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## Leveraging Behavioral Economics to Guide Healthy Decision-Making

People living with long-term health conditions make many decisions about their health, often on a daily basis, including whether to adhere to prescribed treatments. What insights from the world of psychology can help us create effective programs that guide healthy decision-making around adherence?

One important insight is a fundamental tenet from the discipline of behavioral economics: *Decision-making behavior isn't necessarily rational.*

**Behavioral economics** applies psychology insights to understand how people make real-life decisions. Although the term may imply a connection to finance, it's not exclusively about how we spend our money. While that is one decision, behavioral economics can be applied to nearly any decision in our lives. This includes patient decisions relating to health behaviors, such as the choice to take treatment as prescribed.

A key assumption within behavioral economics is that individuals are inherently irrational, with a tendency towards making common errors when it comes to decision-making.

### What does this mean for patient health behavior?

Once we understand this concept, we can create strategies for messages, or message environments, that reduce the likelihood of these errors occurring. Here are two examples of how errors in decision-making can be mitigated in a patient support program:

- ▶ **Temporal discounting** - this phenomenon refers to a person's tendency to place more value on immediate gains versus longer-term benefits, sometimes described in the context of impulsivity or the desire for instant gratification.
  - Rather than focusing solely on longer-term benefits of medication, pharma can consider supporting patients to set shorter-term goals and to associate regular medication taking with small steps towards meeting these goals.
- ▶ **Choice overload** - this term describes the phenomenon whereby individuals become overwhelmed by too many choices and may lead to decision deferral or avoidance.
  - Support programs can limit choices in patient communication tools to 3 or 4 options, or offer a default option.

### Involve Experts

As with many new trends, the use of behavioral economics is occasionally criticized as coercive or manipulative. Clearly, it's important to have trained psychology experts lead the application of these insights for patient support materials. It's also important to apply these principles with sensitivity and within a framework of patient-centricity, respecting autonomous choice and offering some level of transparency so patients have an awareness of the strategies being employed.

Learn more about our use of behavioral economics in patient support programs at [www.atlantishealthcare.com](http://www.atlantishealthcare.com). [@AtlantisHlthUS](https://twitter.com/AtlantisHlthUS)

and sales are an outcome of relationship building, and engagement is the critical factor in relationship building."

Mr. Hamburg says how well brands speak to customers and achieve relevance in their lives will be the new metric.

"The answer to that question is our most important new metric, and that metric is getting more measurable every day, from the data we are able to collect on the length and degree of customer interactions with our content," he says. "It's not just hits or visits; it's the duration of time interacting with the brand, and the impact our content has on the customer."

Marketers should be seeking to maximize both the frequency and length of brand interactions, because those interactions are the reflection of a relationship, and that relationship is the underlying structure that allows a sale — allows many sales, over and over again — to happen.

Ms. Lotterman agrees that traditional measures still work for the short term, but in the future, metrics will go way beyond quantitative measures.

Companies such as Meltwater and RadiumOne are designed to uncover more robust qualitative insights, illuminating social — and dark social — sharing behavior, as well as identifying user experience nuances that aren't normally captured through traditional reporting suites, she says.

"Those brands that are serious about leveraging patient engagement will invest in ongoing qualitative assessment of the brand's equity, behavior, and activities," Ms. Lotterman says. "Some will even develop smart communities to offer continuous learning."

The sentiment on social media will become more important as the canary in the coal mine, signaling where and when brands are finding a foothold in patient lives. Down the road, the sentiment will eventually influence a rise in sales. But it will take each individual brand time and testing to understand just where that horizon lies.

Jay Carter, senior VP, director of business development, AbelsonTaylor, believes that whether we are talking about traditional marketing tactics or new technology-based outreach mechanisms that the focus was always upon building relationships.

"The technology may not have been digital, but broadcast TV promotion with a call to action to join a CRM program in 1999 was still all about developing a relationship with a potential customer," he says. "To do that, you had to provide value, which was usually information and potentially a co-pay card.

"Today, we can accelerate the same relationship and speed the patient's move to a useful therapy using technology, but the transactions are the same," he continues. "We create awareness, aid in brand evaluation, reduce the barriers to trial, and encourage adherence and brand utilization."

Mr. Carter says the key variable today is the cost to reach the customer — typically broadcast remains the lowest cost option for broad awareness and engagement in disease states where the patient is 55 or older, while digital is becoming more and more cost-effective for pure awareness for diseases that affect younger groups.

"The strategic process for shaping initiatives isn't terribly complicated," he adds. "It's all about understanding the key inflection points in a patient's journey to successful treatment. We evaluate those events, we track them, we figure out the decision points where our best chance of successfully intervening is, and then we cost out those points and decide which to invest in. I followed the same process in middle school: I decided which young lady I wanted to take to the dance, I found out things that were important to her, I found out how she made decisions, and found the perfect time to ask her." PV