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# Brokers should choose lenders on tech policy: Flack

Brokers looking to utilise new technology should re-examine their choice of lenders, Firstfolio has stated.

With many lenders requiring face-to-face meetings to take place in person rather than over Skype, Firstfolio executive director Mark Flack has said brokers could find themselves disadvantaged as consumer behaviour and expectations change.

"I think it probably places brokers in a difficult position if the banks they're using don't have policies that are sympathetic to that," Flack commented.

A growing number of consumers are more comfortable doing business online, Flack said, and Firstfolio's online arm, eChoice, has seen more than a third of its customers choose to purchase their home loans directly online. With this growing shift in consumer sentiment, Flack said brokers should consider lenders' policies surrounding technology when choosing to deal with a lender.

"They may need to look at the various lender options and say if they're getting a large number of customers who don't want a visit in their home, maybe they need to point to lenders that would allow them to do that," he said.

Flack believes lender and aggregator policy precluding the use of technologies such as Skype to conduct client interviews could

represent an overreaction and a lag in adapting to new trends.

"I think that's trying to deal with the small percentage of fraud that has occurred. I'd bet most of the frauds have occurred face-to-face. It doesn't matter what you do if they're out to defraud.

"I think it's a bit of a knee-jerk reaction from banks to protect their position. The overwhelming majority of brokers have always done the right thing," Flack said.

However, the way brokers utilise new methods of communication will ultimately be determined by the lenders with whom they do business. For this reason, Flack said, brokers should examine the lenders they use.

"At the end of the day for the broker, the lender and their policy will dictate that. They may have to look at which lenders reflect their clients' choice. It's not all about price. It's about convenience, and it's about the process," he remarked.

