STRATMOR GROUP
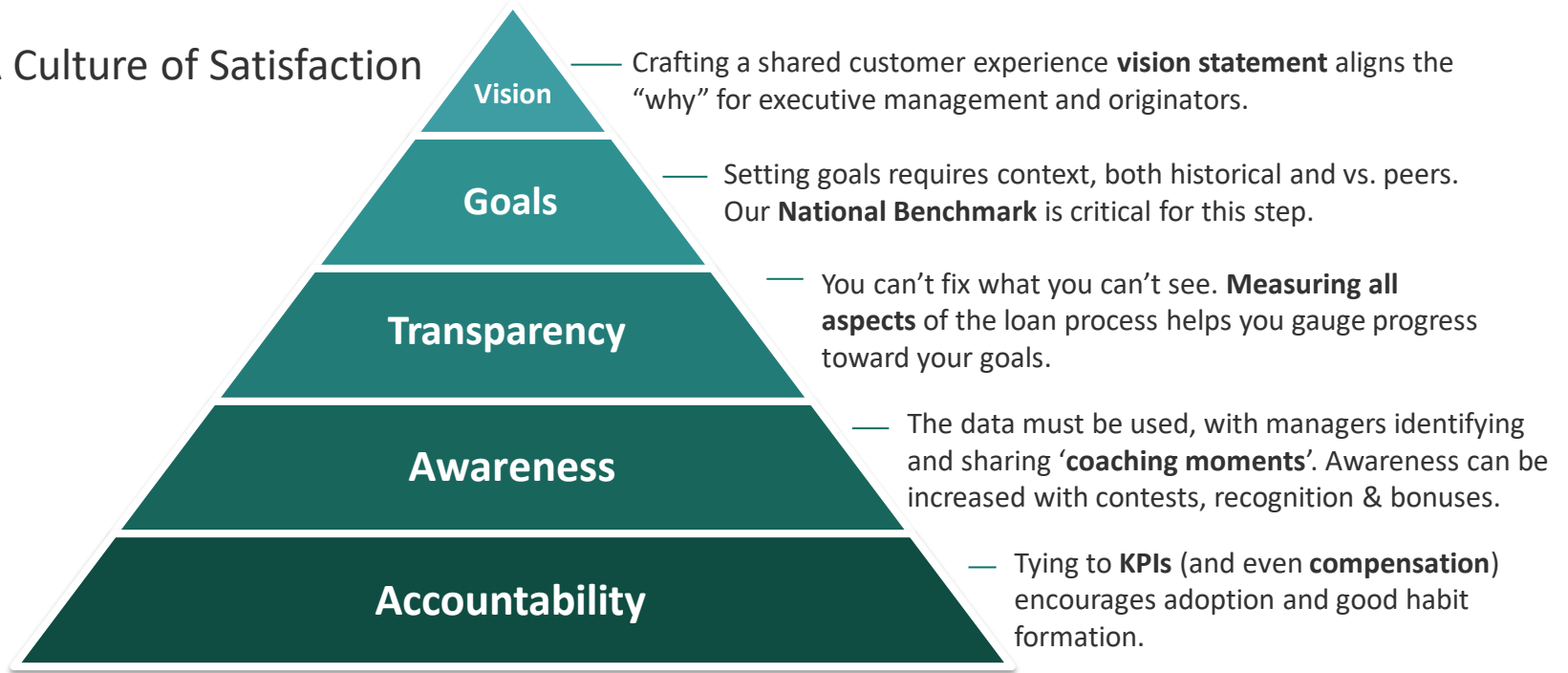
8/4/2021

MortgageSAT Overview
Overview of Tools and Reports

Powering Performance. Together.

Creating A Culture of Satisfaction

Vision — Crafting a shared customer experience **vision statement** aligns the "why" for executive management and originators.

Goals — Setting goals requires context, both historical and vs. peers. Our **National Benchmark** is critical for this step.

Transparency — You can't fix what you can't see. **Measuring all aspects** of the loan process helps you gauge progress toward your goals.

Awareness — The data must be used, with managers identifying and sharing '**coaching moments**'. Awareness can be increased with contests, recognition & bonuses.

Accountability — Tying to **KPIs** (and even **compensation**) encourages adoption and good habit formation.

MortgageSAT's Answer

- Collect **as much data** as possible on the process & people involved.
- This will give you **transparency** and a **baseline**. *You can't change what you can't see*.
- Compare against an **industry benchmark** in order to set goals.

- Leverage the voice of the customer by **amplifying feedback**.
- Collect borrower testimonials and share on your **corporate website**.
- Provide LOs **brand management tools** to share testimonials on their own social media pages.

Measure

Equip

Promote

Reward

- **Leaders** are meant to be **coaches**. Equip them with the data and call out top KPIs that their teams need to improve.
- Create **heat maps** and **rankings** to foster awareness and competition.
- Create **leadership accountability**.

- Show employees a **CX Leaderboard.**
- Give **shoutouts** to top performers in a weekly company newsletter.
- Award **monthly prizes** to top performing branches and individuals.
- Consider tying survey performance to **compensation** and/or **bonuses**.

Top Companies Approach CX Differently

- MortgageSAT clients **dominate** the J.D. Power Rankings

- Best in Class customer experience requires **deep insights** into people and processes that affect Net Promoter Score.

- Without **data**, you're flying blind, just hoping scores will improve.

- Without a **benchmark**, it's next to impossible to set appropriate goals and know where to prioritize resources.

J.D. Power
2019 U.S. Primary Mortgage Origination Satisfaction Study[SM]

Customer Satisfaction Index Ranking (Based on a 1,000-point scale)		JDPower.com Power Circle Ratings™ for consumers:
Quicken Loans	880	●●●●●
Fairway Independent	865	●●●●
Guild Mortgage	864	●●●●
Citi	859	●●●●
Fifth Third	854	●●●
U.S. Bank	852	●●●
Chase	850	●●●
Industry Average	850	●●●
LoanDepot	849	●●●
Guaranteed Rate	846	●●●
Bank of America	843	●●●
PNC	841	●●●
Wells Fargo	837	●●●

4

The LO performance does not drive referrals…the loan PROCESS does

Attribute Table	Danielle	JonJacques	Hugo	Sumir	Aurelio
Sample Size	3	2	4	2	3
Loan Officer	98	48	95	98	100
Loan Processor	100	93	-	56	97
Application Process	85	44	52	86	88
Loan Products	91	70	86	86	83
Closing	74	70	94		87
Costs	75	63	57		89
Satisfaction	74	39	52		94
Net Promoter Score	33	0	0		67

Qtr 1, 2018

It's not enough for the borrower to like their originator.

Miscues That Matter

- These **7 Commandments** dictate whether or not a borrower is willing to refer their friends and family.

- Originators tend to **score well personally** even when things go wrong and are often **blind to these process miscues**.

Breaking vs. Keeping the Seven Commandments

Commandment	NPS - Commandment Kept	NPS - Commandment Broken
Unresolved Problem (5% frequency)	40	-63
Checkist Not Provided (2%)	79	-27
Not Called Prior to Closing 8%)	83	-12
Customer Called to Get Status Updates (4%)	89	
Loan Did Not Close in Expected Timeframe (14%)	82	28
Closing Did Not Start on Time (7%)	78	29
Asked for Same Document More Than Once (28%)	89	42

■ NPS - Commandment Kept   ■ NPS - Commandement Broken

Source: STRATMOR's MortgageSAT Borrower Satisfaction Program (2020 YTD, 85,383 respondents)

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Expected Timeframes

- **Only 10%** of loans failed to close in the expected timeframe in March. That rose to **21%** in Q4.

Effect on NPS

87

83%

57-point NPS delta

30

17%

Closed in expected timeframe

Did not close in expected timeframe

Refinances Not Closing in Expected Timeframe

11%
10% — 1 in every 10 loans
12%
14%
16%
19%
18%
21%
21%
20%
21% — 1 in every 5 loans!

FEBRUARY, MARCH, APRIL, MAY, JUNE, JULY, AUGUST, SEPTEMBER, OCTOBER, NOVEMBER, DECEMBER
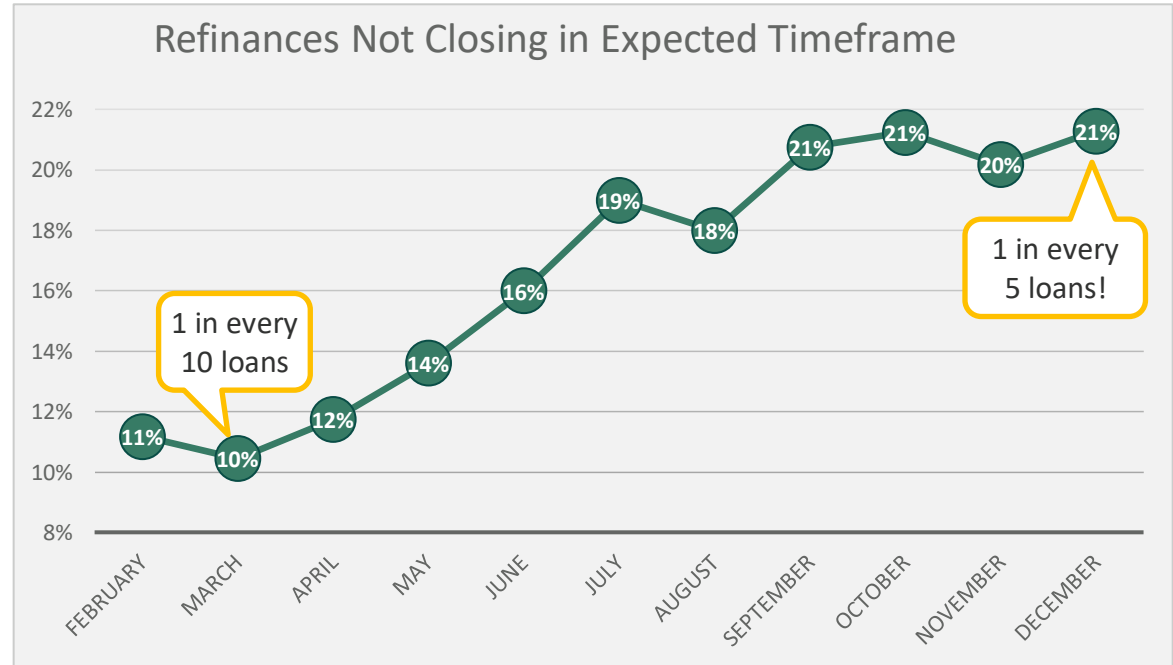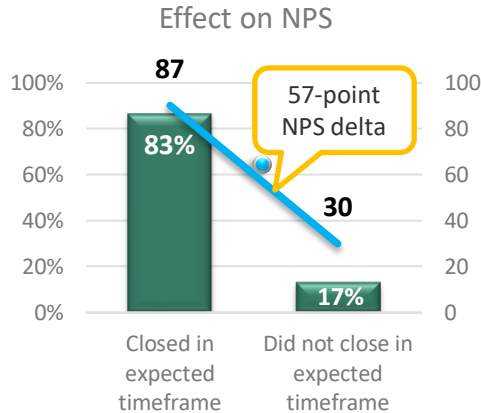
*Data from STRATMOR's MortgageSAT Program 2020.

Financial Impact of Not Closing in Expected Timeframe
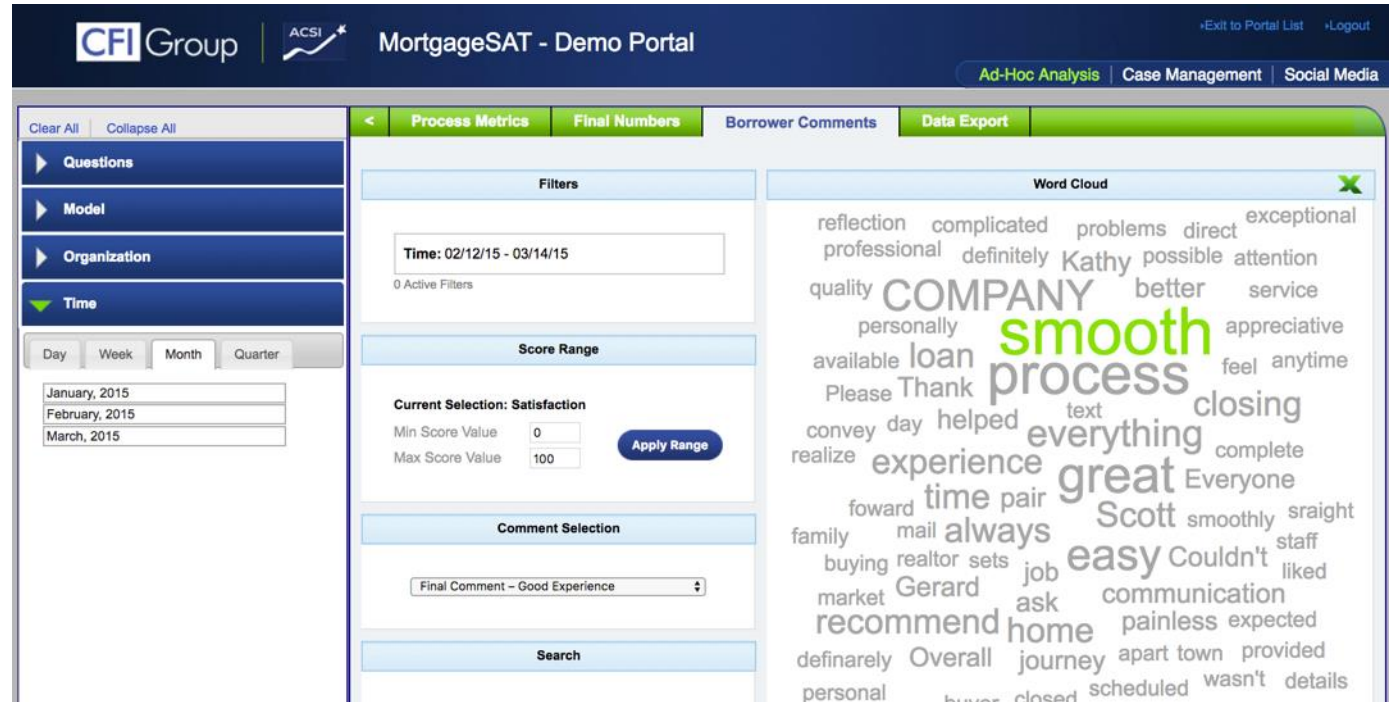
For every 100 that have this issue…

-57

Detractors → Promoters

21.33% pull-through

-11 Loans
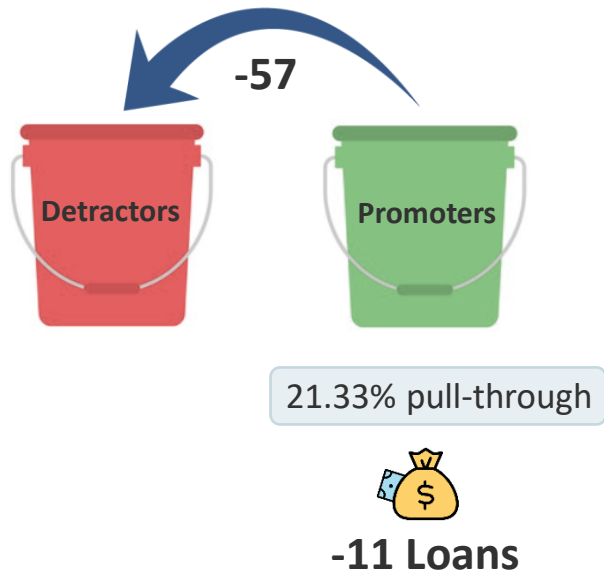
Extrapolating to **50,000** loans annually, this problem is costing **$3.3 million** in lost sales.

	Closed Within Expected Time Frame
Annual Loan Units - Retail	**50,000**
% Borrowers with Problem	16.0%
# Borrowers with Problem	8,000
Aggregate Change in NPS	57
Additional promoters	4,560
Pull Through - promoters to closed loans	21.33%
Incremental retail loans closed	**973**
Incremental loan volume	$218,925,000
Average net production margin per loan	$ 3,470
Estimate of additional retail income	$ 3,376,310

Read Comments in Real-Time with Text Analytics

Identify Easily Fixable Process Miscues
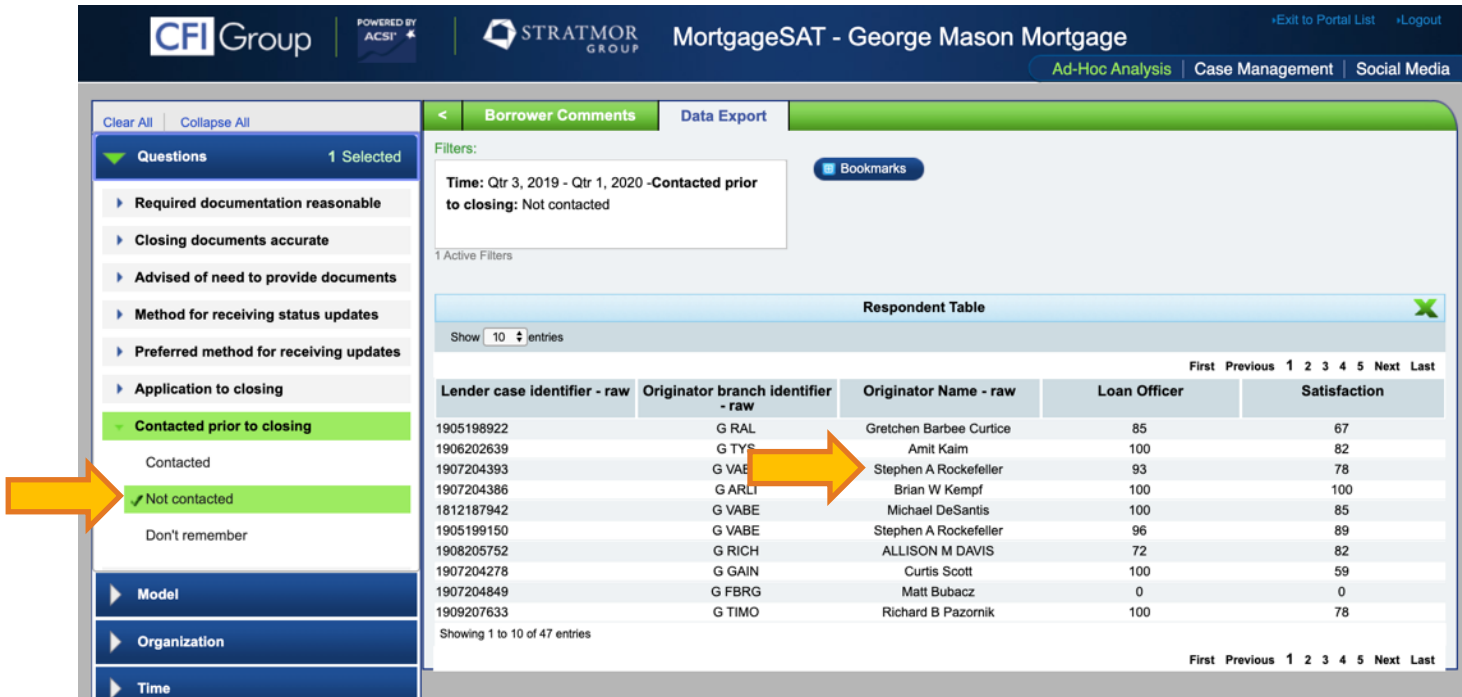
View which loans are being affected:

Export the list to Excel by clicking the green "X."

View Trending Over Time:

Can be viewed at company, regional, branch, or LO level.

Thank You.

Mike Seminari
Director, MortgageSAT

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