



Empowered

Practice management tips for the Empowered age



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Practice management tips for the Empowered age

North American wanted to better understand the relationship between women and financial professionals, so in 2017, we did our research.

By talking to women, men, and the financial professionals who serve them, the Empowered study uncovered how women feel about retirement compared to men, and some of their preferences when it comes to working with financial professionals.

Now, we're making it easy for you to apply these findings and best practices with your clients and prospects.

Setting new relationships up for success			Strengthening existing relationships			
E	M	P	O	W	E	R
Education	Meaningful relationships	Purposeful guidance	Ongoing support	Welcome uncomfortable discussions	Examine your involvement	Reaching out

Setting new relationships up for success

Education

Prospective clients may tell you they have a good understanding of financial concepts and retirement options. But the insurance and financial services industry is rich with jargon and acronyms, and you'd be wise to begin each relationship with basic education – using language familiar to anyone – no matter their level of understanding.

Our research suggests that consumers may have an inflated sense of knowledge about the retirement process. In other words, confidence level may not be a strong predictor of knowledge level.

To find out how women specifically felt about their retirement knowledge and awareness of the retirement process, we asked them how strongly they agreed with three statements:

- I feel as though I am knowledgeable about the retirement process.
- I feel as though I am aware of retirement savings options available to me.
- I feel financially secure.

On a scale of 1-5, with 5 meaning they strongly agree, women rated themselves a **3 out of 5 on average** for each of these statements. If you look at that in terms of a letter grade, that's a **'C'** for their retirement knowledge and awareness. They have some room to grow, and you have an opportunity to step in and help.



Meaningful relationships

When you deliver what really matters to clients, it strengthens your relationships and allows you to spend less time and energy on things they don't value. **The consumers we talked to said the most important financial professional or agent characteristics are:**

That isn't to say that personal chemistry, your reputation, and eye contact aren't important, because to individual consumers, they could really matter. However, be careful not to underestimate the importance of your expertise.



56%

Sought their employer

Purposeful guidance

It's clear that women are seeking someone they trust to provide information and guidance. Out of the women we surveyed, **56 percent** said they have used their employer as a resource to learn about retirement savings.

50%

Sought their financial professional

While they didn't say for sure, an educated assumption is that it's because they have a work-sponsored 401(k) or something similar. The good news is that **50 percent** of the women we talked to also sought out their financial professional for advice, so establish yourself as an educational resource in their life early on, and they'll likely continue to seek your guidance.

Strengthening existing relationships

Ongoing support

Whether from divorce or the death of a partner, most clients will have to make a decision on whether to continue their professional relationship with you at some point in their lives. That's why it's critical to make sure each client is individually satisfied with the level of support you provide.

Out of the group of women we talked to, 69 percent gave a strong rating when asked how satisfied they were with their current financial professional. Not surprisingly, when asked how likely they would be to recommend their financial professional to a family member or friend, 66 percent gave a strong rating. If you apply these numbers to your business – that as many as one in three clients could be unhappy – you might see the need to enhance your focus on strengthening existing relationships.



Welcome uncomfortable discussions

Finding that a client is not fully satisfied with your service and/or relationship does not have to end the relationship. In fact, it's a great opportunity to sit down with that client and address the areas they felt didn't meet their expectations.

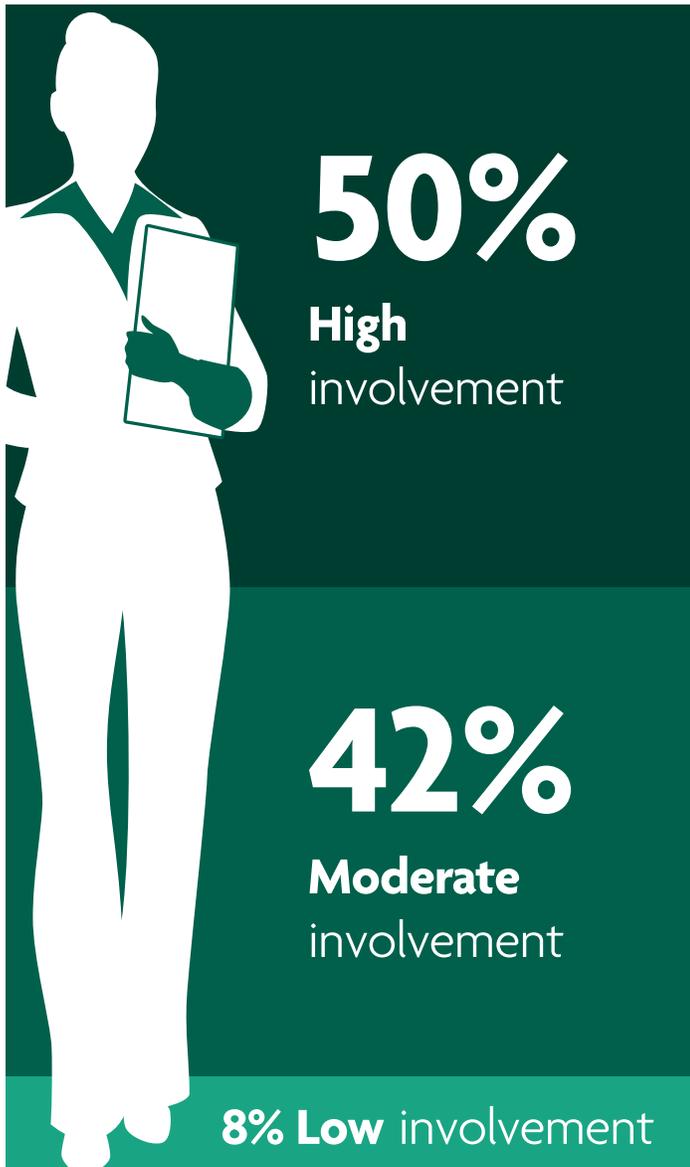
Everyone has blind spots, and by welcoming uncomfortable discussions with humility, you could learn something that leads to great change and lasting health in your business.

Consider giving an anonymous survey to your existing clients or simply asking them how you could improve the next time you see them.

In our research, the consumers who gave a low satisfaction rating spoke up about a few things that could improve their relationship with their financial professional:

- 1) Communication:** More frequent and “better” communication and to make getting ahold of their financial professional or agent easy.
- 2) Understanding:** Get to know the clients' goals, and help them understand their investments/products.
- 3) Character:** They want to see strong values but also strong performance.





Examine your involvement

We found that agents may be both underestimating and overestimating how much involvement clients prefer. How could that be?

Survey results showed 50 percent of women wanted high involvement from their financial professional – needing someone with expertise whose recommendations they can follow.

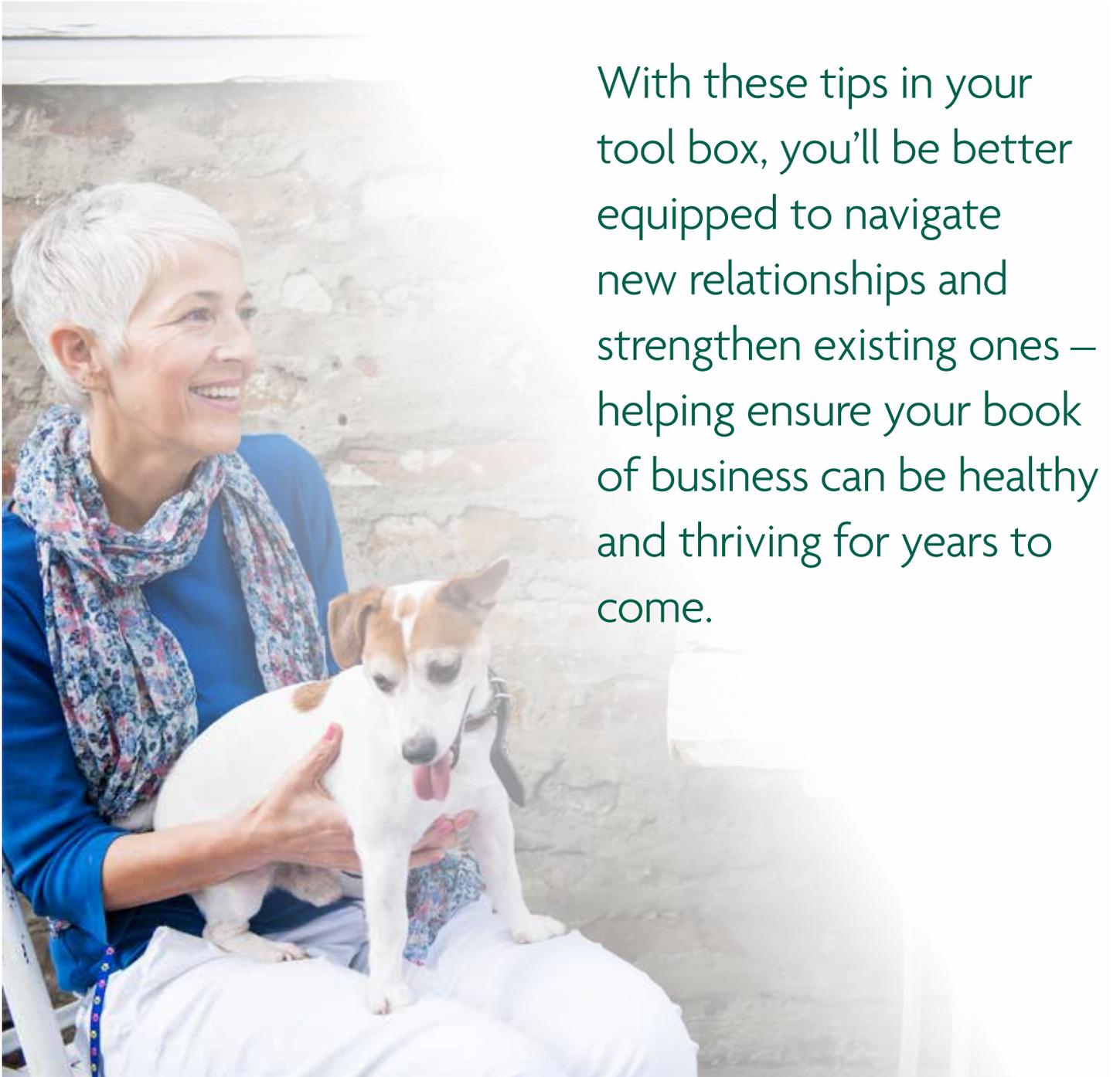
At the same time, 42 percent of women preferred moderate involvement – needing a partner in financial decision-making. The remaining 8 percent of women we surveyed said they're comfortable with receiving low involvement from their financial professional, needing someone simply to provide guidance.

The lesson here is to tailor your approach to the expectations of each individual to support them the way they want to be supported.

Reaching out

When it comes to ongoing communication, we found a few patterns in how and when women want to hear from you. A majority of the women we talked to preferred quarterly updates about their financial plan and news that's relevant to them. Reaching out by phone was the most-desired method of communication, followed by meeting face-to-face.





With these tips in your tool box, you'll be better equipped to navigate new relationships and strengthen existing ones – helping ensure your book of business can be healthy and thriving for years to come.

Methodology

The general consumer study was conducted Nov. 6-19, 2017, and included 400 females and 200 males, age 40 and above. The agent study was conducted Nov. 17 to Dec. 12, 2017, and included 257 contracted agents including both men and women.

Analysis is for educational purposes only. The experience of the participants of the 2017 Study may not be representative of the experience of all. Neither the company, nor any agents acting on its behalf, should be viewed as providing legal, tax or investment advice.

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