



Time preference before and after a risky activity – A field experiment

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ABSTRACT

This paper examines how a risky activity (e.g., skydiving) affects an individual's time preference related to financial decisions (i.e., wanting to get paid before or after the activity). We found that prior to a risky activity, inexperienced people were more *present-oriented*, than they were afterwards. Interestingly, the more experienced individuals were, the less likely they were to demonstrate a preference for the present. Our findings suggest that engaging in activities that individuals might find frightening or thrilling (e.g., skydiving; driving faster than the speed limit; going to a mall) could make less experienced actors shortsighted when processing information (considering the present rather than the future), and lead to shortsighted financial decisions. We suggest that the attempt to regulate concerns associated with activities individuals might find frightening affects unrelated, important daily decisions due to a shift in their time preference.

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1. Introduction

During their daily affairs, people commonly make decisions they perceive as risky. These risky decisions touch many areas of life including monetary decisions (e.g., which pension fund to join; what stocks to buy), as well as general or social leisure activities such as riding a motorcycle, off-road biking, kite-surfing, hang-gliding, or skydiving. Skeel, Neudecker, Pilarski, and Pytlak (2007) extrapolated the concept of risky behavior, and suggested additional "impulsive and deleterious activities" that would fit the definition of risky behavior. Their definition included using recreational drugs, "driving while intoxicated," "unplanned sexual behavior," as well other "thrill-seeking activities" which are more "socially appropriate" (e.g., skydiving; p. 204).

Risky activities, which generate an opportunity to engage in a behavior that might appear dangerous, are generally known to cause a strong feeling characterized as "thrill, a combination of excitement and fear" (Brashers, 2001, p. 482). The excitement associated with a risky environment or being involved in risky activities is known to influence individuals' perception of

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morbidity, often leading them to reflect on mortality (Carstensen, Fung, & Charles, 2003; Carstensen, Isaacowitz, & Charles, 1999). Thinking of one's own mortality might have detrimental consequences for individuals, and influence decision processes. For instance, Chao, Szrek, Pereira, and Pauly (2009) studied decision processes among inhabitants of South Africa where the middle-age mortality rate is higher than other western countries (due to HIV/AIDS), and demonstrated how future orientation (i.e., thinking about the future) was positively related to both physical health and subjective expectation of survival.

Lahav, Benzion, and Shavit (2011) compared time preferences (using subjective discount rate) of soldiers, university students, and high school students in Israel. They argue that soldiers generally experience a violent atmosphere, uncertainty about the near future and possible mortality. On the other hand university students and teenagers live in a more certain and calmer environment. The results showed that soldier-participants are relatively more present-oriented than the other two groups. The authors explained that soldiers focus on the risk they face during their military service, which leads to an augmented feeling of thrill, as well a higher perception of mortality risk.

It seems that the sensation of thrill associated with expected risky activities (Skeel et al., 2007), may change individuals' perceptions and consequently their actions. Studying how risky and thrill-creating activities influence decision processes is important. Unfortunately, studies in real life domains are rare due to the complications inherent in measuring individuals' preference while they are engaged in a real life, risky behavior. This notion was supported by Skeel et al. (2007, p. 204) who pointed out, "investigations into the phenomenon of real-world risk-taking should include risks of impulsivity as well as those of thrill-seeking, though options for such questionnaires in adults are limited."

The current paper examines how engaging in a risky activity (skydiving) influences individuals' time preference and risk perception before and after the activity. Varying morbidity and mortality perceptions could be defined as ongoing, long-term episodes due to their unfortunate nature. In the current paper, we examine the effect of the immediate and real physical danger associated with skydiving on time preference. Our paper adds to the literature and previous research on the relationship between a risky environment and time preference (Chao et al., 2009; Lahav et al., 2011) in several ways. First, it shows that the relationship exists even when the person voluntarily chooses to engage in the thrilling activity (skydiving) rather than being coerced to engage in it (as in the case of soldiers or living in a dangerously unhealthy environment). Second, unlike other studies that test the relationship between time preference and engagement in a long term risky environment or activity, our study demonstrates the relationship is valid also when the activity is limited in time, and does not require long-term engagement (as is the case for soldiers on active duty or people facing health risks). Simply put, the effect of risky activity on a decision-maker's time preference is immediate and does not require long term exposure to create a cognitive change. This means the phenomenon should be extrapolated to all individuals facing a risky activity, and not just to ones who had been exposure for a long duration. Third, the paper adds to previous literature (Lahav et al., 2011), by demonstrating how an exogenous and independent risky event or environment affects time preference. This line of research is more applicable to the way risk affects time preferences in real-world settings.

2. Using skydiving as a natural lab to monitor emotions and risk perception

Skydiving is defined as a high-risk activity involving elements of both danger and opportunity, and having a strong thrilling, emotional response (Brashers, 2001). Several studies have already used skydiving in order to test human responses to high-risk activity. To understand what motivates people to skydive, Celsi, Rose, and Leigh (1993) examine risk perceptions and motivations of people who skydive. They found that the underlying motivation for engaging in such risky activity stems not from rational calculations but from emotional factors.

Fenz and Epstein (1967) record the skin conductance, heart rate, and respiration rate of experienced and novice parachutists during a sequence of events leading up to and following a jump. They found that novice parachutists show increases in the various measures before the jump. The experienced parachutists show an increased rates at the beginning but these decreased closer to the moment of the jump. They suggest that experienced jumpers were better at regulating their anxiety prior to the jump.

Mujica-Parodi et al. (2009) measured human sweat stimuli by collecting axillary samples obtained from 144 individual participants divided into two groups. One of the group participated in a tandem skydive for the first time (they called this the "the stress condition") and the other group was asked to run on a treadmill for the same length of time, at the same time of day as the first group (they called this "the exercise condition;" it was a control group). The authors reported, "debriefing of our donors and their tandem-masters post-jump indicated that while fear markedly increased during the ascent, peaking in the minutes leading up to exiting the plane and during free fall, feelings of relief and/or thrill sometimes followed once the parachute opened and upon landing" (p. 7).

The findings of previous studies indicate that before and after the jump emotions differ in nature (anxiety before the jump, relief afterward), and these emotions are different for experienced and novice jumpers (Celsi et al., 1993).

Acknowledging the affective responses that individuals display prior to and following the jump (Celsi et al., 1993), as well the strength of the effect on novice jumpers (Fenz & Epstein, 1967), we test whether these previously researched emotional responses, before and after a jump, also influence unrelated financial decisions. Specifically, we measure monetary time preference (being paid now vs. later; Benzion, Rapoport, & Yagil, 1989; Thaler, 1981) before and after the risky activity.

To understand how individuals respond to the jump, we asked experienced and inexperienced skydivers to participate in a short survey. We tested the effects of timing (before vs. after the jump) in both groups by asking some of the participants in

each group to answer the survey before the jump and the others to answer the survey after the jump. Our goal was to explore whether experienced skydivers who participate in a risky activity are less affected by the impending jump, and consequently demonstrate a lower tendency to focus on the present compared to inexperienced jumpers.

The importance of the study is its contribution to understanding the degree to which activities that individuals perceive as risky, frightening or thrilling, and are independent of their routine, normal life decisions (i.e., investing money), affect unrelated choices. Furthermore, we compare the differing impact of the activity on the decision-makers' economics choices before and after the activity. Next, we present the experimental design and explain the different measures.

3. Method

3.1. Participants and design

The participants in this field study were 176 individuals who were taking part in a previously planned jump at a skydiving center in Israel, and who volunteered to participate in the study. Of these, 83 were experienced skydivers. The remaining 93 individuals were skydiving for the first time as tandem passengers.

Participants were divided into four groups, distinguished as follows¹: *experienced pre-jump* are experienced skydivers who were asked to give their estimates *prior* to the jump ($n = 46$; mean age = 29.5, SD = 6.5, age range: 21–53, 39 males); *experienced post-jump* are experienced skydivers who were asked to give their estimates *after* the jump ($n = 37$; mean age = 30.14, SD = 5.29, age range: 22–44, 31 males)²; *inexperienced pre-jump* are first-time (tandem) skydivers who were asked for their estimates *prior* to the jump ($n = 51$, mean age = 25.5, SD = 6.08, age range: 18–45, 20 males); *inexperienced post-jump* are first-time (tandem) skydivers who were asked for their estimates *after* the jump ($n = 42$, mean age = 27.9, SD = 7.81, age range: 18–50, 23 males).³

In addition, we employed another group of participants who were not involved in skydiving, the *control group*. This group consist 54 BA and MBA students, plus some non-student participants (mean age = 27.85, SD = 6.69, age range: 20–62, 23 males).⁴

3.2. Procedure

Participants were at a skydiving club on a weekend. The entire session takes roughly 4 h. During this time they are asked to watch an instructional video, sign relevant documents, get dressed for skydiving, wait to be called to the aircraft, take-off for the jump, jump, return to the club and wait for the video to be edited. Participants were approached individually, 25 min before being called to the final pre-flight procedures room (before take-off) or 25 min after they landed. We made sure that all participants were not involved in any other activity, and that they completed the questionnaires individually without any external interference. Participants were invited to participate in a study of decision-making. Those who agreed were given a questionnaire including several financial decisions related to their monetary time preference and risk attitude.⁵ They were asked for their best estimates, and told there was no “correct” answer, so their answers should reflect only their own personal preferences.

3.3. Variables

3.3.1. Time preferences

Time preference differs from one person to another and depends among others on individuals' patience. Time preference is related to risk since future events are risky and thus less safe than current events. The subjective discount rate (SDR) is the ratio between future outcome and an individual's current value for this outcome. The SDR is a function of amount of money, time delay, and direction of trade (see [Benzion et al., 1989](#); [Frederick, Loewenstein, & O'Donoghue, 2002](#); [Laibson, 1997](#); [Myerson, Green, Hanson, Holt, & Estle, 2003](#); [Prelec, 2004](#)).

In our questionnaire, participants were informed they could receive x New Israeli Shekels (NIS⁶) immediately, and were instructed to write down the amount they would ask to receive at some time in the future (t) rather than receiving x today. The time periods (t) were: one week or two months and the amounts (x) were NIS 500 and NIS 5000. For example:

¹ Note that we use a between-subjects design in this study. Using a within-subjects design would be problematic because participants who answer the questionnaire after the jump are likely to remember the answers they gave before the jump.

² There was no significant difference in the proportion of males and females ($Z = 0.12$, $p = 0.9$) nor a significant difference in age ($t(81) = 0.45$, $p = 0.66$) between the two groups of experienced skydivers.

³ Eight participants did not report their gender, and two participants did not report their age. Among those who provided the information, there was no significant difference in the proportion of males ($Z = 1.20$, $p = 0.23$) or significant difference in the average age ($t(89) = 1.61$, $p = 0.11$) between the two groups of inexperienced skydivers.

⁴ When comparing the control group to the inexperienced pre-jump group, we find no age difference between the groups ($t(102) = 1.86$, $p = 0.07$) and no significant difference in the proportion of males and females ($Z = 0.19$, $p = 0.85$). When comparing the control group to the inexperienced post-jump group, we find no age difference between the groups ($t(91) = 0.01$, $p = 1.00$) and no significant difference in the proportion of males and females ($Z = 1.43$, $p = 0.15$).

⁵ Self-risk estimation and optimism bias tendencies were also measured. These measures were not included in the paper because they did not contribute to the findings.

⁶ At the time of the experiment, the exchange rate was about NIS 3.8 = USD 1.

You are going to receive NIS 500 immediately. Instead, we are offering you the option of receiving a different amount two months from today. What is the minimum amount you are willing to accept two months from now in order to postpone receipt of the sum?

Instead of NIS 500 today, I am willing to accept NIS ____ in two months

3.3.2. Risk preferences

Past research suggested personality differences regarding monetary risk preference may influence monetary time preference. A more risk-averse individual would tolerate less uncertainty about future income, and therefore would elicit higher SDR and demand higher compensation for delaying consumption or a payment (Anderhub, G uth, Gneezy, & Sonsino, 2001; Andersen, Harrison, Lau, & Rutstr m, 2008; Ida & Goto, 2009; Stevenson, 1986). In order to control for differences in monetary risk preferences between the groups, the questionnaire included monetary risk preference questions. We used a lottery question similar to one in (Booij and van Praag, 2009):

Suppose you were offered a chance to participate in a lottery involving 10 participants (therefore, you have a 1:10 chance of winning). The prize to be won is NIS 1000 in cash. What would be the maximum amount you are willing to pay for the ticket?

I am willing to pay no more than NIS ____ in order to purchase the lottery ticket.

Specifically, willingness to pay (WTP) a lower amount of money for participating in a lottery indicates a stronger aversion toward risk. For the pre-jump groups, we added a sentence stating that the lottery will take place before the skydive.

3.3.3. Income

Difference in income may affect monetary time preference or the monetary risk aversion. To control for income we told participants that the average gross income of a family in Israel is NIS 13,000 and asked them to indicate on a scale of 1–5 their income relatively to the average income (1 – very much below the average income 5 – very much above the average income).⁷

4. Results

4.1. Control variables

4.1.1. Income

Average income's rankings were 2.63 (SD = 1.18) and 2.82 (SD = 1.17) in the inexperienced pre- and post-jump groups, respectively (non-significant difference; $t(83) = 0.74$, $p = 0.46$). In the experienced pre- and post-jump groups the average income's rankings were 2.83 (SD = 1.29) and 3.14 (SD = 0.98), respectively (non-significant difference; $t(81) = 1.24$, $p = 0.22$). We did not find significant differences between the income's rankings for the experienced and inexperienced pre-jump groups ($t(90) = 0.76$, $p = 0.45$) nor between the experienced and inexperienced post-jump groups ($t(74) = 1.27$, $p = 0.21$).

Average income's ranking in the control group was 2.67 (SD = 1.43) which is not significantly different from the average income's ranking of inexperienced pre-jump group ($t(98) = 0.14$, $p = 0.89$) and inexperienced post-jump group ($t(91) = 0.57$, $p = 0.57$) thus participants across research groups did not differ in their income. Therefore, any difference found between participants' orientation toward time preference (being paid now vs. later) cannot be attributed to differences in income.

4.1.2. Risk aversion

We used a two-tailed T-test to test the null hypothesis that the WTP is equal between the different groups. The average WTP in the inexperienced pre-jump group (Mean = NIS 83.7, SD = 134.5) was not significantly different from the average WTP in the inexperienced post-jump group (Mean = NIS 78.5, SD = 165.9), $t(91) = 0.17$, $p = 0.87$.

The average WTP of the experienced pre-jump group (Mean = NIS 105.9, SD = 198.5) was not significantly different from the average WTP for the experienced post-jump group (Mean = 70.8, SD = 78.6), $t(81) = 1.01$, $p = 0.32$.

There was no significant difference between the average WTP for the experienced and inexperienced pre-jump groups ($t(95) = 0.65$, $p = 0.52$) and no significant difference between the average WTP for the experienced and inexperienced post-jump groups ($t(77) = 0.26$, $p = 0.80$).⁸

The WTP for control group (Mean = 61.7, STDV = 56.7) was not significantly different from the WTP for the inexperienced pre-jump group, ($t(103) = 1.08$, $p = 0.29$) and not significantly different from the WTP for the inexperienced post-jump group ($t(94) = 0.69$, $p = 0.49$).

⁷ Eight participants did not answer this question.

⁸ Since most of the experienced skydivers are males, we also ran the analysis again when including only male participants. We still found no difference between WTP of the inexperienced and experienced male participants in the pre- and post-jump groups (pre-jump: $t(57) = 0.53$, $p = 0.60$; post-jump: $t(52) = 0.74$, $p = 0.47$).

Table 1
Average (STDV)^a weekly subjective discount rates.

Group	Option			
	NIS 500 1 week	NIS 500 2 months	NIS 500 1 week	NIS 500 2 months
Experienced pre-jump (<i>n</i> = 46)	46.7% (137.3%)	18.7% (42.3%)	8.9% (34.1%)	5.9% (15.2%)
Experienced post-jump (<i>n</i> = 37)	32.2% (79.2%)	17.7% (33.6%)	9.4% (34.8%)	5% (8.9%)
Experienced post-jump (<i>n</i> = 51)	89.8% (150.3%)	37.9% (66.4%)	71.1% (201%)	18.4% (29.8%)
Experienced post-jump (<i>n</i> = 42)	26.8% (38.8%)	12.8% (17.9%)	21.2% (37%)	9.2% (17.3%)
Control group (<i>n</i> = 54)	40.7% (123.5%)	19.7% (60.6%)	12.6% (25.08%)	6.7% (10.2%)

^a Standard deviations in parentheses.

The results suggest that participants in all groups did not differ in their attitude toward monetary risk. Therefore, any difference between the time orientation and preferences cannot be explained by a personal difference in attitude toward risk (aversion) and is likely to be attributed to a change in temporal focus.

4.2. Time discount

Table 1 shows the weekly subjective discount rate for each period and amount. The weekly discount rate for delaying payment was calculated as follows:

$$\text{SDR} = \left(\frac{P}{X} - 1 \right) \frac{1}{t} \quad (1)$$

where *P* is the amount the subject is willing to accept in *t* weeks for delaying the receiving of the amount of *X* today.

First, we compared the inexperienced pre-jump and post-jump groups. Using mixed-design ANOVA with the timing (before vs. after) as a between factor, risk aversion and income index as covariates and the SDRs as a repeated-measure, we find a main effect for time (pre- or post-jump) on the levels of SDR ($F(1, 81) = 4.97, p = 0.03$) but no effect to risk aversion ($F(1, 81) = 0.15, p = 0.70$) and income ($F(1, 81) = 1.06, p = 0.31$). As shown in Table 1, our results suggest that inexperienced participants demonstrate a stronger preference toward the present when asked to provide their responses before the jump than when asked after the jump. The two control factors (income and risk aversion) did not affect the SDRs.

We also compared the experienced pre-jump and post-jump groups, using mixed-design ANOVA with the timing (before vs. after) as a between factor, risk aversion and income index as covariates and the SDRs as a repeated-measure. In the experienced groups, we found no effect for timing on the level of SDR ($F(1, 79) = 0.19, p = 0.66$) meaning that time preference for experienced skydivers is not affected by the skydiving itself. We also did not find significant effect to risk aversion ($F(1, 79) = 0.60, p = 0.44$) or to income ($F(1, 79) = 0.21, p = 0.65$).

Next, we compared the experienced pre-jump group to the inexperienced pre-jump group. Using mixed design ANOVA with experience (experienced vs. inexperienced) as a between factor, risk aversion and income index as covariates and SDRs as a repeated-measures, we find a main effect for experience on the levels of SDR ($F(1, 88) = 4.13, p = 0.05$) but no effect for risk aversion ($F(1, 88) = 0.57, p = 0.45$) or to income ($F(1, 88) = 0.48, p = 0.49$). The results indicate that the experienced skydivers are less likely to adopt a present orientation before the jump. The experienced participants are less affected by the activity, making them relatively more future-oriented than the inexperienced jumpers. Simply put, inexperienced jumpers are more likely to be affected by the impending jump than the experienced participants, and demonstrate a stronger orientation toward the present.

We did not find a significant difference between the experienced post-jump group and the inexperienced post-jump group ($F(1, 72) = 0.09, p = 0.77^9$). This indicates that after the jump experienced and inexperienced skydivers have the same time preference. As noted earlier, no effect was found to risk aversion ($F(1, 72) = 0.03, p = 0.87$) or to income ($F(1, 72) = 0.01, p = 0.93$).

Since skydiving is high-risk activity it is likely to affect an individual's subjective expectation of survival and, as a result, subjective time discount. As noted, experienced skydivers should be relatively immune to the risk associated with skydiving, and therefore less affected before the jump. Consistently, the SDRs of the experienced jumpers after the activity did not differ from the SDRs of the inexperienced jumpers after the jump.

Our results are consistent with recent findings that found that SDR is related to both physical health and subjective expectation of survival (e.g., Chao et al., 2009; Lahav et al., 2011). However, our results add to these past findings by demonstrating

⁹ Since most of the experienced skydivers are males we also compared only male participants and found that gender does not change the pattern of results. Using mixed design ANOVA with the experience (experienced vs. inexperienced) as a between factor and SDRs as a repeated-measures, we compared the experienced pre-jump group to the inexperienced pre-jump group and find a marginally significant main effect for the experience on the levels of SDR for males ($F(1, 57) = 3.39, p = 0.07$). When comparing the experienced and inexperienced groups post-jump, we find no difference between them ($F(1, 52) = 0.06, p = 0.80$).

that the SDR is affected by an immediate danger which is independent to the measure within an unrelated environment (skydiving).

Finally, we compared time preference of the control group to the inexperienced skydivers before and after the jump. We found that the SDRs for the pre-jump inexperienced group are higher than the SDRs of the control group ($F(1, 96) = 5.48, p = 0.02$). Attitude toward risk ($F(1, 96) = 0.42, p = 0.52$) as well income ($F(1, 96) = 0.79, p = 0.38$) had no effect on the pattern of results we report. Consistently, SDRs were not significantly different between the post-jump inexperienced group and the control group ($F(1, 89) = 0.10, p = 0.76$) and no risk aversion ($F(1, 89) = 0.06, p = 0.81$) or income ($F(1, 89) = 0.82, p = 0.37$) effects were found.

5. Discussion

Past research suggested a relationship between high-risk environments and time preference by focusing research on individuals living in risky environments: either soldiers facing uncertainty and living in a violent atmosphere (Lahav et al., 2011) or civilians facing a risk of being infected with contagious diseases (Chao et al., 2009). The main conclusion from the past research described above, is that individuals facing a continuous threat (e.g., health issues), become present-oriented and therefore adjust their behavior toward short term goals. Our research make three clear contributions to this literature. First, our study involves a thrilling activity (skydiving) in which individuals choose, rather than being coerced to engage in it. Second, orientation toward the present exists even when a short-term activity is planned. As noted, skydiving is an activity that is limited in time and does not require long-term engagement (unlike soldiers in the army or citizens facing health risks). Third, our research demonstrates that even an exogenous risky activity can affect an independent monetary time preferences.

As suggested in our introduction, during daily affairs there are many activities (other than skydiving) that individuals might consider thrilling (Skeel et al., 2007). These activities, are also generally of a short-term nature, like going to the mall, speeding or even going on a first date. Our study suggests that such short term activities, similar to skydiving, enhance a sense of thrill and anxiety (Skeel et al., 2007), which might encourage anxious, inexperienced actors to extrapolate their anxiety to independent (financial) decisions. This interpretation is communicated via individuals who put more weight on the present prior to the activity rather than afterwards. Simply put, our research suggests that thrilling activities influence decisions that are unrelated to the activity about to be performed, decisions that individuals deal with on a daily basis.

Obviously, there may be other related factors that alter individuals' focus toward the present. A feeling that our time on earth is limited (e.g., due to sickness) might change focus from future to present. Importantly, it was not previously clear if the shift from future to present orientation also involves a change in the perception of risk (i.e., do sick people focus on the present because they feel "there is no tomorrow" or is it merely a sophisticated mechanism helping them to overcome the obstacle of illness). Moreover, the literature does not provide consistent findings in regards to the effect of age on temporal orientation. There is some evidence that older people are more future-oriented than younger people (e.g., Green, Fry, & Myerson, 1994). Other studies suggested a nonlinear relationship between time preference and age (both younger and older people are future-oriented; Read & Read, 2004; Sozou & Seymour, 2003). In their development of a socio-emotional selectivity theory, Carstensen et al. (1999, 2003) separated age from mortality. They argue that the way time is perceived (limited or open-ended) affects future orientation. Young, healthy people are more future-oriented, but people who suffer from sickness, become present-oriented.

Our results are consistent with the socio-emotional theory, and add that even a short-term risky activity such as skydiving, which participants do not expect will lead to an immediate death (although this thought might cross their minds), may affect the perception of time and cause them focus on the present. Hence, it is not risk perception or a lack of concern about consequences (e.g., when facing severe health issues or personal mortality) but rather the impending participation in a thrilling activity they fear (Celsi et al., 1993) that makes people more present-oriented. Our research shows that a change of time perception can be extrapolated to other domains in life, even when the activity (skydiving) is independent of the decisions (financial decisions). This means that even when deciding on financial transactions such as saving or borrowing money, timing and planned daily activities should be taken into consideration. Even a short-term but potentially anxiety boosting activity might affect choices and the quality of decisions.

Another important insight emerging from this study relates to daily choices made by experienced (vs. inexperienced) actors (in this study, the skydivers). Following this, if experienced skydivers are indeed less focused on the present when performing an independent task (financial decisions), this could imply that these individuals, who are usually being perceived of as "dangerous" actors (due to their attraction to the risky activities), are actually least likely to be affected by the activity. In other words, experienced actors are the ones we should trust most when it comes to make the least biased decision. We should therefore disentangle attraction toward risk from experience (recall that our study controlled for personal attitudes toward risk), and trust the experienced actors, not necessarily due to their experience with the thrilling activity, but rather because they are less likely to extrapolate their anxiety to independent decisions they face. That experienced actors are relatively immune to external threats is important to the field of economic decision-making since people with a tendency to concentrate on the present are likely to make economic mistakes. People who focus on the present might take more loans without having a possibility to return them in the future, might save less in their pension funds, and take on too many obligations.

Indeed, experienced individuals did not show a tendency to focus on the present, rather they demonstrated a balanced view of the situation. Realizing that these are the "small things" in life that might alter our independent choices, a plausible

recommendation could be for businesses hiring, for instance, a broker, a business consultant or any other form of advisor, to try assessing what elements of life these individuals might find threatening. It is possible that people who fear life the most and have a need to regulate their anxiety, might extrapolate their regulated time preference to your business, and consequently run it as if there were no tomorrow.

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