**Professional Services** . **WEALTH MANAGEMENT**

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# Old-money managers adjust to new-money industries

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One thing has remained the same over the years in wealth management: It's all about preserving and building the wealth of the wealthy.

Setting aside that seemingly unalterable truism, there have indeed been changes within the Boston wealth-management sector over the past couple of decades, as a once stodgy industry known for catering to mostly middle-aged males within established industries adapts to an influx of younger investors, many of them women, within high-flying tech and life-science companies.

And this new clientele, while still wanting to preserve and build upon their wealth, are increasingly demanding new services and products from wealth managers, from socially responsible investing (SRI) to long-term financial planning advice, not just investment advice.

Subsequently, the way wealth managers communicate with, and market to, the wealthy has changed, from increased content on websites to social-media messaging to use of video software in presentations.

"It's a generally slow-moving industry, but it's moving," Lowell Thomas, a principal at South Shore Capital Advisors, says of changes underway in the wealth management and financial advisory business.

As for the shift in the type of clientele, Bill Rice, chief executive of Boston's Anchor Capital Advisors LLC, said it's ultimately a reflection of Boston's economy in general, as the regional economy has shifted from one reliant on more established companies, such as banks, insurers and major manufacturers, to more dynamic firms within the high-tech, life-sciences and health-care fields.

"They tend to be high-risk (sectors), so the investors tend to be a lot more risk taking in nature," says Rice.

And they tend to be younger — with an increasing number of women seeking to preserve and build their hard-earned wealth.

Caitlin Appleton, a senior portfolio manager at South Shore Capital Advisors, has been in financial advisory since the early 1990s – and there's clearly been a major shift toward more women seeking investment and financial-planning guidance, she says.

"I'm definitely seeing a lot more women taking financial leadership," she says. "Women have their own portfolios now."

Jill Fopiano, chief executive of O'Brien Wealth Partners, a 100 percent women-owned firm in Boston's Back Bay, said there's no doubt about the increasing number of women seeking out wealth-management services – but they also want slightly different services than men.

"They ask less about the investment numbers and more about their financial (status) at an older age," she said. They also tend to be more interested in ESG (environmental, social and corporate governance) investing, also known as socially responsible investing, though younger investors in general, both male and female, tend to more inclined toward ESG, she says.

So how do firms communicate with, and market to, this new breed of investors? First, financial advisors stress that good-old referrals still rule within wealth management. Nothing beats word-of-mouth recommendations by and to relatives, friends and work colleagues, experts say.

Still, change is coming in this category too. Craig Standish, a strategic advisor and chief operating officer at Brown Advisory in Boston, said his firm, like other wealth-management companies, doesn't advertise or market in the traditional sense, such as in publications and on TV or via aggressive PR campaigns.

Along with social-media outreach, the educational events help with branding, as well as establishing potential business relationships with people, says Yousif, who adds she often accepts invitations to appear on television, such as on NECN and NBC Boston, as another way to get the word out about her firm.

Instead, it's more about digital "content strategy" aimed at providing clients, and potential clients, with a wide variety of information, such as on general investment strategies, that they may need and want. "It can get pretty technical," said Standish of the type of content his firm provides, via the web and other means. In the end, it's more about a "pull" marketing strategy, in which clients can pull information about the firm and its services off of websites and elsewhere, and less about a "push" strategy toward marketing, says Standish.

Anchor Capital's Rice says his firm uses HubSpot Inc. for its email marketing and data analytics, while Anchor Capital also provides increasingly more written and video content on its website. The firm also recently established its presence on LinkedIn. "You have to be there," Rice said of digital platforms. "Everyone is doing it."

O'Brien Wealth's Fopiano said that, at her firm, the days of "80-page documents sitting on a shelf collecting dust" are largely gone, replaced instead by new technologies, such as financial-planning software that enable clients, or prospective clients, to make “real-world calculations” about their financial future right on a computer. The overall marketing message to clients from her firm, no matter what marketing means is deployed: See what we can do for you, says Fopiano.

While most financial advisory firms have opted for somewhat passive (or “pull”) forms of marketing, Nora Yousif, a vice president and financial advisor at Boston’s Williams Investment Group, an affiliate of RBC Wealth Management, said she likes getting out and actually meeting perspective clients, particularly women, at “educational” events that she hosts.

Topics of the events – usually hosted in rented rooms in “quaint settings,” such as historical buildings, and not at hotels -- range from the right investment strategies to college savings plans to “Women on Wall Street,” says Yousif, who often speaks to hundreds, dozens or just a handful of people at such events.