

Optum

Gen Z expects a lot from employer fitness benefits

Here's how to deliver



Twenty-somethings are flooding the workplace – and bringing with them new expectations around work-life balance, health and wellness.



To tap into the talent of Generation Z and stand out in a tight labor market, employers need a **holistic approach to fitness benefits that delivers flexibility, personalization and connection.**

Introduction

Deliver omnichannel fitness

Infuse fitness with real connection

Give them access to reputable coaching

Go beyond exercise to offer a holistic approach

Lose the friction and find smarter ways to engage

Gen Z is pushing the boundaries of workplace wellness and fitness

One Pass Select

Introduction

Gen Z, the generation born between 1997 and 2012, is coming of age and dramatically changing workplace expectations in the process.

Although they're young, Gen Z has already experienced a lot.

A once-in-a-century global pandemic, the worst financial crisis since the Great Depression, worsening climate concerns and growing political polarization, all against a backdrop of head-spinning technological change. This constant unrest has left a lasting impression, creating an anxious generation eager to redefine success while prioritizing health, family, flexibility and purpose.¹

As a result, Gen Z values workplace well-being more than any previous generation, with 58% deeming work-life balance the most important aspect of a job.² They care deeply about mental and physical fitness and are increasingly looking for employers who can help them maintain good health. In fact, 56% of Gen Z consumers count fitness as a very high priority, versus 40% of U.S. consumers overall, according to a McKinsey & Co. report.³ At the same time, they define wellness more holistically than older generations and look to fitness to fill socialization needs in inclusive communal spaces.

To hire and retain younger workers, employers need to help Gen Zers promote healthy habits, reduce stress and foster social connections. We've identified ways you can create a culture of wellness that does just that.



56% of Gen Z consumers count **fitness** as a **very high priority**, important aspect of a job.³



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The insight

Gen Z grew up as retailers and consumer brands perfected the integration of shopping across physical, online and mobile channels. Today, this expectation of a seamless experience extends to fitness as young people take advantage of in-person gym classes one day and live-streamed or on-demand workouts the next.

This interest in multichannel workouts has exploded in recent years. Since the pandemic normalized taking live-streamed workout classes from bedrooms and basements, Gen Zers have invested in at-home fitness gear and digital tools. Today, more than half of this group own home gym equipment or some type of guided on-demand workout program,⁴ while 66% use digital tools to monitor and improve their health.⁵ At the same time, they also value the connection of IRL (in real life) exercise, leading nearly three-quarters of Gen Zers who regularly exercise to work out both in and out of the gym.⁶

This hybrid approach to fitness mirrors employees' evolving work life. As many companies settle into long-term hybrid work models,⁷ Gen Z workers bounce between the physical office, their home office, coffee shops and beyond.



Gen Z's love affair with fitness tech

94% of surveyed Gen Z respondents believe an app can improve their health.⁸

30% of respondents use wearable technology that gathers health information daily.⁹

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The strategy

To meet their lifestyle needs, Gen Z employees need a highly customized, digitally enabled fitness plan that meets them where they are and makes it easy to squeeze in a workout anywhere.

As such, employers should consider providing not only a gym membership, but access to a tremendous variety of gyms and workout studios. Whether they want to check out a Pilates studio one day or a high-intensity workout the next, a varied network of top-rated gyms can deliver the flexibility young employees crave while helping them stay consistent with their exercise routine.

Any solid fitness benefit also needs a comprehensive digital experience that delivers on-demand workout videos and lets employees track their progress while integrating with popular fitness wearables.



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Across age groups, Americans suffer from a well-publicized loneliness epidemic,¹⁰ but Gen Zers report some of the worst effects. Young adults are almost twice as likely to report feeling lonely as those over 65, with a whopping 73% of those between 18 and 22 reporting feeling sometimes or always alone.¹¹ Moreover, the time young adults spend in person with friends has plummeted nearly 70% since the early 2000s.¹⁰ Gen Z is also more likely than other generations to say social media and screen time harms their mental health.¹²

Young people are aware of the problem. They understand the importance of making social connections and are working to find third places beyond home and work where they can meet others, sometimes even doling out big bucks to do so.^{13,14} But more than half of Gen Zers also say they're extremely worried about not having enough money, making it difficult to consistently spend on pricey social activities.¹⁵



The cost of loneliness

- According to a new global poll by Gallup and Meta, Gen Zers are more likely to report feeling very or fairly lonely than older groups.¹⁶
- Loneliness and isolation are associated with worse work performance.¹⁷
- Stress-related absenteeism attributed to loneliness costs employers an estimated \$154 billion annually.¹⁷
- Loneliness has been shown to be as damaging to health as smoking up to 15 cigarettes each day.¹⁸

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By combining fitness with socialization, employers have a remarkable opportunity to target multiple health risks while gaining Gen Z loyalty. The best fitness benefits should allow young workers to add friends and family to their plans at a discount and use an app to build both digital and IRL communities that come together to cheer each other on.

Employers can also subsidize access to in-person or digital group fitness classes that Gen Zers love but may find prohibitively expensive. They should provide several tiers of membership to ensure that cost isn't a barrier to participation and make it easy to level up or downsize their membership as their schedules and budgets allow.



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The insight

FitTok, the vast subsection of TikTok inhabited by influencers peddling workout and nutrition tips, offers a never-ending stream of fitness advice in snackable, fun and free videos. The only problem? Misinformation runs rampant. As a result, Gen Z is on the hunt for credible fitness experts, especially personal trainers and instructors who offer clear, evidence-based guidance and can help sift through the influx of confusing and contradictory information on social media. According to research by fitness company Les Mills, Gen Z say they appreciate trainers who use science-based programming.⁷

The strategy

Employers can help their workers cut through the noise of social media and connect with trustworthy coaches by offering access to high-quality, certified trainers at gyms and group fitness classes. These professionals are trained to teach proper form and help newbies get moving safely, rather than attempting a pointlessly complicated exercise that went viral.

Going back to Gen Z's omnichannel expectations, the best fitness benefits will also incorporate digital coaching that adapts to feedback and helps users reach their goals with clear, evidence-based information and correct exercise demonstrations.



59% of Gen Z exercisers use a free online coaching option to support their training, and **32%** more would try one if offered a reputable option.⁷

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The insight

Having come of age as technology transformed everyday life, Gen Zers are eager to embrace solutions that simplify errands while supporting their health goals. As they acclimate to adulthood, a key tool in this approach is online grocery shopping, with 45% of Gen Z shoppers citing convenience as the most important reason for ordering groceries online.¹⁹ Research shows that 74% of Gen Z survey respondents shopped online, compared with only half of overall food shoppers.²⁰

The strategy

By now, it's clear that Gen Z's definition of fitness extends well beyond trips to the gym.

Employers looking to differentiate their fitness benefits and retain young workers should consider expanding their offerings to include free grocery delivery. Convenient delivery services not only save time and can reduce young workers' stress but can also reinforce healthy habits by helping them avoid the trap of fast food or unhealthy takeout after a busy day.



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The insight

As discussed earlier, Gen Zers are used to seamless tech-enabled experiences both online and in real life. As part of this expectation, they have little patience for the restrictive contracts, additional fees, and limited options that older workers used to expect from gym contracts.

To truly facilitate the flexible fitness experience younger workers want, an employer-sponsored fitness benefit needs membership options that ditch the constraints and acknowledge each user's unique needs.



For Gen Z, it's all about the options

- 35% like weightlifting and strength training.
- 31% prioritize aerobic or cardio exercises.
- 24% prefer a group class like yoga or Pilates.
- 18% enjoy cross training.

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The strategy

The best way to engage Gen Z in fitness benefits is to offer flexible subscription tiers. These should meet a wide range of goals and habits to ensure that employees subscribe to the option that makes sense for them.

This approach also recognizes that life happens. If an employee begins a period of work travel that prevents regular in-person workouts, they should be able to easily downgrade to a digital-only program. Similarly, if someone starts training for a specific athletic competition and needs to access more equipment and programs, they should be able to upgrade for the duration with no waiting period or other restrictions.

The best fitness benefit programs go even further to simplify Gen Zers' lives while still delivering the options they want. Rather than sending employees to a never-ending array of sites and platforms to take advantage of different offerings, companies should seek vendors that combine a gym database and locator with virtual workouts in a single, easily navigable platform. The right vendor will prevent not only password overload, but also decision fatigue – ensuring that employees begin using their benefits quickly and continue to do so for the long haul.



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Young adults already understand that exercise is a critical cornerstone of a healthy, accomplished life and that physical, mental and social health are closely intertwined. They're also unwilling to sacrifice wellness in pursuit of career success. As this cohort ages into the workforce, they deserve a fitness benefit that speaks to their unique preferences. Employers looking to tap young adults' talent and stand out in a crowded labor market should take note.



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One Pass Select: fitness program and health lifestyle network for employees

One Pass Select empowers employees to live their healthiest lives with access to an extensive network of gym locations, online workout classes and grocery delivery services.



Members can upgrade, downgrade or cancel their monthly membership at any time.



Monthly memberships range in price from \$10 to \$144.



20% average retail gym membership savings for employees with One Pass Select



Employees may add unlimited members ages 18 and older to their membership at a 10% discount.



Free grocery and household delivery on orders that meet the minimum qualifying amount to help support healthier habits, even during busy times.



The program is available to employers and commercial payers looking to enhance their fitness benefits.



One Pass has more than 20 million eligible members and a proven track record of success.



Discover more about
One Pass Select

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This service should not be used for emergency or urgent care needs. In an emergency, call 911 or go to the nearest emergency room. The information provided through this service is for informational purposes only. The nurses cannot diagnose problems or recommend specific treatment and are not a substitute for your doctor's care. Please discuss with your doctor how the information provided may be right for you. Your health information is kept confidential in accordance with the law. The service is not an insurance program and may be discontinued at any time.



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