

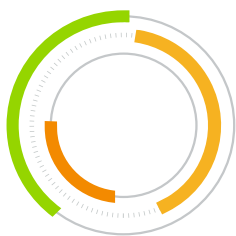


UX Improvements for the Digital Mortgage Industry

How lenders retain clients with design essentials

INTRODUCTION: WHAT IS UX? WHY SHOULD THE FINANCE INDUSTRY CARE?

User Experience (UX) is how a client feels when interacting with a system. Often conflated with “how easy a system is to use”, UX is a holistic definition that includes usability, graphic design, customer service, content and more. All of these factors contribute toward a memorable journey that ultimately captivates the customer and positively affects the company reputation or brand. For the finance industry, company reputation is at a tipping point:



37% view financial services as having a Good reputation

36% view financial services as having a Poor reputation

23% are Neutral

2016 Reputation Quotient Financial Services Report¹

Clients’ general opinions of financial institutions are slowly becoming positive, but are still the lowest among industries. Why should the mortgage industry care how clients perceive

it if its services are requisite? The answer is simple: competitiveness. Customer experience is the key differentiator between financial institutions because the majority of products (mortgages, personal loans, etc.) are identical between companies. How clients feel about each company will ultimately be the deciding factor as they peruse the market.

KEY CONSIDERATIONS FOR DIGITAL LENDERS

A. Usability or “How Easy a System is to Use”

Usability is how intuitively your clients can achieve their goals. It is often confused with general UX because simplicity is the best way to provide a great experience. Entire businesses such as Apple and Google are built on the idea of simpler interactions. The mortgage industry, notorious for paperwork and resistance to change, has an opportunity to leverage digital formats for more agreeable user experiences. Companies that do not evolve their products’ usability will face client losses—especially among millennials and other newcomers to the market.

47% of customers will move to a competitor after one bad experience²



Every time a client has trouble using a system there is a coin-flip’s chance they will seek another company. That is a tremendous leak if left unaddressed. For instance, if a company’s account sign-up instructions on their website are unclear, they risk losing nearly half of those prospects to a competitor with a more user-friendly experience.

One industry example is Quicken Loans who designed their loan products for usability by making them fully available online³.

Trending: Automation

Automated options are a popular usability tactic used to speed up the mortgage process. Clients can calculate mortgage rates based on the credit information provided, leverage browser auto-fills on financial forms and instantly filter available homes with little effort. Autosave functionality via email-based account profiles ensure clients rarely lose progress.

B. Visual Design or “Visual Cues That Appeal to Clients”

Visual design is about more than having attractive colors and shapes. Designers must also keep in mind whether their intentions are clear during the client journey. Do your designs

illustrate where the next steps are or which products offer the most value? Does it convey the “mood” you want clients to have about your brand?

Information can be located 70% faster when in color,



and increases recall by 82%⁴



Try using distinct graphics to mark what you want clients to remember most. Make some options such as “Get Started” and “Need Help?” obvious to a skimming eye. Using visual cues to guide clients forward is a simple way to “show” rather than “tell” how your product works. Be consistent—if green buttons mean go, don’t use blue buttons for the same purpose later on.

Trending: Social Proof

Alliant Credit Union uses discreet “5 star” visuals to show potential clients that its product is well-reviewed and popular.⁵ Other lenders might use ribbons, plaques or pictures of happy clients to show authenticity.

C. Customer Service or “What Happens When a Client Needs Help”

A cornerstone of the user experience is what happens when something goes wrong. Problems with software are inevitable, but problems with customer service are not. A company’s customer care is the last line of defense against client loss; the most effective UX is an instant, empathetic response. One of the most negative feelings your clients can have is when they cannot make progress toward their goals.

97% of global consumers listed customer service as a critical factor in deciding loyalty,



while 62% stopped doing business with a brand that delivered bad service⁶



Ensure that you have the infrastructure to help clients within a reasonably good timeframe. That infrastructure could include resources such as FAQ’s to divert common issues away from your Account Managers, third-party software and/or new support hires. Keep in mind

complaints are opportunities to fix issues for future clients!

Trending: Mobile messaging

Texting is now the most common form of communication⁷ for Americans under age 50. To reach them effectively, companies are leveraging mobile messaging as a medium for customer service either via SMS or a dedicated app. Waiting for a text is simply more modern and less of a hassle than waiting on the phone.

RESOURCES FOR MORE INFORMATION: How Fintech Can Disrupt the \$14T Mortgage Market

<http://www.investopedia.com/articles/personal-finance/011917/how-fintech-can-disrupt-14t-mortgage-market.asp>

UX Mistakes Made by Financial Institutions (and how to avoid them)

http://www.humanfactors.com/whitepapers/ux_mistakes_made_by_financial_institutions.asp

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Sources for data contained in this marketing material are listed below next the slide number where the data is located.

Sources:*

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