



INSIDE THE MIND OF YOUNG INDIANS

THE MILLENNIAL GENERATION IS PLAYING A VITAL ROLE IN ECONOMIC TRANSFORMATION, BUT AT THE SAME TIME THEY FIND IT DIFFICULT TO MANAGE THEIR FINANCES



We live in interesting times where digital transformations are changing every aspect of our lives. Today, at the tap or click of a button you can order food, pay your bills, book tickets, subscribe to magazines and even enroll to a course for career progression. The impact of this digital shift on the Millennial generation is prodigious by far, as they define new ways to address routine life issues. From a time when a stable career was the in-thing, today it is common to come across even teenagers who are setting up their own start-ups, dropping out of colleges and even schools.

Millennials are quick learners, and being digital natives, are

gifted with phenomenal digital talent, they possess the ability to solve big problems with ease. The entire app culture on Smartphones is testimony to their ability in changing several ways in which products and services existed. It is amazing how cab-hailing applications have changed the entire ecosystem of cabs in our cities. In this context, it is understandable why these youngsters have a relentless drive to pursue the good things in life – dreaming of vacations, a new house, cars, gizmos and anything else that would give them a high. In these times of easy credit, many youngsters are not just living paycheque-to-paycheque, they are also heavily leveraging their future earnings to fund their current dreams.

LIC AND MILLENNIALS: A WINNING ASSOCIATION

Another desire that rides high among youngsters is financial freedom. Spending it comes easy, but saving it poses a challenge for them. But they equally grapple when it comes to managing their money. Going by the available data on household savings over the past decade; it indicates that the savings rate has been going down, which could mostly be attributed to a younger workforce which is saving less and spending more. They are not realising the one big challenge that they face – increasing longevity and shorter work-life. The desire to retire at 40 is common for those in their 20s, without realising the fact that they may need monies to see them for 3-4 decades after they stop working at 40. And, to maintain the lifestyles that they aspire, it is imperative that they plan for a considerable amount of funds to sustain in the future.

It is in this context that Life Insurance Corporation of India can play a significant role in the lives of young Indians by providing them with the necessary financial foundation for a secure future. In his seminal book, Imagining India, Nandan Nilekani forecast that Indians growing up in post-liberalisation India would be free of the legacy of the past and forge new paths. Millennial innovators and entrepreneurs around us corroborate Nilekani's expectations.

We at LIC wish to assist these young minds where it matters most – in providing a secure financial future, that helps them live a life that they dream of. In this series, we will focus on issues pertaining to setting financial goals, achieve financial goals, life insurance needs et al, using our digital initiatives for a convenient and hassle-free financial life. We will also look into various aspects of tax savings, smart borrowing, retirement planning and investing over one's lifetime. The entire series will act as the necessary step-by-

step guide for young Indians to manage their finances easily. It will also be educative in terms of the nuances of a life insurance policy, aspects which a customer is not aware and must take care of for hassle free claim settlements. One issue will also give an insight to the investments of LIC.

For 62 years, LIC has been the first choice financial instrument for most Indians and we aspire to continue this legacy. Over the years, we have become a behemoth financial institution with focus on insurance, pension, tax savings, housing finance, mutual fund investments and more. Our insurance policies range from wealth protection to wealth creation, by taking away the difficult financial decision-making from those who find it difficult. We have kept pace with the fast changing financial services environment through our wide range of products and services. We are present across India by touching the lives of scores of Indians across generations.

To address the needs of the do-it-yourself (DIY) generation, we have tools on our website which helps them navigate their way. For those who are time-starved, there is also the provision to contact our agents who are trained and have the much needed experience to address the needs of the youngsters in quick real time. One can get in touch with the nearest branch/division requesting for the same.

It is never too early to start thinking about one's financial future – the next 10 or 20 years or even retirement. And it is never too late to learn how to manage your money, by planning prudently for your dreams to become reality.

For any query related to your policy SMS "LICHELP <policyno>" to 9222492224.

MILLENNIAL PARADOX

Unlike those who are over 35 years old, youngsters, especially millennials have tremendous opportunities in life. They have much greater access to information, data and have devised their own approach to decision-making, which is very different from how their parents acted. A very evident fact that differentiates them from their parents is the manner in which they have embraced consumerism – they are tech savvy, own multiple gadgets and believe in living life for today.

These youngsters are very comfortable taking credit to realize their dreams. It is common to come across them buying new cars, homes and often changing their personal gadgets frequently. They are confident, love to spend on travel, explore the world and frequently change jobs and even professions. The high spending factor, is mostly due to their lack of understanding of savings and investments; something that their parents were excellent with.



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