Oscar Orozco, Stephanie Taglianetti, and Max Willens

The Weekly Listen: Netflix is growing up, sweetgreen's Infinite Kitchen, and the time we spend with connected devices

Audio

On today's episode, we discuss password sharing and live sports on Netflix, what the definition of "convenience" is, if awards shows have turned things around, where we spend time with connected devices, sweetgreen's plan to automate all stores in five years, who invented the card game Uno, and more. Tune in to the discussion with our director of forecasting Oscar Orozco, vice president of Briefings Stephanie Taglianetti, and analyst Max Willens.

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Episode Transcript:

Marcus Johnson:

eMarketer and Insider Intelligence's chart of the day newsletter helps leaders to quickly understand key trend data so they can communicate insights to their teams and make sound data-backed decisions. Visit emarketer.com/newsletters and join the thousands of subscribers who rely on our actionable charts. 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 once started crying aggressively in a restaurant because the dish was too spicy.

Stephanie Taglianetti:

Yes.

Marcus Johnson:

Isn't that right, Victoria?

Victoria:

I don't want to talk about it. It's too soon.

Marcus Johnson:

Is that what you guys were talking about when I joined?

Stephanie Taglianetti:

Yes. Victoria and I cried in restaurants over spice levels.

Victoria:

It's true.

Marcus Johnson:

Been there.

Victoria:

I've also cried because of tasty things too. It's not just spice levels.

Marcus Johnson:

Because it was so tasty?

Victoria:

Yeah. You guys haven't?

Stephanie Taglianetti:

Never. I've-

Max Willens:

If your heart is open.

Victoria:

Wow.

Stephanie Taglianetti:

If your heart is open.

Oscar Orozco:

The most I've done is clap very loudly. Pleasure.

Stephanie Taglianetti:

My heart is closed, but my belly's full when I eat.

Marcus Johnson:

Oscar gave a standing ovation. I'm your host, Marcus Johnson and-

Oscar Orozco:

Because of a good side dish.

Marcus Johnson:

I'm your host, Marcus Johnson in today's show. Netflix is growing up.

Oscar Orozco:

I do feel like the games will be sustained. It's hard to get rid of Netflix. It's so ingrained here, so that's why I'm also not surprised that maybe in other countries, this hasn't worked.

Marcus Johnson:

What does convenience even mean?

Max Willens:

Obsessing over these generations as they're defined by their names, Gen Z, millennials, gen X is pretty stupid, and you just have to think about who your customer is.

Marcus Johnson:

Have award shows turn things around?

Stephanie Taglianetti:

I don't think that we can say this level of growth is enough to call it turning around versus just like no longer falling off of a cliff.

Marcus Johnson:

How much time do we spend with connected devices? Sweetgreen embraces automation, and who invented the wonderful game of Uno? Join me for this episode. We have three people. Let's meet them. We start with one of our senior analysts on the digital advertising and media team based out of Pennsylvania. It's Max Wellins.

Max Willens:

Yo.

Marcus Johnson:

There he is. We're also joined by our vice president of everything briefings based out of New Jersey, I think.

Stephanie Taglianetti:

Yep.

Marcus Johnson:

Yes. Yes, it's Stephanie Taglianetti.

Stephanie Taglianetti:

Cheers, mate.

Marcus Johnson:

Finally, we have one of our directors of forecasting based out of New York. It's Oscar Orozco.

Oscar Orozco:

Hello. Hello, everybody.

Marcus Johnson:

Hey. What do we have in store for you, folks? Well, we've got three segments. We start with the story of the week. Netflix is growing up. We then move to the game of the week where our contestants will give us the best takeaways they can from each of the four stories we have for you. We end with dinner party data of course, but we start with the story of the week.

So, Netflix is growing up in a number of ways. They're starting to charge people for sharing passwords, and they're also dabbling in live sports, and we'll talk about both now for the story of the week. We'll start with the password sharing piece. Netflix has seen a jump in subscribers as it starts to curb password sharing In the U.S., notes Lauren Forristal of TechCrunch. According to a new report from research company, Antenna, Netflix added nearly a hundred thousand daily signups on May 26th and 27th just days after they started the password sharing crackdown. Ms. Forristal explains that on May 23rd, so four days before all of these signups, Netflix started to charge password shares eight bucks a month for an additional membership for folks living outside of the member's household. So, the monthly cost of sharing with an extra person is now two bucks less per month than the basic subscription, but it is one more per month than the ad supported plan. Folks, what do you think about Netflix's early success, it would seem, on trying to curb all that password sharing?

Max Willens:

I just think it was something that they had to do eventually, especially now that they are turning the dials on trying to build up an ad business. Their subs business or their subs revenue in the U.S. grew just 5% last year. It's going to grow 5% this year, and it's going to grow 5% the year after that, and that's after year after year after year of reliable double-digit growth. So, they've just got to do something to sort of protect and build their subs revenue as much as they can. It's also true that this is ... having people, lots of people in lots of different locations tied to one account messes with their ad ambitions if-

Marcus Johnson:

Yep.

Max Willens:

... somebody is trying to target a user who lives in Philly, then it doesn't do very well to target that ad to somebody who is tied to the same account who happens to be in the Hudson Valley or in Iowa instead, so this was a necessary thing they had to do. I am surprised that they haven't seen more revolt. That was one of the reasons they rolled this out so slowly was because every time they tried it in a smaller market, there was incredibly staunch resistance to it.

Stephanie Taglianetti:

Yeah.

Max Willens:

So, I think on that level, Netflix has got to be feeling pretty good about it, but this was something that they had to do eventually.

Stephanie Taglianetti:

Yeah. I think I read a Harris Poll. Like over 40% of people even said they'd be willing to pay up to $10 a month more for password sharing component, so I was thinking there was going to be much, much more resistance than that, but it doesn't seem that way. I think the targeting also goes for recommending content as well with shared accounts, people bounce in and out of each other's profiles accidentally, and whenever my mother ends up in mine, my recommended content is just god-awful. So, I imagine that scales out.

Max Willens:

I left my Netflix open in an Airbnb once for six months, and it was ... I was horrified. I just thought, what is wrong with you people?

Oscar Orozco:

Oh God.

Max Willens:

What do you deal with your leisure time? My God.

Oscar Orozco:

I had a friend who left it in a hotel, which I'm sure was even worse, but I was on the other side of this. I honestly thought this had to happen, and I knew there was a lot of posturing. I mean, I had close friends who were flexing their muscles. "I'm canceling it, getting rid of it. I'm done with Netflix," and I haven't heard that in the last couple weeks. People are-

Stephanie Taglianetti:

Yeah. You can say that all you want, but then push comes to shove, you're going to pay the $10.

Oscar Orozco:

You're going to. There's a lot of FOMO involved, right? It's a hard habit or addiction to shed, so I'm not surprised. I also, from experience, can say I feel like the prices might be a bit up. We've had to sign up for premium to be able to add two households. I think the total cost is like $36 a month, which is crazy, crazy prices for a streaming platform, but we're working through it. We're working through it. So, I do feel like the gains will be sustained. It's hard to get rid of Netflix. It's so ingrained here. So, that's why I'm also not surprised that maybe in other countries, this hasn't worked, but here in at least in the U.S., Canada as well, I think that this is the right move.

Marcus Johnson:

Yeah. Yeah. It's, as Max pointed out, growth has definitely slowed down. Actually went backwards for a couple of quarters last year, Netflix having two consecutive quarters of subscriber losses, Q1, Q2 of last year, the first time in its history. Then, it kind of got stuck on 220 million subscribers from the end of 2021 to the fall of 2022 and has since jumpstarted growth before this password sharing crackdown came to the U.S. So, it is heading back in the right direction. I mean, it seems like there's a lot of runway here as well for potential new revenue, new subscribers. Netflix previously estimating that over a hundred million households share their accounts with others.

Stephanie Taglianetti:

Yep.

Marcus Johnson:

30 million of those are in North America. So, the second part of Netflix growing up is them dabbling with live sports. They're in talks at least to livestream their first sporting event this fall, celebrity golf tournaments featuring professional golfers and Formula One drivers. Sarah Krouse and Jessica Toonkel of the Wall Street Journal were noting this story. Thoughts, folks, about Netflix getting into live sports?

Max Willens:

I think this is something that if I was inside of Netflix, I would be pushing very much for them not to be doing this. I mean, I think that they're in sort of a strange position where they're too big to say that they're going to try sports and get into something really niche like field hockey or lacrosse or something like that, but they're also not really big enough to compete for the NBA, for example, or the NFL, which you think about something like Warner Brothers Discovery, which has had lots and lots of the NBA for a long time, and a big reason that they keep winning that contract is because they also provide a lot of the digital infrastructure for the NBA's product. They, for a long time, helped them with their app and with all of their web presence. For a sports league that has global aspirations, you want to make sure that that stuff is in good hands, and I don't think that Netflix could say with a straight face that they can accomplish or deliver something like that.

The other thing too is that a golf tournament is fine, but one of the reasons that sports are so attractive is media properties, in addition to being live and in addition to having a steady audience, is just the tonnage of impressions and programming time you get out of it. An NBA season has over 1,200 games in it. An MLB season has 2,400 games in it. That's gigantic opportunity for big advertisers like automakers, likes insurance companies, and that's just not going to be delivered by a golf tournament that one and a half million people are going to watch on a Sunday one time.

Stephanie Taglianetti:

Right. Right.

Max Willens:

So, I think that Netflix is right to be pursuing this cautiously, and it would not surprise me if they don't become a big player in North American sports.

Marcus Johnson:

They've flirted with sports, live sports a little bit. I mean, they bid for the live U.S. streaming rights to the F1 racing last year. ESPN won the three-year deal. They've bid or considered competing for rights to tennis cycling and other lower profile leagues as well. I mean, Stephanie, Oscar, what do you think? I mean, if it's not live sports, do you think that live events could work because I mean-

Stephanie Taglianetti:

Well, yeah. I mean, the livestreamed Chris Rock special seemed like right much more right for a platform like Netflix, right, like live comedy and events like that. It's like they have those Netflix specials all the dang time.

Marcus Johnson:

Yeah.

Oscar Orozco:

I mean, I'm definitely skeptical for sure. They've mentioned in the past that they basically couldn't compete because they couldn't be profitable paying the prices that YouTube and Apple TV have for Amazon Prime for Thursday night football, things like this, but we talk about this a lot here. The live sports is like that last frontier before the streaming platforms become what cable providers are already, right, so that evolution back to what cable and satellite is. So, in a way, it almost feels like they have to try. I just think that this celebrity golf tournament isn't really that. It's more like a PR thing at this point, right? They really need to try. I think Formula One would've been a good opportunity given the success of that series. They didn't win it, so I'm not sure where they turn to.

Marcus Johnson:

Yeah. [inaudible 00:12:11]. Yeah.

Oscar Orozco:

Yeah. I'm not sure where they turn to from here.

Max Willens:

I think also both Oscar and Stephanie have made another point, which is probably hampering them, which is just a question of brand fit, right?

Stephanie Taglianetti:

Right.

Max Willens:

Netflix, for all intents and purposes, is a sort of mass consumer product, and so Formula One, even though it's, I think, grown a lot more mainstream in recent years, is fundamentally like a European-centric sport that's mostly enjoyed by rich people. I don't think it would've been on brand for Netflix to become the place that you watch Formula One racing. I think even to an extent, that's one reason why they couldn't have or wouldn't have been a good fit for Major League Soccer, which is again, something that's kind of ascendant but is still not really a mainstream American sport. If you're just confining yourself to mainstream sports, it's kind of tough. I mean, I feel like their best bet if they're going to try to do something would be to try to muscle in on one of the kind of fake national Football league knockoffs, so the USFL or the XFL because that's a sport that people are familiar with.

Marcus Johnson:

That's good idea.

Max Willens:

It's surely a lot cheaper than the NFL is, but it's also a sport that Joe Sixpack ... God, I sound like such a jerk, but Joe Sixpack will want to check out when he's got his feet up and looking for something to watch on Netflix.

Marcus Johnson:

Yeah. We'll see what they land on. Stephanie was pointing out their March comedy special with Chris Rock went well, but then their livestreaming of the reunion episode Love is Blind reality show in April did not.

Stephanie Taglianetti:

Yeah.

Marcus Johnson:

So, still figuring out how to do this and what works, what doesn't work.

Max Willens:

Stephanie's still mad about it.

Stephanie Taglianetti:

Shocker.

Marcus Johnson:

That's what we got time for for the story of the week. Time, Of course, for the game of the week. Today's game, what's the point? Where I read out four stories and Stephanie, Oscar, and Max tell us the main takeaway of the story. Okay answers get one point. Good answers get two, and answers that give you the same feeling as warming your hands in front of a fire-

Stephanie Taglianetti:

Oh.

Oscar Orozco:

Yes.

Stephanie Taglianetti:

Nice.

Oscar Orozco:

Well played. Well played.

Stephanie Taglianetti:

Good one.

Marcus Johnson:

Answers that leave you with that feeling get you three points. 20 seconds to answer before they hear this. If you run long, you'll be judged harshly and minus two points. If you run long twice-

Stephanie Taglianetti:

You're out.

Marcus Johnson:

You will receive a look ... You are out. You're out. You'll receive a look of disappointment, a slow head shake and a thumbs down.

Stephanie Taglianetti:

That's a lot.

Marcus Johnson:

Whoever gets the most points ... Yes, this is a lot. It's pretty serious. Whoever's most points wins gets the last word. Let's play. We start with Max for round one. What does convenience even mean? Whilst convenience is king for 82% of consumers, according to a March numerator survey, different generations have different ideas about what it looks like, notes Insider Intelligence retail briefings analyst Rachel Wolff. She explains that Gen Z people prefer stores located within walking distance or on public transport routes, self-checkout, and easy-to-use promotions. That's what convenience means to them. For Gen X and Boomer shoppers, shopping at any time is the most convenient aspect. Millennials say easily comparing prices and products is the definition of convenience, but Max, what convenience means? What's the point?

Max Willens:

I think the point of this article, and the thing I took away from it is that obsessing over these generations as they're defined by their names, Gen Z, millennials, Gen X is pretty stupid. You just have to think about who your customer is. Gen Z wants coupons because they're broke. They don't have any money. They're teenagers in their 20s. They're all broke.

Marcus Johnson:

Yeah.

Max Willens:

Millennials want price comparison because they have more income, but they have more needs.

Stephanie Taglianetti:

Right. Right.

Max Willens:

They're verging on middle age, and they got kids, and they have mortgages, and they need to find something that fits into their ... and I'm not speaking from experience or anything, but it's just ... Think about the life that your target consumer is leading and go from there.

Marcus Johnson:

Yeah. Stephanie.

Stephanie Taglianetti:

Well, I also think you have to think about who you are as a brand because some of these sentiments are going to be completely irrelevant to you. Amazon, does it matter that people want to be in walking distance of a store? No. It's about, I think it just comes down to also just being easy and simple. You can scale that out to any service. People want to be able to check out by themselves, talk to their doctors by text. There's so many things. It's going to be specific to your brand. You can't take this out of context, I think.

Marcus Johnson:

Oscar.

Oscar Orozco:

Yeah, I agree with my colleagues here. I think the moral of the story is that I personally didn't feel very represented by any of the choices either, so it's exactly that. It was that everyone, especially shoppers, when you think about retail, everyone's ... shoppers are so fussy and needy, so it's impossible to cater to all the needs. For me, if I had a choice, I would've said I want a true omnichannel experience, especially when I'm in the store, so being able to find things on a tablet that aren't in the store and shop that way, so it's complicated.

Marcus Johnson:

Yeah. Round two. We start with Stephanie. Have award shows turned things around? Tony Awards viewership increased to 4.3 million, folks, up from 3.9, notes John Koblin of the New York Times. That's the second consecutive year that the broadcast has seen a bump in the ratings according to Nielsen. Mr. Koblin notes that this year's Oscars and Grammy Awards both increased their viewership too, but Stephanie, have award shows turned things around. What's the point?

Stephanie Taglianetti:

I don't think that we can say this level of growth is enough to call it turning around versus just no longer falling off of a cliff because from what I understand, growth this year is over an abysmal last couple of years where viewership was at all-time lows. So, in the grand scheme, I wouldn't get distracted by news of higher than last year because last year was just so abysmally low.

Marcus Johnson:

Oscar.

Oscar Orozco:

Yeah. I totally agree there. I think it was, what, 400,000 more people. I know that Tony's aren't as popular as the Oscars and the Grammys, but it's not a lot more. So, I would say what we've moved from the critical care unit to intensive care here. I mean, we've talked about this on the program, Marcus, and I'm still very skeptical, don't believe much in these awards ceremonies. So, we'll have to track a few more years of maybe sustained gains for me to really believe something's happening here.

Marcus Johnson:

Yeah. Max.

Max Willens:

Yeah, I mean, Stephanie alluded to this, but I'll just say it more plainly. This was the third worst ratings the Tony's have ever recorded.

Stephanie Taglianetti:

Yep.

Max Willens:

Awards shows are not back. They just finally are here to celebrate stuff that was made and presented to people who weren't dealing with a COVID lockdown, so it's better, but it's not back.

Marcus Johnson:

Yeah. Yeah. Mr. Koblin of the New York Times pointing out that the highest rated show in recent years was 2016 when a Hamilton fueled ceremony poured in nearly nine million viewers. As I mentioned, this year's awards got less than half that, 4.3, but that was up from 3.9 of last year. The halfway mark, we check on the scores, Max, Stephanie and Oscar each have four, so tied-

Stephanie Taglianetti:

Whoa.

Marcus Johnson:

... heading to round three. Yes, indeed. Get excited.

Oscar Orozco:

[inaudible 00:19:55].

Max Willens:

[inaudible 00:19:55].

Stephanie Taglianetti:

I've never been on one of these with a three-way tie on the start. It's interesting.

Marcus Johnson:

It's happening. It's happening.

Max Willens:

Old timer, old timer.

Marcus Johnson:

We start with Oscar-

Stephanie Taglianetti:

It's happening.

Marcus Johnson:

... for round three. How much time do we spend with connected devices? Adults will spend just over seven and a half hours on connected devices per day in the U.S. this year. That's up one hour from 2020, so it's up one whole hour to reach over seven and a half. This is according to our principal technology analyst, Yory Wurmser. Over half of that digital time spent will be on mobile devices. So, half of those seven and a half hours is on mobile devices. Another quarter will be on the rapidly growing connected TVs, but Oscar, the amount of time we spend with connected devices changing, what's the point?

Oscar Orozco:

Well, I'm glad you wanted to talk about this report, Marcus. I would encourage all listeners to check it out. Yory's reports. It's incredible. It's a great report. I think I would sum it up, two key takeaways for me. We talk about mobile time, but you mentioned it, CTV. There's a lot of growth in digital connectivity coming from CTV, CTVs and streaming platforms, AVOD platforms, anything video. What we've also tracked, this is to tease an upcoming report, is really how CTV ad formats, although highly sought after, are largely under indexing so versus the amount of time that people are actually spending on CTV, so a lot of opportunity there. I would round that out just by saying other connected devices, smart speakers, smart watches, connected vehicles, a lot of growth there, and that's just beginning, so really exciting stuff in the report.

Marcus Johnson:

Yeah. Max.

Max Willens:

It's funny, I thought that Oscar was going to steal my point, but he left it for me. The mobile time listed on this report just continues to astound me, so we're going to close in on four hours a day by 2025. To me, that's just completely crazy. I mean, that's ... So, I spend eight hours at work, and I spend most of that time staring at my desktop computer. In the old days, I would then spend about an hour commuting to and from my job. Today, it's picking up my family members, and then I have to make meals and eat them. Am I spending literally every other minute that I'm awake looking at my phone because that's kind of what it amounts to?

Stephanie Taglianetti:

That's what it sounds like.

Max Willens:

That to me is just bananas.

Stephanie Taglianetti:

Yeah.

Max Willens:

Yeah. That's crazy to me.

Marcus Johnson:

Yeah. We say mobile devices, tablets, and smartphones is pretty much all that time is smartphones at this point. Stephanie.

Stephanie Taglianetti:

I mean, CTV time is growing, but mobile is just still gigantic, and what I'm thinking about is how many folks are still even overlooking mobile. I'm thinking about pharma in particular, who are just laser-focused on traditional channels like TV and absolutely nothing digital. Their digital investments in marketing and advertising are super low. I mean, you could probably think of those silly TV ads like Ozempic or something when I say that, so I don't know. I was just laser-focused on the fact that people are still such laggards with these really popular digital channels.

Marcus Johnson:

Yeah. Yeah, the two things that jumped out to me, mobile share falling, the time is growing, and it's still the biggest share. So, the minutes are going up, but the share, because of the increase growth in CTV growing faster, the share is falling. So in 2019, mobile devices had 54% of digital time. Today, it's 51, so it's not falling off a cliff, but it's going down to the benefit of CTV.

Then, the second point was, there's a really great chart in here basically showing what people do across different devices, and so on mobile, most of the things people are doing is watching digital video, then it's listening to digital audio, then it's social networking, things like that. Pretty much all of the time on CTV is digital video, and I wonder over time if that's going to start to change. Will people start to listen to more music on their TVs, or they start to game more on their TVs, or they maybe even start to do some social networking if it's easier to log in and out of your profiles, especially with people having TVs in every room of the house. So, what would that makeup look like in terms of the activity on the device? All right. Let's check the scores heading into round four. Double points. Round four, of course, is still tied, folks.

Stephanie Taglianetti:

What?

Marcus Johnson:

You'll never believe it. You'll never believe it.

Max Willens:

Whoa.

Marcus Johnson:

Six points a piece heading to double round.

Stephanie Taglianetti:

It's extremely dramatic.

Marcus Johnson:

Double points round four. I knows. It's tense. We start with Max for round four. Sweetgreen embraces automation expecting all its stores to be automated in five years. Sweetgreen expects all its stores to be automated in five years, notes Rachel, who we're referencing earlier. This comes a month after the salad chain opened its first automated infinite kitchen format in Naperville, Illinois, which is just to the left of Chicago. Max, Sweetgreen embracing automation, what's the point?

Max Willens:

Well, I remember a few years ago when Sweetgreen announced to the world that they were a tech company, not a food company, and people giggled and rolled their eyes. So, I guess this is them trying to insist that this is still true. I would just say that they should proceed with caution. One of the stories that amused me the most in the last month was reading that Zoom, which was meant to be like a robot pizza company that SoftBank had poured a ton of money into was shutting down because the pizzas that the robots made kept having their cheese slide off and fall off of the pizzas. I feel like making a salad and making a pizza are of about equal difficulty, and so if the Zoom robots couldn't make a pizza properly, I would worry about the robots making my salad properly.

Marcus Johnson:

Stephanie.

Stephanie Taglianetti:

I also know there were some worries about degrading the customer experience, but I don't know. Be real. If you're going to a quick service restaurant like Chipotle or Sweetgreen, I think it's just a very transactional experience. You want to get in and out of there. I don't think you care very much about talking or having customer service exchanges with the person behind the counter. So, I don't know. I don't buy that.

Max Willens:

But what if the robot smiles at you?

Stephanie Taglianetti:

I mean, that's a nice to have. It's not a need to have.

Marcus Johnson:

Oscar.

Oscar Orozco:

I mean, I agree with you guys. I mean, automation can come in so many different ways, so it really just depends on how it's done. It needs to be done in a classy way, but I was picturing myself ordering to a robot and thinking of the struggles I've had with voice spots and things like this, and just them understanding me when I order an artichoke or an avocado or an asparagus or something like that and having to repeat it 50 times. It seems like a bit of a nightmare the way I'm picturing it now, but guess we'll see.

Marcus Johnson:

Yeah.

Max Willens:

It sounds like you asked for arsenic. Is that right?

Oscar Orozco:

Repeat again.

Max Willens:

Just imagine screaming at a robot at a Sweetgreen and going on being, wind up being on TikTok. No, thank you.

Marcus Johnson:

Oh, man. One thing from the article from Rachel, which jumped out to me, which was eight out of 10 customers consider staff friendliness to have an important effect on satisfaction whilst just four in 10 agree that implementing more technologies improved customer service according to payments and Paytronix. Yeah, Stephanie. I hear what you're saying, and it seems like there are a lot of quick service restaurants that are going that way. I mean, McDonald's has kiosk now.

Stephanie Taglianetti:

Exactly, yeah.

Marcus Johnson:

You just order from the giant tablet, but I don't don't know. I really like to speak. Maybe it's just me. Maybe other people are like, "Oh, this guy again wants to have a chat," but I like interacting with the staff and saying hi. I wonder what effect that does have on the brands and how you see it and how you humanize the brands if the whole thing's run by robots. Do you start to have less affinity for the brands? Less compassion for the brands? I wonder.

Stephanie Taglianetti:

I mean, it feels just like delivery, right? It's like ordering delivery, comes to your home, minimal exchanges. That's a transaction.

Marcus Johnson:

Stephanie's not trying to talk to no one, right?

Stephanie Taglianetti:

Nah. Don't got time for that.

Marcus Johnson:

If you're delivering to Stephanie, just put the stuff down. Get the hell out of there.

Stephanie Taglianetti:

I'm spending all my time on my phone. I have no time for in-person conversation.

Marcus Johnson:

Rachel does note that the Infinite Kitchen for Sweetgreen doesn't eliminate human employees entirely. They'll still be needed to prep ingredients, but it does significantly reduce the labor required to operate the store. If I was a Sweetgreen employee and read this headline, I would be quite concerned. That's what we've got time for the game of the week. Let's check the scores. Ladies and gentlemen, it's Max. Max is this week's winner of the game of the week.

Stephanie Taglianetti:

Ooh, nice.

Marcus Johnson:

Just edged out Stephanie and Oscar with 12 points to Stephanie and Oscar's 10 a piece. Congratulations to him. You get the championship belt and the last word.

Max Willens:

I got a belt. I won the belt. I did ... I hope that that's okay. I don't have anything cool to say.

Marcus Johnson:

Oh, that's your [inaudible 00:29:23].

Stephanie Taglianetti:

That's the word. Those are-

Max Willens:

I will say, I'll tell you what.

Marcus Johnson:

Come on.

Max Willens:

I'm excited about my dinner party data because I think it's really interesting.

Marcus Johnson:

Cliffhanger.

Max Willens:

Well.

Stephanie Taglianetti:

I mean, we're going to get to it shortly.

Marcus Johnson:

Yeah. No, ten second.

Max Willens:

[inaudible 00:29:40].

Marcus Johnson:

You just wait those 10 seconds, folks. We're literally going to do that right now.

Stephanie Taglianetti:

Like, right now.

Marcus Johnson:

It's time. You guessed it for dinner party Data. It's the part of the show where we tell you about the most interesting thing we learned this week, and Max is kicking us off.

Max Willens:

So, it's June. It's warm. It's summertime. It's not officially song of the summertime, but I feel like this is the time of the year when people start thinking about it, the song that you want to have coming out of your car stereo or that you want to drop at an opportune moment when you have a party at your house. Odds are that it's not going to be a hiphop single or a song from a hiphop artist. For the first time in 30 years, there has not been a single hiphop song in the Billboard Hot 100 or a single hiphop album-

Marcus Johnson:

Wow.

Max Willens:

... in the number one on the album charts. In fact, only six rap singles have even gotten into the top 10. This just kind of blew me away, and I've been thinking about it for a long time and about what it is and what it means. No one really has a good explanation for why. A lot of people have sort of said that it's just the fact that hiphop has sort of suffused itself into all the genres. There are now country singers who rap on their songs. Afrobeat is essentially built out of the ideas and timbres of hiphop in lots of ways. Dance music has lots of rap in it, but the reality is that you could maybe start making the argument that hip hiphop as kind of a specific genre and its popularity have crested and peaked. I think that that's a really interesting-

Marcus Johnson:

Interesting, yeah. Huh.

Max Willens:

... moment that we've all arrived at.

Marcus Johnson:

Permeated all types of genres. Yeah. That's really interesting.

Oscar Orozco:

I like to think that it's what you said, that it's just kind of hiphop is in everything now.

Stephanie Taglianetti:

Yeah.

Oscar Orozco:

So, the sounds, so just, it's harder to differentiate. So, at least, I would like to-

Marcus Johnson:

Max, the best rapper of all time is?

Max Willens:

Oh, gosh.

Marcus Johnson:

Come on. [inaudible 00:32:01]

Max Willens:

I mean, as a New Yorker, I say it's Biggie, but you know, could go with Rakim, you could go with ... I like Mos Def a lot even though he never made anything as kind of culturally defining as any of those other guys, but Black on Both Sides is a fantastic record.

Oscar Orozco:

That's a good choice. Nas, for sure. Nasty Nas.

Marcus Johnson:

Thank you. Yes, that's exactly what I was going to say. The answer we were looking for was Nas.

Stephanie Taglianetti:

Two points for Oscar.

Marcus Johnson:

Oscar wins. Max. [inaudible 00:32:27]. Oscar's biased though. Nas is from Queens, ladies and gentlemen-

Oscar Orozco:

That's right.

Stephanie Taglianetti:

Yeah, yeah, yeah.

Marcus Johnson:

... as is Oscar.

Max Willens:

There you go.

Stephanie Taglianetti:

Yeah.

Marcus Johnson:

Queens represent. Oscar, let's go to you next, mate.

Oscar Orozco:

All right. All right. Well, that was a great one, Max. So, for me, I came across something from Pew Research, and whenever there's something new from Pew, I put down whatever I'm doing and check it out especially if it's something unexpected. I didn't know they covered this, but it was a sort of a little article on cuisines in America, which I immediately thought would be really interesting, and that's the case. So, what did they find out? I thought this was really interesting. They found out that Indian and Filipino restaurants are two of the most underrepresented cuisines when compared to their respective population sizes in the U.S.

Marcus Johnson:

Huh?

Oscar Orozco:

Indian, which I very frequently, I was sort of didn't expect to see that, so when you think of sort of Asian restaurants as a whole, they definitely dominate the country's food scene. They account for 12% of all restaurants considering that-

Marcus Johnson:

Wow.

Oscar Orozco:

... like 70% are Mexican restaurants probably.

Marcus Johnson:

Yeah.

Oscar Orozco:

The Asian American population's only 7%, so they definitely over-indexed there. When looking at subgroups, Chinese restaurants are the most common type of Asian restaurants. I think there's no surprise there. So, about 39% of all Asian restaurants in the country are Chinese restaurants. There's a lot of history there. There've been Chinese restaurants for a very long time when Chinese Americans make up 24% of all Asian Americans. So, a lot of overindexing there.

Marcus Johnson:

Wow.

Oscar Orozco:

Yeah. Crazy, crazy gap. Does anyone want to guess what second and third are, sort of top cuisines?

Marcus Johnson:

Cuisines? Thai.

Stephanie Taglianetti:

Cuisines?

Oscar Orozco:

Okay. Thai.

Max Willens:

Yeah, Thai would be one of my guesses.

Oscar Orozco:

Thai's third. Anyone?

Max Willens:

Japanese.

Oscar Orozco:

Yes, exactly. Japanese [inaudible 00:34:20].

Marcus Johnson:

Oh, yeah. Japanese.

Stephanie Taglianetti:

Japanese. Yeah.

Oscar Orozco:

So, Japanese at 28%, Thai at 11% of all restaurants, right, Asian restaurants. Population wise, Japanese population share 7%, and Thai is less than three. So, a lot of over-indexing there so-

Marcus Johnson:

Wow.

Oscar Orozco:

To get to the end of the story, why do they think that Indian and Filipino cuisines are sort of not as popular, not representative of the population, so there's a study that has found that Indian and Filipinos tend to be more college-educated and English proficient groups, so typically, they're not as interested in maybe getting into the restaurant business, which is extremely difficult. So, that's likely why you'll see first, second generation Indian Americans and Filipino Americans just not getting into the restaurants, and that's why we have less of them. So, maybe it's more about that rather than demand itself so-

Stephanie Taglianetti:

Interesting.

Oscar Orozco:

... that is very interesting. Yeah.

Marcus Johnson:

Fascinating. All right, folks. Stephanie, you're up.

Stephanie Taglianetti:

All right. For all you dads out there, happy Father's Day. Got some daddy party data-

Marcus Johnson:

Oh, yes.

Stephanie Taglianetti:

... from NRF.

Oscar Orozco:

Yes.

Stephanie Taglianetti:

Two points. Two points. So, spending this Father's Day is at a high. It's expected to hit almost 23 billion up from 20 billion last year. Households are spending about $200 on average on gifts and such this Father's Day, which is up from about 172 last year. NRF broke out some of the popular gift categories. I don't think there are any surprises. Cards, clothing, special outings are at the top, and then for me, it was surprising to see tools, auto accessories, and electronics at the bottom because when I think of stereotypical Father's Day advertising gifts, I think of like Sears, going to Sears.

Marcus Johnson:

Hammer.

Stephanie Taglianetti:

Going to Sears to just get my dad like a bunch of gifts back in the day, but those were all at the bottom. Gift cards are actually super popular this year, but I know folks in this room have opinions on gift cards as a gift.

Oscar Orozco:

I'm a fan. I'm a fan.

Stephanie Taglianetti:

You're a fan.

Oscar Orozco:

Oh, yeah.

Stephanie Taglianetti:

I think Max is not a fan if I recall.

Oscar Orozco:

The more bland, the better.

Max Willens:

You're not wrong.

Oscar Orozco:

Thinking of Visa or MasterCard.

Stephanie Taglianetti:

Right.

Marcus Johnson:

Very nice. Very nice.

Stephanie Taglianetti:

Yeah.

Marcus Johnson:

How many other people listening to this show were like, "Oh, God. Father's Day." Yeah. Thanks for reminding me.

Stephanie Taglianetti:

Oh yeah, you're welcome. You can get a gift card fairly easily. They're popular this year.

Marcus Johnson:

Two more points. Unless you're Max's kid, don't bother. Shout out, Brian Johnson. Happy Father's Day. All right, I've got one for you real quick. Who invented the wonderful family friendly card game Uno? Well, it was Merle Robbins who was a barber from-

Stephanie Taglianetti:

We didn't have a chance to guess.

Marcus Johnson:

You were going to guess Merle Robbins? Sorry, Stephanie.

Oscar Orozco:

Put that phone down. Put that phone down, Stephanie.

Stephanie Taglianetti:

I was-

Max Willens:

She's checking her phone.

Oscar Orozco:

Yeah, checking that phone.

Stephanie Taglianetti:

I was going to say John Uno.

Oscar Orozco:

Me too.

Marcus Johnson:

Yes. No. Merle Robbins, a barber from Cincinnati, Ohio.

Stephanie Taglianetti:

Of course. Of course.

Marcus Johnson:

Of course, it was him who invented Uno in 1971 at the age of 59. He invented it. Do you guys want to guess why, how it came into existence?

Max Willens:

He was trapped in a cabin after a landslide. I don't know.

Oscar Orozco:

Ooh, a gambling addict. He came up with a game. I don't know.

Marcus Johnson:

He invented it to settle an argument with his son about the rules of another card game called Crazy Eights.

Max Willens:

Nice.

Marcus Johnson:

So, after creating the new game, Merle and his wife took a risk, printed 5,000 decks of Uno and traveled from Ohio to Texas and then down to Florida, selling and demonstrating their new game, living in a camper they bought with some of the money they got when they risked their home to afford the game's financing. Paid off massively. After returning home to Ohio, they had sold all the decks and quickly printed up more. The game had done well, but it wasn't until marketeer Bob Tezak came into the picture that Uno exploded in popularity. Tezak formed a company called International Games and redesigned the game and the packaging. Merle Robbins earned a 10% royalty on ... It seems low considering he invented the game, royalty on each deck that Tezak sold. From the 1980s, Uno sales exploded, and in 1992, International Games became a part of the Mattel family, which you guys may know. Mattel family of companies together with Uno in 2018. Took a while. Uno was inducted into the Toys Hall of Fame, which is where I would like to work after this podcast gig. That's how Uno became a thing.

Oscar Orozco:

Fascinating. Uno's amazing. Uno's amazing.

Stephanie Taglianetti:

Yeah.

Marcus Johnson:

Fascinating. Fascinating.

Stephanie Taglianetti:

Thanks to the Robbins families for some just good family fun for ages.

Marcus Johnson:

Yeah.

Stephanie Taglianetti:

Oh, actually, I feel like I've gotten in a lot of fights with my brothers over Uno for the one where you send the card back in reverse. I feel like they get pretty salty when I do that to them.

Oscar Orozco:

It does-

Marcus Johnson:

Yeah, it can feel quite personal.

Stephanie Taglianetti:

It is.

Oscar Orozco:

In school cafeterias, lots of fights, lots of arguing about Uno.

Marcus Johnson:

Quick shout out to ... So, Victoria, who edits the show, her sister works at the company. Jacqueline. Shout out to Jacqueline, who when I asked her what she thought my favorite card game was, she said solitaire, which is brutal.

Stephanie Taglianetti:

Typical Jack. That is ... Yes.

Max Willens:

That is pretty savage.

Stephanie Taglianetti:

Oh, that is pointed, Marcus.

Marcus Johnson:

Thanks, Jacqueline. Thanks for nothing.

Stephanie Taglianetti:

That is so pointed.

Marcus Johnson:

Need to change some things about my life. That's all we've got time for today's episode. Thank you so much to my guests. Thank you to Stephanie.

Stephanie Taglianetti:

Thank you, Marcus.

Marcus Johnson:

Of course. Thank you to Oscar.

Oscar Orozco:

Thanks for having me.

Marcus Johnson:

And thank you to Max.

Max Willens:

Always a pleasure, Marcus.

Marcus Johnson:

Thank you ... No, not thank you to Jacqueline, but thank you to her sister Victoria who edits the show. Thank you to James who copyedit it, and Stuart who runs the team. Thanks to everyone listening. You can head to behindthenumbers_podcast for outtakes and some very interesting charts indeed. We'll see you guys on Tuesday hopefully for the Behind the Numbers Daily and eMarketer podcast. Happy long weekends if you have Monday off.

Victoria:

My sister's a funny savage.

Marcus Johnson:

Brutal.

Stephanie Taglianetti:

Oh yeah. No, that's hysterical. It was just like a nice pointed insult.

Marcus Johnson:

Yeah.

Victoria:

That's how you know that you're in her good grace is when she just teases you.

Stephanie Taglianetti:

Yeah, yeah, yeah.

Marcus Johnson:

I was like, what about my favorite ice cream? She went, "Probably vanilla." It's like, ugh, she was right.

Victoria:

She was very confused by the fact that you got half and half in your cappuccino. She's like, "Have you ever heard of that before?" I was like, "Yeah, from Marcus."

Marcus Johnson:

Yeah. I could feel the stare.