little thing you're looking for. So it's a little bit of a chicken-and-egg thing, but because of all this online shopping that got kicked into high gear during the pandemic, we end up using these channels and then, yeah, they become more convenient because you're just sitting at home and you get what you need the next day.

But I'm not sure how much is driven by convenience or how much is just an artifact of the way retail has evolved in the last two or three years.

Marcus Johnson:

Suzy?

Suzy Davidkhanian:

So I actually, again, think that this survey was run perhaps inaccurately or maybe just the way that the responses came through in the article is off. Convenience is really about reducing

friction, making it easier for the shopper or the purchaser to discover, to purchase all along the shopping journey. And it's not about price and quality.

So I think the question is either what draws you to choose a brand? So that's they make it easy for me, it's convenient, it has great prices, the quality is there, whatever else, it has coupons I can use; or tell me what are the different factors that are important to you when you think about convenience. So, it's like how close is the store to me? How quickly does it come?

So I think this article mixed it all up together, and so for me, it wasn't that credible. The idea around the shopping experience being convenient is also very individual. If you're a mom with a toddler, curbside pickup is probably much more highly rated for you than if you're an 18-year-old who's going to pick up some snacks and you want to see what else there is at the store.

Marcus Johnson:

Blake?

Blake Droesch:

Yeah, I agree with Suzy that it could have been parsed out perhaps a little bit cleaner, but I think the main takeaway does ring true that all of the conveniences of digitization of the retail experience, I mean whether it's strictly e-commerce or these omnichannel conveniences, we see time and time and again that they don't outrank quality, and most of all, price. Things like same-day shipping, for example, people will gladly wait two or three days for most of their items if it is fairly priced, if the price is fair and if they are getting access to quality items.

And I think that oftentimes, for a lot of brands and retailers, the sort of new digital features that are supposed to remove friction and drive convenience are sort of these shiny objects, whereas the brands and the retailers that sort of endure over the time are retailers like Costco that deliver quality products at a competitive price and that they're actually a good example because they oftentimes are very selective about the digital channels that they do invest in.

Marcus Johnson:

Very nice, folks. Let's count those scores.

Suzy Davidkhanian:

It's fake.

Marcus Johnson:

We've got Paul in third place! Ooh.

Suzy Davidkhanian:

Oh, this is first?

Marcus Johnson:

And Suzy and Blake for first, and it's Suzy! The winner this week with 12.

Suzy Davidkhanian:

Stop!

Marcus Johnson:

Blake with 11. Paul with 10. Suzy came storming back in the final round. You had one point in the first round, Suzy. Not good. Came through in the fourth quarter with a six-point performance to steal it from Blake. I also thought that you could use a morale boost since your singular tomato plant is withering.

Suzy Davidkhanian:

I think the lesson here is if you don't say it enough times, you won't get what you want.

Marcus Johnson:

Suzy asked to win the game multiple times before we hit record. Suzy, you get the-

Suzy Davidkhanian:

Yes, like three times a day, every day.

Marcus Johnson:

Yeah, yeah.

Suzy Davidkhanian:

Basically.

Marcus Johnson:

It's suffocating. Suzy, you get the championship belt and the last word. Talk to us.

Suzy Davidkhanian:

I don't have one.

Marcus Johnson:

Oh, for crying out loud.

Suzy Davidkhanian:

I never win. I don't want to win to get the championship belt. I just want to win for me.

Marcus Johnson:

Great. Suzy, what's the one thing when you go home to Canada is like the thing you have to do because it's just so Canadian you just can't get it here?

Suzy Davidkhanian:

Kit-Kat.

Marcus Johnson:

Kit-Kat?

Suzy Davidkhanian:

Most of the chocolates that we have over there are so much better than here, so I always make us go to usually Walmart because it's the easiest to stock up on things like Caramilk, which I have a sleeve of Caramilk for you, Blake, and other chocolates that we don't have here.

Marcus Johnson:

Oh, excuse me.

Blake Drosch:

Thank you, Suzy.

Marcus Johnson:

What am I, chopped liver?

Blake Droesch:

Yeah, I can attest to that. Suzy did bring back some Cadbury caramels for me last time she went to Canada. And I mean, we all know that-

Suzy Davidkhanian:

Canada does it better.

Blake Droesch:

The US, the Cadburys leave a lot. The American-made Cadburys leave a lot to be desired.

Marcus Johnson:

Everything to be desired.

Blake Droesch:

All right, Marcus, let's take it easy.

Marcus Johnson:

I'm just saying.

Blake Droesch:

I'm trying to pay you, the foreign Cadbury people, a compliment. We don't need to dig in here.

I will say that Americans though, the Reese's Peanut Butter Cup, in terms of chocolate, is just as good as Cadbury.

Marcus Johnson:

Don't do that.

Blake Droesch:

What Cadbury has to offer.

Marcus Johnson:

Maybe not. We don't have time for this. No, absolutely not.

Suzy Davidkhanian:

Marcus, do you know the Oh Henry! Bar? Do you guys have that in the UK?

Marcus Johnson:

No, we don't have that.

Suzy Davidkhanian:

Oh, okay. It's the best chocolate bar.

Marcus Johnson:

We're too in the weeds here. This episode's gone off the rails. We've got to get back on track.

Victoria, get us-

Blake Droesch:

You know what I will say though, you know what the best British chocolate is, Marcus?

Marcus Johnson:

What?

Blake Droesch:

Curly Wurly.

Marcus Johnson:

Curly? Well played. Blake's back. Yes!

Blake Droesch:

All right, thank you.

Marcus Johnson:

Okay. Finally, took a while but we got there, let's move on to Dinner Party Data. It's the part of the show where we tell you about the most interesting thing we've learned this week.

We start with Suzy because she won the Game of the Week.

Suzy Davidkhanian:

Oh, am I on? It's so weird.

Marcus Johnson:

Yes, what do you mean, are you on?

Suzy Davidkhanian:

I'm just not accustomed to it. Sorry.

Marcus Johnson:

Oh my goodness. It's like we were throwing it live to you reporting from the scene. I'm like, "Are we live? Are we good?"

Suzy Davidkhanian:

Okay, ready? I'm ready.

Marcus Johnson:

Okay, brilliant.

Suzy Davidkhanian:

I just am not accustomed to being first. So I keep hearing about how the Super Mario's brother is doing so well in the movie.

Marcus Johnson:

Super Mario.

Suzy Davidkhanian:

I don't know if anybody's seen it. Is it singular?

Marcus Johnson:

It's not Mario, it's Super Mario's?

Paul Verna:

Super Mario Brothers.

Marcus Johnson:

Yeah, yeah.

Suzy Davidkhanian:

Sorry.

Marcus Johnson:

One Mario, two brothers.

Suzy Davidkhanian:

Oh, see? I clearly didn't see it. So the Super Mario-

Blake Droesch:

It's three brothers.

Marcus Johnson:

Three Brothers.

Blake Droesch:

Wario. It's all right. Sorry, go ahead.

Marcus Johnson:

[inaudible 00:34:08]

Suzy Davidkhanian:

No, no, I was just going to say apparently Marcus hasn't seen it either.

Blake Droesch:

Wario.

Suzy Davidkhanian:

Have you guys seen it?

Blake Droesch:

No.

Marcus Johnson:

No, not yet.

Paul Verna:

No.

Suzy Davidkhanian:

No. So the highest-grossing movie based on a video game ever. So far, less than one month in, \$1 billion globally.

Marcus Johnson:

Wow.

Suzy Davidkhanian:

Yes, the first billion-dollar movie of 2023. This could have gone in many ways, but I decided to go with, can you guys guess what is the top movie Blockbuster, like money that's come in from the movies, globally? What's the movie?

Blake Droesch:

Avatar.

Suzy Davidkhanian:

Avatar it is, 2009. \$3 billion globally. Next?

Marcus Johnson:

Titanic.

Suzy Davidkhanian:

Nope. Number four, Titanic. \$2.26 billion.

Marcus Johnson:

Oh.

Paul Verna:

Was it an Avengers?

Suzy Davidkhanian:

Yes, it is.

Marcus Johnson:

Ah.

Suzy Davidkhanian:

End Game, 2019, \$2.8 billion. Number three, Avatar: The Way of the Water.

Marcus Johnson:

Oh, third. I thought that was second.

Suzy Davidkhanian:

\$2.3 billion. I could keep going and going, but I'm going to scare you all.

Marcus Johnson:

Yeah, we don't have time for this.

Suzy Davidkhanian:

It's a lot though, right? And how did the-

Marcus Johnson:

We should just see how long people will listen. 25th is Dumb and Dumber 7. Very nice.

Blake, you're up.

Blake Droesch:

There is some data from Civic Science assessing the live performance industry. So it seems like a lot more people or more people in general are going to be going to concerts this summer. Last year, they asked Americans if they were planning on going to a live concert or performance over the summer and 59% said no. This year, 55% said no, which means that

45% of people are planning on going to a live concert. 29% of those people are planning on going between one and two concerts. 11% of them are going between three and five concerts, and 3% are planning on going between five and 10 concerts.

Marcus Johnson:

That's too many.

Blake Droesch:

And just to add a little context, I believe this is the final year of the latest iteration of the Grateful Dead's Dead & Co Tour, so the Deadheads probably who are going to be traveling around are probably inflating those five to 10 concert percentages.

Paul Verna:

But then you have on the other side, all the people who tried to get Taylor Swift tickets and couldn't, so even if they want to go to a concert, they can't.

Blake Droesch:

That is true.

Suzy Davidkhanian:

That debacle.

Blake Droesch:

And the Venn diagram between Taylor Swift fans and Grateful Dead fans, maybe not as narrow as you'd think.

Suzy Davidkhanian:

Stop. Come on.

Paul Verna:

Agreed.

Marcus Johnson:

Very nice, very nice. Paul, your up.

Paul Verna:

So we're in the upfront season, the TV upfronts, and in researching for a report that we're going to publish soon on the upfronts, I did a little historical reading on when the upfront started and how they really haven't changed that much. It's still the basic concept that TV networks debut all their shows in the fall, but they sell ads against them in the spring, basically at a discount for making an upfront commitment.

So the year of the upfronts, the first year of the upfronts, was also the year of the Cuban Missile Crisis, the US release of Dr. No, or the UK release of "Love Me Do," so basically the birth of the James Bond and Beatles franchises, and it was the first season of the New York Mets when they won all of 40 games, but captured the hearts and minds of any New Yorker who's not part of the evil empire.

Marcus Johnson:

Wow.

Paul Verna:

So, there you have it.

Marcus Johnson:

It's been a minute.

Paul Verna:

Not hard data, just a little historical context.

Marcus Johnson:

Very nice, very nice. All right, folks, I've got one for you real quick. Some worldwide population stats. I've got five for you.

The first one is in the year 1800, there were a billion people in the world, which is insane.

Paul Verna:

I remember.

Marcus Johnson:

There's 4 billion by 1975. There are 8 billion today. Number two-

Paul Verna:

Yeah, I used to feel special back then. Now I'm like, "I'm just one in 8 billion."

Suzy Davidkhanian:

Oh.

Marcus Johnson:

Number two, most research, the UN, Institute for Health Metrics, the International Institute for Applied Systems... And now, [inaudible 00:38:21] Suzy-

Suzy Davidkhanian:

Anytime I'm having a bad day, I'm going to come to you, Paul.

Marcus Johnson:

Most folks think that the population will stop growing worldwide, population will stop growing by 2070. Suzy's still laughing for folks who can't see the camera. It's going to plateau at 10 billion and some sources think it's going to start to fall at that point.

Paul Verna:

Well, some sources think we're just going to be extinct by ChatGPT in less than a year.

Suzy Davidkhanian:

That's true too.

Marcus Johnson:

Yeah, we're never going to get to 2070, so don't worry about this, folks.

Why? Why would it fall by 2070? Falling fertility rate, so total fertility rate being the average number of births per woman over their lifetime.

So, it brings me to state number three. Worldwide fertility rate has been falling since the '70s when it was about five births per woman. Today, it is half that, closer to 2.3. So this, as Pallavi

Rao of Visual Capitalist points out, 2.3 slightly above the replacement rate of 2.1 births per woman, which allows one generation to replace itself.

Fourth fact, there's extreme discrepancies by country. Niger in West Africa is the highest, close to seven. South Korea is the lowest at less than one. The US, for context, is 1.6, same as the UK. Going back to Niger for a second, with the exception of Afghanistan, which is in 14th place, all of the top 30 countries in terms of fertility rates are found in Africa, estimated that Africa will add 2.5 billion new people, as in China and in India, if we make it to 2100. So in, what's that, 80-odd years? Most other countries will actually flatline in terms of population growth.

In China's case, this is fascinating. In China's case, according to the UN's medium variant, so the middle of the road projection for China, China's population will be cut in half over the next 80 years. Best case scenario is that it falls by a fifth.

Final fact is about why the worldwide fertility rate is falling. The Visual Capitalist article points to better access to contraception and improving opportunities for women outside of childbearing. Thought this was fascinating data.

Anyway, that's all we've got time for today's episode. Thank you so much to my guests. We thank Paul.

Paul Verna:

Thank you all.

Marcus Johnson:

It took a while, Paul, for you to say thank you.

Suzy Davidkhanian:

He's multitasking

Paul Verna:

I was trying to think of some wise-ass thing to say and I couldn't come up with it.

Marcus Johnson:

Of course. I could see it. I could see it in your face. I could see it.

Suzy Davidkhanian:

He's totally multitasking.

Marcus Johnson:

Blake, thank you.

Blake Droesch:

Have a good weekend everyone.

Marcus Johnson:

And thank you, of course, to Suzy, this week's winner of the Game of the Week.

Suzy Davidkhanian:

Oh my gosh. Thanks for having me and thanks for humoring me. I guess now to all of the Team Suzy folks, you're going to have to wait another six months before this happens.

Marcus Johnson:

By Team Suzy, she means the one person who messaged her on LinkedIn.

Thanks to Victoria who edits the show.

Suzy Davidkhanian:

And Stu.

Marcus Johnson:

James, who copyedits it. And Stu does too. Ad Stuart who runs the team and is also a fan of Suzy's on the side.

Thanks to everyone listening, leave us a review or a star rating if you can. It lets us keep this podcast going so they mean a lot. We'll see you guys hopefully on Monday for the Behind the Numbers Daily, an eMarketer podcast made possible by InMobi. Happy weekend.