

Meet Wagestream, a financial wellbeing platform for frontline workers

As part of our quick fire questions series - or QFQs - we spoke to Peter Briffett, CEO of Wagestream about tackling injustice for frontline workers, financial wellbeing and eradicating the need for payday loans.

Temps de lecture : minute

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Frontline workers get a bad deal. They pay over £500 more for basic services, every year, than the rest of us - and the biggest culprit is financial services.

This shocking statistic is what incentivised my cofounder and I to launch Wagestream - why should someone who is already struggling pay even more for essentials like insurance and utilities that are cheaper for higher income earners? We created Wagestream to tackle this injustice, by delivering fairer, lower-cost financial services for frontline workers, through the trusted institution of the employer.

Tell me about the business - what it is, what it aims to achieve, who you work with, how you reach customers and so on?

Wagestream was established in 2018 with investment from social impact organisations such as Big Society Capital, Joseph Rowntree Foundation, Social Tech Trust and Barrow Cadbury Trust. We founded our business

with a social charter, meaning every service and product we provide must measurably improve financial wellbeing.

More than three million frontline workers now use Wagestream across the globe, through over five hundred employers like Asda, Next, Pizza Express, Burger King, Bupa and the NHS. Our members can set goals, put money aside for the future, chat to qualified money coaches, get discounts on shopping and bills, switch to fairer suppliers, choose when to get paid, get a payslip that updates after every shift and understand in real time their financial position - all in one app.

As well as supporting unfairly treated workers with our product, we also represent this group at the highest levels of research and government, working with Harvard, University of California, Work Foundation, Resolution Foundation, University of Bristol and three UK Government bodies - Money Lending Team, Money and Pensions Service and Nest - as well as proactively drafting recommended regulation for the UK financial regulator to enforce. This element of our work is equally important to achieving our goal of ending inequality in financial services.

How has the business evolved since its launch? When was this?

Our initial focus was to eradicate the need for payday loans by giving workers the ability to choose when they get paid throughout the month - a feature we call flexible pay. Since then, 14 more features have been introduced, each one designed to give members more visibility and control over their finances. Pay is the most important contract between the employer and employee, so Wagestream revolves around the idea that if you make pay more flexible, more real, and more meaningful to people, then everyone will reap the rewards.

When we first launched, many employers viewed financial wellbeing in

the workplace as a long-term aspiration. Now, they realise it is a national emergency, and this shift in perspective has been reflected in our rapid growth, and the growth of the market. Over 100 new financial wellbeing providers have launched similar models in recent years - from Brazil, to Nigeria, to Vietnam. But Wagestream remains the only one founded with a social charter and charitable investors, and is paving the way for a new generation of fairer banking as the world's most widely-used provider of financial services through employers.

With 100% year-on-year growth, Wagestream has proven that we can deliver inclusive, society-transforming services at scale, at pace, sustainably.

Tell us about the working culture at Wagestream

At Wagestream it's all about getting stuck in and working together to deliver the best results for our members and their organisations. Every single person at Wagestream engages with our clients and users in some way, so it's important everyone is really committed to the mission - showing a connection to this is a crucial part of our recruitment process. We operate a hybrid working model, but I love the fact our offices have remained such vibrant, buzzy places to work. There is always a social event or all-company onsite on the horizon, which keeps relationships strong across the business.

How are you funded?

In April last year, we closed a *\$175M Series C*, comprised of a \$115M combined venture debt and funding facility from Silicon Valley Bank, a \$60M equity investment led by US-based investment firm, Smash Capital, and funds and accounts managed by BlackRock. This was the biggest

social impact fundraise for a financial service provider in history.

What has been your biggest challenge so far and how have you overcome this?

One of the biggest challenges to date has been building a model which can contract and integrate with large and traditional enterprises with tens of thousands of employees - it's not been easy. The trick is persisting until you succeed and proving your product creates real business value that boardrooms care about. You have to prove financial wellbeing has a positive impact on staff retention and productivity.

How does Wagestream answer an unmet need?

The bottom 50% of earners live paycheck to paycheck, but pay more for credit, insurance, advice, and savings than the top 50% of earners. Wagestream solves this problem by providing an increasingly broad set of fairer financial services, all through the employer and one app. By delivering fairer financial services through employers, we can replace financial stress with financial control and wellbeing.

What's in store for the future?

As well as continuing to expand in markets such as North America and Europe, our goal is to begin providing an even broader range of financial products and services, with many designed or made accessible to low-income and shift workers for the first time - such as fairer insurance, credit and sick pay cover.

What one piece of advice would you give other founders or future founders?

My main piece of advice is to have a crystal clear vision of what you want to achieve and completely focus your efforts on how to get there. Don't fall into the trap of getting distracted. Whatever your company, have a clear mission, even if you don't know exactly how to get there.

And finally, a more personal question! What's your daily routine and the rules you're living by at the moment?

Right now I'm getting up early and doing what I can to avoid processed food and drink - including oat milk - turns out it's the devil's fluid! I'm also trying to reduce my screen time and exercise at least three times a week - this includes taking part in the Wagestream softball league every Thursday throughout the summer.

Peter Briffett is CEO of [Wagestream](#).

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