

MONEY AND THE SINGLE WOMAN

A PEEK INTO THEIR WORLD





WHAT DO WE NEED TO LEARN?

At Axis Mutual Fund, we have come to realise that money is the vehicle that powers dreams and aspirations. Hence, we strive to understand our end-consumers in order to be able to serve them better.

Through the medium of **Focused Group Discussions (FGDs)**, often used by researchers too, we aim to reach out to our consumers and pinpoint the reasons behind various trends.

An FGD is normally led by a moderator (or group facilitator) who introduces a topic of interest and initiates a lively and natural discussion amongst the participants. By gathering people from similar backgrounds and with similar experiences, FGDs provide insights and opinions from the parties involved in the change process, and eventually allow us to manage the investment process more smoothly.

HOW DOES THIS HELP US?



Understanding the context of the clients, what drives them, and what they aspire for, is very important. For an investment solution provider, an understanding, albeit modicum, makes a big difference in cementing trust faster.

Keeping this in mind, we organized a **90-minute** attitudinal discussion around money and called a group of **8 single working ladies** in the age group of **20-28** from **Nagpur** to participate.

OUR LEARNINGS:

WHAT DOES WORKING MEAN TO A WOMAN?

At a very basic level, money, for these women, means independence. The fact that they can buy whatever they want without having to ask someone for it is exhilarating in itself. Money, for them, is a liberator.

Roles have reversed, allowing women to buy whatever they want and even contribute to lessening the overall financial strain. Earlier, their parents used to provide for them. Now, they provide for their parents.

“**We study and work at the same time as we want to be independent. We don't want to ask for money from our fathers.**”

“**...now we decide for ourselves what we want to buy.**”

“**...we don't want to be dependent on anyone.**”

WHAT DO WOMEN ASPIRE FOR?

Our research has shown that 'bangla gaadi' remain the eternal favourites among women, along with the ability to buy things for their family, specifically their parents. Still, the one thing most women aspired for even though they knew money couldn't buy it, was an

“**Accha life partner.**”





HAS SOCIETY CHANGED?

Yes, and for the better. The women we spoke to were positive about the way society and the older generation now look at them. The fact that they are educated and earning members of society has given them respect, and this leads to their opinions being sought after and even deliberated over. Now, they even play a role in the selection of their life partner, which gives them a sense of freedom.

“I can come home even late in the night.”

“Parents come and ask us for guidance... it is a very rare thing but it makes us feel good”

“I can even go to clubs.”

WHAT IS THE ROLE OF MONEY IN A WOMAN'S LIFE?

Undeniably, money is very important in anyone's life. Money is a friend one cannot afford to antagonise. To live life, one requires money. Speaking to these women helped us realize that while education is a path towards earning money, mere education doesn't mean money for them. Money has become their symbol of self-identity and esteem.

“Bahut jyaada important...” “I've seen how money can help us help other people and gain respect.”

HOW DO THEY SAVE MONEY?

The duality of investing in an instrument is very appealing to the women we spoke to. Therefore items like property and gold which can be used, and post appreciation can be sold, strike great resonance amongst them. They have seen enough examples of people (including their parents) who have been successful at this. Surprisingly, they also realise that in an evolving society, the things their parents depended on for investments may not hold true any longer. This gives their friends and senior office colleagues more involvement in investment matters.

“My dad does not have much knowledge about all these things... in fact I advise him when it comes to investments.”

“I ask my colleagues and friends and they are supportive.”

DO THEY UNDERSTAND THE DIFFERENCE BETWEEN SAVING AND INVESTING?

Surprisingly, all of them said they saved and passionately explained the difference between savings and investments. Investment, to them, was akin to uncertainty and risk. 'Kuch bhi ho sakta hai' was the verbatim response we received from many. It is this uncertainty that is more unnerving for them than traditional instruments.

“We are saving for the time when we won't be able to earn.”

“When I get married, there will be many kinds of expenses. At that time, I will use the money that I have saved...”

“After marriage, if I need to help my parents... I can use my savings.”

“I invest in many things. I have fixed deposits to give me interest on a monthly basis. I put that interest money in a recurring account...”



TRUST

In this regard, it seems to be a two-way street. With parents, they follow a system of revealing details when asked, but with their life partners it is entirely different. They were far more reconciled to the fact that things may not necessarily work out the way they would have expected. After all, there is so much that they have read and seen in the media that is influencing them.

With their life partners, they prefer to employ a wait-and-watch approach, and only in cases of equal reciprocity in money matters do they reveal their portfolio.

To women, independence means much more than it does to men, as they know their lives might take a different turn after marriage.

“If I’ve stopped asking for money from my parents, I won’t want to ask for money from my husband either, in the future.”

“Can’t trust anyone these days!”

“...Ek saath nahi bataye husband ko.”

5 QUICK TAKEAWAYS

- 1 Women have a strong family orientation. They save for their aging parents and future families apart from regular requirements.
- 2 They crave for eternal financial independence. While they depend on support from their parents and spouses, they would prefer to have an income of their own to be financially independent.
- 3 Women are smart savers who take a rainy-day approach to savings. Being aware of the probable life-altering shifts that could take place after marriage, the rainy days seem closer to them than perhaps to men.
- 4 They tend to make traditional investments like gold and property for the dual advantage of using now and selling later in case of appreciation.
- 5 The influence their parents have in matters of investment seems to be declining.



HOW CAN MUTUAL FUND INVESTMENTS BE OF HELP?

The power of an SIP: An SIP in an Equity Fund is an ideal way for women and men alike to start investing, for long-term wealth creation. The feature of regular monthly savings is likely to make it appealing to women.

The tax advantage: Investing in ELSS every year will not only help reduce the tax outgo, but also present the potential to generate long-term wealth.

A smarter way of investing in gold: Since gold is known to appeal to women, they may consider investing in a Gold Fund, a Gold ETF or a hybrid/multi-asset fund which offers a mix of equity, fixed income and gold asset classes.

Regular income: For short & medium-term needs, it is a good idea for women to invest in fixed income funds as it will help them generate income.

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