Ethan Cramer-Flood, Ross Benes, and Paul Verna

The Weekly Listen: When brands should weigh in on social issues, ad-supported Prime Video, and the NBA's new home

Audio

On today's episode, we discuss when people are most likely to boycott a brand, whether folks will shop elsewhere if they are charged for returns, where the NBA will live next season, if an ad-supported tier for Amazon Prime Video will work, how much vacation time people take in the US versus other countries, and more. Tune in to the discussion with our forecasting writer Ethan Cramer-Flood and analysts Ross Benes and Paul Verna.

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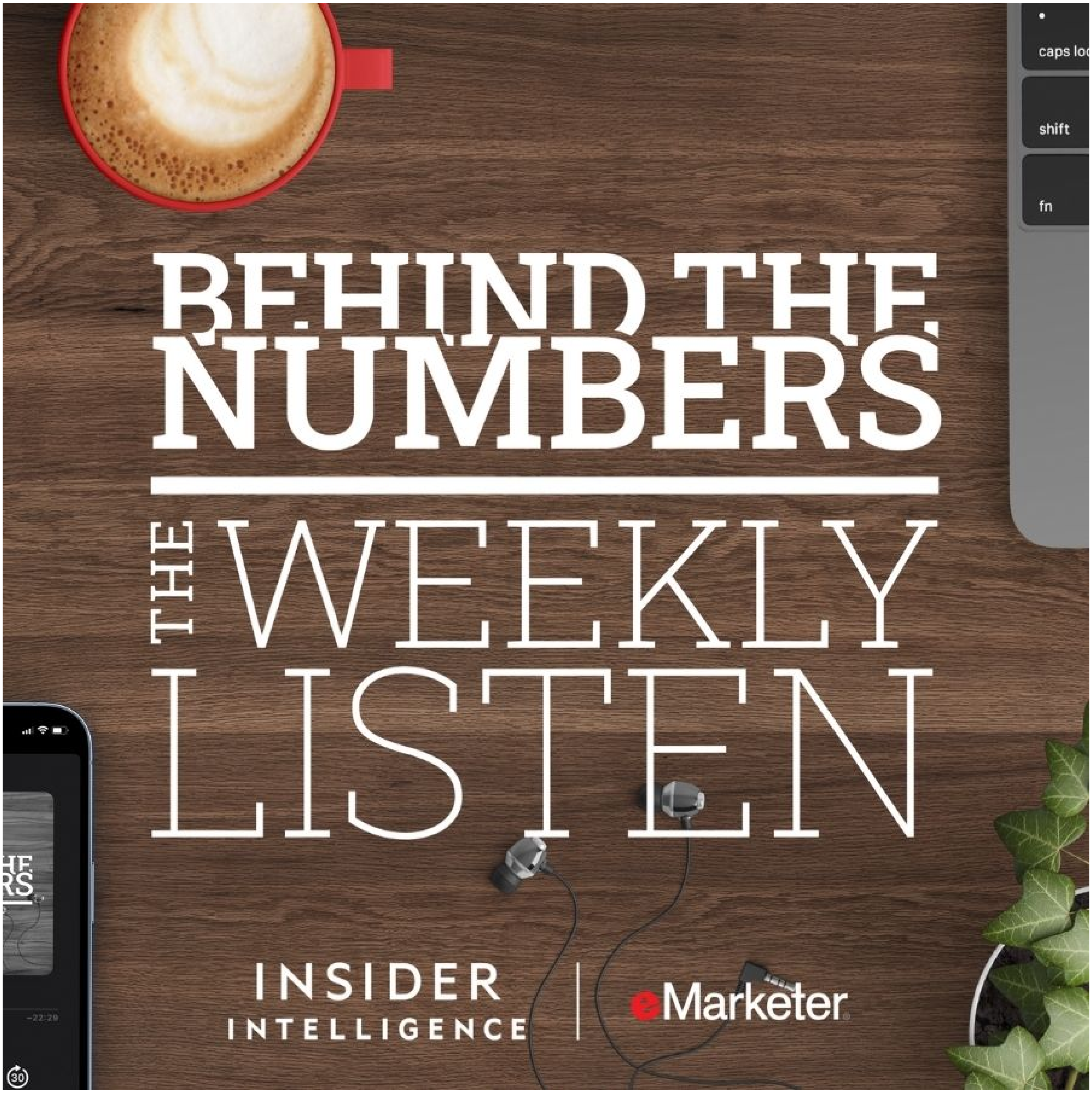

Episode Transcript:

Marcus Johnson:

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Hello, everyone, and thanks for hanging out with us for the Behind the Numbers Weekly Listen: an eMarketer Podcast. This is the Friday show. That still has a 2005 World Atlas. Ross, what are you keeping it for? I feel like the roads have changed.

Ross Benes:

It's my father-in-law's.

Marcus Johnson:

Okay.

Ross Benes:

And it's on his desk.

Marcus Johnson:

Don't blame him. Don't you blame him. Is it a world atlas or US?

Ross Benes:

North American so-

Marcus Johnson:

Oh, okay.

Ross Benes:

If you want to go up to Canada or down to Mexico City, this thing's got you covered.

Marcus Johnson:

It's got you covered.

Ross Benes:

Yup.

Marcus Johnson:

Yup. You might be like, "What's this paved road doing here considering it's 2005?" But if you see someone wandering around with a map, that's Ross. For the love of God, help him out with a smartphone. I'm your host, Marcus Johnson. In today's show, when should a brand weigh in on social issues?

Paul Verna:

If they don't take an active stand, they're going to be criticized by people on one or the other side of the debate, and if they do, then the same thing is going to happen, and that scenario plays out right across the media landscape.

Marcus Johnson:

Will customers shop elsewhere if they're charged for returns?

Ethan Cramer-Flood:

The competition is extraordinarily high. There's tons of other choices, and just because you introduced fees for returns doesn't mean your competitors are going to. If everyone was doing this all at the same time, then it would be fine, but that's not likely to be the case.

Marcus Johnson:

Where will the NBA live in the future?

Ross Benes:

So the regional sports networks outside of a few that are owned by the teams are really suffering, and I think the NBA's going to want to spread its games around to a few big companies that have international extension.

Marcus Johnson:

Amazon considers an ad-supported tier for Prime video, and how many vacation days do people take in different countries? Join me for this episode. We have three people. Let's meet them. We start with our principal analyst who heads up our digital advertising and media practice based out of New York, it's Paul Verna.

Paul Verna:

Thanks for having me.

Marcus Johnson:

Hello. Hello. We're also joined by our senior forecasting writer based out of New York as well, it's Ethan Kramer-Flood.

Ethan Cramer-Flood:

Hey, Marcus. Happy summer.

Marcus Johnson:

Hello. Hello. Same to you, and finally, we're joined by one of our senior analysts on the digital advertising and media team based just North of the city in New York, it's Ross Benes.

Ross Benes:

Hey, Marcus.

Marcus Johnson:

Hello. Hello. What do we have in store for you? Well, story of the week, we're talking about whether brands should weigh in on social issues, when's the right time? When's the wrong time? Then we move to the debate of the week today, where our panelists, Paul, Ross, and Ethan, will try to present the best cases they can for each of the different arguments that we've got for you today related to some news stories, and then finally, dinner party data, as per usual. Let's get into it. We start with the story of the week.

When should a brand weigh in on social issues? Well, there are certainly risks in doing so. The outcry over Bud Light's partnership with a transgender advocate is one such example that could cause brands to rethink whether, and how they address contentious social issues notes Suzanne Vranica, and Patrick Coffee of the Wall Street Journal. To recap, Bud Light enlisted social media star Dylan Mulvaney to help generate some PR during the annual March Madness college basketball tourney. The move was criticized by politicians, customers, and celebs who called for a boycott of the brands. Harris Diamond, former chief executive of ad giant McCann Worldgroup says, "Boardrooms are likely going to be asking is it really worth the risk?" So gents, the first question we're posing here is, is the purpose-driven marketing juice worth the squeeze?

Paul Verna:

I think brands are in a no-win situation here because everything has become so politicized that they're damned if they do, and damned if they don't. I think the Bud Light case might be a little bit different because it was more of a proactive decision on their part, and if they hadn't done that, I don't think anybody would've batted an eye. But a lot of brands have been in situations where they're essentially forced to take a side or pressured to, I think the latest example is the battle between Disney and the governor of Florida, where at every step of the way it's all about culture wars. I think if Disney, if they don't take an active stand they're going to be criticized by people on one or the other side of the debate, and if they do, then the same thing's going to happen, and that scenario plays out right across the media landscape.

Marcus Johnson:

Yeah, you can't please everyone. When folks were asked how involved brands are in social issues, nearly 50% said they're too involved and should stick to business, but the other half, 30% said involved about the right amount, and the remaining 20% said not involved enough. This is according to ad company, Big Village. But there's pretty significant consequences if you, well, if do or you don't get involved, but they can have very fast effects on your brands. YouGov looked at some numbers related to Bud Light, nearly 60% of conservative American men, 60% said they had a negative opinion of the Bud Light brand after the uproar. It's up from 4% pre-uproar, so that skyrocketed in terms of this group of folks who are upset with the brands. I mean, how do you choose?

Ethan Cramer-Flood:

You phrased the question, when should a brand weigh in on social issues?

Marcus Johnson:

Yeah.

Ethan Cramer-Flood:

Leaving aside scenarios like, maybe what Disney has faced where they've hardly had a choice, sometimes you get dragged into it. Let's leave those scenarios aside.

Marcus Johnson:

Yeah.

Ethan Cramer-Flood:

The scenarios where you're really making a choice, I think the answer is you weigh in on a contentious social issue or any social issue when you really believe in the point that you're trying to make, and if you don't, you should probably stay out of it. Because as what we've seen with both Bud Light and numerous occasions before that, is that the worst possible outcome is when you're wishy-washy, and when you backtrack, because then you are not only dealing with the blowback from those who responded poorly to whatever it was you were doing, you're also losing out on any potential benefits that you could have gained had you approached the issue with a little less spinelessness. You stick to your guns, you plant a flag in the sand, and then you reap the benefits with the cohort that you were originally reaching out to at the very least. But we see time and again, that a lot of brands don't really mean what they say, or at least they don't put their back into it, and then you end up in a sort of double whammy worst case scenario.

Marcus Johnson:

Yeah, I mean ... Ross, where do you stand on this? Because there are situations where you're just kind of dragged into it and you don't want to be, there are situations where, to Ethan's point, you purposefully charge into it with the flag in hand, and [inaudible 00:07:27], associate professor of marketing at Babson College, was noting the audience, your audience as a brand, as a company, can sometimes or often dictate your involvement level, pointing to Nike and Disney, whose audiences they say skew younger, and are more likely to support progressive causes, could suffer more for not engaging in social issues. So when, in your opinion, is the right time, if ever?

Ross Benes:

Well, that's a good point that you need to consider the consumer's viewpoint compared to the advertiser who's running the ads. In advertising, it's extremely left-leaning compared to the general population. A lot of people living in New York and Los Angeles, Bud Light is not a cosmopolitan brand, it's drank a lot by middle-aged guys. There's not a great alignment between the politics of a marketing executive in New York, and the drinkers of Bud Light, and they're finding out the hard way now. I feel like a lot of times these brands try to force something because of the workers at the agency, or the people in charge of marketing for the particular brand, but it does nothing for the consumer who they're been profiting from all these years. It just feels like another cultural message that's being jammed at them that they don't want.

Marcus Johnson:

Yeah. There's also the angle of potential employees dictating involvement level, if the companies, they want to appeal to a certain type of employee.

Ross Benes:

I'd say that's definitely the case, especially with Disney. I think Disney is appealing more to themselves internally to fight the governor of Florida, than they are externally to people who watch their movies or to investors who buy their stock.

Marcus Johnson:

Yeah.

Ross Benes:

It is important though to appeal internally though, you don't want to have worker revolt.

Marcus Johnson:

Right.

Paul Verna:

Yeah, it's extremely important, especially because a lot of these big advertisers are huge companies, they're multinationals. To Ross' point, in many cases, particular brands within these conglomerates have target audiences that are more specific, but they are big brands with a huge employee population, and they don't want to face internal revolt. I think the other calculus they have to make, obviously there's a business calculus, and I think what Bud Light just went through is kind of a worst case scenario, because now there are serious impacts on their business, it's not just perception, but there's also the idea that a public outcry and a PR crisis doesn't necessarily come from the majority of anything. It can just be one small group screaming really, really loudly, and starting a whole snowball effect, and that's a hard thing to estimate ahead of time. Usually those things happen unexpectedly, but it's another thing that I think CEOs and CMOs have to really consider.

Marcus Johnson:

Ethan, you had something?

Ethan Cramer-Flood:

Yeah, I was just going to reflect on the comments about your own internal employees, because that's the same risk factor that I was talking about for your external audiences applied to your internal audiences. When you make a move that maybe a significant portion of your national workforce does approve of or does align with, and then they give you two thumbs up, and they feel a sense of pride that they work for a certain kind of company, that makes a certain kind of statement, and then they backtrack on it, and then all of a sudden you've done damage. All of these companies have to consider the attractiveness of the workplace, and the future workforce, younger, educated potential workers that are keeping an eye, may or may not be keeping an eye on this kind of thing.

I think Paul is ultimately right, and that's something we should always keep in mind, that the vast majority of folks don't really care one way or the other, and this isn't going to stick in their memory, but for some it will, and so you're trying to maybe create a situation where your workers are going to feel one way or the other about the direction of the company. Again, just the worst thing you can do is be wishy-washy because then you've sort of ruined it on both angles.

Marcus Johnson:

So Shauna Moran of GWI had a really interesting piece on this. In it there was the question of, "What are the top things that cause a person to boycott a brand or company?" Some research from GWI, the top three that will cause a person to boycott a brand or company were behavior that causes harm to a specific community, 56%, and then data breaches, and unethical manufacturing were joint second with 51% each. But will people actually boycott your brands?There's some numbers there as well, 63% of consumers say they've boycotted a brand, they have, they've boycotted a brand before, 16% said they've done so in the last six months. Then in a separate study by Edelman, the same share, rather coincidentally, 63% of consumers said they would switch, avoid, or boycott a brand based on its stand on societal issues. What people say and do is often different, so take those numbers with a grain of salt, as always, but that's what we got time for, for the story of the week. It's time now for the debate of the week. Today's segment, make the case.

For our panel, Paul, Ross, and Ethan, present the for and against arguments for each of the following questions based on three news stories. Two contestants face-off per question. Also, the following takes don't necessarily reflect the analyst's personal views, their job is just to present the best case regardless, and offer objective analysis. So question one, we've got Ethan going up against Ross, and we're talking about returns, "Will customers shop elsewhere if they're charged for returns?" Asks George Anderson of RetailWire. He cites a new survey of over 9,000 US adults from PowerReviews that suggests nearly 9 in 10 shoppers said they would be at least a little likely to stop shopping on a site that ended free returns, 4 in 10 people said they would be very likely to cut off a brand or retailer that charged them for returns. So will shoppers go elsewhere if they're charged for returns? Ethan's up first. So Ethan, shoppers will go elsewhere if they're charged for returns, one minute on the clock to make his arguments. Ethan, make the case.

Ethan Cramer-Flood:

Yeah, you gave me the easier part here because that's essentially what this article from RetailWire is already making the case for me, 40% of folks say that they would strongly consider changing their online shopping habits based on this. I think that makes a lot of sense, particularly now. So if we were having this conversation at some other point in history or maybe a few years from now, it might be a little bit safer of a transition to make, to start charging, but right now, we're in a moment in time where price sensitivity is extraordinarily high, brand loyalty is extraordinarily low, particularly among younger generations. With inflation being what it is, this is a very difficult time to introduce new fees that the survey results suggested. Also, particularly in the apparel categories, the types of e-commerce that we're talking about, the competition is extraordinarily high, there's tons of other choices, and just because you introduced fees for returns it doesn't mean your competitors are going to, right? If everyone was doing this all at the same time, then it would be fine, but that's not likely to be the case.

Marcus Johnson:

V, do we normally do a bell at the end?

Victoria:

Sometimes, but sometimes I just put it in post.

Marcus Johnson:

Oh, you do?

Victoria:

We do a gavel when you ask the question, and then-

Marcus Johnson:

Oh, at the start, and then there's a bell at the end?

Victoria:

Yeah, yeah, yeah.

Marcus Johnson:

Okay, so I don't need to hit this one?

Victoria:

No.

Marcus Johnson:

Damn it. Okay, fine. I'll put it back.

Victoria:

If you want to hit the bell, Marcus, I'll make it work.

Marcus Johnson:

No, it's fine. It's fine, V. It just ruined my morning.

Victoria:

I don't want to be the one to deny you bell ringing.

Ethan Cramer-Flood:

He likes his toy. Y.

Marcus Johnson:

Yeah. I don't know how to end it. It just ends. It's strange. All right, I'll just-

Victoria:

Hit the bell. Do it.

Marcus Johnson:

Okay, fine.

Victoria:

[Inaudible 00:15:20].

Marcus Johnson:

Fine, I'll do it. You forced my hand. Ross, shoppers won't ... This is because of Mark Oliver, he made me buy this, that menace. Hi, Mark. Okay, Ross, shoppers won't go elsewhere if they're charged for returns, make the case.

Ross Benes:

Well, people are just stuck in their habits, and if you've been using Amazon for 10 years, I really doubt you're going to stop doing so because you might get charged a few dollars here and there on the few times that you decide to return something. I just feel like people online shop with the services they like, and a little fee here and there isn't going to change that. I'm not sure they'll even notice that much because a lot of online shopping occurs pretty mindlessly, you just kind of tap something twice on your phone and boom, it's there. I don't know how much people are really inspecting this.

Marcus Johnson:

It costs a fair amount for retailers. Nava estimating that it costs retailers 26 bucks to process every $100 in returns, so $26 for every 100 processed. We have some numbers on this, which I didn't realize we had. Forecasting team, man, they're brilliant. Online return rates peaked in 2021 with 22% of items being returned. Today, it's 18%, and should tick down to 15% in a few years. That's online return rates. It's ticking down because folks, a, returned to stores, and are less likely to return stuff if they buy things from stores, that return rate in store, return rates are 7% versus 15% for online return rates. The second reason is online sizing getting better as well, so another reason why online return rates are creeping down.

All right, very good gents. Let's move to question two. We've got Ross versus Paul. Where will the NBA live in the future? Insider Intelligence Senior Director of Briefings Jeremy Goldman, explains that, "As the current NBA media rights contracts with ESPN and Warner Bros. Discovery approach expiration in 2024, 2025, which would be not this coming season, but next, negotiations for the next round are set to ramp up with big tech, think Apple and Amazon also vying for a piece of the action," coined to Bloomberg. Speculation suggests the NBA might opt for the NFL model of multiple media rights packages, and may partner with different streaming and broadcast platforms, but the question is, does following the NFL's multiple media rights model make sense? Ross is up first. So Ross, following the NFL's multiple media rights model does make sense for the NBA, make the case.

Ross Benes:

Well, the NBA is one of the few products that is keeping linear television alive still, and it may not have the reach that the NFL does domestically, but it has substantial international popularity, so I think their rights will be divided up between a few companies. They're going to want to spread their risk a little bit because some of the media companies that have held NBA rights, particularly local sports broadcasters, have been hit hard, and you've seen this in MLB too, like with Diamond. So the regional sports networks, outside of a few that are owned by the teams are really suffering, and I think the NBA is going to want to spread its games around to a few big companies that have international extension.

Marcus Johnson:

Very good. Paul, making the opposing case here, following the NFL's multiple media rights model doesn't make sense for the NBA, make the case.

Paul Verna:

I think it results in a bad user experience, and we have seen this already, particularly with Major League Baseball. The NFL is a little different in the sense that it's a weekly schedule, so you have these weekly games. You have basically Monday night football as a franchise, you have Thursday night football as a franchise, and those have been franchises long before the streaming era, so it's easier to separate those out, parcel them out to one provider or another. I think with daily or quasi-daily games like in baseball and basketball, it just creates a lot of confusion. Now with so many streaming companies affiliated with big media conglomerates that have their origins in linear TV, it's easier to try to work with a partner that's going to cut across that landscape as opposed to many different partners who are just going to dilute the experience for the end user.

Marcus Johnson:

Terrific arguments, gents. Crackin' segment so far. Don't ruin it at the end. Question three. Amazon considers an ad supported tier for Prime Video according to the Wall Street Journal, similar to the recent moves of Netflix and Disney Plus who both launched ad tiers at the end of last year. No details yet on price, but it's Paul against Ethan, the question being, will an ad supported tier work for Amazon Prime Video? So Paul, an supported Prime Video tier will work, one minute, make the case.

Paul Verna:

I think it will work partly because there's a lot of inertia in that direction now, or a lot of momentum with virtually now every platform offering some kind of ad supported tier. So there's a lot of acceptance for that model, a lot of arguments to be made for users wanting that, wanting the option. Also, if you look at Amazon as an ad business, they're a huge ad business and a lot of that advertising has been flowing to their media channels, not just their retail platform, so they already have the built-in expertise to make it happen. They've had some issues with the NFL franchise that they have exclusively licensed, but I think those are the kinds of growing pains that virtually any company, and certainly one of the size of Amazon is going to be able to work around. So I think if they launch this, they're very much in sync with the market and with their customer base.

Marcus Johnson:

Very nice. Ethan, an ad supported tier for Prime Video won't work, make the case.

Ethan Cramer-Flood:

I think not only is it going to not work, I'm going to cheat, and I'm going to change the phrasing a little bit, I'm going to say it's not going to matter.

Marcus Johnson:

Oh, [inaudible 00:21:37].

Ethan Cramer-Flood:

This is they're barking up the wrong tree here. The first point I would make is that Amazon Prime households already make up about 70% of the US. They already are everywhere, 70% of people already have access to Amazon Prime Video if they want it. A lot of folks don't even use this benefit that they could potentially be using. But secondarily, to Paul's point, I'm going to take his point and flip it back on him, you're talking about a company that already is an advertising monstrosity, an absolute mammoth player, they're making 30 billion in retail, media, ad revenue already, and another four or five billion on top of that. On top of that, they already have freebie, there's already lots of ways to access Amazon Prime related content for free, all this sort already exists, and the kind of additional ad revenue that might come in at the highest level of what Netflix is maybe approaching is like pennies from Amazon's perspective, to provide a service that everybody already has and that they're already all doing. I think this is a minor news at best.

Marcus Johnson:

You mentioned the households, we have Amazon Prime Video viewers, nearly half of Americans, 46% already, which is not bad going, but obviously, Ross, you make this point quite a lot, and I think it's a really important one, time spent on the platforms can vary quite a lot. Even if you've got a ton of viewers it doesn't necessarily mean people are engaging with it, with the content as much as they are other platforms per se.

Paul Verna:

Can I just offer one rejoinder to this argument about the Prime users? Absolutely, that is how Amazon has built this video audience, but increasingly, platforms are decoupling their sort of legacy business models from some of their media offerings. You see this certainly with YouTube and sports, where it's basically something you have to subscribe to separately. You see it with movie rentals on all of these services, where yes, they have a small number of movies available, but for the most part, if you're going to watch a movie, you're going to have to pay four or five bucks to rent it even if you're an Amazon Prime subscriber. If you look at things like the music service on Amazon, it's limited if you just opt-in to the version that's available as a subscriber versus paying extra for a subscription that gets you 10 times the number of tracks. I think that Amazon is not assuming that that business model is going to hold, and that they're going to need to figure out different ways to approach the different constituencies within their video audience.

Ethan Cramer-Flood:

I'm just rooting for them to fail because it's so annoying to have to flip over on Thursday night football, and to find a Yankee game when I expect it to be on YES network, that everything that Amazon is doing to transition themselves in to a media giant, it just bugs me. So no, I have no idea. I took my position because I was assigned that position. They're probably going to succeed. This is probably all going to work now.

Marcus Johnson:

Ethan was the last person to respond to the email so he got stuck with the difficult arguments.

Ethan Cramer-Flood:

But I want to loop it into the NBA conversation, because this is the point, it does become a negative user experience after a while when we're all flipping around constantly. I think every Yankees fan has had this experience for the last year and a half, when you sit down on the couch after the workday and you just want to watch the game, and it's not on, you don't know where it is, it's incredibly aggravating. I think it would be a bad call if the NBA goes in that direction, whereas it is a little bit different for the NFL because you know what to do on Thursday night, if you want to watch the game, you just go over to Amazon, unfortunately.

Ross Benes:

I saw this online, it was probably about a month ago, where the Yankees had a different provider airing the game for six days in a row.

Ethan Cramer-Flood:

The worst.

Ross Benes:

It was Apple TV on a Friday, and it was Amazon on Saturday, and on Sunday it was Peacock, and then it was YES network, and then they had a game on Fox, and it was all within the same week. Every game was someone else's.

Ethan Cramer-Flood:

You're not going to have all that, even if you're a very engaged media person with a lot of tech, you're not going to have all of them.

Ross Benes:

Yes.

Ethan Cramer-Flood:

It's very frustrating.

Paul Verna:

Yeah, and I'll say as a Mets fan, so full disclosure there-

Marcus Johnson:

Nevermind, now let's move on. Mets fans [inaudible 00:25:50].

Paul Verna:

Same dynamic, but one thing that this whole streaming fragmentation has made me appreciate even more than I already did, is when you're a fan of a team and you watch their games, the broadcast team is so important to that, having your own. In the case of the Mets, these are now Hall of Fame broadcasters, and when you get ... I can access the games that are on Apple and Fox, but it's just not the same experience, so it dilutes it not just from an access standpoint, but it actually dilutes the quality of what you're watching.

Ross Benes:

So when you tuned on the Mets for Sunday morning Peacock, are you missing Keith Hernandez?

Paul Verna:

Absolutely. Gary, Keith, and Ron, the triple threat.

Ethan Cramer-Flood:

The Mets have an incredible broadcast team. That's the one thing I give the Mets, those guys are ... they're the best, they really are.

Marcus Johnson:

You're lucky if you do have a good bro ... I'm a Lakers fan, unfortunately, and I can't stand the Lakers' broadcasters, to the point where I have a NBA game pass, and I'll watch the away broadcast because they're insufferable. Sorry, gents, you're terrible.

Ethan Cramer-Flood:

Wow.

Marcus Johnson:

Yeah, it's bad. It's so bad. Anyway, that's what we've got time for, for the debate of the week. Very good one, indeed. It's time for dinner party data, the part of the show where we tell you about the most interesting thing we've learned this week. We'll start, Ross, do I need to give you time to find something?

Ross Benes:

No, you can ... I can go here, so-

Marcus Johnson:

Okay, let's start with Ross.

Ross Benes:

So the Men's College World Series is going on in Omaha, and there's news that the LSU Tigers' fan base has set a new record in buying jello shots. The founder of Raising Cane's, the fast food chicken wing place, bought 6,000 jello shots himself, and the overall fan base, and this is just through the first five days of this series, so this number will be outdated, but they have about 22,000 jello shots purchased, and that has beat the all-time record. When the Raising Cane's guy bought 6,000, the Omaha World Herald reported that it was a world record that was formally held by Merle Haggard, who had ordered 5,000 jello shots at a bar in the 80s at Fort Worth, Texas. Now, this jello shot data is probably best chased with several grains of salt. I don't know how believable any of it is, but the bar across the street from TD Ameritrade Ball Field is making a killing using this as a marketing gimmick, making all these people compete against each other to buy $5 jello shots. They've sold like a 100,000 jello shots in less than a week.

Paul Verna:

Genius.

Ross Benes:

Yes.

Marcus Johnson:

Oh, it sounds dreadful. Ethan, you're up.

Ethan Cramer-Flood:

I got one that's close to my heart. As we approach the summer, I am one of those people that goes to Cape Cod once every summer, just a long weekend. I'm here in New York, it's not that far. It's a nice thing to do. So The Boston Globe just had an article reporting that the real estate vacation economy in Cape Cod is all a Twitter, all a mess because rentals, Airbnb and others, are going unused this summer, much to the shock and chagrin of all the investors that had been making a killing recently. There's apparently a 20% vacancy rate for this summer among long-term rentals. This is not hotels, but this is the Airbnb kind of style of vacationing and renting that has taken over in recent years. The article and the commenters that they quote are all hypothesizing that basically there was sort of a huge vacation bubble there, based on the pandemic lifestyle choices that Americans and the Northeast were making. There has been a huge influx of overcapacity now, and price rises, price increases based on maybe overly optimistic renters.

It costs an average of $620 a day to stay in Cape Cape Cod as the average price on the apps, which according to the article, you used to be able to stay in Cape Cod for an entire week for that, and now it's per day. But also, the total number of rentals available, rental properties available, has increased to 16,000 up from 12,000 just a couple of years. In 2021, there was 12,000, now there's 16,000, so you have a massive increase in capacity, and a massive increase in prices, at the same time that demand is dropping. I'm not an econ major, but I'm pretty sure when supply goes up and demand goes down, and yet the people providing the supply are all insisting on raising the prices, you just end up with empty facilities.

I don't know if this is ultimately going to be very good news for anyone who would like to go to Cape Cod this summer, but apparently there's lots of availability because people are charging too much. We'll just wait and see if all those prices go down. This is just one more in a very, very long line of examples of the way that people mistakenly thinking that the way things were during the pandemic is how the way things always were going to be. But in fact, people have returned to going elsewhere, traveling overseas, going to Europe, the US dollar is strong, it's ... There's comments in there about it's cheaper to go to Greece than it is to go to Cape Cod, so why not just go to Greece, and it shouldn't be that expensive to go to Cape Cod, and maybe it won't be soon because it's all empty.

Marcus Johnson:

Yeah.

Paul Verna:

Those economic indicators don't sound like they're pointing in the right direction. I'm not an economist either, but I do have a very easy fix though for those Airbnb owners who are having trouble renting their places. They need to offer free jello shots.

Marcus Johnson:

Okay.

Paul Verna:

Yeah.

Marcus Johnson:

Absolutely.

Paul Verna:

Plenty of those to go around.

Ross Benes:

I need to get all those LSU fans to come to Cape Cod.

Paul Verna:

LSU, and Merle Haggard, RIP.

Ross Benes:

Yeah.

Paul Verna:

Yup.

Marcus Johnson:

I was one of those Cape Cod people. I did go during the pandemic for a little bit, but that pricing though, I did ... You said cheaper to go to Greece than it is to go to Cape Cod, that's how I felt when I lived in London, and it was cheaper to go to Paris on the Eurostar than it was to go back to my parents' house an hour north. I would often call my parents from Paris saying, "I'm sorry, I did it again. I'll be up next weekend." Anyway, who's left? Paul.

Paul Verna:

Yes. So I think I've mentioned these stats before, but I've done some new number crunching around them, and this is about YouTube and how much content is uploaded to YouTube every hour. It's basically 30,000 hours of video for every hour of real time. So there's a 30K multiple between them, which is incredible to me to think about. But what that means, and this says something about the whole content moderation challenge, certainly too much. If you were to employ people working 40-hour weeks to just view the content, nevermind make any kind of informed decision about it, it would require a staff of 126,346 people just on that job. So this drives home why these companies, and YouTube of course are not the only one, relies so much on algorithms, which of course are prone to making errors, as our people. Also, on that number of hours, the amount of time it would take in years for one person to watch one hour of all the content that's uploaded on YouTube, assuming it was a full-time job at 40-hours a week, 14 years.

Marcus Johnson:

There's too much up there.

Paul Verna:

Hit play, and maybe we'll regroup in 14 years.

Ethan Cramer-Flood:

In China, they managed to do it though. Back in my previous life, I lived in China for a while, and they have all of these short-form video platforms, and all the same types of online entertainment that we have, and they have a billion people uploading, maybe not quite, YouTube has the entire world uploading to it, but China has a billion people uploading to its platforms, incalculably enormous amounts of hours being uploaded per day, and they do, in fact, have the X hundreds of thousands of people reviewing them, every single one, for the purposes of political censorship and social stability. They do it. They just have the people doing it.

Marcus Johnson:

Yeah.

Ethan Cramer-Flood:

Yeah.

Marcus Johnson:

Stunning. I remember ... Yeah, Paul, I remember you bringing that stat years ago, and I was staggered then. I think it was something like a thousand times or a hundred times a multiple, 30,000 now.

Paul Verna:

Yeah. Full disclosure, this data point, the 30,000 is not necessarily new. It's hard to ... YouTube no longer publishes any data about it, and the estimates are a little waffling as far as where the data actually comes from, but by a few different estimates that is the metric. If anything, it's probably gone up since then because this is a couple of years ago, but yeah, it's staggering.

Marcus Johnson:

All right, folks, I've got one for you. Talking vacation days, Freny Fernandes of Visual Capitalist just put together a piece about vacation and paid leave, or sick days. She used Resume.io research to analyze the laws on statutory paid leave, and paid public holidays in different countries to show the minimum amount of vacation days, the minimum amount of vacation days employees are entitled to. So first section here we're talking about which country gets the most paid vacation days by law, it is Iran, 53.

Ethan Cramer-Flood:

Wow.

Marcus Johnson:

The oceanic countries of Micronesia, nine days, and Nauru, 10 days, ranked at the bottom of the list. The US is tied at second worst in the world with Nauru, with employees mandated a minimum of only 10 vacation days a year on average. However, that's an average, the US has no federal or state minimum allowance for paid holidays or paid public holidays, which is shocking, most developed countries do. In fact, 15% of workers in America receive no paid vacation days at all according to the Bureau of Labor Statistics. For comparison, Canada's average is 19 compared to America's 10, the UK 28, most of ... What the hell are they doing? Do some work, English people. Most mainland European countries, even worse, 30 to 35.

Paul Verna:

I thought England wasn't part of the UK.

Marcus Johnson:

We pretend we're not, but we are. We love our Scottish, and Welsh, and Northern Irish brethren.

Paul Verna:

Well, I'm moving to Iran, and I'll do the weekly listen from there, but I'm not going to be available a lot, so once every couple of months.

Marcus Johnson:

Which country gets the most paid leave days or sick days by law? In most countries there are laws to provide statutory leave to employees, 22 countries have a very generous 30-day leave policy. This is paid leave, 30 days, 10 are in Africa. The US, Nauru, Micronesia, and Kiribati have zero mandated paid leave days. For comparison, Canada has 10, UK 20. Most of mainland European countries have 20 to 25.

Then finally, a couple of stats on paid time off Americans end up taking. So one, in 2018, Americans used an average of 17 days PTO, paid time off according to the US Travel Association. That's down, interestingly, from 20 days, so from 20 to 17 over the last three decades. Two, employees don't use about seven days of their paid time off each year, they leave them on the table. 27% of paid time off went unused in 2018, and also over half of Americans reported having unused vacation days.

Finally, for people who have unlimited PTO, this is some numbers for you. Only 4% of companies offer unlimited PTO in the US, 20% of company is in tech, media, and finance so they over-index. On average, employees with unlimited PTO only take 10 days off. Employees with unlimited PTO report the best work-life balance however, and 42% of these folks with unlimited PTO say that they always work on vacation. So anecdotally, because I've been at companies where you have unlimited pay time off and it does feel like you take less, but these numbers suggest that that's true, so for the love of God, book a vacation.

Ethan Cramer-Flood:

This is why Cape Cod is empty.

Marcus Johnson:

Exactly.

Ethan Cramer-Flood:

So just start using your vacation days.

Marcus Johnson:

That's what we've got time for, for today's episode. Thank you so much to my guests. Thank you to, Ethan.

Ethan Cramer-Flood:

Thank you, Marcus. Always a pleasure.

Marcus Johnson:

Yes, sir. Thank you to Ross.

Ross Benes:

Thanks, Marcus.

Marcus Johnson:

And thank you to the soon-to-be based in Iran, Paul.

Paul Verna:

Thank you as always.

Marcus Johnson:

And thank you to Victoria who edits the show, James, who copy edits it, and Stuart who runs the team. Thanks to everyone for listening. If you want to say hi then go to Instagram, behindthenumbers_podcast, and you can message us, and I will say hi back. We'll see you guys on Monday hopefully for The Behind the Numbers Daily, an eMarketer podcast. Happy Weekends.