



# Targeting the right tenants

Your guide to understanding tenant customers  
and initiating protection conversations.

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# Tackling the tenant protection gap

36% of UK households are rented.<sup>1</sup>

And while homeowners are encouraged to consider their protection needs when taking out a mortgage, tenants rarely receive this prompt. Perhaps as a result, they're less likely than mortgage holders to have protection insurance in place. Leaving them without a financial safety net if illness, injury or death were to strike.

At Aviva, we want to help you close this growing protection gap. So we've put together this short guide to help you identify which of your tenant clients require financial protection – and how to start a successful conversation with them.

## Key facts and figures

- 36% of UK households are in rented accommodation.<sup>1</sup>
- Just 9% of private renters say that they have income protection
- 62% of private renters have no form of protection.<sup>2</sup>
- Trends in the rental market show that 50% of adults under 40 will be renting privately by 2025.<sup>2</sup>
- 43% of workers say they would struggle financially within six months of being unable to work.<sup>2</sup>

<sup>1</sup> FCA, "Financial Lives 2022 survey: insights on vulnerability and financial resilience relevant to the rising cost of living", 21 Oct 2022. Contains public sector information licensed under the Open Government Licence v3.0.

<sup>2</sup> Mintel, 'Income Protection UK', 2022

# Young singles

## Who are we?

- 25–35 year old, urban professionals.
- Some choose to rent because it gives them more space for their money than they'd be able to afford if they bought.
- Some choose to rent, usually alongside friends, as it gives them flexibility and mobility.
- Some, particularly those living in London, want to buy but can't afford the deposit.

## Conversation starters

- What level of contractual sick pay does your employer offer?
- How long could you survive on savings if you couldn't work?
- What are you saving for, and how would you feel if you had to use savings for survival instead of what you intended them for?
- Have you considered what you'd do if you couldn't meet your rent payments?
- How would you feel about moving back in with your parents?





# Couples

## Who are we?

- 25–40 years-old.
- Split between those saving toward the deposit for a mortgage and those who choose to rent for the freedom it allows – whether they're not sure where they want to settle permanently or not sure if they want to do it together!

## Conversation starters

- How many people do you know who have had to battle a serious illness, such as cancer?
- How did they cope?
- Could you still cover all your outgoings if one of you became seriously ill, or even passed away?
- How would you feel about moving back in with your parents?
- What are you saving for, and how would you feel if you had to use your savings for survival instead of what you intended them for?



# Families

## Who are we?

- 30–50 years-old.
- May or may not aspire to ownership at some point in the future, but currently comfortable renting.
- See their accommodation as a medium-to-long-term family home, rather than a temporary stepping stone.

## Conversation starters

- What cover do you have in place already?
- What impact would a loss of income have on your family?
- Would your family be able to maintain their quality of life in the event of a death?
- What aspirations do you have for your children's future?
- If you were to become critically ill or you passed away, would you still want those things for them?







# Older singles

## Who are we?

- 40+ years-old.
- Divorcees and ex-homeowners who are starting over again.
- Likely to have depleted savings at time of contact.

## Conversation starters

- What level of contractual sick pay does your employer offer?
- How would you keep a roof over your head if you became unable to work?
- If you were to become critically ill, would you want to stay living in your own home?
- Do you know anyone who has had to battle a serious illness, and how did they cope?
- How would you feel if you had to use savings for your everyday needs instead of what you intended them for?

# Structuring your letter or email

Effective letters and emails get to the point and use simple, everyday language.

For easy reading, it's often a good idea to break up your message

into three clear sections, divided by subheadings:

- 1) An introduction saying why you're contacting the client
- 2) An explanation of your main message
- 3) Next steps - what you'd like your client to do and why, including how to contact you.

Here's an example of a letter to a client with a family, using some of the techniques mentioned in this guide.

## Resources to help you sell protection

At our adviser website you'll find a selection of resources to help you sell protection to clients. Including infographics and a short on line video. Try attaching them to your emails or using them to kick off the conversation in client meetings.

\* You can usually reproduce statistics that are subject to the Open Government Licence V3 (OGL), though there are exceptions and sourcing requirements. Before you reproduce any statistics you should always check if you have permission to do so and if there is any specific source wording that must be used.

Address your client by name

Introduce yourself and why you're getting in touch

Pose questions

Use relevant statistics to make your point (remember to say where it came from at the end of the letter or email).\*

Overcome objections

Use subheads to break up chunks of text

Give clear next steps

Dear Mrs Smith,

At ABC Advisers we've helped many families put a plan in place for if they couldn't work, or if they or their partner died.

Of course, nobody likes to think about these sorts of things happening, but it's important to make sure you and your loved ones have a financial safety net in place - just in case it does.

### How would your family cope if you lost your main income?

In 2022/2023, 24% of **UK adults** have low financial resilience.<sup>4</sup>

That's why it's so important to think about what you'd do if something happened to you or your partner. Perhaps your wider family might be able to support you for a couple of weeks - but what would happen if you developed a long-term condition?

### We're here to chat through your options

To make a free, no-obligation appointment to find out more, call us on 01234 567 8910 (Mon-Fri, 9am-5pm).

We'll ask a few questions about your circumstances, and it may be that a simple, affordable product like life, critical illness or income protection insurance is enough to give your family peace of mind.

Source:

<sup>4</sup> FCA, "Financial Lives 2022 survey: insights on vulnerability and financial resilience relevant to the rising cost of living", 21 Oct 2022. Contains public sector information licensed under the Open Government Licence v3.0.

# Helping you give tenants the protection they need

You've seen the different groups of tenants who may need your help, and we're determined to help you provide cover that protects them when they need it most.

That's why we offer a full suite of protection products - making it easy for you to find the right solution for your client, whatever their circumstances might be.

In fact, 62% of privately rented tenants said that they didn't have any life insurance, critical illness cover, income protection cover, short-term income protection or any other form of protection insurance.<sup>4</sup>

Here's a quick overview of some of the products we offer:

## Income protection

Our Income Protection+ is a policy that pays out if your client suffers a loss of earnings due to illness or injury. It pays a proportion of their income to help support them financially whilst they are unable to work, or for a fixed period of time. A range of extra benefits and support services are included as standard, as well as a choice of annual increase options.

## Living Costs Protection

A simpler, budget-friendly version of income protection designed to help cover your client's essential outgoings. It pays a fixed monthly amount – from £500 to £1,500 a month – to help cover things like mortgage or rental payments, utilities and food. And unlike other income protection policies, there are no earnings-based calculations involved.

## Critical illness cover

Our Critical Illness+ policy provides stand-alone critical illness cover, which pays out if your client is diagnosed with, or undergoes surgery for, a range of serious critical illnesses, as well as a number of more common, and sometimes less severe, conditions. It also includes valuable cover for their children as standard.

## Life insurance

Our Life Insurance+ policy offers a choice of life cover only or with critical illness cover. Both include a range of benefits and terminal illness cover as standard. The option to upgrade both adult and child critical illness cover at an extra cost – plus optional extras – mean Life Insurance+ can be tailored to a broad range of clients.

For more information on these products please visit our **adviser** site.

These products do not have a cash-in value at any time

4 Mintel 'Income Protection UK' 2022.



For more support to help you reach out to tenants, speak to your usual Aviva contact.

## **Need this in a different format?**

Please get in touch with your usual Aviva contact if you would prefer this brochure, in large print, braille or as audio.



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