

“Of course I know my customer”

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Imagine a world of AI, Robo advice, comparison sites & sourcing systems linked to credit bureaus, retention attacks from lenders by mobile (You know who you are!) internet smart searches, banks offering robo broking services, banks opening up all of their transaction history and income detail, HMRC providing a detailed income search (we can dream).

Behold the rise of the machine

Option 1. Pretend it isn't happening, get our BMX and Walkman's out, turn on Alive and Kicking and live in the good old days!

Option 2. Get touch typing lessons, drink omega packed smoothies and try and beat the speed of a computer

Option 3. Start Joining the dots

Specialist Mortgage advisors have a unique opportunity, a real edge over AI, the ability to dig beyond the surface to evolve a one off transaction into a lifelong trusted relationship

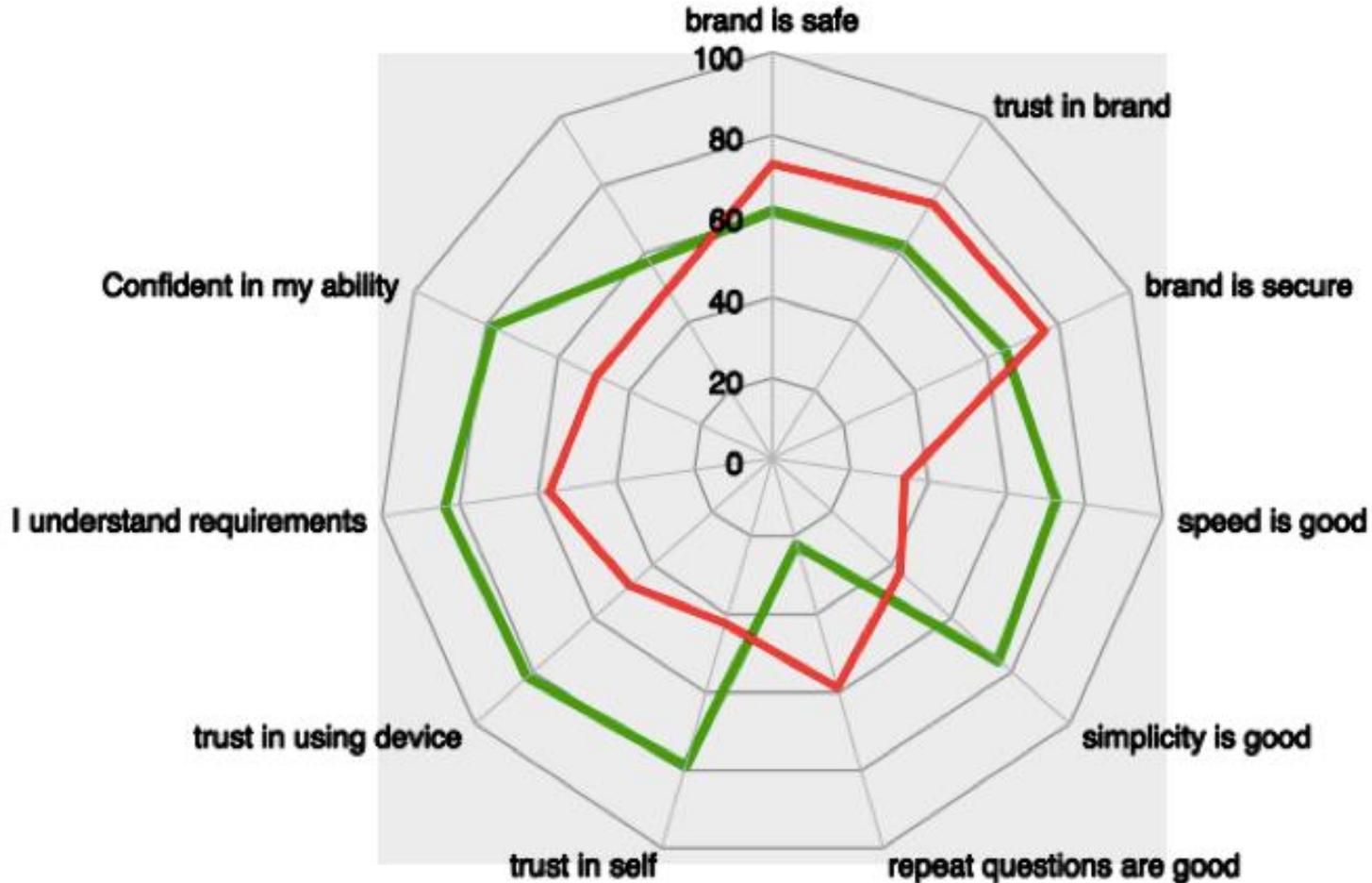
Modern systems, **simple** and **thoughtful** behaviour can transform our businesses and solidify relationships for the long term

Innovation is almost entirely about speed !

Press here to get your fully approved, personalised
Mortgage Quote using just your Finger Print



Yet many customers don't trust their own confidence



Conscious associations (saying)



Non-conscious associations (thinking)



Results based on a quantitative conscious vs non-conscious measurement of 3600 consumers in three markets.

What Do We / They Really Know ?

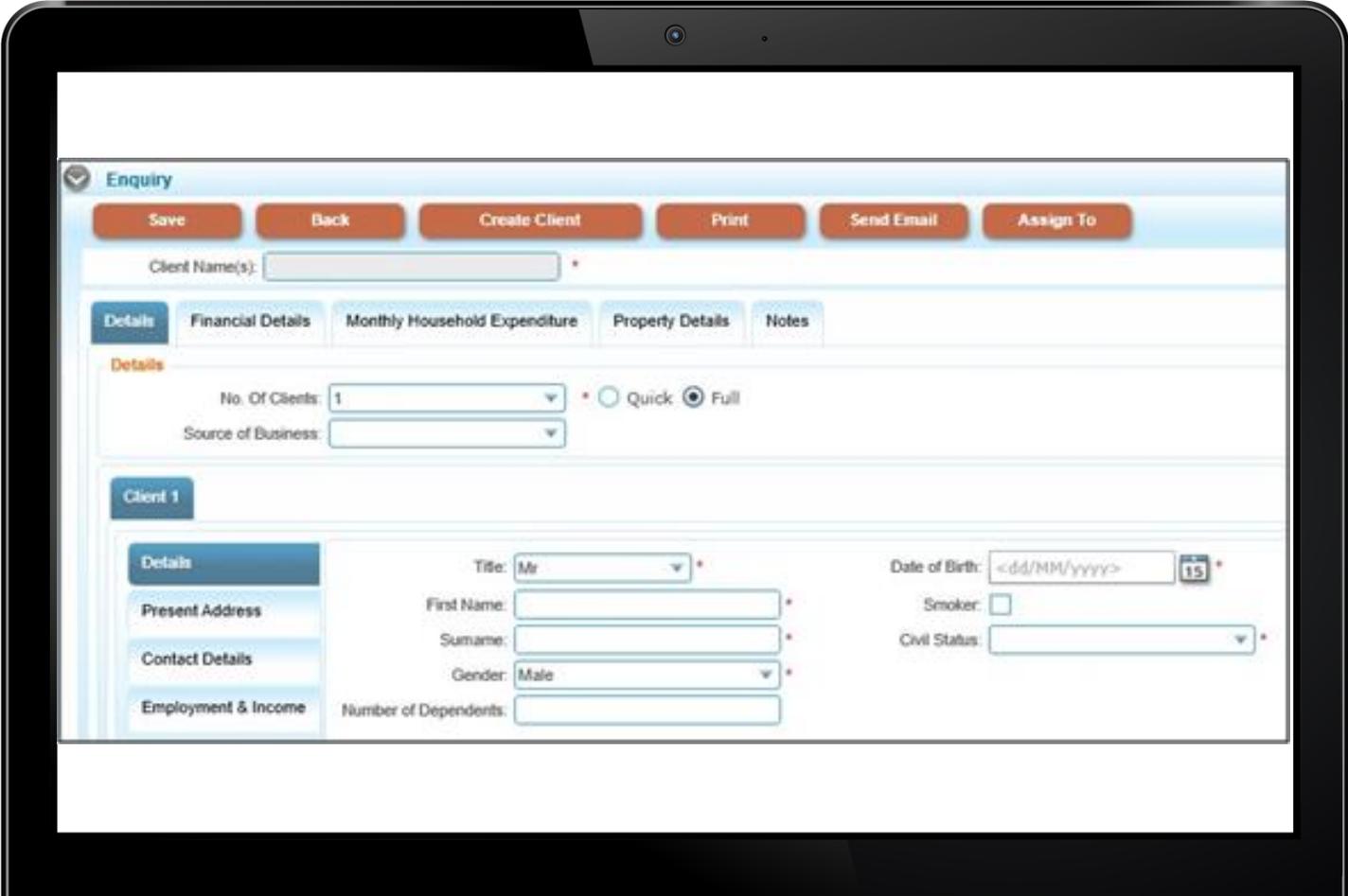


- 1) What facts do we know?
- 2) What assumptions do we make about how much the customer knows ?
- 3) What don't they know?

How many 'F's are in the following sentence ?

**FINISHED FILES ARE THE RESULT OF YEARS
OF SCIENTIFIC STUDY COMBINED WITH
THE EXPERIENCE OF YEARS.**

It Starts With The Fact Find.....



How many opportunities are on this page?



2. Mortgage

Net amount:

Gross amount:

Term:

Purpose:

Repayment type:

Please humour me to prove a valuable point !

How many opportunities are on this page?



One ! Couldn't resist a cheap gag

What don't we know or what haven't we thought about ?

2. Mortgage

Net amount:

Gross amount:

Term:

Purpose:

Repayment type:



Is this the amount the customer wants? The amount they think they can afford? Or the amount they think they will get ?



Are they looking for lowest repayment or the best way to clear their mortgage debt quicker ? Do they know ? Have they ever thought about it ?



First or second charge ? What are the customers goals ? Have they considered the difference between total overall cost and lowest monthly repayment ? Which delivers most effectively?



Are they looking to do any large purchases or significant home improvements in the short or medium term ? Will they need to borrow to achieve it ?



Are they likely to receive any lump sums perhaps through inheritance or bonuses / shares etc? What are they going to do when they get it ?

Is It Worth Asking ?

6.9m

Results online for how to pay my mortgage off quicker ?

2.6m

Results for how do I find out how much I can borrow ?

170m

Results for do I take a first or second charge ?

14m

Have completed major work or plan to do so in the next 12 months 32% between £10-£20K, 60% for more space

1 in 12

BTL homes in PRS are accidental landlords

How Many Opportunities Are On This Page?

2a. If your mortgage is to purchase a property		
Purchase price:	First time buyer?: <input type="checkbox"/> Yes <input type="checkbox"/> No	Private sale?: <input type="checkbox"/> Yes <input type="checkbox"/> No
Deposit source:	Amount:	

What don't we know or what haven't we thought about ?

2a. If your mortgage is to purchase a property		
Purchase price:	First time buyer?: <input type="checkbox"/> Yes <input type="checkbox"/> No	Private sale?: <input type="checkbox"/> Yes <input type="checkbox"/> No
Deposit source:		Amount:



Do they need to do anything to their current home to increase the value or help it sell ?



Does the house they are buying need any work – light or heavy refurb ? Have they turned down any they liked because they couldn't get a mortgage?



Are they planning any improvements when they move in – What would they like to change – Kitchen / Bathroom / Driveway / Patio ? When ?



Have they factored in the cost of decorating / carpets etc etc ?



If they lose their buyer, do they know that they may be able to bridge? Do they know the costs ?

Is It Worth Asking ?

3.1m

results online for change your kitchen to help it sell

£12k

Average cost of a new kitchen

£8.8K

average cost of moving home – excl stamp duty

£6K

average amount spend on decorating a new home

Last Challenge !

5. Applicant 1 Employment		6. Applicant 2 Employment	
Employment status:		Employment status:	
Shareholding (%):	Time held (years):	Shareholding (%):	Time held (years):
Occupation:		Occupation:	
Business name:		Business name:	
Business address:		Business address:	
Postcode:		Postcode:	

9. Dependants
Number of child dependants:
Number of adult dependants:

What don't we know or what haven't we thought about ?



How do they fund their business currently ? What is the rate ? Do they have a PG or a charge over their property ?



Do they have any investments planned for their business in the short to long term? How are they going to fund them ?



Do they have any additional children planned ? What are they going to do if there isn't enough space ? Move or extend ? How will they fund it ?



How will they pay for children's University fee's ?



Are they going to support their children's deposit for a house purchase ?



If the accounts don't stack today, when is the next set due ? Do they know the target income level ?

Is It Worth Asking ?

£74K

Average business loan for SME's

60%

Home improvements are to increase space for family needs

£53K

average total cost of university

£33K

average amount needed for a deposit by a FTB



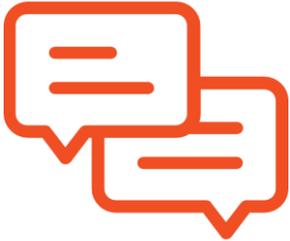
So what's the point ?



There are a Few Important Ones !



- A call to action to improve the way we articulate and promote the benefits of real advice to the press
- Lenders and intermediary distribution need to talk openly about how we unlock better solutions / linked product solutions and we need to make it frictionless



- If we just fill in forms as quickly as we can we will never beat the computer, and the customer will have to become their own expert!
- Regulation does not want us to stop asking questions to surface hidden needs – that is where we add real value to a borrower



- There are significant opportunities for the diary in the short and long term – not just the renewal date
- If we don't bring back the soft skills and traditional sales techniques we become civil servants and will not attract new blood into the industry



"YOU CAN'T CONNECT
THE DOTS LOOKING
FORWARD; YOU CAN
ONLY CONNECT THEM
LOOKING BACKWARD."
Steve Jobs





Bridging



Development



Self Build



1st Charge



2nd Charge



Buy to Let

Thank You