

Bring Clarity to Your Business

Your marketing strategy should focus on what you offer that your competitors do not

By Laura Martell

Many mortgage companies and originators fly blind on a day-to-day basis, without discovering what truly motivates their borrowers and referral partners to work with them and remain loyal to them — essentially, the ingredient in their business that solves a problem the competitors can't.

This ingredient has a name: value proposition. What is that? Google will tell you it's "an innovation, service or feature intended to make a company or product attractive to customers." Others will tell you that it's the top reason that determines whether people will read more about what you have to offer, or hit the back button.

According to marketing institute CXL, if applied to the mortgage industry, a value proposition should explain how your loan products, service levels or marketing and business strategies solve a client's or referral partner's problems, or accomplishes what they need done. It should also deliver specific benefits and tell the borrower or referral partner what you can do that's different from your competitors.

With this in mind, no one value proposition or statement will speak to your entire audience. You will need to create different messaging for your specific audience of homebuyers (by defining location, loan type or other relevant factors), as well as your real estate agents and other referral sources. We're going to dive into creating your value proposition, testing it in the market and getting the word out.

Craft the message

Start by putting yourself in your target audience's shoes. You may want to create a few audiences. Examples would include real

estate agents, first-time homebuyers, builders, certified public accountants, veterans, investors, home flippers and do-it-yourself remodelers, etc.

As you define your audience, write down as many specific characteristics as you can about them (this will be valuable in one of the last steps), such as who he or she is, their demographic information, income and age. Get specific.

Although it's never a good idea to sell by talking badly about someone else, it is important that you know who your competitors are for each segment of the market you are looking to break into and what they stand for. Find their mission statements, the products and the unique services they offer. This step is crucial because you can use this information in a positive way to enhance your messaging. When a borrower asks you, "Why should I do business with you?", your value proposition must answer this query in a compelling way. Are you offering a unique program, service level or process that exceeds the needs of your clients?

Is your product more affordable or does it have lower closing costs? Do you have a fail-proof open-house or lead follow-up strategy to support your real estate agents? Write down the root of the problems you solve from the viewpoint of your target audience.

Your value proposition should dispel myths. The mortgage industry is full of myths that we sell around every day. Think of the nightmare stories that have been told about past loans, outrageous requirements for documentation or the stringent financial requirements for borrowers.

These myths can lead to tremendous concern and uncertainty. Often, the most

important part of the decision making process is an emotional decision, and dispelling myths can help ease this portion of the process.

Above all, the value proposition needs a clear mission and message. It should be about understanding your own product, knowing how it compares with your competitors, and realizing how it fits with what borrowers and referral partners need.

Your value proposition should connect with your personal brand's mission. What do you stand for? It's bigger than just your marketing plan and can really take some time to figure out. It needs to be simplified into something that can be easily understood by everyone involved. To this end, it should contain a headline to describe the end benefit, as well as a subhead, paragraph or bullet points to offer a more detailed explanation of what you offer and why.

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Make a list of possible value propositions that fit your business — this isn't something you're going to knock out in 20 minutes. Write several down, stew on them a bit and narrow it down to a few that you want to test.

After all this is done, it is time to bring your value proposition to life. Run it by a group of your target market to ensure it resonates with the audience you're trying to reach. If you are using customer relationship management software or social media, try A/B testing with different subject lines and messaging within the body of your message.

You are looking to ensure your statement has clarity, communicates specific results, explains how you're different and better, and can be read and understood quickly. Get as much feedback from your sphere of influence as possible and use this information to determine your final statements.

Spread the word

Now that you have your final value proposition, your next focus is getting the word out about your competitive advantages. According to HubSpot, a value proposition is one of the most important conversion factors, and stronger value propositions lift conversion

rates and sales. There are all sorts of places where your value proposition can be presented to your audience. It should be part of every aspect of your business.

Online, make sure the value proposition is featured in your social media cover photos and blog posts. For these posts, tailor a message targeted to your specific audience within Facebook, Instagram or LinkedIn. Originators can create a conversation with a live or animated video that incorporates your company's value proposition. For your website, be strategic with the statement and use your home page or "about" section for your individual value proposition. If you've written statements for specific products, include those with your product details. Remember the emotional component of decisionmaking.

Even your e-mail signature should reinforce your value statement, whether it's a link to a video or a PDF, or just text. If it can be kept short, your e-mail signature is a predominant marketing space.

Don't overlook printed materials. Include your new slogan in your physical marketing material as well. White papers can allow your company to expand upon the problem that you can solve. Something else to consider is how you or your company affiliate with

groups and charities. A networking group of charities can enhance your value in an unspoken way.

Lastly, remember your office. If you invite your clients and referral partners into your office to meet with you, don't forget about including this value proposition somewhere in your office. Whether it's a decal on the wall, framed posters, or a TV or computer screen, consider putting your message there as well.



What you offer your clients and referral partners is one of the most important elements of your marketing strategy. Capturing people's interest and getting them to find out more about what you're offering all comes down to your value proposition.

Remember to not limit yourself to just one message as the problem you're solving may change depending on your target audience. Reach out to your sphere of influence to get some feedback on why they work with you and are loyal to you, to find anything that you can use in a concise way. And most importantly, know that as market conditions shift, your value proposition may have to as well. ■