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**Financial Services Communications Challenges, Opportunities  
Revealed in BackBay Communications and Marketwire Survey**

*Managing Credibility, Crises and Change Cited by Journalists  
As Biggest Challenges for Financial Services Companies*

**BOSTON, March 10, 2009** – Financial services firms need to work hard to regain the trust of their constituents, and effectively communicating the steps they are taking to address their difficulties will help restore confidence in their institutions, according to a new survey by **BackBay Communications**, a strategic marketing and **public relations firm** focused on the financial services industry, and **Marketwire**, a full-service **newswire** and communications workflow solutions provider.

The biggest communications challenges for financial services firms in the next six months are overcoming a credibility gap with their constituencies (66%), managing crises (57%), and responding to regulatory changes (50%), according to the 109 financial journalists who participated in the survey.

According to respondents, financial services companies have an opportunity to rebuild trust and differentiate themselves in the current difficult climate by being seen as financially sound (71%), honest and credible (69%), and having their customers' interests in mind (58%).

“With the banking crisis, severe market downturn, hubris and outright fraud dominating the headlines, there is a great deal of fear and uncertainty that needs to be addressed through tangible actions and clear and credible communications,” said Bill Haynes, President, BackBay Communications. “All financial services firms, regardless of whether they are having financial troubles, need to adjust their communications to address marketplace anxiety. Those firms that can offer reassurance through words and deeds will be best positioned for success.”

## **Financial Journalists' Frustrations**

Financial services reporters also face frustrations in today's environment. They say their biggest challenges are: getting financial services firms to communicate in a downturn (48%), finding the time and resources to cover the news (47%), and knowing who to believe (39%).

Unresponsiveness and evasiveness can lead to negative media coverage. According to the financial reporters polled, the most common mistakes by financial firms that lead to negative media coverage include: failure to communicate newsworthy developments promptly and honestly (79%), not responding to calls or e-mails seeking commentary (76%), and evasive responses (70%).

"Today's corporate communication executives should highlight their company's unique developments and discuss strategies they are using to deal with the economic downturn," said Michael Nowlan, president and CEO, Marketwire, Inc. "Press releases are a very effective way to maintain consistent, credible communications with all stakeholders at all times, but particularly during uncertain times."

Likewise, when communicating during a crisis, the most common mistakes made by financial services firms include: lack of communication (86%), not providing access to senior leadership (61%), and incorrect or dishonest communications (60%). In **crisis communications**, financial reporters say it is most important to communicate in a timely manner (89%), communicate honestly (85%), and provide access to senior leadership (67%).

## **Communications Best Practices**

Survey respondents say the best ways for financial services companies to receive positive media coverage is through developing relationships with reporters (78%), having company executives available to discuss industry trends (78%), and developing studies on marketplace issues (58%).

"Financial services firms that maintain strong relationships with reporters, understand their needs for timely news and thoughtful perspectives, and respect their deadlines, will receive the lion's share of accurate and fair media coverage," said BackBay Communications' Haynes. "A strategic public relations firm with a financial services focus can help shape messages, develop studies, and build and strengthen ties with the media."

Direct communications from companies (76%), commercial wire services (70%), and their own outreach to companies (52%) are the primary sources for reporters' article ideas. E-mail (80%), websites (66%), and news releases sent over wire services (59%) are some of the best ways for financial services firms to communicate with their constituencies.

“The survey results support the continuing importance of wire services in disseminating information to journalists,” said Jessica Strange, Marketwire’s executive director of media relations. “They also help us stay abreast of changing market conditions that impact financial services journalists, such as SEC’s Notice and Access model, so we can better serve our clients with products and services that optimize information flow.”

### **Private Equity/Venture Capital Communications Issues**

Financial reporters say private equity and venture capital firms are not the best communicators. No journalists rated these firms as excellent, and only 30% said their communications capabilities are good, while 23% rated them poor and 48% fair.

Common communications mistakes for private equity and venture capital firms include: not willing to share enough information on acquisitions and exits (65%), inconsistent communications (38%), not offering enough thought leadership on industry trends (35%) and only discussing portfolio companies at time of investment or exit (35%).

Financial reporters encourage private equity and venture capital firms to: be accessible to reporters (86%), develop professional relationships with reporters (73%), and communicate regularly and consistently in good times and bad through a variety of dissemination vehicles (66%).

“There are real opportunities for **private equity and venture capital firms** that want to build their brand recognition and drive more deal flow to build relationships with the media and share their news and perspectives on industry trends,” said BackBay Communications’ Haynes.

### **Survey Methodology**

The study consisted of an online survey sent to primarily North American financial services journalists between February 3 and 24, 2009. Of the survey respondents, 94 were from the United States, 10 from Canada, 4 from the United Kingdom, and 1 from India.

For a complete copy of the study contact Bill Haynes at:  
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### **About BackBay Communications**

BackBay Communications is an independent strategic marketing and public relations firm focused on the **financial services**, professional services, and financial technology sectors. **Headquartered in Boston**, BackBay serves companies and professional organizations across the United States, with current clients in Boston, Chicago, Denver, Los Angeles, and New York. Through strategic partnerships, BackBay provides US-based clients with services in Europe and China. [www.BackBayCommunications.com](http://www.BackBayCommunications.com).

## **About Marketwire**

The only fully integrated North America-based global newswire, Marketwire, Inc. is a full-service partner to IR, PR and MarCom professionals seeking top-tier **press release distribution**, media management, multimedia and monitoring solutions. Marketwire's customer-centric corporate philosophy focuses on being the best by infusing every aspect of its business with the following core attributes: precision, adaptability, innovation and simplicity.

Marketwire delivers its clients' news to the world's media and financial communities, fulfilling disclosure requirements in North America in compliance with the Securities and Exchange Commission (SEC) and the Toronto Stock Exchange (TSX), and serving as Primary Information Provider (PIP) with the UK's Financial Services Authority (FSA). With a reputation for technology leadership, Marketwire offers innovative products and services -- including Social Media, Search Engine Optimization, Dashboard Mobile Financial, News Dashboard coverage reports, exclusive access to networks such as the Canadian Press Wire Network, Easy IR and Easy PR workflow solutions, and more -- that help communication professionals maximize their effectiveness while ensuring accuracy and best practices. Having merged companies (Market Wire and CCNMatthews) in April 2006, and enjoying a combined history of 25 years of service, Marketwire is now majority-owned by OMERS Capital Partners, the private equity arm of one of Canada's largest pension funds.

Marketwire distributes the majority of press releases issued by publicly traded companies in Canada and serves more than 8,000 clients worldwide through 20 offices on four continents. For more information, visit us at [www.marketwire.com](http://www.marketwire.com).

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