

Risky Choice Framing Effects



DECISION-MAKING IN THE CONTEXT OF
PERSONAL RELEVANCE

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The Original 'Risky Choice' Problem



The Framing of Decisions and the Psychology of Choice by Tversky & Kahneman, 1981.

- **Prompt:**
 - “Imagine that the U.S. is preparing for the outbreak of an unusual Asian disease, which is expected to kill 600 people. Two alternative programs to combat the disease have been proposed. Assume that the exact scientific estimate of the consequences of the programs are as follow s:” (Tversky & Kahneman, 1981).
- Each participant then chose between either a risk-averse or risk-seeking option, and had both options described in either lives saved or lives lost.
- For the ‘lives saved’ condition, 72% of respondents chose the risk-averse option and for the ‘lives lost’ condition, 78% chose the risk-seeking option.



Previous "Risky-Choice" Studies



- The original Tversky & Kahneman (1981) study has been replicated many times.
- Other researchers have tested the 'risky choice' decision-making processes under different conditions, such as temporal proximity, (McElroy & Mascari, 2007) which was shown to have an effect.

Current Study



- **Research Question:**

Does ‘personal relevance’ (whether the prompt is personal or non-personal) change how people answer the risky-choice question?

- **Hypothesis:**

Answers to the personal prompt will be more risk-averse than answers to the non-personal prompt.

Prompt Phrasing



Personal Prompt

“Imagine that you are living in the 1500’s and an outbreak of Sweating Sickness, a new disease, has broken out. Because this disease is both fatal and rapid in its progression, it is important to treat those diagnosed very quickly. You have not caught the disease, but the rest of your 21 family members are experiencing the initial symptoms. Because the head of your family has already died from this disease, you are looked to for a decision between two options. The options’ outcomes are as follows:”

Non-Personal Prompt

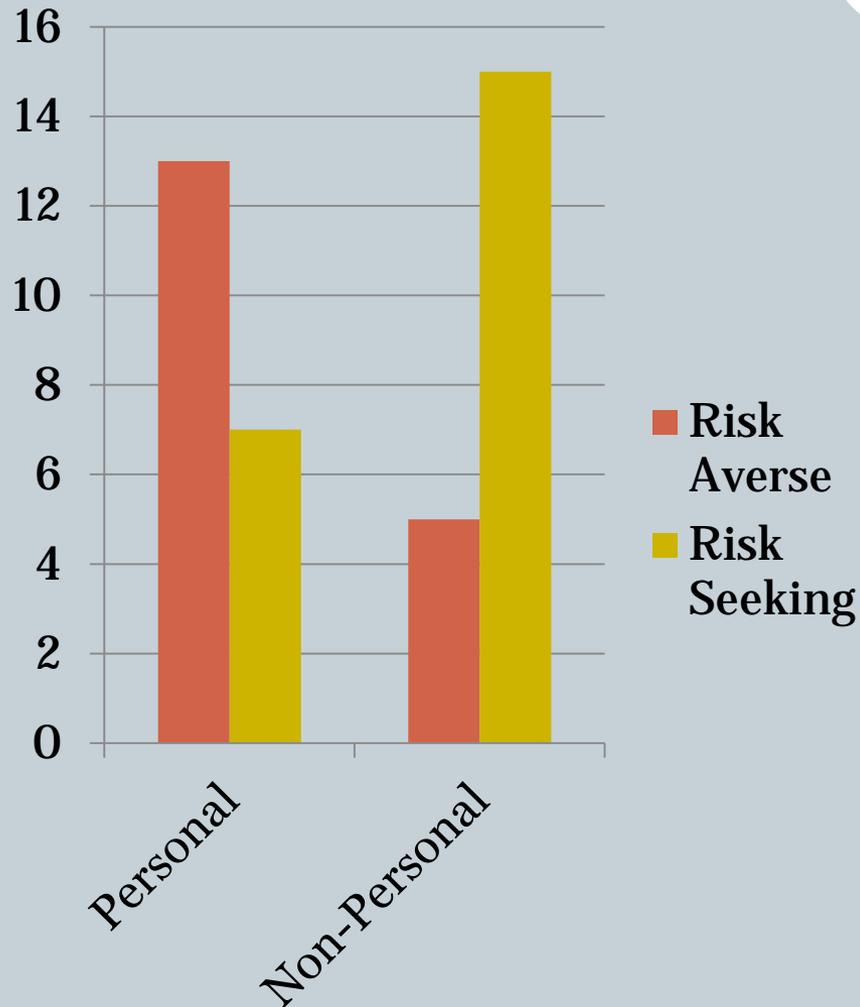
“Imagine that the United States is preparing for an outbreak of a new disease that is expected to kill approximately 900,000 people if left untreated. You are on a national health panel that is charged with the task of figuring out how to proceed and your vote happens to be the deciding one between two proposed programs. The programs’ outcomes are as follows:”

Current Study: Method



- N = 40, age ranged from 20 – 52 years old (18 men, 22 women), obtained through convenience sampling.
- Each participant received 2 prompts: 1 personal prompt and 1 non-personal prompt.
- Options to be chosen from were worded with either a ‘mortality’ phrasing or a ‘survival’ phrasing.
 - **Mortality:** If Program A is chosen, (___) will die. / If Program B is chosen, there is a 1/3 probability that nobody will die, and a 2/3 probability that everybody will die.
 - **Survival:** If Program A is chosen, (___) will be saved. / If Program B is chosen, there is a 1/3 probability that everybody will be saved, and a 2/3 probability that nobody will be saved.

Current Study: Results



- When faced with the Personal prompt, participants responded more often with the risk-averse option.
- When faced with the Non-Personal prompt, participants responded more often with the risk-seeking option.