


The Weekly Listen: Challenging Google's search dominance, saying farewell to cookies, and can Apple move the VR needle?

Audio



On today's podcast episode, we discuss how this year will look as Google's cookies fade away, the biggest threat to Google's search dominance, how many consumers are moving to ad-supported streaming, whether Apple can move the VR needle, Peloton's content hub on TikTok, the first person to ever complete Tetris, and more. Tune in to the discussion with our analysts Ross Benes, Evelyn Mitchell-Wolf, and Max Willens.

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Episode Transcript:

Marcus Johnson:

Hello, everyone, and thanks for hanging out with us for the Behind the Numbers Weekly Listen, an eMarketer podcast. This is the Friday show that doesn't know why it came into the office.

Do you guys find when you go in, people, we just had this, it's the only place where people are surprised to see you. You'd be mortified if you went home and your partner was like, "What are you doing here?"

Evelyn Mitchell-Wolf:

I feel like I announce when I'm coming enough so that people are not surprised to see me in the office, because I'm there rare enough that I feel the need to be like, "Hey, just so y'all know, I'm in the office these dates out of this month," and so people know.

Marcus Johnson:

But then isn't it a little bit heartbreaking? Well, maybe it's just me, I do that and there's two people in and both of those people had no idea I was going to be there.

Evelyn Mitchell-Wolf:

Yes, it 100% feels like just a gut punch. Yep. Mm-hmm.

Marcus Johnson:

Yeah, way to show up.

Max Willens:

I prefer not to tell people so they can't hide their disappointment when they see me. "Why are you here?"

Marcus Johnson:

Sound strategy. Anyway, in today's episode, "Google is finally killing cookies. So now what?"

Ross Benes:

Google's ready to lay this a few times. Will they pay more attention to that or will they take the consumer side and the regulatory issues and go ahead and push this thing forward?

Marcus Johnson:

Can Google continue their search dominance?

Evelyn Mitchell-Wolf:

The implications of that ruling are potentially enormous, depending on A, how the ruling... like, in which party wins. And also then, if the DOJ wins, what remedy the judge chooses to move forward with.

Marcus Johnson:

Americans canceling more of their streaming services.

Max Willens:

I think it's kind of galling how many of these services have, instead of essentially offering a cheaper tier, they are basically just changing the rules on everybody.

Marcus Johnson:

Apple's mixed reality headset, Peloton's content hub on TikTok, and how one kid just completed Tetris for the first time. That's why it's a big deal. Join me for this episode. We have three people all on the digital advertising and media desk. All senior analysts. We start with Evelyn Mitchell-Wolf, based in Virginia.

Evelyn Mitchell-Wolf:

Hello everyone. Nice to see you.

Marcus Johnson:

Hello there. We're also joined by Max Willens, who's typically based in Philadelphia but is coming to us live-ish from our New York studio.

Max Willens:

Yo.

Marcus Johnson:

And finally, we have Ross Benes, based just above New York City.

Ross Benes:

Howdy, Marcus.

Marcus Johnson:

Hey, chap. Some very weird introductions, but very on brand. What do we have in store for you? We have the Story of the Week, "Google is finally killing cookies." Supposedly, probably, maybe, should be. So now what? We then move to a brand new segment, so I won't tell you about that until a little bit later in the show. Cliffhanger, that is not really that suspenseful, just so you'll figure it out later. Dinner Party Data is how we wrap up the episode with some random trivia. But of course we start with the Story of the Week.

So, "Google is finally killing cookies. Now what? Google is finally killing cookies. Advertisers still aren't ready," suggests Miles Kruppa and Patience Haggin of the Wall Street Journal. As of last week, Google started a limited test that restricts cookies for 1% of the people who use its Chrome browser. It's the world's most popular. That 1% is 30 million people though, so it's a lot of folks. By the end of the year Google plans to get rid of cookies for all Chrome-using folks. Cookies are those things that track us across the internet so that advertisers can target us with ads.

The problem is the industry is nowhere near ready, according to a lot of folks, but specifically Anthony Katsur, chief executive of the IAB Tech Lab. I'll let you all pile in, because you are all on this very digital advertising and media desk. But what are you all paying most attention to when it comes to cookies going away this year?

Ross Benes:

Well, it'll be interesting to see if Google pays much attention to the complaints of ad industry lobbyists. You mentioned the IAB Tech Lab says that advertisers aren't ready, that the timing remains poor, that they need more time. Google's already delayed this a few times. Will they pay more attention to that or will they take the consumer side and the regulatory issues and go ahead and push this thing forward?

Marcus Johnson:

Is that a fair criticism? Because one of the lines in this article, "Other ad executives said Google's schedule hasn't given the industry enough time to prepare." They brought this up in 2020. It seems like they've had years, but it's a big deal. Does that sound like a fair criticism, in your opinion?

Max Willens:

I guess I would say it does depend on which kind of stakeholder group you're most aligned with, but I think it's fair to say that one could argue that we need more time to get back to parity with what the industry was used to. So, Raptive, which is a large ad monetization services provider to publishers, had some really early data that they unveiled last Thursday. And based on the numbers out of the chute, the non-cookie Chrome users are monetizing at a 30% lower rate than cookie users are, which I don't know of a whole lot of CROs that would be pleased with that kind of a drop. That's better than the delta between a cookie Chrome user and a user on Safari, for example. But that's largely, I think, a vestige of how little interest there is in those audiences because they're not cookied.

But I think that I would take a slightly different version of Ross's same point and say, I'm really curious to see if the Competition and Markets Authority in the UK, which is the one essentially holding Google to account here, if they are receptive to the arguments by people like Tony Katsur or the folks at Raptive or any of the other ad tech stakeholders who have yelled and screamed that everything in the privacy sandbox isn't cutting it. The Trade Desk dropped out of it a couple of weeks ago. So, I'm just really interested to see whether the CMA is moved by the calls for a further delay in this process.

Evelyn Mitchell-Wolf:

Yeah, absolutely. The CMA is also one of the big things that I'm watching as the cookieless journey continues to unfold. Personally, I think that there's always a chance that Google's target deprecation date could shift again, but I think it's very unlikely unless the CMA intervenes and deems one or more privacy sandbox solutions insufficient. But as far as whether there is enough time left in this timeline toward cookie deprecation, I think there is definitely a valid argument. Because only now with this 1% cookie deprecation, only now is there an actually cookieless testing environment. All of the tests up until this point have had to employ cookies in some way, shape or form, because cookies were still a massive part of the ecosystem, and they still are a massive part of the ecosystem.

The scale of it is a problem still. So whether results are statistically significant is another thing that can come into play here. There's a lot going on. And so I do think there is an argument that there should be more time between when there is some cookie deprecation and when full deprecation occurs. But to Max and Ross's points, the industry has had years, literally years, to prepare for this, at least in terms of putting their feelers out, understanding what solutions

are out there and what the pros and cons are, what their first party data assets are, how it all fits together, and there's only so much more that more time can do on that front.

Max Willens:

One thing that I'm also really interested in watching as this unfolds is that when Google first made this announcement, one of the cynical arguments about whether this would happen or how it would happen was, where else is this money going to go? And since then we've had retail media become immensely important and immensely popular among marketers. And I would say that there's a healthy, if you were to do a Venn diagram of what retail media inventory can do and what open web display inventory can do, there's quite a lot in both circles that doesn't touch, but there's enough in the middle that I think if you were, say, a CPG brand for example, you might just say, "You know what? This is too complicated. Let's just pour more money into a Walmart Connect or into Amazon or into Instacart and just see if that replaces and delivers comparable value." And so I think that watching to see whether something like that happens could very much be worth some folks while.

Marcus Johnson:

So I'm curious to see how this plays out throughout the year. Because it does seem as though there's a bit of a, if it ain't broke yet, don't fix it/try something else mentality here. There's some data to back that up. So, according to 33Across, cookies were used for nearly 80% or more of programmatic ad buyers across industries as of late Q3 2023, with many advertisers increasing their cookie ad spend. Because it's still a thing, so why would you get ready to switch over or be as prepared as you need to be when it's continuing to be a thing? And everything, to your point, we've seen the can get kicked down the road so much people are maybe anticipating or hoping that that happens again. How do you think this does play out in 2024? Is it all of a sudden the day before everyone's panicking and it's getting kind of like GDPR, if that's anything to go by, or do you see people actually going to be relatively prepared for when this happens?

Ross Benes:

Evelyn has a report about this coming out, or maybe it's ready out.

Marcus Johnson:

Oh-

Evelyn Mitchell-Wolf:

Are we talking about --

Marcus Johnson:

... I had no idea.

Evelyn Mitchell-Wolf:

-- the H1 report?

Ross Benes:

Yeah, I think that's the one that I just read.

Evelyn Mitchell-Wolf:

There's a lot of reports on this.

Ross Benes:

Yeah.

Evelyn Mitchell-Wolf:

The one that Ross is talking about I think is the H1 2024 Programmatic Ad Spending Forecast report. This is the biggest thing that's happening in the programmatic ecosystem and the digital advertising ecosystem in a long time, and I think there's going to be a fair amount of chaos. I do think some brands have spent the past couple of years preparing, so it's a mixed bag as to how prepared an individual brand is. The smaller the brand, the less likely they are to be sufficiently prepared because they just don't have the resources to be testing really thoroughly, to be putting dollars into unproven solutions.

They just don't have that luxury. But I do think that, like GDPR and similar kinds of interventions in the status quo, there is going to be a lot of discombobulation, a lot of trial and error, a lot of confusion, and a good bit of the long tail of advertisers just waiting for everyone else to figure it out before they switch over until the clock runs out. And then it's just kind of-

Marcus Johnson:

Right. Final question here. Are we surprised that the ban or the deprecation of cookies is taking place in Q3, in the quarter literally before Q4, which is peak ad season? Are you surprised that they didn't get rid of them in Q1 or Q2 when things are a little bit calmer for advertisers?

Max Willens:

No.

Ross Benes:

I guess it makes nice sense to just cleave it at the end of the year, but practically that will cause some disruption.

Marcus Johnson:

Yeah. Okay. All right folks, that's all we've got time for the Story of the Week. Time now for the analysis of the week and today we've got a brand new segment. It's called Move the Needle Out of 10. I'd say we're working on the name, but we're not. That's the best we've got. Where I read out four stories and our contestants have to tell us how much each story moves the needle, the needle would change based on the story, out of 10, and why. So, four stories.

We start with the first one, and we'll start with Evelyn. We're talking about Google's search dominance. "Is this the beginning of the end for Google's dominance in search," questions Greta Suarez of Quartz, writing that the tech giants market share is being challenged by an increasingly crowded field. She does point out, in October, Google held 92% of the worldwide search market according to Statcounter, but that is down slightly year-on-year, but not much considering ChatGPT was introduced, and generative AI models have been increasing usage.

Microsoft's Bing, their market share was at 3%, and Russian search engine Yandex held about 2%, overtaking Yahoo last April to take an extremely distant third place. So, Google is way, way out in front, but the question is, how much will Google search dominance get challenged by 2025, out of 10? Evelyn?

Evelyn Mitchell-Wolf:

I'm going to give two answers. One for-

Marcus Johnson:

Okay, I'm not sure you're playing the game right, but go on.

Evelyn Mitchell-Wolf:

Well, because I feel like-

Marcus Johnson:

We'll see.

Evelyn Mitchell-Wolf:

... we have to take into account the historic antitrust trial that the Department of Justice brought against Google.

Marcus Johnson:

Oh, 3D chess. I see what you're doing.

Evelyn Mitchell-Wolf:

Yeah. The implications of that ruling are potentially enormous depending on A, how the ruling... like, in which party wins. And also then, if the DOJ wins, what remedy the judge chooses to move forward with. So, that's a lot of up in the air and we should know at least what ruling we're dealing with by, I think, somewhere around May of this year. So, all that as said though, I think if the judge rules in favor of Google, I will say that the needle will be moved 3 out of 10, and I'm grading on a curve here based on the heyday of the late 2010s when I would've given it a zero.

And this is also excluding retail media, which has been gaining share of our search ad spending forecast, but is excluded from the analysis in the piece that you just mentioned. And the way that most regular folks think about the search market is in search engines, so I'm throwing the retailers out of here. But so 3 is if Google wins the trial. And if the DOJ wins the trial, I'd say more like 6 or 7.

Marcus Johnson:

Wow, 6 or 7. Okay.

Evelyn Mitchell-Wolf:

Mm-hmm.

Marcus Johnson:

So, 6 or 7 in terms of how much Google's search dominance will get challenged by 2025, or 3 if they win the case. Max?

Max Willens:

Yeah, I think Evelyn's point about the wrinkle of the DOJ cases is really on point. I basically presume that Google is going to win, and consequently I also gave it a 3. I think the one thing that you might've pointed to if we were doing this last year would've been, as Satya Nadella put it, Microsoft made Google dance by unloading ChatGPT on the world, except now Google is at the dance and they have barred. And even though Google does not have a great track record of introducing and scaling products that are super different from search, I haven't seen enough, either in the user experience or in just general consumer behavior, to feel like the advent of Gen AI is going to radically shake or disrupt the balance of power here. So, I give them a 3.

Marcus Johnson:

Ross?

Ross Benes:

So, if I follow this structure that the other two analysts have set up, I'm going to go with a 2 out of 10 if Google wins. I think they just keep trucking along. Amazon's taking some search market and so are some other players, but you're still going to see most ad dollars going toward Google. But if Google lost, I'd give it an 8 of 10 because they could be broken up like Standard Oil and that would be a huge change in the search market. Now, having a range of 2 out of 10 to 8 out of 10, you could say my response is meaningless.

Marcus Johnson:

Well, no, because it's not though. It's two scenarios, so it can't be a 3, 4, 5, 6, 7, but no, very good. That's very good context because we do have a lot going on with regards to Google this year.

Ross Benes:

The 8 out of 10 though, I guess that wouldn't happen necessarily within the next 12 months like you were asking. That's an eventual thing, you know?

Evelyn Mitchell-Wolf:

Yeah.

Marcus Johnson:

Well, by 2025. Yeah, it could be the end of 2025, but yes, even then.

Ross Benes:

Yeah, even if the DOJ would unroll it out, you probably wouldn't really see an effect in the ad market significantly until the next year, I would think.

Evelyn Mitchell-Wolf:

Yeah.

Marcus Johnson:

True.

Evelyn Mitchell-Wolf:

And the search business is so core to everything that Google does, I would not be surprised if it took years and years to unravel this behemoth of a company and spit search out on its own.

Marcus Johnson:

Okay, so what you're saying, it was a terrible question. All right. The segment's off to a great start. Let's move to story two in hopes of improving slightly. It's a low bar. We'll start with Max. "Americans canceling more of their streaming services. Hulu, Netflix, and others are turning to bundles, discounts, and ad-supported plans as customer defections rise," writes Sarah Krouse of the Wall Street Journal. Two supporting data points here. One, customer defections across premium streaming services rose to 6.3% in November from 5.1 a year prior.

And number two, the share of US subscribers to major streaming services who have canceled at least three of them over the past two years, share of US subscribers to major streaming services who have canceled at least three of them in the past two years, that share leapt from 10% of people doing that to 25% from 2021 to 2023, according to November data from

Antenna. But Max, how much do you expect streamers to move to ad-supported video services out of 10 and why?

Max Willens:

I'm going to go with 3 out of 10, primarily because that same article included data from Netflix, which said that 31% of their new customer subscribers opted for an ad-supported tier, which is basically 3 in 10.

Marcus Johnson:

Oh, nice.

Max Willens:

Netflix has an outsized role in this market. They essentially make the rules for and set customer expectations, and so I think that that's basically the prism that I looked at this through.

Marcus Johnson:

Very nice.

Max Willens:

I would also just say, as an aside, that I think it's kind of galling how many of these services have, instead of essentially offering a cheaper tier, they are basically just changing the rules on everybody. So, Amazon for example, in about two weeks, three weeks, is going to make me give them even more money every month because I don't want to look at ads while I watch their increasingly subpar streaming video content.

Evelyn Mitchell-Wolf:

Woo, shots fired.

Marcus Johnson:

Sorry, Amazon. I got you.

Max Willens:

But my spinoff streaming content review podcast is coming in Q2 of 2024. No, but yeah, 3 out of 10. Sorry, I've talked too much. 3 out of 10.

Marcus Johnson:

No, you're good. Ross?

Ross Benes:

I'm going to give it a 6.5 out of 10 for-

Marcus Johnson:

Oh, specific.

Ross Benes:

Yeah, very specific. Well actually, more specific would be 6.53, but-

Marcus Johnson:

That would be too much.

Ross Benes:

... that'd be too much. I've gone too far. Let's just go 6.5. So what Max was saying, Amazon is putting ads on by default. That's going to be annoying for consumers, but it does push more people to ad-supported. So Netflix is obviously the king in this space. That's why I would never give this a 9 out of 10 or 10 out of 10, because most Netflix subscribers are still going to not have ads, but the move by Amazon as well as Netflix introducing advertising relatively recently makes me give this a mark above 5.

Marcus Johnson:

Okay. Evelyn?

Evelyn Mitchell-Wolf:

I am going to say 6, mostly because Ross really convinced me there and I was on the fence to begin with. But also-

Marcus Johnson:

Okay, that'll score you the point of the segment.

Evelyn Mitchell-Wolf:

... I had 6 to begin with, but after Max spoke I was like, "Maybe I should back off." But no, I think 6 is right. And I'm going to bring it back to the Google trial again, because we have just heard a ton of testimony about why defaults are really powerful. And if Amazon just defaults all of their Prime Video customers to ad-supported, which is the plan as of now, then the majority of people are going to stay with that default, the ad-supported default, and not pay more to avoid ads.

Marcus Johnson:

All right, very good. I'm taking notes, because this is the first time we're doing the segment, as we go. My first note is "write better questions."

Ross Benes:

By the way, I think Evelyn called me an influencer. She said I changed her mind.

Marcus Johnson:

No. That's a leap. Okay, let's move to story three. Let's start with Ross, Apple's mixed reality headset. "After revealing its long-awaited VR headset last June, Apple is ready to put the \$3,500 Vision Pro on sale," notes Emma Roth of The Verge. The device lets you switch between AR and VR using a dial on the side of the headset, so mixed reality, and folks can also navigate the device without a controller, using eye, head and hand tracking. But Ross, how much do you expect Apple's new headset to move the mixed reality needle out of 10?

Ross Benes:

2 out of 10. I know Apple is a big consumer products company that most of their products are successful, but VR, going back to Nintendo's Virtual Boy, has been a very tough sell all the way through Facebook's Oculus. So, I think this will be Apple's Virtual Boy.

Evelyn Mitchell-Wolf:

Whoa, what a sentence.

Marcus Johnson:

I don't get most of Ross's references, but I definitely don't get that one.

Ross Benes:

It's a '90s video game console that everything was read in 3D and you had to look into it, and it made your head hurt after 45 minutes. Nintendo lost a lot of money.

Marcus Johnson:

Okay, Max knows. Evelyn, you also? Just me. Oh no, you're with me. Okay. That's rare for someone to also-

Ross Benes:

I'm going to send you a link to Virtual Boy and Plinko after this.

Marcus Johnson:

Just add them to the list. Evelyn?

Evelyn Mitchell-Wolf:

I'm going to say 4 because, based on reviews of demos of the Vision Pro, it sounds like it's a game-changing piece of tech, but the price is just too high. Victoria, please insert "in this economy" meme right here. Because we were just talking about people canceling their streaming subscriptions. Very few people are going to drop \$3,500 on this when they already dropped well over \$1,000 on their iPhones.

Marcus Johnson:

Wait, hang on. In this econ, is that a meme? I say that.

Evelyn Mitchell-Wolf:

Yeah. It is a meme.

Marcus Johnson:

I came up with that.

Evelyn Mitchell-Wolf:

Oh.

Marcus Johnson:

Didn't I? Did I come up with the meme?

Max Willens:

You did not.

Evelyn Mitchell-Wolf:

Marcus, that would make you an influencer too.

Max Willens:

I am.

Marcus Johnson:

What do you mean, would make? Am. Am kind of. I'm low-key famous, as my friends call me.

Max Willens:

Nano influencer.

Marcus Johnson:

They're being very generous. I'm not famous at all. Ross?

Ross Benes:

Max.

Marcus Johnson:

No, you went already. Don't you dare go again. Max?

Max Willens:

I'm going to give this 0.3499, which is the price of it, but I know, listen.

Marcus Johnson:

Oh, I see what you've done. I'll take it. Well played. Well played.

Max Willens:

There you go.

Marcus Johnson:

Brought it back.

Max Willens:

and it's basically, I invoke the price because as Evelyn said, it's too damn expensive. And iPhones and other devices like it benefit enormously from the financing options available and offered by wireless companies. And I just don't see T-Mobile or Verizon saying, "You can finance a Vision Pro on us." Because it doesn't affect their business models at all. Ultimately, this is going to be like a lot of Apple devices in that it deepens the commitment people have to other products in its ecosystems. So, I think the most impressive element of this thing's capabilities right now is the FaceTime capabilities. So, just imagine feeling like the person you're FaceTiming with is not inside of a tiny box, but is literally across a table from you. That's very cool. It is not going to make me spend \$3,500 to buy one, but yeah. So, zero points.

Ross Benes:

There is a precedent in this. I went to the Wikipedia page for Virtual Boy and it says, "Its failure has been attributed to its high price."

Evelyn Mitchell-Wolf:

There you go.

Ross Benes:

It's just history going around again.

Marcus Johnson:

The type of qualitative analysis-

Ross Benes:

Quality research from reading Wikipedia during a podcast.

Evelyn Mitchell-Wolf:

Was it called Virtual Boy because of the Game Boy?

Ross Benes:

I think, yeah, they were going for that, but it was the first system that was 3D rather than a 2D scroller. So it was virtual. It was supposed to be like virtual reality. There was a virtual reality craze in the early '90s. Movies like Lawnmower Man. They were trying to go on that. I don't know if you remember that at all.

Evelyn Mitchell-Wolf:

I feel like Virtual Person would be really inclusive for us ladies.

Ross Benes:

Oh, you're talking about the gender.

Evelyn Mitchell-Wolf:

Yeah.

Ross Benes:

Yeah, that's a Game Boy. What's weird about that is Game Boy had more female users than other Nintendo systems. I think it was like 40% of Game Boy users, at least when they released the Pokemon Games, were female users, but yet it was called Game Boy. That should have been Game Person more than any gaming system, whereas a PlayStation probably had a 70/30 or a 80/20 split.

Marcus Johnson:

These are good points. I have to rename this segment again to Tangential Trivia.

Evelyn Mitchell-Wolf:

I think, Marcus, you can put that at the end of the episode. So anyone that wants to cut-

Ross Benes:

Yeah, you can cut everything I've said about Virtual Boy if you want.

Marcus Johnson:

We'll have to cut most of this segment. We'll just cut the whole segment. It can just be one big outtake.

Max Willens:

Just leave it with Ross saying, "History repeats itself over and over again."

Evelyn Mitchell-Wolf:

I know.

Max Willens:

It's the same thing over and over again.

Marcus Johnson:

I did think it was interesting, quickly going back to mixed reality headset, Apple revealing the pricing for ZEISS prescription lenses that users can get with it. I think it's an extra couple of a hundred dollars. Are people going to want to pay that as well as \$3,500? This is more for the developers. The price will obviously come down, but I did think that was an interesting solve. Because we've been talking for a long time about the fact that people wear glasses. Are they going to want to put a VR headset on top of them? And this seems like maybe you pop in and out a prescription lens-

Evelyn Mitchell-Wolf:

Oh my gosh.

Marcus Johnson:

... at some point down the road.

Evelyn Mitchell-Wolf:

No, it just made me feel... I just have big feelings about needing to wear glasses because they're so expensive. But I didn't choose this.

Marcus Johnson:

That's true.

Evelyn Mitchell-Wolf:

I did not choose to be nearly blind. And I really feel like vision should be a public commodity. I won't go any deeper than that. Mic drop.

Marcus Johnson:

Where have we landed here? Let's move to story four. The segment's all over the place.

Max Willens:

We're going to nationalize the eyeglasses.

Marcus Johnson:

So derailed. Story four, "Peloton content hub on TikTok. The fitness company has formed an exclusive partnership with TikTok to create a workout content hub on the short form video platform." Dean Seal of The Journal says Peloton noted, "This is the first time it will produce custom social content for a partner for this outside of its own channels, with content including live Peloton classes, class clips, original instructor series, celebrity collaborations, and ongoing creator partnerships." We start with Evelyn again. How much will this deal move the needle for Peloton and then also for TikTok, both out of 10?

Evelyn Mitchell-Wolf:

For Peloton I'm going to say maybe 2, probably more like a 1. I think it's a step in the right direction. I know there's a cult following of people that have bikes and regularly attend classes, but it takes a lot of money and physical space to have a bike at home. So ramping up the side of the business that requires less investment and less equipment in a home gym is a good idea. And I think TikTok is a good choice for Peloton. I just don't expect this to make waves, because there's already a ton of fitness content on TikTok and social media. And then on the flip side, I think it's probably like a 1 for TikTok too. Because there is already plenty of fitness content there. It's not like they're hurting for it.

Marcus Johnson:

Max?

Max Willens:

Yeah, I give this 1s to both sides. And that's like throwing Peloton a bone. They have nowhere to go but up. At the end of 2020, they were trading at \$155 a share. They're down to \$6. I

guess this will keep them at the front of the brains of their next generation of buyers, but their core product is too expensive for most of TikTok's users. There's a sea of fitness content on the platform already, as Evelyn said. And I am not high on this, I would say.

Marcus Johnson:

Ross?

Ross Benes:

3 out of 10 for Peloton. It's a nice easy marketing tactic for them, but it's not going to fix their core business issues. For TikTok, 1 out of 10. It doesn't hurt them at all. It's just in the vast amount of content that's on TikTok, this will be pretty small potatoes.

Marcus Johnson:

Okay.

Evelyn Mitchell-Wolf:

I love potatoes.

Marcus Johnson:

Okay.

Ross Benes:

Well, hot potatoes can be baked potatoes, and the ain't baked potatoes. It's small potatoes.

Marcus Johnson:

Any other food related?

Ross Benes:

Nothing's coming to mind right now.

Marcus Johnson:

Food-related commentary.

Max Willens:

This take is feeling like a sack of potatoes, dead and heavy.

Marcus Johnson:

All right, that's it for the segment. It's likely the last time you'll see that segment, you'll be pleased to know.

Ross Benes:

We killed it. You killed it. You killed it dead.

Marcus Johnson:

All right, folks, it's time now for Dinner Party Data, the part of the show where we tell you about the most interesting thing we've learned this week. And we start with Ross for no reason at all.

Ross Benes:

It's been almost 700 days since Central Park in New York City has had over one inch of snow.

Marcus Johnson:

Wow.

Ross Benes:

That sets a record. That's a long time. It's almost two years. The previous record was only 383 days set in 1998. So, young kids living in Manhattan are going a crazy amount of time without getting any snow.

Evelyn Mitchell-Wolf:

That's sad.

Marcus Johnson:

I thought you were going to take a second to do the math. You were like, "That's 700 days. That means-

Ross Benes:

One second. One second.

Marcus Johnson:

... two years. That's nearly two years. But you nailed that fast math, Ross. You crushed it. That's fascinating. Over an inch.

Ross Benes:

Yeah, it's not much.

Marcus Johnson:

That's not anything, yeah.

Ross Benes:

And I bring that up because there was just a storm that blew through the area. Upstate New York, parts of Jersey, Connecticut all got snow, but Manhattan didn't get much. Nothing.

Evelyn Mitchell-Wolf:

Yeah, with how gross snow gets immediately upon touching the ground in Manhattan, I don't know. It's like I'm sad for the kids, but also-

Ross Benes:

A lot of shoes have been saved.

Evelyn Mitchell-Wolf:

Yeah.

Marcus Johnson:

Thank goodness. Very nice. Evelyn?

Evelyn Mitchell-Wolf:

Okay, so I have some data from YouGov. The survey was fielded end of September, early October of last year. What fashion trends do Americans love and hate? And I'm hoping that I will get some really enthusiastic

Max Willens:

I couldn't name one.

Evelyn Mitchell-Wolf:

... reactions from you two here.

Max Willens:

Look how I'm dressed.

Evelyn Mitchell-Wolf:

Well, you might be pleased to know that Americans top-

Max Willens:

Black on black?

Evelyn Mitchell-Wolf:

... most-loved fashion trend is flannel shirts-

Max Willens:

Black on black.

Evelyn Mitchell-Wolf:

... and graphic tees. Bomber jackets.

Marcus Johnson:

I own a flannel. Oh.

Evelyn Mitchell-Wolf:

Yeah. So, I feel like the top three are pretty solid. And leggings are number four, which personally I'm into leggings. And then the least most-liked, so the most hated, are shoulder pads, parachute pants, and then-

Marcus Johnson:

Shoulder pads?

Evelyn Mitchell-Wolf:

... sagging pants is the least-liked fashion trend.

Marcus Johnson:

Oh yeah. Not since the '90s.

Max Willens:

Also starting to feel bad that I allowed my mother to throw out my JNCOs. I'm just kidding. I don't feel bad about that at all.

Marcus Johnson:

None of us do. Max, you're up.

Max Willens:

All right. So, I started the year full of hope, like so many of you. And so I started thinking about reasons to be optimistic, reasons to be excited about the future. And it drew me to the topic of fusion, which I think about all the time, in which the preceding joke apparently in the scientific community is that fusion is basically 30 years away from being 30 years away. And that's always been the joke about it. But a bunch of stuff has happened in the last year that is making people feel like this might not just be a theoretical exercise.

So, last year a research group achieved basically a net positive fusion reaction, meaning that they were able to generate more power than it took to initiate the reaction in the first place. And since that's happened, a ton of venture capital has poured into this space. So, there are about over 40 different fusion startups out in the wild and last year, 14 of them raised money to the tune of over two and a half billion dollars, one of which, called Helion, is building a reactor power plant prototype that they, again, also hope will generate a net positive reaction.

They claim that they're going to have a fusion power plant up and running by 2028. A lot of scientists think that's ridiculous. I hope that they are wrong about it being ridiculous. The general consensus, according to an article I read in the MIT Tech Review, is that it's probably closer to 2040 before we get fusion power as an option. But just to find some kind of balm to apply to my brain and heart after reading stories about climate change, stories about fossil fuels, stories about waste, it's nice to imagine that we might MacGyver ourselves a solution to the problems that we're creating for ourselves.

Marcus Johnson:

When Max started talking, if anyone else Googled "what is fusion," you're not alone.

Max Willens:

Okay.

Marcus Johnson:

That's now in my search history.

Evelyn Mitchell-Wolf:

It took me a minute to understand you meant nuclear fusion. Yes.

Marcus Johnson:

I had no idea.

Max Willens:

It was also a cool restaurant in the '90s-

Ross Benes:

Fusion.

Marcus Johnson:

That's what I thought you were going for.

Max Willens:

... on Jones St. No, I'm sorry. Yes. Nuclear fusion power.

Marcus Johnson:

Okay. Secondly, start of the new year, your first thought is, "Fusion. This is the year." Not, "Can I not drink for a week," or something like a regular New Year's... That's where your mind is? You're like-

Max Willens:

I'm going big, baby.

Marcus Johnson:

I know. Someone has to.

Max Willens:

Big.

Evelyn Mitchell-Wolf:

Well, Oppenheimer did just win a bunch of awards.

Marcus Johnson:

Oh, there we go.

Evelyn Mitchell-Wolf:

Maybe you were just in the nuclear headspace.

Max Willens:

It's true. I think that movie rules.

Evelyn Mitchell-Wolf:

I never actually saw it.

Max Willens:

Tune into my podcast. Oh, you totally have to.

Marcus Johnson:

People will have some spare time when they stop listening to this one. All right, I've got one. I still need to see that film though. One for you real quick. Completing Tetris. Did you guys see this story?

Evelyn Mitchell-Wolf:

Mm-mm.

Marcus Johnson:

Max did. Evelyn didn't. Some of you may have. Some of you might not have. So, Soviet software engineer, Alexey Pajitnov, created Tetris in 1985. That wasn't the story I was reading,

but just for context. It was released by Nintendo four years later. You guys have probably heard of Tetris. Big deal. According to the Tetris company, over 500 million units of Tetris have been sold worldwide, which makes it one of the top-selling games of all time. And a few weeks ago, this is the story, 13-year-old Willis Gibson of Oklahoma became the first person believed to ever beat the original Nintendo version of Tetris.

As Diba Mohtasham of NPR explains, "38 years after Tetris was released, Gibson ended up advancing so far that the game itself could not keep up with him and at level 157 he reached the notorious kill screen, the point in the game where it becomes unplayable because of limitations with the game's original programming. It took him less than 39 minutes from when he started the game to," like started playing this particular stint, "to crashing the game." There's a YouTube video of him, which if we can, we'll put a link in the show notes because it's amazing.

YouTube video, you have to watch the whole 40-minute video. Just fast-forward towards the end. The YouTube video showing him beating the game. He freezes in shock and then says, "I can't even tell my mom because she's at work." It's pretty damn heartwarming, yeah. His score on the screen read that he'd maxed out. There's a maxed out figure of 999999, but Gibson says his actual final score was 6.8 million. How big of a deal is this? Up until now, only AI had been attributed with reaching the kill screen.

For context, Gibson has played in tournaments since 2021, and in October he was the youngest person to make it to the classic Tetris World Championship where he placed third. He's been playing since he was 11 years old. He's now 13. Plays about three to five hours a day. And this is the best part of it, it's really amazing, he dedicated the record setting win to his father Adam Gibson, who died last month. I just thought this was such a nice story. There's the dedication to his father, which is just beautiful. But then also there's that anything's possible moment, right? Everyone's played at least one arcade video game. The idea of completing it doesn't ever cross your mind, and now it can. Or really, doing anything. And I just thought this was a really special moment. Great story.

Max Willens:

Attaboy, Willis.

Marcus Johnson:

Indeed. Anyway, that's what we've got time for for this episode. Congratulations to you and a huge thank you to my guests today. Thank you to Ross.

Ross Benes:

Thanks, Marcus.

Marcus Johnson:

Thank you to Evelyn.

Evelyn Mitchell-Wolf:

Thank you, Marcus. Thanks everyone.

Marcus Johnson:

Thank you to Max.

Max Willens:

Always a pleasure, Marcus. Thank you.

Marcus Johnson:

Yes, indeed. Thank you to Victoria who edits the show; James, who copy-edits it; Stewart, who runs the team; Sophie, who does our social media; and Lance, who runs our video podcast. Thanks to everyone for listening in. We'll see you hopefully on Tuesday for the Behind The Number Daily, an eMarketer podcast. Happy long MLK weekend.

Ross Benes:

You're like a real Price is Right here, coming up with new little contests all the time.

Marcus Johnson:

I know. This has become my life.

Ross Benes:

Plinko.

Max Willens:

A test.

Marcus Johnson:

What did you say, Ross?

Max Willens:

A trial.

Ross Benes:

Plinko. You know, they dropped the thing and it goes. You watch The Price is Right ever?

Marcus Johnson:

Oh, no.

Ross Benes:

Oh.

Marcus Johnson:

I know the reference, but I don't know... I know the show, but I didn't watch it.

Ross Benes:

Okay.

Marcus Johnson:

Yeah. Sorry.

Ross Benes:

It's all right.

Marcus Johnson:

This is how most things land with me in America.

Max Willens:

Oh my God.

Ross Benes:

Yeah. I don't know if... Yeah, that probably didn't do well in syndication overseas. Yeah.

Marcus Johnson:

Yeah.