



New year, good time to strengthen your retirement income strategy



There's something about the start of a new year that gives us the impetus to make a change. Often, the holiday downtime triggers a new-found resolve to "get important affairs in order" – thus a perfect time for super funds to activate member engagement for 2024.

Effective engagement can only be built on a sound knowledge base. This takes us to the critical question: "How well do you know your members?"

Last year, a joint APRA and ASIC review of the approach by Super funds to new obligations under the retirement income covenant found fundamental gaps that need to be filled.

The review identified ***Understanding Members' Needs*** as a key gap in designing a retirement income strategy that is appropriate for members. It found that 12 out of 15 assessed Registrable Superannuation Entity (RSE) licensees recognised they had gaps in critical member data, both around members' financial positions and income needs in retirement. Yet only four had developed robust plans to address these data gaps to enhance their strategy.

“Closing that knowledge gap, from a customer experience perspective, is easier than you may think,” said [CSBA](#) CX Director of Finance, Sam Monteath. “But it does require strategic planning, collaboration, and commitment.”

What to do:

- **Audit your data**

Trustees hold a massive amount of data, possibly stored within departments and not visible across the organisation. Get clarity on what data you hold and identify the gaps that impede you from truly understanding your members. Engage [expert assistance](#) if needed.

- **Share existing knowledge**

This is an opportunity to remove information silos that prevent data from being shared across the organisation. Knowledge is power, and teams are empowered when there is collaboration and possibility to leverage data to inform strategy.

- **Address the data gaps**

Draw on a range of data sources, both internal and external, to deepen member understanding. Use new insights to broaden membership sub-classes, beyond age and superannuation balance, and develop needs-based cohorts.

Collecting segment-based insights does not have to be expensive. **A qualitative methodology** is a cost-effective way to obtain deep knowledge that can be applied across the member base. We see strong participation across cohorts, even those members who are already retired, as they are often unprepared, unaware of their options, and seek guidance.

- **Design best-practice research methodology**

Bespoke retirement research design can explore more, extract more, and identify more pertinent insights that can have far-reaching outcomes – for branding, marketing, and engagement.

This is **powerful intel** for trustees, enabling them to become part of the consideration set when members are seeking guidance and advice. By developing relevant, specific tools and

materials, trustees have an opportunity to support members, preventing their reliance on external advice.

Our approach is fully compliant with research and privacy standards. Participants are clear on why information is being collected, how it will be stored, and that all information remains confidential.

Where funds can make a difference

Monteath: “We know that members look to their funds for guidance because this is an area in which many members have little knowledge or understanding.”

“We also know that those in pre-retirement struggle to balance current financial priorities with the long-term planning for the future. They know they want to maintain their lifestyle in retirement, but don’t understand what this means in terms of numbers or have a plan to get there.”

Super funds have a tremendous opportunity and responsibility to empower and educate members around their financial needs for retirement. However, any meaningful guidance must start with gaining deep knowledge of their unique circumstances.

How CSBA research specialists can help

As CX experts, [CSBA](#) offers bespoke solutions to meet our clients where they’re at. [Our qualitative and quantitative research](#) will help develop a solid, deep understanding of members’ needs and nuances at a granular cohort level. This enables trustees to apply different strategies and embrace the true intent of the retirement income covenant.

Successful strategic planning starts with deep member insights.

To find out more, email sam.monteath@csba.com.au