

# 6 secrets of success

Top mortgage brokers share the strategies that helped them build lasting business success



# Get set for success

Success isn't only about who you are – but also what you do. That's why we asked six of the industry's leading mortgage brokers to share their insights on creating and maintaining a successful career.

The brokers we spoke to work across Australia, serve different types of clients and employ a range of business models. They revealed to us the strategies that have helped them thrive in this competitive industry and the learnings they gathered along the way.

We've identified six secrets you can use to create a successful career of your own.



**3700+**

Connective members

**\$135  
billion**

Loan book

**22%**

Of brokers in Australia aggregate through Connective

**1 in 8**

Home loans in Australia is written by a Connective broker



# Contents

<b>Secret 1: Work smarter, not harder</b>	4
Will Foster, Director of Foster Finance	6
<hr/>	
<b>Secret 2: Don't be complacent with compliance</b>	9
Chris Hazell, Director and Senior Finance Consultant at Bespoke Finance Group	12
<hr/>	
<b>Secret 3: Partner with others to grow your business</b>	16
Paul Eadon, Mortgage Planner at Eadon Home Loans	19
<hr/>	
<b>Secret 4: Use marketing to drive consistent growth</b>	22
George Samios, Founder Madd Loans	24
<hr/>	
<b>Secret 5: Expand your services</b>	28
Kirsten Nazzari, Managing Director, Soul Finance	32
<hr/>	
<b>Secret 6: Create a winning team</b>	33
Laura Sillano, Owner, POD Financial	35
<hr/>	
<b>Your checklist for success</b>	39

# Secret 1

# Work smarter, not harder

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## How to achieve efficiency success

- ✓ Look closely at any activities that take you a long time to complete – and consider where improvements can be made.
- ✓ Use automated features like SMS notifications to stay in touch with clients and improve their experience.
- ✓ Use services, systems and tools that allow you to automate repetitive tasks.



# Why efficiency matters

There's a good reason why companies across all industries place great emphasis on improving their business processes. Businesses that simplify, streamline and automate routines reduce the potential for error, increase efficiency and provide better quality service. Which all leads to a better experience for clients – and potential cost savings for your business.

Connective brokers agree that efficient processes are vital to success. A recent member survey revealed that time spent on administration and compliance is the biggest source of frustration – particularly for new brokers – and our support to create efficient processes using Mercury is an integral part of the value they receive by joining Connective.<sup>1</sup>

## Set yourself up for success

According to research undertaken by Connective, our most successful brokers are the ones who embrace Mercury early and habitually use its advanced features.<sup>2</sup>

## Automate tasks to increase your productivity

Operating a broking business involves numerous repeatable processes: marketing, lead generation, communicating with clients at each milestone, building relationships with clients, managing your business and staff, generating compliance documentation and ensuring the safety of your clients' data. Automating these tasks can help to:

- ✓ Reduce the incidence of human error – so you can ensure tasks are done accurately, every time.
- ✓ Create cost savings by eliminating processes that are time-consuming or don't work.
- ✓ Track productivity for yourself and your staff.
- ✓ Standardise actions, making it easier to train new staff and manage their tasks.
- ✓ Measure the time it takes to complete tasks, so you can manage your time and eliminate unprofitable activities.
- ✓ Improve the client experience by ensuring all clients receive the same high-quality service.

If you standardise your processes, you'll find it much easier to measure factors like time, cost and the quality of service you're providing to your clients. This will help you to understand where improvements can be made.

There are many systems and tools that have been designed to help make your workday more efficient. For example, Connective's IT platform Mercury can help you keep track of your clients, compliance documents and commission payments, as well as assisting with calculations and client communications. You can also subscribe to our Digital Marketing Hub to automate many aspects of your marketing and client communication program – right down to sending them automated text messages on their birthday.

<sup>1</sup>Evolve Research, Connective Broker Retention and Value Final Report, 2017.

<sup>2</sup>Evolve Research, Connective Broker Retention and Value Final Report, 2017.



## Will Foster

Director of Foster Finance

# How standardised processes help increase efficiency and business success

## The business at a glance

<b>Business focus</b>	Residential home loans – 75 per cent owner-occupied, plus investment loans	
<b>Specialisation</b>	Integrated advice and education on building investment portfolios	
<b>Key clients</b>	White-collar, PAYG clients	
<b>Number of staff</b>	6	
<b>Key metrics (settlements per year)</b>	2013:	\$60 million
	2015:	\$80 million
	2017:	\$120 million
	2018:	\$130 million

Will Foster set up Foster Finance in 2012. Since then the business has grown steadily, recording \$130 million in settlements in the last financial year alone. Will's goal is to grow to \$250 million in settlements per annum over the next five years.

Foster Finance operates from three separate locations, with three staff in the Sydney office, another working from home and two in Nepal. For the team to be able to work together successfully, their business processes need to be standardised and as efficient as possible.

But what's most important, according to Will, is the impact that process efficiency has on his clients. *"More efficient processes mean a better client experience – which leads to repeat business and referrals,"* he said.

*“Mercury has completely automated everything we do.”*



# Making the most of technology



Will's team all work from three screens: one with Outlook and the second with Dropbox, which allows them to share documents across different locations in real time. The third screen has Connective's IT platform Mercury, which runs everything else.

*"Mercury holds everything we do which relates to clients – so it also helps us to manage compliance. It's stored in the cloud and updated in real-time, so the information is always current. Mercury has completely automated everything we do."*



Will and his team store all their working client notes – such as the loan amount, banker and income details – in Mercury's notepad area, which provides a real-time snapshot of where each client and their loan is at. The team also use Mercury to process loans from multiple locations in real time.



*"Emily can put together an online loan application in Nepal. I can then use Mercury to check it while I am in Sydney and return it to her to prepare the supporting documents," he explained. "We're now also using Google Hangouts a lot. This is a video conferencing app that lets us have a face-to-face meeting every day with our support team in Nepal. We're also using it to meet with clients who aren't in Sydney or don't have time to come to the office."*

Mercury's recording tools allow Will to keep an eye on his business' numbers and use insights from the data about conversions, leads or settlements to manage staff more effectively.

Will also uses Mercury to store client information and third-party contact details centrally, so it's easy to connect clients with other professionals during the home-buying process. He said that Mercury also simplifies compliance processes.

*"We keep careful notes about every client meeting and every step of the process, and we store them in Mercury. This means that if something goes wrong, we've got a clear record of what was said so we can cover ourselves."*

# Enhancing the client experience

Will points out that buying property is an incredibly stressful process – and one that most people only experience a few times in their lives.

*“Most people have no concept of what goes into that purchase from the time they buy it at auction, to the time they sell,” Will said. “They’re thinking about what they need to do to the place before they move in and how they’re going to sell their own place. So, the last thing they need to worry about is the finance and whether they’ve given the solicitor everything required.”*

Because Will has developed quick and efficient systems with automated tasks, he can spend more time supporting his clients. It also enables him to explain each step that they need to take – and give clients an accurate timeframe.

*“This takes a lot of the unknowns out of it – and makes it far less stressful for the client.”*

## Will's top three tips for using Mercury to increase business

- 1** Use Mercury's task templates to create an automated task every time a loan application moves to the next stage. For example, when a loan is unconditionally approved:
  - Mercury triggers a text message to clients confirming their success and telling them to check their email.
  - It then sends the client an email, providing further details.
  - Finally, it sets tasks for staff to follow up. This saves time and ensures new staff follow the process correctly.
- 2** Mercury's email templates for standard communications – such as welcoming new clients or notifying them about the status of their application – can help you provide clients with professional, accurate and clear communications.
- 3** Regularly check the product catalogue in Mercury – it's updated hourly, so you can be confident that your recommendations to clients are using the most current information.

### Useful resources

- CRM overview
- Mercury Wiki



Secret  
2

# Don't be complacent with compliance

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## How to achieve compliance success

- ✓ Embed compliance into your everyday business processes.
- ✓ Automate compliance processes wherever possible.
- ✓ Use compliance to benchmark your customer service standards.
- ✓ Keep a positive attitude towards compliance.
- ✓ Put the customer at the core of everything that you do.



# Spotlight on compliance

If you've been in the industry for a while, it's likely that you're spending more time on compliance than ever before. That's largely because of increasing regulation across the finance sector – and more media attention as a result.

ASIC's 'Review of Mortgage Broker Remuneration' and the Productivity Commission's 'Competition in the Australian Financial System Report' have brought scrutiny to the way mortgage brokers are remunerated, as well as raised questions about the integrity of some of the processes used in our industry.

## How do you measure value?

Most brokers of established firms measure value as 'saving time' and 'the efficiency of business processes and compliance' rather than finding revenue.<sup>3</sup>

In 2018 the Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry also put Australia's financial services sector under the microscope. Since the release of the Royal Commission's Final Report in 2019, our industry has been constantly under the nation's spotlight, and there has been a lot of discussion about the future of mortgage broking.

Whilst Connective is supportive of the Royal Commission in principle, we believe many of the recommendations made in the Final Report in relation to the mortgage broking industry are fundamentally flawed. In our opinion, they will do more harm to borrowers and competition than they will to address any perceived issues within the mortgage broking industry.

Connective has always been an advocate for mortgage brokers, and we will continue to work with our brokers to put their customer's needs first. Throughout the Royal Commission we have taken a leadership position within the industry and continue to stand side by side with our brokers. We have spoken out against change that will adversely affect everyday Australians, impact choice and competition, and drastically affect the livelihood of the 27,000 full time jobs in the mortgage broking industry.

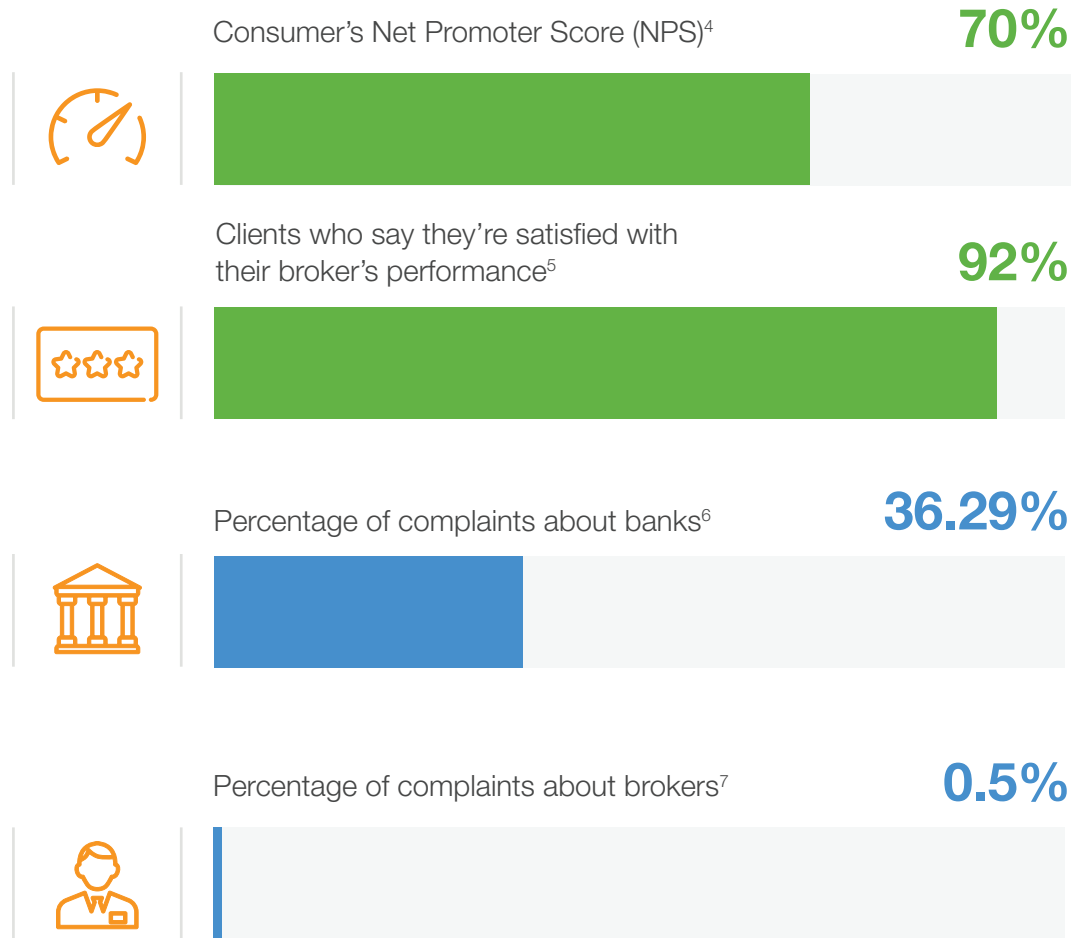
Compliance standards and regulations are there to help protect you and your clients. Introducing better transparency and accountability will ensure our clients get the great service they deserve – and strengthen their trust in your services – while improving the position of mortgage brokers. This keeps our industry resilient and helps make sure we're around for the long haul.

## Has the negative press about mortgage brokers been justified?

According to the MFAA and the Australian Financial Complaints Authority (AFCA), brokers received significantly fewer complaints compared to the banks. Overall, clients were very satisfied with their brokers.

<sup>3</sup>Evolve, Broker Retention and Value Final Report, 2017

# How do clients feel about their brokers?



<sup>4</sup>MFAA, Mortgage broking through a different lens: Industry defence, June 2018.

<sup>5</sup>Consumer access to mortgages report, Jan 2019.

<sup>6</sup>Australian Broker interview with AFCA, December 2018: Complaints about brokers less than 0.5 per cent

<sup>7</sup>Australian Broker interview with AFCA, December 2018: Complaints about brokers less than 0.5 per cent

## Managing your compliance obligations

It's great news that our clients appreciate the work we do. However, this doesn't mean we can be complacent about compliance.

Meeting compliance obligations is time-consuming – and time is money. So, you need to find ways to manage your compliance cost-effectively. One way to do this is to use the efficient, automated compliance processes in Mercury so you can embed them into your everyday business activities, rather than allowing them to become an after-thought or an extra task that can easily be forgotten. Keeping a positive attitude towards compliance and regulatory change is also important.



## Chris Hazell

Director and Senior  
Finance Consultant at  
Bespoke Finance Group

# Why compliance and outstanding client service go hand-in-hand

## The business at a glance

<b>Business focus</b>	Finance and lending, financial planning and property investment
<b>Specialisation</b>	Residential mortgages – home loans and investment loans
<b>Key clients</b>	Young professionals who will grow with the business
<b>Number of staff</b>	7
<b>Key metrics</b>	<ul style="list-style-type: none"><li>• Marketing strategies</li><li>• Client engagement</li><li>• Client satisfaction</li><li>• Volume-based settlements</li></ul>

Chris Hazell is no stranger to success. He was listed in *The Adviser* magazine's 'Top 30 Under 30 finance brokers in Australia' for three years running, and he won Connective WA's 'Broker of the Year' twice. He is currently the Director and Senior Financial Consultant at Bespoke Finance Group, which he set up with business partner and financial planner, Carl Maiorana, in 2012.

Well known for his diligent attitude towards compliance, Chris believes strong and consistent processes are the secret to staying on top of his obligations. He says they also help him give his clients exceptional service – and leave him with more time to spend on his business.

*We don't think of compliance as onerous. We integrate it into our sales process and it becomes one and the same. It's showing value to our clients – and ensuring we do the right thing.*



## Embedding compliance into every step

Bespoke Finance's client service processes are designed to keep clients happy, while fulfilling compliance requirements at each step. For instance, every new client receives an appointment confirmation email containing a credit guide, needs analysis questionnaire and other required information. The email demonstrates to the new client that their broker is well prepared. Then, once it's sent, it's uploaded into Connective's IT platform Mercury to meet Bespoke Finance's compliance requirements.

Every piece of documentation Chris and his team send to a client gets uploaded to Mercury. This gives them a clear audit trail of every document that's been collected, sighted or signed and details of every loan a client has applied for.

*"From the first time we speak with a client, all their information – contact details, the referrer and everyone involved in the opportunity – goes into the Opportunity file in Mercury,"* Chris explained.

Once a client confirms an appointment, a sequence of automated Mercury tasks consistently follow-up through lodgement, conditional approval, settlement and post-approval. Bespoke also has one-week, one-month and one-year task reminders set up in Mercury, so they never forget to fulfil their compliance duties and provide fantastic customer service at the same time.

## Keeping up with industry changes

Despite having these strong processes, Chris acknowledges that keeping up with industry changes can be challenging – and it isn't likely to get any easier.

*"Some industry veterans talk about when everything was easier and compliance didn't exist,"* he said. *"As long as I've been in the industry, the rules have been constantly changing. The housing market of Australia is a big industry, so of course it's constantly going to be reviewed."*

Chris sees professional development days as a great way to keep abreast of changes to regulator and lender policies, and he also reads voraciously – including Connective’s Lender News blog.

*“Instead of seeing the updates that come into your inbox as something onerous, read through them,” he said. “Make sure you’re up to date with everything. Keep open lines of communication with all of the industry bodies, the MFAA, your BDMs and your aggregator.”*

While Bespoke Finance has its own Australian Credit License, Connective also helps the business with compliance meetings and reviews whenever requested, to ensure the business is operating in line with industry and Connective compliance recommendations.

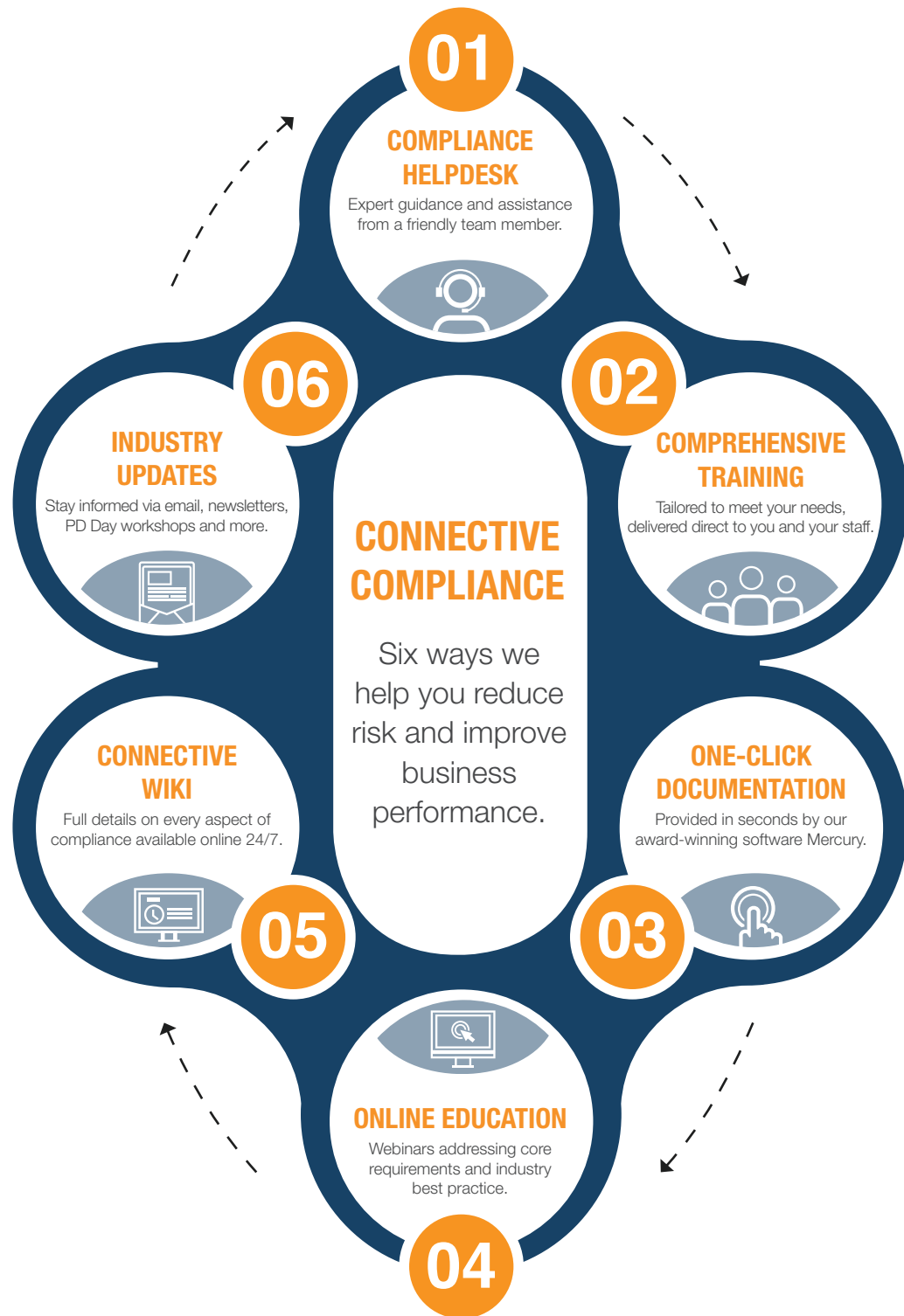
*“The team at Connective is always happy to speak with us about what we’re doing, and the systems that we’ve designed,” Chris said. “It’s a great group to be a part of.”*

### Chris’s top 3 tips for staying on top of compliance

- 1** Read everything that your aggregator sends you – and stay up to date with regulator and lender policies, so you’re always on top of changes in the industry.
- 2** Give Business Development Managers from banks and financial institutions your time and respect. *“Your BDMs are business partners, so it’s a two-way street,”* Chris said. *“They’ll be grateful that you’ve taken an hour out of your day to meet with them – and they’ll offer you the same courtesy.”*
- 3** Understand each step of your business process, automate wherever possible and refine processes regularly. This will make compliance tasks easier and ensure that no client ever gets lost or forgotten.

# How Connective can help you stay compliant

Source: Connective website 'Compliance made easy.'



## Useful resources

- Household Living Expenses eBook
- Best Practice Interview Questions Guide
- Compliance Document Requirements at Glance
- Connective Broker Resources: 'HEM – it's a thing of the past'

# Secret 3

## Partner with others to grow your business

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### How to achieve partnership and referral success

- ✓ Establish a strong value proposition so you can describe your business to potential partners, as well as clients.
- ✓ Learn how to network well – and do it often.
- ✓ Choose your partners wisely to protect your business and your reputation.





# How to partner with other businesses – so you can grow yours

Looking for opportunities to partner with others is a great way to generate leads and, for many brokers, referral partners are one of their largest lead sources. Your potential partners may be professionals you have used yourself, businesses who work near your office, or professionals that you meet through joining your local chamber of commerce or other community organisation. Your own accountant or financial planner is often a great place to start. Another way to find potential partners is to ask your best clients for recommendations.

Partnering with other housing and finance markets specialists – such as property managers, accountants, financial advisers and conveyancers – allows you to draw on their specific skillsets and expand the services you're able to offer your clients. This gives you a better client value proposition and leads to more satisfied clients, which builds loyalty and retention.

You may also consider sharing customer databases as a simple and cost-effective way to quickly expand your reach and grow your business. However, it's essential that you ensure you are compliant with legal regulations around this before you start emailing someone else's clients – ensure you and your partner's privacy policies cover sharing customer information and sending marketing communications to each other's customers.

There are many ways to partner with other professionals. You can set up a referral arrangement, which can become a steady source of quality leads and clients, or you can enter a more formal partnership with a business that complements yours. No matter how you set it up, it's important to make sure you choose the right partner.

Connective's Compliance Team have seen a growing number of cases where a broker's business has been put at risk by a referral partner, or worse yet, a case where a broker has had to leave the industry due to the fraudulent activity of a referral partner.

These 'bad' referral partners have the broker take all the risks, particularly when seeking to submit non-genuine supporting documentation or client information to lenders. Importantly, they are often doing so because they can no longer be a broker themselves for legal reasons.

## Choosing a referral partner

Here are some steps you should take before entering a referral partnership with another business:

- Complete thorough research and background checks for every prospective partner.
- Peruse their website and social media sites.
- Look for customer reviews and ratings.
- Meet them at their business premises to make sure they are legitimate.
- Find out how long they have been in business.
- Ensure their ethics and standard of customer service aligns with yours.
- Search for their business name in the ASIC Banned and Disqualified Register.
- Ask around to see if anyone knows of the business or person you would be dealing with.
- Put a Referral Agreement in place that clearly defines the roles and responsibilities of both parties.

## Giving and accepting referrals

Once you have done all your due diligence and entered into a formal referral partnership with someone, you can start giving and accepting referrals. However, it's important to remember that no matter where your client comes from, you need to be compliant.

According to the Connective Compliance Team, after a client is referred to you, the client is yours and you need to fulfil all your Responsible Lending obligations when providing credit assistance. The referrer's role is limited to providing you with the client's name, contact details and possibly a high-level description of their purpose for seeking a loan. Ensure you independently collect and verify all information regarding the client's financial situation. If any of the supporting documents are prepared by the referrer, such as financials from an accountant, ensure you get third party verification of the information. As an example, an ATO Tax Assessment would be suitable.

Ensure you look for any red flags – particularly on the first few referrals with a new partner – so you can get a feel for the type of client your partner is referring and the way they conduct their business. If you have concerns, you can always cease the referral partnership.



## Paul Eadon

Mortgage Planner at  
Eadon Home Loans

# How partnering with others has grown Eadon Home Loans

## The business at a glance

<b>Business focus</b>	Home loans, real estate (sales and property management)
<b>Specialisation</b>	About 70 per cent of the book is owner-occupied lending, with the remaining 30 per cent a mix of investment and commercial lending
<b>Key clients</b>	Mums and dads
<b>Number of staff</b>	8
<b>Key metrics</b>	<ul style="list-style-type: none"><li>• Client retention</li><li>• Month-to-month targets with small goals and increases</li></ul>

After many years as a Credit Union employee, Paul Eadon realised that his remuneration wasn't reflecting the value of his work. So, he decided to go out on his own as a Connective broker – a decision he's never regretted.

Eleven years on, Eadon Home Loans has moved from being a small start-up to one of South Australia's largest and most successful mortgage brokerages. What really sets Eadon Home Loans apart, is a business model designed to meet the needs of families – saving them time and hassle by providing everything they need to become a homeowner in one place. Even the office is set up to cater to families, providing a large playroom for children to keep them happy while their parents meet with a broker.

*I liked the idea of having and creating our own brand, rather than going with an established one... We've now got a trail book from the real estate business, which provides a valuable commission.*



## Creating a business model for families

In 2013, Paul and another broker, David Kennewell, took the opportunity to buy a ready-made real estate business. They ran the business together and learned valuable lessons from the experience. Then in 2016, they created their own brand, Living Real Estate, with two property managers, two sales staff and introduced another partner, the principle of the newly formed business Tim Tierney.

In 2017, Paul bought a three-storey building in the Adelaide suburb of Brooklyn Park. They now have a lawyer, accountant, builder and conveyancer on site, in addition to their licensed real estate agent, property managers and of course, the brokerage business.

*"We also offer financial planning and insurance through a joint venture," Paul added.*

## Strengthening the client value proposition

By providing real estate products and services internally, Paul can control quality and ensure his clients experience a personalised, caring service from start to finish. Providing these extra services also benefits his clients because he can offer them everything they need in one place.

*"A client recently approached us for a mortgage for a property she wants to buy," Paul said. "We passed her details onto the agent, who researched the property for her and will go with her to the inspection. The agent is also going to sell her current home. So, by coming to us for a mortgage, the client now has someone to help her with the whole process."*

## A unique way of generating leads

Generating leads can be hard work. Research undertaken by Connective and the MFAA found that 65 per cent of young brokers put lead generation as their biggest challenge. It's not surprising that Paul has gone to such great lengths to create business partnerships which generate leads from a variety of sources.

Partnering with other specialists means Paul can be self-sufficient. Because many real estate agents have their own broking business, it's difficult as an outside broker to build a relationship with them. Having his own agents gives Paul's business greater security and means he can generate his own leads.

What's more, having a range of specialists under the one roof means the different business streams can work together and share clients more easily – benefiting both the business and enhancing the client experience.

*“If a client comes in for a mortgage but has a conveyancing question, I can have a chat with the conveyancer and give them an immediate answer,” Paul said. “This means we can act quickly, which benefits our clients.”*

### Paul's top three tips for offering extra services and partnering with others

- 1** One way to build client loyalty is to offer them extra services. *“We provide a great financial planning service, insurance, agents and property managers,” Paul said. “My clients are getting everything they need from our business, so they don't need to go elsewhere.”*
- 2** If you don't want to bring everything in-house, consider a joint venture with other established businesses so you can remain focused on what you do best - broking.
- 3** Before you partner with another business, do your research and due diligence thoroughly: check their financials such as income statements, balance sheets, profit and loss records, tax returns and credit arrangements; review minutes of director and management meetings; check if the business has been involved in legal proceedings; look into their reputation and talk to any other businesses that it partners with. Speak with your aggregator compliance team for tips on partnering in a way that will protect your business.

#### Useful resources

- Connective Broker Resources: 'Referral Partners – are you doing it right?'
- Connective Broker Resources: 'Compliance tip of the week – Referral Agreements'

*My business is about educating families to become homeowners and being there for the long-term. We've got a simple quote sheet that we've followed for the last 11 years. That's largely why we keep our clients and add to that client base regularly.*

**– Paul Eadon, Eadon Home Loans**

# Secret 4

# Use marketing to drive consistent growth

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## How to achieve marketing success

- ✓ Build your brand's reputation through rhythmic, consistent marketing activities.
- ✓ Become known in your local community using local area marketing techniques.
- ✓ Enhance word-of-mouth referrals with a strong social media presence.
- ✓ Use a variety of marketing strategies and channels to generate leads.
- ✓ Consider running seminars and workshops together with your referral partners.



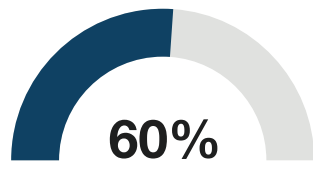
## Why your marketing strategy should speak to your clients' needs

Our industry is strong, but it's also competitive. Over the five years to 2018, the broking sector grew 5.3 per cent and generated \$2 billion in revenue.<sup>8</sup> Forty-four per cent of professionals earning \$70,000 – \$250,000 per annum prefer to use a broker when applying for a home loan.<sup>9</sup>

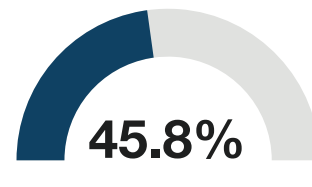
Marketing campaigns can help you to stand out in a crowded marketplace, but to be successful you need to make sure your campaign appeals to your clients' needs and desires. So, what do clients really want?

A recent survey<sup>10</sup> revealed that consumers choose mortgage brokers because they believe they are most likely to get the best loan for their needs and that mortgage brokers deliver the widest choice of products.

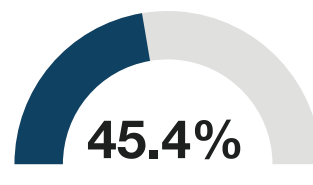
In order of the most selected options in the survey, consumers choose to use a mortgage broker because:



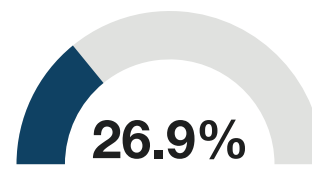
**believe they are most likely to get the best loan for their needs**



**believe it is the most convenient channel to get their desired outcome**



**believe they will get the widest choice of products that are available**



**believe they stand the best chance of getting their loan approved by using a broker**

While many clients use online tools and services to shop for a home loan, the survey also revealed that most want the added personal support that a broker provides. Clients are more likely to work with a broker they know or that friends recommend than someone they find online. That's why a great client experience can turn out to be a broker's best marketing tool.

### The need for support

The MFAA Young Professional report found that almost two in three brokers wanted more support in lead generation and marketing.<sup>11</sup>

<sup>8</sup>BISWorld, Mortgage brokers – Australia Market Research Report, 2018.

<sup>9</sup>KPMG, The Australian Home Loan Market – Survey analysis, 2017.

<sup>10</sup>Squarespace: Consumer access to mortgages report 2019.

<sup>11</sup>MFAA, Young Professionals Report, 2017/2018



**George Samios**

Founder Madd Loans

# How marketing drives business growth

## The business at a glance

<b>Business focus</b>	Home loans, property investment loans
<b>Specialisation</b>	Queensland property
<b>Key clients</b>	Community of South Brisbane, Greek community and Villanova College
<b>Number of staff</b>	10
<b>Key metrics</b>	<b>Leads:</b> Mostly generated by customer referrals.

From starting his own mortgage broking business at just 23 years of age, George Samios has built an impressive career as a multi-award-winning broker. As a Connective member since 2013 and the outset of his business, George has won several Connective Excellence Awards, featured frequently in the MPA Top 100 and Young Guns lists and has received many other accolades, including multiple Better Business Awards, MFAA Excellence Awards and Australian Mortgage Awards.

George's marketing program is a stand-out amongst Connective brokers, working across multiple channels including amazing signage for the office, branding on cars and at events, some outdoor advertising, and of course social media.

George also has a great PR strategy and takes advantage of free exposure in the local media whenever he can - he has even been known to pose stunts to get media attention. He's recently returned from a fishing competition on the Great Barrier Reef where he gained exposure by winning his category and catching the biggest fish.

In everything he does, George's love of life and sense of fun is a feature. One of the great things about Madd marketing is the way it uses humour to engage audiences and create cut-through – often featuring well-known Australian comedy legend, Vince Sorrenti, for example.





## Building brand reputation through marketing

*"Madd is a high energy business entirely focused on the customer and the customer experience. We're different from other mortgage broking businesses because we focus on getting the consumer to engage with the brand." George says.*



*"Creating high visibility and good branding for the business promotes customer confidence and trust. We genuinely want the customer to have a happy experience and this is our main message. There's a lot of competition in our local market, so it was very important right from the start to find a way to stand out from the crowd."*



*"I'm a high energy kind of guy and the brand that I've created really reflects my personality and sense of fun. I think this is very attractive to customers who are not just looking for a reputable company they can trust – they're looking for someone they can have a personal relationship with, someone they know who will go that extra mile" says George.*



*We ensure the experience the customer has when doing business with us is a 'Madd experience' from start to finish*

## Creating a high-visibility marketing mix

The Madd marketing strategy uses a creative mix of multiple avenues to obtain high visibility for both George and the Madd brand. In 2018, most of the focus was on being visible and connecting at the grass-roots community level.

To get the brand out there, Madd used paid advertising bill-boards and bus advertising and branded their fleet of company cars. The Madd Minis are constantly promoting the brand simply by driving around on their day to day business. They can be parked at auctions, community events, local sporting events and outside exhibitions, providing excellent brand advertising exposure when and where it's needed.

Madd regularly hosts stands at the local Home Show and other relevant exhibitions. In 2018, they also sponsored a local community football team “The Hawks” and ran regular BBQs at matches to help raise money for the team. They also continued with their regular sponsorship of Panyiri – the annual Greek Festival in Brisbane, which they say is always a very effective way to expand their reach and brand exposure.

*“Coming from a Greek background, I already had a good network within the Greek community” says George. “Building on that is always fun and Panyiri is a big opportunity for us – as Greek Australians, we all share the same family-oriented value system and the same sense of humour, so I find it very easy to engage with them” he adds.*

## **Madd’s customer retention strategy**

Unlike many broking professionals, George does not hesitate to put himself out there. Since the commencement of Madd in 2013, he’s become somewhat of a local celebrity, with a dedicated following on Facebook, Instagram and Snapchat who love to follow his personal antics. Social media has proven to be a great way to build on that initial Madd relationship – continuing that Madd experience the customer enjoyed when first connecting with the business.

It’s a very effective method of keeping existing customers engaged – making them ongoing advocates of both George and the business, so they make a referral whenever the opportunity arises. For Madd, keeping customers engaged is a simple matter of keeping things relevant to their property buying needs and fun Queensland lifestyle.

This approach is fully supported by Madd’s use of their Connective Digital Marketing Hub (DMH) subscription, which provides relevant content directed at different segments of the Madd target audience. The DMH also allows the team to save time with automated communications which keeps the brand top-of-mind and supports their workshops and educational events. Customers also receive regular eDMs to service their existing loans, information on ways to save and much more, including automated birthday text messages for that personal touch.

*“We need to ensure our content is always on brand and relevant, to keep the customers engaged. The Connective Digital Marketing Hub makes that much easier to deliver.”*

## Madd Workshops

Madd's regular workshops include a first-home buyer's workshop and a first property investment workshop. These regular events are designed to educate people so they can proceed with confidence, building trust in the brand and the team's ability to help them achieve the outcomes they desire.

At the end of the day, great branding means nothing if it doesn't deliver on its promise. A great customer outcome and a fantastic experience from start to finish is how the Madd team make the whole thing work. Delivering relevant information and hosting their own workshops is just another great way to do this – proactively supporting their customer's home buying dreams and wealth building activities creates long-term customers who refer Madd to the family and friends they want to share in these benefits.

### George's top tips for effective marketing

- 1 Use social media to keep existing customers engaged, promote your successes and appeal to friends of existing clients.
- 2 Review your marketing campaigns regularly to learn from your mistakes – and find out which ones are bringing you the best results so you can do more of the same.
- 3 Attend Connective events regularly. Here, you can get specialised training and insights from industry experts about what works, and network with top-performing brokers to find out how they market their business and generate leads.
- 4 Automate what you can, like regular emails and newsletters sent via Connective's Digital Marketing Hub.

#### Useful resources

- Social media eBook
- Digital Marketing eBook

# Secret 5

# Expand your services

## How to achieve diversification success

- ✓ Include Connective's home-brand home loan offer to give your business a point of difference with an exclusive product range.
- ✓ Consider offering a wider variety of loan types that appeal to multiple market audiences to grow your reach, such as car loans.
- ✓ Add value for existing customers and aid in retention by catering for all their finance needs in one place, including insurance or asset finance.
- ✓ Take advantage of economic growth in other industries by expanding into small business and commercial lending.
- ✓ Offer other credit related services such as debt consolidation, budgeting and deposit/savings planning, or car and personal loan refinancing.



# Why smart brokers are offering a full range of loan options

If you're looking to grow your revenue, offering a related service may be the answer. In fact, many brokers are already implementing this strategy.

Brokers and mortgage broker groups are building their offerings in three ways:



**Launching white label mortgage products**



**Offering other types of finance in addition to home loans**



**Cross-selling insurance products, such as house and contents, packaged with a loan**

## Build a strong base with asset finance

Connective research found that one in four brokers who write more than \$1 million of loans each month also offer asset finance. Additionally, using Connective Asset Finance Services and BOLT has made writing asset finance loans so easy for brokers, that in 2018, we experienced a 75 per cent year-on-year increase in asset finance loan settlements.

Our own broker research suggests that offering extra services provides other sources of revenue and exposes brokers to more opportunities to build their client networks.<sup>12</sup>

## The appeal of asset finance

Connective surveyed our most experienced brokers for tips to help new brokers get a strong start in early 2018. One of their key pieces of advice was to incorporate the Connective Asset Finance and Connective Home Loans offers into the business early to increase turnover and revenue.

In recent years, the federal government's small business tax incentives have made asset finance an even more attractive proposition for brokers. Since 2015, businesses with turnover of less than \$10 million<sup>13</sup> have been permitted to write off the business portion of any asset they've bought that's less than \$20,000 – and in FY 2018/19 this figure was increased to \$30,000.

Providing loans for cars, computers, machinery and other business equipment can benefit you in several ways. Firstly, it can help you generate valuable cash flow. That's because asset finance deals can usually be turned around faster than a home loan. What's more, they frequently provide more revenue than home loans.<sup>14</sup>

Just as importantly, offering asset finance is a great way to build leads and get more referrals for mortgages.<sup>15</sup> In fact, Connective research found there was a direct correlation between asset finance and increased residential home loan volumes.<sup>16</sup>

Connective's asset finance processing platform BOLT makes it easy for all brokers to write asset finance. You can either look after the loan yourself, or request for the BOLT Team to look after everything – and then receive a split commission.

<sup>12</sup>Evolve Research, Connective Broker Retention Value and Final Report, 2017.



## Kirsten Nazzari

Managing Director,  
Soul Finance

# How diversifying can create referrals and build your client base

## The business at a glance

<b>Business focus</b>	Financing and residential
<b>Specialisation</b>	70 per cent residential loans, 30 per cent other loans
<b>Key clients</b>	First home buyers, residential and commercial property buyers
<b>Number of staff</b>	5 (4 brokers and 1 marketing specialist)

After a 20-year career as a beauty therapist, Kirsten Nazzari made a dramatic career change and entered mortgage broking. Initially starting out as a brand manager, after two years she began working with a private company that specialised in asset finance. *“I had my first real taste of asset finance there and I really liked it,”* Kirsten explained. *“It also appealed as I knew there weren’t a lot of women working in the asset finance space.”*

Kirsten realised that all her client’s finance needs varied dramatically. By offering asset finance as well as residential loans, she could avoid having to outsource to other companies and the risk of potentially losing customers. As well as a range of home loans and asset finance, Soul Finance also offers commercial loans, debt consolidation and insurance. This diversified offering has also been a good way to get more referrals from her existing home loan clients.

*“Say, if a client says to me, ‘My brother wants to buy a truck for his business. Is that something you can do?’ I can help them,”* she said. *“That’s why we’re called Soul Finance – we offer a holistic solution that looks after the client’s whole wellbeing.”*

<sup>13</sup>ATO Newsroom, ‘\$20,000 instant asset write-off’, 2018/2019.

<sup>14</sup>Connective blog, ‘The benefits of diversifying with asset finance’, 2017.

<sup>15</sup>Connective Broker Retention Value and Final Report, 2017.

<sup>16</sup>Connective research, Professional Development Day September, 2017.



## More income, more clients

Kirsten believes that in a market dominated by large companies, diversifying your offering can give you a competitive advantage. For Soul Finance, offering a wider range of loan types has provided the business with several additional income streams, and over time this has significantly boosted revenue. For instance, through offering asset finance, Soul Finance has managed to pick up two multi-million dollar accounts.

However, Kirsten says she's been cautious to remain competitive and not get greedy. She has been careful that the business always takes care of clients' interests and offers them competitive rates. Doing the right thing by her clients has paid off – and has significantly boosted referrals.

*“One of my brokers had a car yard try to beat our rate five times – but they couldn't,” she said. “That’s because we didn't go in greedy – we looked after our client. That client has gone on to refer four more people to us.”*

As well as helping her to attract more clients, diversifying has helped Kirsten retain clients and ensure repeat business. She says that being able to meet all your client's finance needs can also build loyalty.

*“If you've already established your reputation as a broker, people will want to know if you can provide other types of loans such as commercial loans, or sort out their insurance,” she said. “If you've already got that relationship with somebody, offering other products like asset finance can help you retain their business.”*

## Invest in being the best

While business is strong, Kirsten points out that she's had to invest significant time and energy into training and professional development. She has also taken time to find people who are the right fit for her business. Above all, she believes being a successful broker is about building strong relationships with clients and colleagues.

*“You really must invest in yourself,” she said. “Then find what's valuable for you and take time to capitalise on it and then watch it grow.”*

### Kirsten's top three tips for diversifying your business

- 1 Take advantage of Connective's commercial and asset finance training workshops and professional development days and watch for workshops from specialist Lender BDMs to find out how to maximise your asset finance offers.
- 2 Use asset finance to branch into wider geographical areas. "Because we've diversified, we offer loans across Australia," Kirsten said. "We're based in southwest Western Australia, but if someone in Sydney wants a loan, we can organise it for them."
- 3 Talk to your Connective Broker Support Manager about the diversified financial products that you can integrate into your offer.

*"We want to make sure that our clients are raving about the service they get. If you look after them, they'll keep coming back to you."*

#### Useful resources

- Use the BOLT Car Buying Service to save customers time and money
- Who needs more staff when you've got BOLT?
- Saving time with asset finance & BOLT



# Secret 6

# Create a winning team

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## How to achieve resourcing success

- ✓ Consider growing your business cost-effectively by employing offshore staff.
- ✓ Work with an experienced outsourcing partner.
- ✓ Put in the time to develop clear job descriptions and a robust recruitment process.
- ✓ Ensure business processes are standardised and documented so everyone can use them.



# Do you need more staff?

Many brokers work alone. In fact, a very high number of Connective brokers are sole operators. While some of this group may employ outsourced staff, others run their entire business on their own, or with the help of a spouse. This can be a huge responsibility, and many feel frustrated at how much time they spend on admin.<sup>17</sup>

Employing a full-time team member may be more than your budget can afford – especially if you're new to the profession and aren't bringing in much income yet. But at the same time, being able to delegate tasks to staff can help grow your business.

There are many solutions, but one popular option we are going to explore is getting support from an offshore admin team.

## Virtual or offshore teams

By looking offshore for administration support, you can:

- Reduce operating costs.
- Delegate tasks that aren't core to your business or that you don't enjoy.
- Free up your time for more value-creating activities, like generating leads or servicing your customers.
- Gain skills and capabilities that you don't possess personally.

Regardless of whether your staff work side-by-side with you or in another country, you need to make sure they have everything they need to do a good job and represent your business in a positive light. That includes providing them with clear job descriptions, reliable technology, training and consistent processes. As part of your team, they also need to fit with your company culture and the aspirations you have for your business.

Connective's new behavioural assessment tool, ProfileMe, can help you make informed and confident recruitment decisions. It can also help you develop stronger working relationships with your team by learning the best way to communicate with each person, based on their unique character traits.

### Communication is the key

You don't need to make a huge investment in technology to lead an offshore team – but you do need to choose different technological tools for different types of communication – from chat tools, to video conferencing and messaging apps. The great thing about Connective's IT platform Mercury is that it synchronises all your staff activities – even the ones located regionally or offshore. It also connects easily with other software platforms and technological tools so all your staff can work together cost-effectively, no matter where they are located.

<sup>17</sup>Evolve Research, Connective Broker Retention Value and Final Report, 2017.



**Laura Sillano**

Owner, POD Financial

# How to create the ideal team, using offshore resources

## The business at a glance

<b>Business focus</b>	Residential lending
<b>Specialisation</b>	Complex lending, multi-lender portfolios
<b>Key clients</b>	A wide variety – professional, self-employed, young families and single women
<b>Number of staff</b>	4 (2 brokers and 2 offshore administrators)
<b>Key metrics</b>	<ul style="list-style-type: none"><li>• Approval rate target of 95 per cent</li><li>• Settlement rate target of 90 per cent</li></ul>

Laura Sillano brings a wide range of skills and experience to mortgage broking. She completed double majors in law and Spanish and had a career in training and assessment before becoming a broker in 2007. Laura is now the owner of POD Financial, a business she founded in 2013. The company's mission is to provide clients with everything they need to make their own lending decisions, and to support them to put their decisions into action.

Since inception, the Brisbane-based business has consistently met its metrics for success, settling at least 90 per cent of applications that they submit.

*"We have a really low trail run-off rate, which we wouldn't have if our clients weren't happy with our ongoing service,"* Laura said.

A key factor to Laura's success is the way she has built her team of four. She has one local employee, Grace Russell, whom she mentors. She also has two administrative staff based in the Philippines through an agreement she has set up with an outsourcing company.



## A cost-effective solution

Laura decided to use a mix of local and offshore resources as it made good financial sense.

*“For the same money I spend on one offshore staff member I would only be able to get a part-time staff member in Australia,” she explained. “This would have been inefficient as I need full-time support.”*

Laura’s overseas staff are responsible for the backend work – from filing documentation or ordering evaluations, to loading information into Connective’s software platform Mercury. Her local employee, Grace, adds another set of skills and attributes. As a Millennial, she has a very good rapport with the younger generation of clients who are coming to POD Financial. Grace builds relationships with clients, either face-to-face or through telephone calls – something which Laura doesn’t require her offshore staff to do.

*“I didn’t want to go down the call centre route to drum up business,” Laura said.*



## Benefiting your business and your working style

Having a team means Laura’s business isn’t completely reliant on her alone, giving it greater stability. Being able to hand over administration tasks means she’s free to work more closely with her clients and manage other areas of the business that she enjoys.

Laura’s resourcing arrangements also mean she can work from her purpose-built office at home, rather than pay for an office to house her staff.

*“I’m just not at a cash flow point where that’s possible,” she said. “Besides, I’ve been working by myself for 11 years and I’m not that extroverted – so being around people all of the time would hamper my own productivity.”*



## Tips for hiring offshore

Laura says it's vital to partner with an experienced outsourcing company and have a written agreement to protect your business. She works with an outsourcing partner in the Philippines. Having visited their offices, she's very impressed with the high level of security, which includes biometric scanning to access the office, strict computer login protocols and no personal electronic devices allowed in the office.

Laura has developed a very structured recruitment process that her outsourcing partner used to hire her staff. She worked with an HR consultant to refine the process and has linked her position descriptions to a personality profiling tool, to make sure she gets the right person for the role.

*"There's no point in putting somebody who loves to talk and be the life of the party in a mortgage broker's administration role,"* Laura said.

Laura also pointed out that anyone working with overseas staff should be aware and respectful of cultural differences in communication.

*"Our culture is quite direct and we can come off as abrasive,"* she said.

## Letting go

To make the most effective use of offshore or local staff, you need to relinquish some control – which isn't easy if you're used to doing everything yourself. That's why it pays to train your staff adequately and create strong systems for them to follow so they meet your standards. That way, you won't risk damaging the reputation of your business.

As part of the membership fee, Connective provides an Online Learning Portal where brokers can access an extensive library of world-class e-training courses for both themselves and staff. This not only provides instant access to educational resources to help you up-skill your staff, it provides an easy way for you to monitor their progress so you can be confident in their capacity to perform any tasks you may delegate to them. And because it's online, even your offshore staff can access these courses.

Ultimately, you're still responsible for the business. But by handing over time-consuming and lower value work, you're free to put your energy into areas of the business you're passionate about.

*"If you can trust the process, then relinquishing control will feel liberating rather than scary,"* Laura said.

### Laura's top three tips for choosing and working with offshore resources

- 1 Have a range of communication tools to work with, depending on what you're doing. *"We use a lot of IT, such as the messaging app Slack; a card system for managing client flow, Zoom for training videos, and our CRM Mercury, which is our auditing and tasking system. I avoid email – it's outdated, inefficient, and not designed to communicate with an internal team."*
- 2 Develop clearly defined descriptions to make sure the tasks you allocate fit your staff member's job and capabilities.
- 3 Even if your staff aren't in the office, they will need training. Have a specific training program for them and use technology such as videos, or the Connective Online Learning Portal, to help you deliver it.

*I think one of the reasons people don't want to relinquish control, is because they don't trust the outcomes... If you don't trust the outcomes, then you need to build systems that will deliver predictable outcomes and then start delegating those tasks.*

#### Useful resources

- Leading Virtual Teams: Best Practice Insights
- Connective Broker Resources: 'ProfileMe'

# Your checklist for success

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## Plan to succeed

- ✓ Make a plan of action for today, tomorrow and the next three months.
- ✓ Monitor your progress.
- ✓ Get support to help you stay motivated.



The best way to succeed with any plan is to get started. So here are five key actions to take – and a handy checklist to keep you on task.

1

### Get clear on your unique value proposition

- Can you articulate what sets you apart from other brokers?
- What are your unique skills, talents and opportunities that you bring to your business? (e.g. I speak another language, I'm very organised)
- Who is your ideal client – and why?

*“My business is about educating families to become homeowners and being there for the long-term. We've got a simple quote sheet that we've followed for the last 11 years. That's largely why we keep our clients and add to that client base regularly.”*

– Paul Eadon, Eadon Home Loans

2

### Make all your day-to-day processes seamless

- Have you automated all your repeatable processes?
- Do you have processes and checklists in place to ensure you meet your compliance obligations?
- Are you using your CRM system, such as Mercury, to its full capacity – and if not, have you sought training and support to help you make the most of it?

*“If we have a new staff member who's in training, they don't have to guess or ask what to put in each type of client email, what the next step is, and we don't have to worry about things like typos... because all our emails are set up in Mercury as templates.”*

– Will Foster, Foster Finance



**3**

### Measure your business growth in a way that works for you

- Does your business have a set of metrics that you use to measure success?
- Do your metrics inspire and motivate you to do better?
- Do you regularly set aside time to measure your progress?

*Rather than thinking: 'If we settle this much we'll be successful, we're now focused on 'What else can we do? What other value can we add?'*

– Chris Hazell, *Bespoke Finance*

**4**

### Market to your connections to build your networks and generate leads

- Do you have a social media presence and are you active on social media?
- Are you targeting clients who have their own networks that they can refer you to?
- Do you have special connections with groups within your community – such as sporting, social, charitable or cultural groups – and a strategy to build your brand and reputation with them?

*Some of our largest referral networks are the sporting groups that we engage with. Whenever we go to an awards night, we'll promote it on social media and people from these groups will congratulate us. It's a great way to get third-party endorsement for our brand, and to show them you're an established and successful person in the industry.*

– Chris Hazell, *Bespoke Finance*

5

## Diversify to grow your revenue

- Have you considered offering a wider variety of loan products – like asset or small business finance?
- Does your aggregator have other finance products that you can offer clients?
- Are you attending workshops and professional development days that can teach you how to write other types of finance?

### Disclaimer

The opinions and information expressed in this document are general only, and not to be taken as legal or financial advice. Connective recommends always seeking advice from your financial advisor, tax advisor and legal counsel when making important business decisions.

# Lastly, don't be afraid to ask for help.

Even the most successful brokers need guidance and support from time to time. Surround yourself with the right people who can help your business thrive, and you'll be sure to enjoy a long and successful career.

If you want to know how Connective can help set you up for success:



call us on  
**1300 65 66 37**