

# in·cen·tive

in'sen(t)iv/

noun

a thing that motivates or encourages one to do something.

synonyms: inducement, motivation, motive, reason, stimulus, stimulant, spur, impetus, encouragement, impulse



## GIVING INCENTIVES THEIR DUE

I've written often about how the use of financial incentives could result in unfair cost shifting, victim blaming, and generally evoking more harm than good. In 1992 I wrote the first of many articles on the foibles of "risk-rating" — what is now, errantly, referred to as "outcomes-based incentives." I take no satisfaction in having foretold the dark side of incentives, given how poised the health promotion field seems to be for rapid learning in the smart use of incentives. Given maturation finally seems afoot, I find myself at odds with my respected editor, Dean Witherspoon, who pans incentives as "bribes and coercion." In the last issue of *Well-Being Practitioner*, Dean's article on a "common sense" well-being model held that "you really don't care who or how many people sign up for your wellness program." That makes little sense to me.

Though I stand by my cautionary articles about traversing the ethical slippery slopes where incentives precariously perch, Dean's preoccupation with the taint of bathwater makes me fretful about the baby. Indeed, having witnessed the prolonged infant stages of incentives, I find the latest research and web-based innovations all the more promising. Check out Plus3 Network<sup>1</sup>, because if "bribes" lead to extraordinary philanthropy, count me in! At Plus3 you'll see an incentive program that plays to our altruism gene. Just \$8/month has been shown to spark sustainable engagement. If you don't care that the Plus3 app produced 72 billion

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**"Cultural context matters when it comes to how we react to financial penalties or rewards."**

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steps, how about the fact that it also moved \$1,780,124 to charities the app users care about?

Cultural context matters when it comes to how we react to financial penalties or rewards. I've studied irrational choice theories, but my brain lit up nonetheless when I joined millions of other dopamine-charged Americans and paid \$2 to win the billion dollar lottery. I didn't win, but I'm certain it was a near miss. It did not surprise me when research showed that lottery-based financial incentives for wellness worked better for low-income workers. Las Vegas exists for reasons we can learn from and it makes sense to me to translate those reasons into good. Visit [Stickk.com](http://Stickk.com)<sup>2</sup> for a fascinating, albeit gambling-like approach to using incentives within the context of well researched behavioral economic principles. On the Stickk site you'll learn about "deposit contracting." It's a "skin in the game" approach that impresses me as decidedly more persuasive than the usual "do this to get that" attainment incentives.

Are video gamers coerced into the thousands of hours of immersion in virtual worlds they love? Perhaps, but watch Jane McGonigal's wildly popular Ted Talk on applying game theory to solving social problems before you throw out the bathwater that's commonly ascribed to the game community.

Even though science remains formative per the effective use of incentives, I'm certainly swayed by those testing and applying what we know so far. Type Kevin Volpp<sup>3</sup> into a PubMed search and scroll through the last 50 of his 134 research articles. The titles alone should impress upon you that serious scientists care deeply about whether incentives can attract marginalized groups into wellness activities and support greater success at behavior change. One of Volpp's randomized controlled studies is available as an open access PDF from *The New England Journal of Medicine*.<sup>4</sup> Volpp and colleagues care about

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**"Volpp and colleagues care about how many sign up for programs (15% with incentives compared to 5% without). They care about how many benefit and reported a 21% incentives-abetted tobacco quit rate compared to 12% without incentives."**

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how many sign up for programs (15% with incentives compared to 5% without). They care about how many benefit and reported a 21% incentives-abetted tobacco quit rate compared to 12% without incentives. And they care about who signs up. Their results from this and all of their studies delve deeply into demographic differences between those who are more or less influenced by incentives.

This commentary in defense of incentives derives from my perception that Dean is not alone in blithely abandoning a baby that deserves better. Let's be clear though. Those bathwater-smelling incentive schemes are NOT wellness programs. Any right minded well-being practitioner knows incentives are but a tactic within a well designed, culturally supported, and evidence-based curriculum of offerings and initiatives. Dean's common sense model doesn't include a health coach because their "primary objective is to meet the set number of contacts in a month." Having coached alongside many talented coaches and profiled many of their successes on these pages, I can

assure you that their primary objective is to support others in health improvement. A place where clever and intrinsically responsive incentives are helping connect people to skillful and empathetic coaches is a place that will surely care how many people sign up.

Do financial incentives work? Like most emerging science, some studies say yes and others no. This baby will crawl before she walks. Still, tobacco taxes have an established legacy as one of the most powerful influencers of the public's health; fat and sugar taxes are next. Tom Farley's new book *Saving Gotham*<sup>5</sup> chronicles the work of Mayor Bloomberg's public health department and their monumental policy wins against powerful purveyors of sugar, salt, and tobacco. Farley draws a sharp, direct line from behavioral economics to 8 million lives saved. With that as an outcome, pan incentives with whatever names you want, but please be careful when you're throwing out the bathwater. 🚰



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#### References:

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