

Don't Trust your Gut

Using Data instead of instinct to make better choices.

Seth Stephens - Davidowitz

Seth Stephens-Davidowitz is a data scientist, author and keynote speaker. His 2017 book *Everybody Lies* was a *New York Times* bestseller and an *Economist* book of the year. He worked with Google as data scientist

The principle of Moneyball the movie and that data can be used in correcting our biases has transformed many institutions.

“In god we trust, all others have to bring data”
– Eric Schmidt, Google

A data set of 99,451 sales pitches revealed that emotional expression of a salesperson was a major predictor of how much product they sold.

Joy doesn't sell, having a poker face instead of a smile helps sell more.

In India, the number of searches on how to to breastfeed a husband are as many as how to breastfeed a baby!

The motivation of this book is partly based on following the data of what readers really want, not what they say they want

On kindle, people underline sentences and passages. They tend to underline self help sentences and passages and rarely ever underline passages about how to improve the world.

Book sales globally show top 3 titles as

42 % of books are self help books

28 % are memoirs of celebrities and

8 % is sex studies.

The balance is everything else

The media also lies to us or gives us a misleading impression of how the world works by selecting certain stories to tell us.

A good example is entrepreneurial age. Media lets us believe it is 27, actual data shows it is 42 years old.

More people are meeting online than ever before

In 1994, kiss.com was founded as the first modern online dating site.

In 2017, 40 % of couples met online, and this number continues to grow every year.

In the dating market, a 6 foot man earning \$62,500 per annum is as desirable as a 5 feet 6 inches man who earns \$ 237,500.

The extra six inches in height are worth \$175,000 in the dating market

The data on height and dating reverses for women. A woman who is 6 feet 3 will get 42 % fewer messages than a woman who is 5 feet 5

If a man's salary went up from \$50,000 to \$150,000 on a dating site, a woman has a 8.9 % better chance to contact him.
The same for a woman is 3.9 %

A cool job on a dating site is frequently more attractive than having a dull boring job.

Opposites attract amongst couples, that's a myth, in reality similarity attracts and the effects are large

Research suggests the following qualities are among the most predictive of a good mate:

Satisfaction with life
secure attachment style
conscientiousness
Growth mindset

Parenting is tough. A recent survey said that there were 1750 different decisions a parent had to make for a child.

Parents ranked the age of 8 as the most difficult to handle

Parents had small effect on children in the following areas

Life expectancy

Overall health

Education

religiosity

Adult Income

More than 25 % of a child's ability to do well is explained by the neighborhood in which the child grows.

The 3 neighborhood variables that help grow a child (in USA) are:

- Percent of residents who are college graduates
- Percent of two parent households
- Percent of people who return the census form

Parents believe that passion and hard work are key to excelling in sports. In fact studies show that genetics drive a large portion of athletic success.

The greatest athletes in the world tend to be given by genetic lottery, the right body for the sport.

In swimming the ideal body is a long torso, short legs, in long distance running, it is long legs.

Michael Phelps the swimmer at 6 feet 4 and Eli
Guerrouj the long distance runner at 5 feet 9
had the same leg length!!

One was good for swimming and the other for
long distance running.

Owning a business is a predominant oath to getting rich in America, but it is not a guarantee.

Quick failure of businesses

record stores

amusement arcades

game stores

bookstores

clothing stores

cosmetics stores

The big 6 where people have gotten rich in USA

real estate

investing

auto dealerships

independent creatives

market research

middlemen

The tech business and the sneaker business is dominated by a few select companies who have built a moat on branding and on access to that technology

Some data suggests that luck might play a smaller role than some of us might like to think

Jim Collins and Morten Hansen studied what they termed 10 X companies – a business that has outperformed its competitors by a factor of 10 over time.

They defined luck as :

1. some significant aspect that occurs largely independent of the company and its actions
- 2.the event has a potentially significant consequence
- 3.the event has some elements of unpredictability

Collins and Hansen concluded that successful companies didn't have more luck, they were better able to capitalize on the luck they got, the luck that any company can expect.

Sometimes an unforeseen event can bring unlikely fame and success, like in the case of the Mona Lisa painting.

The truth is Mona Lisa was hanging in the Louvre for 114 years. In the summer of 1911, it got stolen.

The police investigation focused on JP Morgan who happened to be in Germany that week, it also focused on Picasso and his friends.

The media coverage around the Mona Lisa theft made it a huge story.

Two years later a junior level Louvre employee was trying to sell the Mona Lisa to an art dealer in Italy and got caught. When the Mona Lisa was put back in 1913, it attained superstar status.

Facial science has discovered two things about appearance
the first how we look massively affects how far we advance in life and
we can greatly improve our appearance far more than what people realize.

In politics, it is the appearance of competence on a face that matters the most.

The biggest predictor of west point cadets success was how dominant their face looked.

The % of Americans who reported they were happy has stayed between 30 % and 40 % since 1972

Happiness gains in a positive way comes from romantic partner, friends, family, clients and customers, and children

Colleagues and classmates have negative correlation

The happiness weather chart is

snow

sun

Fog and rain have negative correlations