

For immediate release  
Wednesday, 22 July 2015

## **Finding customers revealed as brokers' biggest challenge**

New research shows the biggest challenge that mortgage brokers face in trying to grow their business is finding ways to bring in new customers.

The survey of more than 240 mortgage brokers conducted by lender, HomeStart Finance, revealed that finding clients was by far the largest impediment to business growth, followed closely by the impacts of market pressures and lenders' policies and systems.

It also highlighted the greatest frustrations for brokers when dealing with lenders, with processing and response times topping the list, followed by inconsistency of service and managing the different systems that lenders have in place.

HomeStart's Head of Retail, Deb Dickson, said it wasn't surprising that finding new clients was one of the main difficulties for brokers given the challenging market conditions.

"Like any business, mortgage brokers need to find new ways to bring customers through the door even when market conditions are less than ideal," she said.

"As small businesses, the resources generally aren't available to significantly invest in marketing and promotional activities, so finding new customers relies heavily on leveraging existing networks, referrals and networking.

"But finding the time to invest in these activities, on top of an existing client workload, can be difficult.

"For young brokers, building a client base can be difficult, but our research shows the challenge never stops no matter how long you've been in the industry."

Deb said an increasingly digital world offered mortgage brokers an opportunity to undertake cost and resource efficient ways of finding new customers.

"The growth in online social networks means there is now a huge opportunity for brokers to use them for marketing purposes – to get their name out, promote their businesses and to source new contacts," she said.

"Digital marketing can also offer a much more cost effective way of reaching new clients than traditional methods, so it is definitely worth exploring. Developing ways to maintain relationships with your existing customers and potential referrers, as well as connecting with other groups who have direct relationships and influence on homebuyers, such as real estate agents, all go a long way to finding new customers."

*HomeStart makes home ownership a reality for more South Australians in more ways. We are a statutory authority that reports to the Minister for Housing and Urban Development. We were created in 1989 and since then have helped over 65,000 households into home ownership.*