



## Next in Marketing | AppsFlyer

### Episode 21: Brian Morrissey on why we'll never escape advertising and why 2021 may represent a return to sanity in digital publishing

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Mike Shields (19s):

Hey guys, this is Mike Shields, and this week on Next in Marketing, we had a very special guest for our 2020 year end episode, my old boss and colleague Brian Morrissey, longtime Editor-in-chief at Digiday. Brian and I talked about why despite recent upheaval and digital media, he's actually very hopeful for the future of web publishing.

Mike Shields (34s): Brian also explains why he sees parallels between digital media and the overcrowded and much hyped DTC brand space. We talked predictions for 2021, why he's not worried about people increasingly finding ways to avoid ads, and his new Miami lifestyle. Let's get started.

Mike Shields (49s):

Alright. Hi, everybody. Welcome to Next in Marketing. I've got a very special guest here to help us close out 2020, the joy that it was, my old buddy Brian Morrissey. Brian, how you doing?

Brian Morrissey (60s):

Mike, this is a great honor. Thank you for inviting me on today.

Mike Shields (1m 4s):



I'm intimidated. You're a podcast pro. You're a former boss, respected colleague. Brian how are you? How do we -- who are you? How do we describe you? You're just a retired digital nomad.

Brian Morrissey (1m 16s):

I'm not retired. I'm in exile. I'm taking a break. No, I'm, right now, I was the President and Editor-in-Chief of Digiday for almost a decade. Going back to when you and I worked there, many years ago until you broke up with me at Starbucks. We can talk about that later.

Mike Shields (1m 37s): Yeah.

Brian Morrissey (1m 38s): And I left in --

Mike Shields (1m 39s):

That brings up a lot of emotions, so we gotta be careful.

Brian Morrissey (1m 41s):

Yeah, I know, mixed I'm sure. I left in October and now I'm sort of figuring out what to do next. And in the meantime, I am having a newsletter.

Mike Shields (1m 54s): You have a Substack?

Brian Morrissey (1m 54s):

I'm writing in a Substack like everyone, but...



Mike Shields (1m 56s):

They're legally required for external...

Brian Morrissey (1m 58s):

I know. I know. It's all very clichéd. And I'm going to be launching a podcast. I was the host of the Digiday podcasts for, I don't know, five years. So I'm gonna start a new podcast in the new year probably under The Rebooting brand. Is it a brand? Sure.

Mike Shields (2m 14s):

It's absolutely a brand. No, I'm excited you're here. Brian and I were colleagues. I was at Mediaweek. He was Adweek for a bunch of years. And we're together at Digiday. We've known each other forever. He's one of the smartest guy in media, and we're excited to have you. So, I want to talk about a million different things. But what -- are you worried like if our chemistry is so incredible that like this is just going to take off? Like I'm a little bit concerned about that.

Brian Morrissey (2m 40s):

I am, I am. It's worrying for all of us.

Mike Shields (2m 43s):

Like this could be like Mike in the Mad Dog or something we have in 20 years.

Brian Morrissey (2m 46s):

This is like a rewind. We need to get Jack in, because this is like a rewind of going back to the little teeny weird room at WeWork. We were really just starting at Digiday and just trying to figure stuff out. Those were fun times.



Mike Shields (3m 2s):

Yeah, I know. I have a good memory.

Brian Morrissey (3m 2s): But I was just in retrospect.

Mike Shields (3m 4s):

Yeah, circa 2011, there were like five of us and there trying to make phone calls in a small room.

Brian Morrissey (3m 9s):

Yeah, everyone kept like talking louder to try to get over the other person.

Mike Shields (3m 13s):

I'll try not to do that here. Okay, you mentioned your newsletter, The Reboot. There's a reason you picked that theme. I think that's probably symbolic of where we are in 2020, and a lot of things going on the industry. So just talk to me about why, what your mission is there, what are you thinking about?

Brian Morrissey (3m 30s):

Okay, Mike, I know you're a loyal subscriber. It is The Rebooting, okay.

Mike Shields (3m 34s): Right.



Brian Morrissey (3m 35s):

I mean, because I couldn't get The Reboot domain name. And so, some people from Vice and TechCrunch in Europe left and they started something called The Reboot. It's very complicated and I don't know whether I need to get lawyers involved.

Mike Shields (3m 51s):

This is also a probably the fifth time I've mispronounced someone's company or name.

Brian Morrissey (3m 55s): That's fine.

Mike Shields (3m 56s):

So you're in good company.

Brian Morrissey (3m 57s):

It's good. No, I mean, I think obviously when Coronavirus struck, I think the big question, other than how do we survive this, with what changes and what comes out of it? And I think we're seeing a rebooting of a lot of things and industries. I mean, we e-commerce has accelerated five years during the pandemic. It's hard to imagine going back to an office like we had before. I do think that we obviously are missing a lot with all being in the same location. I don't think we would've been able to do what we did at Digiday if we weren't in that room that we were.

Brian Morrissey (4m 40s):

But it clearly, you know, how WeWork is going to change. And I think, you know, the media itself is going to change. I mean, this crisis has obviously accelerated a lot of trends. And I think the same is going to be true in media.



Mike Shields (4m 54s):

Are you thinking about that? Because so much of your time at Digiday where you were very, very focused on the digital publishing industry and in that business model. Are you thinking mostly about those folks in your journey on The Rebooting? Or really, or the entire industry?

Brian Morrissey (5m 10s):

I mean, mostly. But I think every -- it's hard for me to imagine, say any part or side of the industry, of the media industry, not going through fairly profound change. I mean, don't you think?

Mike Shields (5m 25s):

Yeah. Well, I wonder because I was thinking about this. I wonder even before COVID, right? You were seeing, it sort of seemed like the end of the era of the VC-backed social media born publisher, that was really shrinking. And then I think that business, every one of those companies that are trying to find new business models, are trying to survive or team up. Now you've seen, just recently, that you've got the HuffPost coming together with BuzzFeed. And then you also have -- it's also interesting that you've had so many big names from digital publishing jump to a traditional media recently.

Brian Morrissey (6m 1s): Yeah.

Mike Shields (6m 1s):

Like there was a Ben Smith and who am I forgetting that just made a huge jump?

Brian Morrissey (6m 6s): Ezra Klein.

Mike Shields (6m 7s):



Ezra Klein right from the Vox.

Brian Morrissey (6m 9s):

So yeah, not just The New York Times, right? I mean, The New York Times, I mean, they won, right? I mean, they -- and that's why I think the acceleration theme is, it's kind of cliché, but it's clichés often exist for a reason, is because, you know, like The New York Times had pivoted to a subscription model, what? Seven years ago? And I think one of the hallmarks of any crisis is the stronger get stronger and they do that by preying on the weaker. And by that I don't mean to like sort of knock either BuzzFeed or Vox as I do. But you know, their business models were a lot weaker than The New York Times is.

Brian Morrissey (6m 51s):

And so The New York Times is using this period, as an opportunity to get stronger because they can.

Mike Shields (6m 58s):

But it's interesting, I don't -- Would you have called that? I don't think I would have called that. I guess it was made, what was it five years ago, when the times innovation report came out. And it seemed like...

Brian Morrissey (7m 8s): Yeah.

Mike Shields (7m 9s):

You know, it seemed like the new guys like BuzzFeed knew how to play this new game, digital publishing distribution analytics. The times and others were hopelessly slow and they were in trouble. And it's really shifted.



Brian Morrissey (7m 21s):

Yeah, I think so. But I think that Euro was really weird, beyond the capital. You know, a lot of distribute -- it was very heavy on the distribution. And a lot of people mastered a lot of tactics of distribution. And I think the challenge of any of these sort of growth hacks, is the Playbook becomes sort of widely available, right? So, you know, the effectiveness wears off. It's kind of like -- you see this with advertising. Any sort of advertising tactic quickly, the effectiveness quickly wears off. And because it becomes over use, or just becomes everyone ends up knowing it.

Brian Morrissey (8m 2s):

I mean, you even see this with newsletters. Like I don't know, are you sick of seeing a newsletters with these like emoji in the subject line? Because that like gets higher open, right.

Mike Shields (8m 14s): Yeah.

Brian Morrissey (8m 14s):

Everyone knows this. So now everyone has freaking reminds me in that.

Mike Shields (8m 17s): It freaking reminds me of like the dry cleaners that starts with AAA because the Yellow Pages, you know, like some kind of, yeah.

Brian Morrissey (8m 23s):

Yeah. And then all the dry cleaners do. And I guess I don't know, the same dynamics exist in the dry cleaning industry?

Mike Shields (8m 31s):





I'm not as tuned into the Yellow Pages Dynamic right the moment. But I think there's probably something to that.

Brian Morrissey (8m 36s):

Did they get a lot of venture capital?

Mike Shields (8m 39s):

I would not. That would not be where I'd put my money, right now.

Brian Morrissey (8m 43s):

That is honestly, it's another industry. I mean, they're like, they've been decimated. I mean, who's getting dry cleaning done?

Mike Shields (8m 48s):

You know, there was a sorry that they're in deep trouble. Like, they need a buy out. We've taken a weird turn already here.

Brian Morrissey (8m 55s):

Everyone needs everyone needs a bailout. I swear to God, like that's the biggest problem. It's like, "Oh, we got to bail out the restaurants." It's like, "Well, you gotta bail out like everyone."

Mike Shields (9m 2s): Yeah.

Brian Morrissey (9m 3s): Pretty soon. I mean.



Mike Shields (9m 4s): No, It's going to be --

Brian Morrissey (9m 5s):

Which is also kind of how you, like bailing out everyone is actually what the government should do.

Mike Shields (9m 9s):

Yes. Assuming there was a functioning government, but that's a couple months down the road. But what about -- Okay, so you talked about how so many publishers were, you know, like you mentioned, BuzzFeed launches Tasty on Facebook. And it explodes. It's a huge brand. And then you can't do that, again. How many other publishers can do that so that they run out of room? I think then all of a sudden, everybody in that space was, "Okay, well, let's do Ecommerce. Let's do subscription. Let's jump on the same business model again and again." And your pro diversifying revenue, but what happens then when everybody's trying to do the same playbook again and again?

Brian Morrissey (9m 45s):

I mean, I don't know if the playbook is the same, right? Like I mean, I think everyone has, not everyone, but it's sort of widely accepted now that it's better to make money a bunch of different ways than through one way. And particularly if that one way is advertising, right? I mean, that's pretty accepted now?

Mike Shields (10m 6s): Yeah.

Brian Morrissey (10m 6s):

And BuzzFeed was already diversifying its revenue quite a bit. And I think obviously, this just accelerated. I mean, you can remember when we were working together, I guess, when BuzzFeed



was, and it was just all native advertising. John Steinberg was like, "We'll, never run a display ad again."

Mike Shields (10m 22s): Yeah, they're proud of it.

Brian Morrissey (10m 23s):

Yeah, it's dumb. Yeah, I mean, look, it's marketing, right? It's PR. But, you know, obviously, you need to have programmatic advertising. BuzzFeed, now relies on programmatic advertising for a large part of their business. There's nothing wrong with programmatic advertising clearly. Commerce is just yet another way to make money off of franchises and makes a lot of sense. So, I just think it is, I don't know if it's that

interesting. But like, there's definitely this acceleration to diversifying the amount of ways you make money.

Mike Shields (11m 7s):

Although, you know, what's interesting, you've written a lot about Axios, which is if, they've been an incredible success story in a short period of time, fascinating model. They kind of accidentally stumbled into an awesome advertising business, and that's kind of their focus right now.

Brian Morrissey (11m 21s):

Yeah. But I think if you listen to Jim Vandehei, I always want to say, Vandehei, but it's Vandehei, talk, and I know, when I had a podcast on a few times -- you know, that has a ceiling, right? And so they're coming up with their next sort of product, which I guess is going to be helping companies send like Axios newsletters. I don't understand why that's an enterprise software product personally, to put like, be smart and bullet points, but...

Mike Shields (11m 56s): Right.



Brian Morrissey (11m 56s):

Maybe it is. You know, that segment of the advertising market, which is, you know basically, it's public policy kind of stuff.

Mike Shields (12m 8s):

Companies like GE talking about how they're doing good for the planet, or things like that?

Brian Morrissey (12m 12s):

Yeah, this is the stuff that supported Roll Call and The Hill back in the day when they were really lucrative businesses just off of beat 20,000. You know, that was their circulation, because they were in every single congressional office. And so if you're Exxon, wanting to promote the fact that you are really doing great things for the planet. Yeah, you take out a full-page ad in Roll Call on The Hill and they charged a ton of money from that. This is the digital equivalent of that stuff. And instead of like Exxon, it's Google and Facebook.

Mike Shields (12m 54s):

Right, right. But you kind of led me to my question is that...?

Brian Morrissey (12m 58s):

Facebook, I mean, Facebook can run the equivalent of a full-page ads and say how like they're so great like they <crosstalk>.

Mike Shields (13m 3s):



Yeah, like, you really feel good about the future, right. Everything's fine in the country. But are there any -- what can we? Are there lessons learned? Or can the Axios model be replicated anywhere else? Is there's a really unique in that respect?

Brian Morrissey (13m 17s):

I mean, I think it can be replicated in that you can find pockets of growth. Like I think -- and we talked about this I'm sure when we were in that little terrible WeWork room. You know, we talk about publishing in our media as if, like it's one thing and it's not. Like everyone has different businesses. I know like back when we had events, Digiday events, we would be talking about this, The Digiday Publishing Summit. And it's like, "Yeah, you've got some arbitrage publisher. You have The New York Times. You have someone who's basically a production studio, like Gimlet or some."

Brian Morrissey (14m 1s):

Like there's so many different publishing model.

Mike Shields (14m 2s):

There, all publishing companies or publishers in some respect.

Brian Morrissey (14m 5s):

Yeah, but like they're very different. Same as with the advertising industry. So like, you can say, "Oh, the advertising is very challenged." Well, sort of. But let's unpack what kind of advertising. You know, there's pockets of advertising that are doing quite well and so publishers that aim for instance, like why did The Morning Brew get bought for really good multiple, I mean, with no money raised? I mean, very little money raised.

Mike Shields (14m 39s):



Right. <inaudible> people there.

Brian Morrissey (14m 40s):

Because newsletter advertising is broadly pretty effective. And they zeroed in on an area, a format of advertising that works real well on both the branding and the response side. And from the outside at least, it seems like they've really nailed it with a lot of these DTC brands too, looking to reach a younger audience. So you pair those two together you've got a really good advertising business. At a time when you can say, "Well, advertising is very challenged and Google and Facebook are taking it all." It's like, well, there's still pockets that are doing really well.

Brian Morrissey (15m 20s):

I mean, you look at like Dotdash, you know, and like, they are doing fine.

Mike Shields (15m 23s):

Yeah, that's a tremendous story that it's still not enough people understand that how hard that is. And this does just doesn't happen that you reboot a digital media company out of nowhere.

Brian Morrissey (15m 33s):

Oh, thank you for using the brand even it's The Rebooting.

Mike Shields (15m 36s):

Yeah. Oh, well done. You told me how to do it three times. So, okay, but you kind of hinted at with the DTC guys, right? Even before COVID, I think every marketer was trying to become more -- they're all DTC envy. They all wanted to be like Casper and have no middleman and direct to consumer relationships, lots of data, and cutting out all the pricing. But that's really hard for the Procter & Gamble and Unilevers. But now I think people wonder how much is COVID accelerating this change? And are we going to see like, almost the end of the branding era? I don't know if



that's a little bit too extreme. But do you think we're going to this place where advertising is going to be 100% about performance marketing?

Brian Morrissey (16m 20s):

I think advertising is always about performance the end of the day. You know, marketers are.. they got one job, it's to sell more stuff. And I think a lot of times, and we were probably guilty of this, sort of bifurcated the market unnaturally between brand and direct response. I might have done it actually just answering the last question. But, you know, in fact, there's always been a blend between the two. I think what's going on with DTC is it's interesting in that like, we launched a retail brand at Digiday when I was there called Modern Retail. And one of the things, it was weird going into a new area from just thinking about it publishing and advertising for so long.

Brian Morrissey (17m 7s):

But pretty soon, like you start to see some dynamics that were very similar. And I think DTC is kind of similar in that. Like, there was a lot of digital upstarts, many of which were benefiting from a lot of venture capital flowing in. And they mastered a particular channel. And you sort of, if you think about it a little bit, in publishing, when you think about BuzzFeed, and Vox, and the rest of them, this sort of did the same thing. I mean they stole a march on the New York Times and stuff like this by mastering a particular channel, which is digital and social. And I think DTC is the same way. DTC as a channel at the end of the day. Casper, I'm now in Miami.

Brian Morrissey (17m 48s):

If you go down to the Lincoln Mall area, there's Casper store there. Ultimately, just like The New York Times, and BuzzFeed and Vox, and VICE all end up competing with each other. I think it's the same thing in the DTC and that, you know, these digitally native brands ultimately end up competing with their legacy brands. It's just a race to see who has the best advantages, right?

Mike Shields (18m 21s):

Well, would you assume, I'm going to guess in so many of those categories, the world is not going to need 15 different mattress brands, and 20 different direct to consumer sock brands and there's



going to be some fallout. Is it going to be a similar dynamic to publishing where the big guys eventually win in those consolidation? Or just do we go through a world where marketplaces kind of rule and that's Amazon, Walmart?

Brian Morrissey (18m 45s):

Well, I mean, I think if we were to sort of go with the... it's a lot like digital publishing, I mean, you've got, you'll see overwhelmingly powerful platforms. In this case, it's gonna be Amazon. It will be Walmart. It will be a lot of actually the grocery companies are actually interesting. Shopify, I think Shopify is one of the most interesting technology companies that I know about.

Mike Shields (19m 11s): Yeah.

Brian Morrissey (19m 11s):

Because they're sort of straddling the side of being like, kind of like a marketplace but really powering these independent brands. We will see a lot of legacy players who are unable to master new channels and more importantly, have a horrible cost basis that they're unable to fix. We saw that in publishing, right? I mean, look at all the newspaper companies. They're saddled with these horrible cost base. I mean, the worst is like if they have their legacy newspaper company, and they're owned by private equity. But I think we'll see the same thing.

Brian Morrissey (19m 51s):

But then just like we saw digital publishing, a lot of the sort of upstarts fell away, right? Because they mastered the tactics of the year, whether that was SEO with HuffPost, or whether that was social distribution with Upworthy, or someone like that. But they never really built really strong brands. And I think the same thing is going to happen in DTC, and is happening in DTC. Because like, a lot of -- just like in digital publishing, where a lot of these digitally native publishers were bragging about these gigantic audiences and stuff like this. They didn't really have them, they were renting them from Facebook or Google.





Brian Morrissey (20m 33s):

Same thing with the DTC brands, they can talk about giant customer bases, but they're buying them from Instagram. I mean, Instagram is the new mall. And like, if they don't build real brands that they can have that loyalty and repeat, then you can't just keep going back and paying for acquisition. And a lot of these brands what I can tell are just, they are addicted to their paid acquisition.

Mike Shields (21m 7s):

And they run out of room. And there's too crowded and there's not another Facebook --

Brian Morrissey (21m 11s):

The margins are just gonna get crushed by, if you have to pay constantly -- and that's I don't know, I see that. I don't really understand that dynamic. Because I understand, like that paid can really help you turbocharge growth and that's I think a well known strategy now. But when you start to, when your retention is dependent on like retargeting, hmm...

Mike Shields (21m 37s):

Yeah, that you start to run in a room fast to seem like. Let's talk about a broader advertising state of the industry trend. And that is like, I call this, The Unreachable Problem that is like, there's an existential challenge the industry faces I think in general. There are always people that were hard to reach. You always hear like young males are hard to reach, or young people are tuff to reach like TV viewers. Now, you've got I would say a big chunk of the country that they primarily stream, they watch mostly Netflix. A lot of maybe some Disney Plus. They don't listen to radio, they listen to Spotify, and they'll do what they can to avoid advertising digitally, and they're just really challenging, or they play tons of video games, which is just not a great or not a vehicle with tons of advertising.

Mike Shields (22m 26s):



Is the industry facing that and can they do anything about that? Is that a big deal?

Brian Morrissey (22m 30s):

I do. I know you have the email. If do you really think that that's the case? Like I mean, I was like looking down, I was like "Okay, I have Netflix. I don't have cable TV.

Mike Shields (22m 40s): Right.

Brian Morrissey (22m 41s):

I do all that stuff. I have Spotify. I was going through my year of Spotify. I'm still listening to a lot of rock, Oasis.

Mike Shields (22m 50s):

Right. And so do you feel like advertisers can get you to reach?

Brian Morrissey (22m 55s):

Advertisers can reach me all the time. I'm like -- and Instagram, do you read Instagram?

Mike Shields (23m 1s):

Yeah, though. I've seen, you see ads left to right. And actually a pleasant experience. But you'll always hear that person that's like, "Oh, I don't. I've never seen a TV commercial."

Brian Morrissey (23m 9s):



Who is pushing this idea? My question is, who's pushing this idea of The Unreachables? Because I usually end up thinking like they're selling something.

Mike Shields (23m 17s):

And I actually made it out. But, and I have nothing <inaudible> from it.

Brian Morrissey (23m 21s):

Oh, you did? Are you selling this?

Mike Shields (23m 22s):

No. It's the title of my book that I'm working on but thank you for <inaudible> that.

Brian Morrissey (23m 25s):

Oh okay, The Unreachables. I like the name. It's a good brand.

Mike Shields (23m 28s):

Yeah. Oh, it's got legs. But you don't think it's worrisome?

Brian Morrissey (23m 33s):

I don't think it's a, no. Why is that worrisome? Like we have so much to worry about. We're in the middle of the pandemic, my friend.

Mike Shields (23m 39s):



But if you will, if you're a traditional brand and you're looking at --

Brian Morrissey (23m 43s):

Is this what you're worried about?

Mike Shields (23m 44s):

Oh, well. How do you reach people and you know watches TV anymore. And they're all, and I want to sell Charmin, and like the average age is 75 on network television. Like what do I do? You don't think that's like a freakout moment? Or you think it's show me the revenues were fine?

Brian Morrissey (24m 2s): No, they're fine.

Mike Shields (24m 3s): Okay, do you think it's --

Brian Morrissey (24m 5s):

I mean, advertising seeps everywhere.

Mike Shields (24m 8s): It's inescapable.

Brian Morrissey (24m 10s):

It's just like, capitalism doesn't exist without advertisers. Like I'm not like someone who like, "Oh, I hate advertisers".



Mike Shields (24m 15s): Right?

Brian Morrissey (24m 15s):

It's like, no. It's like, this is the lubricant of capitalism. Yeah, no, I mean advertisements but I was like, I was running the other day here and you know, the water is everywhere. And sure enough, I'm like running out of the Venetian islands and over some like Causeway and stuff. And one of those Ballyhoo boats is like going by with like, a giant video ad. Trust me.

Mike Shields (24m 42s): You're reachable.

Brian Morrissey (24m 43s):

Advertisers will find a way. I'm reachable. If they found me while I was running across a Causeway in Miami, I'm not too concerned. I'm gonna put that far down on my list.

Mike Shields (24m 54s):

Okay. You're not. Okay. Now, there was a story in the journal yesterday, maybe about Group M. They're forecasting that digital is finally the majority of media spending, which is not that's not surprising. But it may be like, do you think there is still way too much money tied up in television? And we talked about that for how many years? It's gonna, someone's gonna get that, right? We're gonna get that 70 billion. And is that going to change? Is that going to collapse? Where is it going?

Brian Morrissey (25m 21s):

I mean, I don't like, didn't all the money already go to like digital?

Mike Shields (25m 25s): Yes.



Brian Morrissey (25m 25s):

I saw most, I thought now its going to the opposite direction. Like people where like, "Whoa, we are over weighted on digital."

Mike Shields (25m 31s):

I think it depends if you're, again, if you're all in on e-commerce right now, and merchandising, and stuff like that you're ramping up, your Amazon presence, I guess. But...

Brian Morrissey (25m 43s):

Where would you spend your money?

Mike Shields (25m 44s):

Where would I spend my money?

Brian Morrissey (25m 45s):

Let's come up with a product and where you would like, I would do like mostly acquisition. I would dump it.

Mike Shields (25m 51s):

It depends on what kind of brand we're talking about. But I'm always talking to people about I feel like, and this is I'm totally colored by having three young boys. They got to figure out video games, somehow brands or they're in trouble. That's gonna be a challenge. I can't pay my -- I mean, my kids are younger. I cannot pay them to watch football with me or anything on a Sunday



afternoon. They're gonna be hard to reach in that respect. That's could change when they're teenagers, I don't know. But that's an area I would try and figure out.

Brian Morrissey (26m 21s):

I guess, and you know, obviously depends on the product. But I mean, I would do with like, as much as people love to like hate on Facebook and stuff like this. I would like dump it on Instagram.

Mike Shields (26m 29s): Instagram.

Brian Morrissey (26m 30s):

<inaudible> The Instagram ad experience is by far the best ad experience that I've ever seen. Maybe that's me. Like, I mean it's like, its native. It is effective. It is relevant. Like its really come with <inaudible>

Mike Shields (26m 44s):

You do have real serendipity like its things you, it's not necessarily like targeting. It's like, "Oh, I never knew that thing." It's really, they are scary good at coming up with weird stuff you might like.

Brian Morrissey (26m 54s):

It's like weird you've -- and I feel like they know really well when to take you out of a segment and put you into a new segment. Like I mean they -- I was in a meet in Tinder segment for like several months of the pandemic because I was ordering a lot of like <crosstalk>

Mike Shields (27m 13s):



Is that a dating app. What is that?

Brian Morrissey (27m 14s):

No. You know, mail-order meat like kinda like, ButcherBox and stuff like this.

Mike Shields (27m 19s): Oh, okay.

Brian Morrissey (27m 21s):

And then all of the sudden, I find myself in some sort of like, Japanese home goods. Or no, I was in some like overpriced condiment. I bought some like Japanese barbecue sauce. So I was in some like overpriced condiment segment.

Mike Shields (27m 38s):

But you're right Instagram doesn't have, you don't have, you don't leave with the feeling of like Jesus Christ the retargeting. I've already booked the hotel stop pounding me. Like it is remarkably better targeted than most of the web. Okay, so on that note, are you, I know you worry about --

Brian Morrissey (27m 55s):

But seriously, if you're a product would you buy like display advertising? I run next to it a news article.

Mike Shields (28m 3s):

I guess, if you're doing the, you just let the shopping cart thing, I guess, even though the people hate you.





Brian Morrissey (28m 8s):

Yeah, sure. Do some retargeting to make sure your sausages are top of mind.

Mike Shields (28m 14s):

Okay. All right. So what about this not to get too nerdy with you. You struggle with Adtech concepts but...

Brian Morrissey (28m 19s): I don't.

Mike Shields (28m 19s): What happens --

Brian Morrissey (28m 21s): <inaudible>

Mike Shields (28m 22s):

With cookie, okay, cookies are going away. You're gonna IDFA, Apple changing targeting. Everyone saying how it's just going to be totally different soon, next year, we're going to get regulated. Like what does...? What happens to the industry? Is that better for Instagram and everybody tries to copy them? You display get worse, and an untargeted mess? What's going to happen?

Brian Morrissey (28m 46s):

Here's my slightly ill informed take. Are you ready? The ad-tech world will screw it up. What will happen is everyone -- Well, there's no conferences now I guess. I guess there's like a million webinars. Everyone go on a million webinars and say, "We need to have a digital identifier." And



this is the only way to replace the cookie. Otherwise, Google and Facebook are gonna --  
<crosstalk>

Mike Shields (29m 12s):

Yeah, they are in three <inaudible>. Work on one row, working on one together maybe.

Brian Morrissey (29m 16s):

Then they'll all work on their own. And there will be like seven of them, which there, I think there are about five now. They'll probably end up being seven of them when there should be one, maybe two. And it will be so splintered that marketers will just be like, "Yeah, we're good."

Mike Shields (29m 34s): <inaudible>

Brian Morrissey (29m 35s):

Yeah. I mean, but like that's, it's unfortunate I guess to some, because you want to have a much more competitive market. I think everyone sort of wants that, except for maybe Google and Facebook. They might even want it a little bit with the regulators. But you know all that competition means that you're going to have fragmentation. And the fragmentation means you're not going to end up solving the problem. I mean, the third-party cookie was obviously flawed. It was never meant to do the job it did. But it was at least one thing and it was a sort of unified system.

Brian Morrissey (30m 15s):

Whereas, it seems like where this is going with all these different digital identity things is like, there's going to be too many of them.



Mike Shields (30m 23s):

You're not confident that hundreds of Adtech companies will all come together and just like figure out a thing that will, we're going to do that workout?

Brian Morrissey (30m 30s): No, no, no. I'm not.

Mike Shields (30m 32s): That's deflating.

Brian Morrissey (30m 33s):

Are you? You will know on the top of the stuff.

Mike Shields (30m 37s):

Well, I think, from what I, it's really complicated, and it's still like, not their browser. And all these things you want to do make that advantage of the duopoly I think. But I also wonder like, okay, how big are you on? Like, there's a lot of talking about regulate. You know, that we already have a lot of regulation coming here with California and we've had GDPR. But it's like job one of the Biden administration going to take on this part of the industry. Do we overhype the interest DC on this issue right now?

Brian Morrissey (31m 10s):

I mean, I definitely think that the Biden administration first is going to focus on Adtech. I mean, I don't understand...

Mike Shields (31m 18s):

Like the DACA and the Adtech like <inaudible>



Brian Morrissey (31m 20s):

Day one, it's gonna be Adtech. And then they're gonna get probably to the Coronavirus and all the vaccines.

Mike Shields (31m 26s):

You are in the Paris agreement and the IBA. <inaudible>

Brian Morrissey (31m 28s):

No, that I can do anything <inaudible> come on. Think government's not gonna do anything. I know <crosstalk>

Mike Shields (31m 34s):

There's gonna be a national law or something crazy.

Brian Morrissey (31m 37s):

I don't know. I mean, maybe but like, you know, divided government is -- you know, stock market always goes up with divided government because like nothing, that means nothing's going to happen. Nothing major is going to happen. And so the status quo will prevail. And despite what people in business say, like, they love the status quo, they don't like change.

Mike Shields (32m 0s):

And advertising will continue.



Brian Morrissey (32m 2s):

Although, I think what's interesting is, yeah, advertising is going to continue. Is like, you know, there's like weird coalition's that are taking place. I do think there are a lot of changes that you need. To sort of look at the constituency. I don't think the FTC is going to do much, but there's not a lot of constituencies that are now like "pro platform". If you just go back to Obama administration stuff.

Mike Shields (32m 28s):

No there were <inaudible>there were Facebook. It was like, coziness, yeah.

Brian Morrissey (32m 33s):

<inaudible> Silicon Valley. And then look, I mean, Biden <inaudible> but you don't find you find like, as much, like distrust of "big tech" on both sides now. It's like, it's sort of weird in that way, and that for different reasons all across the political spectrum, they got problems with. I mean, that's why like, I don't know, Facebook, begging to be regulated is just something else. Like, I don't know, I like, I read the economist, because, you know.

Mike Shields (33m 6s): That's very impressive.

Brian Morrissey (33m 8s):

And they have, they always have they're like full-page ads in the economist so print is not dead. It's always its like begging, "But we believe in regulation."

Mike Shields (33m 18s):

Right, its like a lobbying like with every ad there.



Brian Morrissey (33m 22s): Yeah.

Mike Shields (33m 22s):

Because, yeah, once they're considered regulated, and they can do whatever, "Oh, I, well, you know, I'm regulated, I'm covered, right." I think that's where they're at..

Brian Morrissey (33m 30s):

Yeah, I think, you know, it gives some predictability and rules of the road and stuff.

Mike Shields (33m 37s): Right.

Brian Morrissey (33m 37s):

And they didn't want to ward off. You know, the worst case scenario was, I remember when someone says, like, you mentioned, Jeff Sessions, trying to like take apart Facebook. And like Google. It's like, "Oh, God, Jeff Sessions is going to decide where the ad server goes."

Mike Shields (33m 56s):

Perhaps not savvy enough to check mode.

Brian Morrissey (33m 59s):

Which obviously, they've got expertise and stuff like that, they can do that. But yeah, the government is not very -- and I feel like the United States just simply doesn't want the government to try to pick winners and losers, for good reason. I mean, if you're like, the case against Microsoft, and how long did that go on? And by the time it like, came to the end --



Mike Shields (34m 20s): Yeah, it was too late.

Brian Morrissey (34m 21s):

The problem they were trying to remedy, it was like gone.

Mike Shields (34m 23s):

No one's using Netscape right now. Like, it doesn't, yeah.

Brian Morrissey (34m 28s):

And so, even if for some reason, I feel like Biden tries to do anything on this or gets pressured into doing it, it would take so long that it just becomes a stalemate. Like, I mean Google and Facebook. I remember like, when Google, they tried to like regulate Google first time. Like I mean, Google hired all the Microsoft people, right? And it's like all the -- there was all these people in Washington that were already well versed in In the government on behalf of Microsoft. And they just went over to Google.

Mike Shields (35m 3s): Yeah.

Brian Morrissey (35m 3s):

I don't know, if all there's all these people, it's just like, okay, we'll just take the same army and we'll just point them. And it takes forever like to get anything done.

Mike Shields (35m 11s):



Yeah. And then there is other priorities come on.

Brian Morrissey (35m 13s):

And <inaudible> are more crazy about this stuff anyway.

Mike Shields (35m 16s):

Yeah. All right, Brian, let's -- we're running out of time here. What? I mean, I love talking about European regulation with you. But --

Brian Morrissey (35m 22s):

You want to <inaudible>? I don't know why you went left until the end.

Mike Shields (35m 25s):

I don't know why we got here. And we're coming up on the end of this wonderful year, give us some 2021 predictions for media and advertising.

Brian Morrissey (35m 34s):

Oh, no. You didn't prepare me for this.

Mike Shields (35m 36s): No. Not at all.

Brian Morrissey (35m 37s): Okay. Um...





Mike Shields (35m 39s):

Well, I'll phrase it this way. How about what have we said is going to change forever that will actually go back to the way it was? Like, I wonder about that. And when the vaccine tomorrow are all of these media companies and are they going to go a lot slower? And you know, they're all talking about how everything is accelerated and they move fast. Is that going to all change or is anything going to go back to the old ways?

Brian Morrissey (35m 58s):

I don't know. I mean, honestly, I don't know what it is not going to change. Let me try to like sort of refer -- I guess, on the prediction side is I predict that the Substack revolution doesn't really happen.

Mike Shields (36m 16s): There are too many, probably.

Brian Morrissey (36m 18s):

Well, that it's a very niche phenomenon that these "star" journalist types, creator types or whatever, really wanna go out and build their own brands and little companies. I mean, you have a company. You know, what a pain in the ass it is, right? Like, I mean, I feel like any time any sort of journalist says that they are thinking about doing this. They should be forced to open up QuickBooks, and like spend a day in QuickBooks. And then they'll shut it down. Will be like --

Mike Shields (36m 54s):

I like a check every two weeks, yeah.

Brian Morrissey (36m 56s):

I'm okay. I'm okay <inaudible> I don't want to be part of this. There's a lot of things. So I don't think that is going to happen. One thing that I do you think is going to happen? I do think we're going to see the birth of a new group of digital media companies that learns from the past. And I'll think



they're going to be for the most part venture funded. They might have a little bit of financial backing. I think they're going to be extremely lightweight. I think models like defector are interesting. I think that's going to be challenged by the fact that 18 owners, that's sort of the recipe for like a Lord of the Flies situation.

Brian Morrissey (37m 40s):

But I do think that there are, I think what Substack's getting at is the need for a much more lightweight publishing model that doesn't have a lot of the infrastructure that being a media company has required.

Mike Shields (38m 0s):

But I like that and it's hopeful. A new breed of digital media companies that learns and does it the right way, theoretically.

Brian Morrissey (38m 7s): Yeah, I think so. I hope so.

Mike Shields (38m 9s):

All right. Well, Brian, this is awesome. Thank you so much for being here. What a terrific conversation and let's do this again, or maybe not. I don't know.

Brian Morrissey (38m 16s): Yeah, next week, right?

Mike Shields (38m 17s): All right, yeah. Every two years, let's do it.

Brian Morrissey (38m 20s): Yeah perfect. I'm available.



Mike Shields (38m 21s): All right. Thanks so much.

Brian Morrissey (38m 25s): Thanks Mike.

Mike Shields (38m 27s):

A big thanks to my guest this week, Brian Morrissey former longtime Digiday Editor-in-Chief. And of course my partners at Appsflyer. If you this episode, please take a moment to rate and leave a review. We have lots of work to bring you so be sure to hit that subscribe button. I will see you next time for more on What's Next in Marketing. Thanks for listening.