



EMBRACING TECHNOLOGY IN FINANCIAL SERVICES

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SEASON 2, EPISODE 6 TRANSCRIPT

What do birthdays and super have in common?

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Tim: Have you ever received a message on your birthday for superannuation and wondered why? Join me with Shannon O'Shea and Christian Erickson as we find out the secrets of success in the superannuation industry.

Presenter: Welcome to Embracing Technology in Financial Services, a podcast brought to you by Accenture where leading experts share insights on business issues facing Australia's financial services industry and beyond. Now here's your host, Tim Broome.

Tim: I'm delighted to be joined by Shannon O'Shea, who is the head of member and corporate services with smartMonday by Aon and Christian Erickson, managing director in Accenture financial services. Shannon, how are you?

Shannon: Very well Tim. Thanks for having me.

Tim: And Chris, how's things?

Christian: Very good, thanks Tim. Lovely day here in Sydney today.

Tim: So, I'm not from Sydney and Shannon's is not from Sydney. How are you finding it over here?

Shannon: The weather is always beautiful Tim. I would say there could be at a bit of improvement around their coffee situation, but you know, we forgive them for their sunshine.

Tim: They'll work on it. Christian, is Sydney home?

Christian: Sydney is home. I've been born and bred in Sydney, so it's a great spot. Love it.

Tim: Okay, look, we are here this week to talk around superannuation and really what the direction that superannuation is taking, especially with the evolution of digital and the impact that's having. So, Shannon, in your role as head of member and corporate services, I'm assuming you're really on the front line of seeing the digital changes. How is that rolling out for you?



Shannon: Yeah, look, that's a big question Tim. Certainly, I've been in superannuation since I was 22, so that was obviously only a few years ago.

Tim: Last week.

Shannon: For a number of years. And I think where superannuation is finally catching up around the digital space, where a lot of businesses are innovating, is in that customer experience place. So how do we make the customer experience more relevant, easier, and more engaging? So, Australians are predominantly unengaged with their superannuation. I mean back when I worked at Cbus on the call centre, people just didn't call. They weren't interested in their super, they didn't understand it, and they put it on the shelf. Obviously the GFC in 2008 woke a lot of members up. They didn't realise that their money was actually invested in the share market, and they've had a couple of what we call door slam moments that have really got them to pay attention to super, especially around the Royal Commission and Productivity Commission in the last year or so people are starting to pay attention, but then when they engage, they're getting a lot of terms and conditions. They're getting a lot of jargon; they're getting a lot of regulatory communication and it's not making it relevant. It's not making it exciting or compelling to interact with. I think that's where we can do a lot of amazing work with engagement with customers is around that digital space for sure.

Tim: And it's one of those challenges that people are dealing with in the future. If I'm looking at my bills and I've got my electricity bill now and I've got my gas bill now, they're the things that are in my face that I'm thinking about. My super is... At this point isn't something that I'm looking at withdrawing down on next year. So myself and many other people don't look at it as something that is "I have to address now."

Shannon: Exactly, and that's a huge battle that people in superannuation have been up against since the commencement of super. So, first of all, we're competing with priorities, day to day priorities. You know, you've got your kid's birthday party to plan on the weekend, you've got financial pressures of today, let alone your financial pressures of tomorrow. For me, I would consider myself a millennial. I'm right on the cusp, I'm 1981. There's some research to show that potentially millennials started at '82, but you know, I feel like a millennial so I'm going to categorise myself in that space. So, it's not just my life priorities. But for example, with technology, I'm very much addicted to my phone. I will be messaging someone via text whilst messaging the same person via Snapchat. They might be in a group chat on WeChat, they might get a DM from me through Instagram.

And I just... so that social world that we live in, this is me, I understand where our members head spaces are and it's definitely not in superannuation. So how do we cut through the noise? How do we cut through life pressures, life priorities, financial stress, plus our distraction mentality and our limited attention span today? So, there's a lot for super funds to overcome. However, it's exciting for a fund like smartMonday because we are a disruptor. We certainly are an innovator and we partner with Accenture on a lot of amazing and exciting projects to really challenge that customer experience space. I'm thrilled to come to work every day and I love coming into the Accenture offices and chatting to the intelligent people that work here, that work across many business units. So, where we can be really innovative is, [Forrester customer experience](#), did some research around what superannuation funds are competing with for consumer attention.

Tim: Okay.

Shannon: It's everything, so Amazon, Netflix, the last customer experience they had is what we have to be compared against. So, if they go into Maccas and have that digital ordering system, then we've got to compete against that as a super fund. So, this is the customer expectation just keeps going up and you've got to outpace that as a fund. If you can do that well, you will stand out in the crowd and you will make it super engaging and easy for members. So that's why I love working with Accenture.

Tim: So Christian, how do we engage the customers then?

Christian: Well it's a good question. It's very interesting. Going back to something you said a moment ago, Shannon, I thought it was really interesting, you touched on fees and performance, right? And traditionally superannuation has been focusing on competing on fees and performance, and now what we're definitely seeing is a market shift in the market, in the superannuation space to a different kind of value proposition. And that different value proposition we believe, we firmly believe, is competing on experience. smartMonday and the work we've been doing with you is very much in that space, and for the very much the reasons you were talking about a moment ago with those Forrester research, right? Because the expectations from consumers now is that you have digital tools and technologies that allow you to engage very quickly and get value.

And the value piece is really interesting but going back to your question in terms of digital technologies, we're seeing more work around mobile apps in particular in the super space and it's something we're in discussions with a number of organisations including smartMonday. And you have to have that mobile technology because like you said earlier people are spending a lot of time in transit. And I would challenge anyone to find a person on the train in the morning that isn't on their phone. It's incredible. I think mobile technology is one aspect that's really a part of that sort of focus around digital investment in the superannuation space. I think the other one on the website sort of front in particular is some of the use of data and AI to support chatbots. And I think from a customer self-service perspective in particular is actually really interesting as well. So, we're seeing those sorts of digital enablers coming up into the superannuation space, which is really exciting.

Tim: Yeah look and, I mean you mentioned the chatbots, it's an interesting position there in broadly in the market because I think we've seen and we saw the explosion of chatbots, we then saw mixed experiences that people had. And I think broadly people are starting to understand where they fit into the overall ecosystem, and I think in this industry you may be looking at how can I hit a large number of individuals quickly to understand well who are those that really should be having a human conversation. And to then get them engaged with people so that you can then really start to understand how can I give these people the service that they really need? Otherwise, you won't have the human capacity to do what you need to do.

Shannon: Yeah, so Tim, I just love that word and Chris used a word I like to use as well, which is an enabler and that human piece. So back in the GFC, I ran the Hostplus call centre and we had a lot of complaint calls as you could imagine. Like I mentioned earlier, people didn't even know they were invested. So, we had to scale the human touch, we had to scale soft skills, and teach everyone who interacted with a member how to acknowledge, how to listen, and how to be the voice of reason and walk people through that emotion. And what I think is happening now with technology is we are systemising the human touch, and it's really exciting because I believe in that approach. So, when you talk about the chatbot, one of our challenges as a fund is to prioritise and the sequence of events as far as our digital transformation. So Robo-advice, there's a big push for Robo-advice. There's a push for chatbots. We currently use live chat programs as well, and what we're finding is the best technology that we're putting in place is the one that enables our team members to do a great job with really good insights, fast and relevant to that member. So that's trying to strike that balance.

Shannon: We partner with Forrester on a lot of our CX insights as well, along with the Accenture around rolling it out. And if you are customer obsessed, the answers are in the data, the answers are in what your customers are telling you. And that's, "I just want this to be faster, I want this to be easier and I want more certainty, but I want to be able to make a decision quickly." So how we do that as a fund is really important. So, we partner with our... the member experience team reports under me. So, we do a number of things which includes tech, but also the philosophies just make superannuation easy and compelling. So, when we communicate, we don't use jargon. Who we communicate to and when we communicate to them is relevant to them. And we've got that from the data and the tech that we've used, and then AI, as we start to get our data in a place where we can utilise AI more, then we just become smarter and more relevant to the member. So, we know looking at our data that when you engage with a millennial on their birthday, it's the one day they'll think about their retirement because they think about getting old. So, we know we're not going to miss a millennial birthday communication because it's the one time they'll actually look at their super.

Tim: That's interesting.

Shannon: Yeah.

Tim: And the other area I wanted to look at a little bit is, so there's life events and I'm thinking, bigger than the birthday, when people may not want to think about their super but you could be in the position to say actually, whatever something has happened in your life, be it – and a lot of this is publicly available data – be it your family's grown, you've got a new job. These are probably periods where you should actually take a step back and reflect on is my super going to be where it needs to be? Are you able to use that data in that way?

Shannon: Yep, absolutely. So, a part of a fund owning their data, so we use multiple administrators for example, we've got partners... we use the best in breed providers, so if somebody does contact centres well, we'll utilise them. If somebody does paper admin processing better, if somebody does some function best, we'll utilise that. What we've done is we've pulled all the data from our providers into one place centrally. Our internal team, so our relationship managers or our intra-fund advisors or our member experience team, all of that data goes into that hub as well. And what we find is members are okay with you using their data, and they don't sort of get weirded out or think that you're spying on them, if what you're presenting to them is really relevant and personal, they are okay with you having their data in that case.

So, overlaying recent interactions and when things are happening for members in their life, and those life events are really important, decision-making points especially with your superannuation, we can plug that into our data system. And then we can send them out a communication that's relevant around have you spoken to a smart coach? Have you thought about your investment return profile? Do you know if your insurance inside super is working for you? And they are like, "Wow, this is cool. Okay, I'm going to think about it now." As opposed to just spray and pray, which is the old sales approach.

Tim: Absolutely, yeah. So, I did an episode probably a year ago now, so it was '[Personalisation and is it creepy or cool?](#)' and one of the bits we touched on was... there was actually an instance in America where an organisation reached out to a family to congratulate them on the birth of the child that was impending. In that instance, it was the daughter of the family whose buying habits had suggested she was pregnant and the way the father found out was because the organisation reached out. And you just got to keep on the right side of what you do with that data.

Shannon: Correct. Absolutely, and the transparency and trust is a big one in financial services, obviously with the recent Royal and Productivity Commission. So, for us, transparency and trust just comes down to being relevant, making it easy and listening. And you can do that a hell of a lot better with the right tech, am I right Chris?

Christian: Yeah, absolutely. And I would also add to that, and it's kind of, its aligned with a relevancy point, is value. It was interesting when I was looking at our [Fjord 2019 Trends Report](#) the other day, and I was watching a video of Mark Curtis who is the global chief client officer for Fjord. And he was summarising like the meta-theme around Fjord trends for 2019 and he summarised it as the customers search for value is critical. That's what they're seeing as a meta-theme across industries. And when I think about in terms of superannuation, I think that you've got this competing on experience and value is underpinned, it's enabled by digital and it's underpinned by data.

And it's interesting in super, because, you were talking about life events and life events are quite static, but what we're seeing, and working with partners like smartMonday, is that superannuation organisations and life insurers as well, by the way, they're starting to broaden their value proposition, and they're looking for other things that they can reach out to members and customers on an ongoing basis that are relevant. So, things like financial wellness programs and those sorts of things are really starting to become quite mainstream, I would say. And that's where you're able to reach out in a relevant, meaningful way on a regular basis to customers, not just at specific life events to deliver value. And that's how some organisations like smartMonday are really competing quite nicely in the market.

Shannon: Yeah. We saw at the recent ASFA (*Association of Superannuation Funds of Australia*) conference, a speaker called [Moshe Milevsky](#) and he said to the superannuation audience, "You need to not talk to people about getting old. It's not attractive. Why don't you try the biological age versus your chronological age?" So, there's a service where you can send in a swab of your DNA and they will measure your telomeres and that will tell you, Tim, your chronological age is 45, I'm just going to throw it out there.

Tim: Okay, I'll go with that.

Shannon: But your biological age is 35 because you keep fit, you eat well, and your telomeres are telling us. So, we had a bit of a marketing strategy around how we can communicate to members around their retirement. We've got a thought leader in our business called Paul Gordon and Janine Robertson who wrote a book around '[Spenditude](#)', which actually disrupts demographic, so disrupts a little bit of life stage. It's more about how you feel, it's more about things that impact you personally. And it's more about defying getting old and understanding that retirement is different for everybody. You might stay in work; you might want to have a fantastic lifestyle. There's a demographic, there's a 65 year old female demographic that is being spoken to really poorly in the market at the moment. And we had it like consumer analysts like target this audience because they're not being heard.

They have hit their financial peak, they are often divorced, they're on Tinder, they go... they're doing yoga, they've got a wonderful lifestyle. They're not in that stress period, speak to them in a different way. Just don't make assumptions based on age and stage, think about the individual. So, it's really exciting because like you said, how do you get that data? How do you find those insights? And a lot of it is AI and a lot of it is really putting as many data points as you can in a way that's easy to analyse. So, our business analysts are within the team, they're not in IT anymore. I know Accenture is big on this as well as far as getting people to read your data and distribute it in a way that's usable, in a way that you can respond to it quickly and that they will find insights from it from within the business as opposed to, you know, it being very separate and technical. So, there's a lot of things happening in the business front that leaders can do to make the experience more personal for members.



Tim: That's brilliant. Look, we're starting to run out of time, but before we do Christian, can you just give us an overview of what you think, what's next?

Christian: I think what's next in certainly the superannuation space is we are going to see a continued focus on a broader value proposition, number one, for clients and members, and it's going to shift away from focusing on the investments and the fees aspect and it's going to really focus on the broader value proposition. There's going to be an obsessive focus on the member experience and relevancy, and we've touched on data and insights and I think data and insights that the organisations that crack that nut are going to accelerate the value realisation for themselves and obviously for their members as well and their clients. I think that we're going to see some really interesting ways in which data is going to be used to improve the member experience and focus on relevancy. And then that will also have aspects to other parts of their business as well.

Tim: Brilliant. So, Shannon, any other thoughts from you?

Shannon: Look, all I would say is it's a really exciting time. I think that if you partner technology with human beings well, you're going to get the best possible business and service offering out to your membership.

Tim: That's brilliant. So, Chris, appreciate your time. Thank you very much.

Christian: No worries. Thanks Tim. Thanks for having us.

Tim: And Shannon is great to meet you.

Shannon: Lovely. Thanks.

Tim: If you want to hear any more about the direction that the superannuation industry is heading, please reach out to me, Tim Broome, Shannon O'Shea, or Chris Erickson, and you can find us all on LinkedIn. Thank you very much. Have a great day.

Presenter: You've been listening to Embracing Technology in Financial Services. You can find other episodes on the Accenture Vision app by visiting [accenture.com/embracingtech](https://www.accenture.com/embracingtech) or from your favourite platforms, like Apple podcasts, SoundCloud, or Spotify. Thanks for listening.

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