

Protect and Grow Your Practice

“The Importance & How To’s of Building Relationships with Millennials”



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Heather Castle CFP® , ChFC® , AIF®

HEATHER WAS IN THE FINANCIAL SERVICES INDUSTRY FOR TEN YEARS PRIOR TO STARTING CASTLE WEALTH ADVISORS, LLC.

SHE STARTED CASTLE WEALTH ADVISORS, LLC BECAUSE SHE WANTED TO PROVIDE ETHICAL AND APPROACHABLE FINANCIAL PLANNING/ INVESTMENT MANAGEMENT TO INDIVIDUALS AND BUSINESS OWNERS, CONCERNED WITH THEIR FINANCIAL FUTURES, REGARDLESS OF AGE OR NET WORTH.

SHE IS A GRADUATE OF THE UNIVERSITY OF ALABAMA, WITH A B.S. IN FINANCE AND MBA FROM THE MANDERSON SCHOOL OF BUSINESS AT THE UNIVERSITY OF ALABAMA. SHE HAS PASSED THE FOLLOWING EXAMS::

- SERIES 7, GENERAL SECURITIES REPRESENTATIVE
- SERIES 9 & 10, GENERAL SECURITIES SALES SUPERVISOR
- SERIES 66, INVESTMENT ADVISOR REPRESENTATIVE
- CALIFORNIA LIFE, HEALTH, AND VARIABLE INSURANCE (LICENSE # 0K01554)

ADDITIONALLY, HEATHER IS AN ADJUNCT FINANCE PROFESSOR AT CALIFORNIA STATE UNIVERSITY-NORTHRIDGE (CSUN).

Learning Objectives:

- I. Understand the Differences Between Current Clients and Millennials
 - i. Understand the Point of View of Millennials
 - ii. Understand the Planning & Investing Needs of Millennials
- II. Why the Urgency for Building Next Generation Relationships?
- I. How Have You Positioned Yourself & Your Business to Deliver?
 - i. The Profile of this New Client Base (Millennials)
 - ii. Planning and Investing Needs of this New Client Base (Millennials)
 - iii. Best Practices Ideas for Working with this New Client Base (Millennials)
- IV. How to structure your Marketing, Messaging, and Practice to Building Stronger Relationships with Millennials.
- IV. Development a Strategy that You and Your Staff Can Implement Immediately.

Understanding the Generations

- Greatest Generation Born 1920s & 1930s
- Baby Boomers Born in 1946- 1964.
- Generation X Born after 1966-1976
- Millennials or Gen Y Born 1977-1995
- Gen Z or iGen Born 1996/+

The [Center for Generational Kinetics](#) also states that the 3 key trends that shape generations is:

- Parenting
- Economics
- Technology

*Center for Generational Kinetics

Words Typically Used to Describe

Baby Boomers

- Strong work ethic
- Competitive
- Goal-centric.
- Mentally focused.
- Disciplined.
- Conservative

Millennials

- Lazy
- Entitled
- Civic- Oriented
- Entrepreneurial
- Liberal
- Diverse
- Non-religious
- Multi-taskers
- Nomadic

The Millennials' Point of View (1 of 4)

1. Finances:

- Higher Levels:
 - Student Loan Debt
 - Poverty
 - Unemployment
- Lower Levels:
 - Overall Wealth & Personal Income

Effect: Millennials are living at home longer and get married later.

The Millennials' Point of View (2 of 4)

2. Environmental Concerns:

- 90% of millennials believe that climate change is occurring
- More than 60% want to reduce the use of coal
- 52% support a carbon tax

Effect: Millennials are supporting nonprofit organizations focused on improving environmental factors. Affecting legislation on environmental matters and investing in Socially Responsible and Eco-Friendly Funds

The Millennials' Point of View (3 of 4)

3. Diverse:

- More than 44% of millennials identify as a race other than “white”
- 69% feel that immigration and varying backgrounds strengthens our social system

Effect: Millennials will evaluate the diversity of their employers and will be sizing up you to see how culturally diverse your company/ practice is.

*This includes representation of different cultures/ races, religions, LGBTQ+, and equality for women.

*Pew Research Center

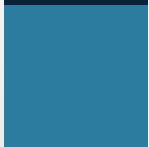
The Millennials' Point of View (4 of 4)

4. Political Views:

- While millennials disapprove of both the republican and democratic parties, only 6% approve of Donald Trump
- 71% want a 3rd major party added
- A majority of millennials are more interested in social programs such as, Basic Universal Income, More affordable education financing, and Health Insurance.

Effect: With a greater population of 80MM Millennials in the US turning voting age, they will be demanding social justice and driving political change.

Why Does This Matter?



Generational Wealth Transfer

Facts/ Figures

- According to Financial Planning “**Great Transfer**”: \$12 Trillion/+ shift in wealth from the Greatest Generation to Baby Boomer Generation
- The transfer from Baby Boomer to Gen X & Y is expected to be roughly **\$30 Trillion**
- During 2031 to 2045, 10% of America’s wealth will be changing hands every 5 years
- According to Financial Planning **90% of assets transferred to the next generation don’t stay with their existing advisor.**

*FinancialPlanning.com



1. How Have You Positioned Yourself?
2. Can Your Business Survive?
3. Are you Ready?

Profile of New Client Base

- Lightning Fast Access to Information
- Wants Access to Information 24/7
- Embraces Technology
- Demands Transparency
- Fact Checkers
- Researches You & Your Business
- Personalization A Must
- Nomadic
- Culturally Diverse



Best Practice Suggestions: (1 of 4)

- Updated websites with links to information, provide portals for research, and clearly listed support numbers/ instant message help
- Embrace technology and make sure that your information and website is assessable from multiple types of devices. (Computers, ipad/notebooks, and smart phones.

Best Practice Suggestions: (2 of 4)

- Be upfront about fees and charges. List on your website, add to your first meeting agenda, and bring up during first meeting. Discuss what that fee covers.
- Provide website information to broker check, insurance license look up, etc....
- Provide 3rd party research, white papers, etc. that supports your proposal

Best Practice Suggestions: (3 of 4)

- Research yourself and make sure your social media and online marketing are positive, align and branded correctly
- Make a habit to check out or research each new prospect or client that you meet with. (You will be surprised how fast, easy and useful this is.)
- Always, Always, Always personalize your communications and recommendations.

Best Practice Suggestions: (4 of 4)

- Develop a business model that is flexible enough to adapt and continue supporting clients who move frequently. (Consider using video and online meeting spaces)
- Develop an environment that is focused on inclusion, representation, and diversity.

Planning & Investing Needs of New Client Base

- Help Addressing Large Amounts of Student Debt
- Other Debt Reduction
- Budget Setting
- Creating Emergency Plan (6-12 months)
- Consider using a ROTH IRA for Emergency Funds & Retirement Planning
- Provide Financial Education:
 - Interest Rates
 - Retirement Savings
 - Saving for Big Ticket Items
 - (Travel & Down Payments)

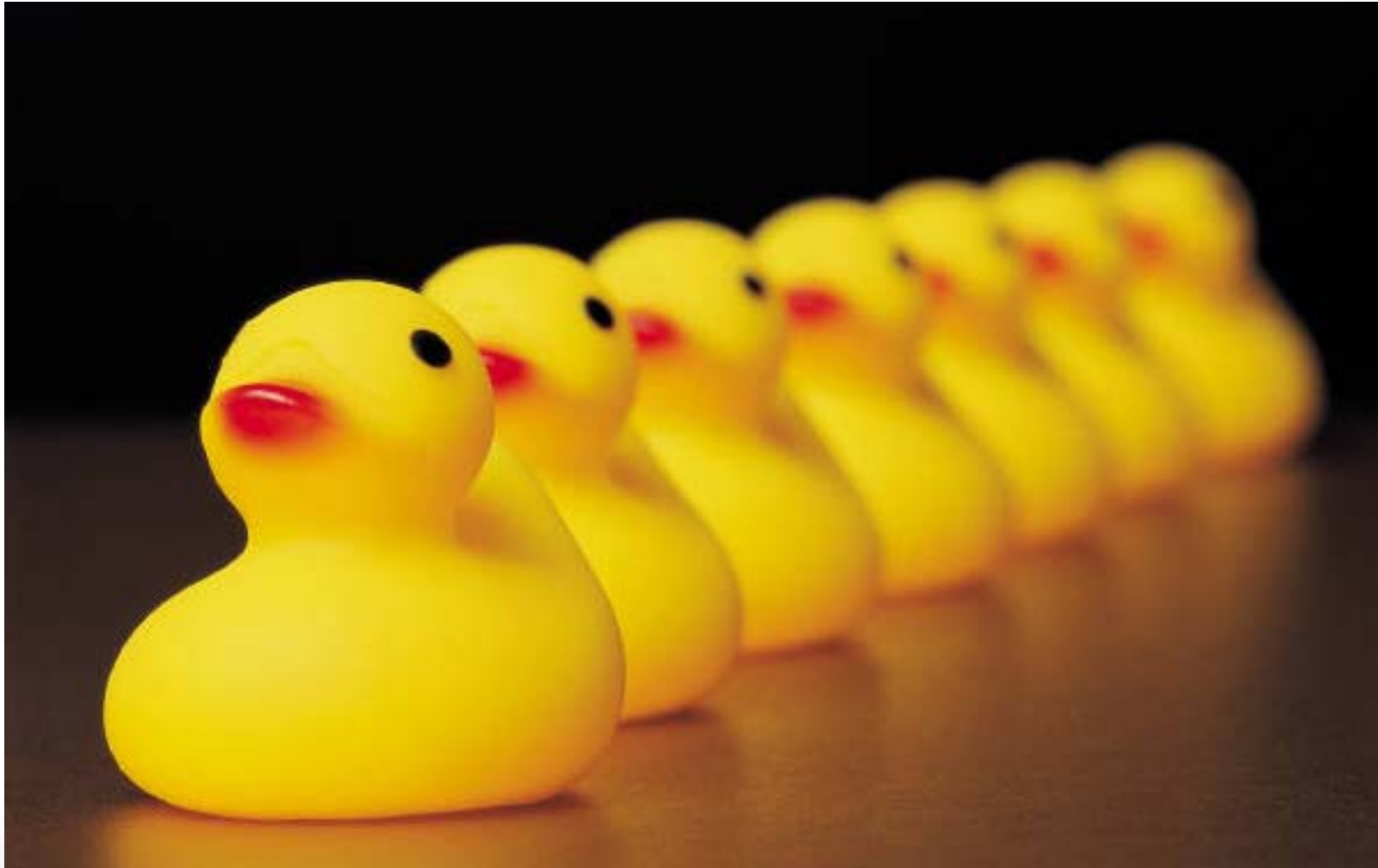


Planning & Investing Needs of New Client Base

- Help Understanding/ Choosing Employee Benefits
- Help Understanding and Implementing Retirement Planning Strategies
- Provide them with Lower Cost Investments (where appropriate)
- Accounts that pull double duty
- Pre-Marital Planning



Get Ready/ Preparing Your Practice.



How To You Position Yourself

(1 of 2)

1. Talk to your Current Clients
2. Be Proactive- Revisit EVERY Relationship's Wealth Transfer Plan
3. Hold a Client Event
4. Establish a Sounding Board. (What to know what's on the mind of younger investors? Ask?)

How To You Position Yourself

(2 of 2)

5. Embrace Technology
6. Be transparent with Fees & Information
7. Update your website
8. If you don't have a Social Media Presence.
*Begin Building One.
9. Hire Younger/ Junior Advisor(s) to your Practice.
10. Build a culture of diversity in your practice.

Develop A SMART Implementation Plan

S
SPECIFIC

M
MEASURABLE

A
ACHIEVABLE

R
RELEVANT

T
TIMELY

Sample

- 1wk: Update Website, Proactively Review Client's Beneficiary Information and Wealth Transfer Strategy
- 1mo: Ask staff to call and set up a review of client's Wealth Transfer Strategy. Make sure they understand their children should be included in their meeting (either in person or via electronic meeting room)
- 6mo: Have a Social Media Presence that incorporates language around working with younger clients.
- 1yr: Hold a Client Event based on Getting to Know the Younger Generation of Your Clients.
- 3yr: Hire 1 staff member as junior advisor
- 5yr:

References:

1. Center for Generational Kinetics : <http://genhq.com/faq-info-about-generations/>
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4. Financial Planning: <https://www.financial-planning.com>
5. Mind Tools:
<https://www.mindtools.com/pages/article/smart-goals.htm>
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Thank You For Attending: Q & A

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