

# **Gender Differences in Financial Advice**

## **Abstract**

We show that financial advisors offer more self-serving advice to female than to male clients, based on minutes from about 27,000 real-world advisory meetings. Women are more likely to obtain recommendations to purchase costly mutual funds produced by the bank's own asset manager and are less likely to obtain rebates on any sales commissions. We develop a model relating this gender difference in the implied cost of advice to client stereotyping and empirically verify an additional prediction: Women (but not men) with higher financial aptitude reject recommendations more frequently than their less apt peers. Stereotyping is stronger for male advisors.

This paper is joint work with Andreas Hackethal (Goethe University Frankfurt and SAFE), Johannes Koenen (ARC Econ) and Christine Laudenbach (University of Bonn)

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