



Fannie Mae®

Mortgage Lender Sentiment Survey®

Consumers Still Value the Human Touch

Lenders' channel strategies vs. consumer preferences

Q3 2017 Topic Analysis – Published October 30, 2017

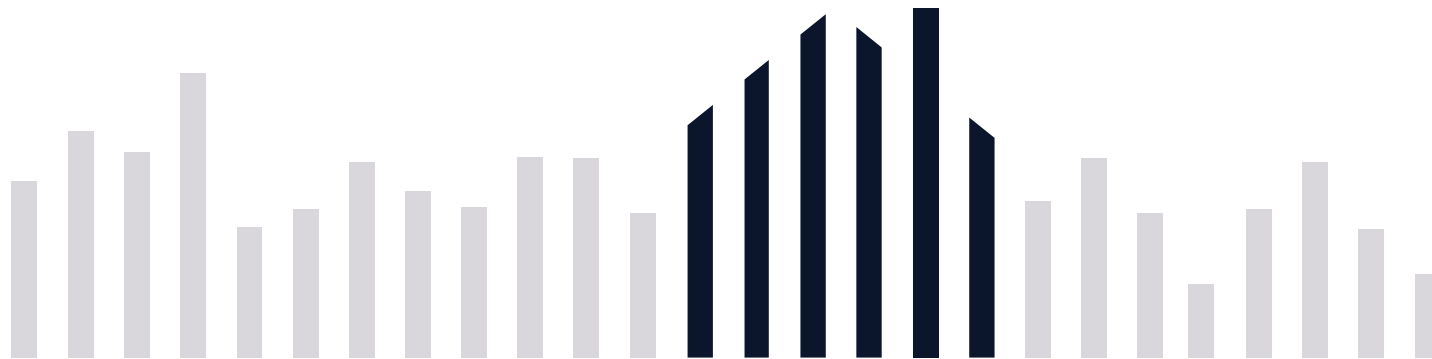






Table of Contents

Executive Summary	3
Business Context and Research Questions.....	4
Respondent Sample and Groups.....	5
Key Findings	
Omni-Channel Strategy Overview.....	6
Customer Service Channel Specifics.....	9
Evaluating Customer Service Strategy Within Firm.....	15
Appendix.....	20
Survey Background.....	21
Additional Findings.....	27
Survey Question Text.....	40



As lenders digitize, borrowers still want the “human touch” in the mortgage process.

	Channels Most Often Used	Future Channel Preferences
Lenders Say	<p>Lenders cite telephone or email (42% and 35%, respectively) as the channel their customers use the most often, and very few (13%) cite in-person (face-to-face in branches or offices).</p> 	<p>Nearly 40% of lenders believe that person-to-person (phone or in-person) communications will be less important in the future.</p>
Consumers Say	<p>A majority of consumers reported that, in addition to phone and email, they also use the in-person channel.</p> 	<p>90% of consumers say they want person-to-person (phone or in-person channels) communications with mortgage lenders in the future.</p>



Business Context and Research Questions

Business Context

Today's consumers demand a simple, transparent, and pleasant experience in all transactions. Therefore, businesses are increasingly leveraging digital channels to reduce errors and speed up transactions to deliver a more efficient customer service. In our prior [Mortgage Lender Sentiment Survey](#)[®] (MLSS), senior mortgage executives reported that investing in consumer-facing technologies is one of their top business priorities in 2017 to remain competitive.

With the explosion of digital services and the increased importance placed on customer service, Fannie Mae's Economic & Strategic Research (ESR) Group also surveyed senior mortgage executives through its quarterly MLSS to better understand lenders' customer service channel strategies and their views regarding digital and person-to-person channels. The results presented here are then compared, wherever possible, to the results based on the consumer-focused [National Housing Survey](#)[®], to help illustrate differences between lenders' views and consumers' views.

Research Questions

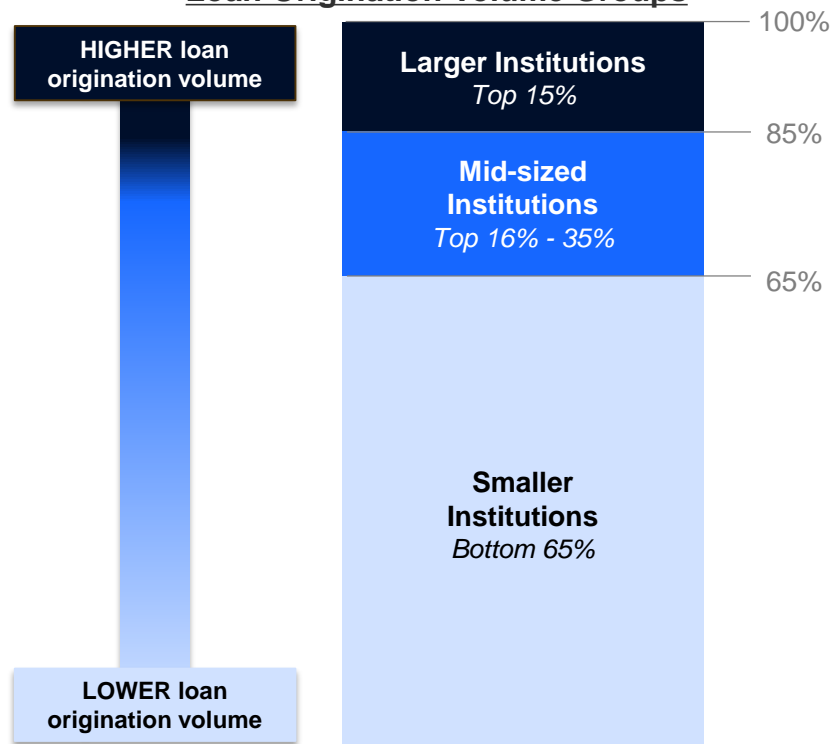
1. Overall, how successful do lenders view themselves in providing the best customer care for their mortgage business? Do they have customer service metrics that they regular track? What are lenders' top customer-care priorities?
2. What types of channels are currently used by lenders for customer care? Which channels are most often used by their consumer customers and how so? In comparison, what channels are more often used by consumers when getting a mortgage?
3. How successful do lenders view their organization's omni-channel customer service?
4. How do lenders view between person-to-person (phone or in-person) and digital channels? Which types of channels will be their future focus? How do lenders' future channel focus differ from consumers' preferences?



Respondent Sample and Groups

This analysis is based on data collected in the third quarter of 2017. For Q3 2017, a total of 206 senior executives completed the survey during August 2-13, representing 190 lending institutions. Unless otherwise noted, the data shown in this report is among 182 lenders (96%) who say their firm directly interact with borrowers/consumers.

Loan Origination Volume Groups**



Sample Q3 2017		Sample Size
Total Lending Institutions The "Total" data throughout this report is an average of the means of the three loan origination volume groups listed below.		190
Loan Origination Volume Groups	Larger Institutions Fannie Mae's customers whose 2016 total industry loan origination volume was in the top 15% (above \$1.01 billion)	58
	Mid-sized Institutions Fannie Mae's customers whose 2016 total industry loan origination volume was in the next 20% (16%-35%) (between \$248.3 million to \$1.01 billion)	66
	Smaller Institutions Fannie Mae's customers whose 2016 total industry loan origination volume was in the bottom 65% (less than \$248.3 million)	66
Institution Type***	Mortgage Banks (non-depository)	73
	Depository Institutions	75
	Credit Unions	38

* The results of the Mortgage Lender Sentiment Survey are reported at the lending institutional parent-company level. If more than one individual from the same institution completes the survey, their responses are averaged to represent their parent institution.

** The 2016 total loan volume per lender used here includes the best available annual origination information from Fannie Mae, Freddie Mac, and Marketrac.

*** Lenders that are not classified into mortgage banks or depository institutions or credit unions are mostly housing finance agencies.

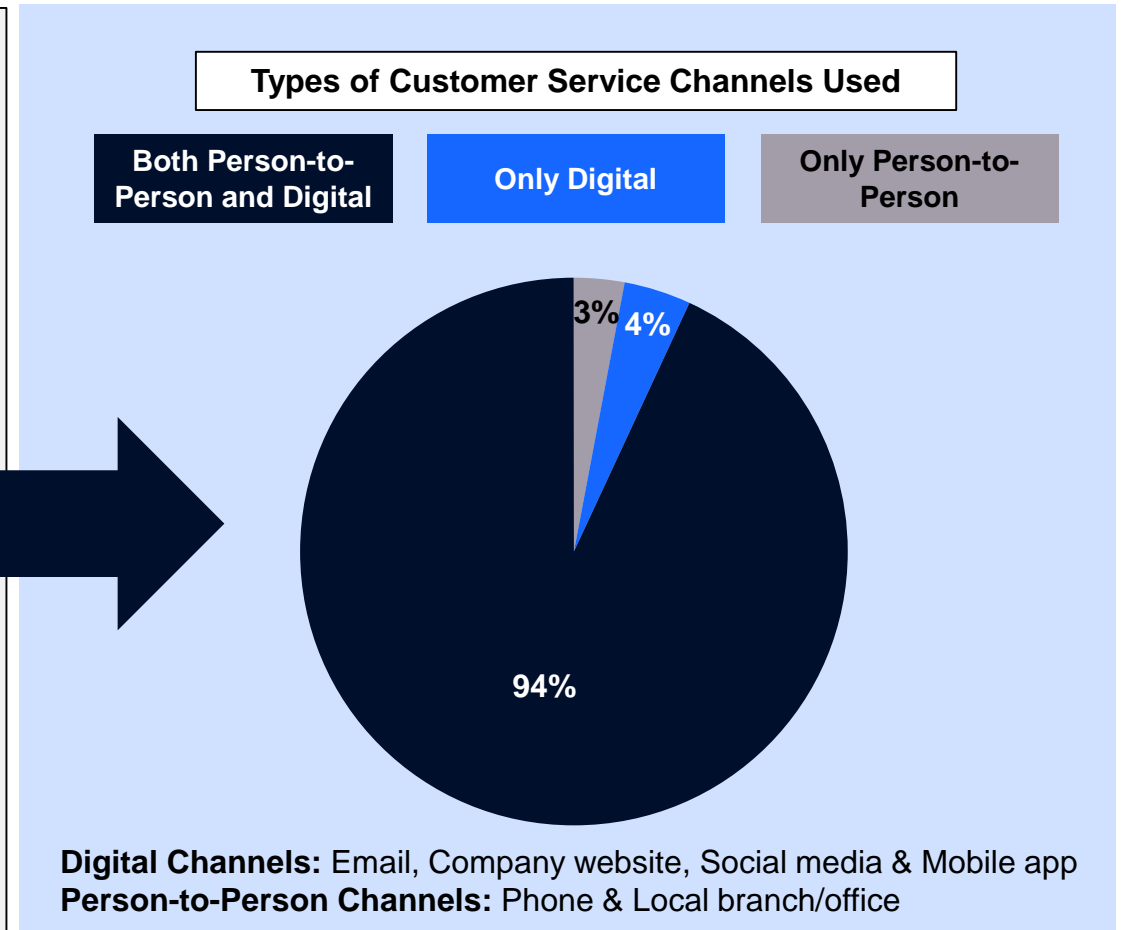
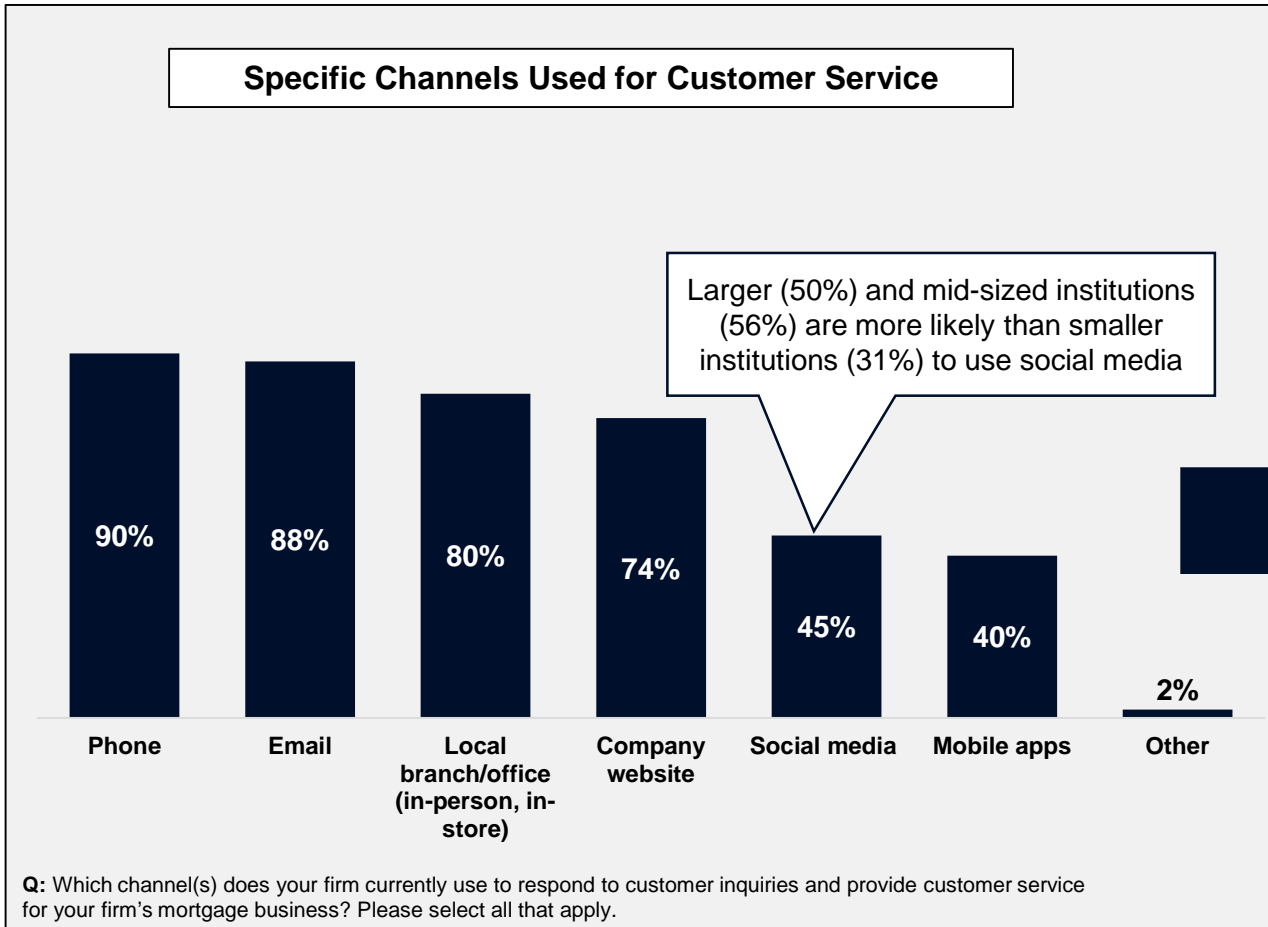


Omni-Channel Strategy Overview



Types of Customer Service Channels Used

Almost all lenders use both person-to-person and digital channels for customer service. The majority of lenders say their firms use telephone, email, local branches/offices, and their company website for customer service – while less than half use social media or mobile apps.





Omni-Channel Efficacy

Overall, most lenders believe their organization’s omni-channel customer service is quite strong. Lenders emphasize customer centricity, person-to-person interaction when possible, and quick response time as best practices, but cite challenges with systems integration, adopting new technologies, and costs.

Omni-Channel Customer Service Challenges

Systems Integration:

“Ensuring a consistent voice across channels and consistent availability of the same data across channels.”
– *Mid-sized Institution*

Technological Capacities:

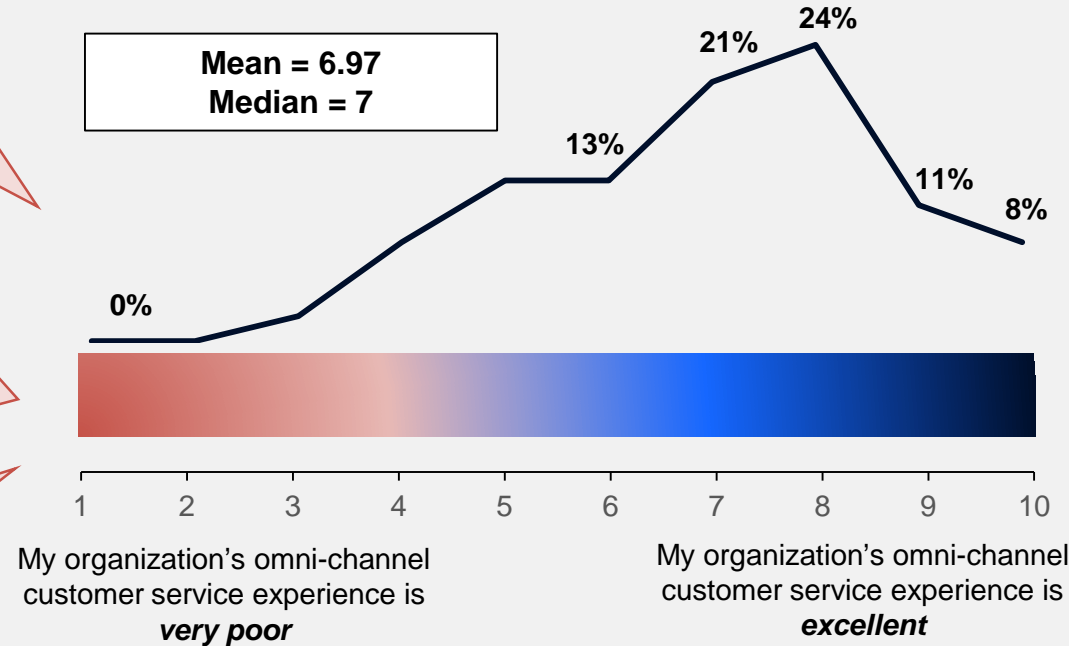
“Customer adoption of technology, some just don’t like it. Some employees aren’t as skilled technologically.” – *Smaller Institution*

Cost:

“Finding and implementing affordable solutions.”
– *Mid-Sized Institution*

How Would You Rate Your Organization’s Omni-Channel Customer Service?

Mean = 6.97
Median = 7



Omni-Channel Customer Service Best Practices

Customer Centricity:

“Member satisfaction is priority one.” – *Smaller Institution*

Person-to-Person Focus:

“Digital is used to support the personal interactions, not as replacement. Relationships are what matter.” – *Larger Institution*

Response Time:

“Return phone calls or emails promptly.” – *Smaller Institution*

Q: On a scale from 1 to 10, where 1 is “very poor” and 10 is “excellent,” how would you rate your organization’s omni-channel (person-to-person and digital) strategy to provide a seamless customer service experience across all touch points?

Q: [IF 1-7] What challenges has your organization faced when trying to deliver a seamless omni-channel customer experience? (N=40)

Q: [IF 8-10] Could you share some of your firm’s best practices in delivering a seamless omni-channel customer experience? (N=15)

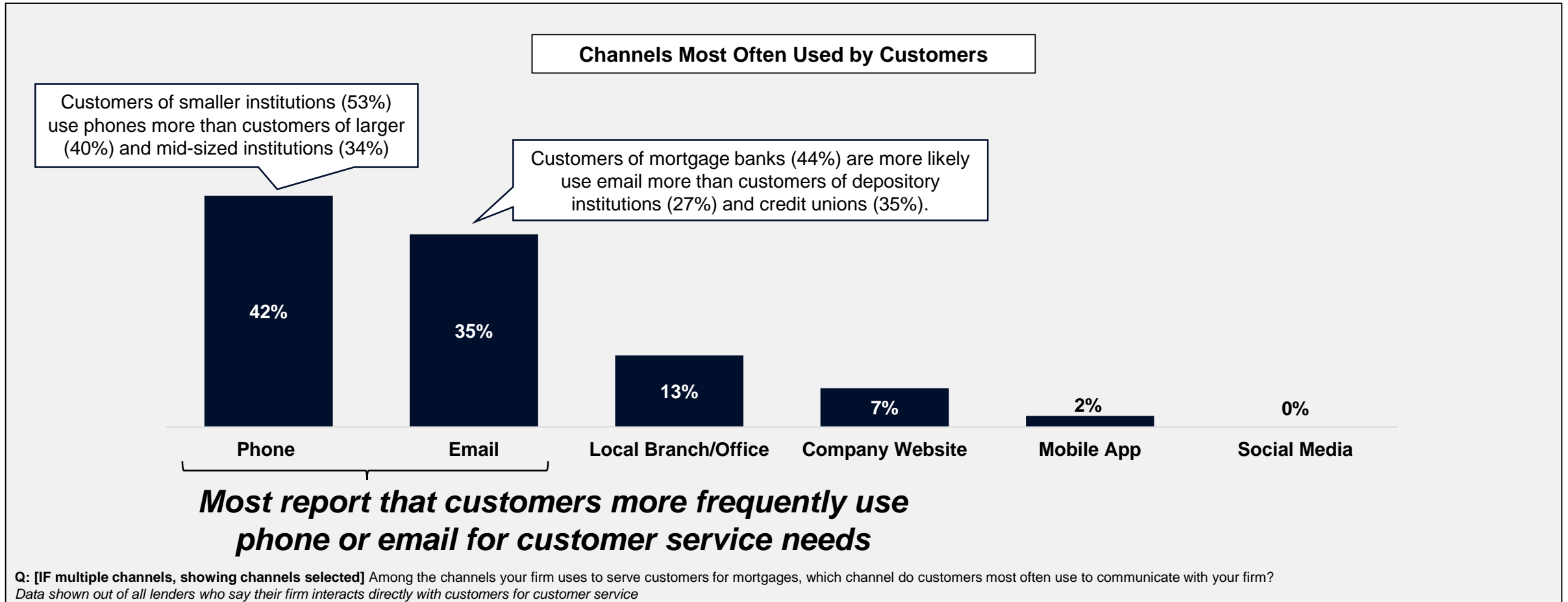


Customer Service Channel Specifics



Lenders' View: Customer Service Channel Most Often Used by Customers

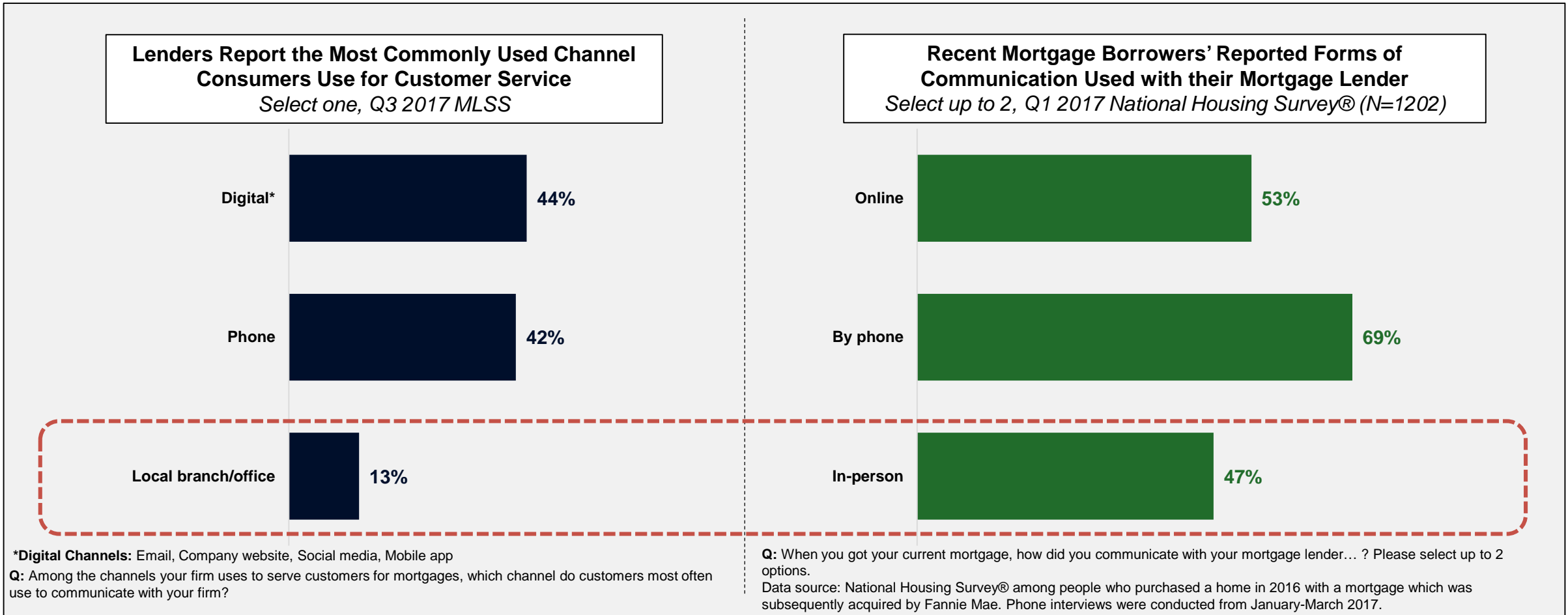
Lenders say their customers most often use the telephone or email to communicate with them. Not many lenders cite local branches/offices and company website as their customers' top choice of communication.





Comparing Lenders' and Mortgage Borrowers' Views on Channel Usage

Both lenders and recent mortgage borrowers reported using digital (online) channels or the phone as most common for customer service. However, while many mortgage borrowers reported using in-person communication, only a few lenders say their customers most often use local branches.





Lenders' Reasons for Customers' Communication Channel Preferences

Lenders claim customers prefer communicating via telephone because they receive quick and personalized responses to their questions. Lenders attribute the popularity of email to its convenience, as well as the electronic record it creates, while in-person interactions are perceived as more pleasant for customers.

Why Do You Think Customers Like To Use (*Channel*) When Interacting With Your Firm Regarding Mortgages?

Phone:



“**Prompt response** and resolution.”
– Larger Institution

“**Personalized service.**” – Mid-Sized Institution

“Immediate answers and **ability to problem solve and interact.**” – Smaller Institution

“People think their **mortgage is too important to trust online technologies.**” – Larger Institution

Email:



“A great deal of detailed information is conveyed, so it is convenient to have a **written record** that can be referred to later on.” – Larger Institution

“**24/7 and convenient.**” – Larger Institution

“Because they have a **paper trail** of the conversation.” – Mid-Sized Institution

“It's **more convenient** for them vs. a phone or branch visit.” – Smaller Institution

Local Branch/Office:



“[Borrowers] want a **personal connection** for what is perceived to be a complex financial transaction.”
– Larger Institution

“Mortgages are the largest debt our customers take out and it appears they **like to talk to our people in person** about it.” – Mid-Sized Institution

“Many of our customers still **enjoy the human interaction** and we recommend it whenever possible.” – Smaller Institution

Q: [IF multiple channels] Why do you think your customers like to use [insert answer from question about most often used channel] when interacting with your firm regarding mortgages? (n=97)

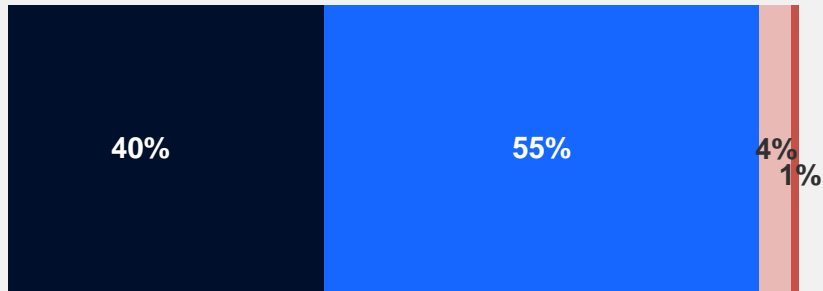
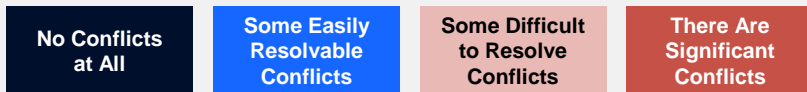


Lenders' Future Customer Care Channel Focus

Most lenders said the conflicts between their customer service channels were minor, if any occurred at all. The majority of lenders say their firm intends to focus on both person-to-person (phone or in-person) and digital channels.

Reported Conflicts between Channels

N=171



Digital Channels: Email, Company website, Social media & Mobile app

Person-to-Person Channels: Phone & Local branch/office

Q: To what extent are there conflicts between person-to-person and digital channels in terms of business priorities at your firm?

Goals of Digital Customer Service

N = 177



95%

Saying they want to **improve customer engagement** so customers can interact **the way they want and when they want** – whether digital or person-to-person

Q: You indicated that your firm currently uses a digital channel(s) such as company website, social media, or mobile app to provide customer service. Which of the following statements best describes the goal of your firm's digital customer service?

Plans for Addressing Future Customer Care

N= 171



83%

Focusing on **both person-to-person and digital channels**



12%

Focusing on **person-to-person channels**



4%

Focusing on **digital channels**

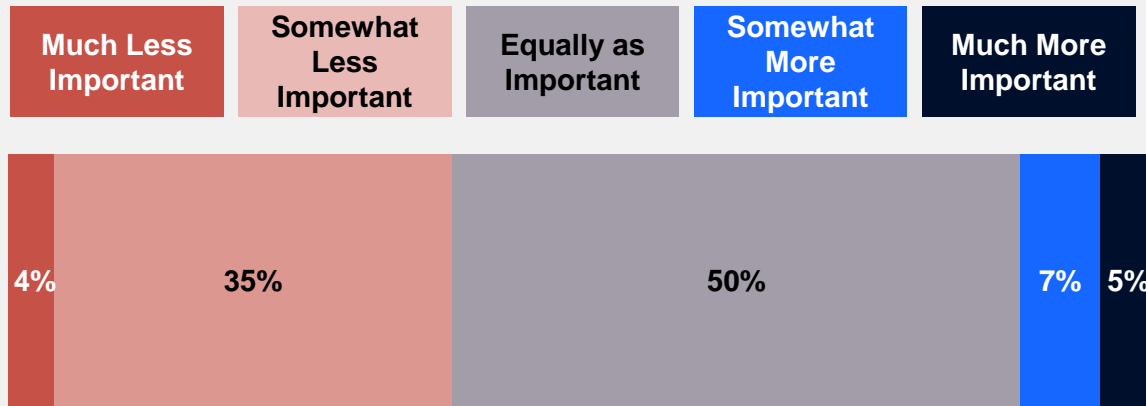
Q: [IF uses person-to-person and digital channels] Which of the following statements best describes your firm's channel strategy moving forward for customer care?



Future Role of Person-to-Person Communications

Few lenders feel strongly about the future role of person-to-person communications (phone and in-person). Nearly 40 percent think it will be less important in the foreseeable future. In comparison, recent mortgage borrowers show a strong preference for person-to-person communication – almost all would like to use phone or in-person communication in the future.

Lenders' View of the Future Role of Person-to-Person Communications
Q3 2017 MLSS



Credit unions are less likely to say "less important" than depository institutions and mortgage banks.

Person-to-Person Channels: Phone or Local branch/office

Q: When it comes to customer service, how important do you feel the role of person-to-person communications will be in the future compared to today?

Recent Mortgage Borrowers' Interest in Type of Communication with Their Mortgage Lender in the Future
Select up to 2, Q1 2017 National Housing Survey® (N=1174)



90%

Would like to communicate with their lender via **phone or in-person channels** in the future

Q: If you needed to get another mortgage in the future, whether for a new home or a second mortgage on your current home, how would you like to communicate with your mortgage lender? Please select up to 2 options. Data source: National Housing Survey® among people who purchased a home in 2016 with a mortgage which was subsequently acquired by Fannie Mae. Phone interviews were conducted from January-March 2017.



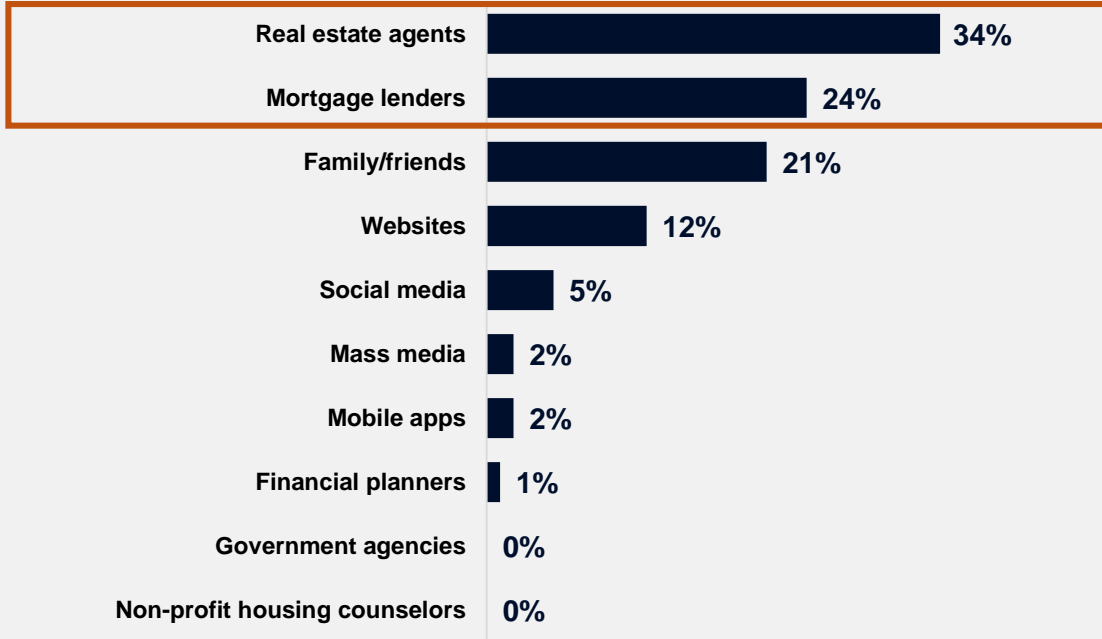
Evaluating Customer Service Strategy



Lenders' and Homebuyers' Views of the Most Influential Sources

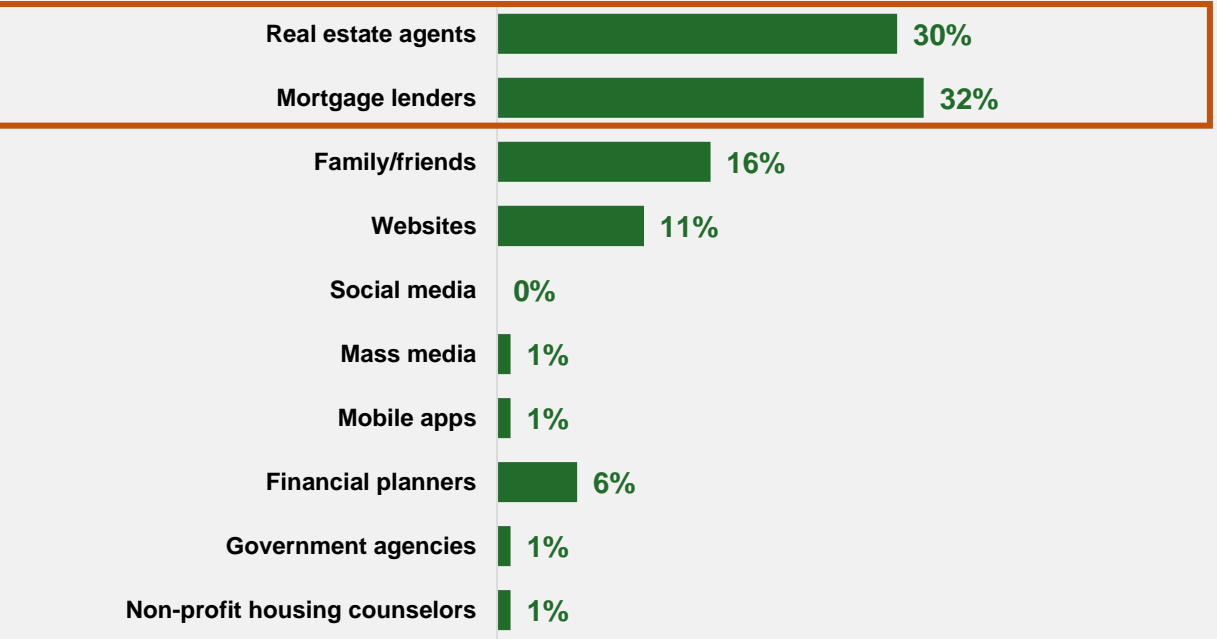
Lenders and recent homebuyers agree real estate agents and mortgage lenders are the most influential sources of information for people when shopping for a mortgage – emphasizing the need for lenders to have good customer service strategies. Mortgage banks are more likely to cite real estate agents, while smaller lenders are more likely to cite family and friends.

Lenders' Opinions of the Most Influential Sources of Information Used by Consumers
Q3 2017 MLSS (N=190)



Q: Which of the following sources of information do you believe is the most influential when consumers are researching and receiving advice about getting a mortgage?

Homebuyers' Views on the Most Influential Sources of Information
Q1 2017 National Housing Survey® (N=1174)



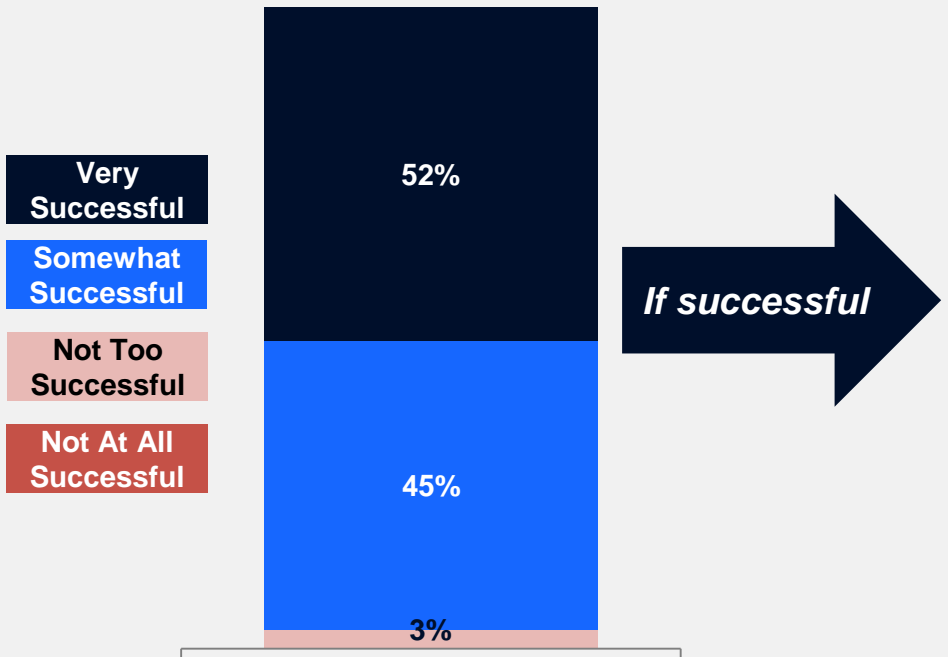
Q: Which of the follow sources of information was the most influential when you were researching and receiving advice about getting your current mortgage?
Data source: National Housing Survey® among people who purchased a home in 2016 with a mortgage which was subsequently acquired by Fannie Mae. Phone interviews were conducted from January-March 2017.



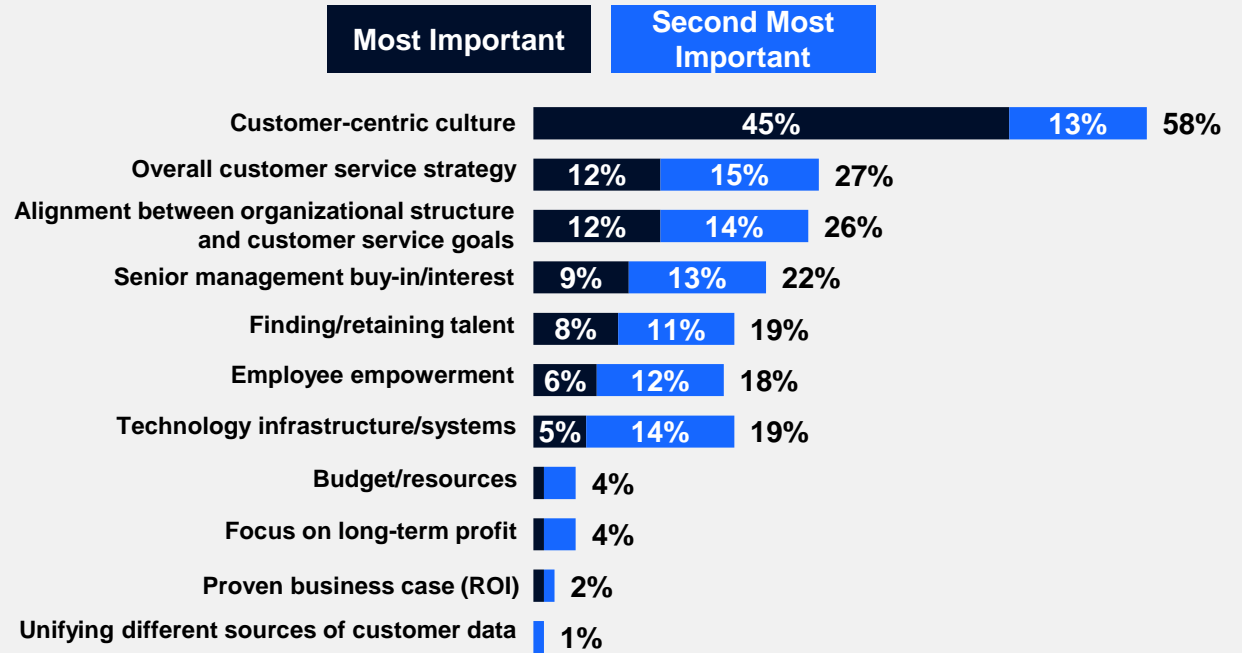
Successful Customer Service

Most lenders believe their firms are successfully providing customer care, with very few categorizing their services as unsuccessful. The majority attribute their success to customer-centric culture. Smaller lenders are significantly more likely than larger lenders to say they are very successful.

Ranking Firm Success in Providing Customer Care



Major Reasons for Firms Providing the Best Customer Care for Their Mortgage Business
N= 178



Q: In your view, how successful is your firm in providing the best customer care (for your mortgage business), compared with your competitors?

Q: [IF successful] Which of the following factors, if any, are the major reasons for your firm's success in providing the best customer care (for your mortgage business?) Please choose up to two factors and rank them in order of importance.

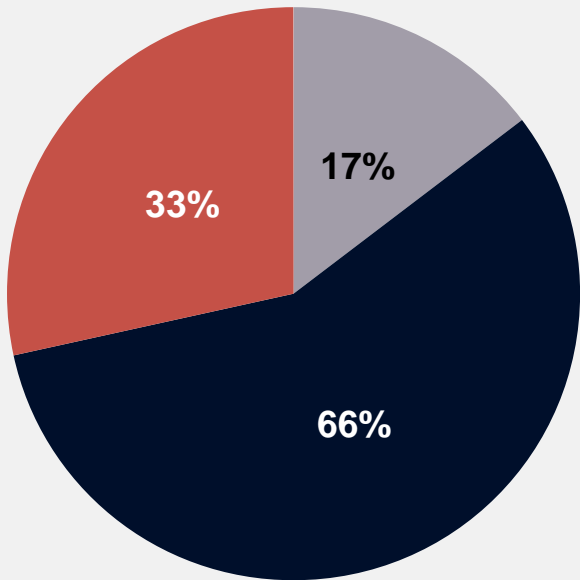


Customer Service Metrics

The majority of lenders say their firms regularly track customer service metrics, though larger and mid-sized lenders are significantly more likely than smaller lenders to say they have such metrics. Surveys, response and call times, and Net Promoter Score are among the metrics most frequently used to track customer service.

Does Your Firm Have Customer Service Metrics that It Regularly Tracks?

Yes No Don't know/ Not sure



Examples of Regularly Tracked Customer Service Metrics

Surveys

“Surveys at closing” – Larger Institution

“Overall satisfaction survey comprised of 5 categories after closing.” – Smaller Institution

“We use surveys after a new loan funds and also twice a year on our servicing portfolio.” – Smaller Institution

Service Speed

“Speed of answer and customer satisfaction” – Larger Institution

“Average speed of answer, average talk time, number of incoming calls” – Mid-Sized Institution

“Response time metrics across all processes.” – Smaller Institution

Net Promoter Score

“Monthly net promoter scores” – Larger Institution

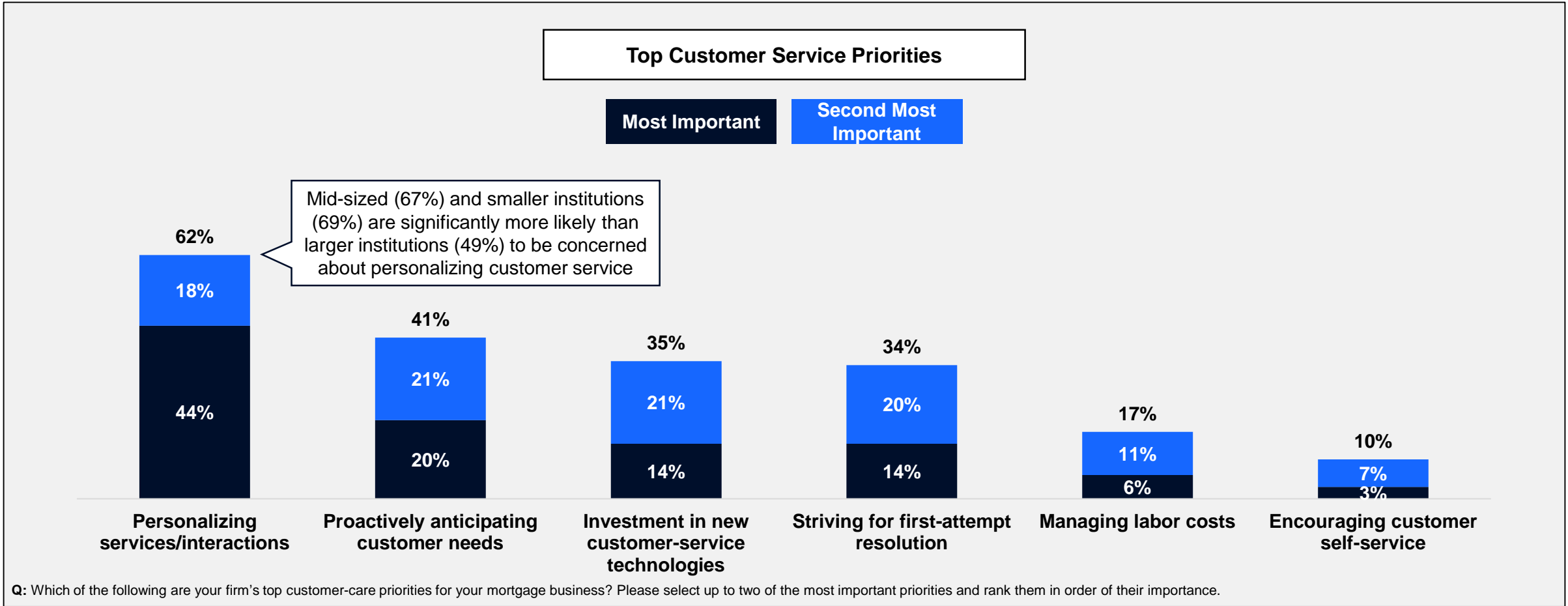
Q: Does your firm have customer service metrics that it regularly tracks?

Q: [IF has metrics] Could you share some examples of customer service metrics that are regularly tracked at your firm? (N= 68)



Customer Service Priorities

Personalizing services and interactions is a top priority for most institutions. Lenders are also focusing on anticipating customer needs, investing in new technologies, and resolving issues on the first attempt.





Appendix

Survey Background and Methodology.....	21
Additional Findings.....	27
Survey Question Text.....	40



Research Objectives

- The survey is unique because it is used not only to track lenders' current impressions of the mortgage industry, but also their insights into the future.
- The *Mortgage Lender Sentiment Survey*[®], which debuted in March 2014, is a quarterly online survey among senior executives in the mortgage industry.

Tracks insights and provides benchmarks into current and future mortgage lending activities and practices.

Quarterly Regular Questions

- Consumer Mortgage Demand
- Credit Standards
- Mortgage Execution Outlook
- Mortgage Servicing Rights (MSR) Execution Outlook
- Profit Margin Outlook

Featured Specific-Topic Analyses

- Lenders' Business Priorities and Risk Concerns
- APIs and Chatbots
- Next-Gen Technology Service Providers (TSPs)
- Mortgage Technology Innovation
- Lenders' Experiences with TRID
- Lenders' Mobile Strategies

- A quarterly 10-15 minute online survey of senior executives, such as CEOs and CFOs, of Fannie Mae's lending institution customers.
- The results are reported at the lending institution parent-company level. If more than one individual from the same institution completes the survey, their responses are averaged to represent their parent company.



Mortgage Lender Sentiment Survey[®]

Survey Methodology

- A quarterly, 10- to 15-minute online survey among senior executives, such as CEOs and CFOs, of Fannie Mae's lending institution partners.
- To ensure that the survey results represent the behavior and output of organizations rather than individuals, the Fannie Mae Mortgage Lender Sentiment Survey is structured and conducted as an establishment survey.
- Each respondent is asked 40-75 questions.

Sample Design

- Each quarter, a random selection of approximately 3,000 senior executives among Fannie Mae's approved lenders are invited to participate in the study.

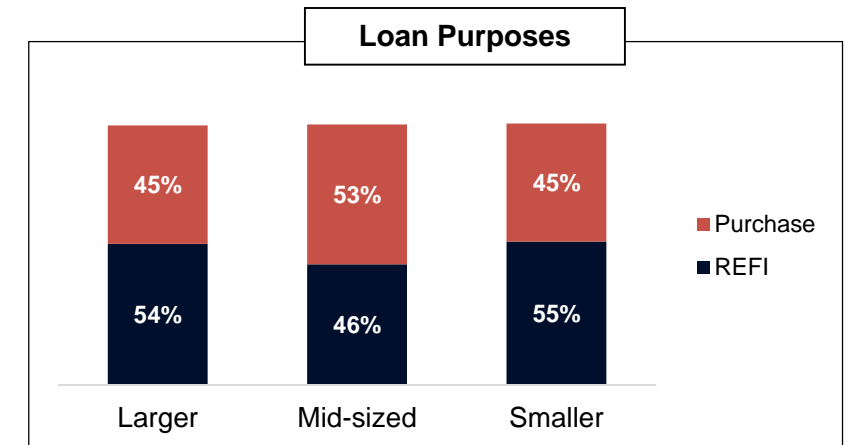
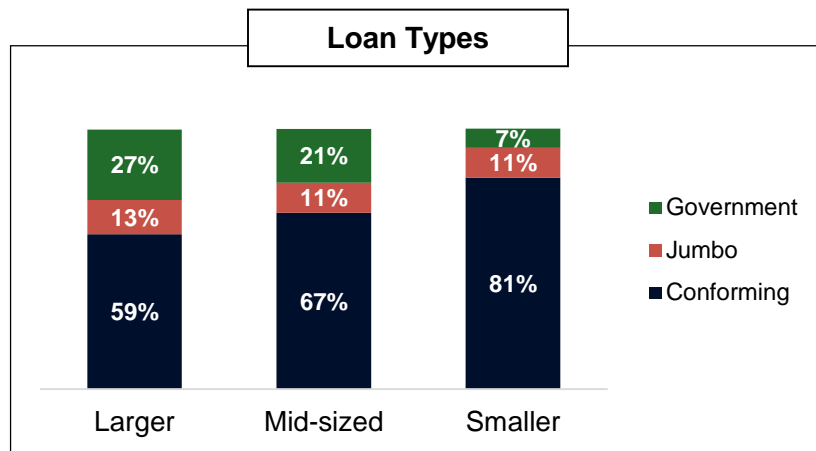
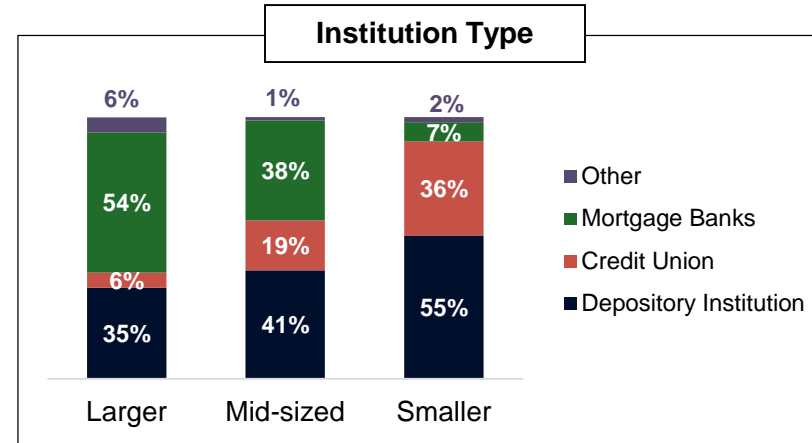
Data Weighting

- The results of the Mortgage Lender Sentiment Survey are reported at the institutional parent-company level. If more than one individual from the same parent institution completes the survey, their responses are averaged to represent their parent institution.



Lending Institution Characteristics

Fannie Mae's customers invited to participate in the Mortgage Lender Sentiment Survey represent a broad base of different lending institutions that conducted business with Fannie Mae in 2016. Institutions were divided into three groups based on their 2016 total industry loan volume – Larger (top 15%), Mid-sized (top 16%-35%), and Smaller (bottom 65%). The data below further describe the compositions and loan characteristics of the three groups of institutions.





2017 Q3 Cross-Subgroup Sample Sizes

	Total	Larger Lenders	Mid-Sized Lenders	Smaller Lenders
Total	190	58	66	66
Mortgage Banks (non-depository)	73	33	30	10
Depository Institutions	75	17	23	35
Credit Unions	38	5	12	21



How to Read Significance Testing

On slides where significant differences between three groups are shown:

- Each group is assigned a letter (L/M/S, M/D/C)
- If a group has a significantly higher % than another group at the 95% confidence level, a letter will be shown next to the % for that metric. The letter denotes which group the % is significantly higher than.

Example:

Listed below are some channels companies use to serve customers. Which channel(s) does your firm currently use to respond to customer service inquiries and provide customer service for your firm's mortgage business? Please select all that apply.

	Total	Larger Institutions (L)	Mid-sized Institutions (M)	Smaller Institutions (S)	Mortgage Banks (M)	Depository Institutions (D)	Credit Unions (C)
N=	178	52	62	64	68	70	36
Having a customer-centric culture	58%	60%	58%	56%	52%	55%	73% ^M
Having an overall customer-service strategy	27%	22%	26%	32%	16%	32% ^M	38% ^M
Having an alignment between organizational structure and customer service goals	26%	29%	26%	22%	26%	27%	25%
Having senior management's interest or buy-in	22%	36% ^{M, S}	17%	11%	28%	15%	14%

36% is significantly higher than 17% (mid-sized institutions) and 11% (smaller institutions)

32% is significantly higher than 16% (mortgage banks)



Calculation of the “Total”

The “Total” data presented in this report is an average of the means of the three loan origination volume groups (see an illustrated example below). Please note that percentages are based on the number of financial institutions that gave responses other than “Not Applicable.” Percentages may add to under or over 100% due to rounding.

Example:

You indicated that your firm currently uses a digital channel(s) such as company website, social media, or mobile app to provide customer service. Which of the following statements best describes the goal of your firm’s digital customer service?

	Total	Larger Institutions (L)	Mid-sized Institutions (M)	Smaller Institutions (S)
N=	177	52	61	64
Our goal is to improve customer engagement, to allow customers to interact with use the way they want and when they want to, whether digital or person-to-person.	95%	91%	97%	96%
Our goal is to reduce labor costs by encouraging customers to use digital channels to self serve.	5%	9%	3%	4%

“Total” of 95% is
 $(91\% + 97\% + 96\%) / 3$



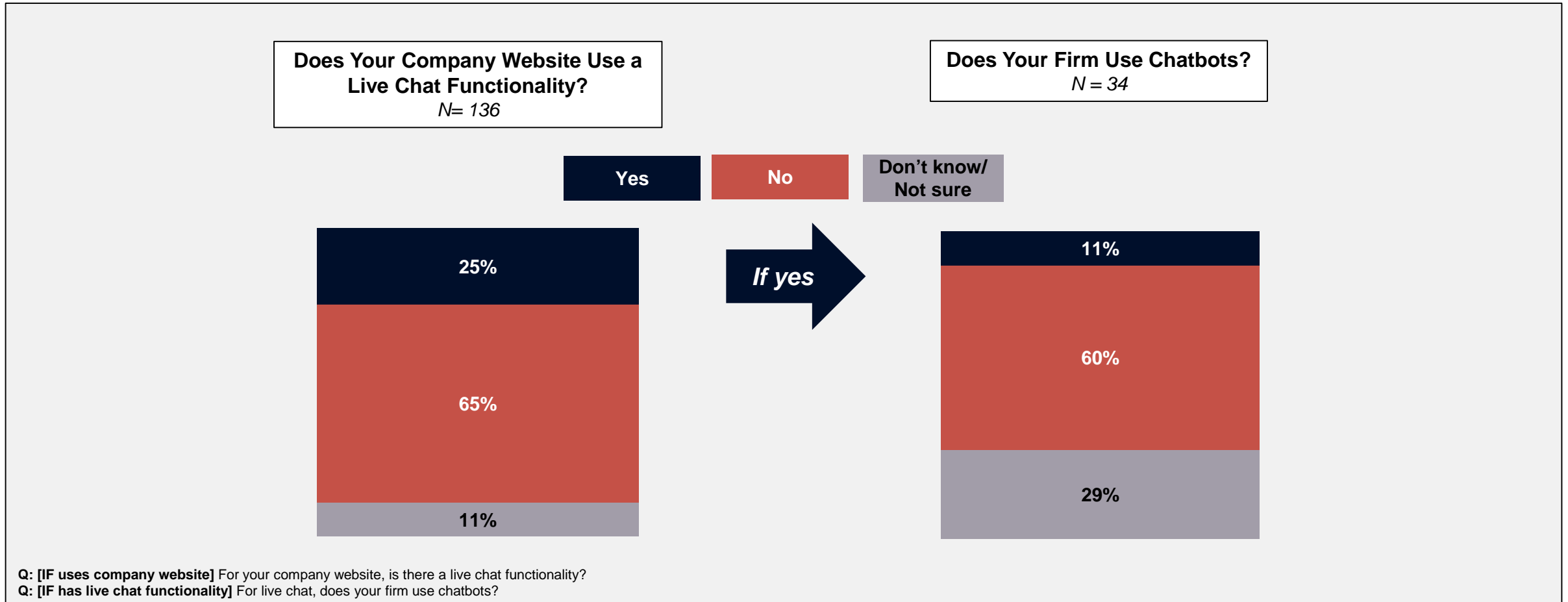
Appendix

Additional Findings



Live Chats and Chatbots

Among lenders who use their company websites for customer care, most say they do not use a live chat functionality on their company websites, and few report using chatbots.





Types of Customer Service Channels Used (by Lender Size and Lender Type)

Listed below are some channels companies use to serve customers. Which channel(s) does your firm currently use to respond to customer service inquiries and provide customer service for your firm's mortgage business? Please select all that apply.

	Total	Larger Institutions (L)	Mid-sized Institutions (M)	Smaller Institutions (S)	Mortgage Banks (M)	Depository Institutions (D)	Credit Unions (C)
N=	182	55	62	65	69	72	37
Phone	90%	85%	87%	97% ^{L, M}	85%	90%	97%
Email	88%	84%	89%	92%	84%	88%	97% ^M
Local branch/office (in-person, in-store)	80%	75%	78%	88%	70%	85% ^M	95% ^M
Company website (e.g., account management portal or live chat)	74%	76%	78%	69%	78%	68%	84%
Social media (e.g., Twitter or Facebook)	45%	50% ^S	56% ^S	31%	49%	41%	50%
Mobile app	40%	41%	40%	38%	38%	41%	44%
Other	2%	0%	3%	2%	0%	3%	3%

*L/M/S - Denote a % is significantly higher than the annual loan origination volume group that the letter represents at the 95% confidence level
M/D/C - Denote a % is significantly higher than the institution type group that the letter represents at the 95% confidence level*



Omni-Channel Efficacy (by Lender Size and Lender Type)

On a scale from 1 to 10, where 1 is “very poor” and 10 is “excellent,” how would you rate your organizations omni-channel (person-to-person and digital) strategy to provide a seamless customer experience across all touch points?

	Total	Larger Institutions (L)	Mid-sized Institutions (M)	Smaller Institutions (S)	Mortgage Banks (M)	Depository Institutions (D)	Credit Unions (C)
N=	182	55	62	65	69	72	37
1 – Very Poor	0%	0%	0%	1%	0%	0%	1%
2	0%	0%	0%	0%	0%	0%	0%
3	2%	4%	2%	2%	0%	3%	3%
4	8%	10%	10%	3%	11%	6%	5%
5	13%	13%	12%	14%	8%	16%	13%
6	13%	15%	11%	15%	13%	14%	14%
7	21%	16%	18%	28%	14%	26%	26%
8	24%	26%	29%	18%	31%	20%	22%
9	11%	11%	10%	11%	12%	7%	14%
10 – Excellent	8%	5%	9%	9%	11%	8%	3%

L/M/S - Denote a % is significantly higher than the annual loan origination volume group that the letter represents at the 95% confidence level
M/D/C - Denote a % is significantly higher than the institution type group that the letter represents at the 95% confidence level



Customers' Most Often Used Channel for Customer Service (by Lender Size and Lender Type)

Among the channels your firm uses to serve customers for mortgages, which channel do customers most often use to communicate with your firm?

	Total	Larger Institutions (L)	Mid-sized Institutions (M)	Smaller Institutions (S)	Mortgage Banks (M)	Depository Institutions (D)	Credit Unions (C)
N=	182	55	62	65	69	72	37
Phone	42%	40%	34%	53% <i>M</i>	28%	51% <i>M</i>	52% <i>M</i>
Email	35%	35%	47% <i>S</i>	24%	44% <i>D</i>	27%	35%
Local Branch/Office	13%	14%	10%	15%	19%	12%	5%
Company Website	7%	9%	7%	6%	8%	8%	5%
Mobile App	2%	2%	2%	2%	1%	1%	3%
Social Media	0%	0%	0%	0%	0%	0%	0%
Other	0%	0%	0%	0%	0%	0%	0%

L/M/S - Denote a % is significantly higher than the annual loan origination volume group that the letter represents at the 95% confidence level
M/D/C - Denote a % is significantly higher than the institution type group that the letter represents at the 95% confidence level



Future Customer Care Channel Focus and Conflicts between Channels (by Lender Size and Lender Type)

You indicated that your firm currently uses both person-to-person (e.g. phone or in-person) channel(s) and digital channel(s) to provide customer service. Which of the following statements best describes your firm's channel strategy moving forward for customer care?

	Total	Larger Institutions (L)	Mid-sized Institutions (M)	Smaller Institutions (S)	Mortgage Banks (M)	Depository Institutions (D)	Credit Unions (C)
N=	171	50	58	63	64	68	36
Our strategy focuses on both in-person and digital channels.	83%	83%	80%	87%	80%	86%	83%
Our strategy focuses on person-to-person channels.	12%	10%	15%	12%	17%	10%	8%
Our strategy focuses on digital channels.	4%	7%	5%	2%	3%	4%	8%

To what extent are there conflicts between person-to-person and digital channels in terms of business priorities at your firm?

	Total	Larger Institutions (L)	Mid-sized Institutions (M)	Smaller Institutions (S)	Mortgage Banks (M)	Depository Institutions (D)	Credit Unions (C)
N=	171	50	58	63	64	68	36
There are some conflicts, but they are manageable.	55%	63%	50%	52%	48%	59%	57%
There are no conflicts at all.	40%	32%	42%	45%	47%	36%	36%
There are some conflicts and they are hard to resolve.	4%	1%	8%	3%	2%	5%	7%
There are significant conflicts.	1%	4%	0%	0%	3%	0%	0%

L/M/S - Denote a % is significantly higher than the annual loan origination volume group that the letter represents at the 95% confidence level
M/D/C - Denote a % is significantly higher than the institution type group that the letter represents at the 95% confidence level



Omni-Channel Service Goals and Person-to-Person Communications (by Lender Size and Lender Type)

You indicated that your firm currently uses a digital channel(s) such as company website, social media, or mobile app to provide customer service. Which of the following statements best describes the goal of your firm's digital customer service?

	Total	Larger Institutions (L)	Mid-sized Institutions (M)	Smaller Institutions (S)	Mortgage Banks (M)	Depository Institutions (D)	Credit Unions (C)
N=	177	52	61	64	66	70	37
Our goal is to improve customer engagement, to allow customers to interact with use the way they want and when they want to, whether digital or person-to-person.	95%	91%	97%	96%	95%	96%	93%
Our goal is to reduce labor costs by encouraging customers to use digital channels to self serve.	5%	9%	3%	4%	5%	4%	7%

When it comes to customer service, how important do you feel the role of person-to-person communications will be in the future compared to today?

	Total	Larger Institutions (L)	Mid-sized Institutions (M)	Smaller Institutions (S)	Mortgage Banks (M)	Depository Institutions (D)	Credit Unions (C)
N=	182	55	62	65	69	72	37
Much more important in the future	5%	7%	5%	2%	6%	3%	3%
Somewhat more important in the future	7%	4%	12%	6%	9%	8%	3%
Equally as important in the future	50%	52%	46%	52%	42%	48%	67% ^M
Somewhat less important in the future	35%	34%	35%	36%	38%	39%	26%
Much less important in the future	4%	4%	3%	4%	6%	3%	1%

L/M/S - Denote a % is significantly higher than the annual loan origination volume group that the letter represents at the 95% confidence level
M/D/C - Denote a % is significantly higher than the institution type group that the letter represents at the 95% confidence level



Lenders' Opinions of the Most Influential Sources of Information for Consumers (by Lender Size and Lender Type)

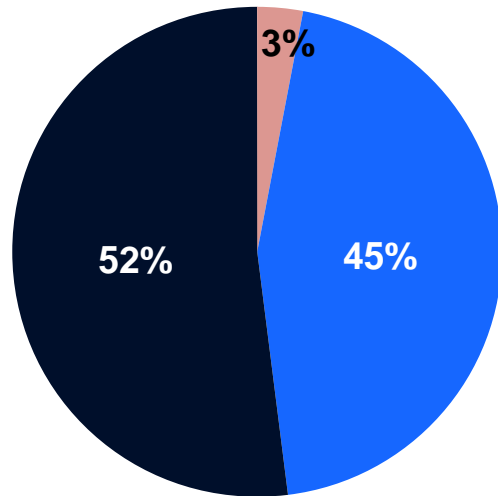
Which of the following sources of information do you believe is most influential when consumers are researching and receiving advice about getting a mortgage?

	Total	Larger Institutions (L)	Mid-sized Institutions (M)	Smaller Institutions (S)	Mortgage Banks (M)	Depository Institutions (D)	Credit Unions (C)
N=	190	58	66	66	73	75	38
Real estate agent(s)	34%	41%	29%	33%	46% ^{D, C}	24%	29%
Mortgage lender(s)	24%	25%	27%	19%	19%	27%	24%
Family and friends	21%	15%	17%	30% ^L	18%	20%	30%
Websites like Zillow, realtor.com, or credit management sites	12%	11%	12%	12%	10%	17%	6%
Social media	5%	7%	9% ^S	0%	6%	4%	7%
Mass media	2%	0%	3%	2%	1%	3%	0%
Apps on a mobile device	2%	0%	2%	5%	0%	4%	4%
Financial planners and advisors	1%	2%	0%	0%	0%	1%	0%
Government agencies	0%	0%	0%	0%	0%	0%	0%
Non-profit housing counselors	0%	0%	0%	0%	0%	0%	0%

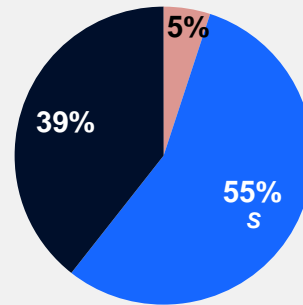


Successful Customer Service (by Lender Size and Lender Type)

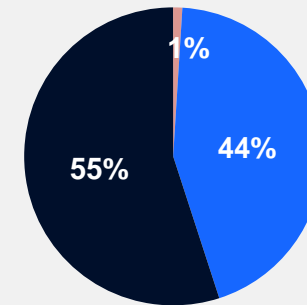
In your view, how successful is your firm in providing the best customer care (for your mortgage business), compared with your competitors?



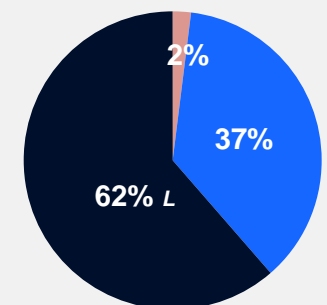
Larger Institutions (L)
N= 55



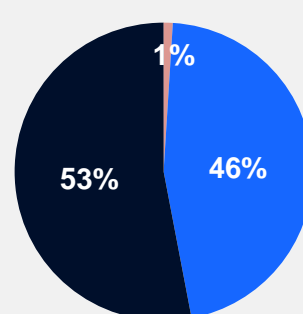
Mid-sized Institutions (M)
N= 62



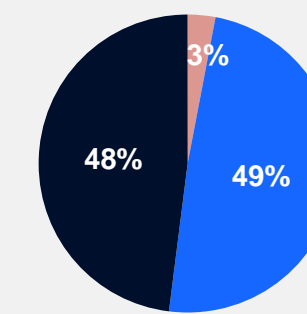
Smaller Institutions (S)
N= 65



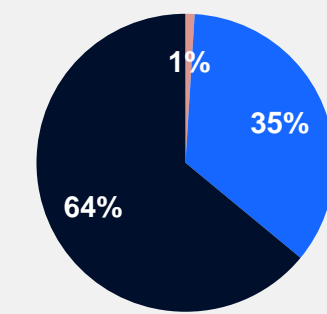
Mortgage Banks (M)
N= 69



Depository Institutions (D)
N= 72



Credit Unions (C)
N= 37



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Major Reasons for Firms' Providing the Best Customer Care for Their Mortgage Business (by Lender Size and Lender Type)

Which of the following factors, if any, are the major reasons for your firm's success in providing the best customer care for your mortgage business? Please choose up to two factors and rank them in order of importance.
Showing % ranked Most Important and 2nd Most Important.

	Total	Larger Institutions (L)	Mid-sized Institutions (M)	Smaller Institutions (S)	Mortgage Banks (M)	Depository Institutions (D)	Credit Unions (C)
N=	178	52	62	64	68	70	36 ^M
Having a customer-centric culture	58%	60%	58%	56%	52%	55%	73%
Having an overall customer-service strategy	27%	22%	26%	32%	16%	32% ^M	38% ^M
Having an alignment between organizational structure and customer service goals	26%	29%	26%	22%	26%	27%	25%
Having senior management's interest or buy-in	22%	36% ^{M, S}	17%	11%	28%	15%	14%
Having technology infrastructure/systems	19%	20%	21%	16%	21%	19%	15%
Capability in finding or retaining talent	19%	13%	15%	28% ^L	19%	21%	18%
Having employee empowerment	18%	10%	18%	25% ^L	19%	20%	14%
Having budget/resources	4%	4%	8%	2%	5%	4%	4%
Focus on long-term profit	4%	3%	4%	3%	3%	4%	0%
Having a proven business case (ROI)	2%	0%	4%	4%	2%	4%	0%
Capability in unifying different sources of customer data	1%	2%	0%	2%	3%	0%	0%
Other	0%	0%	0%	0%	0%	0%	0%

L/M/S - Denote a % is significantly higher than the annual loan origination volume group that the letter represents at the 95% confidence level
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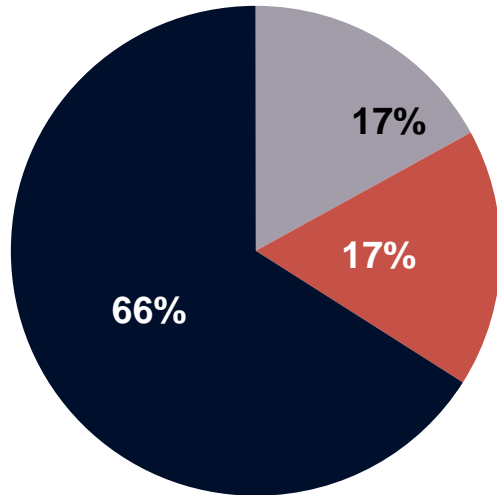
Customer Service Metrics (by Lender Size and Lender Type)

Does your firm have customer service metrics that it regularly tracks?

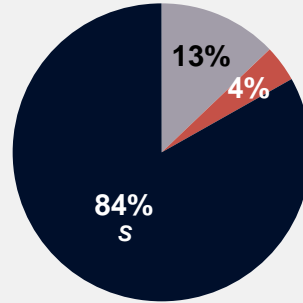
Yes

No

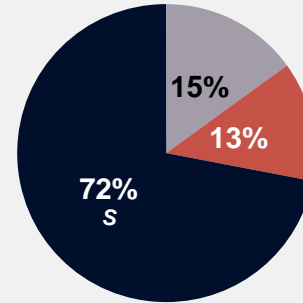
Unsure



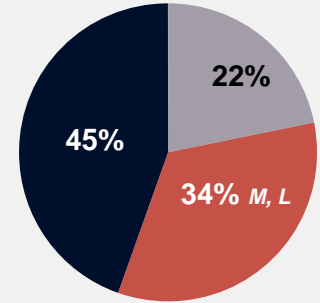
Larger Institutions (L)
N= 55



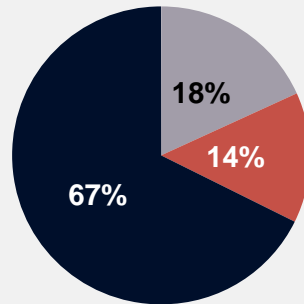
Mid-sized Institutions (M)
N= 62



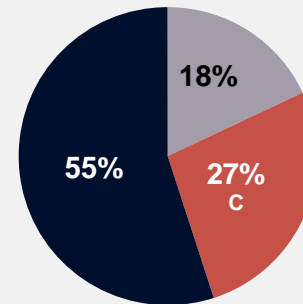
Smaller Institutions (S)
N= 65



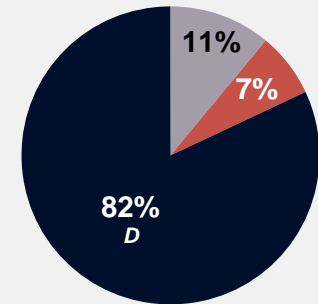
Mortgage Banks (M)
N= 69



Depository Institutions (D)
N= 72



Credit Unions (C)
N= 37



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Customer Service Priorities (by Lender Size and Lender Type)

Which of the following are your firm's top customer-care priorities for your mortgage business? Please select up to two of the most important priorities and rank them in order of importance.

Showing % ranked Most Important and 2nd Most Important.

	Total	Larger Institutions (L)	Mid-sized Institutions (M)	Smaller Institutions (S)	Mortgage Banks (M)	Depository Institutions (D)	Credit Unions (C)
N=	182	55	62	65	69	72	37
Personalizing services/interactions	62%	49%	67% ^L	69% ^L	58%	61%	72%
Proactively anticipating customer needs	41%	49%	40%	34%	42%	44%	31%
Investing in new customer-service technologies	35%	43%	27%	35%	31%	38%	35%
Striving for first-attempt resolution	34%	29%	36%	38%	31%	34%	42%
Managing labor cost	17%	23%	18%	11%	19%	18%	7%
Encouraging customer self-service (reduce personal communications via phone and in-person)	10%	9%	10%	10%	15%	5%	11%
Other	0%	0%	0%	0%	0%	0%	0%

*L/M/S - Denote a % is significantly higher than the annual loan origination volume group that the letter represents at the 95% confidence level
M/D/C - Denote a % is significantly higher than the institution type group that the letter represents at the 95% confidence level*



Live Chats and Chatbots (by Lender Size and Lender Type)

For your company website, is there a live chat functionality?

	Total	Larger Institutions (L)	Mid-sized Institutions (M)	Smaller Institutions (S)	Mortgage Banks (M)	Depository Institutions (D)	Credit Unions (C)
N=	136	42	48	45	54	49	31
Yes	25%	24%	32%	18%	29%	23%	19%
No	65%	62%	59%	73%	58%	68%	70%
Don't know/Not Sure	11%	14%	9%	9%	13%	8%	10%

For live chat, does your firm use chatbots?

	Total	Larger Institutions (L)	Mid-sized Institutions (M)	Smaller Institutions (S)	Mortgage Banks (M)	Depository Institutions (D)	Credit Unions (C)
N=	34	10	16	9	16	12	7
Yes	11%	0%	13%	22%	13%	0%	29%
No	60%	65%	65%	44%	65%	65%	43%
Don't know/Not Sure	29%	35%	23%	33%	23%	35%	29%

L/M/S - Denote a % is significantly higher than the annual loan origination volume group that the letter represents at the 95% confidence level
M/D/C - Denote a % is significantly higher than the institution type group that the letter represents at the 95% confidence level



Question Text

- qR210. Which of the following sources of information do you believe is most influential when consumers are researching and receiving advice about getting a mortgage?
- qR211. Does your firm directly interact with borrowers/consumers on mortgage inquiries, loan applications & processing, or servicing of mortgages?
- qR212. Does your firm have customer service metrics that it regularly tracks?
- qR213. Could you share some examples of customer service metrics that are regularly tracked at your firm?
- qR214a/b. Which of the following are your firm's top customer-care priorities for your mortgage business? Please select up to two of the most important priorities and rank them in order of importance.
- qR215. In your view, how successful is your firm in providing the best customer care (for your mortgage business), compared with your competitors?
- qR216a/b. Which of the following factors, if any, are the major reasons for your firm's success in providing the best customer care for your mortgage business? Please choose up to two factors and rank them in order of importance.
- qR217a/b. Which of the following factors, if any, are barriers for your firm in providing the best customer care for your mortgage business? Please choose up to two factors and rank them in order of importance.
- qR218. Listed below are some channels companies use to serve customers. Which channel(s) does your firm currently use to respond to customer inquiries and provide customer service for your firm's mortgage business? Please select all that apply.
- qR219. For your company website, is there a live chat functionality?
- qR220. For live chat, does your firm use *chatbots*?
- qR221. Among the channels your firm uses to serve customers for mortgages, which channel do customers most often use to communicate with your firm?
- qR222. Why do you think your customers like to use {insert answer} when interacting with your firm regarding mortgages?
- qR223. You indicated that your firm currently uses both person-to-person (e.g., phone or in-person) channel(s) and digital channel(s) to provide customer service. Which of the following describes your firm's channel strategy moving forward for customer care?
- qR224. To what extent are there conflicts between person-to-person and digital channels in terms of business priorities at your firm?
- qR225. You indicate that your firm currently uses a digital channel(s) such as company website, social media, or mobile app to provide customer service. Which of the following statements best describes the goal of your firm's digital customer service?
- qR226. On a scale from 1 to 10, where 1 is "very poor" and 10 is "excellent," how would you rate your organization's omni-channel (person-to-person and digital) strategy to provide seamless customer service?
- qR227. What challenge has your organization faced when trying to deliver a seamless omni-channel customer experience?
- qR228. Could you share your firm's best practices in delivering a seamless omni-channel customer experience?
- qR229. When it comes to customer service, how important do you feel the role of person-to-person communications will be in the future compared to today?