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## **Aviva equity release video script Module 4: Growing your business through professional connections**

**Presented by Alistair McQueen, Head of Saving & Retirement, Aviva**

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Hello and welcome to the fourth, and final, CPD module.

In the previous modules, we've covered the role of lifetime mortgages in the market today, how to get qualified or refer business, and how to market to your clients.

In this module, we'll focus on how you, as a qualified equity release adviser, can grow your business through professional connections, generating new leads through partnerships and referrals.

We'll also speak to James, an Aviva consultant, to get some insight into potential connections you may have not thought of approaching.

At the end of this module, we hope you'll have plenty of ideas of how you can get the word out and find new clients.

So let's get started.

### **Unlocking the value in professional connections**

In Module Two, we talked about how advisers *not* qualified in equity release could refer business to other sources. But in this module we use the term 'referrals' to describe ways in which professionals might refer business to *you* – a qualified adviser.

Partnerships and referrals can be a valuable way to grow your business. A strong referrals network allows you to access previously untapped markets and expand the reach of your services.

And it's not just other financial advisers that you can engage with. Estate agents, solicitors, accountants, local businesses and many others will all have clients who may benefit from a lifetime mortgage. It's just a case of finding and building those connections.

### **Recognising customer needs**

It's important to remember that you're not looking for your connections to recommend equity release specifically. The main aim is that they recognise potential 'need states' within their client base, and recommend *you* as a trusted adviser who may be able to help some of these issues.

One way to build awareness of these customer's needs is to share our 'Customer profiles' guide with your professional connections. You can do this through a face to face meeting, or in some instances it may be possible to offer a small seminar or information session for a group of individuals.

By doing this, you can educate your network, build your reputation as a qualified equity release adviser and encourage partners to reach out to the right clients.

It's worth agreeing a terms of engagement with your referral partners from the start of the relationship. This is the best way to safeguard your interests, protect incoming clients and your reputation and ensure a clear, transparent working arrangement.

So, who could you approach to help you grow your business?

### **Financial advisers not qualified in equity release**

As we saw in Module Two, financial advisers not qualified in equity release may refer enquiries to trusted partners. So they're a good group to tap into.

Those already qualified in equity release may refer business too. In 2016, Aviva research found that 29% of advisers interviewed, both qualified and non-qualified, received pro-active equity release enquiries. Of these, 45% received enquiries at least once a month<sup>1</sup>.

From their point of view, building a relationship with you will give these advisers a trusted, qualified contact to help them provide an equity release service to their clients. Having this relationship in place means they're more likely to be motivated to refer suitable clients.

### **Solicitors and accountants**

Solicitors and accountants are another group of professionals worth considering. Often unable to provide financial advice themselves, this group can be open to developing relationships that enable them to provide for all their clients' needs.

Solicitors who specialise in conveyancing, family law, debt counselling and divorce work are likely to have a wide range of clients over 55 for whom unlocking equity could be an option. For example, in the case of a divorce settlement, one partner may wish to buy out their home, but not have the funds available. And retired people experiencing debt issues may turn to their solicitor for help with mortgage repayments or to consolidate unsecured debt.

Accountants dealing with tax returns and personal accounts will be in a good position to identify suitable clients over the age of 55. They might have a variety of needs, from helping children or grandchildren to buy a property, to estate and inheritance tax planning. A lifetime mortgage could provide this group with a solution.

Solicitors and accountants often have long-standing, established affiliations with adviser firms. It's a good idea to establish whether this is the case before you arrange a meeting. Start by calling the solicitors and accountants you already know.

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<sup>1</sup> Aviva Equity Release Adviser Survey, February 2016 (based on 581 respondents)

## **Estate Agents and mortgage brokers**

As a product, a lifetime mortgage can provide solutions to some property related challenges. A natural avenue for referrals is therefore through estate agents and mortgage brokers. Some estate agents will have in-house mortgage brokers. However, many mortgage advisers will not have the permissions or the qualifications to provide equity release advice themselves.

For estate agents, customer need states could include some of the following:

They may meet individuals who are looking to relocate to a more suitable property in older age, but houses in the desired area fall out of their price bracket. In this example a lifetime mortgage can be used against the new property to make up the shortfall.

Alternatively estate agents may come across distressed individuals who feel they have no option but to downsize due to an outstanding mortgage, or living costs. They may suggest the customer considers equity release as an alternative solution.

The Mortgage Advice Bureau provides mortgage advice to the public through a network of over one thousand advisers, so contacting them could be a great starting point for information and local contacts.

## **Other contacts**

These are just some of the industry standard professionals you could contact. Now let's hear from James, an Equity Release Consultant at Aviva, who has some alternative suggestions about who you might approach.

James thanks for joining us today. You work for Aviva, you support advisers in the equity release market, so really valuable to get your perspective.

Now we've spoken about approaching traditional contacts in the market - solicitors and accountants and estate agents. But there's other contacts as well. Could you maybe just lift the lid on who some of these other contacts might be?

Absolutely, so you rightly say that the majority of financial advisers will have a network of solicitors, non qualified financial advisers, accountants. And we do recommend you always keep them as part of your network. However what we've been doing is trying to identify what we class as non-industry standard referral partners. And to do that you really need to understand the need for equity release and what that equity release customer looks like.

And by identifying that, then you will be able to identify the industries they are in contact with on a day to day basis. And by making contact and adding those industries to your referral network, then you should be able to pick up a lot more leads and referrals coming into your business.

So what type of organisation might we be thinking of? What are we looking for, what are the signals that this is an area we might want to approach?

Absolutely, so to understand exactly who could be a good referral partner, you need to understand why the client is potentially looking for equity release. And the main reasons you'd generally look to see is home improvements, needing to fund additional care, wanting to go on holiday, and also just wanting to top up their retirement income. So when you've identified the need for equity release, then you can understand the industry.

So for example care, you would potentially go and speak to a care provider, such as a community care provider, so care within the home. Or you could go and see a nursing home or a care home as well, who again would be in contact with equity release qualified clientele on a daily basis.

And then when you look at more retirement income, this is where you could potentially look at industries which are connected with a high ratio of senior citizens. So for example golf clubs is a fantastic source. Golf clubs all have a senior section. To qualify for the senior section in golf club you've got to be 55 plus and therefore you know, again, that you could potentially be tapping into a big resource of 'qualifying by age' clientele.

Golf clubs is an interesting one - a surprising one! You think about a member of a golf club as being at the more affluent end of the society and therefore we're saying is this an area where equity release could support them? How could equity release work for an affluent person of later life?

Absolutely, so with equity release you're exactly right, you wouldn't have thought it was a natural fit for golf clubs. But again golf clubs... from the clientele there, you potentially have clientele who are living a lifestyle they can't potentially maintain through retirement. Or they were looking at retirement to be the holy grail of their working life if you like. But they get there and they realise their retirement planning and their retirement income isn't going to sustain throughout retirement.

So sometimes you can't look at a certain group of people and discount them for equity release, because there will be reasons behind there which may qualify them for equity release, or equity release being a solution for one of their problems.

Now you touched on golf clubs which will be a surprising market for many. The other market we hear about is in the care sector. Growing care challenges in the UK, care at home for example, so maybe just shine a light on that as well?

Yeah, absolutely, so care and equity release are very much connected for a couple of reasons. So the main reason is someone would potentially want to raise some money against their property to do home improvements or care-proof their home for example. So that can include having to make expensive costs of adding a wet room downstairs, or putting in a stair lift to make their mobility around the house a lot easier.

But also then you've got the cost of care. So there's a lot of the elderly generation would like to stay in their property for as long as possible and to do that they may have to receive care within the home. And it's just to help fund that care cost, especially if their retirement planning is not stretching to be able to afford the care which they need.

And we'll maybe be familiar with approaching the traditional contacts like the accountant and the solicitor. But approaching a golf club or people in care is a new turf for many people. Any advice you'd give about how do you go about approaching these alternative contacts?

So there's a couple of ways you can do it. The first way, if you are not aware of anybody who works in that industry straight away, the natural way to go is to do some research, find out who the company directors/owners are, which can quite easily be done by searching the company on Companies House or through sites such as Due Diligence. And then what we recommend is that you do classic networking techniques like connecting with them through LinkedIn, and then through that you try to identify if you do have any mutual friends or connections already in place. And we always recommend to try and get a warm introduction into the directors or the decision makers instead of a cold call, which can obviously have quite a negative effect or response you get when you do a cold call. So we always find that starting that way is always the best way to get your foot in the door, so to speak.

Great, so it's a growing market, with growing opportunities, in sometimes surprising areas. James, thanks for sharing your insight with us today.

Thank you.

### **Complete your CPD requirements**

To gain your CPD credits for this module, make sure you read the two 'Growing your equity release network' guides –that's 'Building your professional connections' and 'Email and letter Templates'.

So we hope you've found these modules enjoyable and useful. We wish you all the best with building your equity release business.

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