# MIT AgeLab
## PLAN Webinar Series
December 2021

PLAN — Preparing for Longevity Advisory Network

The MIT AgeLab hosted its fourth and final fall 2021 interactive presentation for panelists and corporate members of the Preparing for Longevity Advisory Network (PLAN). The December webinar, titled, "Giving Good Advice May Be All About How You Wear It: How Clients Envision Their Ideal Physician & Financial Advisor," featured a presentation by AgeLab Director Joseph Coughlin on the importance of non-verbal communication for financial advisors in developing relationships with their clients.

Dr. Coughlin discussed clients' preferences for the 'ideal' advisor's style of dress, gender, and age, as well as tone and style of language. Financial professionals in the audience asked how they might utilize these findings in their own practices. They also discussed their efforts to 'sell' retirement to clients who may not have a clear idea of what they are investing in.

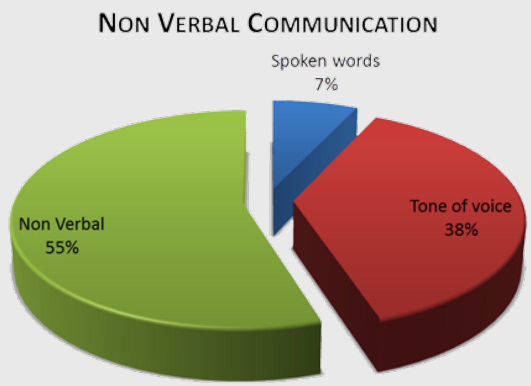
## What are advisors selling?

Dr. Coughlin began his presentation by discussing the ambiguity of the 'product' that advisors are selling to clients: retirement. Retirement, Dr. Coughlin said, is a "black box" compared to large purchases like a college education, a home, or an automobile. In the absence of a clear picture of what retirement comprises, Dr. Coughlin said, what clients are buying is a certain kind of "relationship:" someone who not only manages money, but helps to define for the client what it is they are managing, investing, and saving money for. Financial professionals in the audience discussed the challenges they have faced in communicating with clients about what they are saving for—in other words, what they are buying:

> *"I'm finding that people are missing what's really coming down the pike in terms of the hundred-year life … and when I speak about longevity their frame is frailty-longevity rather than flourishing-longevity"*
>
> *"I think if we can get people to actually know what they're going to do in retirement or think about what would be fun to do in retirement, that it would be easier to get them to work toward retirement."*

## Non-verbal cues

A key aspect of developing a productive and trusting relationship with clients happens before any words are spoken. The layout of the advisor's office, the technology that he or she uses, the credentials he or she presents, the staff who greet the client, and the appearance and tone of the advisor all comprise what Dr. Coughlin referred to as the "choreography of the advisor engagement space." Non-verbal cues and one's tone of voice, he observed, comprise the majority of the content of interpersonal communication.




## The advisor-physician parallel

The medical profession offers lessons for how choreography can matter for advice-giving professionals. For example, the iconic doctor's white coat is a modern innovation intended to signal cleanliness and sanitariness—pre-modern physicians wore black. Contemporaneously, the doctor's white coat has the power to signal authority and expertise, particularly among groups who may not readily be seen as such. Dr. Coughlin noted that woman doctors who do not wear the traditional doctor attire were more likely to be assumed to be nurses or staff. Older male doctors, on the other hand, were more likely to be able to wear more casual attire while still being viewed as authoritative.

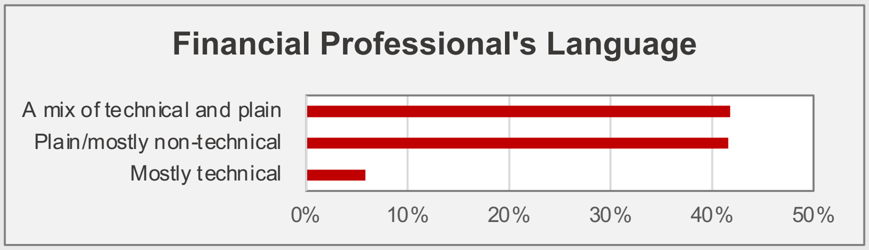
## The appearance of the 'ideal' advisor

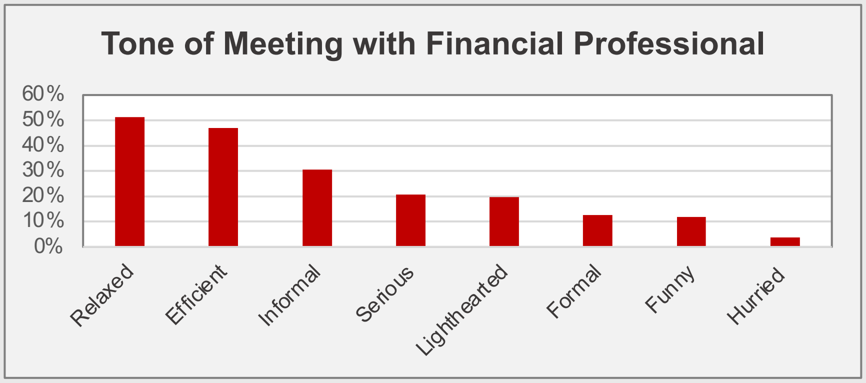
The AgeLab 'CUES' survey sought to understand the preferred age, gender, and style of dress that clients expressed for their ideal advisor. According survey findings, respondents were more likely to prefer the age range of 45-54 for their 'ideal' advisor. Among those who expressed a preference for gender (most indicated 'no preference,') respondents were more likely to prefer a male advisor over a female one. For style of dress, more respondents indicated that their ideal advisor would wear 'business casual.' When one audience member asked about the practicality of worrying about client preferences for age or gender when the advisor can't change those aspects of themselves, Dr. Coughlin observed that the advisor may attend to other aspects of their appearance or manner in light of those factors:

> *"I can change my suit. I can take off my tie. But I can't change my age. People [say they] want a 45-to-54 year old [advisor], [but] I'm 57."*
>
> *"I think all of us know 25-year-olds who act like 75-year-olds and 75-year-olds who act like 25-year-olds. It's not just the way you dress, but the energy that you may exude, the things that you talk about. It's the optimism you share." – Joe Coughlin*

## Do they 'get' me?

Finally, Dr. Coughlin turned to discussing clients' preferences for the language and tone that advisors use to communicate with them. When asked whether they preferred technical language, plain language, or a mixture of the two, respondents were split between a preference for mostly plain language or a mix of technical and plain language. Only a small minority of respondents preferred a mostly technical conversation with their advisor. For the tone of the advisor-client meeting, respondents were most likely to indicate a 'relaxed' or 'efficient' tone in their meetings with an advisor, with 'funny' and 'hurried' being the least desired tonal features. The desire among clients for both a mood of relaxation and efficiency, qualities that are oppositional in character, may require advisors to strike a balance in their communications.




## Key takeaways

Retirement is both a major investment and an idea that is vaguely defined for many people. Advisors who help their clients invest and save for retirement are selling not just their investing acumen but a *relationship* with the client, one that is defined not only by technical expertise but by 'softer' aspects of interpersonal communication. The embodiment of the advisor—his or her gender, age, and style of dress—can play a role in how clients perceive their authority, approachability, and trustworthiness. And clients also have clear preferences for the tone and style of language that the advisor uses. Advisors can use these findings to shape their communication strategies and how they present themselves to clients. Notably, clients expressed strong preferences for a business casual clothing style, plain language, and a 'relaxed' tone, suggesting that not just authority and expertise matter for the advisor, but accessibility and approachability.

The context of how we live in retirement has changed, and a new approach to anticipating, planning and preparing for older age is accordingly needed. We invite financial advisors, retirement planners, and others in the retirement industry to join PLAN to contribute to the understanding of the future of advice and be among the first to learn key research takeaways.

**Invite others to join plan!**
agelab.mit.edu/plan