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# With Amy Jensen Wolff of AJW Financial Inc.

By Jeff Benjamin

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Amy Jensen Wolff didn't start out in the financial planning industry with the goal of serving primarily women.

Like many advisers, she started out wanting merely to serve somebody.

But after 10 years of building her skills and reputation as a Minneapolis-area financial adviser, Ms. Wolff, 34, struck out on her own in 2002, developing a niche strategy focusing on the financial needs of single and divorced women.

"I reached a point in my practice that I wanted to make sure that I really enjoyed coming to work every day," said Ms. Wolff, owner and president of AJW Financial Inc. in Minneapolis.

As it turns out, the development of a niche strategy places her among a growing segment of financial advisers who have discovered the power of a narrowed focus on specific clients and their needs.

Bethany Carlson, a senior analyst at Seattle-based accounting and consulting firm Moss Adams LLP, said that choosing a niche can result in extremely satisfying work. But, she added, "it's a very profitable strategy, and that's the No. 1 benefit of having a well-defined target client."

As Ms. Wolff explained, becoming an expert and providing holistic planning services is considerably easier when most of your clients have similar wants and needs.

**Q.** *How did your practice evolve into one that focuses primarily on women?*

**A.** About 10 years ago, when I sat down and took a look at my business and the relationships I had, I realized some of my most rewarding relationships were working with women.

**Q.** *Why is that?*

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**A.** It seems like we really bonded quickly. I really understood what some of their fears and concerns are, and was able to communicate with them in a manner that made things simple and easy for them to understand.

**Q.** *Is the pursuit of a niche strategy what drove you to start your own firm?*

**A.** It's always been my desire to have my own practice, and after about 10 years in the industry, I was 32 years old and was finally at the point where I felt I had gained enough credibility in the industry to be successful on my own. With making that move, I wanted to be very deliberate about how I grew my business, and that's where I started to think about the kind of niche market I'd like to develop. When I looked over the prior 10 years and the kind of clients I enjoyed working with, so many were women coming out of divorce or having to deal with death and having to make a lot of financial decisions. They were at a transition point and at a time when it was really emotional.

It seemed that I was able to provide them a lot of comfort and a lot of advice. And those clients were just always so thankful for your help and advice, and that's what really moved me toward that niche. The more that I moved into that area, I saw what an incredible need there was. There are just not a lot of female financial advisers out there. What I do know, being a woman myself, is that if we can find a woman to help us, and we feel they are as competent as somebody else out there, we'll tend to work more with the woman, whether it's a doctor or a CPA or an adviser. It just seemed like a real untapped market.

**Q.** *How has the focus on women helped your business?*

**A.** It's providing me with a lot of focus on my business plan. So often, as advisers, we fail to do our own business planning. It's just a matter of knowing who my target market is and taking the time to do the research to figure out the challenges facing these women, as well as their common fears and struggles. That's really helped me to home in on providing a good model and a good follow-up service that is tailored more to their needs. And by doing that, it has also clarified for me some of the marketing channels that make sense as I continue to move into this market and grow my market share.

In terms of avenues, some of the most successful connections I've made have been with family-law attorneys here in the Minneapolis area.

**Q.** *Is it safe to assume that if you get a male or couple as a client, it isn't by design?*

**A.** Exactly. Most of my marketing efforts are geared toward the women's market, but I certainly do receive referrals. For example, if I'm working with a woman, she may refer her daughter and husband, or perhaps it's her parents. I certainly am open to working with all people. My real goal in life is just to truly help people. But my single male clients, which I only have a handful of, and married clients, really just happen along, versus my consciously making an effort to build that part of the practice.

**Q.** *What are some of the issues that are specific to women?*

**A.** One of the main things I talk about with women is that, in general, they tend to live seven years longer than men do. They tend to move in and out of the work force more often than

men, due to child rearing and taking care of their elderly parents. Eleven and a half years is the average time that women are out of the work force, where men on average are out of the work force for 16 months.

For every year a woman stays home caring for a child, she must work five extra years to recover lost income, pension coverage and career promotion. Women in general earn about 25% less than men do. While women have definitely won the right to try out for any role they want, we don't necessarily abandon one role to assume another. For example, women are often still the heads of their households in terms of taking care of the children. We just keep adding roles, so multitasking and time has become a real challenge for women. If we know that women are living longer and are not earning as much as men, we know that they have to start saving earlier, stay more disciplined with our planning, and you need to save more just to make it through retirement years.

**Q.** *Do you think women are easier to work with than are men?*

**A.** In 12 years of planning, I have never received a call from a woman with a hot stock tip. Seriously, I have from men.

I would agree that women are a joy to work with because they don't tend to panic quickly. Part of what I do when I work with women is, I really start educating them about finances. The more time a person takes to educate himself or herself about finances, the less panicked they'll become when they hear things coming across the news. So I don't get a lot of calls from clients who are concerned about the market and where things are at, because they understand the approach we're taking to their portfolio and that we're focusing on overall asset allocation. Market timing isn't a strategy I use for clients. I get a lot of calls from women who are looking for a second opinion or advice because something happened to their car, and they want to know if it makes sense to take it in and fix it for this price, or should they just look at getting something new?

**Q.** *That sounds like a family-office-type service.*

**A.** Yes, exactly. And that is my goal - to have the women feel as comfortable to call me about any of those types of issues that they need. And I try to really build up some good contacts where I can make connections with women in an area that's not my area. I want to be able to get them to the right person. If you've had a husband there for all those years, and now he's gone, it's just really hard and fearful to make a lot of these decisions. But as I slowly educate clients and walk them through a lot of these decisions, the calls become fewer, and they gain more confidence.

**Q.** *Do you think men could similarly benefit from an adviser who focuses exclusively on them?*

**A.** I don't know that I have a good answer to that. I haven't done a lot of research into that area to find out if they have different challenges. Certainly, men going through divorce should be working with someone that has specialization in that area to help them make decisions related to that.



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