



Equifax Mortgage Broker

Pulse Survey 2023

WHAT'S CHANGED IN 12 MONTHS?

We compared the results of last year's Equifax Mortgage Broker Pulse Survey with the results from our 2023 survey to see what has changed in mortgage broking.

Top 3 delays to application approvals

A year ago, brokers reported that Lender Service Level Agreements (SLAs) were the number one cause of delays to mortgage application approvals. This year, the impact of rapidly increasing interest rates on loan eligibility has caused the biggest slowdown in approvals.

	2022	2023
#1	Lender Service Level Agreements	Rapidly increasing interest rates impacting applicants' eligibility
#2	Communicating with customers about application progress	Lender Service Level Agreements
#3	Challenges with using technology	Affordability constraints due to inflation & static wages

The pace of digitisation is accelerating

17% of brokers expect to adopt new digital solutions to improve customer experience. **Up from 9% in 2022.**



16% of brokers expect to adopt new digital solutions to automate processes. **Up from 11% in 2022.**

Staying educated on regulation and compliance remains a priority:

Up 4% from 2022



Referrals are still the preferred way brokers gain customers (outside of mortgage aggregators):



Referrals from customers - **Up 4% from 2022**

Referrals from family & friends - **Up 0.5% from 2022**

IS THERE A DISCONNECT BETWEEN BROKERS AND CUSTOMERS?

For the first time, the Equifax Mortgage Broker Pulse Survey interviewed consumers to discover their perspectives on what is critical when signing up for a mortgage.

Top borrower concerns when applying for a mortgage

Both consumers and brokers agree that the top concerns when applying for a home loan are:



The impact of interest rates



The impact of a borrower's financial situation



Rates & fees



Rated as important to brokers



Rated as important to borrowers



TRUST IN THE BROKER



SUSTAINABLE LOAN OPTIONS

However, there are areas of concern for consumers that aren't on the radar of brokers

What borrowers think brokers could do better:

More support and service when first approached and during the preliminary assessment - **38%**

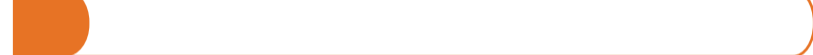


What brokers are actually doing:

Focused on the preliminary assessment - **only 8.7%**



Focused on the initial consultation - **only 9.4%**



5 IN 8 borrowers learn about the property market and mortgages from broker websites.

Data-informed intelligence can help brokers better understand customer needs. Use Equifax digital broker tools to get the insights you need to make decisions that resonate with customers.



WHAT'S NEXT FOR MORTGAGE BROKERS?

Our survey showed that mortgage brokers are increasingly seeking competitive advantage through data analytics and digital technology.

Top 3 ways brokers are increasing efficiency



29%

Using aggregator resource hubs



27%

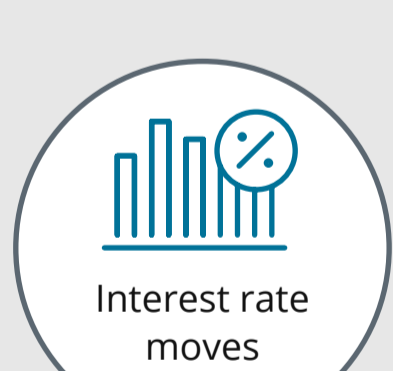
Collecting financial and credit information from various sources



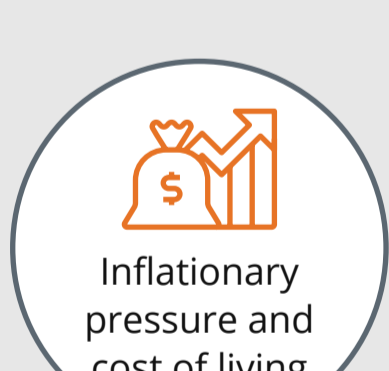
21%

Using new digital or AI tools like ID verification & affordability assessment

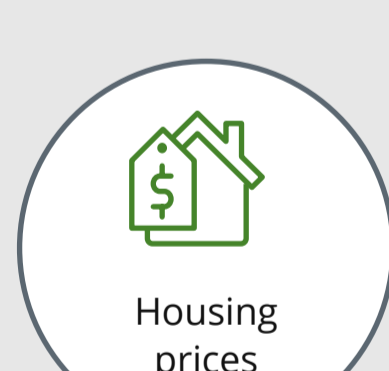
The economic factors brokers believe are most likely to impact lending assessments over the next 3-5 years



Interest rate moves



Inflationary pressure and cost of living



Housing prices

Over the next 12 months, nearly **1 in 4** brokers anticipate an increase in loan refinancing.

1 IN 4



Nearly **3 in 8** brokers have noticed an increase in Millennial customers over the last 12-24 months.

3 IN 8



The focus on customer experience continues to grow.



Brokers report that customers are increasingly:

requesting feedback and constant updates

expecting brokers to be available after hours and on weekends

happy to communicate with brokers online



To meet these expectations, brokers are changing their behaviours & processes:

24% - more online meets and other communications

15% - increasing out-of-hours availability

15% - regular ongoing conversations and status updates

EQUIFAX MORTGAGE BROKER TOOLS AND SOLUTIONS HELP YOU WORK SMARTER.

- Automate document collection
- Speed response times
- Reduce decline rates
- Increase efficiency
- Delight customers
- Lower fraud risk
- Save time

Drive better decisions and enable a simplified customer experience. Contact our team at equifax.com.au/factfinder

The Equifax Mortgage Broker Pulse Survey, an online survey across 569 brokers and 416 consumers, was conducted by Equifax in May 2023.