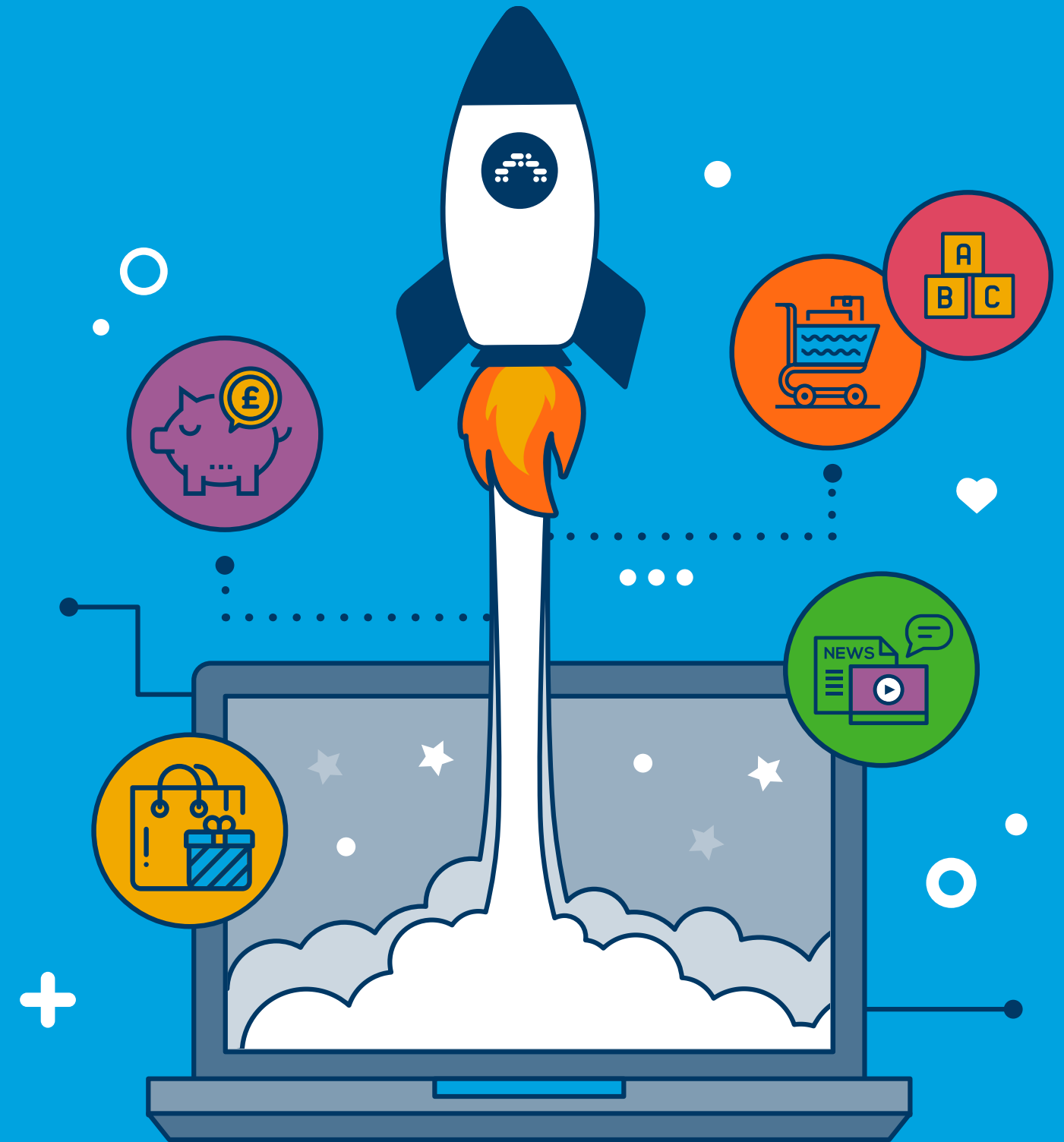




**RewardGateway**  
the employee engagement people

# 6 Steps to Launch an Impactful Employee Discounts Programme

A guide on how to gain high engagement through employee discounts



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# Introduction

Hi there,

My name is Debra, and I've lived and breathed employee benefits for more than 20 years. I act as a knowledge coach for our 2,500+ clients implementing engagement initiatives and have even written books on how companies can improve engagement with their people.

Over the years I've put in place my fair share of new benefits, ranging from the traditional to the odd and interesting perks. There is one benefit which has been a staple for me no matter where I've worked, and that is an employee discounts programme. It's like your favourite pair of shoes, you always reach for them as you know they'll

be right with any outfit and for any purpose. Well that's how I feel about a discounts benefit, as it's worked for me consistently from company to company and situation to situation.

When I started my career, benefits programmes such as discounts were a novel idea, which meant that I put them in place to give something unique to my employees.

Due to their popularity and advances in technology, they have become less of a nice-to-have and more of a necessity as employees expect employers to have one in place, especially as new challenges with pay rise pressures continue to emerge.

But not all benefits programmes are made the same. If you want a benefits programme that will work properly in your organisation, you have to ensure it has the right design and the right functionality. Get this right and you'll have success; get this wrong and it will be a benefit that is never used.

This eBook will outline six essential steps to successfully launch your employee discounts programme, including some stumbles I've seen (and made!) in the years I've spent overseeing and implementing benefits programmes. I hope it helps you as you consider what benefits programme will work for your organisation, and lead you to success.

All the best,

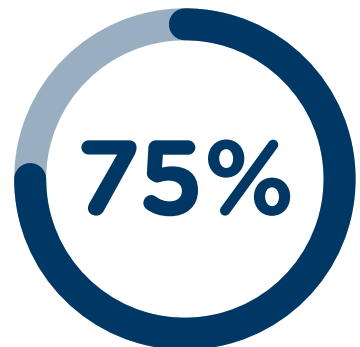
**Debra Corey**

Reward Gateway Advisor

# Why a Discounts Programme Makes a Lot of ‘Pence’

A strategic benefits programme, like an employee discounts benefit, has many advantages. Here are just some of them:

Extends employees' salaries	Easy to understand	Low cost	Delivers high engagement (because everyone loves a bargain!)
Appeals to a wide array of employees	Easy to implement	Low maintenance	Simple way to show appreciation for employees



of global employees would use any financial rewards received from their workplace for essentials rather than luxuries.

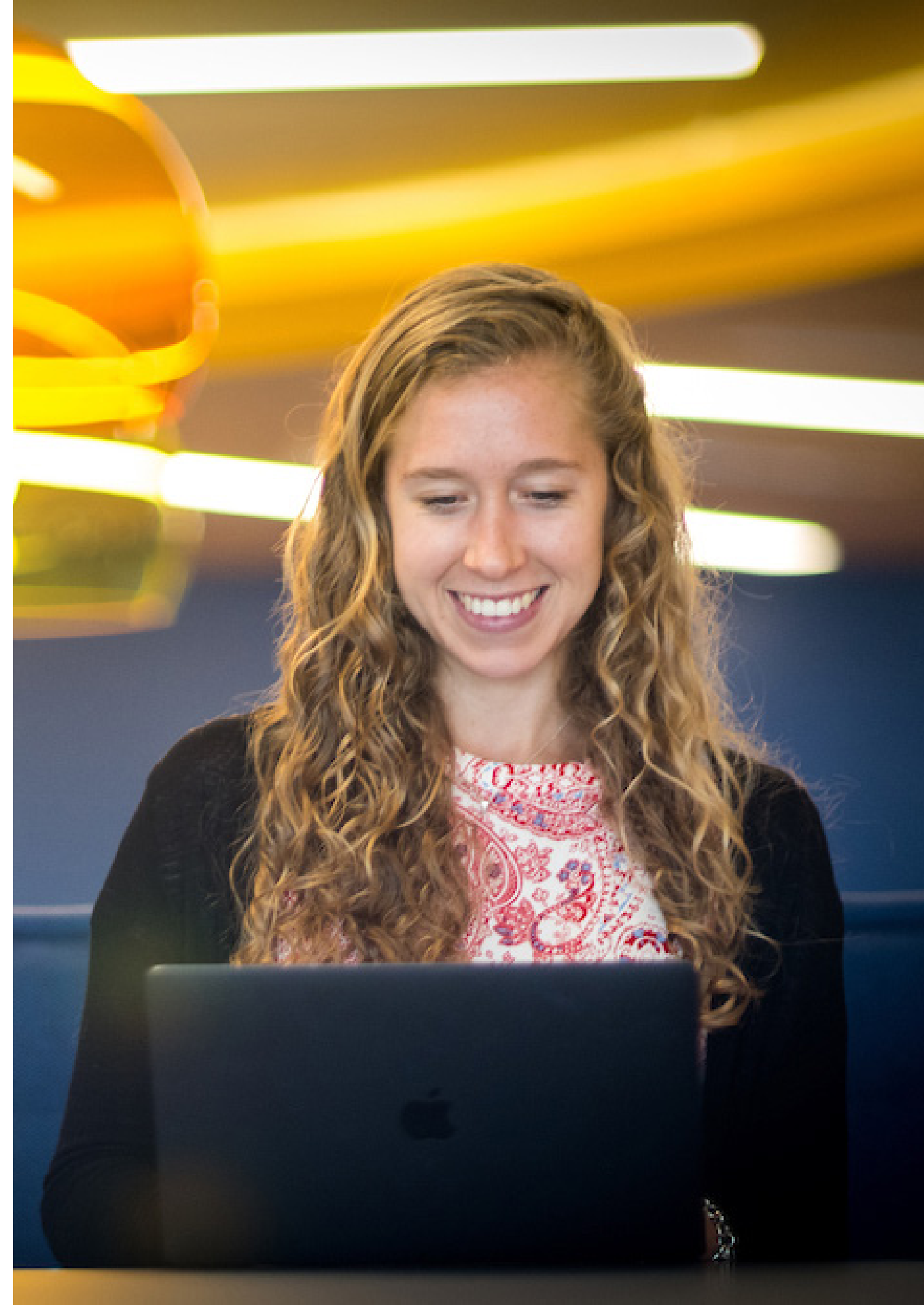
Reward Gateway, Cost of Living Crisis Report, 2022

This significant emphasis on necessities stretches beyond what HR Managers expected: **only 69% thought that employees would spend their workplace financial rewards on essentials.** The upshot of this finding is twofold: One, that employees must be offered the flexibility to choose how they spend their rewards. And two, that they need a broad array of discount and reward possibilities to cover what they consider essentials.

# Step 1

## Think of Your ‘Why’

OK, so you’ve decided to put in place a benefits programme for your business. Personally, I think that’s a great idea. But before you get wrapped up in the ‘how’ – as in, how are you going to communicate and launch this to your employees – I urge you to think of the ‘why.’



## Think of Your ‘Why’

One of the most influential books I’ve ever read is Simon Sinek’s ‘Start with Why.’ According to Simon, ‘Knowing your WHY is not the only way to be successful, but it is the only way to maintain long-lasting success and have a greater blend of innovation and flexibility.’

If you don’t ask and understand your Why, you won’t be able to successfully achieve the remainder of these critical steps for implementing your programme. Everyone’s answer will be different, because every organisation has their own needs and goals, but here are some ideas to start with.

### Your why could be...

- Your benefits are fragmenting your organisation, with some appealing to families, others appealing to millennials and others appealing to no one at all.  
**You want a benefit that will engage with all demographics of your business.**

- Your employees have voiced that salaries are not competitive, but you don’t have the money to bring them more in line with the market. You need another way to **address pay rise pressures** and extend your people’s salaries, **without the expense of a company-wide increase.**
- You need a new benefit to help improve employee engagement, adding one which makes employees **feel valued and appreciated** by the business.
- You want a benefit that is **low-cost** and **low-effort**, but has high value for your employees.

From your Why, create objectives for what you want to achieve by putting in place your benefits programme. For example, if your Why is about increasing employee engagement, your objective will link to increasing your employee engagement score by an agreed percentage. **So think of the WHY first and then set your objectives to measure if and how you achieved it.**



## Insights

### The importance of engaging employees

Launching a benefit, such as employee discounts, can be a great way to increase your overall employee engagement. Here’s why that’s so critical to your organisation:

- Companies with high employee engagement have **3 times higher profit** than those with low employee engagement.



## Step 2

# Get the ‘Yes!’

Once you’ve set these objectives and figured out your Why, it’s time to go to your leadership team (or board) for approval to Get the ‘Yes!’ Presenting can often be challenging, nerve-wracking and tricky. Why? Because in almost every situation, your audience and approach is different. To put it in context, in some companies I’ve prepared and delivered a 20-page PowerPoint presentation to achieve approval whilst in other companies it’s been an informal five-minute presentation.



## Re-invest in your employees, and watch their disposable income grow

The good news is that with a bit of creativity, you can become an HR superhero in your business. If you take a very small portion of your employees' post tax wage increase and reappropriate it to an investment in your employer brand, you can:

1. Take the spotlight off the annual performance review and reposition it firmly over your EVP and all the things that make your organisation a great place to work.
2. Increase your employees' disposable income.



**of people worry about money on a weekly basis**

Breakingnews.ie



To maintain the normal cost of living, an employee making £30,000 annually would need an **8% increase** in their salary.

And we know, that's not feasible for most organisations, though we'd all love to see it!



## Consider this scenario:

### As an employee:

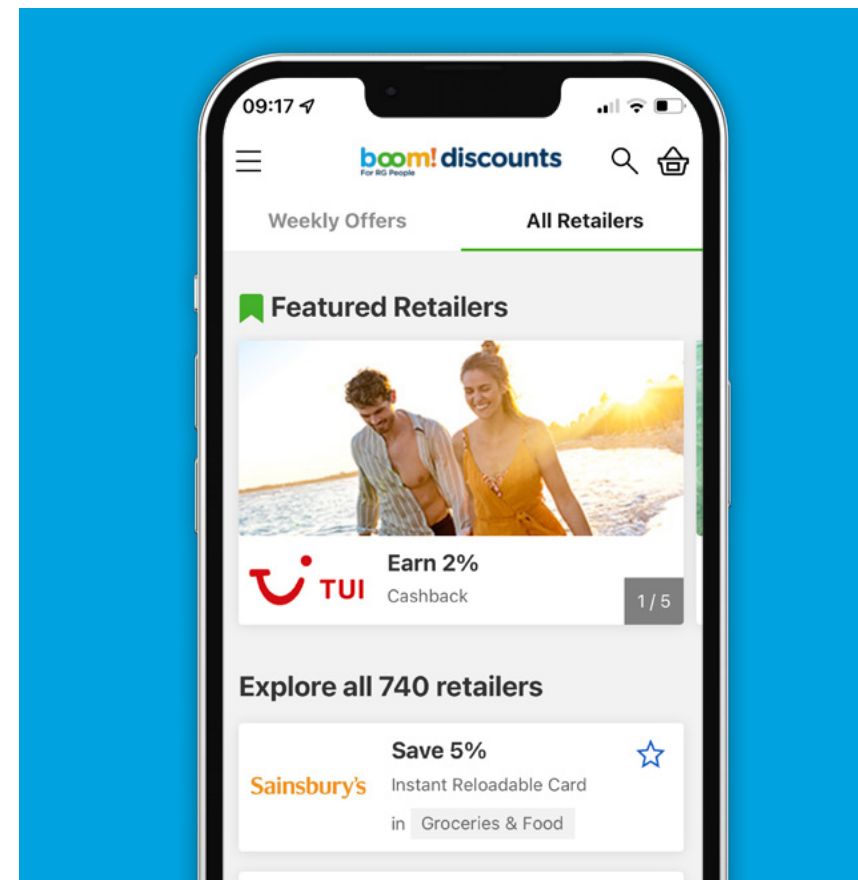
- Your average annual grocery spend is **£4,960**, according to the latest data (and set to increase with the rising cost of living).
- If you saved 5% on your groceries each week that represents **a savings of close to £300 annually** on one benefit alone.

### As an employer:

- Give employees a benefits programme that provides 5% discount on groceries instantly.
- Increase disposable income to support employees throughout cost of living pressures.

Source: 'The Chronicle,' June 2022  
[www.chroniclelive.co.uk/news/cost-of-living/average-annual-grocery-bill-rise-24282734](http://www.chroniclelive.co.uk/news/cost-of-living/average-annual-grocery-bill-rise-24282734)

Whether you are stretching your employees' disposable income on everyday essentials or luxury items like fashion or holidays, a cleverly designed benefits initiative can provide a high multiple return on your investment in your people.



## A discounts programme to stretch your employees' pay

Reward Gateway's discounts solution provides instant discounts and Cashback to hundreds of top retailers for a boost to your employee engagement strategy – and your employees' income, too.

**Available anytime, and on any device, the innovative benefits initiative can provide a foolproof way to invest a small portion of your budget into a long-lasting opportunity. Employees save on:**



**Groceries**

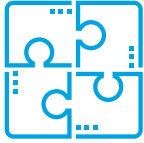


**Utilities**



**Household  
Necessities**

Find out more at [rg.co/discounts](http://rg.co/discounts)



### Introduce a cost-neutral solution

By introducing a solution that aligns with your pay review and engagement initiatives – but from the same budget – you’re more likely to gain approval as it’s a huge positive for the company, with no additional investment. This is a highly effective strategy that involves allocating a portion of your annual pay review budget to your engagement initiative.

Here’s a look at how this works in reality, based on a business that is looking to give their **1,000 employees a 3% company-wide pay rise:**

### Option 1: Without the cost-neutral solution (a regular pay rise situation)

Average Salary	Employees	Pay Cost	Salary Review
£30,000	1,000	£30,000,000	3%

Additional Cost on Salary Review	£900,000
Additional Employees NI	£124,200
Additional Pension at 3%	£27,000
Total Additional	£1,051,200
Gross Annual Increase per Employee	£900
Less PAYE Tax	£180
Net Annual Increase per Employee	£720
Weekly Increase	£13.85

\*Based on 2022 figures

Option 2: Sample Salary Review With Cost-Neutral Engagement Initiative

Average Salary	Employees	Pay Cost	Salary Review Budget	Salary Review	Engagement Initiative
£30,000	1,000	£30,000,000	3%	2.9%	0.1%
£30,000	1,000	£30,000,000	3%	2.8%	0.2%

Additional Cost on Salary Review	£870,000	£840,000
	£30,000	£60,000
Additional Employers NI	£120,060	£115,920
Additional Pension at 3%	£26,100	£25,200
Total Additional	£1,016,160	£981,120
Gross Annual Increase per Employee	£870	£840
Less PAYE Tax	£174	£168
Net Annual Increase per Employee	£696	£672
Weekly Increase	£13.38	£12.92

\*Based on 2022 figures

While the difference to the employee is minimal on the surface, they can enjoy the benefits of up to £1,000 in savings and cashback per annum on top of their pay rise.

The difference to employees is only £0.47 per week (or £0.93 if the investment is £60,000), something that they’re not likely to notice. But what they (and your leadership team) will notice is the potential impact that an effective engagement initiative can achieve by helping to regularly reinforce your EVP and employer brand.

Companies that have implemented this cost-neutral solution have typically budgeted their initiatives (pay review and engagement strategy) together but implemented them at separate times. This provides two opportunities for good news stories to better connect employees.

## Step 3

# Choose the Right Partner

As with anything, not all providers are the same, having different pricing models, different relationships with retailers, and different ways of doing things. A common mistake is to jump into picking a discounts provider without making sure that you're picking the one that is right for you – for your company and for your employees.





**Remember, if your employees aren't happy with the discounts benefit and platform, who are they going to complain to? Yes, you guessed it: You.**

To avoid this dilemma, you want to do your homework. I suggest conducting a robust review process to ensure your selected provider will meet your organisation's unique needs.

This could include a call for Request for Proposals (RFPs), or a checklist that you have in mind as you vet providers. This makes sure that you select them based on a variety of factors, and not based on instinct or by what you have heard from others. Regardless of how you approach the search, here are some factors you could potentially include:

- **The product.** Look at the mix and the reach of retailers. You know your workforce. Which one provides the right mix and choice, and which will reach the largest demographic?

- **The technology.** What system does the programme actually run on? Does it provide Single Sign On and robust security measures to keep your employees' financial information (payment options) safe and secure? How does it provide you with analytics? If/how will it allow you to segment your communications? You decide what is important to you, and find the technology which can deliver on this.

- **The customer support options.** Here, you should look at both the customer support provided for your employees, and also for you as the administrator. If your employees have a broken experience, they won't use it.

Who can they turn to for help? If you're seeing low engagement on the platform, do you have someone you can turn to for guidance that has proven success in knowing how to boost employee engagement? If you don't have time or resources to run communication campaigns, can your provider do it for you?

- **The cost.** How is the cost of this benefit determined? Are you charged an upfront per-employee fee, an annual fee, charges on each employee activity? Which one is right based on how you believe in managing costs as well as which is easier for your organisation (depending on size, and rate of growth)?

If you use this process to help you pick a provider that's right for you, you'll end up with a partner that will work for you and your company in both the short and long term.





What I love most about the flexibility of benefits programmes is that it can be beneficial in all kinds of ways to align with your employees’ existing needs. For example, if the focus is on cost of living pressures, employees and their families can benefit from everyday savings, whereas they can also use it to plan for a big saving on a future hoiliday. **Here are some of the retailers offered on the Reward Gateway platform:**

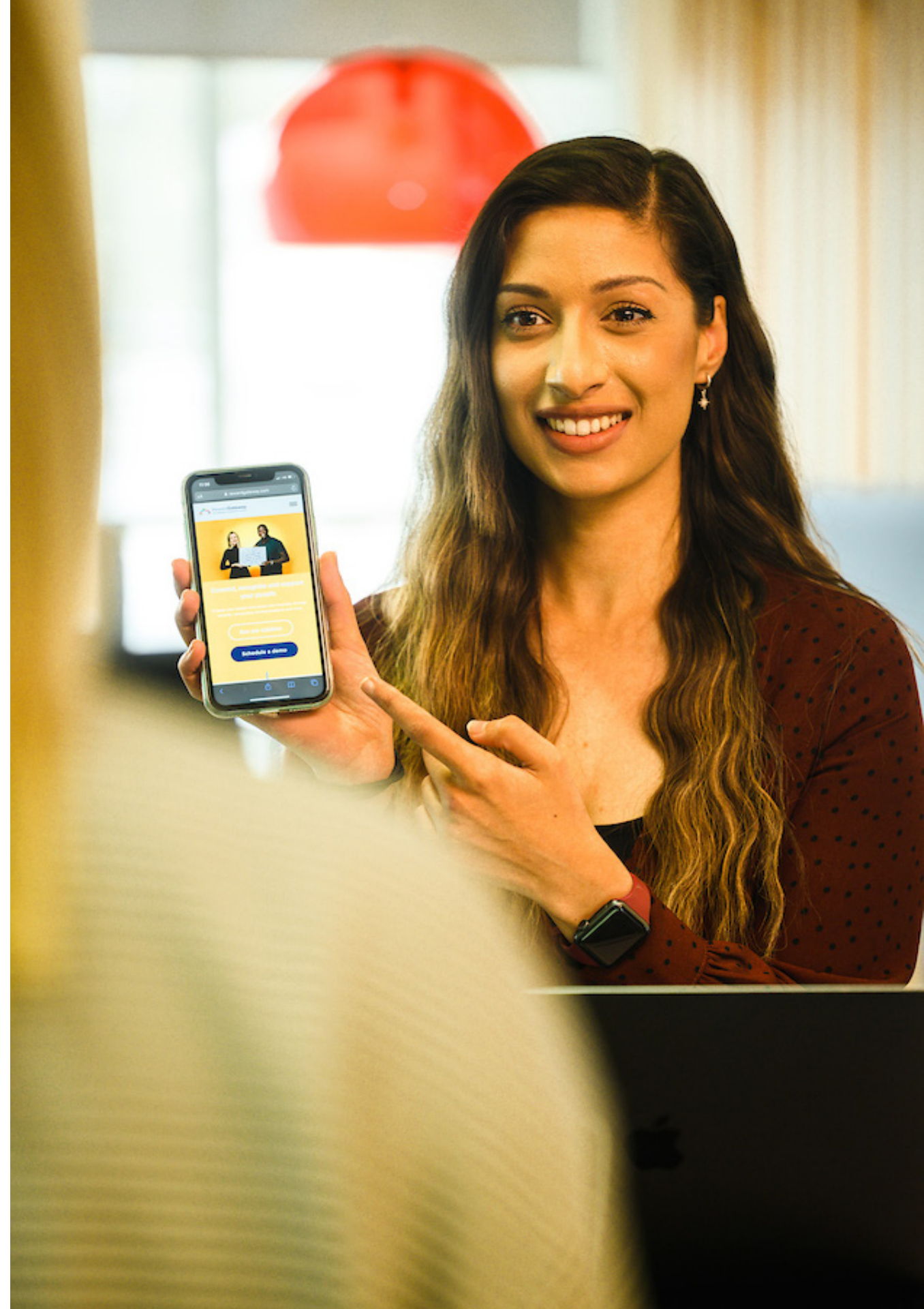
Groceries	Fashion	Electronics	Dining	DIY
<div>ASDA</div> <div>TESCO</div> <div>Sainsbury's</div> <div>M&amp;S</div> <div>EST. 1884</div>	<div>ASOS</div> <div>PRIMARK®</div> <div>NIKE</div>	<div>currys</div> <div>sky</div> <div>BT</div> <div>Virgin media</div>	<div>COSTA</div> <div>THE DINING OUT Gift Card</div> <div>JUST EAT</div>	<div>B&amp;Q</div> <div>Wickes</div> <div>IKEA®</div>
Save up to £300 annually	Save up to £100 annually	Save up to £128 annually	Save up to £240 annually	Save up to £150 annually

\*Based off of average spend of £100-300/month per category with average discounts and cashback on programme as of 2020

## Step 4

# Create Your Implementation Plan

A discounts programme can be put in place quite quickly. In fact, my colleagues on the implementation team at Reward Gateway say that you can do it in as little as 48 hours, which could make this a quick win-win for you and your organisation.



**However, this can only happen if you give yourself and your team an accurate timeline of project steps. If you don't, you'll slow the process down or in the worst case scenario, delay the launch of your benefits programme. To help, make sure you and your core team understand:**

- How the product or platform works, and how to explain it to employees who are both familiar with technology, and unfamiliar with technology.
- The different features of your programme
  - for instance, does it include instant vouchers *and* cashback?
- How you'll deliver updates to your employees on new or increased discounts.

A critical part of your implementation plan is to **sort out your key decisions**. The good news is that compared to many other benefits programmes, the list is quite small, but they are still critical to the success of your new benefit. Decisions will differ based on your provider and your company,

but one in particular that's often forgotten is to decide which (if any) retailers you want to be excluded from your offering. I've seen companies forget this and they end up with retailers that may not be right for their company and for their employees.

For example, if you are a clothing retailer, do you want your competitors to be excluded from the discounts platform? Are there any retailers that go against your company's CSR (Corporate Social Responsibility) approach or don't align with your company's mission or values? Make these decisions now and they will also help you as new retailers are added in the future.

And finally, make sure that you discuss and lay out formal assignments and tasks for your team as part of your implementation plan, including how decisions will be made. This is critical as you don't want to find yourself in a situation where you have a group of people either all working on the same tasks or having tasks neglected because no one has been assigned to them.



## Pro Tip

### A dedicated partner

You need a true partner as you develop your implementation plan. Luckily, Reward Gateway provides an in-house, dedicated implementation manager to not only build out your discounts platform, but also to provide advice and consultation on communicating your new benefit.



Depending on how robust you need your benefits platform to be, implementation at Reward Gateway takes as little as **48 hours** to get you up and running.



## Step 5

# Create Your Communications Campaign

As we all know, communications is often not a simple task – how do we get the attention of our employees, or how do we explain things clearly? But getting it right is absolutely critical to the success of your benefits programme. Without success, you might as well be throwing your company's money away!



To help you get it right I've come up with a model that's both easy to remember and identifies six critical steps to ensure effective communication, called the **IMPACT model**. Each of the IMPACT steps focusses on tasks, processes and actions to be taken when we communicate to our employees, overcoming challenges to meet our objectives.

## How to Communicate HR Programmes With **IMPACT**



**Investigation:** Be a detective

Take the time to uncover and review all of the facts before developing your strategy. Use these facts to develop not only your plan but your objectives. By creating objectives from the outset, you'll ensure that you have clear and meaningful goals by which to develop and measure your communications.



**Medium:** Be a designer

Determine which medium (or media) is best in order to deliver the most effective communications campaign. Whether print, live or digital, it's critical to connect these which best fit your company's objectives, culture, demographics and timelines to get the right mix for your company.



**Planning:** Be a project manager

Create a comprehensive, coordinated and collaborative approach to planning and running your communications campaign. Being clear about what needs to be done by whom and by when, you'll ensure that all the timelines and objectives are met.



**Allies:** Be a campaigner

Bring together and work with the right colleagues so that your campaign is run smoothly. Understand who are the 'right' allies to best deliver on your objectives, and work with them in an effective and efficient manner.



**Content:** Be a writer

Create messages which 'stick,' meaning they will encourage your employees to take the time to read, think and behave differently. Create content that's valuable, relevant and consistent, and segment if needed.



**Testing:** Be a tester

Collect data which can demonstrate the effectiveness of your communications campaign, and thus the ROI to your business. Use data throughout the campaign to adjust or update to drive results.



## Three mistakes to avoid when communicating with your employees



### 1. Information overload

When creating communications, keep it simple. Focus on the key messages and takeaways, and don't get bogged down with too much detail.



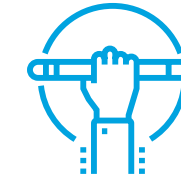
### 2. Sticking to one medium

You have a much better chance of your messages being heard if you do it in different ways. Try different media (e.g. posters, social media, email, etc.) and also different pieces of what you're trying to 'unveil' e.g. online offers in one email, or a cashback explanation in another.



### 3. Forgetting your audience

Above all, remember who you're trying to communicate to. For instance, messaging to target Millennials will likely be very different than to your Baby Boomers with different incomes and life stages. Always keep your messaging relevant to your audience, segmenting it if/when you feel it would create a better IMPACT.



### One more tip:

Remember, doing a big song and dance with the launch of your benefit is only the first step. It takes time to get employees to engage with your discounts programme, so I suggest using the IMPACT model to come up with a robust ongoing communications plan, one which communicates to your employees not only multiple times but does so in different ways.

An all-in-one engagement platform can help you boost your benefits messages to the masses, while allowing you to target and optimise your campaign.

## Step 6

# Measure Your Success

Based on your objectives you should have identified these data points or ROI metrics, e.g. a certain spend per employee, high usage of specific products, so here's where you measure and report on how you've done against these, measuring and celebrating your successes.

But beyond your ROI, I want to talk about the concept of Value on Investment (VOI), which more and more is being used in addition to or instead of ROI. The simple way to differentiate these measures is that ROI focusses on tangible measures (e.g. sales, revenue) and VOI focusses on intangible measures (e.g. engagement, turnover).



**In theory, calculating the ROI and VOI for an HR programme is pretty straightforward. You basically look at the cost of the programme and compare it to the savings (either tangible or intangible) which the programme would return, thus showing the return/value on the investment for the programme.**

The cost is usually quite easy to calculate, but the savings, especially intangible savings, can sometimes be a challenge.

**A few things to keep in mind when measuring and reporting your success are:**

### **Get it 100% accurate.**

Any time you measure and report on your successes you want to make sure that everything is 100% accurate. Why? Because the last thing you want to happen is to have it challenged or questioned, completely reversing any successes you may have achieved. So check

both your methodology and the end results, ensuring they are airtight, holding up to any questions or challenges that you may receive.

### **It's absolutely critical to present the entire story or picture.**

Having and presenting data is great, but if it doesn't come together at the end you'll lose your audience as they won't get the connections and won't see the successes. For example, if the title of your 'story' is that the new benefit is low cost and high value, connect the dots of your data to weave back into this one story. Your story's end should directly point to your success.

### **Anecdotal information can be powerful.**

Data can be extremely powerful, but don't overlook anecdotal information, for it can be just as powerful. For example, have you received any feedback from your employees on how they are using the discounts programme? Can you point

to an employee that can be a mini 'case-study' for how successful the programme is, such as how someone booked a holiday on a great discount?

### **Show added value across your organisation.**

Is your programme part of your Employee Value Proposition? Does your leadership team use it on a frequent basis? How has your discounts programme helped potentially unite your offline and online workers? These stories show the benefit of your programme across your entire company.



By paying attention to the ROI (and VOI) of your programmes, you'll ultimately be able to answer that all-important question of 'Why.' Your board, your CEO and your business partners will take your programmes more seriously as a result, and you'll have the flexibility to expand upon your great ideas. You'll also be able to pinpoint – without emotion – what's working, and what isn't. And that's key to implementing any HR programme, especially a benefits programme.

Building your ROI and VOI story:

Here are a few data points that can help prove programme success:

Annual spend	Monthly spend	Site setup
Total registered users	Number of orders placed	Age/gender
Weekly spend	User inactivity rate	Retailer engagement



Pro Tip

Use tools to help you prove ROI

Proving the worth of your discounts programme doesn't have to be challenging. You can easily pull employee spend month-over-month, or see what categories employees are saving the most in by using **Reward Gateway's employee discounts programme.**

With employee discounts programmes, you can learn vital statistics to prove ROI and VOI, including:

- Total employee spend (or break it down daily, weekly or monthly)
- Employee spend by department/ job title (and in what categories)
- How many employees are engaged (or inactive) with the programme
- The type of discounts used most (Instant Vouchers, online vs. phone promotions, etc.)





# Conclusion

I hope this guide has helped break down the steps involved in launching an employee discounts programme as part of your employee benefits strategy. Remember, every programme and every organisation is different, with different needs and different employee demographics. So knowing what to look for during your launch is critical to your organisation's success.

**As the global leaders in employee engagement technology, Reward Gateway can help you on your path to being what we call 'an HR hero.'**

You'll receive a dedicated Implementation Specialist, and a Client Success Manager to help you with ongoing strategy and communications ideas. Plus, Reward Gateway offers 24/7 support on our helpdesk for you – and your employees – to keep things running smoothly.

For more advice on how to successfully execute your employee engagement programmes (including employee discounts), you can always find me on the Reward Gateway blog of engagement experts.

To better engagement (and benefits success!),

**Debra Corey**

Reward Gateway Advisor





# Support employees with savings on essentials

Launch a new discounts programme in as little as 48 hours

Schedule your demo at [rg.co/savenow](https://rg.co/savenow)



Reward Gateway empowers more than five million employees to connect, appreciate and support one another to make the world a better place to work. Our unified employee engagement hub provides the best of recognition, reward, wellbeing, surveys, benefits and discounts that support talent acquisition, retention and values-driven growth.

