

# Survey: How to get tenants to stay put

Just Property recently conducted a national survey of tenants beyond their existing client base with more than 2,600 responses providing insights invaluable to landlords wanting to retain or attract great tenants.



Image source: Gallo/Getty

Responses show that of this cohort, the majority (31%) paid less than R4,000 rent a month, 14.8% pay from R4,000 – R4,999, 16.5% have rentals between R5,000 and R5,999, and 12.3% pay R6,000 to R6,999. 33% of respondents live in Gauteng, 25.5% in the Free State, and 20.9% in KwaZulu-Natal, with the percentage of residents in other provinces lower than that.

## Tenants move - a lot

Of those surveyed, 40.8% had moved twice or more in the past three years and 37.3% had moved in the last year. Only 21.8% had not moved to a new residence in the past three years.

Why are so many tenants moving so often? “Better accommodation” was the most frequent reason given for moving (44.7%), followed by “rent was too expensive” (32.4%). This was borne out by the majority scoring “value for money” of their current rent a median three, with the next highest score given being a five (with one being not satisfied, and five being extremely satisfied).

“Change in family size” was given as motivation to move by 25.4%, with “better security” at 29.6%.

The financial position of tenants is not something that landlords can control but there are other factors influencing why tenants move that they can manage: while “poor neighbour relations” compelled only 8.8% of tenants to move, “poor landlord relations” were cited by 21.8%, with “poor service from managing agent” being given as a reason by 13% of respondents.

When asked to rate the importance of various factors, “safety and security” came out tops, followed by “neighbourhood”, “move-in ready” and “proximity to schools/work”. This provides insights that can help landlords determine the appeal of their rental properties.



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### Value and service matter

According to respondents, queries were most frequently made directly with landlords (64.1%). Only 21.5% direct their queries to agents, with 14.4% dealing with both their agent and landlord.

When asked to rate their relationship with their agents, 17% of tenants who responded chose “excellent”. When asked to rate their relationship with their landlords, less than 30% chose “excellent”. These numbers present an opportunity for managing agents and landlords alike; better relations lead to better tenant retention.



Paul Stevens, CEO, Just Property

“The takeouts from these results should give pause for thought,” says Just Property CEO Paul Stevens. “Clearly, for this cohort, value and service are important.”

“The highest expectation of landlords and agents was that repairs and maintenance be seen to timeously (88.7%); ‘advance warning of contractors or visits’, for example, was the second-most important expectation, and 67% of respondents wanted regular communication. Taking these answers into account, our tenants are clearly showing us where their landlords and agents have let them down.”

“It can be onerous for a landlord, especially one with multiple tenants, to attend to repairs and maintenance. Yet, again and again, our experience bears out the fact that if tenants feel that their needs aren’t being expeditiously met, they are going to be unhappy and they will move. No landlord wants to lose a good tenant, and then have to spend time and resources to find and vet a new one. All of this can be avoided if landlords choose a good letting agent who will attend to all issues timeously, leveraging competent portfolio managers, partnering with trusted, competent suppliers and being disciplined about using good property management systems.

“A word of warning, though,” Stevens adds. “As important as it is for the appointed agent to find and look after good tenants, landlords need to vet their letting agents just as carefully. You want a professional agency that will find you the right tenants, collect the rents on time and also maintain good relationships. This can be achieved by balancing tenants’ need for security and courteous respect of their privacy (advising them in advance of inspections, for example) with prompt attention to any problems.”

Stevens has a keen focus on customer experience and believes the results of this survey should serve as a strong call to action for the industry to provide better service to both landlords and tenants.

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