Data Powers Marketing Campaigns

Originators can reach clients at the right time with the right message

By Mike Eshelman and Jeremy Bowling

As interest rates continue to rise and technology companies level the playing field with affordable turnkey digital mortgage solutions, mortgage companies are turning to data to gain a competitive advantage. The ability to use data to reach clients at the right time with the right message, using their preferred communication channel, has fueled growth for originators even in this challenging mortgage environment.

The days of receiving an inquiry with basic consumer details and consistently calling, texting and emailing until they respond are long gone. This type of brute-force marketing, also known as lead-based marketing, creates a sour customer experience that is just as likely to decrease the chances of earning their business.

Today's borrower expects originators to understand how and when to communicate with them throughout their mortgage-shopping journey. Marketers leveraging unique consumer data sets to execute an individualized contact strategy call this approach "people-based marketing" — and it's working for companies in various sectors, including the mortgage industry.

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People-based marketing

By employing a people-based approach, mortgage salespeople are recognizing leads that shouldn't be contacted during the first 10 days following an inquiry. Only when the person behind that lead shows renewed interest on day 20 will teams view this as a valuable signal to re-engage them with a timely and relevant call, text or e-mail, depending upon their preferred method of communication.

The effectiveness of people-based marketing dramatically improves as the view of the customer becomes more complete. Technology has advanced to a point where it can identify a consumer's buying style and preferred communication method, as well as whether their behavior signals high or low buying intent.

Combining these inputs makes it easier for marketers to customize an outreach plan to a specific person and create a more valuable interaction that is appreciated by the consumer.

■ **Attitudinal data** is information about how a person is feeling about something, whether it is a product, service or their interaction with an originator. This type of data allows marketers to form consumer profiles, which can help an originator understand who a consumer is and how they like to buy.

Are they tech savvy? Will they be put off by direct- mail outreach? Do they prefer communicating via text? Knowing the importance of these customer preferences will help you determine what to do next and create a better opportunity to close a sale.

■ **Behavioral data** is the king of predicting outcomes and refers to the insight produced as a result of specific consumer actions. Credit triggers are a great example of behavioral data that is useful in knowing where a customer is in their mortgage journey.

A credit trigger, however, often happens after the borrower has already selected a mortgage company. Behavioral data helps you understand changes in consumer intent throughout the complete buying journey, allowing you to effectively time your communications to the moment when a borrower is most likely to make a decision.

Behavioral data such as the amount of time spent on a website, the number of visits over time and the total number of websites visited can all be positive signals that a consumer is ready to move forward with the mortgage process.

Marketing options

Collecting and combining the two different data sets typically is not an overwhelming task. There are data-service companies who already possess this information specifically for the mortgage industry. By providing basic consumer information, these companies are able to access thousands of data points and return simple, actionable responses to originators.

A consumer list, for example, may be monitored for in-market indicators. When consumers from that list are showing increased activity on mortgage-related websites, the lender would receive an alert indicating such behavioral activity is occurring. In addition, if that consumer is identified as someone who prefers texting on their mobile device, you will know when to reach out to the customer and how to communicate with them.

Even starting with basic models can improve outcomes for your business and support you in making incremental enhancements as the data becomes more predictive of loan originations. Depending on the sophistication of the marketing team, there are three different ways to combine attitudinal and behavioral data: simple, matrix and artificial intelligence (AI) driven.

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■ **Simple models** combine basic understandings of groupings into four categories. A consumer is either a high or low value prospect and has either high or low activity. Combining them creates four groups — high/high, high/low, low/high and low/low. Originators can target communications to each group based on their likelihood to convert into an origination.

■ **Matrix combinations** create even more categories. In a four-by-four matrix, for example, there are 16 different combinations. As the number of combinations increases, so does the required content production. Although it can be easy to create campaigns on the back of a napkin, developing them is where the real magic lies. Determining which groups flow into a call center or a text campaign takes thought, testing and patience. The outcomes, when done right, tend to justify the investment.

■ **AI-driven marketing campaigns** are widely talked about, but how to create one is still a mystery to many. The hyper-personalization that AI makes possible for marketers is tempting, but it requires a tremendous amount of work and understanding of granular customer segments. Although the technology is promising and the applications are becoming more concrete, AI remains reserved for companies with deep pockets who can fully fund a project.

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Today, it is easier than ever to connect your consumer information with additional data sets and improve your relationships with potential customers. Taking some time to research which data is right for your business — and to fully understand how the data is being collected — will prove invaluable as more and more originators enter into the rising strategy of people-based marketing. ■

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