

HEXAWARE

Driving Intelligent Mortgage Loan Servicing through personalized borrower insights

Case study



Client

| Client

- Challenge
- Solution
- Benefits
- Summary

A Reputed Mortgage Service Provider

Our client is a global provider of advanced mortgage loan services and asset management solutions. With decades of experience, the company supports residential and commercial lenders through innovative technologies and operational expertise. Its services enable efficient loan servicing, risk management, and customer engagement, helping financial institutions optimize performance and deliver superior borrower experiences in a competitive market.



Challenge

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Struggle In Retaining Borrowers and Driving Targeted Engagement

A leading mortgage lender faced rising customer churn as borrowers increasingly opted for refinancing with competitors, driven by adjustments in interest rates influenced by macroeconomic factors. The root cause was fragmented data systems, which hindered a unified view of borrower behavior and motivations. This lack of insight prevented the development of targeted retention strategies.

Marketing efforts remained broad and ineffective due to poor segmentation, resulting in low conversion rates and wasted spend. Operational inefficiencies from manual data analysis slowed decision-making and reduced agility. Without seasonality and trend analysis, the client missed key refinancing windows, allowing competitors to gain ground.

Ultimately, the inability to identify and engage at-risk borrowers led to escalating attrition and revenue loss, threatening the long-term viability of their mortgage portfolio.



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Data-Driven Refinancing Strategy and Targeted Engagement Enablement

To address the client’s borrower retention and engagement challenges, Hexaware implemented a comprehensive, data-driven framework. The initiative began with seasonality and trend analysis of Freddie Mac Note Rate data to identify optimal outreach windows. Using hybrid clustering techniques, borrowers were segmented into actionable cohorts based on behavioral and demographic traits. Look-alike models identified high-risk borrowers likely to refinance elsewhere, while Random Forest propensity models calculated individualized refinancing probabilities (PoR) to prioritize engagement.

Borrowers were stratified into priority tranches, enabling personalized and precise marketing. Flexible segmentation and scoring frameworks allowed rapid campaign adjustments in response to market shifts. Hexaware conducted stakeholder workshops to align solutions with business objectives and integrated domain experts to refine clustering variables and interpret refinance behaviors. The engagement concluded with a tailored operational roadmap, ensuring seamless adoption. The active involvement of stakeholders, including the commercial non-life (marine) insurance underwriting and risk team, ensured alignment, buy-in, and long-term success.



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Measurable Impact on Borrower Retention and Marketing Effectiveness

Achieved Significant Reduction in Borrower Churn: 10–12% decrease in borrower churn among refinance customers due to the AI/ML-driven approach, which directly improved retention rates.

Delivered Enhanced Campaign Performance: 15% uplift in refinance campaign performance with personalized borrower segmentation, boosting conversion rates and engagement.

Realized Improved Marketing ROI: 8–10% increase in marketing ROI by focusing spend on high-propensity segments and accelerating time to market.

Enabled Agile, Data-Driven Decision Making: The new frameworks supported rapid, data-backed adjustments to marketing strategies, enhancing organizational agility and responsiveness.



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Sustained Growth and Continuous Optimization

Hexaware’s layered, AI-powered solution has empowered a leading mortgage lender to overcome deep business challenges, achieve measurable retention gains, and build borrower engagement.

Today, the client continues to benefit from Hexaware’s solution, with ongoing improvements in borrower retention and marketing effectiveness. The institution has adopted a culture of data-driven decision-making, leveraging advanced analytics to anticipate borrower needs and proactively engage at-risk segments. Marketing teams now operate with greater precision, agility, and confidence, ensuring sustained growth in a highly competitive mortgage market. The collaborative partnership with Hexaware remains strong, with continuous enhancements and roadmap updates to adapt to evolving market conditions.



Transform Borrower Engagement with Data-Driven Precision

Discover how Hexaware's AI-powered mortgage solutions can help you enjoy customer churn reduction while driving optimized campaigns and growth. Connect with our experts today to start your data-driven journey: marketing@hexaware.com

About Hexaware

Hexaware is a global technology and business process services company. Every day, Hexawarians wake up with a singular purpose: to create smiles through great people and technology. With this purpose gaining momentum, we are well on our way to realizing our vision of being the most loved digital transformation partner in the world. We also seek to protect the planet and build a better tomorrow for our customers, employees, partners, investors, and the communities in which we operate.

With offices across the world, we empower enterprises to realize digital transformation at scale and speed by partnering with them to build, transform, run, and optimize their technology and business processes.

Learn more about Hexaware at <https://www.hexaware.com>.

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