

POINT OF VIEW

Beyond the Application: How Lenders Win in the Digital Age

Creating a borrower experience that wins customers and keeps them



Executive Summary

Borrowers have never had more choice – and the lenders who deliver have never had more to gain. In a market where borrowers switch lenders at record rates and rate alone no longer wins, the defining question for every lender is simple: what separates the institutions that grow from the ones that get left behind?

The answer is the experience. Australia's broker channel now settles 81% of all new residential home loans – the highest share on record¹ – and, according to IDC research sponsored by nCino, online applications across Australia and New Zealand are forecast to climb from 23% of all applications today to 30% within five years.² Borrowers are choosing how they engage, comparing lenders against the speed and transparency they get from every other digital service, and moving when a lender falls short. With 68% of Australia and New Zealand mortgage executives naming waiting times as a primary source of friction in the home-buying journey,² the experience gap is both the biggest risk and the clearest opportunity in the market.

That opportunity is wide open. Globally, nearly half of all banks still take two to four weeks to process a mortgage application, and only about one-third close in under two weeks.³ Australia and New Zealand lenders already close faster than most and rate their customer experience more highly than their global peers, a strong foundation to build on rather than a problem to fix.² The lenders that turn that head start into a faster, clearer and smarter borrower journey will grow their direct book, deepen loyalty and compete on far more than price.

The Australia and New Zealand Mortgage Market in 2026: Mobile Borrowers, Rising Stakes

Why Borrower Loyalty Is in Play

Borrowers are increasingly deciding how – and through whom – they borrow. Broker share of new home loans has surged from 55.3% in 2018 to a record 81%, up from 76.7% in just the past quarter¹ – clear evidence that borrowers gravitate to the channel that makes the journey easiest. At the same time, the major banks are investing to win borrowers back directly: ANZ, NAB and Westpac have all announced plans to hire more proprietary bankers to lift their share of residential lending.⁴ The competition for the borrower relationship is intensifying from every direction at once.

The numbers tell the story of a market in motion. In New Zealand, 30% of all new mortgage commitments in June 2025 – NZD \$2.475 billion – came from borrowers switching lenders, a record in both dollar terms and share.⁵ In Australia, more than 640,000 home loans were renegotiated or switched across 2025, a 20% jump from the prior year and the largest refinancing wave on record.⁶

The opportunity is straightforward: in a market this fluid, every interaction is a chance to win a customer for life. Rate is increasingly commoditised, but experience is not – and the lenders closing the experience gap fastest will capture a disproportionate share of borrowers who are already shopping around.

30% of all new New Zealand mortgage commitments in June 2025 came from borrowers switching lenders – a record.⁵



How Borrower Expectations Have Shifted

Your borrowers arrive with expectations shaped outside finance. They want to upload documents in real time, track their application's status and get answers in the journey – without having to pick up the phone.⁷ They have learned from every other digital service that progress should be visible and self-serve.

Speed matters just as much as visibility. In New Zealand, bank processing of a mortgage application takes up to 10 days depending on the lender, while the full end-to-end journey typically runs around 30 days.⁸ Globally, 43% of institutions take two to four weeks to close and 30% take more than four weeks³ – timelines that sit well behind what your digitally conditioned borrowers now expect.

“Turnaround time is very important because customers want quick outcomes.”³ – Head of operations, large Australian bank

The message is consistent across the region: borrowers reward the lenders who make speed and clarity the default.

Three Friction Points That Cost Lenders Borrowers – and How to Fix Them

Three moments do the most to make or break borrower confidence and each is a clear opening to pull ahead.

Application Complexity: Too Many Hoops to Clear

Multiple document requests, re-keyed data and unclear upfront requirements cause borrowers to disengage before they finish. ASIC found that 35% of borrowers dropped out of hardship applications at least once, often because the process was too difficult to get through.⁹ Hardship is a different journey from origination, but the lesson carries across both: ask for too much and people don't finish. Strip that complexity out at the point of application and completion climbs, one of the quickest wins on offer.

Decisioning Opacity: Borrowers Left Without Answers

Borrowers want to know where they stand and when they'll have an answer. Around 68% of Australia and New Zealand mortgage executives say waiting times are a major customer pain point – the single most cited friction across the region.² The opportunity behind that number is significant: globally, 53% of underwriting and decisioning processes remain manual, with the top frictions being outdated credit risk models (31%) and document collection and verification (27%).³ These are addressable, and the lenders that address them turn opacity into a competitive advantage.

Communication Gaps: Borrowers Forced to Chase Updates

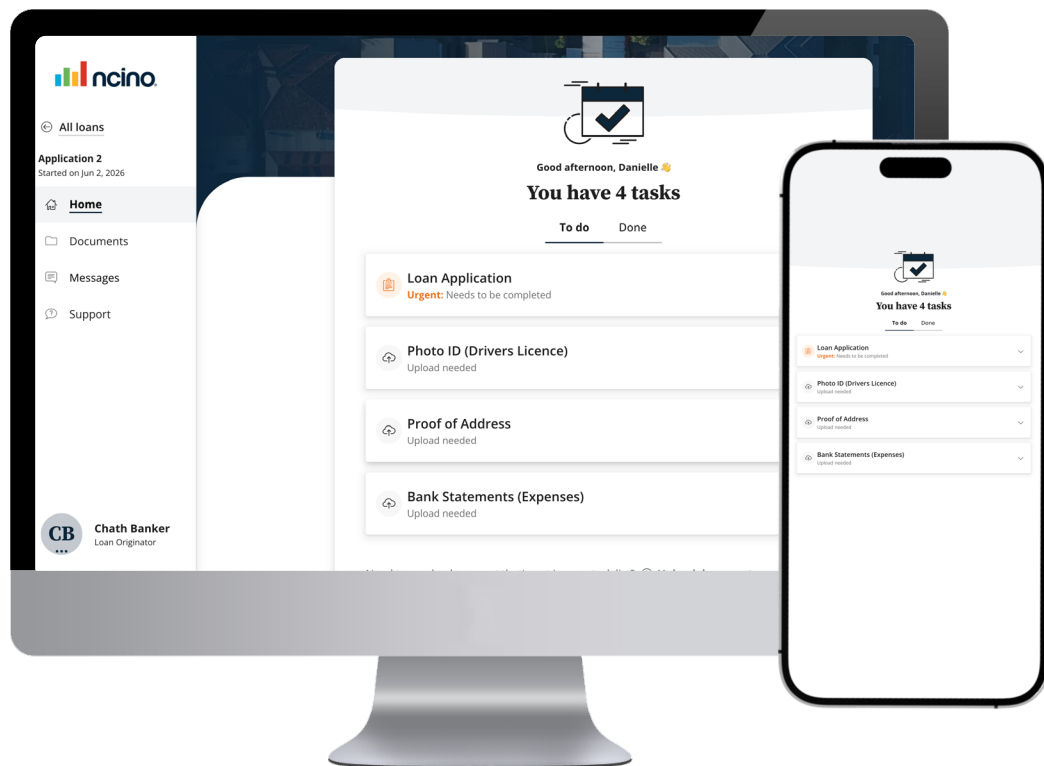
When updates aren't proactive, information is inconsistent, or borrowers have to repeat themselves across channels, trust erodes quickly. Industry practitioners describe buyers struggling to understand who to trust and what's needed at each stage, with limited end-to-end visibility creating delays, repeated information requests and frustration on both sides.¹⁰ Clear, consistent communication is the antidote – and it's well within reach for lenders willing to unify how information flows.

How Leading Lenders Pull Ahead

The lenders earning borrower advocacy aren't just meeting expectations; they're setting them. Three pillars define the difference, and each is within your reach.

Frictionless Digital Application

Lenders pulling ahead design the application around the borrower, not around the lender's internal processes. They pre-populate data from verified sources to cut manual entry, and pair intelligent document upload with real-time validation so borrowers aren't hit with a "one more thing" request days later. Requirements are made clear before the borrower starts, rather than discovered mid-journey, and the whole experience is mobile-first from end to end. When a borrower reaches a moment of confusion, in-journey guidance, digital or with a human in the loop, keeps them moving.



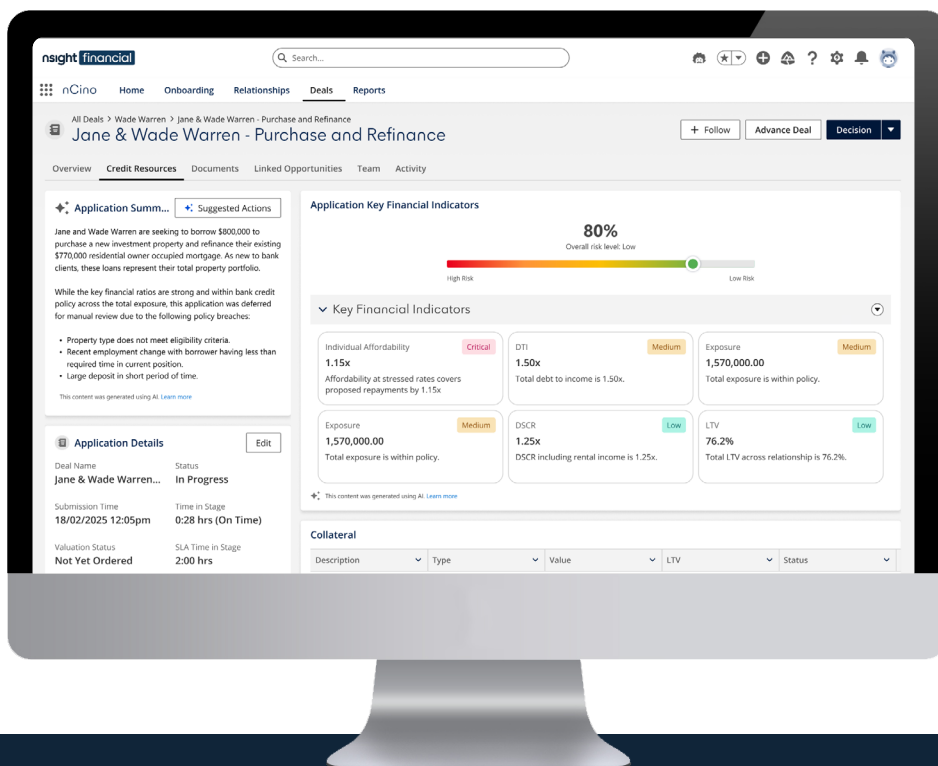
The outcome: First-time-quality applications that move faster through your pipeline, and a borrower experience that builds confidence from the first click.

Speed and Decisioning Confidence

Borrowers don't just want fast approvals. They want to know they'll get an answer, and when. Forward-thinking lenders give indicative or conditional decisions early in the journey and use automated decisioning on standard criteria to clear straightforward cases with minimal human touchpoints. Augmented underwriting flags complex cases early, bringing human expertise in at the right moment, while clear eligibility checks and policy guidance surface upfront so borrowers can self-qualify before investing their time. And when a policy exception arises, it surfaces in real time as the application progresses, not days later.

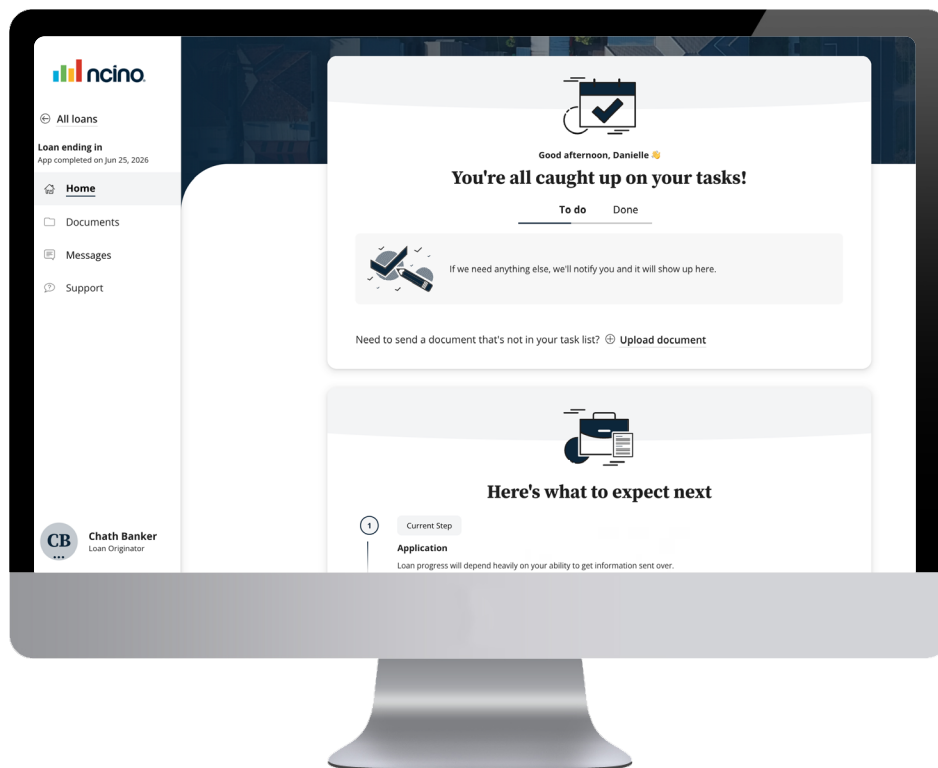
Bank processing of a New Zealand application takes up to 10 days, with the full journey around 30 days⁸ – and lenders who improve data quality at the point of application can materially shorten that timeline. Australia and New Zealand lenders currently run 48% manual underwriting, against a five-year regional target of 68% automation,² which means the lenders moving now will define the competitive standard for the next half-decade. In its recent global study, sponsored by nCino, IDC's view is unambiguous: origination timelines lag borrower expectations, creating urgent pressure to accelerate the end-to-end workflow.³

The outcome: Borrowers know where they stand. A fast "yes" builds loyalty. A clear, timely "no" builds respect – and referrals.



Transparency and Real-Time Visibility

Australia and New Zealand borrowers are digitally sophisticated and expect to be kept in the loop at every stage. Smart lenders give them a unified portal showing real-time application status, backed by proactive milestone notifications – application received, document verified, credit decision underway, offer issued. Borrowers can upload documents, respond to queries and check status whenever they like, on any device, and the information they see stays consistent across every touchpoint, whether that's the digital portal, the contact centre or the branch.



The outcome: *Visibility builds trust, not promises. Borrowers who feel in control are less likely to abandon and more likely to return.*



The nCino Digital Borrower Experience

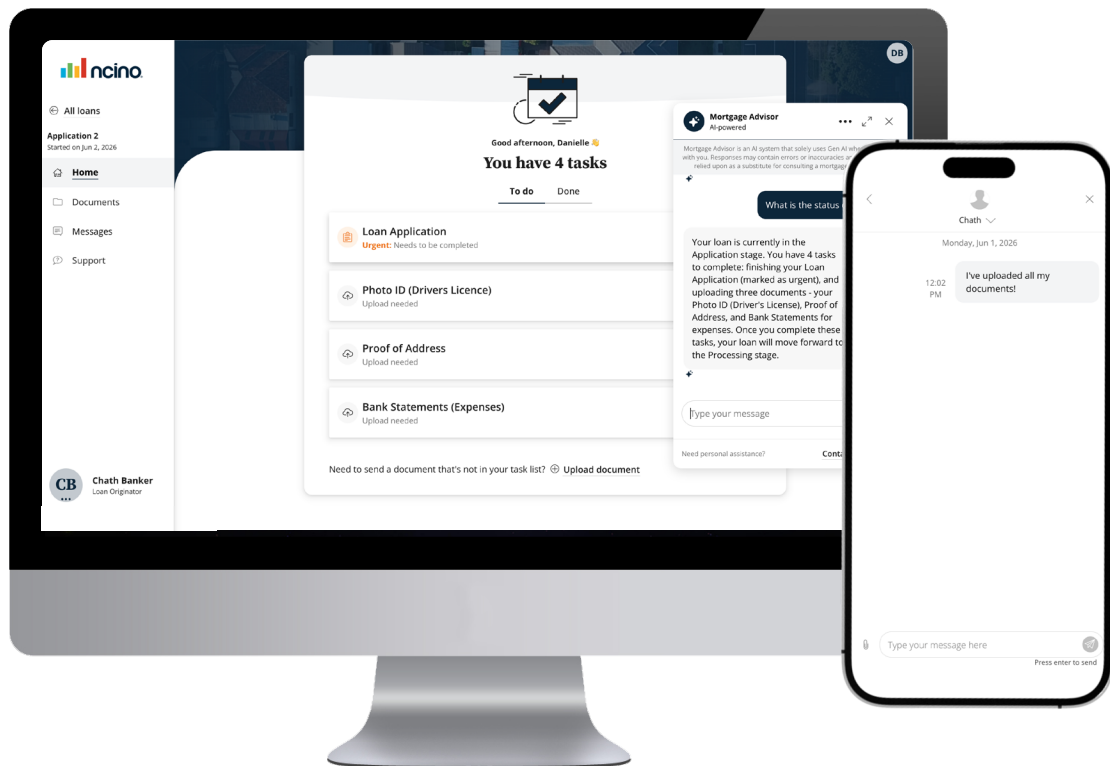
The nCino Platform, chosen by more than 2,700 customers globally, brings these three pillars together in a unified, AI-native system built for the way Australia and New Zealand borrowers expect to engage.

Seamless Data and Application Architecture

nCino connects the borrower-facing application to underwriting and servicing on one platform, and its API-enabled integrations pull data from authoritative sources to cut re-keying and reduce errors. Built for the Australian and New Zealand market, the platform spans the full mortgage lifecycle from initial enquiry through credit decision to settlement. Summerland Bank, a customer-owned lender serving regional Australia, shows what that looks like in practice: it replaced multiple legacy systems with the nCino Platform and now runs ID, credit and LMI checks within the one platform, removing the handoffs that used to slow applications down.¹¹

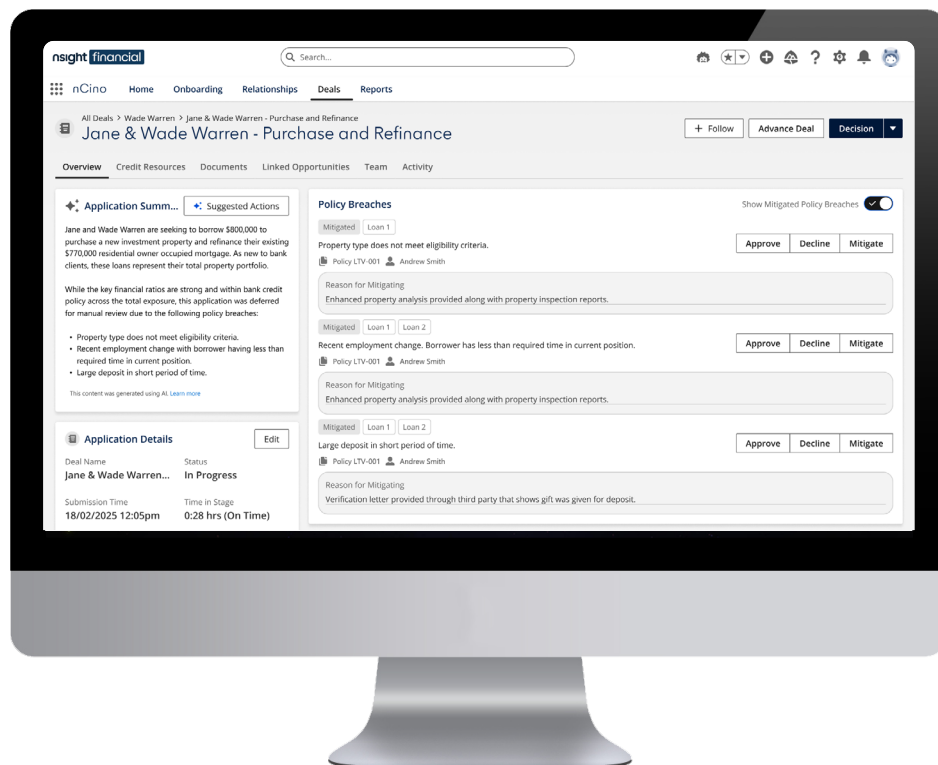
Complete Borrower Visibility

A unified dashboard shows application status at every stage of the journey, with proactive notifications at key milestones so there are no black boxes. Secure in-portal messaging lets borrowers reach their lender without picking up the phone, and because everything is built on a single data model, lenders get a 360-degree view of the customer with far less re-keying.



AI-Native Platform

nCino Mortgage Advisor, a contextual AI-powered chat capability, helps borrowers submit right-first-time applications, and structured, validated data capture from the first touchpoint lays the foundation for automated decisioning. In the underwriting stage, nCino's Underwriter Hub clears straightforward cases automatically on routine criteria with minimal human touch, surfaces missing or inaccurate information early, and flags policy exceptions in real time as the application progresses rather than days later. It routes complex cases to the right underwriter at precisely the right moment, so quality and compliance hold while the borrower keeps moving.



Local Fit, Built to Scale

Because the platform is cloud-native, it absorbs volume surges without slowing down, and serves direct, broker and assisted borrower journeys from one place, so every borrower gets a strong experience however they reach you. You configure it to your own products, policies and regulatory obligations, including APRA, RBNZ and ASIC.

This fits how the region wants to modernise. Fifty-five percent of Australia and New Zealand institutions prefer modular transformation – versus 48% globally² – meaning they want to adopt new capabilities without ripping out existing systems. nCino's architecture is built for exactly that approach.

“Banks trust building things in-house...but they are moving toward cloud-based environments.”³

– Head of operations, National Australia Bank

Proven in Australia and New Zealand

Summerland Bank put this into practice. The customer-owned lender moved its lending onto the nCino Platform, and the difference shows up in everyday deals: in one recent case the bank approved a loan and turned around valuations fast enough for the borrower to exchange contracts and take a property off the market before it went to auction.¹¹ Since its new customer portal went live, Summerland has also seen application volumes rise.¹¹



Your Roadmap: Four Moves to Transform the Borrower Journey

STEP 1: Understand your borrowers' digital expectations. Map your borrower journey end-to-end. Identify where borrowers drop off, call in or disengage, and use NPS and analytics to surface the highest-friction moments.

STEP 2: Identify your biggest friction points. Focus on the three that matter most: application complexity, decisioning opacity and communication breakdowns. Prioritise the ones generating the most abandonment or repeat contact.

STEP 3: Think platform, not point solution. Point solutions that fix one part of the journey tend to create new friction elsewhere. An integrated platform connecting the borrower-facing experience to back-end underwriting and servicing delivers sustainable, compounding improvement. Partner with providers who understand lending, not just generic workflow tools.

STEP 4: Build for every borrower, not just one type. Whether a borrower comes direct or via a broker, the experience should feel consistent, quick and clear. The most resilient lenders don't trade off between channels – they build a platform that serves every borrower well, however they choose to engage. Cloud-native, configurable architecture makes this possible without duplicating effort.



Conclusion

In Australia and New Zealand's high-switching, digitally demanding mortgage market, a strong borrower experience is no longer a differentiator. It's table stakes. The lenders already closing faster and rating their experience highly have a head start; the ones who act on it now will grow their proprietary book, build lasting loyalty and compete on far more than rate.

The question isn't whether to invest in the borrower experience. It's how quickly you can turn today's advantage into tomorrow's growth.

Ready to close the experience gap?

Partner with nCino to transform your borrower experience and build direct-channel growth on a platform trusted by lenders across Australia and New Zealand.

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