



Vanguard

What women want:

Connecting with
female investors

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Connecting with female investors

Why women are important investors

Women have assets

51.3% The amount of personal wealth held by women in the U.S.*

37% Percentage of North American millionaires who are women**

* Sasha Galbraith, 2011. *Financial services: The industry women love to hate*. Accessed June 4, 2013, at <http://www.forbes.com/sites/sashagalbraith/2011/03/18/financial-services-the-industry-women-love-to-hate>.

** World Wealth Report. Capgemini and Merrill Lynch Wealth Management, 2011.

Women's assets will continue to grow because of:

Businesses

Women are starting new businesses at a much faster rate than men*

Education

Women earn more graduate degrees than men**, which generally leads to higher income†

Inheritance

\$41 trillion intergenerational wealth transfer over the next 40 years††

* 2013 *State of women-owned businesses report: A summary of important trends, 1997 -2013*, 2013. Accessed June 3, 2013, at https://c401345.ssl.cf1.rackcdn.com/wp-content/uploads/2013/03/13ADV-WBI-E-StateOfWomenReport_FINAL.pdf. (Commissioned by American Express OPEN.)

** Institute of Education Sciences, National Center for Education Statistics. Degrees conferred by sex and race. Accessed June 3, 2013, at <http://nces.ed.gov/fastfacts/display.asp?id=72>.

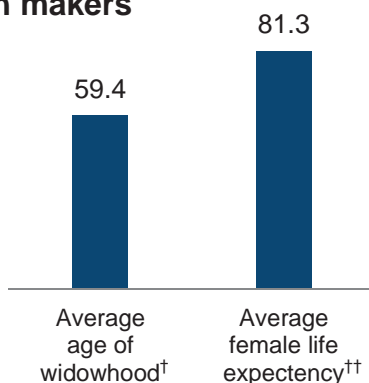
† Tiffany Julian and Robert Kominski, 2011. *Education and synthetic work-life earnings estimates*. Washington, D.C.: U.S. Census Bureau. (American Community Survey Reports.)

†† John J. Havens and Paul G. Schervish, 2003. Why the \$41 trillion wealth transfer estimate is still valid: A review of challenges and questions. *The Journal of Gift Planning* 7(1):11 -15, 47 -50.

Women are decision makers

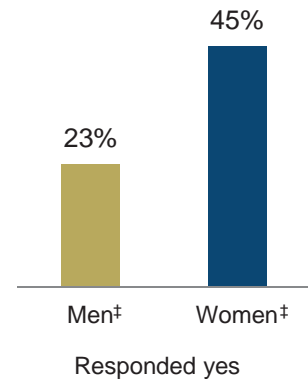
Nine out of ten women will manage their finances alone at some point:*

- Marry later in life**
- Divorce**



Women are loyal

“Would you move your assets and relationship along with your financial advisor if he or she left their current firm?”



* Noreen Beaman, 2012. The gender trap: Male advisors may be missing a practice-building opportunity with advice-directed women. *Investment Advisor* (March 2012). (Published by AdvisorOne.)

** D'Vera Cohn, 2011. *Marriage rate declines and marriage age rises*. Washington, D.C.: Pew Research Center. (Social & Demographic Trends.)

† *Number, Timing, and Duration of Marriages and Divorces: 2009*, U.S. Census Bureau, May 2011.

†† Institute for Health Metrics and Evaluation, *Life expectancy by county and sex (US), 1989-2009*.

† Institute *Fidelity millionaire outlook*. Boston, Mass.: Fidelity Investments, 2012. (Insights on Advice.)

Communicating with female investors

Engage



Meet with couples together and focus on each spouse equally

- Body language
- Eye contact
- Direct questions to both

Talk less, listen more and ask:

Open-ended questions

- What does money mean to you?
- What did you learn about money when you were growing up?
- How do you envision your life 15 years from now?

Follow-up questions

- What is it about traveling that's important to you?
- Tell me more about your mother's health care needs
- What made you decide to start your own business?

Use language that reflects her goals*

Women's goals → Security



- Saving
- Preserving
- Growth
- Stability
- Guidance
- Support

Men's goals → Success



- Trading
- Performance
- Achievement
- Products
- Benchmark

* *Creating loyal relationships with women.* Boston Consulting Group, November 2011.



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Action plan

Review your current relationship with each married female client:

- ☐ Is she engaged in planning and decision making?
- ☐ Do you know her as well as you know her husband?
- ☐ Does she actively participate in conversations?

Assess your communications:

- ☐ Do both spouses receive email communications?
- ☐ Is content equally relevant to both spouses?
- ☐ Is interpersonal communication suited to female clients?
- ☐ Is your office environment inviting to both males and females?

Attract new female clients:

- ☐ Identify target demographics
- ☐ Consider developing a specialty
- ☐ Leverage your clients' networks

All investing is subject to risk, including possible loss of principal.

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