Vitality helps your clients get healthy. It offers proven value, alongside comprehensive insurance. The result is greater retention and revenue opportunities. Read about the science behind Vitality and why it’s effective at changing behaviour.
“What Vitality does better than any other product on the market is take a long-term, sustainable view of health.”
We all need a nudge sometimes. Not a ‘wake up’ dig in the ribs when we drift off while watching the latest Nordic crime drama. No, we’re talking about prompts and incentives that encourage us to make positive lifestyle choices today, even if we won’t see the impact on our health and wellbeing for years to come.

Of course, we know that going to the gym is better for us than sitting on the sofa, that a banana is a healthier option than a burger, and that giving up smoking can add years to our life, but faced with temptations in the here and now, it can be tricky to find the willpower to make our long-term wellness a priority.
That’s where Vitality comes in. Vitality is insurance that rewards you for being healthy. Vitality has been developed using the latest actuarial, behavioural and clinical research into how to motivate people to make better choices for the sake of their health. By rewarding these positive choices, Vitality helps people stay fit and well for longer. It benefits the clients themselves, the businesses they work for, and insurers and healthcare providers burdened by the cost of lifestyle diseases. Advisers also benefit because Vitality is proven to deliver value, results and rewards to their clients, alongside comprehensive health and life insurance cover. The result is greater client retention and revenue opportunities.

**THE SCIENCE BEHIND ‘NUDGE’**

‘Nudge’ is a concept within the field of behavioural economics. This field of research investigates why we often make irrational decisions (spending now rather than saving for later, smoking despite knowing the health risks, etc) and looks at ways to nudge us into making choices that will benefit both ourselves and our communities. The ‘nudge effect’ may be making headlines today, but Vitality has been leading research into behavioural economics for the past 17 years. We have also been using those insights to develop ever-better products and more productive ways to engage with clients.

“The Vitality model applies behavioural economics in the context of health and life insurance,” says Adrian Gore, CEO of Discovery. “Insurers and intermediaries have the ability to offer products that change behaviour for the better and the effect is profound: it makes people healthier, gives them better value for money and makes the products more sustainable.”

**LEADING THE WAY**

Behavioural economics has been adopted globally by governments and leading health organisations looking to encourage people to make more positive choices. In the UK, the Behavioural Insights Team (BIT) has worked with the government to increase organ donation figures, to introduce auto-enrolment pensions and to boost the number of people paying their tax on time. In the US, the White House has set up its own BiT centre, which is looking at energy use and fuel economy.

Some of the most exciting results in behavioural economics are being seen in healthcare and the prevention of lifestyle-related diseases, such as cancer, diabetes, lung disease and cardiovascular disease. A recent review1 by the National Institute for Health and Care Excellence (NICE) found: “There is overwhelming evidence that changing people's health-related behaviour can have a major impact on some of the largest causes of mortality and morbidity.” NICE stated that, while genetic and social causes of disease can be difficult to alter: “By comparison, people’s behaviour may be easier to change.” NHS England’s Five Year Forward View, released in October 2014, put ‘incentivising healthy behaviour’ as a recommendation. Vitality has already placed intelligent incentives as a keystone strategy to promote healthy lifestyle choices.

**WHAT PREVENTS PEOPLE FROM MAKING HEALTHY CHOICES?**

On average, we spend between 17 and 20 years of our lives in poor health. While we may be looking forward to the freedom and leisure of our retirement, figures show that, from age 65, we can expect nearly 50% of our remaining years to be spent in poor health.2 Those aren’t odds that anyone wants to live with. So what’s stopping us taking action now to improve our chances of a long, happy, healthy and active future?

One key issue is that we tend to overestimate our current wellness, despite research that shows more than 60% of the population display one or more lifestyle risk factors for poor health.3 Vitality helps people to improve their understanding of their own health with an annual Vitality Healthcheck and an online Health Review to find out their Vitality Age.

By considering lifestyle factors such as the amount of exercise we do, diet, and smoking and alcohol consumption, Vitality can track the difference between a person’s Vitality Age and their actual age. Our research shows an average gap of four years between a client’s chronological and Vitality Age.4 Seeing that difference (and knowing just how many extra candles that would mean on a birthday cake!) is the crucial first step. The next is to introduce the nudges that incentivise us to swap unhealthy behaviour decisions for more beneficial lifestyle choices.

**HOW VITALITY INCENTIVES WORK**

Our research shows that cost, lack of motivation and lack of time are key barriers to healthy behaviour. Vitality has been developed over 17 years to tackle all of these factors, and is constantly evolving to incorporate scientific breakthroughs and to work with new partners that can help deliver tailored incentives to promote better health.

Behavioural economics help us understand that we all have a tendency to prefer short-term gratification over long-term returns. We also have a tendency to be
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ADRIAN GORE, CEO OF DISCOVERY.

overconfident about our health prospects, expecting bad things to happen to other people rather than ourselves. Vitality has been devised to offer easy, effective means to replace these beliefs and behaviours with more positive actions. We do this through our use of rewards, which are proven to help people achieve a more healthy balance in their lives.

The NICE report on behaviour change and health recommended the use of interventions to motivate and support people to “understand the short, medium and longer-term consequences of their health-related behaviours”. It also suggested people should be helped to “feel positive about the benefits of health-enhancing behaviours and changing their behaviour, and plan their changes in terms of easy steps over time”.

Using a combination of low-cost, high-frequency ‘nudges’, such as weekly cinema tickets and Starbucks drinks, Vitality encourages members to keep making healthy lifestyle choices every day. In addition, it offers a broader points system linked to larger incentives, such as discounted flights with British Airways, for ongoing participation. To make getting healthy more accessible, Vitality offers discounts on wearable technology, gym membership and cashback on bikes.

Vitality goes even further, however, using behavioural economics to understand how to communicate with our members more effectively to encourage healthy behaviour. The UK’s BIT team, for example, found that changing the wording of organ donation requests prompted more people to sign up as donors. Similarly, Vitality knows that encouraging people to go to the gym at least once a week – and rewarding them with a cinema ticket if they do – is far more effective than simply suggesting they go to the gym 52 times a year. It’s the ‘nudge effect’ in practice.

THE RESULTS

The range of incentives and rewards offered by Vitality means it can be tailored to clients of any age and standard of fitness, allowing them to set personal goals and addressing any specific risk factors they may have. It also makes engaging in their health a rewarding experience for as many people as possible, with regular communications offering tips on how to progress on their Vitality journey, plus cashback for non-smokers and on Lloyds Pharmacy purchases to offer positive reinforcement for their healthy choices. “Vitality has been built on a simple idea: to make people healthier,” says Adrian Gore. “On the back of that, we have built an institution that covers almost 5 million people globally and has made a profound impact on the market in which we operate.”

References

1. NICE
2. Office of National Statistics, Healthy Life Expectancy at Birth and at Age 65: Clinical Commissioning Groups (2010-12)
4. Britain’s Healthiest Company, 2014
Easy nudges to healthier choices:

Use wearable devices to track steps, calories burnt or heart rate and earn Vitality points while you walk, run, cycle or swim.

Go to a Virgin Active gym and earn 10 Vitality points.

Earn Vitality points every week for being active and unlock rewards like cinema tickets and Starbucks drinks.

Find out more about how Vitality can help your clients and your business

vitalityinsights.co.uk