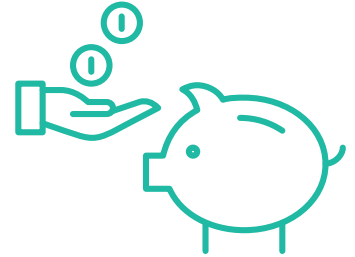




# Helping people make better superannuation decisions

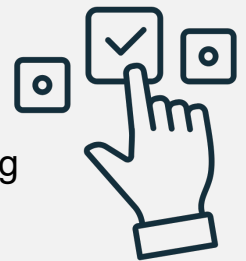
Investing in a low performing super fund can lead to significantly lower retirement savings. Yet choosing an appropriate super fund is a complex and challenging task.



BETA and the ATO's Behavioural Insights Unit collaborated to inform the design of the YourSuper comparison tool – which aims to make it easier for people to choose a well performing super fund that meets their needs.

## We conducted a survey and 2 survey experiments

Assessing a long table of super fund information is a difficult task. We explored whether adding more performance categories would assist decision making. We found that respondents were better at selecting one of the best performing funds when given 3 performance categories: 'poor', 'fair', or 'top', compared to 2 performance categories: 'poor' or 'good'. Sorting results by performance category offered additional gains.



We were concerned that people may misinterpret terminology around investment 'risk'. We found that people who were presented with common industry terms (such as 'conservative' and 'balanced') to explain risk/return tradeoff were better at selecting the optimal risk/return option, compared to when technical language was used (such as 'low risk and low expected return').



**The way technical superannuation information is presented to consumers matters for decision making. Three performance categories and common super investment terms helped consumers make better decisions.**