Personal Financial Planning – Notes – Session 1 to 30

Chapter 1: Introduction

- Financial planning is a step-by-step process for achieving one's life goals. A financial plan is a guide to help you be in control of your earnings, income, expenses, taxes and investments for achieving your financial goals.

"If you fail to plan, you are planning to fail."

 Benjamin Franklin

- Financial Planning Process

Source: *https://personalmoney.in/what-does-personal-financial-planning-means-49*

- Benefits of financial planning
  - ✔ Increased Savings
  - ✔ Better Standard of living
  - ✔ Better preparedness for any kind of emergencies
  - ✔ Peace of mind – Financially

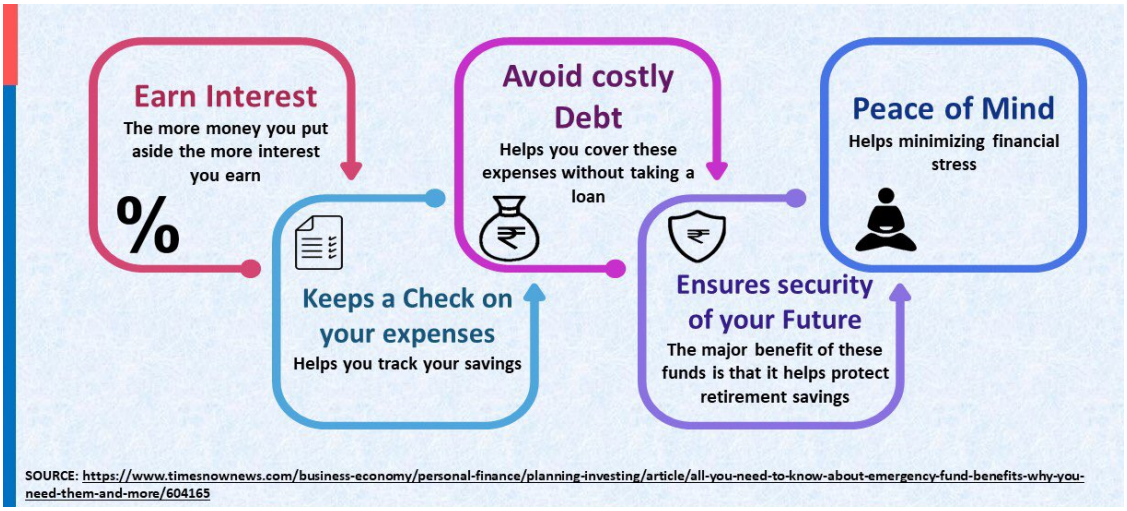
- Financial planning - Life goals
  - ✔ Long Term Wealth creation
  - ✔ Retirement planning
  - ✔ Children's education
  - ✔ Tax Saving

- Why personal financial planning is crucial?
  - ✔ Counter inflation
  - ✔ Creating contingency fund
  - ✔ Creating a retirement corpus
  - ✔ Managing personal money better

Source: *http://www.stephensonfinancial.com/financial-planning-services*

- How to create a successful financial plan?
  - ✔ Understanding your current financial situation
  - ✔ Writing your financial goals
  - ✔ Exploring different investment options
  - ✔ Implementing the right plan
  - ✔ Monitoring your financial plan regularly

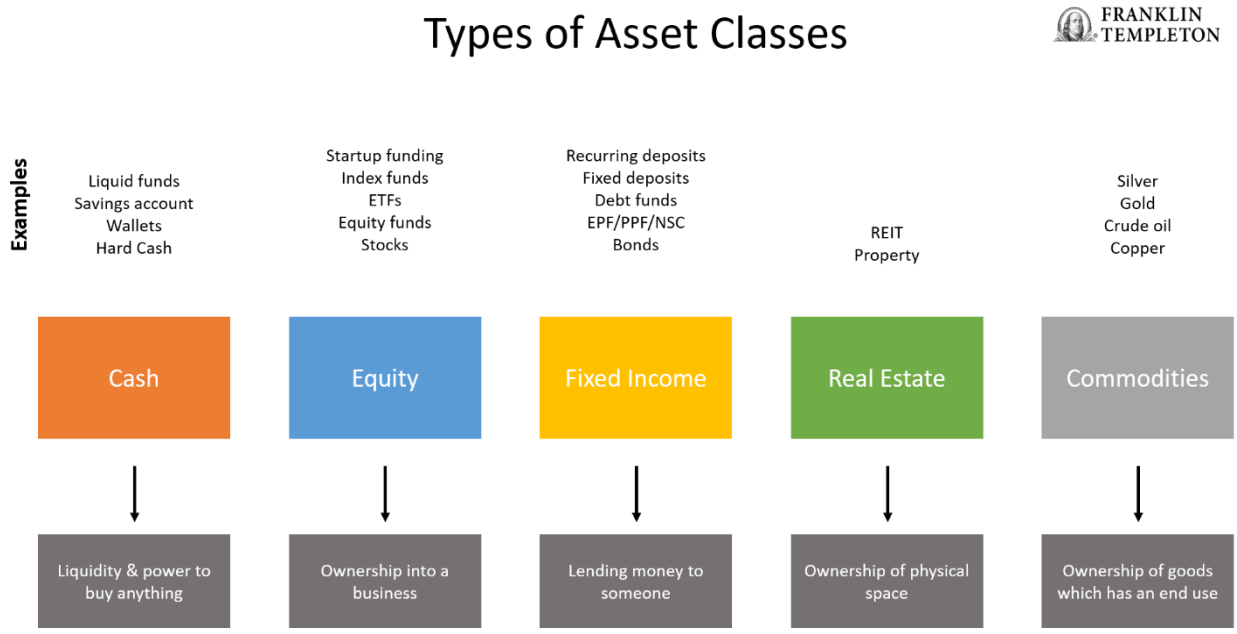
❖ Benefits of Emergency/Contingency Funds



Source: *http://www.timesnownews.com*

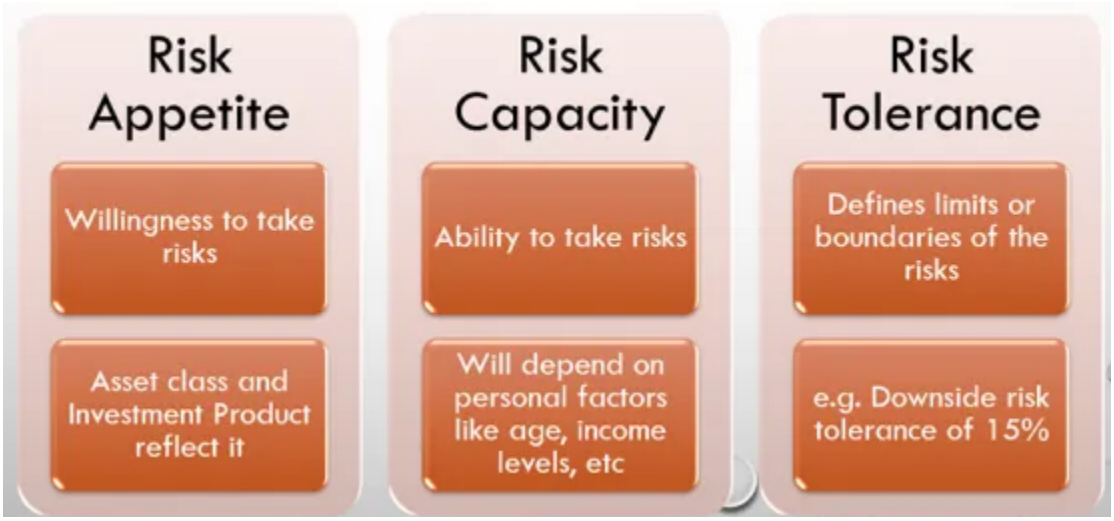
Chapter 2 and 3: Investor Profiling and Personal Taxation

❖ Types of Asset Classes



Source:
https://www.franklintempletonindia.com/investor/investor-education/video/understanding-asset-classes-io04og31

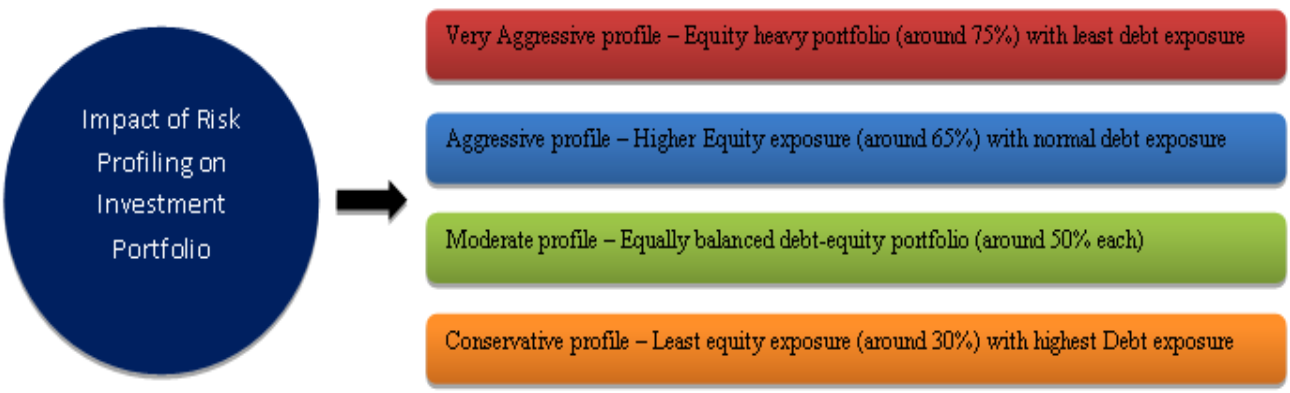
❖ Risk Appetite v/s Risk Capacity v/s Risk Tolerance of an Investor



Source:
https://blog.investyadnya.in/risk-capacity-risk-appetite-risk-tolerance-overall-risk-profile/

❖ Risk Profiling of Investors

[Example: For Mutual Fund Investments]



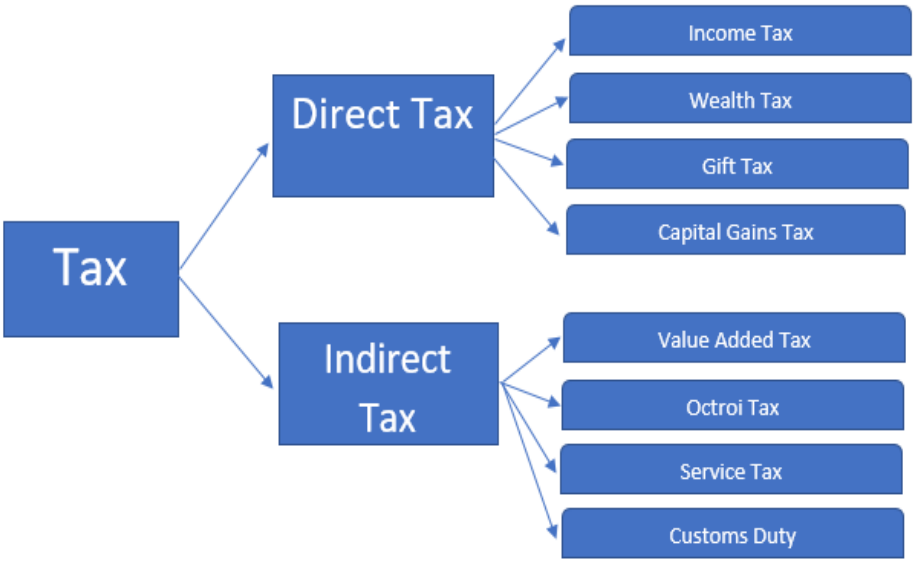
Source:
https://medium.com/@investmentzinterrmediates/how-your-risk-appetite-decides-your-return-on-investment-1f11a61a1692

- Tax is government's revenue or source of income. The money collected is used for country's development [via. several projects and schemes]. The Constitution of India authorizes Central and State Governments to levy taxes to the citizens. Also local governing and civic bodies have the right to levy certain taxes.

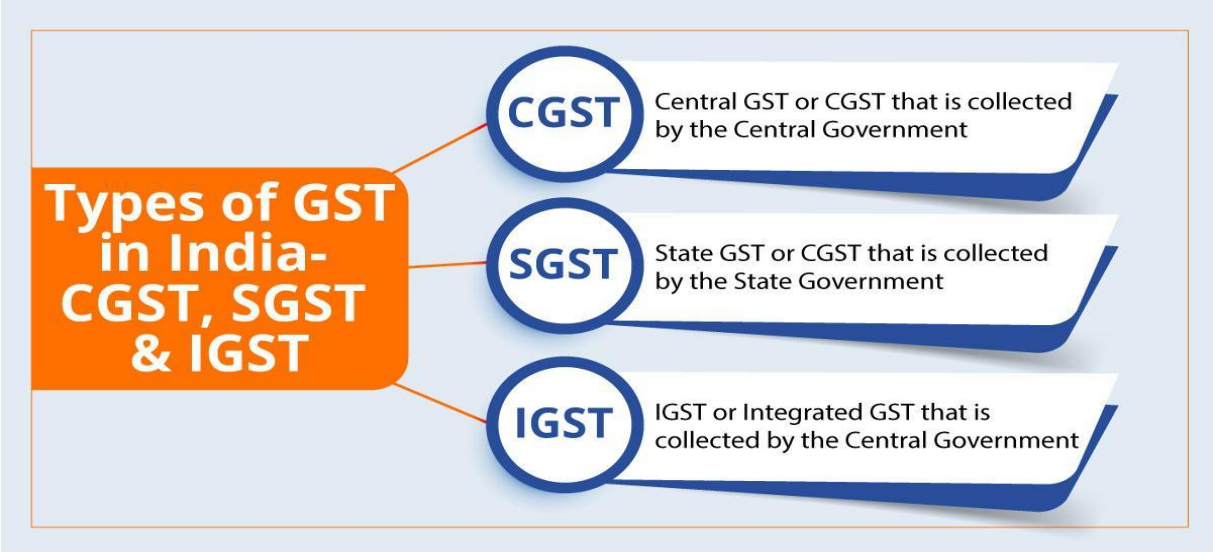
- Types of Taxes:

  Based on Taxes Levied:
  - ✔ By the Central Government: Income taxes (except agricultural income), customs duties, corporation taxes, excise duties, estate duty etc.
  - ✔ By the State Government: Taxes on agrarian incomes, VAT (value-added taxes), electricity consumption and sale taxes, land revenues, tolls etc.
  - ✔ By the Local Civic Bodies: Property taxes

- Types of Taxes:
  - ✔ Direct Taxes: Income tax, capital gains tax, perquisite tax, corporate tax, and securities transaction tax.
  - ✔ Indirect Taxes: Service tax, sales tax, customs duty, value-added tax, and excise duty



Source: *https://www.aegonlife.com/insurance-investment-knowledge/tax-structure-in-india-explained/*



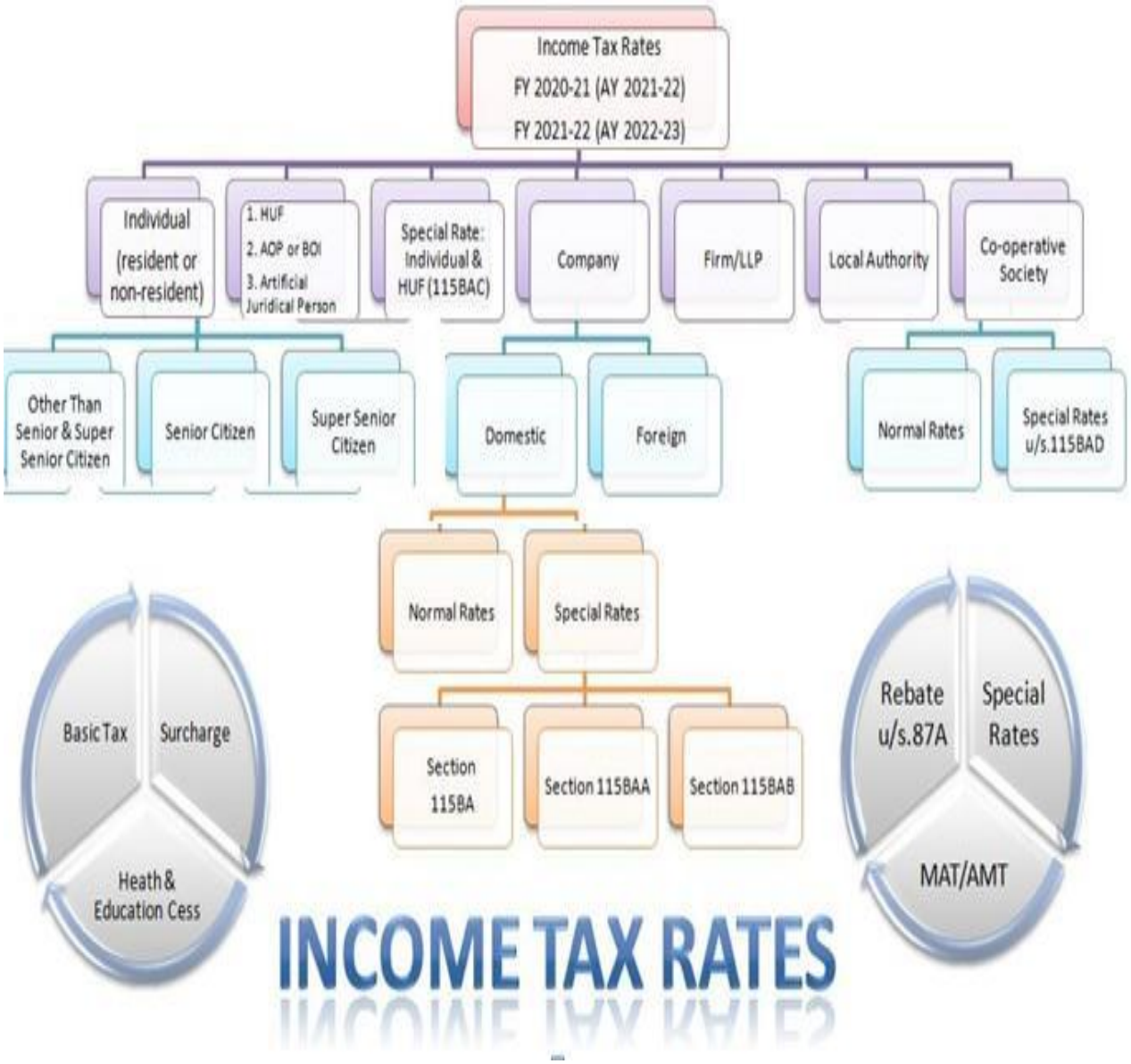
Source: *https://www.lendingkart.com/blog/types-of-gst-in-india/*

❖ Old and New Tax Slabs for Individual Investor from FY 2020-21

Old Tax Slabs		New Tax Slabs	
Up to Rs 2.5 lac	**Nil**	Up to Rs 2.5 lac	**Nil**
Rs 2.5 - 5 lac	**5%**	Rs 2.5 - 5 lac	**5%**
Rs 5 - 10 lac	**20%**	Rs 5 - 7.5 lac	**10%**
Rs 10 lac & above	**30%**	Rs 7.5 - 10 lac	**15%**
-	-	Rs 10 - 12.5 lac	**20%**
-	-	Rs 12.5 - 15 lac	**25%**
-	-	Rs 15 lac & above	**30%**

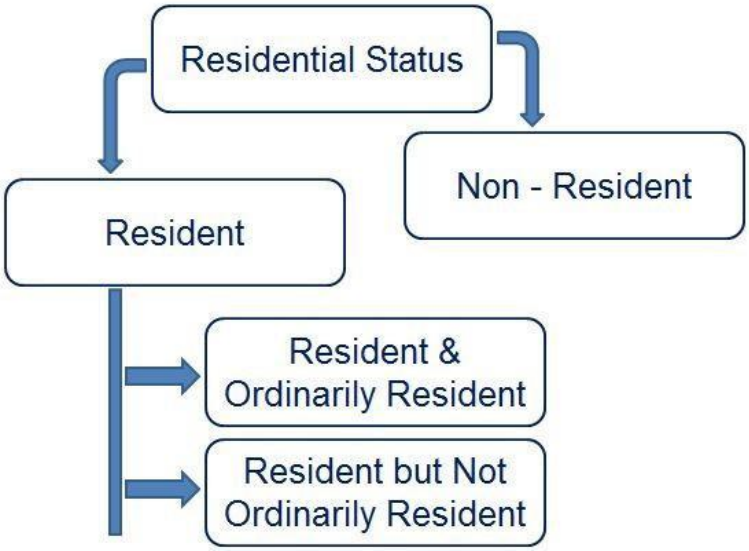
Source: *https://stableinvestor.com/2020/02/new-vs-old-tax-slabs-better-calculator.html*

❖ Income Tax Rates for FY 2020-21 and FY 2021-22

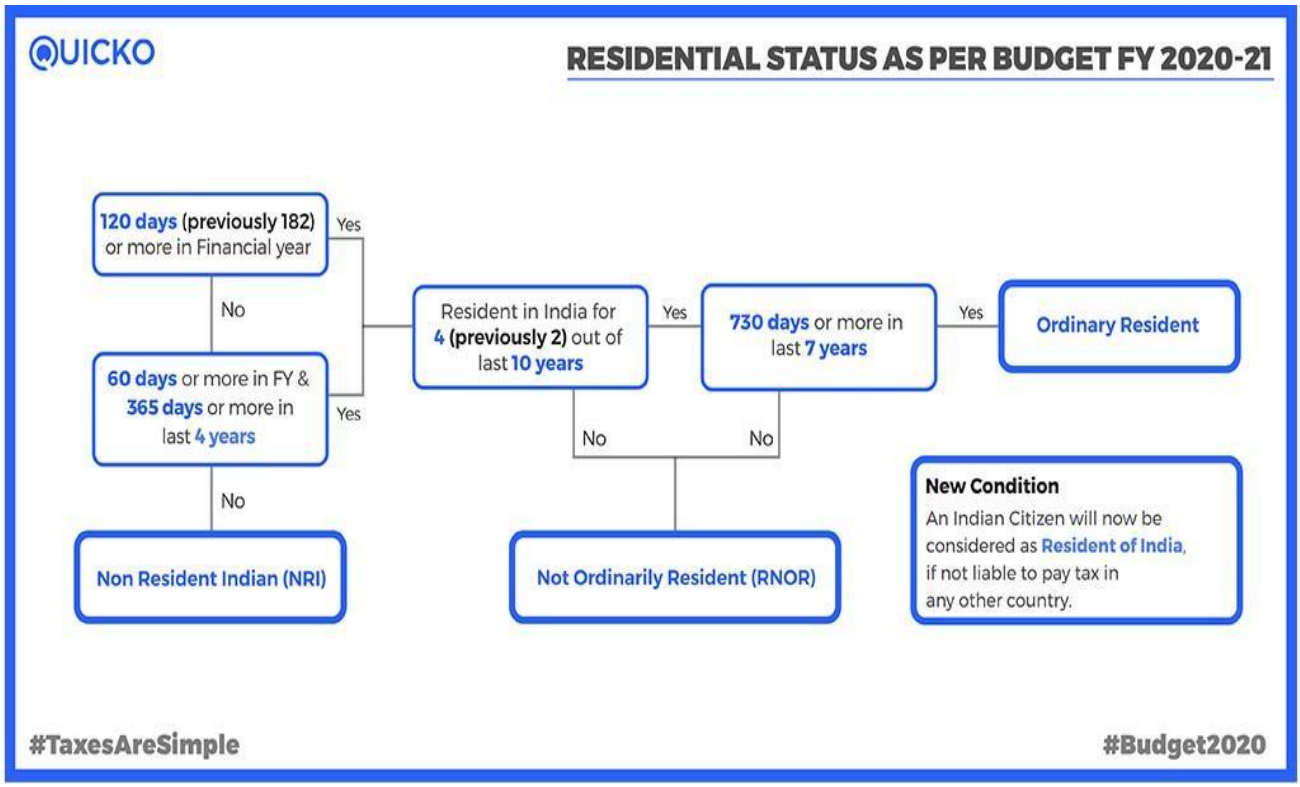


Source: *https://taxguru.in/income-tax/income-tax-rates-fy-2020-21-fy-2021-22.html*

❖ Residential Status for Income Tax Calculation



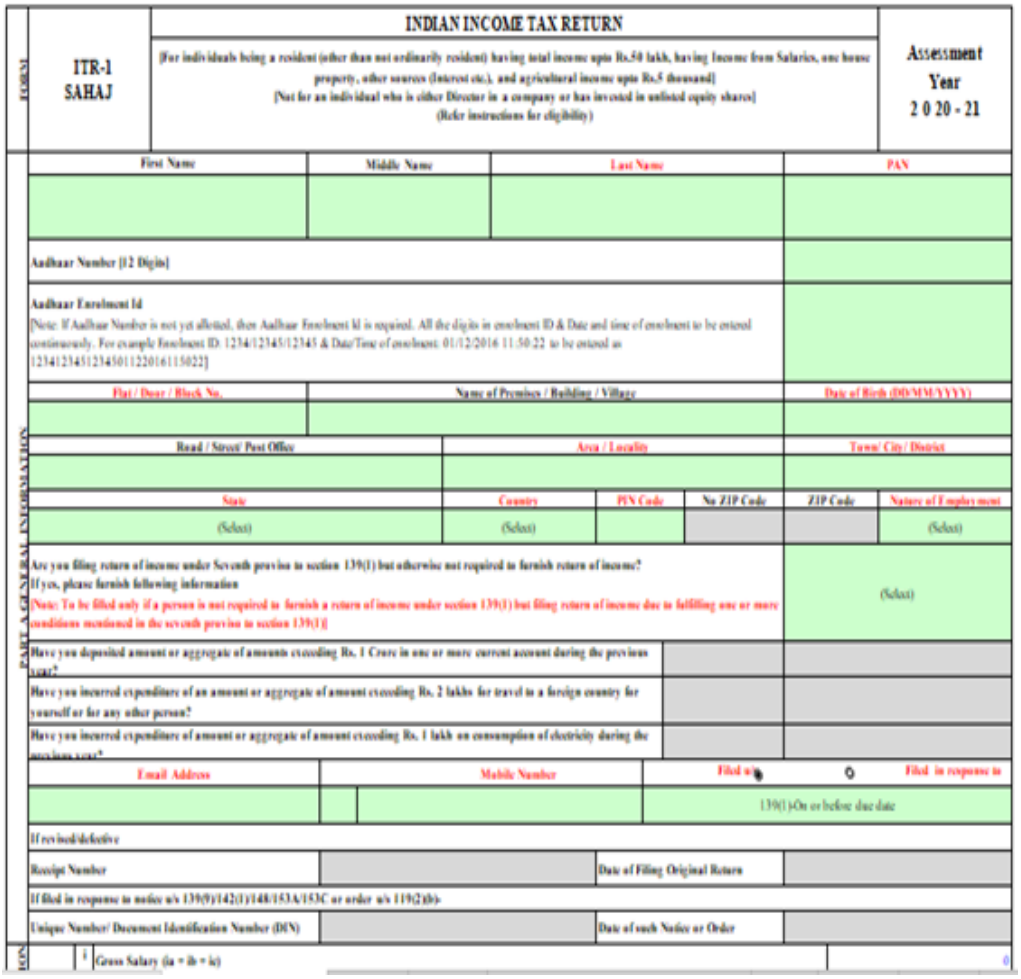
Source: *https://taxguru.in/income-tax/residential-status-resident-nonresident.html*



Source: *https://learn.quicko.com/residential-status-income-tax*

- **Income Tax Return**

Part A: General Information and Details



FORM	ITR-1 SAHAJ	INDIAN INCOME TAX RETURN	Assessment Year 2020-21

[For individuals being a resident (other than not ordinarily resident) having total income upto Rs.50 lakh, having Income from Salaries, one house property, other sources (Interest etc.), and agricultural income upto Rs.5 thousand]
[Not for an individual who is either Director in a company or has invested in unlisted equity shares]
(Refer instructions for eligibility)

PART A GENERAL INFORMATION

First Name	Middle Name	Last Name	PAN

Aadhaar Number [12 Digits]	
Aadhaar Enrolment Id [Note: If Aadhaar Number is not yet allotted, then Aadhaar Enrolment Id is required. All the digits in enrolment ID & Date and time of enrolment to be entered continuously. For example Enrolment ID: 1234/12345/12345 & Date/Time of enrolment: 01/12/2016 11:50:22 to be entered as 12341234512345011220161150022]	

Flat / Door / Block No.	Name of Premises / Building / Village	Date of Birth (DD/MM/YYYY)

Road / Street/ Post Office	Area / Locality	Town/ City / District

State	Country	PIN Code	No ZIP Code	ZIP Code	Nature of Employment
(Select)	(Select)				(Select)

Are you filing return of income under Seventh proviso to section 139(1) but otherwise not required to furnish return of income? If yes, please furnish following information [Note: To be filled only if a person is not required to furnish a return of income under section 139(1) but filing return of income due to fulfilling one or more conditions mentioned in the seventh proviso to section 139(1)]	(Select)
Have you deposited amount or aggregate of amounts exceeding Rs. 1 Crore in one or more current account during the previous year?	
Have you incurred expenditure of an amount or aggregate of amount exceeding Rs. 2 lakhs for travel to a foreign country for yourself or for any other person?	
Have you incurred expenditure of amount or aggregate of amount exceeding Rs. 1 lakh on consumption of electricity during the previous year?	

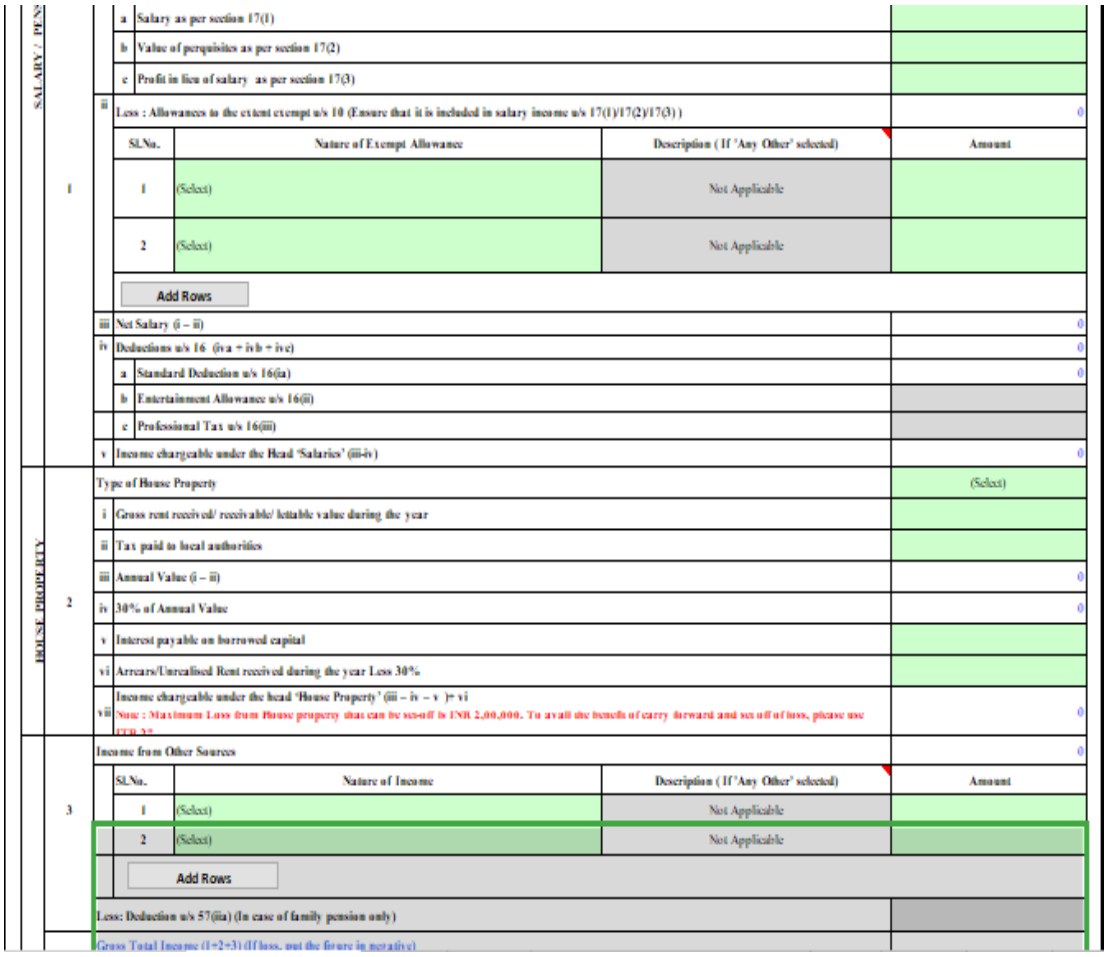
Email Address	Mobile Number	Filed u/s	Filed in response to
		139(1)-On or before due date	

If revised/defective			
Receipt Number		Date of Filing Original Return	
If filed in response to notice u/s 139(9)/142(1)/148/153A/153C or order u/s 119(2)(b)			
Unique Number/ Document Identification Number (DIN)		Date of such Notice or Order	

1	Gross Salary (ia + ib + ic)		0

Source: *https://cleartax.in/s/itr1*

Part B: Gross Total Income



SALARY / PENSION	1	a	Salary as per section 17(1)			
		b	Value of perquisites as per section 17(2)			
		c	Profit in lieu of salary as per section 17(3)			
		ii	Less : Allowances to the extent exempt u/s 10 (Ensure that it is included in salary income u/s 17(1)/17(2)/17(3))			0
			Sl.No.	Nature of Exempt Allowance	Description (If 'Any Other' selected)	Amount
			1	(Select)	Not Applicable	
			2	(Select)	Not Applicable	
			Add Rows			
		iii	Net Salary (i – ii)			0
		iv	Deductions u/s 16 (iva + ivb + ivc)			0
		a	Standard Deduction u/s 16(ia)			0
		b	Entertainment Allowance u/s 16(ii)			
		c	Professional Tax u/s 16(iii)			
		v	Income chargeable under the Head 'Salaries' (iii-iv)			0
HOUSE PROPERTY	2	Type of House Property				(Select)
		i	Gross rent received/ receivable/ lettable value during the year			
		ii	Tax paid to local authorities			
		iii	Annual Value (i – ii)			0
		iv	30% of Annual Value			0
		v	Interest payable on borrowed capital			
		vi	Arrears/Unrealised Rent received during the year Less 30%			
		vii	Income chargeable under the head 'House Property' (iii – iv – v)+ vi Note : Maximum Loss from House property that can be set-off is INR 2,00,000. To avail the benefit of carry forward and set off of loss, please use ITR-2?			0
	3	Income from Other Sources				0
		Sl.No.		Nature of Income	Description (If 'Any Other' selected)	Amount
		1		(Select)	Not Applicable	
		2		(Select)	Not Applicable	
		Add Rows				
		Less: Deduction u/s 57(iia) (In case of family pension only)				
		Gross Total Income (1+2+3) (If loss, put the figure in negative)				

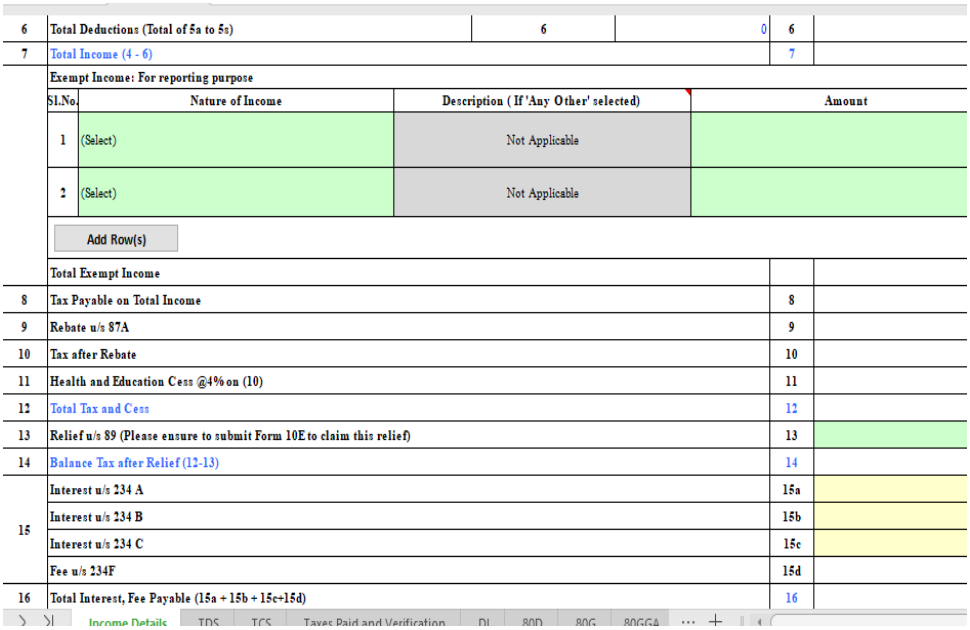
Source: *https://cleartax.in/s/itr1*

Part C: Deductions and Total Taxable Income

DEDUCTIONS		a	80C - Life insurance premia, deferred annuity, contributions to provident fund, subscription to certain equity shares or debentures, etc.		5a		
		b	80CCC - Payment in respect Pension Fund		5b		
		c	80CCD(1) - Contribution to pension scheme of Central Government		5c		
		d	80CCD(1B) - Contribution to pension scheme of Central Government		5d		
		e	80CCD(2) - Contribution to pension scheme of Central Government by employer		5e		
		f	80D-Deduction in respect of Health Insurance premia. (Please fill 80D Schedule. This field is auto-populated from schedule 80D.)		5f	0	
		g	80DD - Maintenance including medical treatment of a dependent who is a person with disability	(Select)	5g		
		h	80DDB - Medical treatment of specified disease	(Select)	5h		
		i	80E - Interest on loan taken for higher education		5i		
		j	80EE - Interest on loan taken for residential house property		5j		
		k	80EEA-Deduction in respect of interest on loan taken for certain house		5k		
		l	80EEB-Deduction in respect of purchase of electric vehicle		5l		
		m	80G - Donations to certain funds, charitable institutions, etc. (Please fill 80G Schedule. This field is auto-populated from schedule 80G.)		5m	0	
		n	80GG - Rent paid		5n		
		o	80GGA - Certain donations for scientific research or rural development (Please fill 80GGA Schedule. This field is auto-populated from schedule 80GGA.)		5o	0	
		p	80GGC - Donation to Political party		5p		
		q	80TTA - Interest on saving bank Accounts in case of other than Resident senior citizens		5q		
		r	80TTB - Interest on deposits in case of Resident senior citizens		5r		
		s	80U - In case of a person with disability	(Select)	5s		
	6	Total Deductions (Total of 5a to 5s)			6	0	6

Source: *https://cleartax.in/s/itr1*

Part D: Computations of Tax Payable

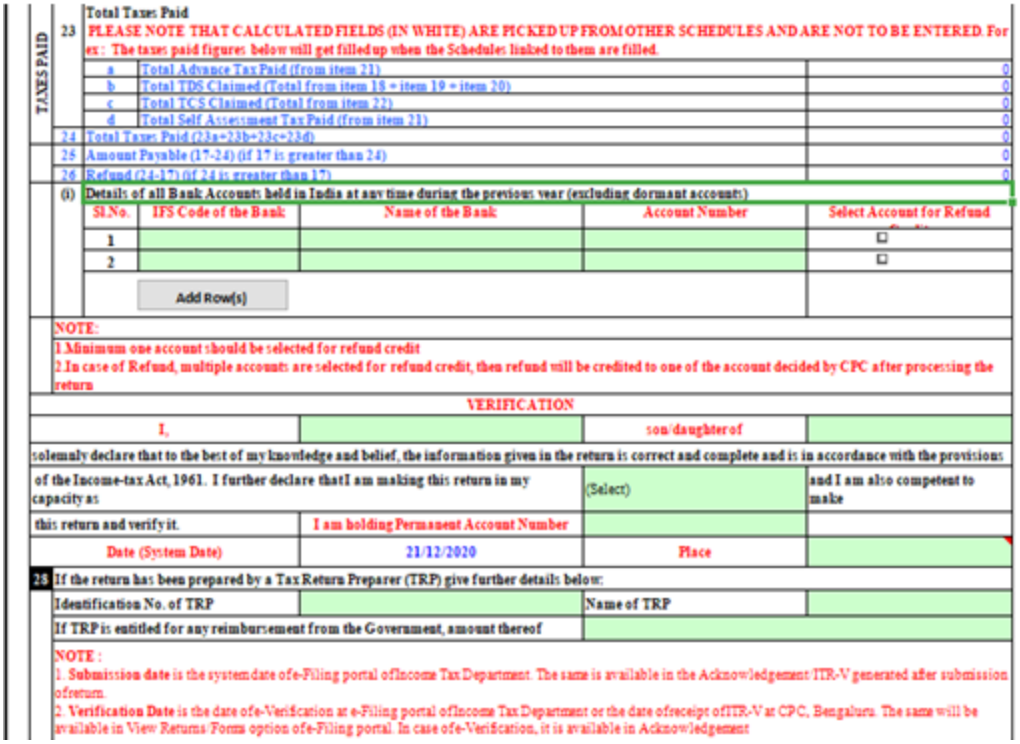


6	Total Deductions (Total of 5a to 5s)		6	0	6
7	Total Income (4 - 6)				7
	Exempt Income: For reporting purpose				
	Sl.No.	Nature of Income	Description (If 'Any Other' selected)		Amount
	1	(Select)	Not Applicable		
	2	(Select)	Not Applicable		
	Add Row(s)				
	Total Exempt Income				
8	Tax Payable on Total Income				8
9	Rebate u/s 87A				9
10	Tax after Rebate				10
11	Health and Education Cess @4% on (10)				11
12	Total Tax and Cess				12
13	Relief u/s 89 (Please ensure to submit Form 10E to claim this relief)				13
14	Balance Tax after Relief (12-13)				14
15	Interest u/s 234 A				15a
	Interest u/s 234 B				15b
	Interest u/s 234 C				15c
	Fee u/s 234F				15d
16	Total Interest, Fee Payable (15a + 15b + 15c+15d)				16

Income Details | TDS | TCS | Taxes Paid and Verification | DI | 80D | 80G | 80GGA | ...

Source: *https://cleartax.in/s/itr1*

Part F- Self Assessment Tax payments, Advance tax and Verification



TAXES PAID

23	Total Taxes Paid PLEASE NOTE THAT CALCULATED FIELDS (IN WHITE) ARE PICKED UP FROM OTHER SCHEDULES AND ARE NOT TO BE ENTERED. For ex : The taxes paid figures below will get filled up when the Schedules linked to them are filled.		
	a	Total Advance Tax Paid (from item 21)	0
	b	Total TDS Claimed (Total from item 18 + item 19 + item 20)	0
	c	Total TCS Claimed (Total from item 22)	0
	d	Total Self Assessment Tax Paid (from item 21)	0
24	Total Taxes Paid (23a+23b+23c+23d)		0
25	Amount Payable (17-24) (if 17 is greater than 24)		0
26	Refund (24-17) (if 24 is greater than 17)		0

(i) Details of all Bank Accounts held in India at any time during the previous year (excluding dormant accounts)

Sl.No.	IFS Code of the Bank	Name of the Bank	Account Number	Select Account for Refund
1				☐
2				☐

Add Row(s)

NOTE:
1.Minimum one account should be selected for refund credit
2.In case of Refund, multiple accounts are selected for refund credit, then refund will be credited to one of the account decided by CPC after processing the return

VERIFICATION

I,		son/daughter of	

solemnly declare that to the best of my knowledge and belief, the information given in the return is correct and complete and is in accordance with the provisions

of the Income-tax Act, 1961. I further declare that I am making this return in my capacity as		(Select)	and I am also competent to make
this return and verify it.	I am holding Permanent Account Number		
Date (System Date)	21/12/2020	Place	

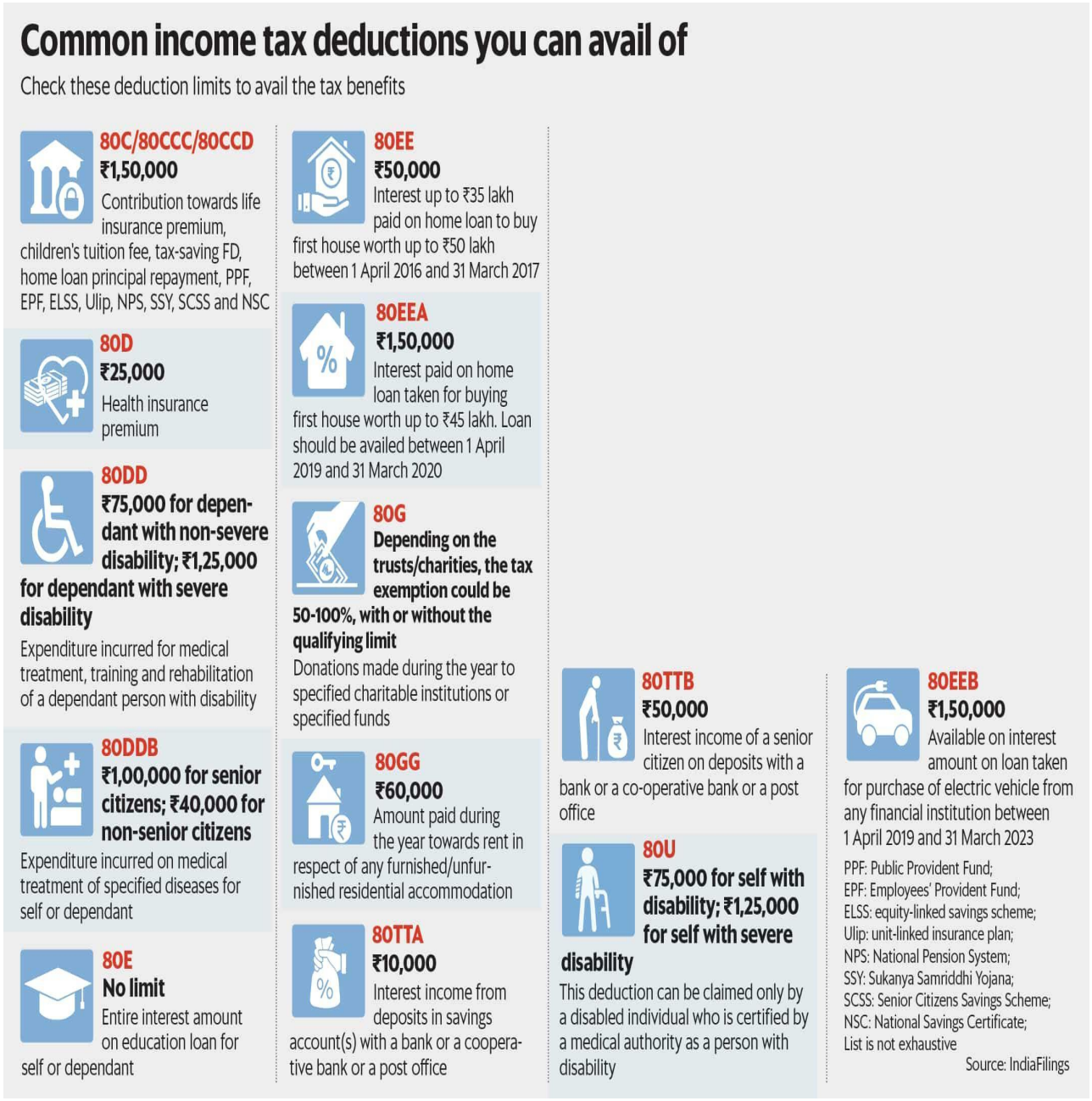
28 If the return has been prepared by a Tax Return Preparer (TRP) give further details below:

Identification No. of TRP		Name of TRP	
If TRP is entitled for any reimbursement from the Government, amount thereof			

NOTE :
1. Submission date is the system date of e-Filing portal of Income Tax Department. The same is available in the Acknowledgement ITR-V generated after submission of return.
2. Verification Date is the date of e-Verification at e-Filing portal of Income Tax Department or the date of receipt of ITR-V at CPC, Bengaluru. The same will be available in View Returns/Forms option of e-Filing portal. In case of e-Verification, it is available in Acknowledgement

Source: *https://cleartax.in/s/itr1*

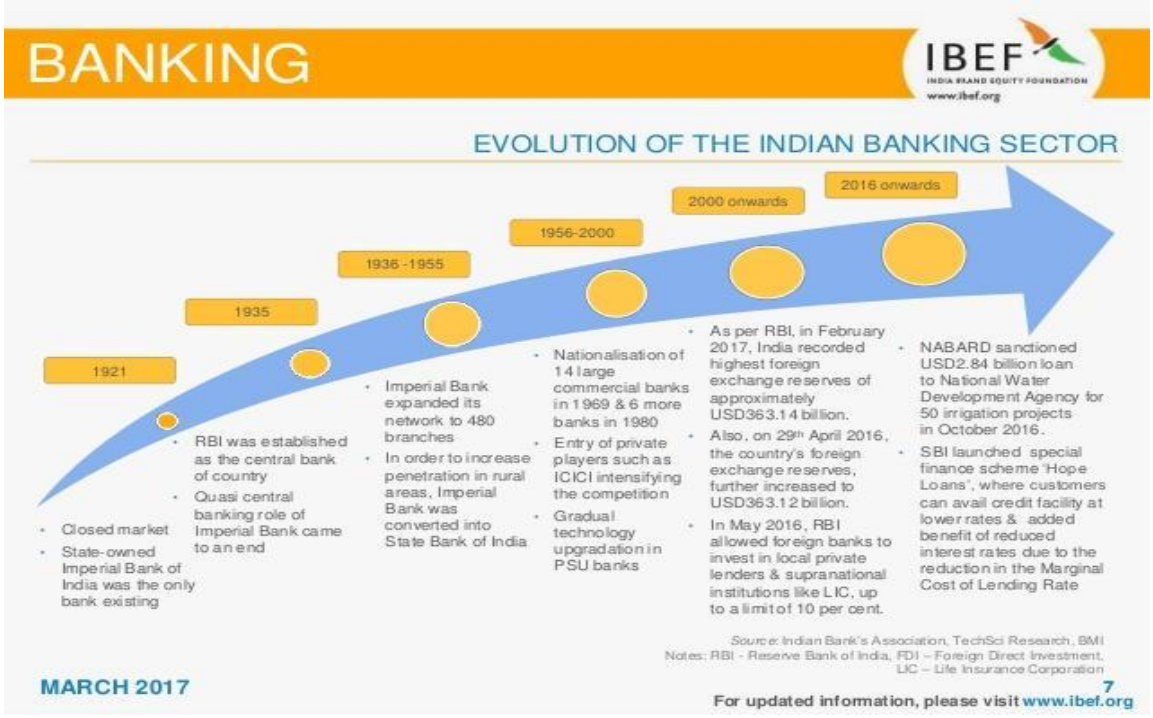
- Income Tax Deductions which an Individual Investor can Avail of as per Old Tax Regime



Source:

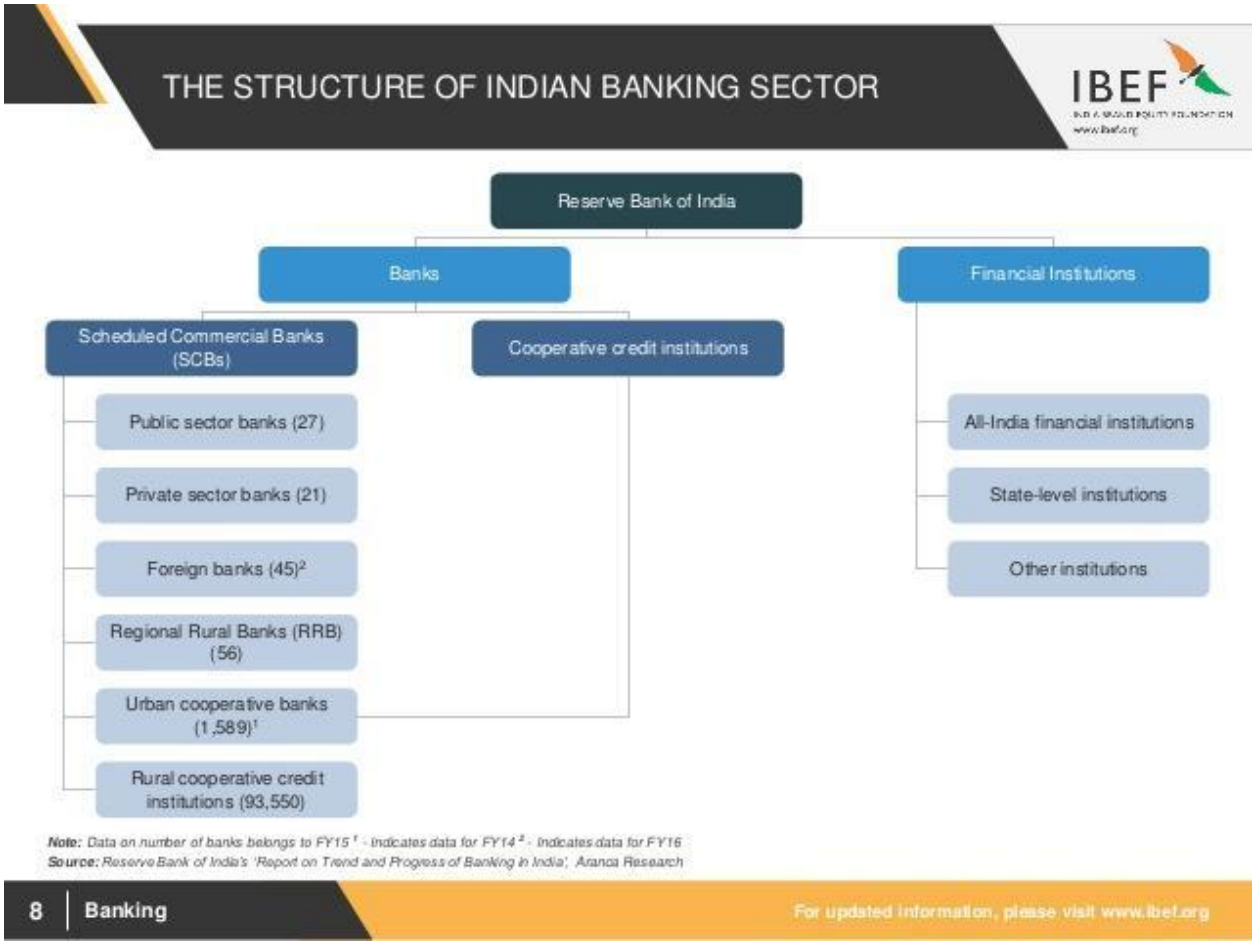
https://www.livemint.com/money/personal-finance/three-steps-to-smoothen-your-tax-planning-at-the-last-minute-11610382028539.html

Chapter 4 and Chapter 5: Banking Products and Insurance in India

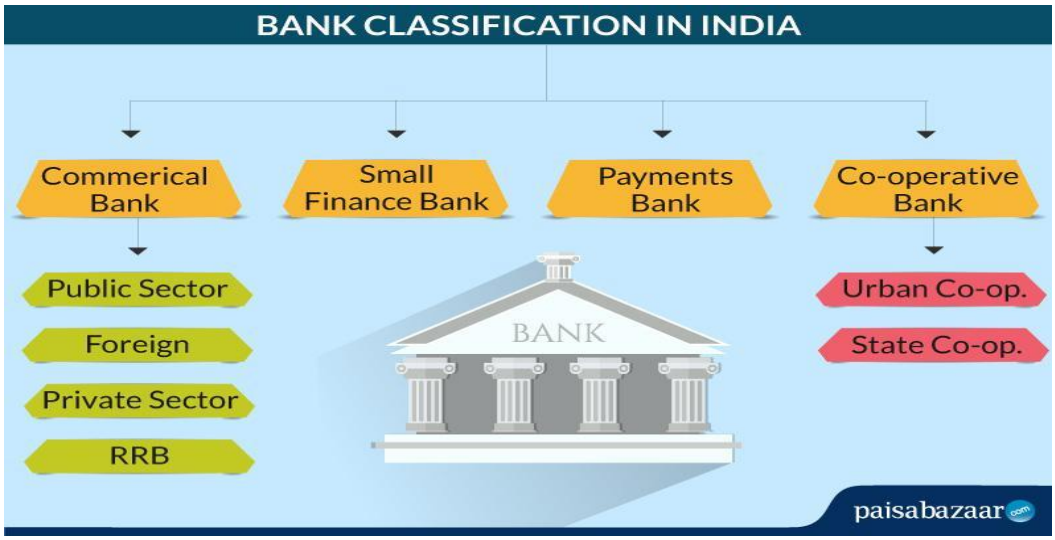


Source: *https://www.ibef.org*

Source: *https://www.ibef.org*

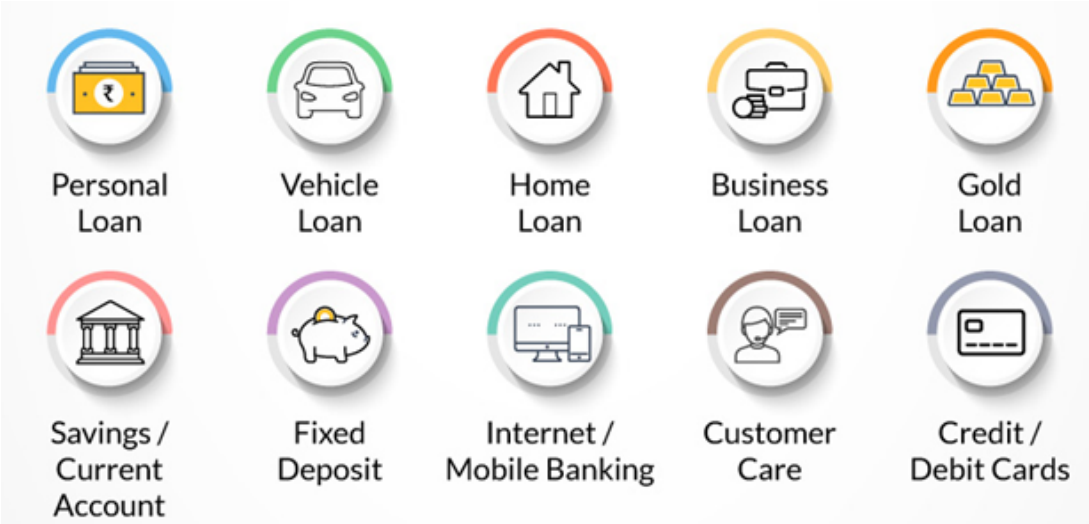


Source: *https://www.ibef.org*



Source: *https://www.paisabazaar.com/banking/*

- Banking Products used by **Individuals** as a part of **Personal Finance**



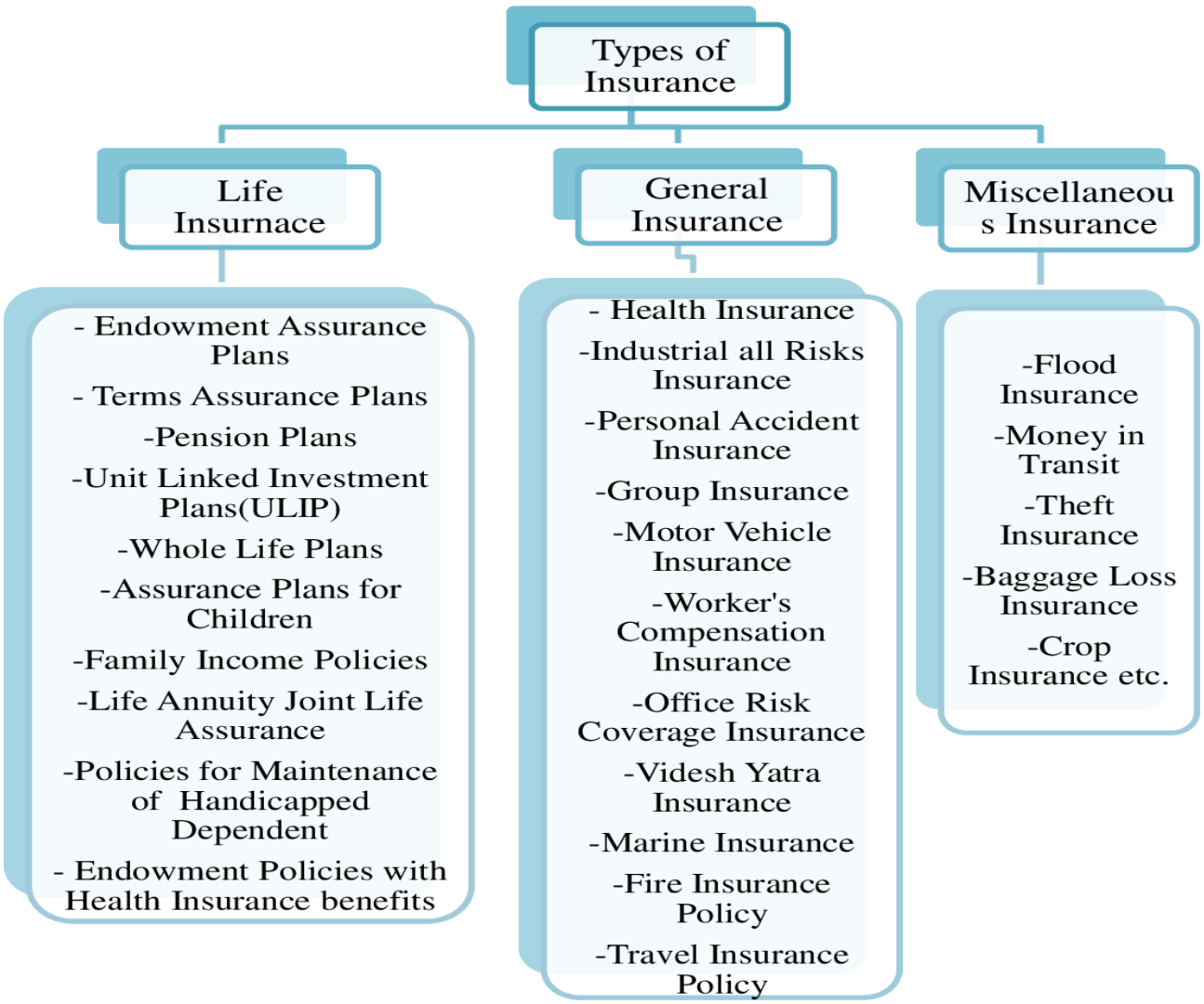
- How is CIBIL Score Calculated

Source: https://finserving.com/loan/cibil/effective-ways-to-improve-your-bad-cibil-score

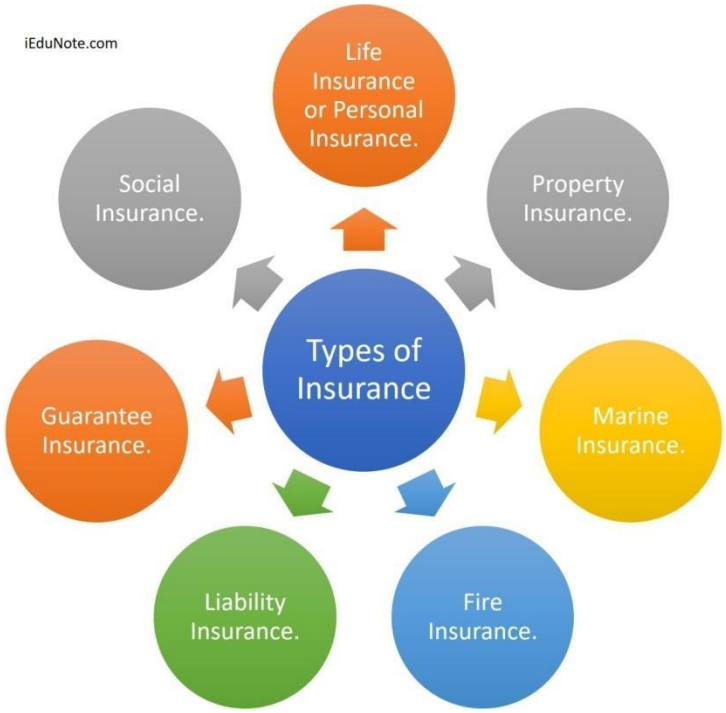
Source:
https://www.newsheads.in/business/finance-and-markets/learn-about-factors-that-affect-cibil-score-and-steps-for-its-improvement-article-60748

- Different CIBIL scores portray different aspect of borrowers. Experts rapidly comprehend the creditworthiness of the applicant by seeing the CIBIL score. CIBIL scores is divided into 5 grades as per FICO:
  - ✔ 800+ is excellent
  - ✔ 740 to 799 is very good
  - ✔ 670 to 739 is good
  - ✔ 580 to 669 is fair
  - ✔ lower than 580 is poor

- Types of Insurance in India



Source:
https://www.semanticscholar.org/paper/Impact-of-F.D.I.-On-Insurance-sector-in-India-A-of-Yadav-Mohania/0543b438409432be1ba2484aca3c30d1538ab7fb/figure/2



Source: *https://www.iedunote.com/types-of-insurance*

- Types of Commercial Insurances in India

Source: *https://www.paisabazaar.com/commercial-insurance/*

- Life insurance can be classified into the following categories:
  - ✔ Term Plan
  - ✔ Whole Life Plan
  - ✔ Money-Back Plan
  - ✔ Endowment Plan
  - ✔ Unit Linked Insurance Plan
  - ✔ Children's Policy
  - ✔ Retirement/Pension Plan

- Factors affecting Life Insurance Premiums
  - ✔ Age
  - ✔ Gender
  - ✔ Health History
  - ✔ Family Health History
  - ✔ Smoking
  - ✔ Hobbies
  - ✔ Occupation
  - ✔ The Policy

❖ Advantages and Disadvantages of Credit Cards

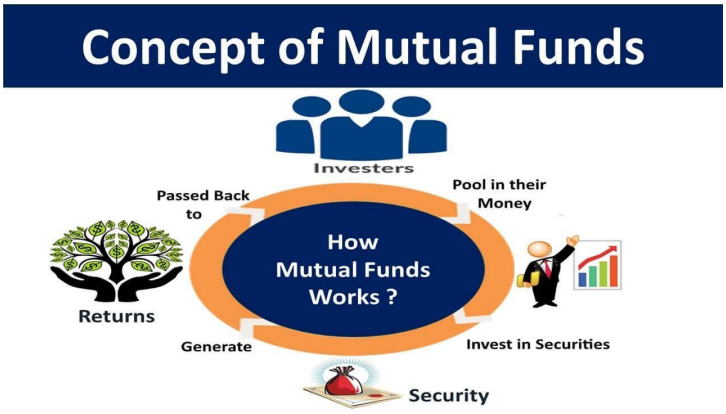
1. Build Credit History
2. Great Rewards
3. Better than Cash
4. Cash Advance
5. Debt Consolidation
6. Easy International Transactions
7. Convenience
8. Purchase Protection

1. High Credit Rating
2. Impulse Buying
3. High-interest Rates
4. Foreign Transaction Fees
5. Annual Fees
6. Decreased Credit History Rating and Credit Score
7. Credit Cards Fraud
8. Additional Fees on Cash Advance

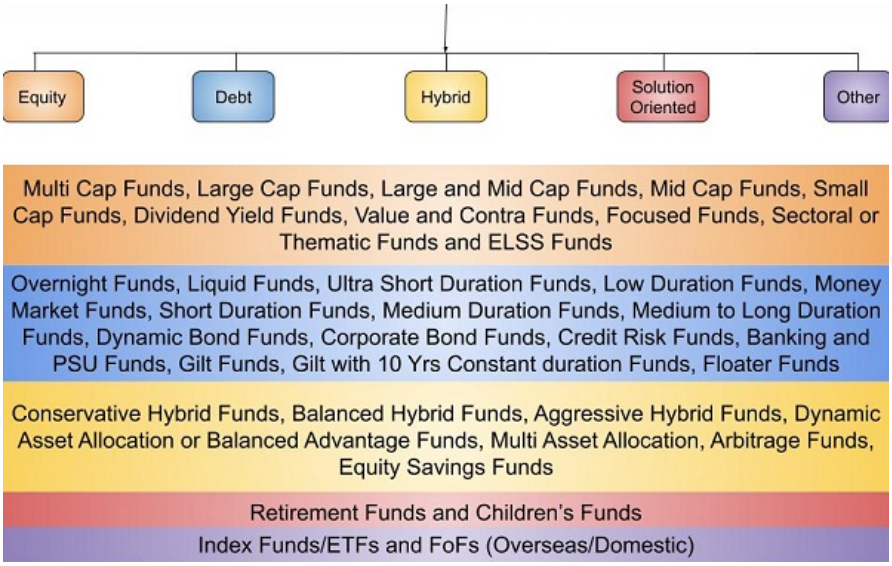
Source: *https://www.tradeupfund.com/advantages-and-disadvantages-of-credit-cards/*

Chapter 6: Investment in Mutual Fund

❖ Why Invest in Mutual Funds



Types of Mutual Funds



Mutual Funds are fund houses or AMCs which pool money from different investors and invest in bonds, equities, short-term debts and other assets. The money is managed by professional fund managers.

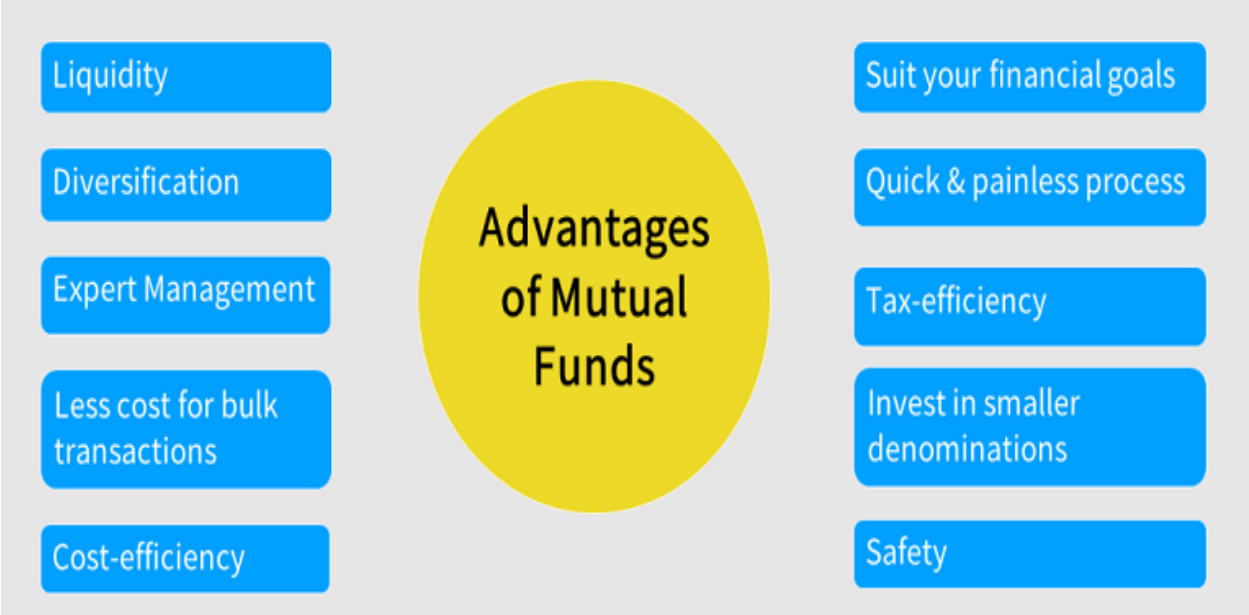
- Types of Mutual Fund: Based on Asset Class
  - ✔ Equity Funds
  - ✔ Debt Funds
  - ✔ Balanced Funds

- Based on Investment Goals
  - ✔ Growth funds
  - ✔ Liquid Funds or Income Funds
  - ✔ Tax-Saving Funds (ELSS)
  - ✔ Pension Funds

- Mutual Funds based on Theme
  - ✔ Exchange-Traded Funds
  - ✔ Index Funds
  - ✔ Sector Funds
  - ✔ International funds

- Based on Market Capitalization
  - ✔ Large Cap Mutual Funds
  - ✔ Mid Cap Mutual Funds
  - ✔ Small-Cap Mutual Funds
- Why should you buy mutual funds?

- ✔ Professional Management
- ✔ Diversification
- ✔ Affordability
- ✔ Liquidity
- ✔ Wide variety to choose from



Source: *https://www.rupeemaster.com/top-6-advantages-of-investing-through-mutual-funds/*

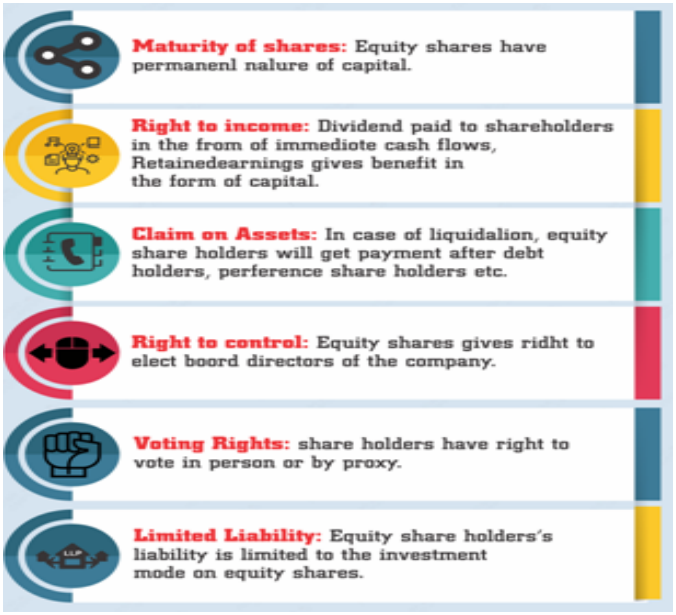
Chapter 7 and Chapter 8: Investment in Equity and Debt Market

- ❖ Investing in Stocks versus Bonds

Basis For Comparison	Stocks	Bonds
Meaning	An Equity Instrument representing an ownership interest in a corporation	A Debt Instrument with a promise to pay back the principal amount with interest
Who Are the Issuers?	Corporates	Government Institutions, Financial Institutions, Companies etc.
Status of Holders	Shareholders are the owners of the company	Bondholders are the lenders to the company
Form of Returns	Profits earned by the company are paid in the form of Dividends	Interest payments are made in the form of Coupon Payments
Risk Level	High since it depends upon the performance of the issuer, so no guaranteed returns	Relatively low since bondholders are prioritized for repayments
Major Risks Associated	Market Risk, Business Risk	Interest Rate Risk, Inflation Risk
Additional Benefit	Shareholders get the right to vote	Bondholders get the preference in terms of Repayment and also on liquidation

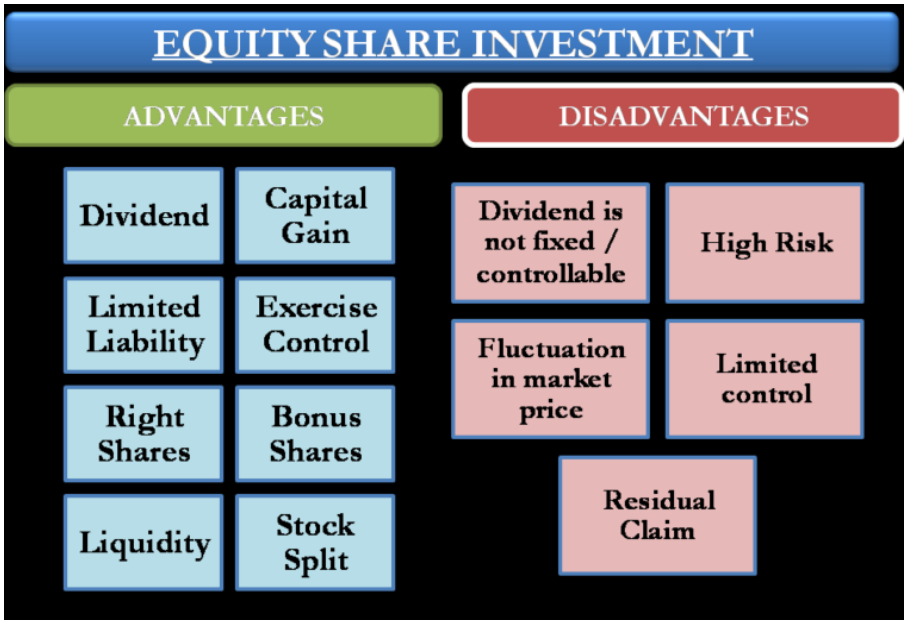
Source: *https://blog.investyadnya.in/comparison-of-stocks-vs-bonds/*

- Equity refers to the shares in a company's ownership. Features of Equity shares is as follows:



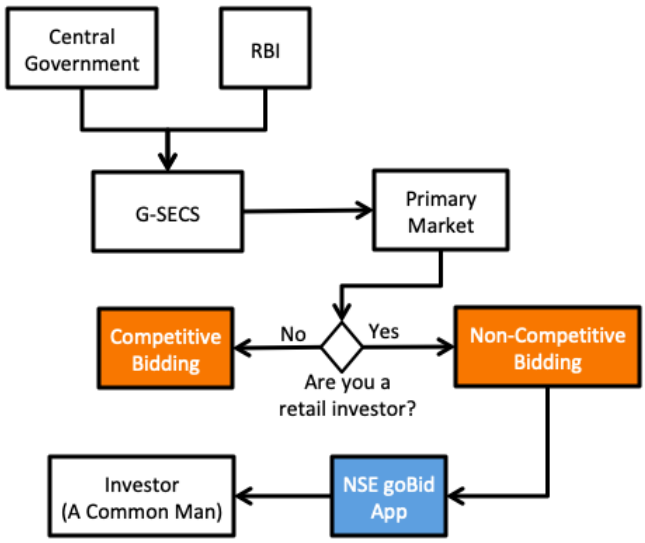
Source: *https://www.rupeemaster.com/top-6-advantages-of-investing-through-mutual-funds/*

- Advantages and disadvantages of investing in equity shares is as follows:



Source:
https://efinancemanagement.com/sources-of-finance/benefits-and-disadvantages-of-equity-shares-investment

- How Government Securities are issued in India



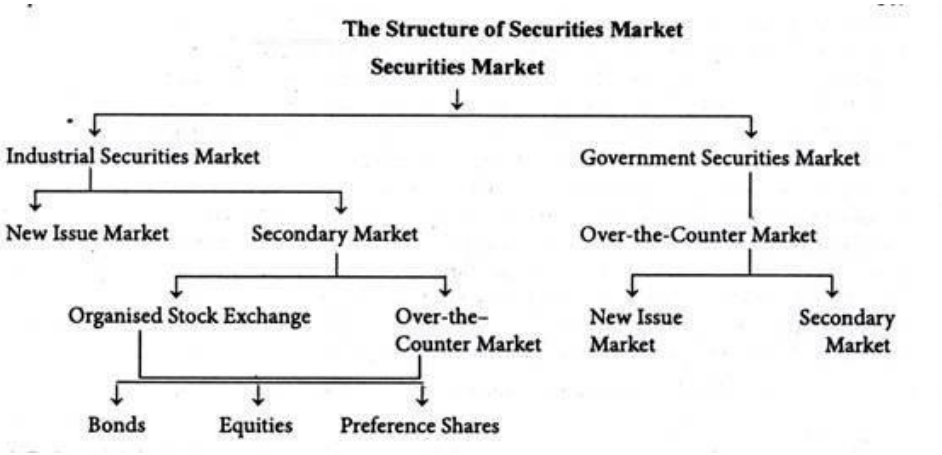
Source: *https://getmoneyrich.com/how-to-buy-government-bonds-in-india/*

- How Stocks and Bonds are Traded in Primary and Secondary Market

Securities	Primary Market	Secondary Market
Stocks	First Issued to investors in IPO	Here the issued stocks (after IPO) are daily traded in stock market
Bonds	First Issued to investors via auction	Here the issued bonds (after aution) are daily traded in stock market

Source: *https://getmoneyrich.com/how-to-buy-government-bonds-in-india/*

- Structure of Securities Markets World-wide:



Source:
https://www.economicsdiscussion.net/india/securities-market/structure-of-securities-market-in-india-with-diagram/11069

- Investors while scouting Fixed-Income Securities consider:
  - ✔ Tax Free Bonds
  - ✔ Bonds/Debentures/Deposits
  - ✔ Cumulative Deposits
  - ✔ Zero-Coupon Bonds

- Risks associated with Bonds include:
  - ✔ Default Risk
  - ✔ Liquidity Risk

- ✔ Interest Rate Risk
- ✔ Reinvestment risk
- ✔ Price risk

Chapter 9 and Chapter 10: Alternative Investments and Real Estate

Traditional investments	vs	Alternative investments
Strategies that invest directly in public stocks, bonds and cash in order to make a return.		**Investment strategies that aim to exploit inefficiencies in public markets or investments in private, less-liquid assets.**
High liquidity profile	VS	Potential illiquidity
Traded on public markets	VS	Available in both private and public markets
Shareholders who are passive investors	VS	Active shareholders who may even be the sole owners of a company
Returns are sensitive to the movements of global markets - driven by sources of returns that are similar to those of global equity and bond markets	VS	Performance that is less sensitive to the movements of global markets – driven by diverse sources of returns

Source: *https://www.blackrock.com/uk/individual/themes/alternative-investments*

- ❖ Advantages of Real Estate Investments are:

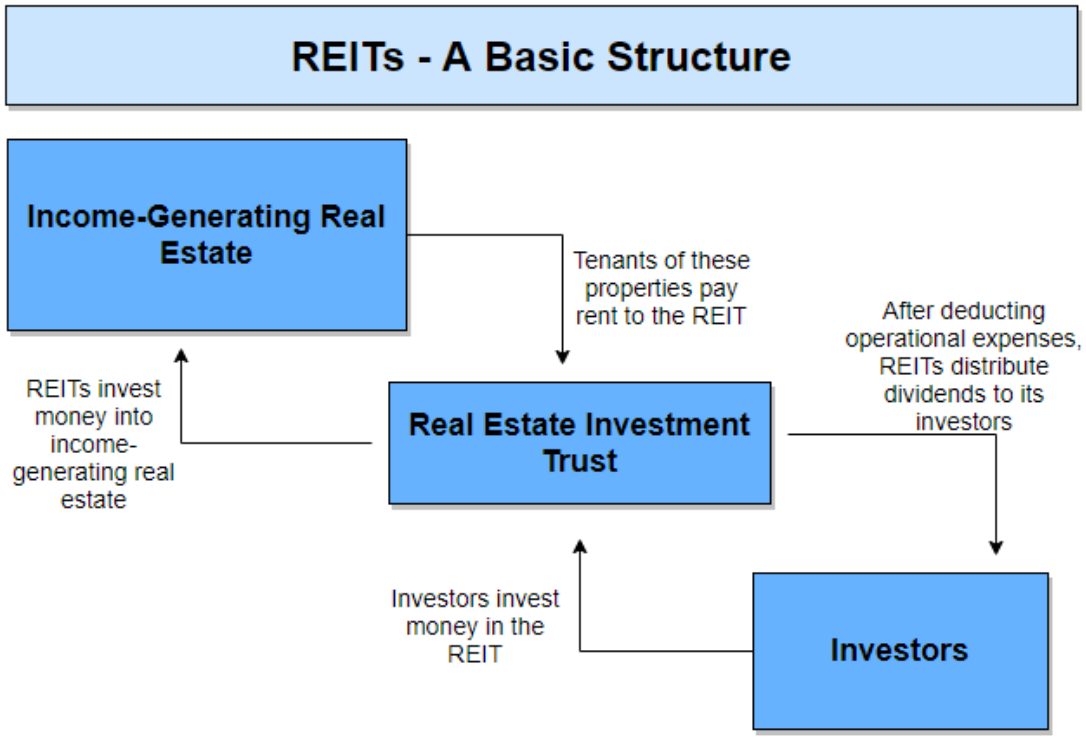
  - ✔ Easier to Understand
  - ✔ Is Improvable [under your control]
  - ✔ Is a Hedge Against Inflation
  - ✔ Exist in an Inefficient Market

- ✔ Can Be Financed and Leveraged

❖ Disadvantages of Real Estate Investments are:

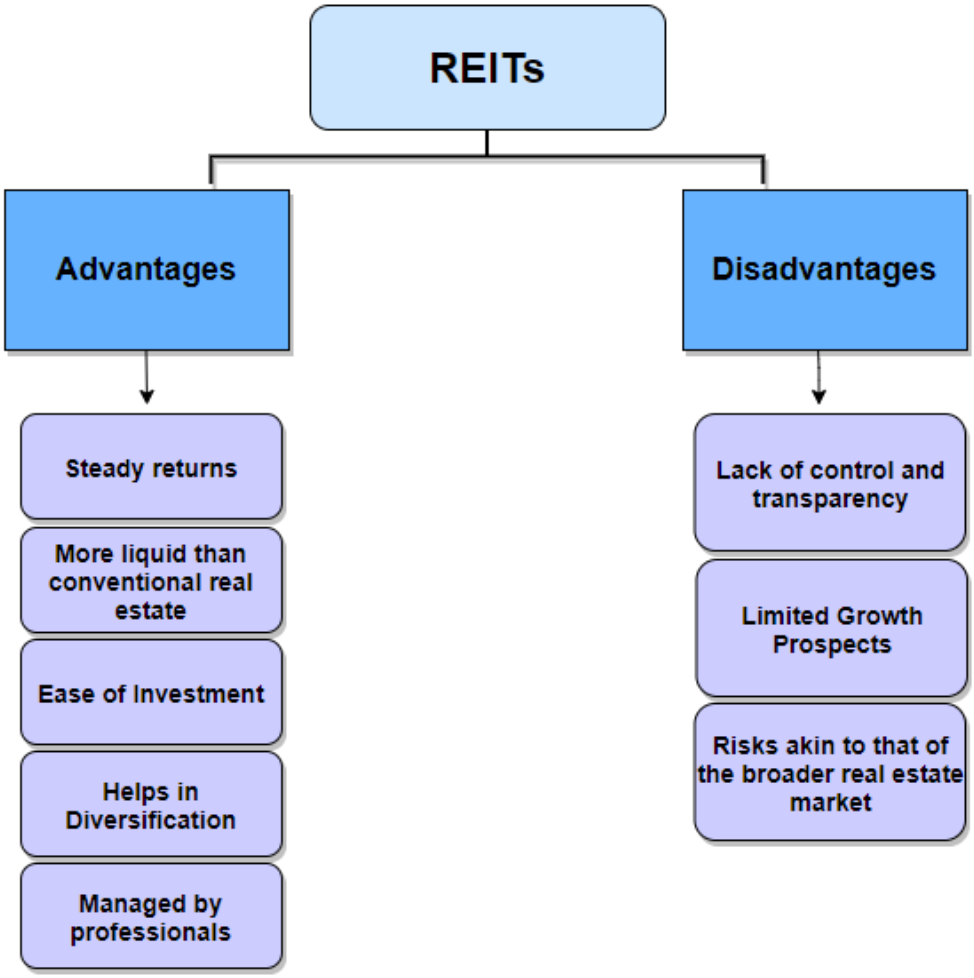
- ✔ Higher Transaction Costs
- ✔ Low Liquidity
- ✔ Requires Management and Maintenance
- ✔ Significant Inefficiencies
- ✔ Creates Liabilities

❖ Real Estate Investment Trusts (ReITs)



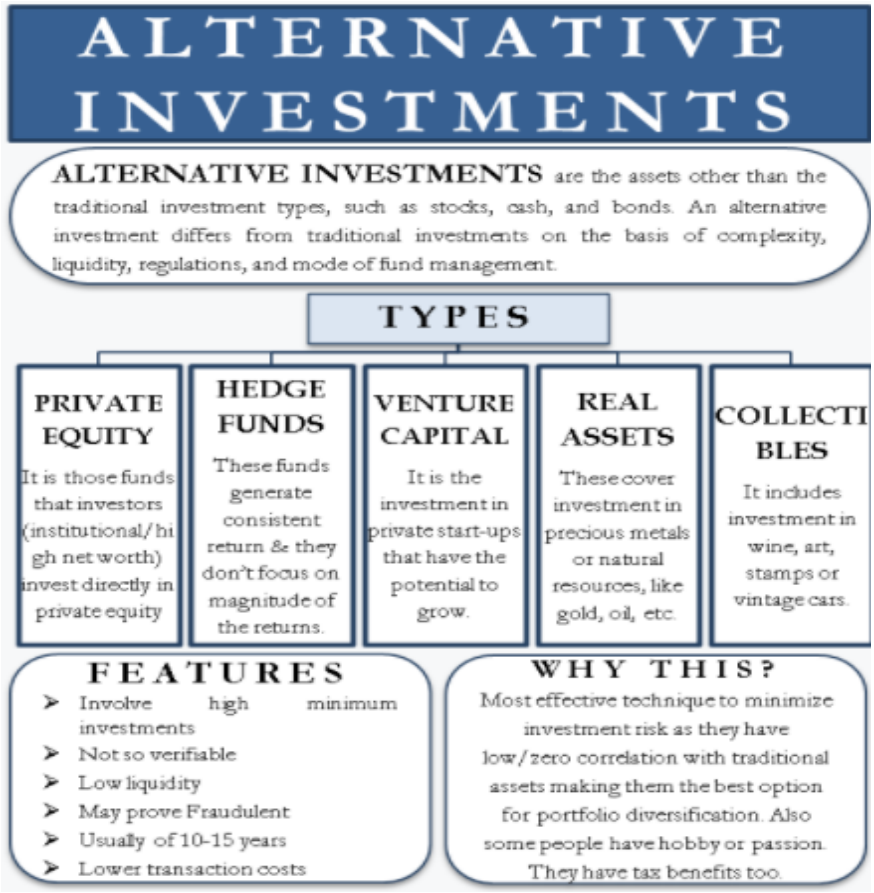
Source: *https://blog.smallcase.com/reit-re-thinking-real-estate-investments/*

❖ Advantages and Disadvantages of ReITs are:



Source: *https://blog.smallcase.com/reit-re-thinking-real-estate-investments/*

❖ Alternative Investments available for Retail Investments in India are as follows:



Source: *https://efinancemanagement.com/investment-decisions/alternative-investment*

❖ Alternative Investments Funds in India are as follows:

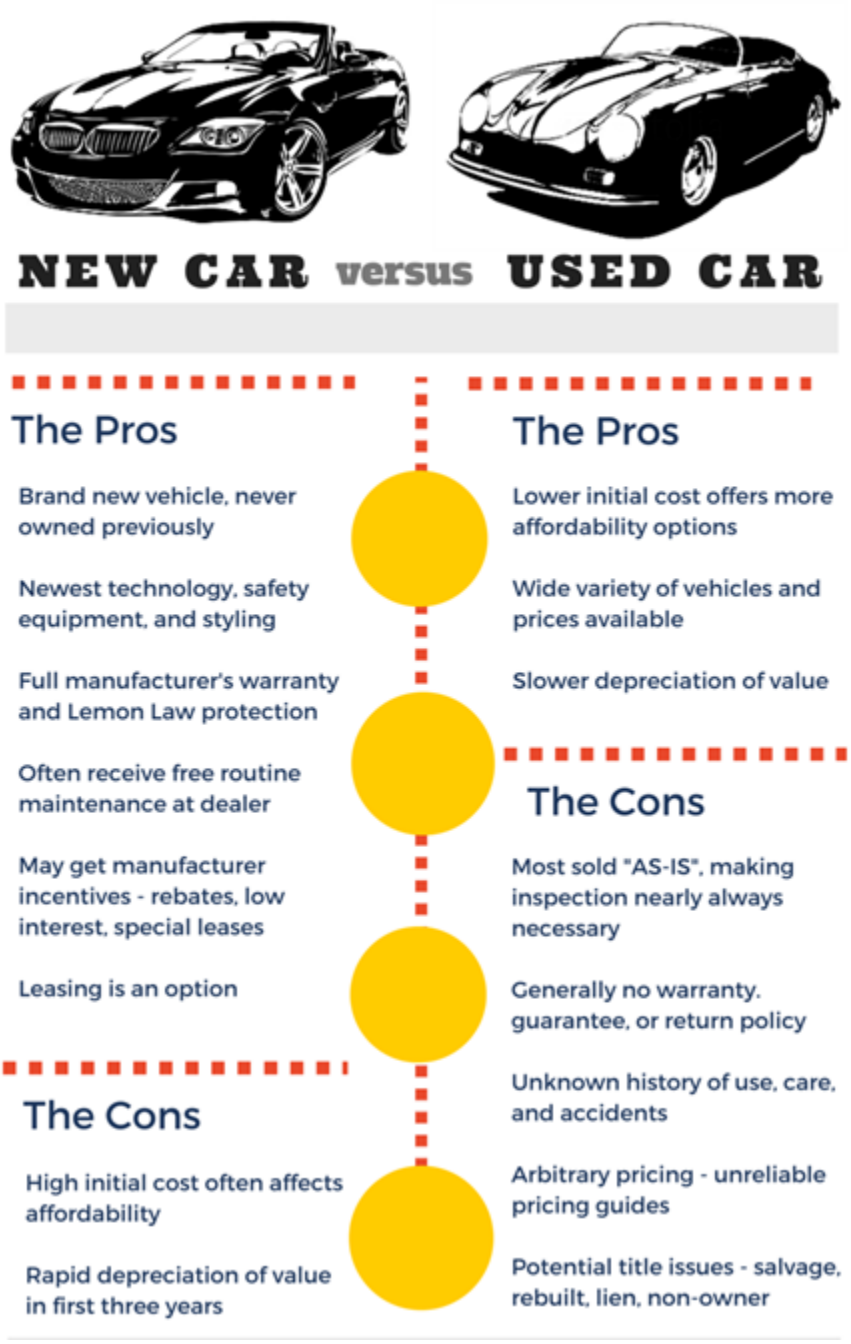
Source: *https://www.paisabazaar.com/mutual-funds/alternative-investment-fund/*

Chapter 11 and Chapter 12: Used Car and Asset Allocation and Rebalancing

- Should you buy a Car or Lease a Car?

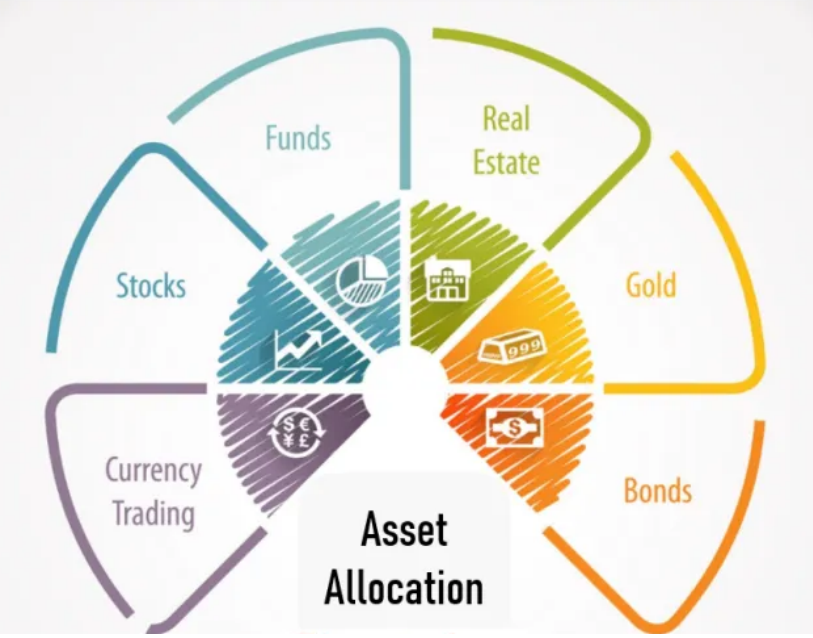
Source: *https://www.thebalance.com/pros-and-cons-of-leasing-vs-buying-a-car-527145*

❖ What are the Pros and Cos of New Car and Old Car?



Source: *https://bali-painting.com/*

❖ Individual Retail Investor Allocates his Capital among the following Asset Classes:

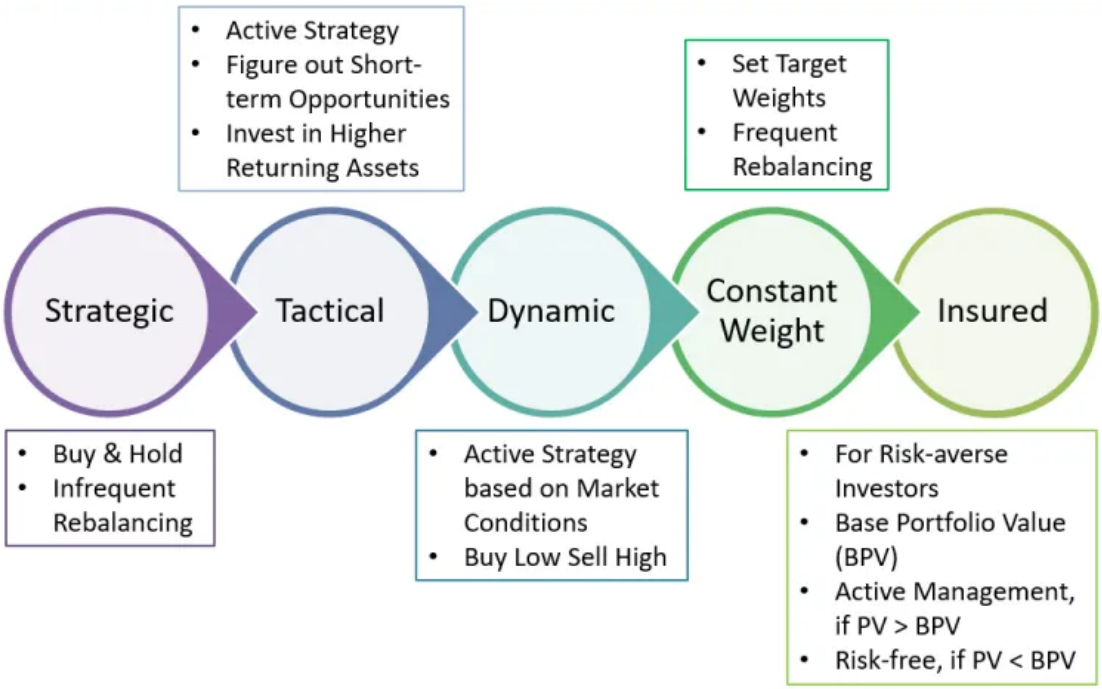


Source: *https://blog.investyadnya.in/asset-allocation-strategies-simplified/*

❖ Individual Retail Investor Allocation of Capital in different Asset Classes is dependent on factors such as Age, Risk Tolerance, Time horizon etc.:

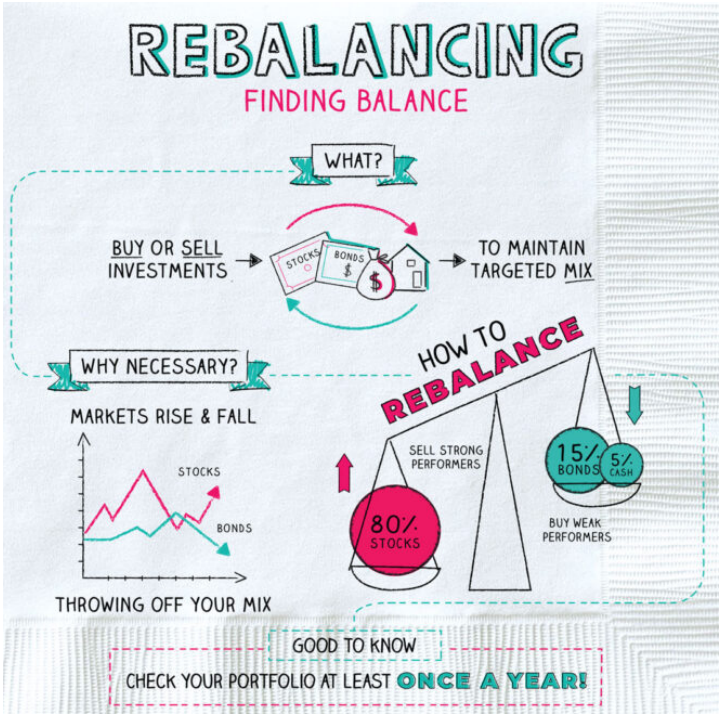
https://blog.investyadnya.in/asset-allocation-strategies-simplified/

❖ Asset Allocation Strategy which a Retail Investor deploys is as follows:



Source: *https://blog.investyadnya.in/asset-allocation-strategies-simplified/*

❖ Rebalancing of Portfolio is necessitated:



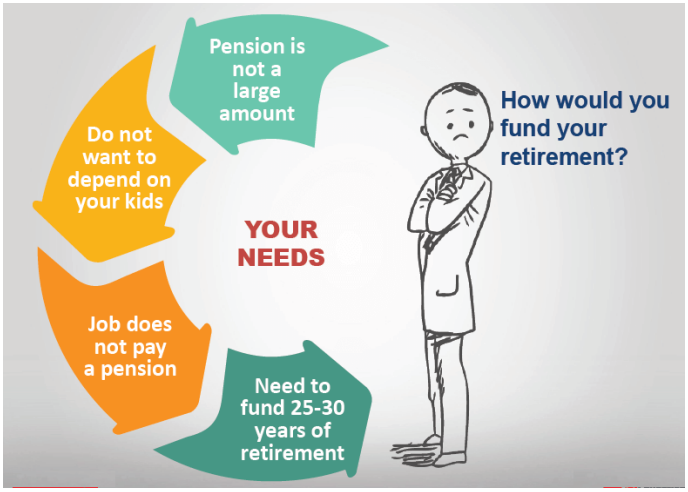
Source: *https://napkinfinance.com/napkin/rebalancing/*

Chapter 13 and Chapter 14: Retirement Planning and Estate Planning

- Main Pillars of Retirement Planning are:

Source: *https://kastlerfinancialplanning.com/main-pillars-retirement-planning/*

- The Necessity to Plan For An Effective Retirement Planning

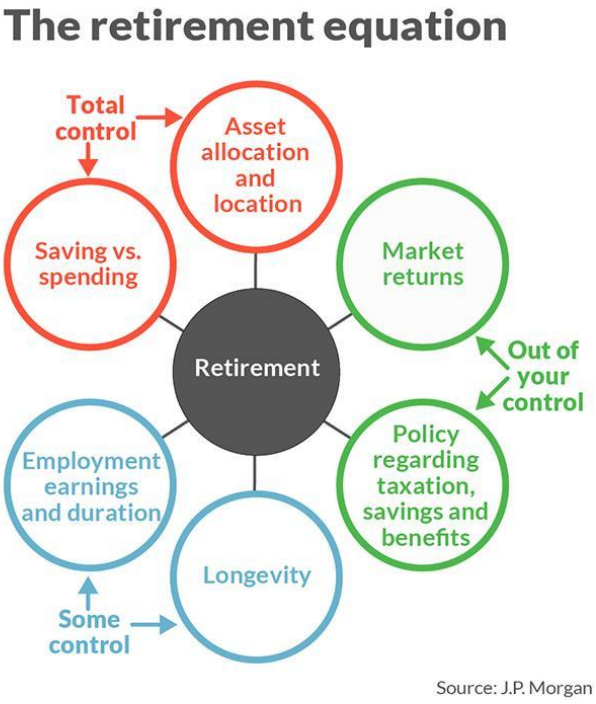


Source: *https://www.kkcredible.com/retirement-planning*

- Factors influencing Retirement Planning are:

Source: *https://blog.investyadnya.in/why-retirement-planning*

- The Retirement Equation:



Source:
https://www.marketwatch.com/story/the-6-factors-that-make-up-a-sound-retirement-plan-2019-03-13

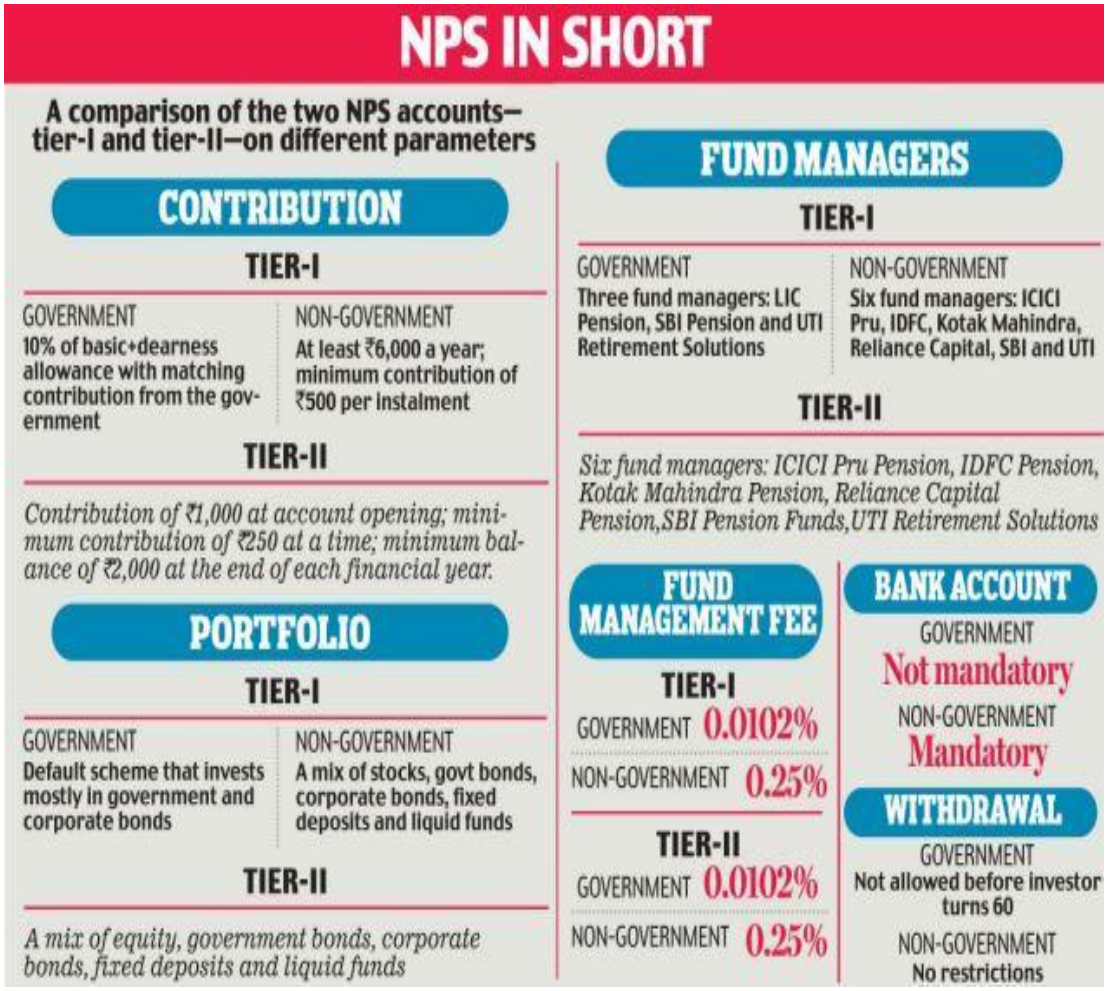
❖ PF v/s EPF v/s NPS in India

	PF	EPS	NPS
Nature of scheme	Mandatory where PF wages do not exceed the wage ceiling defined contribution plan	Mandatory where PF wages do not exceed the wage ceiling Defined benefit plan	Left to individuals choice. Voluntary contributions
Employer contribution	12% of basic salary less diversion to EPS	8.33% of PF wages (wages limited to Rs. 15000 p.m)	Not mandatory
Employee contribution	12% of basic salary	Nil	Not mandatory, once chosen minimum contribution of Rs. 500 per month to be made
Nature of return	Interest, as determined by Central Board of Trustees	Pension = Pensionable salary X Contributory period / 70	Market driven, employee has the choice of funds
Tax benefits	Contributions upto 12% of as well as accretions are tax exempt where period of employment exceeds 5 years	Contributions are tax exempt, pensions received are taxable	Contributions by employer upto 10% of defined salary exempt. Employee contributions to NPS covered under overall ceiling of Rs. 1,50 Lakhs u/s 80C. Additional deduction of Rs. 50000 p.a. available for employee contribution. Lump sum withdrawals upto 40% of the corpus is tax exempt on closure, rollover of funds to annuity not taxable, however pensions taxable.

Source:

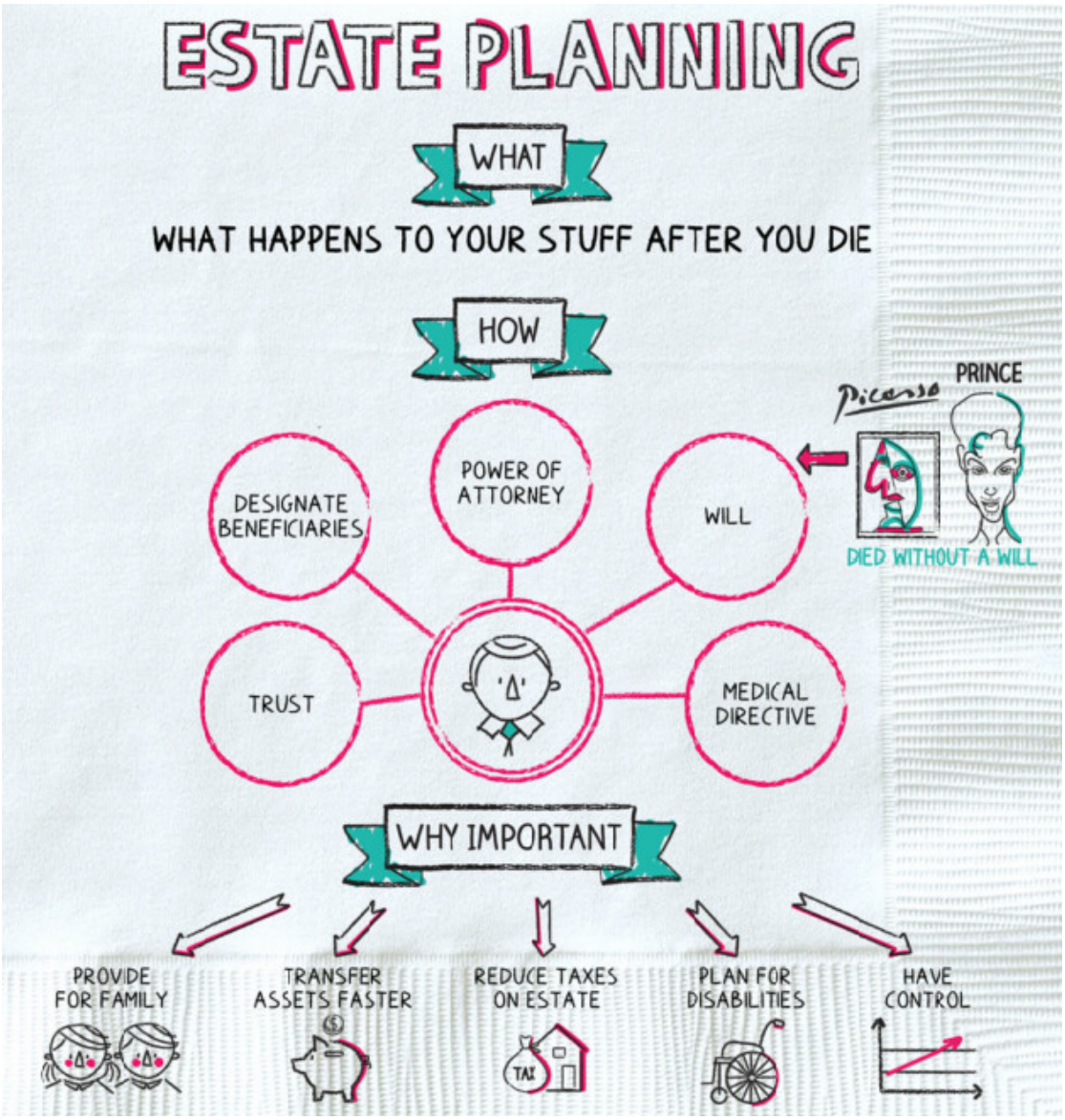
https://www.financialexpress.com/money/eps-vs-nps-employee-pension-scheme-set-for-massive-boost-after-sc-order-but-does-it-score-over-national-pension-scheme/947051/

❖ National Pension Scheme (NPS) in a Snapshot



Source: *https://www.bemoneyaware.com/blog/national-pension-scheme-nps/*

❖ Concept of Estate Planning



Source: *https://napkinfinance.com/napkin/estate-planning-definition/*

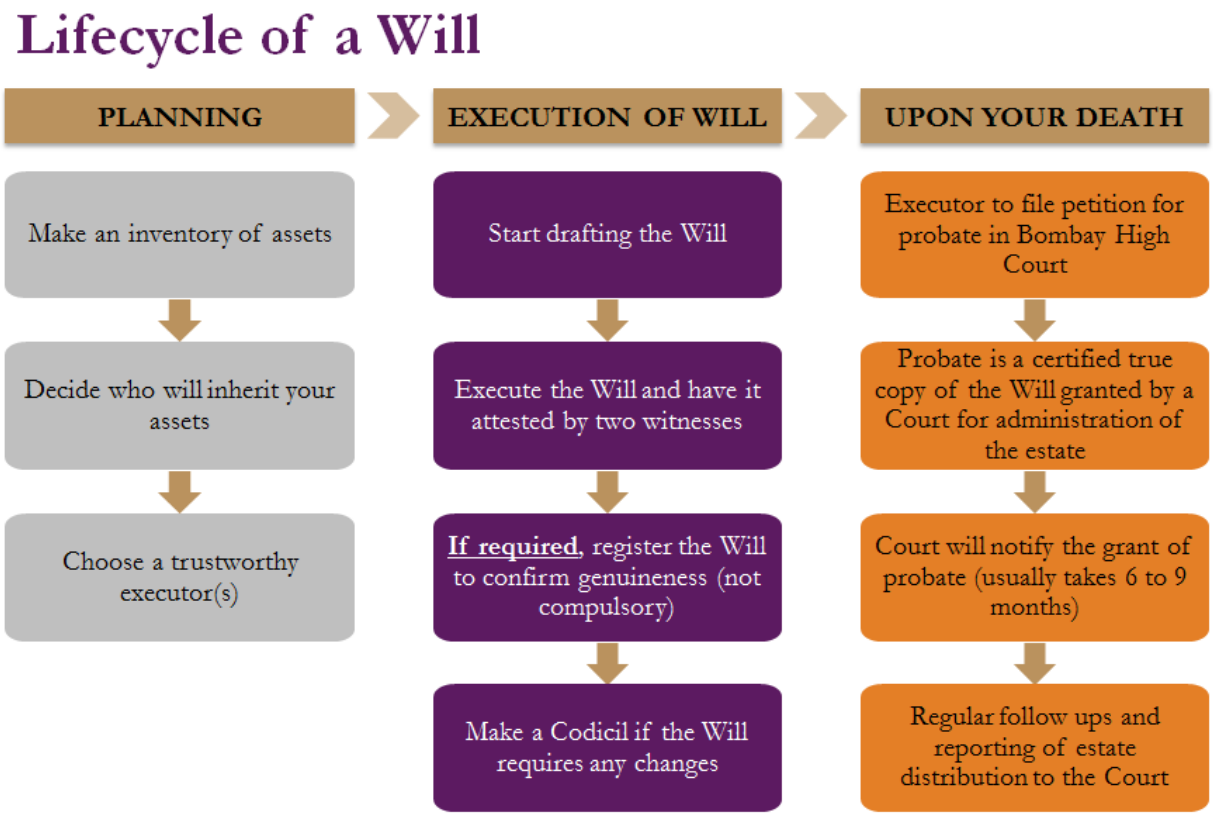
❖ Estate Planning for Business Owners

Source: *http://chintamanifinancial.ca/estate-planning-for-business-owners/*

❖ Benefits of Estate Planning are as follows:

Source: *https://www.personalfn.com/guide/estate-planning*

❖ Lifecycle of a Will



Source: *https://www.conventuslaw.com/report/india-estate-succession-planning-during-the/*

Chapter 15: Marketing of Financial Products

Customer focus in marketing financial products

- Marketing is a continuously developing discipline and we may find ourselves to be left behind if we stay still in this progressively more complex, dynamic and competitive world. The Marketing Mix too has undergone countless revisions by many experts with time. Today, let's take a nearer look at this fundamental concept in marketing from the perspective of a financial advisor/distributor.

- Services Marketing Mix
    - Product
    - Price
    - Place
    - Promotion
    - People
    - Process
    - Physical Evidence

Source: *https://tech-talk.org/2014/09/26/7-ps-of-services-marketing-mi/*

- The Marketing Mix - The Marketing Mix consists of principles which carry relevance in strategizing, planning, promoting and delivering any product/service and in the process attracting and retaining customers.

- Customer Service Tips in Financial Services Sector

  - Make a great first impression
  - Opt for positive language
  - Empower advisors
  - Choose your expertise
  - Customize the customer journey
  - Combine technology with a personal touch
  - Build trust
  - Gather feedback

- Address your customers' pain points
- Keep customers engaged
- Invest in loyalty
- Put the customer first

Source: *https://global.hitachi-solutions.com/blog/how-to-improve-customer-service-in-banks*

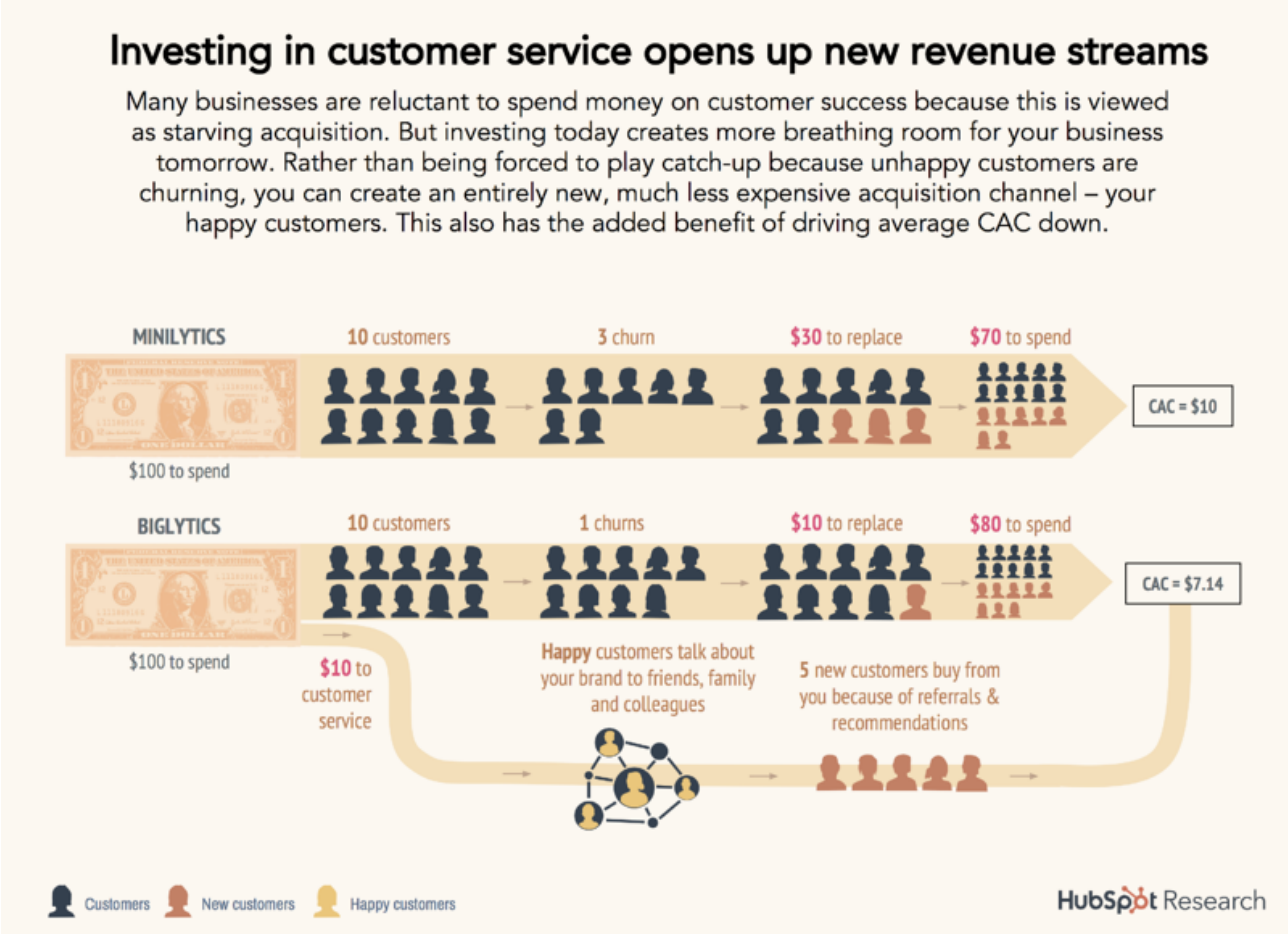
- Expectations of Corporate Customer
  - Smooth operation
  - Time honored financial support on liberal terms
  - Personalized services

- Expectations of Retail Customer

  - Governed by emerging trends in income
  - Governed by emerging trends in consumerism
  - For awareness & knowledge
  - For faithful relationship

- Behavioral Influences Include:
  - Cultural Factors [Culture, Subculture, Social Class]
  - Social Factors [Family, Life Cycle, Opinion leaders]

- Personal Factors [Occupation, Role Model, Age, Lifestyle, Economic Status]
- Psychological Factors [Motivation, Perception, Learning, Attitude]



Source: *https://blog.hubspot.com/service/importance-customer-service*

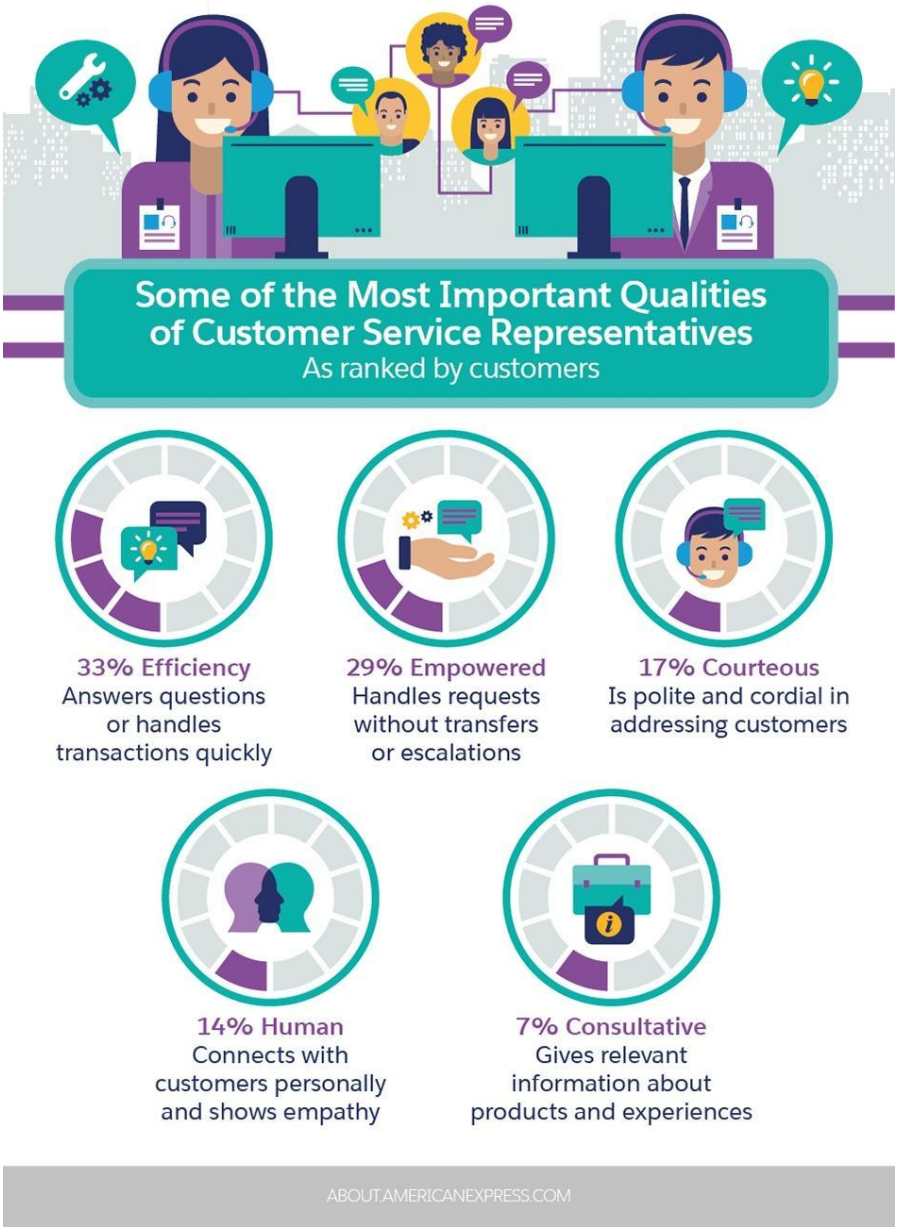
- Benefits of CRM

  - Boosted Sales
  - Increased Lead Conversion
  - Personalized Customer Journeys
  - Increased Productivity
  - More Efficient Communication
  - Inter-Department Data Tracking
  - Better Service to Clients
  - Improved Customer Experience
  - Increased Customer Loyalty

- Ways to build better Customer Relationships

- Understand what your customers value
- Show you genuinely care
- Adapt to their pace
- Let your brand be your guide
- Model the behavior you want to see
- Remember that relationships are built over time

Source: *https://axxis-consulting.com/what-is-a-crm/*



Source:

https://www.salesforce.com/products/service-cloud/best-practices/important-customer-service-skills-list/