

## GENERATIONAL SELLING TACTICS

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# Mothers key to making connections

*As centers of influence, they can be powerful allies in making inroads with the next generation*

**M**others matter. And not just because they're raising the next generation but because they influence all generations.

The mother of young children is perhaps the most important influencer in the consumer marketplace. She's typically earning money. She's definitely spending it, on herself and on her children.

And she's influencing the purchases of others — be it her spouse, parents, in-laws or peers. Various research estimates that 60% to 80% of all consumer spending is determined by mothers of young kids.

Yet many advisers lack a connection point with these powerful allies.

### YOUR CHAMPION

Awareness certainly is not the issue. The importance of the female client has been discussed regularly for over a decade. So why is there still a barrier in many cases? Advisers should focus on what mothers need to know, feel and believe in order to make them not only your clients but your champions.

Mothers are key to establishing connections to the next generation of clients. They are the keepers of the relationship even if they aren't keepers of the finances. (Remember, though, that they are increasingly both.)

The youngest generation of mothers (those under 35) are also some of the most conservative investors ever known.

The typical woman earns less than a man her age yet saves a greater percentage of her income than he does. Her preferred saving method is cash or bonds, however. She's also more educated, so we could say she should know better than to be so conservative at such an early age.

Less than one-third of women are prepared to take bigger risks to enjoy high returns, versus nearly half of men, according to a 2012 report by Barclays Wealth and Ledbury Research. According to the report, explanations could include that women think of wealth accumulation as a path to becoming secure rather than rich.

### REVERSE PSYCHOLOGY

It's a conundrum. How can you appeal to the person who has the greatest influence over family budgets if she is inherently risk-averse? Why should you?

Some psychology may be in order.

You could start by respectfully explaining the risks of being too conservative — that inflation, though low today, can creep up and eat her savings over time.

Illustrate that an approach appearing responsible today may create insecurity in the future. Then show her how strategic planning and careful monitoring can create an investment approach that balances growth and stability, and provides a different sense of security.

It's easier to connect with people when you can tell stories and draw parallels within topics important to your audience.

Parenting and children are an obvious conversation point for mothers. And you can create parallels between appropriate investment risks and those involved in rearing kids.

All parents want to protect their children, but an overprotected child never fully matures. The same is true of investing: Those unwilling to take on risk won't have any reward.

Getting mothers to take more, yet manageable, risks won't be an easy task but will produce a much better

outcome. Be careful, however, to ensure that your clients could never misconstrue such a presentation as using their children as pawns in a sales process.

### VIRTUAL LIFELINE

Social media has become a virtual lifeline for parents, especially parents of young children. Whether sharing recipes, parenting tips or the latest picture of junior, the Internet provides a place for busy parents to

connect. It's also a great source for referrals, recommendations and warnings.

You want to be part of that conversation. Make sure that you have a social media presence that is both professional and approachable. Offer insights into the industry and into the personality of your firm.

All this education and relationship-building may sound like a lot of work. But the return on investment

comes from the immediate client relationship as well the exponential value of a mother's power as a center of influence that connects you to an growing network of potential clients.

It's also a great incentive to be excellent in your work so that she always has something to brag about.

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