



Invesco Consulting

Helping women save more



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As a financial advisor, you want all of your clients to understand the importance of retirement planning, but research has shown that a one-size-fits-all approach to communication isn't the most effective. While it's impossible to customize messages individually, it's easier to customize them by one big factor: gender. There are differing communication and learning preferences between most men and most women.

The risks of not being prepared

This topic is important because women have longer average lifespans than men, yet they often underestimate how much they need to save for retirement.¹ The truth is they will likely need more than they expect. For example, a 2012 study reported that a healthy 65-year old woman can expect cumulative health care expenses to top \$417,000, nearly 13% higher than those for men.² Clearly, we need to make sure that our communications are being heard by women.

Avoiding labels

You may think I'm going to suggest a series of women branded-workshops or pink-colored educational flyers, but I'm not. Invesco Consulting tested numerous options for workshop titles with specific references to women and heard clearly that women do not want to be singled out by gender. Any title including a gender reference – "What Women Know About Money" or "The Female Financial Advantage" – consistently scored in the bottom 20% of our research.

Why? Because women often view these approaches as carrying a subtle suggestion of inferiority, as if the "women's version" was created for those who don't qualify for the regular workshop. A better approach is to create educational materials with the preferences of women in mind that don't highlight them as "different."

Principle No. 1: Provide experience before explanation.

According to the College Student Journal, women tend to be "Relational Learners," while men are usually more "Independent Learners."³ Beginning a workshop with an interactive activity can be a great way to tap into that preference. One such activity idea is visualization. Science tells us that if you visualize a goal requiring financial resources, such as traveling, it helps to condition the brain to look for resources that might help in achieving that goal.

Principle No. 2: Align life goals with financial goals.

Research shows that women who feel their financial advisors have helped them align their investment goals with their life goals are 41% more likely to be satisfied.⁴ You can do this by walking investors through the process of creating a visual financial plan that illustrates their goals and organizes them by the financial resources required. This helps set the stage to talk about practical financial strategies.

Principle No. 3: Be positive.

Though I started this column with some sobering thoughts about women, I wouldn't include these in an investor workshop. Research shows that negative spin doesn't sit well with most women investors, and trying to scare them into action can backfire. Rather than focusing on the possibility of negative outcomes, focus on what's possible.

Bottom line

In general, women and men have different learning and communication preferences, but women don't want to be singled out. A workshop designed for these needs won't include "women" in the title but will follow the key principles we've reviewed. Ask your Invesco representative for more information about Invesco's tools for women investors.

Explore High-Conviction Investing with Invesco

At Invesco, we're dedicated to delivering an investment experience that helps you get more out of life. Our comprehensive range of high-conviction investment capabilities is designed to help you build portfolios in more precise and impactful ways, and not just settle for average. This high-conviction approach is built on three core tenets:

A pure focus on investing

All we do is investment management. That means we are solely focused on delivering high-conviction portfolio solutions to meet your unique needs.

Diversity of thought

Each of our investment teams is empowered to implement its own trusted investment philosophy and process. Our diverse range of capabilities allows you to create high-conviction portfolios custom-built for your needs.

Passion to exceed

We are passionate about going beyond average to uncover high-conviction opportunities and provide an exceptional client experience.

1 Source: ebri.org, 2013 Retirement Confidence Survey Fact Sheet #5, "Gender Comparisons Among Workers."

2 Source: Insured Retirement Institute, "IRI Exclusive: Escalating Health Care Costs Threaten to Erode American's Retirement Savings," Jan. 10, 2012.

3 Source: College Student Journal, Vol. 36, No. 3, September 2002, "Male and Female College Students' Learnings Styles Differ: An Opportunity for Instructional Diversification" by Gabe Keri, published by Project Innovation, Inc. Used with permission.

4 Source: "Harnessing the Power of the Purse: Female Investors and Global Opportunities for Growth" by Sylvia Ann Hewlett and Andrea Turner Moffitt with Melinda Marshall. ©2014 Center for Talent Innovation. All rights reserved.

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Our team of presenters, developers and support staff is dedicated to finding actionable answers to the unique challenges within financial services. Founded in 1998, IC has helped more than 600,900 financial advisors, high-net-worth teams, variable annuity producers, retirement specialists and home office managers get, keep and grow business through our speaking engagements from December 2001-December 2016.

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