Statistics on women’s involvement in the insurance and financial services industry — both as customers and as agents — remain dismal. WANDA W. WITHERSPOON, CLU, examines the reasons why and comes up with some innovative solutions.

What Women Still Want

DESPITE YEARS OF CONFERENCES, white papers, media reports, and other efforts to address the problem, women nevertheless feel that they continue to be misunderstood by the insurance and financial services business, both as customers and as industry professionals.

One recent study from Boston Consulting Group finds that women all over the world identify financial services as the industry they are most dissatisfied with in both service and products. The industry simply doesn’t understand that women and men have different views about money and wealth, according to the survey. Women don’t seek to accumulate money; instead, respondents said they see it as a means to care for their families, improve their lives, and find security.¹

“Women want to have a conversation with an agent who is a good listener, will understand her concerns and goals, and work as a partner.”

Another study shows that after the death of their husbands, 70 percent of widows will seek out a new agent.\(^2\) And numerous other studies say women often find that male agents are condescending and disrespectful to them, or simply ignore them.

**Where Do We Go From Here?**

But where there is need, there is opportunity. The yawning gap between what female customers want and what our industry gives them presents a major opportunity for firms and agencies to get it right, build customer loyalty, and reap the benefits.

Although women represent the largest emerging pool of wealth nationally, they still aren’t getting enough help in health care, long-term care, disability insurance, life insurance, and customer reviews. Women live longer than men and make up most of the elderly poor. They also serve as the primary caretakers for their children and for aging parents. Closing the gap requires making a commitment to meet women’s needs throughout various life stages.

What can field leaders do to seize the opportunity here — not just to earn the business of female customers but also to ensure that women and their families get the financial information, services, and products they need to protect their families and assets?

Let’s face it, when it comes to business matters, many women tend to relate to other women better than men. So in 2010, GAMA International launched its Women in Leadership Task Force to address the pervasive, ongoing underrepresentation of both female customers and agents in this industry, with Thomasina Skipper, M.B.A., CLU ChFC CLF, as task force chair.

“Our mission is to get more women leaders to join GAMA and to support them,” says Thomasina, an insurance agency growth specialist. “I think we’ve moved the needle [in this support], even though only 8 to 10 percent of leaders in this industry are now women. But previously, they weren’t joining GAMA, and they weren’t a part of the network. I think before, a lot of them were failing faster because they didn’t have support. But now, more women have joined. They are finding their voices and are speaking up.”

Serving as the moderator for the LAMP ’14 Sunday women’s session, “Creating a Better Business Model,” encouraged me to continue to explore what women need in a financial agent.

**Opportunity Knocking**

Tara Showalter, J.D., CFP CRPC, a managing principal with Waddell & Reed, was a panelist at that session. Tara, who has been a first-line leader since 2006, points out that many conventional methods of customer engagement in this industry were developed decades ago, when few women worked outside the home and their husbands made the financial decisions.

But now women have enormous economic influence in the United States. Women currently control 51.3 percent of the country’s wealth, and a 2011 *Forbes* article reported that they are projected to control two-thirds by 2020.\(^3\)

That is one reason why serving female customers effectively is a lucrative opportunity these days. Another is that women are more likely than men to work with a financial agent. A recent Fidelity Investments study says women are more willing to receive financial information than men and are more interested in holistic financial guidance to meet a specific lifestyle or goal.\(^4\)

**What Female Clients (Really) Want**

The first step in *providing* what women want and need is *understanding* what they want and need. Below are some specific items on the wish lists of many female prospects and customers:

**TO BE UNDERSTOOD**

Many studies have documented a considerable contrast between male and female investors. A recent *USA Today* article reported these key differences:

1. **Women tend to focus on longer-term, non-monetary goals.** Also, they often view money as a way to achieve independence and security more than a means to purchase something.

2. **As with driving a car, women are more likely than men to “ask for directions” on investments.** A Prudential study reported that 44 percent of women say they usually rely on input from an agent. Most men prefer to make financial decisions entirely on their own.
HOW TO ATTRACT AND KEEP FEMALE CUSTOMERS

- Set a measurable goal for winning the respect and long-term business of female customers, such as the number of female customers (or percentage of customers) you will have in your firm or agency in three years. Measure it, follow it, and improve on it.
- Commit to and communicate that objective personally. The commitment must begin at the top.
- Promote long-term relationships with female customers rather than transaction-based relationships.
- Educate your agents about giving equal attention to both spouses when working with couples. After all, according to many studies, women make the majority of financial decisions in today’s households. (Even if the male dominates the conversation, the agent should always ask the female what she wants.)
- Develop educational programs that help women make informed decisions about specific financial issues; promote the programs through social media like LinkedIn or Facebook.

Women tend to be more thorough and take more time to make decisions than men. Several studies, including a national survey by LPL Financial, show that women like to research investments in depth before making portfolio decisions. They tend to be more patient as investors and to consult their agents before adjusting their portfolio positioning, whereas men are more prone to market-timing impulses. Plus, to gather information, women often prefer group discussions to men’s more independent learning approach. Women like a collaborative approach to problem solving. 5

Of course, one solution doesn’t fit every woman. A 2012–13 Prudential study titled Financial Experience and Behaviors among Women found differences among women of varying ages, income levels, and ethnicity. 6 The key is to know what women may want in general and then pay close attention to individual needs — just as you would with a male customer.

A CONVERSATION

According to a Fidelity study, women want to have a conversation with an agent who is a good listener, will understand her concerns and goals, and work as a partner — not talk down to her, but participate in an educational, collaborative process. 7

A LONG-TERM RELATIONSHIP

Daralee Barbera, ChFC CFP CLF CMFC, says the key to establishing respect with female customers is engaging in an ongoing relationship with them, rather than working on a transactional basis. Daralee is a managing principal with Waddell & Reed, and is the GAMA International 2014–15 president. (See “Daralee S. Barbera: Always Teaching, Always Learning,” May/June, page 20.) In 2013, she was named the WIFS (Women in Insurance & Financial Services) Woman of the Year.

About half of the 60 people in Daralee’s division are women. She says Waddell & Reed’s values-based customer-service model is effective in attracting women as well as men. “When we do financial planning, it is a three-step process: analysis, strategies, and actions,” looking not only at the quantitative data but also at qualitative data, she says. “We ask our clients how they feel about where they are in their lives and careers. What are their goals? What are their hopes and dreams? What are they afraid of? They can give you their numbers and their most recent statements, but when you ask them how they feel, they often say no one has ever asked them that question.”

Daralee says that approach appeals to women — and many men — more than a transactional approach. “Where women definitely get lost as clients is when advisors focus on a transaction or make it all about the advisor and the product,” she says. “It has to be about the clients — who they are, where they are in their lives, how they feel about everything, and what is important to them. Then you build everything around them. It has to be consistent with each client’s values, goals, and objectives. That applies to all clients — not just women.”

HOW TO ATTRACT AND KEEP FEMALE AGENTS

- Build a team environment that pairs male and female agents. (Studies show that female participation on a team makes it more effective.)
- Promote more women into leadership. Potential female recruits like to see female leaders.
- Launch forums, such as a special LinkedIn page for female agents, that enable women to support one another.
- Create a more collaborative culture.

**Agents Dedicated to Meeting Their Needs**

Understanding what women want and need requires a specialized approach that takes the following factors into consideration:

- Marketing strategies that target specific demographics within the female population: affluent women, women of color, working women, married women, and single women
- Awareness that women still feel they are not treated with the same respect as men when seeking help from financial services professionals
- An understanding of life events that result in shifting financial realities for women, such as marriage, the birth of a child, divorce, or a spouse’s death.

Research indicates clear differences between male and female investors. A recent BlackRock worldwide investor poll found that, compared with men, women generally have longer life expectancy, lower workforce participation, lower pay, and lower risk tolerance and confidence levels. They are also more likely to be the main caretaker for children, elderly parents, and their spouse.8 We can meet all of these needs easily if we acknowledge their impact on women’s lives and financial situations.

**Education**

Georgette H. Geller, CLU ChFC, executive vice president of the Connecticut branch of AXA Advisors, says that during her 24-year career in the industry, she has seen clear differences between male and female customers.

“One of the things I’ve learned over the years and have read in a lot of books is that a key component for women is education,” says Georgette, who also is chair of her company’s recently re-formed Women’s Leadership Council. “For that reason, I am focusing on educating my female clients a little bit more aggressively than my male clients. I think part of it is that women feel like they know less about money, and they’re much less comfortable talking about money. I think attracting women through educational programs promoted via social media is definitely a home run.”

**Mutual Respect**

Of course it’s important for agents to build respect with all customers. But it’s even more important to build respect with female customers, says Sandra Hughes, CLU ChFC FLMI, an agency administration leader for State Farm Insurance Companies. To build respect among women, she says, agents need to communicate that they care. And they can do that by asking a lot of questions to ensure that they understand what the female customer wants to accomplish in five or 10 years, or as a lifetime goal.

“You can’t skip that step when working with women,” Sandra says. “We don’t want to badger them, but we want to see how they’re thinking. The customer might be thinking about making a career move or having a baby or buying a home. The more you know, the more you can help her achieve her goals.”

“What I’ve found with men,” adds Sandra, “is that you can ask them a few questions and answer a few of their questions, and they’re ready to proceed. Females typically don’t move as fast as men. They need to build respect with their agent and to feel that he or she really understands her financial situation and goals.”

**A Commitment to Close the Gap**

Thomasina Skipper, who has been in the insurance and financial services business since 1976, says the industry is

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I believe that there is definitely “opportunity knocking” when it comes to increasing the number of female agents. Our success will be determined by actions that match what we verbalize; in other words, we must “walk the talk.”

Most firms say they want more female agents, but the numbers still do not reflect that this as a priority. I am quite certain that we can improve the number of female agents by:

- Facilitating continued education on women’s issues by leveraging the women’s studies and research available through the American College
- Increasing the number of women in leadership (women seek careers where they have visible role models and see others who have had a track record of success)
- Fostering an environment that allows flexibility as to how results are accomplished; there is no one-size-fits-all approach
- Emphasizing the benefits of a career in financial services not only in terms of income but by presenting the opportunity to change lives and create lasting legacies

Female Customer or Agent: Making the Industry Work for You
So what do women (still) want? They want to have their needs addressed and their futures secured. They want the opportunity to meet with caring, concerned, and knowledgeable professionals who would like to do business with them. They want diversity in agents and approaches. The more women we have, the more we will energize our industry and attract even more women agents as well as customers. When we get this right, everyone will win! ➤

» Wanda W. Witherspoon, CLU,
is a sales leader for State Farm Insurance Companies in Greenville, S.C. She earned her bachelor’s degree at Claflin University and her master’s at the University of South Carolina. Wanda has 24 years of experience in insurance and financial services. She is a member of the GAMA International Board of Directors and serves as chair of the GAMA Volunteer Committee. She is also a member of the Women’s Resource Network, NAIFA, Alpha Kappa Alpha Sorority Incorporated, Candler Magnet School of the Arts School Improvement Council, and Kingdom Life Worship Center. She is an avid community volunteer with a passion for giving back to her community and increasing financial services acumen for women. Over the years, Wanda has earned numerous awards, including GAMA’s James H. Krueger First in Class Award in 2011.

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