



RESEARCH

in association with

Association of



Mortgage Intermediaries

AMI Questions

Wave 16 – August 2006

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Client Retention / Contact

- The AMI questions this month focused on Client Retention and Contact
- Questions were placed on August's Mortgage Intermediary Census and fieldwork was conducted during 15th – 31st August 2006
- **243** Mortgage Intermediaries responded to the survey

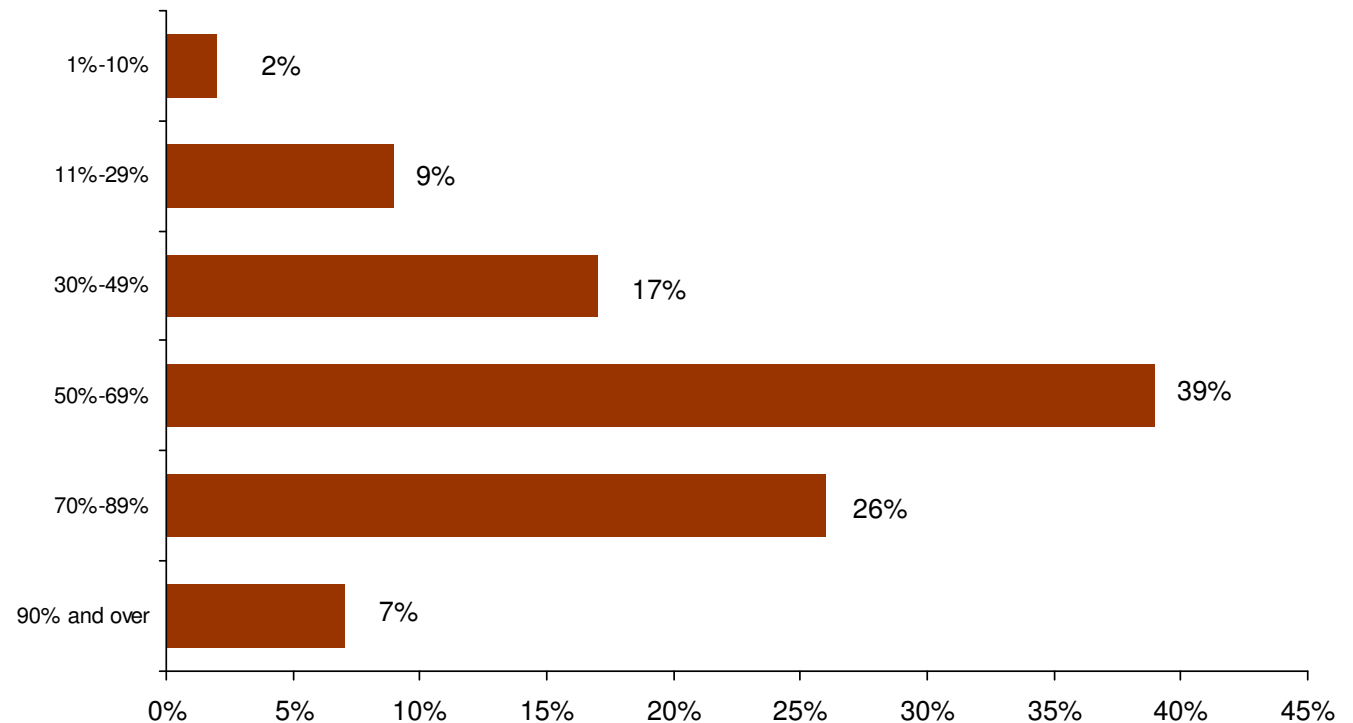
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Customer Base - Existing Clients

The majority of respondents generate over half of their business from existing customers, with a third citing over 70% of their business as being retained custom



Base: August 2006 – All Respondents (243)
Q1 - What percentage of your business comes from existing customers?

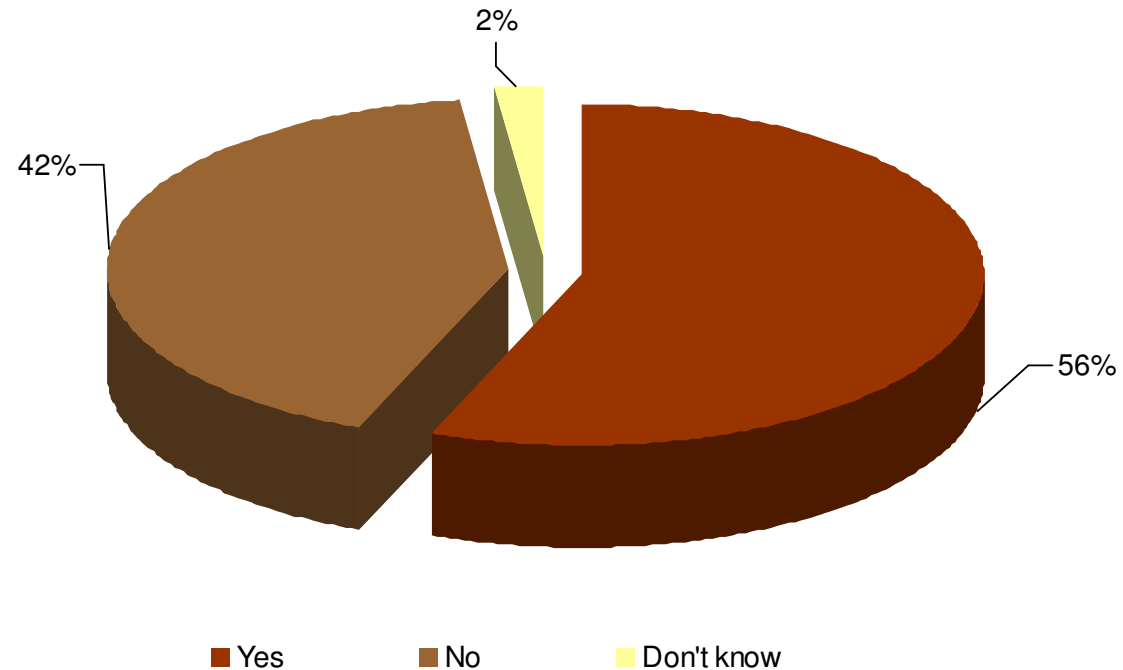
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Customer Base - New Clients

Despite the aforementioned dependence on retained business, just over half (56%) of firms are still dependent on new business from newly acquired customers



Base: August 2006 – All Respondents (243)
Q2 - Would you say your firm is dependant on NEW business from NEW customers?

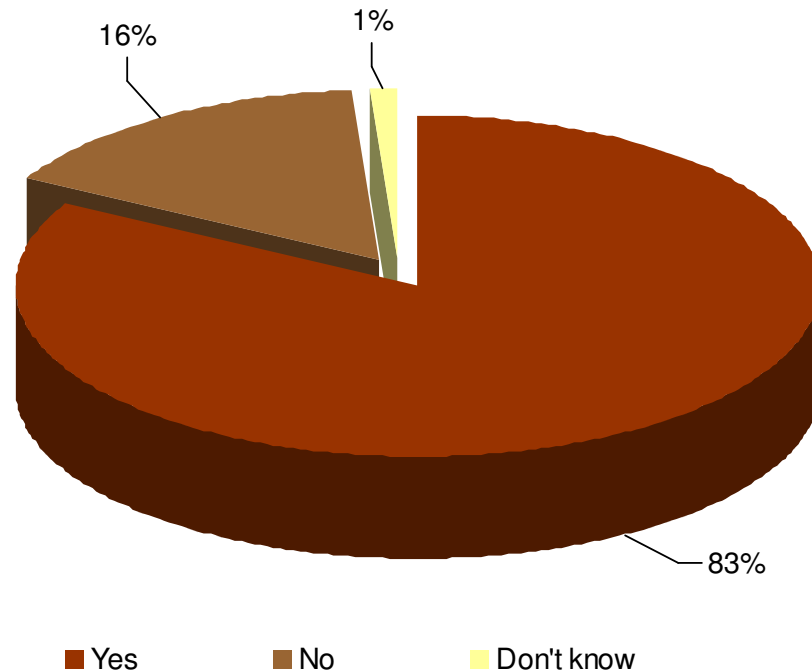
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Customer Base - Contact Strategy

4 out of 5 respondents have a contact strategy in place to generate repeat / new business from their customer base



Base: August 2006 – All Respondents (243)
Q3 - Does your firm have a contact strategy for going back to existing customers?

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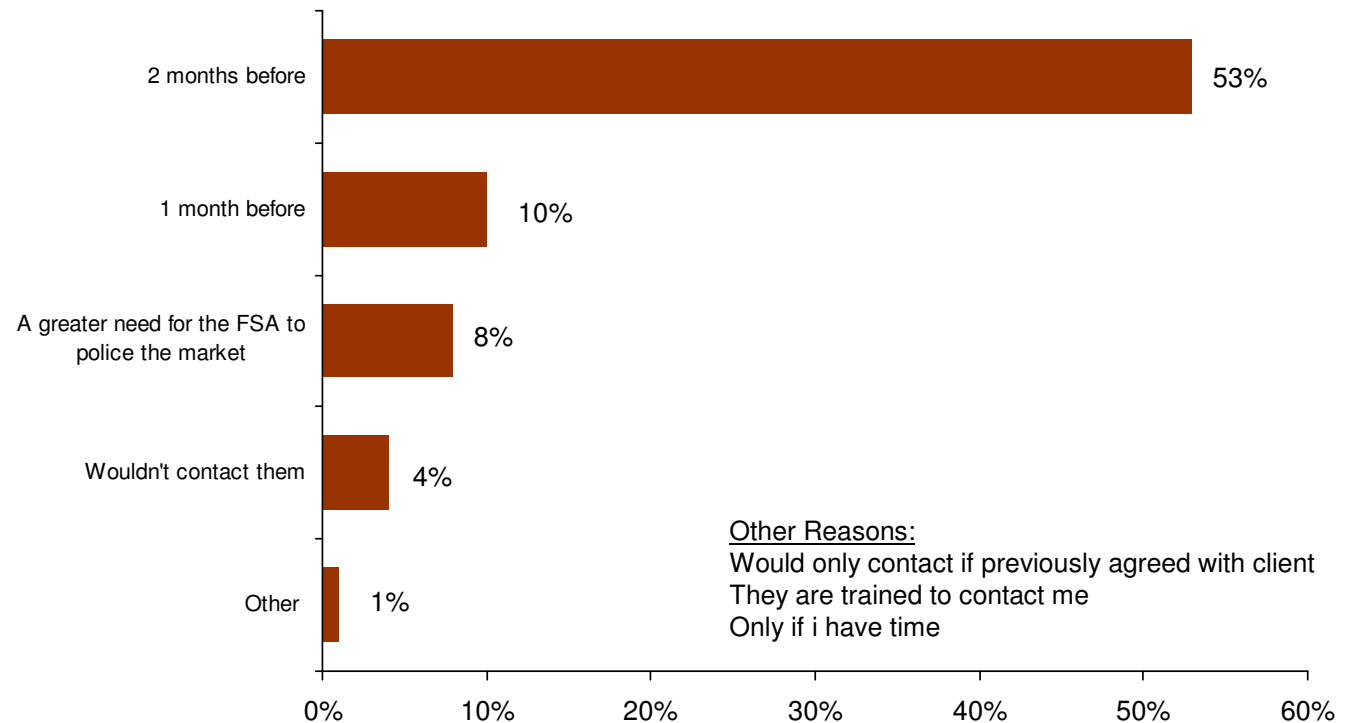
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Customer Base - Contact Strategy

94% of respondents contact clients in advance of their mortgage deal closing. The timing of such contact varies but a two-month window appears the most popular option



Base: August 2006 – All Respondents (243)

Q4 - If your client's special mortgage deal was coming to an end, when would you contact them?

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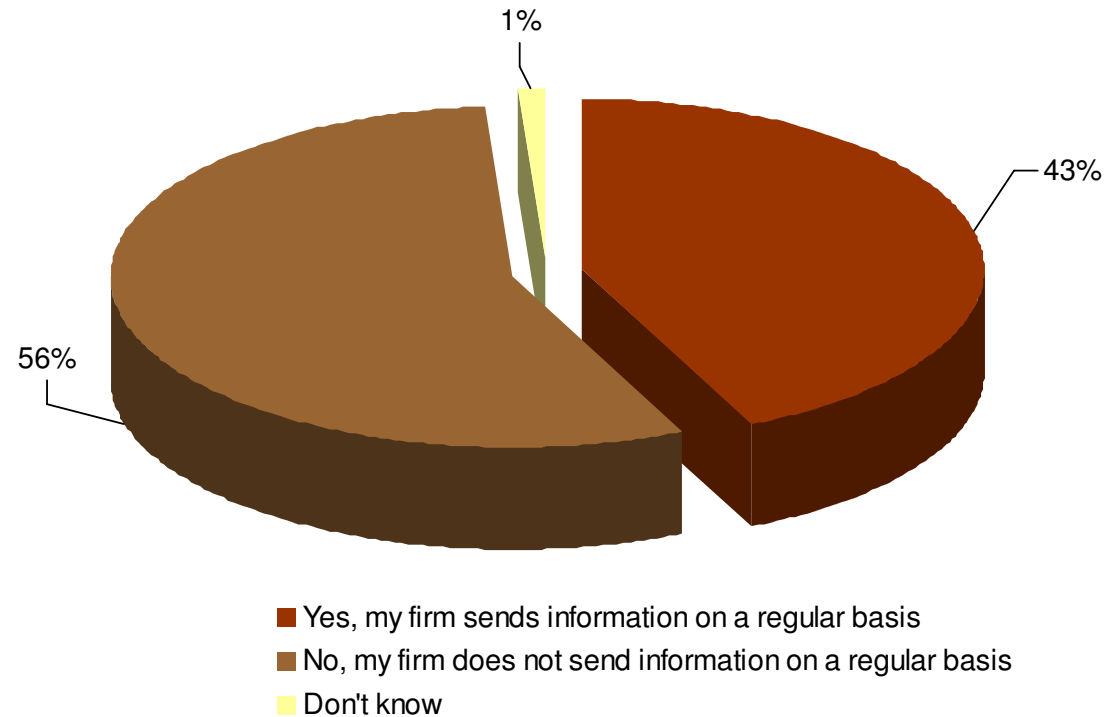
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Customer Base - Contact Strategy

On the issue of sending regular literature to clients respondents were divided, although slightly more (56%) use this as part of their contact strategy



Base: August 2006 – All Respondents (243)

Q5 - Does your firm send letters, brochures, or other circulars to its existing client base on a regular basis (i.e. at least annually)?

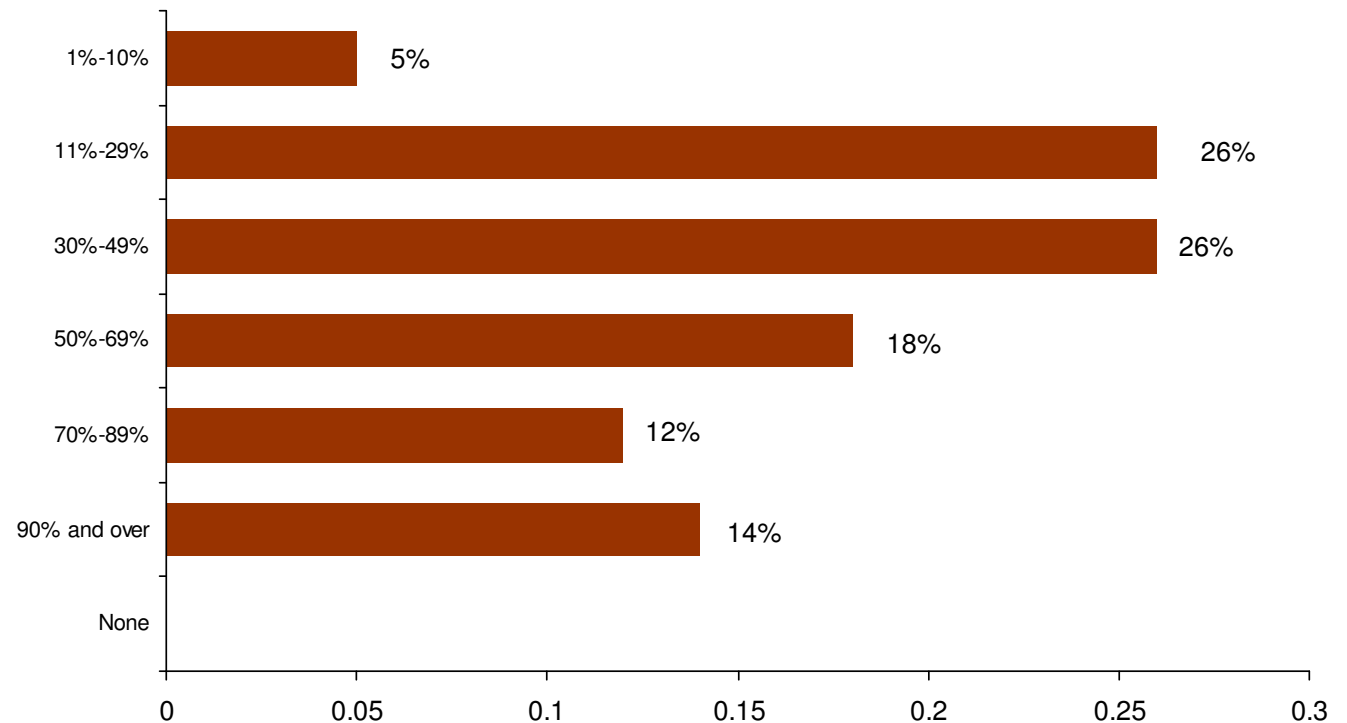
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Customer Base- Referrals

The importance of referred business differs greatly amongst respondents. To a quarter of respondents, such acquisition accounts for over 70% of their trade, but the majority (57%) indicated less than half of business is generated in this way



Base: August 2006 – All Respondents (243)
Q6 - What percentage of business do you receive from referrals?

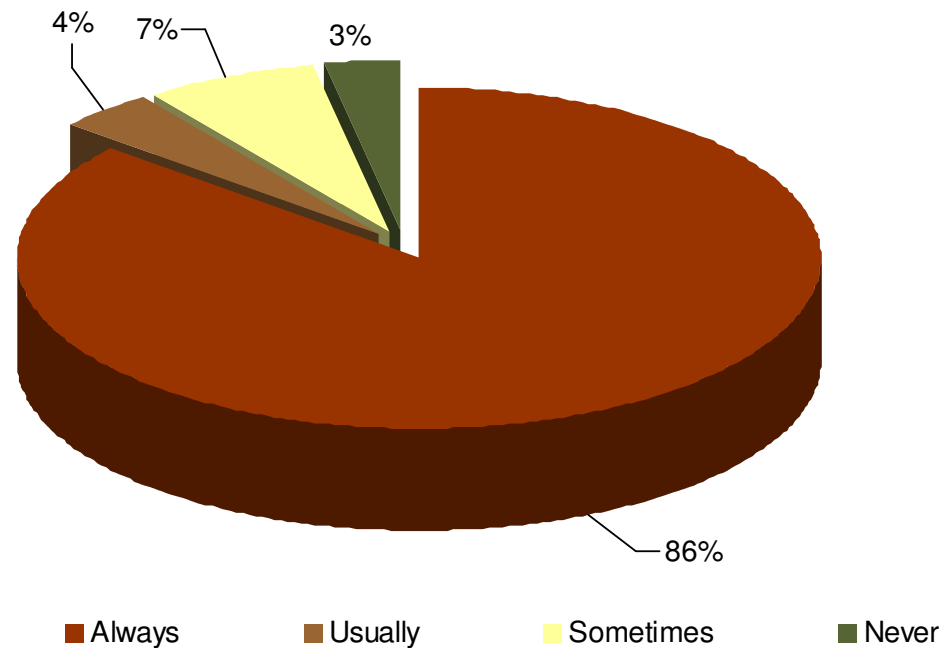
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Record Keeping - Suitability Letter

Virtually all firms (97%) provide a suitability letter with recommendations, with the vast majority issuing such literature with each piece of business



Base: August 2006 – All Respondents (243)
Q8 - Does your firm provide clients with a suitability letter when a recommendation is made?

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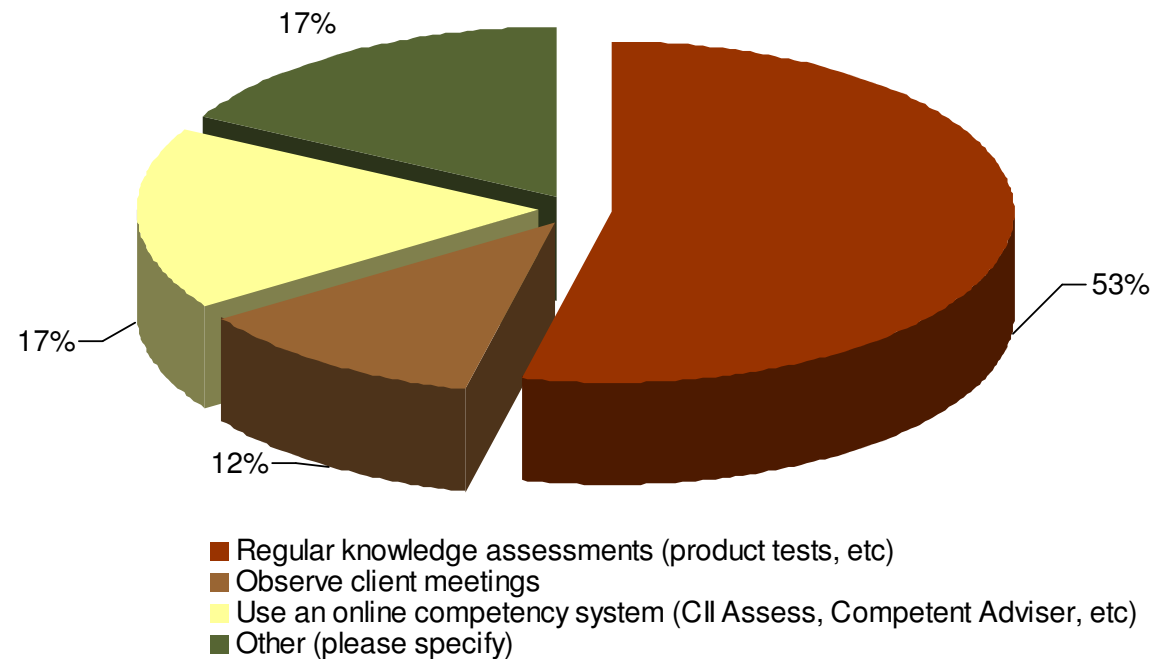


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PPI – Advisers' Competency

Knowledge assessments are still used by over half of respondents to evidence competency. Online testing (17%) and observation (12%) are the main alternatives



Base: August 2006 – All Respondents (243)

Q10 - What does your firm do to evidence advisers' competency in relation to PPI contracts?