

## **Understanding the symbolic meaning of money as a way to enhance the relationship between financial advisors and their clients**

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### **Extended abstract**

Are financial advisors able to understand the symbols and meaning that investors associate with money? If so, what role does this ability play in the relationship between financial advisors and their clients? Despite acknowledging that money is not a neutral object but is layered with symbolic meanings and emotional associations, the behavioral finance literature has so far neglected to study such implications from both a theoretical and a practical point of view. The present work aims to fill this gap by investigating this topic in the financial services industry. A dyadic research design was developed to investigate whether financial advisors can understand the emotional associations that their clients (i.e., investors) attribute to money, as well as the extent to which such ability can influence the quality of their relationship in terms of customers' satisfaction, level of trust, word-of-mouth, and loyalty. To perform a dyadic analysis, two parallel self-administered questionnaires were developed, one for the financial advisors and the other one for the investors. One hundred eighty-six dyads of financial advisors and their clients from two different Italian financial institutions specializing in financial advising took part to the study. Our results suggest that financial advisors – despite the lack of specific and formal psychological training – developed a natural ability to detect the emotional associations their clients attributed to money, and this ability can actually enhance the quality of their relationship with investors. Moreover, the higher is the ability of financial advisors to understand their clients' implicit emotional associations to money (i.e., money as a symbol of security, freedom, power, or love), the better the quality of the client-advisor relationship

becomes. This result goes beyond a mere effect related to the length of the relationship between advisors and their clients, entailing relevant implications at both theoretical and practical level.

*Keywords: behavioral finance; financial advisors; money; customer satisfaction; relationship quality*