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On the money: new Report examines Australians' changing attitudes to wealth, debt, superannuation and plans for their financial future

Roy Morgan Research this week launches the latest Superannuation and Wealth Management Report, a comprehensive analysis of consumer behaviour, advice and fund performance.

The Report contains results and analysis from the most extensive study of consumer financial behaviour in Australia, with over 50,000 annual interviews covering assets and debt, financial products, satisfaction levels and switching intentions.

The nation's total household debt has ticked past \$1 trillion. Total debt increased by 27.6% (\$224 billion) since June 2009, with total assets up 13.9% (\$767 billion) in the period. Net wealth grew 1.7% in the past year, continuing its decline as a proportion of total assets to 83.6%.

Equity in owner-occupied homes continues to decline as a proportion of net household wealth but remains the largest component. Superannuation (including pensions and annuities) now comprises 29.9% of net wealth, up from 28.2% last year and 27.1% in 2009.

Only around one in four Australians (27.8%) with superannuation feel that they have "planned enough to be financially secure in the future". Members of industry super funds are the least likely to believe they have planned enough (23.3%), with the majority of self-managed fund owners (54.7%) confident in their future financial security. Overall, nearly 2 in 5 (39.5%) super account holders say they "should do something about planning financial future".

Employers continue to be the primary channel that Australians rely on when deciding on their superannuation fund. Over the past five years, approximately 84% of superannuation products were obtained through the employer, while only approximately 11% relied on a financial planner or adviser.

Fewer Australian superannuation owners (3.4%) switched super fund in the year to June 2013 compared with the year to June 2012 (4.9%), perhaps a result of increased satisfaction in fund performance.

Two thirds (66%) of those who switched superannuation sought some sort of advice. 45% of switchers relied on a professional such as a financial planner or accountant and 35% sought advice from their employer.

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CBA/Colonial Group has topped the ranking of superannuation brands, driven largely by strong performances in the percent of customers gained through financial planners and net switching gains. Roy Morgan analysed the top 20 superannuation brands using a range of nine consumer-based brand measures which covered customer quality, financial performance, net gains from switching and market penetration. This ranking was designed to give a comprehensive measure of brand franchise strength.

Over two-thirds of the nearly \$1.7 trillion held in Wealth Management products is owned by the top 20% of product holders. However, the distribution of wealth has flattened slightly over the past five years, with a 1.5% point reduction in the proportion held by the top quintile filtering through to each of the four lower wealth quintiles.

Financial Planners from each of the major planning groups continue to recommend in-house products. Over the last five years, AMP remains the most self-referential, with over 70% of people using an AMP/AXA-linked Financial Planner ending up with an AMP/AXA product.

Many consumers are confused about whether financial planners are aligned or independent, with the majority of customers using Financial Wisdom (CBA) or Godfrey Pembroke (NAB/MLC) perceiving the financial planner as independent.

Norman Morris, Industry Communications Director, Roy Morgan Research, says:

“This latest report provides a comprehensive update to the superannuation and wealth management industry, including new figures and analysis about many on-going issues such as the effect of Super Choice, the proposed Future of Financial Advice (FoFA) reforms, and the changing levels of understanding and satisfaction among Australian holders of different financial products.

“This report looks at the segmentation of the wealth management industry based on customer value. We believe that the insights and analysis provided in this report will be of great strategic value to companies involved in the funds management industry, government regulators and industry bodies.”

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Click to learn more about or purchase the [Superannuation and Wealth Management in Australia Report – December 2013](#)

About Roy Morgan Research

Roy Morgan Research is the largest independent Australian research company, with offices in each state of Australia, as well as in New Zealand, the United States and the United Kingdom. A full service research organisation specialising in omnibus and syndicated data, Roy Morgan Research has over 70 years' experience in collecting objective, independent information on consumers.

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In Australia, Roy Morgan Research is considered to be the authoritative source of information on financial behaviour, readership, voting intentions and consumer confidence. Roy Morgan Research is a specialist in recontact customised surveys which provide invaluable and effective qualitative and quantitative information regarding customers and target markets.

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