

# How a Digitization Strategy Can Empower Your Mortgage Business in Turbulent Times



Amid today's challenges, agility is the key to growth. In the mortgage industry, that agility can be achieved through a digitization strategy. Before 2020, the mortgage industry pushed towards digitization to be on the cutting edge of innovation. Once COVID-19 hit, digitization was no longer optional, as traditionally run mortgage companies were forced to adapt to remote working conditions overnight.

## Is it too late to go digital?

Social distancing has made the switch to digital more urgent in the mind of the consumers. However, it's not too late to start your organization's digital conversion.

Creating a positive digital customer experience requires a unified vision and implementation plan that is aligned across all levels of the company. Remember, your consumers' opinion of your product/service is heavily dependent on their digital experience with your company.

## What's the difference between doing digital and being digital?

Successful digitization requires a holistic digital strategy. For example, being digital can likely allow you to combine multiple processes across the company into one smooth, time-saving flow.

Upper management is key to viewing the company as one, setting the vision, and creating a culture that is digital. By maintaining a holistic digital view, organizations can avoid cobbling together disparate digital solutions that may not ultimately improve the overall business.

## How has digital mortgage helped organizations during these times?

Amid low-interest rates and high demand, digital lenders deliver a positive experience to their customers by being scalable and flexible in their digital offerings.



### In Fact

Digital mortgage lenders handle elasticity **50% better** than traditional lenders, which has translated into **27% more** originations for lenders in February and March 2020.

## How does the size of my organization change my digitization strategy?

Regardless of the size of your organization, a digitization strategy can boost your ROI. For small businesses, digital solutions can allow them to compete with larger organizations.

Digitization in larger organizations can improve efficiencies and customer satisfaction. This allows the org to tackle even more opportunities overall. In today's digital world, expansion into new markets is driven more by awareness and having the right product/experience than it is by building physical branches.

## Do digital verification reports make more or less sense in a turbulent environment?

Low conversion rates within your borrower funnel may be a reflection of inefficient existing processes. Review your process for ways to improve the viability of verification reports during origination. For example, it's possible to improve pull-through by moving consumer-permissioned data earlier in the funnel. This can be done via a prequalification report or full verification report, completion of which reflects a higher degree of borrower commitment than self-reported data might.

## If we have low adoption of digital solutions, how can we reverse that trend?

Usage of digital solutions starts with executive sponsorship. The C-suite must set the vision of digitization and align incentives appropriately.

As an expert in this space, Finicity is here to help drive your company to a more efficient digital future. We can provide materials for your team to reference as well as provide in-person coaching to speed adoption.

## How can we be prepared for the increased scrutiny in underwriting or in the secondary financial markets?

Globally, consumer assets, income, and employment have been greatly impacted. This uncertainty will lead to increased scrutiny of loans. Therefore, lenders need access to digital solutions to get a clear picture of a person's qualifications for a loan. Having real-time, bank-validated data is vital to allowing organizations to make informed decisions.

## Conclusion

The pandemic is **driving increased consumer demand** for digital solutions across the mortgage industry. Going forward, those organizations that view these **challenges as an opportunity** to digitally transform their business will be best positioned to thrive.