

8 Tips To Build Your Referral Business

As a mortgage loan originator, the ability to grow your business directly correlates to your ability to grow your referral pipeline. But it can understandably be difficult to focus on scaling when you also have to manage the actual work being done for current clients. Luckily, you have a multitude of existing resources to tap into that can help you reach more home buyers who need a mortgage and homeowners who could benefit from refinancing. Follow these eight tips to create a full sales pipeline built on the expertise and value you bring to your clients.



Step 1: Invest in the customer experience.

Providing a seamless experience to your existing customers is a must when building your referral business. In fact, **92% of consumers** rate word of mouth as the most trustworthy form of advertising. When people start to shop for homes and consider their financing options, they're likely to reach out to their family and friends for recommendations. That's why it's important to motivate your clients to rave about their loan experience. Here's how to do it.



Respond to requests promptly.

In today's real estate market, you're likely working with overwhelmed home buyers who are navigating an intensely competitive housing market. They're stressed out even before they start the mortgage application process. Earn their trust by quickly responding through their preferred method of communication, whether it's email, text, or a phone call. If you know your customer is house hunting over the weekend, be prepared to draft an approval letter on Monday morning.



Create a service-driven team.

The customer experience should be smooth every step of the way. Introduce each client to everyone on the team they may hear from, including your loan processor and any administrative assistant who may be helping. Create a culture where your staff members are motivated to foster the best customer service possible.



Provide transparent expectations during the mortgage application process.

Let your customers know what's coming next, especially when working with first-time home buyers. Be clear of what information and documents you need from them and what's coming up next. Err on the side of overcommunicating to let them know where their loan application stands in the underwriting process.



Offer a complementary product, like home insurance.

Borrowers are experiencing a lot of stress during their home closing, since there are so many small details to take care of. They're already overwhelmed, so anything you can do to streamline the process is helpful. For instance, [offering insurance through Matic](#) makes it easy for the buyer to purchase a home insurance policy. With the click of a button, you can offer your customers the best rates and carrier network, saving them both time and money and helping you close the loan faster.



Step 2: Build a referral program that your customers can't resist.

Once your clients have successfully closed on their home, it's time to execute and promote a successful refer-a-friend program. You've established a trustworthy reputation, but you don't have to wait for someone to ask your former clients for a lender recommendation. Instead, proactively leverage your relationships to grow your referrals.



Ask for reviews.

Once the mortgage has closed, don't hesitate to send an email requesting a review from your client. Make it as easy as possible by including links to your preferred platforms, like Google and Zillow. A client who directly posts their own review offers third party validation to potential leads researching your company.

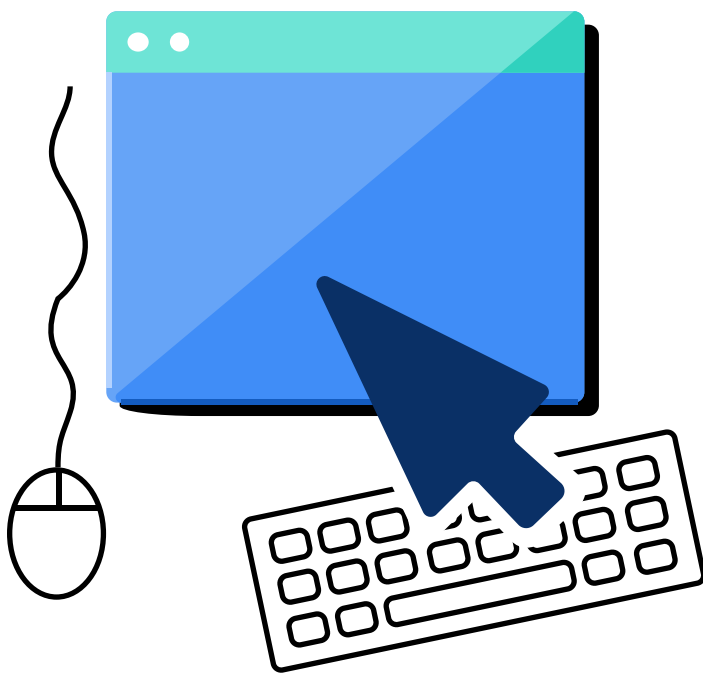


Create an automated email marketing campaign.

Continue to foster the relationship with your former clients by setting up an automated email campaign. This could include sending regularly scheduled content such as:

- Personalized messages on their home purchase anniversary
- Local real estate market updates
- Tips on hometown activities and events

You can also include a quick reminder about referrals, with some extra incentives to recommend your services to their friends. For instance, you can offer a cash bonus or gift card, like \$50 to a local restaurant for referring a friend, or run a contest for a larger prize.



Step 3: Network with realtors so they send their customers to you.

Loan originators need to be heavily networked with anyone who's a step ahead in the mortgage process. Realtors are well-positioned to influence buyers who already trust this established relationship. Plus, building relationships with agents helps to streamline the process and avoid bothering the buyer for property information you can obtain directly from the agent. This improves the overall customer experience which, in turn, leads to more referrals in the future.

So how can you network with realtors? Here are some starting points to capture and develop those relationships.



Attend local trade shows and conferences.

As in-person networking comes back, get in on the action to meet real estate agents in your area. Follow your local Chamber of Commerce, entrepreneurial groups, and other networks to find events and become an active member who becomes a resource across industries.



Nurture your email list.

As you meet more real estate agents, build an email marketing list with exclusive content designed to add value for this audience. This should be largely different from your marketing campaign for clients and leads. Your emails to realtors should be data-driven and include information that could impact their buyers, such as:

- Current mortgage rates
- Underwriter interviews
- Short videos explaining complex financing topics



Co-market with realtors.

Once you establish a working relationship with a real estate agent, develop a complementary marketing campaign to help share clients with each other. Consider co-branding emails and direct mail pieces to demonstrate the collaboration and teamwork you offer together.



Step 4: Be active on social media.

Research reveals that 78% of mortgage loan officers who use social media marketing outperform their peers. So it's a given that creating an engaging social media presence will successfully lead to increased referral growth.



Build authentic relationships.

Increase conversions by building trust and engaging authentically with your followers. In addition to sharing information related to mortgages, share select personal details as well. Maybe you can talk about your favorite restaurants in the area or upcoming vacation destinations. It helps leads feel connected to you outside of a business relationship and it also positions you as a local expert in your community.



Be responsive.

Social media shouldn't be one-sided. Ask questions in your social posts to encourage conversations. And be good about responding to comments so that your followers feel heard. Plus, interactions boost your visibility in followers' feeds so that your content is seen by more people.



Identify trends among clients.

All of these conversations open the door to accessing a lot of raw data you might not see otherwise. What are people asking about or talking about?



Monitor your posts and see which ones spark the most engagement. There are several metrics you can use, including:

- Likes
- Shares
- Comments

In addition to identifying themes, you can also experiment with different types of media, like video versus text. If one gets more interactions than the other, you can shift your social media strategy to include more engaging posts.

Identifying popular trends prepares you to answer common questions from customers and prospects. And it can also inspire your content. If you notice people asking about rising interest rates, you can craft a calming response to go into your email marketing funnel — and you can feel confident that the information will be well-received.



Promote listings from real estate agent partners.

Social media is an excellent platform to share content from others, including your partnering real estate agents. Promote their listings and open houses, as well as any other events or news they post.



Share successful closings.

Ask clients for permission to share their closing success stories on social media. It's fun content that works well across multiple platforms, especially if you include photos. Plus, you give potential clients validation that others have happily used your services.

Step 5: Offer free educational resources for home buyers.

Provide both clients and leads with educational resources as a way to build trust at every stage of their home buying journey. Host free webinars or lunch-and-learns to help demystify the mortgage application process. Topics can be generalized or narrowed down to target certain segments of your sales funnel, such as:

- How to qualify for a mortgage
- What to know about credit scores
- Different types of mortgages available
- Best loans with a small down payment
- How to purchase a vacation home



While developing these events may seem like extra work, you can get extra mileage out of them by incorporating the content into your other marketing channels, like social media posts, blog articles, and emails. Not only can you use those platforms to promote your events, you can also pull statistics and action items from the presentation to use in the future. And because you're constantly amassing new leads who are moving through different stages of the customer journey, you can recycle topics that will reach new customers who need that information.

Step 6: Track your success.

Another effective way to grow your referral business is to be transparent with your success. There's a tendency for businesses to simply rely on reviews and referrals to establish their positive image. However, you can also speak to your success by being transparent with your numbers.

Each month, consider listing how many on-time closings you had, as well as the number of home buyers you helped. These are valuable metrics that show your company is both reputable and competent. Also consider providing a percentage of on-time closings, as well as the average number of days to closing. While other lenders may not be doing this, the fact that you do publish and update your numbers suggests you're faster than the competition.

Bottom line: publish every metric you can that showcases your speed and reliability.

Step 7: Develop a niche.

While you may want to cast a wide net when reaching out to home buyers, limiting your target audience can bring you in more leads. Instead of targeting every single person that may need a loan, consider locking your efforts on a select demographic. For example, you could focus on:

- First responders
- Military families and veterans
- Farmers
- Spanish-speaking clients
- Start-up employees with non-traditional income
- Teachers
- Low credit or low income buyers

There are a variety of reasons you might consider developing a niche. First off, it could streamline your entire business model. The steps needed to be taken with each client could become routine and standard. Second, it would allow you the opportunity to focus your online marketing. Instead of one or two blog or social media posts that focus on a specific demographic, a majority of them will bring in leads.

Step 8: Offer differentiated services.

COVID-19 changed the home buying process and the entire business paradigm, and many lenders felt the brunt of this change in particular. Many homebuyers now expect certain services to be in place. These include:

- Fast and easy pre-approval process for early leads
- Online applications
- Virtual closings (if allowed in your state)
- Electronic signatures and agreement forms
- Zoom meetings for Q&As

You can also offer homeowners insurance through Matic to streamline the path to closing and avoid potential delays because the buyer didn't secure a homeowner's insurance policy on time. We shop over 40 A-rated carriers to get your customers the best rates in the industry. Plus, Matic's unique revenue sharing model helps you generate passive income as you grow your business.

Continue offering differentiated, online services and expand upon them as you can to make the mortgage process even easier. All of these additional tools that make your customer's mortgage process easier will also make your company an easier sell and easier to recommend down the road.

Why Matic?

Matic is one of the largest and fastest growing digital insurance agencies in the U.S. Our proprietary quoting engine takes just seconds to process offers through our carrier network. Integration is completely turnkey, making it a complementary part of your existing systems. Matic accelerates closings and adds a RESPA-compliant revenue stream for lenders.

Plus, our customer satisfaction rates are 3X the industry average. Matic is truly devoted to easing pain points for lenders, loan officers, and borrowers. We provide the tools needed to integrate home insurance into your process.



Partner with Matic

Interested in partnership opportunities? [Contact us](#) to learn more about how Matic can help you get clear to close faster and generate additional revenue while making every client feel like your number one priority.