



Press release

7 July 2017

GLOBAL STUDY RECOGNISES IMPACT OF VITALITY INSURANCE MODEL

- Insurer credited as pioneers of Shared-Value Insurance
- Organisation now has 6m members around the world
- Everyday 9,000 gym workouts are logged by members in the UK alone

A new report published by the Shared Value Initiative has recognised the Vitality business model as a leading example of Shared-Value in insurance.

The report, “Insuring Shared Value: How Insurers Gain Competitive Advantage by Better Addressing Society’s Needs”, makes the case for insurers to pursue shared value, a business strategy that aligns core profit making activities with pursuing large scale social impact, by activating an entire ecosystem of complementary stakeholders to create, for example, more resilient and insurable cities or prevent ill-health in target population groups.

It is clear that insurers have the unique opportunity to “monetise” better health, and align their commercial interests with making society healthier.

Commenting on Vitality’s development in the UK, Jack Wild, Director and protection adviser at Jack Wild Consulting, said: ““It is refreshing to see a completely new way for insurers to assess risk over time, which also enables customers to influence the future cost of their cover. When speaking with our clients, I am confident the benefits and discounts they receive really do help motivate them to improve their health. Shared value models in protection insurance allow the customer to benefit financially whilst they are healthy, not just when they become ill, which is a great model for the future of insurance.”

Discovery Chief Executive, Adrian Gore, commented on the report: “It is critical that institutions like ours add value to society and are not just about a transactional relationship. The profound thing about Vitality is that there are no trade-offs. Members experience better health, insurers have fewer claims and hence greater profitability and society benefits from healthier more productive citizens.”



The research also identifies a number of powerful global trends that are affecting society and the environment and, therefore, the context in which businesses operate.

The Vitality model is increasingly relevant because it is responsive to current trends and addresses changing realities, including the demand for corporate citizenship, increasing burden of lifestyle diseases, ageing populations and emergence of technology. Increasingly, four types of behaviour (poor diet, physical inactivity, tobacco use, and excess alcohol intake) are causing preventable diseases which lead to 60% of deaths worldwide.

The Vitality business model, grounded in behavioural economics, incentivises people to make healthier choices and dynamically rewards them for reducing their risk, in the form of premium reductions and other benefits. There is clinical evidence that Vitality members are healthier, live longer and claim less. For example, in South Africa where Vitality was created 20 years ago, highly engaged Vitality members have a 76% lower mortality rate and on average live 13 to 21 years longer than the rest of the insured population.

Neville Koopowitz, CEO of Vitality in the UK, said: “Shared value is at the heart of what we do; not just in the way we do business but as an embodiment of our core purpose of making people healthier and enhancing and protecting their lives. This purpose speaks directly to one of the biggest global trends at play today – the fact that people’s health is determined predominantly by their own lifestyle choices. We apply an innovative approach to health and life insurance that creates a virtuous circle that’s good for the member, good for our business and good for society.”

By incentivising behaviour to achieve better health outcomes, Vitality enables a lowering of risk, thereby generating value for insurers and society.

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Notes to editors



The information contained in this press release is intended solely for journalists and should not be used by consumers to make financial decisions.

About Vitality – changing health and life insurance for good

Vitality is the insurance business that helps people understand how they can improve their own personal health. Vitality makes it cheaper and easier for its members to get healthy and gives them rewards to keep them motivated, through a range of discounts and incentives.

Vitality believes in the power of sport to help inspire people to live a healthy life, which is why it partners with leading sports figures, teams and events to help share the Vitality message.

Vitality Ambassadors Jessica Ennis-Hill, Maro Itoje, Joe Root, Ellie Simmonds and Jonny Wilkinson are role models who embody the values of Vitality. They are all using their passion for living a healthy lifestyle to motivate others to make positive changes. Taking small steps today can dramatically improve wellbeing over the long-term, regardless of your current state of health.

Vitality is Official Wellness Partner of Arsenal FC, AFC Bournemouth, Liverpool FC, Manchester City FC, England Rugby, Scottish Rugby, Welsh Rugby, ECB and England Netball. The business is also title sponsor of VitalityMove, the Vitality Westminster Mile, Vitality London 10,000, and the Telegraph Vitality Junior Golf Championship, as well as headline sponsor of parkrun UK with Vitality, and Official Partner of The Sunday Times Sportswomen of the Year Awards in association with Vitality.

VitalityHealth is one of the UK's leading private medical insurers and has pioneered the 'shared-value' insurance model. This is a unique approach which delivers value for Vitality members through rewards and ultimately better health. Society as a whole also benefits, as do the company's profits, which comes about as a result of people being healthier and claiming less often.

VitalityLife is one of the fastest growing life insurers in the UK. It is unique to the current UK protection market and its suite of products includes Life Cover, Income Protection Cover, Serious Illness Cover, Business Protection and other additional products. By recognising people's efforts to look after themselves, VitalityLife is able to offer a more comprehensive set of benefits than traditional providers at a very competitive price.

For more information visit www.vitality.co.uk