



Data Protection and Digital Information Bill – Aviva’s written evidence submission

About Aviva

Aviva provides pensions, life insurance, general insurance, health insurance and asset management to 18 million customers. We are the UK’s leading insurer, serving one in every four households. We help more than five million people save for and live-in retirement, and meet the pension needs of more than 20,000 companies, ranging from large multinationals to small start-ups.

Privacy and Electronic Communications Regulations (PECR)

It is a key policy objective of the UK government to ensure individuals are well equipped to manage their pensions and investments and maximise their retirement incomes. Providers have a major role to play in helping people achieve this, however, current regulations and guidance on data privacy limit providers’ ability to communicate effectively with their customers. As set out below, the Data Protection and Digital Information Bill provides an opportunity to address these barriers and help improve retirement outcomes.

Engaging auto-enrolled customers

- It’s important that pension providers can contact their customers to make them more aware of actions they could take to improve their pension position, such as tracking down lost pensions and consolidating pensions, as well as relevant services and tools that could help enhance retirement outcomes. However, data protection law currently prohibits these messages from being emailed to customers to the extent these messages are deemed to be direct marketing. This is unless the customers have consented to receive marketing, or the provider can satisfy the conditions for the “soft opt-in” marketing exception under PECR.
- The “soft-opt in” allows organisations to send direct marketing communications via email if the organisation obtained the individual’s contact details in the course of the sale, or the negotiations for the sale, of the organisation’s products or services. This is provided that the individual was given a simple means of refusing direct marketing at the time their contact details were obtained and also that the marketing communications relate to the organisation’s similar products or services.
- Engaging with people digitally is much more effective than by post. However, pension providers like Aviva have very low levels of permissions for email marketing for their auto-enrolled workplace pension customers. This is because pensions are set up by the employer rather than directly by the customer. Auto-enrolled customers do not provide contact details directly to the provider or have an opportunity to indicate a marketing preference during the course of the sales process. This technicality means that the soft opt-in marketing exception is not available for auto-enrolled customers due to the nature of the sale process. Aviva is also unable to email these customers to request marketing permissions as that is deemed to be a marketing communication in its own right.
- As a result of these restrictions, **Aviva only has email marketing permissions for 680k out of 4 million auto-enrolled pension customers and is only able to send these important communications to 17% of auto-enrolled customers**, something that all industry providers

will equally struggle with – despite these being the very people who need most guidance and support.

- Auto-enrolment has been a major success, with over 20 million people now enrolled in a workplace pension in the UK, and this trend is set to continue. We know auto-enrolled savers tend to need the most help in managing their pension effectively, however these customers are missing out on communications about services and products that could make a real difference to their savings pot. For example, we are currently unable to email our auto-enrolled customers with simple guidance tools like our Mid Life MOT app.
- **We would like to see changes made in the Bill to allow the “soft opt-in” marketing exception to apply for auto-enrolled customers.** This would allow providers to communicate with savers about actions they could take to improve their pension and retirement outcomes.