

Tuesday, 8 December 2020

Super fund satisfaction increases in October

New data from Roy Morgan's [Superannuation Satisfaction Report](#) shows an overall super fund satisfaction rating of 61.0% in October 20. This is an increase of 0.6% points from a month ago, however still down 3.1% points on a year ago. The most recent ratings cover the period since May 2020 during which time Australians in financial hardship were able to apply to withdraw two tranches of up to \$10,000 of their superannuation.

Importantly, the monthly increase in Superannuation Satisfaction in October 20 is the first month-on-month increase since the COVID-19 pandemic and appears to represent a turning of the corner for the rating after declining during the worst months of the pandemic.

The largest increase by sector was for Self-Managed Funds, which increased 1.5% points to a customer satisfaction of 65.3% in October 20. However, it's worth noting Self-Managed Funds have had the largest year-over-year decline and dropped by a substantial 10.4% points from a year ago (75.7% to 65.3%).

Public Sector Funds increased their customer satisfaction by 1.3% points to 71.5% and for the fifth month in a row have clearly the highest rating in October 20. In May 2020 Public Sector Funds and Self-Managed Funds had an equal highest customer satisfaction of 72.6% and before then Self-Managed Funds had the highest rating for most of the previous two years since July 2018.

Also increasing in October 20 were Industry Funds, up 0.4% points to 62.5%, and Retail Funds up 0.1% to 53.6%.

The [Superannuation Satisfaction Report](#), with data up to October 2020, shows Unisuper with the highest customer satisfaction rating of the Industry Funds ahead of Cbus, HOSTPLUS, CARE Super, AustralianSuper, First State Super and HESTA.

The highest placed Retail Super Fund is BT followed by OnePath, Colonial First State, Mercer and MLC.

The report's findings are from Roy Morgan Single Source, Australia's most trusted consumer survey, compiled by in-depth interviews with over 50,000 Australians each year.

Roy Morgan CEO Michele Levine says the increasing customer satisfaction for superannuation funds in October 20 is a positive sign as Australia looks to recover from the devastating impact of COVID-19 on large parts of the Australian economy during 2020:

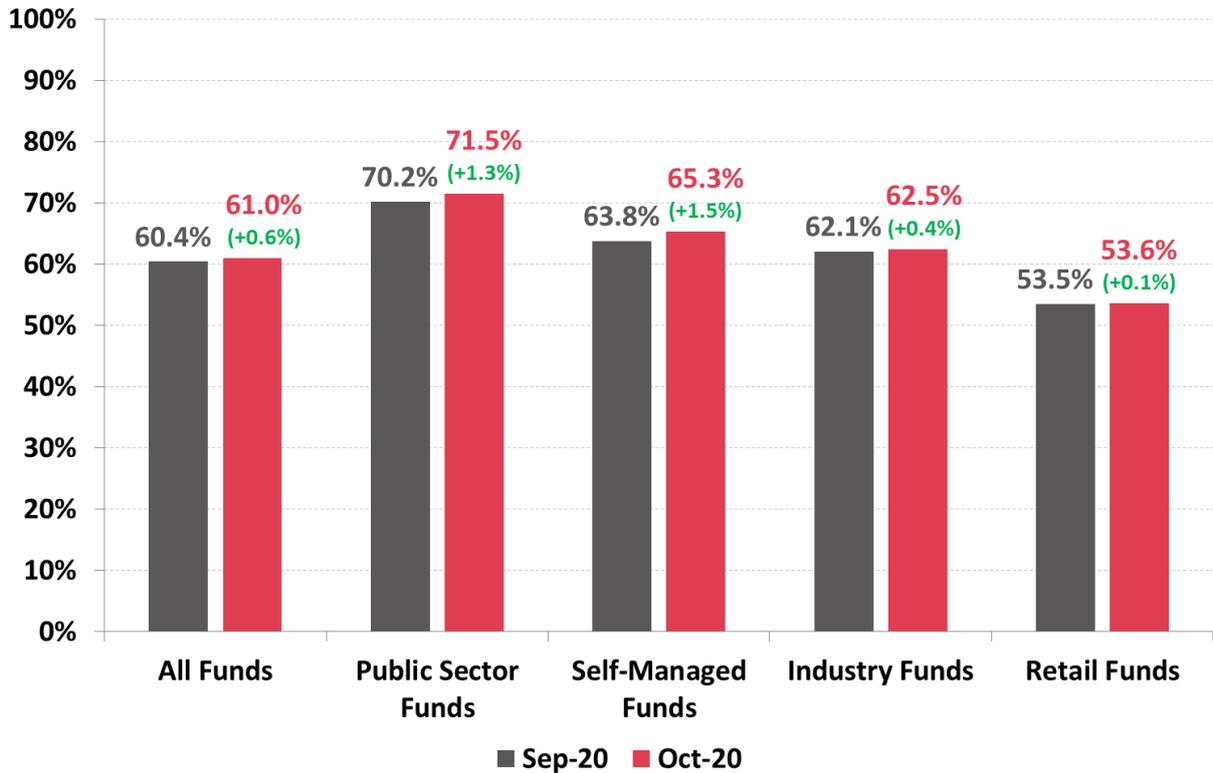
"Satisfaction with the financial performance of superannuation funds increased across all four sectors in October – the first time this has happened since COVID-19 hit Australia earlier this year. Overall satisfaction with superannuation funds was at 61.0% in October 20, an increase of 0.6% points from September 20, although still down a significant 3.1% points on a year ago.

"There has been positive news on the economic front as well as the latest Australian GDP figures for the September 20 quarter showed an Australian economy returning to growth with a [GDP increase of 3.3%](#) the largest quarterly increase for more than forty years. The growth in GDP came despite the Victorian economy spending almost the entire quarter in a second lockdown which only ended in late October.

"In further positive news the latest [APRA figures on superannuation withdrawal requests](#) show fewer than half of the initial 3.4 million applications for a withdrawal in the period to June 30, 2020 have followed up with a second application for a withdrawal since then. A total of \$35.3 billion has now been disbursed under the scheme but less than 10% of that money has been paid out since the end of August.

"The ASX200 is now comfortably above 6,600 points in early December and up more than 45% since closing under 4,600 in late March as Australia went into the first nation-wide lockdown. The positive news about several vaccines released during the last few weeks suggests 2021 should be a year of recovery and strong growth for both the broader economy and superannuation funds."

Satisfaction with financial performance of different type of super funds



Source: Roy Morgan Single Source Australia, April – September 2020, n = 13,622. May – October 2020, n = 14,192.
Base: Australians 14+ with work based or personal superannuation.

For comments or more information about Roy Morgan’s superannuation data please contact:

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Related research findings

For further in-depth analysis, view the [Superannuation Satisfaction Report](#).

Roy Morgan Customer Satisfaction Awards

The Roy Morgan Customer Satisfaction Awards highlight the winners but this is only the tip of the iceberg. Roy Morgan tracks customer satisfaction, engagement, loyalty, advocacy and NPS across a wide range of industries and brands. This data can be analysed by month for your brand and importantly your competitive set.

Need to know what is driving your customer satisfaction?

Check out the new Roy Morgan Customer Satisfaction Dashboard at <https://www.customersatisfactionawards.com>

About Roy Morgan

Roy Morgan is Australia's largest independent Australian research company, with offices in each state, as well as in the U.S. and U.K. A full-service research organisation, Roy Morgan has over 75 years' experience collecting objective, independent information on consumers.

Margin of Error

The margin of error to be allowed for in any estimate depends mainly on the number of interviews on which it is based. Margin of error gives indications of the likely range within which estimates would be 95% likely to fall, expressed as the number of percentage points above or below the actual estimate. Allowance for design effects (such as stratification and weighting) should be made as appropriate.

Sample Size	Percentage Estimate			
	40%-60%	25% or 75%	10% or 90%	5% or 95%
10,000	±1.0	±0.9	±0.6	±0.4
20,000	±0.7	±0.6	±0.4	±0.3
50,000	±0.4	±0.4	±0.3	±0.2