

Superannuation Administrator: Online Channel Migration and Payments Strategy

Role: Programme Lead, Channel Strategy and Development

Australia's largest superannuation administrator, processing contributions on behalf of many of the country's major industry funds, needed to improve operating efficiency while its competitors moved faster to digital. Only around a quarter of employer contributions were submitted online, the majority of payments still arrived by cheque, and manual processing was absorbing significant effort across fund services, mail rooms and call centres.

The organisation set an ambitious goal: lift online penetration from around 25 percent to 50 percent within eighteen months and to 90 percent over the following years, releasing material savings for the administrator, its fund clients and their members. I led the channel strategy and development programme responsible for designing and driving that migration.

Working with the executive team, the major fund clients and the business intelligence team, we built a fact based strategy grounded in contribution data from hundreds of thousands of active employers.

Key areas of focus included:

- An online growth strategy delivered in waves, from targeted behavioural change to deeper online relationships
- Eighteen initiatives spanning online services, campaigns, clearing house data feeds, single sign on and client engagement
- A structured employer contact programme across the six largest funds

- A payments strategy to prioritise low cost electronic channels, retain popular channels and retire costly, low volume ones
- A benefits realisation model linking investment to savings by cost centre and by fund
- Federated governance, budgets and resourcing across channels, fund services, IT and finance

The payments analysis showed clearly that electronic funds transfer was the lowest cost option for the administrator and its clients and delivered faster allocation of contributions to member accounts. The recommendation was to promote it as the primary channel, maintain direct debit and BPAY, move employers away from cheques, and discontinue cash and post office bill payments, which accounted for around one percent of transactions but carried disproportionate cost.

The benefits model gave leadership a clear view of where savings would land, with most accruing to fund services through reduced manual processing, and of the investment required to hit each penetration target. This allowed the organisation to make an informed trade off between campaign budget and the pace of migration.

The programme established a credible, funded pathway to digital contributions, improved outcomes for employers and members, and positioned the administrator ahead of the government's move towards electronic clearing house standards.

For more information about this case or to discuss how similar channel and digital migration strategies could be applied in your organisation, please contact me at marco@marcociobo.com or visit www.marcociobo.com.