



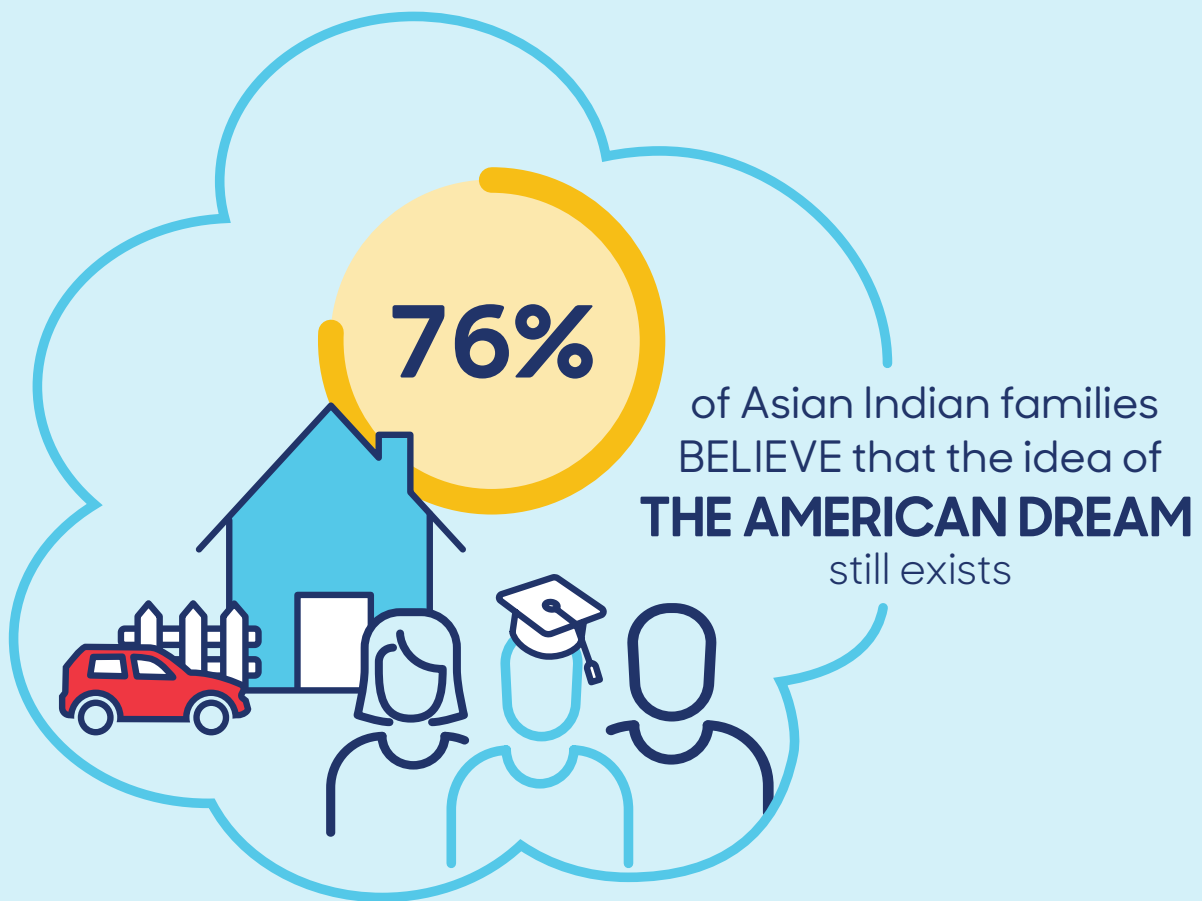
2018 State of the American Family Study

Insights from Asian Indian Families – Executive Summary

In 2018, Massachusetts Mutual Life Insurance Company (MassMutual) commissioned the fourth wave of a nationally representative survey of American families to better understand how they view the American Dream and the financial aspects involved.

We reached into the nation's great cultural and economic diversity through individual market segments, different social groups and evolving family structures. In the process, we connected with various racial and ethnic groups, military families and more.

This Executive Summary reviews the key findings about Asian Indian families and their attitudes about financial decisions. In addition to the study insights, you'll find helpful ideas that can help you turn your financial dreams into reality.

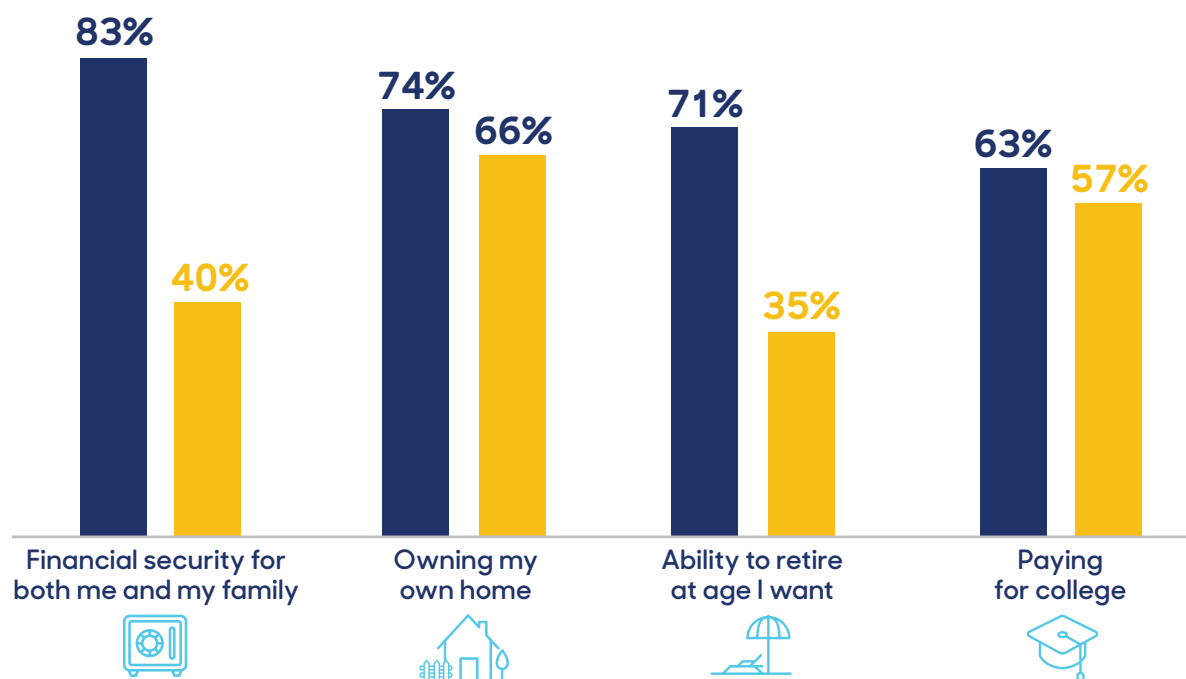


The American Dream

Asian Indian families are taking many steps to secure their financial future. They continue striving to find ways to balance their priorities while maximizing savings and investments. Around three-fourths (76%) of Asian Indian families surveyed believe that the idea of the American Dream still exists, and this study informs us how they define it. Their confidence in achieving the American Dream is revealed through their attitudes, priorities, and the family values important to them.

● The top definitions of the American Dream for Asian Indian families

● Asian Indian families' confidence level in achieving these outcomes



The Asian Indian families surveyed have the highest marriage rate among all groups surveyed (97%). They are also more likely to have a broader definition of family, including their extended family (41%), placing great importance on their close-knit circle of friends and local community.

For these families, the heart of the American Dream combines financial wellness and financial success that can enable the entire family to thrive personally, succeed professionally and enjoy a secure and comfortable life.

Well Prepared and Resourceful

With the highest average household income and a relatively high level of retirement assets among survey respondents, Asian Indian families are likely to have the means to achieve their financial dreams. Results suggest that as a group, Asian Indian families generally stay on top of their finances and make well-researched and carefully considered financial decisions.

Finding Balance

For Asian Indian families, pursuing and realizing their American Dream often comes down to finding balance at all stages of their financial journey and family life. Much like the challenge to balance work and home life, the study reveals that many Asian Indian families don't have the time to be actively involved in managing their investments. The help of a financial advisor can help ease the burden of researching and informing your decisions, while making the process less intimidating and overwhelming.

The sense of balance that Asian Indian families seek is accomplished within two main categories:

1. **FINANCIAL WELLNESS** — the security and stability that helps remove financial worry
2. **FINANCIAL SUCCESS** — the opportunities that arise from smart financial planning and maximizing savings and investments

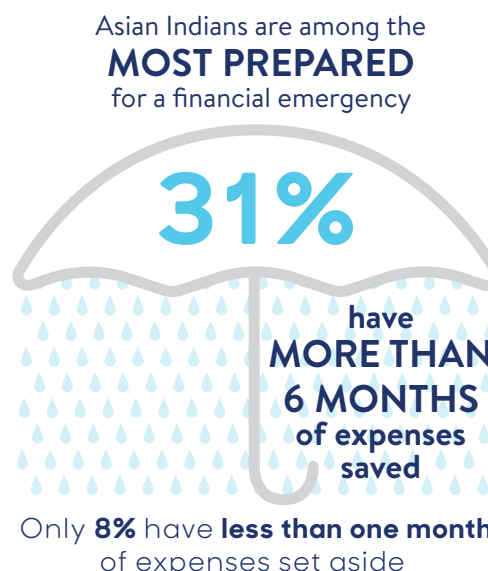
Financial Wellness

Asian Indian families have a positive outlook regarding their ability to focus on their financial needs and they place significant emphasis on being financially prepared for whatever life may bring.

Preparing for the Unexpected



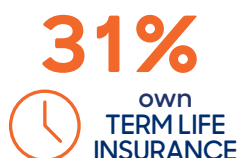
With caring for family at the center of financial planning, 78% of Asian Indian families prioritize a stable source of income in case of the unexpected; 31% have an emergency fund to cover more than 6 months of expenses. Only 8% have less than 1 month of expenses set aside.



Protecting Income

Many Asian Indians work in high-paying jobs and professions, such as physicians, engineers and business owners, so their income is a valuable asset worth protecting.¹ In addition, research² reveals that Asian Indian immigrants in the U.S. are at increased risk for chronic illness including Type 2 diabetes and cardiovascular disease as a result of adopting American lifestyle behaviors. This trend may add urgency to protect their income.

Asian Indian families devote extra funds to **protect their income**:



The study reveals that Asian Indian families devote extra funds to protect income so their families can continue to be supported should they get sick or hurt and can't work, or if they pass away. Thirty-five percent (35%) of families own disability income insurance, 20% own long term care insurance, 31% own whole life insurance and 31% own term life insurance.

¹ U.S. Census Bureau. N.d. 2015 American Community Survey. American FactFinder. <http://factfinder2.census.gov/>

² www.diabetes.org/newsroom/press-releases/2018/t2d-risk-in-asian-indian-immigrants-in-us-impacted-by-adopted-lifestyle.html

Debt Management

63%
of Asian Indian families include
PAYING DOWN DEBT
as a financial priority



They are also the
least likely to have debt
29% have **NO mortgage, credit card or student loan debt**

Short-Term and Long-Term Financial Planning

For Asian Indian families,
financial planning is important
**FOR BOTH THE SHORT TERM
AND THE LONG TERM**



82%

prioritize **SAVING**
as much as possible



71%

prioritize developing a
DETAILED FINANCIAL PLAN

Financial Success

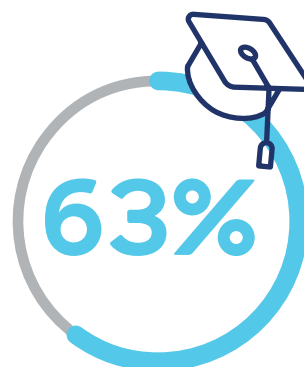
Asian Indian families place high importance on achieving financial success on their own terms, especially when it comes to higher education for their children and their own retirement.

Paying for College and Graduate School

Education is enormously important to Asian Indian families. The academic and career success of their children is such a high priority for parents that it extends beyond college and into graduate or professional school.

Making college a reality for your children begins with simple steps:

- 1. START EARLY.** Begin saving when your child is born.
- 2. MAKE IT AUTOMATIC.** Set up an automatic checking account or payroll deductions to an interest-earning savings account earmarked for higher education.
- 3. ENCOURAGE MONETARY GIFTS.** Ask family members and friends for college savings such as 529 plan gift cards at Diwali, birthdays and other gift-giving occasions.
- 4. KNOW HOW MUCH TO SAVE.** Estimate college costs by using free online tools such as MassMutual's college savings calculator.³



of Asian Indian families
say paying for
college is part of
THE AMERICAN DREAM



include it as a
FINANCIAL PRIORITY

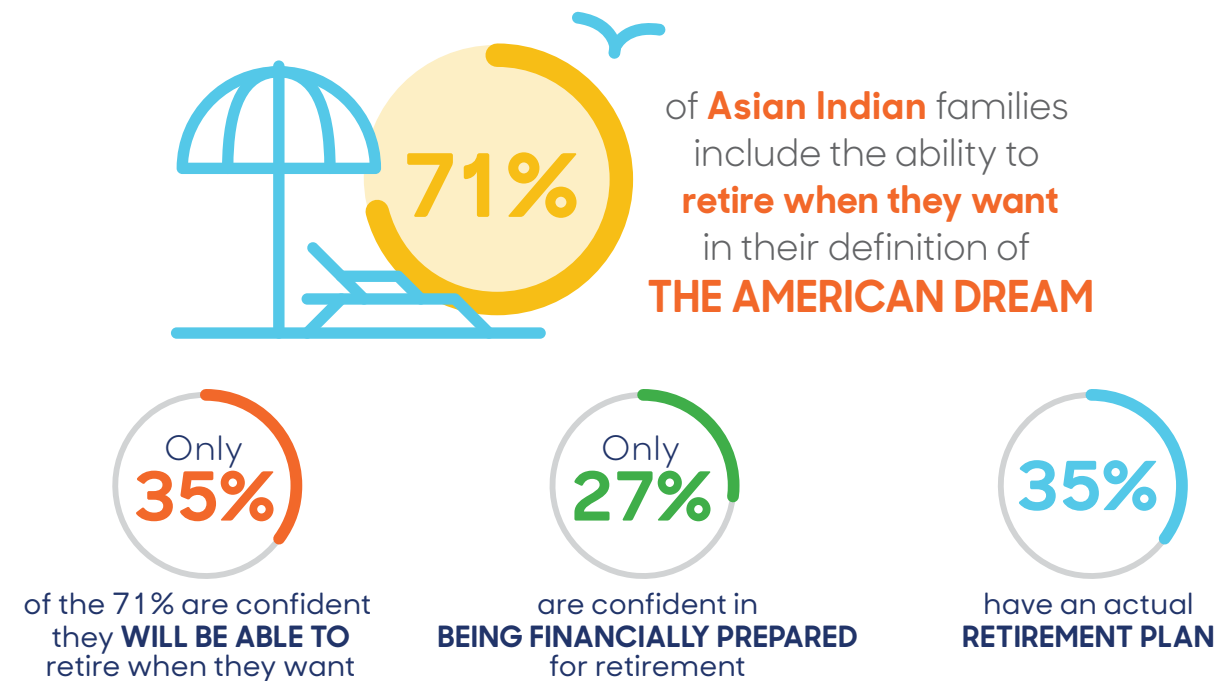


of the 63%
are confident they
**WILL BE ABLE TO
PAY FOR IT**

³ www.massmutual.com/planning/calculators/college-savings-calculator

Retirement

Retirement is also key, as 73% of Asian Indians consider not becoming a financial burden for their families another important financial priority. Despite being one of the groups most prepared for retirement, many Asian Indians are not very confident they'll be able to reach their retirement dream.



You can estimate how much you're likely to need for retirement by using free online tools like MassMutual's Retirement Income Calculator.⁴

Supporting Extended Families

Asian Indians are more likely to have a broader definition of family; 41% of the respondents include family members beyond the nuclear unit. Strong family values also drive the increased likelihood of an adult child filling the role as a future caregiver of elderly parents. Forty-four percent (44%) are interested in learning more about how to plan for their parents' care and finances.

Research and Advice

Asian Indian families look to trusted sources of financial information, including print and online Indian and international media. Their top trusted sources are friends (59%), family (54%), and investment company websites (40%).

Asian Indian families also seek advice from professionals who specialize in the financial field. A trusted financial advisor can help you continue and enhance your own efforts by providing insights and guidance on ways to save, manage a portfolio and optimize your financial planning. MassMutual has dedicated financial advisors who understand the unique perspectives of the Asian Indian community.

⁴ www.massmutual.com/planning/calculators/retirement-calculator

Next Steps

Since you're actively looking for ways to take greater control of your financial decision-making, consider taking these action steps.

BE INFORMED ABOUT OPPORTUNITIES TO PAY FOR CHILDREN'S EDUCATION. Identify sources to help pay for college like 529 plans, Coverdell Education Savings Accounts, scholarships, student loans, financial aid grants, work-study programs and permanent life insurance loans.⁵

REMAIN FOCUSED ON YOUR RETIREMENT PLANNING. Think about at what age you'd like to retire and how long your retirement is likely to last. Look at your current and future expenses, including inflation. Determine your sources of income in retirement, including predictable sources such as pensions and social security, and variable sources that may depend on the market, like your 401(k).

SECURE YOUR FAMILY'S FUTURE. Prepare for the unexpected by protecting your family with appropriate amounts of life insurance and disability income insurance. Be sure to check your employer's benefit plan; it may offer these coverages at group rates that may be more affordable.

PROTECT YOUR INCOME. Make sure you have a plan to replace part of your income in the event of a disability. Disability income insurance can help you meet financial obligations if you get sick or injured and can't work.

PREPARE FOR RISING HEALTH CARE COSTS. You may want to research options to pay for long-term care so you can remain financially independent of your adult children in your golden years.

TEACH THE NEXT GENERATION ABOUT FINANCES. Playing family board games that involve a money component can help younger children learn in a fun way. Involving your older children in discussions of family budgeting can help them understand what's involved.

SEEK ADVICE FROM FINANCIAL PROFESSIONALS. As you continue to explore your financial goals and plans, an important first step is recognizing that you can strengthen your position by working with a financial professional. Knowing which company to work with is the second. The company that earns your trust today can be a resource your family can rely upon for generations to come.

MassMutual is a strong and stable resource that can help you secure your financial future. To connect with a MassMutual representative near you, visit **massmutual.com** today.

⁵ The decision to purchase life insurance should be based on long-term financial goals and the need for a death benefit. Life insurance is not an appropriate vehicle for short-term savings or short-term investment strategies. While the policy allows for loans, you should know that there may be little to no cash value available for loans in the policy's early years. Access to cash values through borrowing or partial surrenders will reduce the policy's cash value and death benefit, increase the chance the policy will lapse, and may result in a tax liability if the policy terminates before the death of the insured.



Live Mutual

It's in our nature to take care of the people who make life worth living, so we instinctively protect them physically and emotionally. Making plans to secure their futures should feel no different. While the world would have us strive for independence, the truth is when we depend on one another — *when we live mutual* — we aren't just more secure. Life is happier and more fulfilling.

Living mutual has always been at the core of human existence, and it's the principle that's guided MassMutual since our founding in 1851. It's not a concept we invented, but one we champion for the simple reason that people today take it for granted.

To connect with a MassMutual financial professional near you, visit **massmutual.com** today. Together, you can take the right steps in creating a personal financial strategy that supports the American Dream for *your* family.

Methodology

The State of the American Family survey was conducted for MassMutual by Isobar between January 19th and February 7th, 2018 via a 20-minute online questionnaire. The survey comprised 3,235 total interviews with Americans. The vast majority of these interviews (2,730) were conducted with men and women aged 25-64, with household incomes equal to or greater than \$50,000 and with dependents under age 26 for whom they are financially responsible. Respondents had to contribute at least 40% to decisions regarding financial matters in their household to qualify. Results were weighted to the March 2017 Annual Social and Economic Supplement (ASEC) of the Current Population Survey for age, income, gender, ethnicity, region, and weighted to the 2016 American Community Survey Public Use Microdata Sample for same sex married/partnered couples, to be representative of American families in this age and income bracket. Additional quotas were set for the targeted ethnic groups including: African American, Asian Indian, Chinese, Korean and Hispanic, which were then weighted to be representative of American families. This study includes trending data for the previous survey wave conducted in 2013. The sampling margin of error for the 2018 study is +/- 1.88 percentage points at the 95% confidence level when looking at the results for the 2,730 interviews at a total level.



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