



Why Women of a Certain Age are the #1 Marketing Opportunity for Financial Advisors

It's said that women become invisible after they reach a certain age. But if financial advisors are blind to middle-aged women, they stand to lose some of their wealthier customers just as they are about to become wealthier still.

Women ages 44-65 are the largest demographic group, and their coming dominance is called a fundamental and historic shift by demographer Martha Riche. They are part of the *new consumer majority*, the only adult market with realistic prospects for significant sales growth according to David Wolfe and Robert Synder, authors of *Ageless Marketing* who call boomer women "the sweetest of sweet spots for marketers." By 2010, the 55 plus demographic will increase 21% and the 55-64 segment will increase 47% while the 18-44 will decrease 1%.

Boomer women are the wealthiest demographic. Women make 83% of all consumer purchases (*health care 80%, cars 68%, vacations 92%, home furnishings 94%, bank accounts 89%*). They control or influence 67% of household investments and 70% of small business starts. Women own more than 40% of the nation's small businesses employing 35% more people in the US alone than the Fortune 500 companies do worldwide. Their median income has soared 63% from 1970 -1998 while the median income for men increased only 0.6%. Women control 51.3% of the private wealth in the United States. Boomer women stand to inherit more as their parents die and they outlive their husbands by an average of 15 years.

"Financial services companies have spent billions mistakenly chasing younger consumers, a relatively unaffluent, shrinking demographic cohort. At the same time, they've essentially ignored the demographic sweet spot of the market: baby boomer women. *The mistake is costing marketers billions in lost opportunity,*" argue Mark Alarik and Martha Barletta in *Demographic Myopia*.

Does it surprise you that 91% of middle-aged women say advertisers don't understand them and 58% of middle-aged women are annoyed by advertisements? (Greenfield Online) What about that survey a few years ago by American Express that found only 9% of women said their needs were being met by their financial services companies?

What women were specifically looking for, later research revealed, was information and education and personalized advice from someone they could trust. Women want to be listened to, they want a financial plan to read and think about and they want to ask lots of people for input. What they don't want a high pressure sales pitch especially if delivered in a condescending or pushy manner.

This is not surprising when you consider that women go to financial advisors in the first time because they are driven there by one major life event or another.. They're going through a lot, they have a lot to talk about, a lot to learn, a lot to decide. They don't want to be condescended to, they want to be listened to by someone who's understands their life situation and can give them a financial plan that fits their life. Otherwise, like 70% of widows, they will change their financial advisor - within three years, they'll be out of there.

So what is it financial advisors must do to win the loyalty of the middle-aged woman? They have to develop deeper relationships by showing empathy and understanding and connecting at a higher level.

Women of a certain age don't want hook-ups, someone who's only it for the transactions. They want a relationship with someone they can trust. Think old-fashioned courtship. Start with their hearts before you get to the figures.

Listen to them. Understand them. Respect where they've been in life. Commit to serve only their interests. Promise them your undivided loyalty. Delight them by anticipating their unexpressed needs. Henry James said the deepest human need is the need to be appreciated. Appreciate them. Support their individuality. Encourage their self-expression.

Here are two things you should understand before you start.

1. What works with men doesn't work with women. They don't think the same way, communicate the same way or buy for the same reasons. Women communicate to create relationships and make connections. Men communicate to obtain information, establish their status and show independence. (Faith Popcorn, *Eveolution*). The fact that women are more relationship-oriented and men more transaction-oriented is probably hard wired in our brains: during times of stress, men secrete more adrenaline for *fight or flight* while women secrete more oxytocin to *tend and befriend*. (UCLA, "Female Response to Stress: Tend and Befriend, Not Fight or Flight"/*Psychological Review*). In working for financial goals, women don't respond to greed but, as recent MRI studies at Emory University revealed, the pleasure and reward centers of their brains light up if they can work towards their financial goals in a co-operative way with other women. Offering female clients seminars and workshops to inform and educate and to connect them with each other for support and encouragement is a double-win.

2. People in the second half of their lives are quite different from those younger, women especially. Like younger men, younger women are preoccupied with establishing their place in the world - finding a mate, building a career, and raising young children. Then life itself deals its unexpected blows. By age 54, most women (53%) have suffered a trauma within the prior 12 months, having to do with family, jobs or personal health. (*general social survey, 1994 national opinion research*) The death of a spouse or illness of a parent, the sudden discovery of cancer or the loss of a job triggers a period of profound reevaluation. Dealing with the reality of mortality, the focus of middle-aged women changes from the external to the internal in a deepening quest for meaning. Social expectations to be fit, thin and young, the perfect wife, mother, career woman don't matter as much as the desire to be who they truly are, be it entrepreneur, lawyer or artist, marathoner, minister or masseuse. What becomes most important is to become more their own selves, to take their lives into their own hands. Stephanie Marston describes this great and common yearning as, 'If not now, when?'

"As life goes on it becomes tiring to keep up the character you invented for yourself, and so you relapse into individuality and become more like yourself every day," Agatha Christie said. *"This is sometimes disconcerting for those around you, but a great relief to the person concerned".*

Disconcerting certainly, if financial advisors don't know how to keep the loyalty of their female clients as they grow older, newly confident, self-reliant and assertive. Who are demanding recognition of their individuality, who want trusted advocates to support them in the lives they choose to live and who are willing to pay for it.

What this means for financial advisors is that they have to connect with their female boomer clients on a deeper level than they are used to.

Shoshanna Zuboff, author of *The Support Economy*, calls the subjective experience of each individual, how they make sense of their life, “individual space”. This notion of individual space, a subjective universe of values and priorities, dreams and desires, recognizes that we are increasingly living in our minds, in a non-material world. Melinda Davis, who, to find insights to let companies connect with consumers in deeper, more meaningful ways, launched the Human Desire Project to figure out what people want and why they want it, agrees. She concludes that Americans don’t want more stuff, they want to feel better. They want psychic safety - to be free from the stress they all feel. They want peace of mind. They want to matter, to feel important. They also want a chooser, a trusted advocate, someone to navigate the endless horizon of choices to make the best choices on their behalf.

Some financial advisors are satisfied with their ability to deliver superior research and quick trades but that is not enough to retain the loyalty of older, more mature women over the next few years. Those advisors who also seek to deliver a more personalized client experience and help their clients become who they want to be will win.

Technology will help. Shoshanna Zuboff writes, “Realization of relationship value, requires real-time collaboration of advocates and individuals in individual space.” Forrester Research has revealed a sea change in the temperament of the new financial consumer and describes them as “mistrustful, insecure and more hands-on.” The only way to compete, Forrester says, is to demonstrate customer advocacy is to enable collaborate relationships between clients and advisors.

Estate Legacy Vaults is ready with the emerging solution for financial advisors who want to deliver a superior client experience with the power of secure collaborative technology. That solution is Private Office.

Private Office is highly secure online real-time collaboration technology that each advisor can adapt to fit the way they do business and adapt to the needs of their individual clients. Each Private Office comes with up to 100 separate meeting rooms for clients for the ultimate in one-to-one marketing. Each meeting room features advisor branding, offers secure conferencing, real-time file sharing, a separate file cabinet for all the client’s documents, and can be personalized by the client who can add documents and bookmarks. The user interface is easy and intuitive with the advisor setting access controls of each meeting room to create secure networks for all the client’s other advisors and necessary family members.

For the financial advisor, Private Office delivers added value to each client who will feel more in touch, more understood, and more in control. Not only will it save clients time and money, it helps both clients and advisors to become better partners. This is what older women want: a trusted partnership with their financial advisors where both want to be all that they can be. Delivering what women of a certain age want has many other advantages. It’s the key to the enormous pass-along dynamic between mothers and their children and between women and other women. Need I say that’s it’s also the best way of satisfying their spouses?



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