

"Incentivizing Exercise to Curb Chronic Disease in India."

Abstract: Chronic lifestyle diseases like diabetes and hypertension are exploding policy problems worldwide. Lack of physical activity is a major contributor to these conditions. We evaluate an incentive program to encourage exercise (walking) among people with diabetes and hypertension in India. We find that the program is effective, increasing daily steps by roughly 20 percent (13 minutes of brisk walking) and improving health. We then examine two potential ways to improve the success of the program. The first is to adapt the incentive contracts to work well in the face of participant impatience, which we accomplish by implementing “time-bundled” contracts that make the payment for future effort increase in current effort. The second is to personalize the incentive contracts at the individual level using choice menus. We show that both strategies can improve program effectiveness.