

Hi there,

By way of background, my focus is in helping to ensure that the way super funds engage with their members leads to demonstrably better outcomes for those members, in particular, after considering behavioural finance/economics insights into how those members are likely to respond to that engagement. Currently there are many instances in which super fund member engagement does not lead to better outcomes for their members.

Several examples are discussed in detail in my recent book: "[Behavioural Finance - A guide for financial advisers](#)". For example, the available evidence demonstrates that the way that some funds present financial literacy content actually leads their members to do nothing (rather than to take appropriate action). And, similarly, the way some funds present investment returns actually predisposes their members to respond inappropriately to short-term market volatility (counter to those members' long-term interests).

To be clear, these examples are not the result of the funds intending to act counter to their members' interests. Rather, they are due to the funds failing to properly understand the psychological drivers of their members' decisions and actions, and then being willing and able to apply those insights in a practical way.

To be fair, some funds are well ahead of the pack in using behavioural insights. However, there are a number of laggards and much low-hanging fruit available to improve member outcomes. Therefore, I suggest that the consumer advocacy body seeks to rectify this, by advocating for the systematic and rigorous application of behavioural insights in super fund member engagement across the industry.

Ideally, the consumer advocacy body would go beyond mere advocacy, by providing practical steps to help funds move towards best practice, including assisting them to measure and assess related member outcomes. Potentially the body could provide training, case studies, templates, and other on-going support to help super funds achieve this.

I hope this helps. Please contact me if you would like to discuss this further.

Regards

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