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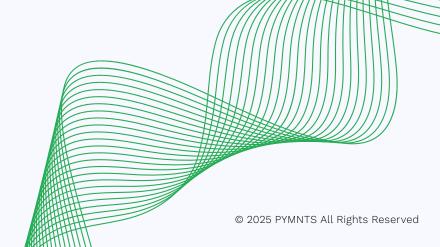
Information on PYMNTS Intelligence and Ingo Payments





### Acknowledgment

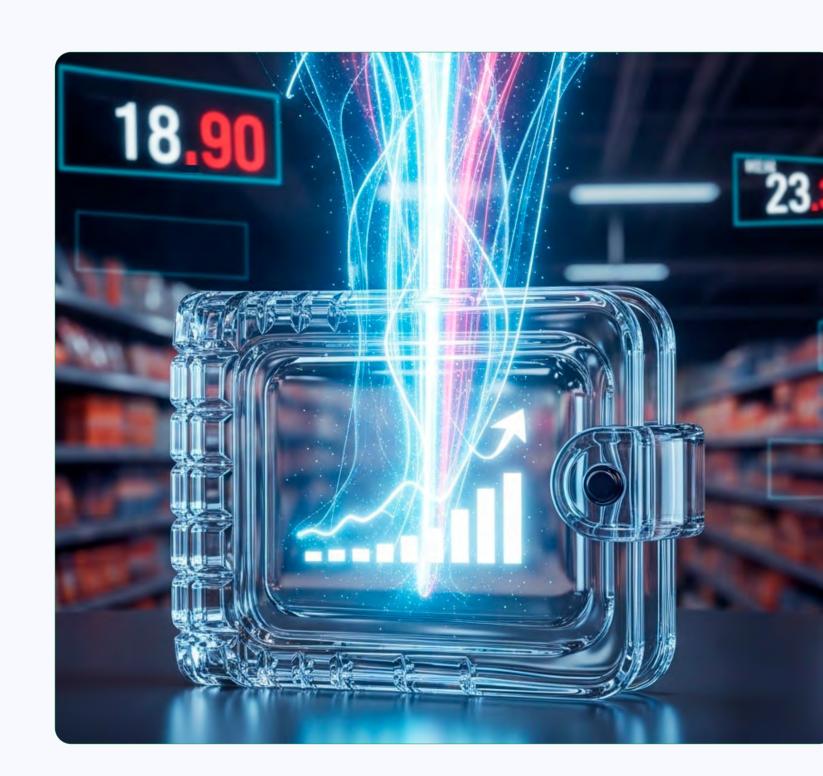
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## Introduction

In an uncertain economy roiled by tariffs, inflation and rising prices for everyday necessities, instant payroll has shifted from convenient to near-compulsory. As incomes decline and unaffordability grows more commonplace, workers increasingly need access to pay as they earn it, bypassing traditional pay cycles and delays. This real-time approach—also known as earned wage access (EWA) and ondemand pay—not only bolsters financial stability but also builds trust, turning payroll from a basic transaction into a powerful loyalty tool.

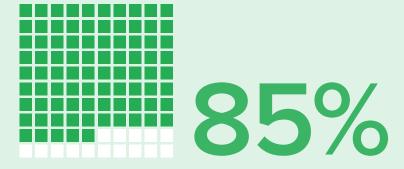
For employers, it's a competitive differentiator. For workers, it's a safeguard against financial strain. By closing payroll timing gaps, EWA strengthens retention, enhances morale and positions employers as true partners in their workforce's financial well-being.



### **Floundering Worker Trust**

## Late Pay Erodes Worker Trust and Stability

Instant payroll addresses an increasingly critical need for workers under financial stress: allowing them to access pay as they earn it. As worker incomes decline, earned wage access becomes critical to ensuring their financial stability.



of freelancers report being <u>paid late</u> at least some of the time.



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### **Floundering Worker Trust**

## Freelancers are struggling with late, inconsistent payments.

For freelancers, delayed or inconsistent payments are a persistent global challenge. Approximately 85% report <u>late payments</u> on an occasional or regular basis, and just 5% receive timely payment for half their invoices. Another study found that 29% of all <u>gig invoices</u> are paid at least a day late. Payment delays are often exacerbated by cross-border banking hurdles, client-side inefficiencies and worker classification issues.

Even minor delays in freelancer payroll can add up quickly. While 75% of <u>late invoices</u> are resolved within two weeks and 90% within one month, the interim cash shortfall can jeopardize freelancers' ability to pay for essentials like rent and groceries. Late pay also disproportionately affects certain groups: Female freelancers are paid late 31% of the time, compared to 24% for males. Payment method matters too—cryptocurrency-based payouts result in nearly three times as many late payments as traditional automated clearing house (ACH) or bank transfers. Meanwhile, invoice size is a key factor, with amounts over \$20,000 three times more likely to be delayed than those under \$100.



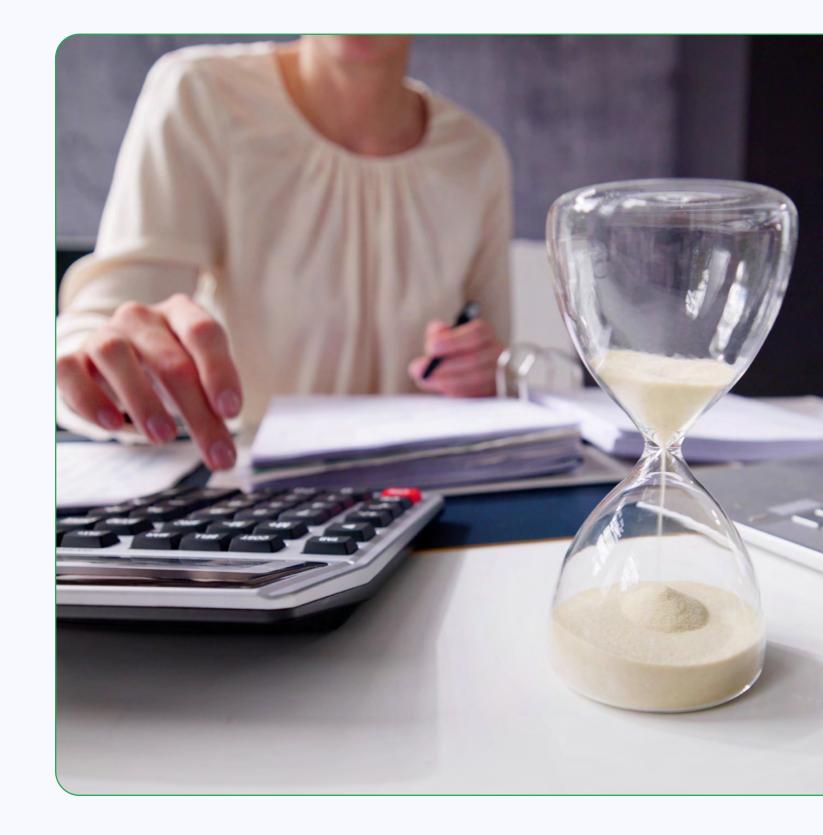
For gig platforms, late payouts carry <u>reputational risks</u>. Complaints about payment reliability quickly surface in app store reviews, online forums and social media posts. Once a platform gains a reputation for being a slow payer, retaining and attracting workers becomes a steep uphill battle.

### **Floundering Worker Trust**

## Late payments also impact salaried workers.

While employees tend to fare better than freelancers, a majority (53%) have also experienced <u>payroll issues</u>, with roughly 23% citing late payments specifically. Many professionals plan their finances around fixed, predictable paydays. When that deposit fails to arrive, stress escalates into <u>workplace disengagement</u>, absenteeism and, over time, increased turnover. Repeated delays erode trust in leadership and may prompt speculation about the company's financial health. Lower morale spreads across teams, damaging productivity and even external brand perception.

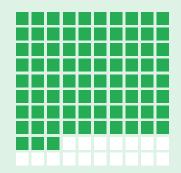
The cost of delayed pay isn't just operational—it also takes a significant human toll. Employees and contractors alike value reliability in earnings as a sign of respect and stability. When that reliability falters, so does loyalty, making timely payment not just a best practice but a business necessity.



### Wages on Demand

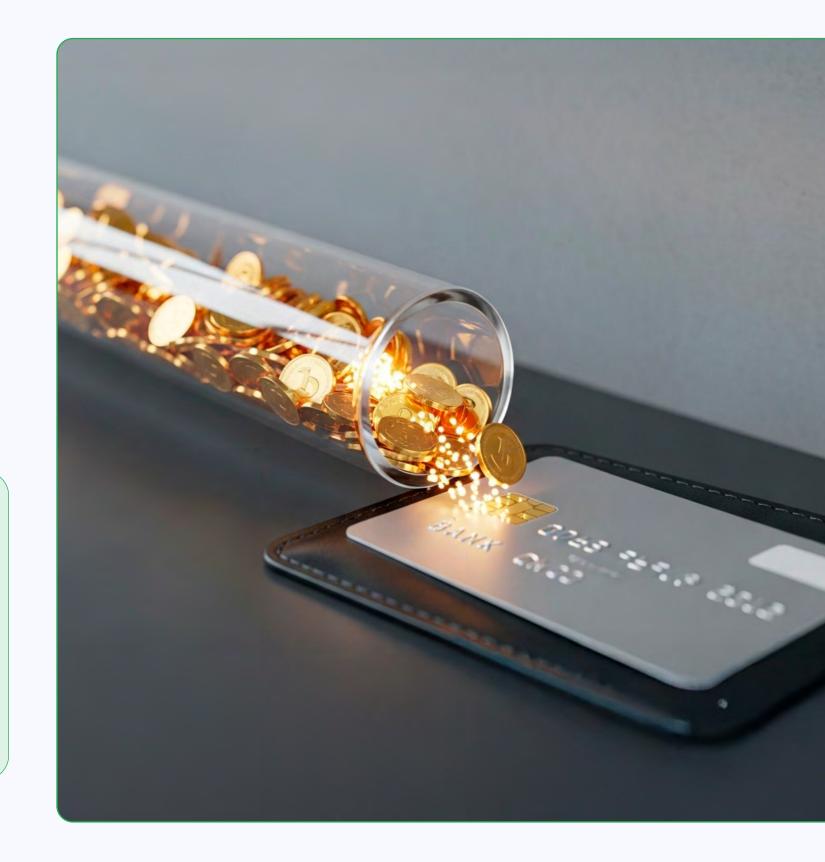
## Workers Demand Earned Wage Access

Earned wage access allows employees to receive earned wages immediately, rather than waiting the traditional two weeks until payday. By integrating with payroll systems or using real-time payment rails, funds can be made available in minutes.



83%

of workers ages 18-44 prefer <u>daily access to wages</u> over scheduled paydays.



### Wages on Demand

## Workers are fed up with getting paid next week for today's work.

Employees now expect the same immediacy in pay as they do when streaming a movie or ordering food. EWA meets that expectation by letting workers draw from wages they have already earned, without loans or interest. Funds can be <u>deposited into a bank account</u> via ACH, push to card or instant transfer, often using <u>real-time payment</u> rails like the FedNow® Service.

The impact is tangible. Nearly six in 10 EWA users say it has helped them <u>avoid borrowing</u> from friends and family, 40% say it prevented them from paying late fees, and almost one-third say it kept them from incurring overdraft charges. This safety net is especially critical for paycheck-to-paycheck households, where a single unexpected expense can create a financial spiral.



Demand for EWA spans industries and demographics. One study found that 83% of employees ages 18-44 prefer <u>daily access</u> to their earnings over a scheduled payday, treating wages like any other on-demand service: They want their money fast and fully digital.

Companies in healthcare and manufacturing are also adopting EWA to attract hard-to-find talent and reduce churn.

### Wages on Demand

# Earned wage access allows workers to access funds in the manner most convenient to them.

EWA platforms seamlessly integrate with an employer's payroll system to track accrued earnings in real time. Employers can set caps—typically a percentage of earned wages—to prevent overwithdrawal, but workers are otherwise free to access their wages as they wish. Most users do so at least weekly, with 58% accessing wages several times a week and 17% once a week. Withdrawals most often cover food, reported by 76% of users, and rent or housing, reported by 47%. Smaller proportions of workers leveraged EWA to cover other essential expenses like utilities and childcare.

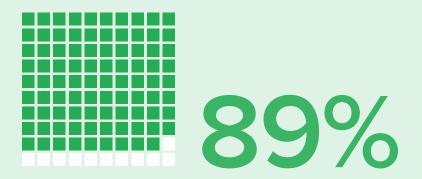
EWA serves as an invaluable <u>recruitment and retention tool</u> for corporates by improving workers' <u>financial well-being</u>. By offering workers immediate access to their own money, employers can lower financial stress, strengthen loyalty and gain a measurable competitive edge in the race for talent. In a labor market defined by choice and mobility, the ability to pay workers faster is fast becoming the key to keeping them.



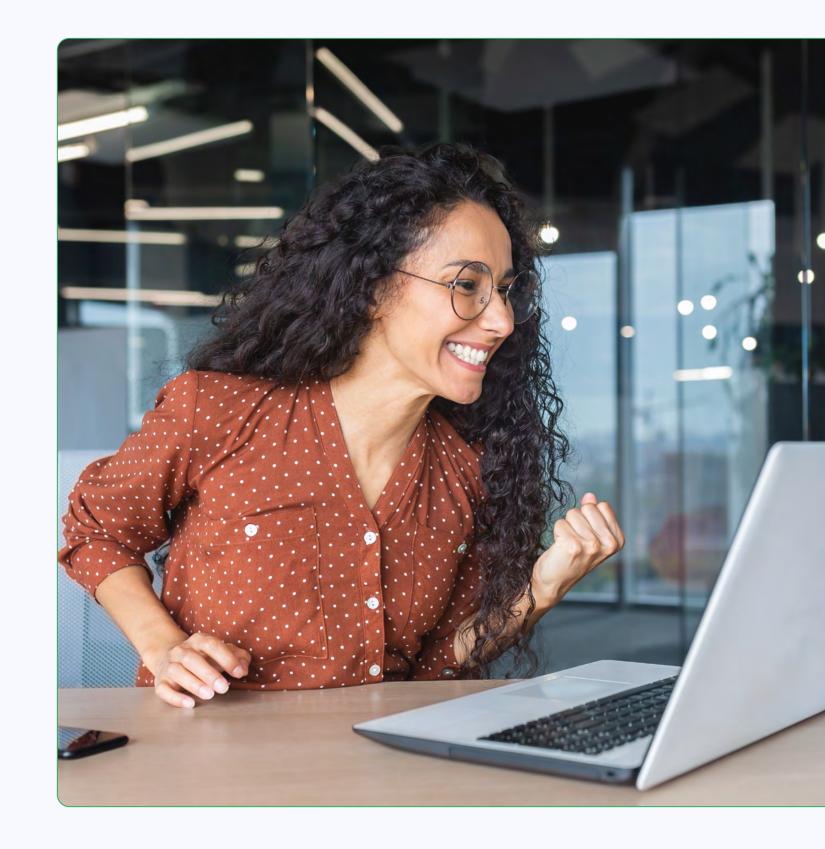
### **Strengthening Worker Bonds**

## Instant Pay Forges Powerful Employer-Worker Bonds

Instant pay access not only helps workers address their financial challenges but also enables corporates to retain happier, healthier and more productive staff.



of workers say EWA boosts their job motivation.



### **Strengthening Worker Bonds**

## EWA promotes worker morale, retention and operational efficiency.

One study found that on-demand pay <u>can reduce turnover</u> by up to 37% and double applicant interest, making it one of the most cost-effective benefits an employer can offer. Another analysis of more than 25,000 employees found that those with earned wage access tended to <u>remain in their jobs</u> significantly longer—often two to three times the length of employees without access. This stickiness translates directly into cost savings: Every avoided resignation reduces expenses tied to recruiting, onboarding and training new hires. For industries with chronic staffing challenges, such as hospitality, retail and healthcare, EWA's impact can be especially pronounced.

The morale effect of EWA is equally important. Eighty-nine percent of employees say early access to pay boosts their <u>motivation</u> and <u>productivity</u>. In addition, 74% report fewer unplanned absences, attributing this improvement to reduced stress about finances and the ability to make it through to payday.



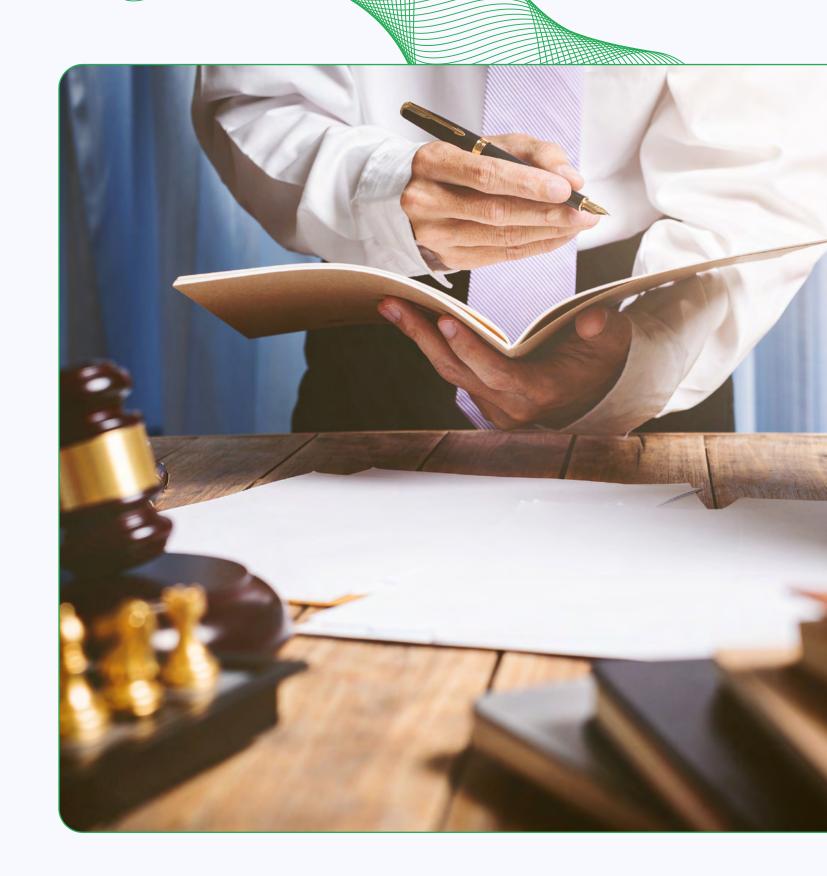
Operational benefits extend beyond worker satisfaction. EWA platforms, integrated via application programming interfaces (APIs) into payroll and human resources (HR) systems, streamline payouts without adding administrative burden. Employers can also use EWA features—like displaying projected earnings per shift—to influence scheduling. Sixty percent of respondents said seeing their potential pay for an open shift motivated them to accept it. For businesses that struggle to cover peak hours, this creates a built-in incentive mechanism without raising base wages.

### **Strengthening Worker Bonds**

### Indiana recently passed earned wage access into law.

The state government enacted House Enrolled Act 1125, formally defining EWA as a distinct financial product and embedding consumer protections such as fee transparency and clear repayment terms. The law positions Indiana alongside California, Nevada, Utah, Arkansas, Missouri, Kansas and South Carolina in regulating ondemand pay. Supporters say it ensures workers retain safe, reliable access to wages while giving businesses operational flexibility.

Legal recognition such as this is essential to making this crucial option more widely available. According to a recent survey by ADP, more than half (52%) of companies think their organizations will introduce faster access to earned wages in the next two to three years. While benefiting all workers, instant pay could truly transform the financial stability and welfare of workers in the growing gig economy.



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### **Strengthening Worker Bonds**

### Ingo Payments and Self Financial forge partnership to deliver instant access to funds.

Ingo Payments is powering the launch of Self Cash, Self Financial's <u>earned wage access product</u>, now live in 26 states. Self Cash offers eligible users no-interest, no-credit-check cash advances with no late fees, helping them avoid overdraft charges, cover unexpected expenses and ease financial stress.

Through Ingo Payments' embedded banking platform and instant disbursement technology, Self Cash delivers real-time payouts via push-to-debit, replacing traditional ACH or paper check processes that can take days. This speed is increasingly critical, as 67% of U.S. consumers live paycheck to paycheck—the highest rate since 2020.



"Ingo helps clients deliver modern financial solutions that move money in ways that are fast, secure and compliant," said Ingo Payments CEO Drew Edwards in a press release. The partnership positions Self Cash as a resource for users looking to build credit while offering a safety net in moments of need, reinforcing instant access as a key differentiator.

### **Call to Action**

## Turn Payroll Into a Retention Tool With Earned Wage Access

The evidence is clear: Delayed pay erodes trust, while instant access fosters loyalty, retention and productivity. In today's ondemand world, aligning payroll with modern expectations is no longer optional. It's essential to maintain a talented, motivated and financially stable workforce.

FinTech is redefining how and when people get paid. The companies that lean into that shift will lead the next era of workforce engagement.

DREW EDWARDS



PYMNTS Intelligence offers the following actionable roadmap for companies considering EWA:

- Adopt earned wage access solutions quickly. Early adoption secures a competitive advantage in talent acquisition and retention.
- Integrate with existing payroll and HR systems. Seamless integration minimizes administrative burden and speeds implementation.
- **Set responsible withdrawal limits.** Protect employees from overextension while still offering meaningful flexibility.
- **Highlight the benefit in recruitment.** Market EWA as a core part of the employee value proposition to attract applicants.
- Monitor and communicate impact. Use retention and engagement metrics to demonstrate return on investment (ROI) internally and externally.

By embedding EWA into the payroll process, employers meet a pressing worker need, reduce costly turnover and position themselves as forward-thinking leaders. This results in a workforce that is not just employed but empowered to deliver higher performance, improved brand loyalty and long-term growth.

## **About**

#### PYMNTS INTELLIGENCE

PYMNTS Intelligence is a leading global data and analytics platform that uses proprietary data and methods to provide actionable insights on what's now and what's next in payments, commerce and the digital economy. Its team of data scientists include leading economists, econometricians, survey experts, financial analysts and marketing scientists with deep experience in the application of data to the issues that define the future of the digital transformation of the global economy. This multilingual team has conducted original data collection and analysis in more than three dozen global markets for some of the world's leading publicly traded and privately held firms.

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