

Chris Riback Q&A

What Happens Next – 01.30.2022

Larry Bernstein:

Love it. Chris, you worked at the wildly successful 60 Minutes news program.

Chris Riback:

Still is.

Larry Bernstein:

Why hasn't it been copied?

Chris Riback:

Well, it has been copied, sometimes successfully and sometimes not. Why was it always so popular? One, Don Hewitt was the guy who created 60 Minutes along with Mike Wallace. Hewitt always would say, tell me a story.

Of course, there's tension. There would be Mike Wallace calling up or stopping somebody whatever they were doing, it always though had to center around it being a story.

Larry Bernstein:

So, you're saying-

... it had to be a story?

Chris Riback:

(laughs) So that tactic that you just did, where the narrator, Mike Wallace or Scott Pelley will repeat the key point, asking it in form of the question, have the guest say, yes, exactly.

Larry Bernstein:

(laughs).

Chris Riback:

That's a way to advance the story. So one was "always tell a story." Second thing was, one day I came into the office early. 8:00 AM. And there wasn't anybody there, all of a sudden running down the hallway – running down the hallway – was Don Hewitt. And he's looking into the offices of the really senior people, no one's there. He's got this energy about him. He comes up to me, and I was super junior.

"You're not going to believe what just happened." And I said, "What?" He said, "We just got an interview for this Sunday." And he was so excited. He had done the JFK-Nixon debates. He had launched the longest running, single most powerful show in television. He was at the height of his powers. And he's running down the halls, and there's some kid he probably doesn't even know his name, and yet he was so excited, still hadn't become jaded that all he wanted to do was share that excitement with somebody. It was a great lesson for me.

Larry Bernstein:

Well, that's how excited I was when I found out that Chris Riback would be on my show.

Chris Riback:

It's kind of parallel.

Larry Bernstein:

(laughs).

Larry Bernstein:

In March 2020, I decided to do this program originally as a conference call, audio only.

Chris Riback:

"What Happens Next"? You mean a year-and-a-half ago when you launched the media giant "What Happens Next?"

Larry Bernstein:

Exactly.

People said, well, why isn't it a Zoom? I prefer audio. Why do some people prefer audio to video?

Chris Riback:

Video's not going away. Video drives more viewership than audio does listener wise. Hewitt used to listen to cuts of the 60 Minutes pieces with his eyes closed. It had to make sense in audio. The storytelling had to be there. Even in video, the audio portion is important. The power of audio and the power of podcast, it's the form of content that you can take in, you can transfer your focus to the content while still taking care of other things.

You can't do that when you read, you can have the TV on in the background while you're doing something else, but you're not engaging with the TV content. It's just kind of keeping you

company. But with audio, with the podcast, you can go really deep into content and still have your focus while taking care of other activities.

Larry Bernstein:

Every morning I look at my inbox and I've got an email from Chris Riback for his highly edited curated news of the day. And that-

Chris Riback:

Yes.

Larry Bernstein:

... allows you to read all sorts of periodicals that I would never read. You're engaged in the world of news and content more than any other friend of mine. What are you seeing that's incredible?

Chris Riback:

There are really smart people out there who have the ability to go very deep into their areas of expertise and deliver insights, analysis, knowledge, sometimes original reporting than a more generalized publication, New York Times, Wall Street Journal, FT, whatever. My very best example of this is Ben Thompson, who has a blog – a website – called Stratechery. He connects strategy and technology.

He's born and raised in Wisconsin, worked for a while at Apple, maybe Microsoft, and decided for personal reasons to live in Taiwan. And he puts out a product that is a must read.

Larry Bernstein:

I did an episode with Mark Mahaney, who's a top internet analyst. He thinks that Spotify is a great stock to buy because of the growth prospects in podcasts. It is not clear to me who should enjoy the profits of podcasts: the creator or the platform.

Chris Riback:

I don't think that it will end up being different than any other media segment, there's always going to be a tension among the content creators and the people who can bring together audiences. If you are a really talented content creator who can create her own audience, then you don't need a Spotify.

The thing that Spotify is doing that is really useful to advertisers. Spotify knows who is listening and they will start to give you the data on your listeners.

Larry Bernstein:

Jim Miller in his podcast with me mentioned that HBO was unable to learn about its viewers because the customer had a direct relationship with the cable company and not with HBO.

Why is that customer information so valuable?

Chris Riback:

Because businesses can sell against it. They can segment, and they can then target. Netflix has that incredible data but Netflix is a subscriber business. And so the way that Netflix monetizes that data is by delivering then to the user more content so that you keep subscribing, so that they can raise prices, as they recently did again. Now, you know, they subsequently announced their subscriber growth is slowing, and their stock took a pretty big hit.

Spotify has both. They have a subscription and an advertising model. Spotify takes its data to the advertisers to better target the advertising. And they're doing some really important things with that data that no other podcast channel currently does.

Larry Bernstein:

Most of our listeners probably don't remember that Chris Riback broke into sports journalism when he was the sports writer for the California Berkeley Newspaper.

Chris Riback:

Yes.

Larry Bernstein:

Chris, you love sports, you love sports news, as do I.

Chris Riback:

Yes.

Larry Bernstein:

I was an early subscriber to The Athletic that was recently acquired by The New York Times. I'm a Chicago sports fan but I could not subscribe to a Chicago newspaper because the journalistic quality was so bad. It was just too painful.

The Athletic offers news on every sports team but I just read about the Chicago teams. The Athletic journalists were not first-rate but fourth-rate and yet, what I do? Read every word-

Chris Riback:

Yeah. Yeah.

Larry Bernstein:

Sports betting is a big business, and the challenge is buying subscribers to make the bets. Do you think that the future of sports journalism is to facilitate sports betting?

Chris Riback:

I would have thought that FanDuel would have been a potential buyer of The Athletic. Every brand is a media company and the whole purpose of content is to attract audiences. The Athletic, would be competing with The Chicago Tribune sports section, would be competing against the single blogger. You don't have to turn to the traditional Sports Illustrated and Chicago Tribune.

Larry Bernstein:

I remember you subscribed to Sports Illustrated. You were my last friend to subscribe to that magazine. And you loved it.

Chris Riback:

Loved it. I would race home every Thursday afternoon and on the way home, go through in my head, what do I think should be the cover story? I know that when you got the swimsuit issue, you read that cover to cover...

Larry Bernstein:

No, it was the Wall Street Journal.

Chris Riback:

I would read Sports Illustrated, cover to cover the minute I got it.

Larry Bernstein:

There are journalists like George Will, who have an audience.

Chris Riback:

Mm-hmm (affirmative).

Larry Bernstein:

Substack allows individual authors to publish to a large audience. How do you think about journalists building their own brand and distributing their product to a broad audience without a publisher?

Chris Riback:

There are two ingredients to that equation. One is desire, and the other is leverage.

Who has the leverage? Does the individual name have the leverage? Does The New York Times need Thomas Friedman or does Thomas Friedman need The New York Times?

Larry Bernstein:

Let's use Bari Weiss as an example.

She used to write for The New York Times. She quit and then immediately she introduced the Bari Weiss podcast Honestly, she also uses Substack for her written work-

Chris Riback:

I think you just picked a terrific example.

She has an audience. She has people who are wanting to read or hear about her reporting. She was in a situation where not only did she have greater leverage than the platform for her personal desires or personal goals, but it was getting between her and her audience, and that's the key.

So, if you want to ask about the future of media, it is continually tightening, getting closer with the relationship between the content creator and the audience, and getting that delta as small as possible.

Have you watched Monday Night Football? Have you been watching the Manning cast: Peyton and Eli Manning?

Larry Bernstein:

I know it.

I read about it in the Wall Street Journal-

Chris Riback:

But before the Wall Street Journal sports section found out about it, Harrison, Karen, and Chris Riback knew about it. And it's fantastic. You're watching the game with your boys, Peyton and Eli. It's such a smart creation.

There are other examples where third-party providers are bringing together celebrities in a shared environment. You're connecting with celebrities online, kind of the way you and I are right now, you know, in this Zoom-like product.

Larry Bernstein:

I like to watch my sports prerecorded. I am offered a choice of watching the Bulls game with the visitor's team audio or with "Stacey King and your Chicago Bulls?" And I always choose Stacey King, because I want a biased Chicago audio.

Chris Riback:

You want someone who's going to get as angry-

Larry Bernstein:

Yeah.

Chris Riback:

... when things don't go right-

Larry Bernstein:

This isn't right.

Chris Riback:

Yeah.

Larry Bernstein:

How can you make that call?

Chris Riback:

Yeah.

Larry Bernstein:

What's he not running back down the court for? What's wrong with that guy?

Chris Riback:

Come on, now.

Larry Bernstein:

So in lieu of listening to Stacey King, I could choose Chris Riback audio for the game. And that would be even so much better than Stacey King, because now my best friend can (laughs) is going to tell me what's going to happen. And I think the platform should love the fact that they can get free content out of Chris Riback.

I want to go back to Bari Weiss, because she is doing is very different than the type of moderation that I do. And I want to understand the future of moderation in journalism. I try desperately not to express an opinion, not to be too emotive, and inject myself into the storyline.

Bari Weiss does the exact opposite. She injects her personal feelings, her personal history, and her emotive power directly into the story. And she is a character on the show.

Chris Riback:

Mm-hmm (affirmative).

Larry Bernstein:

How do you feel about putting the journalist into the storyline?

Chris Riback:

It's opinion. That's content. That can be enlightening and smart.

I am most comfortable in the content that I create being as neutral or as fair in terms of context as possible.

You asked about the newsletters, that's judgment. I will get judged by my subscribers on my judgment – how I frame it, what I connect – whether in their estimation I do that in a way that makes them smarter.

And if I were to do it in a way that seemed biased, they wouldn't come to me for that. I'm not their guy.

Larry Bernstein:

There are lots of news aggregators, Morning Brew is probably the most famous example. How do you think about your competition in the curated morning newspaper business?

Chris Riback:

It's a big Internet. You remember the old Ikea ads. It's a big world. Someone's got to-

Larry Bernstein:

Furnish it. Yeah.

Chris Riback:

I tried to describe my value proposition to you. I don't sell news. I sell judgment.

I will have to demonstrate that I can deliver a better product. And I define "better" by helping my subscribers save time and stay smarter.

Larry Bernstein:

When we were roommates after college in New York City, you were worked for Day One, the ABC News magazine. and I was employed by Salomon Brothers. And the thought that you would end up at Salomon Smith Barney and working there for a longer period of time than I did was absurd. And yet that's exactly what happened.

Chris Riback:

Absurd.

Larry Bernstein:

You headed content for the Citi Corporate and Investment Bank. Your objective was to allow Citi's customers to access the firm's creative content. And I think the point that you made in your original six minutes presentation was that every business wants to generate their content and story directly to their customer base.

What distinguishes Citi from most other corporations is that they're in the business of writing research reports and having opinions, but other companies aren't.

I had the president of Stanley Black & Decker North America Katherine Monasebian on What Happens Next. And I asked her, "Why do I have to watch a YouTube of someone else using your product? Why aren't you creating your own content to show me how to use your product better?"

Chris Riback:

What does every brand want? They want to be top of mind even when they're not physically present.

There would be nothing better than to have a Black & Decker representative in the Home Depot where the Black & Decker stuff is being sold, having one-on-one conversations with every potential customer. That's the best. Just doesn't scale so well.

The whole goal of content is how do you use your intelligence, deliver that content in a targeted way so that you can stay relevant and top of mind and become their first call.

If you're a lawyer, you want to be the first call. If you're an investment banker, when that CEO has a question or a problem, you want to be the first call.

Larry Bernstein:

I let my guests open with a six-minute presentation. I don't know any other news source that allows the speaker to define the subject content, and then giving them six minutes to sell it. Six minutes is forever in radio. If no one else, does it, does that mean that I'm wrong?

Chris Riback:

If activities executed by Larry Bernstein that no one else does equaled something wrong, well, (laughs) Larry no, that alone is not evidence of your wrongness.

And, and no. In fact, and you and I have had this conversation, I think it's the exact opposite. I think it's because you had the benefit of coming at this from an outside unique perspective? You're looking at it, and you're like, "Wait a minute, this makes no sense. I'm tuning into something to hear this source. Why don't I want to hear from that source?"

Larry Bernstein:

The difference between, live and edited programming, live is cheap, you can just roll the camera. Eyeballs want high quality, should we expect podcasts to move towards a highly edited form, and a free-flowing conversation? Do people just love live?

Chris Riback:

We got to differentiate between live and unedited. The beauty of live is that the event is happening right then – the football game, the Presidential debate. You don't know what will happen next, so the viewer needs to tune in right then. That's valuable. From a production point of view, a listener or viewer will have much more forgiveness about the quality of a product if it is literally live. Even in podcasts, which historically have been people talk and you just kind of record whatever happens, that was version 1.0 of podcasting.

There always will be live. But if something doesn't have to be live, editing makes the production better. And content consumers know the difference. But now let's talk economics. The economic difference between cost of doing live versus cost of doing edited or curated content, there's a massive difference. It costs much more to edit or curate content. That's why cable channels put live panel interviews on the air all day long – it's so cheap to make.

It just comes down, like everything else, to the business and the monetization model. If you can charge a premium for edited content, you'll do it. If you can't charge a premium for the edited content, then you're not going to make the edited content, because it costs too much to make.

Larry Bernstein:

Chris, I end each show on a note of optimism. What are you optimistic about?

Chris Riback:

I'm super optimistic about the fact that anyone can be a media company. When you and I were growing up, if someone wanted to broadcast something, you had to own CNN or the New York Times. I love the fact that people can deliver their own content. I'm even willing to live with some of the costs of that.

Larry Bernstein:

Chris, thank you. Thank you for being a lifelong friend.

Chris Riback:

Yeah, my pleasure. And my thanks to you on that front, Larry. Thank you.

Thanks to Ari and Chris for joining us today.

That ends today's session. I want to make a plug for next week's show. I will be joined by two of my buddies. Jeremy Clorfene is a clinical psychologist at Rush Medical Center in Chicago and he will speak about how Covid is impacting young adult's mental health. Our second guest will be Avi Bernstein who is one of the top orthopedic surgeons in Chicago. I want to find out from Avi if back fusion's work or is it just bullshit. This is going to be a blast.

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Good bye.