



FINANCIAL PLANNING

The unique challenge of capturing Gen Y clients

By ALI JAFFER

With the aging population, rapid automation and the growing importance of time, the members of Generation Y are increasingly relying on their financial advisor for decision-making purposes.

Generation Y (also known as Millennials) are those individuals born in the 1980s to the early 2000s. They are known for their confidence, team-oriented approach and ability to achieve results using modern technology.

Financial advisors must leverage on these traits when helping to guide members of this generation to manage their finances and develop long-term strategies that prepare them for success.

Although marketing and communicating to Millennials can be a challenge, it can be made much simpler by using methods to which they are more accustomed. By utilizing technology, especially social media, and staying connected with the Millennial generation, accountants and other financial advisors can successfully work with this client base and deliver value for them.

Before developing the marketing approach, two important question needs to be addressed: "What does Generation Y value and what are they looking for in a trusted advisor?"

Unlike previous generations, many millennials are not looking for a house, or are interested in building their retirement plan today or getting married or starting a family. They strive to be involved in the decision-making process as part of a team with their advisors. They desire flexible financial arrangements and are accustomed to dealing with large volumes of information.

They are not like their predecessors in that they don't just want to be "marketed" to. They are looking for a trusted advisor who will share in their happiness, realizing that members of Generation Y want to do different things in their life and that they want to discover their own world using all the information that they can collect.

Armed with knowledge about Generation Y, the next question for advisors is: "How can I market my services to members of this demographic group?" Here are some strategies.

Technology

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looking at various promotions available in the marketplace. Leveraging technology will provide a number of benefits for advisors:

- Remote interactions: Technology allows millennials to work from the location of their choice. Communication is extremely important for this generation and, using tools such as Skype, WhatsApp or Facebook FaceTime, they can quickly get the valuable information they require. Marketing that uses specific timelines on promotions provides potential clients with timely information that results in a faster decision-making process.

- Visual marketing: Millennials like graphics and, with some imagination, you can make visual the impact a financial advisor will make for clients and what makes you stand out from the competition. Large print and attractive photography will also help advisors get one step closer to closing the deal.

- Software applications: Whether it is using a web application to show the financial impact of an investment decision, offering different methods to pay for services or creating a simple spreadsheet to show results, Gen Y wants to be given options. Advisors can provide



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millennials with budgeting tools, knowledge and education resources, and accounting and tax alerts to help show the value of their services. Mobile apps that address financial budgeting, payment options, financial updates and the like will attract this group of bright individuals and gain their long-term trust.

Social media

With rising debts across the country and many millennials burdened by student debt, it is imperative that financial advisors stay connected with clients via the marketing

vehicles with which Generation Yers are most comfortable. Since they are more educated, having less time but more information at their disposal, marketing to this group via social media may make it easier to attract them.

By posting marketing messages to the more common social media sites such as Facebook, LinkedIn, YouTube and Twitter, advisors can better reach millennials and demonstrate what they are passionate about.

Facebook is a good way to share articles, pictures and information about a financial services firm. LinkedIn is great for attracting professionals who require financial advice. Twitter and blogs can be used to convey information on a real-time basis, which millennials enjoy. Online blogs with general wealth management or economic strategy articles can also help attract the attention of millennials.

The key to attracting this generation is conveying lots of information. Millennials enjoy multitasking and want as much information as possible before making a decision on financial, tax and wealth management. Marketing to them via social media platforms is crucial to landing this generation as long-term clients.

Staying connected

Gone are the days of having an annual meeting with financial advisors. Generation Y needs information on a real-time basis and requires frequent interactions. In order to keep them feeling well serviced, advisors must be able to speak their language and respond to inquiries in a timely manner. Whether by e-mail, messenger applications or simple text messaging, staying in touch will ensure that these clients remain happy. Traditional methods of contact such as phone calls may not be appropriate as millennials live fast-paced lives and don't necessarily welcome a live call.

In general, staying connected can be accomplished by using three rules:

- Simplicity. Create financial tools that simplify Gen Y's lives. They do not want to take on any additional risk. Once their short-term needs are addressed, they may be more open to long-term strategies.

- Transparency. Don't "over market" to Gen Y. They are financially literate and may only require some initial guidance. Some complex, longer-term products may not appeal to this generation. What will attract them is by putting together a plan that is consistent with their short-term goals. Demonstrating transparency by using technology to stay connected and showcasing the benefits they will receive helps to ease the marketing process.

- Trust. Given the scope and scale of information available, millennials have all the tools to come up with their own financial strategies. However, given the shortage of time, they are looking for advisors they can trust to help achieve their financial goals.

There clearly is a significant marketing opportunity to attract clients from this large population of younger people. By employing the correct technology and social media strategies to stay connected to the Gen Y group, financial advisors will be well on their way to forming long-term professional relationships.

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