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Key insights for your business

Data management guide



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The most sustainable form of business growth is to retain your existing customers.

According to UK Finance, homeowner remortgaging activity is set to pick up, reaching £69bn in 2022 and a significantly greater £93bn in 2023 –which highlights many opportunities on the doorsteps of advisers over the next 18 months alone.

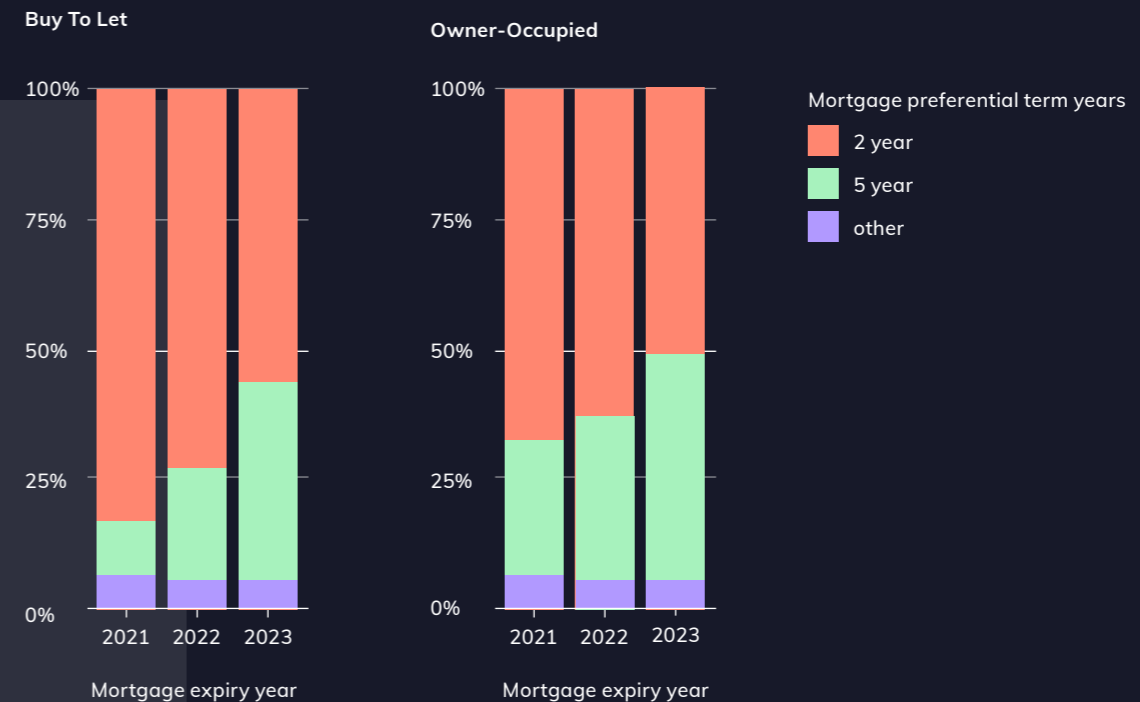
These peaks in remortgage opportunities for financial institutions prompt the significance of having clear cut, planned, client communication strategies in place to retain business. Not to mention, the importance of adopting tools and technology to enhance proposition for clients and keep their data safe, secure, and clean.

Remember, it's easier and more cost-effective to retain customers than to acquire new ones. We know that happy customers tend to spend more and refer friends and family. Plus, only a 5% increase in customer retention can increase company revenue by 25-95%.

Longer fixed rate deals mean longer client relationships and retention processes.

When the Bank Rate increases, mortgage rates tend to follow. That said, markets had already been on the alert for an interest rate rise due to high inflation, so much of December's increase had already been priced into mortgage rates before the MPC made its announcement.

Share of 2,5 & other fixed-term product maturities



In fact, 96% of mortgages advanced since 2019 have been fixed rate deals, according to UK Finance. The popularity of these loans is likely to increase further in 2022 now that interest rates have started to rise again.

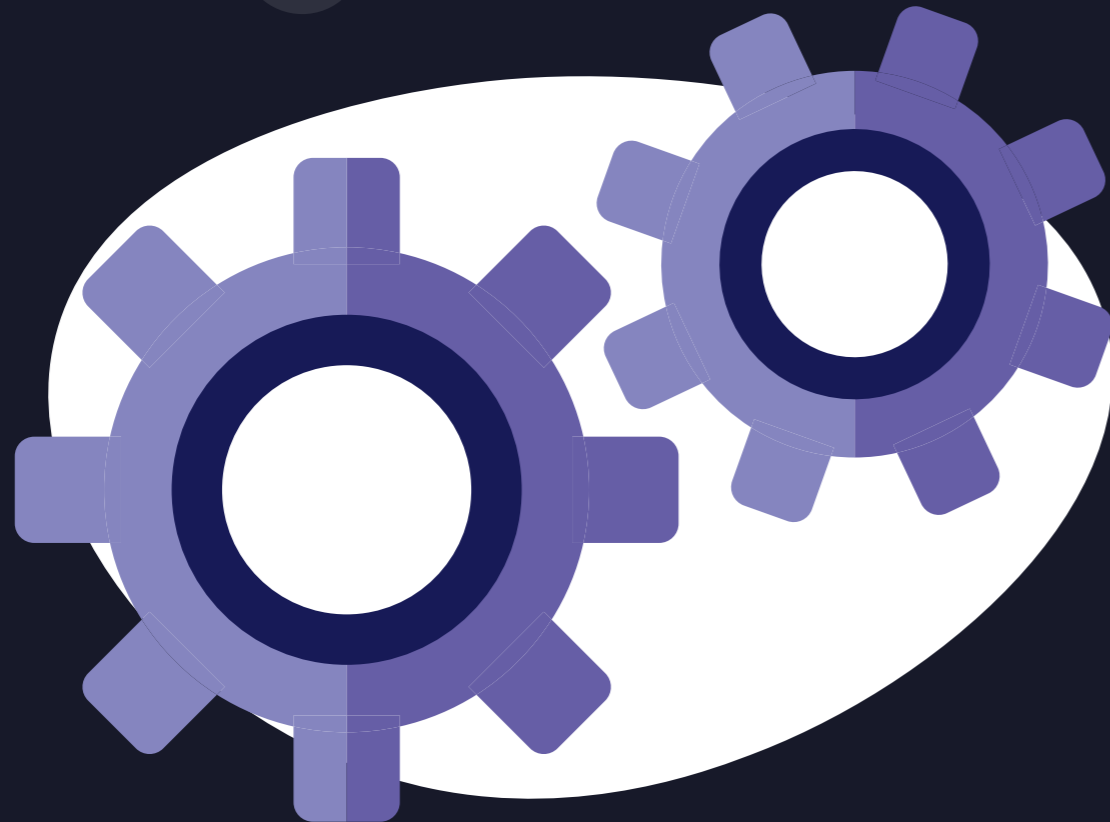
It's no surprise that some clients are in favour of longer fixes because of further interest rate hikes and the increase in cost of living. As the proportion of longer fixes grows, so does the length of the customer journey and the need for multiple touchpoints to nurture these relationships. Advisers should be looking to technology to enable them to do more, in less time and with less effort.

Stay front of mind with technology to automate your processes.

Consistency is key here. It'll decrease your chances of losing clients if you're front of mind. This communication is a key driver in keeping client retention high. Remember, your clients are your businesses most valuable assets, and they shouldn't be forgotten, else they will forget you too.

You might be thinking, how can I keep in touch with all these clients all the time?! In an ideal world, you'd love to keep in touch with your clients daily. But, the reality is you just don't have the time to do that and generate more business.

The solution; go digital. Embrace technology to help you stay front of mind with your clients, especially when it comes to product maturities. Anything that can help you automate part of your communication strategy will save you time and deliver value to your clients.



Add value with every client interaction and it'll help boost your client retention.

Doing this will give clients peace of mind that they're getting the best service and advice possible, which eliminates the need to look elsewhere. So, how do you show your clients that you really care and that you add value?

- Personalise the customer experience
- Share testimonials
- Leverage competitor comparisons
- Collect and apply feedback
- Provide a positive experience/service
- Gather and share social proof
- Provide valuable content just for your customers
- Be relevant. Deliver the right message at the right time.
- Reward loyalty with a referral scheme

Plus, any system that can automate any touchpoints for you, but still feel uber personalised, will add real value, and enhance your existing value proposition.

However, to be able to do this the information you have on file needs to be accurate. That means your data hygiene and security protocols need to be robust!

Data is your most valuable asset.



100% of the firms we work with have issues with their data.

The most common problem advisers face is missing and out-of-date data. Omissions, duplicates, and incorrect data can create expensive interruptions. In fact, even having just one missing data point can mean:

- Your firm has a lower chance of contacting that customer before remortgaging
- Your firm has zero chance of contacting that customer to remortgage
- Another broker or the Lender has a better chance of reaching your client to remortgage.

We often speak about the importance of data cleansing, but what value does clean data add to your business goals?

The cost of bad data processes.

As a firm, you are the data controller and the cost of doing nothing to keep your data accurate and safe could be the profitability of your business. Dirty data can be mitigated more easily if it is caught before it's used- at the point of origin, i.e. your CRM.

Data hygiene is the process you have in place to ensure you maintain accuracy in your data, so you need to have procedures and protocols to follow in order to take good care of it.

You have accounting procedures in place to make sure your financials are in order. So why should your data measures be any different? Don't leave money on the table.

Your data can become dirty when:

- clients change their email address or phone number
- clients sell their property
- clients have changes in circumstance i.e. income
- clients change their name i.e. after marriage
- there are missing product information fields i.e. expiry dates you fail to update files

Updating your database regularly ensures you communicate the right messages to the right customers. It's good practice to keep in regular contact with your clients so that you can keep this information as accurate as possible. Having an accurate database will help you improve efficiency, ensure compliance with data protection and improve marketing efforts and outcomes.

Why data cleansing and retention go hand in hand.



If you have a robust data management strategy, then your data should be up-to-date. Meaning you're set up to get the best out of your backbook and more likely to increase your retention rates.

Statistics show that, as of 2020, 91% of companies with more than 11 employees use a CRM system. They're a great way to keep customer data, save time and allow you to keep an eye on -and keep in touch with- clients for years and years...

Reports estimate that roughly 30% of your customer data will go bad every year. And it's estimated that 40% of email users update their email addresses once every two years, while 18% change their phone numbers every year. Lucky for our users, we have a multiple applicant feature, so we can still contact both.

Getting the best out of your systems means putting in some time and effort towards making them successful, just like any technology you use.

Final thought

Longer fixed rate deals mean longer client relationships and retention processes. Firms should take advantage of the technology available to help automate processes to do more across these lengthened client journeys.

So many brokers forget the importance of clean data and cut corners that will ultimately cost money. Taking a proactive approach to data quality allows you to check and measure quality levels before it gets into your core systems. Top performing firms recognise that their client bank is the key to their success, and in a digital age, your client bank is only as valuable as the data you have on them.

Put simply, if you have out of date or incomplete information on your clients you won't be able to retain them, and you are losing money.