

What Most of You Are Selling Is All Wrong

By Ralph LoVuolo Sr.

Okay ... it's time to come on out and say it ... you're selling the wrong thing. Your approach to sales is wrong-headed. Your daily activities are so backward and wrong-minded that all you are doing is perpetuating the failed activities of the last 60 years. What amazes me is that I cannot find that anyone is presenting, perpetuating or pushing a different way of thinking and acting with regard to their marketing initiatives.

I'm truly blessed to be in this position to be an observer of the entire ball field of the mortgage industry. Being someone who has been a coach at all levels of business within the mortgage industry, allows me to comment as an over viewer with no obligation to anyone but myself. With fingers in every nook and cranny, I come into contact with a diverse and highly interesting group of leaders.

About three or four months ago, I was given the opportunity to view a series of interviews that were commissioned by Joel Berman, executive producer for Mortgage News Network and publisher of *National Mortgage Professional Magazine*, a publication that reminds me of *McClure's Magazine* that was published at the turn of the 19th and 20th Century. *McClure's* had a far-reaching effect on the minds and hearts of the U.S. population. It spurred Teddy Roosevelt and many other progressive politicians, at all ranks of society, to direct their thinking and actions to protect the public from the monopolistic companies that abused the public everywhere.

Joel's videos should bring that sort of challenge to the minds, hearts and actions of every CEO down to every salesperson and ops member in America. The interviews are quite revealing in their simplicity, I'm plainly amazed that there has not been anyone I can find who has offered an interpretation. I posit that what is marketed is the same old stuff that our parents sold and after reading countless papers, books and periodicals, nothing is changing, nothing is even contemplated. Most mortgage companies still believe that they need to compete with each other by trying to convince their referral sources that they have the best rates, points and programs. That their fabulous service is beyond comprehension or comparison.

I recently had the privilege of reading a paper, "The Trillion Dollar Letter" written by Gibran Nicholas, chairman and CEO of the CMPS Institute (CMPSInstitute.org/files/Public/TheTrillionDollarLetter.pdf). The letter is written in the year 2035 and concerns itself with the leader of a mega-sized and mega-successful mortgage company writing to the employees about the changes they instituted to their business model back in 2015. This is when the company decided to change their basic business philosophy and put the homeowner/homebuyer first in their thoughts and actions. By making this change, they achieved success that drove the company to become so successful it took over the entire market. By operating within the laws and combining the thoughts and emotions of sales, operations and compliance, they created a company that outstripped every other company at all levels.

This brought to mind my unsuccessful attempt to create a business a couple of years ago. There was serious consideration that it would overwhelmingly change the mortgage industry and thereby change the world. The business, "Integrity Certification," would require every employee or applicant for employment at every mortgage company to take a test measuring their level of integrity. Great idea, right? If a certain level would not be achieved, the applicant/employee would be barred from working at *any* company.

Putting aside the failure of integrity testing, Gibran's letter, along with Joel's interviews, are so on-target in revealing that nothing is left to any observant eye or any imagination that our sales techniques are wrong, absolutely and irrevocably. I'm looking for us to see the obvious: Loan officers need to put the mind of the borrower first, and in order to do that, the needs of the loan officer and their company need to be put in a subservient position. So what should the loan officer be talking about to their referral sources? Too simple to avoid: How to help the referral source be more productive by becoming the source of ideas that assist the source to be more productive, more proactive, and more sensitive to the needs of the borrower.

Mr. CEO, don't let this chance pass. Pick up the baton of change that is at your feet and grip it firmly as you carry it in your race to the top. Stop your salespeople from trying to garner business by selling/marketing the wrong things. Don't sell rates, points or programs, because every company says they have the best rates and points, because everyone claims to have the most diverse or unique programs. Finally, to all salespeople, try to test an untestable position that they can and do offer the best service to the referral source.

To summarize, the leadership of every mortgage company needs to look more carefully at what their salespeople are doing. What they market to the public and their referral sources is old and wrong. There hasn't been much of that examination in the last 50 years and I personally can attest to that, having spent more than that time "in the business".

Help others do better by allowing "The Law of Reciprocity" to become your byword.

Ralph LoVuolo Sr. is a coach for loan officers and their managers. He has more than 60 years in the mortgage Industry, with the last 35 as a coach. He is past president and co-founder of the New York Association of Mortgage Brokers, and long-time member of NAMB—The Association of Mortgage Professionals. He can be reached by phone at (917) 576-1230 or e-mail ralph@mortgagemotivator.com. His website is www.Mortgagegodfather.com

PULL QUOTE:

"Don't sell rates, points or programs, because every company says they have the best rates and points, because everyone claims to have the most diverse or unique programs. If you sell rates you will fail."