

# Married women breadwinners: How to better serve a growing demographic

Today, nearly one in four affluent households are headed by women who earn more than their spouse.

## Key Findings

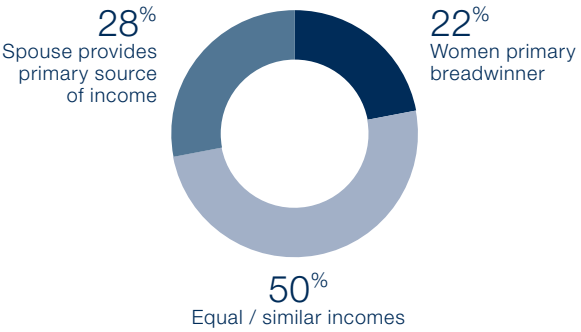
1. **Appreciating the relationship between married breadwinners and spouses is critical**
   Our research shows that identifying how each party views their relationship is key for financial professionals to better serve them
2. **Four distinct married breadwinner mindsets exist**
   Our research identified four mindsets, distinguished by how the primary earner views her household's financial responsibilities
3. **There are opportunities for the right financial professional to provide greater holistic planning**
   Our research uncovered areas where these women and their spouses can benefit from working with a financial professional
4. **Financial education is a top priority, but it's hard to make the time for it**
   Our research indicates that while these women would like to increase their financial knowledge, they have little time available to do so

NEW YORK LIFE Investment Management

# Why focus on women who are married breadwinners?

Married women make up a significant percentage of primary earners in the United States. And despite the gender pay gap, trends indicate a shifting dynamic with more women becoming the primary source of income for households and taking an increasingly principal role in a household's retirement and everyday expenditures. Today, more than one in five affluent households are headed by women who earn more than their spouse (Figure 1).

**Figure 1: 22% of affluent households have women primary breadwinners**

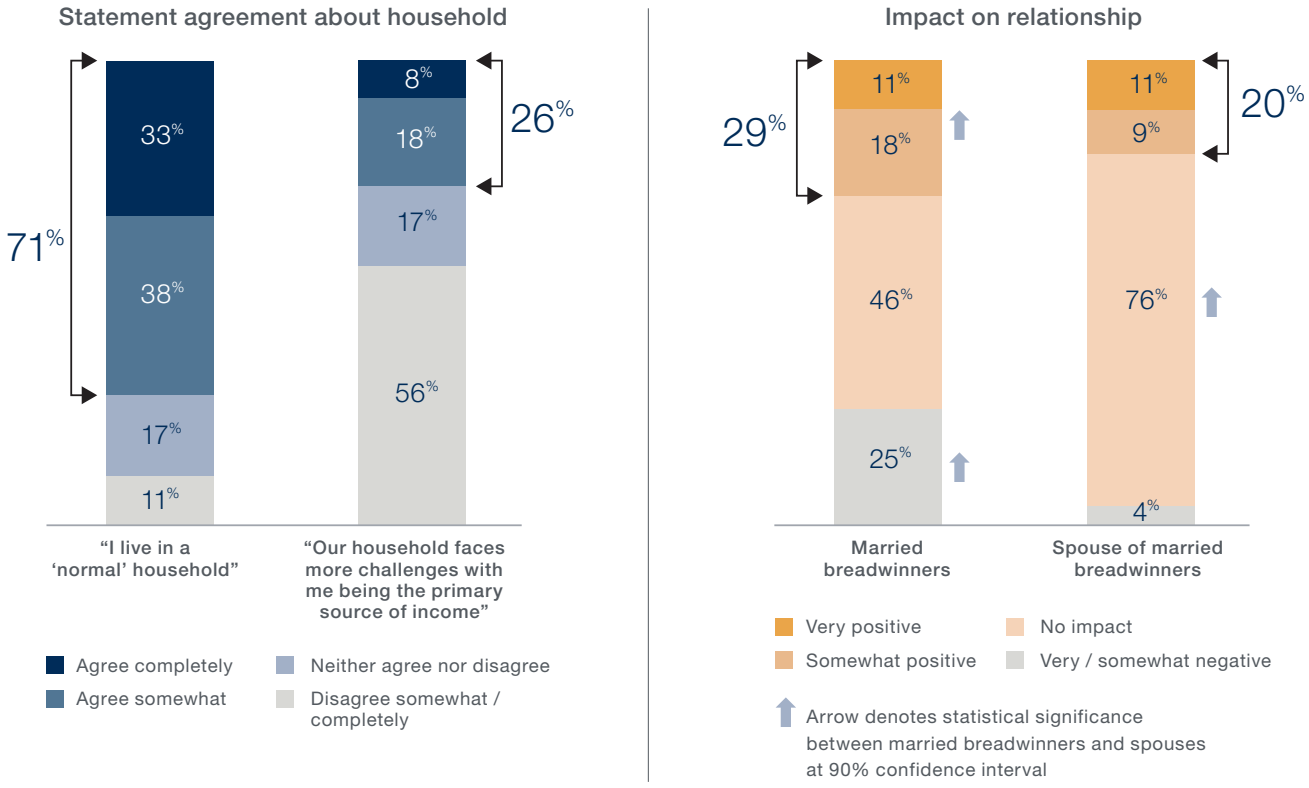



New York Life Investment Management commissioned a survey of 500 married women breadwinners and 165 spouses of married breadwinners. The breadwinners are the primary source of income for their household, with investable assets of $250,000 or more. We wanted to better understand how they view their relationship with money, retirement preparedness, financial responsibilities, and the ideal role a financial professional should play in their everyday lives.

We found that regardless of what used to be deemed "traditional," most married breadwinners consider their household today to be perfectly "normal." (Figure 2)

However, these women also see opportunities for improvement and have unique needs that are not being met. Over a quarter of these women report that their household faces more challenges because of their financial role. Some also viewed their earning role, while important, as negatively affecting their relationship — though a slightly higher number felt it had beneficial effects on the relationship.

**Figure 2: Married breadwinners view their earning status as normal, though it does impact their relationship**



# 1. Appreciate the relationship dynamic

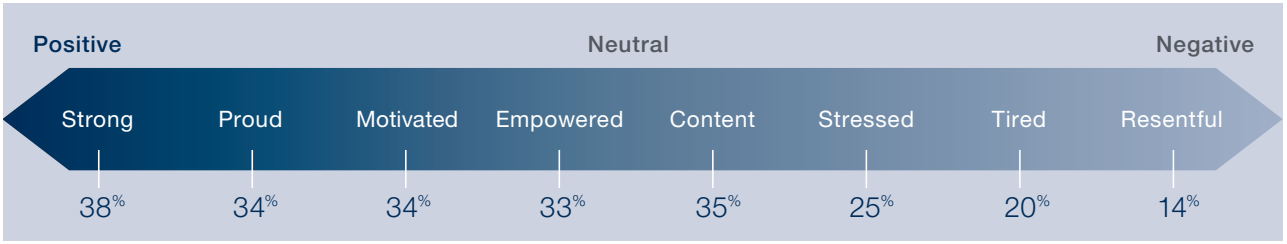
We found that financial professionals who can understand the relationship dynamics between married breadwinners and their spouses will be able to better serve these segments of the population.

## A new traditional

At a high level, married breadwinners and spouses agree: Their relationship is normal. Though it may vary from what used to be considered traditional, in their opinion, they are traditional.

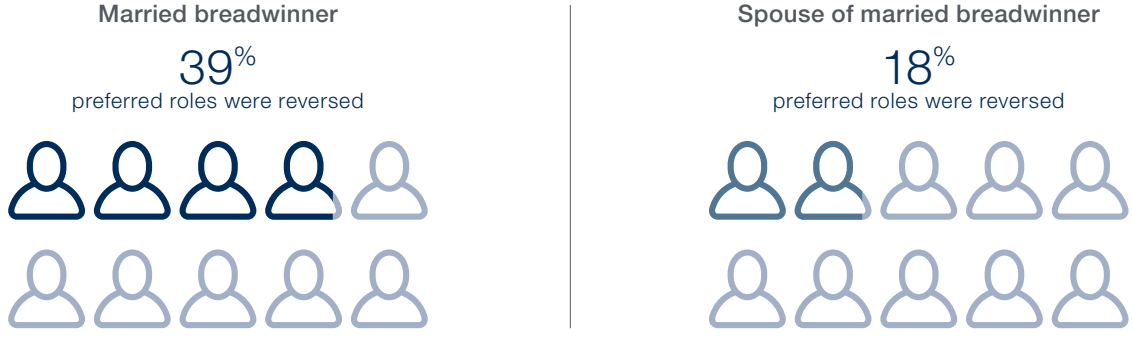
These women are leaders and decision makers who associate a range of emotions — positive, negative, and neutral — with being a primary earner (Figure 3). Positive feelings are common, the most frequent being that their role makes them feel strong. Certain emotions, such as motivated, can indicate an openness to the benefits of a financial professional. A portion of these women also report being stressed out by their responsibilities, a situation where a financial professional can also potentially help alleviate some of the burden.

**Figure 3: The most common feelings associated with being the primary breadwinner**




Overall, many married breadwinners are happy with their financial role in the relationship, and spouses are even more so. Neither party thinks it likely that the earning status will change. However, there are portions of both groups who would prefer the role of primary household earner was reversed (Figure 4).

**Figure 4: Some would prefer to swap financial roles**

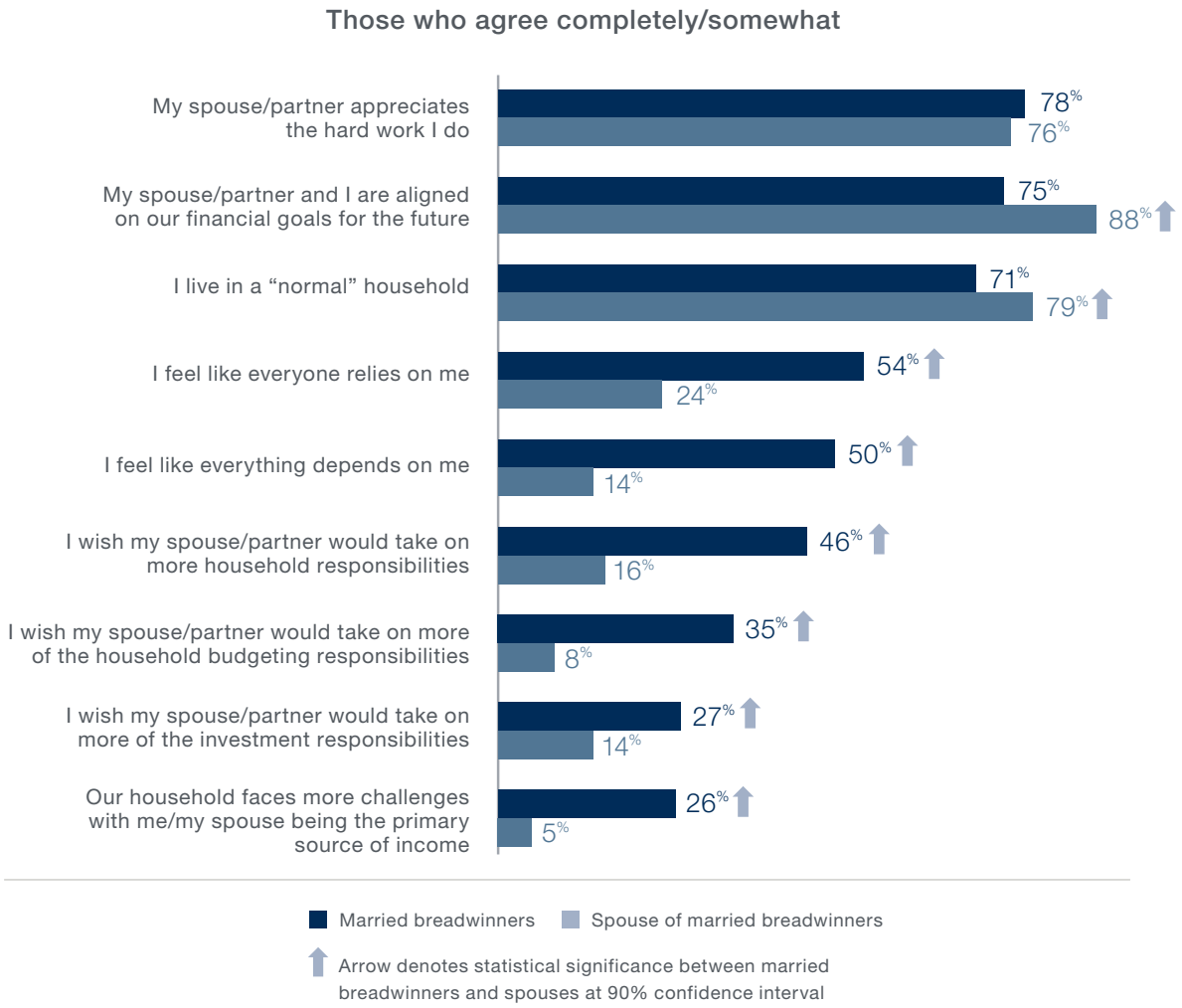


## There are some clear differences

Generally speaking, married breadwinners and spouses support each other's roles in the relationship (Figure 5). However, a faction of these women feel they bear a greater burden and express that they'd like "more" from their spouse. Whether it be help with the house, with the budget, or with investment responsibilities, they would like their spouse to shoulder more of the load. A significant number of married breadwinners also believe their household faces more challenges with them as the main earner.

Spouses experienced those sentiments as well, albeit often to a significantly lesser degree. Addressing the reasons behind these disparate views can help financial professionals better meet the financial needs of these segments of the investing population.

**Figure 5: Household views align in some areas, and differ significantly in others**



# 2. Our study identified four distinct mindsets

In our research, four distinct married breadwinner mindsets emerged, representing four different views on household financial responsibilities. While each mindset has unique opinions, feelings, and other attributes, they also share certain qualities.

### Mindset one: We're in This Together

**These married breadwinners and their spouses feel that "We're in This Together."**

Both parties in this couple are appreciative and family-oriented. They're proud of their partner's contributions, and feel they are a team. More than any other, this group doesn't believe that their family is any different — things are the way they are, and that is normal. These women feel supported by their spouses, and far fewer view their role as a burden.



"It is fine the way we are; I make more money, but we both work hard."

**80%** report their spouses are supportive of them as the primary source of income.

### Financial professional approach:

The "We're in This Together" married breadwinner knows a fair amount about investing but does have some interest in learning more with her spouse. As a couple, they're content with their current financial planning, so a financial professional would have to prove what they can bring to the table.

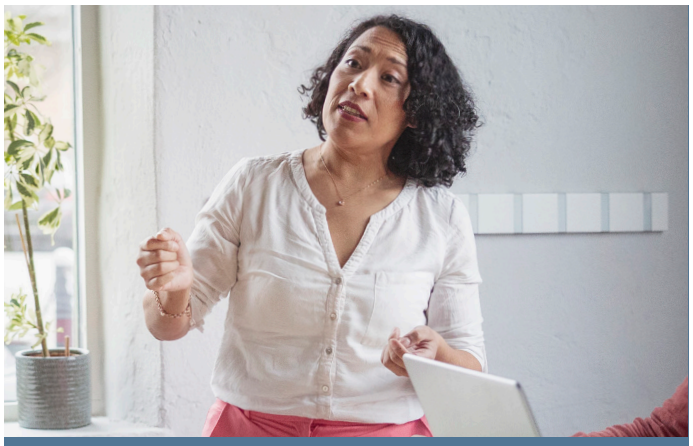
This married breadwinner and her spouse are generally aligned on financial goals, and financial professionals should appreciate their team dynamic (i.e., she wants her spouse to be part of the investment planning and decision making). A good approach would be to acknowledge what they've already accomplished together, while showing how professional advice can build on it.

### Mindset two: I Got It

This group of married breadwinners has no problem saying “I Got It.”

More than any other group, these women feel strong, proud, and fulfilled by their role, which they believe sets a good example for their children. They are comfortable in a leadership position, happy being in control of household finances, and okay with their partner playing a secondary role here. By and large, these women feel support from their spouse, but they’re also more likely to feel the burden from their role.

**41%** **feel fulfilled being the primary breadwinner.**



“I am comfortable in a leadership role and making more money; my partner feels the same way.”

### Financial professional approach:

The “I Got It” married breadwinner is knowledgeable about investing and interested in furthering her financial education. She views a financial professional as a necessity and, as the primary decision maker, she chooses and hires them.

More than other groups, this married breadwinner is interested in further financial education and wants a financial professional who can understand her situation. A sound approach for a professional would be to congratulate her success, while demonstrating how they can add to her financial knowledge. In particular, this married breadwinner feels that women face unique challenges in the financial world, so it can be a good idea for the professional team to include women.

### Mindset three: A Little Help, Please

The married breadwinners in this group would like "A Little Help, Please."

The women in this group feel the strain of being the primary source of their household's income. They've taken on additional responsibilities and would like their partner to shoulder more of the burden. This group overwhelmingly feels that their financial role has had a negative impact on their relationship. These women are stressed and tired, and few feel support or appreciation from her spouse.

**42%** **feel like everything depends on them.**



"My husband does not take enough responsibility."

### Financial professional approach:

The "A Little Help Please" married breadwinner doesn't have as much investment knowledge, but she'd like to learn more. She also considers a professional to be essential. Though this primary earner makes financial decisions for the household, including which professional to work with, she does not enjoy being in charge.

Our study indicates that this married breadwinner would appreciate a financial professional who can take the lead on investment matters. A good strategy for a financial professional would be to communicate how they can alleviate some of the stress surrounding her financial responsibilities, while also empathizing with her situation.

### Mindset four: I've Got It from Here

These married breadwinners are happy to tell their spouses "I've Got It from Here."

This type of married breadwinner appreciates the hard work her spouse has done in the past and feel it's her turn. Whether the spouse has retired, or the married breadwinner's career has surpassed her partner's, these women are proud to be the primary earner now. They have positive emotions about their new role, don't typically see it as a burden, and generally feel supported by their spouse.

**18%** **wish their spouse would take on more household, budgeting, or investment responsibilities (less than any other group).**



"He has worked hard his entire life and has retired — I want him to enjoy it, and at this stage of my life, I am in my dream job!"

### Financial professional approach:

The "I've Got It from Here" married breadwinner is new to the primary earner role and wants her spouse to be a significant part of the financial planning. The couple is somewhat older and more established financially, and are past the "building" stage of their planning.

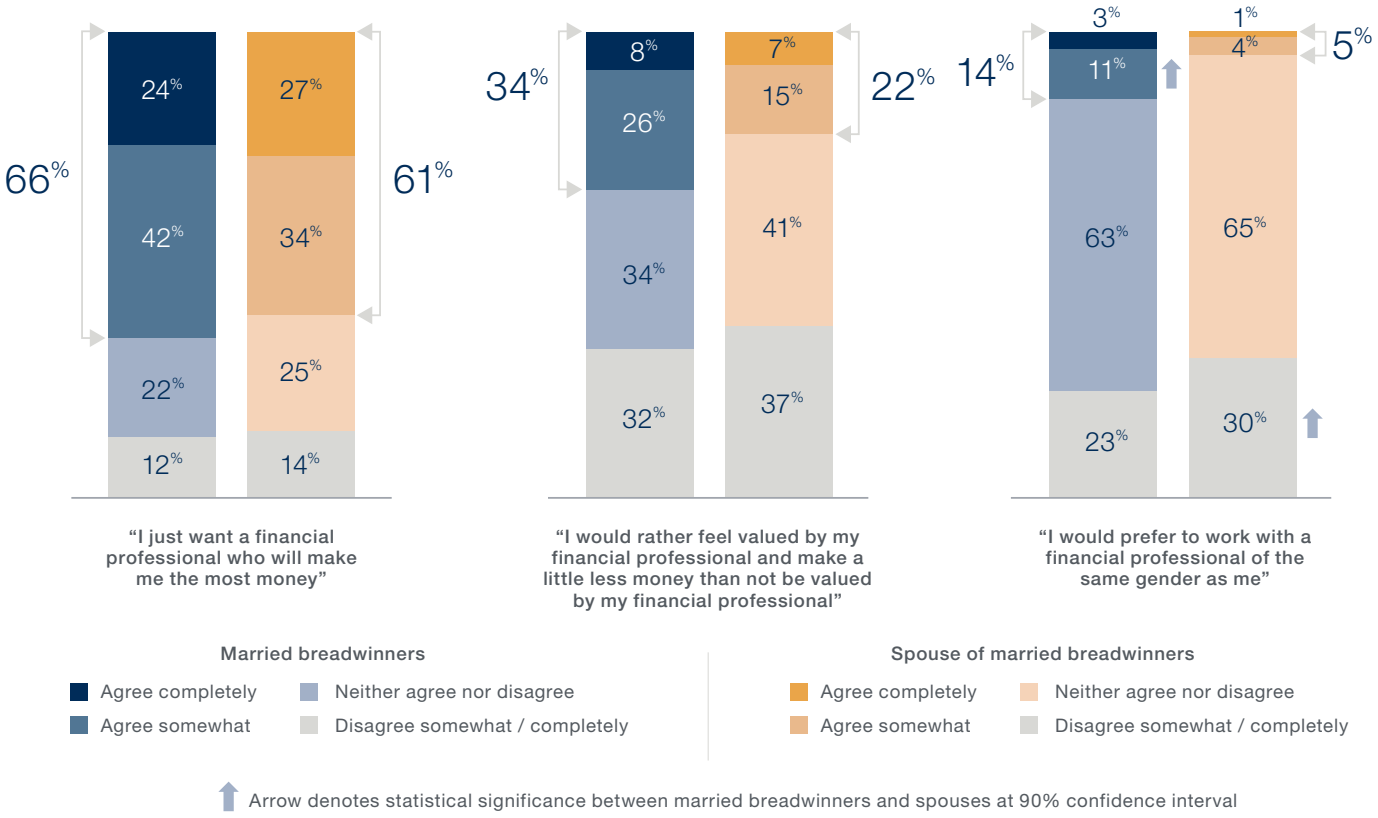
This married breadwinner and her spouse also have a strong team dynamic and, relative to other groups, the spouse takes a more active role in financial matters. A financial professional should expect to work with both parties. Because the couple is more established, it's important for a financial professional to recognize what they've built, while demonstrating how a financial professional can help them continue their successes.

# 3. Greater holistic planning opportunities for the right financial professional

Married breadwinners and their spouses self-report a level of financial knowledge and preparedness that, in our view, suggests they might benefit from working with a financial professional in certain key areas. Our research helps paint a picture of what the ideal financial professional can bring to the married breadwinner's table.

Most married breadwinners want a financial professional who will make them the most money (Figure 6). However, a significant number say they would rather feel valued by their financial professional even if it meant making a little less money. Meanwhile, the gender of the financial professional is not much of a concern to married breadwinners, and it matters even less to their spouses.

**Figure 6: Ideal financial professionals make money for their clients, and make them feel valued**




Our survey also identified opportunities for financial professionals to deliver greater holistic planning. A main topic of interest for married breadwinners is retirement planning. However, their level of concern in other areas indicates a need for other financial services as well. Financial professionals can suggest insurance products to help these women protect their assets and income, give guidance on day-to-day household budgeting, and offer information regarding appropriate investment strategies.

## Married breadwinners who work with financial professionals feel more prepared

Most primary breadwinners felt prepared to become the main source of income for their household, though a significant number said that starting the planning process earlier would have been helpful. If planning helps with a feeling of preparedness, it makes sense, then, that women who currently work with a financial professional are more likely to feel prepared in general.

This is especially true for married breadwinners with more money in the bank; they were also more likely to report having financial goals in place (Figure 7). This suggests an area where a financial professional may be of use to married breadwinners — building savings to prepare for both projected goals and unexpected expenses.

**Figure 7: Working with a financial professional — and saving more — leads to stronger perceptions regarding goals and preparedness**

| | All married breadwinners | Married breadwinners who work with a financial professional | Married breadwinners who DO NOT work with a financial professional | Investable assets | | | |
|---|---|---|---|---|---|---|---|
| | | | | $250k – <$500k | $500k – <$750k | $750k – <$1MM | $1MM+ |
| **"I have financial goals in place for the future" (Answered "yes")** | 46% | 52% | 28% | 32% | 49% | 52% | 53% |
| **"I am well prepared financially for the future" (Answered "yes")** | 31% | 36% | 16% | 17% | 29% | 42% | 39% |

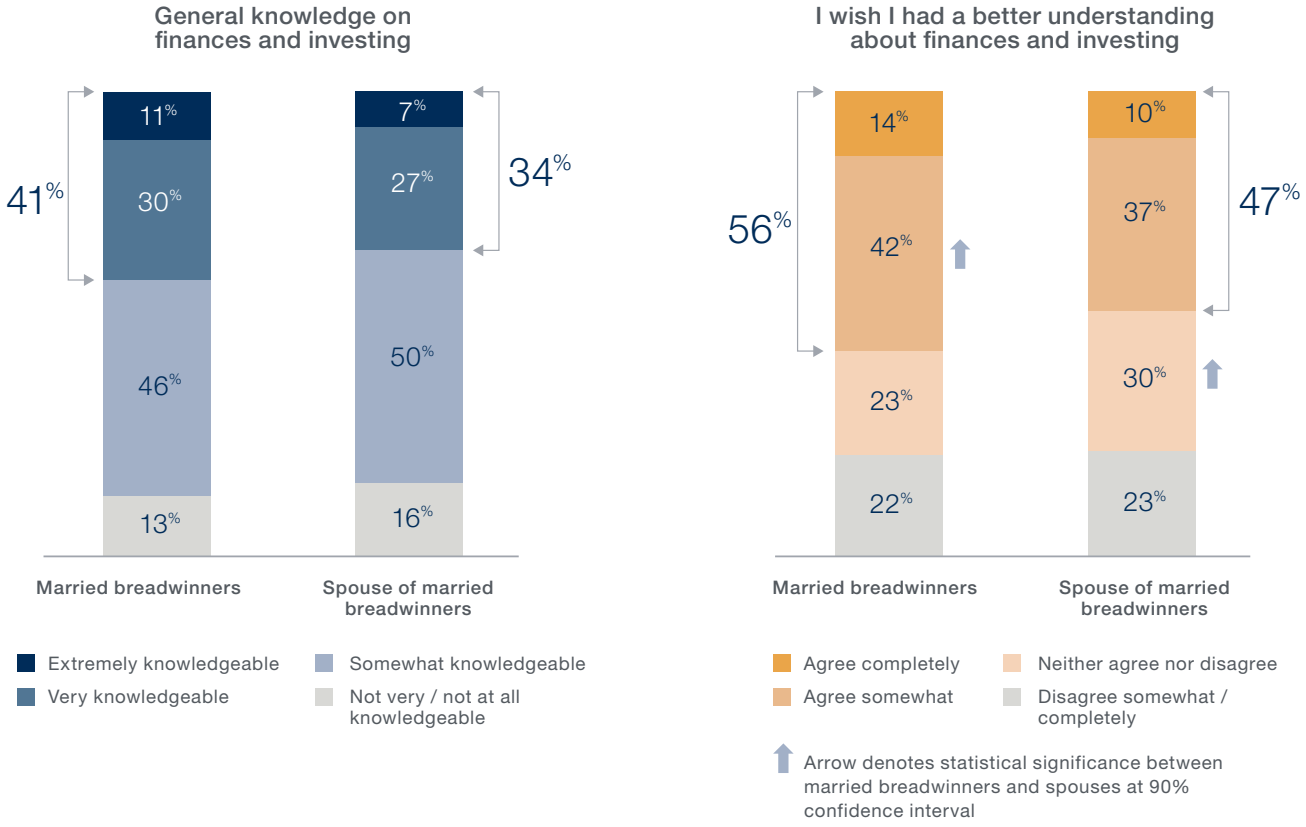
About three-quarters of married breadwinners already work with a financial professional. Of those, the significant majority (83%) are highly satisfied with their financial professional, who they feel takes them seriously and treats them fairly. Spouses feel the same way. This high degree of satisfaction presents a challenge in acquiring new clients. Moreover, while married breadwinners working with a financial professional are more likely to have goals in place, the overall number is only a little more than half.

# 4. Married breadwinners want more financial knowledge, but time for it is scarce

In general, significantly fewer married breadwinners consider themselves extremely or very knowledgeable when it comes to finances (Figure 8). This is an area where a financial professional can bring value to married breadwinners: financial education.

While both spouses and married breadwinners are likely to rely on financial professionals, it's the married breadwinners themselves who have a greater desire for financial knowledge.

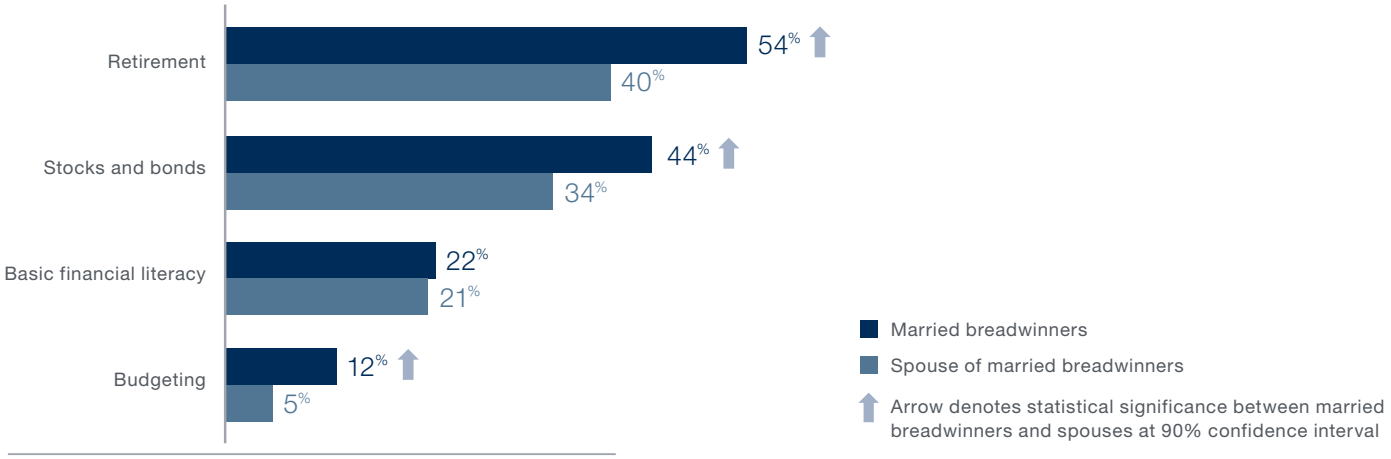
**Figure 8: Married breadwinners and spouses would like to know more**



Consistent with their investment goals and level of concern with it, retirement tops the list of topics that both parties would like to learn more about (Figure 9).

Spouses are looking to learn more about these same subjects but have less interest overall.

**Figure 9: Most desired topics for further education**



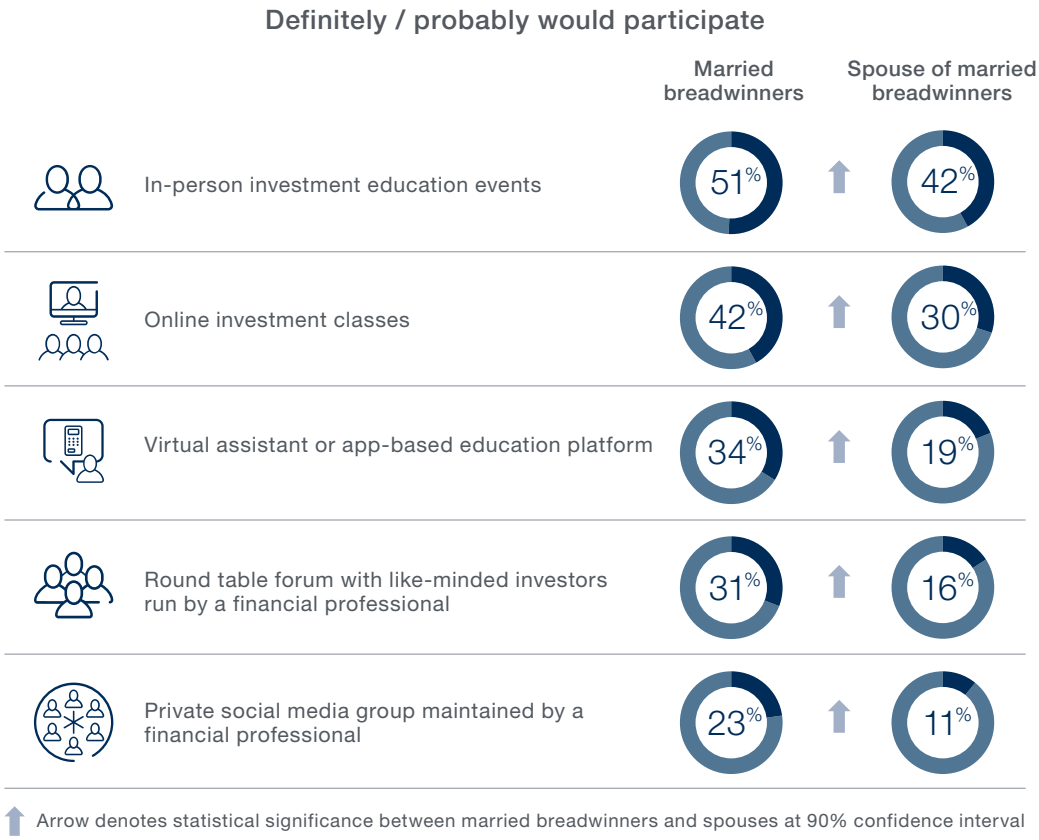

## Time constraints and unique challenges

While financial education is critical to married breadwinners, especially regarding retirement planning, our research revealed that these women also have less free time for it. Our study also discovered which instructive formats (with or without a financial professional) they would most likely make the time for (Figure 10). The top response: in-person education events.

Many married breadwinners feel they face unique financial challenges as women. A significant number feel patronized by financial professionals, who they believe are less likely to listen to investment ideas from women. Spouses tend to agree with these sentiments, though to a lesser extent.

Yet an area where married breadwinners generally don't feel they are at a disadvantage is access to financial education. They know that the knowledge is out there — it's up to the right financial professional to bring it to them.

**Figure 10: Educational formats married breadwinners prefer**




## To sum up

Our survey found that married breadwinners are proud of their position as primary household earner, and many feel supported by their spouses. These women understand they have an important role —if, at times, a stressful one.

The ideal financial professional will understand the relationship dynamic between these primary earners and their spouses, and appreciate their household views and mindsets. The gender of a financial professional is not a major factor for married breadwinners, as long as they will work to both make money for their clients and make them feel valued.

A financial professional can best serve this growing segment of the investing population by providing financial education, particularly regarding retirement, and being a reliable source for financial needs.

# Methodology

New York Life Investment Management commissioned this market research study which was conducted by RTi Research. They survey was in the market in February and March of 2020 and was completed by 500 women breadwinner panelists with the following qualifications: 25+ years of age, married/living with a partner in a committed relationship, at least involved in making household financial decisions, $250,000 or more in household investable assets and the primary source of income in their household. The survey was also completed by 165 spouses of women married breadwinners with the following qualifications: 25+ years of age, married/living with a woman in a committed relationship, at least involved in making household financial decisions, $250,000 or more in household investable assets and not the primary source of income in their household. Please note, spouses are not from the same household as the married breadwinners.

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**For more information**
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Insights presented in this report are derived from a 2020 study conducted by New York Life Investment Management in partnership with RTi Research. The study employed both qualitative and quantitative methods to better understand the needs of women married breadwinner and their spouses when it came to investing in the U.S. (Sample size: Married Breadwinners: N=500, Spouse of Married Breadwinners: N=165).

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