

# DIGITAL AND MOBILE SERVICES OFFERED BY AUSTRALIAN SUPERANNUATION FUNDS

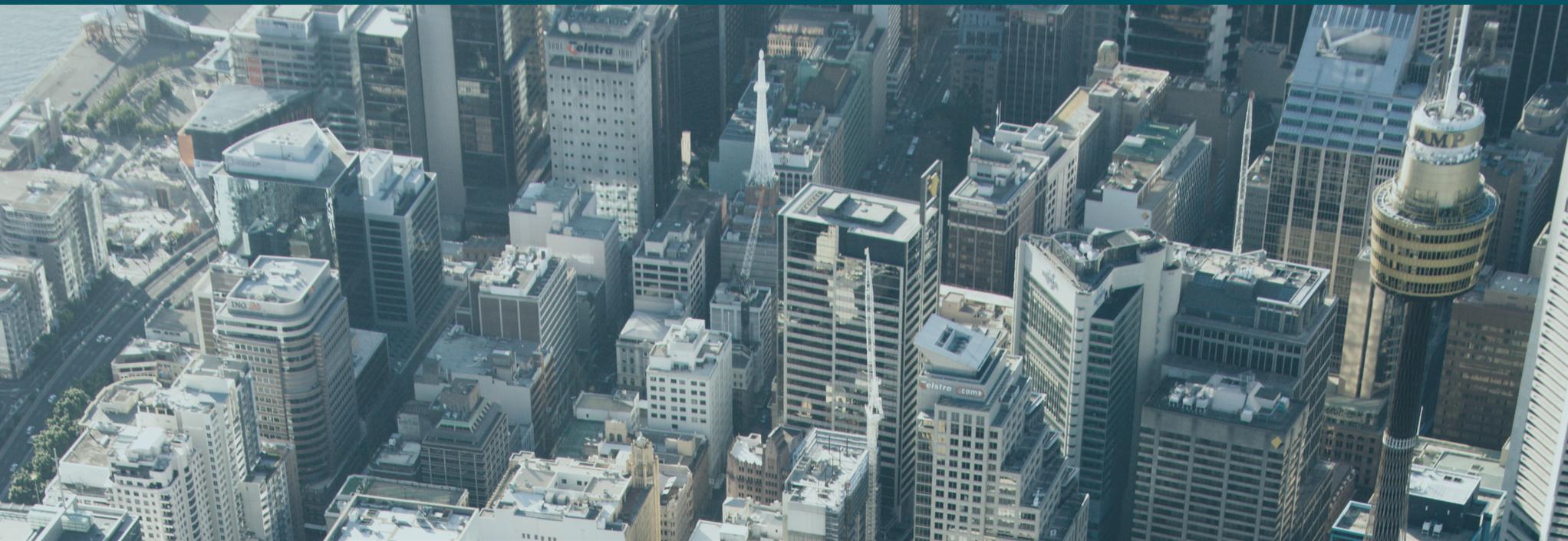
---

AUTHOR: RON MULLINS

ISSUE  
2

---

SEPTEMBER 2015



# Digital Services Data 2014 - 2015

## Public Website

2014 - 100%, 2015 - 100%

## Member Online Access

2014 - 98%, 2015 - 100%

## Employer Online Access

2014 - 90%, 2015 - 98%

## Switch investments online

2014 - 88%, 2015 - 92%

## Online Fund Join Members

2014 - 54%, 2015 - 56%

## Online Fund Join Employers

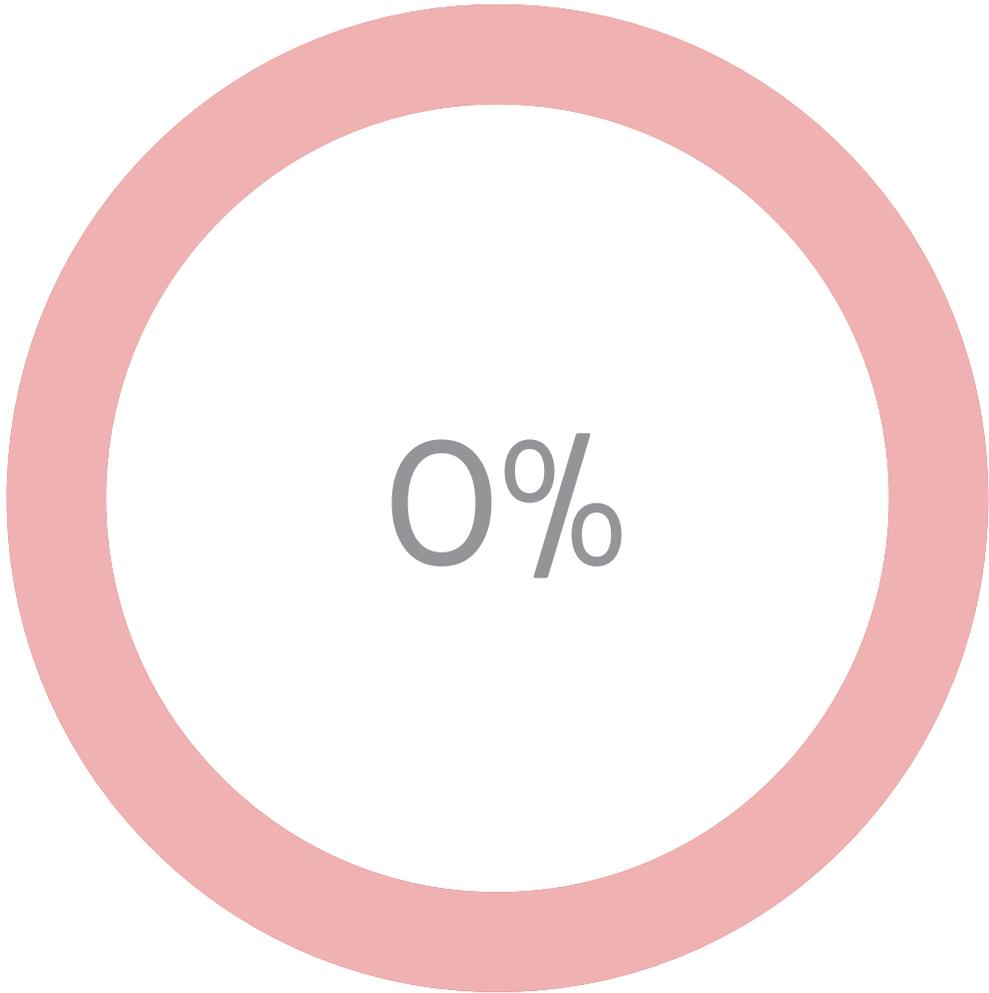
2014 - 42%, 2015 - 56%

## Mobile Optimised Website

2014 - 36%, 2015 - 82%

## Member App

2014 - 14%, 2015 - 18%



0%



Employer App - 2014 & 2015

# About the study

## 2nd Annual Benchmark

IQ Group has completed its second annual benchmark study of the Australian superannuation sector's digital landscape to assist the industry identify membership management gaps.

IQ Group surveyed the top 50 retail, industry and public sector superannuation funds. This group represents \$717 billion in funds under management across 21.76 million memberships.

The findings reveal the approach funds have taken for digital readiness. With the end in sight for the completion of legislative requirements, many funds are now addressing digital service delivery and integrating highly agile technologies into their customer engagement process.

### **Legislative Impact on Digital Engagement**

The survey outlined that these top 50 retail, industry and public sector superannuation funds fully completed the rollout of the Government's SuperStream and Stronger Super initiatives.

# Digital and Mobile Services Offered by Australian Superannuation Funds

## Improvements in mobile optimised websites

Mobile optimised sites are built specifically for smartphone and tablet navigation, and are designed for quick loading. Mobile functionality includes tap-to-call, tap- to-email, and does not require left to right scrolling or pinch and zoom functionality.

The survey noted improvements in the approach to offering mobile optimised websites, with the top 50 retail, industry and public sector superannuation funds moving from 36 per cent providing mobile optimisation to now 82 per cent being mobile optimised. This is a key requirement for engaging with device-driven members.

It is clear that there has been a technical decision to undertake a strategy for mobile optimization versus apps at this point in time, hence the large 46 per cent increase in mobile optimised websites as a response from industry. We expect that we will see a continuation of the development of mobile optimised sites, in particular with funds drilling down to ensuring that more than the website landing page is optimised for member engagement.

### **Why – because our future is truly mobile**

eMarketer estimates for 2015 “In 2015, 43.0% of the worldwide population will use the internet regularly, with 32.2% going online via mobile phone.”

Recent insights into Australians usage of mobile and internet-based connections revealed that digital is the future, particularly from a generational perspective. ‘Australians get mobile’, The Australian Communications and Media Authority’s recent report into mobile phones and devices, revealed the incidence of mobile-only phone use has increased substantially over a four-year period from 2.2 million at December 2010 to 5.2 million at December 2014.

# Digital and Mobile Services Offered by Australian Superannuation Funds

## The influence of the exclusively mobile

A significant proportion of adult Australians (21 per cent) did not have a fixed internet connection at December 2014. These are mobile-only internet users, who rely on mobile devices—whether a mobile phone, tablet or mobile broadband connection—to access the internet.

.....of those aged 25–34, 22 per cent were exclusively mobile; and of those aged 18–24, 16 per cent were exclusively mobile. These figures underpin that focus for digital engagement needs to remain on mobile optimisation enablement.

### Building the link via Member Apps

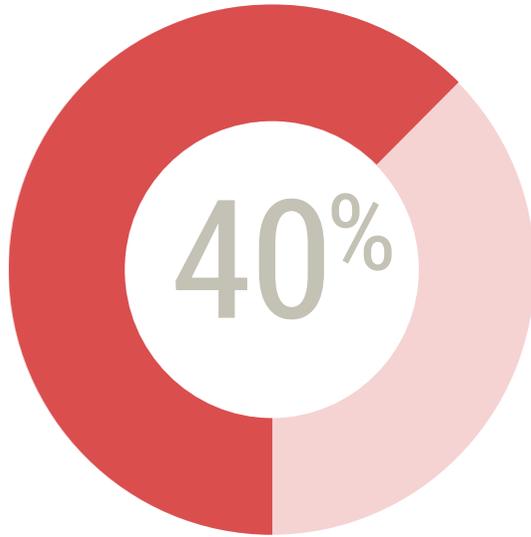
At the time of the survey mobile apps for members were offered by only 18 per cent of funds, an increase of 4 per cent, and there are no specialised employer apps available. There has clearly been a technical decision to focus on mobile optimisation versus the development of apps.

### Transaction offerings still playing catch-up

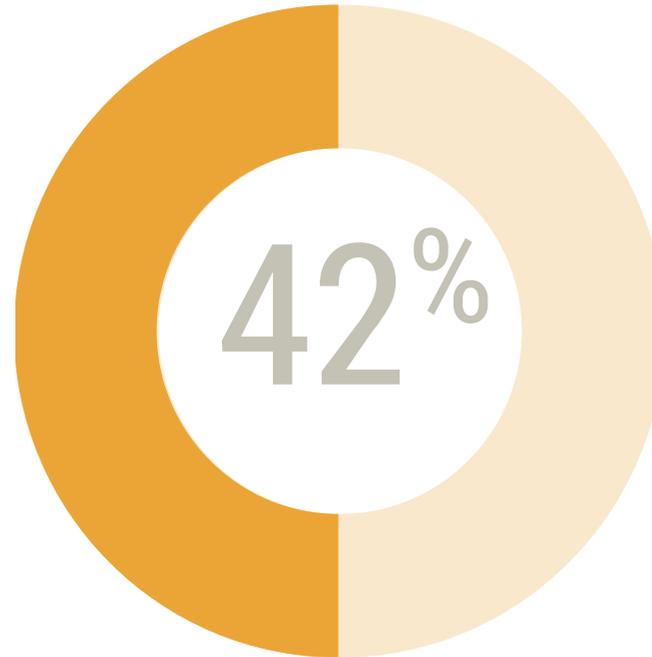
The research again revealed that online transaction capability varied greatly across the sector.

At the broadest level, 100 per cent of fund websites offer members direct online access to their account, and 98 per cent offer an employer facility (up 8 percent from 2015). Basic member or employer data, such as addresses, tax file number and phone details, can be updated. Switching investment products is now available on 92 per cent of websites, heading towards the 100 per cent mark over the next couple of years.

## Social Media Presence of Top 50 Funds

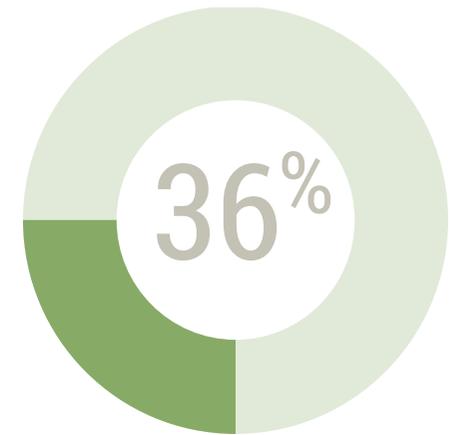


Facebook used by 40% of top 50 funds



YouTube used by 42% of funds, 13.9 million users in Australia

**Facebook is the most popular social platform in Australia with 14,000,000 users**



Twitter used by 36% of funds surveyed, 7th most popular platform in Australia

# Digital and Mobile Services Offered by Australian Superannuation Funds

Beyond these core activities the range of online services is still developing and we still have no capacity to fulfil the full membership lifecycle online. This is evident in the lack of ability to join online or follow up to members with a digital welcome pack. We expect that this will be a focus for the years ahead.

This is also the year where the focus may shift to moving broader product offerings online. From the administrative perspective engaging with members for key areas such as choice of fund, fund consolidation and updating details and transactions online the member experience will remain partially digitised and partially fulfilled.

**Digital disruption here will make great inroads for those players that choose this path.**

## How social media stacks up with funds

The study into how the top 50 retail, industry and public sector superannuation funds integrated social media into digital member engagement programs outlined that less than 45 percent of funds were accessible via Facebook, YouTube or Twitter.

Social media platforms continue to prove popular with the top 50 retail, industry and public sector superannuation funds. The most popular social media platform, Facebook, is used by only 40 per cent of the these target funds. The second most popular social media platform, YouTube is relied on by slightly more of these target funds, 42 percent to communicate with members. The seventh most popular social media platform, and one that encourages strong messages in only 140 characters is used by 36 per cent of these funds to target members.

# Digital and Mobile Services Offered by Australian Superannuation Funds

## Trends show we need action

In Australia, Social Media News reported in August 2015 there are 14,000,000 Facebook accounts, 13,900,000 YouTube members and just over 2,791,000 active Twitter accounts.

With minor increments in growth in this area (Facebook 38% 2014, YouTube 42% 2014 and Twitter no change despite the platform experiencing healthy growth in Australia) it would stand to reason that the super industry really need to make an effort to reach a whole generation of members currently engaged meaningfully with social media.

### Where to from here?

With the second survey results we can now surmise that the industry's response towards digital and mobile services offered to Australian fund members is currently focused on improving its outcomes, based on results this year.

There is considerable focus from the top 50 retail, industry and public sector superannuation funds to build the infrastructure that they need to digitally communicate with members, and we expect that a focus on Employers may certainly be added to the mix.

As with our 2014 results we highlighted the challenge for funds will be to navigate digital marketing alternatives to deliver real value to members; and there will be no single solution. It is also worth noting that this will involve a strategic, business-focused roll-out of digital services and whilst this will change the model of the fund, it will not change the services on offer.

# **Digital and Mobile Services Offered by Australian Superannuation Funds**

## **Wrapping it all up for another year...**

To be truly effective, the digital experience must be designed from the member and employer perspectives. And, in an environment of continuous change, this will be an incremental delivery involving a wide range of alternatives for digital devices and services.

The transformation of the superannuation industry enabled by the SuperStream initiatives is now well and truly underway with business leaders experiencing first hand how this is working. We expect that as the heavy lifting component of the changes reduces, funds will be better positioned to focus on member engagement strategies.

### **About IQ Group**

IQ Group has supported Superannuation and Wealth Management clients through unprecedented change for more than 10 years in Australia. From our offices in Melbourne, Sydney and Brisbane, over 80 specialist consultants assist clients improve their operations and use of technology. Our clients benefit from IQ Group's domain experience and commitment to project delivery. IQ Group is part of a global company with other offices in South Africa and USA.

Established in Australia in 2000, IQ Group has built an exemplary reputation for providing practical, sustainable advice around the convergence of people, process and technology to reduce risk and enhance efficiency and profitability.

e. [info@iqgroup.com.au](mailto:info@iqgroup.com.au) p. +61 3 9225 4000 [www.iqgroup.com.au](http://www.iqgroup.com.au)

© Copyright IQ Group 2015

To the extent permitted by law, IQ Group does not warrant the accuracy, completeness, currency, merchantability or fitness for purpose of the information provided and it is not and should not be regarded as specific professional advice. To the extent permitted by law, IQ Group expressly disclaims all liability and responsibility to any person (under contract, statute, negligence or otherwise) arising in any way out of this document or use of it or failure to use it. IQ Group reserves the right to add, delete or change the information, opinions or recommendations contained in this document to reflect changes in circumstances and approach.