New York Life Investments:
GUIDE TO WOMEN & INVESTING
Working with women: the opportunity to better serve, retain & acquire female clients.

At New York Life Investments, we understand the importance of guidance and recognize that something truly special happens when advice and partnerships converge.

Today, women control more than $14t \(^1\) in assets under management, and 70-80\% of all consumer purchasing in buying and influence \(^2\). 22\% of women have either changed financial advisors or are working with an advisor for the first time this year.

While satisfaction is generally good, anywhere from one in five to one in three women will change advisors in the future. For the skilled advisor, this represents a tremendous opportunity to strengthen existing relationships and acquire new clients.

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Guidance 360

Providing you with a plan to improve and grow your unique client relationships.

IMPROVING RETENTION

Rethinking Roles

Breaking Unconscious Exclusion

Guide advisors to better serve women & investing

Results With Relationship

INCREASING ACQUISITION

Operating on Her Terms

Education is a Passport

Rescuing Relationships
Women & investing:

A deeper exploration.

We interviewed over 800 women to understand the complexities of working with their financial advisors. Our research debunks a few myths, uncovers new truths, and highlights opportunities to create a deeper sense of partnership.

Here are five simple and straightforward insights our research uncovered.
Women are not a monolith, and it would be wrong to treat them so.

To understand their specific needs we spoke to women in four distinct life stages.

We spoke to:

- Suddenly Single: “Help me feel safe now”
- Married Contributor: “Get with the times”
- Married Breadwinners: “Include me before it’s too late”
- Single Breadwinner: “Empower me through education”
Suddenly Single
Help Me Feel Safe Now

“Men take charge and lead in money matters. My husband never discussed finances and now I feel inadequate when it comes to decisions.”
- Suddenly Single Respondent

Snapshot

<table>
<thead>
<tr>
<th>Feeling</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Feel like FAs treat women differently</td>
<td>39%</td>
</tr>
<tr>
<td>Feel patronized by FAs</td>
<td>32%</td>
</tr>
<tr>
<td>Might not work with an FA again</td>
<td>51%</td>
</tr>
</tbody>
</table>

Needs

- Speak To Me Plainly
- Treat Me Like An Equal
- Have My Back
- Own Your Actions

Married Breadwinner
Include Me Before It’s Too Late

“My advisor treated me like the secretary...I’m a ceo.”
- Married Breadwinner Respondent

Snapshot

<table>
<thead>
<tr>
<th>Feeling</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Probably will not work with FA again</td>
<td>41%</td>
</tr>
<tr>
<td>Feel patronized by FAs</td>
<td>42%</td>
</tr>
<tr>
<td>Feel like FAs treat women differently</td>
<td>44%</td>
</tr>
</tbody>
</table>

Needs

- Value My Concerns
- Be a Trusted Partner
- Have My Back
- Understand Me
### Married Contributor

**Get With the Times**

**Snapshot**

- 38% Feel like FAs treat women differently
- 36% Feel patronized by FAs
- 32% FAs push women out of conversation

**Needs**

<table>
<thead>
<tr>
<th>Modern Solutions</th>
<th>Be a Trusted Partner</th>
</tr>
</thead>
<tbody>
<tr>
<td>Take Ownership</td>
<td>Understand Me</td>
</tr>
</tbody>
</table>

**Quote:**

“Women have often been excluded from the education necessary to make investment choices.”

- Married Contributor Respondent

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### Single Breadwinner

**Empower Me Through Education**

**Snapshot**

- 41% Feel like FAs treat women differently
- 38% Feel patronized by FAs
- 27% Have less access to education

**Needs**

<table>
<thead>
<tr>
<th>Education</th>
<th>Be a Trusted Partner</th>
</tr>
</thead>
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<tr>
<td>Take Ownership</td>
<td>Understand Me</td>
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</table>

**Quote:**

“Women have less access to financial education.”

- Single Breadwinner Respondent
Satisfaction is high; value is not.

Satisfaction levels are strong and switching rates are low. However, there are opportunities to deliver greater value for money.

### Evaluation of Current FA
(among those who have FA)

#### Satisfaction
- Suddenly Single: 88%
- Married Breadwinner: 80%
- Married Contributor: 80%
- Single Breadwinner: 85%

#### Value
- Suddenly Single: 80%
- Married Breadwinner: 71%
- Married Contributor: 62%
- Single Breadwinner: 75%

#### Changed FA in Past 2 Years
- Suddenly Single: 8%
- Married Breadwinner: 11%
- Married Contributor: 9%
- Single Breadwinner: 7%

#### Intend to Change FA Next Year
- Suddenly Single: 2%
- Married Breadwinner: 12%
- Married Contributor: 4%
- Single Breadwinner: 6%

### Switching Rate
- 10%
- 23%
- 13%
- 13%
Women have unique investment needs and challenges.

The majority of women believe they have unique investment needs and challenges, yet many are treated the same as their male counterparts.

![Chart showing comparisons between Suddenly Single, Married Breadwinner, Married Contributor, and Single Breadwinner for unique investment needs.

- Suddenly Single: 64%
- Married Breadwinner: 61%
- Married Contributor: 61%
- Single Breadwinner: 63%]
Many feel embarrassed by their lack of financial knowledge.

Helping solve the education gap will really make an impact.

<table>
<thead>
<tr>
<th></th>
<th>Suddenly Single</th>
<th>Married Breadwinner</th>
<th>Married Contributor</th>
<th>Single Breadwinner</th>
</tr>
</thead>
<tbody>
<tr>
<td>I have the knowledge needed to help my children learn how to make sound financial decisions</td>
<td>71%</td>
<td>74%</td>
<td>75%</td>
<td>54%</td>
</tr>
<tr>
<td>I am comfortable deciding between investment options</td>
<td>65%</td>
<td>75%</td>
<td>71%</td>
<td>71%</td>
</tr>
<tr>
<td>I am confident in my ability to decide on specific investment opportunities</td>
<td>64%</td>
<td>69%</td>
<td>70%</td>
<td>67%</td>
</tr>
<tr>
<td>I am confident in my knowledge of the market</td>
<td>47%</td>
<td>65%</td>
<td>59%</td>
<td>55%</td>
</tr>
</tbody>
</table>
Women network & share.

While most women share their financial experiences with their friends, Suddenly Single and Married Breadwinners overindex in this behavior. A clear opportunity for all FAs.

I talk to my friends & family about the experiences I have with my FA.

<table>
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<th>Single Breadwinner</th>
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</thead>
<tbody>
<tr>
<td>54%</td>
<td>68%</td>
<td>50%</td>
<td>46%</td>
<td></td>
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</table>
Delivering relationship excellence.

New behaviors to increase retention and acquisition.

The best advisors know that activating these behaviors are critical to driving better relationships that lead to happier and more loyal clients.
Breaking unconscious exclusion

Our research uncovered that gender bias occurs when many advisors unknowingly exclude women from the investment process.

“I started out interested and active in our finances. My husband made it such a boy’s club that I felt like the secretary... at a certain point I thought ‘why bother’.”

Thought starters:
Be aware that this behavior exists because it erodes trust with your female clients.

Rethinking roles

When it comes to investing, many women feel that advisors ascribe gendered roles to females compared with their husbands. Behaviors such as treating women as organizers of meetings rather than participants, deferring to the husbands for decision-making, or not acknowledging women – make them feel unequal in the process, leading to a sense of complacency on the part of the client.

42%
of married breadwinners feel patronized by their FAs

“I would ask questions, but he would respond to my husband.”

“I felt like the men spoke in advance and they were in cahoots against me.”

Thought starters:
Never assume a female client is disinterested in the decision-making process unless she tells you so.
Treat your female clients the same way you treat your male clients.

Rescuing relationships

Not only do women feel that advisors stereotype their roles in the investing process, many feel that different treatment has eroded the relationships beyond repair.

44%
of married breadwinners feel that their FAs treat them differently from their partners

“Call me back! I’m spending money and asking for advice. I’m expecting a simple follow-up, acknowledgment. It’s basic client service.”

Thought starters:
Acknowledge and be honest with yourself if you feel that you’ve underserved female clients.
Ensure that she’s included in all account information.
Be honest about what you don’t know and team with other advisors when needed.
Improving acquisition.

Education is a passport

Many women believe that knowledge is power and financial education is a passport to financial freedom. While education may not be the primary role of FAs, women appreciate advisors who go above and beyond to educate them.

**Thought starters:**

Ensure she understands financial concepts, rather than just results.
Invite her children to meetings so they can learn.

Operating on her terms

Many of the women we spoke to believe that the financial services industry is archaic and due for disruption. This provides an opportunity for advisors to rethink how they operate and deliver their services.

**Thought starters:**

Realize that she may be a full-time worker, or operating on her family’s schedule. Offer to meet her outside of regular business hours.
Offer to take meetings digitally rather than in-person.

Results with relationships

Not only do women need results from their portfolios, they’re also looking to advisors to create a sense of security and partnership. They want to feel like their advisors have their backs.

Women outlined a desire to feel that advisors have a sense of shared interest, responsibility, and a deep level of understanding before they make suggestions and recommendations. Passive listening is no longer enough. Clients desire FAs with empathy so that they feel heard and understood.

**Key drivers for satisfaction with FAs:**

- Has my back no matter what
- Is a trusted partner
- Is a trusted advisor

**Thought starters:**

Begin meetings with personal conversations rather than performance.
Understand if her emotional needs have changed, not just her financial needs.
Be proactive in tailoring advice to her specific needs and life events.
Be honest about what you don’t know and team with other advisors when needed.
Simple changes lead to significant impact.

Turn insights into action

Your New York Life Investments Advisor Consultants are ready to help you with anything you need on this topic.

Contact them to receive the full Whitepaper, and schedule an educational Masterclass to learn strategies that improve your client relationships today.
About this study.

Insights presented in this report are derived from a 2018 study conducted by New York Life Investments in partnership with RTi Research and Sub Rosa.

The study employed both qualitative and quantitative methods to better understand the needs of women when it came to investing in the U.S. (Sample size: N=32; N=800 respectively).