Calling All WOMEN
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In February 2004, I began my career in the financial services industry. I was in my mid-30s and transitioning from a corporate career in advertising. I had little financial acumen and was intimidated by the traditional male-dominated industry. My desire to learn and create a better life for myself and others led me to make a move regardless. Nine years later, I see more validation each year since my decision. I also see a growing demand for female advisors, with demographics working in our favor; more Baby Boomer women are making significant financial decisions at home without the resources to guide them.

Somehow the financial services industry has not caught up with this demand… yet! According to an article in Financial Advisor Magazine, there are less than 30% women vs. men in the financial services industry.

Our industry is flooded with talk about the Baby Boomer market and the transfer of wealth that comes with this aging market. The female Baby Boomers play a significant role in this transfer as many experts see them as the major recipients of this multi-trillion dollar wave. Claire Behar, Senior Partner and Director, New Business Development, Fleishman-Hillard New York was quoted: “Over the next decade, women will control two-thirds of consumer wealth in the United States and be the beneficiaries of the largest transference of wealth in our country’s history. Estimates are it could be as much as $40 trillion. Many Boomer women will experience a double inheritance windfall, from both parents and husband.”

Lavonne Kuykendall wrote an article in Investment News in April of 2012 titled “Women control the purse strings-so where are all the female advisors?” Kuykendall writes: “women are the key decision makers in about 6 out of 10 client relationships,” and “[i]t is becoming more important to have a women advisor”. She also points out that less than half of registered investment advisory firms have a female investment advisor on staff. I believe the need for female advisors is increasing significantly as women become beneficiaries and key financial decision makers in their households.

Another publication confirms this by stating: “On a global basis, women currently control more than $20 trillion dollars in investable wealth, and that amount is expected to grow at an annual rate of 8% through 2014. What’s more, they own $16.2 trillion of U.S. household assets and are now the sole head of 32% of households, an increase of 18% in the past five years. Yet, financial advisors and other wealth managers may not be sufficiently focused on women’s investment needs - which may explain why 70% of all women fire their advisor within a year of becoming widowed.”
Did you know the real estate industry used to be male dominated? The demographics of the real estate industry changed dramatically with the explosion of RE/MAX®. Founder Dave Liniger realized women were the main decision makers in the home buying process, would be more comfortable working with another woman and were more in touch with the emotions of home buying. He felt women real estate agents could connect and gain trust quicker with female buyers. He saw women as a natural fit as they were looking for careers that gave them flexibility of time, yet the ability to earn the same as their male counterparts. Dave Liniger saw this opportunity and recruited women in droves. In the book Everybody Wins: The Story and Lessons Behind RE/MAX®, the authors write: “Women had always been at the forefront of the RE/MAX® success story.”

RE/MAX® exploded and the industry is now dominated by women. Across the country there are now 25% more female real estate agents than male agents.

I believe there is a parallel opportunity for the financial services industry with the surge of Baby Boomers, especially Baby Boomer women. The demand for financial help to these Baby Boomer women may be the most significant shift our industry has ever seen. It could possibly change the dynamics of the financial services industry the same way it changed the real estate industry, and positively impact the careers of the women and men that embrace it. I am excited to have this opportunity to be of service to these women as clients, when they need it most. I’m also excited for the women that will expand their careers and become a part of this movement.

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She has almost a decade of experience speaking, writing, mentoring and developing leaders in the financial services industry. You can learn more about her business at www.NorthAmericanExpansion.com.

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5. Source: “Is Real Estate a Man’s or Women’s World?” Trulia Trends Blog; October 13, 2011.