TALKING ABOUT GENERATIONS

Different age groups have different preferences regarding the way you contact them. But don't assume all members of one generation share the same preferences. The key is to know your clients and have a flexible client contact program

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The key to communicating effectively with various age groups is client knowledge and flexibility.

communicating effectively with clients of various ages — from elderly clients born during or shortly after the Great Depression, now in their 80s and 90s, to millennials in their 20s and early 30s — requires you to have considerable flexibility in developing your client communication strategy.

Effective communication requires a good understanding of the preferences, values and needs of each demographic segment, says Jim Vlahos, senior vice president and divisional sales manager for Central Canada at Franklin Templeton Investments Corp. in Toronto. This understanding, he says, usually is derived from both the first meeting with each client and from your experience in dealing with them over time.

Adds George Hartman, CEO of Market Logics Inc. in Toronto: "You also have to determine how to provide [each client] with access to your information."

While each demographic segment may share similar characteristics, you must avoid stereotyping the behavioural traits and preferences of clients according to their age, Hartman adds. Older clients in general are more comfortable with traditional modes of communication, such as face-to-face meetings, telephone calls and paper-based documents, while millennials are more tech-savvy and prefer to use text messages and social media.

"[However], there will always be exceptions to the rule," says Hartman, who recommends giving clients the flexibility to choose their preferred communication method.

A recent study by the Environics Institute found that millennials should not be lumped into a single group that is defined by their age or other demographic characteristics. While this generation may share some common experiences and aspirations, millennials can exhibit a range of notable differences.

Hartman adds that some clients, regardless of age, might not be comfortable with video conferencing.

Your communication strategy, then, should be flexible enough to accommodate several communication methods and channels in order for you to build and maintain client relationships. Even if you have a niche practice that focuses on clients from a single generation, you still may find that you need to use various methods and channels to accommodate varying preferences.

In developing your communication strategy, Vlahos suggests segmenting your clients into four generations, which, he says share some characteristics and communication preferences. These divisions are only a guide, and there will be some overlap between generations:

great depression and postdepression clients (75 years old and older)

These clients, often the parents of baby boomers, generally value face-to-face communication, Vlahos says,

The older demographic's focus is largely on capital preservation, Hartman says, and they are unlikely to want any form of electronic or digital communication. Many clients in this age group, in fact, do not even have email accounts. Therefore, you will have to meet them in person and by phone to discuss their investments, and send these clients paper-based communication. baby boomers (early 50s to early 70s) Baby boomers in general are "time starved," Vlahos says. "They want lifestyle choices and are always on the go. You must find ways for [boomers] to save time."

Boomers, like their parents, appreciate face-to-face communication, but prefer to meet less frequently in short meetings. For these clients, Vlahos says, face-to-face meetings are "optional."

Vlahos suggests using a combination of communication methods, including phone calls, emails, short videos and face-to-face meetings to be effective with baby boomers. If you are going to send these clients paperbased communication — which they will read — it must be concise and to the point. generation x (early 30s to late 40s) Vlahos says Generation X clients, the children of baby boomers, "are living for today." Gen Xers recognize the role of financial planning, but, unlike their parents, do not necessarily see it as a priority, he adds: "Their communication preferences are similar to [those of] baby boomers, but [Gen X] makes more use of technology." Gen Xers prefer more communication by email and, to a lesser extent, by telephone. They also will make more use of the Internet, but prefer fewer face-toface meetings. millennials (age 18 to 30) Millennial clients, also known as Generation Y, are the youngest of the adult generations. "They are the opposite of post Depression-era clients," Vlahos says. They don't value 'face time' and place great value in technology. They prefer texts to emails and phone calls. Gen Yers prefer to make their own decisions, so you will have to give these clients access to online information and tools, and you must be able to reach them through social media.