

To Win (and Keep) Customers, Originators Must Become Strategic Sellers

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Mortgage sales is not an easy profession. Today, mortgage originators are challenged with intense lender competition and knowledgeable consumers who have access to unlimited mortgage information on the Internet. They are also expected to know all product and underwriting guidelines while marketing their personal brand. To complicate the selling process, consumers start the homebuying process before the originator is even aware of it!

Succeeding in a competitive mortgage marketplace requires originators to adopt a higher level of selling: It means being a strategic selling partner to their referral sources and customers.



A strategic partner selling strategy involves creating trust, adding value to every interaction and helping clients succeed in the future. This is a tall order and is way more than completing the current transaction in a timely manner and knowing mortgage products. Strategic partner selling demands a more proactive mindset and sales approach that aligns an originator's targeted marketing plan with higher selling performance practices.

TRANSACTIONAL SELLING MODEL

After many years of declining interest rates, mortgage originators have had plentiful refinance customers coming to them. This constant flow of refinance volume has resulted in a reactive selling model.

With a reactive selling model, originators have failed to cultivate a deep relationship with their borrowers while totally ignoring their Realtor referral sources.

When the mortgage markets moved to purchase money in the first part of 2019, originators and their credit unions had a difficult time generating volume and revenue. Depending on declining interest rates is a dangerous business practice because an originator cannot control the timing and direction of interest rate changes.

The long-term impact of reactive selling practices is a shift to more transactional relationships where customers do not feel loyal to originators and referral sources believe they have been abandoned for easier refinance lending.

The consumer's home-buying journey has fundamentally changed with prospective homeowners seeking easy access to housing and lending information on the Internet. The rise of Zillow, Redfin and other housing information companies in the online real estate marketplace has further demystified the house hunting and lending process.

How can an originator win in this new world of selling? The answer is to become a strategic selling partner.

STRATEGIC PARTNER SELLING MODEL

Being a strategic partner is the path

forward for all originators. While every originator wants to be thought of as a trusted advisor, actually being one requires hard work. The end goal is to be the first contact when former customers or referral sources want to purchase a new home or if they know of someone who needs mortgage lending assistance. The originator is always challenged to stay top-of-mind among prospects in the new world of origination.

To be the first contact doesn't happen by chance in a purchase money environment. It is a result of an originator establishing a personal brand in their marketplace as an expert independent from their credit union's brand. In today's selling world, this requires an originator to forge a strategic partner relationship with their clients in order to displace the clients' current competition.

DISTINGUISHING A STRATEGIC PARTNER MODEL

What distinguishes a strategic partner model from other selling strategies? Here are some questions to ask:

Are you selling product and service?

Today mortgage products are a commodity. Whether offered by independent mortgage bankers, banks or credit unions, mortgage products are similar with only minor differences between lenders. What makes the difference in the customer's journey is how the salesperson manages the client during and after the loan has closed. Even if a mortgage product is unique, the competition will quickly copy it. A perfect recent example is "doctor loans" that were once unique and have become quickly commonplace.

When originators sell using a product-centered approach, they are not distinguishable from other originators because their products are relatively the same. A product-centered approach often results in price wars because the salesperson's expertise is not perceived by the client as important to their transaction. When an originator sells by just explaining the details of a mortgage product, this is

loan information that can be obtained on the web.

Originators who sell clients on their great service levels are also facing the same challenge because their competitors are making similar claims.

Unless there is something that is truly unique regarding either product or service, originators will not be making a persuasive argument to potential clients that they are really different from hundreds of other originators. Being another me-too originator is not enough to convince prospects to call that originator first.

Are you selling outcomes?

Originators who focus on outcomes are operating at a higher level than a product or service seller. An outcome selling approach is when originators share their expertise to deliver a specific business outcome. Originators who use this approach look at the proposed relationship and business issue through the lens of a potential client's concerns and not from their own personal interests.

An outcome seller understands the client's specific needs and issues. Many times, a client might not even be aware of the issues but the outcome seller presents them for the client's consideration. An example of an action taken by an outcome seller is that they may pass on a loan if it is not in the best interest of the buyer of their services.

The goal of an outcome seller is to establish a long-term relationship—a stream of selling opportunities that are based on being a trusted advisor who customers will contact before reaching out to anyone else.

Are you selling strategic partnerships?

The highest level of selling is an outcome seller who provides the added benefit of helping the client be successful today and in the future. Whether a consumer wants to be become an investment



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property owner or a referral source wants to become a top agent, a strategic partner helps them to make the changes needed to achieve future goals.

To achieve the strategic partner selling level, an originator must be current on all financial issues in banking—not just mortgage banking—and what impacts their client's financial life and business. They also should be knowledgeable on where the industry and financial marketplace are headed.

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Keeping on top of financial issues requires a salesperson to read and learn the latest in the industry. For some originators, this means hiring an accountability coach and attending advanced sales training classes. For others, reading books and listening to podcasts will accomplish the goal.

There is no easy way to be on top of the industry and the issues it faces. It requires personal time and investment to be made to provide the correct advice to today's informed consumers and referral sources.

While some lenders will financially support these efforts, others might not. Then, an originator must make these investments themselves. The payoff will be that by operating at the highest level of selling, an originator is not likely to be replaced by a product and service seller or outcome sellers.

THE GAME PLAN FOR DISPLACING YOUR COMPETITION

To replace a current originator that the consumer or referral source has, there are five steps an originator must implement:

1 Becoming Top-of-Mind

In today's world of everyone having access to unlimited information, an originator should share quality ideas that will help a client make their desired changes to their life or business. Qual-



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with originator's insights.

The best way to scale the information to clients and prospects is to use social selling platforms. Valuable content should be shared frequently and consistently, according to the frequency the client wants. Valuable content should also include a case for change and how the originator can help potential clients reach their personal goals.

2 Regular Nurture Campaigns Using Video and Phone

Sending emails to top Realtors and targeted consumers is not as effective as it once was to make a connection. Emails are now simply deleted when not coming from a trusted person.

Instead, an originator should share valuable content using video and pictures like infographics. Visual mediums provide a higher reception because people believe what they can see. The truism that seeing is believing applies to originator's marketing.

3 Making the Case for Change

The case for a referral source or consumer changing their current originator rests on an individual salesperson's ability to present how real estate industry fluctuations will impact the customer and how the originator can help the client make the best choices in volatile markets.

4 Why You Are the Right Choice

Top performing referral sources and knowledgeable consumers are solicited by multiple lenders every day. Originators should be able to answer the impor-

tant question of why they are the right person to provide lending solutions. A good way to reinforce "why change is worth it" is to provide social proof that the originator has helped other clients achieve their goals. Providing data from trusted third parties is a powerful way to show an originator's expertise and credibility. Video testimonials are the most impactful while written testimonials from mutual connections are another way to show how an originator has helped their clients.

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5 Showing the Best Course of Action to Change

When originators share their insights on action steps that individuals should take to achieve their financial goals, this is where the rubber meets the road. Replacing another lender, an originator should convey how the client's potential targets should change.

Sharing examples of the type of things necessary can range from: showing a referral source how to conduct a webinar or run a podcast or livestream their open houses. For a consumer, originators might share how recent tax law changes will impact them financially.

The topics are unlimited and are tangible steps that a trusted advisor provides to deliver the most value to their clients.

Remember: The future of mortgage sales is bright for the originators who operate at the highest level of selling as a strategic partner. Your customers and referral sources are demanding this level of expertise from you. ▲

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TOP SALES LEADERS OFFER SALES TIPS

Jason Sasena, Chief Lending Officer, Westerra Credit Union:

"Originators should focus on things that drive continued success—such as knowledge on the latest changes in guidelines, capital markets, regulations and consumer trends.

"Anyone can do the easy loans. Consumers and referral partners value those that can provide more options, think deeper, and make the tough deals work.

"If you are going to be great in sales, you need to ask yourselves how much time are you spending on the activities that will drive success like prospecting, marketing and lead nurturing. The top producers find the time to do these activities."

Alissa Sykes, Chief Growth Officer, Sunmark Federal Credit Union:

"There are several strategies that I see top originators performing with their members: They don't forget to ask for referrals from their clients and partners.

"They consistently conduct marketing drip campaigns to past clients whether it is birthday messages, anniversary messages, etc.

"They are relentless communicators.

"They look to save their member's money and not just with the mortgage products. When an originator offers other products including investment and insurance products, the members don't look at them just as another salesperson. This sales approach conveys to the members that they want a long-term relationship with them."