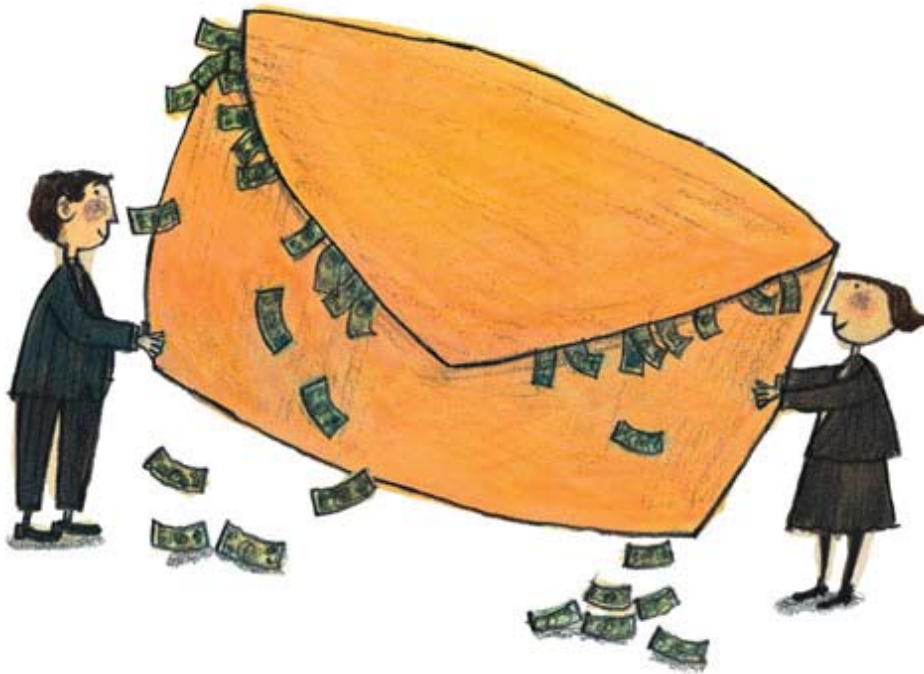


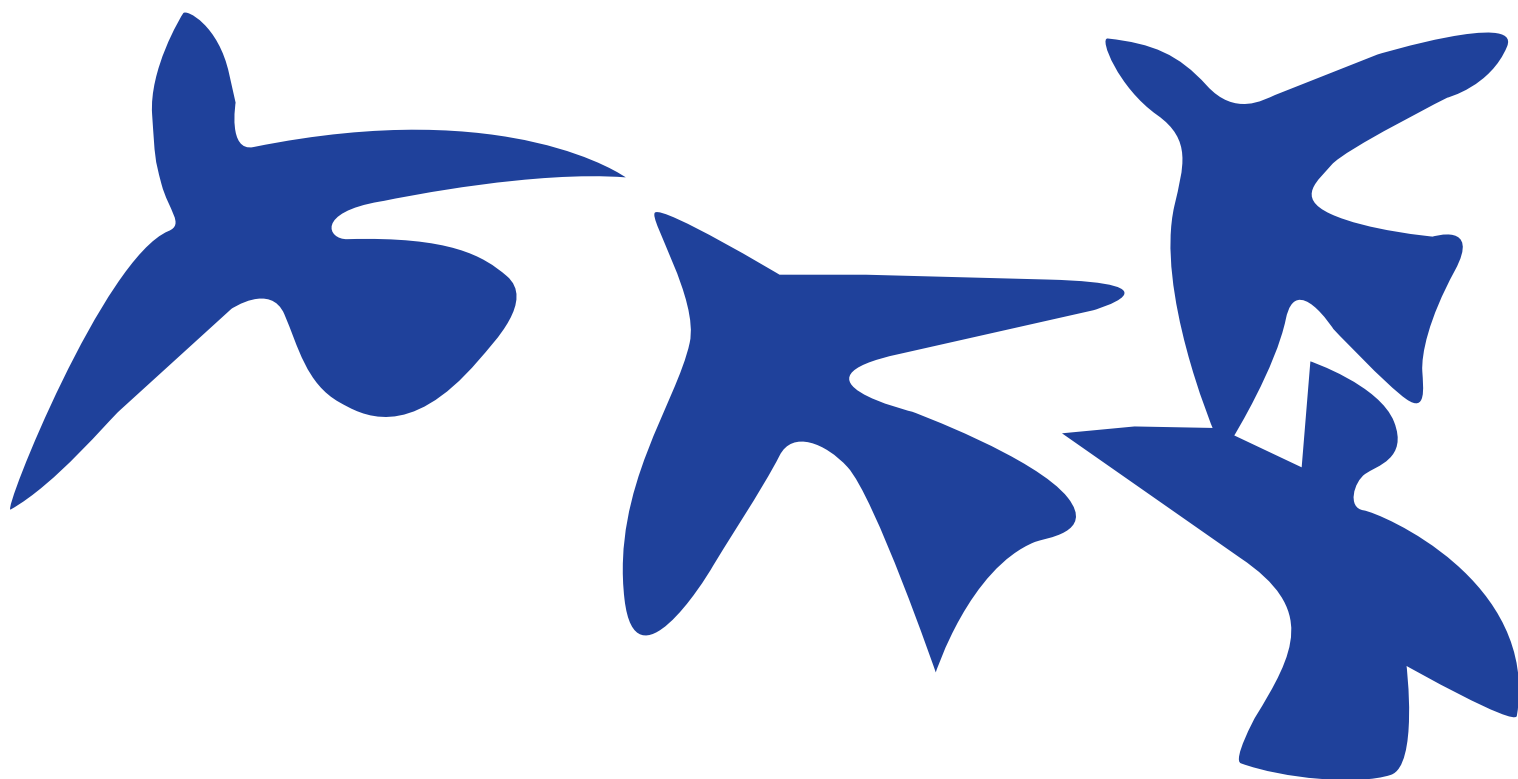
# Selling Money

What we've learnt about direct mail  
for financial services



DRAYTON BIRD ASSOCIATES LTD

*direct and online marketing*





# Overview



We all spend time, effort and money putting together our mailings.

Pulling together different teams – product, pricing, marketing, compliance, database, creative – to mention just a few.

And the hours and hours of each of these working flat out to get it right – through focus groups, pricing considerations, concepts, assembling the pack, liaising with printers, testing...

Not to mention the considerable cost associated with each stage in the process.

Then comes the moment of truth.

Our mailings land on possibly hundreds of thousands of doormats – doormats bombarded with similar mailers selling similar things from other companies that want prospects to buy from them.

**How is it possible to stand out and get noticed? More important, to get people to buy what is offered?**

This paper doesn't promise definite answers. But it presents facts and reflections that will stimulate thoughts and ideas that could in turn lead to better results.

The first section looks at the state of the market, what the financial services industry should expect, and actually achieves with Direct Mail today.

To give the paper added weight, statistics from the Response Rate Survey 2005 compiled by the Direct Mail Information Service, are included. Their survey is based on the results of nearly 4,000 campaigns.



Figures supplied by Nielsen Media Research lend verifiable substance – within the financial and other sectors.

### But what exactly lands on people's doorsteps? What prompts people to reply – or ignore?

As working examples, mailings from three highly regarded financial names are analysed. Every element of each is scrutinised – from the envelope, the letter heading, the intro – right through to the PS and reply mechanisms.

In the third section the paper analyses in the same way two highly successful mailings, one to consumers and one to professionals.

It goes on to give a checklist of principles and techniques that have almost invariably produced better results.

The paper also includes an appendix on one of the most painful subjects in financial services marketing: compliance.

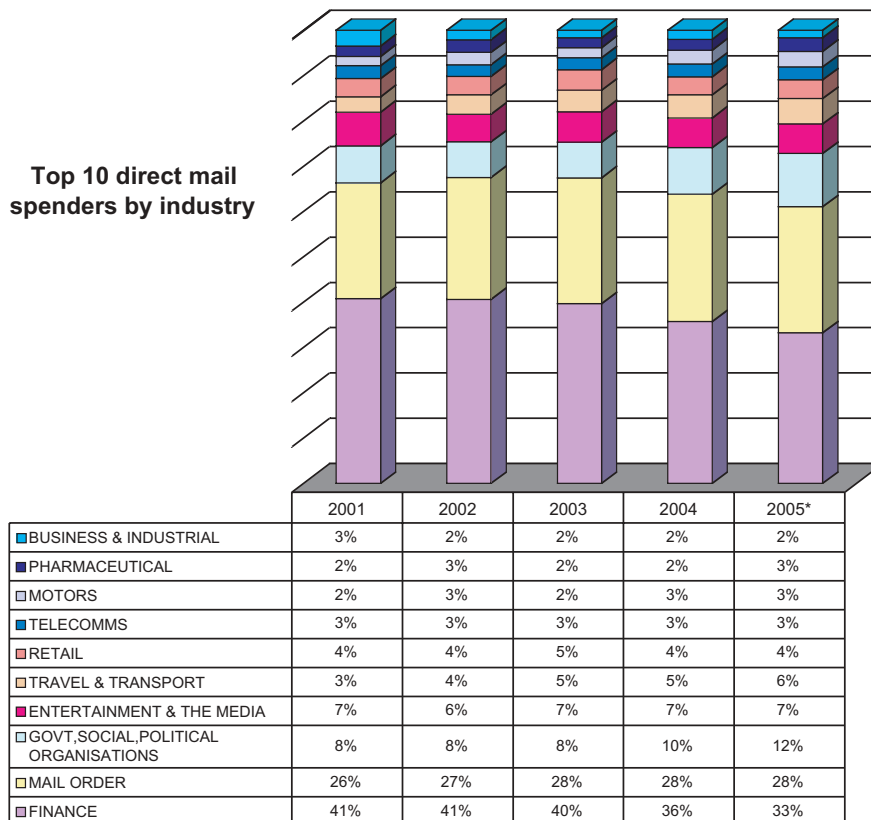
# Challenges facing the financial services industry

Figures supplied by Nielsen Media Research show that up until 31st August 2005 direct mail expenditure on financial services for the year was £398,648,710, the highest of all industry sectors.

Mail order was second with £334,117,373, while a distant third was government, social and political organisations with £141,003,611.



**Top 10 direct mail spenders by industry**



\*Up until 31st August

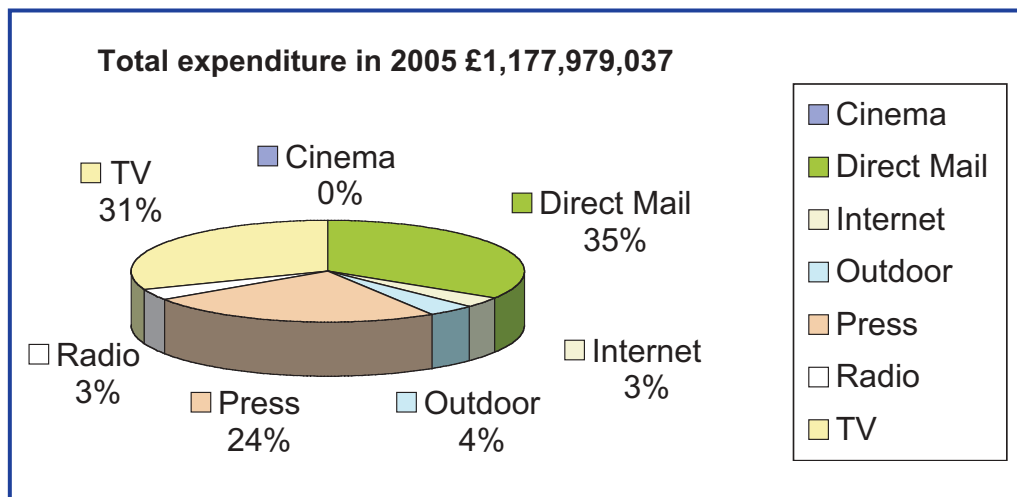


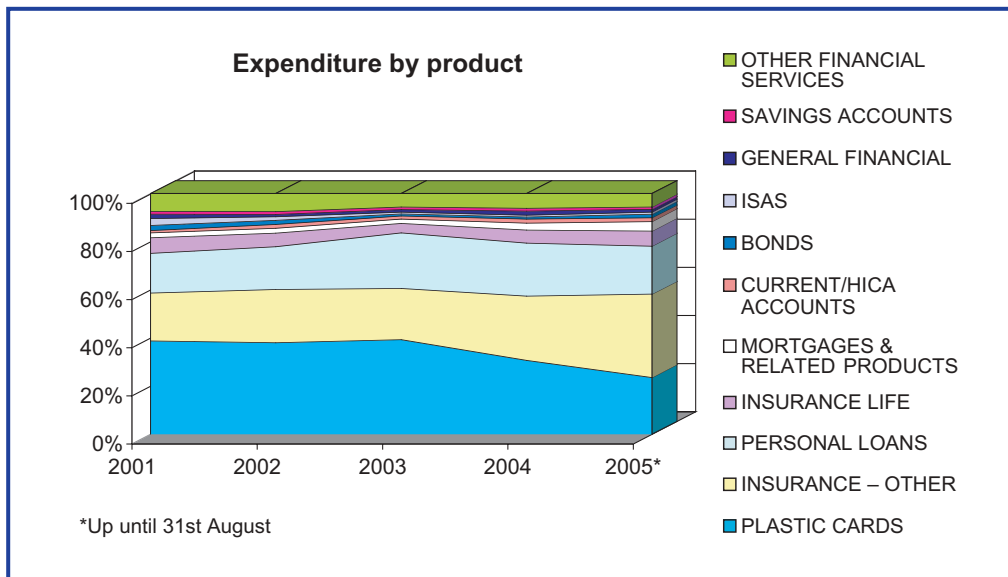
This is hardly surprising, since direct mail is the medium the finance sector spends most on, as the charts below show:

What products are more likely to be advertised?

Based on spend, the top five categories are: Plastic Cards of one kind or another, Insurance (other), Personal loans, Insurance (life) and Mortgages and related products. They account for the overwhelming majority of investment.

Yet one telling fact remains: response rates for the financial sector are among the lowest of all industries.





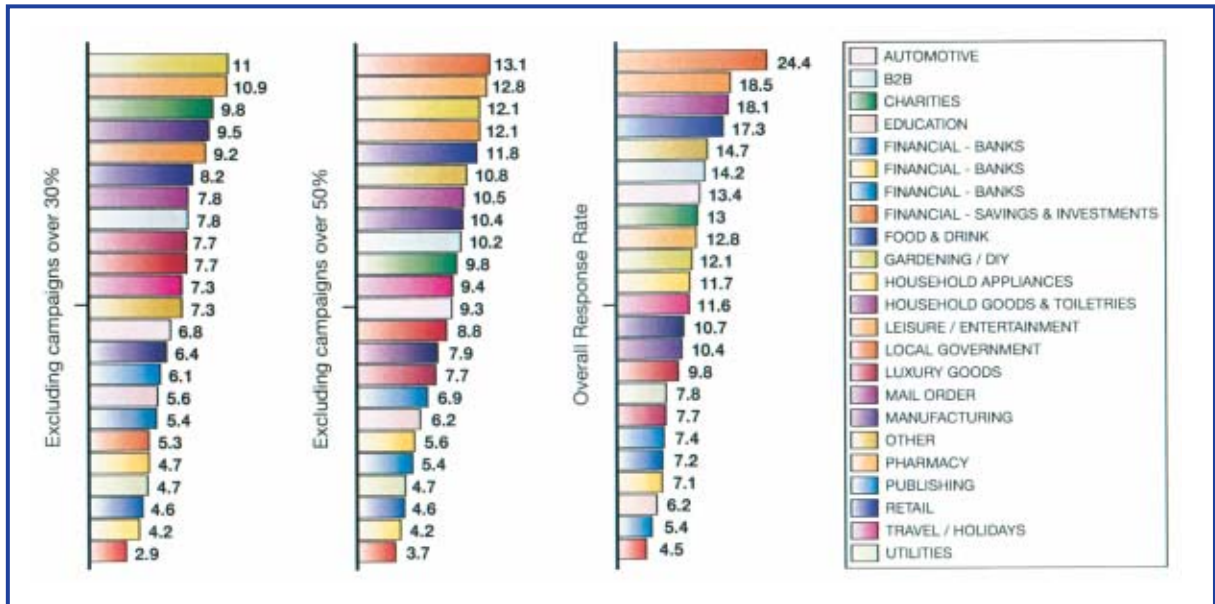
Figures from a Response Rates Survey 2005 compiled by the Direct Mail Information Service indicate how poorly the sector performs.

These figures may well flatter the direct mail industry – as the industry provides them. But comparatively, within consumer direct mail response rates for financial products occupy 4 of the 5 bottom places among all sectors:

### Financial:

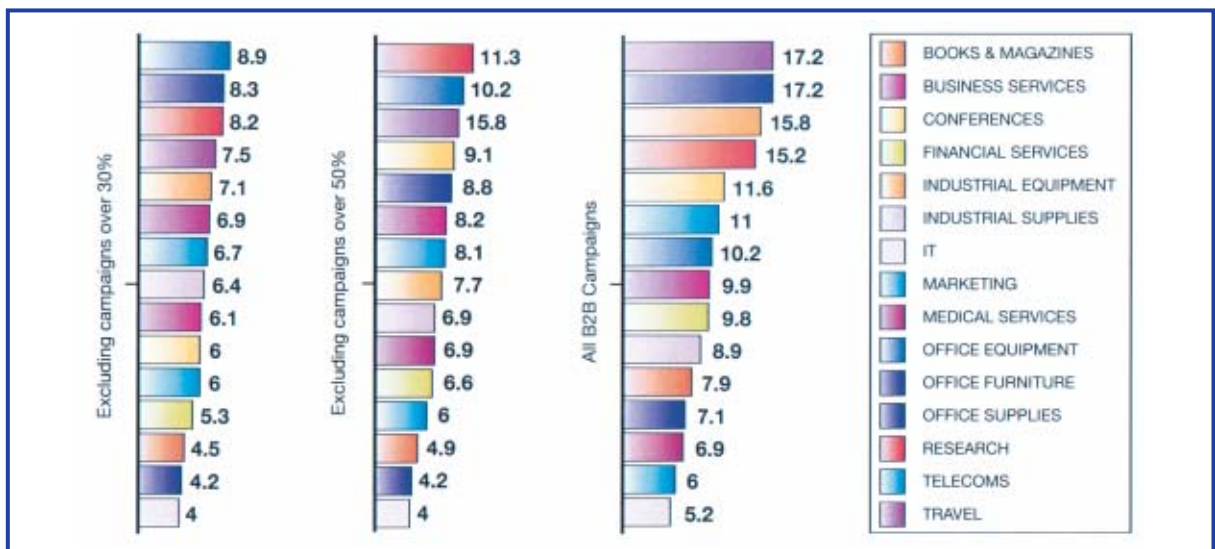
- Savings and investments – 4.5%
- Loans – 5.4%
- Insurance – 7.1%
- Banks – 7.2%

Contrast this with the top performer, local government – 24.4%.

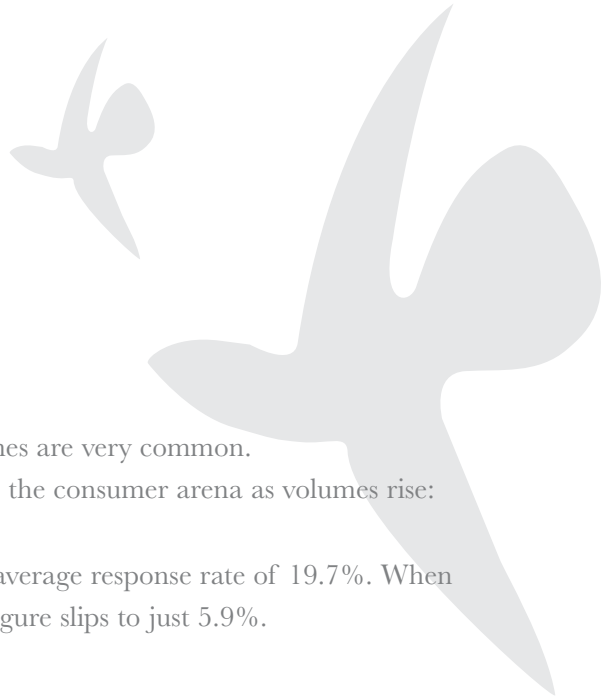


Within the business-to-business arena, the figures are higher, but still slightly below average.

Financial Services have a response rate of 9.8%; but compare this to Travel and Entertainment at 17.2%.







## Volume is a factor.

And within the financial sector, high volumes are very common.

Observe what happens to response rates in the consumer arena as volumes rise:

- Small volumes (under 1,000) provide an average response rate of 19.7%. When the number rises to 200,000-500,000 the figure slips to just 5.9%.

The trend continues with B2B mailings:

- Under 1,000 = 14.8% response rate.
- 200,000-500,000 = 5.9% response rate.

It is logical to assume a simple reason for this: the larger volume mailings are mostly to prospects; the smaller to customers. The variance in response rates fits in with what we know about the likelihood of customers as opposed to prospects responding.

Statistics and response rates fluctuate slightly each year, but one fact is indisputable: financial services providers must try much harder – if for no other reason than that there is more competition within the sector.

UK households receive an average of 15 direct mail pieces per week, according to the Royal Mail. If expenditure is indicative, 41% of those 15 pieces – 6.15 – are selling a financial product and about 5 selling a credit card, insurance policy or loan.

Suppose the consumer is actually thinking of getting a loan, and therefore actually looks at the mailings received. Which loan will they choose? Which mailing will they reply to? How do you differentiate your offering?

Could it be the one offering the best price? Failing that (rates do not usually differ much) the one that stands out from the crowd. Not by being odd or bizarre, but by being relevant – recognising the consumer's need and giving a persuasive, convincing argument.

Is financial direct mail providing consumers with these elements? Let's take a look.

# An Analysis of three typical mailings

## Bank of Scotland Personal Loan

The outer envelope reveals that it is from Bank of Scotland with no indication of what's on offer.

Inside it is clear they're having a loan sale. The word "sale" has been shown to stimulate response. The rate of 6.9% is prominent but the rate prior to the "sale" is not mentioned. What kind of a sale has no saving?

And the "limited period" is not specified, so the limit has no meaning. Why should any reader act now?

The intro says that "now the summer is almost over it's a good time to review your finances". No reasons are given why. The rate and limited period are repeated – but again not the deadline. So the shaky credibility is further undermined.

Then the letter tells you what you could do – clear your overdraft or card balances, simplify your finances or treat yourself. A list you might find in any such mailing. The rest of the body copy states you don't have to repay anything for 3 months, you can borrow from £7,000 to £25,000 for any reason and for between 1 and 7 years – all standard features.

It closes with the phone number and website address, but no strong call for action – and once again, no indication as to how long the limited sale period runs.



# ANALYSIS

## Summary:

Apart from the 'sale' theme there is no differentiation, but this – which could have been used well, is poorly exploited.

Amazingly, there is a limit to the sale; but it's not mentioned in the letter – the most read part of most mailings. It's carefully buried in the legal paragraphs – probably the least read part.

The letter gives a scattered series of features with no particularly logical order – there are no visual emphases, no real incentive or strong call to action.

The accompanying leaflets contain a helpful repayment table, with the main message repeated.

One cannot but wonder whether marketers assume prospects are stupid.

Might not a moderately intelligent reader ask the sort of questions raised by the observations above?

**'Hurry: Loan Sale..'** – When does the sale end? Why should I hurry?

**6.9%** – What was the previous rate if this is a sale?

**Don't miss... limited period only** – How limited?

**Now the summer's over...** – Why is it a good time to review my finances?

**6.9%** – Is this a good rate? Compared to what?

**Just think...** – Haven't I seen all this a thousand times before? And do I need to be told why I might need money?

**With a Bank...** – The body of the letter hardly covers this at all.

**Enjoy any special treats.** – Is this not just waffle?

**Loan amounts...for almost any purpose** – So what?

**Take... while they last** – Again, for how long?





## Abbey Personal Loan

The outer envelope reveals it is from Abbey; but does the ‘stereo’ picture on the reverse give any enticing clue or good reason to open and read?

Inside, a ‘new rate’ of 6.9% for loans of £5,000 is flagged with a definite end date – but the old rate is not mentioned.

The intro elaborates in a rather far-fetched analogy with the stereo and leads theme, suggesting how confusing they can be. The copy contrasts this with the simplicity of getting a loan from Abbey – after which they somewhat spoil things by rather ominously mentioning that they check out your credit record.

The rest of the body copy is brief but standard: the rate on £5,000 or more (not mentioning the much higher rate if you borrow less), choice of term and a plug for payment protection. The letter closes with the phone number, and restates how uncomplicated it is. That’s it.



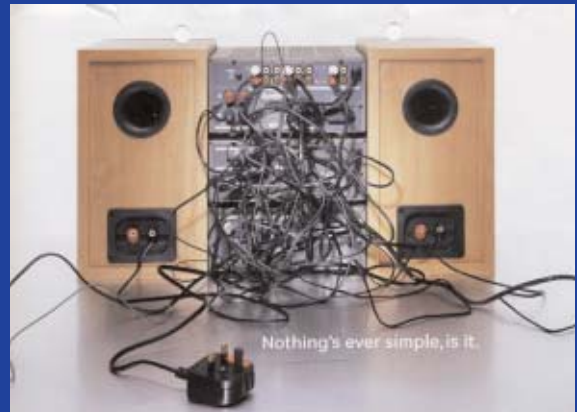
## Summary:

The stereo equipment theme is a far-fetched analogy. It touches on the negative without clearly conveying an uncomplicated procedure.

In any case, how is the procedure uncomplicated? In what way is it quicker or easier? And subsequently the letter says little of substance. The 6.9% rate is just for loans of £5k and above – below that, they soar to 12.2% and up. Misdirection, one might say.

There is no other mention of the limited offer or what it is – and overall, there is no differentiation whatsoever.

What might a moderately intelligent reader ask?



**New rate** – What's the old one?

**At least...** – Do other loans make you do this?

**All those sockets...** – How is this genuinely relevant?

**...need to make one quick check...** – Very off-putting just as I was getting vaguely interested.

**...if all's well...** – What do you mean? Am I a suspect? Or a prospect?

**Our rates...** – Nothing new here run into difficult times... Like what? Could you be more precise?

**All you need...** – No sense of urgency.

**Beneath the title** – No PS. Research shows a PS is what readers recall most, on average, in a letter. A missed opportunity.



CLICK TO  
ENLARGE



## Nationwide Loan

The outer envelope clearly states it is from Nationwide, who are offering a loan at 6.7%. Inside, a card is attached with the number and the rate.

The heading urges you to try Nationwide first and the intro suggests why you might want a loan – the same reasons, incidentally, as many other letters. They urge you to consider their offering first.

The body copy stresses their rates are lower than the main four banks' – and a table shows they are. Further on, they mention loan protection and list five reasons for choosing a Nationwide loan. However, these reasons are not competitive advantages, or unique – they are not independently verified or proven claims – or better than everyone offers.

The letter closes with the phone number and a reminder to keep hold of the card if you're not yet ready. And a reminder to talk to Nationwide first if you want to save money.



## What might a moderately intelligent reader ask?

### Summary:

This mailing tries to pre-empt the competition by urging you to talk to Nationwide before considering the big four banks.

At first glance, maybe they offer a better rate, but this assumes the competition don't have an offer (which they often do). And how do Nationwide compare with the hundreds of other providers? Apart from their 'talk to us first' theme, there is nothing that differentiates them from other loan providers.

Do prospects have a mental "databank" of all the many, many loan rates they see every day? This is highly improbable; so most if not all of the rate figures quoted in so many mailings

must be pretty meaningless unless there are comparisons. That makes the rate table a wise idea. But many, if not most prospects must know the banks are not the only possible loan source. If so, the table may be selfdefeating to a degree; it may prompt the intelligent reader (there are a few) to ask three questions.

1. What are the other rates?
2. Why did they miss them out?
3. Do they think I am stupid?

As David Ogilvy famously remarked,  
**"The consumer is not a moron. She is your wife"**

**...Plenty of reasons...** – Isn't that list vaguely familiar?

**...Talk to us first.** – Why, exactly? What will you do for me if I do?

**Lower rates than...** – But are the banks the only providers? I get offers like this all the time – in the papers, on TV, on the internet – and through the post. What about the hundreds of other offers?

**The table** – These figures assume the main four have no special offers (they frequently do).

**Nobody can predict...** – So why choose cover?

**5 reasons...** – Could be offered by anyone and are. Not competitive.

**Applying is easy...** – Why should it be difficult? How is it easy, exactly?

**We'll give you a decision...** – But how soon can I get my money?

**Whatever you're planning...** – Vague, no sense of urgency.

**No PS.** – Again, a missed opportunity.





# Worrying similarities

These three letters, selected at random, follow a fairly similar formula. The focus is on the interest rate. A discount of some type is the reason to reply immediately.

But the discount is neither justified nor logically linked to that reason for urgency. There is no genuine attempt to give a rationale for the offers, or for acting now.

One could reasonably argue that focus on price, while it may be a good tactic, may not be the most viable or sustainable strategy. And surely it cannot work equally well for everyone.

This leads to a more pressing issue: which loan should the recipient choose, bearing in mind the context of these mailings?

None of them acknowledges in any way that the recipient may have received very similar offers from different providers. What if these three packs landed on the same doorstep the same day – trying to sell the same product on almost exactly the same terms?

And one thing is certain: these people will have seen press ads and commercials, also offering loans.

That is why it seems a shame there is no attempt to say, “We’re different, and here’s why”.

Experience suggests that positioning is critical to success in marketing. Apart from a different visual look, there seems no real attempt to position the brands here. The language is virtually indistinguishable; the offers are alike; the reasons to buy much of a muchness. Is there another way?

## Is there another way?

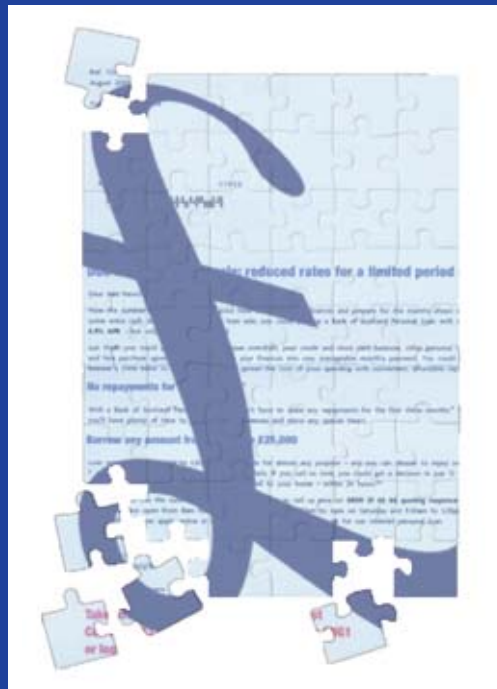


# An example that worked – and why

It is legitimate to wonder how would response rates be affected if the focus of the mailing were shifted from price to other deciding factors.

What if the creators were to bear in mind that the reader does not receive mailings in a vacuum, but amongst many letters, some offering a very similar deal?

Here is a Personal Loan mailing that produced a very significant uplift indeed in response against the control mailing.





## Liverpool Victoria Personal Loan letter

Immediately, a cheque showing through the envelope suggests what's on offer.

The letter heading indicates straight away how soon the money can be obtained (a week), how long it will take to find out (10 minutes) and the mechanism (a free phone call).

The intro rushes in, not offering a well-worn list of why readers may want a loan (it assumes they will know), but the phone number and a sense of urgency.

The body copy continues by positioning Liverpool Victoria as a good loan provider, especially for members – who happen to be the readers here.

The rate is prominent and compares favourably not just to the big four high street banks, but smaller, more competitive providers.

Honesty is used, assuming the readers are intelligent and admitting that Liverpool Victoria may not be the very cheapest (but definitely one of them).

The argument is sensible: why waste your life looking for a better deal? And the close is definite and forceful with a sense of urgency.

The opportunity to use the PS is utilised (twice), repeating the rate and the time-frame, and promoting speed of action.

### Summary:

While the content is **practical, relevant and gets to the point** the tone is accessible and without industry jargon. No opportunity is wasted to offer the rate – and request quick action.

The use of a traditional typeface (Courier – which in one test increased results by over 60%), devices like the cheque, and boldening where important, aid differentiation without detracting from the main message.

Perhaps most telling is the urgent tone – “don’t delay”, “call now”, “make it the very next thing you do”. Having spent the time and effort getting people to read this far, go all out for the sale. Few do.

In short, this mailing does a complete selling job, gives reasons for the claims advanced, and employs tested direct marketing methods which often seem forgotten now.

[illegible]

CLICK TO ENLARGE

CLICK TO ENLARGE

# A similar approach for a more complex product

This letter was sent to a cold list of accountants by Hargreaves Lansdown, the UK's leading Independent Financial Adviser.

The audience is professional and very familiar with the world of financial services, but basic direct response thinking as employed for Liverpool Victoria also works here – because the principles are sound and proven to work for mailings in all areas.

The two factors shown to work best in direct mail openings are flattery and appeal to greed. Both are applied here.

The response rate was way ahead of the average in the top performing sector of the financial services industry (Banks – which is 7.2%). In fact it was the highest ever achieved by this firm.





## Hargreaves Lansdown Pension Letter

Immediately the Post-it note attracts attention, and emphasises that others in the trade value the information. This is a variant on the old, tested headline, “Who else ...?”

An incentive is offered straight away in the headline.

The intro recognises their position and flatters their expertise.

The flattery continues in the next paragraph and also highlights the benefits of pensions, and specifically, SIPP.

A testimonial from a reputable source adds credibility. Why the guide? It explains the ins and outs of SIPP: a relevant, time-saving benefit. The content run-down is not just a list, but offers competitive advantages.

Honesty is used again, admitting that SIPP were expensive initially, but also stating how much they have changed since.

At the close, it forcefully asks for a reply.

In the PS a sense of urgency is created and an incentive to act by the date mentioned. And again, a reply is forcefully asked for.



CLICK TO  
ENLARGE

CLICK TO  
ENLARGE

CLICK TO  
ENLARGE

## Summary:

Although the audience differs from the mass market Liverpool Victoria letter, the tone is still accessible and doesn't use industry jargon. Most importantly, the content and offer are relevant to accountants. Who wouldn't want a free guide that makes their job easier?

The typeface Courier is again used for clarity and the Post-it note not only attracts attention, but imparts a powerful "me, too" message. Throughout, also, emboldening is only used where it is important.

The main body highlights at a glance what the free guide offers, not in list fashion, but as compelling reasons why it should be requested. The reader is left in no doubt of the advantages of offering them to their clients: they save money and make the most of new opportunities.

To sum up, this letter makes a relevant offer to its audience, backs it up with fact-based persuasion and completes the selling job by making the guide a must-have for both accountants and their clients. Everyone wins.

# What we have learned...

# What we have learned – 10 things that often work

As mentioned in the introduction, this White Paper does not claim to give definite answers, but just to stimulate thoughts and ideas within the industry on the subject that certainly strikes a chord with everyone: better results.

This checklist shows some principles and techniques that tests have proven to deliver just that: better results.







1. Be serious – not funny. Money is a serious business. People’s livelihoods and futures depend on it.
2. Be honest. The best policy. If you offer a cheap rate, say why. If it’s better than only most high street providers, don’t say all.
3. Don’t talk down to current or potential customers. They sit next to you and live with you and are often as smart as you.
4. Remember, money is not boring. Don’t assume that any communications you send out have to be particularly staid or unengaging.
5. Don’t rely on a ‘creative idea’. Important messages get lost. Think of a compelling argument and say everything you possibly can to communicate it. Give any reason to buy and overcome any possible objection.
6. Answer the question: why should they choose you? If you don’t have the answer you know you need to find something that sets you apart and above your competition. If you cannot find a significant difference in your product or service, just say more – it’s almost as valuable. For instance, if nobody else is saying you can get a quote in three minutes, and you do, up goes your response, even if you are not the only one who gives a quote in three minutes.
7. Work with compliance, not against them. More often than not they just want to be involved. If you leave them out of the process until the last moment and then expect them to bend over backwards, you will be disappointed.
8. Offer a specific benefit. Find out your product’s best attribute, promote it heavily by repeating it – at least three times. Don’t dilute its importance by burying it in with average features.
9. Make your message relevant. Put the information you hold about your customers to good use.
10. Ask forcefully for a reply. If you don’t, potential customers dither and you could very likely lose the sale.





# Conclusion

While there are many challenges facing the financial services industry within the direct mail sector, there are also tremendous opportunities.

It's true that the direct mail spend of the financial sector is the highest of all sectors and the response rates are lowest of all industries.

Yet therein lies the challenge and the opportunity.

As shown throughout this paper, despite the general decrease in response rates, better results can be achieved.

Often it is just a case of applying and following simple rules. Of course, it's never that simple. External factors such as timing, accurate data and a relevant offer are always critical.

But what we offer is a complete armoury at your disposal to give you that extra edge. We give you competitive advantages with the knowledge, tools and verifiable means to increase response rates.

**Just ask.**

# The missing piece of the jigsaw...



Compliance is considered a necessary evil. Perhaps, even within the compliance department.

Dealing with them often means:

- An endless stream of changes.
- Sentences in “legalese” dropped into the body of the communication without thought, or even worse, at the end of the communication, when getting a reply should be a priority.

There is a struggle between the need to get a definite reply and the need to prevent being fined.



This impasse is usually solved in one of these three ways:

### 1. Say very little

The easy way out. Nothing of substance is stated from the outset, so there is no risk, but also, none of the benefits are communicated or expanded upon. This route avoids confrontation and steers away from any dangerous ground.

What does this mean?

While it is the safest route, all that results is a diluted message and it reads and looks like many other staid communications. Even worse, it never expands on the details that differentiate the product from others in the market.

### 2. Bend over backwards

This is the “non-belligerent” way. After you write the initial drafts, you then accept suggestions that compliance make – without discussion.

What does this mean?

A communication is produced that makes no sense to anyone – except compliance. Needless to say, it won’t sell anything.

### 3. Befriend the enemy

The preferred way, especially in consideration of the forthcoming changes suggested by the FSA. Involve compliance early and discuss everything until you reach an agreement. Overcome the linguistic barriers and fight your corner for the customer. And don’t give up until then.

What does this mean?

A message that is compliant and keeps its commercial edge. Without doubt, the strongest contender.



### What normally goes wrong?

Lack of communication.

Whether from the beginning or the very last step of the process.



### What works for us

- Working in compliance is like being a parking attendant – a tough job, often looked at with hostility, but someone has to do it
- We find it pays to sit down with the compliance team, talk to them, and discuss the options
- For one job this reduced 102 confusing e-mails to two pleasant, fairly brief meetings



### 5 survival tips

- Don't treat compliance like your enemy
- Try to understand the reasons behind their requirements
- Negotiate: make several suggestions
- Don't give up until both parties are happy
- When you incorporate compliance warnings, remember you are talking to real people, not actuaries



## An example of a liaison that went well

Step 1 – Original line:

*“Now your acceptance is guaranteed with no medical required... and you can get a cash payout of £X,XXX for £14 a month”*

Step 2 – Compliance suggests:

*“Now your acceptance is guaranteed with no medical required... and you can get on death a cash payout of £X,XXX for £14 a month”*

Step 3 – Line agreed (after 10 minutes of discussion and several suggestions):

“Now guaranteed:

- ✓ Your acceptance with no medical required
- ✓ A £X,XXX life cover for £14 a month – to leave behind for those you love”



## Why compliance is your ally

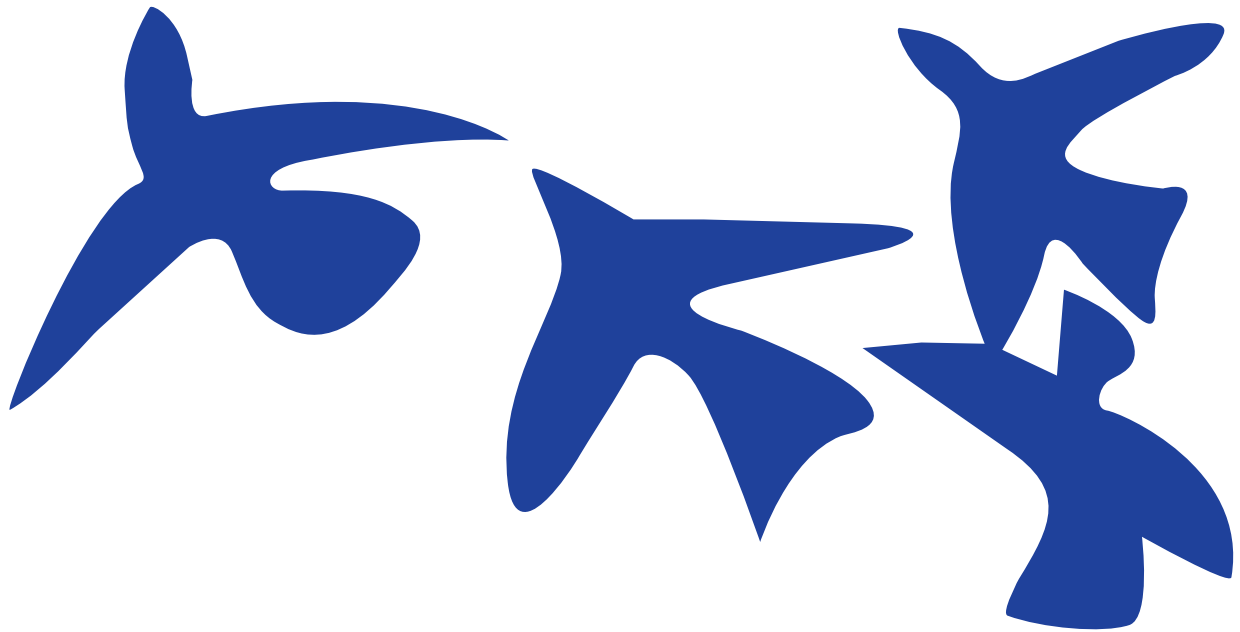
It makes you do what you should do anyhow:

- Deal with the shortcomings of what you offer, as well as its benefits
- Be precise – if you say you are better, how much better? Compared to what?
- Don’t hide anything or be evasive. Be honest: it’s more convincing

Compliance is not just about avoiding a fine. It’s about putting the prospect in the position of making a better decision.

And this is what marketing should be about. We don’t want to con people into buying, we want to give them the elements to choose us.

**If you’d like to talk to us** about compliance in particular, or any aspect of your marketing and how it can be improved, just e-mail [Marta@DraytonBird.com](mailto:Marta@DraytonBird.com). Then we can discuss what might be achieved.



**DRAYTON BIRD ASSOCIATES LTD**

*direct and online marketing*



# Appendix



August 2005

Mr A B Sample  
123 Sample Street  
Sample Town  
Sample County  
WX12 9YZ

11910



**Hurry:  
LOAN SALE  
NOW ON**



## **Don't miss our loan sale: reduced rates for a limited period only**

Dear Mr Sample

Now the summer's almost over, it's a good time to review your finances and prepare for the months ahead with some extra cash. And, with our personal loan sale, you could pick up a Bank of Scotland Personal Loan with a **typical 6.9% APR** – but only for a limited period.

Just think, you could get enough to clear your overdraft, your credit and store card balances, other personal loans and hire purchase agreements – and simplify your finances into one, manageable monthly payment. You could even borrow a little extra to treat yourself – and spread the cost of your spending with convenient, affordable repayments.

### **No repayments for three months\***

With a Bank of Scotland Personal Loan, you don't have to make any repayments for the first three months.\* So, you'll have plenty of time to reorganise your finances and enjoy any special treats.

### **Borrow any amount from £7,000 to £25,000**

Loan amounts from £7,000 to £25,000 are available for almost any purpose – and you can choose to repay over 1 to 7 years. Take a look at the enclosed flyer for details. If you call us now, you could get a decision in just 15 minutes\* and arrange to have your cheque delivered to your home – within 24 hours.\*\*

This sale offer, like the summertime, won't last forever – so call us now on **0800 33 66 66** quoting response code **AUG1**. Lines are open from 8am to 10pm, Monday to Friday, 8.30am to 6pm on Saturday and 9.30am to 5.30pm on Sunday. Or, you can apply online in minutes at **www.bospersonalloan.co.uk** for our internet personal loan.

Yours sincerely



Simon Robinson  
Head of Personal Loans

**Take advantage of our rates while they last  
Call 0800 33 66 66, quoting response code AUG1  
or log on to [www.bospersonalloan.co.uk](http://www.bospersonalloan.co.uk)**

\*We charge interest in the period between the start of your loan and your first monthly repayment.  
The Governor and Company of the Bank of Scotland, Constituted under an Act of Parliament dated 1695. Head Office: The Mound, Edinburgh EH1 1YZ.  
Calls may be monitored and recorded for security and service quality.



# abbey

Mr A B Sample  
123 Sample Street  
Sample Town  
Sample County  
WX12 9YZ

42500

New rate  
**6.9% APR<sup>1</sup>**  
on a loan of £5,000  
or more  
Limited offer  
until 31/08/04

July 2004

## At least you can get an Abbey loan without tearing your hair out.

Dear Mr Sample

All those sockets, plugs and leads to sort out, just to hear a bit of music? It's just all too confusing. Getting an Abbey loan, however, is anything but. Simply, give us a call today and we could lend you £0, perhaps more if you need it<sup>1</sup>. As you're an existing Abbey customer, we just need to make one quick check<sup>2</sup> and, if all's well, the money could be yours.

### It's easy to borrow at least £0.

Our rates are typically just **6.9% APR<sup>1</sup>** on a loan of £5,000 or more, so there's never been a better time to take out an Abbey loan. And once you've chosen how long you'd like to repay the money, your monthly repayments will stay the same for the life of your loan.

### Protect your repayments

It could be a good idea to get Payment Protection<sup>3</sup> while you're at it. For a little extra each month, your repayments could be covered if you run into difficult times. Just ask us about Payment Protection when you call.

### Call us – we'll do the hard work for you.

All you need to do now is call us on 08457 222 391 and quote your Priority Application Code which is 5352. You won't have to deal with any complicated forms, your loan could be arranged within minutes and the money could be yours within days.

Yours sincerely



Reza Attar-Zadeh  
Director, Cash

To arrange your loan  
Call **08457 222 391**  
Or visit [www.abbey.com](http://www.abbey.com)  
Please quote Priority Application Code 5352

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LT20

Mr A B Sample  
123 Sample Street  
Sample Town  
Sample County  
WX12 9YZ

**Call 0800 30 20 10**  
(Quoting PJ12)  
Whenever you want a loan  
**6.7% APR**

September 2004

Dear Mr Sample

## At 6.7% APR it's worth talking to us first about a personal loan

There could be plenty of reasons why you might want to take out a personal loan, perhaps you've had your eye on a car, want to treat yourself to the perfect holiday or simply want to pay off existing credit cards.

Whatever your reason, you'll want a loan that saves you as much money as possible, so as a Nationwide customer, make sure you **talk to us first**.

### Lower rates than the main four banks...

Our personal loan has a guaranteed rate of just **6.7% APR** - whether you borrow £1,000 or £20,000. Just compare our competitive rates to the four main high street banks below and you'll see how a Nationwide personal loan will cost you less.

Lender	APR	36 Monthly Repayments with Insurance	Saving with Nationwide	36 Monthly Repayments without Insurance	Saving with Nationwide
<b>Nationwide</b>	<b>6.7%</b>	<b>£167.06</b>	-	<b>£153.25</b>	-
Natwest	9.0%	£183.30	£584.64	£158.26	£180.36
Barclays	9.9%	£184.00	£609.84	£160.43	£258.48
Lloyds TSB	8.9%	£179.19	£436.68	£158.07	£173.52
HSBC	13.9%	£197.02	£1,078.56	£168.68	£555.48

Examples are shown for a loan of £5,000 over 36 months.  
Source: Moneyfacts, correct as at 11.08.04

continued overleaf...

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Nationwide Trust Limited is a wholly-owned subsidiary of Nationwide Building Society.  
Registered and Head Office: Nationwide House, 20 Lower Dagnall Street, St. Albans, Herts AL3 4RR.  
Registered No. 1060355 England.

REC001 (September 2004)



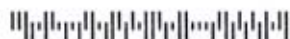
# Liverpool Victoria

## 0800 272 585

X99999999  
Mr A B Sample  
123 Sample Street  
Sample Town  
Sample County  
WX12 9YZ

WLXH

99990



July 2005  
Offer code WLXH

**How to get the cash you need only one week from now**

Dear Mr Sample

**It only takes 10 minutes and a free phone call\***

Yes, that's right. You can get your hands on the cash you need just by calling **0800 272 585** now and quoting **WLXH**

Let me explain.

Like most people you may well have borrowed money - on credit or store cards, from your bank or perhaps to buy a car. It's perfectly acceptable.

But are the interest rates you are paying acceptable? I am sure you are paying more - perhaps a lot more - than you need to.

Here is a better - *much* better - alternative.

As one of our members, you can get a loan at our special member interest rate and pay off all your debts. You just have to make one free call.

One of our customer advisors asks you a few simple questions and fills in the form for you. It usually takes only 10 minutes to know immediately if you've been approved. After a week at most you get the money into your bank account.

I'm sure you'll instantly see why this makes sense:

- ✓ You could immediately slash your monthly outgoings: our member special rate is only a typical **6.8%APR**. You might currently be paying considerably more than this.
- ✓ Managing your finances is far easier: no more juggling with several different payments. Just one a month.
- ✓ Before you start repaying you can take a breather - a financial holiday - and make no repayments at all for 3 months†.

Obviously how much you could save depends on how much you owe - and to whom. But compare our monthly repayment figures with what you pay now. I'd be astonished if we couldn't save you a fair bit of money every month.

### Personal Loan monthly repayment guide at the special rate - a typical 6.8%APR (optional Payment Protection Insurance is available)

Term	24 Months		36 Months		48 Months		60 Months		72 Months		84 Months	
	No PPI	Full PPI	No PPI	Full PPI	No PPI	Full PPI	No PPI	Full PPI	No PPI	Full PPI	No PPI	Full PPI
£1,000	£47.14	£52.57	£33.28	£38.11	£26.40	£31.15	£22.32	£27.49				
£5,000	£223.05	£247.23	£153.57	£173.94	£118.90	£137.86	£88.16	£117.66				
£8,000	£356.89	£395.58	£245.71	£278.31	£190.25	£220.58	£157.06	£188.26	£135.02	£170.26	£119.35	£157.86
£10,000	£446.11	£494.48	£307.14	£347.89	£237.81	£275.73	£196.33	£235.33	£168.78	£212.83	£149.19	£197.33
£15,000	£669.16	£741.72	£460.71	£521.84	£356.72	£413.01	£294.50	£353.01	£253.17	£319.25	£223.78	£285.99
£25,000	£1,115.28	£1,236.21	£767.86	£869.74	£594.33	£689.34	£490.83	£588.35	£421.96	£532.89	£372.97	£493.33

**But the best news is that this typical 6.8%APR is FIXED**

If interest rates rise, it's our problem, not yours. You keep paying exactly the same from day one until the end. This guarantee is important (not all firms give it) because interest rates could rise at any time. So by acting now you lock in that low rate.

Please read on...

How can we give you such favourable terms?

As you know, we are a mutual society. This means we can use the money other firms give to their shareholders (we don't have any) to give you a better deal.

And as we are a friendly society - in fact, according to the Association of Friendly Societies Yearbook 2004/2005, the UK's largest - we feel it's our duty to draw to your attention ideas we believe make sound financial sense.

**And consolidating debts into a single loan makes tremendous sense.**

To be completely honest with you, if you hunt around you may find a slightly lower interest rate because the loan industry is in a price war. But will there be a guarantee it will never go up? Typical **6.8%APR** is one of the lowest rates around (in fact we are committed to being amongst the very best value providers for every product we offer).

**For example we are much cheaper than high street banks like Yorkshire Bank, First Direct, Barclays or HSBC.**

How much cheaper? Check this example table:

Personal loan from	APR	Total you repay	Saving
Liverpool Victoria	Typical <b>6.8%APR</b>	£12,531.96	-
Yorkshire Bank	8.9%APR	£13,326.60	£794.64
First Direct	9.9%APR	£13,728.88	£1,196.92
Barclays Bank	14.9%APR	£15,727.32	£3,195.36
HSBC Bank	16.9%APR	£16,548.84	£4,016.88

Based on a customer with good credit history borrowing £10,000 at £149.19 over 84 months. Typical 6.8%APR. Optional payment protection is available. The saving shown is based on the greatest saving in comparison to Yorkshire Bank, First Direct, Barclays Bank and HSBC Bank. Source: [www.moneyextra.co.uk](http://www.moneyextra.co.uk) 19/04/05.

And quite frankly the time you spend looking for the best rate may cost you dear. You will still be paying those high rates in the meantime and what if rates rise while you are looking?

**We realise that the quicker you get the loan, the sooner you start saving on your monthly outgoings.** That's why we aim to give you an answer in 10 minutes. And, if you're approved, to get you the money within a week.

So don't delay. Call us on **0800 272 585** now and quote the exclusive offer code on the front of this letter to be sure of getting this special rate. This could be the most valuable call you'll ever make!

Yours sincerely,



Heidi Welch  
Marketing Manager, Personal Loans

**P.S. I can offer the typical 6.8%APR member-only special rate just until 31st August.** Why not pick up the phone right now? Quote the exclusive offer code on the front of this letter to be sure of getting this special rate. Make it the very next thing you do. You could have the cash you need before you know it.

**P.P.S.** Even if you don't owe money, this loan at these special rates could give you cash in hand to afford those little extras...

Telephone lines open 8am-8pm Mon-Fri, and 8am-4pm Sat. Textphone for the hearing impaired 18001 0800 272 585. We are able to provide literature and communications in the following alternative formats: Braille, large print, audio tape. Should you require this document in any of these formats, please contact us. To help continually improve customer service, calls may be monitored and/or recorded.

Under the deferred start option, you will not make any repayments for the first 3 months. Interest will be calculated at the quoted rate for this period, and will be added to the amount advanced. You will then pay back the interest and the amount advanced over the remaining term.

Payment Protection Insurance is arranged on your behalf by LVBS with Sterling Insurance Company Limited and Sterling Life Limited. \*A decision to approve a loan can be given in 10 minutes in many cases. Rates correct at time of going to press. Personal Loans are provided by Liverpool Victoria Banking Services Limited (LVBS). Liverpool Victoria Banking Services Limited (LVBS) is authorised and regulated by the Financial Services Authority for deposit taking and is entered on the Financial Services Authority Register, registration number 204551. LVBS is a member of the Finance and Leasing Association. Registered Office: County Gates, Bournemouth, BH1 2NP. registered in England number 432080. The ultimate holding company of LVBS is Liverpool Victoria Friendly Society Limited, which is entered on the Financial Services Authority Register, registration number 110035.

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**Pensions Direct Limited**

Kendal House  
4 Brighton Mews  
Clifton, Bristol  
BS8 2NX

Telephone: 0800 138 2121  
Fax: 01 17 98 09 906  
[www.hargreaveslandsdown.co.uk](http://www.hargreaveslandsdown.co.uk)

Mr A B Sample  
123 Sample Street  
Sample Town  
Sample County  
WX12 9YZ

*Many other accountants  
have asked for this  
information. Perhaps you  
will find it useful too.*

16 June 2005

Dear Mr Sample

**A FREE 16-page GUIDE to SIPPS for your clients**

As you are an accountant, I am sure you are familiar with the advantages of SIPPs.

You will know better than anyone that a pension remains one of the most tax effective ways of saving for your retirement - and that SIPPs are probably the best bet. You can take advantage of tax benefits and you have the potential to reap greater rewards.

It won't have escaped your attention that not only the experts, but even the press - often quite critical - generally praise them. For instance, Emma Simon of the Telegraph wrote:

**"SIPPs have been one of the few success stories in the pensions market in recent years"**

*(The Sunday Telegraph Money Section 16/05/2004)*

Few of your clients, though, will be as well informed as you. Explaining the ins and outs of pensions - and SIPPs in particular - can be quite arduous. That is why you may find our Free Guide to SIPPs helpful.

*continued...*

Here's a quick run-down of the content:

- **Tax benefits.** Under current tax law a £10,000 investment could cost as little as £6,000. When you make a contribution you receive tax relief at your highest marginal rate.
- **Optimise performance potential.** Traditional personal pensions offer a narrow investment choice - often limited to a few middle-of-the-road funds. The booklet explains why this often fails to optimise potential performance.
- **New opportunities.** A SIPP allows you to access funds managed by specialist investment houses rather than insurance firms, giving you the option of changing investments and fund managers whenever you choose - you can also take advantage of new opportunities as and when they arise.
- **Investment freedom and flexibility.** Choose from 1,000s of investments from 100s of providers. So you spread your pension across different sectors and investments, whilst keeping everything under one roof.
- **Capital gains and other tax advantages.** Your clients pay no capital gains tax on their investment's growth and normally no inheritance tax is chargeable should they die before taking benefits. They also get a tax-free lump sum of up to 25% of the value of their fund when they start to draw benefits sometime between 50 - 75 years old (*55<sup>th</sup> - 75<sup>th</sup> birthdays from 2010 onwards*).

As you well know, the levels and basis of, and the relief from taxation are subject to change and their value depends on individual circumstances. Moreover, the value of investments can go up as well as down and they should be held for the long term.

You are aware, no doubt, that SIPPs were initially quite expensive. Things have changed. With our Vantage SIPP, for instance, we charge no set-up fee, no transfer-in fee and in many cases no additional annual fee. Please see our brochure for full details.

This means your client has more money invested and greater ultimate return potential.

We also make life easier - your client can do everything from choosing an investment to monitoring performance with a quick telephone call or a click of a mouse.

Many accountants and their clients find this 16-page guide extremely helpful. Why not claim your copy - or copies - now? Just call **0800 138 21 21**, or fill in the priority reply slip I've enclosed and send it back to us free.

You're busy, I'm sure, so why not make the call now while this is on your mind?

Yours sincerely,

A handwritten signature in black ink that reads "A J F Davies". The signature is written in a cursive, flowing style.

Alexander J F Davies  
Head of Life and Pensions

**P.S.** If you reply by **12th July 2005**, we will send you as many copies as you want (up to a maximum of 15) absolutely FREE. Act now. Why don't you make it the next thing you do?

**P.P.S.** Remember the rules regarding personal pensions are changing in April 2006. For further information please request our Guide to Pensions Simplification on **0800 138 2121**.

*Please note that if this is the first time that you have received information from Hargreaves Lansdown, we are likely to send you complimentary issues of our publications or e-mails about our products and services. If you do not wish to receive these, please let us know.*