Using behavioural insights to improve employee financial resilience

PayCaptain and the Behavioural Insights Team

THE BEHAVIOURAL INSIGHTS TEAM

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EXECUTIVE SUMMARY

By the end of 2023, one million UK households are set to run out of savings entirely.[1] The economic pressures on the country's workforce resulting from the pandemic and Russian invasion of Ukraine, among other factors, are immense. Without savings – both immediate and pension savings – individuals are completely vulnerable to unforeseen expenditures, often leading to reliance on debt and a spiralling negative financial situation. This can subsequently lead to mental illness, poverty, homelessness, productivity losses and immense suffering.[2] Savings constitute a key pillar of financial resilience; their absence is a key predictor of financial hardship in the future.

While acknowledging the impact of today's difficult economic circumstances, there are also behavioural biases which inhibit employees from saving for the future.[3] Employers have a crucial role to play in supporting employee financial wellbeing, particularly by making saving as easy as possible for their workforce. The goal of this project was to develop an evidence-based platform to support employees in building greater financial resilience, which makes it as easy as possible for employees to build savings and contribute meaningfully to their workplace pension.

PayCaptain provides a payroll solution which helps employees build their financial resilience. By integrating savings (both liquid and retirement) into the payroll process, PayCaptain is building a frictionless and personalised journey to a more financially secure present and future for employees. PayCaptain had already leveraged many evidence-based principles in the app for supporting employees to save, using learnings from other Behavioural Insights Team financial resilience projects.

The Behavioural Insights Team (BIT) assisted PayCaptain with the design of their new set of features, SmartPay, within their Payroll app and conducted two rounds of user testing to understand the sentiments of existing and potential users towards the app in helping them achieve financial resilience. There was a particular focus on the savings element of SmartPay, given the important role of savings in building financial resilience over time as outlined above. There are lessons from SmartPay itself and the findings of this project to benefit both the wider payroll industry and employers in supporting the financial resilience of employees through the payroll process. Providing payroll savings products which truly work at increasing employee wellbeing requires testing, user feedback, and a deep engagement with the behavioural barriers to saving.

All of the recommendations BIT has made during this project have the goal of making good financial decision-making easy and prompting it at personally relevant, timely moments, without irritating users or taking away their freedom to choose a different course of action if they decide that is right for them. The key recommendations are:

1. **Break down savings goals** – presenting savings goals in daily amounts makes saving seem more manageable.
2. **Allow users to start saving at a later time** – individuals are more inclined to commit to starting to save or savings increases in advance.[4]
3. **Reassure users** that the information they provide is confidential, and that their savings are secure and accessible whenever they need them.
4. **Make the app more suitable for those earning a variable income** by allowing users to save a percentage of their income (as opposed to lump sum) and reminding users that they can change their saving amount whenever they need to.

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1) https://www.niesr.ac.uk/news/1-2-million-uk-households-insolvent-year-direct-result-higher-mortgage-repayments.
2) https://cebr.com/wp-content/uploads/2022/03/Financial-Wellbeing-report-v1.2-1.pdf.
3) https://www.fca.org.uk/publication/occasional-papers/occasional-paper-1.pdf.
4) https://www.jstor.org/stable/10.1086/380085.

BACKGROUND

Too many people in the UK are financially vulnerable because of a lack of savings

The UK finds itself in the midst of both a liquid and pensions savings crisis. Two global emergencies – the COVID-19 pandemic and the Russian invasion of Ukraine – have placed immense financial pressure on the country's workforce.[5] Worst affected are those on lower incomes, and findings from the Institute for Fiscal Studies (IFS) show that savings resilience among those on moderate incomes is also weak.[6] This leaves a concerning proportion of the population ill-equipped to deal with unforeseen financial shocks: 1 million UK adults say they would not be able to meet an unexpected expenditure worth one month's wages.[7] High inflation, and attendant rises in interest rates, have put further upward pressure on mortgage rates: By the end of this year, more than one million households (4% of all UK households) are forecast to have run out of savings entirely as homeowners struggle to keep up with their mortgage payments.[8] Pension contributions have also fallen victim to the growing cost of living: as an increasing number of UK workers are opting out, reducing, or pausing contributions to their workplace pension.[9]

Savings - both emergency and long-term - are essential for financial resilience

Not having enough savings – both easy-access, short-term, and retirement savings for the future – has an immensely negative impact on the individual and wider society. If individuals do not have a financial buffer, unexpected costs can generally only be covered by borrowing – and often at high interest rates. Greater financial hardship follows in a vicious cycle, making it increasingly difficult for the individual to begin rebuilding their financial resilience. Huge societal problems can result, including mental illness, poverty, productivity losses across the economy and an unsustainable reliance on social safety nets.[10] A failure to save for retirement leads to many of the same problems later in life. Most people assume that paying their auto-enrollment base percentages each month will lead to the retirement lifestyle they are expecting but this simply isn't the case for the majority.[11]

As well as external factors, there are also behavioural reasons for low savings

While global and national economic forces are in large responsible for both the liquid and pensions saving crises described above, behavioural factors also play a role. Individuals have a tendency to be present-biased (meaning they would rather settle for smaller present rewards rather than wait for a larger future reward) and underestimate the likelihood of future financial shocks.[12] Opting out of a workplace pension means foregoing employer contributions and is therefore a classic example of present bias. Oftentimes, the greater the individual's financial difficulties, the more difficult it is for them to engage with long-term financial planning, including for retirement.[13] Social norms inconsistent with saving (e.g., friends and family not saving or being perceived as not saving), frictions making saving practically difficult, and inertia (sticking with existing patterns of behaviour) reinforce this tendency.[14]

5) https://www.bbc.co.uk/news/business-12196322.

6) https://ifs.org.uk/publications/who-has-low-savings-and-how-problematic-can-be.

7) As above

8) https://www.niesr.ac.uk/news/1-2-million-uk-households-insolvent-year-direct-result-higher-mortgage-repayments.

9) https://www.theguardian.com/business/2022/aug/31/more-people-leaving-workplace-pension-schemes-tuc-warns.

10) https://cebr.com/wp-content/uploads/2022/03/Financial-Wellbeing-report-v1.2-1.pdf.

11) According to the Journal of Accountancy, 54% of people underestimate how much money they need to save to retire.

12) https://www.fca.org.uk/publication/occasional-papers/occasional-paper-1.pdf.

13) https://www.science.org/doi/10.1126/science.1222426.

14) As above

Employers can play a role in helping their employees build financial resilience

More than ever before, employers can play a central role in promoting and facilitating saving among their employees. By prompting employees to start payroll saving, employers offer a low-friction route to greater financial resilience. This is good for employees and employers alike. Employers who support their employees' financial resilience are likely to have more productive staff, encounter less staff absenteeism, and have better staff retention.[15]

Crucially, there is demand for employers to do more: the survey of potential users of PayCaptain's SmartPay revealed that **68% of survey respondents said they would use the SmartPay app if it were offered by their employer**, suggesting that employees will use tools to improve financial resilience if employers provide them. The Chartered Institute for Personnel and Development records that 33% of employers have experienced greater demand for financial wellbeing support among their employees.[16] There already exists rigorous evidence on promising behavioural science based strategies to increase the uptake and use of payroll savings and pension savings among employees. For example:

Informing employees that a payroll savings account had been 'set up' for them **(soft default)** increased the number of signups to payroll savings fourfold in one study by BIT.[17]

Entering employees into a **prize draw** when they open a payroll savings account and paying them a small sign-up bonus tripled the number of signups in a different trial arm of the same study.[18]

Beyond these interventions, employers will need to provide frictionless routes to saving. Making a solution available where employees can manage their savings and pension contributions – and building this solution with human behaviour in mind – is a crucial step in empowering employees to build greater financial resilience. While some individuals may not be able to save or contribute to their pension, SmartPay is designed to enable the many who can to begin building these healthy financial behaviours. This means overcoming the misperception that they cannot afford to save or put money aside for retirement. Payroll savings provide an excellent opportunity to do this because the automatic deductions from pay present little to no friction, and are focussed on the employee effortlessly building a savings habit as opposed to saving a specific amount.

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15) https://www.cipd.org/en/knowledge/guides/employee-financial-well-being/.
16) As above

17) https://www.bi.team/publications/using-behavioural-science-to-help-employees-save-payroll-savings-scheme/.
18) As above

HOW DOES PAYCAPTAIN'S SMARTPAY HELP?

The PayCaptain app is used by employees to view their interactive, graphical payslips, pension contributions and other payroll related activities, such as setting up Give as you Earn charitable donations. Activating SmartPay provides an additional set of features, powered by AI, that are solely focussed on enabling each employee to build greater financial resilience. SmartPay is unique as it focuses on deep personalisation, which enables it to prompt users into healthy and sustainable financial behaviours, such as saving a manageable amount each month. The integration to payroll information also means that SmartPay can provide suggestions at highly meaningful points - increasing the likelihood that the suggestions will be turned into savings actions which will help build financial resilience over time.

If their employer has provided access to SmartPay, employees will be prompted to activate SmartPay after they have downloaded the PayCaptain app. The steps of the journey at prototype stage are then as follows:

1 The user confirms that they would like to activate SmartPay. In our survey of potential users, **74% said they would click to continue setting up SmartPay.** 53% of this group said they would proceed with SmartPay because they were interested in what it had to offer, and 36% felt using SmartPay was an opportunity to make the most out of their money.

2 Users then proceed to a set of 'personalisation' questions (see below), covering a set of eight objective and subjective financial wellbeing questions. The answers to these questions, along with the data PayCaptain Payroll already has, enables SmartPay to make highly personalised suggestions to employees, along with producing an individual Financial Fitness Score.
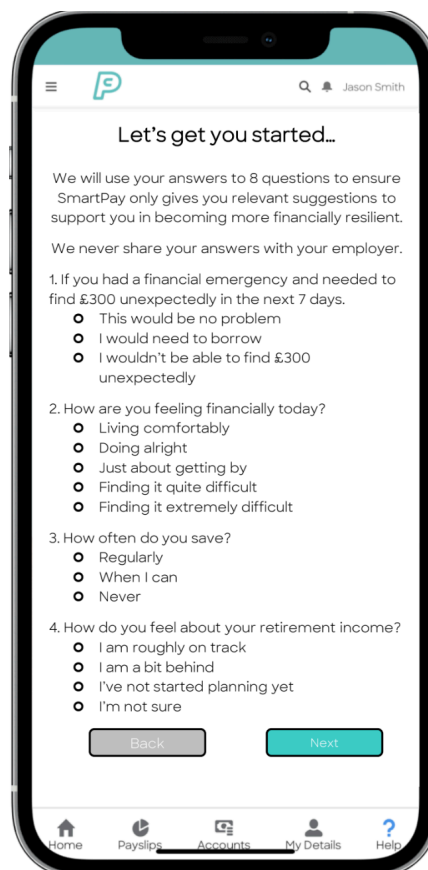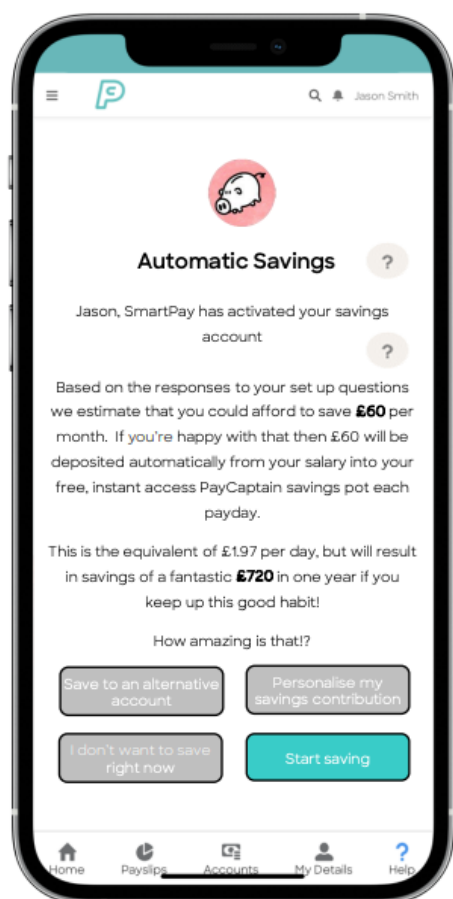

Image: the first four personalisation questions (prototype)

3 Once personalisation is complete, SmartPay users have their first interaction with the SmartPay rewards tracker – a set of five goals which will help users build their financial resilience. By completing the personalisation, users will have already ticked off the first tracker goal (see below). The remaining four goals at Prototype stage are: activating automatic savings (next step), saving consistently for 6 months, enrolling in a workplace pension, and activating the SmartPay pension forecast dashboard. The rewards tracker will reappear everytime a goal is reached. Once the five goals have been achieved, users will be entered into the monthly SmartPay £500 prize draw. 51% of survey respondents said they would complete all five steps.

4 Payroll savings – users have the option of setting up automatic payroll savings, which they can either save within the app itself or in a pre-existing savings account. SmartPay recommends a savings amount based on the user's income and the personalisation questions. Users are given the option of saving for a specific goal (with a specific deadline) or simply saving a consistent amount each month to build a savings buffer. **70% of survey respondents said they would set up automatic savings with SmartPay.**

Image: the automatic savings screen (prototype)

5 Pension contributions – the next screen offers SmartPay users the opportunity to enrol in their workplace pension immediately (instead of waiting 3 months to be auto-enrolled).[19] **67% of survey respondents said they would like to enrol in their pension immediately.** Although only an indication of user behaviour, **these numbers suggest that helping people save and contribute to their pension by providing minimum friction routes to these behaviours is likely to increase pension contributions.** Having enrolled in their pension, users can then set up the SmartPay Pension dashboard which allows them to see all of their pension balances in one place, as well as predict what their retirement income may look like in order that they are able to make adjustments to their contributions if they wish.

6 Ongoing prompts – while SmartPay is now set up and ready to use, prompts will continue to be sent to users to encourage behaviours that further strengthen financial resilience throughout the employee lifecycle. For example, once the user has saved consistently for three months, they are prompted to increase their savings amount. Or, when they receive a windfall payment or have paid off a student loan, users are encouraged to save the extra income or contribute it to their pension (by presenting saving the additional amount as the default option). By using payroll data and the personalisation questions, SmartPay's recommendations are adapted to the user's circumstances, reducing the risk that users will be prompted into an unsustainable behaviour, such as saving more than they can afford. There is evidence to suggest that personalisation directly influences behaviour across the consumer lifecycle, indicating that suggestions that are more relevant to the employee are more likely to be accepted.[20]

19) Note that instant pension enrollment is subject to employer agreement.
20) https://www.mckinsey.com/capabilities/growth-marketing-and-sales/our-insights/the-value-of-getting-personalization-right-or-wrong-is-multiplying

FINDINGS AND RECOMMENDATIONS

Stage 1: Learning workshops & evidence review to inform feature design

In November 2022 and January 2023, BIT held two learning workshops to inform the design of the SmartPay prototype. As part of the learning workshops, financial behaviour experts from BIT developed recommendations for changes to the prototype based on in-house knowledge of financial decision-making and an in-depth review of the relevant literature.

The purpose of these learning workshops and the evidence review was to identify, based on behavioural science, immediate changes to the SmartPay app which were likely to increase uptake of desired behaviours (saving, pension enrollment, etc.). All of these recommendations were implemented by PayCaptain ahead of the user interviews. One set of recommendations to emerge from the learning workshops and evidence review centred around helping users **overcome their present bias** (their tendency to prefer smaller 'rewards' in the present to greater 'rewards' in the future).

1) Allow users to commit to starting to save in advance – This solution employs the power of pre-commitment devices, where individuals can commit to begin saving at some determined point in the future (e.g. in two months' time). Asking individuals to pre-commit to saving has been effective in BIT's previous work and wider studies.[21][22]

2) Help users create an emotional connection to saving[23] – such as by adding a picture of the item they are trying to save for.

Other recommendations attempted to reduce cognitive overload, or change the framing of savings amounts to increase their uptake.

3) Break down savings goals to avoid overwhelming users – In other BIT projects, reminding individuals that starting 'small', i.e. saving a little bit every day adds up to considerable savings over the year, was effective at increasing payroll savings. BIT therefore recommended framing savings amounts in daily terms to prevent users feeling overwhelmed by monthly amounts.

4) Replace the need to pay above minimum pension contributions in the rewards tracker goals – BIT's previous work on payroll savings shows that prize draws increase the uptake of payroll savings.[24] However, BIT were concerned that requiring employees to make pension contributions above the minimum would be unachievable for many employees, lessening the incentive of the prize draw.

5) Use timely moments to build good habits – timely moments can be used to encourage wiser financial decisions. For example: prompts for users to begin saving more when they receive a pay rise, or to opt in to their pension if they haven't already. Prompting individuals during these moments makes it far more likely that they will take the desired course of action.[25][26]

21) https://www.bi.team/wp-content/uploads/2022/10/Using-behavioural-science-to-help-employees-save-evaluation-of-a-payroll-savings-scheme.pdf.
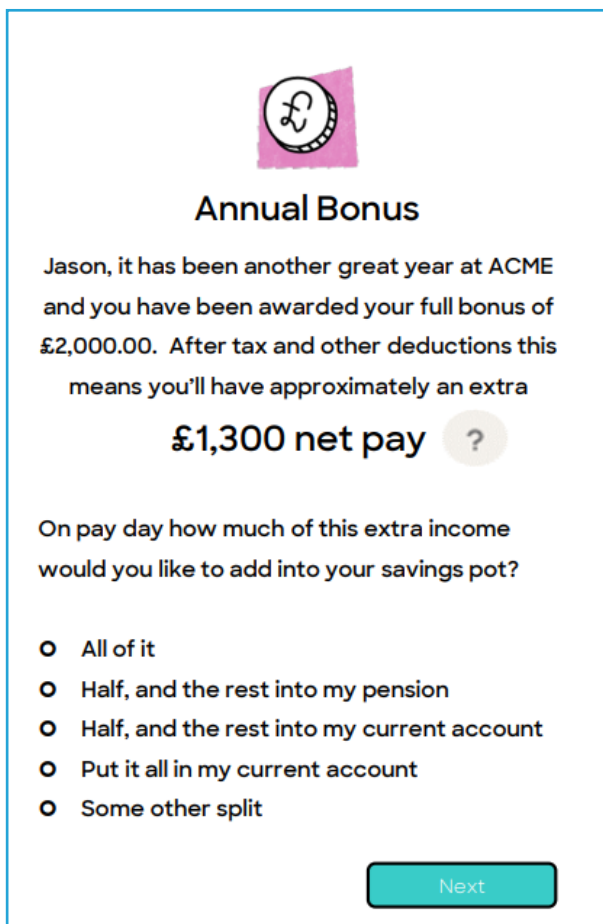22) https://www.jstor.org/stable/10.1086/380085.
23) http://www-2.rotman.utoronto.ca/facbios/file/earmarking-jmrPP.pdf.
24) https://www.bi.team/publications/using-behavioural-science-to-help-employees-save-payroll-savings-scheme/.
25) https://www.makeit.tools/strategies/make-it-timely.
26) Some of the prompts to begin saving once a user had finished paying off a loan (e.g. a soft default telling users that the loan repayment amount would instead be paid into their savings) was unpopular among interviewees during qualitative research and was therefore removed.

Annual Bonus

Jason, it has been another great year at ACME and you have been awarded your full bonus of £2,000.00. After tax and other deductions this means you'll have approximately an extra

£1,300 net pay   ?

On pay day how much of this extra income would you like to add into your savings pot?

○ All of it
○ Half, and the rest into my pension
○ Half, and the rest into my current account
○ Put it all in my current account
○ Some other split

Next

What unites all of the SmartPay recommendations is the goal of making good financial decision-making easy and prompting it at personally relevant, timely moments, without irritating users or taking away their freedom to choose a different course of action if they decide that is right for them.

Image: Framing which encourages the user to pay their bonus into their savings (prototype).

Stage 2: Qualitative research

In March 2023, BIT conducted 16 interviews with current and potential users of SmartPay. We interviewed across genders, ages and income brackets (ensuring that we spoke to struggling, squeezed and cushioned participants).[27] The purpose of this qualitative research was to understand user and potential user receptiveness of the recommendations made by BIT and of SmartPay features more generally.

The interviews aimed to answer the following research questions:
- What are the participant's perceptions of the SmartPay prototype and its messaging?
- Where in the user journey does the participant face the most difficulties?
- Which element or messaging of the prototype / section of the user-journey does the participant find most useful?
- What impact does the participant think a particular element/message will have on their financial behaviour?

From these interviews, we were able to identify areas of focus which had not been identified during Stage 1. Based on these insights, we were able to formulate the following recommendations to test next with a larger sample.

1) Reassure users that their information is confidential: many interviewees were concerned that the information they inputted in the app would be shared with their employer.

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27) This segmentation was based on that used by the Money and Pension Service (MaPS).

2) Give users further guarantees that SmartPay is trustworthy: Many interviewees said they would like more information about where their money would be stored (if they chose to save in SmartPay) and guarantees that their money would be safe if PayCaptain ceased trading. We also recommend making the following clear
- That savings can be accessed at any time
- That no interest is accrued from saving with SmartPay
- Why personal information is being asked for & how it is shared
- How PayCaptain protects savings, e.g. with FSCS protection

3) Make it easier for those on a variable income to save: some interviewees receiving variable incomes said they would not be able to commit to saving a lump sum per month, so the option to save a percentage of their income would be useful.

4) Make the prize draw more accessible to those who change jobs frequently: some interviewees said that saving for six months was an unrealistic goal for employees who change jobs frequently.

5) Make winning the prize draw seem more likely: some interviewees expressed scepticism that they would ever win the prize draw. BIT therefore suggested sending a notification to users when the prize draw is won.

6) Appeal to those already saving: emphasise that users can save directly from their pay into their savings account, which may be easier than their current arrangement for saving (e.g. ad hoc bank transfers).

7) Provide additional information on how saving with SmartPay works: because there is a tradeoff between providing users with sufficient information to build trust and overwhelming users with too much information, BIT recommended providing this information in expandable 'tooltip' text boxes for interested users to access on the registration screen.

Perhaps most usefully, some of the suggestions put forward by BIT at the workshop stage were unpopular among interviewees. For example, BIT suggested defaults whereby debt repayment amounts would be automatically directed into a user's savings account when the debt is paid off. Some interviewees commented that this was too intrusive and preferred to be asked if this is something they would like to do. Where there were conflicts between BIT's recommendations from the learning workshops and findings from the qualitative research, research findings were prioritised for quantitative testing.

Stage 3: Quantitative research (survey) findings

In May 2023, BIT conducted an online survey with **3,046** adults from the UK workforce, using BIT's survey platform Predictiv. BIT's sample covered all nations of the UK, all working ages, and an equal number of men and women. Like interviewees, survey respondents were largely positive about SmartPay: 6 in 10 respondents said that SmartPay would benefit them. Encouragingly, 6 in 10 respondents also said that using SmartPay would make them feel more confident in their finances, with a similar percentage saying that using SmartPay would make them feel more in control of their payroll experience.

After seeing the whole journey of setting up SmartPay, 68% of survey respondents said they would use SmartPay if it were made available by their employer. **This number rises to 73% among under 55s.**

Those who earned more than £50,000 were most likely to say they would use SmartPay (73%), with those who earned between £25,000 - £50,000 second most likely (67%) and those who earned under £25k least likely (but this was still high at 63%). This was also reflected in those who thought they would benefit from SmartPay: 64% of those who earned over £50,000 thought they would benefit, compared to 58% of those who earned between £25,000 - £50,000 and 53% of those who earned under £25,000.

In addition to these positives, the survey findings highlighted some useful areas for improvement. Helpfully, the major findings overlapped with the qualitative research, giving us a strong basis to make our recommendations. The recommendations which have been implemented into the prototype by PayCaptain at the time of writing following our research activities are in green text, whereas recommendations which PayCaptain plan to implement as part of their future roadmap are marked in orange.

Confidentiality and trust: among the 19% of respondents who said they would not activate SmartPay, one of the major reasons for this was concern around data confidentiality and uncertainty as to whether they could trust PayCaptain.

The 'Personalisation' questions – which seek to gauge users' feelings towards savings, debt, and financial wellbeing, as well as obtain more specific information about the user's and their partner's circumstances – were of particular concern, with six in ten of all respondents saying they were comfortable answering these.

Of the **19% that said they would not activate SmartPay after seeing the welcome screen**, the top reasons were.. **(n = 571)**

|	
they didn't want to manage money via an app (n=268)	47%
they didn't trust their information would be confidential (n=251)	44%
they didn't understand what it was (n=97)	17%
they didn't want to activate it right now/may do later (n=91)	16%

From these findings, we put forward several recommendations. As these findings largely echo those from our qualitative research, we put forward recommendations 1 & 2 from above (assurances around confidentiality and trustworthiness), which PayCaptain have now implemented. The additional recommendations included:

1) Add additional information about SmartPay on the registration screen – Many participants indicated in free-text feedback that they would like further information while registering. To avoid overwhelming users, PayCaptain has provided this information in tooltips.

2) Add explanatory tooltips to the personalisation questions to explain why PayCaptain is asking for this information & how it will be used. This is particularly important given the reluctance of four out of ten survey respondents to answer these questions.

3) Add additional information about how pensions & savings work in SmartPay: feedback from survey respondents suggested that additional general information would be useful, including how pensions and savings work and why they are important. For example, many respondents were unsure of the difference between pension auto-enrollment and immediate active enrollment. To provide this information in a timely way without interrupting the user journey, PayCaptain has primarily added this information in tooltips on the relevant screens (though some of this information is now also provided directly on the screen).
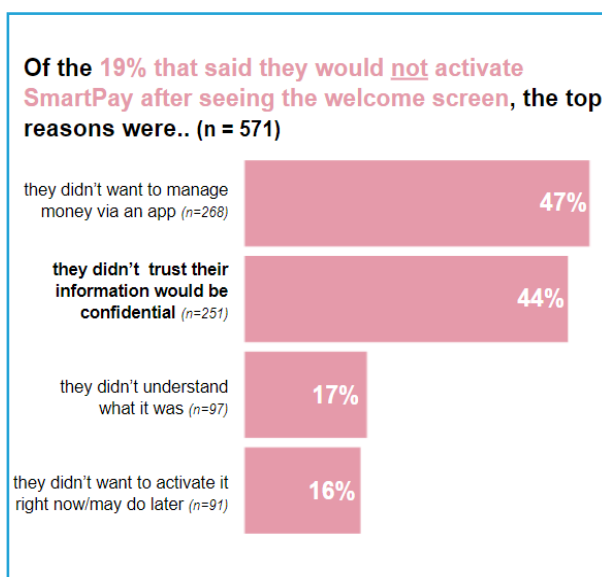
4) Alert users when the prize draw is won – see recommendation above.

5) Allow users to save a percentage of their income each month - among the 19% of survey respondents who said they would not save consistently for six months with SmartPay (n = 565), one of the main reasons for this was that their income varies each month (31%) and another was that users are already saving elsewhere (32%). We therefore put forward the recommendation from above that PayCaptain make it clear to users that the savings amount can be changed at any time, and it is a frictionless process once set up. PayCaptain will also introduce further language to ensure users are aware that they can save to a different account using automated payroll saving, as suggested above.

6) Allow users to pick SmartPay tracker goals from a longlist – this will enable users to pick the financial goals which are better suited to their circumstances, and may help eliminate any risk that users will, for example, try to save too much.

CONCLUSIONS

User feedback

Across our qualitative and quantitative project stages, users were very positive about the impact that SmartPay could have in building employee's financial resilience. As noted above, after seeing the whole journey of setting up SmartPay, 68% of survey respondents said they would use SmartPay if it were made available by their employer. **This number rises to 73% among under 55s.** We saw a drop for the 55 and overs, with 55% saying they would use SmartPay. This may suggest that SmartPay is particularly useful for those who have less life experience in managing their money.

Equally encouraging is the fact that 6 in 10 respondents said they thought SmartPay would benefit them, and the roughly equal number of respondents who said that SmartPay would make them feel more supported in saving, have greater confidence in their financial capability, and feel more in control of their payroll experience.

Across our qualitative and quantitative research, similar themes also emerged in terms of constructive feedback, including:

- **Enhancing trust** – interviewees and survey respondents wanted further reassurance that the information they entered in the app was not shared with their employer.

- **Providing more information** – both groups wanted further information about SmartPay and how it works, guarantees that saving with SmartPay is safe, and further (more general information) on how saving and pension enrollment and contributions work.

- **Making SmartPay suitable for those on variable incomes and who change jobs frequently** – both groups highlighted the difficulties individuals earning a variable income face in terms of saving. BIT therefore recommends allowing users to save a percentage of their income and reminding users when setting up auto-saving that they can change their saving amount at any time.

What PayCaptain is currently doing with these recommendations

In line with its commitment to make SmartPay an evidence-based and user friendly set of features, PayCaptain has implemented many of our recommendations, including those around confidentiality and trust. The future of SmartPay includes enabling it to better serve the needs of employees earning a variable income, for example by allowing users to save a percentage of their income each month instead of a lump sum, along with additional features to support employees building their financial resilience. BIT is looking forward to seeing SmartPay launch and is excited to see how behavioural science continues to play a role in SmartPay's ongoing development.

Industry recommendations & potential for future research

Based on the findings of this project, BIT also makes the following additional recommendations for employers looking at partnering with a payroll provider to help their employees build financial resilience.

- **Tailor the tool to specific groups** – one of the key findings of this project is that employees earning a variable income had different needs to those earning a set salary each month. Therefore, it is key for providers to identify different kinds of users, understand their needs, and provide tailored options, so as to maximise the impact of the tool.

- **Reassure users that their information is confidential** – in both our qualitative and quantitative research, uncertainty around confidentiality was a key impediment to users engaging with the SmartPay app. Reassure users that their information won't be shared with their employer, and that information collection enables the app to make better suggestions.

- **Build users' trust in the app** – proactively inform users why they can trust the app, tell them how their savings are protected, and reassure them that they remain in control of their money.

- **Provide users with useful information** – as well as prompting users into behaviours to build financial resilience, explain to them why these behaviours are important.

- **Solicit feedback from end users** – those using the app will be best placed to identify features which are useful, those which need improving, and frictions in the user journey.

ACKNOWLEDGEMENTS

APPENDIX

Qualitative sample

We used a purposive sample of 16 current and non/potential users of SmartPay, sampled across three key criteria:

- **Regularly employed:** We spoke to current users who are employed by one of PayCaptain's clients, and non-users who are regularly employed, who could potentially be PayCaptain's users.

- **PayCaptain's segmentation criteria:** We spoke to a mix of individuals who matched across PayCaptain's segmentation brackets (Struggling, Squeezed, Cushioned).1

- **Gender:** We spoke to a mix of individuals across genders.

While we did not sample specifically across **age**, we did monitor age and spoke to a mix of individuals under the age of 50.

Sample	Current Users		Non-Users*	
	Women	**Men**	**Women**	**Men**
Struggling*	1	2		1
Squeezed	4	3	1	1
Cushioned	3			
Total	13		3	

We **did not find any significant differences** in the views expressed by men compared to women, so **we have not segmented our analysis across gender.**

Limitation of the sample: We struggled to recruit non-users and current users who matched the "struggling" criteria – we think this may be because of the difficulty in fitting such interviews into their schedules.

In future interviews, we recommend sampling more specifically across age as we found it to be an important determinant of participants' views.

Quantitative sample

BIT worked with PayCaptain to understand how SmartPay may improve the financial situation and payroll experience of workers on an online representative sample of 3,046 UK adults in the workforce on 5-15th May 2023.

Ethnicity	
White	86%
Asian	7%
Black	4%
Mixed / other	3%

Region	
South & East	30%
North	24%
Midlands	18%
Scot/NI/Wales	15%
London	13%

Age	
18-24	12%
25-54	59%
55+	29%

Gender	
Women	50%

Note on Interpreting Results

- The sample doesn't capture the digitally excluded, or people not inclined to complete online surveys.
- Just because people say they would do something in an online experiment, this doesn't mean they always will in real life. We therefore interpret stated intent as a likely upper bound of real behaviour.
- When we examine differences by subgroups (e.g. gender, ethnicity), we only do so when the sample size remains large enough to draw robust inferences from.

Median time spent completing survey: 7m 30s

We also collected data for all respondents for income, employment, education, and whether they live in an urban environment.