

# Master trusts - increase AUM by improving member engagement

✓ **By offering increased opportunities for engagement, master trusts can help members get more from their pension whilst also growing their AUM**

**T**he education gap Master trust members are often enrolled automatically into a pension scheme. The process leaves some unaware of how to manage and plan their pension. There needs to be better access to financial education. A better financial education empowers members to plan a better financial future. With this comes increased financial wellbeing.

## Sleepwalking into retirement

Without the aid of a financial adviser, members are often 'sleepwalking into retirement'. That is, aside from their annual update, they're mostly disengaged from their pension. Try as they might, Master trusts tell us that a key challenge for them is engaging members with their financial future. So, how can we awaken members to engage with their retirement savings?

## Engagement through tech

At Wealth Wizards, we're on a mission to make financial education affordable for all. To achieve this, one of our approaches is to increase pension engagement through technology. Our Turo Master Trust application engages members with their retirement planning. It allows them to feel more in control and more knowledgeable. It creates a more personal journey for them.

This application gives them the information they need with the ability to

'play'. Members can see for themselves, the outcome of altering their pension payments. They can use it to query: 'How does adding another 1 per cent per annum affect my pension pot? What if I added 2 per cent or 3 per cent more? What does my final pension pot look like? How much could I draw down as an annual income? How much could I leave for my beneficiaries?'

It is an incredibly powerful tool. It invites members to better understand and control their financial future. This interaction improves financial wellbeing which in turn increases mental and physical wellbeing.

## Member journey

From the point of enrolment, Turo is designed to increase engagement. We call it 'Consumer-led' and 'Human-assisted' guidance and advice.

To start, members go through a series of interactions, culminating in their 'financial health check'. This helps them understand their financial commitments and retirement goals. Their responses determine the recommendations.

Should members have more complex needs, they can access our level 4 qualified adviser. This is the 'human-assisted' element.

Consumer-led guidance and regulated, codified (automated) advice is currently available for contributions and later this year we will have it for consolidation.



Turo's consumer-led and codified advice is there for members to access '24/7, 365 days a year'.

If members take up a new employer, they can continue to manage their pension with Turo. It continues to be available to them to continue their financial wellbeing journey.

## Master trust benefits

Turo can be implemented without the need for an additional headcount. Neither does it require significant maintenance as Turo is a low-maintenance platform.

Turo provides trustees and operations teams with a continual flow of MI. This information serves to improve the product and in turn, the member experience.

This new technology also gives master trusts something new to offer deferred and returning members. Previously some members may have had minimal engagement with their pension schemes.

Increased engagement and accessible education prompt members to reconsider their pension payments. This recalculation has significant potential to increase AUM across the membership.

**For further information on Turo for Master Trusts please contact nick.hall@wealthwizards.com**



Written by Wealth Wizards business development director, Nick Hall

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