

A Seasoned POINT OF VIEW

After years as a lender, Ski Swiatkowski is now on the vendor side of things, and he's telling it like it is.

The Turning Point's Ski Swiatkowski has been in the mortgage space for almost 30 years. Further, he has some interesting thoughts having served on the lender side of things and now on the vendor side, as well. He is all about development in both people and business. Those are his passions. Ski was first a top producing loan originator and manager, then a corporate executive and trainer. During his tenure as Vice President of Business Development for InterBay Funding (a subsidiary of BayView Financial), he and his team played a key role in the company's meteoric growth and one of the most amazing success stories in the mortgage lending industry. And now as Vice President of Business Development at marketing automation vendor The Turning Point, Ski's industry experiences are coming full circle. In this candid interview he talks about his views on where the industry is now and where it's headed.

Q: You have been on the lending side of the business and now you're on the vendor side. What are some of the major challenges facing the mortgage industry right now?

SKI SWIATKOWSKI: I believe it's quite clear that the major challenges we face are being created by the continued regulation and monitoring of the entire lending process and trying to meet those new standards. Every aspect from prospecting through origination, closing, funding and servicing are being looked over with a microscope by the CFPB. There is no room for error in compliance right now.

This includes marketing activities. The mortgage environment has gone through and will continue to go through a major shift away from an LO running his/her own marketing to a corporate controlled environment with consistent processes and procedures.

The days are gone when lenders depend on loan originators for their marketing efforts. This will become not only inappropriate, but also dangerous. Loan originators will be able to focus on qualifying prospects, taking applications and following up on their in-process clients while marketing is completed for them. There will no longer be an issue of compliance and tracking at a corporate level, and it will be easier to retain top talent by providing such a great benefit. Some people and companies will want to resist this. But under the circumstances, corporate leadership will ultimately find it necessary.



Q: You mentioned the CFPB. What effect will that agency have on marketing practices?

SKI SWIATKOWSKI: In July of 2011, the Consumer Financial Protection Bureau (CFPB) took over the Federal Trade Commission's (FTC) rule making authority for the Mortgage Acts and Practices (MAP) Advertising Final Rule. MAP was influential in pushing marketing compliance to the front of mortgage lenders' agendas.

The CFPB is currently focusing on taking all the pre-existing mortgage laws and regulations, and creating comprehensive rules to use for audit purposes. Though the CFPB has all the rule making authority, individual states, the FTC and the CFPB have the authority to enforce the Advertising Rule.

This means that lenders may encounter more intense audits at the state and federal level. We have already seen the CFPB send out hundreds of warning letters at the end of 2012. It is hard to tell how much more the CFPB will add to the Advertising Final Rule, but at this point it seems as though more regulation is to come with a focus on new rules and swifter implementation.

Q: With the recent drop in originations, the "Battle for the Borrowers" is intensifying, what can mortgage companies do to gain a competitive advantage?

SKI SWIATKOWSKI: With the changes in regulations creating restrictions on marketing strategies, the playing field has become more level. As a result, it is more important than ever to separate oneself from the competition in the mind of the borrower. Winning the "battle for the borrowers" is best accomplished with a consistent marketing message to all prospects, borrowers and referral partners, which is shared across the entire company.

Creating strong relationships with these segments will increase referrals and brand awareness, no matter the size of the company. This is most easily and effectively accomplished with corporate implementation of top-down marketing. Loan originators are able to focus on what they do best, originating, and the

Industry Predictions

Ski Swiatkowski thinks:

1 The "Battle for The Borrower" will continue to rage on.

2 Lenders will aggressively search for ways to compliantly engage prospective borrowers.

3 Centralized Marketing Automation will gain significant traction.

corporate level will implement consistent marketing on their behalf to build brand awareness, retain customers and increase referrals.

The ability to merge the top-down marketing concept into a marketing automation solution makes for easy implementation and monitoring of ROI. A good marketing automation solution will also ensure compliance and ease audit pressures through reporting features.

Q: With a mortgage industry perspective, what developments do you see taking place in the marketing world that our readers should be aware of?

SKI SWIATKOWSKI: The ability to have customized marketing automation that is not "cookie cutter" is an important trend. To build a strong market presence, it is vital to be different and not to utilize identical marketing pieces as other companies. Additionally, being compliant and able to track all marketing activities, dates and audiences for audit purposes is going to ease audit pressure on management.

Another development is having a complete on-demand marketing library that can be accessed by marketing personnel and originators anywhere at any time. Such a library allows for instant implementation of a campaign or even print collateral, thus enhancing the effectiveness of mortgage professionals and increasing their sense of pride of participation in the process.

I am also seeing more marketing done at a corporate level. Marketing campaigns are being implemented by

marketing managers on behalf of the loan originators quickly and easily with the use of complete marketing automation solutions. This not only allows loan originators to do what they do best, that is, originate, take great care of their clients and cultivate new relationships, but it also shows strong leadership from corporate management.

Q: We hear the term marketing automation frequently. What is an automated marketing system?

SKI SWIATKOWSKI: Simply stated, it is the use of technology to leverage data in order to deliver the right message to the right target audience at the right time with greater efficiency and cost effectiveness. In the mortgage world, an automated marketing system provides the power to quickly and consistently execute your marketing objectives, while compliantly meeting the ever-changing demands of the industry. I believe that marketing automation turns static information into strategic solutions that deliver profitability.

The most sophisticated marketing automation combines technology with database management, custom campaign automation – both print and e-mail – as well as company collateral, all with easily delivered analytics. Marketing automation allows for the implementation of segmented campaigns in real-time, from concept to development through to fulfillment. Results are tracked and control operations, which are easily monitored at a corporate level.

Q: At this point, to what degree has the mortgage industry embraced marketing automation?

SKI SWIATKOWSKI: This is really all about the importance of foresight and leadership, especially at an executive level. At this stage, I feel the mortgage industry as a whole has only embraced pieces of marketing automation. There are many individual loan originators who have decided to use automated e-mail campaigns. Some companies have forced minimal customer after-care programs, but there has been little corporate focus on better effectiveness

through marketing automation.

This is the time where you are going to begin to see the leaders separate themselves from the pack. True marketing automation is a complete solution, which is the integration of many different tools. I would say right now most people in the industry are only utilizing some of the tools, not a complete marketing automation solution. Therefore, they are not deriving the full benefits of marketing automation.

Marketing automation encompasses every component of marketing throughout the customer experience before, during and after the transaction. The most advanced users take it even a step further to include customers that were not closed. They believe in accessing the lifetime value of a relationship through referral and repeat business, the least costly to generate.

Q: What are the biggest challenges mortgage companies face regarding marketing automation?

SKI SWIATKOWSKI: That is an interesting question. I would have to say that leadership is one of the biggest challenges regarding marketing automation. The leadership structure inside an organization can make or break the success of marketing automation for that organization.

Strong leadership will not only portray the importance and need for marketing automation they will also develop a top-down marketing strategy that leads by example. When implementing and executing a marketing automation solution, as with any new system, there can be push back. Leaders must be able to embrace these challenges and stand by the need for differentiation and consistent marketing. It is also important for leadership to be able to get loan originators unified, excited and on-board with their participation in the solution.

Q: Where is all this leading?

SKI SWIATKOWSKI: Lenders have to work smarter not harder to compete for the borrowers in the market while staying compliant. A focus is being put on the CFPB regulations, brand consistency

and the ability for loan originators to still participate in their own marketing. Effective marketing must be not only efficient and compliant, but also centralized and relevant. This is where marketing automation becomes invaluable.

From a recruiting standpoint, lenders must offer centralized marketing support, targeted marketing programs that are personalized for each originator and just as important, a dynamic marketing automation solution that includes mail, e-mail as well as social media. Just having a CRM and an email system of sending random mail pieces is not enough. Adopting an automated marketing solution is how a lender will easily separate themselves from the competition and attract not only borrowers but also top talent.

Q: Where should lenders be focused when trying to compliantly grow their business?

SKI SWIATKOWSKI: As I always say, they need to focus on “Living the Dream each and every day.” With a clear vision of what is to be achieved, that vision passionately shared with the troops, strong leadership and the best solutions and processes in the hands of their people, they will see themselves grow.

I believe a lender is able to compliantly grow their business in regards to increasing in-bound borrowers by focusing on consistent messaging to strengthen brand awareness and current relationships. Frequency and repetition of marketing in an automated, continuous touch approach will support business growth in a cost-effective way like nothing else will. Keeping these actions compliant is going

to be accomplished with control and record keeping at a corporate level (back to that top-down marketing approach).

Targeting past leads and clients as well as all loan originators’ referral partners with relevant information builds a strong base of loan referrals feeding back into the company. When utilizing a marketing automation system, this can be done compliantly with marketing approval and activity reporting for audit purposes.

When considering growth on an employment level, offering a custom automated marketing program separates a lender quickly. Strong marketing packages are something that has been talked up in the industry over the last few years, but all do not deliver. Lenders need to focus on an all-in-one solution that includes print, email and even collateral as well as social media. Corporate can then lead by example and provide automated programs done for the loan originator to attract prospects and retain clients while building overall brand equity.

Keeping everything compliant comes back to control, policies and procedures. These are things that the mortgage industry got away from for years and now it is time to rein things back in.

Corporate control can sound scary to many branch managers and loan originators at first, but when done correctly those are the people who will most greatly benefit. It is time for strong leadership, separation of job responsibilities based on what people do best and the utilization of technology. Let corporate handle compliance policies, marketing managers handle marketing and the loan originators focus on loans and handling relationships in process. This is how compliant growth will happen. ❖

INSIDER PROFILE

Ski Swiatkowski is Vice President of Business Development at The Turning Point. He is responsible for providing key insight and leadership to assist The Turning Point in successfully navigating the significant growth that the company is experiencing. He has invested the past 29 years in serving the mortgage industry, first as a top producing loan originator and manager, then as a corporate executive and trainer. During his tenure as VP of Business Development for InterBay Funding, he and his team played a key role in the company’s meteoric growth and one of the most amazing success stories in the mortgage lending industry.

