

Monday, 21 September 2020

Super fund satisfaction down in July, as Australians allowed to withdraw a second tranche of \$10,000

New data from Roy Morgan's [Superannuation Satisfaction Report](#) shows an overall super fund satisfaction with financial performance rating of 61.6% in July. This is down 1.3% points on the previous month but is virtually unchanged on a year ago with satisfaction of 61.7% in July 2019.

The ratings for July 2020 cover the first month in which Australians in financial hardship were able to apply to withdraw a second tranche of up to \$10,000 held in their superannuation accounts.

According to the Australian Prudential Regulation Authority (APRA) the COVID-19 Superannuation Early Release Scheme has now released over \$33 billion to over 3.2 million applicants. Since the end of June applicants have been able to apply for a second tranche and over a third, 1.2 million people, have done so.

Industry Funds have been the standout over the last year and were the only sector to increase customer satisfaction, up by 0.2% points to 63%. Satisfaction with Public Sector Funds fell marginally, by 0.4% to 71.4% but still retains the highest rating of any sector.

Customer satisfaction with Retail Funds declined 2.5% points to 54.9% but easily the biggest decline was felt by Self-Managed Funds, down a significant 10.4% points to 67.1%. One year ago people invested in Self-Managed Funds were the most satisfied but now satisfaction with these funds is at its lowest for eight years since September 2012.

The Superannuation Satisfaction Report, with data up to July 2020, shows Unisuper with the highest customer satisfaction rating of the Industry Funds ahead of CARE Super, AustralianSuper, HOSTPLUS, HESTA, Cbus, Sunsuper, First State Super and REST Super.

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

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

Roy Morgan CEO Michele Levine says July 2020 was well into the period of re-opening for most of Australia, although it was also the month Victoria was returned to a Stage 3 lockdown in response to a second wave of COVID-19:

"Australia's superannuation funds have had a challenging year with millions of people opting to withdraw up to \$10,000 in funds in response to the COVID-19 pandemic and associated shutdowns.

"Over 3.2 million Australians have lodged a withdrawal request since the scheme started in April withdrawing an average of nearly \$7,700. The second withdrawal period began in July and 1.2 million Australians have already withdrawn additional funds at a higher average of over \$8,400 per withdrawal.

"The volatile share-markets so far during 2020 as well as the withdrawal of around \$33 billion so far have placed immense pressure on Australia's superannuation funds but their performance has held up well.

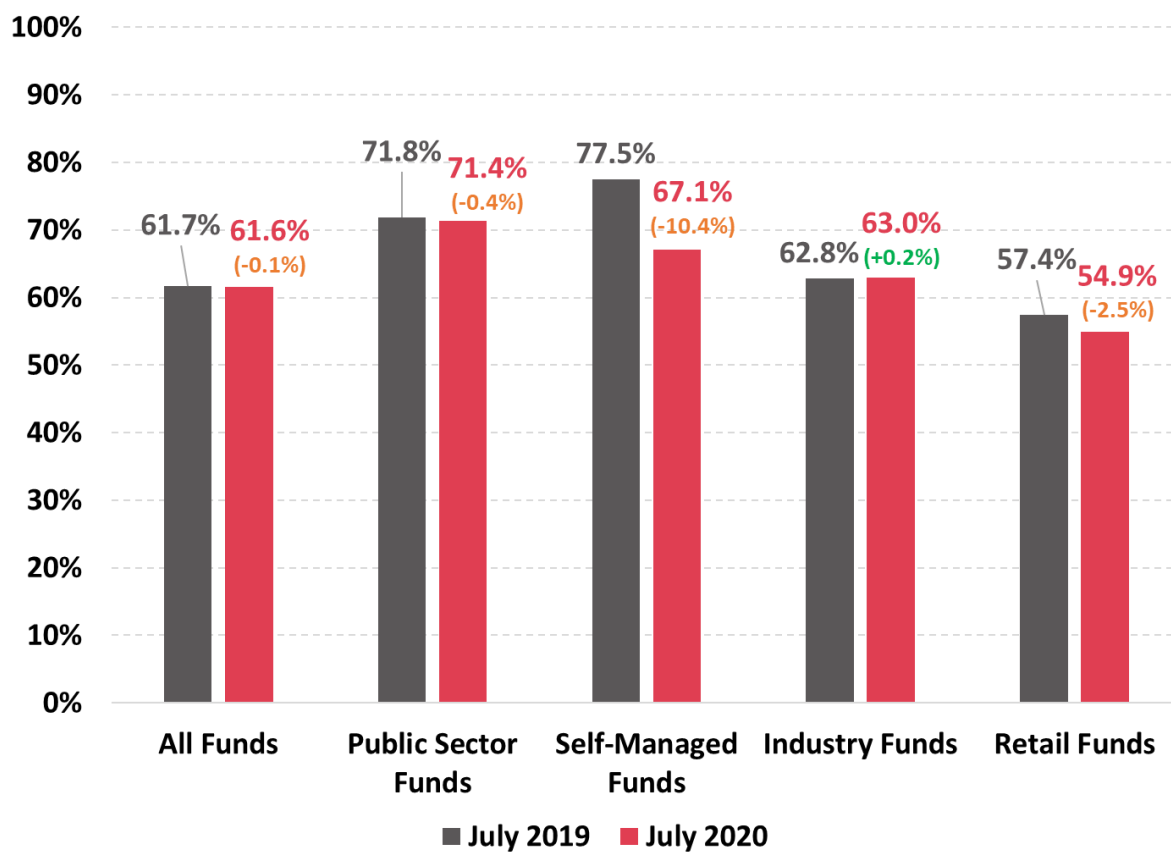
"Overall satisfaction with financial performance, amongst Australia's superannuation funds was at 61.6% in July 2020, virtually unchanged on a year ago – 61.7% in July 2019. Industry Funds have even increased their satisfaction – up 0.2% points from a year ago to 63%.

"Amongst these results there were several stand outs with BT and Colonial First State two of the Retail Funds to increase their customer satisfaction from a year ago while the biggest increases for Industry Funds were for CARE Super, AustralianSuper, HOSTPLUS, REST Super, Sunsuper and Unisuper.

"The customer satisfaction with financial performance ratings of Australia's super funds are reliant on the performance of the Australian share-markets which dropped significantly in March but have since been stable for nearly four months. The ASX 200 Index bottomed at 4,564 points on 24th of March but by the end of May it had rebounded by nearly 30% to end the month of May at 5,851 and closed last week at 5,864 (Sep. 18, 2020).

"The declining number of cases of COVID-19 in Victoria since peaking in early August is a big positive for the broader economic picture and suggests Australia can continue on the road to recovery in the months ahead, as the country emerges from the lockdowns and border closures that have stifled the economy."

Satisfaction with financial performance of different type of super funds



Source: Roy Morgan Single Source Australia, February – July 2019, n = 15,230. February – July 2020, n = 13,182.
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