



[2013 Superannuation Consumer Recommendation & Loyalty Study](#) ( [PRLEAP.COM](#) ) [Engaged Marketing](#) has just released findings from its inaugural 2013 Superannuation Consumer Recommendation and Loyalty Study, which analyses the level of customer engagement across the entire Australian superannuation industry. The study also provides detailed analysis for five of the most popular brands in addition to an amalgamated analysis of self managed superannuation funds using the internationally recognised Net Promoter Score or NPS metric.

Of the five most popular brands analysed in detail, Australian Super had the highest NPS achieving a score of -23 per cent. While this may seem surprising it is important to bear in mind that the overall superannuation industry had a NPS of -35 per cent.

Engaged Marketing Managing Director Christopher Roberts describes the Net Promoter Score methodology as one of the most accurate measures of customer advocacy.

"Such a low Net Promoter Score for the industry demonstrates the severe lack of customer engagement with the industry as a whole. This is reflected across customer ratings of most key superannuation attributes in the study. Besides investment performance, particularly low scores were found for fees, financial advisors and perceptions of overall value" Mr Roberts said.

On the whole, customers are largely disengaged from their superannuation funds and while baby boomers are certainly more aware of the importance of superannuation, there is certainly room for customers to take a more active role.

Word of Mouth (WOM) is one of the most powerful marketing tools an organisation can wield and is central to the NPS discipline. "Although superannuation is a low involvement industry there are substantial opportunities to engage with customers," Mr Roberts said.

In line with this, about one-quarter of respondents said that a referral from family, friends and colleagues was the primary reason for selection of their current superannuation provider,

indicating the strength and importance of referrals even in the superannuation industry.

"Day to day life can hide the importance of superannuation as a "nest egg" that defines the golden years of retirement. Superannuation companies will be able to leverage word of mouth once they truly connect with their members to highlight the importance of superannuation," Mr Roberts said.

When comparing providers, industry funds have done a better job at engaging their members than retail funds, however there is still significant scope for improvement. Critically the study also found that a brand's Net Promoter Score is linked with customers' stated loyalty towards their superannuation fund.

There were 2057 superannuation customers across Australia who responded to the survey, offering a snapshot of the entire superannuation industry. In addition to an analysis of the superannuation industry as a whole, detailed assessments of five of the most popular superannuation providers were incorporated. These include Australian Super, Colonial First State, AMP, REST and Sunsuper along with an amalgamated analysis of self-managed superannuation fund customers.

The Net Promoter Score measures customers' likelihood to recommend an organisation on a scale of 0 to 10, where 0 is highly unlikely and 10 is highly likely. Those who gave their brand a score of 0 to 6 were classified as Detractors, while those who gave a 9 or 10 ranking were classified as Promoters. The Net Promoter Score is the percentage of Promoters minus Detractors.

Engaged Marketing is a strategic consultancy focused on helping businesses grow by developing fresh customer, marketing and organisational strategies. Engaged Marketing is an approved Net Promoter Score® Loyalty Partner. The complete [2013 Superannuation Consumer Recommendation & Loyalty Study](#) is available from Engaged Marketing.

Net Promoter, NPS and Net Promoter Score are registered trademarks of Satmetrix Systems Inc., Bain & Company and Fred Reichheld.

## Australians disengaged with their super

Written by Australian Business

---