

Women & Money Innovation Lab One: Let's get personal

Addressing the personal barriers

The first of three Fidelity Women & Money Innovation Labs held on Tuesday 3 July 2018 brought together figures from across the industry, thought leaders, influencers, entrepreneurs, the media and government to identify how we can unlock the financial power of women. Launching alongside Fidelity's report, *The Financial Power of Women*, a state of the nation report on the barriers holding women back from investing, the Lab focused purely on the personal barriers, with lab attendees sharing their own experiences. We asked attendees one question in advance of the day: "In your opinion, what is the single biggest barrier to women investing?"

Chaired by Maïke Currie, Investment Director at Fidelity International, the format of the Lab involved breaking attendees into two sub-groups, which could then work together to come up with key recommendations to take forward.

"What is the single biggest barrier to women investing?"



Group A, chaired by Michelle Cracknell, Chief Executive of The Pensions Advisory Service, explored how everyone at the table had either fallen into the industry, or had found themselves making their first-ever investment.

For many, their initial interest in investment started either due to an emotional connection such as a small inheritance, the need to save up for care fees or, crucially, honest conversations about money with their parents at an early age. Jargon in communication, the difficulty in making the leap from saving to investment, and the need to protect fluctuating income were all identified as some of the major barriers. The need to keep money 'safe' was a recurring theme.



Group B, chaired by Stuart Welch, Head of Personal Investing, Fidelity International, discussed the complexity of pensions and investment, the lack of understanding of the main 'players' (such as an investment house or a platform) and a lack of engagement with the investment industry overall.

Concern about making mistakes also came up as a major barrier – the fear of 'getting investment wrong' – but technology and money apps were examples of how investment could be simplified and encourage all consumers to get involved.

"I wish someone had spoken to me about investing at school."

Barriers put forward by both groups

Physical:

- Women are often time-poor
- Fluctuating earnings and moving jobs lead to pockets of income
- Complex language often dominated by male metaphors
- A lack of industry role models
- A complex tax system
- A lack of financial education

Emotional:

- Worries about getting investment 'wrong'
- A lack of confidence or knowledge
- Not knowing where to start, or who to trust
- A lack of focus on the 'outcome', or benefits of investing and pensions, generally
- Not enough conversations within families about investment and money

The main recommendations were:

- Introduce programmes in schools to educate about investment
- Empower role models and offer case studies of relatable women
- Focus on the practical outcomes rather than on the complex product
- Deliver jargon-free communication
- Work more directly with employers to help plan for a flexible career



"With money, you have it and you spend it or you put it in a bank account where it's safe and it won't disappear in the markets. I don't feel I have enough knowledge and experience to invest it."

"I went from a full-time job to suddenly freelancing with children and my income fluctuated. When I had money, I then wanted to hold onto it because I didn't know when I would need it."

Key takeaways

- 1. Changing the conversation**
We need to change the focus of our conversation and talk about the 'outcomes' and benefits of investment, rather than focusing too much on the product.
- 2. The big leap**
How do we help women make the leap from saving to investment? Women are diligent savers, but investing can seem like a big leap - how can we use technology to make it easier?
- 3. Telling stories**
How can we elevate the personal experiences of investing to help engage more potential female investors?

