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## Independent advisers split on attracting younger clients

By Rachel Dalton

Claims young people have a less-than-favourable view of financial advisers has sparked debate on whether appealing to teenagers and people in their 20s is in advisers' interests.

According to a report by the International Longevity Centre, young people trust advisers less than previous generations and see advice from IFAs as 'cold and overly-bureaucratic'.

The findings, reported on IFAonline, Professional Adviser's online publication, led several advisers to remark that young people are not – and should not be – part of advisers' target market.

'Hasn't it occurred to anyone that somebody under 30 has not got any money anyway, save very few exceptions, so why would we even take notice?' asked Harry Katz, who runs Northwest Consultants in London.

Another said: 'What do you expect from young people who have better things to spend their money on than fees for IFAs?'

However, a number of advisers said ignoring younger clients is to shun the investors of the future.

Chartered financial planner Terrence O'Halloran said: 'I can state, categorically, that 40 years of experience and their generation clients, aged 24 to 34, prove the assertions [in this report] to be totally fatuous.'

Meanwhile, a number of advisers have come forward to explain how they make relationships with younger clients work.

Robert Clarke, an IFA at Almary Green, contests the theory that young people are bored by finance.

'I deal with all our corporate pensions and have a lot of contact with people in their 20s' he said. 'This generation has grown up believing they have to do all the saving themselves. They know there will be hardly any state pension in future.'

Steve Hennessy, of Myers Davison Ginger, said his own age was essential to gaining the trust of young graduates.

'I was a 28-year-old adviser, saying: 'I am going to be with you for the rest of your life. I am not 52, you will not have to find another adviser ten years later'', he said.

Elliott Swatton, partner of Gem and Co, said young people were more likely to trust an adviser their own age, and added businesses can do more to attract young clients.

'We are not bringing in enough young IFAs who clients can relate to,' Swatton said.

However, if, as Katz and others have stated, people under 30 have barely anything to save or invest, how can an IFA have a profitable relationship with them?

Hennessy said building relationships with young people is a long-term investment. 'I used to work for a firm whose business

model was to get close to young graduates such as doctors and lawyers,' he said. 'We did a lot of seminars with final year students. When they graduated they were riddled with debt, so we mainly provided protection for their future income, which they could afford once they were working.'

Swatton said his firm maximises family relationships to attract younger clients whilst reducing costs.

'One client is the director of an engineering firm, whose son just graduated and started in the business, so we have seen him now and he is part of the SSAS. We set up stakeholders for our clients' children free, and those children become our clients later in life.'