



Financial Services Marketers Predicting Up Turn In Sales

- *The Financial Services Forum publishes its quarterly Marketing Confidence Index*

Draft 11th May 2007: The leading financial services marketing organisation, The Financial Services Forum (FS Forum), publishes the latest findings of its quarterly Marketing Confidence Index today. The index is based on the personal views of the 300 plus UK-based members of the FS Forum (rather than their companies' official targets). It examines how the marketing activity of the respondent's company will change over the next three months.

Overall, it appears that UK financial services marketers are more confident now than they were three months ago (the Marketing Confidence Index is up four points to 111 – its highest level for 12 months). However, most of the jump in the index is based on a rise of more than 6% in the sales index. This means much of the increased confidence is based on an assumption that sales will be good over the next three months.

The up-turn in sales won't, however, be driven by an increase in marketing spend. The respondents suggest very little change is expected in marketing spend over the next three months: with both above-the-line and below-the-line up half a point. The industry does, however, appear to be on a recruitment drive – with the headcount index up 4% to its highest level since last April.

Anthony Thomson, Chief Executive of the Financial Services Forum, comments:

“It would appear from the Marketing Confidence Index that many marketing professionals are expecting to achieve the Holy Grail: higher sales with no significant increase in budget. This sales peak is also not seasonal, as the research was undertaken during Quarter 2 of 2007 after the end of the traditional end-of-tax-year boost to turnover. Perhaps an increase in base rates means many are looking forward to offering even more attractive rates on savings products to help drive sales.”

PRESS RELEASE

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The Marketing Confidence Index

The index is calculated based on the results of five questions. The members of the FS Forum are asked whether they believe their organisation's overall sales revenue, total marketing expenditure, above-the-line expenditure, below-the-line expenditure and marketing headcount will reduce, stay the same or increase over the next three months.

For further information on The Financial Services Forum, please call on 020 7449 9000 or visit www.thefsforum.co.uk

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NOTES TO EDITORS

The Financial Services Forum

The Financial Services Forum is an independent organization that helps its members improve their marketing effectiveness by sharing information, experience and expertise. The purpose of the Forum is to improve marketing in financial services, because good marketing is good for both the industry and the consumer.

The Financial Services Forum was founded in July 2000 to bring together senior people from all parts of the retail financial services sector. The Financial Services Forum:

- provides insight into the future of financial services marketing, through events and research;
- creates a space for members to discuss and debate with other members; and,
- helps raise marketing and business standards in financial services.

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The Financial Services Forum has over 300 individual members, representing the major retail banks, building societies, life and pensions companies, asset managers, stockbrokers and corporate and investment banks. Between them, they control marketing budgets of over £2 billion.

Within the membership:

- 44% are marketing director or head of marketing;
- 22% are chief executive or managing director;
- 8% are director or head of product;
- 7% are director or head of distribution;
- 7% are director or head of strategy;
- 6% are director or head of e-commerce; and,
- 5% are head of brand.

Membership is restricted to financial marketing practitioners. For further information on The Financial Services Forum and its events, please contact Rachael Evans on 020 7449 9000 or e-mail re@thefsforum.co.uk. For further information on *Argent*, the journal of The Financial Services Forum, please contact Richard Nolan on 020 7449 9010 or email rn@thefsforum.co.uk.