MEDIA RELEASE

Super member retention driving demand for predictive analytics

Analytics specialist Empirics adds Australian Ethical Super to its growing line-up of clients

Sydney, 19 September 2014: Australian superannuation funds are increasingly competing for members though the use of data analytics to target and predict member behaviour, according to leading data specialist Empirics.

Empirics today added the $900 million Australian Ethical Investments as its latest client, adding to a raft of super fund client wins over the past year.

Empirics Chief Executive Officer Darrell Ludowyke said the company's proprietary predictive analytics capability addresses growing demand from funds both large and small to drive more effective member retention strategies.

"We're seeing a real surge of interest from funds who are moving on from reporting, which essentially looks backwards, to using predictive analytics to look forwards and see what these insights can do for their fund, particularly how they can help engage and retain members.

"We are very pleased to be working with a fund like Australian Ethical, as it's a unique offering that promises to invest members money in a way that aims to not only help members maximise their retirement income, but also to invest in positive, sustainable change for society and for the environment."

"We believe the growing understanding of our services among super funds like Australian Ethical demonstrate the maturity of the industry," Mr Ludowyke commented.

Mr Ludowyke said the industry is changing rapidly, "driven by increased competition and legislative changes, with funds having to work much harder to retain disengaged members who are consolidating their super elsewhere, rolling out or moving to other investment vehicles such as SMSFs under the advice of financial planners".

Australian Ethical Head of Marketing Paul Smith said the fund decided to appoint Empirics due to the team's experience and proven track record in applying analytics to a broad range of businesses.

"We are particularly attracted to the potential for analytics to inform decision-making directly based on hard data, as well as monitor our existing campaigns with tangible return on investment figures," Mr Smith said.

Empirics will apply its superannuation analytics to Australian Ethical's 20,000-plus members, to provide the following outcomes:

1. *Data visualisation and analytics* to provide a snapshot of member segmentation and engagement, with dashboards and reports to help easily identify useful and critical trends

2. *Advanced analytics*, including behavioural modelling and predictive analytics, to pre-empt customer decision making and purchase habits, target best prospects and create tailored customer engagement

3. *Development of relevant and targeted campaigns* and personalised communication to engage and grow existing members as well as target future customers with data-driven predictive insights.

"Predictive analytics may sound like just another buzz word, but funds are seeing what it can deliver. Previously analytics used to mean identifying and segmenting members, however today we can accurately predict behaviour, inform business and marketing strategies and then track and measure direct causal outcomes," Mr Ludowyke concluded.

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About Empirics

Empirics is a leading provider of end-to-end customer management solutions including market-leading data integration, advanced analytics, personalised communications and dashboard solutions for the Australian superannuation, retail, automotive and travel sectors.

Empirics is a subsidiary of the Link Group. The Link Group is a global third party financial record keeper active in the securities registration, superannuation administration and property sectors, along with providing a suite of value added services.