

 **How to:** Lower a Fortune 500 company's Healthcare costs while improving company culture, morale, productivity and ultimately promote healthier habits in the workplace

Case study

Client: Fortune 500
Pharmaceutical Company





stickK Enterprise: the **smartest way to engage** employees to undertake **healthier lifestyles...**



○ Successful Outcomes

Outcomes backed by **stickK's scientifically based incentive structure**, combined with a high degree of **accountability** that rewarded healthy **habit formation**



80.4% overall **avg. goal success rate**



26,175 lbs lost roughly equivalent to **2 adult elephants**

○ Measurable Impact

Reducing employer's **healthcare-related costs** while yielding **tangible health benefits** and positive **lifestyle changes** for employees



89% appreciation

○ High Employee Engagement

6,266 employees at a **Fortune 500 Pharmaceutical company** participated in our goal-setting program, with an average of **9.1 goals** per participant.



62,888 commitments created

○ Better Employer Perception

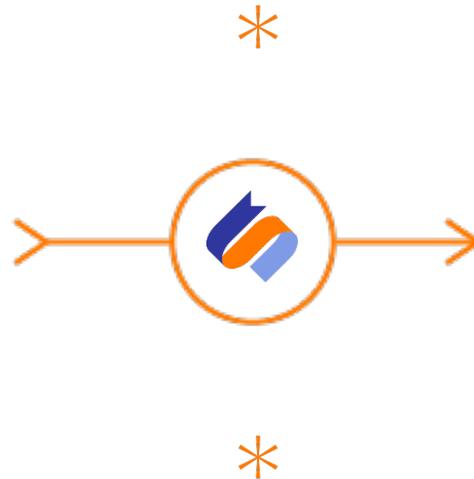
89% of participants **appreciated** the **employer's concern** for their **health and wellness**. Similarly, **78%** said the program had a **positive effect on their physical health**



○ Fortune 500 Client: The Challenge

Lower Healthcare-related Costs

With more than **12,000 employees**, the **Client** was looking for ways to persuade their workforce to take up a healthier lifestyle, considering that **chronic conditions** like diabetes, heart disease, and obesity **account for more than 75% of US national healthcare spending** (over \$1.5 trillion) are largely attributable to **modifiable behaviors** such as smoking, insufficient physical activity, and poor eating habits. The Client's previous health promotion campaigns didn't meet expectations and fell short on target participation rates, rendering efforts futile. They reached out to **stickK** looking for an **interactive, engaging and fun way to change employee behaviors and build healthier lifestyles.**



○ stickK: The Opportunity

Encourage Long Term Habit Formation

stickK implemented **workplace health promotion goals** for the Client to motivate lifestyle changes by offering sets of goals targeting gradual **smoking cessation**, encouraging **physical activity** and **mindful eating habits**. The tailored incentive-based goal setting platform required employees to take Health Risk Assessments to get to know their numbers and suggest custom activities they could undertake to improve their health. **Lower Healthcare-related Costs** Fortune 500 Client: The **Challenge** stickK: The **Opportunity** stickK's goal-setting engine integrates **principles of Behavioral Economics** – like loss aversion, present-based preferences and optimism bias– nudging participants to take action, change their behaviors, build habits while earning rewards along the way.



○ Fortune 500 Client: The Challenge

Encourage Participation

When the Client reached out to stickK, they mentioned one of the **challenges** they faced were the **low levels of participation** on health-related activities and campaigns from employees.”

“Encouraging teams to participate in non work-related activities can be difficult (...) especially if these are related to something more personal like one’s diet or smoking habits.”

Diana, Benefits Manager

Raise Program Retention Levels

LevelsThe client’s workplace wellness activities were limited to 2 office-wide 5K or 10K races a year. It was only before (and briefly after) these events that employees seemed to benefit and follow HR’s wellness campaigns. The client expressed interest in **making wellness initiatives less seasonal** to encourage year-round retention.

Increase Employee Engagement

In line with the Client’s need to encourage participation and increase the reach of wellness initiatives, employees expressed interest in incorporating mental health, mindful eating and productivity goals as part of the scope of future initiatives by HR that could also **help them in their personal life**.



○ stickK: The Opportunity

Deliver Personalized Incentives

To encourage participation and ensure **rewards** include items **participants desire** and look forward to earning, **we surveyed the workforce** to understand what types of material and experiential rewards they’d like to see in the rewards store. By delivering personalized incentives, stickK became an appealing way to engage in physical activity, mindful eating, and mental health goals.

Continuous Accountability

stickK’s Commitment Contracts require goal-setters to report their progress consistently or points would be deducted. **Behaviors that signaled progress and that encourage habit-formation would be rewarded.** This incentive structure caused 63% of participants to log in at least 5 times per month over a 3-year period.

Design Customized, Specific Goals

We identified 28 tangible goals participants could commit to, dividing them into **campaigns** that went beyond physical activity: Downtime (**mental health**), Healthy Life (**wellness & smoking cessation**), Eating Right (**mindful eating**). Only 22% of the goals created were related to physical activity.



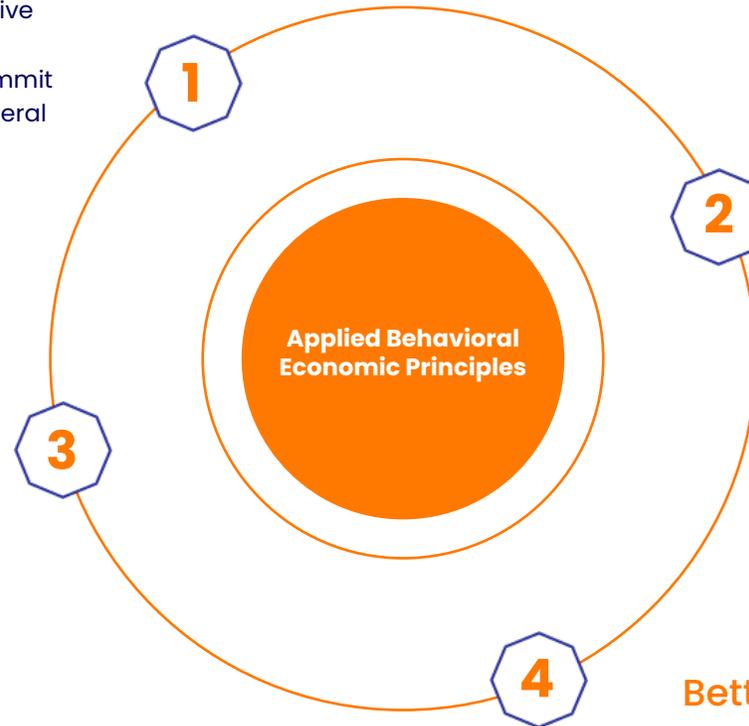
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Optimism Bias

"The tendency to believe in positive outcomes"
Encourage employees to precommit to goals and goal-setting in general

Framing & Segregating Rewards

Employee-selected rewards are more likely to be effective than a discount on health insurance premiums



Present Bias

Make rewards frequent and immediate for positive/beneficial behaviors. Points were earned for actions associated to positive habit formation (like reporting frequently, inviting coworkers to support or validate progress)

Better Employer Perception

89% of participants **appreciated** the **employer's concern** for their **health and wellness**. Similarly, **78%** said the program had a **positive effect on their physical health**.



Our experience

with the Client made us notice
some serious side effects of
stickKING to a healthy lifestyle...





Warning! Possible Side Effects include:

Increase Collaboration

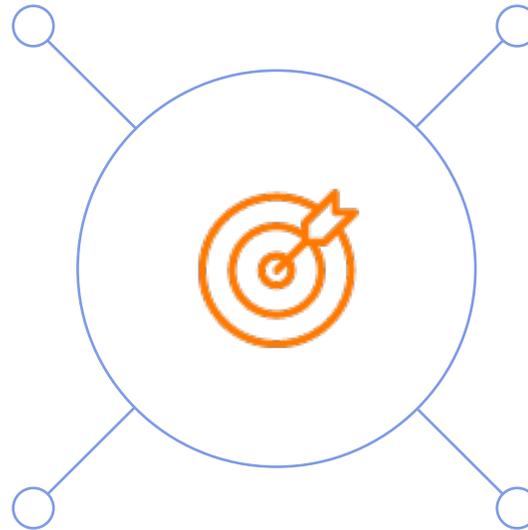
Employees were encouraged to support like-minded goal-setters, regardless of department or division; causing them to meet & engage with people they wouldn't interact with on a regular basis.

51% of Commitment Contracts had 2 or more Supporters, while **32%** had 5 or more supporters.

More Attentiveness at Work

44% of participants said the program had a positive effect on their work productivity.

33% said it had a direct positive effect on engagement with their job



Higher Satisfaction

58% said the program had a positive effect on satisfaction with their employer.

81% reported that the program demonstrated that the employer cares for its employees.

89% appreciated the employer's concern for their health and wellness.

Enhanced Company Culture

Barriers were broken: some departments reversed the role of team managers by making associate-level employees the goal supervisors ("Referees") of senior-level staff. According to a testimonial, this dynamic "put the team hierarchy on its head (...) [and] made everyone interact with each other, regardless of their office role."

Improved Workplace Morale

54% of participants said the program had a positive effect on morale



Thoughts and experiences from the program, as explained by employees



FROM THE COMMITMENT JOURNAL



// My wife of 15 years said something I never heard her say before and that was **“you are going to need to wear a belt with those pants.”** That will never get old hearing //

DAVID



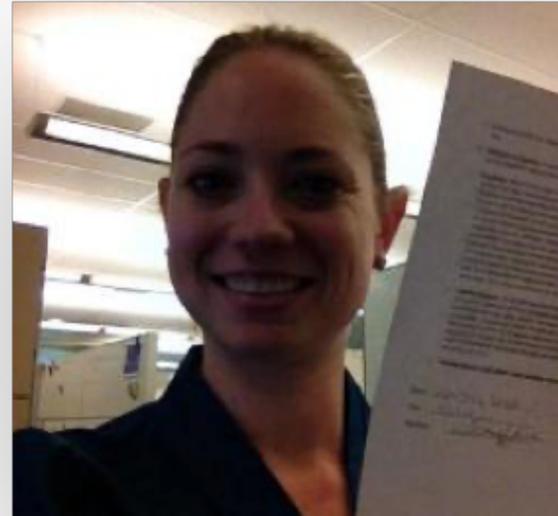
* Thoughts and experiences from the program, as explained by employees

FROM THE COMMITMENT JOURNAL

// The program is **designed for your success since you choose the commitment.** The **sweepstakes** Chef Dinner that I won ~ absolutely amazing experience.



ANNE MARIE





Thoughts and experiences from the program, as explained by employees

FROM THE COMMITMENT JOURNAL



// Your program inspired me to push myself...**I lost over 20 lbs [...]** and completed **a marathon.**



COLIN

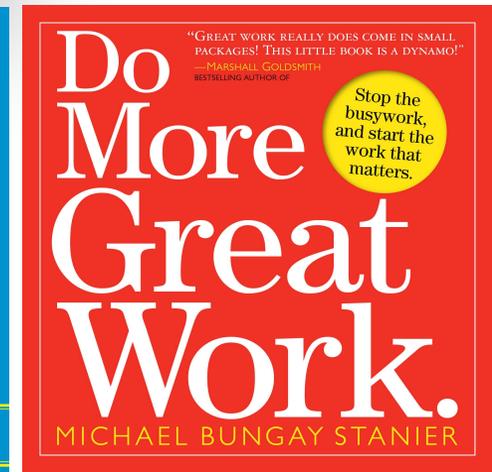
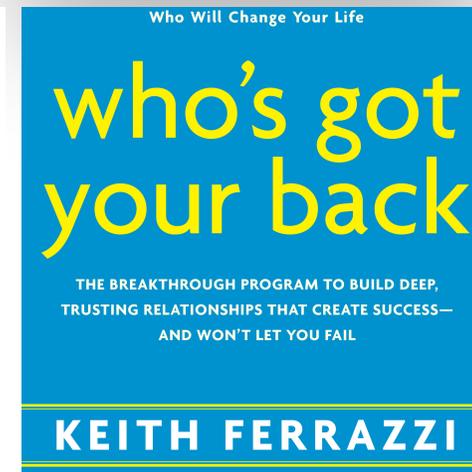
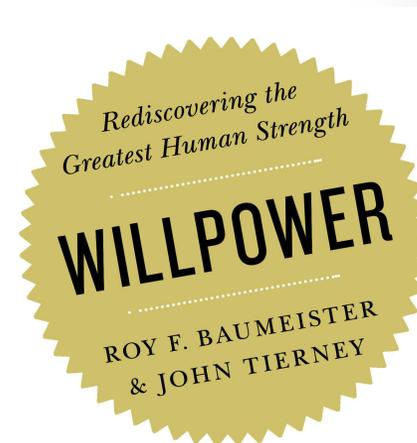
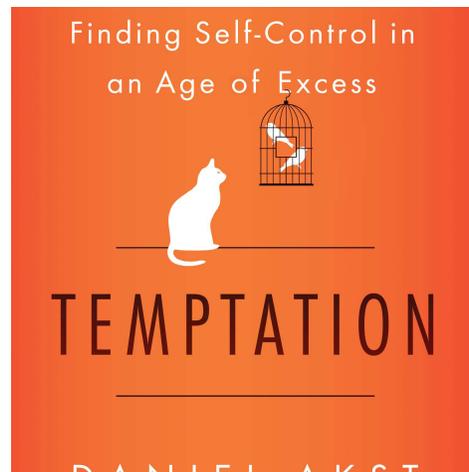
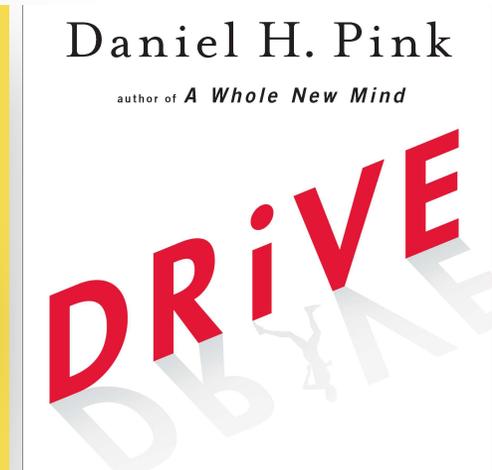
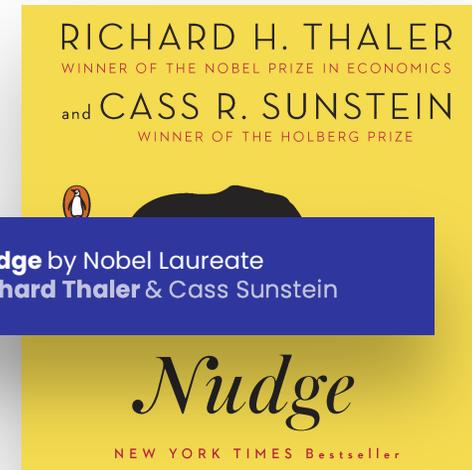
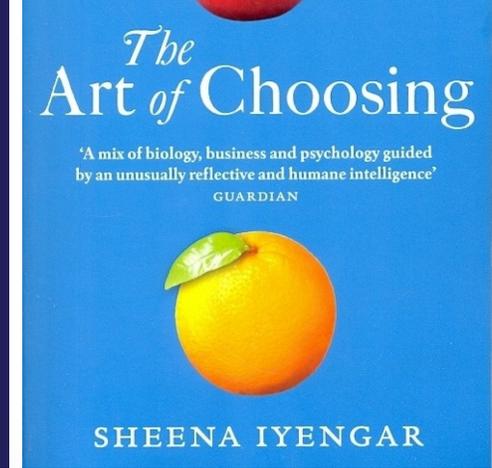
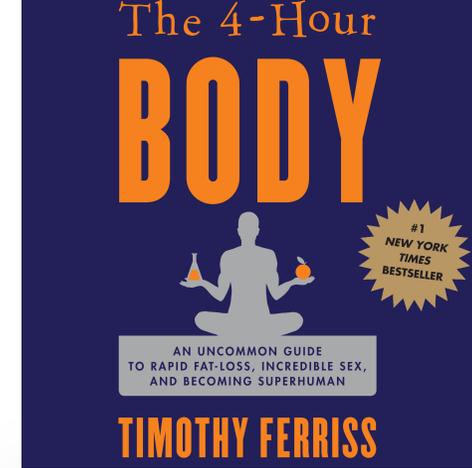


Poster Child for Applied Behavioral Economics

stickK draws notice from mainstream press and academia

stickK has been mentioned or profiled in more than 40 books by notable authors including Michael Stanier, Daniel Pink, Keith Ferrazzi, Tim Ferriss, Kerry Patterson, Daniel Akst, and Richard Thaler & Cass Sunstein

stickK has ongoing behavioral economics research partnerships at leading institutions, including Northwestern, Stanford, Yale, Cornell, & UPenn





other ways **organizations**
stickK to their **goals**



Employee Wellness



Consumer Outreach



Smoking Cessation Studies



Academic Research



Public Outreach



Energy Conservation Goals



Medication Adherence for Diabetics

Academic Goals for Students



