Ross Benes, Blake Droesch, and Max Willens

The Weekly Listen: How Prime Video with ads changes things, honest advertising, and inevitable face computers

Audio

On today's episode, we discuss the appeal of Prime Video with ads, why we might see more honest and transparent advertising, the inevitability of face computers, Netflix's chances of becoming a significant gaming hub, how the average retirement age is changing and more. Tune in to the discussion with our analysts Ross Benes, Blake Droesch, and Max Willens.

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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 e-marketer podcast made possible by StackAdapt. This is the Friday show that takes his TV upstairs to bed with it at nighttime. No one else? Nothing? Okay. It sounds like a trust-

Ross Benes:

I don't have an upstairs to go.

Marcus Johnson:

Hmm?

Ross Benes:

I don't have an upstairs to... I have one floor living space.

Marcus Johnson:

Do you just take it? Sometimes if you're watching TV with Mrs. Ross, will you just take it out of the room when you're done, just take it.

Max Willens:

I take mine into the bathroom.

Ross Benes:

There's only two rooms to go into and they both have TVs.

Marcus Johnson:

Oh, okay.

Ross Benes:

I guess I could put two and one if we want to sit together and watch different stuff, I guess.

Marcus Johnson:

What the hell are you doing?

Ross Benes:

Yeah.

Marcus Johnson:

All right, fair enough. Just me. I'm your host, Marcus Johnson. In today's show, Prime launches its ads tier, just how honest will advertising get, are face computers inevitable? Will Netflix be able to build a significant gaming hub? And have some more facts about retirement. Join me for this episode, we have three people, let's meet them. We start with one of our senior analysts. They're all senior analysts, but one of them is on our digital advertising and media desk based in Philadelphia. It's Max Willens.

Max Willens:

Yo.

Marcus Johnson:

Hey, fella. Also joined by someone else on his very desk, but this time he is based just north of New York City. It's Ross Benes.

Ross Benes:

Hey Marcus.

Marcus Johnson:

Hey, fella. And finally we have one of those senior analysts, but on the retail and e-commerce team. He is based in New York City proper and we refer to him as Blake Droesch.

Blake Droesch:

Hey everyone.

Marcus Johnson:

Hey, buddy. So what do we have in store for you today? We start with the story of the week. We're talking about Prime with ads and how that's going to change the game. We moved to the debate of the week is what we have for you this week where our panel will we try to give you the best for and against arguments they can from each of the three stories we have for you. We end with some random trivia, but of course we start the story of the week.

So Prime with Ads appeal. Amazon's ad supported tier for Prime Video launched this week and it is offering lower ad prices than competitors, projecting massive reach thanks to a plan that automatically enrolls consumers, writes Catherine Perloff and Bill Bradley of Adweek. They note that Prime Video is coming to the market with CPMs in the mid to low $30 range in line with prices for its Thursday Night Football inventory. For context, Netflix launched with prices that were twice as high, HBO Max's ads also cost more as well as some other folks. Ross, I'll start with you. You have a more heavy focus on video than anyone else. Your thoughts now that Prime with ads is here?

Ross Benes:

Well, it makes sense that they'd have a lower price than Netflix because even though it's the first time Prime Video's having ads for a lot of this content, Amazon isn't building an ad business from scratch, so they're just extending what they're already doing and we expect it to add a few billion dollars a year to the U.S. market beyond what they're already doing with Freevee, Fire TV and Twitch. So it's pretty significant to the point that we had to raise our overall U.S. CTV forecast for it.

Marcus Johnson:

This is the over $3 billion this year?

Ross Benes:

Well, some firms are estimating that. We're not estimating quite that high for just Prime Video, but if you take all of Amazon, then yes.

Marcus Johnson:

Right, right. They're whole-

Ross Benes:

Because our estimate is all of Amazon, so that includes Freevee and Fire inventory as well. And if you add all that, then you have over 3 billion.

Marcus Johnson:

That's right. That's right. So the arrive of Prime Video with ads will help bump its existing portfolio and more than double Amazon CTV ad revenues from nearly one and a half billion last year to over $3 billion this year. But to Ross's point, and that's all of Amazon CTV ad revenues in the U.S. Max, what do you make of this? How big of an impact will this have?

Max Willens:

Well, I think that the point that Ross brought up about this being just an extension of an established ad business is important, but it's I think equally important that this is as lucrative as it's going to be. It's not really core to Amazon's business at all. They make so much money from so many different areas. And so in a way, they are introducing a unique kind of pressure to this market where ads aren't core to Netflix's current business, but they stand to be a big part of their future. Ads are definitely core to the business of a Hulu for example, or a YouTube. And so having a competitor in the space who has no problem with underpricing competitors to get what it wants is pretty important and pretty worth watching.

Flipping it round though, the thing that I think is so notable about this is that I think this is like the final nail in the coffin of the era when streaming television was basically an ad-free proposition. You can pay more to get rid of the ads in Prime Video, but the reality is that one of the largest sources of video content is now by default, available with advertising. And I think that even though it's really just a symbolic thing, I think to me, that's the most significant piece of this.

Ross Benes:

A lot of that happened with cable TV too. Back in the 80s, a lot of those stations were ad free and positioned as ad free, and that cable was going to be pay television that was different than broadcast. And then 10 years later, they all had ads except HBO and Showtime and Cinemax, and cable looked a lot like broadcast.

Max Willens:

Yeah, it's going to be really interesting to see how much longer the ad light promise that has defined a lot of ad supported streaming. Just it'll be interesting to see how quickly that disintegrates because as the linear audience continues to migrate out of linear television, the ad revenue for a lot of these companies is going to have to come from somewhere and a lot of that is going to be on the back of higher ad loads, unfortunately for all of us.

Marcus Johnson:

Advertising services, that line item for Amazon, about 8% of the pie Q3 over the last year. Waiting for the Q4 numbers to see how big that slice is now. But to Max's point, it's the second-largest streaming player in the U.S. by subscribers, by viewers as well according to our forecast. So there's a significant player and so as soon as they make a move, it will have some kind of an impact on the industry, a shift in the industry and the fact that they are signing everyone up immediately, and that suggests that they could have estimates of about 70 to a 100 million people depending on who you ask out the gate, which is a significant number of folks. The Adweek piece was noting that roughly one year into their ad tiers, Netflix had 15 million worldwide MAUs on its ads plans as of November, 2023. I've seen some estimates, I think 23 million people on its ad plan for Netflix as well, so much lower numbers unless of course those folks end up paying the $3 to avoid ads. Do we think that Prime subscribers will pay the extra three bucks to avoid ads? Do you see that being a significant portion of the subscribers?

Max Willens:

I'd be curious what Ross thinks about that. I'm going to pay the extra because I really, really don't like having ads break things up when I'm staring into my idiot box. I like to just watch what I want to watch and get out, but I would imagine that a significant chunk of people are not going to pay the extra money.

Ross Benes:

I'd say under 30%. They're going to have to be irritated by the ads to even know that the change's happened. Because it's the default now, it's going to take a while to shift people over the other way.

Marcus Johnson:

There was some research that agrees with that point. Jeremy Goldman wrote a piece on this saying Amazon could struggle to attract Prime members to its ad-free option because there was a Civic Science study indicating less than 10% of people are considering the upgrade. Now considering versus doing, two very different things. And to be honest, Amazon probably prefers it that way because at least there's a way. With Netflix, the consumer who is on their ad plan is typically a more high value consumer, so it's not like they need everyone to move over because they're probably going to make more money per subscriber with someone who's watching the ads versus someone who isn't. Blake, what's your take here? So you'd mentioned Amazon, I believe they're launching ads as part of a significant trend for 2024, correct?

Blake Droesch:

It's not something necessarily that Amazon's doing for the first time, but introducing ads to their premium video platform is definitely going to be a test as to whether if all of this talk around shoppable media, particularly shoppable video advertising is going to be able to resonate with consumers. I think right now, Amazon is really pitching this miracle ad product that you have premium video inventory with first party retail shopper data and it's also consumers are logged in, viewers are logged into the same account as their Amazon Prime shopping accounts. So just creating this trifecta of shopping, entertainment, and premier data that they are going to hope is really going to flatten that marketing funnel and get people to start buying products directly from their advertising content.

So I think it's something that we've really been waiting to see for a while in terms of whether this practice of shoppable media is going to take off beyond the confines of social commerce where there has been some success in areas like TikTok Shop, but getting viewers to shop directly from the media that they're consuming on a television, let alone from an advertisement, It's a completely different scenario, however, there's a lot of money to be gained and I think tying it back to this conversation about the lower CPMs for Amazon, they have a lot of small businesses that are selling on the Amazon Marketplace and traditionally, premium video advertising was a big brands game. I think what Amazon is trying to do now is open up that market of their smaller and midsize sellers, open up the video market to their smaller and midsize players, which is going hopefully for if you're Amazon, create a lot more incremental ad revenue rather than just trying to compete with the video platforms and the brands that are already advertising in these spaces.

Marcus Johnson:

Yeah, some great points. And final thing I'll say before we close out the story of the week. Not all ad tiers are created equal. When Netflix launched theirs, it did seem there was a bit of a kneejerk reaction to the share price not doing so well and they needed to all of a sudden, roll out ads to try to improve that. They rolled out with much higher prices and it didn't really hit the same way that it seems like this could. This seems much more thought through for two reasons. One, targeting the ad tier is going to offer standard demographic targeting and additional contextual and lifestyle parameters. Advertisers will eventually be able to find audiences using all of Amazon's data and engage through shoppable experiences, like Blake, what you were saying. And then secondly, comprehensive third party measurement partnerships with Nielsen and others. So this seems much more ready out of the box versus other ad tiers that we've seen from video streaming platforms. That's what we have time for the story of the week. Let's move now to the debate of the week. Today's segment, make the case.

Where our panel, Max, Ross, and Blake present the for and against arguments for each of the following questions based on three news stories. Two contestants face off per question. 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. Question one. Talking about honest advertising. Blake going up against Ross, there's a fine line between persuasive and deceptive advertising, right? So senior director of briefings, Jeremy Goldman, he notes tax software company TurboTax, has come under scrutiny from the Federal Trade Commission, FTC, for deceptive ad practices related to its "free" tax products and services. The FTC says TurboTax must either A, make it's so-called free products genuinely available to all folks, or B, provide disclosures about the percentage of customers who actually qualify for the free offerings.

Jeremy says the FTC's firm stance against deceptive ad practices sends a clear message to companies about the importance of honesty and clarity in marketing. The question is, will we see a move to more honest advertising as a result of this or other cases? Blake, you're going to argue we will see a move to more honest and transparent advertising. Make the case. One minute on the clock.

Blake Droesch:

Sure. I think that it's not necessarily honest advertising out of because of altruism from the advertisers, it's because of regulation. And the advertising industry has come a long way back from the wild west when doctors were coming on TV on behalf of the cigarette companies to offer low tar alternatives, and you can't do that anymore because eventually, it led to regulation that prohibited manipulation of the audience. And as the industry goes on, there's always going to be more regulation which is going to further restrict what advertisers can and cannot do. So if honesty is the exact word, if honesty rings, it provides too positive of a connotation, then maybe that's a different story altogether. But in terms of regulation forcing advertisers to be more accurate in what they're selling, then sure.

Marcus Johnson:

Okay, Ross, we won't see a move towards more honest and transparent advertising. Make the case.

Ross Benes:

Like I said, we're in a different world than when doctors used to work with cigarette companies to market tobacco products. And I'd say, are we really? Because if we look at the Super Bowl from just a few years ago, we saw a ton of ads for fraudulent crypto companies and they had a bunch of famous celebrity spokespeople and this is the Super Bowl. This is supposed to be the most expensive advertising, the biggest branding, and even that is filled with BS. So the FTC enforces truth in advertising because it's assumed that otherwise, advertisers will lie as much as they possibly can and they have to have regulation against them to enforce them to be honest. So truth in advertising has become an oxymoron and I don't see why that's going to change. Why is today any different than what we've experienced for the rest of our lives?

Marcus Johnson:

Some great arguments, gents. Max, any thoughts here? Where do you land?

Max Willens:

I think that advertising inherently is going to trend toward being dishonest and there's only so much that can be done practically speaking, to legislate real truthness or directness about what's being sold. So I wouldn't hold out much hope for a new era dawning in terms of honesty in this space.

Marcus Johnson:

Positive. Okay, let's move to question two. We're talking face-

Ross Benes:

At least they fund all that stuff that we like, all that media and entertainment wouldn't be possible if those advertisers weren't spending all the money on it.

Marcus Johnson:

Question two, Max versus Blake for face computers. So the $3,500 mixed reality Apple Vision Pro is here and as Brian X. Chen explains, he writes for the New York Times, this latest pair of extended reality ski goggles join a host of not terribly successful predecessors from Google, Meta, Snap, Samsung, and Sony who are trying to create immersive experiences for getting things done by moving the body instead of typing on keyboards. The question is, are face computers inevitable? Max is going to argue that face computers are inevitable because he pulled the short straw, basically didn't get to the arguments in time to pick a different one. Max, 60 seconds on the clock. Good luck my friend, make the case.

Max Willens:

What do you mean? This is always what I wanted to argue. No, you know what makes something real popular? Your boss telling you to do it. I cannot dispute that these kinds of wearable technologies have been a flop as consumer products, but I think that we are now nearly a decade into bosses really, really embracing the technology as a means of surveilling their employees, of enhancing their productivity through wearables. And you can either make people do it or you can ask them and rely on the social pressures that are inherent in workplaces to force your employees to put these things on their faces. I've found this journal story from 2013 where there were, I think it was 80 or 90 different companies that were asked to participate in trials where people would put these pieces of wearable technology on while they worked to monitor their heart rate, where they went, what they did, and 90% of the employees that they asked to volunteer to do this said yes. So I think that these are inevitable, but they're inevitable as workplace technologies, not consumer technologies.

Marcus Johnson:

Blake, face computers aren't inevitable. Make the case.

Blake Droesch:

Yeah, I don't know if I had a prepared statement against Max's highly dystopian proposition for it.

Ross Benes:

Classic rule 40.

Blake Droesch:

But I don't know. Maybe for certain office jobs, but if the guy collecting my trash is wearing a headset to monitor his activity, I don't really know how productive that's going to be for anyone involved. And also, these products are very expensive, so you're also going to have to get the company to make the investment in implementing something like this, which right now is, particularly this new Apple product. It's very expensive and I think that's also what's going to deter consumers from trying it. The Apple product, it looks essentially the same. It feels essentially the same as some of these other flops. And even as they do get a little bit more slender, a little bit more integrated into the watch and the phone that everyone relies on, there's just flat out putting something over your face is way different than wearing a watch or putting a phone in your pocket and there's no other further explanation needed. They're just not inevitable. People aren't going to want this type of intrusive technology on their faces.

Marcus Johnson:

It's interesting, Blake, that point you made about the investment because they are expensive. This one's 3,500, even if you're getting an Oculus, they're not cheap. They're four or 500 bucks and times that by having many employees you have and then hoping that that technology doesn't go out of date in a year or less. I wonder if you're going to start to see some corporate rental agreements where Apple says, "All right, we will lease these to you and if there's a new model, you'll get the new model and you'll get all the software updates and you hand them back in." We'll deal with all the repairs that you need to have or coworking spaces. Maybe WeWork has a bunch of these that you can use. So maybe that's a way of getting around this. They can get some money in from renting them without having to get people to fork out or this money. Obviously the 3,500 will come down, but it's too high right now.

Max Willens:

Man. Communal Vision Pros though, ew.

Marcus Johnson:

Yeah, you might have to buy your own-

Max Willens:

I guess you could spray them down or something.

Marcus Johnson:

Conjunctivitis, pink eye. Appealing.

Max Willens:

Office pink eye, eugh.

Marcus Johnson:

Things are pretty bleak at the moment. If you look at sales of mixed reality and VR headsets, they fell 8% last year according to research company, IDC. So they're going in the wrong direction. And we have some numbers from our forecasting team on virtual reality headset users. We think about 37 million people in the U.S. will use them this year. That's only about 11% of the country. And in three years time, we think 12% of the country. Now you could look at it as pre-pandemic, it was 6% of the country, so we're double where we were from there, but things have slowed down considerably and it looks like they need a company or some kind of moment to give that a second wind.

Let's move to our third question gents. We've got Max going up against Ross, talking about Netflix saying that gaming is a long-term bet and that it's happy with its lowkey start, writes Stephen Totilo of Axios or Stephen Totilo of Axios, that might be how you pronounce it. He reminds us that Netflix just celebrated its second anniversary as a gaming provider, having released over 88 games all free to subscribers and exclusive to mobile. The question is, will Netflix become a significant gaming hub? Max is going to argue that Netflix will become a significant gaming hub, make the case.

Max Willens:

So I think that I'm going to be a little bit lawyerly here and rely on being able to set the terms of what significant gaming hub means. I think that if this is something that turns into, let's say we fast forward five to eight years and they've got 15 to 20 million people, which is a bit less than 10% of their subscribers playing games all the time, and maybe they've got more than half of those people are ad supportive users and so they're able to serve lots of gaming ads to those people. I think you could consider that a significant win and that also feels extremely achievable.

I think people think of gaming as being this thing that is done by hundreds and millions of people. And if you look at the download numbers for things like Candy Crush or the number of people that just play random long tail mobile games, you get one picture. And then if you look at the people who are hardcore desktop gamers, you get a very different picture. So Netflix needs to decide which of those two poles it's going to be aiming toward and act accordingly. But I think aiming for casual folks is achievable and they're well on their way.

Marcus Johnson:

Ross, Netflix won't become a significant gaming hub, make the case.

Ross Benes:

So gaming isn't a revenue driver for Netflix. Netflix doesn't share any numbers on gaming usage because it has nothing material to share about it. It doesn't really market its games. Games are a way to retain customers, but they're not really a way for them to drive new ones. Gaming doesn't have a significant impact in Netflix's bottom line. It seems like it's unlikely to change that in the near term, and Google Stadia's failure show that just because you have the resources and the technological capabilities doesn't mean that your company is going to succeed in gaming.

Max Willens:

I would push back though on the idea that... I agree that currently, it is not a customer acquisition tool, but I think it's not inconceivable to imagine that as they get better at this, that could start to happen. So if you look at the top most downloaded games of 2022, which was the most recent data I could find, they each cleared over 200 million downloads. And if you imagine a world where Netflix starts to get its marketing pitch in order, they could maybe do something where there's some game that everyone is obsessed with and maybe what they start offering is you can play this game for free for 30 days and then after that, we're going to sign you up to our ad supported tier that includes everything else.

And I'm sure for a not insignificant number of people every year, they'll think, "Well, I was on the fence and I got rid of it, but I really do want to play this game and I get it for free, so let's just go ahead and do it." I could see that being a nice little either retention or customer acquisition tool over the medium term.

Ross Benes:

Well, they probably need to change how their games are operated. Right now, they're only available on mobile. Most Netflix consumption happens on TV sets, there's no controller. Most Netflix users who already get the games for free already been playing them. So to go from that to pulling in new people based on the strength of your games is a big jump and they're going to have to invest a ton for that to happen. I guess we'll see how committed they are. The GTA games was a cool thing, but I don't know how many people want to play all the way through San Andreas on their phones.

Marcus Johnson:

For me, all the Netflix games are mobile because I'll take the TV to the bedroom, I'll do it, I'll take it wherever I go, goddammit. I'll take it with me on the train. Glass half full. Netflix says engagement will with its video game catalog tripled throughout 2023. I don't know what engagement means, but that seems like a good number. And then glass mostly empty according to Apptopia thus far

Ross Benes:

It's vague because it doesn't mean anything.

Marcus Johnson:

Thus far could be possible. Thus far, only 1% of Netflix subscribers have played a video game on the platform. And that's have, not currently, but they seem pretty invested. We'll see if it works out for them. That's what we've got time for the debate of the week. Very nice arguments, gents. We move now of course to our final segment of the show, it's Dinner Party Data.

This is the part of the show where we tell you about the most interesting thing we've learned this week. Let's kick things off with Ross.

Ross Benes:

So this data comes from rover.com. It could be completely inaccurate because they didn't share much how they obtain this.

Marcus Johnson:

Perfect, let's set it up.

Ross Benes:

But Rover is a dog walking service and it's what are the most popular dog breeds in the United States, and the number one breed is a cop out.

Marcus Johnson:

Golden Retriever?

Ross Benes:

Well, Golden Retriever's up there. The number one is mutt, which isn't even a breed. That's 60% of all dogs. And then you have Labrador retriever, Golden Retriever. Labrador Retriever, Goldendoodle and golden Retrievers. So apparently, Americans really like retrievers because all three of those dogs are types of retrievers.

Marcus Johnson:

How's Labradoodle doing?

Ross Benes:

Labradoodle was three. Or Labradoodle, you said? You know what, I got to look that up because Goldendoodle was three. Labradoodle, they only shared the top 10. It's not the most exhaustive list.

Marcus Johnson:

Didn't make the top 10? What kind of list is this? Throw it out.

Ross Benes:

Yeah, it's not In the top 10.

Marcus Johnson:

Did any of your dogs make the top 10, Ross?

Ross Benes:

No. Well actually, my dog Cooper did because he's a mutt.

Marcus Johnson:

Cooper, well played. Of course he did.

Ross Benes:

Yeah.

Max Willens:

Atta boy, Coop.

Marcus Johnson:

He's strutting around the house bragging now.

Ross Benes:

He's just sleeping right here.

Marcus Johnson:

Shout out to Coop, long-term listener because he has to, Ross is in the same room. Very nice Ross, let's move to Blake.

Blake Droesch:

So this is some data that I was looking up. I saw some people from the big CPG companies speaking at NRF and one of them was the head of Mars Candy and he was talking a lot about trends in the candy market. So I wanted to look up the best selling candies in the U.S. So this data comes from March, 2023, so it's pretty recent and it's from SoSweet. And this is the top 10 most sold American candies. Anyone want to take a stab at number one before I reveal the list?

Marcus Johnson:

Reese's something?

Blake Droesch:

No, not Reese's.

Marcus Johnson:

I hope not.

Ross Benes:

Hershey's?

Blake Droesch:

Nope.

Max Willens:

Snickers?

Blake Droesch:

Snickers. Snickers are number one.

Marcus Johnson:

Oh, wow.

Blake Droesch:

Yeah.

Marcus Johnson:

Wow, Max. Kit Kat up there?

Blake Droesch:

Kit Kat is definitely on there. Kit Kat's number five. I'll run through it real quick.

Marcus Johnson:

Let's do it.

Blake Droesch:

Snickers, M&Ms, Reese's Peanut butter Cups, Hershey's, kit Kat, Twix, Skittles, Starburst, Sour Patch kids and number 10, a sleeper, jolly Ranchers.

Max Willens:

You don't know-

Blake Droesch:

People are not talking about Jolly Ranchers.

Ross Benes:

Jolly Ranchers have expanded their product lines. They got chewable things like Now And Later's. It's not just the hard candy.

Marcus Johnson:

Oh, Now and Later's. Love that.

Blake Droesch:

You ever suck on a Jolly Rancher in between your top jaw or on your bottom jaw and then if you do it for too long, you can't open your mouth anymore?

Ross Benes:

Yeah, you need a hardcore dental floss.

Blake Droesch:

Yeah.

Ross Benes:

Good to know.

Marcus Johnson:

Now and Later's, you can just use those for tooth extraction.

Ross Benes:

Oh yeah.

Blake Droesch:

Those are gross. I'm not a big Now and Later fan.

Marcus Johnson:

Yeah, go to the dentist for the wisdom tooth out. Just chew on this, mate. Give it five seconds. Blake, you know that England does the best candy. You've seen the light.

Blake Droesch:

They do the best chocolate. Hershey chocolate's kind of-

Marcus Johnson:

Terrible.

Max Willens:

Yeah, I feel like you put air quotes around the chocolate part of it for Hershey.

Blake Droesch:

But the Reese's Peanut Butter Cup, my friends, is an American delicacy.

Ross Benes:

Hershey's chocolate is as authentic as Kraft Cheese delicacy.

Blake Droesch:

Of which there is no comparison.

Marcus Johnson:

V, cut that out. Okay, Max, you're up mate.

Max Willens:

All right. So I'm taking advantage of this being a video podcast, news to all of you that are listening to us on Spotify or Apple, that this episode is a video podcast.

Marcus Johnson:

Go to YouTube/insiderintelligence.

Blake Droesch:

You should stay on audio.

Marcus Johnson:

Okay, thanks Blake. We'll have you on the promo.

Max Willens:

Yeah, let's get him mid thought in that movement of face that makes any of us look good.

Marcus Johnson:

Right.

Max Willens:

Okay. No, but so anyway, I think V can put up on screen this thing that I found called the Mississippi Meander Map. So being a totally idiotic city mouse, I assumed that rivers, once they made their way from the top of whatever mountain they started at and made their way to whatever body of water they emptied out into, kept the same course, basically. That the Nile has gone in one direction for however many millions of years, the Amazon and so on and so forth. Turns out that is extremely wrong. And I found this thing on the Public Domain Review, which is a map that someone named Harold Fisk made in the 1940s. He was a guy who worked for the Army Corps of Engineers and he basically used both maps that had been made decades earlier and then also aerial photography, and looking at changes in height of the basins to map out just how much the Mississippi River has changed where it goes over the last a 100 years or so.

And you can see from the pictures here that it is pretty stark. Some of it is because of human activity, people putting up dams, people cutting things, clearing away brush, but sometimes the river just changes its mind about where it wants to go. The article that accompanies this image has this really crazy example from, I guess it was the 19th century. There was a town called Reverie, Tennessee that had the Mississippi River flowing on one side of it. And in the course of one 24 hour period, because of weird weather, the river just moved to the other side of the town completely and walled it off. And all of a sudden, Reverie, Tennessee was in Arkansas instead of Tennessee. And this just completely blew my mind and I was so delighted to see it. And I guess the 36 of you that tuned into the video episode will also see it and think it's super cool. But that's my Dinner Party Data for the day.

Marcus Johnson:

Hope today's more than 50.

Blake Droesch:

Max-

Ross Benes:

So do you think this people out there saying, "Back in my day, Manhattan used to be in New Jersey because the Hudson was over there."

Max Willens:

Oh my God. Absolutely.

Blake Droesch:

The Hudson River actually flows both ways. It always does. It does. And Max, is the city of Philadelphia not situated directly on a river?

Max Willens:

It is between two rivers, yeah. It's between the Schuylkill and the Delaware.

Marcus Johnson:

The Schuylkill?

Blake Droesch:

So I think urbanites should have no excuse for not having a knowledge of rivers. That's how most cities were started.

Max Willens:

Listen, I was trying to just describe the fact that I'm very stupid, okay? That is the main takeaway that I've been trying to gloss up.

Marcus Johnson:

Max, how did you come across this in the first place? How does that happen?

Max Willens:

So it's from the site actually, Public Domain Review, which has a pretty incredible collection of images that are public domain. They have old medical textbooks, they have old pieces of art, strange tracks on stuff. They have an awesome gift shop. And I think I was just trying to find something either for my house or maybe it was like a gift giving season and I was trying to find something and I just came across this and I was like, "What am I looking at"?

Marcus Johnson:

Okay. Next time I'm in Philadelphia, Max, I'm taking you out my friend. We're going outside's. That's right.

Max Willens:

We're going to the rivers?

Marcus Johnson:

Maybe not.

Max Willens:

It's gross over there.

Blake Droesch:

All right. So I was just wondering-

Ross Benes:

If someone takes you to the river in Philadelphia, you better be pretty nervous.

Blake Droesch:

Can you move the rivers for gerrymandering purposes?

Marcus Johnson:

Oh, okay.

Blake Droesch:

If someone listening to this, you got to be thinking of an application for that.

Max Willens:

Got to be thinking about it.

Marcus Johnson:

How can we put this dam to-

Ross Benes:

We just want these 30,000 people to be over here.

Max Willens:

20 sticks of dynamite later.

Marcus Johnson:

Very nice, gents. I've got one for you real quick. It's about retirement. You may remember if you listened for more than three months, that I had some of these facts. I think it was an October episode, but I got some new stuff for you. So retirement facts, who's retiring? The average age of retirement for Americans is 66, according to Gallup, up from 60 in the 1990s. Americans' life expectancy is 79. In 10 years, the number of Americans 65 plus will grow a staggering 40% from 56 million today to over 78 million people in 10 years time who are going to be over the age of 65.

How bleak are retirement savings accounts? Three facts for you or stats. One, in 2022, almost half of American households had no savings in retirement accounts according to the survey of consumer finances, a quarter of people had just a $100,000 or more. One in 10 had over 500 grand. Sounds like a lot, but that's about 40K per year for each of the 12 years that people will live beyond retirement on average. So it's not a ton. Number two, according to a PWC median retirement, savings total for 55 to 64 year olds, it was about 120,000. That's what they have on average. The Government Accountability Office says, whilst that may sound alike a lot, it translates into about $300 a week during retirement. Well below unemployment insurance. Americans aged 35 to 44 have only 37 grand saved on average. And number three, part of the reason is because close to 44% of Americans, 40 to 79 years old, have taken money out of retirement savings of their retirement savings plan according to TD Ameritrade.

Max Willens:

Way to depress the hell out of all of us, Marcus. Thanks.

Marcus Johnson:

You're welcome, folks. So here you go. Here's a little pick me up. It's not really. How much do you need to retire? That's what you're asking. According to Yahoo Finance, to keep living at or near your lifestyle while working, experts suggest you only need between 500,000 to a million dollars saved to finance your retirement years.

Blake Droesch:

How do they know what my lifestyle is?

Marcus Johnson:

Oh, they know, Blake.

Blake Droesch:

I don't think they do. It's very lavish.

Max Willens:

But what about my animals?

Marcus Johnson:

You're too bougie. Your animals?

Max Willens:

My giraffes. What will they eat?

Marcus Johnson:

That's the problem. That's the very problem. According to wealth management company... Actually, here's the silver lining, according to wealth management company, Natixis, the U.S. is... This isn't the great bit. The U.S. is the 20th best country to retire in. So instead of worrying about saving lots of money for retirement, new strategy, move to Norway because they're number one. So I'll see you guys there. That's what we've got time for, for today's episode.

Blake Droesch:

If you know someone who can get me in.

Marcus Johnson:

Into Norway?

Blake Droesch:

You know my number.

Marcus Johnson:

I don't know. Who do you think I hang out with, Blake? What kind of circles am I moving in?

Blake Droesch:

I'm assume maybe you got an in with Norwegians. It's very difficult to get into Norway.

Marcus Johnson:

It is. Would you say from experience? Have you?

Blake Droesch:

I've looked into it, yeah.

Marcus Johnson:

Okay, all right. We'll talk about that later. Sounds highly illegal. That's what we've got time for for today's episode. Thank you so much to my guests. Thank you to Blake.

Blake Droesch:

Always a pleasure.

Marcus Johnson:

Not for that last comment. Thank you to Ross.

Ross Benes:

Thanks, Marcus.

Marcus Johnson:

Thank you to Max.

Max Willens:

Always a pleasure, Marcus. Thank you.

Marcus Johnson:

Thank you to yes indeed, thank you to Victoria who edits the show. James, who copy edits. Stewart who runs the team. Sophie does our social media. And thanks to Lance who runs our video podcast. Thanks to everyone for listening in. You can find us on Instagram if you like, InsiderIntelligence, one word, for the behind the scenes content you can possibly consume. We'll see you hopefully on Monday for the behind the Numbers Daily, an e-marketer podcast made possible by StackAdapt. Happy Weekends.