From Data to Action.

This guide is a companion to The Great Employee Benefits Study 2026. It takes five of the most significant UK findings from the Study and turns them into practical actions employers can take now.

5 things UK employers should do differently in 2026.

49%
of UK employees didn't use all their benefits last year.

86%
retention intent among employees with high benefit satisfaction.

67%
of UK employees choose wellbeing investment over a pay rise.

The five actions that matter most.

The UK has the highest benefit underutilisation rate in Europe. 49% of employees didn't use all their available benefits last year - not because they don't know what's available (67% say they do), but because what's on offer doesn't feel relevant to their lives. Every action in this guide responds to a different reason benefits aren't landing: design and personalisation, retention, wellbeing delivery, financial relevance and technology.

1

The Great Employee Benefits Study 2026 finding:
Relevance drives both benefit satisfaction and dissatisfaction. 34% of highly satisfied UK employees cite it as the main reason their benefits work; 54% of non-users cite mismatch as the reason theirs don't, ahead of awareness, value or technology.

Fix the relevance problem before anything else.

The dominant reason UK employees don't use benefits isn't awareness — it's relevance. 54% say benefits don't match their interests. That's a design and personalisation failure, and it's entirely fixable.

Make wellbeing benefits relevant and personal.
Move away from one-size-fits-all packages. Give employees a menu of health, fitness and wellbeing options they can pick based on their own life stage and interests, rather than a fixed set every employee is assumed to want equally. The three actions below show you how.

49% of UK employees didn't use all benefits last year which is highest in Europe

54% don't use benefits because they feel irrelevant.

What to do:

1
Run a utilisation audit.
Find out which benefits are being left on the table and ask why. Utilisation data, not employee surveys, is the starting point.

2
Give employees more choice.
Flexible, employee-led selection consistently drives higher utilisation. A one-size offer in a multi-generation workforce will always leave people behind.

3
Check your technology.
Only 39% of UK employers say their benefits technology is effective. If you can't see what's being used and by whom, you can't improve it.

The Finland benchmark.
Finland has the best utilisation rate in Europe - 70% of employees use all their available benefits. The difference isn't budget. It's design, communication and genuine relevance. Look for the equivalent benchmark in Actions 2–5 - the Finland comparison holds across retention, wellbeing, financial resilience and technology, and gives you a consistent, credible reference point for internal benchmarking conversations.

How Epassi UK helps:
Epassi UK has the UK's largest health and fitness network that lets people choose from fitness, health and lifestyle benefits – so every employee finds something relevant to them. Usage data shows exactly which benefits are being used, giving HR the insight to continuously improve the offer. With 6,000+ UK locations and salary sacrifice or self-paid options, there's no postcode or income barrier to engagement.

2

Take the retention gap to your board.

The Great Employee Benefits Study 2026 finding: Retention is boardroom data, not just an HR metric. Only 24% of UK employees currently sit in the high Benefit Satisfaction band (9–10), yet this group drives disproportionate retention and advocacy. Satisfaction also varies sharply by sector and generation - from 6.5 in private consumer/service roles to 7.7 in knowledge and professional sectors.

Benefit satisfaction has a direct, measurable impact on whether employees stay. This is boardroom data, not just HR data.

86% retention intent: high benefit satisfaction (BSAT 9–10).

59% retention intent: low benefit satisfaction (BSAT 0–6).

The point gap:
Benefit satisfaction predicts retention. Among UK employees with high Benefit Satisfaction Scores (9–10), 86% expect to still be with their employer in two years, versus 59% of those with low scores (0–6) - a 27-point gap driven by the benefits experience alone, not pay or management.
The correlation between benefit satisfaction and employee advocacy (eNPS) is 0.61.

What to do:

1
Present the retention data internally.
The 27-point BSAT retention gap is a compelling business case. Frame benefits investment as a retention lever, not a cost.

2
Measure satisfaction properly.
The new BSAT scale (0–10) reveals that only 24% of UK employees sit in the high satisfaction band. Binary agree/disagree surveys dramatically overstate how well things are going.

3
Know which employee groups are most underserved.
Satisfaction varies by sector and generation. Private consumer/service employees score lowest (BSAT 6.5, 43% low satisfaction), versus 7.7 for knowledge/professional sectors. Gen Z and Millennials average 7.3; older workers average 6.5 and are most underserved. Segment your strategy by life stage and work pattern, not just role.

How Epassi UK helps:
Epassi UK gives HR teams usage data so they can see exactly what's being used, and what's popular, across their workforce, so you can demonstrate the link between benefit investment and retention intent in your own organisation - not just industry averages. We also provide free marketing collateral to help you promote benefits internally, so every employee actually hears about what's on offer. That's what proves ROI: a benefit only shows its value if people know it exists and use it.

3

Close the wellbeing perception gap.

The Great Employee Benefits Study 2026 finding: 67% of UK employees say they're more likely to commit if their employer invests in wellbeing over salary, up from 53% in 2024. Only 61% feel they get enough burnout support, and there's a 21-point gap between employers claiming to encourage activity and employees who experience it.

82% of UK employers believe they provide strong wellbeing support. Only 67% of UK employees feel it. That 15-point gap has direct consequences for retention and commitment.

82% of UK employers believe they provide strong wellbeing support.

67% of UK employees actually feel that support.

The point gap:

The gap is even sharper in specific areas. 74% of UK employers say they encourage physical activity - only 53% of employees agree. A 21-point gap that isn't a spending failure.
It's a delivery and communication failure. And the stakes are rising fast. 67% of UK employees say they're more likely to commit to their work if their employer invests in their wellbeing over giving them a pay rise - up from 53% in 2024. A 14-point shift in two years.

What to do:

1
Measure what employees experience, not what you offer.

Stop counting what's in the benefits catalogue. Survey specifically on burnout support, physical activity encouragement and mental health access.

2
Make fitness benefits location-flexible.

Only 41% of UK employees have access to a fitness benefit, despite 75% saying it matters in job choice. A fitness benefit that only works near your head office excludes the majority of your workforce. Location-flexible access - near home and the office - is the single most valued characteristic of a fitness benefit for hybrid workers.

3
Prioritise human-led wellbeing services.

47% of UK employees actively disagree with discussing wellbeing with an AI coach. Mental health counselling, physiotherapy and face-to-face support are not optional extras - they're the benefits that signal genuine care.

What this means:

Wellbeing spend only moves commitment, retention and employer brand if it's visible, accessible and actually used - not just offered.

How Epassi UK helps:

Epassi UK connects employees to access to 6,000+ UK fitness and health locations, including gyms, health clubs, studios, physiotherapy, health assessments and digital wellbeing services - accessible near home or the office, so hybrid and remote works aren't left out. Our network covers the breadth of what employees now want from wellbeing; not just gym entry, but recovery, prevention overall wellbeing support.

4

The Great Employee Benefits Study 2026 finding:
The cost-of-living crisis has reshaped benefit expectations. Among dissatisfied UK employees, 19% say benefits don't help reduce personal expenses, the top complaint, while 10% say benefits aren't adjusted to the economic situation. 37% would trade salary for a better benefits package.

Treat benefits as a financial resilience tool.

The cost-of-living crisis has changed what employees expect from a benefits package. They're no longer viewing benefits as perks - they're viewing them as meaningful support against everyday financial pressure.

These measure two different things: 67% of UK employees say they'd be more committed if their employer invested in wellbeing rather than raising pay — a question about commitment. 37% say they'd accept a lower salary for a better benefits package — a question about an active trade-off. Both point the same way: benefits are increasingly weighed alongside pay, not separately from it.

The salary trade-off.
37% of UK employees say they would trade salary for a better benefits package. In Spain that rises to 48%, Italy 39%. For employers with European teams, benefits carry significant compensatory weight - particularly across Southern European markets where cost pressures are highest.

Among UK employees dissatisfied with their benefits, the number one complaint is that benefits don't help reduce personal expenses (19%). A further 10% say benefits aren't adjusted to match the economic situation.

What to do:

1
Audit benefits through a financial lens.
Does each benefit reduce a real cost employees face? Retail discounts and cash-value benefits rank highest when cost-of-living pressure is high.

2
Communicate monetary value clearly.
Employees who can see the financial value of their package are more likely to use and appreciate it. Transparent value communication is one of the quickest wins available.

3
Make benefits work harder on everyday costs.
Retail discounts and cash-value benefits rank highest for financial utility. Where salary sacrifice is available (eligibility depends on working hours and earnings; employees must stay above the National Living Wage after deductions), it delivers genuine savings. For employees who aren't eligible, self-paid discount options still provide meaningful savings without the complexity.

How Epassi UK helps:
Epassi UK gives employees immediate, self-paid savings on fitness, health and lifestyle spending, with no employer funding required and no eligibility complications. For employers who want to go further, salary sacrifice options deliver savings of up to 40% on gym and health costs for eligible employees. Epassi communicates the monetary value of each benefit clearly, so employees understand exactly what they're saving.

5

Get serious about benefits technology.

The Great Employee Benefits Study 2026 finding: Only 39% of UK employers say their benefits technology is effective, yet 83% say utilisation data is critical for decision-making. Just 27% of European employers use a dedicated digital benefits platform, and the UK has the highest underutilisation rate in Europe, largely flying blind on benefits spend.

Only 39% of UK employers say their current benefits technology is effective. Yet 83% say utilisation data and reporting are very important or critical for decision-making. Most are still flying blind on whether their benefits spend is actually working.

83% say usage data is critical for decision-making.

39% actually find their benefits technology effective.

Easy to find, easy to use, genuinely relevant.

The organisations winning the talent war aren't offering the most benefits. They're making benefits easy to find, easy to use and genuinely relevant, with the data to prove it's working. AI has a role here, but there's a readiness gap. 75% of UK employers are comfortable using AI for benefits admin, the highest in Europe, yet only 53% of HR teams feel equipped to do so. Willingness is ahead of readiness. The advantage will go to employers who invest in AI capability, not just AI tools. Consider adding a simple AI readiness question to your next benefits review, it gives you a baseline and a case to bring to the board.

What to do:

1

Invest in a dedicated benefits platform.

Not just an HR system with a benefits module. A purpose-built platform gives employees a single place to access and use their benefits - and gives HR the utilisation data to improve the offer over time.

2

Move from surveys to hard data.

Employee feedback surveys tell you how people feel. Utilisation data tells you what they actually do. Both matter - but most UK employers have only one of the two.

3

Personalise benefit communications.

Generic messages drive generic engagement. AI-powered insight tools can identify utilisation gaps and personalise communications without requiring specialist data skills.

How Epassi UK helps:

Epassi UK also offers a benefit platform that gives employees a single place to access, select and use their benefits, and gives HR real-time usage data, engagement reporting and AI-powered insight tools to identify gaps and personalise communications. No specialist data skills required. Implementation typically takes weeks, not months.

Ready to close the gap?

Every gap in this guide has a clear, practical solution. Epassi works with UK employers
to build benefits experiences that employees actually use – flexible, measurable and genuinely personal.

Book a conversation with the Epassi UK team
No hard sell. Just a practical conversation about what better looks like for your people.

Get in touch.
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All statistics sourced from The Great Employee Benefits Study 2026, powered by Epassi.
8,000 employees and 3,147 employers surveyed across 8 European markets.