



PERSONALIZED WELLNESS PROGRAMS

HOW CORPORATE WELLNESS PROGRAMS
CAN REDUCE HEALTH CARE COSTS

VISUALIZING THE SIZEABLE MARKET FOR PERSONALIZED WELLNESS

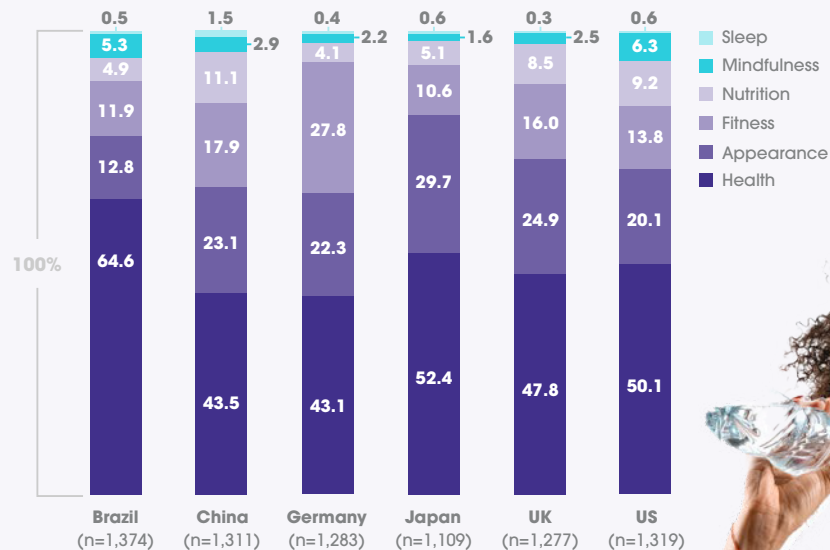
HOW CORPORATE WELLNESS PROGRAMS CAN REDUCE HEALTH CARE COSTS

Present-day employees view wellness as more than a discounted gym package from their company. Today, employees are searching for companies offering holistic but personalized wellness programs. Specifically, consumers focus on programs that cut across physical and mental healthcare, nutrition, fitness, and overall well-being.

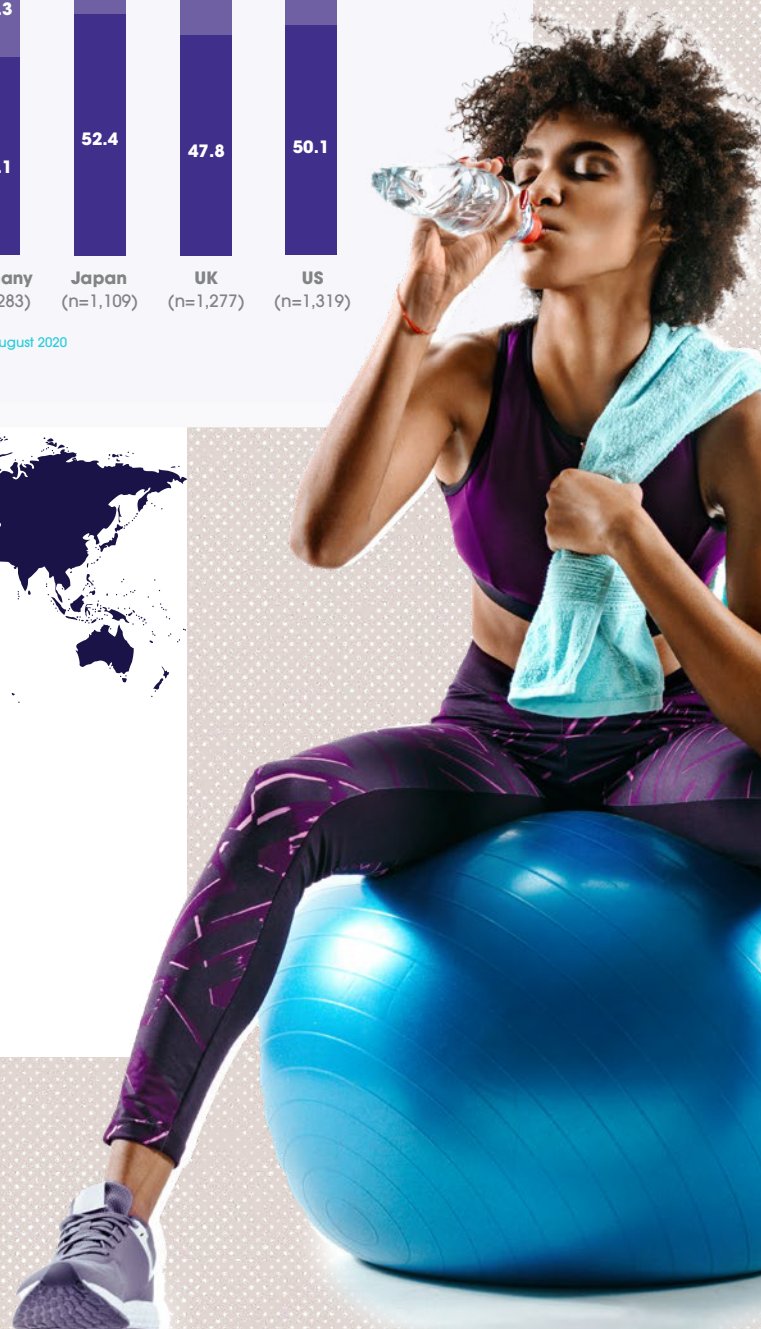
It's no wonder, then, that the personalized wellness industry is growing on a daily basis. More companies are jumping on board, and employees' expectations of personalized wellness programs continue to increase.

In a **McKinsey survey of 7,500 people across 6 countries**, 79% believe wellness is essential, while 42% think it's a top priority.

Wellness spending by category, 1 % pf annual spending on wellness products and services



¹Source: McKinsey Future of Wellness Survey, August 2020



WHAT IS THE CURRENT MARKET SIZE OF PERSONALIZED WELLNESS?

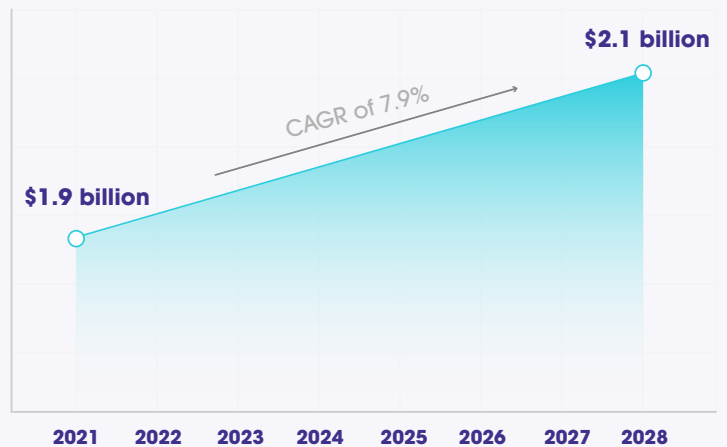
Grand View Research estimated that the personalized retail nutrition and wellness market was worth **\$1.9 billion in 2021**. The company expects the market to continue growing at a CAGR of 7.9% from 2021 to 2028.

Zippia also estimates that **52% of U.S. companies** offer employees a wellness package.

We will continue to see the wellness industry experience growth in the coming years. And why not?

As you will discover, research shows that personalized wellness programs provide incredible benefits to employers and employees.

Personalized Retail Nutrition and Wellness Market¹



¹Source: www.grandviewresearch.com



RETAIL NUTRITION
AND WELLNESS
MARKET WAS WORTH

\$1.9B

INCREASED DEMAND FOR WELLNESS SUPPORT

One of the driving forces behind the growth of personalized wellness programs is increased employee demand.

While many companies offered wellness programs before the pandemic, Covid-19 was one factor that led employees to seek more wellness support from employers.

During the pandemic, the job market experienced 'The Great Resignation' during which **47 million people** in the U.S quit their jobs.

While a good number of resignations were tied to retirement, offers from other companies, and other personal commitments, a significant portion of them resulted from burnout and dissatisfaction in their current jobs.

Many employees who quit wanted jobs that let them experience better work-life balance. Others wanted to spend more time with their families, while others were simply escaping the accumulated burnout.

So, when employees started looking for other employment opportunities, they became keen on companies that offered work-life balance and wellbeing support.

2.35 billion

businesses affected

47 billion

people in the U.S
quit their jobs

**THE GREAT
RESIGNATION**



ONE SURVEY SHOWS THAT

60%

of employees would prefer a job with low pay and better benefits (well-being support included) than one that pays higher.

Other employees wanted the assurance that they would have resources to deal with or prevent work-related burnout and stress.

Many companies started wellness programs or optimized existing programs to keep up with these new demands from employees and attract and retain top talent.

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Attracting top talent today requires more than great pay. Employees also evaluate the type and degree of wellness support they can receive from you.



WHAT EMPLOYERS STAND TO GAIN

According to **Dr. Steven Aldana**, wellness programs done correctly “give employees incentives, tools, social support, privacy, and strategies to adopt and maintain healthy behaviors.” This result is not only beneficial to employees but also employers.

Research shows that wellness programs can save costs for employers by increasing employees’ productivity, satisfaction, and engagement. These cost savings can also come in by affording companies physically healthy employees and fewer cases of absenteeism.

While personalized programs can help you save money, the first goal of implementing such a program is to put your employees’ health and happiness first.

That said, we cannot ignore the substantial ROI or how wellness programs benefit your bottom line. Here are a few ways in which wellness programs benefit your organization.



**PUT YOUR
EMPLOYEES’ HEALTH
AND HAPPINESS FIRST.**



1. WELLNESS REDUCES BURNOUT AND STRESS AMONG EMPLOYEES

Work-related burnout is nothing new. However, it can have detrimental effects on employees' health, output, and, ultimately, your company's bottom line. Without resources and support, employees may find it challenging to deal with stress and burnout while working. However, implementing a wellness program can help them overcome or, preferably, prevent burnout.

In fact, **research by Gallup and WorkHuman** demonstrated that wellbeing support reduced burnout and increased the feeling of belonging and thriving among employees.



2. WELLNESS REDUCES ABSENTEEISM AND INCREASES PRESENTEEISM

Presenteeism and absenteeism are no joke. Not only do they lead to unproductivity, but they can cost your business thousands of dollars in lost revenue. In fact,

costs linked to presenteeism caused by poor health can be 2 to 3 times greater than direct healthcare expenses.

However, employers can guard against presenteeism and absenteeism when they have wellness support programs. It's estimated that wellness programs can reduce absenteeism by **14% to 19%**.

In another **study by United Healthcare**, 62% of employees with access to wellness programs cited improved productivity. 56% experienced fewer sick days, and 30% were able to detect diseases earlier.

Employees are more engaged and satisfied in their jobs when they are productive. Your company can also reach its goals quicker when every worker thrives.



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3. WELLNESS SAVES EMPLOYERS HEALTHCARE COSTS

When you invest in a wellbeing program, it might feel like you're taking a step backward. After all, the initial investment can be expensive, especially for smaller companies and startups. However, the long-term cost savings are worth every penny you put in.

In fact, choose to view wellness programs as a basic measure to reduce health costs for your company.

For example, wellness programs, when tailored around employee needs, can reduce **25% of companies' health costs**. How so? Wellness programs such as the provision of gym equipment, nutritional guides, and stress management resources help employees build healthy behaviors. In turn, this leads to fewer chronic diseases and lower health risks. Healthcare claims eventually reduce since employees maintain and receive support to lead a healthy lifestyle.

According to studies by Harvard researchers, **for every \$1 invested in wellness, the ROI is \$3.27**. The majority of these savings will be most prominent in healthcare cost reduction.

Another report by the International Foundation of Employee Benefits puts the ROI between \$1 and \$3 for every dollar invested. The foundation mentions that the savings will usually come from workers' compensation and indirect costs such as increased productivity.



EMPLOYEE BENEFITS PUTS THE ROI BETWEEN \$1 AND \$3 FOR EVERY DOLLAR INVESTED.





4. WELLNESS PROGRAMS HELP EMPLOYERS ATTRACT TOP TALENT AND RETAIN THEM

Voluntary turnover caused by burnout costs businesses **15% to 20%** of their annual payroll budget. Overall, U.S. employers can lose up to \$322 billion to burnout-induced turnover.

It's a costly issue, but it is quite easy to rectify. The solution to reducing turnover is offering adequate and personalized wellness support.

When employees feel cared for, they are more likely to remain with a company for longer. Unfortunately, less than 50% of U.S. employees believe employees care about their well-being.

Stepping up and filling this void can make you attractive to top talent in the industry. When you provide employees with personalized wellbeing support, **67% of them will like their job more.**

More importantly, employees with accessible wellness programs can become great ambassadors for your employer brand. For

instance, a **survey by APA found that 89%** of employees will recommend your company if they experience wellness support.

To summarize, investing in wellness programs for your organization can:



Reduce work-related burnout and stress



Reduces cases of absenteeism and presenteeism



Increase employee productivity



Reduce turnover and increase employee retention



Increase employee satisfaction and engagement



Boost your employer brand and attract top talent in your industry



U.S. EMPLOYERS CAN LOSE UP TO \$322 BILLION TO BURNOUT-INDUCED TURNOVER.



TECHNOLOGY MATTERS WHEN PUSHING FOR A PERSONALIZED WELLNESS PROGRAM

Personalized wellness programs are only beneficial if employees can easily access them. When programs are not accessible, there will be fewer participants, and your organization cannot reap the benefits demonstrated above.

Of course, you can offer your wellness program through manual means. But imagine an employee going through hundreds of pages in a paper stack to find a resource on stress management. Better yet, imagine how cumbersome it would be to track whether your programs are working if you rely on papers or siloed HR systems.

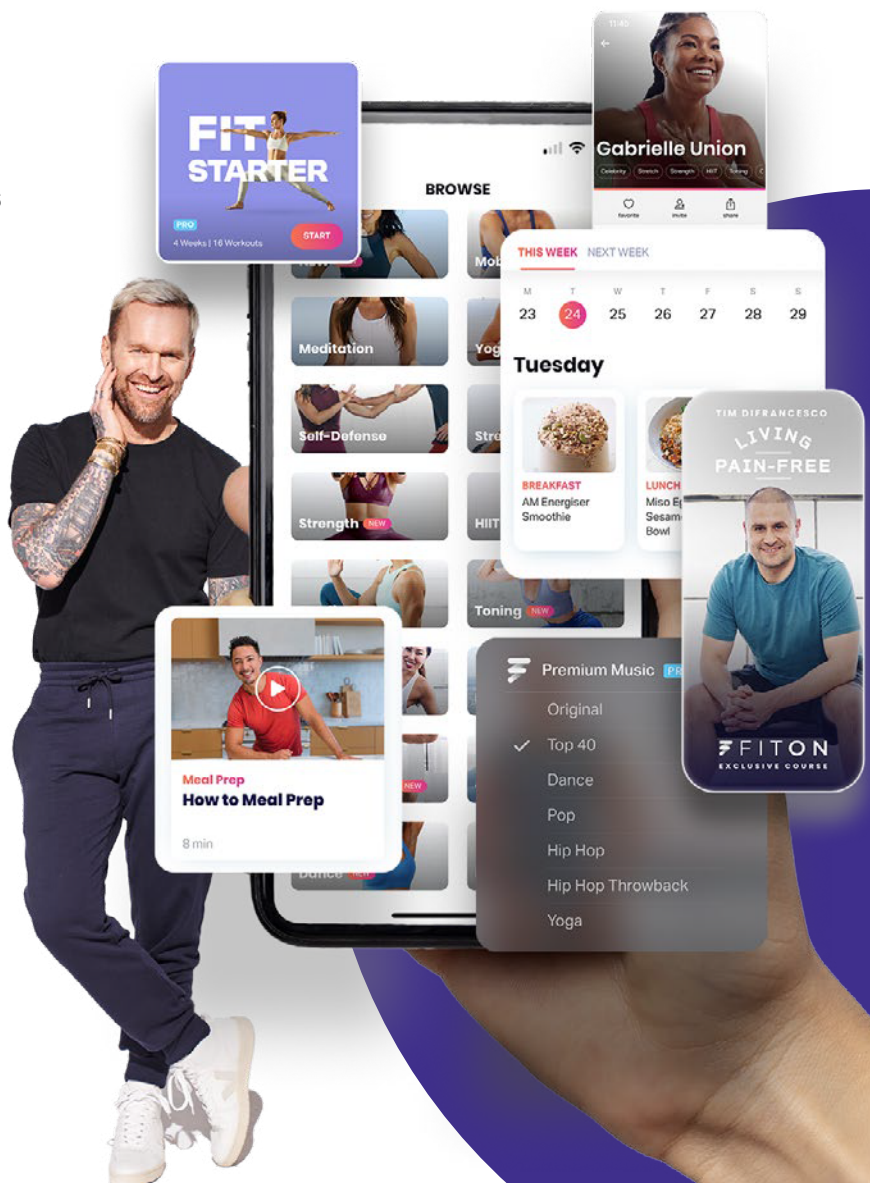
Conversely, integrating your programs into a digital platform makes everything easier. More importantly, it makes wellness resources highly accessible to employees.

With a **technology-based personalized wellness program**, employees can individually personalize the kind of resources they want to see. It would also be easier for employees to view all available resources.

From the management side, tech-based wellness programs make it easier to track progress. You can have a holistic overview of the number of employees benefiting from the programs. You could also understand which resources are not working and how you can iterate.

Moreover, technology-based wellness programs make it easy to scale. **It doesn't matter whether you have 10 or 10,000 employees in your workforce; a tech-based program can accommodate them all and scale when necessary.** It would also be easier to add more programs by utilizing performance data you glean from existing programs.

On the next page are more reasons to choose a tech-based wellness program:





TECH-BASED PROGRAMS BRING SIGNIFICANT COST-SAVINGS

Traditional, manually-operated wellness programs are not only hard to handle, but they are also costly. The paper trails, data, and employees' inability to access and take advantage of all available resources mean not getting bang for the buck you've invested.

Conversely, technology-based wellness programs make more sense, cost-wise. For instance, one resource can be duplicated and made accessible to hundreds of employees through a portal. Compare that to if you had to print out thousands of copies of how employees can deal with workplace stress and burnout.

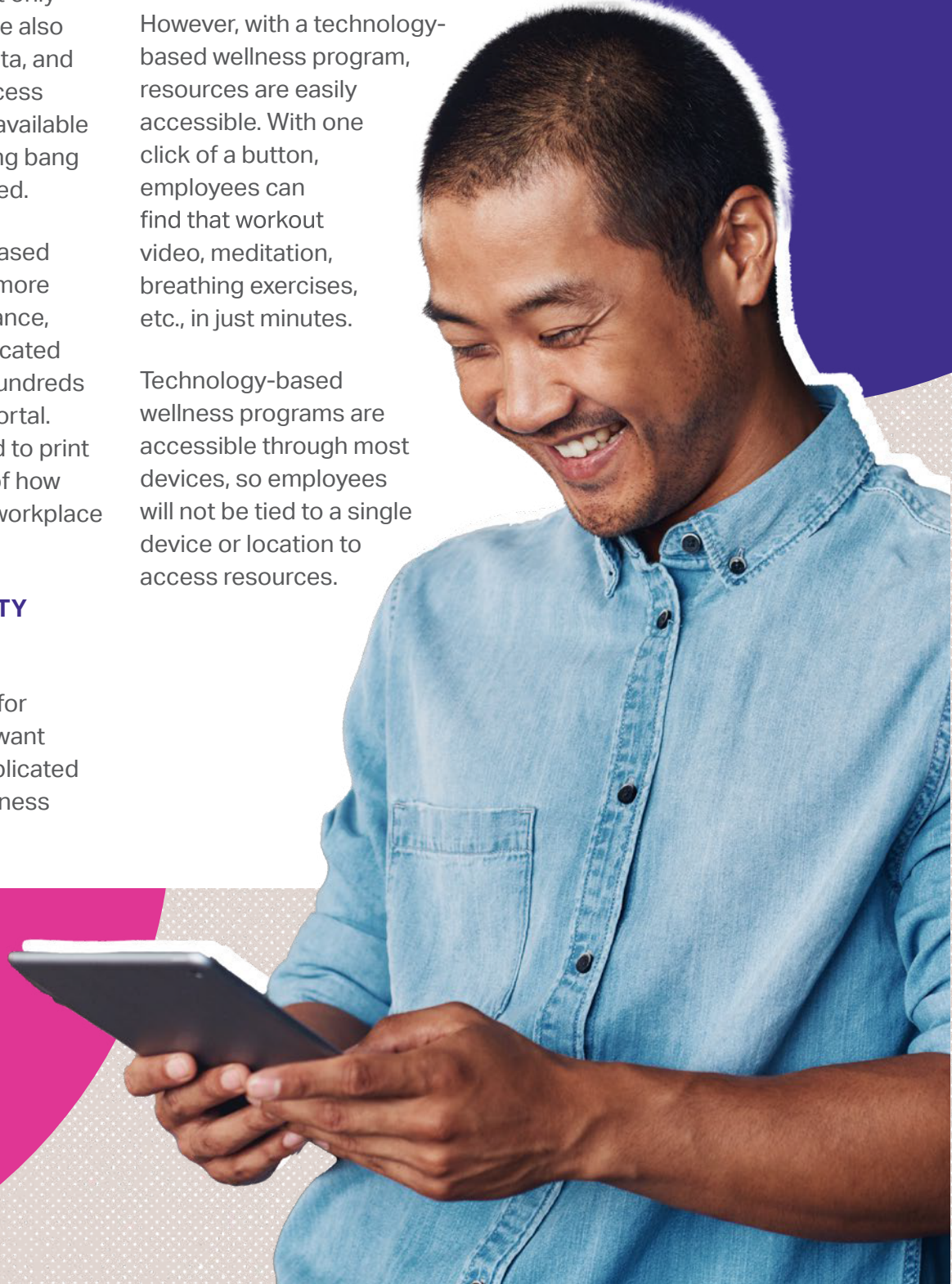
IMPROVED ACCESSIBILITY FOR EMPLOYEES

When employees sign up for a wellness program, they want something simple. A complicated system for accessing wellness

resources will only frustrate them. Worse, many employees will most likely abandon the program since it's not user-friendly.

However, with a technology-based wellness program, resources are easily accessible. With one click of a button, employees can find that workout video, meditation, breathing exercises, etc., in just minutes.

Technology-based wellness programs are accessible through most devices, so employees will not be tied to a single device or location to access resources.



REAL-LIFE EXAMPLES OF COMPANIES REAPING THE BENEFITS OF PERSONALIZED WELLNESS PROGRAMS

As earlier stated, wellness support is one critical aspect employees review before accepting a job offer. Companies understand this, and the packages offered by some top employers keep improving.

Below are examples of three companies offering personalized wellness that transforms the lives of their employees.

Chevron

Chevron employs about 62,000 employees in the energy industry. As a global company, Chevron operates multiple subsidiaries across different cultures and geographies. So, it's no doubt that the company's employees have varying wellness support needs.

While the company has many resources and programs under wellness support, one of the most helpful is

Chevron's Cardiovascular Health Program.

This wellness program helps employees across the Chevron workforce reduce the risk for cardiovascular disease (CVD).

Here are more aims of the Cardiovascular Health Program by Chevron:



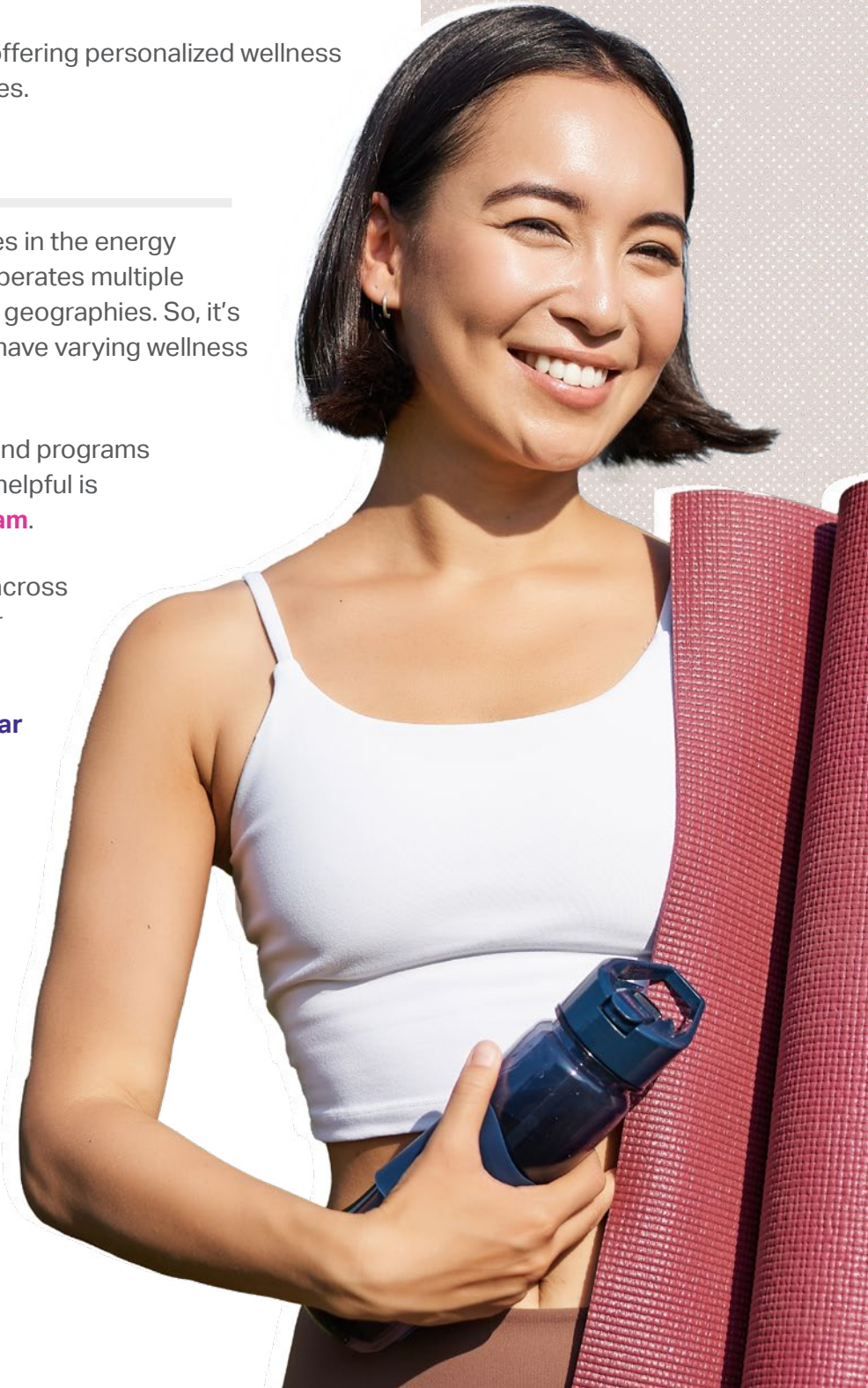
Increase the number of employees at low risk for CVD



Demonstrate the link between health and productivity



Create a competitive advantage for the company with a healthy workforce



The program is offered to all eligible Chevron employees plus their adult dependents.

The company relies on a mixture of self-help and guided resources to reduce the risk of CVD among its workforce. In addition, resources are made available digitally and on paper. Employees from certain locations may benefit from over-the-phone or in-person consultations.

What has Chevron achieved with its CDV health program?



47.5% of the eligible employees completed the CVD health program risk assessment



10,918 participants were enrolled in counseling online and in person



Participants collectively reduced the risk of developing CVD diseases in the next 10 years by 10.6% (A healthy workforce equals less absenteeism, increased productivity, and reduced turnover)



Participation surveys show employees are satisfied and find that the program greatly benefits their health. The satisfaction score was 4.5/5.

WHY DOES THIS PROGRAM WORK?

The Chevron CVD health program works because of two main reasons.

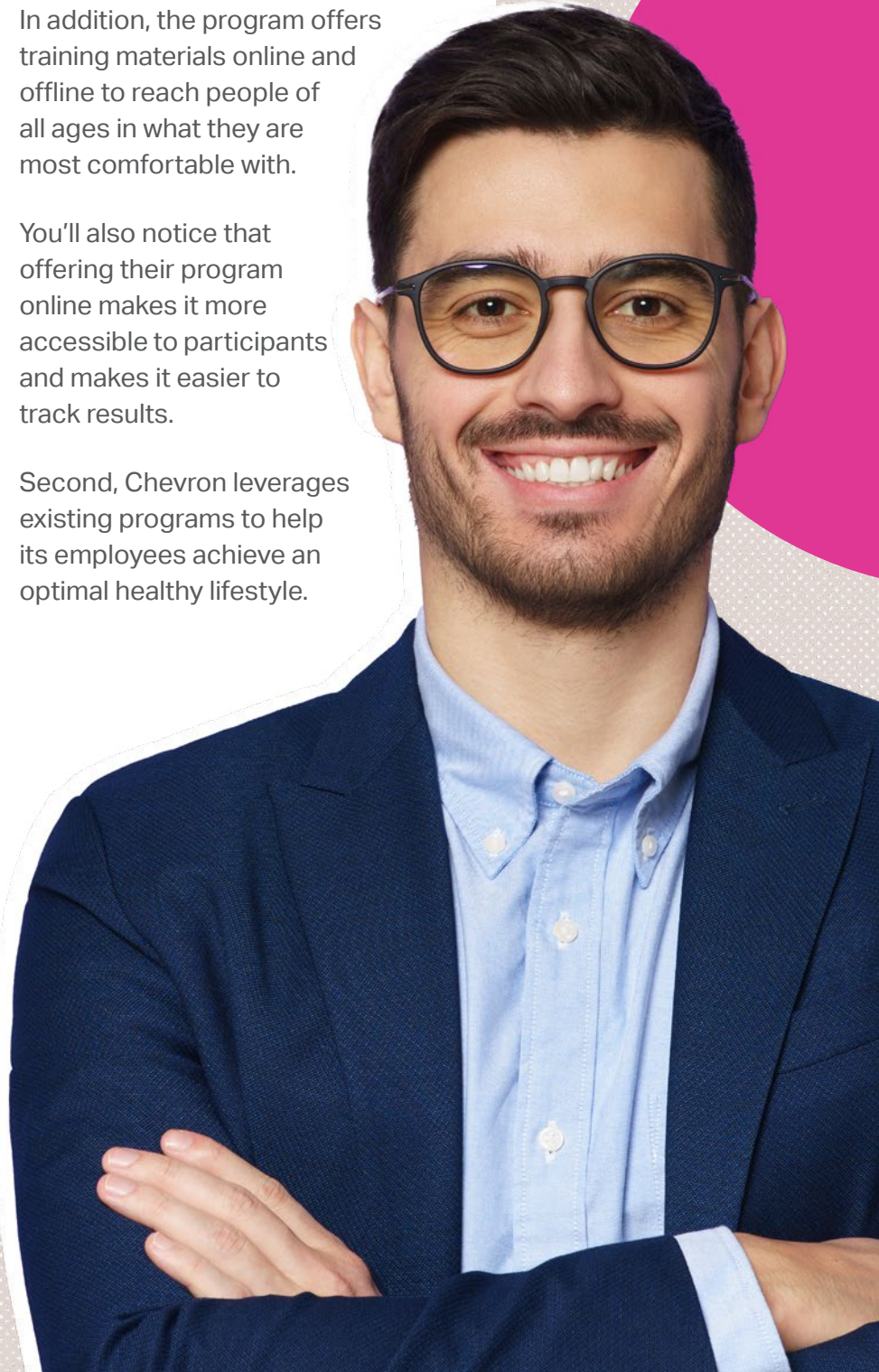
First, the resources are tailored to each participant's needs. The program considers the employee's regions, cultures, language and more.

In addition, the program offers training materials online and offline to reach people of all ages in what they are most comfortable with.

You'll also notice that offering their program online makes it more accessible to participants and makes it easier to track results.

Second, Chevron leverages existing programs to help its employees achieve an optimal healthy lifestyle.

**PERSONALIZED
WELLNESS
PROGRAMS**



Interact Marketing

In a Forbes article, CEO Joe Beccalori explains how his company, Interactive Marketing, increased employee productivity by offering wellness support.

As a smaller company, it was hard for Beccalori to implement a wellness program, but making the investment paid off in the end. According to the CEO, his agency offered wellness benefits such as:



In-office gym treadmills and elliptical machines



Company-subsidized snacks and other healthy food options



Bikes for employees to exercise around the company's location during breaks



Seminars on nutrition, fitness, and mental health catered by the agency



Pre-meeting meditation and stretches



Optional early departure on Fridays to improve life-work balance

WHAT WERE THE RESULTS?

Upon implementing these programs, the agency noticed a **15% increase in productivity**. The company also experienced zero attrition over a period of three years(2016-2019).

With zero attrition, the company saved huge on recruiting and training costs. In turn, Interact Marketing had more time to grow its internship program and focus on its clients.

Interact Marketing even **won a Gold Award for its wellness programs**, which boosted its employer brand.



Motley Fool

The Motley Fool is yet another company bearing the fruits of a personalized wellness program. **The company's wellness package includes things like:**



Discounted local gym packages



Reimbursement of endurance events



Nutrition consult workshops





Free onsite workout equipment

WHAT ARE THE RESULTS OF THE COMPANY'S WELLNESS PROGRAM?

According to the company's **Chief Wellness Officer, Sam Whiteside**, the company has seen an ROI of \$3 for each \$1 spent on wellness. The company's employees are also happier, healthier, and more productive.

The Motley Fool's wellness programs have also led to decreased claims for chronic diseases such as CVD and diabetes. The company self-funds its medical program, so this decrease brings huge healthcare cost savings.

ONE SURVEY SHOWS THAT:

\$1  towards wellness **= \$3**  company savings



Benefits Managers Will Need to Play a Crucial Role for the Programs to Succeed

Gone are the days when HR officers were the only crucial personnel needed to oversee employee benefits. Now, companies specifically require benefits managers or wellness officers if they are to see any ROI from such programs.

Benefits managers are the vital link between employees and wellness resources. They are in charge of communicating about the resources and ensuring employees can easily access them.

In addition, benefits managers will help you identify areas of improvement within your programs. They are also responsible for tracking the performance metrics and showing the results and ROI of all your wellness programs.

Usually, benefits managers will take advantage of guides, case studies from successful wellness

programs, and templates to ease the implementation and management of wellness programs.

But benefits managers can not work alone. Your organization must collaborate with wellness technology providers to make your program scalable and accessible. Health and wellness experts will also come in handy to ensure the success of personalized wellness programs.

It's still a competitive market for talent, and companies that invest in personalized wellness programs will reap the benefits. For more information, **contact us today** and our teams will be more than willing to help.

