



1999 – 2009

*A Decade
of Commitment*



Media Release

For immediate release

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Inaugural FEAL survey of Net Promoter Score

The Fund Executives Association Limited (FEAL) is at the fore-front of a new customer satisfaction benchmarking survey for Australian superannuation funds.

Undertaken in partnership with Customer Service Benchmarking Australia (CSBA) and Associate Professor Mark Ritson of Melbourne Business School, the survey of Net Promoter Score (NPS) has been designed to give participating funds the opportunity to benchmark their service and member satisfaction against that of their competitors.

Associate Professor Ritson, who is one of the world's leading experts on brand management, says "For many years' major international financial services organisations like American Express, Allianz and GE Finance have used NPS to assess their brand value. While most fund executives grasp the importance of member satisfaction, the reality is that maintaining true member focus presents a difficult challenge". He adds, "Fund executives often find it hard to measure member satisfaction and benchmark against other funds when their financial and human resources are severely constrained. That's where, I feel, benchmarks like the Net Promoter Score could offer a unique strategic advantage to fund executives in the challenging times ahead."

FEAL CEO Michael Baldwin says, "This is an important and timely step for the industry as there is currently no comparable, independent source of Net Promoter Score for the superannuation sector". "Our aim is to run this survey on an annual basis to enable funds to track their performance from year to year to see if they have improved member satisfaction and their position against the market average".

The inaugural NPS will be undertaken over a 4 week period commencing 22 June. There are currently 28 funds signed up to take part. Funds have paid up to \$8,800 to participate.

"Funds understand the importance of member satisfaction but a truly independent analysis of the funds effectiveness is often difficult to obtain", says Jennifer McSpadden, AUSCOAL, Strategic Marketing Manager. "Being involved in the FEAL customer satisfaction survey is ideal; it will provide us with some fascinating insights at a fraction of the cost of undertaking a survey independently".

The objective of the survey is to provide fund executives with an independent assessment of the level of satisfaction of their own fund members. The survey report delivered to each participating fund will contain the detailed responses of 100 fund members who were contacted by CSBA and asked two very simple questions:

1. How likely is it that you would recommend [fund name] to a friend or colleague?
2. Why do you say that?

Responding on a 10 point scale, from 0 (not at all likely) to 10 (extremely likely), fund members are categorised into three distinct groups:

Promoters (score 9-10): loyal enthusiasts who will keep buying and refer others, fuelling growth.

Passives (score 7-8): satisfied but unenthusiastic customers who are vulnerable to competitive offerings.

Detractors (score 0-6): unhappy customers who can damage your brand and impede growth through negative word-of-mouth.



The Net Promoter Score is created by calculating what percentage of a company's customer base are Promoters and then subtracting the percentage who are Detractors. The resulting score captures the current status of a company's customer base, predicts future revenue growth and provides a basis for developing an effective customer feedback loop.

Founded by Satmetrix Systems, Bain and Company and Fred Reichheld, NPS is successfully used by major international financial services such as American Express, Allianz and GE Finance.

In addition to receiving a detailed report outlining their own members' feedback and their NPS score and their competitive position within the market, funds will also have the opportunity to participate in a post-survey workshop led by Prof Ritson at Melbourne Business School.

Those funds participating in the survey include:

- AUSCOAL
- Australian Meat Industry Super Trust
- Australian Super
- AustSafe Super
- BUSS (Q)
- Care Super
- Catholic Super
- Cbus
- Connect Super
- Energy Industries Accumulation
- Energy Industries Retirement
- ESS Super
- ESS Emergency Services
- ESS State Super
- Foster's Group Super
- Local Govt Super Pool A
- Local Govt Super Pool B
- LUCRF Super
- Maritime Super
- MTAA
- Non Govt Schools Super
- REST
- Retirement Benefits Fund
- Sun Super
- Telstra Super
- Vision Super
- WA Local Government
- Westscheme

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The Fund Executives Association Ltd: FEAL

2009 marks FEAL's tenth anniversary. Established in 1999 to further the professional development of fund executives FEAL membership has grown to include more than 220 executives accounting for over a trillion dollars in funds under management, representing the financial interests of over 10 million Australians.

FEAL seeks to keep its members up-to-date and informed of the most crucial issues confronting them. This is achieved through a series of exclusive events designed to provide fund executives with much needed forums for peer-led discussion and debate. These include a National Conference, a Fund Executive Forum, National Briefings and Case Studies. Members also have access to award programs, scholarship opportunities and on-line resources at www.feal.asn.au