
Research Sponsorship

The Center for Advanced Hindsight is a behavioral science research lab at Duke University. Since its inception a decade ago, more than one hundred behavioral researchers, PhD students, post-doctorates, interns, volunteers, and generally interesting people from across the globe have called the Center home. The Center is led by Behavioral Economics Professor Dan Ariely, who has written three New York Times bestsellers, including *Predictably Irrational*. Visit our website: advanced-hindsight.org to learn more.

WHAT DOES SPONSORSHIP MEAN?

The work of the lab is supported and expanded through research sponsors. Sponsors tend to have a vested interest in research related to health and financial behaviors at home and abroad. While each sponsorship is tailored to the needs and abilities of the sponsoring organization, there tend to be one to three typical areas that a sponsor supports and benefits from:

Fundamental Research

The Center for Advanced Hindsight conducts basic research related to the psychology of money, health, happiness, and more. This area of research explores the fundamental mechanisms to explain and change behavior through traditional lab experiments with consented subjects (online or in-person). This work leads to white papers, academic publications, or other thought pieces.

Applied Research on Sponsor's Products and Services

Some sponsors use this opportunity to optimize their existing products and services or design new products and services to improve their client behavior for better outcomes for both the sponsor and their clients. This work leads to customized and easily scalable interventions that are tested with the sponsor's clientele.

Applied Research with Third Party Providers

The Center also tests ideas on *real* people and *real* behavior with other organizations that provide a sample and track data. This allows the Center to test ideas on real people and real behavior without drawing on additional time and development resources from the sponsor. This work leads to relevant best practices with a growing base of evidence for adaptable solutions.

WHAT ARE THE BENEFITS OF SPONSORSHIP?

In addition to early access to research findings across the lab, sponsors typically also receive:

- Input and direction for a relevant research agenda, often directly related to their own products or services
- Workshops on behavioral science to build internal capacity for applying behavioral insights and experimentation
- On-call advice and feedback from behavioral experts in the lab
- Thought leadership in the field
- A variety of written reports, papers or press related to the research findings

EXAMPLES OF WORK WITH FINANCIAL SPONSORS

Fundamental Research

As part of a sponsorship supported by the Joep Lange Institute, a Global Health Institute that aims to make health markets work for the poor in countries where the system fails the people, and PharmAccess, an international non-profit organization dedicated to connecting more people in sub-Saharan Africa to better healthcare, we conducted basic research on how to increase intentions to save for medical emergencies.

In Kenya, the savings rate for health expenses is very low. We created four different stories about fictional characters that were first skeptical about health savings but ultimately felt relieved that they had saved. We varied if the story was from the point of view of the father or the mother. We found that the different stories worked to varying extents in changing attitudes and norms toward savings, but the story from the father's point of view was most effective. We are continuing to use this finding to incorporate male-centric savings narratives to increase actual saving behavior.

Applied Research on Sponsor's Products and Services

As part of a sponsorship with Intuit, a business and financial software company that develops and sells financial, accounting, and tax preparation software and related services, we worked within their TurboTax platform to increase the amount saved from people's tax refunds.

Tax-time is a great opportunity to encourage U.S. households to set aside some money for emergencies or future savings goals. We designed several interventions, with our friends at Washington University of St. Louis, to encourage more people to save more while they were filling out their tax return. We used motivational prompts with concrete reasons to save (i.e., an emergency, their family, or the future) and savings anchors by recommending that they save a certain amount (25%, 50%, 75%, \$100, or \$250). We found that a concrete prompt and higher anchors did increase savings. In fact, the overall combined impact of these behavioral interventions increased the amount saved by about \$6 million.

Applied Research with Third Party Providers

As part of a sponsorship with MetLife Foundation, a corporate foundation dedicated to advancing financial inclusion and to helping build a secure future for individuals and communities around the world, we partnered with a local credit union to increase emergency savings among their members who were taking out a car or personal loan.

At this particular credit union, many of their members were taking out loans but without any cushion to weather a financial shock. We designed a new process where borrowers were encouraged to round up their loan payment to the nearest \$25 or \$50 and automatically save the extra. For some, they were presented with this option and could check a box that said, "No, I do not want to save while paying off my loan" and for others, their box said, "No, I do not want to have [total amount saved if they round up] in savings by the end of my loan payment period." This loss aversion framing increased enrollment rates by 46%, from 26% enrolling with the simple "no" to 38% enrolling when the total savings was emphasized.

Curious to learn more? Contact Janet Schwartz (janet.schwartz@duke.edu) to discuss how your organization can benefit from sponsoring financial research at the Center for Advanced Hindsight.