



# Unlock the Power of On-Demand Pay

Key Considerations When Evaluating Solutions

May 2025

**dailypay.**

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# Introduction

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Every day, millions of hourly employees keep our world running. But too often, these essential team members feel overlooked and disconnected while businesses struggle with low engagement and high turnover.

We're here to change that by focusing on what daily workers and their employers need to succeed together.

Your employees are more than just your workforce — they're the heart of your business. Give them the financial freedom they deserve with On-Demand Pay, also known as earned wage access (EWA), where they can access their pay before payday.

At DailyPay, we're transforming how people think about pay by putting financial control back in your employees' hands. When your team has the power to access their earnings when they need them, amazing things could happen — stress goes down, satisfaction goes up, and employee retention improves.

In this guide, we'll cover the basics of On-Demand Pay, how to evaluate potential vendors, and the On-Demand Pay features your company needs to ensure success.



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# 1: Understanding On-Demand Pay

Staying ahead of the competition requires your company to focus on what your current staff and prospective employees want.

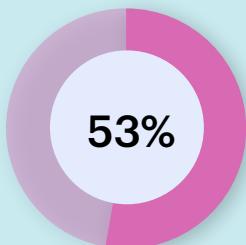
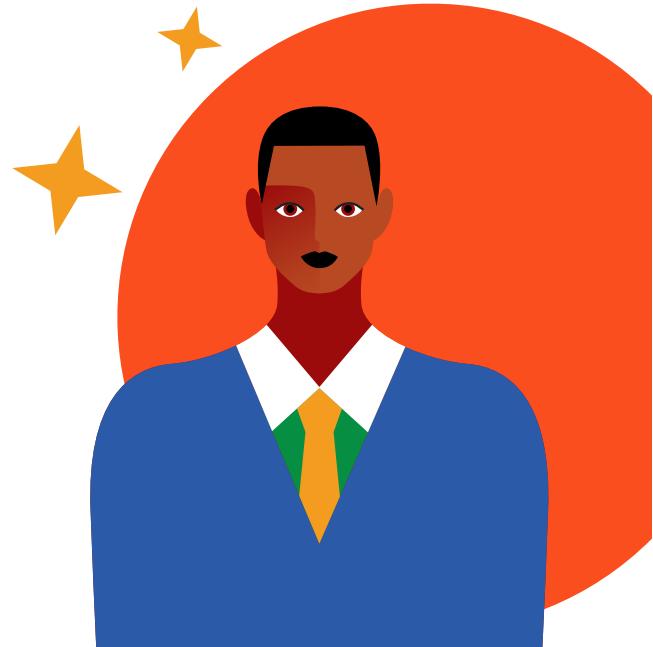
Today, it's not just competitive salaries and benefit packages. Employees want more control over how and when they get paid.

## Why Your Company Needs On-Demand Pay

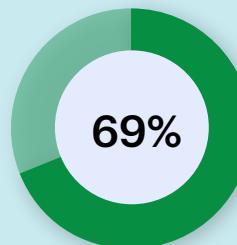
Traditional bi-weekly or monthly pay cycles no longer align with the financial realities many workers face. Bills, emergencies, and opportunities don't wait for payday.

On-Demand Pay represents a transformative approach to payroll, allowing employees to access their already-earned pay before their scheduled payday.

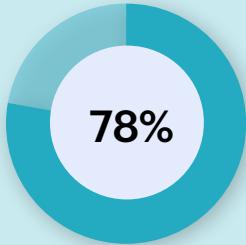
By implementing an On-Demand Pay solution, employers like you can demonstrate their understanding for employees' financial needs and challenges by offering much-needed financial flexibility.



**Money Matters:** 53% of DailyPay users surveyed say EWA is critical or very important to their future job consideration.<sup>1</sup>



**The Next Generation Demands Better:** 69% of Gen Z hourly workers want their earnings available after each shift.<sup>2</sup>



**Employer Support:** 78% of employees feel that their employer is responsible for helping them become "net better off".<sup>3</sup>

**The numbers speak for themselves. When employers put their employees first by focusing on their well-being and offer financial wellness support, everyone thrives.**



<sup>1</sup> DailyPay Employee Experience Research, Arizent study commissioned by DailyPay, September 2023

<sup>2</sup> Harris Poll survey commissioned by Funding our Future and DailyPay, March 2024

<sup>3</sup> 2024 Employee Health & Benefits Trends: The evolving workforce



## Understanding the Earned Wage Access Market: Which Model is Right for Your Company?

When evaluating On-Demand Pay or earned wage access solutions, there are several models to consider. It's important to understand the different models available so you can decide which best suits your company.

### Universal On-Demand Pay



### Card-Only On-Demand Pay



**Adaptable Integrations:** Dedicated On-Demand Pay vendor that can integrate with any HCM.

**Bank Agnostic:** Employees have flexibility to send earned pay to any bank account or card.

### Proprietary HCM



**System Specific:** Only available through a specific HCM provider.

**Preferred Pay Destinations:** Employees incentivized to access earned pay through vendor digital wallet or pay card.

### Direct-To-Consumer



**No Integration:** Generalized cash advance access, not tailored to individual pay profiles.

**Varying Access:** Employee access based on bank deposit data and product usage. Bank account and card access vary by vendor.

Some On-Demand Pay and earned wage access solutions may advertise their technology as free; however, there may still be costs that need to be taken into consideration.

The costs of working with a vendor will depend on the level of access provided to employees and the level of support provided to employers.

#### Potential Employee Costs

- Transfer fees
- “Tips” for On-Demand Pay transfers
- Subscription fees
- Fees for transferring to preferred bank account
- Card inactivity fees

#### Potential Employer Costs

- Implementation fees
- Per employee per month (PEPM) fees
- Employee education and communications
- Employee support



## 2: The Employer Experience

Losing employees hits companies hard. Between the costs to find replacements, scrambling to cover shifts, and the productivity that walks out the door with them, turnover takes a real toll on both teams and budgets.

DailyPay not only improves employee retention, it motivates employees to work harder and stay longer.

### Why DailyPay is Second to None for On-Demand Pay

In addition to DailyPay's robust platform features, our full-funding model delivers the optimal On-Demand Pay experience without burdening employers with extra work. Let's take a look at how DailyPay's funding model compares to some other popular On-Demand Pay and earned wage access models.

Program Responsibilities	Full-Funding (DailyPay)	Pay Deductions	Bank Debiting	Closed Network Debiting
Who funds the early payment (before payday)?	VENDOR	VENDOR	VENDOR	VENDOR
Who funds the remaining pay on payday?	VENDOR	EMPLOYER	EMPLOYER	EMPLOYER
Who is responsible for reconciling early pay and remainder pay amounts?	VENDOR	EMPLOYER	VENDOR	VENDOR

### The DailyPay Difference

- Fully vendor funded, which means no changes to cash flow.
- No changes to the payroll process, no new reconciliations, no chasing errors.
- Proven employee engagement: Consistent, voluntary employee engagement within the DailyPay platform creates a powerful channel to interact with and influence workforces.

## How DailyPay Benefits Employers:

### Engagement:

55%

Teams are more engaged, with 55% of employees picking up extra shifts each month.<sup>4</sup>

### Productivity:

94%

Companies that offer flexible pay see the difference — 94% report a positive impact on their team's productivity.<sup>5</sup>

### Lower Turnover:

21%

Offering DailyPay to your employees has a measurable upside for your business. 21% lower turnover among employees enrolled in DailyPay vs non enrolled.<sup>6</sup>

## 3: The Employee Experience

When your company is selecting an On-Demand Pay vendor, it's important to consider vendors that offer a robust financial wellness platform that can truly support the needs of your workforce.

In addition to early access to their pay, the vendor should help employees on their financial wellness journey, regardless of where they are.

Financial wellness isn't one-size-fits-all. The DailyPay employee app is a comprehensive financial wellness hub that meets each employee where they are, whether their goal is paying a bill today, monitoring credit for tomorrow, or saving for the future.

### Features To Look for in an On-Demand Pay Vendor

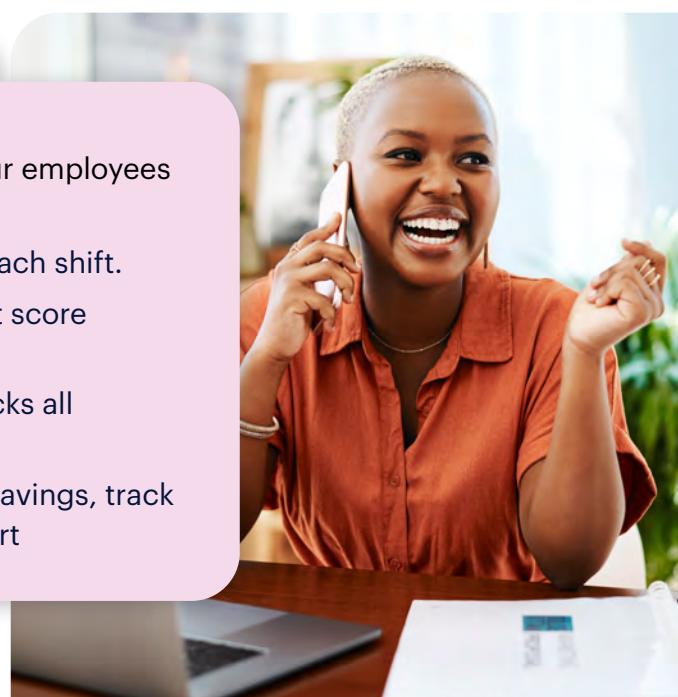
When selecting an On-Demand Pay vendor, consider what your employees will be able to do with the benefit:

- Get paid on their schedule:** Access to earned pay after each shift.
- Stay on top of their money:** Visibility into earnings, credit score tracking, and expense management.
- Do more with their pay:** Earn cash back and deposit checks all in once place.
- Help them build a stronger future:** Set aside money for savings, track credit scores, and access free financial advice from expert counselors.

<sup>4</sup> DailyPay Employee Experience Research, Arizent study commissioned by DailyPay, September 2023

<sup>5</sup> Hanover Research Study: Companies with EWA Solutions, September 2023

<sup>6</sup> DailyPay Internal Database, November 2024



## The DailyPay Difference

-  **Continuous 24/7/365 Access:** Employees have choice and control over when and how they use On-Demand Pay and other financial wellness features, without black out periods.
-  **Individualized Experience:** DailyPay tailors the available earnings for each individual employee based on their net pay profile. By personalizing pay access, DailyPay maximizes the accessibility and availability of the On-Demand Pay benefit.
-  **Tracking and Planning Features:** With the DailyPay app, your employees have a centralized financial hub that helps them track and understand their money. Employees can set aside funds for payday using the Plan tool, track their earnings after each shift, and even monitor their credit score with the free Credit Health tool.
-  **Savings Tools:** The DailyPay app encourages healthy habits by making it easy to start saving for a rainy day or a major expense. With the DailyPay Visa® Prepaid Card, employees can create a Savings jar based on specific goals, track progress, and withdraw savings as needed.‡
-  **Making the Most of Money:** DailyPay is designed to help your employees save more and spend less: The DailyPay Card unlocks no-fee instant transfers\* from available earnings and helps employees save with cash back§ on everyday purchases like gas, groceries, and prescriptions.
-  **Flexible Money Movement:** DailyPay helps employees access their earnings on-demand, but it also provides a variety of options for money movement. With the DailyPay Card featuring no-fee\*\* cash withdrawals at in-network Allpoint® ATMs and mobile check deposits, DailyPay helps your employees manage their money on their terms, all in one place.

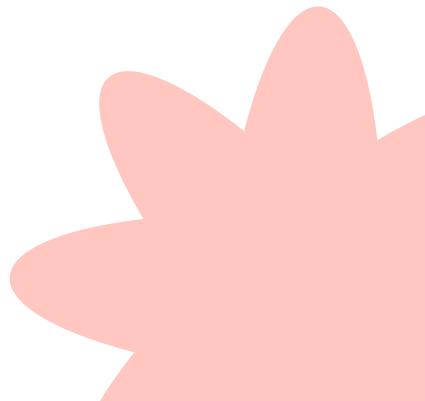
The DailyPay Visa® Prepaid Card is issued by The Bancorp Bank, N.A., Member FDIC, pursuant to a license from Visa U.S.A. Inc. and can be used everywhere Visa debit cards are accepted.

Your funds are FDIC insured through The Bancorp Bank, N.A., Member FDIC. DailyPay is not FDIC-insured. Deposit insurance coverage only protects against failure of The Bancorp Bank, N.A. \*On-demand pay requires employer participation in DailyPay. On-demand pay fees will be waived for any DailyPay transfers made to a DailyPay Card set up with direct deposit.

\*\* Other fees and limits may apply. See Cardholder Agreement for details.

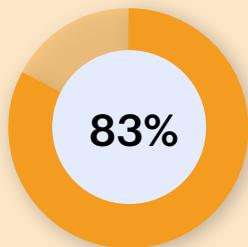
† Cash back rewards earned on qualifying purchases will generally be transferred to your Card Account within 49 days after the qualifying purchase is settled. If you close your Card Account, any earned Cash Back rewards not yet transferred to your Card Account will be forfeited. See the DailyPay Cash Back Program Terms & Conditions for full details.

\* Balance and transfer limits apply. See DailyPay Savings Agreement for details.

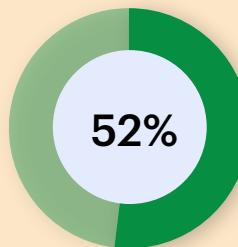


## How DailyPay Empowers Employees

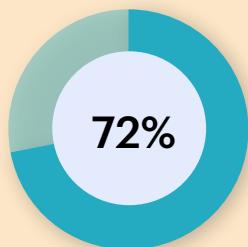
In addition to the tangible impacts on your business, DailyPay can support employees in a number of ways:



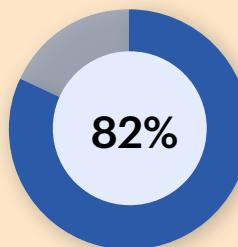
**Improved Financial Planning:**  
83% of DailyPay users say the app helps them understand how much they earn daily.<sup>7</sup>



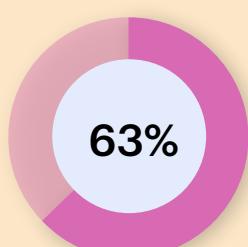
**Motivated and Engaged:** 52% of DailyPay users say DailyPay makes them feel like their employer cares about them.<sup>10</sup>



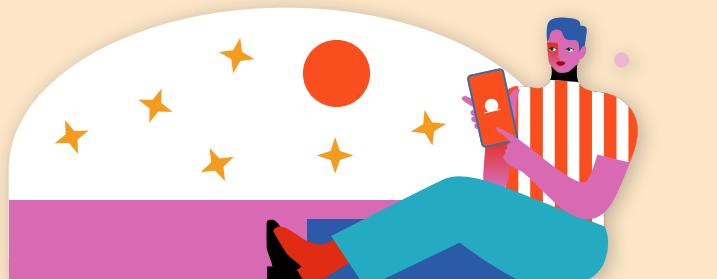
**Greater Financial Control:**  
72% of DailyPay users say that DailyPay helps them feel more confident in managing their finances.<sup>8</sup>



**Track Earnings and Spending in One Place:** Among 1,308 employed Americans, 82% say an app that gives you the ability to conduct all your banking needs in one place would be helpful.<sup>11</sup>



**Less Financial Stress:** 63% of DailyPay users say that DailyPay gives them more time to think of other things in their life besides money.<sup>9</sup>



<sup>7, 8, 9, 10</sup> DailyPay Employee Experience Research, Arizent study commissioned by DailyPay, September 2023

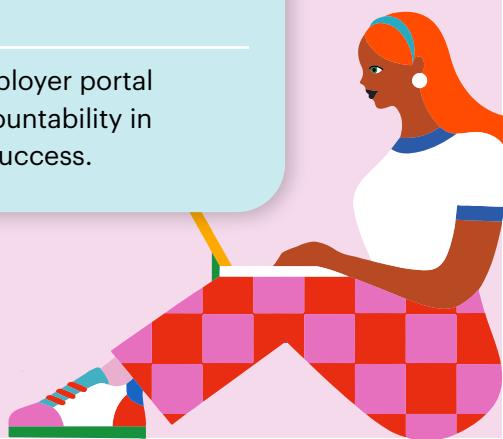
<sup>11</sup> Harris Poll research commissioned by BPC's Funding our Future Coalition and DailyPay, February 2023

# 4: Evaluating On-Demand Pay Vendors

When evaluating On-Demand Pay vendors, consider both your needs as an employer and how to best support your employees. The ideal solution should deliver value to both employers and employees, creating a win-win scenario.

When comparing vendors, consider not just the features offered but the demonstrated impact on metrics that matter to your organization: retention, engagement, productivity, and employee financial wellness.

DailyPay	Other Vendors
World-Class Implementation Team	Reliance on offshore implementation teams & limited experience launching enterprise/larger employers.
Dedicated Client Success Team	Quality of support is dependent on client size. Heavy reliance on employers to ensure success post launch.
Data Safety and Soundness	Insufficient security certifications. It is important to confirm vendors are SOC 2, PCI DSS, and ISO27001 compliant.
Industry-Leading Program Success	Fragmented post-launch support, leading to enrollment of only 10-15%. <sup>12</sup>
24/7, Bilingual Support With Dedicated Agents	English-only support: Confirm bilingual capabilities for the app and customer support.
Advanced Analytics and Reporting	“Check the box” employer portal capabilities. No accountability in program launch or success.



<sup>12</sup> Industry enrollment average is sourced from current DailyPay clients that have cited enrollment rates with other vendors as of January 2024.

# Conclusion

On-Demand Pay should be more than just a way to access earnings before payday. It can be a new approach to how your employees access their earnings and a gamechanger for recruiting and retention.

**By implementing a comprehensive On-Demand Pay solution like DailyPay, companies can:**

- Address critical workforce challenges like retention and engagement
- Demonstrate investment for employee financial well-being
- Create a competitive advantage in talent recruitment and retention
- Drive measurable business results through improved productivity
- Support employees' journey toward long-term financial health

Employers who continue to foster employee-first cultures will recognize and reap the rewards of On-Demand Pay. The right On-Demand Pay solution creates value for everyone involved — employers, employees, and the organization as a whole.

By carefully evaluating options and selecting a comprehensive platform that addresses both immediate needs and long-term financial wellness, you can transform your approach and take your business to new heights.

Don't just take our word for it! [\*\*Hear directly from our clients\*\*](#) and see why they trust DailyPay for their On-Demand Pay needs.

If you're ready to get started with DailyPay's On-Demand Pay solution, [\*\*schedule a personalized demo today!\*\*](#)

