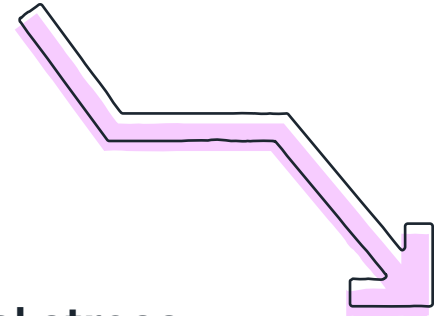
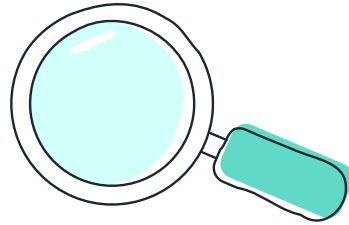
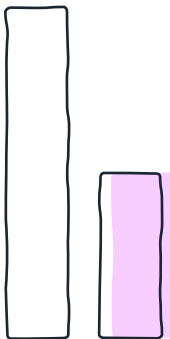
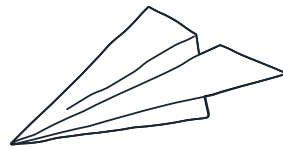
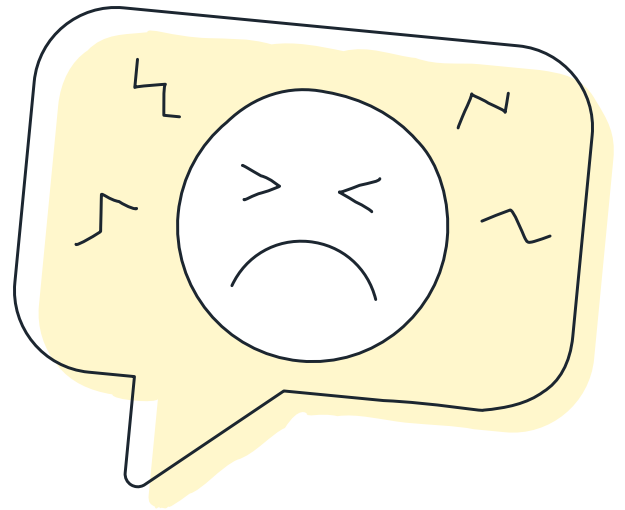


Insufficient Fun



A ZayZoon report on how employee financial stress is impacting the modern workplace



ZayZoon

Table of contents

- 3 Introduction: **No money, mo problems**
- 4 Chapter 1: **Methodology**
- 5 Chapter 2: **Highlights**
- 7 Chapter 3: **Your relationship with you finances**
- 10 Chapter 4: **Your cash flow**
- 13 Chapter 5: **Your net worth**
- 15 Chapter 6: **Opportunities for increasing income**
- 16 Chapter 7: **Your financial goals**
- 17 Chapter 8: **Your financial habits**
- 18 Chapter 9: **External factors impacting your finances**
- 19 Chapter 10: **How businesses can help**
- 21 Conclusion: **Become the place where people want to work**

Introduction:

No money, mo problems



Working Man

Rush

Well, I get up at seven, yeah
And I go to work at nine
I got no time for livin'
Yes, I'm workin' all the time¹



Today's worker is struggling to make ends meet.

We're currently in the middle of a cost-of-living crisis—and it's showing no sign of letting up.

Prices are outpacing wages, so much so that people can't afford to pay their bills. According to the latest Consumer Financial Protection Survey, about 36% of households had trouble paying off at least one bill or expense last year.²

Beyond that, hours, overtime, and tip- or commission-based income has become inconsistent. Then there's the fact that fewer and fewer people have the ability to cover lost income. Almost 40% of households, according to the survey cited above, couldn't cover expenses beyond a month if they lost their primary source of income.²

So, yes. The struggle is real, and it's taking a toll—on your workers and your workplace.

Now, I know exactly what you're thinking.

How can I help?

Many small and midsize businesses are undergoing widespread budget cuts and layoffs as capital markets take a plunge and rumors of an economic recession look likelier by the day.³

In other words, money is scarce.

But turns out you don't need a bloated budget to make a difference.

In this report, we've surveyed 5000 employees who work for businesses just like yours. They've shared their biggest financial struggles with us and have made it clear—in no uncertain terms—what you can do to help.

So, let's see what they have to say.

¹ Rush. "Working Man." *Rush*. Anthem Records, 1974, track 8, *Spotify*, open.spotify.com/album/OIZRCf7prVEVVYjH5Im0TS?highlight=spotify:track:4oMtSasrvok9JlwZbXGGbU

² Fulford, Scott, et al. "Making Ends Meet in 2022: Insights from the CFPB Making Ends Meet Survey." *Consumer Financial Protection Bureau*, CFPB Office of Research, Dec. 2022, <https://www.consumerfinance.gov/data-research/research-reports/insights-from-making-ends-meet-survey-2022/>.

³ Agarwal, Priyanka, et al. "Winning the SMB Tech Market in a Challenging Economy." *McKinsey & Company*, McKinsey & Company, 21 Feb. 2023, <https://www.mckinsey.com/industries/technology-media-and-telecommunications/our-insights/winning-the-smb-tech-market-in-a-challenging-economy>.

Chapter 1:

Methodology

To create the *Insufficient Fun* report, we surveyed 5,000 ZayZoon customers over the first half of 2023. To be clear, “customers” are employees who currently use ZayZoon.


Survey respondents work in the U.S. across a variety of industries, including: administration and support, healthcare, hospitality and food services (mainly quick-service restaurants), and many others. Companies overwhelmingly fit in the small to midsize business category (65% have less than 200 employees).

We asked employees 45 questions in total, covering 7 key categories:

 Relationship with finances

 Cash flow

 Net worth

 Opportunities for increasing income

 Financial goals

 Financial habits

 External factors impacting finances

Employee Insights

Age	Gender	Income
35% 25-34	56% Female	40% \$0 - \$24,000

Pay Type	Pay Cycle	EWA Usage
83% Hourly	72% Biweekly	27% Use Earned Wage Access to cover necessities like gas and food

Employer Insights

Size	Industry
65% <200	12% Administrative and Support

Kaylen
Wing Dome



“ Starting a new job meant having to buy a new work uniform and gas for the commute, which wiped out my savings. I was in a tough spot and had bills that were going to come out of my account automatically. I didn't have any money to buy groceries and dog food. ”

Report Highlights

The financial profile of our average customer...

Income



\$28,536

Credit score



73.4%

0-669

Net worth



\$19,257.16

This year, our customers are feeling less stressed about their finances

2022

Not stressed...
at all.

2023

16.4%



18.2%

14.4%



16.7%

28.8%



30%

14.5%



12.1%

25.9%



23%

So stressed
I'm losing sleep.

Interestingly, over the year since we last conducted this survey, the overall financial stress of our customers has trended downwards. We can make some assumptions as to why that was:

- 📌 Over 2023, inflation has slowed—dramatically.
- 📊 The U.S. labor market is the strongest it's been in 50 years, with an unemployment rate of 3.4%.⁴
- 😊 Our customers have access to a suite of financial tools that make life easier, and they use them in large part to put food on the table and fuel in their cars.

⁴ Neufeld, Dorothy. "Here's What the US Labour Market Looks like Right Now." World Economic Forum, 9 Mar. 2023, <https://www.weforum.org/agenda/2023/03/heres-what-the-us-labor-market-looks-like-right-now/>.

But they're still stressed...



26.8%

of employees worry about their finances multiple times a day.

And the biggest stressor is...



61.7%

of employees are most stressed about paying off their bills.

The top coping strategy?



50%

of employees cope with financial stress by tightening their budgets.

So, why so stressed?



46.6%

of employees have \$0 saved up in case of a financial emergency.

In other words, employees are living paycheck to paycheck. To get by, they're...

Working a side hustle...



21%

of employees work a side hustle, earning on average an extra \$1,117.07 per month.

Taking out payday loans...



11%

of employees are paying off a payday loan, with an average value of \$994.96.

For last year's study, 40% of respondents were paying off a payday loan, marking a dramatic improvement, thanks to Earned Wage Access.

Looking for a new job...



30.1%

of employees are often or constantly looking for a new job that pays more.

That said 50.1% are never or rarely looking for work, an increase of almost 30% since we last published this report.

Now, let's take a deeper dive into the data.

Relationship with finances



Gin and Juice
Snoop Dogg

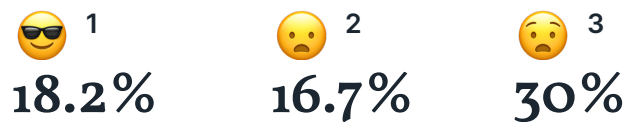
With my mind on my money
And my money on my mind⁵



On a scale of 1-5, how stressed do you feel about your finances?

Let's address the elephant in the room.

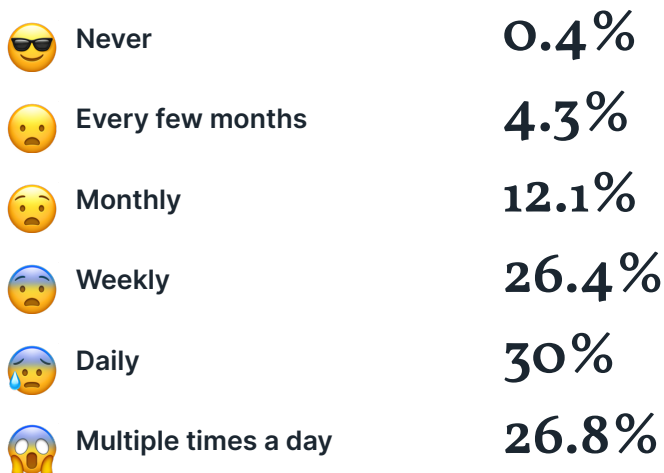
Employees today are dealing with financial stress.



In fact, 82% of the 5000 workers we surveyed indicated that they feel some degree of financial stress. 23% of them said that they felt “very stressed”.



How often are you stressed about your finances?












Turns out, financial stress is top of mind for many of the workers we surveyed, with 56.8% experiencing it on a daily basis, if not more. Odds are, they're coping with it during working hours and it's impacting your business.

According to Forbes, financial stress costs American businesses \$40 billion per year.⁶ It's not just something your employees take home with them once they clock out. They bring it to work with them every day as well, and it affects your business' bottom line.

⁵ Dogg, Snoop. "Gin and Juice." Doggystyle, Death Row Records, 1993, track 3, *Spotify*, open.spotify.com/album/51FOummNcGXY3qCBWRchqP?highlight=spotify:track:39QBkWKnap8wRSW4WB9OK0

⁶ Reilly, Colleen. "Crisis: Worker Financial Stress Costs Employers Billions of Dollars Annually." *Forbes*, *Forbes Magazine*, 8 Sept. 2020, <https://www.forbes.com/sites/colleenreilly/2020/09/09/why-financial-wellbeing-at-work-is-more-important-than-ever/?sh=45c73d7d78dc>.

What stresses you out the most about your personal finances?

	Paying off bills	61.7%
	Emergencies	9.8%
	Groceries and food	9.3%
	Rent or mortgage payments	8.9%
	Paying off debts	4%
	Medicare	2.2%
	Healthcare	2.1%
	Saving for retirement	1.6%
	Paying taxes	0.4%

The majority of respondents (61.7%) agreed that bills top the list of financial stressors, and it's not even close.

This should come as no surprise. We live in a consumer culture that rewards people for spending more money, even if it's money they don't already have.

What is perhaps more surprising is just how many people are worried about being able to afford the essentials, like groceries and rent. Unfortunately, they don't have the luxury of being able to plan ahead because they're struggling to survive.

How do you cope with financial stress?

Surprisingly, only 1.9% of workers consult an expert to help them deal with financial stress. On the flipside, nearly 10% of respondents simply ignore it.

In the survey, we included an "other" field with a custom text box for respondents to fill out themselves.

Here are some of their responses.

"Help from family and friends."

"Give up..."







"Eat and cry."

"I take medication."

"Talk to God."

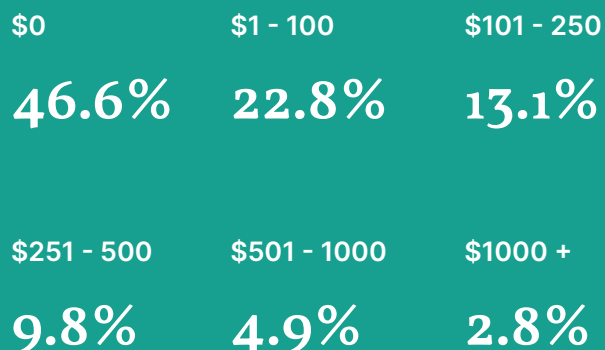
"Meditate."

"Go without."

	Tighten my budget	50%
	Get a side hustle	28.5%
	Find a job that pays more	8.7%
	Ignore it	7%
	Other	3.9%
	Talk to a financial advisor	1.9%

Half of respondents try to tighten their budgets. Finally, 37.2% look for a completely new job that pays more or another job to supplement their income.

How much do you have saved up for unexpected expenses?

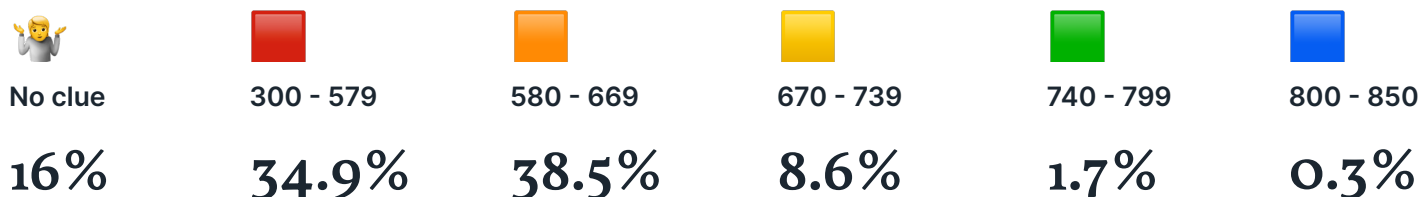


Just under half of survey respondents noted that they had zero savings, an indication that many are living paycheck to paycheck.

What happens when these individuals are saddled with an unexpected expense or medical emergency?

Unfortunately, too many will turn to high-interest lenders, putting them in a worse position than they were in to begin with.

What's your credit score?



Most respondents (38.5%) had a credit score of 580 - 669 (generally considered "fair"). Only 2% had a credit score above 740. Surprisingly, almost 20% of those surveyed didn't know what their credit score was.

A person's credit score can determine a lot, like the types of homes they can get approved for or the interest rates on their credit cards. Having a poor credit score makes it harder to take on debt and make some of life's most important purchases.

Cash Flow



C.R.E.A.M.
The Wu-Tang Clan

Cash rules everything around me
C.R.E.A.M. Get the money
Dollar, dollar bill y'all⁷



Income

What's your monthly income?

The average monthly income for all respondents was \$2378, for **an average annual salary of \$28,536.**

12.9% of those surveyed either didn't know their monthly salary or weren't comfortable sharing it.

Average monthly salary	\$2,378
Maximum monthly salary	\$8,125
Minimum monthly salary	\$0

Do you have kids or other dependents that rely on you for financial support?

No children or dependents	41%
1 child	20.6%
2 children	16.1%
3 or more children	16.4%
other dependents	5.9%

Does anyone else in your house have a job?

Yes	No	I live alone
40.2%	42.7%	17.1%

What is the total monthly income from others in your household?

\$3,352.64

⁷ The Wu-Tang Clan. "C.R.E.A.M. (Cash Rules Everything Around Me) (feat. Method Man, Raekwon, Inspectah Deck & Buddha Monk)." Enter the Wu-Tang, Expanded Edition, Loud Records, 1993, track 8, *Spotify*, open.spotify.com/album/3tQd5mwBtVyXCoEo4htGAV?highlight=spotify:track:119c93MHjrDLJTApCVGpvx













Do you have a side hustle?

 Yes **21.9%**  No **78.1%**

On average, how much extra income do you get per month?

 **\$1,117.07**

Peoples' side hustles

 Barber	 Landscaping
 Babysitting	 Plasma donation
 Beautician	 Lyft
 Doordash	 Uber
 Instacart	 Interior Designer
 DJing	 Selling stuff on eBay

Income

Here's what we learned

- ✓ On average, the annual salary of surveyed employees (**\$28,536**) falls well below the national average (**\$58,260**).⁸
- ✓ About 43% of respondents have additional income from others in their household, which they can rely on (**\$46,788 per year, on average**).
- ✓ Though few respondents work a side hustle, those who do see a substantial boost in their overall income (**33%**!).

Expenses

How much do you spend on rent or your mortgage each month?

 Average rent/mortgage **\$853.55**

How much do you spend on food each month?

 Average food bills **\$372.16**

⁸ May 2021 National Occupational Employment and Wage Estimates." U.S. Bureau of Labor Statistics, U.S. Bureau of Labor Statistics, 31 Mar. 2022, https://www.bls.gov/oes/current/oes_nat.htm#00-0000.

How much do you spend on your cell phone each month?



Average cell phone bill **\$114.26**

How much do you spend on utilities each month?



Average utilities **\$252.71**

How much do you spend on your car each month?



Average car costs **\$371.89**

How much do you spend on subscriptions each month?



Average subscriptions costs **\$51.82**

How much cash do you spend on interest and late fees?



Avg. interest and late fees **\$129.85**

How much cash do you have at the end of each month?



Average cash left over **\$304.67**

Expenses

Here's what we learned 📌

- ✔ People spend a lot on subscriptions—**\$621.84** per year, on average. That said, **46%** of respondents said they didn't spend any money on subscriptions.
- ✔ On average, respondents have **\$3,656.04** left over at the end of the year, barely enough to cover unexpected expenses like a trip to the hospital, car trouble, gaps in employment, etc. It's easy to see why so many individuals live paycheck to paycheck.

Net Worth



4 American Dollars
U.S. Girls

Moving numbers from account to account
Keeping secrets in an offshore fount
My money is quick to count
I got four dollars to my name⁹



Do you own a house?

Yes **9.9%** No **90.1%**

How much is your house worth?

Average home value **\$198,085**

Do you own a car?

Yes **48%** No **52%**

How much is your car worth?

Average car value **\$10,626.68**

Any unpaid car loans?

Average car loan **\$12,820**

Any unpaid credit card debt?

Average credit card debt **\$2,800**

Any unpaid student loans?

Average student loan **\$24,065**

Any unpaid payday loans?

Average payday loan **\$994.96**

⁹ U.S. Girls. "4 American Dollars." Heavy Light. Royal Mountain Records, 2020, track 1, *Spotify*, open.spotify.com/album/5yMALYLW7R0woM1IHhINfg?highlight=spotify:track:6fx7gWBYL9eq2BfbiaIV5d

Any money owed to friends/family?

 Avg. amount owing **\$1,662.07**

Any money owed to medical loans?

 Avg. amount owing **\$5,854.87**

Any mortgage owing?

 Avg. amount owing **\$98,099.23**

Any unpaid credit card debt?

 Avg. amount owing **\$19,257.16**

Net Worth

Here's what we learned 🙌

- ☑ The average net worth of American households is **\$748,800**.¹⁰ If you think that number's too high, we agree. It doesn't accurately represent the average American. So, let's use the median net worth of American households instead: **\$121,700**. Now, that's more realistic. Even still, survey respondents reported an average net worth of **\$19,257.16**.

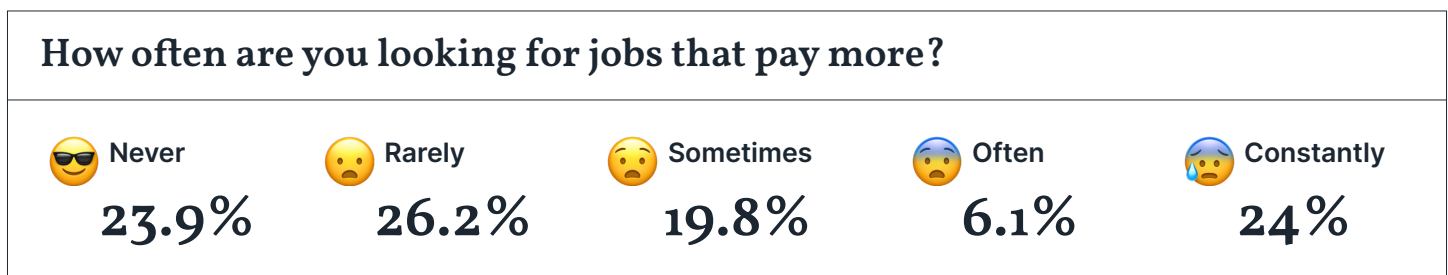
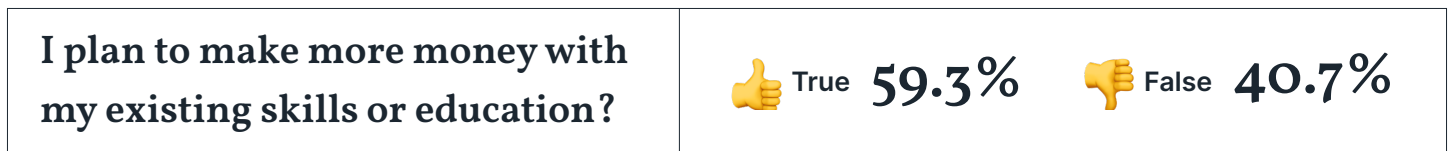
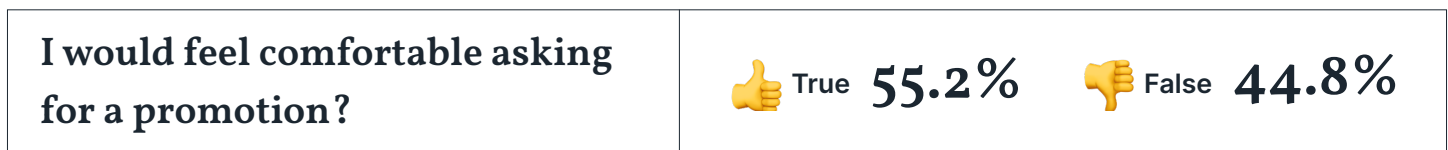
¹⁰ DeMatteo, Megan. "The Average American Has \$90,460 of Debt-but the Average Net Worth Is Actually More than That." *CNBC*, CNBC, 17 Feb. 2023, <https://www.cnbc.com/select/average-net-worth-by-age/>.

Opportunities for Increasing Income



It's All About the Benjamins
Sean Combs

Want to be the ballers, shot-callers
It's all about the Benjamins baby
Brawlers, who be dipping in the
Benz with the spoilers¹¹



Here's what we learned

- ✓ On average, respondents reported outstanding student loans of **\$24,065**, a not insignificant sum of money. That said, many (**59.3%**) are leveraging their education to get ahead professionally—proof that, for the most part, education and professional training continue to remain worthwhile investments.
- ✓ While yes, it's true, **30.1%** of respondents are either often or constantly looking for work, the vast majority are perfectly content where they are. More than that, **55.2%** of employees feel comfortable asking their bosses for a promotion or raise.

¹¹ Combs, Sean. "It's All About the Benjamins." No Way Out. Bad Boy Records, 1997, track 10, *Spotify*, open.spotify.com/album/4OGaOZUHLhSeicZB909aL?highlight=spotify:track:3GMR3hyv8BccozebVMve3

Financial Goals













Money
The Flying Lizards

Money don't get everything it's true
What it don't get, I can't use
I want money
That's what I want¹²



From 1 - 10 (1 being most important), rank your financial goals by importance

- | | | |
|---|-------------------|----|
|  | Pay off bills | 1 |
|  | Make rent | 2 |
|  | Emergency savings | 3 |
|  | Paying off debts | 4 |
|  | Buy home | 5 |
|  | New car | 6 |
|  | More education | 7 |
|  | Go on vacation | 8 |
|  | Have children | 9 |
|  | Get a pet | 10 |

Unsurprisingly, paying off bills topped our respondents' list of financial goals. After all, bills are the number one financial stressor according to 61.7% of respondents.

Most financial goals (paying off bills, making rent, building emergency savings and paying off debt) were reactive. This speaks to some of the challenges respondents face, like cash flow shortfalls, that prevent them from planning ahead.

¹² The Flying Lizards. "Money." The Flying Lizards. Virgin Records Limited, 1979, track 6, *Spotify*, open.spotify.com/album/3KATYZsxEEpu78lwBeonYe?highlight=spotify:track:5rgY6vN5CaEL3boucCi3CT

Financial Habits










9 to 5
Dolly Parton



Walking 9 to 5, what a way to make a livin'
Barely gettin' by, it's all takin' and no givin'
They just use your mind and you never
get the credit¹³



How often do you spend more than \$20 on non-essentials on an impulse?

 Almost never	6%
 Once a month	6.5%
 2 - 3 times a month	13.6%
 Once a week	25%
 3 - 5 times a week	21.1%
 Once a day	16%
 Multiple times a day	11.8%




Do you have a personal budget to track your spending each month?

 Yes **44.1%**  No **55.9%**

Do you have any automatic savings or debt payments?

 Yes **38.1%**  No **61.9%**

Do you pay off your credit card in full each month?

 Yes **18.6%**  No **31.4%**
 I don't have a credit card **50%**

Here's what we learned

- ✓ You might remember that most respondents (**50%**) cope with financial stress by tightening their budgets. But according to the data above, only **44.1%** of respondents actually use a budget. So, why the discrepancy? Simply put, financial education. There may be a gap between knowing what the right thing to do is, and knowing how to actually do it. Some of our respondents may not understand how to budget.

¹³ Parton, Dolly. "9 to 5." 9 to 5 And Odd Jobs. Sony Music Entertainment, 1980, track 1, Spotify, open.spotify.com/album/64Ky1tqKPfwxhJs6msphWd

External Factors Impacting Finances

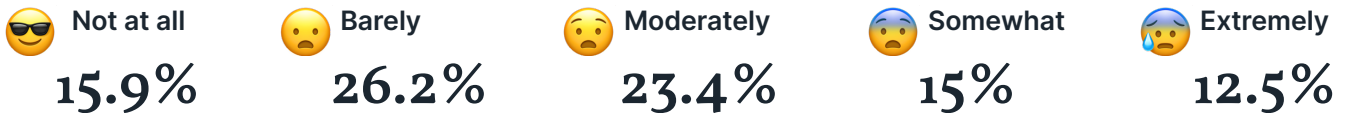


Everything Counts
Depeche Mode

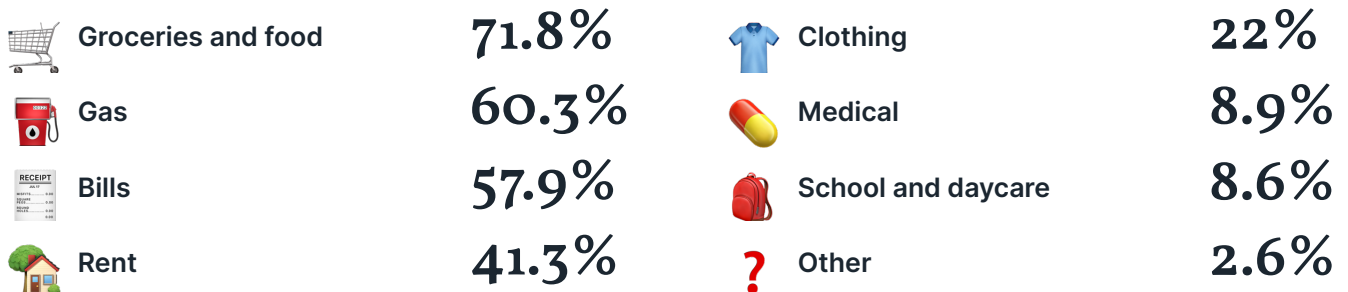
The grabbing hands grab all they can
All for themselves, after all
It's a competitive world
Everything counts in large amounts¹⁴



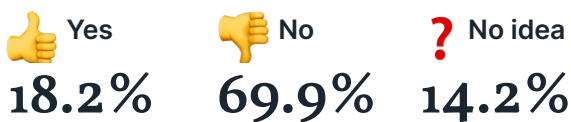
How much has inflation affected your monthly expenses in the last 12 months?



How much has inflation affected your monthly expenses in the last 12 months?



Has your income increased with inflation?



Here's what we learned 🙌

- ✔ Respondents who weren't impacted or barely impacted by inflation were in the minority (28.5%), which should come as no surprise. Inflation is impacting everyone, and it's adding fuel to the fire by making it much harder to afford the essentials, like food and gas. Sadly, wages are slow to keep up.

¹⁴ Depeche Mode. "Everything Counts." Construction Time Again. 2007 Remaster. Sire Records, 1983, track 4, *Spotify*, open.spotify.com/album/6oFsq13ql71yK5Gaar7ely?highlight=spotify:track:68d2JDhqltCuOsfX0W71Ct

How You Can Help



You Never Give Me Your Money

The Beatles

You never give me your money
You only give me your funny paper
And in the middle of negotiations
You break down¹⁵



**You've read this far,
so now what?**

Good question.

If this report didn't make it abundantly clear— today's employees are struggling, and they need your help.

We get it. Many SMBs are also struggling. Broaching the topic of financial wellness to your team can feel hypocritical, especially if wage growth hasn't been expanding.

But that doesn't mean you should avoid the topic. By doing so, you run the risk of looking out of touch, or worse, callous.

Thankfully, there are plenty of affordable ways for you to help your employees overcome financial stress and demonstrate that you genuinely care about their wellbeing.

We'll unpack just a few of them in this section.

Commuter benefits

52% of respondents say they do not own a car. Drivers, meanwhile, are contending with higher gas prices thanks to inflation. One thing is certain: transportation costs are high. That's where commuter benefits can help.

Commuter benefits include transit and parking benefits, as well as benefits for bicycle and vanpool commuting. They're an easy way to cut transportation costs for employees (up to \$700 per year), plus you can save some money (up to \$40 per month per employee) by reducing payroll taxes.¹⁶

Earned Wage Access

Earned Wage Access or on-demand pay is a no-brainer. Employees get access to their earned wages whenever they need them, instead of having to wait until payday. That way, they don't need to rely on taking out payday loans or deal with unnecessary late fees. And it works.

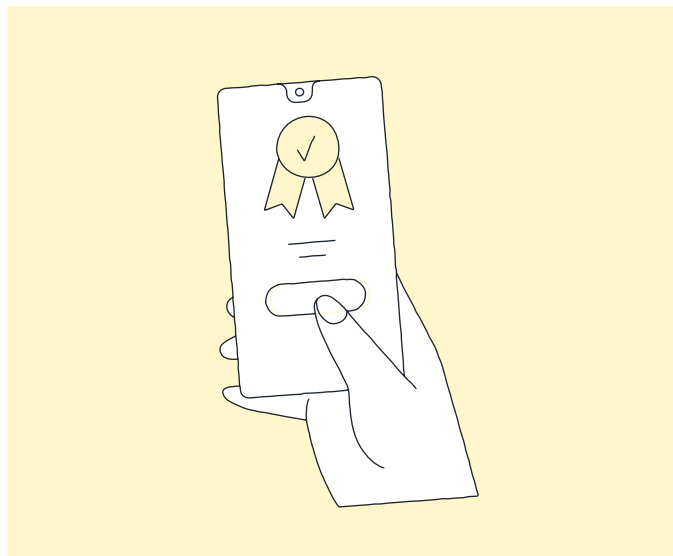
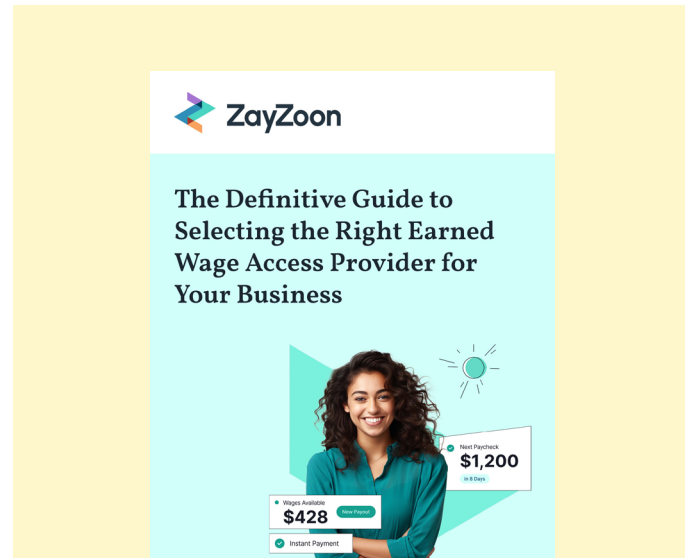
¹⁵ The Beatles. "You Never Give Me Your Money." Abbey Road. Remastered - 2009. Apple Corps, 1969, track 9, *Spotify*, open.spotify.com/album/0ETFjACtuP2ADo6LFhL6HN?highlight=spotify:track:1jOLTO379ylu9aMnCkpMQI

¹⁶ "The Definitive Guide to Commuter Benefits." Commuter Benefit Solutions, 7 Apr. 2023, <https://commuterbenefits.com/how-it-works/#:~:text=Commuter%20benefits%20include%20parking%20benefits,tax%20limit%20of%20%2024300%20%2F%20month.>

In this report, we saw a **29%** drop in the number of employees paying off payday loans (from 40% to 11%). That's one less debt to worry about and steps towards greater peace of mind.

Thankfully, there are plenty of EWA providers out there. True, we can certainly help, or you can consult our guide on today's top EWA providers. In it, we unpack the pros and cons of the leading vendors so you don't have to.

[Read it here](#)



Financial education and wellness

As noted in this report, for many employees, there's a huge knowledge gap when it comes to managing their finances. Thankfully, there are plenty of free resources out there that you can offer to employees, covering everything from budgeting to saving for retirement. Many EWA providers also come fully loaded with free financial wellness platforms.

Special bonuses

In recent years, special bonuses have gained plenty of traction in the workplace and it's easy to see why. Also known as recognition bonuses, these can include one-off cash bonuses, additional vacation days, gift cards, etc.

At ZayZoon, we offer [Perks](#). These enable employees to get up to a 25% bonus on top of their earned wages when they take out their pay on a gift card. With essentials getting pricier by the day, Perks boosts employee purchasing power so they can save more.



Conclusion:

Become the place where people want to work



Money
Pink Floyd

Money. Get away.

You get a good job with more pay and you're okay

Money. It's a gas.

Grab that cash with both hands and make a stash¹⁷



Now that you've made it this far, you should have a deeper understanding of the financial stress your workers are under. As it turns out, financial stress impacts your business as much as it does your employees.

Hopefully, some of the tips offered in this report can help you better support your employees. At the very least, many of them enable you to embed an employee-first approach into your business without breaking the bank.

As far as takeaways go, here are three things you can do right now to help your employees and set your business apart.

- ✓ Identify the biggest financial stressors your employees are dealing with. Struggling to pay for meds? Gas prices too high? Cash flow issues? Use this report to guide and inform you.
- ✓ Take a deep dive into the financial wellness benefits landscape and see if there are any solutions that might work for you.
- ✓ If EWA is on your wishlist, definitely read our buyer's guide. We provide you with guidance on what to look for, questions to ask vendors, and an in-depth comparison of the space's top vendors.

Finally, if you simply want to talk to a real human being and learn more about Earned Wage Access, feel free to get in touch. We're always happy to talk.

Oh yeah, and one more thing:

Don't miss the *Insufficient Fun* report playlist.



[Listen here](#)

¹⁷ Pink Floyd. "Money." The Dark Side of the Moon. Sony Music Entertainment, 1973, track 6, *Spotify*, open.spotify.com/album/4LH4d3cOWNNsVw41Gqt2kv?highlight=spotify:track:0vFOzaXqZHahrZp6enQwQb



ZayZoon

About ZayZoon

ZayZoon is the financial empowerment platform for SMBs. With ZayZoon, payday finally comes with the push of a button. It's free for employers and takes only 30 minutes to implement. Employees can use ZayZoon to get paid whenever, however. The platform also offers educational resources and tools to help workers break the paycheck-to-paycheck cycle. And it works. 89% of employees who use ZayZoon report less financial stress and employers who offer ZayZoon boast a 29% reduction in turnover. To learn more, visit ZayZoon at:

<https://www.zayzoon.com/>

