

THE CENTER FOR  
GENERATIONAL KINETICS  
HIGHLIGHTED NATIONAL  
RESEARCH STUDY FINDINGS  
PREPARED FOR  
INSTANT FINANCIAL

# STUDY GOALS

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- **Determine** the effects and perceptions of wage frequency on job consideration, application, and job offer acceptance.
- **Uncover** the impact of wage frequency on employee engagement and performance including impression of the company and management, likelihood of referrals, and willingness to increase work responsibilities and tenure.
- **Capitalize** on the research findings to position Instant Financial as the research-based thought leader in the industry.





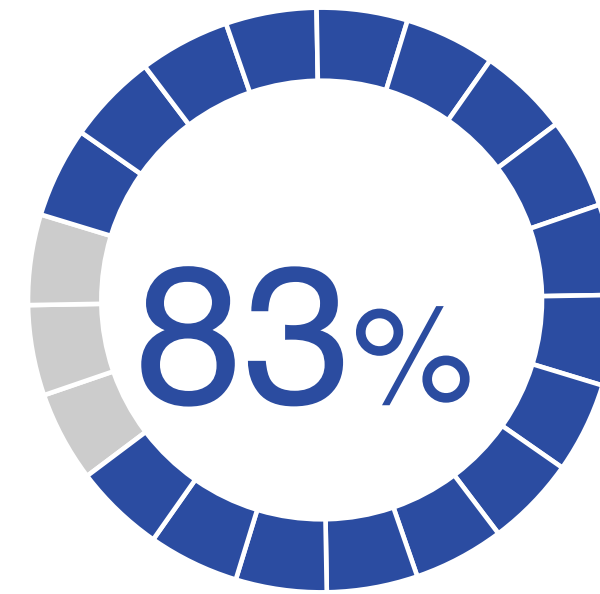
# METHODOLOGY

- Custom 25-question survey designed collaboratively by Instant and The Center for Generational Kinetics
- Study was administered to 1001 U.S. respondents ages 16-52 who are currently employed. The sample was weighted to current U.S. Census data for age, gender, and region
- Survey was conducted online from January 11, 2018 to January 17, 2018
- Figures are statistically significant at the 95% confidence level. Margin of error is +/-3.1 percentage points
- Please note that “By Total” in any graph represents the sample as a whole

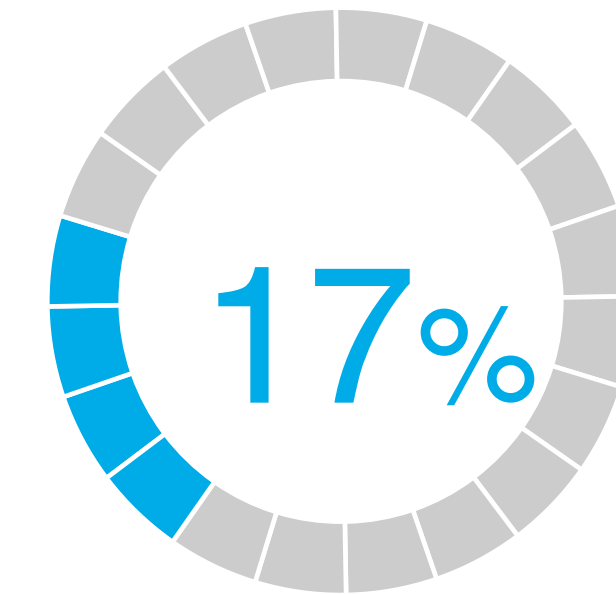


# SAMPLE OVERVIEW

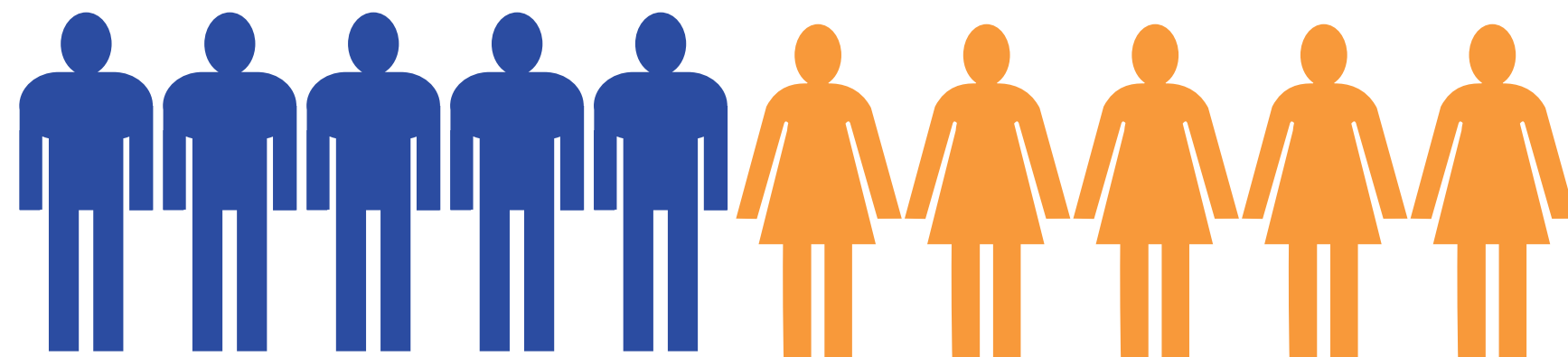
1,001  
Participants



Employed full-time



Employed part-time



50% Male

50% Female

Hourly

49%

40%

Salary

Commission,  
tips, or bonus

11%



# STUDY OVERVIEW

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- The Current Wage Landscape
- The Impact of a Daily Wage Option
- The Daily Wage Option: A Big Win for Employers
- A Daily Wage Option Can Drive Results



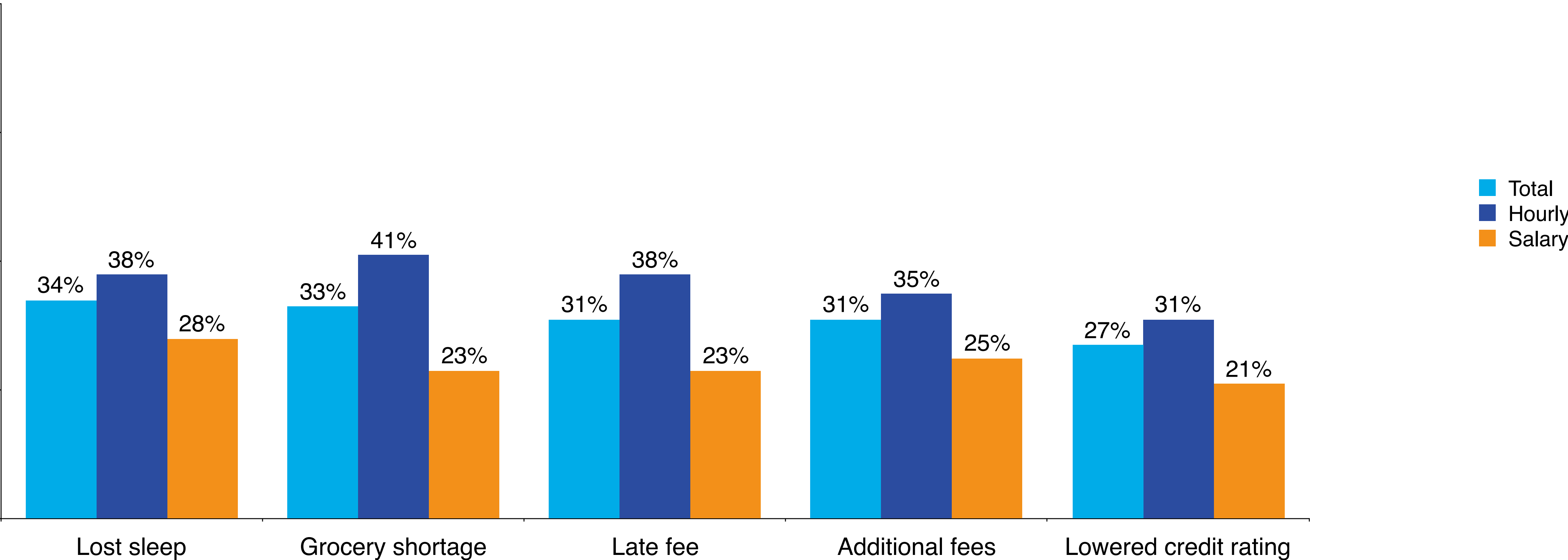
# THE CURRENT WAGE LANDSCAPE



# Two week pay can be detrimental to employees

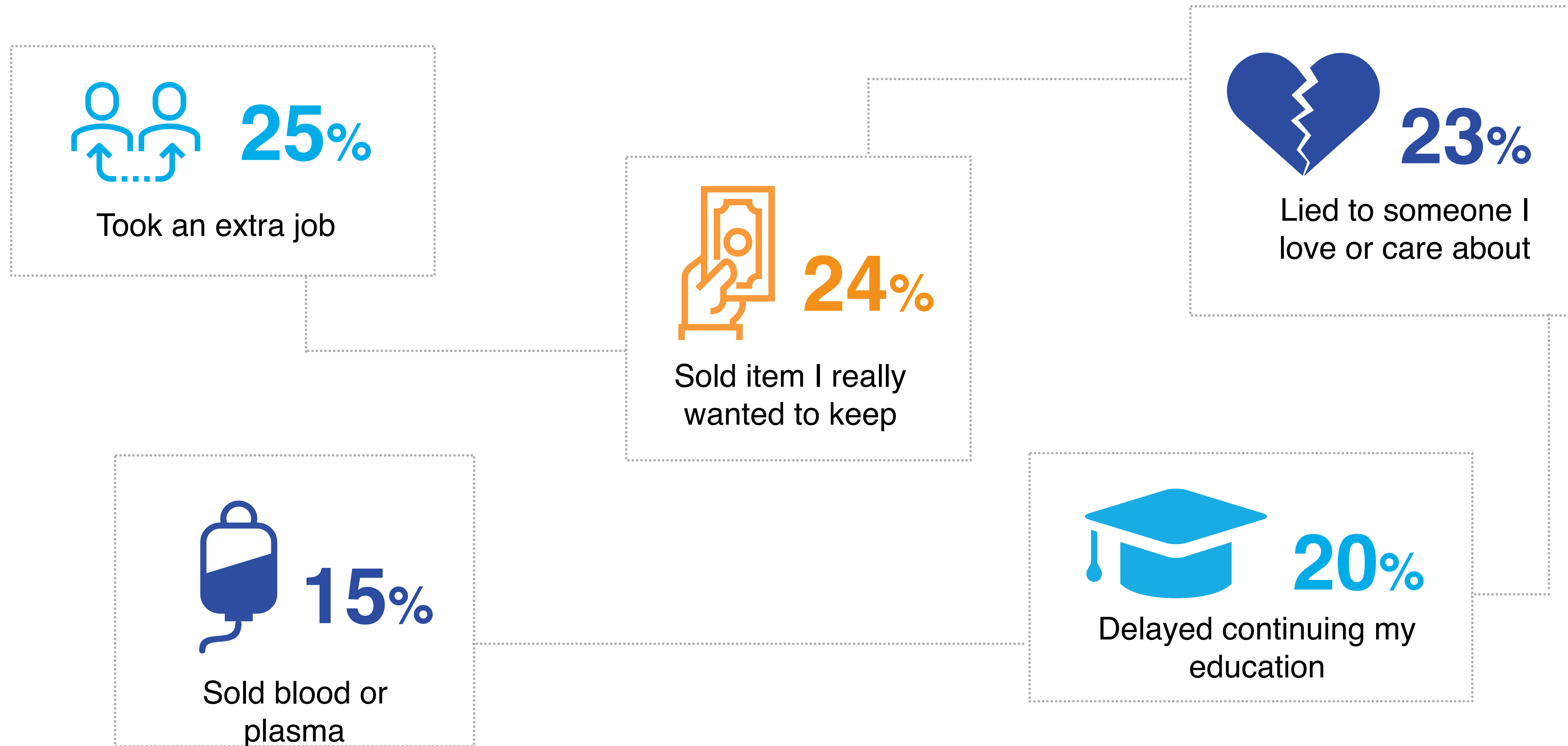
This is especially the case for hourly workers who have experienced everything from lost sleep and a shortage of groceries to a lower credit rating as a result of money running out before payday.

Has happened in the past year because money ran short before payday



Q28. Please indicate if the following have happened to you in the last year because you were short on money because your wages were paid every two weeks.

# Two week paydays often lead to money shortages and varied ways to deal with the shortfall (by total)

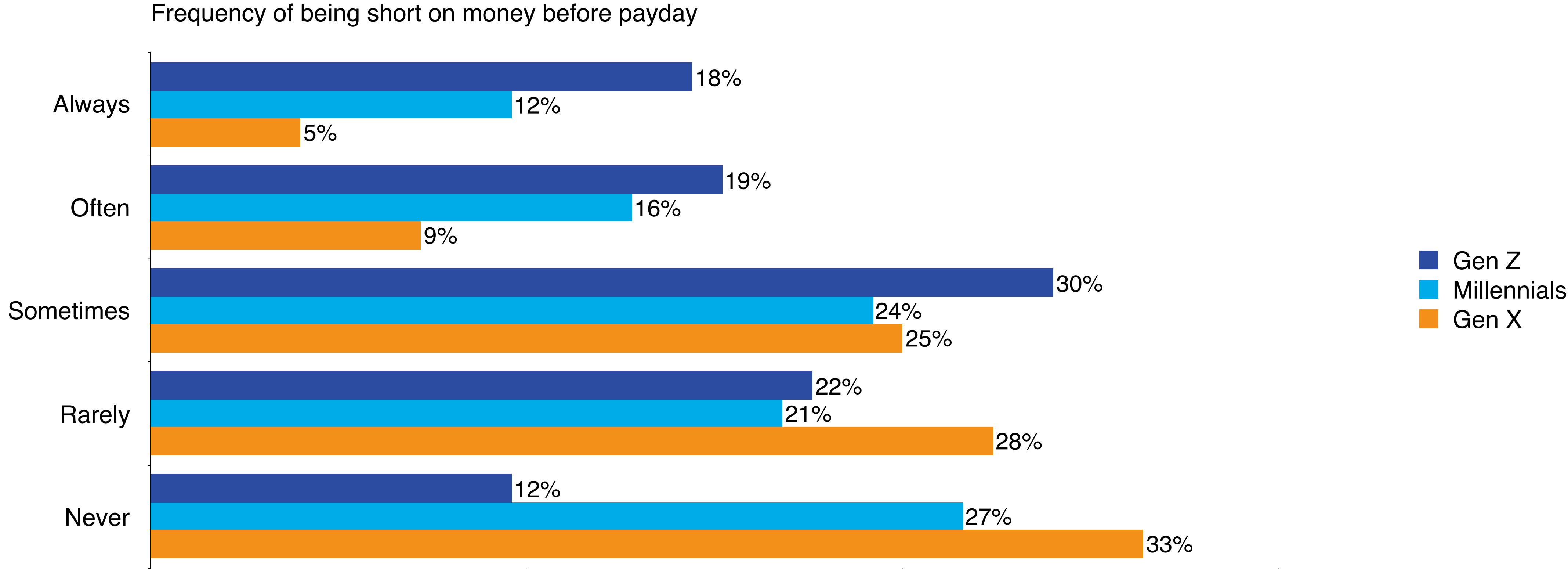


Q29. Please indicate if you have done any of the following because you were short on money because you only got paid every two weeks.



# Being short on money before payday is a fairly common occurrence for employees

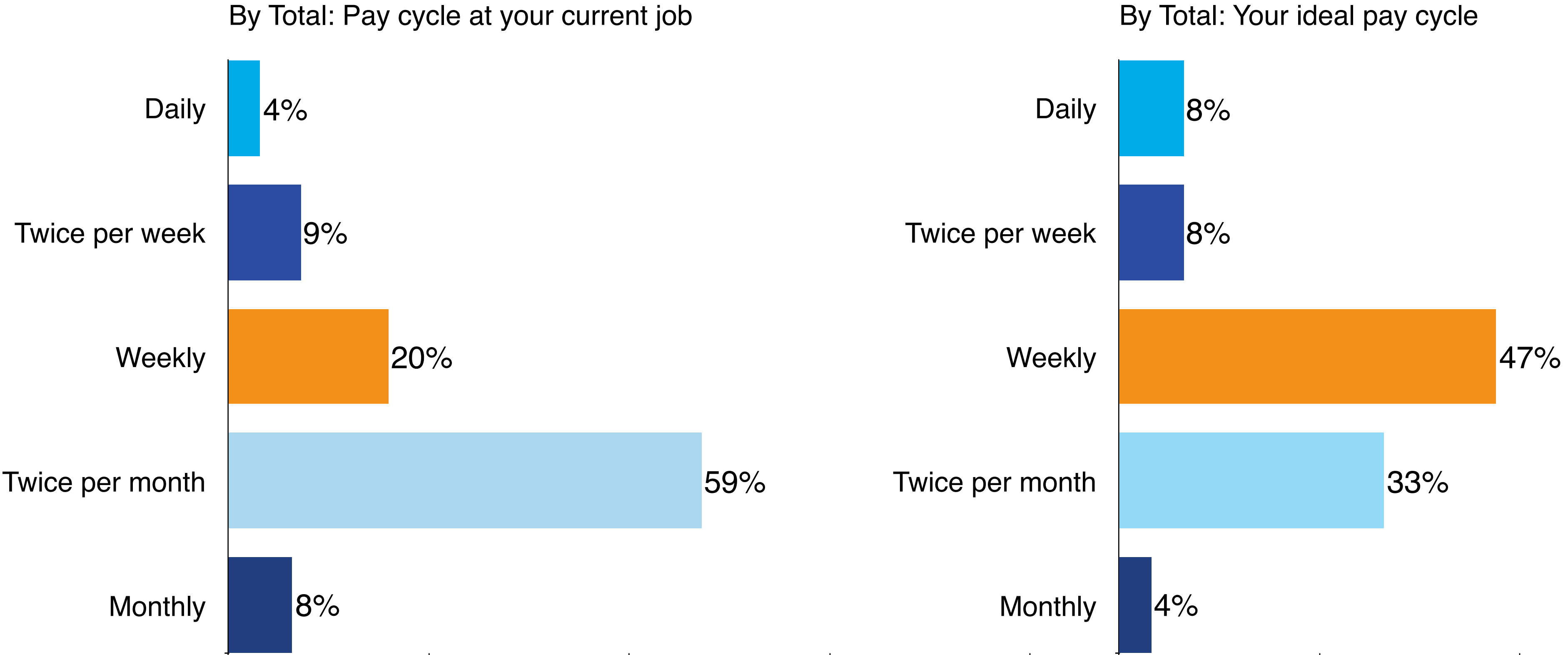
In fact, only 28% say they are never short on money before payday. Coming up short on money is more common for Millennials and Gen Z than for Gen X.



Q1. How often are you short on money before you get to payday? Please select one

# Payday comes twice a month for most employees, but weekly is their ideal

About 1 out of 5 employees are paid weekly, but almost half would like to be paid weekly.

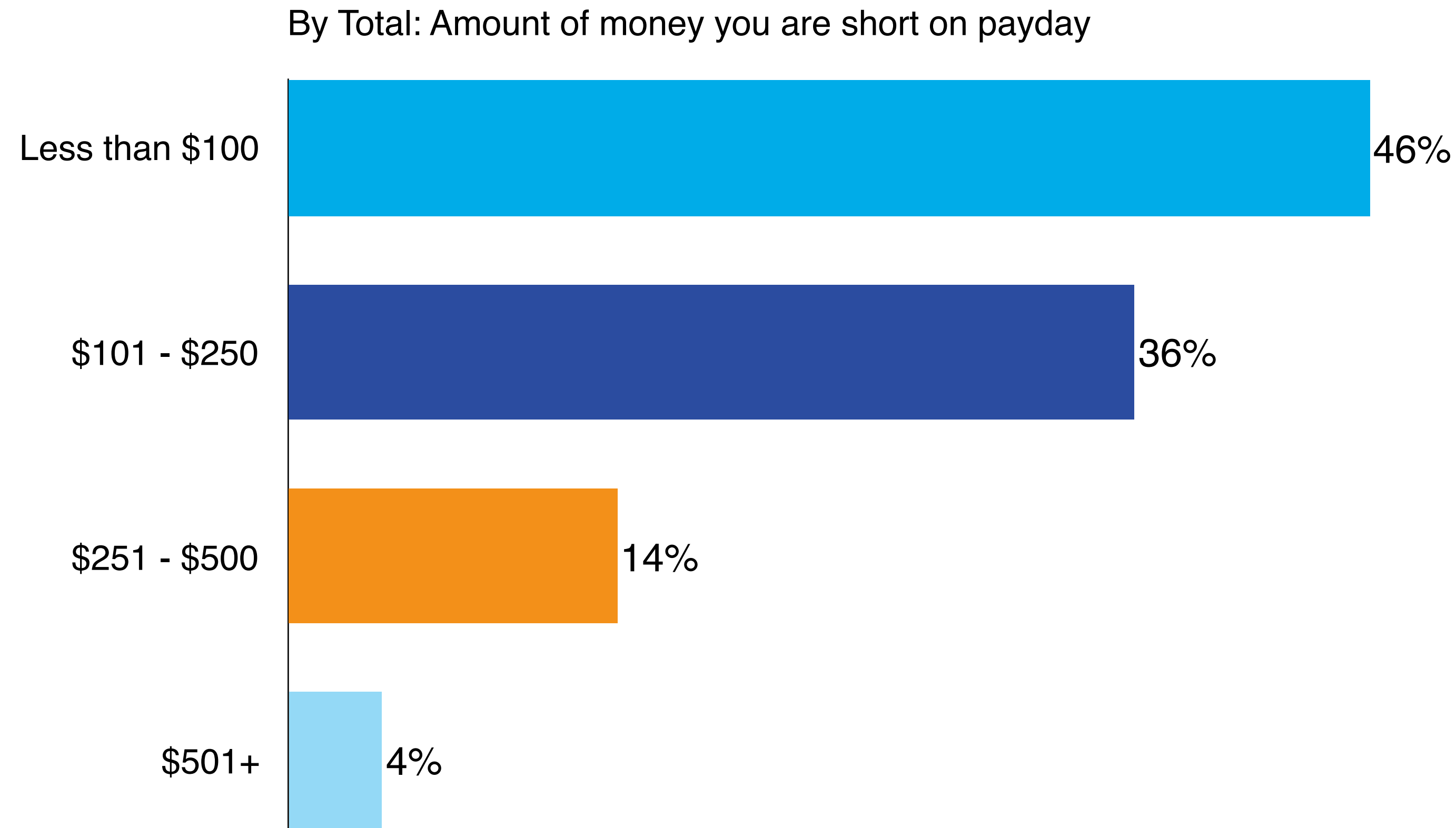


S6. How often do you get paid at your current job? If you have more than one job, please list how often you are paid at your primary or highest paying job.  
Q7. Ideally, how often would you like to receive your pay at work? Please select one.



# Almost universally, the payday shortfall is less than \$250

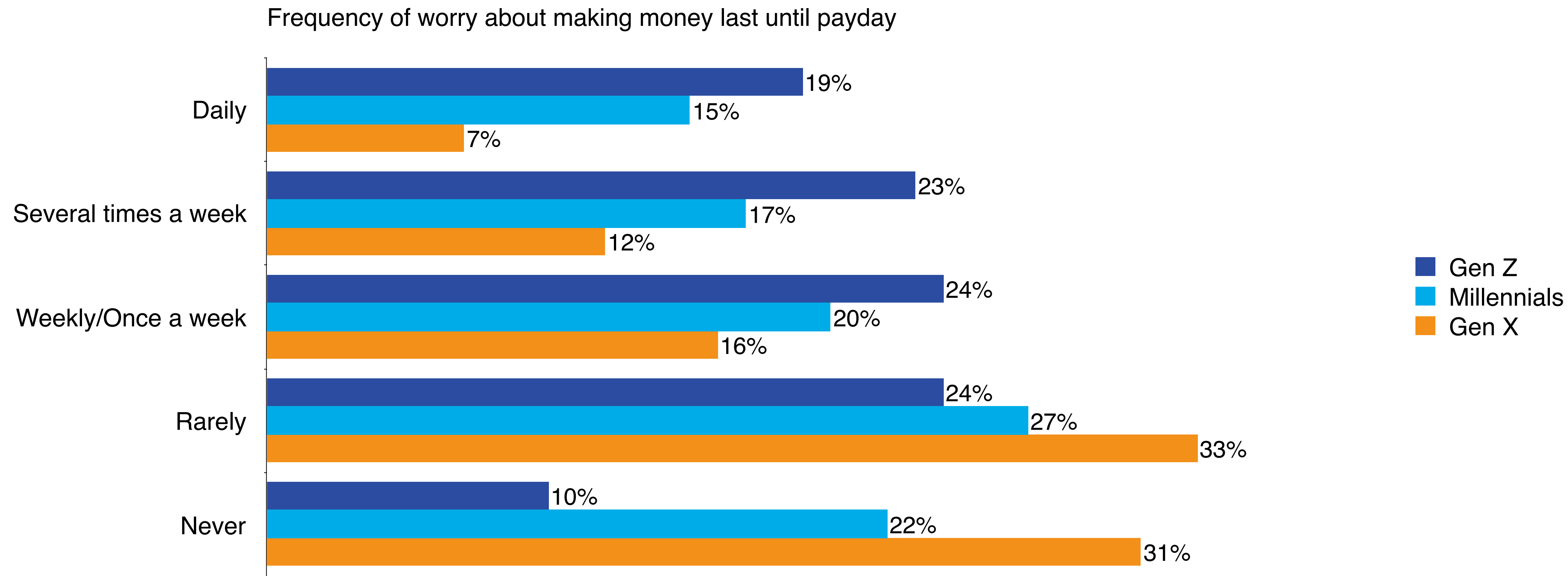
And often it is less than \$100. Very few people are coming up short by large amounts of money.



Q2. When you are short on money before you get to payday, how much money are you short? N=489; answered always, often, or sometimes in Q1.

# Nearly half of employees worry every single week about making their money last until payday

Of these weekly worriers, 13% are anxious about it every single day! Younger generations are worried more frequently than Gen X.



Q3. How often do you worry about making your money last until your next payday? Please select one.

# In the last 3 months, because of worry about making money last until payday...



**31%** of employees and **38%** of hourly workers went to work even when they were sick and should have stayed home.

Nearly a quarter, **24%** of Millennials lost at least 1 night of sleep each week.



**30%** of Gen Z employees have skipped at least 1 meal in order to save money.



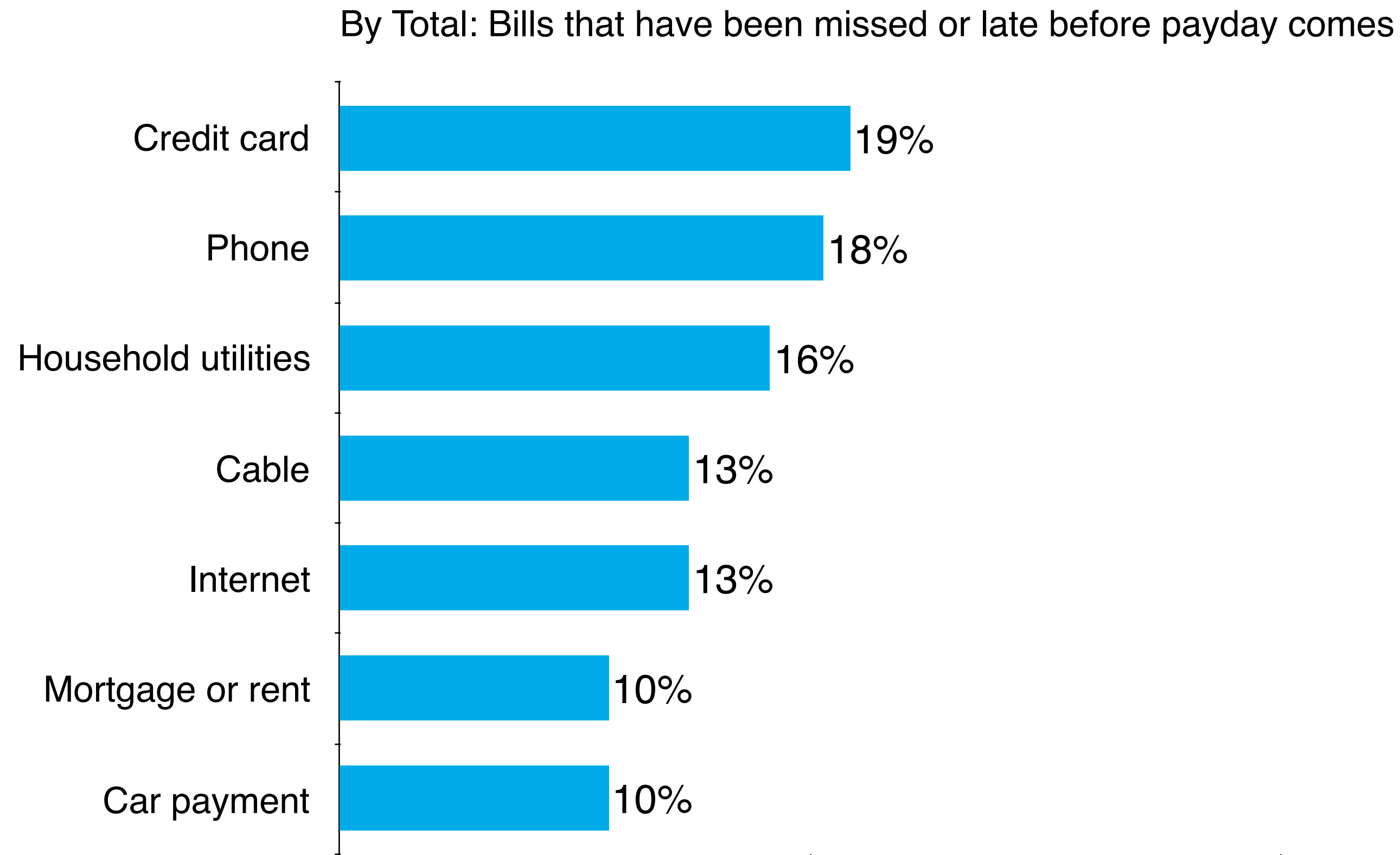
...and **11%** of employees have had to borrow money at a high interest rate in order to pay their bills.

Q4. In the last three months, which of these have happened to you because you were worried about making your money last until your next payday? Please check all that apply.



# When money runs out before payday, credit cards, phone, and utilities are the first bills to be missed

Cable, Internet, mortgage or rent, and car payments aren't too far behind.

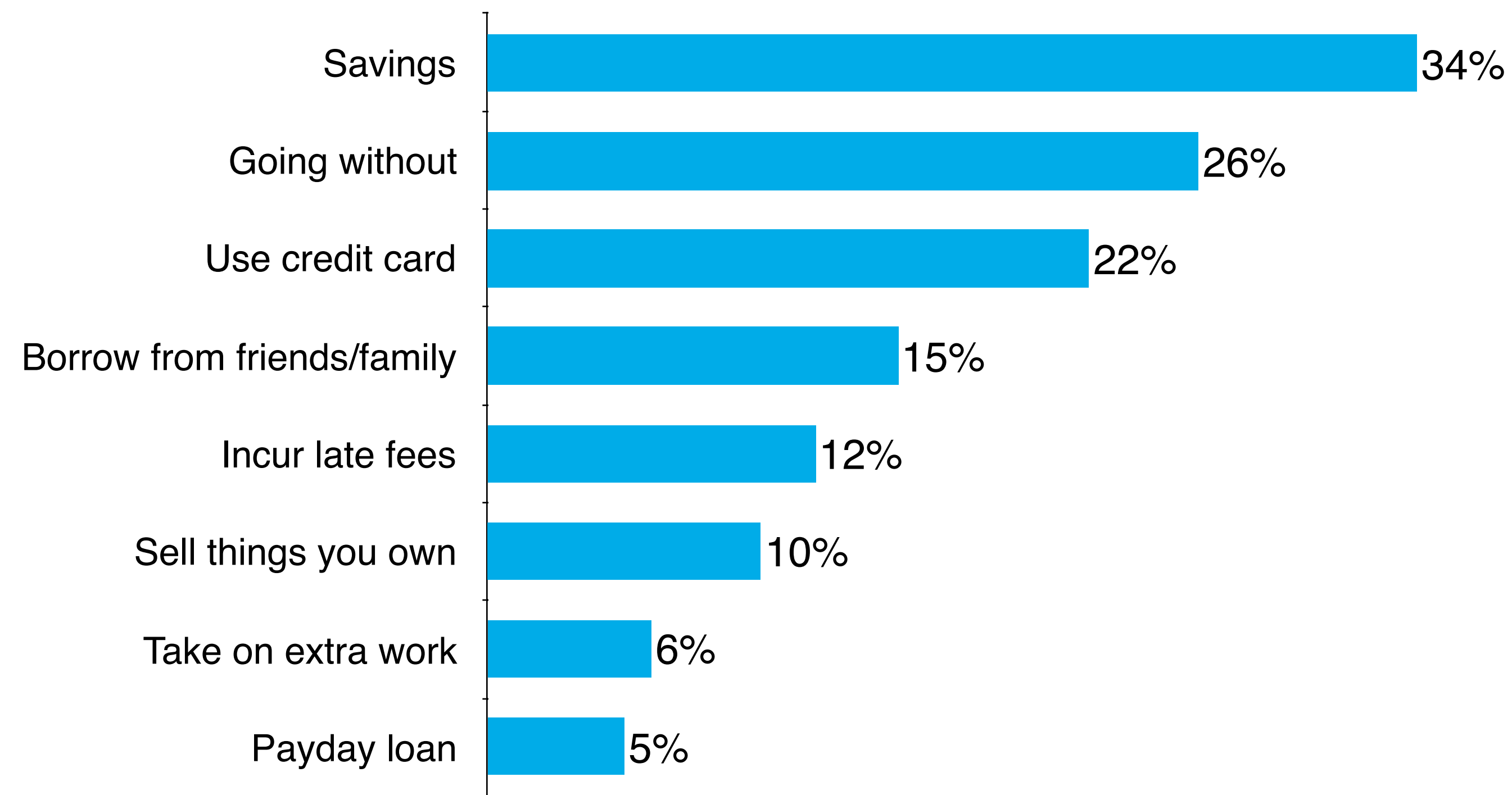


Q5. If you have been short on money before you got to payday, which of the following bills have you not paid or had to pay late?  
Please check all that apply.

# A pre-payday shortage is most often covered by dipping into savings or going without

It also frequently means paying bills with a credit card or asking to borrow money from friends or family. Sometimes it even means accumulating late fees or getting a payday loan.

By Total: Most likely way to cover a shortage before payday

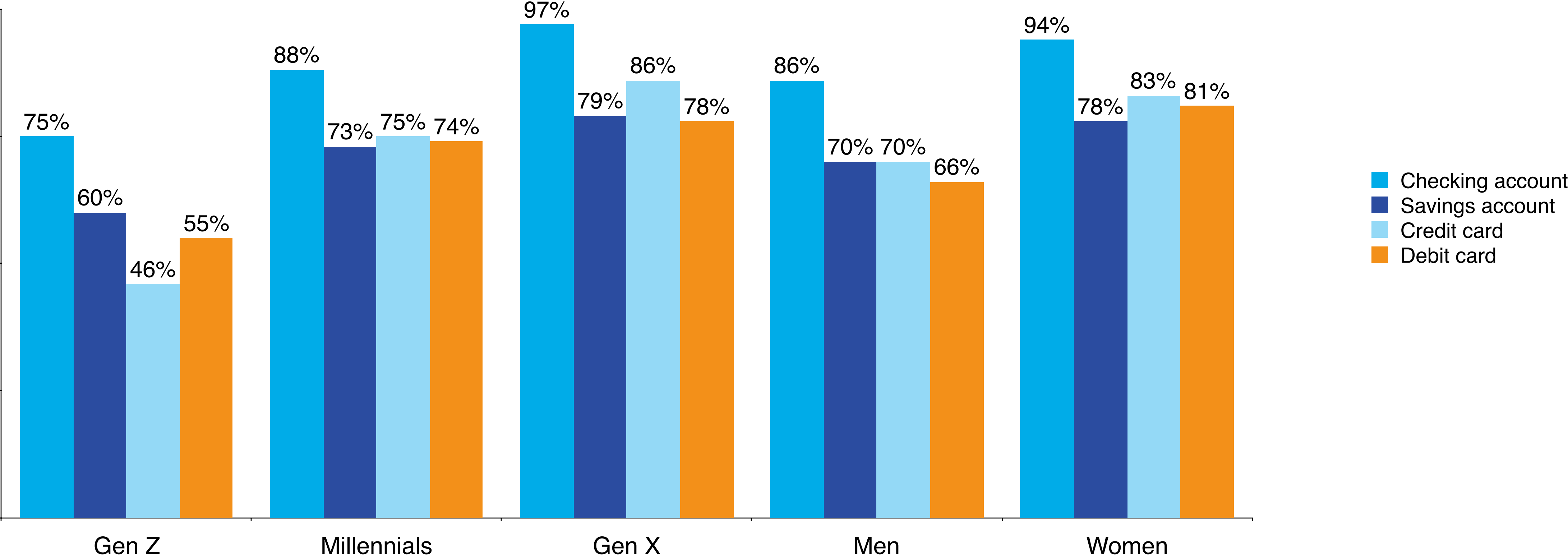


Q6. What are you most likely to do if you need money before payday? Please select up to two.

# Age and gender play a big role in banking habits

Gen X and Millennial employees are much more likely than Gen Z to be utilizing the full range of financial banking options with multiple types of accounts and cards. Women are also much more likely than men to use these.

Types of banking accounts and cards used



S9. Which of the following do you currently have? Please check all that apply.



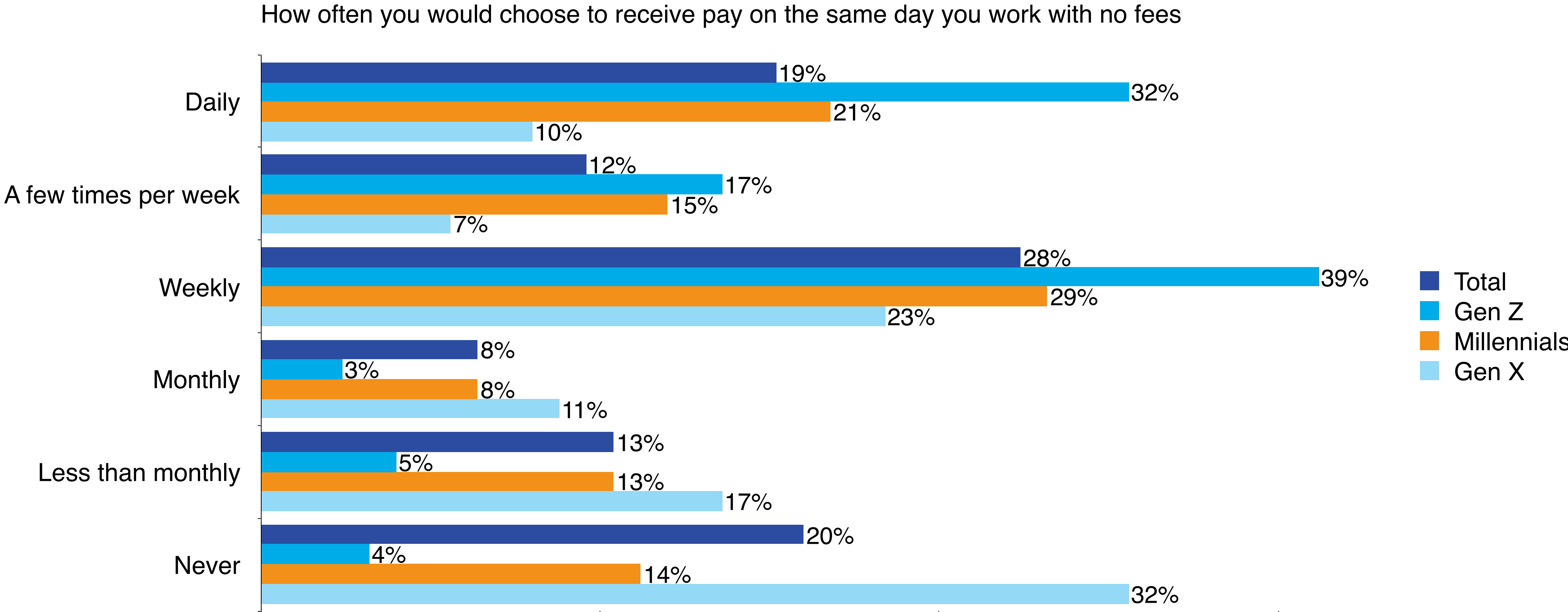
A man with a beard and a red t-shirt is sitting at a desk, smiling as he works on a laptop. He is wearing a black watch on his left wrist. A yellow mug is on the desk next to the laptop. The background shows a home office with wooden cabinets and a green wall. The entire image has a blue overlay.

# THE IMPACT OF A DAILY WAGE OPTION



# Most workers believe they would use a daily pay option regularly

This most often means weekly, but Gen Z is likely to use it more frequently than older generations.

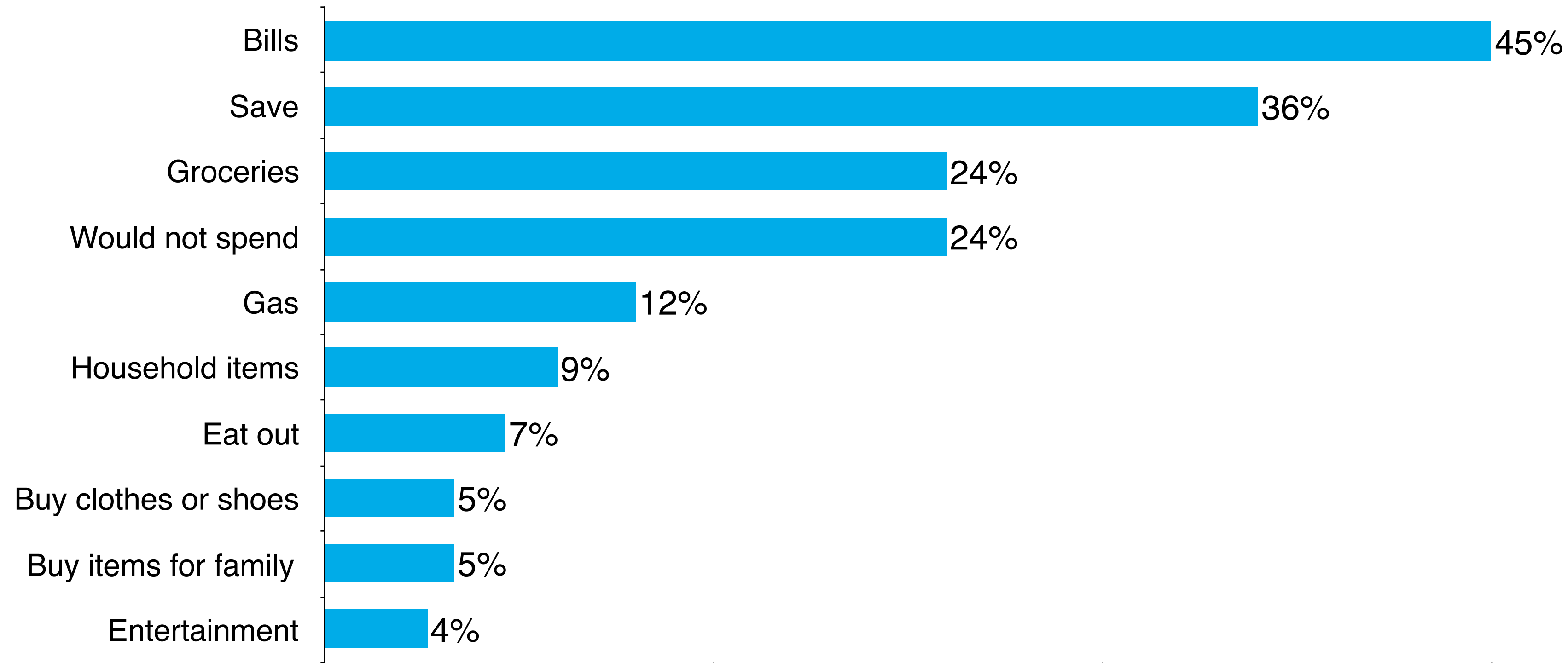


Q14. If you were able to access your earned pay after every day of work without any fees, how often would you choose to get paid on the same day you worked?

# Bills, savings, and groceries top the list of where money made at work today would be spent

Across generations, today's pay would be spent in similar fashion if it were received today.

By Total: How you would spend today's pay if you received it immediately



Q27. If you immediately received the money you made at work today, what would you do with the money? Please select your top two.



# A daily pay option would foster greater peace of mind

It would also produce a feeling of control, especially when it comes to financial issues, emergencies, or budgeting. Interestingly, it would also positively affect a person's opinions of his or her employer, especially for Gen Z.

An option to receive pay each day would cause you to feel this way	Total	Gen Z	Millennials	Gen X	Salary	Hourly
More peace of mind	43%	71%	48%	28%	33%	49%
More in control of my personal finances and my life	41%	66%	47%	23%	33%	45%
Better able to handle financial challenges and emergencies	40%	67%	43%	27%	33%	44%
Better able to budget my finances	39%	60%	44%	25%	31%	45%
Better able to set and achieve personal financial goals	38%	60%	42%	23%	29%	44%
Safer in my financial position	37%	63%	41%	21%	29%	40%
Better able to financially provide for myself and my family	37%	54%	43%	21%	29%	41%
Sleep better at night	36%	57%	42%	22%	27%	41%
More trust in my employer	33%	59%	39%	17%	24%	38%
More confidence in my career	33%	58%	38%	18%	26%	37%

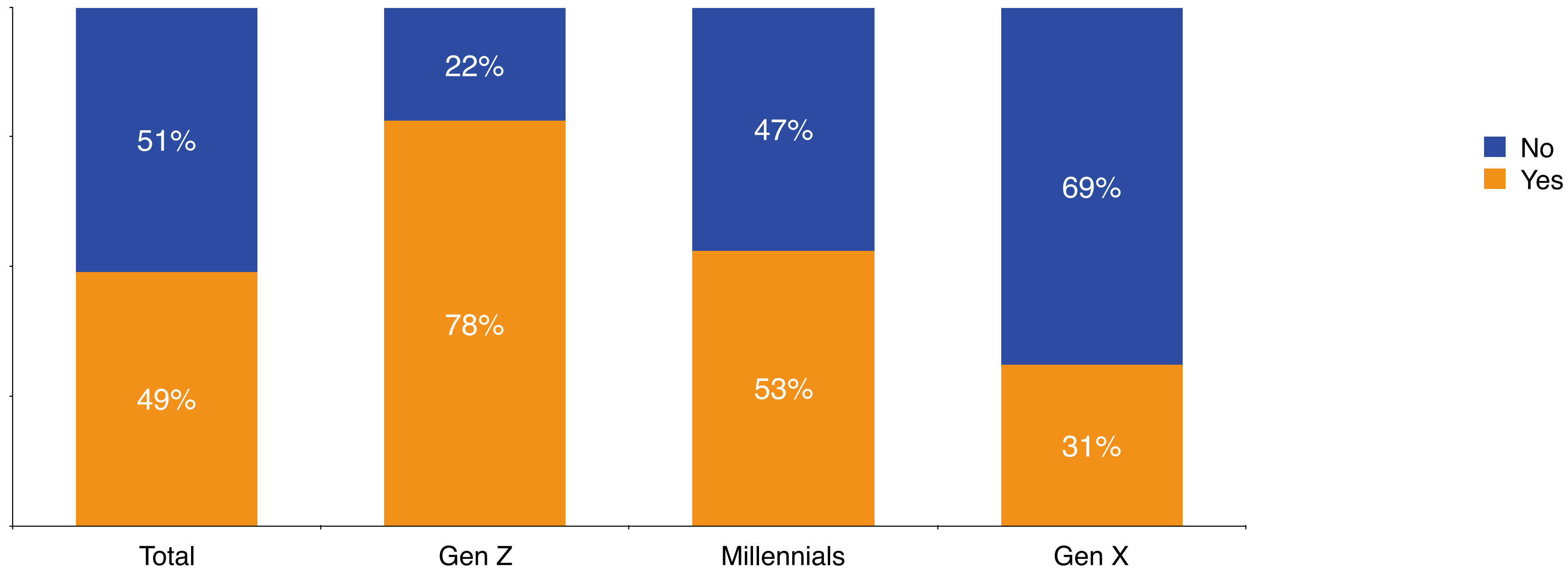
\* Statistically Significant Figures are noted in blue

Q8. If you had the option to get paid each day upon completion of your day's work, do you think you would feel: Yes/No for each.

# A daily pay option massively increases interest in applying for a position

Nearly half of all employees and **more than 3 out of 4 Gen Z** employees say they would be more interested in applying for a job if an employer offers a daily pay option.

More interested in applying for a job that offers a daily pay option

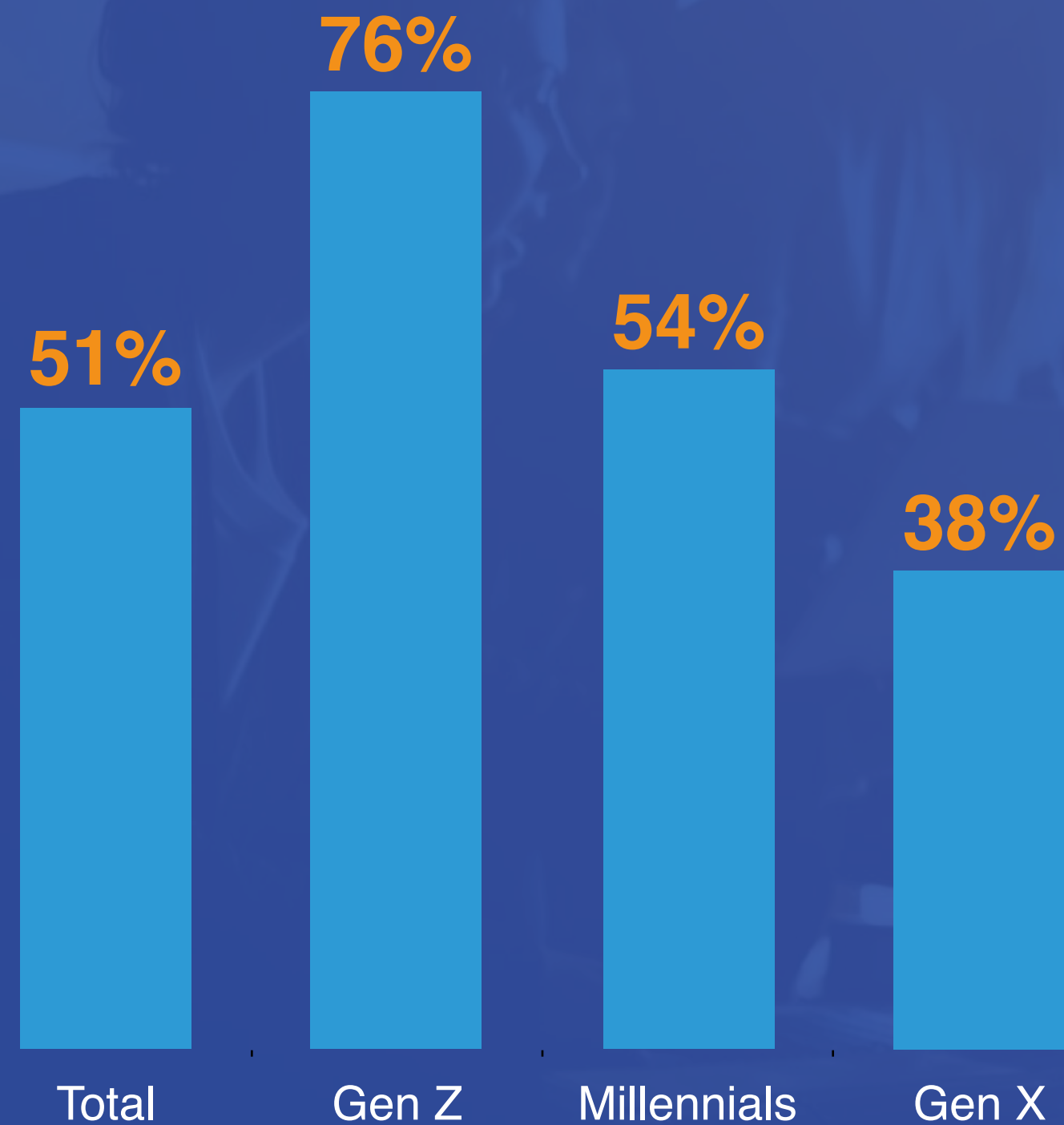


Q9. If you were looking for a job, would learning that a potential employer pays you on the same day that you work increase your interest in applying for the job?



# A daily pay option can dramatically increase a job's acceptance rate over another job of equal pay and hours

Would accept the daily pay option job over another job with equal pay and hours



Q 10. If you received two job offers that are equal in pay and hours, would the ability to receive a portion of your earned wages daily versus every two weeks convince you to accept the job that offers daily pay?

Reasons the daily pay option job would win over a similar job (By Total)

A daily pay option is appealing to workers of all generations for the same reasons.



52% say it would make them feel like they have financial options



34% say it would make them feel more independent



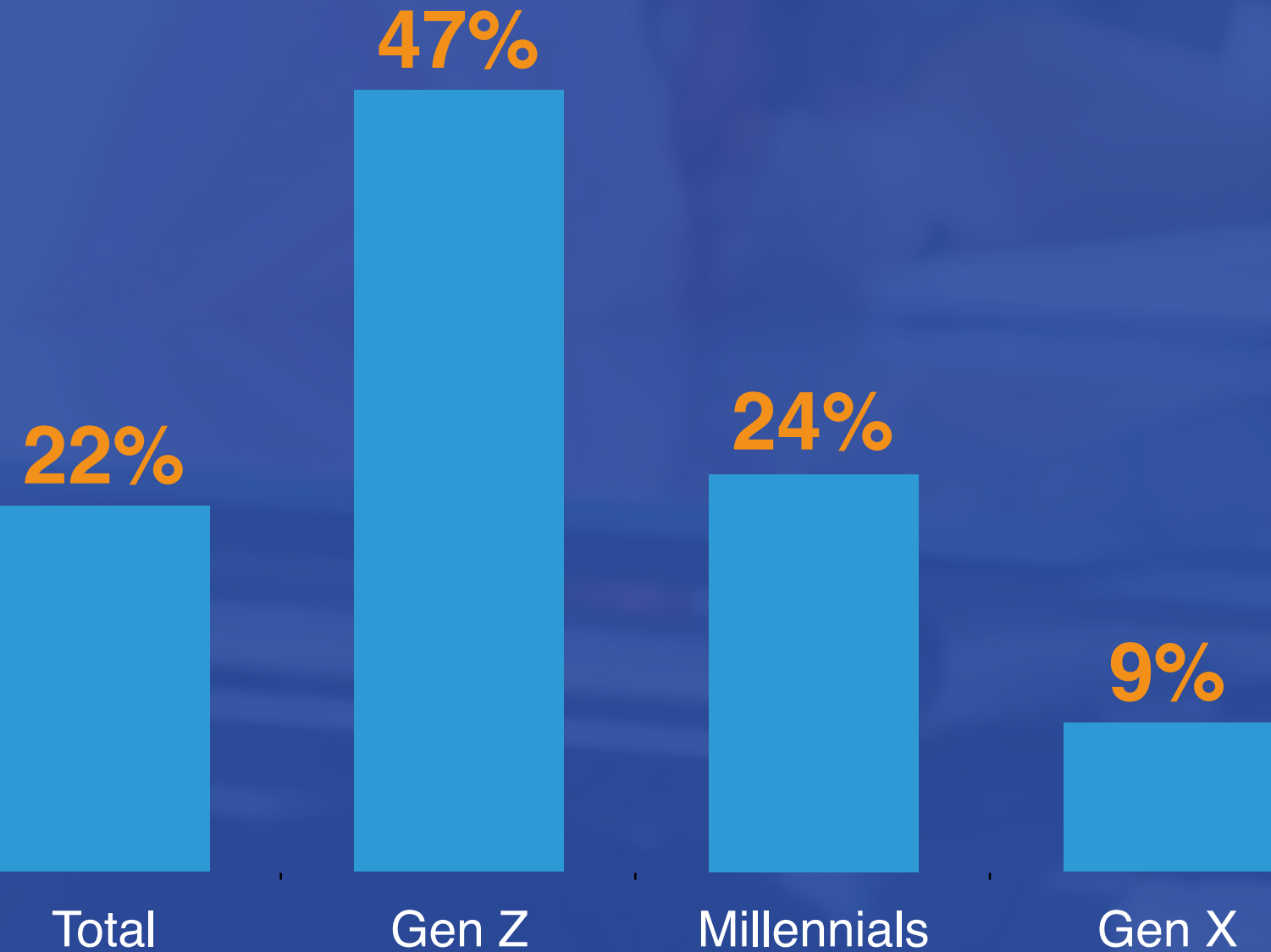
44% say it would make them feel financially secure

Q11. How would immediately being able to access a portion of your earned pay via an app or payment card affect your life? Please select all that apply



# For Gen Z, daily pay often trumps higher pay

Would accept a job that pays less but has an option for daily pay



Q12. Would you accept a job that pays slightly less than your current job if you were able to have access to your earned pay after each day of work?

How much less per hour you are willing to be paid in order to have a daily pay option (By Total)



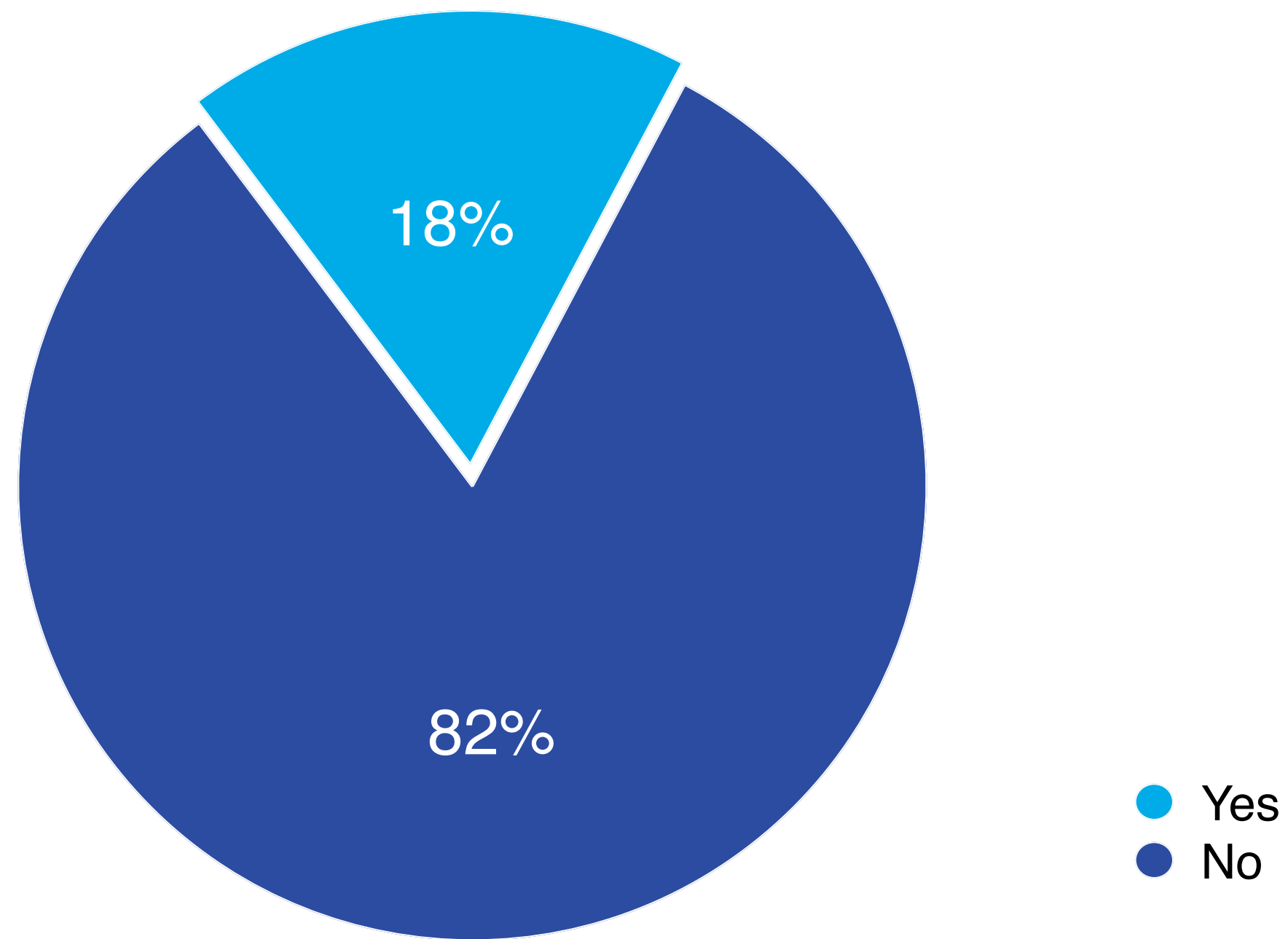
Q13. How much less per hour would you be willing to make in order to get paid every day? Please select one.



# Most workers are unwilling to pay a fee for same-day access to their pay

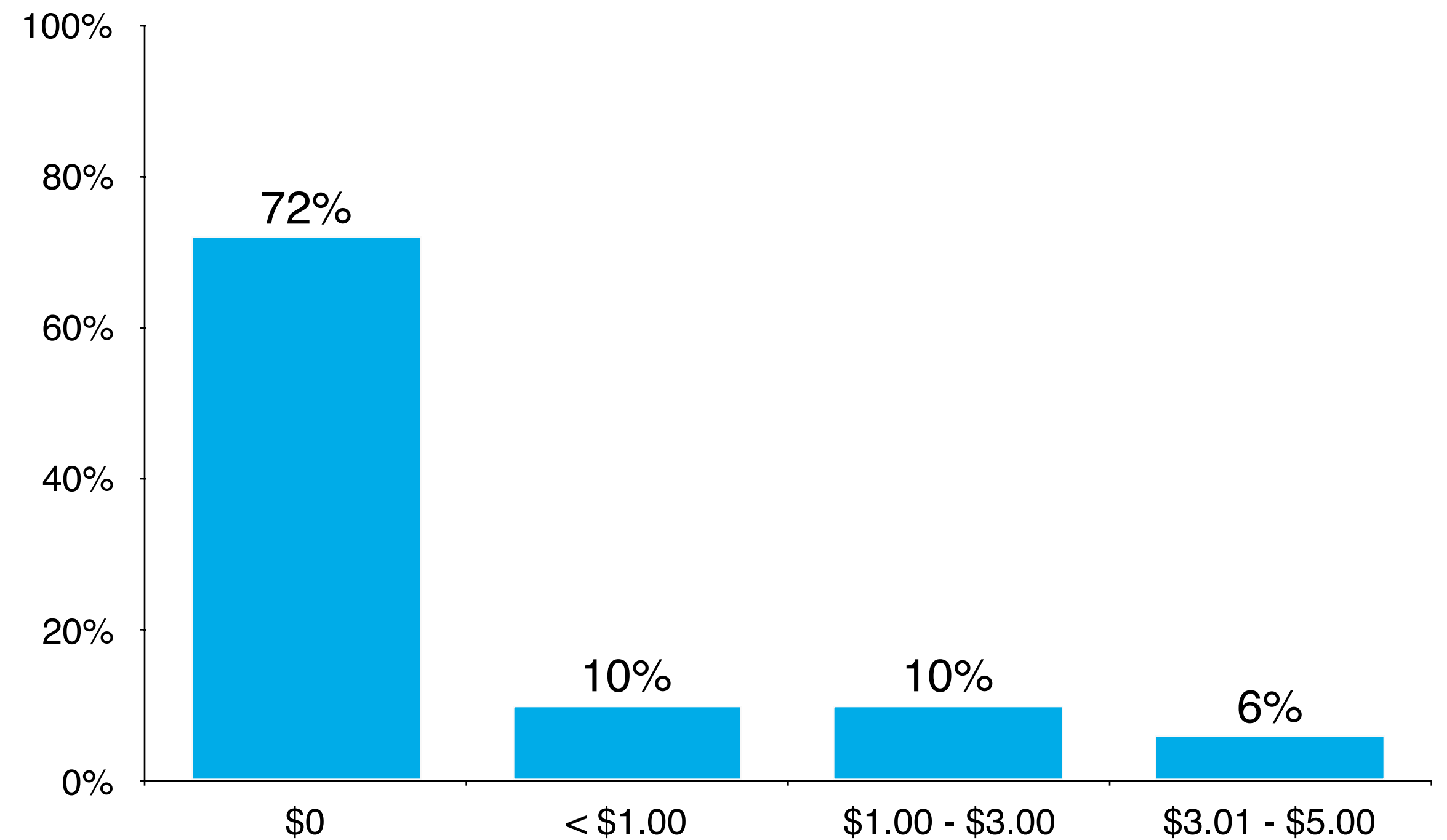
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Would you be willing to pay a \$5 fee to access your pay on the same day?



Q16. Would you be willing to pay \$5 to access your earned wages on the same day you worked? This fee would be charged each time you accessed your wages on the same day.

Largest fee you are willing to pay for same day access to your pay (By Total)



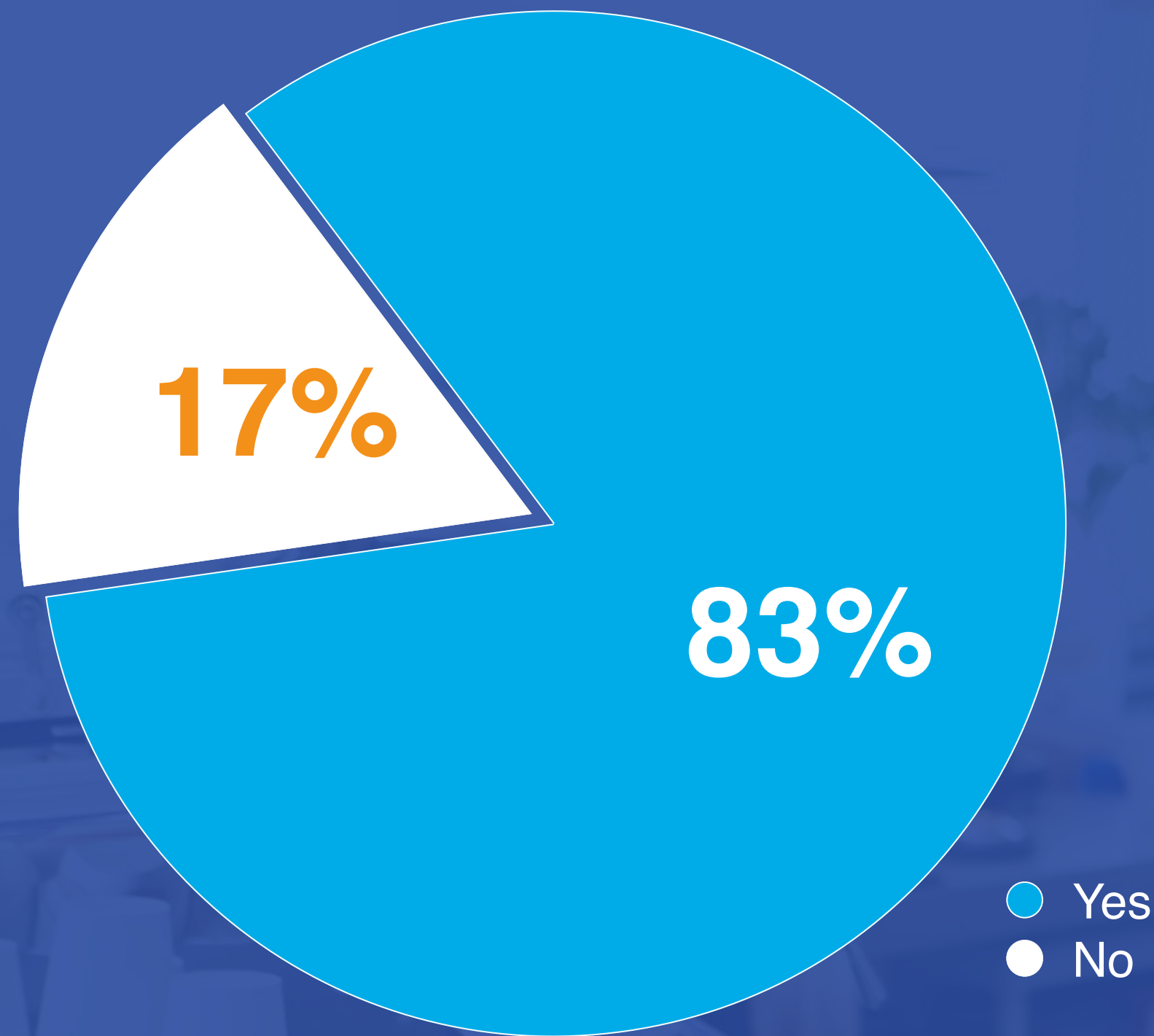
Q17. What is the largest fee you would be willing to pay in order to immediately have access to your earned pay after each day? Please select one.



# Daily pay options with fees make workers feel that employers are taking advantage of them

Believe it is unfair to be charged a fee to access your pay after every day of work

Worker perceptions of employers who charge fees for daily pay access (By Total)



Q18. Do you think it is unfair to be charged a fee to access your earned pay after every day of work?

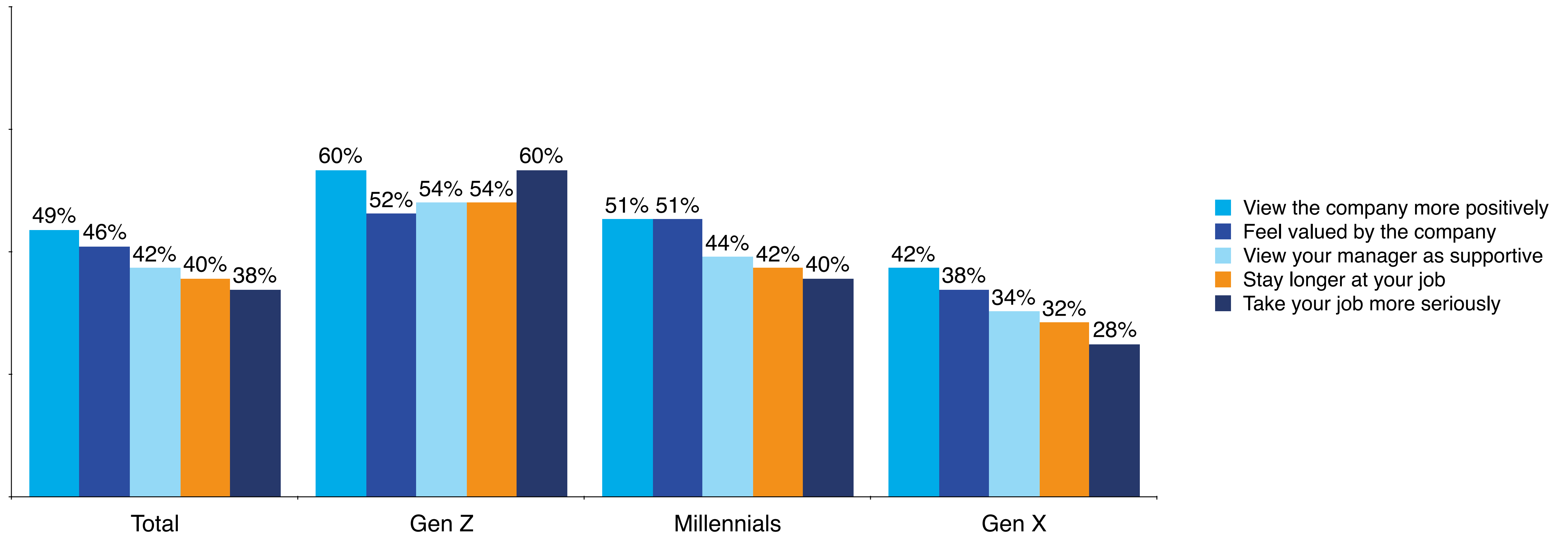
Q15. If you were charged \$5 to access your pay after each day of work, which of these would you feel toward your employer? Please select all that apply.



# But offering a no-fee daily pay option has huge upsides for employers in terms of employee happiness

Employees are much more likely to view the company and their managers more positively. 40% say they would even stay longer at the job! Gen Z in particular feels this way.

Actions that result from an employer offering a no-fee daily pay option



Q19. If you accepted a job that gave you immediate access to your earned pay every day at no cost, please indicate how likely you would be to do each of the following.





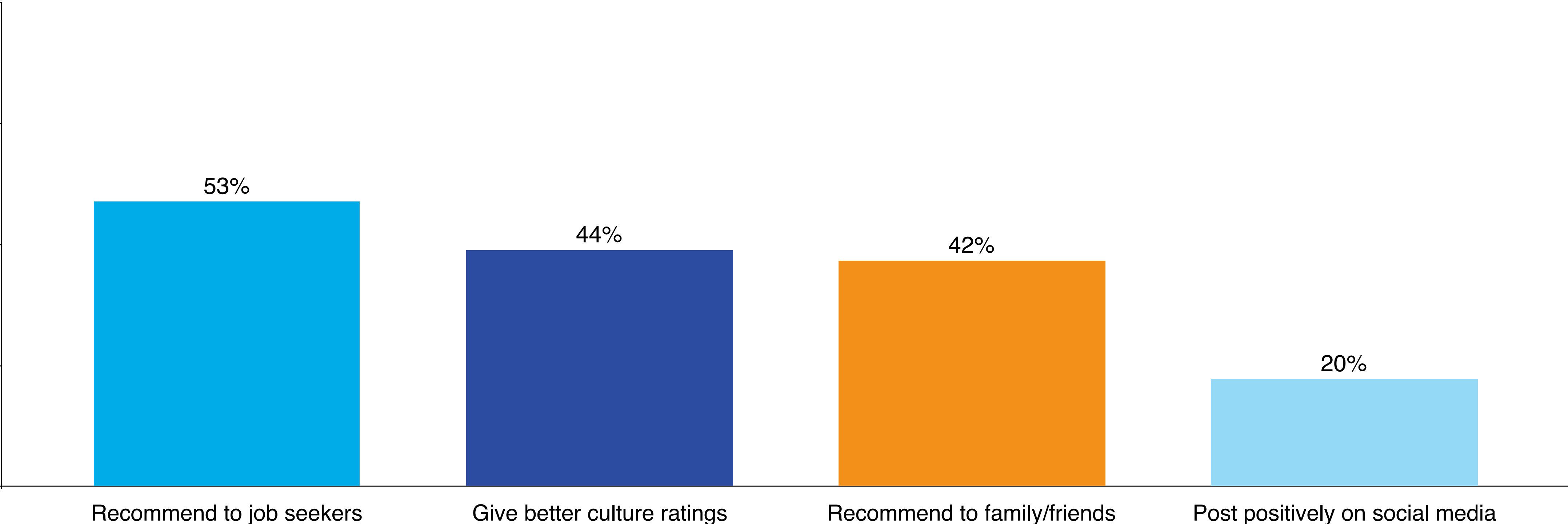
# THE DAILY WAGE OPTION: A BIG WIN FOR EMPLOYERS



# Same day pay inspires employees to positively promote the company

Across generations, employees who are offered daily pay would recommend their company to those looking for a job as well as to friends and family.

By Total: Actions you would absolutely do if your employer offered a daily pay option



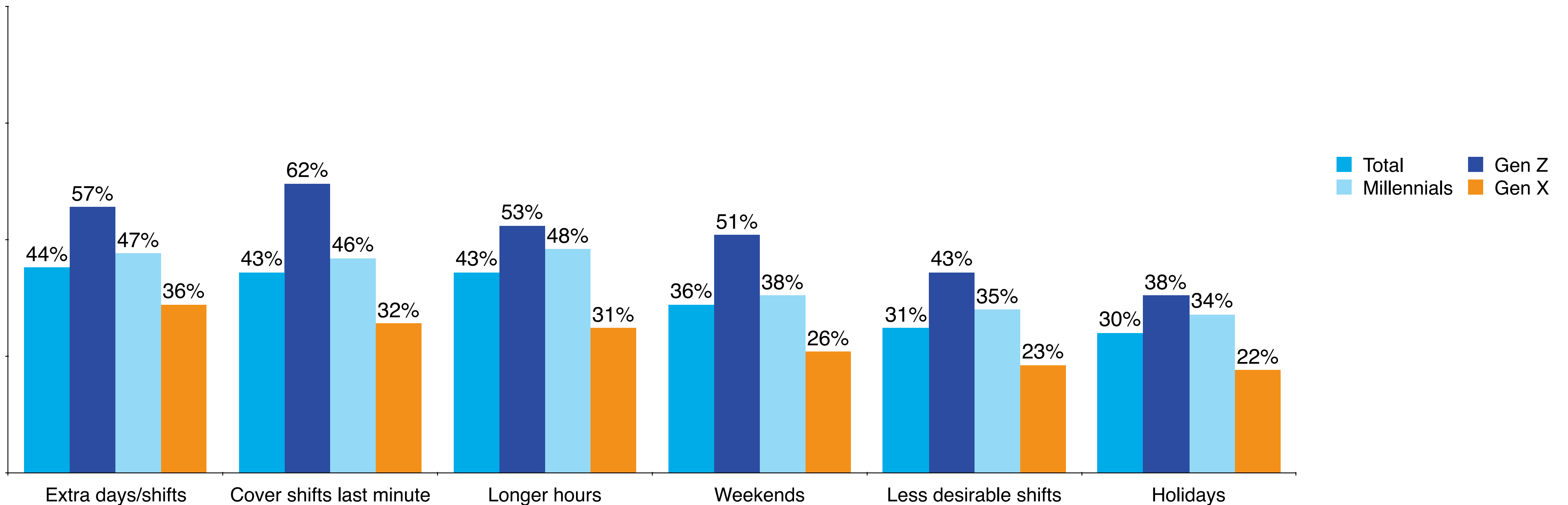
Q20. If you got immediate access to your earned pay after every day of work, which of the following would you absolutely do? Please select all that apply.



# A daily pay option profoundly affects employee motivation and flexibility, especially for Gen Z

Employees are much more inspired to work extra shifts, longer shifts, odd hour shifts, weekends, and even holidays when they have the option to receive their wages at the end of the shift.

Work arrangements you are likely or very likely to take when you have a daily pay option



Q21. Please indicate how much more likely you would be to do each of the following if your employer gave you immediate access to your earned pay after every day of work.

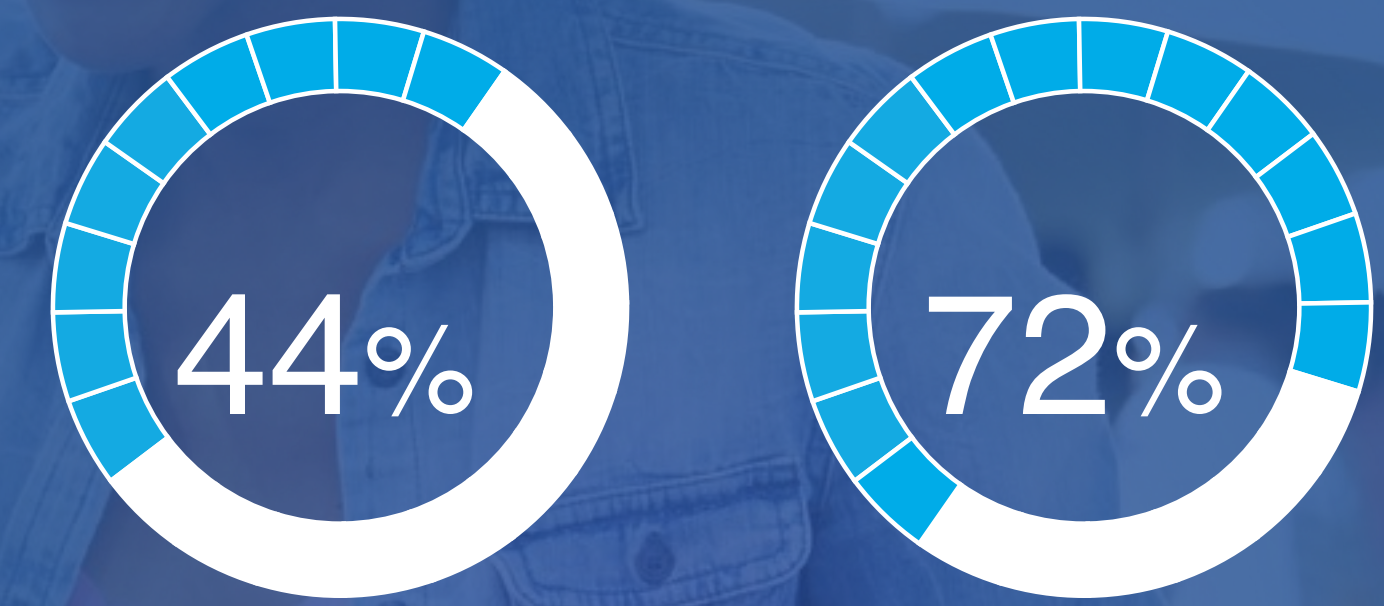


# How offering a daily wage option can dramatically affect employee morale...



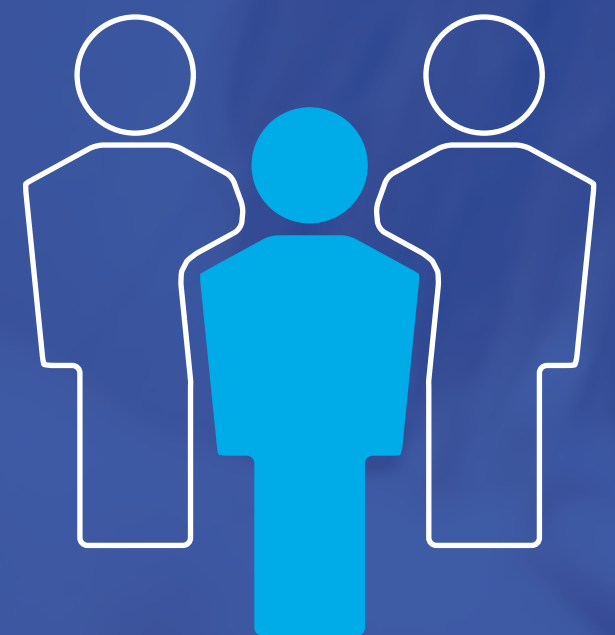
44% of employees and 78% of Gen Z say that having immediate access to their pay would inspire them to put forth more effort at work.

Q22



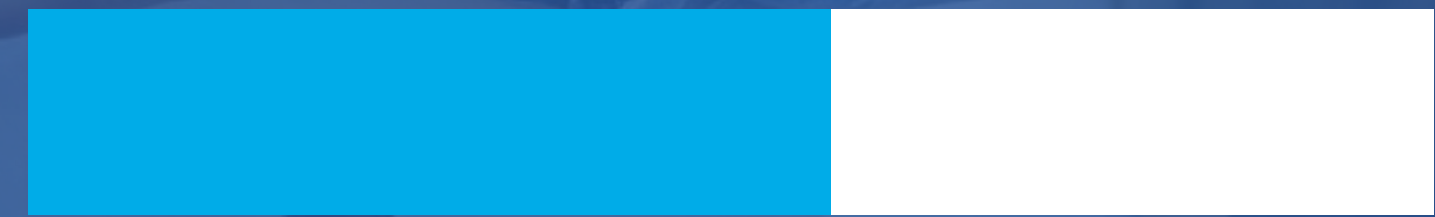
Q26

44% of employees and 72% of Gen Z say that a daily pay option makes them feel more loyal to their employer.



More than 1 in 3 employees would stop looking for another job if they were offered the option to receive immediate access their pay.

Q23



...and more than half of Gen Z would stay longer at a job they don't like if they had a daily pay option.

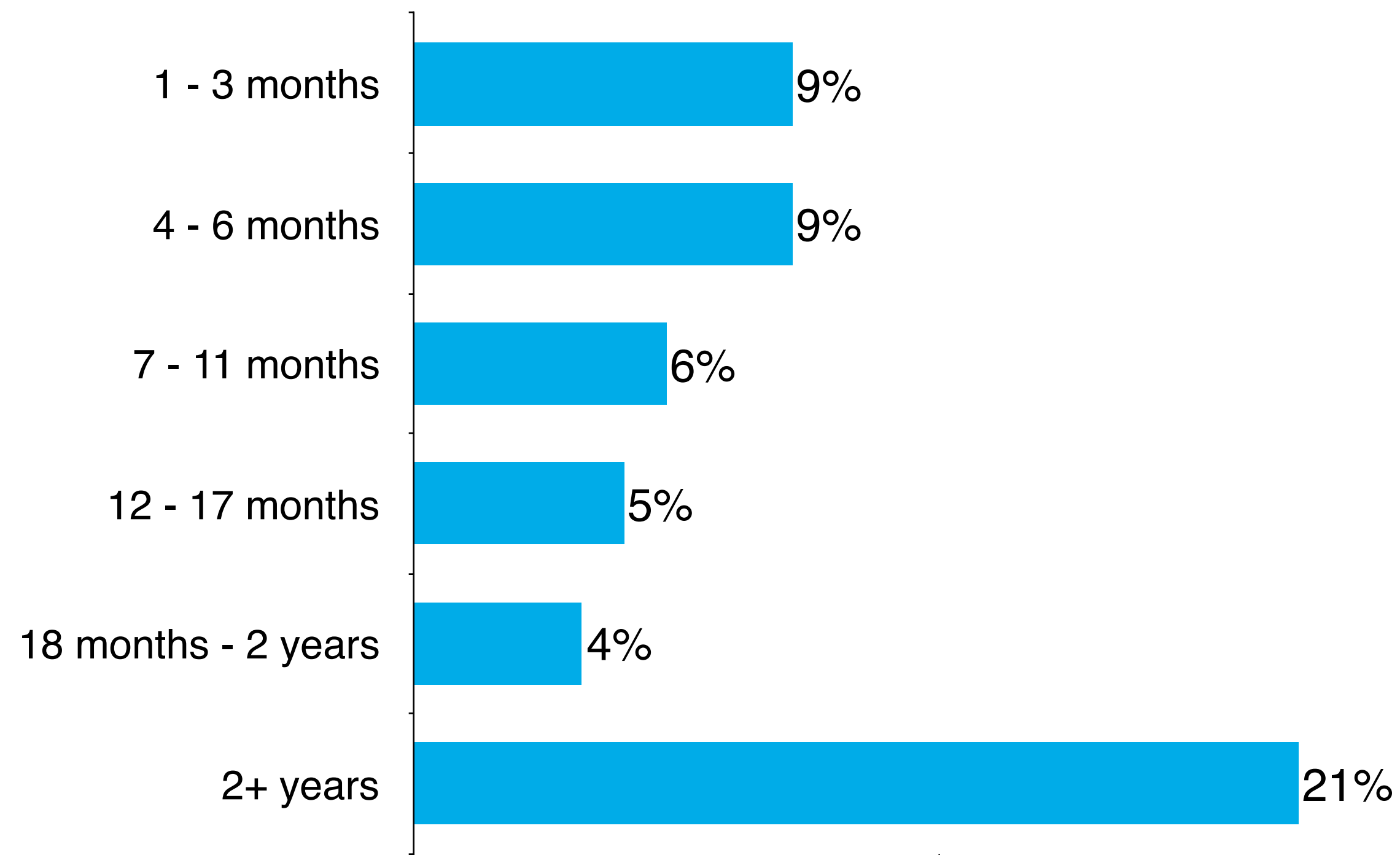
Q25



# A daily pay option could lengthen an employee's stay by months or even years

Across generations, employees are equally inspired to lengthen their tenure with an employer who offers them same day access to their pay.

By Total: How much longer you would stay at your current job if offered a daily pay option



Q24. How much longer would you stay at your current job if you were able to receive immediate access to your earned pay after every day's work. Please select one.





# A DAILY WAGE OPTION CAN DRIVE RESULTS



# CONCLUSION

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The world of bi-monthly and monthly paydays is difficult on many employees who often experience stress, anxiety, and negative financial consequences as a result of this access to cash shortage.

However, offering employees an option for **daily pay is a powerful way for employers to positively impact their employees** and simultaneously drive key workforce behaviors and outcomes.

Employees who receive the option for same day pay feel more valued by their employers and respond in kind with **increased loyalty and the desire to work harder and tell others about their positive experience.**

Same day pay is a win for employers and employees alike.

# IDEAS TO BUILD ON YOUR THOUGHT LEADER POSITION:

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**Based on what we found in your national study, this is what we believe will amplify your Defensible Difference™:**

- Qualitative interviews with employees who have used the Instant App, to highlight real world examples and add depth, color, and context to the quantitative findings.
- A series of custom articles (250 words each) grounded in the research findings that are posted to HR and media outlets.
- Webinar by Instant's CEO revealing the biggest findings from the study.
- Presentations by Instant's sales team at industry events across North America.



# QUESTIONS AND NEXT STEPS

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## Here's what comes next:

- The Center's research team will email documents to help you select the white paper and infographic research data points you want to include from the study
- Once we have your approved findings we will begin to design the infographic and write the first draft of the white paper
- As part of the research and thought leadership process, your final deliverables will be a designed and branded white paper and infographic suitable for immediate use in marketing, sales, and public relations



This completes the analysis of the findings from the Instant Financial National Study. We are excited to work with you on your next study!

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THANK YOU