A Conversation with Martin Lindstrom
Author of SMALL DATA

What is Small Data?

They are seemingly insignificant behavioral observations that point toward one or more unmet needs or desires. Small Data is the foundation for breakthrough ideas—transformative ways of turning around brands.

What is the difference between Small Data and Big Data?

While Big Data looks at correlation, Small Data focuses on causation—the reason *behind* a particular observation. Unless it's counterbalanced by Small Data, Big Data is a loose cannon without any direction.

What can you discern about a family's desires by inspecting their refrigerator?

Some parts of our lives are purposely on display; others aren't. If you break down the concept of Small Data, one of its aspects is what I call "our conflicting minds"; and the best way to look for this dimension of our personality is in our refrigerators or closets.

Our fridge reveals what we want to do, and what we are actually doing, side by side—making it easy to discover the truth about who we really are and the conflicts we embody. Salads, fruit and vegetables are often on top. Yet if on the shelves below—somewhat hidden below these items—you find a regular Coke, some Red Bull and a Dr. Pepper, you can be sure that the person is constantly grappling with self-esteem. This is the "conflicting mind" at play.

Even the fridge door reveals insights about the owner. Any magnets in sight? If so, how are they placed and what do they display? The images on the magnets often reveal the place or moment the owner dreams about—their space of transformation. If you want to understand what truly makes this person happy, it all plays out there.

What do the emoticons we use online say about who we are?

Emoticons are tiny compressed Small Data, which often in context reveal fascinating insights about entire cultures—their dreams, hopes and imbalances, including:
- The most frequently used emoji in Saudi Arabia is a flower (no wonder—the entire kingdom is built on sand, with no plants in sight);
- The most frequently used emoji in Russia is a heart (no wonder—you'll rarely notice anyone smiling);
- The most frequently used emoji in England is the "wink" (no wonder—Brits are well known for their "indirect" humor);
- Australia—the pill! Australia has one of the highest recreational drug consumptions in the world.

What can we learn about our 21st-century teen children from how they decorate their bedrooms?

A teen bedroom is a carefully curated stage designed to display the perfect image of how the teen would like to be seen. Don't be fooled—every single thing, no matter how apparently coincidental, is there for a purpose. And the entire bedroom has changed dramatically over the past few years.

The desk is most likely gone, replaced with … the bed. Teens sleep, eat, play, talk and surf in the bed—which is the reason so many desk manufacturers are going out of business, and cushion manufacturers are completely reshaping their entire production plants as we speak.

If the size of the bedroom allows flexibility, the bed will be far away from the door, often reflecting a need for privacy as the kids surf online. This detail, by the way, also sheds light on parents' relationships with their kids. The further away from the door, the greater the psychological distance. But the real determining factor for the entire configuration of the bedroom is the power plug. This will be where the teen will be spending most of the time … charging the iPhone.

Long mirrors now decorate most teen bedrooms, including boys'—unheard of just 10 years ago. In many ways, one could say that boys have become more feminine and girls more masculine.

What's most important is the fact that Social Media is the new bedroom wall. So if you'd like to see the complete "catalogue" of teens' images, go to Facebook.

What might small data reveal about our spending habits?
There's no better way to discover a person's spending habits than to inspect their wallet. Small Data isn't necessarily the type of cards in the wallet but how these are placed. Have you ever thought about how important the order of these cards are? If the person lacks self-confidence, the most prominent cards will be featured on top. Even better, if these cards have expired or are rarely used, self-esteem issues are the main driver of that person. Low self-esteem directly correlates with the type of brands (and overall the brand obsession) of the person. The lower a person's self-esteem, the flashier the brands the person will buy—often brands that clearly communicate the brand message rather than in a subtler way.

How has the Internet changed us in ways we might not expect?
The internet has changed us in so many ways that I could write another book about it—but here are a few.

We tell ourselves that we've brought the world closer; yet in fact the opposite has taken place. The millions of active online communities have resulted in a sense of loss, as their rise has resulted in the decline of physical communities. The lack of physical interaction with people has already begun to affect our moods. There is a direct correlation between the number of people we touch and our degree of happiness. When we physically interact with fewer human beings, we become depressed.

The internet has also changed the way we perceive pace and achievement. A sense of completion gives us a sense of fulfillment, and this in turn helps us to transform from one stage to another. Yet today we never feel able to complete anything. And so we rarely transform anymore. When did you last respond to all your emails or leave your office having completed everything? The first thing we do when we wake up in the morning is reach for our phones. The bed has turned into our office, and at the office we're handling our personal lives. We never relax and allow our brains to gear down.

All this will result in an increasing need for transformation in our lives—and brands will increasingly seek to help people achieve it. We've begun to slow down, not speed up. We're already seeing evidence of this. The new fast will be slow.

What's an example of a company that turned around its performance due to small data strategies?
LEGO springs to mind. In 2002 the company was close to bankruptcy. The management had studied the arrival of digital media for years, and via Big Data concluded that the arrival of the "instant gratification generation" would mean that kids would no longer have the patience to build with tiny LEGO bricks. As a consequence, in 2002 LEGO changed the size of its bricks to gigantic building blocks, reducing the building time to minutes rather than days. The result—sales plummeted.

Then an 11-year-old German boy revealed a remarkable insight. When asked what he was most proud of, the teen answered his worn-down sneakers—his choice over all the electronic equipment he owned. The reason? The wear and tear from thousands of hours of skating was proof that he was the best skater in town. The sneaker was his trophy.

That insight helped LEGO to understand that even "digital natives" will still spend as much time as it takes to achieve what they want, and glean gratification from the process. This piece of Small Data resulted in LEGO reverting to a smaller brick, ultimately becoming the largest toy manufacturer in the world.

What has big data done to the board room? Can you give an example of a big data fail and/or a company that may currently be over-relying on big data?
Big Data has convinced board rooms across the world that they're on top of what's going on. Nothing could be further from the truth. It has become fashionable to refer to Big Data without questioning its true value.

Big Data searches for correlations of data; Small Data identifies the actual causation *behind* the data. You can't begin to draw correlation before first identifying the causation, because the causation almost always points to a larger context—frequently shedding a very different light on the situation and indicating what one should really search for.

Here's an example. In 2012, Google concluded that it could predict a flu outbreak days before it would happen based on search terms, and that doctors and pharmacists across the country would be able to order pharmaceutical products well in advance. This was deemed revolutionary.

Yet just recently, the Center for Disease Control revealed to everyone's surprise that the data from Google was twice what it should have been. They found that when we begin typing searches like flu, people around us will follow us, curious about what's going on—resulting in a misinterpretation of the data. Where Google had focused on identifying correlation, it forgot about causation.

Every day, large corporations base their entire futures on Big Data, assuming these are based on solid data. Yet as they come to rely on these sets of data, organizations are slowly moving away from the consumer and true market conditions. A counterbalance is needed, and the answer is Small Data—completing the ying-yang so desperately needed in an data-obsessed culture.

What have you discovered about Americans in the course of your work?
Fear has embedded itself in American culture, creating a society where safety is the justification for everything we do and everything we're told. Look at the design of American hotel rooms—more

rounded corners than anywhere else, locked windows and four times the number of safety warnings than any other culture in the world.

Political correctness has made many Americans fearful of expressing what they think, feel or expect from their surroundings, and the frustration around it has resulted in the emergence of more transformative places where people can express their true opinions and views. This is why Comedy Central has never been as popular as it is now, why Amy Schumer's name seems to be on everyone's lips, and why Trump retains his lead despite his controversial views.

In the future, brands, products, companies, celebrities and politicians who counteract fear and political correctness will become more dominant by catering to people's true desires.

What other major trends we should expect for 2016?
- Faster culture will be replaced with slow culture.
- Large online communities will die and be replaced by tiny communities.
- We'll increasingly begin to seek transformation in our lives in order to revitalize our mindsets.
- Micro communities and micro celebrities—like the local sports coach, community leader or church leader—will become the next target group of larger corporations, who will seek to become increasingly local as global brands fall out of favor with consumers.
- Instant brands will come to dominate 2016—brands that will react within minutes to breaking news, instant trends and other major and quick community trends. These brands will entirely skip conventional advertising campaigns and instead play their game on a minute-by-minute basis based on what happens in the world right now.
- There will be a backlash against Big Data as companies come to realize that these data fail to reveal the entire picture.

What are the first steps any of us can take to use and benefit from a small data approach?
Close your eyes when next in an airport and just listen. Imagine what's going on; then open your eyes after a few minutes and compare what you thought you heard and what actually happened. Continue to do so, and your brain will slowly become more present and aware of what's going on. Being fully present is the key to a successful Small Data mindset—seeing things people normally wouldn't see, learning and drawing conclusions from these data, and—most importantly—reacting to them.

It takes time to learn this skill set, but once you're there, you hold a clear competitive advantage.