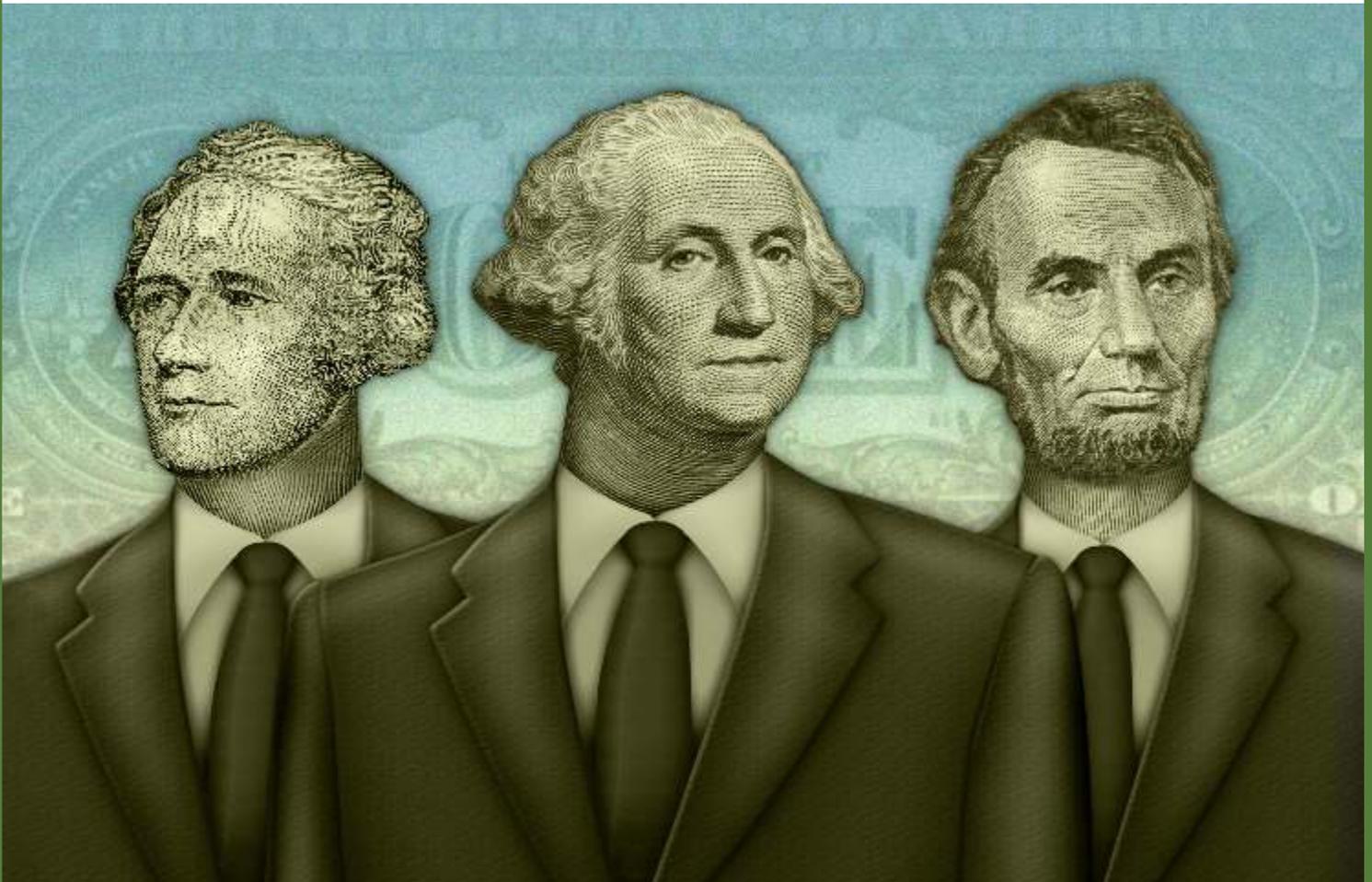


FINANCIAL SERVICES
MARKETING
WITH ETHICS & INTEGRITY



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Marketing With Ethics and Integrity

A Roadmap to Meet Wholesaler and Government Marketing Guidelines

The financial services industry has gone through significant changes over the last decade in all respects including marketing and advertising. Once, left totally up to the advisor, marketing and advertising was open and creative with few stipulations and guidelines. Advisors were left to develop their own strategies and concepts to attract customers, and as with other industries, when those strategies worked they were duplicated over and over again by others. It is always easier, and less expensive, to apply something tried and true than test something unknown. One of the biggest challenges that advisors face is that they are a one man band juggling appointments, paperwork, product information, their offices, and then marketing on top of all that. Risking valuable time and considerable money on uncertainty is usually not an option and neither is being cautious with marketing and advertising. Advisors want to get their message across immediately and with impact, applying emotional calls to action to gain the most of their marketing expense.

The senior marketplace has confused those emotional appeals with disregard from advisors and some have felt misled which has caused state attorney's and government policy makers to step in and develop guidelines and laws for marketing in the financial services industry. In most circumstances, these guidelines are necessary and have been developed to not only protect the consumers, but allow advisors to market easily with ethical integrity. The challenge now for the advisors is to implement these guidelines into their marketing without losing business opportunity and income. Through this report, we will break down the guidelines and discuss how to apply them to your marketing in a positive way to drive business.

Seminar Direct has applied these changes to our entire line of marketing solutions and have tested the results with great success. We have seen no drop in response rates and have allowed the advisors that work with us to be confident in their marketing without the burden of question from wholesalers, marketing organizations, or government. In this report, we will outline our changes compared to several compliance department regulations; California Senate Bill 620, and Allianz's "Compliance Guide to Successful Business". The following pages address critical considerations of marketing campaigns and our suggestions for applying correct action to your strategy.

THE LIST

One of the biggest concerns about marketing tactics used is list procurement. Where are the lists coming from and what practices are being used to protect consumer's information? The list is the beginning and most crucial aspect of your marketing campaign. If the list is not appropriate for the solutions that you offer, then the rest of your marketing effort will be depressed and your time wasted.

Reliability is the solution. Know the source of the list and be willing to pay for the security of having updated and reliable information! It is easy to find inexpensive list companies willing to give you a list for pennies on the dollar, but that probably should be a HUGE red flag to you that there is an issue with the list. Old data is one of the biggest problems in the direct mail business. The most reliable data comes from credit companies that are updating their data daily, weekly, and monthly. Even with these lists, you will see a 3-5% return for incorrect information. But compare that to 50% of third party resellers and you can see what an expensive mistake you could be making. These third-party list companies have also been reselling this list to any buyer looking in that demographic, regardless of industry or offer.

Be sure and ASK where the list originated from and how it will be generated for you. If you are using a direct marketing or mail firm ask your sales person about their list sources and what kind of relationship the firm has. Credible organizations, including Seminar Direct, have a partner agreement with a top rated credit reporting agency that offers in-depth information on how the list is developed. Fully understanding the practices used to create your mailing list is the right road to take to get your marketing moving in the right direction.

THE MESSAGE

Misleading statements on direct mail marketing and advertising to seniors has been the underlying imposition of litigation and regulatory focus. The marketing pieces that are under such scrutiny often "imply" that the mailing is associated with a government agency or a non-profit senior advocacy organization, such as AARP. It is critical for you to AVOID "implying" anything other than your intention to educate and communicate. You can still use emotional text and policy as a basis to make your case within your marketing, but don't make that your total focus and the reason that people should contact you. Allow that information to cause your prospective clients to question their retirement income situation.

Always make them aware that you are a financial advisor offering information and alternative solutions.

This point can't be made enough, but it does not have to be the focus of your marketing. All that the regulations are requiring of you is to make your information available if the prospects need it. Reliable and responsible marketing organizations will create a small side segment of the marketing piece that lists the advisors name and license number and the fact that the advisor may contact the prospect if they respond.

The most important point that can be made is that as an ethical business person, you should give your prospects the option to decide whether they want to hear from you. Don't think for a minute that they are responding to your marketing without regard! They consider what you are offering through your marketing and they are making an ACTIVE decision to receive more information about how to solve their retirement issues.

Seminar Direct takes a very forward approach to address this issue by standardizing all of our solutions with a reduced sized disclosure statement similar to the following:

S. Superagent, a state license insurance agent, has sponsored this information and may offer and discuss insurance solutions upon your request. License #123456.

A statement similar to this makes sure that you are providing the appropriate amount of information to the consumer for their decision making purposes. Seminar Direct has seen no negative impact to our response rates for seminars or lead generation solutions. In essence, you will protect your practice and provide consistency in your marketing with a qualifying statement.

THE OFFER

One of the most difficult changes that advisors are experiencing is the language stipulations regarding advertising seminar events. For example, if you utilize the terms "seminar", "class", "informational meeting", "workshop" or substantially equivalent terms to characterize the purpose of the event it must be followed by the phrase "and insurance sales presentation". This can seem like a real barrier to response but in reality it is about giving your audience all of the information they need to make a choice. The policy is not require you to put it in bold 30 point font across the top and bottom of the page. It is simply asking advisors to inform their prospective clients that this is an insurance sales presentation.

Seminar Direct has successfully incorporated these changes for advisors nationwide. In our direct mail pieces we focus our attention on attracting the prospect by causing them to ask questions about the health

of their retirement planning. We then lay out solution scenarios through clear points before we ask them to attend the event. Allow the prospects to follow a natural progression by first gaining their curiosity and appealing to the overall retirement concerns and then laying out a case as to why they should seek out more information or solutions by attending the event. Inviting them to the event is then a natural next step. A lot of advisors make the event the focus, but the truth is that solutions are the focus...finding solutions to the most basic and most complex concerns of retirees.

Staying within the language guidelines required by compliance departments and policy is not a barrier to growing your business, but an opportunity to gain access to new clients that fully understand why they are speaking to an advisor and what they can expect to receive at your event or meeting.

GROW YOUR BUSINESS & FOLLOW THE POLICY

The Federal Trade Commission (FTC) takes the position that leads generated through deceitful practices do not qualify for an exemption from Do Not Call Laws. With large fines and the potential loss of your license on the line, why would you take unnecessary chances with your marketing? Advisors across the nation are applying these guidelines to their marketing and advertising with no impact to their results and are actually receiving tremendous respect from their new clients and prospective clients. These guidelines and policies were developed to protect consumers, but they are also there to help protect you from unhappy prospects and depressed business growth. Find a marketing solution that has your best interest in mind and protects the consumers. Keep your marketing and advertising ethically driven and you will find a deeper respect and integrity within your business.

Seminar Direct is the leading resource for superior marketing solutions in the financial industry. Offering seminar marketing, lead generation, drip marketing and list service, Seminar Direct focuses on providing the financial advisors with the most professional and proven solutions available.

To contact Seminar Direct today for more information please call: **888-629-1919**.

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