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It Takes More Than a Website to Excel Online

By Anthony Garritano

It seems that every lender has their own website. But when a borrower is shopping online they are often going to an aggregator like Google instead of an individual lender's website, which makes it increasingly important for lenders to have their products available in multiple places online.

Seizing on this trend, Mortgagebot released the first mortgage-specific online service in Mortgage Marvel a few years back. This technology is enabling participating lenders to attract new borrowers and increase their mortgage volume. From 2008 to 2009 consumer visits to Mortgage Marvel jumped 142%, resulting in a 66% overall increase in loan applications taken by participating lenders.

"When you look at loan aggregation solutions, there are several benefits," said Dan Welbaum, chief marketing officer at Mortgagebot. "First, the lender benefits and second, the consumer benefits. Lenders are gaining business with no additional staff. The big thing to take away from this is that online lending has arrived—and lenders should be promoting that channel.

"The big thing for lenders to know is that the vast majority of people start their search online, which means being on the Internet in other places apart from the lender's own website. Borrowers generally start searching in a broader fashion. They are not going to a lender's site. Getting on a loan aggregation site can result in more exposure than just having your own website these days."

Rod Raszler, vice president of mortgage operations for Pentagon Federal Credit Union, said his \$13.7-billion-asset credit union has used Mortgage Marvel to open up

an entirely new business channel. "Every loan that PenFed has obtained through Mortgage Marvel would probably have gone somewhere else if those borrowers hadn't found us through Mortgage Marvel," he observed.

Research shows that over 70% of consumers use the Internet to search for mortgage loans, so the need to reach borrowers online is critical. Claire Ippoliti, vice president of lending for the \$760-million-asset Philadelphia Federal Credit Union, sees Mortgage Marvel as a way to be more competitive.

"Some consumers go directly to our website," Ippoliti said. "But for those who don't know about us, Mortgage Marvel provides another way for us to reach them. They can find us on Mortgage Marvel through a Google search, and then we become an option for them to consider. But we would never have an opportunity for that business without Mortgage Marvel."

Danversbank (Danvers, MA) is gaining new customers through Mortgage Marvel. "The majority of Mortgage Marvel customers have not previously heard of us," said Cheryl Preston, vice president of Danversbank, noting that Danversbank has expanded in the last decade and Mortgage Marvel has enabled the organization to improve its name recognition and increase its loan volume.

Preston said the volume of mortgage applications that Danversbank has taken through Mortgage Marvel doubled from 2008 to 2009. "As our footprint expands, we need to find ways to make ourselves known," she explained. "Mortgage Marvel is an efficient and easy solution."

According to Rick Allen, director of strategic

initiatives for Mortgagebot, "We are working on search engine optimization and conversion path optimization. We want to see even more traffic and make Mortgage Marvel as easy as possible for borrowers to use. Today's consumers are looking for the best rates and fees, not just a brand. Speaking from a consumer perspective, there is a high level of transparency. Mortgage Marvel offers detailed rate and fee quotes that are highly accurate and completely anonymous; unlike other sites, Mortgage Marvel uses risk-based pricing and provides real-time, instant quotes."

In assessing the value of being on aggregators, Todd Moncrief, vice president, business development at e-collaboration vendor Xerox Mortgage Services, says, "If you have your own site and you post rates, there's a benefit there. That's good because lenders can update their pricing in real time. From there you have a larger aggregator mechanism like a LendingTree where they take your information and push it out the borrower.

"What Mortgagebot is doing is offering realtime quotes for every lender that's willing to participate. Borrowers see all their rates online and choose who they want to do business with vs. a LendingTree where four lenders contact you with a teaser rate. Also, Mortgagebot takes you directly to the lender's site if you like that rate.

"There's no middleman. Some lenders have a big online footprint and spend a lot of money doing direct marketing. So a large lender like a Bank of America may not find a need; but the smaller regional lenders will get a benefit. This gives them a channel to compete with some larger lenders throughout the country."

As seen in National Mortgage News