



SUPERANNU-WHAT? JARGON COSTING AUSSIES BILLIONS

Sydney, 28 March 2012. New research from Virgin Super has made it official: Aussies are simply baffled by the jargon used when it comes to their Super, meaning they're potentially missing out on billions of dollars at retirement. The research conclusively showed that while most Aussies (4 out of 5) acknowledge that they need to get more engaged in their Super, a vast majority (three-quarters) agree the complex and confusing language used makes it more difficult for them to do so.

Virgin Super is the first provider in Australia to look at the direct link between the confusing language used in Super and how it affects the behaviour and actions of consumers.

David Curneen, Commercial Director for Virgin Money, offered his views on the new research:

"It's a fact that language influences the way we act. There is no doubt in my mind that if the language used in Super was more user-friendly people would have more money for their retirement. The more people are engaged with their fund the better."

"Our research has found that while people acknowledge they should be paying attention to their Super, the jargon and overly complex language used to describe what is essentially your retirement fund is making it difficult for everyone to understand. As an example, the term 'salary sacrifice' has a whole bunch of negative connotations, but it can be an extremely smart way to put money into your Super at a better tax rate."

"9 out of 10 Aussies said they'd support a campaign to simplify the language we use in Super and that's exactly the mission we're on."

Adam Ferrier, consumer psychologist and founder of Naked Communications added his view:

"Getting a big pot of money when you retire is extremely compelling for everyday Australians. However, the Superannuation industry has successfully used language that baffles and confuses consumers to the point of receiving a whole lot of money when you retire seem boring and dull – that's quite an achievement."

"The language we use can have a huge impact on how we think and feel about certain things. What we call things can in fact radically change our perceptions of everyday things. The language the Superannuation industry uses could do with a re-think."

In Australia's first effort to highlight the issue around the language used in Super, Virgin Super will be launching a 'Jargon Buster' campaign that aims to spark conversation between Australians, industry players and the Government about the need to reform Superannuation terminology. Everyone can get involved with the new campaign by visiting virginmoney.com.au.

Jeff Bresnahan, Founder of SuperRatings agreed with the research findings:

"In reality Super is as simple as your bank account. The hard part for consumers is making sense of the dense technical jargon."

Virgin launched its low cost and easy to manage Super fund for individuals and businesses in 2005. Virgin was the first Super fund in Australia to waive management fees when members are on maternity or paternity leave for up to 12 months and currently manages funds for 28,000 members.

For more information, interview opportunities or full research results, please contact:

Freya Hunter at Encoder PR

02 9928 1587, 0439 439 870

freya.hunter@encoderpr.com.au

Note to editors

1. The following executives are available for interviews:
 - > David Curneen, Commercial Director, Virgin Money Australia
 - > Adam Ferrier, consumer psychologist and co-Founder of Naked Communications
 - > Jeff Bresnahan, Founder, SuperRatings
 - > Christopher Zinn, Managing Director, Choice Australia
2. Visual supporting materials are available, including executive photography

Visit virginmoney.com.au for more information about the 'Jargon Buster' campaign and to find out more about Virgin Super.

About the survey

The Attitudes to Superannuation Study was conducted online among members of a permission based panel managed independently by Galaxy Research. The study was conducted among 1,010 Australians aged 25-44 years of age. The state by state participation was as follows: NSW (35 per cent), VIC (28 per cent), QLD (20 per cent), SA (7 per cent) and WA (10 per cent). The data was weighted by gender, age and region to reflect the latest ABS household population estimates. Fieldwork commenced on Friday 24 February and was completed on February 27 February 2012.

About Virgin Money

Virgin Money is the financial services arm of Sir Richard Branson's Virgin Group. We launched in Australia in May 2003 to do one thing – shake up the financial services industry. Today, we are well on our way to achieving that goal with award-winning products spanning credit cards, savings, superannuation, life insurance and car insurance. Virgin Money products are simple, great value and transparent, and they're backed up by our world-famous Virgin customer service.

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