

# **Guerrilla e-Marketing for Mortgage Brokers**

Discover the Top 5 Internet Marketing Tools, Tactics & Techniques  
Every Mortgage Broker Should be Using...

For most mortgage brokers and bankers, competition for business leads has become incredibly fierce. The growth of the Internet, and the consumers adoption of technology, has transformed the online / e-world into a critical marketing battlefield.

Understanding this battlefield and how to outmaneuver your competition is a crucial element for success.

In this article, we'll outline what are often considered the Top 5 Internet Marketing tools / tactics / mediums for Mortgage Brokers and Bankers, and explore one of these tools / mediums / channels in greater depth.

## **So What Are the Top Internet Marketing Tools for Mortgage Brokers?**

There are literally thousand of e-marketing tools, mediums, vendors and solutions available to mortgage brokers. In fact, there are so many options, and choices - a quick search on any search engine will leave you scratching your head, wondering where to focus your energy or where to begin. To help you weed through the hype and streamline your e-marketing attack, here's a list of our top 5 Internet / Technology marketing tools, tactics, techniques and mediums that every mortgage broker should consider (in no particular order).

- Mortgage Lead Services
- Email Marketing – Newsletters, Viral Email, Auto Responders, Calculator & Notification Email Engines
- Search Engine Advertising & Optimization
- Affiliate Networks
- Online / Offline Contact List Mgmt Services

Let's take a closer look at the first of these tools / mediums (we'll explore the others in future issues)

## **Mortgage Lead Services**

### **What Are They? How Do They Work?**

Simply put, online mortgage lead services are provided by companies that look to drive qualified leads to your doorstep, on a cost per lead or cost per acquisition basis. These companies work to identify consumers who are actively looking for mortgage quotes, then pass the lead information on to their mortgage broker clients. Typically such companies will drive online prospects to an online mortgage request form, and then submit this form to 4-6 mortgage brokers / bankers. After that it's up to the mortgage brokers/bankers to contact these prospects, and or provide info about their mortgage rates, prices, etc.. To get started, the lender or mortgage broker gives the online lead generation service provider their filter criteria (purchase, refi etc, states, loan to value, credit rating, loan amount...).

Leads are typically priced from \$10 to \$60 each depending on the vendor and filter criteria. Some online lead providers price their leads lower, and then collect a back-end fee if it closes. However, because of

RESPA laws (prohibiting collecting back-end fees without proper licensing) many providers do not collect these back-end fees.

### **Why Use an Online Mortgage Lead Generation Service**

The benefit of using such a service is that it allows lenders to focus on lending. Trying to compete in the search engine and CPC online marketing arena is time consuming and expensive if done poorly. Bigger lenders who have the resources to execute and master this channel can do well, but the small/medium sized companies, especially those focusing on certain segments of the market, or without national coverage, will find it impossible to compete cost-effectively.

Customers of these services range from one-man shops to some of the biggest banks in the country. This kind of lead generation service and process can give the aggressive, competent, smaller lender equal footing with the big dogs. Many small guys in local markets close up to 30% of the leads they receive – which makes this kind of service quite profitable.

### **What to Be Aware of, What to Look for When Considering an Online Mortgage Lead Service?**

Watch-out and be careful. Many of these online lead providers have questionable practices. There are quite a few companies that re-sell old data, claim leads are exclusive when they're not, or sell leads more than 4 times when they claim they don't. Many mortgage companies have been burned numerous times in this way (One company we've found reliable – [www.loanhounds.com](http://www.loanhounds.com))

When searching for a qualified lead generation service look for an unconditional money back return policy and ask around to mitigate your risk. When starting the program, keep a tight reign on your lead provider to ensure the validity of the data they send. In the end it's all about ROI. So monitor costs and conversions closely.

The e-marketing battlefield offers incredible opportunity for those who know how to tap it. In future issues of Broker Banker Magazine, we'll look at...

- Some of the key tactics and techniques behind search engine advertising and optimization.
- How to leverage the incredible power of email marketing using auto-responders, newsletters and smart email engines.
- Growing your affiliate Networks and making them pay.
- Clever guerrilla tactics and techniques that can give you a competitive advantage over your competition.

### **About the Author**

John Heineman is the managing partner at The LeadGen Group, an Internet Marketing Firm, based in San Francisco, Ca.. His career spans more than 15 years, working with industry leaders like Microsoft, Adobe and Guerrilla Marketing Int'l.. John works with companies to help them optimize their e-marketing efforts, and frequently speaks and writes for leading publications and organizations on the tools, tactics, techniques and practices of effective Internet Marketing. To learn more about the LeadGen Group visit [www.leadengroup.com](http://www.leadengroup.com), or to contact John directly email [jheineman@leadengroup.com](mailto:jheineman@leadengroup.com).