



AI Mortgage Lending: A Better Loan Experience with Chatbots

If you're an internet user, chances are great that you've interacted with a chatbot at some point. Considered cutting-edge tech just a few short years ago, these service-oriented programs are coordinating a huge portion of the back-and-forth between businesses and customers across the globe.

Particularly in a highly competitive space like the mortgage industry, chatbot deployment has exploded in the last few years—and for good reason. As the title of this blog indicates, chatbots are fantastic tools for improving the customer (borrower) experience.

*And if Walker's prediction holds true, experience will be the **number one consideration** for consumers by the end of 2020.*

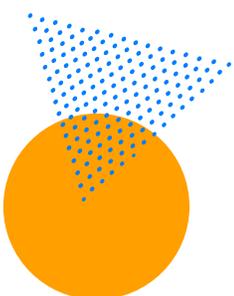
With CX (or BX) playing an ever-more important role, it's high time that home lending professionals examine ways to make the mortgage process more enjoyable—and that includes chatbots.

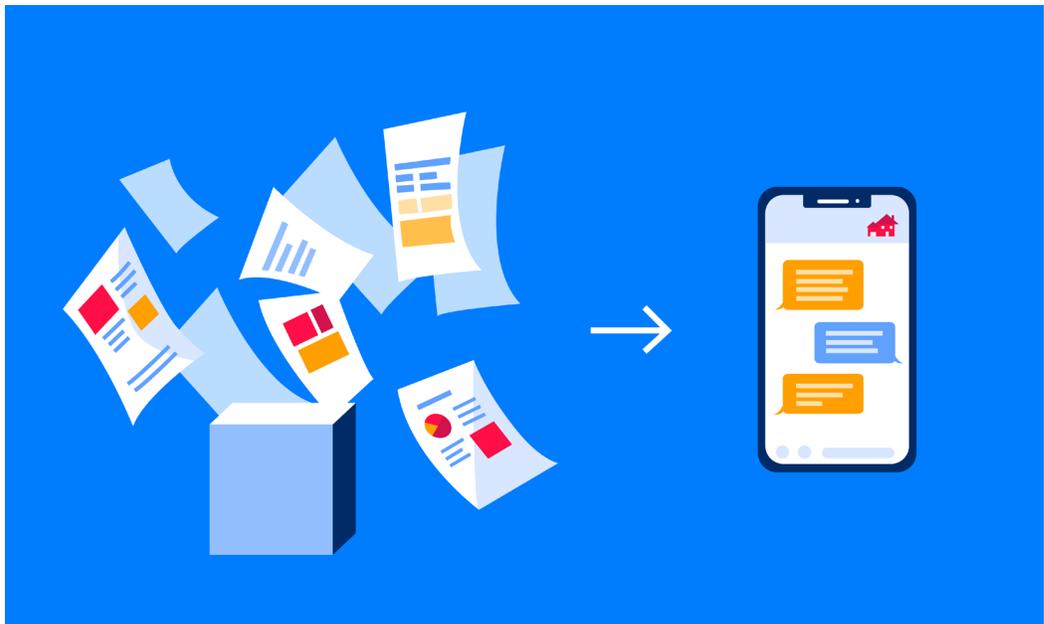
The chatbot technology gap.

But please note, not all chatbots or "bots" are created equally. The expansion of artificial intelligence (AI) and [machine learning](#) (ML) tech has led to a new generation of chatbot, which we refer to as an "AI-powered conversational interface." But for the sake of making this article legible, we'll simply refer to them as chatbots.

Unlike the simple rule-based chatbots of yesteryear, AI-powered solutions like [Capacity](#) can:

- Understand users' natural language.
- Retrieve information from disparate software, spreadsheets, and more.
- [Clarify the intent](#) behind a user's questions to identify the most helpful answer.
- Seamlessly transition conversations to [live support staff](#) when in-depth responses are called for.





With that distinction made, let's examine a few ways in which these AI-equipped service solutions can make the lending process more gratifying.

1. Mortgage pros need sleep, chatbots don't.

Wouldn't it be nice if LOs and loan applicants kept the same schedule? Unfortunately, operating a home lending operation in the real world means borrowers will often have questions outside of office hours. Before bots were widely available, inquiries after 5:00 p.m. wound up as emails, voicemails, and/or frustrated borrowers.

But thanks to chatbots, this doesn't need to be the case. With a simple code snippet, mortgage pros can embed a branded bot right on their website for round-the-clock service. Day or night, workday or weekend, loan applicants can instantly find answers to their most frequently asked questions.

73% of consumers prefer to use a company's website for support.

Need proof that self-service has a meaningful impact on the overall experience? According to a study by [Dimension Data](#), 73% of consumers prefer to use a company's website for support.

For the best borrowing experience:

Capacity's [guided conversation](#) functionality asks borrowers a series of clarifying questions to make sure loan applicants get the answers they're really after.

2. Expertise isn't a prerequisite.

The home loan process, which was shown in a [recent study](#) to be one of the most stressful life experiences, is made even more traumatizing by the terminology. ARM, escrow, interest rate lock forms—the list goes on and on. Meaning, even if a borrower has questions during the loan process, he or she might not know how to word it!

Fortunately, this particular issue is one where AI-equipped chatbots truly shine. Thanks to technology known as [natural language processing](#) (NLP), loan applicants don't have to "speak mortgage" to feel fully supported. No matter how they phrase their questions, NLP-equipped bots understand the intent and context behind the words.

Instead of feeling confused and frustrated, borrowers can simply converse with a bot in their natural dialect. In seconds, they have the answers they need and can move forward in the application process.

For the best borrowing experience:

Seamlessly integrated with Capacity's guided conversation and NLP abilities, [LiveChat](#) empowers LOs to jump into the conversation when complex questions call for human intervention—and not a moment before.

3. The revolution of instant answers is here.

Last but not least in our list of bot-based experience benefits is the instant nature of chatbot support. By connecting to your [knowledge base](#) and [other software programs](#), AI-powered bots can mine for information and return helpful knowledge to borrowers in seconds. While that might not sound ground-breaking, think about this:

When left to humans, the average response time for a support request takes [over 7 hours](#).

This makes chatbots a paradigm-shifting alternative to the traditional support model. Loan officers with the right tech in place will stand out from the crowd—especially in an industry that's historically resistant to change.

For the best borrowing experience:

Capacity's [expert finder technology](#) seamlessly reroutes loan applicants' most complex questions to a SME in your org. Once a response is provided, ML takes over to record the answer—ensuring duplicates get the same answer.

Loan officers check Equifax, borrowers check Google reviews.

From interest rates to the overall experience, most mortgage pros want the best of everything for their borrowers. That said, improving the loan process with an AI-powered chatbot does have a pragmatic advantage.

After all, if your firm becomes known far-and-wide for providing the most enjoyable, anxiety-free experience, you'll have more clients and close more loans—a win-win for everyone!



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