MERCER MARSH BENEFITS™

OLIVER WYMAN

health on
demand

Singapore report

July 2020

benefits that truly benefit

MERCER

Table of contents

1

Executive summary

Technology has disrupted and transformed all aspects of modern life: how we learn, shop, travel — even how we date and stay connected with family. We've come to expect easy transactions at our fingertips, on demand, whenever and wherever. So, what about health care, an area of our lives that is so profoundly important to our existence and and which dictates whether we merely survive or genuinely thrive? A health care system shaped by the digital age holds great promise in solving some of our most important health care challenges: access, quality and affordability.

Yet despite a proliferation of healthier-me apps, step-counting monitors and appointment-making portals, tech-enabled health care is far less accessible than in other sectors. What will it take to make people feel more comfortable about using telemedicine and virtual mental health counseling, or smart apps and sensors to track medications? Or using Artifical Intelligence (AI) to diagnose medical conditions or augmented reality to assist with pain and stress management? What role do employers play in providing digital health solutions? What do employees want, need and expect? And how can digital health offerings help employers to attract talent and achieve better health outcomes for their people?

To explore these questions, Mercer Marsh Benefits (MMB), Mercer and Oliver Wyman have conducted a pioneering study that examines digital health innovation — and the future of health care — in the context of employee attitudes and work cultures. For enterprises, understanding what attracts employees to "health on demand" — and what worries them about it — can mean the difference between leaping ahead or lagging behind in building the energized workforce that will drive growth. Our research explores ways that new technologies and people-first workforce strategies can help employers achieve real-time, meaningful results. By hearing firsthand from both employees and senior decision-makers, we've identified the most relevant and promising new strategies for boosting employee engagement and enhancing the overall health and well-being of the workforce.

The health care industry is changing rapidly. Corporate investment in employee health and well-being is set to grow over the next five years, and digital health solutions will play a critical role. Two-thirds of the senior decision-makers we surveyed, globally, say they are likely to invest more in digital health over the next five years. As health care costs rise, employers are looking to help their people achieve better health outcomes for less. Digital health solutions will be critical in delivering more efficient, affordable and effective health-related services. Employers have an essential role to play in health care transformation by advocating for systemic change to help make quality health care more affordable and accessible.

This survey was conducted in 2019 before the COVID-19 pandemic emerged. We believe that this survey and its implications will continue to be valid during and after the crisis as well, if not become even more relevant.

Our *Health on Demand* study surveyed more than 16,500 employees and 1,300 senior decision-makers in seven mature and six growth markets across North America, Europe, Latin America and Asia. We spoke with full-time and part-time employees, freelancers and gig employees, as well as senior decision-makers, half of whom work in companies with more than 500 employees globally.

Key among the findings and detailed in this report:

- There's a strong business case for digital health
- Employees value patient-centered solutions
- Barriers to adoption are low; trust in employers is high
- Engaging different employee segments requires customization
- A pro-health culture is in high demand
- There are clear nuances across countries

In the course of the study, we found generational, gender, socio-economic and cross-cultural differences; we also gained a better understanding of the impact these differences have on people's willingness to engage with digital health solutions. A cluster analysis identified four distinct employee segments: Sign Me Up, Impress Me, Get Me Comfortable and Not for Me. Recognizing these different segments in their

workforces will help companies develop and implement more cost-effective, relevant and personalized solutions to engage employees.

There are important implications in the study results for employers aiming to create a workforce health strategy that will improve productivity, save money, and attract and retain talent:

- Digital health and well-being solutions will play a larger part in keeping, engaging and energizing employees over the next few years.
- Employees see digital health solutions as having a clear role in personalized health care.
- Employees are surprisingly willing to share their health data to receive higher quality, more personalized and convenient care.
- Unique employee segments have different attitudes toward health innovation and require tailored targeting.
- Employees value a pro-health work culture — which has important implications for digital health solutions.
- Employers will benefit from addressing local health care needs.

The findings suggest we should be optimistic about the future. Digital health technologies, like artificial intelligence and telemedicine, are providing employers with an unprecedented ability to achieve a competitive advantage. Investing in personalized, technology-based health care solutions and fostering a culture of well-being will help set employers apart and enable them to build a more engaged, productive and loyal workforce.

Neil Narale
Mercer Marsh Benefits,
Leader, Singapore

Hervé Balzano
President, Health & Benefits, Mercer &
Global Leader, Mercer Marsh Benefits

Kitty Lee
Partner, Head of Health and Life Sciences,
Asia Pacific, Oliver Wyman

Six key findings

1. Strong business case for digital health

2. Employees value patient-centered solutions

3. Low barriers to adoption, high trust in employers

4. Four different employee segments to engage

5. High demand for a pro-health culture

6. Nuances across countries

Six considerations

1. Digital health and well-being solutions will be of increasing importance in retaining, engaging and energizing employees.

2. For employees, digital health solutions have a clear role in facilitating personalized health care.

3. Employees are surprisingly willing to share health data to receive higher quality, more personalized and convenient care.

4. Unique employee segments have different attitudes toward health innovation and require tailored targeting.

5. Employees value a pro-health work culture — which has important implications for digital health solutions.

6. Employers will benefit from addressing local health care needs.

2

About the study

Health on Demand is one of the most comprehensive studies undertaken to understand the values, needs, desires and concerns of employees — and employers — when it comes to the future of health in general, and the role of digital health in particular. Learnings from the study will help companies make critical health care investment decisions over the next five years.

Also distinguishing the study are the size, geographic scope and input from both employees and employers.

- Size: 16,564 employees and 1,300 senior decision-makers.
- Geographic scope: Seven mature (US, UK, Canada, Italy, France, Netherlands and Singapore) and six growth markets (Brazil, China, Colombia, India, Indonesia and Mexico).
- Employee and employer views: The study compares and contrasts employee views with those of C-Suite and senior-level executives, across nine sectors in all 13 countries, to glean insights as well as identify gaps between both groups.

Recognizing the growing importance of gig employees in many employers' human resource strategies, the employee survey in Singapore included contract or freelance employees, as well as part-time employees. Of the 1,039 employees surveyed:

- 77% are full-time employees
- 14% are part-time employees
- 3% are contract or freelance employees
- 6% are self-employed
- 0% are seasonal employees
- Accordingly, throughout this report, we refer to "employees" instead of "workers".

3

Six key findings

Employers have the potential to use personalized and relevant technology-based health solutions alongside a culture of well-being to create a more vital, engaged and loyal workforce. The *Health on Demand* study presents data that can be used to underpin digital health investments.

1. Strong business case for digital health

2. Employees value patient-centered solutions

3. Low barriers to adoption, high trust in employers

4. Four different employee segments to engage

5. High demand for a pro-health culture

6. Nuances across countries
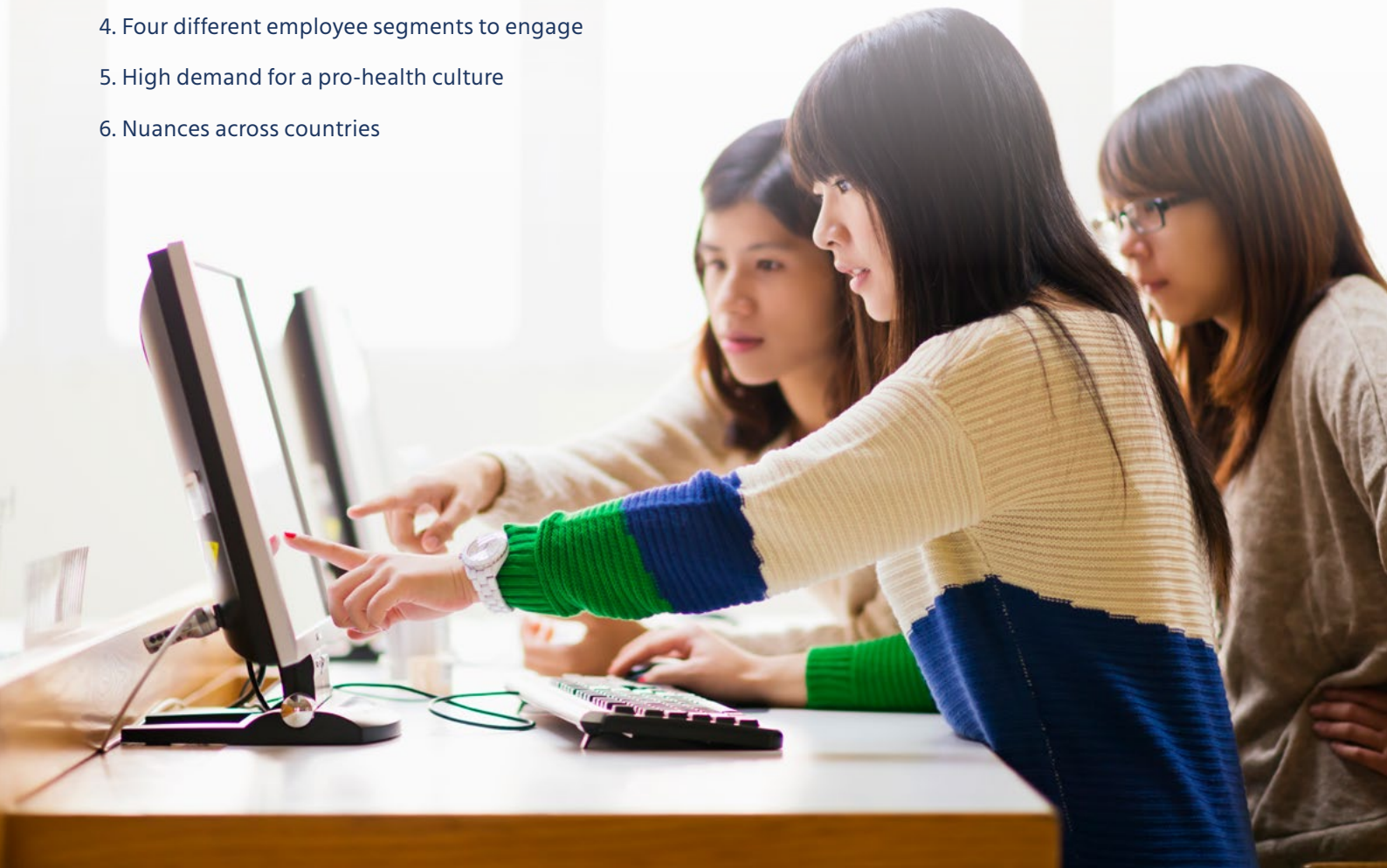
Key finding #1
Strong business case for digital health

Health and well-being programs are of considerable importance to employers anxious to maintain and attract talent in a competitive labor market. In fact, survey results indicate that corporate investment in workforce health will grow over the next five years.

Four in 10 senior decision-makers in Singapore say health and well-being investment will be a greater priority for their organization in the future compared to where it is today and 9% expect it to be a lower priority.

Four in 10 senior decision-makers in Singapore say health and well-being investment will be a greater priority for their organization in the future.

91% of senior decision-makers believe investment in health and well-being will be the same or a priority in future

60%

50%

40%

30%

20%

10%

0%

39%

52%

9%

A higher priority

The same priority as now
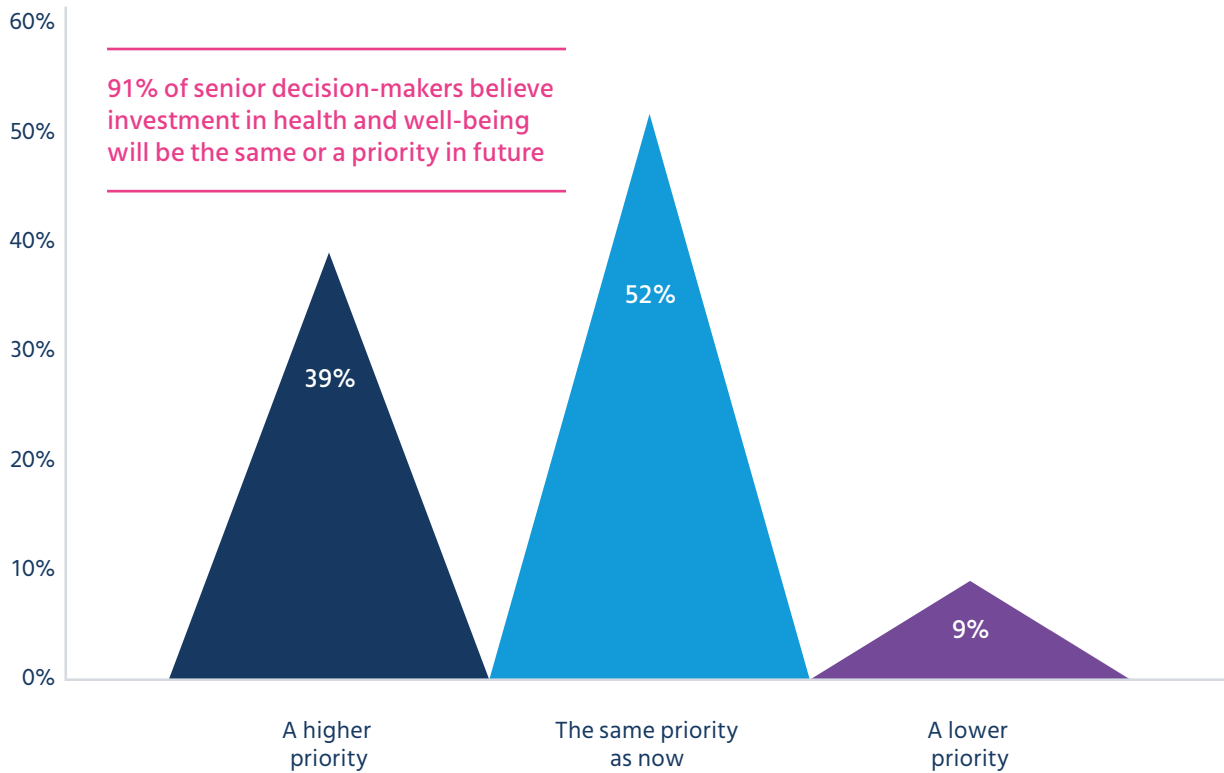
A lower priority

Health On Demand — Senior decision-makers: From what you know, is your company's investment in employee health and well-being becoming a higher priority, a lesser priority or a similar priority in future, compared to where it is today? Singapore; Weighted to 100 per country; total n=100.

Employers in Singapore say the most important objectives for their company's health benefit plan and/or well-being programs are, in order of importance: improving productivity by reducing employee absence and raising job performance; improving workplace safety; improving employee morale and engagement; and attracting and retaining employees. By comparison, survey respondents rank cost containment lower down among the drivers for investing in health and well-being programs.

Senior decision-makers cite improved productivity, workplace safety, and employee morale and engagement as the top three drivers of health and well-being initiatives.

Ranked in top three

Improve productivity by reducing employee absence and raising job performance	49%
Improve workplace safety	45%
Improve employee morale and engagement	43%
Attract and retain employees	41%
Promote the organizational mission and values	26%
Comply with legislation and reduce litigation	24%
Contain program cost over medium to long-term (next 3–5 years)	23%
Contain program cost over short-term (next 1–2 years)	22%
Promote corporate image and brand	19%
Demonstrate social/community responsibility	8%

Health On Demand — Senior decision-makers: Please rank in order of importance the most to least important objectives for your company's health benefit plan and/or well-being program. Singapore; Weighted to 100 per country; base n=100; 92% filtered out.

"While the strong connection between workplace safety and health and well-being programs is surprising, safety is a cornerstone of duty of care and there is increasing awareness that the workplace must encompass not only physical but psychological health and safety as well."

Flavio Piccolomini,
President, Marsh International

Employers believe that digital health solutions will help advance their objectives for health and well-being programs. When asked specifically about digital health solutions, nearly eight in 10 senior decision-makers surveyed in Singapore say they believe they will have significant or some impact on staff energy levels, and more than half believe they will help them retain staff.

Over half of senior decision-makers believe promoting or sponsoring digital health solutions will aid staff retention.

11%	42%	35%	9%	2%
Much less likely to lose staff	Somewhat less likely to lose staff	Makes no difference	Somewhat more likely to lose staff	Much more likely to lose staff
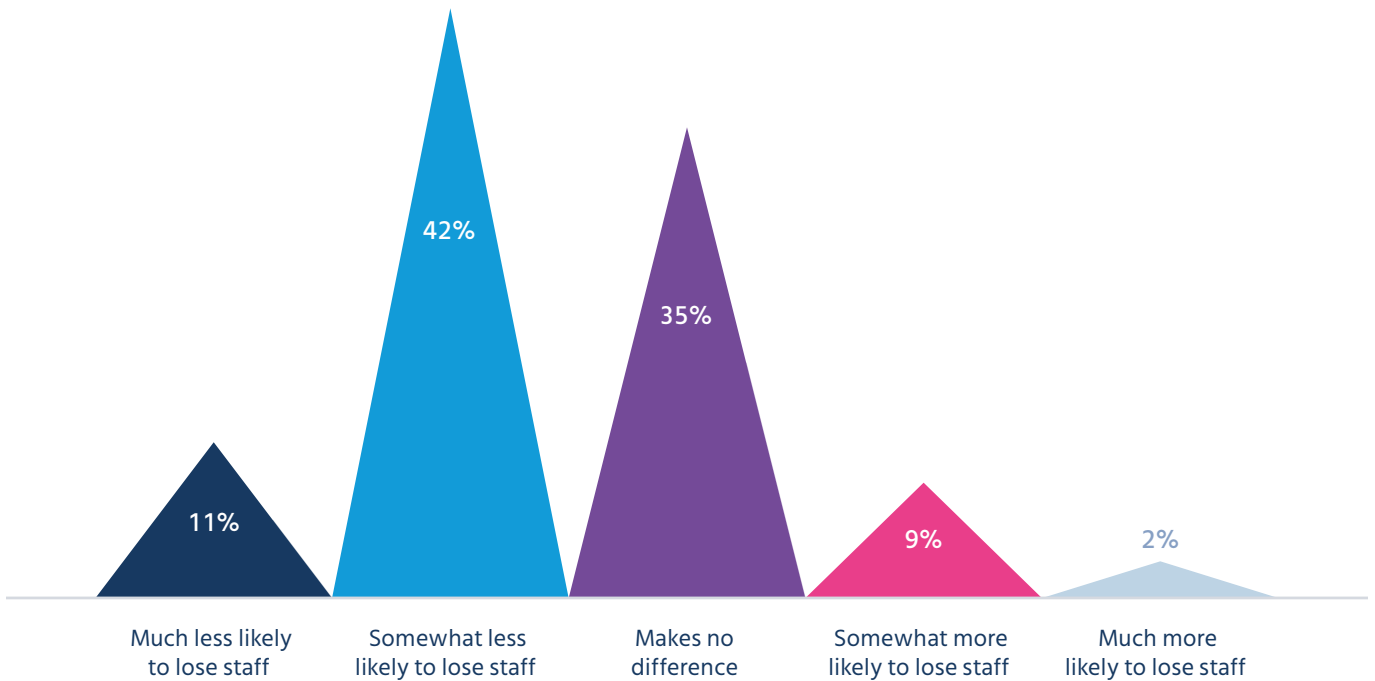
Health on Demand — Senior decision-makers: If your company promoted or sponsored digital health and well-being solutions in your workplace, what impact, if any, do you think that would have on staff retention?

> **The world's most progressive companies are finding creative ways to differentiate their rewards offerings through innovative, digitally enabled health products that recognize the diverse needs of their workforce and their families — from help for people re-entering the workforce, to family-planning assistance for LGBTQ couples, to help finding caregiving providers for the sandwich generation.**

Pat Milligan,
Senior Partner, Multinational Client Group & When Women Thrive, Mercer

Results also show that digital solutions which improve access and can deliver needed health services more efficiently and affordably are attractive to employees. One in three employees in Singapore say they would be less likely to move elsewhere for work if their employer offered digital health solutions. These numbers are significant. Health benefits, in general, compare favorably with other benefits — and even compensation — in their ability to influence employment decisions. The survey findings suggest that digital health solutions have the potential to further enhance the valuable "stickiness" delivered by the health benefit package.

[1] See https://hbr.org/2017/02/the-most-desirable-employee-benefits and https://www.shrm.org/hr-today/trends-and-forecasting/research-and-surveys/Documents/2018%20Employee%20Benefits%20Report.pdf. Also, https://www.ebri.org/docs/default-source/ebri-issue-brief/ebri_ib_470_wbs2-10jan19.pdf?sfvrsn=c5db3e2f_10

One in three employees in Singapore say they are much less likely to move elsewhere if their employer offers digital health solutions.

33% of workers likely to stay with employer offering digital health solutions

8%
Much less likely to move elsewhere

25%
Less likely to move elsewhere

48%
Makes no difference

13%
More likely to move elsewhere

3%
Much more likely to move elsewhere

4%
Doesn't apply to me
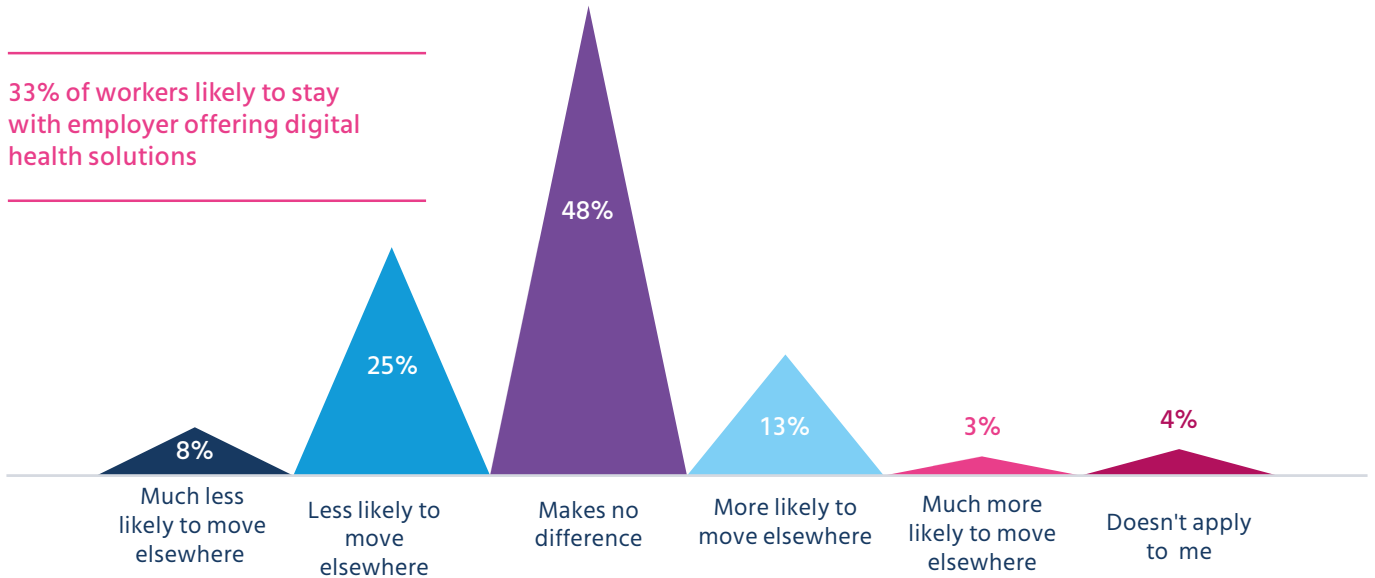
Health on Demand — Employees: If your senior decision-maker promoted or sponsored digital health solutions in your workplace, how would that affect how you feel about moving elsewhere to another senior decision-maker? Singapore; Country weighting — employee labor force by gender, age; base n=1,039.

Over half of senior decision-makers in Singapore are likely to invest more in digital health in the next five years.

56% of senior decision-makers are likely to invest more in digital health in the next five years

17%
Very likely

39%
Somewhat likely

27%
Neither likely nor unlikely

6%
Somewhat unlikely

9%
Very unlikely
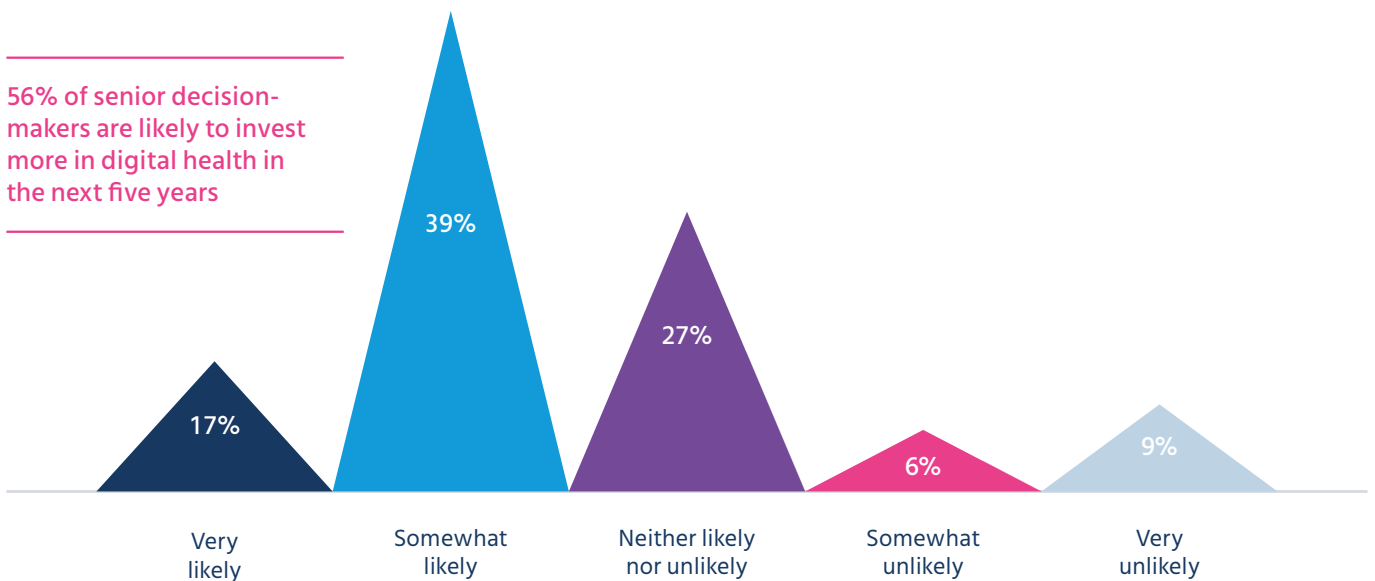
Health on Demand — Senior decision-makers; How likely is your company to invest more than it does today in digital health for Employees in the next 5 years? Singapore; Weighted to 100 per country.

Key finding #2
Employees value patient-centered solutions

While employers see a business case for digital health investment, it will be important to understand employees' motivations as they plan and implement initiatives. *Health on Demand* shows that employees are looking for improved access to high-quality health care that is personal, convenient, affordable and secure.

The study invited employees to imagine a not-too-distant "future of health," in which digital technology plays a critical role. (See sidebar.)

We asked employees to rate each word in our forward-looking concept of health as green (positive) or red (negative), using a digital highlighter. Despite the potential risks, employees were able to identify more positive benefits than drawbacks from *Health on Demand's* future vision of health. Employees were also asked a series of questions about their response to the forward-looking vision of health care.

Nearly two-thirds of employees in Singapore find the vision credible, and just over half find it appealing. Nearly a third of employees find it disturbing. The more negative associations were with the use of AI in health care, and data protection and privacy; there are, however, encouraging signs that these worries can be mitigated, as this report will address.

Future concept of health examined:

"Imagine a more digital approach to maintaining your health that places you at the center. You use wearables and smartphones to track your activity, diet, medications and appointments. Your device connects you to human clinicians and artificial intelligence systems (e.g., chat agents and voice-activated devices, like Siri and Amazon Alexa) for prevention, diagnoses and treatment. Your care is based on your personal genetics, lifestyle and preferences. This makes managing your health more affordable, convenient, effective and customized, improving your quality of life. However, as health data becomes more integrated and portable on devices, new opportunities and risks emerge that require robust data protection and privacy."

A majority of employees in Singapore found this future vision of health with digital solutions to be credible and exciting. Just under a third of employees found it disturbing.

	Agree + Strongly agree	Neither agree nor disagree	Strongly disagree + disagree
This statement is believable	63%	30%	8%
This vision of digital health is exciting	58%	33%	9%
The statement appeals to me	53%	36%	11%
This vision of digital health is disturbing	32%	41%	26%
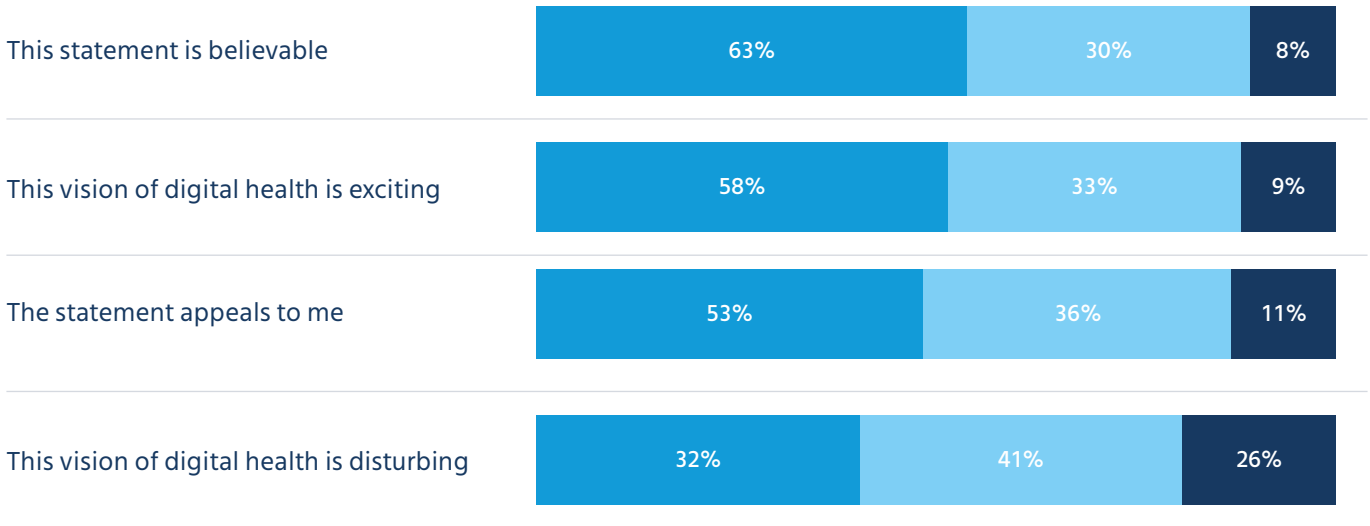
● Agree + Strongly agree   ● Neither agree nor disagree   ● Strongly disagree + disagree

Health on Demand — Employees; Please read the statement below around digital health then answer the questions. Singapore; Country Weighting — employee labor force by gender, age; base n=1,039.

Employees are cautiously optimistic that there is something to digital health, with a healthy majority finding the statement credible. Still, there are mixed reactions to how positive it really will be. The data tells us that employees are open to digital health, but how they react over the next several years depends heavily on the stories we tell (including the positives of using AI!) and the effectiveness of execution (game over if we lose your data).

Sam Glick,
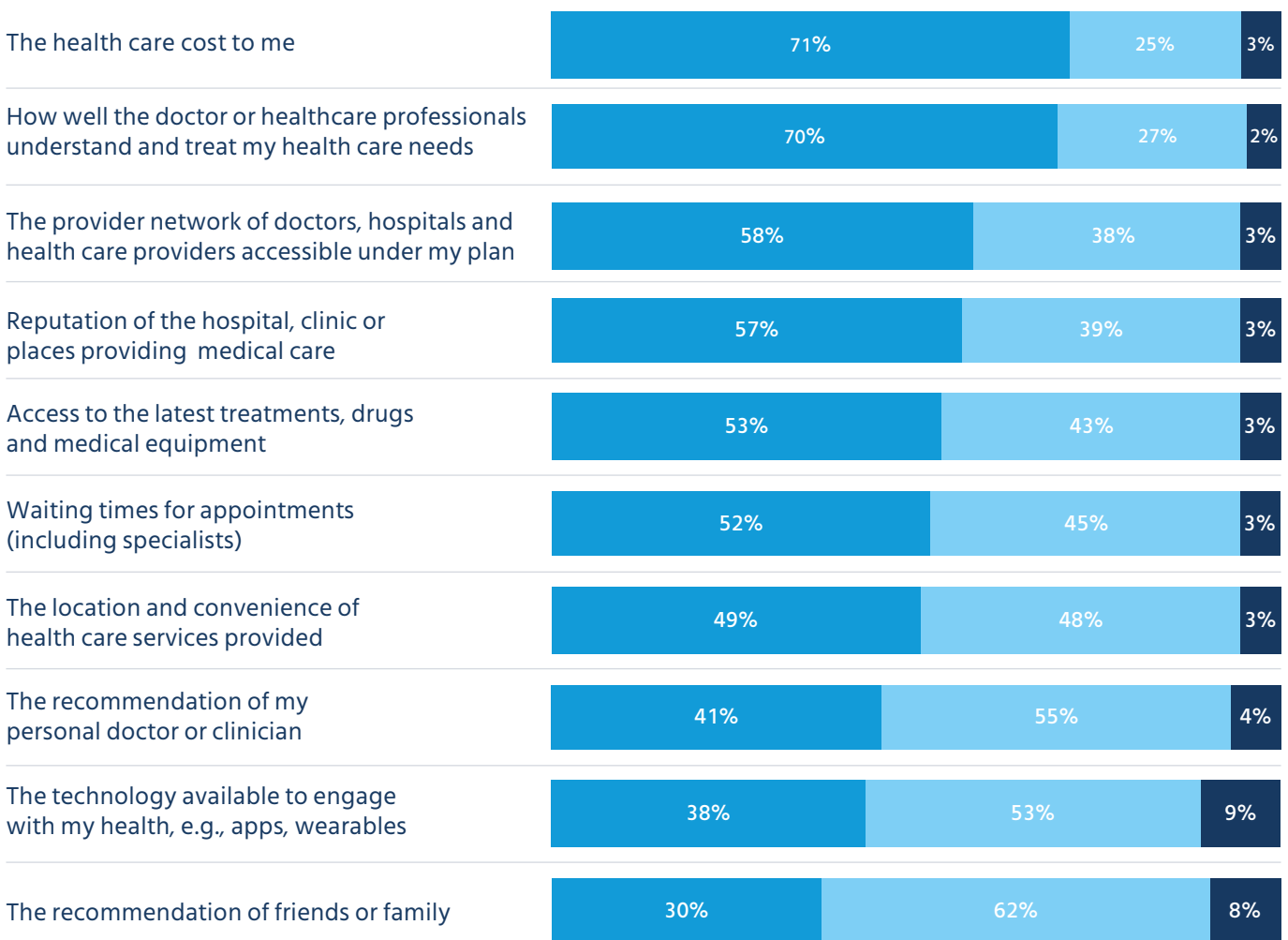Partner, Health & Life Sciences, Oliver Wyman

To better understand what employees might value in digital health solutions, it is important to understand what influences their decisions about where they seek care now. The study finds that the most important factors for employees in Singapore are the cost of health care; how well health care professionals are able to understand and treat their needs; and the provider network of doctors, hospitals and health care providers accessible under their plan. Together, these suggest that high- quality health care is a primary consideration.

When it comes to choosing health care, employees value: affordability, how well health care professionals understand and treat needs, and the network of doctors and health care providers accessible in their plan.

	Highly/extremely important	Slightly/somewhat/moderately important	Very little/no importance
The health care cost to me	71%	25%	3%
How well the doctor or healthcare professionals understand and treat my health care needs	70%	27%	2%
The provider network of doctors, hospitals and health care providers accessible under my plan	58%	38%	3%
Reputation of the hospital, clinic or places providing medical care	57%	39%	3%
Access to the latest treatments, drugs and medical equipment	53%	43%	3%
Waiting times for appointments (including specialists)	52%	45%	3%
The location and convenience of health care services provided	49%	48%	3%
The recommendation of my personal doctor or clinician	41%	55%	4%
The technology available to engage with my health, e.g., apps, wearables	38%	53%	9%
The recommendation of friends or family	30%	62%	8%

● Highly/extremely important   ● Slightly/somewhat/moderately important   ● Very little/no importance

Health on Demand — Employees; How important are the following in choosing where to get health care ? Singapore; Country Weighting — employee labor force by gender, age; base n=1,039.

To test employees' reaction to specific types of health innovations, we provided them with a list of 15 innovations[2] — some widely available now, some just emerging and a few that are still in the early stages. Employees were asked to rate how valuable the innovation might be to them and their families, and employers were asked which innovations their staff were most likely to find valuable.

The top four innovations, in terms of the number of employees rating them highly or extremely valuable, are: an app to help find the right doctor or medical care when and where needed; electronic and portable individual and family medical records; an app to find an expert doctor based on the individual's diagnosis anywhere in the world; and self-managing health conditions using wearable technology. The first and third innovations offer improved health care access, and all four offer greater convenience.

The health innovation with the biggest gap between what employees say they value and what employers believe their employees' value are an app to help employees find and interact with other people who share their health concerns. Just over a third of employers in Singapore believe their employees would value such an innovation compared to just under a quarter of employees.

When it comes to digital health, employees want help finding the right doctor or medical care, portable health records, and access to expert doctors worldwide. They also value self-management of their health through wearables.

Innovation	Employees	Senior decision-makers
An app that helps me find the right doctor or medical care when and where I need it	37%	42%
Personal individual and family medical records that are electronic and portable	34%	36%
An app to help find an expert doctor based on my diagnosis anywhere in the world	31%	37%
Self-managing health conditions using wearable technology	30%	35%
Self-managing well-being using wearable technology	29%	34%
Tools that predict chance of illness based on data automatically collected about me	28%	33%
New ways to help people follow medication plans, such as implants, "smart" pill bottles	28%	30%
Customized treatment and medicine using algorithms based on my genetic sequence	27%	30%
Tele-medicine (video-chat, text with doctor/nurse) for significant issues like diabetes	26%	30%
Companion robots or digital avatars that help elderly relatives stay healthy at home	26%	35%
Tele-medicine (video-chat, text with doctor/nurse) for simple issues like a rash or cold	25%	31%
Mental health counseling via video chat for issues like anxiety, stress, mild depression	25%	28%
Diagnosis of simple health issues using A chat and data I provide	24%	28%
An app to help me find, interact with other people who share my health concerns	23%	36%
Virtual/augmented reality solutions to provide self-care	21%	30%

● Employees ● Senior decision-makers

Health on Demand — Audience comparison: (W12-D10) How valuable to you and your family (your employees) are the following health innovations: 6 — Highly valuable + 7 — Extremely valuable by source of cases; Singapore; weighted by country base n=1,139.

Employees in Singapore also are less interested in virtual and augmented reality solutions to provide self-care. Among employers, 30% prioritize this feature, compared with 21% of employees who believe this option is valuable. In rolling out digital health tools, we believe it would be beneficial for employers to ensure that they are fulfilling the most important needs of their workforce.

Key finding #3
Low barriers to adoption; high trust in employers

Companies looking to include digital solutions as part of their health offerings are starting from an encouraging position, in which barriers to adoption are low and employees' trust in their employers is high. Although, employees in Singapore are slightly more wary than their Asian colleagues about trusting employers with data and privacy issues, as we will detail below.

The most common reasons given for not being willing to try digital solutions are concerns over a lack of human attention, a lack of trust in health care computerized algorithms, and concerns regarding data privacy or security offered by digital solutions.
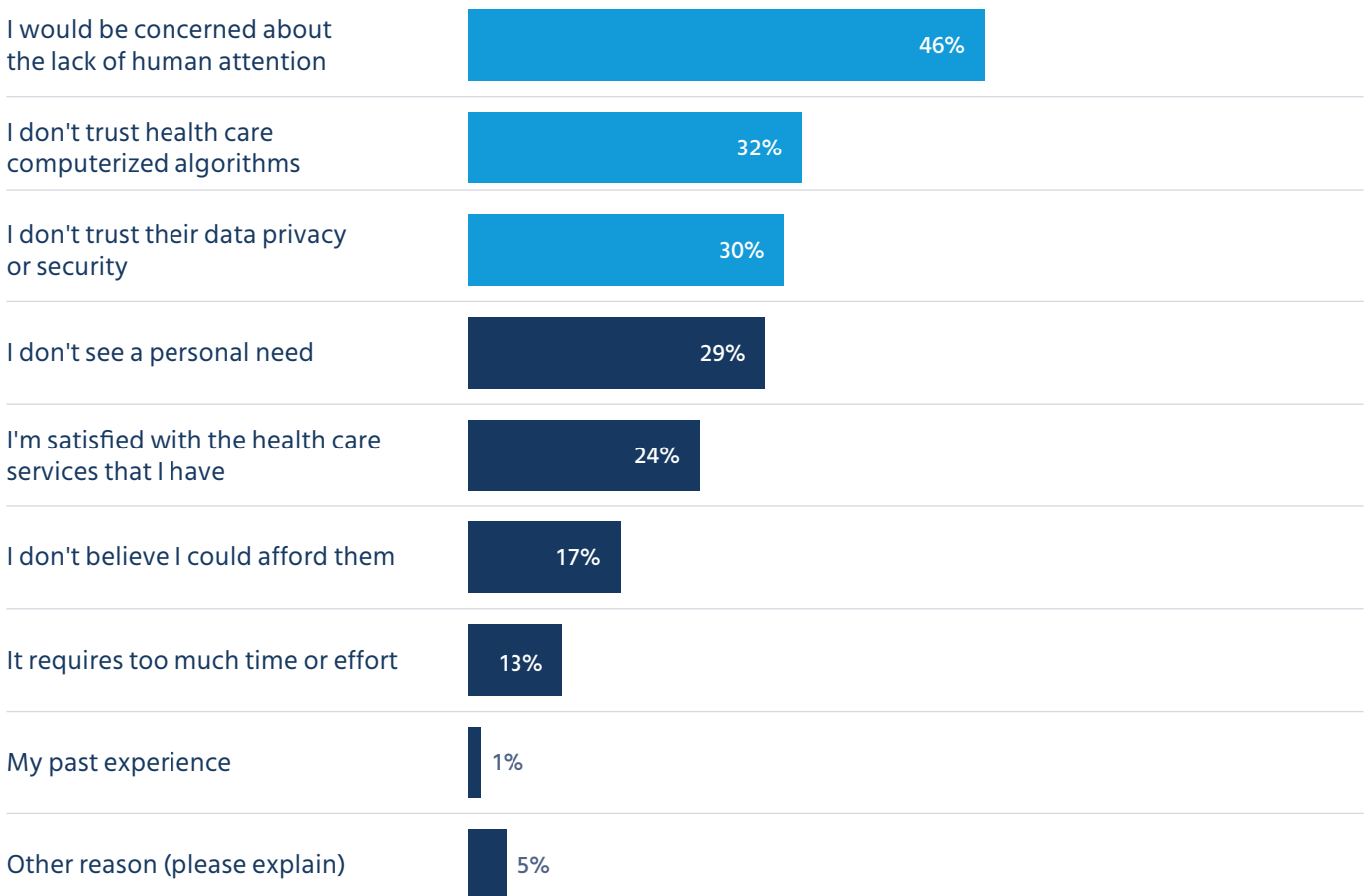
We're at an interesting crossroads as a society in how we feel about our data. Millennials, in particular, have been generally comfortable with sharing information, because they've grown up using social media without thinking about what's happening to their data. However, there's a growing realization that handing out data for free can have an impact.

Helen Leis,
Partner, Health & Life Sciences,
Oliver Wyman

The very few employees who are not willing at all to try digital health innovations cite a preference for human attention, general mistrust around AI, and data privacy and security as barriers.

Among those not willing to try digital health innovations

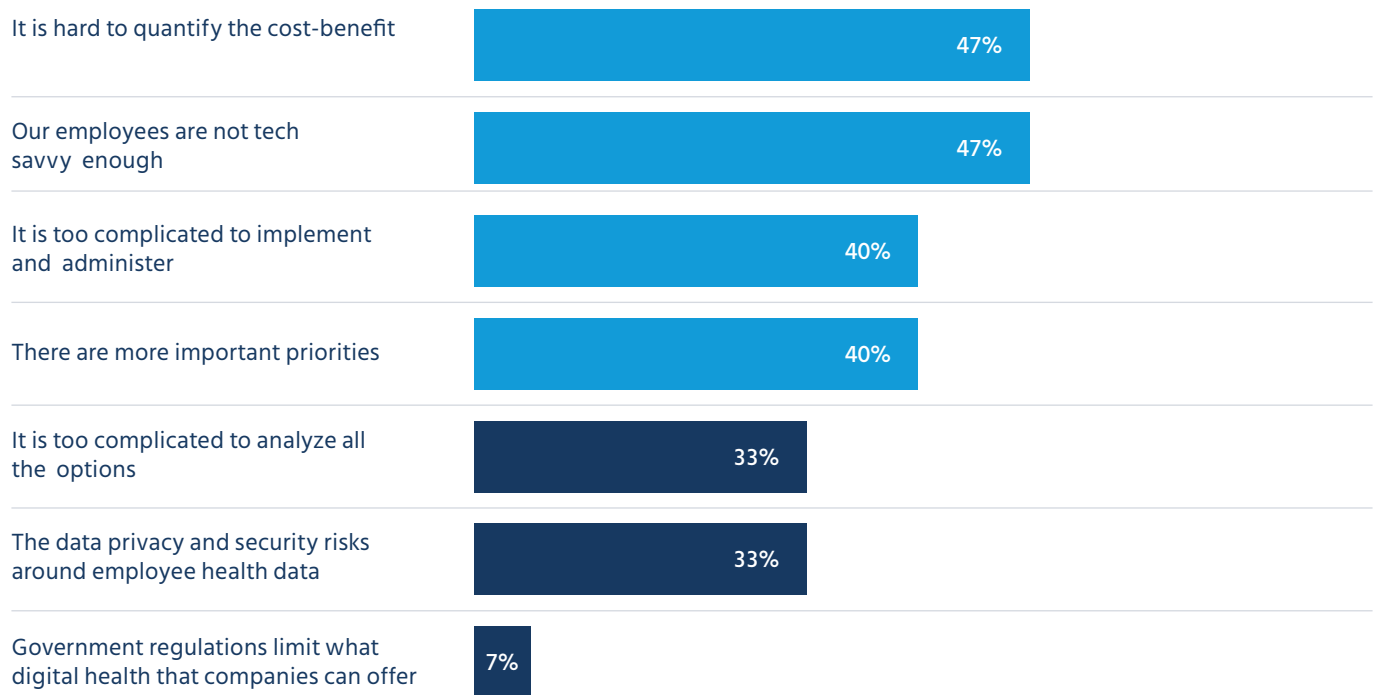| Reason	%
I would be concerned about the lack of human attention	46%
I don't trust health care computerized algorithms	32%
I don't trust their data privacy or security	30%
I don't see a personal need	29%
I'm satisfied with the health care services that I have	24%
I don't believe I could afford them	17%
It requires too much time or effort	13%
My past experience	1%
Other reason (please explain)	5%

Health On Demand — Employees: You said that you were less than willing to try some healthcare services, such as. Please select any reasons from the list below or write your own reasons under 'Other'? Singapore; Country Weighting — employee labor force by gender, age; base n=194.

As discussed previously, most employers in Singapore plan to increase their spending on digital health. Among the one in seven that are unwilling to invest in this area, the most common reasons cited are: difficulty in quantifying the cost-benefit, a perception that employees are not sufficiently "tech savvy," and a belief that the programs would be too complicated to implement and administer.

15% of senior decision-makers cited difficulty quantifying cost-benefits, lack of tech-savvy employees, complexity in implementation and administration and other important priorities as reasons not to invest in digital health.
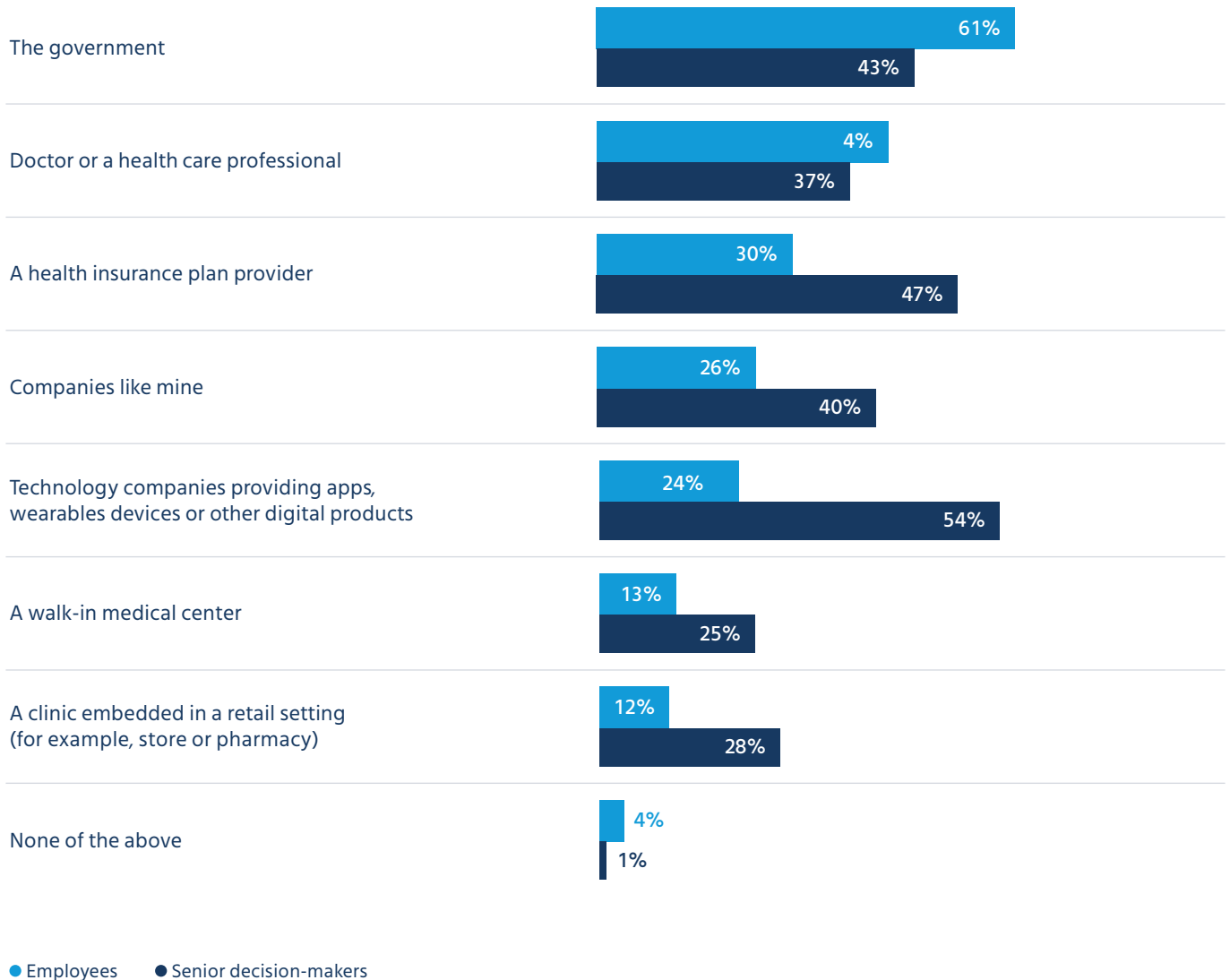
Among senior decision-makers not likely to invest in digital health

It is hard to quantify the cost-benefit — 47%

Our employees are not tech savvy enough — 47%

It is too complicated to implement and administer — 40%

There are more important priorities — 40%

It is too complicated to analyze all the options — 33%

The data privacy and security risks around employee health data — 33%

Government regulations limit what digital health that companies can offer — 7%

Health on Demand — Senior decision-makers: As an employer, what may be some reasons your company is not likely to invest in digital health, for example, telemedicine, portals, apps? Singapore; Weighted to 100 per country; % responses calculated from question base not total sample total n=15 out of 100.

While the majority of both employees and employers in Singapore are open to the idea of digital health solutions, the two groups have somewhat different opinions regarding who should provide them. Employees largely believe this should be the purview of government or health care professionals. Just under a quarter believe that technology companies should be in this role, compared with more than half of employers. After technology companies, employers believe health insurance providers would be best placed to provide digital health solutions.

Employees in Singapore believe the government or health care professionals should provide digital health solutions; senior decision-makers are more likely to believe this is the domain of technology companies and health insurance plan providers.

	Employees	Senior decision-makers
The government	61%	43%
Doctor or a health care professional	4%	37%
A health insurance plan provider	30%	47%
Companies like mine	26%	40%
Technology companies providing apps, wearables devices or other digital products	24%	54%
A walk-in medical center	13%	25%
A clinic embedded in a retail setting (for example, store or pharmacy)	12%	28%
None of the above	4%	1%

● Employees   ● Senior decision-makers

Health on Demand — Audience comparison; (W11-D9) Who do you think should deliver the digital health solutions described in the statement above by source of cases; Singapore; weighted by country; base n=1,139.

Six in 10 employees in Singapore report being more or much more confident in digital health and well-being solutions promoted or sponsored by their employer.

The survey also found that employees are willing to share their personal health data if there is a benefit to them in doing so. For example, more than half of employees in Singapore say they would share their personal health information if this ensures that they receive the highest-quality medical care. A similar number are also prepared to share their data in order to receive health care services tailored to their personal situation.
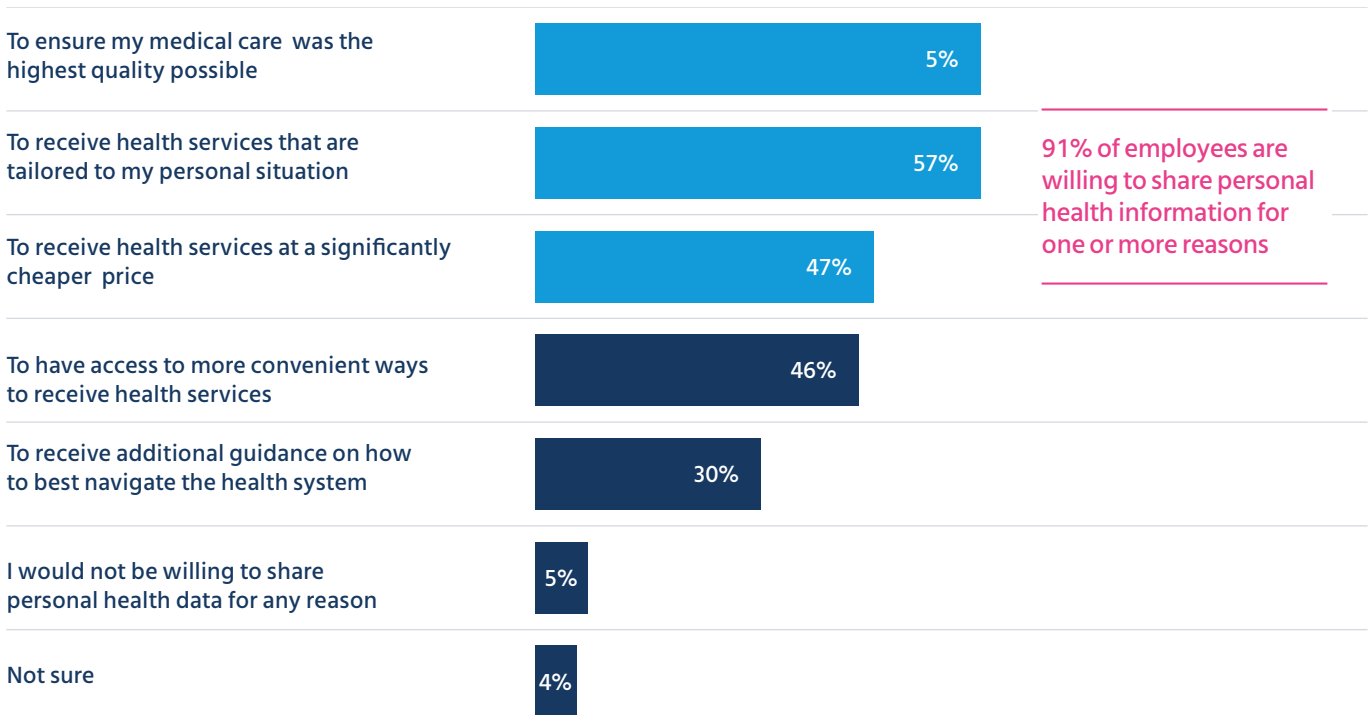
◤

We are seeing a massive shift in employee behaviors and their desire to care for their own health. As employers begin moving their benefit programs to more cost shared arrangements, placing risk in the hands of employees, individuals are open to sharing their data to learn from others experiences to give them better guidance.

Neil Narale,
Mercer Marsh Benefits Leader, Singapore

◢

57% of employees are willing to share their personal health information for personalized and highest quality of medical care.

To ensure my medical care was the highest quality possible	5%
To receive health services that are tailored to my personal situation	57%
To receive health services at a significantly cheaper price	47%
To have access to more convenient ways to receive health services	46%
To receive additional guidance on how to best navigate the health system	30%
I would not be willing to share personal health data for any reason	5%
Not sure	4%

91% of employees are willing to share personal health information for one or more reasons

Health on Demand — Employees; For which of the following reasons, if any, would you share personal health information? Singapore; Country weighting — employee labor force by gender, age; base n=1,039.

Two-thirds of employees in Singapore also report having some or a great deal of trust in their employer's ability to keep their personal health information secure, similar to the number of employees in China, and slightly lower than the eight out of 10 employees in India and Indonesia who say they trust their employers to keep their data secure. To safeguard this trust as they pursue digital health strategies, we believe employers need to put appropriate data privacy policies and practices in place and communicate them clearly to employees. This will help allay employee concerns around the risks of how health information is used for internal staffing decisions.

Two-thirds of Singaporean employees have some or a great deal of trust in their employer's ability to keep their personal health information secure.

A great deal of trust
17%
27%

Some trust
50%
52%

A little trust
24%
16%

No trust at all
7%
1%

67% of employees have some or a great deal of trust in their employer's ability to keep their health data secure
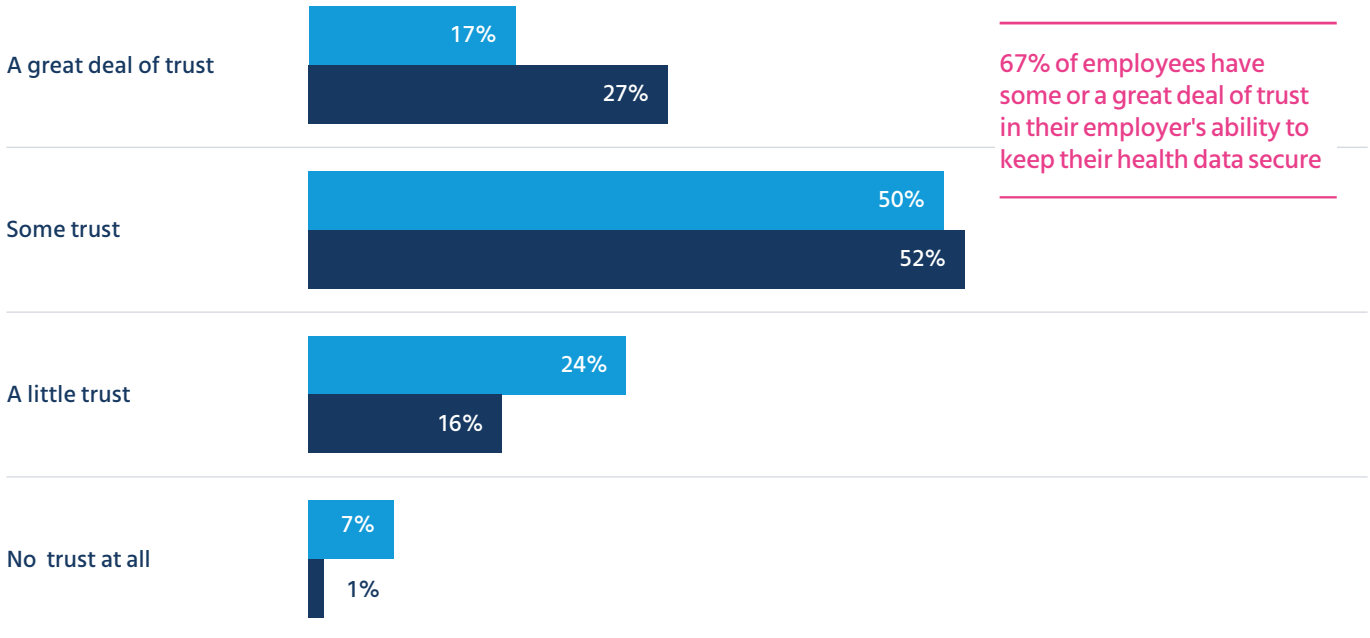
● Employees   ● Senior decision-makers

Health On Demand — Audience comparison; Source of cases by (W19-D20) How much trust do you have in your company to keep employee personal health information secure? Singapore; weighted by country; base n=1,139.

"There are many organizations that recognize the need to have more data on their employees so that they can start to make a difference on overall benefit plan design, or on the benefits being offered, or their ability to have preventative strategies to help employees in that space. However, there also is an extreme nervousness in organizations around the data they're holding on their employees and the impact of a data or a regulatory breach."

Chris Bruce,
Thomsons Online Benefits,
Co-founder & MD

Key finding #4
Four different employee segments to engage

Results from the global survey illustrate differences in the perceived value and engagement with digital health innovations across markets and generations.[3] By contrast, there is less variation related to gender or employment status (full versus part-time or gig employees).

We conducted a cluster analysis[4] to better understand these differences, and found that employees can be divided into four distinct segments based upon their attitudes to health innovations, their confidence in health solutions sponsored by employers, and their likelihood of staying with an employer offering these solutions.

---

[3] Generations are defined as Millennials born between 1981–1996, Generation X born between 1965–1980, and Baby Boomers born between 1946–1964.

[4] Latent class analysis for multi-category segmentation uses probability modeling to maximize the overall fit of the segment model to the data.

These segments have been titled Sign Me Up, Impress Me, Get Me Comfortable and Not for Me, as below:

Employees can be clustered into four distinct segments based upon their attitudes toward health innovations, confidence in digital health solutions sponsored by employers, and their likelihood of staying with an employer offering these solutions.

49%

Sign Me Up

Tech savvy
and energized

Retention-inclined
- Less likely to leave employer who offers digital health solutions

Receptive
- More willing to try digital health innovations

Confident
- More confident in employer-sponsored digital health solutions

Opportunities
- Majority need awareness training and positive solutions
- Willing to learn and engage with digital health

16%

Impress Me

Tech followers
and not loyal

Departure risk
- More likely to leave employer who offers digital health solutions

Receptive
- More willing to try digital health innovations, but not through employer

Confident
- More confident in employer-sponsored digital health solutions

Opportunities
- Willing to engage with digital health, but will require building trust

33%

Get Me Comfortable

Vocational; dominant generation is Gen X and Millennials

Retention-inclined
- Less likely to leave employer who offers digital health solutions

Receptive
- More willing to try digital health innovations

Not confident
- Less confident in employer-sponsored digital health solutions

Opportunities
- More dialog and communication needed to increase confidence in employer-offered solutions
- Willing to learn and engage with digital health

2%

Not For Me

Older,
Tech skeptics

Retention-inclined
- Less likely to leave employer

Unreceptive
- Less willing to try digital health innovations

Not confident
- Less confident in employer-sponsored digital health solutions

Opportunities
- More dialog needed to increase confidence in employer-offered solutions
- Need to demonstrate digital health value and/or incentivize to engage

People's attitudes toward digital health is closely related to their predispositions toward new technologies in general, as well as the generation they come from. Somewhat surprisingly, gender does not play an especially strong role.

Understanding the personalities and characteristics of each segment can help employers better curate the most relevant digital health solutions and tailor effective communications and employee engagement strategies.

Simplicity is an important factor, especially if you look at my generation and my parents' generation. For most of us, technology had better be simple, otherwise we're going to disconnect.

Louis Gagnon,
President, US and Canada,
Mercer

The segments

Sign Me Up

Sign Me Up employees make up nearly half of the total employee sample in Singapore. They are willing to try digital health innovations and are confident in employer-sponsored digital health solutions. They are also less likely to leave an employer offering digital health solutions.

49%

Tech savvy
and energized

Retention-inclined
- Less likely to leave employer who offers digital health solutions

Receptive
- More willing to try digital health innovations

Confident
- More confident in employer-sponsored digital health solutions

Opportunities
- Majority need awareness training and positive solutions
- Willing to learn and engage with digital health

The segments

Impress Me

The **Impress Me** segment accounts for 16% (around one in six employees) in Singapore. They are willing to try digital health innovations, but access to digital health solutions at work is, nonetheless, unlikely to prevent them from looking elsewhere for employment.

16%

Tech followers
and not loyal

Departure risk
- More likely to leave employer who offers digital health solutions

Receptive
- More willing to try digital health innovations, but not through employer

Confident
- More confident in employer-sponsored digital health solutions

Opportunities
- Willing to engage with digital health, but will require building trust

The segments

Get Me Comfortable

Those in the **Get Me Comfortable** category make up a third of employees in Singapore. They are receptive to trying digital health innovations, but are less confident in trying them at work, possibly because they do not trust their employer to choose the most appropriate solutions. At the same time, they are also less likely to leave an employer offering digital health solutions.

33%

Vocational; dominant generation is Gen X and Millennials

Retention-inclined
- Less likely to leave employer who offers digital health solutions

Receptive
- More willing to try digital health innovations

Not confident
- Less confident in employer-sponsored digital health solutions

Opportunities
- More dialog and communication needed to increase confidence in employer-offered solutions
- Willing to learn and engage with digital health

The segments

Not For Me

The final segment, **Not For Me**, makes only 2% of the total employee sample in Singapore.

This group is less receptive to trying digital health innovations and less confident in employer-sponsored digital health solutions.

2%

Older, Tech
skeptics

Retention-inclined
- Less likely to leave employer

Unreceptive
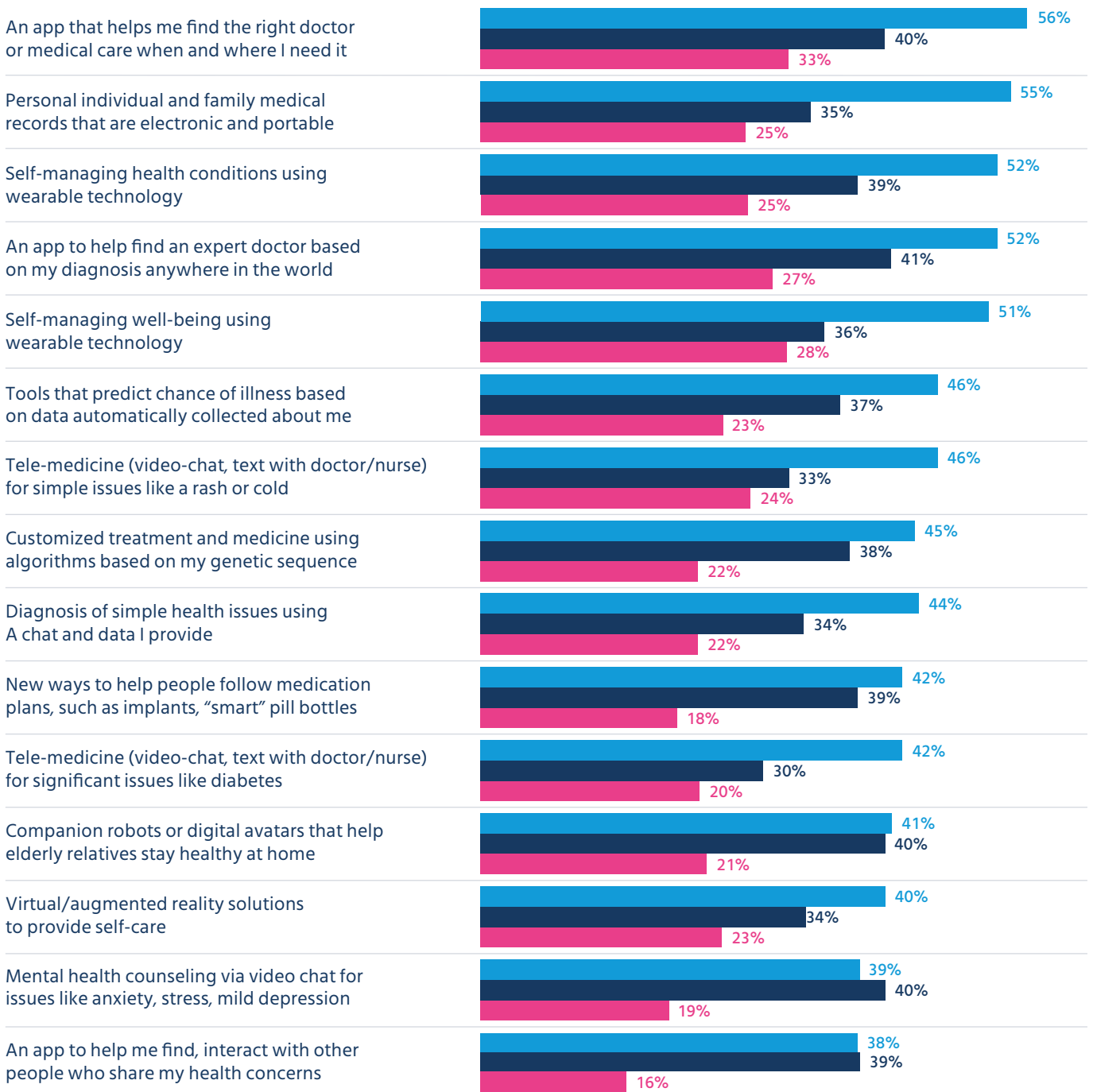- Less willing to try digital health innovations

Not confident
- Less confident in employer-sponsored digital health solutions

Opportunities
- More dialog needed to increase confidence in employer-offered solutions
- Need to demonstrate digital health value and/or incentivize to engage

When asked about a number of potential digital health initiatives, those in the Sign Me Up group are most willing to give all of them a try, followed by the Impress Me and Get Me Comfortable segments , respectively.

Sign Me Up show the highest willingness to try all digital health initiatives, followed by Impress Me and Get Me Comfortable.

Initiative	Sign Me Up	Impress Me	Get Me Comfortable
An app that helps me find the right doctor or medical care when and where I need it	56%	40%	33%
Personal individual and family medical records that are electronic and portable	55%	35%	25%
Self-managing health conditions using wearable technology	52%	39%	25%
An app to help find an expert doctor based on my diagnosis anywhere in the world	52%	41%	27%
Self-managing well-being using wearable technology	51%	36%	28%
Tools that predict chance of illness based on data automatically collected about me	46%	37%	23%
Tele-medicine (video-chat, text with doctor/nurse) for simple issues like a rash or cold	46%	33%	24%
Customized treatment and medicine using algorithms based on my genetic sequence	45%	38%	22%
Diagnosis of simple health issues using A chat and data I provide	44%	34%	22%
New ways to help people follow medication plans, such as implants, "smart" pill bottles	42%	39%	18%
Tele-medicine (video-chat, text with doctor/nurse) for significant issues like diabetes	42%	30%	20%
Companion robots or digital avatars that help elderly relatives stay healthy at home	41%	40%	21%
Virtual/augmented reality solutions to provide self-care	40%	34%	23%
Mental health counseling via video chat for issues like anxiety, stress, mild depression	39%	40%	19%
An app to help me find, interact with other people who share my health concerns	38%	39%	16%

● Sign Me Up ● Impress Me ● Get Me Comfortable

Health on Demand — Employees survey; Please select how willing you personally would be to try these health innovations? (Top 2 only): Very willing to try + Mostly willing to try; Singapore; Country weighting — employee labor force by gender, age; base n=1,000.
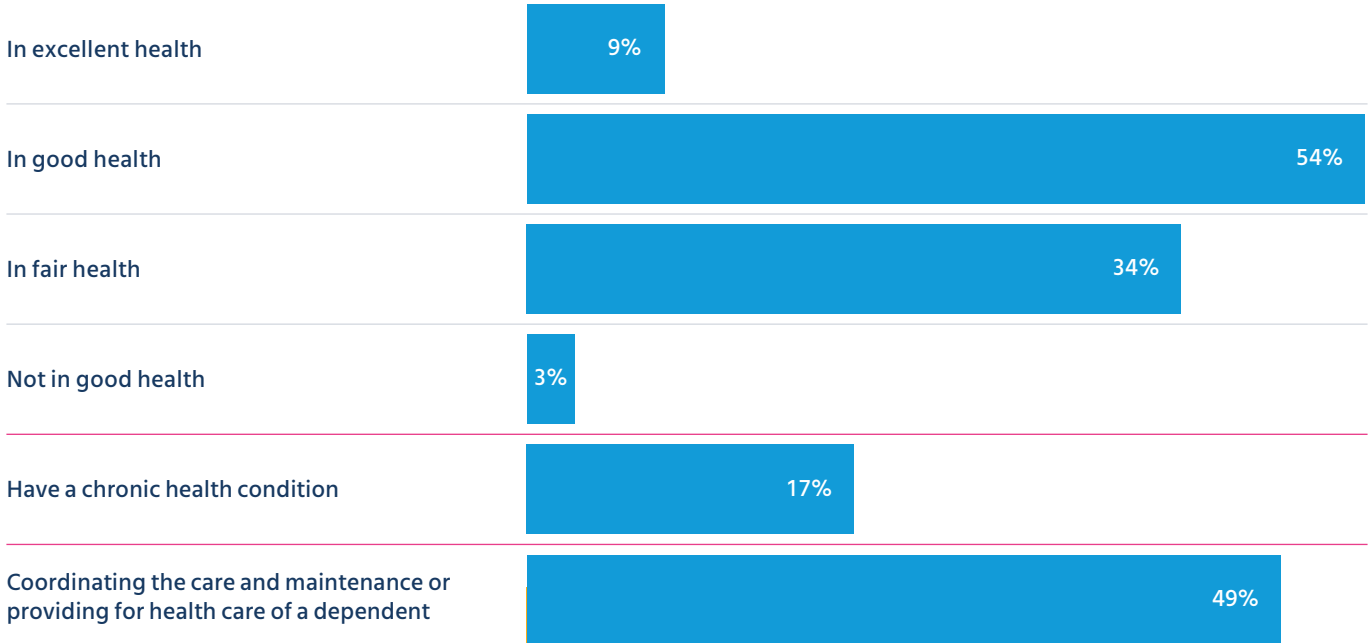
Key finding #5
High demand for a pro-health culture

Investments in digital health tools can help demonstrate that employers are committed to a broader culture that values health and well-being. This dovetails with the interests of employees, many of whom want their company to create a more pro-health environment.

Creating this type of environment in the workplace also recognizes the holistic needs of employees and, by necessity, includes a range of digital tools and services for both the individuals and their family members. Just under half of the surveyed employees in Singapore report having the responsibility for the health care of a dependent, such as a sick partner, parent, child or other family member.

Majority of Singaporean employees (63%) report being in excellent or good health; only 17% have a chronic condition. Half of employees also report caring for a dependent.

In excellent health	9%
In good health	54%
In fair health	34%
Not in good health	3%
Have a chronic health condition	17%
Coordinating the care and maintenance or providing for health care of a dependent	49%

Health on Demand — Employees: Health Experience Profile SUMMARY; Singapore; Country weighting — employee labor force by gender, age; base n is between 1,034 and 1,039.

Nearly half of employees in Singapore and just under four in 10 employers see the value of allowing employees time off to see health care professionals or to access treatments. By contrast, a third of employers favor an online portal that allows employees to access health care and well-being resources as compared with just under a quarter of employees. Employers are also slightly more likely than employees to favor discussions on difficult topics, such as mental health and addictions.

Just under a third of employees would also like to see a greater promotion of digital health resources, compared with 41% of employers. This suggests that digital solutions could be included as part of an integrated set of initiatives that are sufficiently comprehensive to address the diversity of employee needs.

Employees and senior decision-makers in Singapore agree on the need for a more favorable work environment for health. Employees also favor time off for appointments and subsidized nutrition/exercise programs.
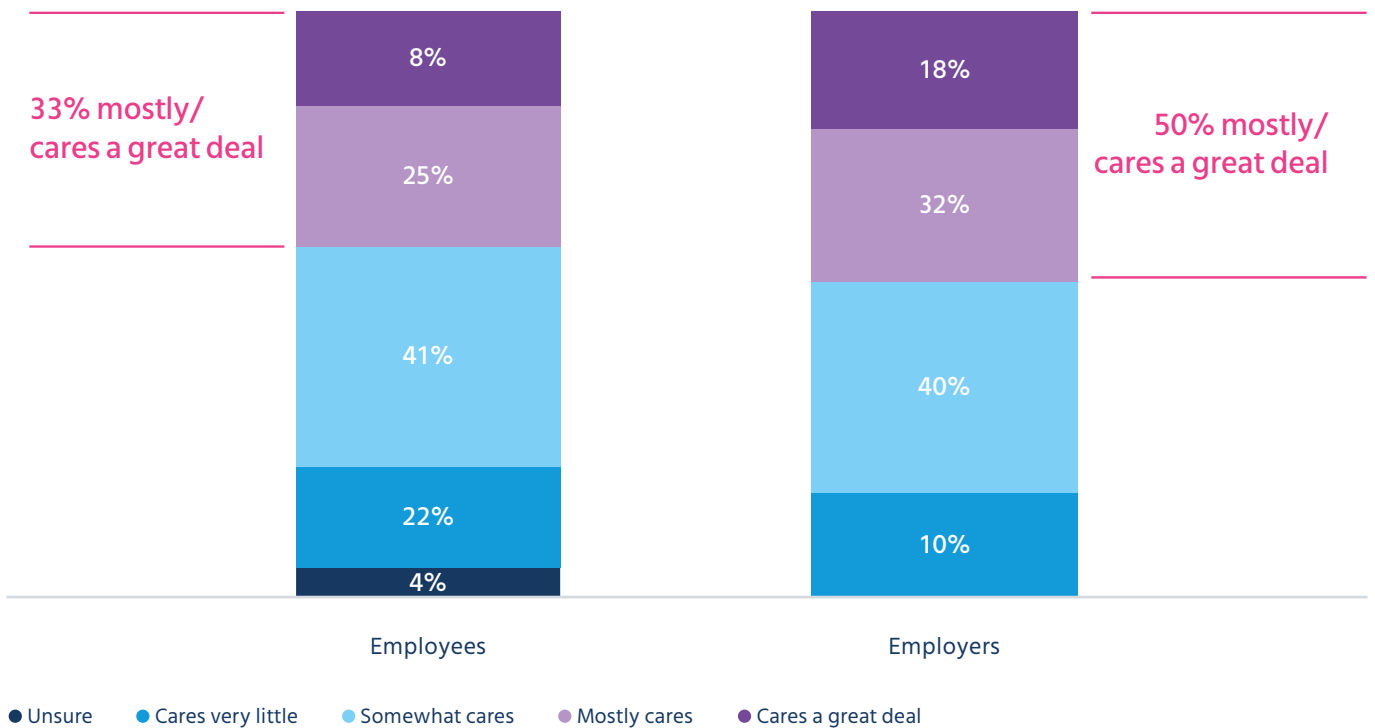
Initiative	Employees	Senior decision-makers
Create a more favorable work environment for health	51%	48%
Allow workers time off for health care	49%	38%
Subsidize nutrition/exercise programs (gyms, healthy food options, etc.)	43%	34%
Incentivize workers to register for well-being programs	42%	39%
Promote more digital health resources	29%	41%
Provide on-site medical clinics at work	28%	26%
Provide better access to mental health counseling services	26%	32%
Help workers find a doctor or specialist when needed	25%	33%
Train workers on how to use digital health tools	25%	33%
Address stigma around mental health, addiction, etc.	23%	28%
Provide an online portal to access health care, well-being resources	23%	33%
Provide access to counsellors to help pick digital health solutions	20%	27%
Connect workers to trusted online symptom checkers	19%	22%
Doesn't apply to me	3%	1%
None of the above	2%	2%

● Employees   ● Senior decision-makers

Health on Demand — Audience comparison; (W17-D17) What could your senior decision-maker do to help employees better engage with their health and well-being by source of cases; Singapore; weighted by country; base n=1,139.

Overall, employees in Singapore have a less positive view than their employer of the extent to which their employer cares about their health and well-being. Just 8% of the surveyed employees say their employer cares a great deal about them, compared with 18% of employers.

Employees in Singapore have a less positive view of the extent to which their employer cares about their health and well-being.

33% mostly/
cares a great deal

50% mostly/
cares a great deal

Employees: 8%, 25%, 41%, 22%, 4%

Employers: 18%, 32%, 40%, 10%

Employees

Employers

● Unsure ● Cares very little ● Somewhat cares ● Mostly cares ● Cares a great deal

Health on Demand — Audience comparison: Country by source of cases Singapore by (W5-D3) How much do you feel that your company cares about the health and well-being of its employees generally? Total sample; weighted by country; base n=1,039 employees and 100 employees.

Key finding #6
Nuances across countries

Employees in Singapore want more from the health care system, but at the same time are more cautious about employer-offered digital solutions than employees in other surveyed Asian countries. Less than a quarter of employees in Singapore are open to new technology, compared with nearly half of those surveyed in Indonesia and more than six in 10 surveyed in China.

Like their colleagues in most of the other Asian countries surveyed, employees in Singapore are most interested in digital solutions that help them find the right doctor or medical care. They believe that employers who create a more favorable work environment for health can help improve employee engagement.

Employees in Singapore are the least likely of those in the four Asian countries surveyed to find digital health care appealing. Like China, they are most likely to trust the government to deliver digital health solutions.

Asia: Country differences

1. The Chinese are most open to new technology while Singaporeans identify as slow adopters.

2. Reflecting the role of government, Singaporeans trust their government the most to deliver digital health solutions. Indonesians trust doctors the most and Indians look to their employers and doctors.

3. Chinese employees most value digital solutions to self-manage elderly health. Other surveyed Asian countries place the greatest value on apps to find the right doctor.

4. Employee engagement is best created through a favorable work environment for health in China, India and Singapore; and in Indonesia, through on-site medical clinics at work.

5. Indian employees have the most polarized reactions to a future vision of digital health. Singaporeans find it the least appealing and the Chinese find it the least disturbing.

6. Among the surveyed Asian employees, Indians suffer most from chronic conditions, but the Chinese report the poorest overall health.

| Metric	China	India	Indonesia	Singapore
I like/love trying new technologies.	61%	40%	49%	24%
Digital health solutions provider: government, doctor, insurance provider, employer	47%, 46%, 40%, 38%	36%, 48%, 40%, 42%	48%, 64% 46%, 35%	61%, 41%, 30%, 26%
Most valuable health innovations	Companion robots or digital avatars that help elderly relatives stay healthy at home (16%)	An app that helps me find the right doctor or medical care (69%)	An app that helps me find the right doctor or medical care (69%)	An app that helps me find the right doctor or medical care (37%)
How do employers create more engagement?	Create a more favorable work environment for health (53%)	Create a more favorable work environment for health (42%)	Provide on-site medical clinics at work (51%)	Create a more favorable work environment for health (51%)
Vision of digital health: appealing, disturbing, believable	Appealing 83% Disturbing 20% Believable 79%	Appealing 84% Disturbing 49% Believable 87%	Appealing 83% Disturbing 26% Believable 73%	Appealing 53% Disturbing 32% Believable 63%
Do you live with a chronic health condition? Are you in not good/ fair health?	20%, 67%	31%, 19%	9%, 29%	17%, 37%

4

Six considerations for success

Digital health innovations have the potential to make health care more efficient, affordable and customizable, all of which are things that employees say they want. Employers who are able to improve on the health care options available to their workforce have a clear advantage in being able to attract the best talent and retain their loyalty.

However, digital solutions can't be an end in themselves. Employers can create a pro-health environment that encompasses a range of options, from subsidized fitness programs to personal applications for employees in monitoring or managing health conditions. A truly pro-health workplace will also acknowledge not just the individuals that work there but all the dependents for whom they may have caring responsibilities.

Below, we've used survey learnings to create six guidelines for employers as they chart their digital health journey.
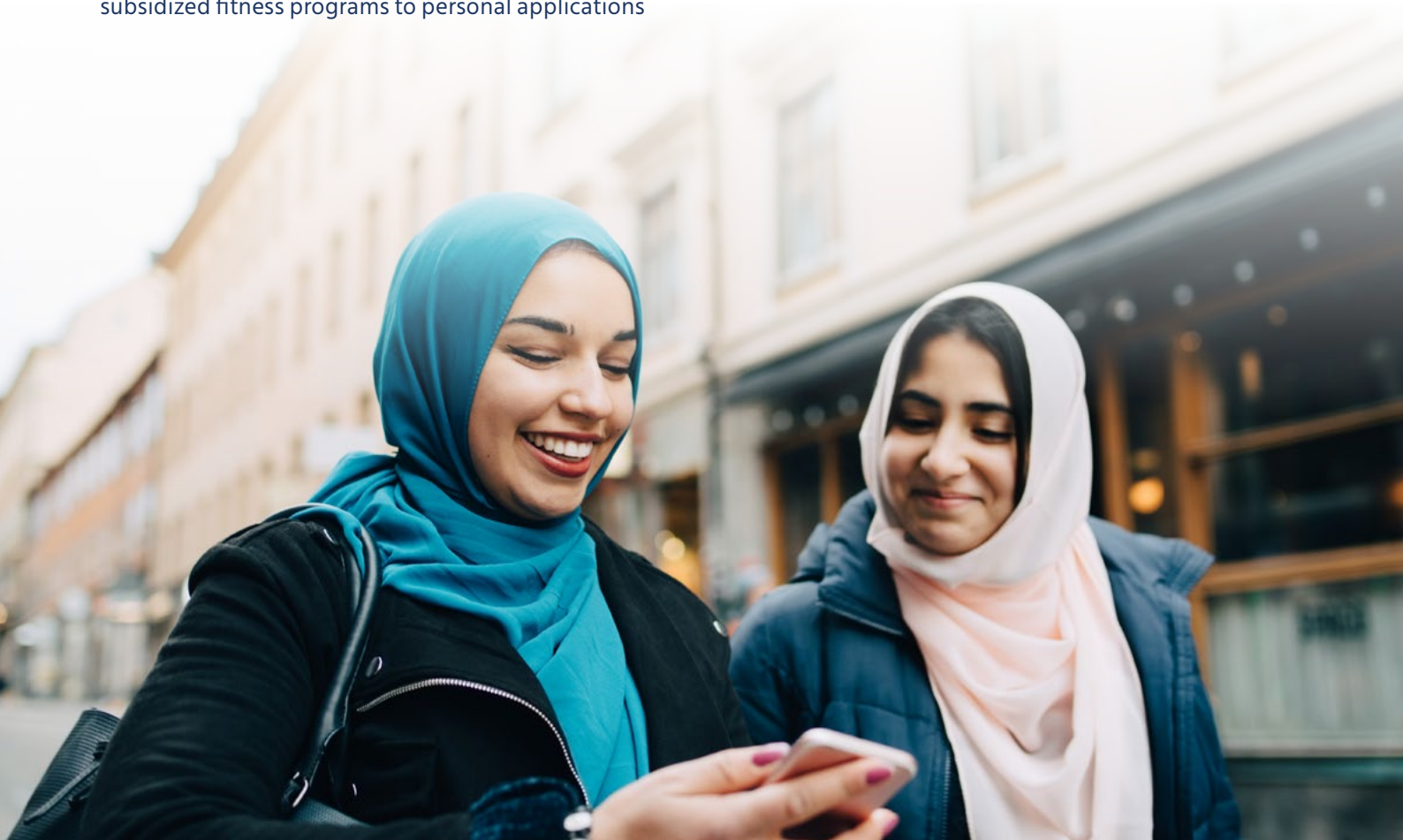
Consideration #1
Digital health and well-being solutions will be of increasing importance in retaining, engaging and energizing employees

Organizations that prioritize investments in employee health and well-being programs that make health care more affordable, convenient and efficient will gain a competitive advantage. Success helps advance the reputation of their company as a great place to work, and promotes employee engagement and productivity. With an overall unemployment rate of around 2% in Singapore, this is especially important for employers when they seek to attract top talent and advance the reputation of their company as a "great place to work," whether through word of mouth or in published indices.

When developing the business case for digital health solutions, employers are best served when they focus on engagement, productivity and employee safety, and less on employer plan cost savings.

While employees in Singapore welcome the idea of digitalization of health care, the take-up rate for technology is still low, with many still preferring to visit a brick-and-mortar clinic, for example, instead of using tele-health. A health campaign that focuses on targeted communications with specific populations is a useful way of increasing participation in digital health programs.

Above all, employers should prioritize convenient access to quality care and reputable hospitals, clinics and health care professionals, as well as solutions that help employees get the information they need to navigate health services.

Today, more than ever, health is a priority for individuals. Most people recognize that they're responsible for their health, but they also believe that their employer has a very important role to play to support good health and well-being. This ranges from ensuring an inclusive and pro-health culture through to providing access to personal digital health services. The benefits of this focus on health are so wide-reaching. As a business leader, I know that ensuring a pro-active focus on health at work helps to manage costs while increasing colleague engagement and improving the health of colleagues, families and ultimately communities. That's pretty powerful!"

Renee McGowan,
CEO, Mercer Asia

Consideration #2
For employees, digital health solutions have a clear role in facilitating personalized health care

In Singapore, employees worry about the potential cost when digital health solutions are offered to them. There is an expectation that benefits offered will be mostly or fully sponsored by employers.

A natural starting point for companies would be to offer digital solutions that help employees find network clinics or hospitals, and/or submit claims digitally. In Singapore, these solutions are readily available through the use of an insurer portal or app. This not only exposes employees to technology through an existing medical program provided by the employer, but it also is a good starting point for a conversation on personal data privacy.

Improving access to data on health care providers is valuable to employees. This, as well as virtual care solutions, should be considered to assist employees who are seeking digital support in managing their conditions or their general well-being.

Good employee engagement and communications strategies will be a vital part of this process. Internal (or even insurer/provider) promotions of digital health launches should focus on the end benefits that are most important to employees: affordability, convenience, efficacy and customization, rather than technical and functional attributes.

"Insurers, telcos, banks and even ride-hailing apps see a potential play in digital health, and are partnering with incumbents or are bringing these solutions directly to consumers. For now, it might be difficult to assess when we have hit critical mass in virtual care, for example, when there are currently so many channels. One critical role for employers in the future will be to encourage broader adoption, while also needing to decide what to simply provide access to versus what to pay for (and from whom?) as part of a holistic, personalized benefits proposition."

Kitty Lee,
Partner, Health & Life Sciences —
Asia Pacific, Oliver Wyman

Consideration #3
Employees are suprisingly willing to share health data to receive higher-quality, more personalized and convenient care

Despite some broader concerns about data protection, barriers to adoption remain low, and most employees trust their employers to keep their personal health information secure. This trust gives employers an important role in developing digital health ecosystems and in putting the right policies and practices in place to protect that trust. To assist employees in overcoming barriers to adopting new digital health solutions, employers should reassure staff they have the right privacy practices in place, are using data they have access to responsibly for making health and well-being decisions, and are not using data to identify individuals with health concerns.

When employers are selecting digital health partners, they would be advised to focus on data privacy or a recognized standard (e.g. ISO certifications), which can help assure employees of the way data is being stored, managed and used.

In assessing whether the population is ready to adopt technology, surveys or focus groups can be used as a litmus test. While employers are concerned about certain demographics of their population, smartphones are very prevalent in Singapore, and a survey can help assess whether employees are tech savvy and ready to use digital health solutions. Even those employees in Singapore who are not as tech savvy may be ready to adopt new technology, as many are already accustomed to using smartphones and social media apps.

Employers should also be mindful that employees will share their data if they receive a valuable benefit — quality professional care that is personalized and convenient.

When promoting digital health solutions, employers should consider communications campaigns that are branded around how solutions help to support individuals in their health and well-being, so as to increase adoption.
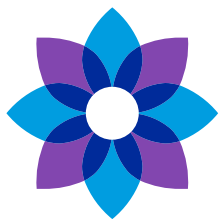
Consideration #4
Unique employee segments have different attitudes toward health innovations and require tailored targeting

Different employee segments have different comfort levels with regards to digital health solutions, and employers will want to ensure that they create a health supportive culture that addresses a wide range of employee needs. Employers benefit by taking a tailored approach to program design, as well as communications and employee engagement strategies. One size does not fit all. Employers in Singapore can consider push campaigns to Sign Me Ups, who make up a majority of employees, and nudge the population.

Regardless of the demographic, it is important to explain to employees the value digital health brings to everyone and the way in which digital solutions add value to their individual health and well-being. Many are likely to jump on board quickly, but others will require more effort and convincing.

In Singapore, employee populations with more Impress Mes may need more curated/tailored solutions relevant to their specific health care needs. Given an aging population and the rise of the "three-highs" (cholesterol, blood pressure and blood glucose), health management content is a natural starting point.

Those employers looking to address the needs of Get Me Comfortables, who make up a third of the workforce in the Singapore survey, may want to begin with basic solutions and then roll out more futuristic features. In Singapore, insurer apps with network locators are a good starting point; employers may want to introduce employees to them to get them comfortable with using technology within the medical program.

Consideration #5
Employees value a pro-health work culture — which has important implications for digital health solutions

The results of *Health on Demand* suggest that take-up of digital health programs is likely to be more effective if they are part of an integrated health and well-being strategy, rather than offered in isolation. An effective strategy is likely to have clear business support, role models and champions, as well as complementary workplace health policies and procedures. Singapore, uniquely among the countries surveyed, has a health promotion ministry that actively supports workplace culture change and offers limited grants to financially support companies of all sizes that are looking to improve health.

Before considering digital health programs, employers in Singapore will need to review whether there is a culture that fosters health and well-being. Leave and time-off policies to allow for health care outside of standard medical leave are a good starting point.

For companies with pantries and canteens that offer food, nutrition is also an important area to consider. Employers can expand awareness and education, and create access to content related to healthy eating choices via technology.

When offering digital health programs, employers need to consider whether the solutions are fragmented or delivered through a consistent employee experience and brand. A single destination, such as a portal, web page or app, to give employees a gateway into the solutions will help establish awareness and appreciation.

New digital health programs should not be offered in isolation. They should be branded and communicated as part of an overall health and well-being strategy that is executed with demonstrated business support, role models and champions, and complementary workplace health policies and procedures.

Consideration #6
Employers will benefit from addressing local health care needs

Although a majority of those surveyed in Singapore have access to medical insurance, many more would like access to more options for health and well-being than they have at present. Employees in Singapore are more likely to be open to integrated programs that allow them to explore a range of traditional and more innovative services.

Above all, employers in Singapore will need to proceed slowly in order to gain the trust of more cautious members of their workforce. Employees are eager to gain more access to top experts and specialists. This presents employers with a number of options for innovation and suggests that employees could be open to trying out digital health solutions to address their unmet health care needs.
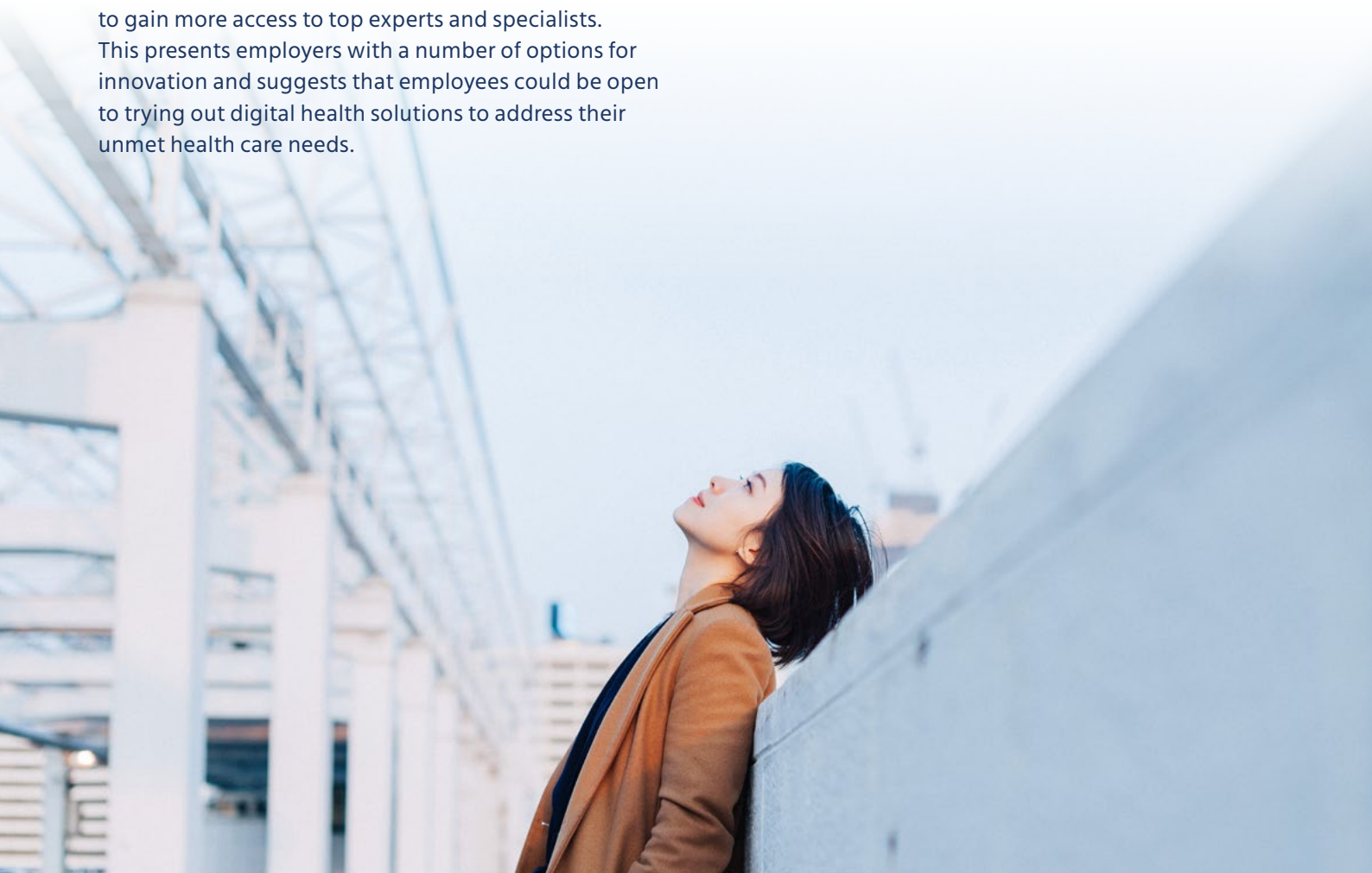
5

Methodology

The *Health on Demand* study ran concurrently in 13 countries among employees and senior decision-makers representing the views of employers.

The employee study focused on adults in full-time or part-time work, freelancers and gig economy employees; all between the ages of 18 and 64 years. The gender, age and regional sampling in each country was controlled by quotas to match the most recently available national census data. The final employee data set for each country was weighted by gender and age range to match the labor force characteristics of employed persons according to the OECD'S 2018 Labor Force Statistics.

The employer study was aimed at senior business decision-makers in commercial organizations of 50 or more employees. The survey's length was 12 minutes. The senior decision-makers are leaders in their companies and screened using a combination of job title and decision-making functions for staffing and benefits. At least 50% of them are in companies with more than 500 employees globally.

Both surveys asked similar questions to allow for comparisons between employees and employers, however, with wording and options customized for each audience. Survey respondents were given the

choice to answer the questions in English or in their native language. The interviews were anonymous, and the results were aggregated before being segmented. The employee survey length was 15 minutes.

The 13-country employee study margin of error is +/- 0.8% for the global results and +/-3.1% per country, at 95% confidence levels, except for the U.S., China and India, which were +/-2.2%. The senior decision-maker study margin of error is +/-2.7% for the global results, and +/-9.8% per country, at a 95% confidence level.

The survey interviews were conducted double-blind in this study to prevent bias in research results and interpretation. This means the respondents were not aware of the sponsor of the study. Similarly, MMC sponsoring organizations are not aware of the personal data of the respondents beyond survey demographics.

For our analysis, we defined growth markets as middle-income economies, which according to the World Bank are countries where the income level is less than $12,615 GNI per capita (in dollars), based on the Tank Atlas method. Growth markets included: China, China, Colombia, India, Indonesia, and Mexico.

Mature markets are high-income economies where the income level is more than $12,615 GNI per capita (in dollars). Mature markets in this study were identified as: Canada, France, Italy, The Netherlands, Singapore, UK and USA.

6

Appendix

Survey responses per country: Employees and employers

Country	Employee sample size	Senior decision-maker sample size
Brazil	1,009	100
China	2,068	100
Colombia	1,057	100
India	2,000	100
Indonesia	1,036	100
Mexico	1,047	100
Singapore	1,039	100
UK	1,054	100
Netherlands	1,066	100
Italy	1,052	100
France	1,019	100
Canada	1,066	100
US	2,051	100
All countries in Latin America	**3,113**	**300**
All countries in Asia	**6,143**	**400**
All countries in Europe	**4,191**	**400**
All countries in North America	**3,117**	**200**
All countries in the study	**16,564**	**1,300**

7

Contributors

Executive sponsors

Neil Narale
Mercer Marsh Benefits Leader, Singapore

Hervé Balzano
President, Health & Benefits,
Mercer & Global Leader, Mercer Marsh Benefits

Kitty Lee
Partner, Head of Health and Life Sciences, Asia Pacific,
Oliver Wyman

Authors

Samuel Tan
Health Consulting Leader, Mercer Marsh Benefits, Singapore

Matt Zafra
Principal, Health & Life Sciences — Asia Pacific, Oliver Wyman

Our partners

Occula Group is a strategic planning and insights, thought leadership and brand positioning consultancy. The global group creates bespoke teams to address clients' needs and integrates seamlessly to future proof a client's business and brand. For this assignment, Occula Group partnered with Reputation Leaders, an international thought leadership and research firm.

8

About Mercer Marsh Benefits, Mercer and Oliver Wyman

About Mercer Marsh Benefits

Mercer Marsh Benefits provides clients with a single source for managing the costs, people risks and complexities of employee benefits. It comprises a combination of Mercer and Marsh local offices around the world, plus country correspondents who have been selected based on specific criteria. Our benefits professionals, located in 135 countries and serving clients in more than 150 countries, are deeply knowledgeable about their local markets. Through our locally established businesses, we have a unique common platform that allows us to serve clients with global consistency and locally unique solutions.

About Mercer

At Mercer, we believe in building brighter futures. Together, we're redefining the world of work, reshaping retirement and investment outcomes, and unlocking real health and well-being. We do this by meeting the needs of today and tomorrow. By understanding the data and applying it with a human touch. And by creating meaningful innovation, uncovering deeper insights and taking action to spark positive change.

For more than 70 years, we've been providing trusted advice and solutions to build better, healthier and more sustainable futures for our clients, colleagues and communities. Welcome to a world where economics and empathy make a difference in people's lives. Welcome to brighter.

About Oliver Wyman

Oliver Wyman is a global leader in management consulting. With offices in 50+ cities across nearly 30 countries, Oliver Wyman combines deep industry knowledge with specialized expertise in strategy, operations, risk management, and organization transformation. The firm has about 4,500 professionals around the world who help clients optimize their business, improve their operations and risk profile, and accelerate their organizational performance to seize the most attractive opportunities. Oliver Wyman is a wholly owned subsidiary of Marsh & McLennan Companies [NYSE: MMC].