

9 Ways to Win Gen Y Clients



Young. Impatient. Plugged in. Casual. Flippant. Presumptuous. These are but a few of the ways that people, mostly of the older generations, describe the typical member of Generation Y.

Here's another way to think about them: the largest generation in the United States today with an annual spending power approaching \$1.5 trillion. Born between 1978 and 1994, they now number 85 million in the United States. The majority are older than 18, and every one of them will be at least that age by the end of the decade.

They are the future of the advisory market. But how do we reach them?

The technological revolution has created countless options for marketing and selling, providing the means to reach more people in more ways at a lower cost than ever before. On the other hand, all of the benefits of technology are also available to Generation Y consumers. They compare prices, features, reviews and reputations with the click of a mouse button or the tap of a smartphone app. (A new site, WalletHub, collects reviews of financial advisors and is billing itself as "the Yelp of personal finance.")

These tools have given them a great deal of knowledge and power as customers. In fact, technology has made buying easier for Gen Y, but has made it harder to sell to them. They can choose from multiple providers for similar services. You must give them a reason to choose you: You are selling yourself as much as you are selling your services.

This is especially true of financial advice. Financial and other services are the basis for long-term, trust-based advisor/client relationships. It's easier to form these kinds of connections when we work with clients who come from our own background. To market and sell to Generation Y, advisors need to understand how to bridge the generational divide.

That may seem easier said than done. Gen Y seems to make its own rules, and its members definitely present themselves and communicate differently than older generations. They also like to do business in a different way. So, how can you connect with them?



1. Respect their individuality.

Gen Y was raised on self-esteem and told that each one of them is special and unique. They believe it. Let them know that you notice and appreciate their individuality and accomplishments. To many, members of Generation Y may appear too casual and unconcerned. They are more likely than those of older generations to sport tattoos, wear flip-flops everywhere and don T-shirts that look like they've been stuffed in a drawer since 1986. They might split time between talking with you and answering the hundreds of text messages they exchange every day. Don't sweat it:

They aren't trying to be disrespectful. And if you send them signals that you're put off by their behavior, you likely won't connect with them.



2. Don't waste time.

Gen Yers are in a hurry. They believe that every transaction should be as quick and painless as buying something from Amazon or iTunes. They have little patience for long meetings or presentations – they would rather look that stuff up on the Web. Try to arrive at the punch line without a lot of fanfare. Consider the length of a text message or a post on Facebook or Twitter – they like their information in bite-sized pieces. Be concise and to the point.



3. Be transparent.

Be yourself. Don't try to act any younger or hipper than you actually are. That will smell like desperation to these prospects. Instead, be up front with them and let them know how you can help. Don't hoard information; instead, divulge and disclose everything. They'll look up everything on the Web – you, what you say, and everything about your business and industry. If what they find doesn't jibe with what you say, you'll find your relationship dead on arrival.



4. Give it up.

Gen Yers love freebies and giveaways, and they want instant gratification. Offer them services or products at little or no cost – a free analysis, a discount, a T-shirt. Try to give them something they can take away right now. Let them know how your advice can help them starting this minute, and mention any other benefits they can enjoy right away, even if it's just crossing an important item off of life's endless to-do list.



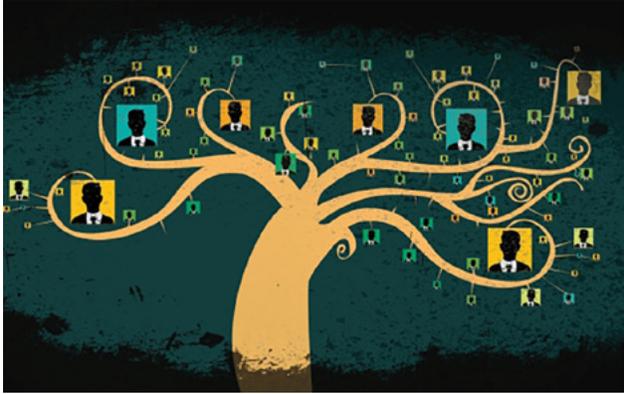
5. Go digital.

Generation Y lives a connected life, and your digital presence is just as important to them as your brick-and-mortar building – maybe even more important. Make sure your website is informative and accessible and that it allows Gen Y clients to “visit” your business and their accounts online, anytime they feel like it. Promptly answer your emails from them. Learn how to text. Invite them to text you, and answer immediately when they do, even if only to say “got yr msg.” Offer free Wi-Fi access in your office. Put up a sign that says “Free Wi-Fi.” Very few things in life make Gen Y as happy as free Wi-Fi.



6. Be their guide.

Gen Yers don't have much experience with making decisions. They may know what they want, but they need help getting there. Give them information and advice rather than sales pitches. Point them to some resources on the Web where they can find more information – sources you trust, rather than ones they might randomly find. Explain to them how their investments work and why it's smart for them to start planning for retirement now rather than later.



7. Manage your reputation.

Gen Y is very peer-oriented. They will look for their peers to offer opinion and approval of their purchases and decisions. Actively manage your reputation among them on social networking sites and other online spots where they exchange opinions and advice with one another. If there's something negative out there, try to address the problem, or at least be prepared to explain it. Encourage positive reviews and ratings, and ask members of this generation to refer you to their friends.



8. Appeal to Mom and Dad.

Members of Generation Y, even the adult ones, consult their parents for advice on purchases, especially such "adult" purchases as insurance and real estate. Be prepared for a mom or dad to become involved in your relationship with their kids. Welcome their participation, and assure them you are working for their child's best interest.



9. Focus on their future, not your past.

Most advisors, especially baby boomers, are accustomed to winning clients by extolling their experience, accomplishments and successes. Members of Generation Y are more interested in hearing you talk about them and their future. "Why is this important to me right now?" and "What can this product do for me?" matter much more to them than whatever you've done in the past. The most important fact about you is what you've done lately for people just like them. If you can provide a peer reference, that's even better.

Connecting with Generation Y may not come easily for agents accustomed to older generations, but by following a few generational guidelines, you'll be able to form a relationship with this generation's prospects – one that will shape the future of the advisory market.