



Much More Than a Paycheck.

How Modern Pay Processes Help Retailers
Attract and Retain Employees

dailypay.

retail
TouchPoints®

Introduction

While the pandemic forced retailers to reinvent their businesses, successful retailers have long understood that innovation is the key to success. As retailers continue to innovate and reimagine their experience, they've also focused on improving the experience of their employees.

Pay processes though, and the opportunity to modernize pay processes, are an often overlooked aspect of employee experience.

Pay isn't just about issuing paychecks anymore. It's now part of a critical experience that helps build greater trust between employee and employer.

Creating a pay experience that encompasses everything from helping employees meet unexpected expenses to building greater financial wellness gives retailers an opportunity to enhance the entire employee experience.

An ideal pay experience includes:

- ✓ **On-demand pay:** An on-demand pay benefit enables employers to provide employees with greater visibility and access to their earned wages.
- ✓ **Reward programs:** Recognize and incentivize employees with cash rewards in real-time.
- ✓ **Savings programs:** Empower your employees to set aside their earned money to start building a healthy savings safety net.
- ✓ **Off-cycle payments:** Your payroll team can reduce costs while quickly dispersing funds for payroll corrections.
- ✓ **Digitize Tips:** Simplify and streamline your tip processes to improve convenience and efficiency for employees.

In this eBook, we'll explore the elements of modern pay processes provided by DailyPay, with a focus on how retailers can benefit from these.

Our featured case studies and testimonials will also demonstrate real-world examples in action. In addition, we'll outline major benefits to retailers, including lower employee turnover

DailyPay

The foundation of the DailyPay experience is allowing employees to access their earnings as needed through their DailyPay Pay Balance. Employees can access their DailyPay Pay Balance 24/7/365 to transfer their earnings to any bank account, debit card or pay card. With DailyPay, users have access to up to 100% of their DailyPay Pay Balance.

DailyPay helps your employees achieve more financial control with access to their earned pay whenever and wherever they need it. Greater financial control improves the financial well-being of employees.

DailyPay offers a crucial way to improve relationships with employees by demonstrating the organization's commitment to the financial wellness of its people.

Friday by DailyPay™

Make on-demand pay even more accessible to employees with Friday by DailyPay. Friday combines DailyPay's industry-leading on-demand pay with a Visa general purpose reloadable (GPR) card so employers can ensure the benefit of earned wage access is available to more employees, including unbanked or underbanked employees.

Fees for workers to use DailyPay:

Next-day transfers: **\$0.00**

Same-day transfers: **\$3.49**

Fees for workers to use Friday by DailyPay:

Same-day transfers: **\$0.00**

Tips and Friday Digital Tips

DailyPay provides employers with two ways to reimagine how they provide earned wage access to employees that are compensated primarily through tips: DailyPay Tips and Friday Digital Tips.

DailyPay Tips

- **Digitized:** Tips are included as part of the DailyPay Balance
- **Convenient:** Employees can access tips on-demand with any bank account or pay card
- **Easy:** Implementing Tips doesn't create an additional administrative burden for employers

Friday Digital Tips

- **Digitized:** Tips can be electronically sent to an employee's Friday Visa card each day
- **Convenient:** Employees have access to their tips on the Friday Visa card
- **Efficient:** Reduce administrative work with the ability to direct tip earnings to a direct deposit account (Friday Visa card)

48% of daily users say DailyPay helps them plan for the future and pay their regular bills on time.

DailyPay User Survey,
November 2022

Reward Programs

Recognize employees for a job well done with the reward they actually want: instant, spendable cash. DailyPay Reward enables employers to send real-time payments to employees by transferring to their debit account or bank account. Reward leverages the power of on-demand pay to motivate winning business behavior – like picking up extra shifts or completing training and more. .

**59% of
DailyPay
users
surveyed
say DailyPay
motivates
them to go
to work.**

DailyPay User Survey,
March 2020



Savings Programs

Taking proactive steps to build better financial stability can have a powerful positive effect on employees. DailyPay Save offers several ways for employees to save for the future and build on their financial wellness.

DailyPay also offers users the ability to set up a recurring savings amount, allowing the transferring of funds into a savings vault and deducting it from the individual's pay balance. On payday, because the platform supports account splitting, the designated amount is moved to the employee's personal savings account, while the rest of the pay is deposited into the employee's checking or other primary account already established within the application.

DailyPay Save provides additional flexibility. Workers can use it to designate any amount they choose from their current pay period to immediately be earmarked for their personal savings account. This encourages picking up extra shifts and increases the power of retail incentive programs since employees can shift those additional earnings into savings right away.

DailyPay also allows users to add to their savings each time they make a transfer from their pay balance. It's a critical step toward helping employees get in the habit of saving, even if it's just \$1 to start.

**46% of users
say DailyPay
helps them
save more
money.**

**DailyPay User Survey,
March 2020**



Off-Cycle Payments

DailyPay Cycle provides a robust support structure for retail companies while helping them control their labor and administrative costs.

With Cycle, your payroll team can electronically manage termination pay and payroll corrections to eliminate the need for manual payment administration. Payroll teams can disburse payments instantly and affordably to an employee account or pay card. Save money and reduce the need for printing and overnight shipping paper checks by sending same-day payments.

53% of the respondents said that using DailyPay's on-demand pay helped them avoid late fees to billers.

Customer Perceived Savings Report, Mercator Advisory Group commissioned by DailyPay, 2022



Case Study

Dave's Supermarkets

David Saltzman, Finance and Strategy for Dave's Markets, has been helping to manage his family's business for almost three years. Along with his brother Aaron, he is responsible for overseeing the employee experience for approximately 1,300 employees in 13 locations across Ohio. Dave's Markets began as a humble fruit cart during the early 1900s, and the first brick-and-mortar store opened in 1930. The business has been expanding ever since, which is why David began searching for a benefit that would decrease turnover and increase retention within the stores. Here's what he had to say about implementing DailyPay for employees in his family's company.

"If it's something someone is interested in and it can help make their life better, then it's a win-win!"

David Saltzman, Owner at Dave's SuperMarkets

My brothers and I are part of the fifth generation of our family's grocery store business. The first store opened 90 years ago, and Dave's Markets has continued to grow as generations of our family members and employees have worked tirelessly to build this business. Lately, we have seen turnover continue to rise, given the low unemployment and overall competitive landscape for labor. Because of this, my team and I began looking to add a benefit that would help us decrease turnover and increase retention without having to spend too much money. That's when we found DailyPay.

DailyPay was the first on-demand pay provider to approach us, and the onboarding process proceeded without a hitch. Since we've launched DailyPay, other on-demand pay providers have tried to get us to transfer to their services, but we're having such a positive experience that we haven't even considered switching. It's a great partnership, and we're looking forward to seeing where it takes us in the future.

One initiative I have for our business development is to increase our co-branded marketing efforts with DailyPay so that we can get the best possible results out of this partnership. We advertise DailyPay in our recruitment materials and at our job fairs, but there is still room for us to increase our digital advertising and in-store signage. We have about 29% enrollment so far, but we are hoping to get closer to 40% enrollment over the next year. We're already seeing that new hires are staying notably longer after adopting DailyPay. Our hourly workers, who may have different schedules and paycheck amounts from week to week, really appreciate the transparency DailyPay provides in their earnings.

The number of users continues to grow, and our people are more and more interested in getting the hang of this new technology. We're always trying to do right by our employees. If it's something someone is interested in and it can help make their life better, then it's a win-win! This benefit has been proven to decrease financial stress among users, and a survey of our employees shows that most of them are using this benefit to pay their bills. When our employees are less stressed and are more engaged at work, they are much more capable of creating positive experiences for our customers and ultimately improving our bottom line.

Case Study

Wireless Vision

Wireless Vision, a large nationwide operator of carrier-branded retail stores, constantly challenges its internal team to develop innovative ways to attract new talent and engage existing employees. The firm's workforce includes a sizable millennial population, making instant gratification and convenience top motivators for staff.

With high turnover common among retailers, Wireless Vision's payroll team was inundated with new-hire setups and processing final paychecks for exiting employees. And because it has team members across the country, the company had to maintain compliance with multiple federal and state-level regulations around timely paycheck disbursements. "It's something that would normally take a couple of days to address, but with DailyPay we can now complete those in a 24-hour time frame," said Yolanda Royall-Williams, Wireless Vision's Senior Director of Human Resources.

"It has made a great impact on the onboarding experience when employees find out we've made DailyPay available to them."

Yolanda Royall-Williams, Senior Director of Human Resources at Wireless Vision

The specialty retailer also had ongoing problems with cash shrinkage. After launching DailyPay, far fewer workers turned to the store tills when an unexpected expense put them under financial pressure. "We have reduced the amount of investigations related to fraud significantly since launching DailyPay because we're giving employees quick access to their funds," Royall-Williams said.

The addition of DailyPay to Wireless Vision's voluntary benefits offerings has become a valuable recruitment tool as well. The retailer initially expected DailyPay to increase engagement with front-line associates, but Royall-Williams noted that "even our salaried employees have gravitated to it: 10% of our corporate employees are participating in DailyPay." In the first year alone, Wireless Vision employees had \$15 million in access funds from DailyPay, demonstrating its broad use and tremendous value to the retailer's workforce.



A successful earned wage access implementation offers 4 key benefits for retailers

1. Facilitate Payroll Continuity

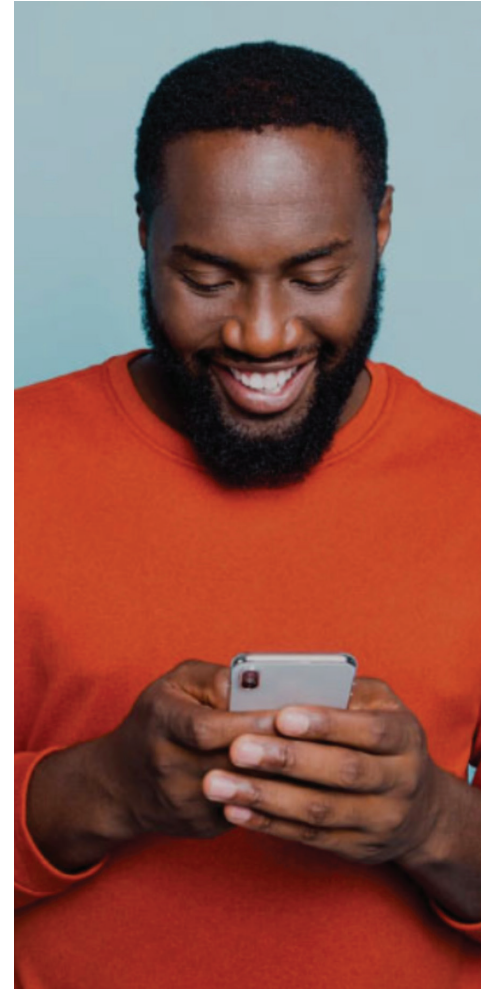
The **ability to facilitate payroll continuity** is vital for any employer. Between stringent regulatory mandates and the enormous impact payroll mistakes or delays have on workers, payroll professionals are deeply committed to a reliable and timely process. DailyPay has taken extraordinary measures to simplify payroll processes and avoid disruptions to employers' existing payroll procedures.

2. Attract Job Candidates and Reduce Employee Turnover

A **strong on-demand pay solution** can be a valuable recruiting tool to attract high-performing talent. Additionally, on-demand pay also helps reduce **employee turnover**. Once workers have access to on-demand pay, switching to an employer where that benefit is not available is far less attractive.

Across industries examined by Mercator Advisory Group in a study commissioned by DailyPay, the average turnover rate improved by 35% for workers with EWA solutions.

EWA Report, Mercator Advisory Group commissioned by DailyPay, 2021



3.Improved Pay Transparency for Employees

DailyPay gives employees **a better scope of their financial situation** and helps them understand if they need to work longer hours or when to offer to pick up extra shifts to maintain their income. Employees can earn the funds they need to meet their financial goals and achieve greater stability while demonstrating **a deeper commitment to their role** in the business.

4. Improve Employee Loyalty and Wellness

Employers can **improve employee loyalty and overall wellness** by offering an on-demand pay solution that's flexible and easy to use. DailyPay empowers employees to control their finances and make better decisions about money, their health, child care and other priorities. This symbiotic relationship **builds trust between employees and employers** while creating a better, more transparent environment for everyone.

**With DailyPay,
retail workers
have reported
productivity
increases of
nearly 300%.**

DailyPay

**In a Bank
of America
Merrill Lynch
survey, 53%
of employees
reported
skipping or
postponing
health care-
related spending
to save money.**



Conclusion

Retailers that implement modern pay processes can win the war for talent. DailyPay offers a way to close the loop on the employee experience by creating a pay process that goes above and beyond the competition.

Employers using DailyPay are transforming employees' lives and their businesses. The transformation starts by providing employees with access to on-demand pay. With this benefit, employees can more easily align their financial resources with personal needs and avoid expensive alternatives such as payday loans and late fees.

**DailyPay saves employees
\$1,205 per year, on average,
in reduced fees from loans,
overdraft fees and late fees.**

DailyPay User Survey, March 2020



DailyPay, Inc., powered by its industry-leading technology platform, is on a mission to build a new financial system for everyone. DailyPay delivers the industry's leading on-demand pay solution with modern, insight-driven pay strategies that help America's leading employers to activate their workforce and build stronger relationships with their employees, so they feel more engaged, work harder, and stay longer. Through its massive data network, proprietary funding model and connections into over 6,000 endpoints in the banking system, DailyPay works to ensure that money is always in the right place at the right time for employers, merchants, and financial institutions.

For more information about DailyPay, visit dailypay.com or follow @DailyPay on Twitter or LinkedIn.



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