MFS surveyed approximately 1,000 super fund members in Australia to understand their concerns and the challenges they face in their retirement savings journeys. Our goal is to share insights with super funds, consultants and financial advisors so they can make informed decisions and provide solutions that may lead to better outcomes for their clients.

ESG is the strongest theme to emerge from the survey, with Australian investors leading the United Kingdom, United States and Canada. Moreover, each age group is showing substantially more interest than a year ago, especially among Boomers.

While super funds seem to be doing a good job offering ESG investments, there is room for improvement. The survey showed that women wanted more ESG options in their super fund than men. Increasing contributions is one of the keys to improving retirement outcomes, and ESG presents an opportunity to engage with members on a topic they care about.

**Actions to consider taking**

- Consider conducting a survey of super fund members to gauge their appetite for investments that embrace ESG factors.
- Offer educational materials that explore the different approaches to sustainable investing.
In 2022, we noted a huge shift in members seeking advice: Only 9% of members did not receive advice, down from 24% last year. While the number of investors receiving formal advice only increased marginally (which is a strong result given the challenges within the advice sector), super funds have surged as a source of advice.

52% of respondents turn to their super fund for advice, up from 32% the prior year.²

61% of members would use an advisor if offered by their super fund.³

Trusted and personalised advice can be one of the most valuable tools for members.

Actions to consider taking
- Evaluate if and how members are offered access to advice.
- Consider offering access to a comprehensive financial wellness program that can support members in planning for retirement and teaches general best practices for their finances (e.g. budgeting tools).

While most members are confident that they will be able to retire, Aussie members expect to retire later in life — at 66 years of age compared to 61 last year. Globally, most survey respondents expected to retire later, but Australians showed the largest increase in retirement age.

What are your top 3 financial concerns or worries regarding retirement?²

Many members will need to plan for a long retirement. Given that many indicate they will seek advice upon reaching retirement, personalised advice that reflects their unique financial picture will be key.

Actions to consider taking
- Provide members with an understanding of how inflation may impact asset classes within their retirement portfolio.
- Based on their goals, objectives and risk tolerance, review the funds to assess whether they may need a sufficient allocation to investments that typically hedge against inflation.
Our survey data indicates that 77% of members took positive action (increased contributions or took no action) during COVID. However, 9% of members stopped contributing, a rise over last year’s survey and a significant danger sign. More women (12%) stopped contributing than men (8%).

**QUESTION**

What actions did super fund members take because of the COVID-19 pandemic?  

**MEMBER ACTIONS**

- **No Action**: 49%
- **Increased Contributions**: 28%
- **More Defensive**: 14%
- **More Aggressive**: 11%
- **Stopped Contributing**: 9%

Nearly half of all members took no actions.

**Actions to consider taking**

- Conduct an analysis to understand how your super fund members reacted to the COVID-19 pandemic (e.g. changes to deferral rates or investment allocations) to determine if action needs to be taken to help members get back on track.
- Explore ideas to help members feel more financially prepared and less anxious when facing unexpected financial challenges.
Survey methodology

Source: 2022 MFS Global Retirement Survey

Methodology: Dynata, an independent third-party research provider, conducted a study among 1,002 super fund members in Australia on behalf of MFS. MFS was not identified as the sponsor of the study.

To qualify, members had to be ages 18+, employed at least part-time, actively contributing to an industry, retail, corporate or public sector super fund or a self-managed super fund. Data weighted to mirror the age/gender distribution of the workforce. The survey was fielded between 15 March and 13 April 2022.

We define generational cohorts as follows: Millennial ages 23-38; Generation X ages 39-54; Baby Boomer ages 55-73.