

For immediate release  
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## Customer first focus hits the mark for brokers

Meeting customer needs, not self-benefits like higher commissions, are at the top of the list for Australian brokers when it comes to selecting a lender according to new research.

The research<sup>1</sup>, commissioned by South Australian lender HomeStart Finance, highlights that the fit of a product with a customer's situation is the number one consideration for brokers when recommending a lender to their customers.

Other important factors highlighted by brokers included the fit of the lender with a customer's profile and the speed of response for loan approvals.

Key findings from the research were:

- 58% of brokers surveyed said the fit of product with customer needs was the top consideration when selecting a lender for a customer, with 80% placing it in their top three.
- The ease of the loan process was also highly valued, with approximately 65% of brokers placing it in their top three considerations.
- None of the brokers surveyed rated commission levels as their number one priority, with only 5% placing it in the top three.
- Having a long standing relationship with a lender was also considered to be of lower importance, with only 2% of brokers placing it in their top three considerations.

HomeStart's Chief Executive Officer John Oliver said the research demonstrated that brokers have a strong understanding of the value drivers within the industry.

"The mortgage industry is a service industry and being able to meet your customers' needs is paramount," Mr Oliver said.

"The focus should be on delivering a service that is highly customer centric and efficient, and it's clear from the research that brokers place a priority on that.

"Word of mouth and referrals are an important driver of new business and the only way you are going to achieve these is through satisfied customers.

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<sup>1</sup> HomeStart commissioned Colmar Brunton Research in July and August 2014 to undertake qualitative and quantitative research to better understand the needs of mortgage brokers. Both HomeStart accredited and non-accredited brokers completed a survey, with 12 brokers also participating in in-depth interviews for more qualitative data.

*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 64,500 households into home ownership.*

“The challenge for lenders is to ensure there are innovative product options available for brokers to offer to their customers- something that is going to be increasingly important as high upfront costs and rising prices make it more difficult for young homebuyers to get a foothold in the market.

“In some cases, there’s little differentiation in products or there may be a wide selection of products available to a customer, and that’s where other factors, such as the ease of the application process, plays a role for brokers.”

HomeStart Finance, which offers a range of innovative loan products such as graduate, low deposit and shared appreciation, has seen more than a 50% increase in broker-referred loans in the last two years.

Mr Oliver attributes this sharp rise to a growing customer need for more flexible home loan options, as well as demand from brokers for lenders who offer innovative lending solutions.

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