



How to Maximize Engagement with Wellness Challenges

Best practices for improving participation in corporate wellness challenges

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Challenges are a well-established part of the corporate wellness toolkit.

These fun, friendly competitions among colleagues are designed to encourage people to participate in a healthy lifestyle—often attaching points or rewards to activities like exercise or reaching a certain step count.

At their best, challenges foster employee engagement, teamwork, loyalty, and morale, all while helping to form lasting behavior change.

When used as part of a larger wellness platform, challenges can shape company

culture and transform employee health. But of course, they don't benefit anyone if no one joins in!

So how can employers encourage regular participation, and ensure they're getting the best out of their investment?

In this report, we'll explain what factors influence participation, why challenges fail, and offer suggestions to maximize employee engagement and participation.

For this whitepaper, our research represents data from just over 1,000 challenges run through IncentFit over the last year.

A quick primer on challenges

Wellness challenges are competitive, short-term events that turn healthy habits into a game.

Challenges are typically short-term—usually about a month long—and sometimes include incentives to boost participation.

Employers turn to challenges because they are a low-cost, high-impact solution to employee engagement.

The average cost to employers is low, which is why small and medium-sized businesses love them.

At IncentFit, we've run challenges for companies as small as 10 or as large as 10,000; the most common size we see is about 50-100 people.

Challenges themselves aren't going to significantly

move the needle on health conditions, but they do contribute to positive behavior change.

Most significantly, challenges build teamwork, strengthen internal relationships, improve impressions of company leadership, and help to boost employee morale.

What do challenges look like?

There are four main structures of challenges.

1. Individual Challenges: With this challenge structure, you are competing against yourself and not anyone else. *Note: at IncentFit, we recognize that this type of challenge is fundamentally different from the other competition-style challenges, so we've broken this out into a separate product called Goals. For the purposes of this paper, we'll focus on the following three instead.*



2. Head to Head Challenges: In these challenges, an individual competes against other individuals in order to climb a leaderboard and win.

3. Team-Based Challenges: Participants form teams, and compete against other teams. Any completed activities go to helping your team climb the ranks. Teams can be randomly generated, created by admins, or participants can create their own teams with colleagues.

4. Collective Goal Challenges: Favored by larger companies, these types of challenges prompt all participants to work together to reach one common goal. For example, a company may run this type of challenge to see how quickly its employees can take enough steps to climb Mt. Everest or walk the length of a marathon.

38% of employers

offer company-sponsored fitness competitions or challenges, according to SHRM's 2019 Employee Benefits report.

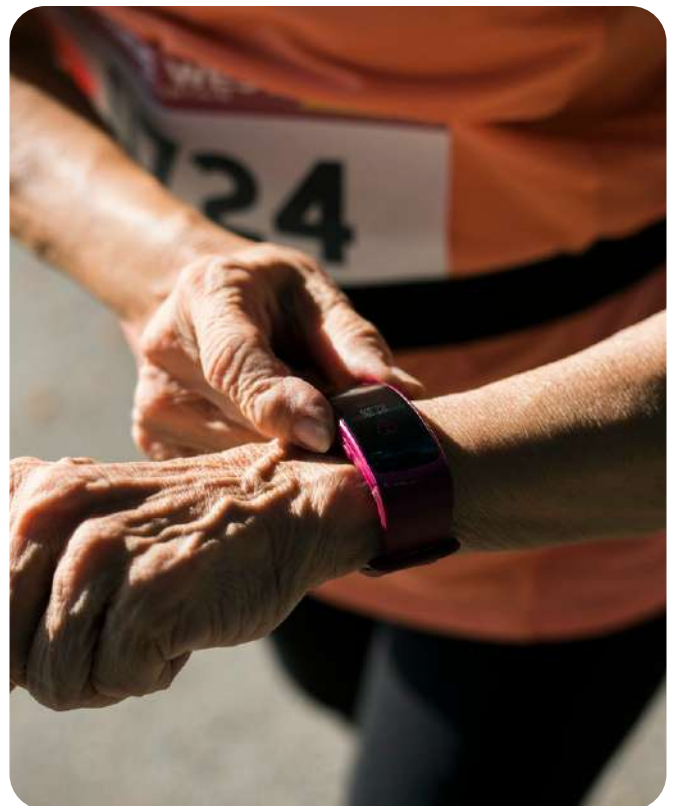
Check out our [Corporate Wellness Product Landscape](#) to learn more about the types of wellness products that employers are investing in now

In every challenge type, participants complete activities in order to move up in ranking. Companies can choose how these activities are recorded, either through automatic activity tracking (such as through third-party apps or fitness wearables) or through manually reported data.

Frequently, employers also incentivize employees to participate in the challenges by offering prizes for the winners or top performers.

The most basic type of wellness challenge is a **steps challenge**, where people track how many steps they take in a day and work to increase that number over time. However, today's wellness market includes many interesting

challenge topics, including ones focused on less physical activities, like acts of self-care, nutrition changes, or even challenges to be more financially responsible.



What makes challenges more engaging?

To answer this question, we looked at our data to identify trends across all of our employers.

We had several key questions about how challenge participation changes as you adjust variables:

- What types of challenges are most popular?
Which activities do people like best?
- Do people respond better to team-based or individual challenges?
- What happens when admins get more involved in the process?
- Are prizes the best motivator?

The answers can tell us a lot about human behavior, and ultimately, what gets people to engage in company wellness challenges.



Steps: the MVPs of Employee Wellness Challenges

IncentFit offers dozens of challenge categories, including ones focused on exercise, nutrition, hydration, sleep, mindfulness, self-care, personal enrichment, stress management, financial wellness, and more.

In our review, we learned that **steps challenges are by far the most popular choice** — roughly

one in three challenges track only steps, and two in three track steps among other activities.

In fact, these are the two most frequently run challenges, both from our template library:

- **Better Together:** Teams compete to average the most steps taken per day over the course of one month.
- **Simple Steps Challenge:** Individuals compete head-to-head to take the most steps over four weeks.

This makes sense! Steps are an easy way to engage people at all levels of fitness, and don't require extra equipment or preparation to participate; these challenges get almost half of the organization involved on average.

Additionally, **automated data tracking** makes this an easy solution, so employees don't have to manually track or report how many steps they've taken. They just need to connect a device or app, and get moving.

These factors are important for boosting engagement, because it both reduces the barrier to participate and makes challenges accessible to a broader range of users. This is why we see such strong results from these types of challenges, and why we recommend them as a staple of your challenge strategy.

Team Based vs. Individual Challenges

We also learned that the majority of our challenges are individually based, meaning employees compete head-to-head with other employees. But those challenges aren't the most engaging.

In fact, team-based challenges saw consistently better participation, though only 15% of challenges included teams.

While the sample size is smaller, looking deeper at team-based challenges shows us an interesting trend: fewer people accept the

invitation to join the challenge, but if they accept, their engagement rate is higher—roughly 92% versus 79%.

This shows us that team based challenges get consistently higher participation from those who accept the invitations, but *who* accepts the invitations depends on how the teams are created and assigned.

To understand this surprising figure, it's important to explain that teams can be set up in a few ways. Employees themselves can create teams; our system can randomly pair employees together into a team; or admins can pre-set the teams and then invite people to participate.

Since challenges are driven by social connections, we assumed that if employees created their own teams, they'd be more inclined to participate with friends...but that segment actually sees the **worst numbers of people accepting the invite** and then participating in the challenge.

It's clear that allowing user-created teams opens

doors to “picked last in gym class” feelings—it's not fun to participate if you're worried about who to pick for your team, or whether you'll be on a team at all.

But if teams are created by an administrator or randomly by our system, well over 90% who accept the invites will go on to participate.

This tells us two important things: social pressure works, and admin involvement matters.

We can deduce that team-based challenges inspire more people to participate in the competition once they're signed up, because of the added social element and positive peer pressure.

Eyes (not) on the prize

How else do you get employees to join in? Most would say prizes. Not necessarily!

In our review, a little more than half of the challenges offered a prize for winning.

Sometimes that's a gift card, an extra day off,

or something as simple as selecting the weekly lunch spot.

What's interesting is that participation was nearly identical whether employers offered a prize or not. Paired with our other findings, this tells us that prizes don't make a good challenge—social connections do.

Prizes neither help nor hurt challenges, so instead, **we recommend admins spend their energy on ways to foster an environment that promotes social connections around health and wellness.** Pro tip: that could include offering a prize that benefits the whole team, such as a team lunch, instead of a prize for one top performer.

Keeping it Simple

Finally, we were very interested to see that **when our clients keep things simple, their results are better.** Administrative involvement matters, especially in ways that improve the experience for employees.

The most popular and well-performing

challenges are ones that involve automatic activity tracking instead of manual reporting.

This tells us that employees respond positively when you make things easy for them. No one wants to jump through hoops, whether it's for fun, health, or work.

Additionally, we saw that admins overwhelmingly ran challenges straight from our template library, and almost all of them also chose to use our pre-set communications tools.

Those choices don't directly relate to improved engagement on their own, but they do help to remove burdens and free up time to otherwise connect with and encourage employees.

Instead of dealing with the clerical aspects of running a challenge, admins should work on making connections around wellness: organizing walking meetings, sharing kudos for challenge participants in internal chat, and so on.

Keeping challenges simple allows you to reach more people and spend your time wisely as you work to get everyone involved.

98%

average participation rate for
challenges with teams
created by admins



June & July
are the busiest months
for challenges

Top units of measurement:

1. Points
2. Steps
3. Miles



55% of challenges
offer a prize



30 Days
median challenge length

Teams vs. Individuals



- 85% individuals
- 7% admin-created teams
- 6% employee-created teams
- 3% randomly created teams



Why challenges fail

Understanding what's working allows us to also look at what's not working.

As we've seen, user-created team challenges aren't giving the best results. But what else leads to low participation? Let's break it down into a few categories:

Too difficult: Your challenges will see poor engagement if you make them too difficult to enjoy! If your challenge requires people to manually track or report their activities—for example, having to type in how many steps they take each day—you'll see lower

engagement than if you have an automatic tracking system in place.

Bottom line: make your challenges easy to join and to participate.

Poor timing: The average challenge in our system is just over one month long. But what happens if you run challenges for longer, say several months at a time?

Engagement will dip the longer you go on. We call this “challenge fatigue,” where it becomes no longer enjoyable to participate because there's no end in sight.

Instead, opt for shorter challenges run more

frequently so your employees get a boost from having completed the event.

No variety: Challenge fatigue can also happen if you lack variety! Say you ran one step challenge and it went well. So you decide to run the same challenge every single month—while “if it’s not broken, don’t fix it” is sometimes good advice, we don’t recommend you do this.

After a while your team will get bored and stop joining in. Instead, plan out a variety of challenges for the entire year, and don’t forget to adjust your strategy over time based on how your employees respond.

Not understanding your social dynamics: Social connections are the backbone of corporate wellness challenges. But nobody wants to be left out or picked last, and certainly not at work!

As we’ve mentioned, user-generated teams result in poor engagement for this reason. Instead, admins should avoid any awkward situations by handling team creation, allowing

employees to simply focus on participating and having fun.

Poor game dynamics: Gamification—turning ordinary activities into a game—is a useful strategy for getting people to participate in something that they might otherwise skip.

Wellness challenges don’t work well if you don’t tailor the “game” to your team’s various fitness levels, interests, and motivations. It’s not fun if it’s too hard or too easy!

Useful definitions: Game mechanics are the actions required to participate in the game, such as walking or running to compete in a steps-based challenge. Game dynamics are the social patterns that emerge within that context, for example, feelings of cooperation, achievement, or having to work to overcome difficulty.

These scenarios are all examples of poor game dynamics that will result in poor challenge participation. See if you can understand why!

- A team-based steps challenge, but one team has several people who are training for a

marathon and the other team mostly casual walkers and people who work at desks all day.

- A challenge that pits departments against each other, but your engineering department has 50 employees and your communications department only has 10.
- A month-long company challenge to collectively take enough steps to walk across the state, but you've invited so many people to participate that you easily hit the target within a day or two.

OUR APPROACH:

We recognized that challenges could be unbalanced if you have employees of many different fitness levels competing in the same challenge.

To fix this, we built our own tool to sort participants. **SmartEngage** groups people together based on their activity history with IncentFit, so you can have your

marathon runners competing separately from your casual walkers. It automatically creates separate challenges for each grouping, so people are competing with others at their own fitness level.

Admins can opt to turn this on at any time—especially helpful if you're running team-based challenges or have lots of employees to think about.

10 Steps to Run Your Best Wellness Challenge Yet

The key to engaging challenges is about using social connections to get people involved and making it easy for them to participate.

These are our tips for improving your results and maximizing engagement.

1. Survey your employees

Ask for feedback to see what types of activities they like, or would want to do in a challenge. Understand how your team likes to be contacted, how they communicate with each other, and whether they'd be interested in this benefit. If you've already decided on the challenges you want to run, also try a poll to get employee input on prizes!

2. Decide on your motivation

What's the point of this challenge? Are you trying to get people to make friends? Is it about team building? Competition between departments? Raising money for a cause? A seasonal activity to

help people stay active around the holidays?

Consider what will motivate your employees to participate beyond just having fun.

3. Figure out the game dynamics

Taking account the people you'll invite to your challenge, what will their experience be like?

How can you make sure that the challenge is balanced and fun for everyone?

Remember, if you're putting groups of marathon runners together with groups of casual walkers, your challenge will not be as effective as if you run two challenges for different fitness levels.

4. Plan your communication

How will you invite people to the challenge? How will you announce progress, prizes, winners, etc?

Consider ways to create connection and excitement among your team, such as providing weekly updates or shout-outs in your internal newsletter or chat channel. Emphasize that your



6. Offer prizes that connect

If you offer prizes, make sure that they are social in nature, like a team lunch, outing, or a reward for the entire team to enjoy together. Remember that social connections are key here, so everything you do should support that goal.

company cares about employees enjoying this benefit and that you're excited for everyone to join in and have a good time.

5. Get everyone invested

Successful engagement starts with your company culture. Consider inviting executives and administrators to participate or promote the challenge so employees see that health and wellness is supported from the top down.

Experiment with social activities that support the challenge, such as walking together during lunchtime or mentioning top performers in your morning announcements.

7. Keep it simple

Administrators consistently say that challenges which require self-reporting or self-tracking get lower engagement. So pick challenges with automatic activity tracking, preferably through third-party apps, interactive notifications, and data feeds.

8. Offer positive feedback regularly

People respond well when you create a mental link between healthy behavior and positive feedback. Learn more about this in our whitepaper, [*How to Influence Healthier Choices*](#).

9. Change it up.

If you've found something that's working, don't just continue to run the same challenges, same types of challenges, or the same activities over and over. Take the aspects that work and use them in different types of challenges. Keep experimenting to learn what works best for your team.

Pro tip: We've created **Challenge Tracks** to help administrators plan out everything for the full year. Our **Account Managers** also pair Challenges with Pulse Surveys, HealthCard, and Activity Rewards to provide a more cohesive, varied program.

10. Keep it strategic.

Finally, make sure your challenges fit with your overall wellness program. Whether you only run one big challenge a year or run them every single month, that's fine as long as you've planned for it! Your overall wellness strategy is up to you; we're here to help you put all the pieces together effectively.

Interested in learning more about wellness challenges?

Schedule a demonstration and we'll walk you through IncentFit's platform, challenge library, and challenge tracks.

Visit incentfit.com/getstarted to connect with a benefits expert.