

Man and machine – the perfect partnership

Mark Loffhouse, CEO of Mortgage Brain.

Whether you're for it or against it, the rise of 'robo advice' has been causing a lot of debate in the industry recently. Could and should technology take over the whole mortgage advice and sales process? Or is it a step too far into the financial services underworld, the beginning of the end of the mortgage adviser as we know them?

OK, perhaps that's a little overdramatic but it does have all the makings of a classic contest. In one corner sits 'Robo Advice' - armed with auto matching and rules; and in the other corner, the advisor who uses a combination of knowledge, technology and the human touch. Which will prevail?

Sorry to disappoint anyone who thinks there might be a 'Rocky, the Mortgage Years' in this, but to my mind this is a contest that shouldn't, and won't, actually take place. Why? Because to offer the very best mortgage advice you need to take the changes Robo Advice is driving coupled with the capabilities, knowledge and personality of the adviser and mould them into one.

Round one - technology

The market is growing ever more complex, the number of products is on the rise. FCA regulations are increasing and customers have more ways of obtaining and using information than ever before. All these facts are clearly an indication that technology is central to the way forward. How else can advisers hope to retain their share of the market? Anyone trying to compete without it will clearly be disadvantaged. Technology is simply essential, and in an age where consumers are obsessed with the speed at which they can do things, technology will surely be the victor!

Round two - human interaction

While the market may be gaining in complexity, so are the needs of clients. The days of a few mortgage products being enough to cover the whole population are long gone. We all know that. People's circumstances are now so individual

that it takes much more than the click of a few buttons to find a mortgage that fits them like a glove. You can't always tease out the nuances required to obtain the perfect mortgage via a software package. It takes the knowledge, experience and personal touch of a broker to do that.

Final round – the knock-out

To say that choosing technology or an adviser is a choice is far too simplistic. The best and most effective option is to have both.

Advisers need technology because without it they simply won't keep up with the range of products and the demands of both clients and regulation. Technology is brilliant at making advisers more efficient and better able to handle an increased workload. And as customers increasingly want to sort out their finances outside of the normal working day, advisers need all the technological help they can get to remain competitive.

Technology needs advisers because without them it's simply a programme - a set of rules. Anyone can click a few buttons; it takes genuine skill to ask the right questions in order to press the right buttons. For all its benefits, technology will never be able to replace the personal touch and years of mortgage knowledge that an adviser brings to the process.

The best advice comes from a combination of an advisor and technology. That requires both parties to work together. Done well, it's a sure fire knock-out punch.

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