

Women and Wealth

– Why it matters and what can private banks do?

Hanna Raftell, Co-Founder of Hong Kong based coaching service firm Altitude22, is championing women's right to have the wealth management industry focus on their unique needs and also their unique abilities. She believes there is a world of opportunity.

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RAFTELL WAS SPEAKING AT THE HUBBIS Asian Wealth Management Forum. She opened her presentation at the February 27 event with an unequivocal statement. “This is all about business and sales, my background. If you care about the number and quality of clients you have, I ask you to think about women as a distinct client segment.”

She explained that Jack Ma had spoken at the World Economic Forum in Davos, saying “only by soft skills can humans compete with robots”. He (the 800 m is from a BCG report) gave an estimate that some 800 million jobs would be replaced by robots by 2030 and said that the only way to fight back was



HANNA RAFTELL
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to differentiate skills from robot skills. “So, these soft skills such as teamwork and independent, creative thinking are extremely important,” Raftell observed.

Women and their (vast) wealth

Her main thesis for her presentation was that women are more financially powerful than ever. “In some regions,” Raftell noted, “their wealth even outpaces that of men. It is estimated that the growth of women’s wealth will outpace men’s wealth growth by a factor of 1.6 in the next five years. In the US, women control \$21 trillion of assets. This will rise to \$28 trillion in the next three years. This might very well create one of the largest opportunities in the financial services industry currently.”

She then highlighted that 45% of North American millionaires are women. “If you are still not convinced, 75% of the world’s discretionary spending would be controlled by women and nine out of 10 women would eventually take over the family’s wealth,” she observed.

Vive la difference!

Raftell then asked whether women

are any different from their male counterparts when it comes to investing? “The answer is absolutely ‘yes,’” she stated. “But women at all levels of wealth believe the wealth management industry falls short in paying attention to their values and how they make their decisions. Only 2% of private banks globally think of women as a distinct client segment. And that is precisely why I am standing here, so you do not lose out on this opportunity.”

Raftell explained that it is somewhat trite to think of wealthy women just as divorcees, widowers, or young entrepreneurs. “It is rather more complex than that, and we must also recognise that women tend to have certain behaviours than men tend not to have. I say ‘tend to’ because not all is true for all men and all women.”

Skilling up for the new world

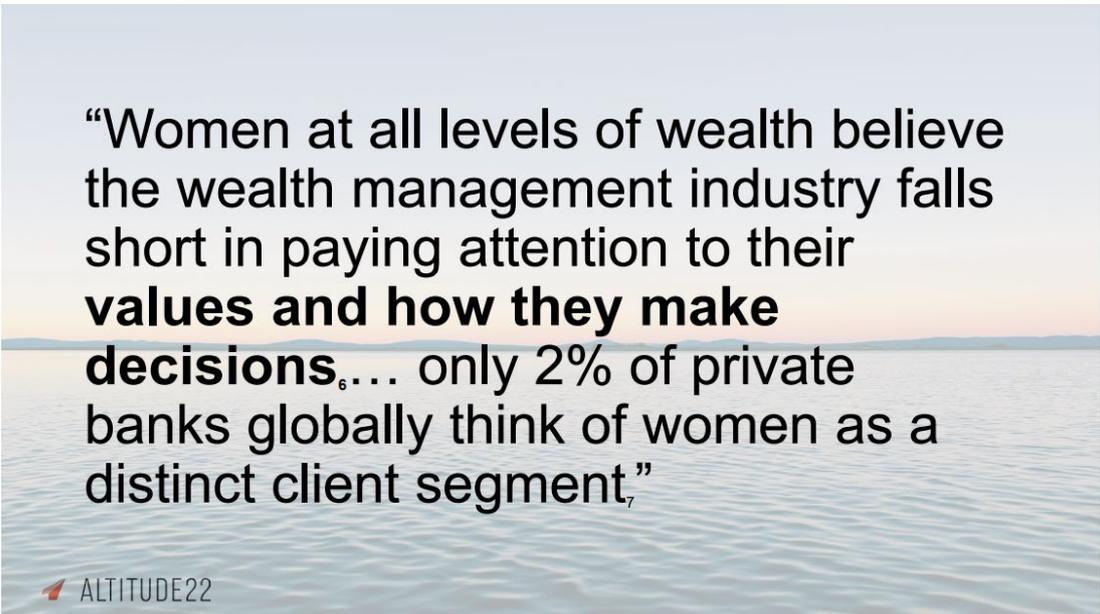
Raftell then zoomed in on where she believes women actually differ from men. “Women typically need financial education to remove some self-doubt, to become bolder in their decision. So, for example, perhaps more targeted webinars and workshops for female inves-

tors. One area women are very keen on is social impact investing, a massive area of potential for the wealth industry.”

And regarding investment objectives, women are particularly focused on the protection of wealth and wealth transition. Additionally, longevity, as women live longer. And when it comes to trust, clarity and transparency are the two main drivers.

Raftell noted that women tend to put much more emphasis on advocacy and referrals. “Women are happier to share their experiences online, to be out there on social media, but the wealth industry should also understand that they need greater patience in dealing with women. Focusing on the soft skills like active listening is important, hearing what is said and not being said.”

She elucidated. “Women are more prone towards non-verbal communication. Body language and facial expression are incredibly important, so patience is required to create that trust. Do not use jargon, be more of a sales coach than a sales advisor. For those who succeed, there is a \$200 billion revenue prize to be collected.” ■



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