

# Sender identity impacts customers' perception of a suitable response in a mortgage application process

With negative responses, human conditions had higher suitable response scores (SRS) than AI conditions, across pronouns.

## BACKGROUND

- Introducing AI into service provision may cut costs and increase efficiency related to mortgage application processes.
- Customers are sensitive to whether a human agent or artificial intelligence delivers positive and negative offers.<sup>1</sup>
- Using personal pronouns influences customer-business interactions.<sup>2</sup>

## RESEARCH QUESTION

- To what extent will the sender's identity, different pronoun usage, and response valence, impact customers' perception of a suitable response in a mortgage application process?

## DESIGN

- Preregistered vignette study ( $N = 1,856$ ) with 12 conditions, Norwegian general pop.
- No significant differences between subsamples in gender ( $p = .73$ ), age ( $p = .65$ ), having a mortgage ( $p = .39$ ), or having a personal banker in the main bank ( $p = .51$ ).
- "Imagine that you have sent a mortgage application to your main bank. You know you have applied for more than you can afford. Imagine getting a response from the bank. The next page contains more information about the bank's response. Read it thoroughly and answer the subsequent questions."

## CONDITION EXAMPLES

- **#4:** "Thank you for the application, which has been processed by the bank's mortgage robot, an artificially intelligent financial advisor. Unfortunately, I cannot give you a mortgage of this magnitude, as it is too large for your personal finances. Please get in touch to find other solutions" → *AI, negative, I*
- **#8:** "Thank you for the application, which we have processed. The mortgage is a bit large for your personal finances, but we have nonetheless granted it. Kind regards, A. Hansen, financial advisor" → *Human, positive, we*

## THE DEPENDENT VARIABLE

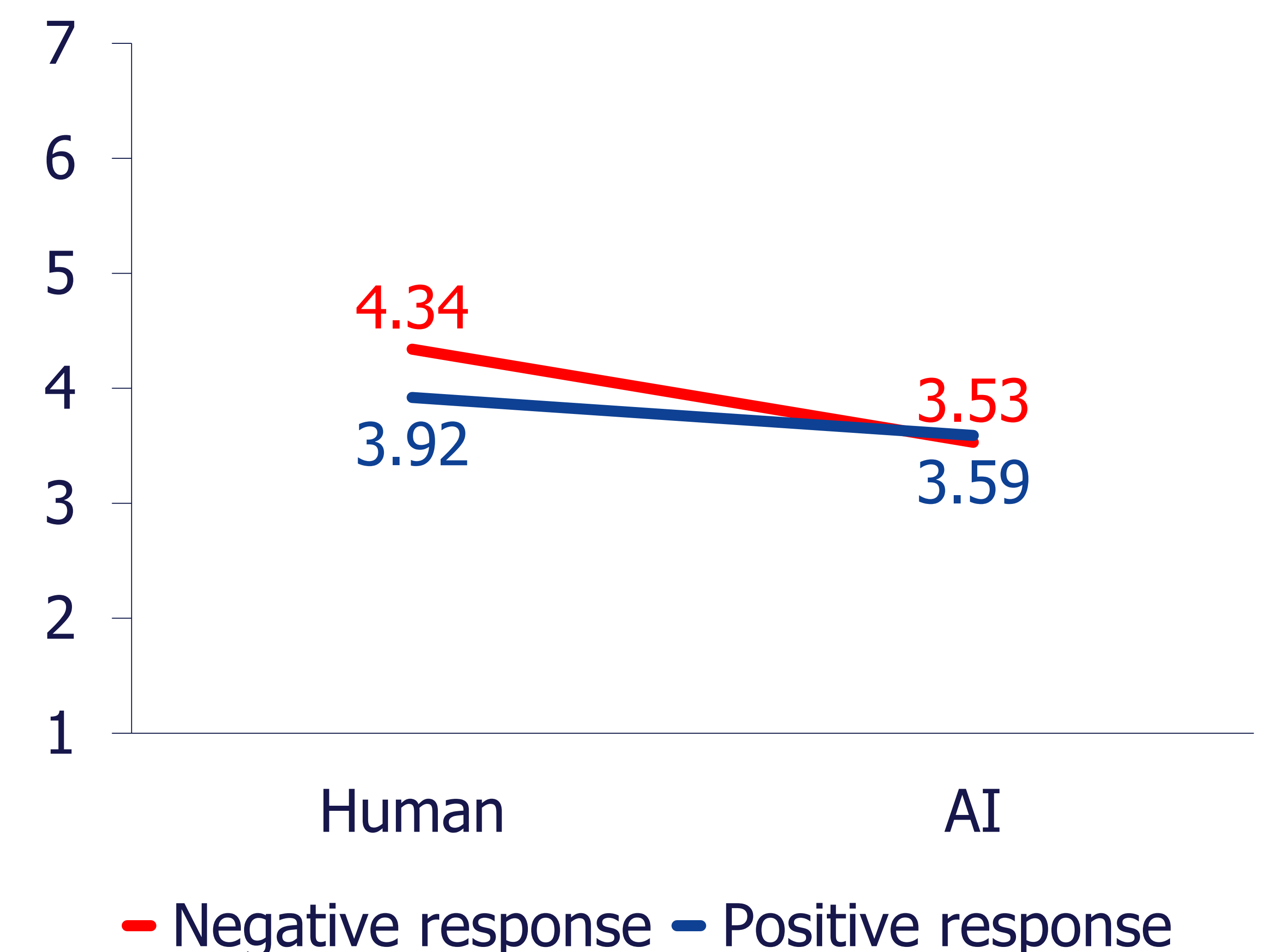
- understands my needs well
- knows what is best for me
- the decision is good for me
- satisfied with the decision
- the correct decision

SRS  
 $\alpha = .94$

## FINDINGS AND IMPLICATIONS

- Receiving a rejection from an AI is far less suitable than receiving the same rejection from a human, a difference not found for positive responses.
- The human touch can be necessary to manage the emotions elicited from negative responses.
- Banks and financial advisors still play an important role in aiding customers with complicated personal finances.<sup>3, 4, 5</sup>

## Suitable Response Scores (SRS) when using the "we" pronoun, human vs. AI, and negative vs. positive response ( $N = 658$ )



## REFERENCES

1. Garvey, A. M., Kim, T., & Duhachek, A. (2023). Bad News? Send an AI. Good News? Send a Human. *Journal of Marketing*, 87(1), 10–25.
2. Packard, G., Moore, S. G., & McFerran, B. (2018). (I'm) Happy to Help (You): The Impact of Personal Pronoun Use in Customer–Firm Interactions. *Journal of Marketing Research*, 55(4), 541–555.
3. Montmarquette, C., & Viennot-Briot, N. (2015). The Value of Financial Advice. *Annals of Economics and Finance*, 16(1), 69–94.
4. Prati, L. M., & Prati, R. S. (2009). Managing ups and downs with clients: Managing emotions by financial advisors. *Journal of Personal Finance*, 8, 128–146.
5. Sommer, M., Lim, H., & MacDonald, M. (2022). Financial advisor use, life events, and the relationship with beneficial intentions. *Financial Services Review*, 30(1), 69–88.

Øystein Bortne, PhD candidate, UiS

Specialist Director of Market Research, SpareBank 1  
+47 90 88 37 47, oystein.bortne@gmail.com

In collaboration with Associate Professor Mads N. Arnestad  
BI Norwegian Business School Bergen

We acknowledge SpareBank 1 for providing the data set



Universitetet  
i Stavanger