

For Financial Advisors

IGNORING THIS KEY RELATIONSHIP
COULD COST YOU MILLIONS IN AUM

Why Building a Relationship with Both Spouses is Vital to Your Business



ARDEN TRUST
COMPANY

Why Building a Relationship with Both Spouses is Vital to Your Business

Losing a spouse is one of the hardest things to go through in life. Making the necessary financial decisions and planning for the future can be an especially difficult process for a grieving spouse. Feeling comfortable with the financial advisor guiding them through is a must.

As a financial advisor, when working with a married client, are you doing all you can to cultivate a relationship with both spouses? It's easy to just focus on the client, but that won't help you keep the account long-term.



Various surveys show that nearly

80%

of women will at some point become the **sole financial decision-maker** in their life.¹

If you haven't started cultivating those types of relationships yet, now is the time. Performing well and hitting financial goals may not be enough to keep the account once the primary client has passed on.



80%

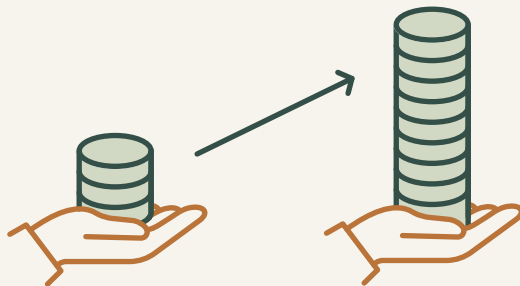
of widows switch financial advisors within a year of their husband's death.¹

1. Op-ed: The loss of a spouse or partner creates huge financial risk. Here are tips to protect your money.
<https://www.cnbc.com/2022/04/27/op-ed-recent-widows-need-guidance-with-money-issues.html>

Why Building a Relationship with Both Spouses is Vital to Your Business

When looking at heterosexual couples specifically, there is data on what losing that account could cost you.

You don't want your client's wealth to be transferred to a new advisor, especially after all your years working together. So how can you engage and foster a relationship with both spouses in the here and now?



Right now, women control more than **\$10 trillion** (about 33%) of total U.S. household financial assets. In the next three to five years, an unprecedented amount of assets will shift into the hands of U.S. women – representing **\$30 trillion** by the end of the decade.²

2. Women are gaining power when it comes to money – here's why it's a big deal <https://www.cnn.com/2022/05/03/money-decisions-by-women-will-shape-the-future-for-the-united-states.html#:~:text=This%20massive%20change%20over%20the,total%20U.S.%20household%20financial%20assets.>

Here are
our Top
Tips



TIP
1

DON'T ASSUME SPOUSES HAVE THE SAME VIEWS

When it comes to subjects like risk tolerance or long-term care planning, spouses may have very different views. For instance, studies find that overall women invest more conservatively.

Get to know each spouse's preferences individually so they feel equally comfortable keeping their account in your hands. If one spouse prefers to take risks and the other doesn't, make sure they know you have options for both approaches and a moderate, middle-ground option too.

68%



59%



The average woman keeps **68% of her portfolio in cash and cash equivalents**, compared to 59% of the average man's portfolio.³

3. Women and Investing: 20 Years of Research and Statistics Summarized <https://www.fool.com/research/women-in-investing-research/>

TIP
2

ENCOURAGE BOTH SPOUSES TO ATTEND FINANCIAL PLANNING MEETINGS

Often one spouse takes the lead on finances for the couple. Try your best to encourage both spouses to attend planning meetings so you can get to know their individual preferences and share ideas with them together.

Think about how you can make meetings comfortable and engaging for both the finance-focused spouse and the spouse who isn't as interested.



Have meetings at home, or over lunch, in more relaxed, relational settings. This will help break down any intimidation a financial office setting brings.



Relate money to real life applications, like caring for elderly parents, putting kids through college, or starting a small side business. This keeps the conversation from being just numbers, numbers, numbers. Real life examples pull them in by making the financial picture relevant to them and their goals.



Ask questions. If one spouse tends to hang back, ask them questions directly to encourage them to think about what they want and speak up. This can help make them feel more considered and help facilitate an open dialogue between the two of you.

TIP
3

REGARD EACH SPOUSE EQUALLY

When one spouse is your primary client, it's easy to naturally treat them differently. You may listen more closely to what they have to say, or direct more of your questions and ideas towards them.

The next time you're in a meeting with both spouses, be aware of how much attention you're giving to each and if you're holding one spouse's words higher than the other's. Even if you're not doing it on purpose, becoming aware and taking steps to change your behavior can make a big difference in the long run.



40%

of women surveyed in a New York Life study said **advisors treat women differently**, often ignoring or dismissing what they have to say.⁴

4. Women Feel Ignored By Advisors, Study Says <https://www.forbes.com/sites/rjshook/2020/08/07/woman-feel-ignored-by-advisors-study-says/?sh=7c713ab17817>

Why Building a Relationship with Both Spouses is Vital to Your Business

TIP
4

REMEMBER AND ACKNOWLEDGE KEY LIFE EVENTS

Keep track of dates like wedding anniversaries, milestone birthdays, or when a child is going off to college. Send a card, or even just a thoughtful email. It might seem small, but these little things over time show the client and their spouse that you care about them as people and help solidify the relationship.

Daughter's
Graduation



60th Birthday



At Arden Trust Company, we know how important relationships are in financial planning. Our trust experts are here to help you maintain and grow your client relationships as you guide them through financial trust planning. Learn more about how we uniquely support financial advisors like you at ardentrust.com.

©Arden Trust Company. All rights reserved. Approved for use with financial professionals only. Arden Trust Company does not provide legal or tax advice. Please consult a legal or tax professional for advice specific to your circumstances.