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## Drive Down Marketing Costs, Increase Results with Cross-Sell Technology

By Rob Lee, CEO, XSell



Rob Lee

In the mortgage industry, the ability to sell a product or service hinges on being able to effectively communicate to a potential customer why he or she needs the product, in a way that is compelling and personalized.

Years ago, print advertisements and referrals were considered the most effective media for selling mortgage products. Then, direct mail, telemarketing and e-mail marketing became popular because these approaches were less expensive than advertising and less time consuming than pounding the pavement, looking for referrals. Today, however, these once "cutting edge" forms of product marketing have begun to lose their luster. Consumers have grown to resent the unbridled assault on their mailboxes, inboxes and telephones. For example, 122.6 million phone numbers have been registered with the National Do Not Call Registry in the less than three years it has been available to consumers. How many loans have you applied for after opening a letter addressed to you or "CURRENT HOMEOWNER"?

Progressive organizations are now looking at a new way to capture existing and potential customers: sitting back and waiting for them to call with a question. In fact, several mortgage companies have already begun to shift their marketing focus toward selling their products through existing customer service channels. Known as "customer service marketing," many are finding this medium a much more rewarding sales environment.

Simply put, institutions that are investing in contact center cross-selling are seeing better value and better results, with significantly improved tracking.

**Better Value:** Excellent customer service has been a priority of nearly every leading financial institution. The investments made in sophisticated, multi-channel contact centers can be leveraged into an opportunity to present targeted product and service offers to existing customers.

It may seem counter-intuitive, but most customers appreciate being offered additional services that meet their unique needs and are not "one size fits all." Lenders can win customer loyalty by leveraging existing customer information to deliver these targeted offers.

Finally, solutions are available today that can assess customer data in real time, create personalized offers based on this data, and present the offer along with sales guidance to a customer service representative (CSR) before the call is connected.

**Better Results:** According to a recent joint study by Convergys Corp. and Call Center Magazine, 67% of institutions currently deploying a cross-sell strategy reported a positive influence on customer satisfaction. Consumers like to decide when they are consumers and when they just want to be left alone. Dinnertime phone pitches, "junk mail," and SPAM are often negatively received and result in environments that are not conducive to closing the deal.

Cross-selling to existing customers during a service contact not only increases revenue with each sale, it strengthens customer relationships and encourages the consumer to make future purchases with the same institution. When a customer contacts their lender, they are ready



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to discuss their mortgage and are in a frame of mind to listen to value added offers that are related to the topic at hand. This service and sales channel can be used to sell both institutional products, such as re-fis and HELOCs, or third-party products such as life insurance, credit cards and checking accounts.

**Improved Tracking:** With the help of expensive analytics, direct mailers can gauge the effectiveness of a mail campaign, picking apart data points to see which types of people responded to a particular offer. Telemarketers and e-mail marketers can count completed calls and click-throughs. However, none of these media can provide more accurate, immediate and cost-effective reporting than cross-sell technologies that capture and react to customer responses in real time.

With the help of available cross-sell platforms, institutions can measure the strength and performance of specific data, offers, sales guides (scripts for CSRs to present the offers) and the CSR himself/herself.

### The Future of Cross-Selling Technology

More and more lenders today are using tools that help them better use their existing customer support infrastructure to provide targeted offers to customers who contact them for resolution to a problem. They are using their branches, call centers, websites and interactive voice response (IVR) units to leverage their proprietary customer data to create unique offers that are designed to fill a need specific for the individual.

While some institutions are spending millions of dollars on telemarketing, direct mail and e-mail, to receive response rates of 8.55, 2.77 and 2.48% respectively (according to the 2005 Direct Marketing Association Response Rate Report), others are spending significantly less money to achieve far greater results. All they have to do is sit back and wait for the phone to ring.

**Rob Lee is CEO of Jacksonville, Fla.-based XSell. The company can be found on the Web at <http://www.goxsell.com>.**

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