

Vanguard Survey Investigates Women's Financial Confidence, Relationships With Advisors



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While women have long made up a significant portion of financial advisors' client bases, the growing wealth of this cohort has brought increased attention to how to attract and serve these clients well. With this in mind, Vanguard's Women & Wealth Study surveyed 1,602 U.S. investors to explore whether and how men and women differed in their approaches to investing and working with a financial advisor.

Overall, men and women were close in terms of their self-reported confidence in making financial decisions, with 76% of women and 83% of men reporting being confident. Notably, this confidence increased across every major decision category when working with a financial

advisor (e.g., 45% felt "very confident" planning for retirement with an advisor, while only 20% felt very confident without one).

When asked what they hoped to achieve with their investments (with the ability to select up to two options), women respondents were most likely to seek peace of mind (46%), security (38%), autonomy (34%), and wealth maximization (30%). Notably, the goals chosen shifted depending on the wealth of the respondent. For instance, while respondents with between \$100,000 and \$999,000 of assets were most likely to cite peace of mind as their top goal, those with more than \$5 million of wealth selected wealth maximization over other goals (indicating that goals can change over time alongside a client's circumstances).

In terms of communication styles from a financial professional, women investors surveyed were most likely to cite "educational" and "collaborative", while men preferred "data-driven and analytical" and "collaborative and discussion-based", though the gaps between the groups weren't particularly wide (e.g., while 39% of men preferred a "data-driven and analytical" approach, 33% of women chose this option as well). In addition (perhaps bucking stereotypes), men were actually more likely than women to seek an "empathetic and attentive" approach from their financial professional (17% to 14%).

Amongst women respondents who reported stopping working with an advisor, the most common reasons cited for doing so included that they felt the advisor wasn't acting in their best interest (cited by 40%), investment performance didn't meet their expectations (33%), a lack of communication (32%), and that they weren't receiving enough value for the fees charged (32%).

Ultimately, the key point is that while there were differences between men and women respondents to Vanguard's survey, the gaps between the two weren't as far as some might assume (and in some cases the results might have been in the opposite direction!). Which provides

further evidence of the importance of discovering each client's unique preferences when it comes to preferred communication styles, goals, and/or expectations of their advisor!