

Are you effectively using the most powerful marketing tool you have; YOU.

I was reading recently that the big four are spending more on marketing this year than they've spent in the last four years combined. If this is right, it tells an interesting story about the fight for market share and where the people who sign the cheques think the business will come from.

Let me tell you a story about a major bank in a land far away. We'll call the land, New Zealand and the bank, Bank of New Zealand. A little while ago the Bank of New Zealand decided it would no longer deal with brokers. They made a big public show of telling consumers that brokers were sharks. They had the front of their branches painted up to reinforce this message. They told all and sundry that you could only get one of their loans from them. The upshot of this extreme piece of negative marketing was a significant loss of market share by Bank of New Zealand while the broker market had a significant increase. In the words of Julie Sumner Miller "Why is it so?"

At a recent presentation I asked this question "what's the most powerful marketing tool a broker has"? The answer is you, the broker. Without doubt, you are the most powerful marketing tool at your disposal. So how does this fit in with the enormous marketing spend being undertaken by the majors at the moment? Simple, no matter how much anyone spends to attract

new customers they can never replicate the marketing pull of a good broker doing a good job. On a bang for buck basis a broker has it all over a mass marketing campaign. But do we capitalise on this super marketing tool? In most cases I would have to say no.

I think that generally speaking brokers undervalue themselves. By that I mean that brokers don't fully appreciate the value they bring when they get involved in a transaction. When brokers get involved in a transaction we bring more than just access to lenders and products. We bring the ability to change the customer's life (whether that's a good or bad change depends on whether we are a good or bad broker). Truly understanding how powerful we are as a marketing tool first requires us to truly understand how valuable we are. If you've ever had customer break down and cry when you told them you thought you could get their loan approved, then you have an understanding of what I'm talking about. If you haven't experienced this try writing a non conforming loan for a customer who has suffered some type of trauma and is at their wits end and about to lose their house. If you can do the loan and really save them, watch to see if they don't have some type of emotional reaction. I can tell you its pretty powerful stuff.

Marketing our selves isn't that hard, it just takes discipline and

a system. One of the keys to getting referrals is to make it part of the deal. Just because you do a good job and get the loan through smoothly doesn't mean your customers will give you referrals and its too late to go back and ask them when its settled. The way to handle this to make getting referrals from your clients part of the deal. At the very first interview ask them this question "If I do a great job for you, would you refer me to your friends or family if they needed finance"?

There's a couple of great things about this question. Firstly, if you do a great job, then your customers will have no problem referring you to their friends or family because you do a great job. Secondly, if you don't do a great job then they are under no obligation to refer. So by asking this question you are in a no lose situation but only if you do a great job. By making referrals a part of the deal up front, by following up on them and by leveraging off the most powerful marketing tool you have you will greatly increase your loan volumes.

