Should points have a point?
Two field experiments on a rewards program

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Introduction

Why Points?

Rewards programs can be found at grocery stores, department stores, gas stations or the local bakery. We know from prior research that material rewards can crowd out intrinsic motivation (Frey, 1994).

But what happens when you reward with points? They are not material in nature, but become material when exchanged for goods. We know that gamifying unpleasant activities, such as exercising or dieting, and giving points can motivate people to do more of such activities (Kumar et al., 2004; Patel et al., 2017). As such, we investigated the effects of a rewards program that combines gamification (points) and material rewards on motivation and exercise behavior.

Field Site

• Collaboration with a Dutch health start-up
• Recipe app & steps app
• Tested the framing of their rewards program.

Rewards Program

App users earn points for healthy behaviors, such as meeting their daily step target or cooking healthy meals. These points can be redeemed in the webshop for discounts on a variety of products, e.g. cooking equipment or wearables.

Study 1 – Recipe App

Design:

• Info-block encourages people to open the app every day
• Randomly assigned all recipe-app users to one of 3 info-block conditions
• 3 week intervention
• Start: September 21, 2017
• > 39,000 users

Questions:
Do users prefer points or discounts?
Should users know that points give them discounts?
Do points motivate people to use the app?

Outcome measures:
1. Clicking the button on the info-block
2. Opening the app in the intervention period + beyond

Results:
• Points vs. discount (chi-squared test, p < 0.001)
• Discounts vs. habits (chi-squared test, p < 0.001)
• No evidence that intervention increases retention (opening the app)

Study 2 – Steps App

Design:

• Emails that encourage users to walk more steps
• Random assignment of new app users into 4 email conditions
• 3 cohorts of recipients: January/February 2018
• N = 1108 opened the email (out of 1809)

Questions:
Do users motivate people to the app?
Outcome measures:
1. Clicking the button on the info-block
2. Opening the app in the intervention period + beyond

Results:
• Interaction effect between points conditions and webshop conditions (p < 0.1): Points significantly increase steps in the extrinsic condition, but not in the intrinsic condition.
• This effect is independent of the number of days after the intervention.

Additional results:
• As time passes, people walk less per day (p<0.001)
• People walk about 372 steps ± 37.2 (SE) less on weekends (p<0.001)
• Temperature (℃) and hours of sunshine affect steps (p < 0.001; p < 0.1), increasing them by about 74 steps ± 4.7 (SE) and 10 steps ± 5.1 (SE) per degree/hour respectively.
• One hour increase in precipitation decreases steps (p < 0.001) by about 112 ± 8.3 per day.

Conclusion

1. People like to collect points more if you don’t mention the discounts they give.
2. When there is points, the webshop is a good thing to do, but while there is no points, no need to mention the webshop. The webshop doesn’t add value.

Interpretation:
• Contradictory results
• Due do clicks vs. long-term outcome measure?

References