



How to build an unbeatable benefits programme for your independent workforce

So, you want to build a benefits programme for your independent workers. Nice one!

Benefits are a great way to build stronger relationships with your workers, making them feel valued for everything they're doing and decreasing the chances of them upping and leaving.

Employee benefits have been around for a long time, but the same can't be said for independent worker benefits. That means there's no tried-and-tested formula to follow, and platforms can struggle to find the right fit.

But the biggest and best platforms out there, from Uber, to Just Eat, to Deliveroo and TaskRabbit, all offer benefits programmes to their workers.

We've done the digging so you don't have to. Take a look below to see what benefits you could offer your independent workers and how to know if you're doing it right.

69%
of independent workers
have no benefits at all¹ 🤯

¹ Aon, 'Financial security or greater control? Uncover the tough decisions driving the Gig Economy and how businesses can redress the benefits balance,' March 2020

Step 1: Get clear on your end goal

It's important to work out why you want a benefits programme for your workforce in the first place. If you had to pin it down to one main reason, do you want to...

...increase worker engagement and reward certain behaviours?

...ramp up recruitment, boost retention and combat churn?

...protect your reputation and show the world that you care?

The right benefits programme can help with all three objectives, but different benefits tug on different levers and budgets are rarely limitless! If you're not sure what your main objectives are, grab a piece of paper and rank them 1 to 3.

If you're working in a team or need to get buy-in across your business, a workshop can be helpful to all get on the same page and create a strong strategy for your benefits programme. Drop us a line at hello@collectivebenefits.com if you want help getting the answers you need.

Step 2: Find the right fit

Now you're clear on what you want to achieve, it's time to build a benefits programme that gets you there.

We've run research with over 10,000 independent workers, spoken personally with hundreds of individuals and aggregated data from research led by Uber and Aon to understand what the options are, and which workers actually value the most. Keep on reading to see what we found.

Money, money, money!

Higher pay will inevitably help keep your workers on-side long-term, with 41% of gig workers saying that they want more money.² Paying at least a living wage is highly recommended to protect your workers and your reputation - check out what our partner Finmo is doing in this space.

² Aon, 'Financial security or greater control? Uncover the tough decisions driving the Gig Economy and how businesses can redress the benefits balance,' March 2020

Likewise, the easiest quick-win way to attract more workers or boost productivity is to provide financial incentives. However, this is (you guessed it!) a very expensive option, and often hard to sustain in the long-term.

“In 30 years, I have yet to see a retention bonus retain, let alone motivate, anyone.”

—Kate D’ Camp, former VP of HR at Cisco

Short-term incentives will definitely create a spike in interest, but can easily be matched by any other platform, at any point. Plus, there’s little research to suggest they create better worker engagement long-term.

“I used to work for Uber because they seemed to pay better than most, but then another driver recommended a different platform offering a pretty big bonus for new recruits plus similar pay, so I switched.”

—Shams, driver

Our verdict

Better pay will always help platforms win, but short-term financial incentives are expensive and hard to sustain. This is a quick fix solution, often adopted by new platforms or time-limited recruitment drives, and isn’t the best for delivering against long-term goals like worker satisfaction or retention.

Good for engagement & productivity



Improves recruitment & retention



Protecting your workers and your reputation?



Good return on investment?



Easy to implement and manage long-term?



Healthy workers, healthy workforce?

For platforms looking to protect their workers (and their reputation), wellness benefits are a great option. Arguably more meaningful than perks, and undeniably cheaper than financial incentives, starting from as little as around £1 per month, they can help platforms prove their good intentions to the world and create real value for their workers.

Some of the wellness benefits we've seen platforms provide include:

Mental health support Counselling, emotional support and guidance.

Physio Supporting workers' diagnosis and treatment. Particularly valued by those in physically demanding roles such as mobility or manual labour.

Discounted gym membership Helping workers get fit for less.

82.4% of workers named back problems, mental health and getting fit as their top 3 priorities for 2021

—Survey of 600+ workers³

Digital GP Enabling workers to skip the queue with quick online consultations, prescriptions and referrals.

Specialist advice Legal and financial support to help workers navigate tax, housing, debt management and more.

Professional development Coaching and guidance to help workers take their career to the next level.

Private healthcare A more expensive but highly valued option for platforms looking to go the extra mile.

"10% off Amazon is nice but free mental health support is nicer - and it was cheaper! It felt like a real benefit rather than something someone could get for free if they really tried to find it."

—Indeed⁴

79%

of workers feel more secure knowing that they have these kinds of benefits to turn to if they need them.⁵

3 Collective Benefits, benefits survey, December 2020

4 Collective Benefits, client interviews, June 2021

5 Collective Benefits, benefits survey, May 2021

Our verdict

Looking out for your workers' health helps show them (and the world) how much you value their wellbeing. These benefits might not be used as widely or frequently as perks such as everyday savings, but their impact is deeper. 79% of our members tell us that they feel more secure knowing that they have these kinds of benefits to turn to if they need them.⁶ However, the options are varied and if multiple benefits partners are involved, wellness programmes can be tricky to manage effectively.



Perks: do they actually work?

Perks like deals, discounts and giveaways have long been a staple of employee benefits programmes. There are lots of plug-and-play perks providers on the market, and they can help platforms create value for their workers on a regular basis.

These programmes are often very affordable, starting from as little as around 80p per user per month, and generally manage their own comms and engagement, making them simple to set up and manage for platforms.

Unlike longer-term financial benefits, such as pensions or insurance, workers can engage with these kinds of perks on a monthly, weekly or even daily basis. That means they're a good fit for platforms looking to boost engagement.

However, there are a couple of key points to consider when deciding if a perks programme is a good fit for your workforce:

Types of perks

Many perks programmes are designed for a general office worker audience. That means they may not be a perfect fit for workers in other sectors like mobility or manual labour, who often fit different demographics, have different priorities, and different practical needs.

If you're a mobility platform, for example, your workers will likely appreciate specialist deals to help them save on fuel, vehicles and safety equipment. If most of your base speak English as a second language, they'll likely get more value out of a perks programme with discounts for language lessons.

Approach to engagement

As a group, independent workers have a lot in common. A worrying 54% are concerned about their financial future⁷, and all self-employed workers will benefit from education and support in specialist areas such as tax.

Look for programmes that use comms and engagement to create meaningful value for your workers, in the areas that actually matter to them. Simple discounts platforms can help your workers save money, but are unlikely to meaningfully affect their perception of you as a platform. After all, websites and plug-ins like Wowcher and Honey are free and easy to access. If you're going to go for a perks programme, you need to deliver more value than these kinds of players.

"Discounts are nice but not that special. But it means a lot more when you go above and beyond to help me with my life."

—Artur, courier

Our Verdict

Perks are great for increasing engagement if you want to incentivise certain behaviours and reward your hardest-working people. Tiering and tailored engagement comms can both help with these goals. However, perks programmes can vary wildly, and not all deals and discounts will be relevant to your specific workforce. Make sure you choose a programme tailored to their sector, demographic and employment type to increase its relevance and impact.

Good for engagement & productivity



Improves recruitment & retention



Protecting your workers and your reputation?



Good return on investment?



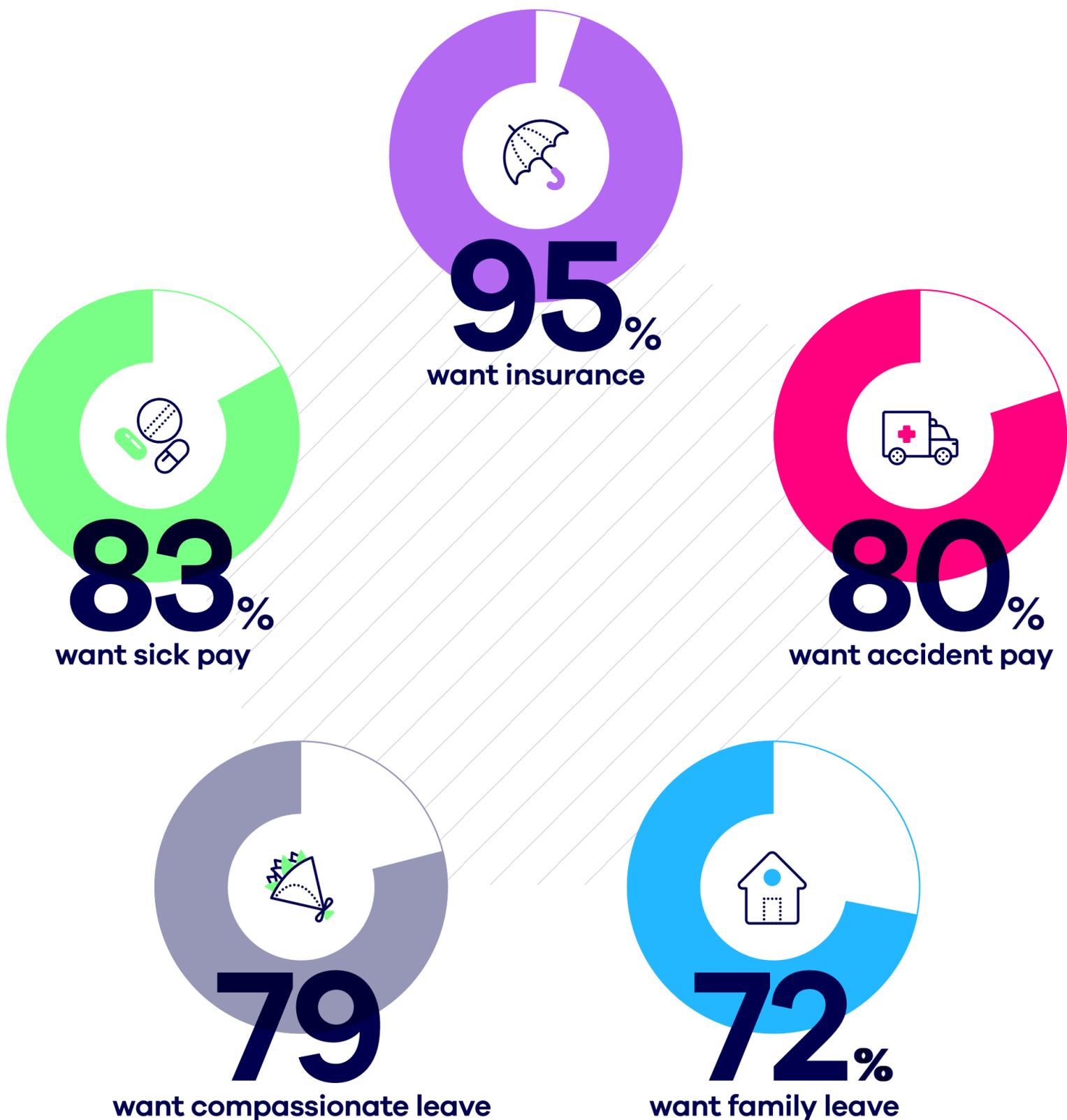
Easy to implement and manage long-term?



⁷ Aon, 'Financial security or greater control? Uncover the tough decisions driving the Gig Economy and how businesses can redress the benefits balance,' March 2020

The benefit that 95% of workers want

At Collective, we've spent a lot of time speaking to independent workers and researching which benefits they actually want. In a survey⁸ of over 10,000 workers, we found that:



Financial protections like sick and injury pay, family leave and compassionate leave are the benefits workers themselves actually ask for the most. They have a number of advantages over other benefits options, including:

- They are well understood and well recognised by independent workers, and can therefore provide a boost to recruitment.
- They can be very effective for combating churn, with 81% of workers saying they are more likely to keep working for platforms that provide these kinds of benefits.⁹
- They allow platforms to protect their workers (and their reputation) by providing a meaningful safety net.
- They help increase worker engagement, with 67% of workers saying they would feel more engaged and positive towards the organisation they work for with these kinds of benefits in place.¹⁰

81%

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would feel more engaged and positive towards the organisation they work for with these kinds of benefits in place.¹²

Our Verdict

Financial protections such as insurance are one of the most effective ways for platforms to deliver against all possible objectives: from recruitment to retention, to reputation management, engagement and churn. It can be tricky to find the right benefits partner for these kinds of protections, as many insurance programmes aren't built with independent workers in mind and don't cater to their specific needs. However, importantly, these benefits do deliver real value for independent workers themselves, providing an essential safety net to protect their long-term financial wellbeing.

"These kinds of benefits can cost less than the price of a cup of coffee per month."

—Jiffy

To top it all off, these kinds of benefits can cost less than the price of a cup of coffee per month per worker. That means they come out on top in terms of return-on-investment. We'd say that they're the ultimate benefit for independent workers as a result.

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9 Collective Benefits, benefits survey, May 2021

10+12 Aon, 'Financial security or greater control? Uncover the tough decisions driving the Gig Economy and how businesses can redress the benefits balance,' March 2020

11 Collective Benefits, benefits survey, May 2021

Step 3: Up, up and away!

Once you've worked out what benefits you want to provide for your independent workers, the next step is getting a killer benefits programme in place!

To tier or not to tier?

If engagement and productivity are key objectives for you, you might want to consider a tiered approach.

With a tiered programme, workers can unlock additional protections and perks as they complete more work through the platform and progress up through the levels. This helps drive pride and engagement for top workers, and gives newer or less engaged workers a reason to ramp up their involvement with your platform.

"I'm excited to move up to Gold level and know that my work is appreciated."

—Jemma, driver

Our biggest learning

Having worked with some of the biggest, best and fastest-growing platforms in the market, we like to think we know what makes a killer benefits programme. Our biggest learning so far? A hybrid approach will almost always work best: combining high-engagement, low-cost benefits like perks with meaningful protections such as insurance that provide real value to workers themselves. That way, you can hit more objectives all at once, and get the highest possible value back out of your programme.

17x Return on Investment

in lowered recruitment and onboarding costs from a tiered, hybrid benefits programme

—Laundryheap

Managing multiple benefits partners can, however, be challenging. There's a lot of admin involved and it can damage the programme's impact by creating confusion for your workers. Bringing all your workers' benefits together in one place can make it far easier for them to use and understand all parts of the programme.

“We currently have a lot of partnerships and benefits from different providers, and that can be difficult to manage.”

—Brigad¹³

At Collective, we’ve developed a full range of benefits, from everyday savings, to wellness benefits, to insurance protections and more, specifically for independent workers. If you’d like to find out more about our benefits and see how we’ve brought them together in one simple, seamless digital platform, just drop us a line at hello@collectivebenefits.com or visit <http://collectivebenefits.com/>

	Good for engagement & productivity	Improves recruitment & retention	Protect your workers and your reputation	Good return on investment	Easy to implement and manage long-term
PROGRAMME					
Financial incentives					
Wellness benefits					
Perks & discounts					
Insurance protections					
Tiered, hybrid benefits					



Thanks for reading, and here's to building an unbeatable benefits programme for your workers!



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