

Issue Briefs

2011-8

Family Financial Education



Using New Technologies and Social Media for Financial Education

Millions of people use social networking to communicate with friends and family members, and social media is also being used by a variety of organizations and corporations. But how can social media and related technology tools aid financial educators and counselors? This is a rapidly changing area but there are a growing array of strategies, some of which simply amplify existing education and outreach, others which offer innovative new ways to help make education 'stick' and enhance positive financial behaviors.

What is social media?

"Social media" refers to the use of web-based and mobile technologies to turn communication into interactive dialogue. The term also includes sometimes more one-way dissemination strategies, but dissemination that is more informal and of high frequency.

Some examples:

Facebook—

a peer-to-peer social network that shares information on a "personal" level. Users control what they see on their page and who they interact with. Some users only view posting by others, while some are active posters. Facebook can include up to the minute updates from cell phones, GPS devices and "tweets (see below). Facebook allows 'fans' to easily share information with others and can be used to educate consumers who are linked to educational providers. Facebook also offers an opportunity for businesses and organizations to build a user base and share information via Pages.

Twitter—

a 'microblog' limited to 140 characters per post (about 2 short sentences). While 'tweets' allow for two-way; real-time conversation, often Twitter messages are like a press release with just the headline. Many tweets offer website addresses (URLs) or forward and/or updates of content provided by others (often links are mini-addresses like bit.ly). An active Twitter account has many followers and may have a large number of re-tweets (when a follower shares / forwards a tweet with their followers).

Wikipedia—

a free online collaborative encyclopedia developed and maintained by the public. Often returns in top three Google results and the place many consumers look for information.

YouTube—

the main online shared video site. It allows anyone with a camera to broadcast information to those who learn best visually. May also include workshops, presentations or other recordings of prior events.

Blogs -

There are a wide variety, some are static websites, others allow information to be posted and commented on. Real Simple Syndication, or RSS, allows information to transfer across blogs. Readers can subscribe to the "feed" to get real-time updates, often forwarded either via email or to an RSS reader (example: Google Reader).

Roles for Social Media in Financial Education

There are two excellent articles online worth reviewing. One is Joanne Kinsey's [Five Social Media Tools for the Extension Toolbox](#). The other is Barbara O'Neill and co-author's [Financial education through social media: Can you evaluate its impact?](#) Both are easy to read and offer a number of additional links for more information. In general financial educators might use these strategies for:

Communication with learners including:

- Past face-to-face learners
- Outreach to recruit future face-to-face learners
- Social Media as the education

Share news. Tell your followers about upcoming events, useful news, and helpful resources. This can be helpful not only for community members but also colleagues and partners.

Use in teaching settings. YouTube videos – even 60 seconds – can offer a way to reinforce key ideas and introduce national or internationally recognized speakers. Even Facebook might be used as a way to prepare learners for an upcoming session or assign homework. Students can easily work collaboratively using the site outside the classroom.

Provide a Forum for Questions. Encourage questions, offer answers but also allow other followers to chime in. Often a conversation will begin.

New Ways to Support Behavior Change

“Social media” refers to the use of web-based and mobile technologies to turn communication into interactive dialogue. The term also includes sometimes more one-way dissemination strategies, but dissemination that is more informal and of high frequency.

Some examples:

Reminders: One of the opportunities these tools offer is helping people stay the course for their

financial goals. This includes reminder emails and text messages. Several studies show reminders about savings goals or debt repayment can help people to save more (using random assignment of the reminders). Relevant studies include “[Getting to the Top of Mind: How Reminders Increase Saving](#)” by Dean Karlan & Margaret McConnell & Senthil Mullainathan & Jonathan Zinman (2010) and also Abby King at Stanford has several [studies](#) showing how reminders can enhance health behaviors. By collecting emails, text messaging or telephone information from learners along with a specific goal to be completed by a specific date, educators can promise to follow up to check in and ‘remind’ learners about their previous intentions.

Online Goal Setting: A number of websites allow people to use web-based tools to work independently to set and achieve financial goals. But finding, setting up and learning to use these sites can be a challenge. Educators can devote part of class time to help users become familiar with sites and then learn how these sites may be useful for working on financial goals.

Tracking Information: More and more financial institutions have made all account data paperless. As a result people are more likely to pay as much attention to their accounts, or at least as much attention to lesser used accounts. A number of sites offer aggregation of personalized data including advice and analysis. Again users need help understanding the features of sites and how they might use them.

Conclusions

Technologies are developing quickly. As more consumers use smart phones with internet capacity, and mobile phones and tablets are widely used for financial transactions, expect to see even more opportunities in the future to integrate technology into financial education. Starting Facebook or Twitter accounts for use with learners is a good start, but other tools can actually extend and enhance education, ideally promoting improved financial behaviors.

Web-based Tools

Oh don't forget

<http://ohdontforget.com/>

Ohdontforget sends text message reminders. Ad based or paid version.

One Penny Text Messaging Service

<http://www.textmessageapi.com/>

Smarty Pig

<http://www.smartypig.com/>

SmartyPig is a free online piggy bank for people saving for specific financial goals. Even if your goal is saving for a rainy day, SmartyPig is here to help you reach that goal faster and give you the most money for your money when you get there.

Piggy Mojo

<http://www.piggymojo.com/>

A step by step method to save money. Gives you a concrete way to save at the moment and reinforces your decision with numerous sources of positive feedback.

HelloWallet

<https://www.hellowallet.com/>

Offers financial advice and financial goal setting. A membership (fee based) service with no ads or financial institution backers. Aggregates online accounts so you can see everything you have in one place. Uses automated budget and spending tools with high levels of security.

Stickk

<http://www.stickk.com/>

StickK is designed to promote a healthier lifestyle for you by allowing you to create "Commitment Contracts." A Commitment Contract is a contract that binds you into achieving a personal goal.

Spendsters

Spendster.org.

The National Endowment for Financial Education® (NEFE)® has created a site where users can submit videos or comments about items they once bought but never have used. Spendsters then calculate how much they could've saved had they invested or saved that money.

Examples of videos include: \$10,000 a year spent on a daily Diet Coke habit, addictions to having the latest and greatest cell phone, and buying an outdated prom dress as a practical joke and regretting the purchase later.

Further Resources

Financial Security for All (FSA) Community of Practice (CoP) of eXtension

How to Use and Evaluate Social Media in Financial Education. The A 90-minute webinar offers instructions for getting started on Twitter and Facebook and an overview of social media impact assessment methods. An archive of the webinar is available: <https://connect.extension.iastate.edu/p52944724/>.

Five Social Media Tools for the Extension

Toolbox by Joanne Kinsey: <http://www.joe.org/joe/2010october/tt7.php>

Financial education through social media: Can you evaluate its impact?

by Barbara O'Neill Andrew Zumwalt Michael Gutter Janet Bechman: <http://ncsu.edu/ffci/publications/2011/v16-n1-2011-spring/oneil-zumwalt-gutter-bechman.php>



The University of Wisconsin-Extension (UWEX) Cooperative Extension's mission extends the knowledge and resources of the University of Wisconsin to people where they live and work. Issue Briefs are an ongoing series of the Family Financial Education Team.

This brief was drafted by J. Michael Collins, Assistant Professor in Consumer Finance and Extension State Specialist.

© 2011 Board of Regents of the University of Wisconsin System.