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DM proves strong channel for financial brands



More than 33 per cent of consumers rate direct marketing communications as the most important means of learning about new financial products and services, according to a new study from the Direct Marketing Association.

The credit crunch has greatly eroded trust in the financial services industry, but despite consumers understandable distrust of the industry in general, this research shows that many have retained faith in the banks, building societies, insurance companies and financial advisers they are already using.

The study reveals that 56 per cent of consumers who use financial services comparison websites do so in conjunction with direct mail or literature received from their bank or building society.

This compares to 38 per cent of consumers who report using independent websites, 36 per cent who turn to friends and relatives, and nearly 10 per cent who mention marketing emails.

Eric Austin, chairman of the DMA Financial Services Council, said, "Decades-old historical data is no longer a reliable pointer to future activity in this unique marketplace, so it is

increasingly important to track month-on-month changes to draw reliable conclusions about what will happen next.

“The report demonstrates that, right now, consumers weigh up the information in comparison and independent websites and track down the best deals; but nevertheless, depend on the printed word delivered to their door to provide the detail.

They aren't relying on high-impact TV adverts. Unless they go deeper into the data to understand what motivates specific groups of consumers, brands are in danger of missing profitable opportunities.”

David Cole, managing director of CCB fast.MAP, added, “This is a key area in which direct marketers can make a strong impact - by building upon personal contact with customers, using the tone of voice and contact route those individuals prefer.”

The Financial Services Tracking Study is the first research of its kind to be produced specifically for the direct marketing industry. The study, conducted by online research company CCB fast.MAP.