

CONTROL ID: 2241479

TITLE: Connecting to Your Future Self: Enhancing Financial Planning among Diverse Communities Using Virtual Technology

CURRENT SESSION CODE: Technology: Applications and Implications | Retirement

Interest Groups: Economics of Aging, Technology and Aging

AUTHORS (FIRST NAME, LAST NAME): Tamara Sims, Jeremy Bailenson, Laura L. Carstensen

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ABSTRACT BODY:

Objective 1: (Required) "After attending this session participants will be able to..." : understand the impact of connecting to one's future self on long-term financial planning.

Objective 2: (Required) "After attending this session participants will be able to..." : determine the effectiveness of using age-progressed avatars in educational settings.

Objective 3: "After attending this session participants will be able to..." : identify multiple approaches to assessing financial behavior.

Abstract Body (Required; Limit 250 words) : Lower income, young adults are especially unprepared to enjoy financial security in old age (i.e., they tend to demonstrate low levels of financial literacy and long-term savings). Previous research finds that young adults interacting with an age-progressed avatar of themselves reported feeling more connected to their future selves than those interacting with an age-matched avatar. Moreover, these participants intended to allocate a greater proportion of their current income to a retirement fund (Hershfield, et al., 2011). This research, however, was limited to hypothetical behavior in a relatively affluent area. We sought to replicate and extend this work among economically diverse community college students learning about financial literacy. Ninety-seven participants were recruited from a "transitioning to college" course that taught financial literacy. Participants were randomly assigned to view either an age-progressed avatar or a current-aged avatar. Participants viewing the age-progressed avatar allocated significantly more money to long-term savings in hypothetical scenarios (e.g., allocated a higher percentage of their income to a savings account) than those viewing current-aged avatars. A subset of participants viewed their avatar several times throughout the course by progressively building a web profile for their avatar. Among this subset, participants viewing the age-progressed avatar multiple times scored higher on a financial literacy quiz at the end of the course compared to those viewing the current-aged avatar. Taken together, these findings demonstrate promising potential for practical and scalable integration of age-progression technology among diverse populations to enhance planning for a financially secure future into old age.