

KiwiSaver guide
Satisfaction survey

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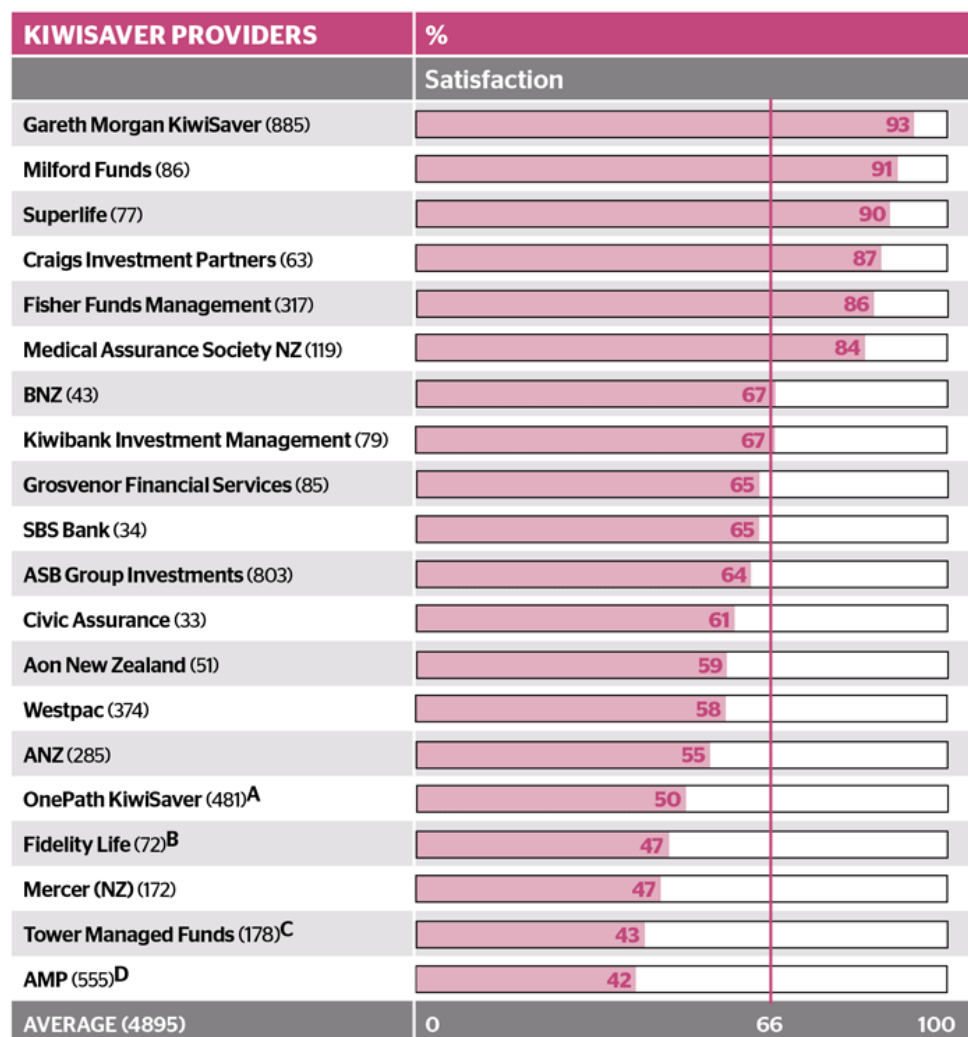
Our customer-satisfaction survey found big differences between KiwiSaver providers.

Performance – the return on your investment – is important when choosing a KiwiSaver provider. But further down the track you need regular information so you can work out whether your provider's scheme is still the right one for you. Are people getting this? To find out, we asked our members how satisfied they were with their provider's service.

The results don't make comfortable reading for the KiwiSaver industry.

Only 66 percent of members who took part in our survey rated their KiwiSaver provider's service as "good" or "very good". This is lower than the 72 percent rating our members gave [energy providers](#). And it's way lower than the 89 percent in our latest [banks survey](#).

As well, there were wide gaps between the "top" providers and the bottom of the bunch. The top providers in our survey provided easily understood advice as well as regular updates on their clients' balances. Those at the bottom of our table had little contact with their clients: "it's as though they have my money and don't care" was one member's comment.



Guide to the table

Our survey took place in August 2013. We received responses from 4895 of our members. KiwiSaver providers are those for whom we received more than 30 responses (response numbers are in brackets).

A = OnePath was rebranded as ANZ Investments in September 2013.

B = Fidelity Life sold its scheme to Grosvenor Financial Services in July 2013.

C = Tower Investments was bought by Fisher Funds in April 2013.

D = AMP merged with the AXA KiwiSaver scheme in August 2013.

Satisfaction shows the percentage who rated the service they received as “good” or “very good”.

The best

Five of our top six providers were specialist investment companies: **Gareth Morgan KiwiSaver**, **Milford Funds**, **Superlife**, **Craigs Investment Partners** and **Fisher Funds**. They were joined in the top group by the **Medical Assurance Society**, a company providing financial services and insurance for health professionals.

Members liked the consistency and quality of the information provided by these six companies:

“Getting text message updates monthly with my balance is particularly useful.” [**Gareth Morgan KiwiSaver**]

“Has very good communication together with helpful staff and very accessible website.” [**Milford Funds**]

“I appreciate their down-to earth-practical approach, their readable sensible information resources (also annual roadshows), and their focus on very low fees.” [**Superlife**]

The worst

It’s disappointing to see four of the five “default” providers – **AMP**, **OnePath**, **Mercer** and **Tower** – at the bottom of our table. **ASB Group Investments**, the remaining default provider, is in the middle. (A default provider is one you’re allocated to “by default” if you and your employer don’t choose a provider when you’re first enrolled with KiwiSaver.)

AMP clients felt they were getting little service for their money: “I had to chase them to get basic information” ... “It feels a passive money earner for them with little in return.” Although information was available online, AMP clients felt the website wasn’t user-friendly and didn’t provide enough information.

Tower Management Funds has been bought by **Fisher Funds** but the ratings of these two providers differ sharply. Tower clients commented: “I should get more feedback and information from Tower than I do” ... “The current online info is not detailed enough” ... “I had no idea who [I] was with for 6 months as I was not notified by the provider.”

More than 40 percent of those who had **Tower Management Funds** or **AMP** as a provider said they didn’t receive statements as often as they’d like. Clients of **OnePath** (38 percent) and **Mercer** (37 percent) also said they didn’t hear from their provider often enough.

Overall

- Some of the members we surveyed took little interest in their KiwiSaver scheme: one in seven didn't know how often they received a statement and one in four didn't know whether they could find out their balance – by phone or online – whenever they wished.
- 85 percent found it easy to understand their statements. 75 percent were satisfied with how often they received a statement – but 40 percent of those who received just one annual statement said they'd like to receive statements more often.
- 72 percent of people in our survey had chosen their scheme; 14 percent had stayed with their default provider.
- A few didn't know who their provider was – and some confused another superannuation scheme with KiwiSaver. We removed these responses from our data.

Comparing the schemes

“I need a 'league table' of investment returns minus fees to be able to judge if my provider is good or bad. I don't have that data and it is hard/impossible to find” – this was a call from several members.

The Commission for Financial Literacy and Retirement Income has developed a [free KiwiSaver-comparison service](#) (aka the KiwiSaver Fund finder). You'll be able to compare providers' fees and returns, and to search for schemes which offer the type of investment you prefer – an ethical fund perhaps, or one that adjusts risk as you get older.