



Exploration of the rapid change in feminism versus an incremental change in financial services product offering

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Abstract

The recent increase of women as primary earners has led to a subsequent enhancement of women as primary financial decision makers. Despite this increase, the financial services industry has been slow in its response to meeting women's financial needs, particularly with respect to the financial product offering. Gender inequalities in the marketing of financial services products have been cited as part of the reason for women's dissatisfaction and subsequent feelings of disempowerment by the industry.

This study uses a qualitative method of analysis to explore possible reasons for women's dissatisfaction with financial services products, using feminism as a theoretical framework as the link is rarely made in literature. Women at different lifestages are interviewed to determine whether a change in lifestages could also contribute to the dissatisfaction in financial services products offering.

The possibility that some products could be considered gender biased is also explored.

Keywords

feminism, financial decision making, lifestage, financial product choice, attitude

Declaration

I declare that this research project is my own work. It is submitted in partial fulfilment of the requirements for the degree of Master of Business Administration at the Gordon Institute of Business Science, University of Pretoria. It has not been submitted before for any degree or examination in any other University. I further declare that I have obtained the necessary authorisation and consent to carry out this research.

Sefakwana Pelle

Date

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Chapter 1: Introduction

1.1 Introduction

Women make up more than one billion of the working population, and hold 47% of university places worldwide (Silverstien, Kato, & Tischhauser, 2009). They control 20 trillion dollars in annual consumer spending and earn 13 trillion dollars annually (Silverstein & Sayre, 2009). In South Africa, women make up 51.3% of the South African population and 45.1% of the working population (Businesswomen's Association of South Africa, 2011).

Kabeer (2007) argues that this “feminisation of the workforce” (p. 12) has led to a variety of interrelated factors affecting women, among them being, the declining family size, rising levels of education, falling fertility rates, and changing aspirations for themselves as women and their families, enabling women to take up paid work. Women's entry into the workforce is of course not new; what is new is the increase in monetary levels as well as the diversity of activities that women are paid for (Kabeer, 2007).

Despite an increase in women's earnings and a resultant increase in financial decision making, the financial services industry was ranked last in females' perceptions with respect to meeting the needs of women from a product and service perspective (Silverstein & Sayre, 2009).

Women's financial behaviours and experience have changed over the past 10 years, with many becoming more aware and actively involved in their finances (Prudential, 2009). Ninety five percent of the 1250 women surveyed in Prudential's 2010-2011 research were involved in financial decision making in their household, while twenty five percent were the primary decision maker (Prudential, 2009).

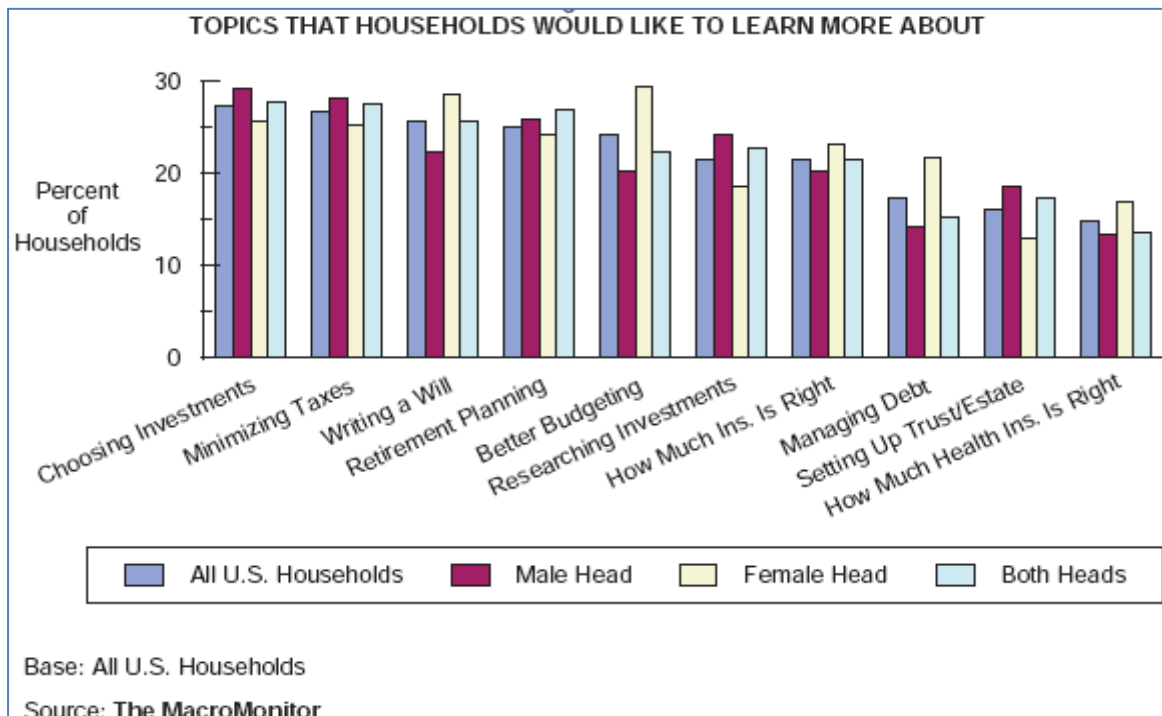
In a further study conducted by Prudential (2012), it was concluded that fifty three percent of women surveyed were primary earners, this as a result of either a divorce, loss of the partner's job during the financial crisis or women generally deciding to marry later . Despite this increase in women as the primary earners, only ten percent of those interviewed felt knowledgeable enough about financial products and services, to make wise financial decisions in comparison with their male counter parts.

A study completed by the Consumer Financial Decisions (2007) found that women's participation in financial services had transformed from mere day to day activities, to being active participants in handling household finances. The study concluded that though a higher percentage of women versus men, were now solely responsible for handling household

financial affairs, the marketing, design and sales of most financial products and services, as well as advice on financial planning, was mainly still targeted at males (Consumer Financial Decisions, 2007).

Households with males as the head financial decision maker indicated a need to learn more about choosing and researching investments, setting up trusts and estates as well as minimising tax. This differed from households where females were the decision makers, as they requested assistance with budgeting, health insurance and writing wills (Consumer Financial Decisions, 2007).

Figure 1 MicroMonitor Household Trends



CFD (2007). MicroMonitor Trends. Sex Differences in Financial Decision Making. p. 4

The study highlighted clear differences between male and female decision making and indicated the following:

“These responses are a strong indicator that men and women are very different in their approaches to financial decision making. A more in-depth study of these households in terms of their demographics; the financial products, services, channels, and advisors they use; and their recent actions, financial attitudes, goals, preferences, and motivations would provide critical insights into how financial institutions need to change in order to serve women better. Not only do women now outnumber men as primary financial decision makers, and not only do women live longer than men, but women's participation in the

entirety of financial decision making for the household will likely continue to grow. And for the moment, the status quo of financial-services marketing does not effectively address women's needs and desires” (Consumer Financial Decisions, 2007, p. 4)

Roger Conant (2012), attributes this lack of knowledge by females and lack of understanding of their needs by financial services to the fact that leadership in this industry is still predominantly male. He argues that most males find it difficult to transfer “facts to actions when challenged to focus their attention on the growing power of women, both in the market place and in the workplace” (Conant, 2012, p. 1).

MasterCard Worldwide Insights, assert that women’s financial literacy levels are also a concern when considering investing in the financial services industry. The study found that women in Africa, especially Kenyan women, fared the least when asked about the meaning of interest rates and the use of unsecured loan facilities, which attract the highest interest rates (MasterCard Worldwide Insights, 2011). The study also found a high correlation between financial knowledge and planning, therefore women who had greater knowledge, were able to better plan for their future (MasterCard Worldwide Insights, 2011).

1.2 Research Problem

Deutsch (2007) postulated that “gender is a master status that overrides any role or status” (, p. 117), and that differences are not the problem but power. Ridgeway and Correll (2004) averred that unlike other social differences such as class and race, gender do not stop when a situation is inconvenient, it is a part of everyday life and makes the act of relating to the other sex an everyday activity. This therefore places gender as a noteworthy classifier of “self” and “other” in all social relational contexts (Ridgeway & Correll, 2004, p. 512). The issue is that masculinity is given more value than femininity and men therefore have more money, more attention, more leisure and, more say (Deutsch, 2007). The question therefore is whether gender differences can exist without supporting these power differences ((Deutsch (2007) and whether women need to be validated as a result of their femininity.

Recent studies have explored differences in financial investments by men and women, and determined that women have a higher propensity of risk aversion in comparison to men as they tend to be conservative investors (Arano, Parker, & Terry, 2010). In addition, women as

a demographic group, are considered to have lower income levels, and consequently face higher retirement risk (Arano et al., 2010).

A study specifically looking at access to financial services by women entrepreneurs, found that they were more likely to access credit using personal or business credit cards as opposed to approaching the bank for financing (Hendon & Bell, 2011). The women claimed that this aided in the avoidance of dealing with lending officers and banks. Unfortunately, this decision did not assist with costs savings as generally, finance acquired via credit cards is more expensive and requires funds to be reinstated to the bank within a short period of time (Hendon & Bell, 2011).

Research has also indicated that women are dissatisfied with the financial services product offering; however reasons for this dissatisfaction are hardly ever provided. Mayoux (2010) asserts that financial services providers have often considered gender equality as an issue which undermines profitability and financial sustainability and not something that should be pursued by these institutions. Despite having increased access to small loans and savings, access to more advanced products by women is still unequal (Mayoux, 2010), therefore making this study relevant in today's times.

Literature provides reasons for the exclusion (whether voluntary or involuntary) of women from the financial services industry. Literature also provides theory on feminism and the evolution of women's needs and choices. What it says very little about is how this evolution in feminism has influenced choice with regard to the financial services industry and in particular, financial services products selection. It also states very little as to whether financial services product attributes have actually kept up with women's needs. This gap in literature is therefore the motivation for this study.

1.3 Research Aim

The rationale for this study is to explore the role of feminist thought in current female decision making, specifically relating to financial services product selection and use, as financial products underlie financial empowerment. The study will use feminism as a framework for examining how gender differences influence everyday choice and whether this influence extends to financial services products. The objectives of the study were:

- To explore the role of feminism for individual women in today's society and how it influences choice;
- To develop an understanding of how this choice influences financial product selection and;
- To explore the impact of lifestages on the choice of financial services product.

1.4 Research Motivation

Prior research, as discussed in the introduction, has focussed on different reasons for the discomfort that women experience when investing in financial services. A majority has focussed on the poor service delivered by organisations within the financial services industry, the lack of financial understanding affecting some women, lack of access to finance and discomfort with opening up to financial advisors about the lack of knowledge as some of the reasons for fewer women investing in financial services. This paper is therefore important on a personal level as issues affecting women are of significance to the author.

Catterall, Maclaran and Stevens (2006), postulated that “despite a proliferation of feminist perspectives on consumer research during the 1990s, there has been little work of this nature in recent times, both in terms of journal publications and conference proceedings” (p. 223), which motivated the need to investigate whether feminist theory would influence any marketing to female consumers, be it anything from consumer goods to financial services products. Hua (2009) asserted that post-feminism, which originated from the late 1980s to the period after 1990, developed an argument for women to no longer be responded to as victims, but rather to be viewed as “politically equal and even sexually dominant over men” (p. 66). The research will explore whether this need for equality and perhaps dominance in some areas could also extend to the need for equality in the provision of financial services product offering and whether in some cases, some products could be viewed as gender biased or even overly dominant in the males' favour.

Chapter 2: Literature Review

2.1 Overview

This chapter reviews literature and provides an overview of feminism and how women have evolved through the different phases or waves of feminism. The link between women's empowerment as a function, financial independence and financial product selection as an extension of this empowerment is explored.

2.2 Evolution of Feminism

Ridgeway and Correll (2004) defined gender as an institutionalised system of social practices for constituting people as two significantly different categories, men and women, and organising social relations of inequality on the basis of that difference. Ferree (2010), postulated that these differences were as much about a political meaning as they were about a social construct.

Sullivan (2004, p. 208) linked this social construct to the concept of "gender consciousness" which he/she?? claimed constituted a component of understanding of women's attempts at change. Sullivan (2004) The author further postulated that, conditions required for this consciousness to thrive were highly dependent on messages from society, therefore the rise of feminism, as an example, created an awareness of gender rights and could therefore be regarded as having contributed to gender consciousness (Sullivan, 2004).

Feminism as a contribution to gender consciousness can be traced back to studies in the 1980s where feminist theoretical approaches to work were developed with a high focus on the inclusion of women's work as well as questions around gender (Hartog, Ferrer-i-Carbonell, & Jonker, 2003) Studies such as those by Bristor and Fischer (1993), summarised the feminist movement into three types of paradigms; the liberal feminist, the women's voice or experience feminist and the poststructuralist feminist.

2.2.1 Liberal Argument

Liberal feminists argued that there were no differences between men and women and that the tendency for men to be treated as the "self" whose "self interests" are to be protected,

and women as the “other”, represented a violation of females (Bristor & Fischer, 1993). They asserted that the right of the individual was greater in significance than the community and advocated eliminating laws that differentiated between the rights of men and women (Bristor & Fischer, 1993).

The Liberals asserted that the requirement for women to be domesticated while looking after children prevented them from realising their full potential by working in well paying jobs (Bristor & Fischer, 1993). They therefore believed that any psychological difference that may have been present between male and female was not instinctive but rather socially constructed, with any physical difference between the sexes therefore irrelevant (Bristor & Fischer, 1993).

2.2.2 Radical Argument

Eisenstein (2005) postulated that radical women liberation activists considered themselves to be social revolutionaries. They emphasised the role of men as oppressors and controllers of women’s reproductive role (Denny, 2008). Bristor and Fischer (1993) referred to these women as the “women’s voice/ experience” (p. 520) and averred that they believed in recognising and acknowledging differences between men and women. Some women in the group believed that the differences were largely due to biology and therefore instinctive, while others believed that they could be attributed to a difference in shared experiences which defined each group’s knowledge base and rationality (Bristor & Fischer, 1993).

Radical females believed that the insubordination of women could be abolished by validating that which could be linked to femaleness (Bristor & Fischer, 1993)(Bristor and Fischer, 1993). This could be in the form of a “social arrangement” (Bristor & Fischer, 1993, p. 521) such as an organisation run by women where their voices would be free from suppression and marginalisation. It is through such organisations that women’s knowledge would be legitimised and become fully valued.

2.2.3 Poststructuralist / Post Modernist Argument/ Second Wave

Eisenstein (2010), referred to post modernism as the second wave of feminism and averred that it “ranged from the personal and bodily to the social, economic and political” (p. 415). Women were no longer subordinates to their reproductive functions, and could decide when and when not to have children (Eisenstein, 2010). They attacked the sex roles which perpetuated the stereotype of men as the bread winner and women as the housewife, as this

encouraged the notion that women, especially those who were married, should not be allowed into the paid workforce (Eisenstein, 2010). This phase was followed by women's right to access to a wider range of employment options and the freedom from control exerted by men (Eisenstein, 2010).

Bristor and Fischer (1993), asserted that the post modernist females constituted meaning through language and that this assisted females in creating a sense of self and situations. Meanings of words such as "masculine", "feminine" and "self" are regarded as subjective, and as subjectivity is not fixed or coherent, the Radical's argument that knowledge is validated by experience is not accepted by post modernists (Bristor & Fischer, 1993). Poststructuralism views subjectivity as a contradictory process which is easy to misinterpret each time one thinks or speaks (Bristor & Fischer, 1993).

Although post modernism emphasised dual consumption for consumers, and celebrated the blurred distinction between male and female categorisation, feminists argued that gender was still an important category and warranted special attention (Catterall et al., 2006). Feminists from other perspectives argued however that this blurred distinction undermined the very essence of feminism and instead promoted non feminist interest (Bristor & Fischer, 1993).

2.2.4 Postfeminism / Third wave

Showden (2009) postulated that postfeminism or third wave feminism, related to new feminism and was a response to the dissatisfaction with social, liberal and radical forms of second wave feminist theory. The author argued that, although the new terms could be misconstrued as a backlash against feminism, they were in fact indicative of a new type of political debate around the issue. Showden (2009), referred to this feminism as a "new feminism" and termed it phrases such as "power-feminism", "do-me feminism", "libertarian feminism" and "I'm not a feminist, feminism" (p. 166). Catterall *et. al*, (2006) asserted that, although postfeminism had been influenced by postmodern feminism, the terms were not synonymous, nor did postfeminism mean the end of feminism.

Showden (2009), however argued that postfeminism, though relevant in the 1970s and 1980s, had made itself irrelevant by women who persisted in addressing issues related to sexism which, in postfeminist's view, were old battles. Catterall et al (2006) averred that postfeminism represented a significant shift from the activist movements of the second wave

feminism to what can today be described as “celebratory feminism” (p. 223). Hua (2009) averred that postfeminism represented a redefinition of femininity and emerged as a critique of the activist-oriented feminisms of the 1970s second wave.

The literature on feminism highlights the changes that women have encountered over the past decades and provides a perspective of gender as a schema through each evolutionary wave. As economic and political changes emerged so did the debate about gender. This debate highlighted gender as a system of inequalities between men and women, where behavioural differences were emphasised as major components (Ridgeway & Correll, 2004).

Since the gender system does not only limit itself to heterosexual relations and reproductive activity and often times ends up being the organising principle of most activities (Ridgeway & Correll, 2004), its impact on investing in financial services needs to be determined.

2.3 Financial Services

Financial markets and institutions provide a platform for the exchange of goods and services (T. Beck, Demirgüç-Kunt, & Honohan, 2009). They also provide a means for funds to be pooled together in order to lessen the burden of high transactional costs, while also processing information for the allocation of funds to investors (T. Beck et al., 2009).

Danthine (2012) stated that the term development had a positive connotation and that the same was true for the term “financial development” (p. 2) which was associated with financial processes and products. The author further asserted that the outcome of financial development was an improvement on the allocation of capital which had a ripple effect by empowering entrepreneurs and smoothing the effects of risk (Danthine, 2012).

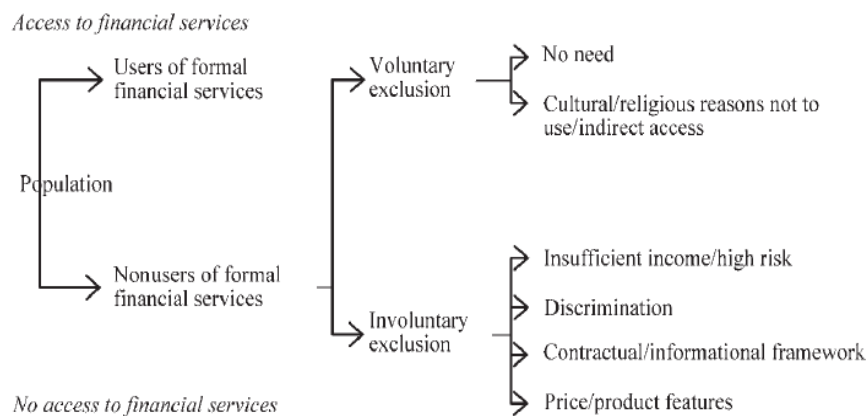
As part of this development, Cetorelli & Strahan (2006), postulated that banks needed market power in order to establish valuable lending relationships and that these relationships were beneficial in determining who credit would be extended to and who would be ineligible. Market power also allowed afforded banks leeway to partner up or invest in risky ventures with customers on the basis that this money would be recouped when profits started maturing for the venture (Cetorelli & Strahan, 2006).

Historically, access to the financial sector has not always been a simple exercise, however a distinction needs to be made between involuntary and voluntary self-exclusion (T. Beck et al., 2009). Indirect access to financial services and products, a lack of interest or need for usage of the service as well as non usage due to religious and cultural reasons lead to

classification under voluntary self-exclusion (T. Beck et al., 2009). The figure below indicates the distinction between access to financial services as postulated by Beck Thorsten, (2009):

Figure 2. Distinguishing between Access to and use of Financial Services

Figure 1. Distinguishing between Access to and use of Financial Services



Beck, et al. (2009) postulated that reasons for involuntary exclusion could include the following:

- a) Households and firms that are considered non bankable due to their low earnings and therefore pose a lending risk.
- b) Involuntary exclusion due to discriminatory policies.
- c) deficiencies in the contractual and informational frameworks,
- d) Price and product features

Other reasons for involuntary exclusion could be that banks with market power were more reluctant to establish new relationships with borrowers, preferring instead to focus on existing relationships (Cetorelli & Strahan, 2006). This was due to the fact that profitability and potential earnings of current customers had already been established, which gave

greater insight into potential future earnings for the bank based on the current relationship (Cetorelli & Strahan, 2006).

2.3.1 Women investing Financial Services

Despite the documenting of gender based dialogues in the market place, the concept of gender is not always understood in marketing or consumer behaviour (Catterall et al., 2006). Although feminists agree that gender is still an important category in consumer research, postmodernists and postfeminists disagree on the relevance of maleness versus femaleness in people's everyday lives (Catterall et al., 2006). Agnew, Anderson, Gerlach and Szykman (2008) averred that gender mattered as it was a proxy for other bases of decision making such as financial literacy and risk aversion.

Mayoux (Mayoux, 2010) postulated that, addressing gender issues in the financial services space would require more than merely feminising debt, but rather ensuring that products and services were appropriately designed and delivered to different women, in different contexts, by different types of institutions. This, the author argued, would promote a strategic gender approach which would not only channel the road to equality in terms of access to financial institutions for women, but would translate into empowerment for women (Mayoux, 2010). Beck and De la Torre (2006) asserted that financial products or programs targeted at specific groups would increase access and use of financial services by bridging the gap between actual and potential demand.

Rita Martenson (2008) claimed that two of the most important factors working against women who had a desire to invest in financial services or products were; the lack of motivation and ability among a majority of women to handle their money, as well as the way that financial systems were built up. Martenson (2008) argued that men were more likely to surround themselves with friends who were interested in conversations around finance and gaining knowledge, and therefore become more financially stimulated from such interactions.

Arenius and Autio (2006) asserted that a lack of a proven track record as well as experience were partly to blame when considering differences in usage of financial products and services by females. They argued that this lack of financial experience may have led to differences in financing patterns, as those with less experience had greater difficulty in accessing sufficient knowledge and advice to make the best financial decisions (Arenius & Autio, 2006).

Agnew, Anderson, Gerlach and Szykman (2008) postulated that as a result of women being more risk averse, they were willing to forgo more wealth by investing in investments with a lesser risk component such as annuities. When the variables for risk aversion and financial literacy were controlled, the results were still the same (Agnew et al., 2008).

The treatment granted to women business owners by some financial institutions has further aggravated the feelings of dissatisfaction of service by women. These institutions considered female business owners who ran their businesses from home as merely taking part in a hobby (Arenius & Autio, 2006). As a result of the women business owners having less of an opportunity to accumulate management experience due to the structure of the labour market, they had a tendency to find themselves being less experienced with financial management in comparison with their male counterpart (Arenius & Autio, 2006).

2.3.3 Effect of Attitude and source of information on product choice

Malhotra (2005) asserted that an individual is predisposed to behave in a certain manner or make a certain product choice based on whether the decision was formed under high involvement conditions or low involvement. When a decision is made under “low involvement conditions”, (Malhotra, 2005, p. 477) there’s less of a requirement to deeply access the decision from memory. The outcome therefore is made by accessing messages which are in the periphery of the mind (Malhotra, 2005). When a decision occurs under high involvement conditions, there’s a strong link between the need for the object, in this case financial products, and a deep rooted argument in favour of the product (Malhotra, 2005). He further argues that the use of a related cue produces higher attitude persistence under low involvement than under high elaboration processing conditions.

The fundamental question to address then would be whether previous cues which women have been exposed to such as “women are risk averse” (Agnew et al., 2008), would make it easier for them to make a decision not to invest in certain financial products, as this decision would originate from “low involvement conditions”, that is, it is an easily accessible decision in the periphery of the mind. Could it be that women are restricting themselves to certain products as a result of socialisation and not allowing themselves to consider alternatives which could, in the long run, be more suitable for their needs?

Rocereto and Mosca (2012), asserted that consumers either purchased products for pleasure (hedonic) or for functionality (utilitarian) and that the former were most likely to

impact the affective components of consumer attitudes, versus the utilitarian products which would mostly be dominated by the cognitive process. Malhotra (2005) postulated that the difference between cognitive processing and affective processing was that the former was more controlled whereas the latter was more automatic, therefore when an individual lacked the opportunity or motivation to process information or a thought, they would, in most cases, simply retrieve information from the affective attitude category and behave consistently with it. In instances where processing resources were present, cognitive processing would be used as opposed to when they were not available in which case an affective reaction would be used (Malhotra, 2005).

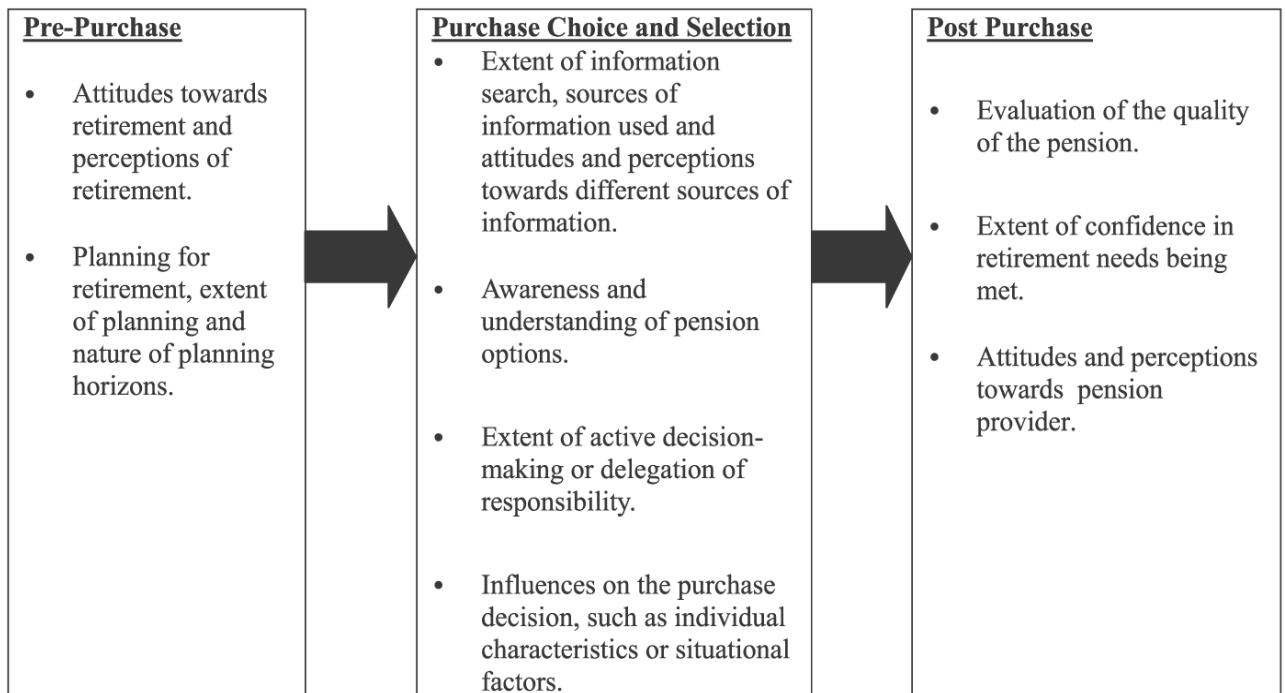
Attitudes towards products were also influenced by “subjective affective responses” (Malhotra, 2005, p. 478) such as feelings, moods and emotions. Compared to nonaffective responses where a reason based evaluation of a situation is utilised, affective responses provide faster response to stimuli, which is more consistent across individuals and is more predictive of the number and cohesion of people’s thoughts (Malhotra, 2005).

The tendency for women to access their emotions when purchasing products, led to a greater arousal of positivity during the purchase of a hedonic product as a result of the products’ emotion laden nature (Rocereto & Mosca, 2012). Plant, Hyde, Keltner and Devine (2006) found that women were mostly likely to experience and express feelings of happiness, fear, love, sadness, and sympathy more often than men, and that men were prone to experiencing and expressing feelings of experience and express anger and pride more frequently than women.

The authors also considered feelings of awe, distress, embarrassment, guilt, shame, shyness, and surprise and found that they were mostly expressed by females more than men (Plant et al., 2006). There were no gender effects found for the words jealousy, interest, disgust and amusement.

Harrison, Waite and White (2006) averred that consumer behaviour was as much a factor in financial decision making as attitude and could be linked to the three-stage framework below as it also recognised the cognitive, affective and conative effects of attitude .

Figure 3. Three-stage financial services decision-making framework pg. 11



Source: Tina Harrison, Kathryn Waite, Phil White (2006): Analysis by paralysis: the pension purchase decision process

- a) In the pre- purchase stage, the respondents formed different perceptions of the need for a product
- b) This is followed by investigations on the product attributes in order to make a final choice.
- c) The post purchase stage involved the evaluation of the product selected on the basis of whether it had fulfilled their needs and expectations.

Priester and Petty (2003) postulated that recipients based the accuracy of a sender's message based on the level of trustworthiness they attributed to the sender. Once trust had been established, the recipients were willing to forgo the task of scrutinising the message and choose instead to accept it as valid without much analysis (Priester & Petty, 2003). The opposite was true for recipients who could not trust the sender, as they felt that the message received required intense scrutiny (Priester & Petty, 2003). This finding provided a different perspective to the general belief that recipients rejected information outright, without consideration of whether the source was considered untrustworthy. The authors instead

suggested that recipients paid additional focus on messages originating from untrustworthy individuals as the message required further scrutiny.

Redhead (2010), however argued this claim and asserted that mistrust influenced decision making as much as risk. Therefore the mistrust of financial advisors resulted in the perceived risk of dealing with the entire financial institution and its product offering (Redhead, 2010). Harrison et al. (2006) postulated that financial decision making may be further complicated by the source of information as this often times led to analysis paralysis:

“The focus group discussions have yielded much valuable information and insight into pension purchasing, but there is scope for further work to be carried out in this area. Information was highlighted as a key issue, and further work is needed to clarify the extent and range of information sources available and consumers’ assessment of these. The findings of such research would be beneficial in understanding which information sources are most effective for which people and purpose, and would address an important issue”(p. 21)

A review of literature revealed that women are prone to making decisions based on emotions, trust and social cues. This trust leads to either immediate acceptance of the message by the receiver or further scrutiny in instances where the messenger is considered untrustworthy. Often times within the financial services industry, financial advisors are categorised as untrustworthy, warranting further scrutiny of messages relayed or in some cases total disregard.

Given that part of the responsibility of financial advisors is providing pertinent product information hence, a question arises as to what extent do sources of information play a role in the selection of financial product?

2.4 Effect of Lifestages on financial product choice

Mathur, Moschis and Lee (2003) postulated that, periods of life transition could have a significant effect on one’s behaviour and these changes could be found in two different theoretical perspectives; the role transition perspective and stress perspective. The role perspective suggested that, a change in roles, regardless of how acquired (by relinquishing an old role or taking up a new one), changed behaviour (Mathur et al., 2003). This change

was coupled with the disposal of products relevant to the old stage and an acquisition of new products relevant for the new (Mathur et al., 2003).

Stress theory related to a readjustment to a new situation and the stress was as a result of the anticipation of the stressful event (Mathur et al., 2003). An event such as a divorce led to the possible occurrence of other stressful events such as a relocation or financial duress, and therefore acted as a trigger for change (Mathur et al., 2003). These perspectives also affected married women. Kabeer (2007) argued that married women experienced a greater balance of power in marital relations when they were able to operate independently of their spouses. This independence allowed them to pursue work outside of the home and increased involvement in financial decisions (Kabeer, 2007).

Though this independence would call for celebration, Ferree(2010, p. 421) alluded to the fact that wives who were participants in the labour force, especially those earning more than their husbands, ended up engaging in a “compensatory display of gender conformity” by taking on more domestic labour. This, Sullivan (2004) found, was due to a movement away from traditionally defined gender roles (particularly relating to women who had attained a higher level of education) and had been more readily accepted by women than men.

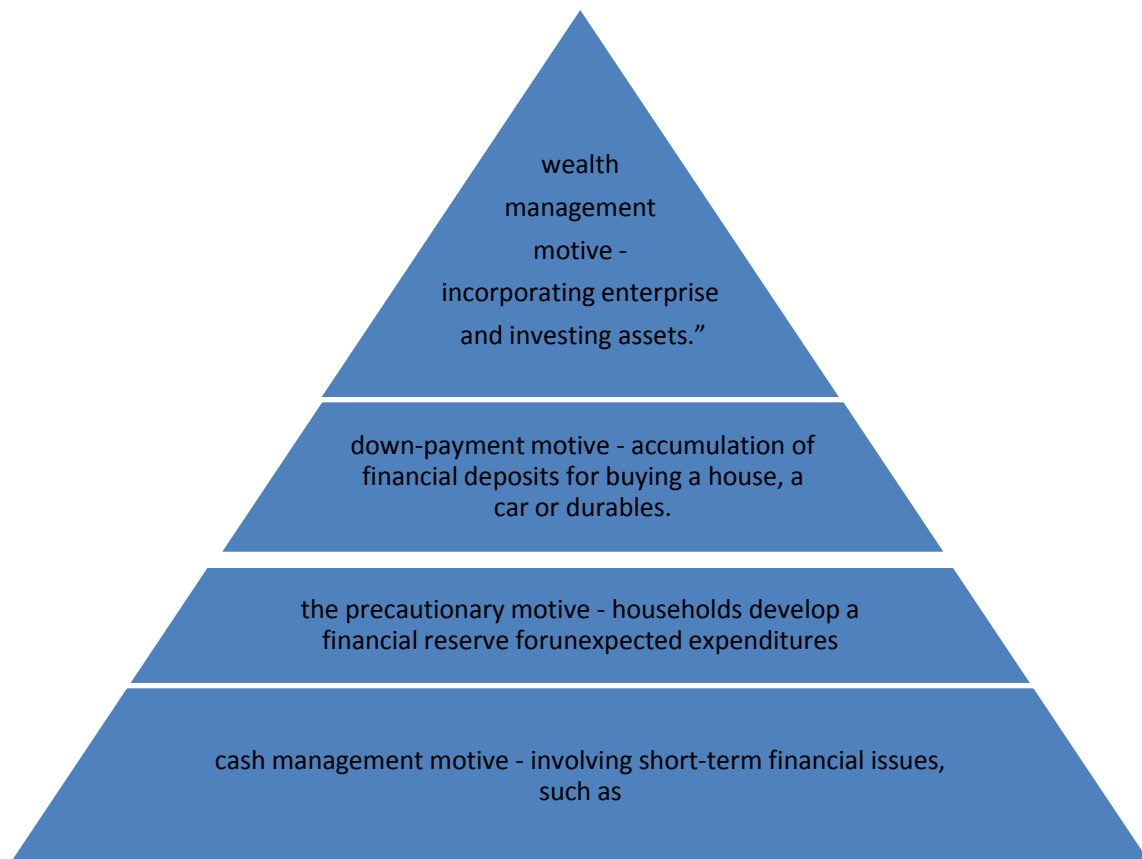
Marriage was found to be highly related to risk aversion, increasing the likelihood of risk adverse individuals getting married sooner (Arano et al., 2010). This was supported by Bertocchi, Brunetti and Torricelli (2011) who argued that married women could treat marriage as a “risk free asset” (p. 2910), allowing the opportunity of investing in risky assets, due to an expectation of financial support from one’s spouse after retirement. Expensive termination costs were incurred in instances where this risk free asset yielded negative returns, though some found the existence of such costs and possible future prospects rather appealing (Arano et al., 2010). This notion was however significantly different for single females as they could not depend on the stability of marriage (Bertocchi et al., 2011).

Besides marriage, these varying degrees of risk tolerances were also influenced by a number of other factors such as age, income, wealth and education, and could equally be applied to investment decision making (Arano et al., 2010), with Bertocchi (2011) Bertocchi, *et. al.*, (2011), determining that the inclination for men to invest in risky assets, peaks between the ages of 65-69 for men and 55-60 for women.

Income levels affected the risk tolerance of households. As household incomes increased, higher motive products involving more risk were acquired, while the opposite was true for

young households early in the lifecycle stage, as they had priority for lower motive products (Paas, Bijmolt, & Vermunt, 2007). These products could be summarised as per the diagram below:

Figure 4: The saving need hierarchy



Adapted from <http://www.acrwebsite.org/search/view-conference-proceedings.aspx?id=11678>

Note: The bottom of the pyramid comprises level one products, which aim to fulfil basic financial product needs. Products increase in risk as household income increases.,(Paas et al., 2007).

The authors averred that households, often times, acquired savings accounts, followed by pension fund or life insurance as a general sequence of risk. At a later stage, these were followed by even more risky assets such as investment trusts, shares and occasionally bonds (Paas et al., 2007, p. 236).

2.5 Conclusion

Literature above highlights the many changes that women have gone through at each stage of feminism. It also highlights how feminist thought influenced debate around politics, economics and issues affecting society. Though each feminist wave was influenced to some degree by the previous, postmodernism went against the grain by suggesting that feminism no longer exists. This leaves the question as to whether feminism still has a role in women's lives today, and whether it still has some influences in the way that women make decisions.

The ability to make decisions has also influenced the way that women are economically involved today. Literature makes reference to women's participation in the financial sector and to some of the challenges faced with regards to access, engagement with financial advisors and the fear for risk. Literature also highlights women's decision making process and how trust is such a key factor. The lack of service from financial advisors is once again highlighted as playing a part in women's dissatisfaction with financial services, and seeing as they have an important role to play in the provision of information which leads to the final selection of financial products and overall participation in the financial services industry, the role of the source of information is highlighted as an issue to research further.

On the subject of choice, literature highlights the impact of lifestages on women and how changes result either from a change in role and or an increase in stress. The question needing further investigation is the extent to which women's lifestages have an impact on the choice of financial products.

Chapter 3: Research Questions

The previous chapter provided literature on the evolution of women and their involvement in the financial services industry. This chapter will propose research questions aimed at providing insight into this proposed study.

Question 1

To what degree does the need to be validated as females extend to a desire for gender based financial services?

The rationale for utilising this question is to ascertain whether women refer to feminism as a basis to determine all forms of choice. Bristor and Fischer (1993), makes reference to radical females who maintain that there is a biological difference between males and females and that this difference unites women by providing them with a common experience.

The question to address is whether this need for a “common experience” by all females is still applicable and whether the experience could extend as far as having female only financial products?

Question 2

To what extent does the source of information play a role in the selection of a product

The aim of this question is to ascertain the extent to which messages received from different sources influence women’s ultimate choice in financial services products.

Petty and Priester (2003), postulated that messages sent from an untrustworthy source, alerted the receiver to demand further scrutiny, while Malhotra (2005), asserted that decisions made under low involvement conditions required less amount of detail from memory.

In a quest to explore reasons for women’s dissatisfaction with financial services products, the question then would be whether social cues, example “women are risk averse”, have

placed women in situations where financial product choice is no longer based on understanding product attributes but rather conforming to what society, or those whom women look up to, dictate as relevant.

Question 3

To what degree do periods in women's lifestages play a role in their financial decision making?

Mathur *et al* (2003), asserted that a change in roles, no matter how acquired, resulted in a change in behaviour. This role change, the author claimed, also resulted in the disposal of products suited to the old role for those relevant to the new (Mathur *et al*, 2003).

The question to explore is whether the urge to acquire new products due to the stress of a new role contributes to the choice of unsuitable products for women, given that the change may occur as a result of stress (Mathur *et al*, 2003).

Chapter 4: Research Methodology

4.1 Proposed Research Method

The research questions in the previous chapter aimed to provide insight into women's thoughts on feminism and whether feminism influenced their day to day decision making, specifically concerning financial services product selection. The women's transition from one lifestage to another was also explored to determine its bearing on financial product selection.

The research is in the form of a qualitative study, which aims to "establish the meaning of a phenomenon from the views of participants"(Creswell, 2003, p. 20).

4.2 Research Design

The qualitative process allows the researcher the opportunity to study the context or setting of the participants, while also providing meaning through open ended questions (Creswell, 2003). The aim of this method and the reason for its selection was to gain deeper insight into radical women's thinking with regards to choice of investment products and the influence of lifestage on choice. The method provided the researcher with a perspective and understanding of the world from the participant's view (Stead, 2001).

Creswell (2003) divides a qualitative study into two categories; constructivist assumptions and emancipatory assumptions and suggest two different strategies for approaching each. The first strategy associated with constructivist assumptions, involves an ethnographic design, which means identifying a group with a common culture and studying how shared patterns of behaviour develop over time (Creswell, 2003). The key reason for this type of inquiry is to observe participant's behaviour by participating in their activities, and then marking differences between pre and post test measures of behaviour (Creswell, 2003). Ethnomethodologists study common sense and its influence on people during social interactions (Stead, 2001).

The second strategy is referred to as the Narrative design (Creswell, 2003). The approach in this instance was to acquire information through open ended interviews. Creswell

(2003)states that this approach involves the inquirer seeking to understand an issue related to the oppression of individuals. Participants are interviewed at length to determine how they have personally experienced oppression (Creswell, 2003). Stead (2001), stresses the importance of understanding how social events play a role in the individual's thoughts and behaviour.

This study followed a narrative design as its aim was to understand the participant's personal experiences through one on one, open ended interviews. The strategy was beneficial as it assisted in establishing the origins of the need for females to be validated and then assist in understanding how this influences choice. Open ended questions were asked in order not to influence thinking.

4.3 Universe / Population

Females between the ages of 35- 50+, who earn R20 000 or more and have, or have had, the following:

- a) A financial product
- b) Have had a change in lifestage

The approach taken was to **interview a group of female** participants between the ages of 35-50+, as they fell within the three lifestages in question. These females formed part of:

- a) **Mature families** as defined by the South African Advertising Research Foundation (SAARF, 2010):
 - ✓ Married/Living together
 - ✓ With no dependent children under 13 years of age in the Household (own or other children) that the respondent is responsible for, but with dependent children over the age of 13 years in the Household
- b) **Mature couples** as defined by the South African Advertising Research Foundation (SAARF,2010):
 - ✓ 50+ years old
 - ✓ Married/Living together
 - ✓ No dependent children in the Household (own or other children) that the respondent is responsible for

c) **Young couples** as defined by the South African Advertising Research Foundation (SAARF, 2010):

- ✓ Up to 49 years old
- ✓ Married/Living together
- ✓ No dependent children in the Household (own or other children) that the respondent is responsible for

The females selected also needed to **earn above R20 000 a month** and have/had to have a financial services product. It was also important for the females to have gone through a change in lifestage. This was in order to compare whether choice could perhaps be linked to the change in lifestage only, or indeed influenced by radical feminist thought.

4.4 Unit of Analysis

The unit of analysis was the **individual woman**.

4.5 Sampling Method and Size

The sampling method used was non probability quota sampling. In quota sampling, the universe may be selected based on similar characteristics such as age, income and gender (Stead, 2001). In the case of females fitting the criteria for this study, their similarity lay in their feminist thought, their age and gender (they were between 35 – 50+ as they represented the majority of those with financial services products), as well as a change in lifestage (for the purposes of determining whether a change in the radical women's needs is as a result of the influence of a change in lifestage, or as a result of a need for greater control of one's body).

The 10 radical women interviewed were split along the groups below:

- a) Mature families as defined by the South African Advertising Research Foundation (SAARF, 2010) **40%**
- b) Mature couples as defined by the South African Advertising Research Foundation (SAARF, 2010) **20%**

- c) Young couples as defined by the South African Advertising Research Foundation (SAARF, 2010) **40%**

An alternative sampling method was to utilise purposive sampling which is also a “non probability sampling in which the researcher’s judgement is used to select the sample members based on a range of possible reasons and premises” (Saunders & Lewis, 2012, p. 138).

4.6 Data Collection

The data for the study was collected using the long interview qualitative method. This interview method involves the use of a questionnaire containing formalised, unobtrusive and non-directive questions referred to as the “grand tour” questions, as well as “floating prompts” which assists in redirecting the respondent back to the subject matter (McCracken, 1988, p. 35).

Eight women were interviewed on a one on one basis, ranging between the ages of 30 to just over 50. The respondents were selected based on age, background, and living arrangements and care was taken to select women from different industries in order to create contrast, a requirement of the long interview process. This assisted in manufacturing distance between the respondents (McCracken, 1988).

Data collected through interviews assisted with understanding the behaviours and environmental influences of the participants engaged in the interview process (Stead, 2001). The semi structured method was beneficial to this study as it gave the researcher the ability to ask predetermined questions, while also allowing questions outside of the structured process to also be posed (Stead, 2001). In this way multiple responses could be acquired which allowed for detailed responses (Stead, 2001). This was advantageous over structured interviews as the structured interview format does not enable the interviewer to probe further or for the participant to contribute information beyond what is asked (Stead, 2001).

Eight women in senior positions and in the employment of either listed companies or parastatals were interviewed. The employer type did not form part of the prerequisites for this study. A remuneration scale from the researcher’s own company indicating salary bands for employees at managerial level was used as a basis for selecting women. This aided in compiling a list of respondents potentially earning over R20000 as per the sample requirements.

Due to the sheer size of the financial services product offering, a list of potential products to be discussed was only compiled after the second interview, when a pattern of usage had emerged. These products were then added to the list emanating from the pre-interview pilot and used as part of prompting questions for discussion of product features.

4.6.1 Pre-interview Pilot

Two interviews were conducted as part of a pilot prior to the final eight participants being interviewed. The purpose of the pilot was the following:

- To confirm interview length
- To assess the amount of relevant information obtained during the interviews and adjust questions where necessary.
- To practice using prompting questions if the participant did not understand context of a particular question
- To practice reigning a participant in at times when they diverted from the questions by using both prompting and floating questions as prescribed by McCracken (1988).
- To practice watching out for cues of possible discomfort when asking uncomfortable question, and therefore diverting.

4.6.2 Structure of Interview Process

The interviews were conducted face to face. Participants were firstly thanked for their time and assured of anonymity prior to the interview process. The length of the interview was once again noted (it had been included as part of the appointment request) and participants were asked for permission to record the interview.

As an opening, the respondents were asked to provide a brief background, revealing any aspect of themselves they preferred. This was used as an ice breaker and an indication that the researcher was eager to listen with no judgement cast. Once the biographical questions had been asked (McCracken, 1988), the grand tour questions and floating prompts followed. These questions were posed with the intent of

addressing the research questions and assessing whether patterns outside of the formulised questions would emerge.

The respondent's body language was assessed at all times to pick up on any cues of discomfort with any questions posed, any questions avoidance or any signals of wanting the interview to come to an end for the purposes of time etcetera. During the interviews, a few notes were made while being cognisant not to create unnecessary distractions. These notes were used as a guide to the next set of prompts or guided tour questions.

Gratitude was expressed at the end of the interview.

4.7 Data Analysis

All interviews conducted were recorded and then transcribed verbatim by a professional transcribers. Themes began to emerge at each interview which were noted as important as they warranted particular focus and analysis post the interview. Once transcribed, the interviews were scanned to determine categories, relationships and possible themes arising, which provided both similarities and contrasts between the respondent's views.

The last stage of McCracken's (1988, p.29) four stage model was utilised for analysing data;

- Stage 1: Review of analytic categories and interview design
- Stage 2: Review of cultural categories and interview design
- Stage 3: Review procedure and the discovery of cultural categories
- Stage 4: Review analysis and the discovery of analytical categories

This stage involves the categorisation of the data into themes, which are then linked back to literature to either validate or disagree with what is currently in existence (McCracken, 1988). Once the data had been transcribed, each interview was screened for commonalities, which aided with categorisation. As a result of only eight women being interviewed, it was simpler to review each script line by line and identify common words or phrases in order to identify the themes. The themes were

then arranged using the research questions as headings. This allowed the researcher to identify themes which could be considered anomalies, thereby requiring additional review of literature to confirm agreement or disagreement.

This process was repeated for all interviews.

4.8 Research Limitations

- Only eight women out of the entire population were interviewed, and even though the long interview process validates this number, the views expressed by so few could never reflect those of the entire population.
- Given that the researcher has had similar experiences to some of the participants, there could be some level of bias present at each stage of the research process, whether it is by not focussing on key issues which the researcher did not consider relevant or by not probing enough when questions posed did not validate the researcher's thinking.
- The study was based on women's experiences at different lifestages. Given that the order of the lifestages are not set in stone, it cannot be assumed that other women will follow the same lifestages, at the same time, in the same order. Responses can therefore not be matched and applied to all other women.

4.9 Research assumptions

Assumptions were made about the research methodology and participants as follows:

- It was assumed that the selected methodology would be appropriate for this study.

- It was also assumed that questions formulated were relevant to the aim of this study and posed in a manner which elicited accurate and intended responses from the respondents.
- Assumptions were made that the remuneration guide of the researcher's company were appropriate for all other companies, meaning, therefore, that the participants were aligned to the specifications of the sample.

4.10 Conclusion

The proposed methodology was found to be adequate for the purposes of the research and provided an appropriate guide for the interview design, process and analysis. It aided in the identifying of themes relevant to exploration of this study.

The method was however not without its limitations. No amount of pre-piloting can ever prepare one for the actual interview process and no amount of preparation for the interview day can ever negate cancellations as a result of urgent matters.

Chapter 5: Results

5.1 Introduction

The previous chapter highlighted the method selected for data collection. Interviews were conducted with nine women, regarding their opinion on financial services product selection and possible issues experienced with the products themselves.

The respondents were questioned on whether feminism had any role to play in their everyday decision making, specifically relating to financial services product selection and use, as financial products underlie financial empowerment.

5.2 Respondent Demographics

Eight women were interviewed for the study using the long interview method. The number of respondents interviewed coincided with the required number as per the Long Interview process. The women were selected based on the criteria provided by the South African Advertising Research Foundation which highlighted the three categories of women with the most investment in financial services products.

Though the long interview method suggests that the respondents should be total strangers, they were not in this case, but were instead from different backgrounds and industries. This difference assisted in “manufacturing difference”, which, according to McCracken (1988) creates a contrast in the respondent pool.

The first set of questions addressed the biographical points of the respondents as per the table below:

Table 1

ID	Age	Ethnicity	Number of Children living in household	Income	Life stage
Respondent A	32	Indian	0	> R20000	Just married
Respondent B	44	Black	0	> R20000	Living with

					Partner
Respondent C	Mid 30	Black	0	› R20000	Living with Partner
Respondent D	32	Coloured	0	› R20000	Married
Respondent E	50	Black	2	› R20000	Married since 1994
Respondent F	54	White	2	› R20000	Divorced Living with partner
Respondent H	50	White	0	› R20000	Living with partner
Respondent I	50	White	2	› R20000	Married 18 years

5.3 Interview observations

The respondents interviewed were all senior women in their respective companies with different products in the financial services industry. Due to their seniority, it was important to be sensitive when posing questions in order for them to feel comfortable with revealing information about their lifestages, investments and overall opinions.

The first set of questions phrased was around their background;

Question: ‘Tell me about yourself’

This was meant to demonstrate curiosity in a way that was respectful and not too inquisitive in order for respondents to open up (McCracken, 1988). The respondents provided detail which aided in posing some of the floating prompt questions.

When providing background, it became evident that the women had each lived through a number of lifestages, including those without children. They were each eager to share their personal journey of triumph and how, in comparison to their previous generation, they recognised that life was simpler for them as women.

Respondent E
<i>“There were a lot of things happening in my life so I had marriage, I had a baby, I had honours exams and I was retrenched. But the funny thing is that probably I looked at life very</i>

simplicity. When I look back I honestly didn't see a crisis at that point"

Respondent C

"... I lived with 3-4 family members because I think at that time because I was the only child of my mom at that time, that they thought I would be a very lonely child so I grew up with nieces and cousins who I now regard as my sisters and yeah I went to school, I finished a bachelors in Commerce focusing on Economics and Management Science and then I did a postgraduate degree in Economics"

Table 2

Questionnaire		
		Literature
Formalised questions	Tell me about your first experience with financial services products?	
Biographical questions	Do you have any children? Are you married or living with a spouse?	
Planned prompting	Do you recall your first experience with your first acquisition of a financial services product	
	Did the transition from student to adulthood/ marriage etc. have an influence on your product selection	
Planned Prompting: category questions	How would that experience differ if you were a man?	Aimed at addressing feminism
	Are you most likely to ask for	Aimed at addressing the

	<p>information about a product from a financial advisor or your partner or spouse?</p> <p>Do you have an ideal product in mind that would leave you not wanting any other?</p> <p>How would this product differ from what you have now?</p>	<p>thought process behind acquiring some a financial services product?</p>
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5.4) To what degree does the need to be validated as females extend to a desire for gender based financial services?

It was important for some respondents that marketers recognise them for their “femaleness” and therefore package financial services products under categories where the difference between males and females could be recognised.

Respondent F

“Internet banking for me is great product but I think as an independent woman it allows me to have control of my finances and I don’t need to go and stand in a branch which is time consuming as long as I think it is a security risk because going into a branch and doing banking there’s so many stories about what follows you and what doesn’t and the dangers related to that so I think internet banking for me is great and when I compare that sort of product to back in the day when my mum was sort of my age, I think it was kind of a long way but I also think we need to go a long way. They need to start taking woman more seriously and for all different income groups not just a few wealthy because we all count.”

Some of the respondents however felt that this recognition came at a price which often led to the exploitation of women, especially those not totally literate or confident in investing in financial services products on their own. When asked about the importance of validating the

differences between men and women in everyday life and extending this recognition to every form of offering including financial services product offering, some respondents noted that this may lead to exploitation of women.

Respondent H

“I think it sometimes opens the door for exploitation [emphasis added] because women, because of lack of knowledge and lack of am not sure what the right word is, resilience or just being stubborn whatever, women are quite gullible sometimes. They wanna (sic) do the right thing they wanna (sic) do the best thing and they are often directed into somewhere into towards something that is not necessarily to their best interest. For instance short term insurance the first for woman product, I am currently using it but initially I started using it because I thought and they marketed it as such, that it would be a cheaper product for a woman because women drive better and you know their whole profile in regards to the use of insurance is lighter and so women will be will be paying less but I found with time, that is not necessarily the truth and if you then look at the bigger profile of short term insurance in the country, it’s almost better to change regularly because you can get a cheaper price elsewhere, everywhere, so I think they do get business more easily if they do a female specific product but then I don’t think it is sustainable because in the end they also just see how much they can make out of it than the service”

Respondent I

“I don’t think there must be special treatment because then men will respect us less [emphasis added]. I don’t believe in getting something because you are woman. So I feel if you wanna (sic) step up in a man’s world you must face the same challenges and treatments. ... You know, maybe I’m too long in certain things and comfortable with the products that I’ve got and if there’s a new product and it’s for women only I don’t think I would close accounts for us to invest or go into that because it’s for woman only”

Feminism translated into different meanings for the respondents with some noting that gender was not a factor when making financial product investment decisions and others noting that feminism had actually done more harm than good for women.

Respondent H

“I think it has come to not mean anything positive. When I was a young woman at teenage level or in my early 20’s, feminism was still big and it was over rated but historically people who fought for it have not really added positive value around it, they almost tarnished the image of feminism movement. ... When it started in the 60’s and 70’s these ladies were the bra burning kind and they offended men in a way and I think the workplace had changed such that you would rather collaborate with the men than to try and oppose them.”

Respondent D

“It would interest me if it added value more value versus the normal product but if it just because they wanna (sic) make it female focus and there’s no value you bet I’d go for the other one.”

Respondent F

“I think we need to take pride in it [feminism] especially a lot of woman, especially from a South African cultural perspective, they don’t stand up and take the power. They are sort of put in a box because that’s where you have been for 100 years and we don’t want you to come out so that’s what in it for me. It’s taking back our power, being recognized as an individual, being independent and not having to look, you know a lot of us are dependant whether it be our families, our husbands and am fine with that, but I think we need to be in a position that if things go wrong we are able to cope and do it ourselves.”

Though women have become more actively involved in their financial services product selection, and many take pride in their ability to select what is best for their needs, some had encountered issues relating to product attributes which were further exacerbated by the fact that they were female as recounted below:

Respondent A

“An issue that I am having right now is household insurance. I’ve got a pipe in a wall that’s leaking and obviously I’m being told the policy doesn’t cover pipes in the walls but it covers

the damage caused by the pipe in the wall. And then they ask you things like “is it galvanized, is it copper??”... So I honestly think some of those products not just customer knowledge and am not going to know about a pipe in the wall whether it’s galvanized, I don’t know what galvanized is!”

Respondent D

“This was the last option if I wanted to stay there and then luckily my uncle signed the surety. I don’t think he completely understood the risk coz I don’t think he even realized that signing the surety for me stops him from buying anything else if he would need he wouldn’t need to have signed so it narrowed his exposure slightly. I don’t think he knew that either, luckily for me. Only afterwards that I read the documents that I figured”

Respondent F

“The experience I found out when I got divorced so you phone, for instance you have your short term insurance, your vehicle, your home content ... after the divorce proceedings were finalised, you are phoning to change your details that you are the only owner that sort of thing, and I was actually disgusted [emphasis added] to find out that as a divorced woman you pay more than as a married woman, you pay more with your short term insurance.”

Respondent F

“Well they just felt that married couples they had a family structure [emphasis added] and for me the reasoning just didn’t make sense am single but am still a parent, in actual fact I should be getting those, so I don’t know what their calculations are or how they actually got to the ratio, you know how they calculated that but I was quite disgusted as a divorced woman am paying more than if I’d been married so it almost wants to make you not to communicate my status to financial institutions, so I was quite disgusted with that, yes.”

In some instances, the true costs of the products were misunderstood as these had not been clearly articulated:

Respondent D
<p><i>“At that time though I just wanted a car so I was just happy to have the finance approved. I didn’t realize nobody had explained in terms of the interest and what interest you can and cannot, or shouldn’t and should accept. I was getting my car because I had just started working and I needed the car, and only afterwards that I realised that my interest was actually fixed, so when the interest rate was coming down and it was I think when I bought my car the interest was like 12%, or 11% 12% I think. My interest was fixed at 15%.”</i></p>
Respondent E
<p><i>“I was disappointed recently because when [my son] was born my father advised me to get an education policy and I remember paying R150 a month and that was like 94. In May I get a letter from ABSA because it was still with Trust bank and its R32,000 and at that time when I had it [will cater for] a 4 year degree. I can’t even pay registration with that amount [emphasis added]”</i></p>
Respondent I
<p><i>“You know they want like ID’s and stuff, it’s a baby you don’t have an ID type of thing sometimes they make it a bit difficult if you want to open a stupid thing like a savings account [emphasis added] , if its cheque account I can understand.”</i></p>

Conclusion

A majority of the respondents expressed a desire to be recognised for their femininity only if this was equated with power and respect. They recognised how far they had come as women and were very proud of their achievements. One thing they did not want is to have the proverbial carrot dangled in their faces, where promises of “female only products or services” would be sold to them with that had no real value. These women were very opinionated and opted to rather forget about feminism if it excluded them from advancement.

The women recognised how far the financial services industry offering had evolved in terms of both access to the services and products available, however there were certain areas where they almost felt excluded. This specifically related to some of the “language” used when dealing with the financial services industry such as “suretyship”, “fixed interest” etc. Some admitted that the lack of understanding was not as a result of financial illiteracy but rather the source of information, example financial advisors, and that in some instances, it was as a result of them simply accepting what was on offer without questioning the finer detail and even in some instances just purely overlooking the terms and conditions only to be disappointed later.

The women made mention of certain financial products that they had invested in and that the product attributes were not always understood. It was interesting to note that the products mentioned had been the same products previously held by the respondent’s family members and acquaintances and that advice to invest in these products was simply passed down through generations. The women did not mention any investment into any of the “newer types” of investments such as hedge funds or derivatives etc, and had voluntarily excluded themselves from these products as alternatives.

One respondent was extremely expressive (“disgusted”) about the disappointment felt when they realised that being a single women was considered a disadvantage, even to the extent of having to pay a greater premium on a product originally held for a lesser amount while married. The fact that one needed a partner to be treated fairly did not bode well for this respondent.

In general, the women were not expecting any special treatment simply because they were female. They also confirmed that not all decisions, financial included, were based on the need to be recognised as female. In fact, they recognised how far they had evolved as women and the fact that the battle was no longer about “bras” and “insulting men” but rather to work towards empowerment of all women, not just the educated, but all women. The respondents wanted this recognition to come through as a result of hard work and not gender.

5.5) To what extent does the source of information play a role in the selection of a product?

Women are more inclined to ask for advice and discuss their financial needs with someone they know and trust. They're also more inclined to conduct prior research on their own to collect as much information as possible on a financial product before making an investment decision. The ease in which information can be accessed as a result of an improvement in technology is something the respondents appreciated. Financial advisors are however still not trusted as a source of reliable information.

Respondent C
<p><i>"For the one RA I have advisors but the sense that am getting is that they're pushing me to do things to get fees [emphasis added]. It's a sense I get so I try and do my own digging and make sense of it for myself. Am an Economist so I think the little I know about understanding the industry and making sense of those trends and stuff and understanding sectors and what drives them is a benefit that I have so that's yeah my experience have not been very pleasant or maybe I haven't found the right advisors to date"</i></p>
Respondent I
<p><i>"No when I decide to do something I do some investigation, research and I read up to make sure that it's not, that what am doing is the right thing for the reason."</i></p>
Respondent D
<p><i>"I will try my best to look it up myself first and then use the financial advisor as the second option and if I can't find anything then go that route but the reason I stay away from a financial advisor often is because sometimes they talk so much technical finance work terms, you need this and you need that and just get this and that. ... Every now and then his secretary will phone and ask" would you like financial advice? And I would say no coz he didn't explained it well."</i></p>
Respondent A
<p><i>"I think in today's times there's enough information available on the internet and stuff like that for you to make to find out about"</i></p>

Respondent I

“They [Financial Advisors] won’t take chances with men because it’s a man’s world but they will take chances with women. They will try and sell something that’s not as good they won’t sell that thing to a man, that product they won’t sell it to a man. I think when they sell something to female that they will try and push for, if there’s premium for them to get the biggest commission type of thing”

Respondent A

“I don’t go to a branch unless I need to go or there’s something I absolutely need to fetch. In the case of my mother and my dad they would do their deposits, their withdrawals, those kinds of things at the branch. So I think it’s just a generation thing”

Access to financial information and in turn, financial investments has become easier for women falling into the current field of study. The women over 50 years of age, related some of the manner in which financial services had been sold to them which differed from the recollection of the under 50’s.

Respondent H

“Thinking back about it now, it was almost little primitive, you know people came around your house and sold you insurance products, you know they made appointments, they came to see you. with these days you have one broker, there is no cold calling, that time cold calling was not frowned upon and they would just get leads from other people and they’d phone you cold and say ok these person gave me your name and number, can I come and see you in regards to insurance, that’s how they got given businesses”.

Respondent F

“I remember at one stage when I was not working yet but I was married and then I went into working (sic), you actually couldn’t open a bank account if you didn’t have a salary so you needed to provide a copy of your salary statement before they’d even look at opening, so

I've been through that process where as a woman if you weren't working you weren't liable to open a bank account. Very frustrating."

Respondent E

"... even the banks I remember clearly there used to be these queues for black people and I suspect when I look now I remember coming to Brooklyn and wondering if they didn't give us products that didn't yield anything."

Respondent D

"...previously women before us didn't have money to invest and if had invested it, I don't think they would be making their own decisions to invest it, it would be going to something else it would be going to the household income. A lot of people would have say" I'll pay for this you pay for the groceries" you know, so I don't think they would have necessarily made the same."

Respondent H

"For me there is no issue whatsoever, I am fully employed, am educated, and am well positioned in terms of where I live to institution. I have access to a broker, I can ask and call."

In some cases, though the respondents interviewed were financially literate and could easily comprehend the different product features on offer, they chose not to inform themselves on the products and were happy to invest based on what was sold to them as opposed to taking their own time to understand.

Respondent C

"... because I never, really never thought about the product in that way because I think I've

never questioned the product [emphasis added] and I've never thought about ideally what I need. I get told, am just tuned in. This is what is there to promote, is it good for you or not good for you but this is what is there."

Respondent E

*"I think a lot of the **decisions at that appoint were not prioritized in terms of where I would get better value or whatever [emphasis added]**, it was just about being practical. It was like sort of understanding that money doesn't grow from trees you have to save it and so on and on so I don't think I had any formula".*

When asked about their first choice of financial product purchase, it became evident that the women were influenced by a person who was close to them and whom they trusted. In most instances, this turned out to either be a family member who opened up their first accounts. It was interesting to note that they maintained the first account ever opened well into their adult lives.

Respondent A

"Say if I had to think about right if there was no male figure in my life and there wasn't no one else to ask or I lived in say freaking Timbuktu and I couldn't get to my dad or whatever, then you would want to go to the bank and speak to someone whose not going at look at you like you are stupid and say you know help me understand what am entitled to. And I think that would work and especially single mums and things like that. I can identify with the fact that you can't standing the queue for like 5 days and waiting for services because you got kids and your got everything else. I think it would help."

Respondent B

"Uhm my mother, I think it's my parents, my parents are good at budgeting um they're very good at ensuring that no matter what kind of income you make, you adjust your lifestyle to your income so you don't overshoot your income, you know."

Respondent A

“My mum opened up I think it was a savings account at Standard Bank you know what I wondered the pictures on the card- those cute cards and then I remember when I was like 16 whatever there is change of card into a normal card but it was just a normal savings account which I think like my mum put money in it for you whatever, I remember that. I mean when I started working then I opened a normal chequeing account and that kind of thing.”

Respondent E

“I remember Standard Bank came and offered us accounts so my money was going into Standard bank but I wasn’t going to get rid of my trust bank account because it was my father’s account that he gave me and then every month I made sure that I put money in there”

Conclusion

The respondents expressed that trust was a large factor in determining whom they ultimately accepted financial advice from. It was important that the person giving the advice was someone close to them who would not be judgemental about the types of investment questions posed. As in the point previously made, the respondents mostly ended up selecting products based on what family members before them had selected, and the final decision was almost automatic, that is, without question.

The outcome of this decision was not always positive as some respondents mentioned losing money (when considering the value of time) and one in particular mentioning that the return would not pay for her son’s registration fees. The finer details were sometimes overlooked and only confirmed once issues arose.

The respondents felt empowered to conduct their own investigations regarding product features and even make their own mind up about the final investment. It was interesting to note that regardless of the source of information, be it from a financial advisor, a family member or due to the women conducting their own information search, the respondents still opted for the same type of products (e.g. retirement annuities, educational policies etc.). They reverted to what has always been socialised through messages received from parents

or someone trusted, specifically relating to the women acting responsibly by investing in less risky assets where money invested would not be depleted.

5.6) To what degree do periods in your life transition play a role in your financial decision making?

It was interesting to note that in a majority of cases, the respondents' financial behaviour was not impacted by a change in marital status or in moving from being single to having a partner. Each of the women continued to operate as per their previous status.

Respondent H
<p><i>"I wouldn't say that the relationship had an influence on it. I would say that it was a coincidence that at the time after I started this current relationship, enough time had lapsed that the broker approached me and said to me "well your products have become old; you've got to renew them". So I don't think it's got anything to do with the relationship as such the only thing that I do consider at some point was the insurance cover for male and female cancers and I was kind of led to not think of myself , shame if I get cancer am covered if he gets cancer how can I not do that? But that's all"</i></p>
Respondent C
<p><i>"Not at all. I don't check anything with him, I think we have an unsaid agreement that what I do with my finances is entirely up to me but I do not need guidance [emphasis added]. I always check with him but what I do with my money whether I buy groceries for the month or not is, there will be food whoever buys the food will buy the food"</i></p>
Respondent F
<p><i>"We pretty much agreed that we'd have our separate accounts [emphasis added] so we</i></p>

didn't really, well we could benefit for instance instead of having 2 vehicles on my name and one vehicle in his name, we would integrate that you know so that you could value for money because the more you got on the better but in terms of pure banking we kept that separate so, well am just trying to recall some of these things."

Once the couples had had children, it was then that gender differences could be observed. The respondents alluded to being more cognisant of the future and wanting to ensure financial security for themselves and their family members.

Respondent C

"... I think it because, I can only speak for myself and hopefully for women that are in my position where you want to, you are getting older and you are trying to think about securing your future and despite not having a child living with me, securing that for him too. So the question is, unless I know if it goes bad there's a back -up plan (yes) If there's no back- up plan then you think 5 times if not 20 times."

Respondent A

"I mean it's almost like you've grown up and you have to now consider the life policy, the new retirement annuity and all those types of things which am not saying that you didn't consider then but obviously at um in your single life you would have gone higher risk and you would have gone you know taken your products at whatever the best rate the market is giving regardless of the risk, whereas now um you see well in my case when you are thinking of starting a family and whatever you think, okay what if you are not here one day and you obviously can't go with a product that is too risky, you would have to go for more sort of stable portfolio of investment as opposed to going with risky products"

Respondent C

"When my child finishes school he must not even think "oh god I need to give my mother R2000, oh God I have a brother I must take to school. That's the one thing that drives me and so I think that's why I have made it."

They also mentioned realising how differently money was used in the family and that small traits of irresponsibility from their spouses/partners became more evident. It was at this point that some mentioned reverting to their mothers' advice regarding having a stash of money that the partner or spouse would not find out about and recognising how important this lesson is.

Respondent H
<p><i>"...He'd like focus on building his life so he could have his beers and watch his rugby and I was more concerned about probably the daily day to day things, making sure the kids have this you know what women worry about, the bread on the table but also the long term things, is there an education fund for the kids, is our pension sufficient to support us one day you know at that time it was still us now it's just me, sort of thing I was looking at the long term financial impact and benefits we could get rather than the short term"</i></p>
Respondent D
<p><i>"In my household we have two separate bank accounts none of that joint bank account [emphasis added] . We have joint savings which covers the house. If it's groceries, if its water and electricity all of those things we split in half. I keep a spreadsheet whereby I've everything on the spreadsheet. So if its electricity bill, if we spend R250 on the dstv, I keep everything on that spreadsheet."</i></p>
Respondent B
<p><i>"I mean the girls always have money even amongst the brothers and sisters [emphasis added], the sisters are always covering the brothers they are always coming asking extra money or something and it's the women who always have the money saved up or stashed somewhere and guys know it"</i></p>
Respondent B
<p><i>"So I just think there is a very big difference between how women might be inculcated and always need a safety net because you can while men are not responsible [emphasis added]. It's kind of the message I get that men are not really as responsible as women, so woman need to make sure they're protecting them from themselves as well as protecting herself from I almost feel like there a bit of distinction between the investment decisions"</i></p>

women might make versus the man and even if I look at the portfolio my parents have, my dad is far more riskier where he loses more money and my mother is like no, you know give me a much less rate I want to make sure the money being there um you know those very different approaches”

Conclusion

The respondents acknowledged having gone through different lifestyles, some married, divorced and remarried, some with children and others in relationships with long term partners. In each case, they mentioned being aware of a need to change financial products at different stages of their lives – advice which had come from a parent.

In most cases, the change in financial products only happened once children were born as this conversation took a back seat prior. Discussions around groceries and purchases of products for the house seemed to take priority over financial products. Some respondents used the change in marital status or singlehood as an opportunity to finally purchase luxury items.

The respondents did not confirm whether, once in a relationship, the decision to carry on financially as though they were single had been initiated by them or their spouses. Neither did they confirm how the routine of who purchases goods utilised by both persons was established (example food, household goods etc).

Once the children were born, the respondents almost felt as though they became single parents within the marriage. The need to be responsible and to initiate the process of investing in educational policies etc. became prevalent. They pointed out that in a majority of cases, this decision was made by them, as mothers and not the partner or spouse. The cues heard throughout their lives relating to women having to be more responsible as this could not, in some cases, be expected from men, kicked in. Some of the respondents noticed changes in some of their partners or spouses, and reverted to ensuring that a stash of money was stored away for rainy days.

Once a decision to acquire another financial product was made, it was important to the respondents that the investment was low risk as money had to be available in future. The focus became on ensuring security in the long run.

5.7) Risk Taking

The respondents erred on the side of caution when it came to the option of investing in riskier assets, with some citing the importance of having enough savings for the future as one of the reasons for evading risky decisions.

Respondent B

“So the irony is that I see myself much more like my father, very risky There was a time I had to review my pension portfolio I thought “do you need the risky one? Do you need the milder one? I can’t do the no risk, my mother is not the no risk person but more and I can’t get myself to get to my dad point of risking it I just, I can’t do it.”

Respondent D

*“I personally would go with that [riskier investment] if I were to choose. **I think purely for me I don’t really understand the derivative markets and the shares and those things so I would go for what is simple for me to understand [emphasis added] unless I can put in some effort and understand.”***

Respondent B

“So no I don’t see it as having changed that significantly I mean, I think the biggest change is the fact that women can now invest before we didn’t have it we had to invest through our husband or through our fathers make them kind of being the custodians the guidance of our investments so now at least we have the ability to invest you know at the end of the day there are men who are risky there are men, those who are alpha males versus those who are not risky so I think women just fall into that range if I was to look at some of the women that I know who are professional they are they would be able to take a bigger risk.”

5.8) Marriage as an enabler for luxury

Marriage was regarded by some as an opportunity to acquire luxury items, given that the couple could depend on two incomes versus one.

Respondent H

“my personal view you don’t need the luxury to be happy but what am saying is if you look at overall women, there’s a handful of women that can provide the bright life or the big life for themselves. Women who normally have children, they tend to spend their money on their children and majority of women out there have children so in that frame of mind that they will provide, however if they look at something luxuries they will need the man’s input but that is how I experience it”

Respondent C

“If you have a partner that’s super rich that you know even if I lose R50,000 then it’s okay um but because my decision plans are my own um there’s no back -up plan. I am my own back up and that’s why I think am risk averse [emphasis added], there’s no back -up plan.”

Respondent D

*“The other lending product I took out with my husband, so if you are female alone, I don’t know how they look at male alone, but being a couple in a household, you got double the income, **that’s security than being a single person** [emphasis added].”*

Respondent F

“It’s sort of relieved some of the financial stress that there would be on one person, it has opened up some opportunities that one could [exploit]. One of my most recent investments has been on the coins, Kruger coins so am quite excited about that which wouldn’t have been possible had I been single. So definitely it gives you an opportunity to look around.”

5.9) Factors influencing gender differences in investment into financial services

The perception was that females were not recognised as such in the financial system as the decision makers and controllers of the purse strings were mostly male. This was seen as a factor for differences in investment into financial services by men and women.

Respondent H

“In the bigger banks I think for instance they realized that a woman is as good or as much a customer as a man but am not sure if that’s due to the old boy network or historically that most of the money in individual hands is still in male hands. So I think they, banks for example, they go with the where the most of the money is. Am not sure that they actually really cater for women as such ...”

Conclusion

The views of the respondents are aligned with a majority of what was noted in literature. Though access to financial services industry offering has become simpler and women are more involved in financial decision making, they still find themselves investing in products which turn out to be unsatisfactory.

This is a function of the source of financial information and whether that information is perceived as either relevant or irrelevant by the investor. The other reasons provided for investment dissatisfaction is a lack of understanding of the product attributes, which, contrary to literature, was not due to a lack of financial literacy since the respondents held senior positions in their organisations and had been exposed to some of these products for a while, but rather due, in some instances, to general disinterest and a preference for products less risky.

The women reported having been influenced by a parent to make their initial investment and preferring to receive investment advice from a trusted member of the family or friend, rather than a financial advisor. The general feeling was that financial advisors were only interested in meeting their targets and as opposed to taking the time to truly understand the women’s needs.

It was interesting to note that though the respondents interviewed considered themselves to have evolved as women, especially as far as making independent decisions was concerned, their financial decision making had somewhat remained unchanged in the sense that what

was instilled by their parents in terms of ensuring that one has sufficient funds to rescue themselves from tricky situations as women, was still being used as a basis not to venture into “riskier” investments. In some cases, the respondents had been taught to ensure that a stash of money was always available which their partner or spouse would not have access to. This was to be saved for rainy days. The respondents also mentioned the fact that they were always aware as women that they were responsible for making sure that there was enough money saved for the future, in other words, they were the long term thinkers and because of this, it almost allowed the men to be responsible as they ended up knowing that if their (men) investments go wrong, they would have a partner to depend on for rescuing. Some respondents felt that this was where the points of difference between male and female investing lay. Males could indeed invest in riskier assets while women couldn’t as someone had to be more “responsible”.

This sense of accountability by the respondents mostly occurred at the introduction of children into the relationship or when the thought of starting a family was discussed as prior to that, the respondents continued to act as two separate units either immediately after marriage or immediately after becoming partners. In most cases, becoming a wife or a partner did not change financial product choice though most of the women commented that marriage allowed one exposure to more luxurious items (financial products excluded).

A majority of the women did not prescribe to the principles of feminism in their financial decision making and could in fact be classified as “postmodernist” as per the literature. These women did not believe that men and women should be treated differently and confirmed that the only reasons they would ever move to a female only product was if the product showed some real benefit (either lower premiums and promotions specifically targeted to their needs), something which had not yet occurred. They felt that products which have recently been targeted at women have in most cases ended up more expensive than those previously in existence and have not, in terms of their value proposition, been able to differentiate themselves to a point which warrants disinvesting from their current positions.

Chapter 6: Discussion of Results

The previous chapter focussed on an analysis of the data collected and was a follow on from chapter 3, which highlighted the research questions as well as chapter 4 which highlighted the methodology for data collection as well as the overall research process.

In this chapter, the results of whether feminism had any role to play in women's everyday decision making, specifically relating to financial services product use are discussed while linking findings to literature found in chapter 2. The results will either confirm this link or reveal a contradiction to literature.

6.1) To what degree does the need to be validated as females extend to a desire for gender based financial services?

The rationale for utilising this question was to ascertain whether women refer to feminism as a basis to determine all forms of choice and whether this also applied to financial services products.

Post feminism has been described as a new form of feminism, one that contradicts and even goes as far as rejecting the previous schools of thoughts of radicalism and liberalism in totality (Showden, 2009). This rejection is targeted specifically at radical feminists' need for recognition of biological differences between males and females, as well as the liberal's debate for men and women to be treated equally (Bristor & Fischer, 1993). The research question focussing on whether women wanted to be recognised for their femaleness as a result of having previously fought for control of their reproductive organs, bodies and thoughts was found to be weak as the study found this not to be a priority in women's financial decision making process .

The findings are consistent with the views of postfeminist thought and indicate that women have progressed to a point where equality is demanded not as a result of acknowledging differences in sexuality, as in the case of radical females, but rather as a consequence of the women standing up for themselves. This was noted in chapter 5 as follows:

“I don’t think there must be special treatment”

“If it’s just because they wanna (sic) make it female focus(sed) and there’s no value you bet I’d go for the other one.”

This was also consistent with the postmodern or second wave era of feminism where Eisenstein (2010), asserts that post modernism was beneficial for women’s involvement politically and economically. It is evident that through this economic and political involvement, sex roles which previously perpetuated the stereotype that men were the breadwinners(Eisenstein, 2010) have truly been attacked as it emerged that many of the women had taken the decision to enter the job market earlier on in their lives and most had risen to senior positions.

It has to be noted that the sample was of women who were economically active, earn over R20000 a month and are financially literate. Therefore the experience of women in lower income brackets could be different and the same conclusion of being truly independent could perhaps not be made had they been interviewed as part of this sample.

The decision to be economically active also means that the women can have a say (control and choice) on what happens financially within their households contributed. This decision however does not translate into women wanting female only financial products and is aligned with Mayoux (2010) who argued that addressing gender issues in the financial services space did not merely mean ‘feminising debt’. It also does not equate to women believing that some products are gender biased. Instead what stood out is that though not expressly stated, women have voluntarily excluded themselves from the full financial services product offering and this may mean that they are missing out on alternatives which would be better suited to their financial needs. This aligned with the views of Beck, *et al.*(2009), who sighted some of the reasons below as factors leading to voluntary exclusion of individuals from financial services:

- a). Indirect access to financial services and products
- b) A lack of interest or need for usage of the service
- c) Non usage due to religious and cultural reasons

The top two causes were found to be fundamental in providing reasons why some women may be dissatisfied with their financial services products. The findings indicate that most women, though educated and financially literate, do not always take the time to fully understand the pros and cons of the products they intend investing in prior to making a final choice as noted from chapter 5.

“At that time though I just wanted a car so I was just happy to have the finance approved”

“ ... only afterwards that I realised that my interest was actually fixed”

What therefore stood out in the findings is that if the empowered group of women is not completely absorbing the full bouquet of financial services and totally immersing themselves in understanding the financial product attributes and what is on offer, then there are serious implications for the level of service that the financial services industry could possibly offer the lower income group. Given that literature asserts that this group mostly finds themselves excluded due to a lack of financial literacy, implications are that the journey to providing access to investors at the bottom of the pyramid is one that will be rather cumbersome for the financial industry.

This also indicates that the postfeminists' views that radical and liberal feminist thoughts are outdated do not hold true as it can never be assumed that all women are at the same point in the feminist continuum. It should therefore be highlighted that women in different economic backgrounds are currently experiencing different paces of evolution.

This finding also indicated that the dissatisfaction about financial products is really not about the product but more about a keen interest and participation in the selection of the products.

Malhotra (2005, p. 477), asserted that decisions could either be made under “low involvement conditions” or “high involvement conditions” and that those involving low involvement decisions required less access of memory to enable the decision making

process. The author also averred that the use of related cues produced higher attitude persistence under the low involvement conditions.

This claim was found to be true as women expressed a fear for and perhaps general disinterest for products which were considered risky, even though most had never had the experience of investing in these products. They had indirectly excluded themselves from accessing these products due to cues previously passed down to them which were that “women are risk averse” and that “such products were going to lose them money” for sure. The message had somewhat been framed that anything even remotely risky should be avoided at all costs and the decision to not select the financial product was then easily made without much thought or consideration of alternatives.

What soon became apparent was not that financial services products had changed at an incremental pace, but rather that women, though having personally undergone a radical transformation in thought, belief, control etcetra, had personally not kept up to date with the equivalent radical change in financial services products. This was a contradiction to Eisentein’s (2010), assertion that the second wave of feminism had progressed from a debate about women’s subordination to their reproductive organs, to a debate about their social, economic and political inclusion, as the finding suggest that this progress and this need for an inclusion is not universal as it has not fully extended to financial product choice.

The study found that it didn’t matter how the women had progressed financially and socially, they still opted for the same line of products as those selected by women in the previous generation (e.g. educational policies, funeral policies, retirement annuities etc), and none of the many other types, example hedge funds, shares, derivatives, top 40 index funds etc, though these were on offer to all genders.

Rita Martenson (2008), postulated that lack of ability and motivation as two very important factors counting against women investing in financial services, while Arenius and Autio (2006), claimed that those with less experience had greater difficulty in accessing sufficient knowledge and advice to make the best financial decisions. While this may be true for a majority of women in South Africa, it does not apply to the respondents interviewed as they were all financially literate, had a track record with financial services and were capable of grasping financial concepts and asking the right questions as noted in chapter 5.

“I am an Economist so I think the little I know about understanding the industry [financial] and making sense of those trends and stuff and understanding sectors and what drives them is a benefit that I have”

It therefore seems that in most cases, reasons for **not** having an educational policy, funeral policy or any of the other products held were harder to explain as compared to reasons for investing in the products without giving much thought to fees, charges etcetera. This is aligned to literature which states that in instances where processing resources were not present, affective, as opposed to cognitive processing would be used (Malhotra, 2005). The difference between the two is that affective processing is automatic and often used when an individual lacks the motivation to process information, while cognitive decision making is controlled and therefore requires a lot of thought (Malhotra, 2005). It can therefore be deduced that a lack of motivation does indeed hold true as a reason why women are being financially excluded as per literature, however this cannot be related to a lack of financial experience as this did apply to women in the sample. This finding also highlights that women do indeed make decisions based on emotion (affective).

Perhaps what Martenson (2008) alluded to by postulating that men were most likely to surround themselves with friends who were interested in conversations around finance thereby using the opportunity to gain further knowledge about the subject, could explain the reason why women tend to select similar products. Perhaps in conversation with other women, one feels “left out” if one does not have products similar to the **group** and one therefore selects these products as “must haves”, rather than as “makes financial sense to have”.

The question of whether women have begun to view themselves as the “self” and not merely as the “other” as in the case of liberals (Bristor & Fischer, 1993), still hangs in the balance. Liberal feminists argued that there were no differences between men and women and that the tendency for men to be treated as the “self” whose “self-interests” are to be protected, and women as the “other”, represented a violation of females (Bristor & Fischer, 1993).

Statements noted from chapter 5 such as:

“This is a man’s world”

“If we do that, men won’t respect us” ...

were made, leaving one to wonder whether women still viewed men as the ones to aspire to. If women have fought so long to be counted as the “self” as they have always been regarded as the “other”, in which case, could it be that the females did not want female only financial

products as they would fall under the category of “other” when what is really important falls under the category of “self”?

6.2) To what extent does the source of information play a role in the selection of a product?

The aim of this question was to ascertain the extent to which messages received from different sources influence women’s ultimate choice in financial services products. Priester and Petty (2003), claimed that recipients of a message originating from a sender who could not be trusted, undertook further scrutiny of the sender’s messages and did not outright reject it.

The findings partly concur with the views expressed by the authors in that the respondents expressed a collective mistrust for financial advisors, which often times led to additional investigations in order to authenticate messages received from the advisor as noted below from chapter 5.

“I stay away from a financial advisor often is because sometimes they talk so much technical finance”

“They [Financial Advisors] won’t take chances with men”

What stood out is that often times, the financial advisors were not consulted for financial advice at all due to this mistrust and family members or acquaintances were approached instead. Previous cues that “financial advisors are not to be trusted” were once again used as the basis for decision making. The decision was therefore based on affective processing when it should have been made based on cognitive thought as per literature.

In the end, though the “trusted” advisors’ recommendations informed the ultimate decision, there was no outright difference in the satisfaction or dissatisfaction of the products’ performance. In other words, none of the women confirmed that by asking a person other than a financial advisor for assistance, a better outcome to financial product selection was generated, meaning therefore, that financial advisors have no use. What stood out is that women are choosing to ignore the expert (financial advisor) and instead consult friends and family who are not in the industry. Since they make this choice, they cannot blame the product if returns do not turn out as expected. What this implies for literature is that

emphasis should be placed on product selection and motivation for choice rather than “female product” development.

The findings were also aligned to literature which states that once trust had been established, recipients were willing to forgo the task of scrutinising the message and chose instead to accept it as valid without much analysis (Petty & Priester, 2003). The women preferred to approach people whom they trusted for financial advice and ultimately selected financial products based on this advice. This sometimes turned out to be detrimental for them in that product details were only scrutinised post the investment decision and by then it was too late.

Given that financial products are utilitarian (bought for functionality) and therefore dominated by the cognitive process of decision making, they require much focus and comprehension to ensure that the right decision is ultimately made. It would be expected therefore that the decision to invest would occur under high involvement conditions which Malhotra (2005) suggested ensue when there is strong link between the need for the product and a deep routed argument for it.

In the case of trust however, the ultimate decision to invest was made under the same conditions as one would make for a purchase of a hedonic (bought for pleasure) product, the impact of which dominates the affective (automatic) decision process and can be influenced by subjective affective responses such as feelings, moods and emotions (Malhotra, 2005).

The decision therefore, became emotional, as opposed to functional.

This further justifies decisions to constantly invest in products such as educational and funeral policies which pull at the heart strings. No mother wants to have their children not attend school as an example due to financial difficulties.

What the findings suggest is that financial decisions should not be made without fully understanding the product features. The source of the information will not influence the final satisfaction or dissatisfaction with the products, an understanding will. Women therefore need to refrain from handing over power when it comes to financial product decisions and treat investments with the same vigour as other aspects of their lives, especially as in most cases in the findings; the power to decide was normally handed over to men as they were asked for investment opinions.

6.3) To what degree do periods in women's lifestages play a role in their financial decision making?

The questions aimed to explore is whether the urge to acquire new products due to the stress of a new role contributes to the choice of unsuitable products for women, given that the change may occur as a result of stress (Mathur et al., 2003).

Stress theory states that a stressful event such as divorce, relocation or financial duress is a trigger for change which comes about as a result of the anticipation of the occurrence of the change (Mathur et al., 2003).

It came to light that some products offered by financial institutions did not favour single women, leaving newly separated or divorced women in an even greater predicament. The respondents were therefore exposed to further disempowerment during a stressful event and what could be deduced is that it was better not to declare this single status to financial services, as it leaves one in a disadvantaged position. The findings highlighted that financial services have not mastered how to provide a positive service to single women and that if a woman is not in what is considered to be a "traditional relationship" (that is one consisting of a man and a woman married to each other) they are treated as anomalies. It therefore becomes easier to make access harder, by perhaps increasing premiums, than taking the time to develop products that are inclusive.

The perspective held by Bertocchi, Brunetti and Torricelli (2011) that women could treat marriage as a "risk free asset", allowing them the opportunity of investing in risky assets did not hold for the respondents who were married. The view was that as a woman, it was impossible to invest in risky assets with the potential of losing money while at the same time bearing the responsibility of ensuring financial security for the household. It was therefore accepted that men would be the "gamblers", taking on more risk, while women would need to ensure that a "plan B" existed by keeping a secret stash. This finding was therefore not aligned to literature in the sense that women did not stop being cautious when it came to investing in financial services just because they were married. They continued to be risk adverse, hence the need to maintain a stash. An implication for literature therefore is a study on how women who are breadwinners tend to treat marriage.

This was different for the women in a partnership though, in other words those that are not married, as they envisioned that marriage would allow them the luxury of enduring less financial stress. This was in line with what Bertocchi et. al., (2011) averred, when the author

suggested single women could not, unlike married women, depend on the stability of marriage.

What stood out is that women in a partnership display similar financial behaviour as single women, therefore a change in lifestage for them, has no effect. Further investigation is required for whether this behaviour is dependent on the women's earnings or not, in other words would women who earned less (but enough to maintain themselves) also respond in the same manner or would they be more submissive?

Kabeer's (2007), declaration that married women experienced a greater balance of power in marital relations when they were able to operate independently of their spouses appears to be true. It does however seem that this independence is coupled with unintended consequences in that the more independent the women have become, the more responsibility and accountability they have had to incur. Women are more involved in their household decision making, their long-term personal decision making, their role as mothers, their role as wives, their role as leaders in their respective workplaces and one has to wonder if they have transformed to a point where the scale of equality has tipped too far?

Conclusion

The aim of this chapter was to discuss findings in relation to literature in chapter 2..

The findings show that women, in most instances, are not concerned with financial services products having a feminine spin, especially if these products do not result in much value. Women want to invest in products which result in stable returns and guaranteed security in future.

The study found however that as regards the investment decision, women readily handed their power to a significant other, a friend, a parent etc. and that in most instances, these sounding boards turned out to be male.

The women preferred to deal with someone whom they trusted to provide advice when investing in financial products however in doing so, they let go of their need for finer details and instead relinquished all judgement. The negative effect of not focussing on the product features and ensuring understanding unfortunately came to the fore once there was dispute and by then it was too late. The power had been transferred.

This was a function of the source of financial information and whether that information is perceived as either relevant or irrelevant by the investor. The other reasons provided for investment dissatisfaction is a lack of understanding of the product attributes, which, contrary to literature, was not due to a lack of financial literacy since the respondents held senior positions in their organisations and had been exposed to some of these products for a while, but rather due, in some instances, to general disinterest and a preference for products less risky.

The implication for future research are discussed in the next chapter.

Chapter 7: Conclusion

7.1 Introduction

The aim of the research was to explore women's dissatisfaction with financial services products, and whether these products had evolved to cater for the rapid change in women's needs. The study explored women at different life stages to investigate the impact a change in lifestage would have on women's dissatisfaction with financial products. A link was made between feminism and financial products by focussing on how the choice was made by women to acquire a financial products, taking into account sources of information providing aid in the final selection.

The research findings concluded that feminism had indeed evolved at a rapid pace, however, given that women were at different phases of this evolution, a unified way of making a choice could not be established.

It was established that issues regarding financial products could not be attributed to the financial products themselves, but were in most instances as a result of women's disinterest in setting aside time to understand the products in order to make an informed choice. Literature has previously attributed this to a lack of financial literacy however the sample of women interviewed were financially literate.

7.2 Business Implications

It's important for financial services to start recognising women as an essential part of financial services and to perhaps begin research on how women select financial products rather than how the product features could be adjusted.

It's also important to take into consideration women's sources of information and how they have previous cues regarding mistrust for financial advisors. Since financial advisors are the communicators of financial services information, it is important for business to develop ways in which women's decision cues can be resolved.

Sneddon (2012), recently commented on financial products that should be banned. Though the focus of his study was not on gender differences, implication for business wanting to start understanding women and product choice could select the products below as a start and run focus groups to understand implications.

What is concerning is that there have been recent reports suggesting that some of these products should in fact be banned as they do not yield any benefit for consumers.

- a) “**Funeral policies** are not an investment and this is a mistake that most investors make”. Gregg (2012), of the Financial Coach company asserted that when conducting research, he had found a healthy, young woman paying R80 towards a R10 000 funeral policy - while in her twenties! Factoring in the time value of money and other calculations, they found that the woman could invest R100 monthly for a R200 000 life cover which would be of greater benefit. Gregg (2012) asserted that this was an unfortunate situation as large sectors of the South Africa population were in fact being exploited due to some of the products they had invested in.

- b) The other product mentioned was the **educational policy** which incurs large transactional costs. Gregg (2012), discovered that one of the financial institutions in South Africa was charging 11% of each and every premium invested. With such high premiums and low returns, he suggested that parents who are concerned about their children’s education should rather pay off their bonds and make sure to get rid of debt which would be more effective for their children’s education in the long run (Gregg, 2012).

7.3. Implications for future research

The study found that women who are financially literate tend to display the same behavioural patterns as those literature has cited as illiterate. An implication for future research is to conduct a comparative study of these two groups to determine differences in choice of financial products. Though it could be implied that earnings may form a big part of the differences, a study may determine otherwise.

The findings also confirmed that the financial services industry tends to treat women who are single different to married women and that once married, it’s almost better not to notify the industry of such in order to not be discriminated against.

7.4 Research Limitations

This research was limited to South African women and only 8 were interviewed. The views of the 8 women could in no way represent the views of the entire population.

The sample selected comprised women of women in the high income bracket. The results may be different should women from a lower income group are interviewed.

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Appendices



**Consent for participation in academic research study
Gordon Institute of Business Science**

**Exploration of the rapid change in feminism versus an
incremental change in financial services product offering**

Dear respondent

My name is Sefakwana Pelle and I am currently an MBA student at the Gordon Institute of Business Science. I am conducting research on a comparison between the rate of change that women of today experience in the form of a change in lifestages versus the change in the financial services product offering. The objective of the study is to explore whether some of the financial services offerings could be revised to provide a better offering to females.

Please note the following:

- This study involves an interview. The answers you provide will be treated as strictly confidential. You cannot be identified in person based on the answers you give.
- Your participation in this study is important to us. By agreeing to be interviewed, you indicate that you are voluntarily participating in this research. You may choose not to participate.
- The interview will not take longer than 60 minutes of your time.

- The results of the study will be used for academic purposes. A summary of the research findings will be provided to you on request.
- If you have any concerns or questions, please contact me or my supervisor on the below details.

-

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