

Study: Male-Skewed Bank Marketing Loses Industry \$5.4B Every Year

Analysis of over 3,200 consumers in Brand Z's study of Australia's most valuable brands reveals that male-skewed brand offerings are forfeiting \$5.4 billion every year.

Untargeted products, services and marketing result in female under-subscription, particularly in longer-term borrowing and investments. Losses don't only stem from lower levels of usage by women – men dislike what's on offer too.

New research conducted by Kantar Australia – Winning With Women – also finds it's not just females who feel underserved. Some 26 per cent of women and 18 per cent of men feel that males get more attention from financial service providers when couples share financial decision-making. A further 31 per cent of both genders believe that financial services as a category caters more for men, with just four per cent believing it leans towards women.

Kantar insights division global content lead Amy 'Fritz' Fridlund said: "Financial services providers are not fulfilling their potential with women and are also not maximising their bottom line.

"By not adequately meeting the needs of Australian women, those providers are not helping them secure the best financial future possible, leaving both parties in a 'lose-lose' situation."

"Imagine for a moment not having enough money for dinner for the family tonight and a place to sleep. While it might seem a far-fetched possibility for the average Aussie in 2018, it turns out this is the worst fear of Australian women – that they will not have enough to provide for their children or themselves."

An advertising creative testing component of the Winning With Women study displayed divergence in how women and men perceive financial services TVCs, demonstrating a need to inclusively speak to women.

"Financial services providers can influence positive impact by first helping instil consumer confidence, and that's where marketing has an integral role to play," added Fridlund.

"Confidence with financial matters is lower among women compared to men, but neither is high – 64 per cent of women and 51 per cent of men have low or medium confidence.

"Only four per cent of women and 10 per cent of men said they are highly confident."

"Decision-making among women is more apt to be paralysed by uncertainty, resulting in a non-optimal portfolio of products and overly-conservative investments," added Fridlund.

"Our study reveals that the only area where women are as equally engaged as men – despite lower confidence – is in everyday banking, suggesting it's the only area of financial services to currently inclusively engage with women through its products and marketing."

Other key findings of the Winning With Women study include that savings, longer-term borrowing, super and investments have much lower levels of engagement. In particular, it found women generally have a lower appetite for risk – 51 per cent of women say that they have/would not consider moving savings into another investment, compared to 45 per cent of men.

"But this mindset should not be mistaken for a lack of ability," adds Fridlund.

"We found that roughly equal numbers of men and women find financial products and services to be overly complicated.

"With industry disruptors and fintech operators recognising the need for more targeted products and messaging, these findings are a wake-up call to entrenched ways in the industry."

"Women are increasing their wealth and assets and their importance as customers engaging at all levels of financial services, yet studies reveal they are put off by much of their experience with the financial services sector.

"At the same time, Australia's finance industry is undergoing its biggest shake-up since the GFC further undermining confidence.

"And with increasing job insecurity, costs of living and divorce rates along with the gender pay gap and super disparity placing additional pressures on financial decisions, more than ever it's a commercial and social imperative to support women with the right financial services products and communications."

"Winning With Women highlights that women are more poorly financial prepared to achieve future goals and a comfortable retirement not only because of lower average personal earnings, but also because financial products and services are not created and marketed to meet their needs."

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