

A gentle nudge: 62% of renters say arrears text message reminders would be welcomed

PayPoint research reveals the payment options renters would like in current financial climate

- More than half of renters (57%) find it intimidating when their landlord calls them by telephone about an overdue payment
- 62% would welcome payment reminders by text message
- 69% of renters would greatly welcome a flexible payment option to help reduce rental arrears and manage future payments
- Sympathetic communication from tenants' housing associations or letting agencies was important to renters

Welwyn Garden City, 9 September 2020: With the financial pressures from COVID-19 still unclear for many, new research¹ commissioned by payments provider, PayPoint, throws the spotlight on small adjustments landlords and lettings agencies could make to help tenants manage their finances during this uncertainty and beyond. And, with concerns surrounding overdue rent particularly high, it seems that many renters would welcome a gentle nudge, in the form of a text message or email, to remind them of arrears or approaching payments. 62% said this would help them manage their financial situation.

Flexible payment plans and simple transaction processes were also high on the list of priorities. 70% of respondents believe that quick and easy access to make digital payments would encourage them to make overdue payments. The majority of respondents (69%) would welcome a flexible payment option to help reduce rental arrears and manage their future payments.

Danny Vant, Client Services Director for PayPoint commented: "While the country has moved on from its first wave of coronavirus and the initial fallout, it's obvious that, up and down the country, people are finding new ways to manage their financial situations. A big part of that is how they are handling overdue and approaching payments.

"It is crucial that both private and social landlords tune in to the current market and offer tenants innovative solutions such as flexible payment plans and simple transaction processes. Landlords must also adopt a sympathetic approach to communicating."

¹200 private and social renters - Social Grade C2, D, E - were surveyed using Gorkana Surveys, 20th August 2020.

Over half (57%) of respondents to the PayPoint survey said they find it intimidating when their landlord calls them about an overdue payment, even though 67% said they still answer the phone if their landlord calls. Being able to speak to someone from the tenants' housing association or letting agencies, who is understanding of the individual's financial situation, was also important to renters, with 78% saying this would help them manage their finances.

Vant continued: "Our survey has shown that even when in arrears, renters are open to discussions with landlords. Renters can, understandably, feel intimidated when landlords or agencies call

about late payments, so a new form of dialogue is needed. This conversation should be sympathetic and offer personal and flexible plans.

“Landlords must now work with tenants to manage this difficult period and, in doing so, better prepare both parties long term finances.”

PayPoint’s new collection tool, PayByLink, available through its digital payment solution, MultiPay, helps landlords engage with tenants sensitively and responsibly via SMS and email, to remind them of payment dates, offer flexible payment terms and make arrears collections. This will be particularly helpful as the UK navigates through the financial impact of the COVID19 pandemic.

PayByLink benefits for late payment collection:

- Sends automated SMS customer reminders
- Enhances customer engagement
- Offers a user-friendly payment option that keeps customers engaged
- Increases collection of small arrears with ease
- Easily integrates into your own CRM system
- Increases efficiency with bulk payment options
- Reduces spend on collections and write offs
- Enhances cash flow management
- Fully PCI compliant and can be used effectively in a call centre environment

Contact HSL for more information

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ABOUT PAYPOINT

In thousands of retail locations, at home and on the move, we make life more convenient for everyone.

For retailers, we offer innovative and time-saving technology that empowers convenience retailers in the UK and Romania to achieve higher footfall and increased spend so they can grow their businesses profitably. Our innovative retail services platform, PayPoint One, is now live in over 16,000 stores in the UK and offers everything a modern convenience store needs, from parcels and contactless card payments to EPoS and bill payment services. Our technology helps retailers to serve customers quickly, improve business efficiency and stay connected to their stores from anywhere.

We help millions of people to control their household finances, make essential payments and access in-store services, like parcel collections and drop-offs. Our UK network of 27,000 stores is bigger than all banks, supermarkets and Post Offices together, putting us at the heart of communities nationwide.

For clients of all sizes we provide cutting-edge payments technologies without the need for capital

investment. Our seamlessly integrated multichannel payments solution, MultiPay, is a one-stop shop for customer payments. PayPoint helps over 500 consumer service providers to save time and money while making it easier for their customers to pay – via any channel and on any device.