



Financial Research Corporation
100 Summer Street, Suite 1500
Boston, MA 02110
617-824-1325
www.frcnet.com

FRC ANNOUNCEMENT

November 24, 2008

Contact:

Dave Swanson
SwanDog Strategic Marketing
630-717-2762
dswanson@swandogmarketing.com

Marketers Brace for 10%-20% Budget Cuts in '09 ... But Will Cutbacks Be Deeper?

Two-thirds expect mutual fund and other investment company marketing budgets to be slashed 10%-20%, according to SwanDog Strategic Marketing/FRC survey

November 24, 2008, Boston, MA—The financial crisis is taking a toll on financial services marketing, as two-thirds of investment management company marketers expect 10%-20% budget cuts, with one-third forecasting cuts of more than 20%, according to a recent survey of financial service marketers by SwanDog Strategic Marketing and Financial Research Corporation (FRC). The survey, fielded in late October, sought to update elements of last year's ground-breaking marketing research *Beyond the Collateral*.

“Losses in revenue to the investment industry will run deep into the billions,” said Dave Swanson, Founder and Managing Principal of SwanDog Strategic Marketing (www.swandog.com). “One of our goals with the survey was to learn how much of those losses marketing is planning to absorb. As deep as even a 20% cut can feel, we suspect, that many chief marketing officers (CMOs) are underestimating the crisis’ impact,” Swanson said.

The survey also asked marketing executives how priorities were being reset in the current environment and how they were aligning with business goals. Swanson elaborates on the

survey findings in a video presentation available at www.beyondthecollateral.com, a Web site established last year as a forum for topics related to the original research.

###

About Beyond the Collateral

Beyond the Collateral, launched in 2007 as a joint project of FRC and Chicago-based SwanDog Strategic Marketing, is one of the most comprehensive examinations of marketing ever undertaken in the intermediary-distributed financial space. In addition to exploring the current state of marketing and the prospects for its future, the study offers preliminary benchmarking of marketing compensation, budgets and organization structures as well as presenting a roadmap for bringing more strategic focus to firm's marketing efforts. More details regarding the study can be found at www.beyondthecollateral.com or at www.frcnet.com

About SwanDog Strategic Marketing

Chicago-based SwanDog is a marketing strategy boutique founded by investment industry executive Dave Swanson. SwanDog services include branding strategy and development, marketing organization audits and design, digital strategy consulting and analytics, content strategy consulting, program development and training. Frequently sought for his views on the evolving investment management environment, Swanson in October 2008 released a *The World Has Changed (Part 1)* whitepaper. The whitepaper is available to be downloaded from www.swandog.com.

About Financial Research Corporation

Financial Research Corporation (FRC) provides the knowledge to build stronger relationships through product development and management, distribution solutions, and marketing strategies. For more than 20 years, our insightful research and consulting services have been assisting marketing, product development, and strategic planning professionals in the creation of innovative products and services. Based in Boston, FRC is at the forefront of assisting its clients to comprehend and respond to the rapid changes occurring in the manufacture and distribution of investment products. Our more than 200 clients include the world's leading asset managers and distributors. For more information, visit the FRC Web site at www.frcnet.com.
