

MERCER MPF SATISFACTION INDEX

SEPTEMBER 2019

53.1

AUGUST 2019
53.3

Monthly index covering
Over **2,400** respondents annually
Conducted by Nielsen Hong Kong

TVC IS GENERALLY WELL RECEIVED, BUT PUBLIC AWARENESS ON HOW IT WORKS COULD BE IMPROVED

It has been half a year since the launch of the MPF Tax-deductible Voluntary Contribution (TVC) on 1 April 2019. Based on our latest survey results, there is still plenty of room to improve public awareness of how TVC actually works so that the full capacity of this tax incentive can be uncovered.

In the past six months, 21% of 1,210 respondents said they have a good understanding of how TVC works, 62% noticed the launch of TVC but do not know how it exactly works and the rest are not even aware of the launch of TVC.

Among those who have good understanding of TVC:

- The average satisfaction score is 66.7 out of 100.
- Nearly half (43%) indicated that they will consider opening a TVC account and make contributions.
- On average, they are willing to budget HK\$26,400 annually for TVC, which is equivalent to 7% of their base salary.

83% noticed the launch of TVC

21% have a good understanding of how TVC works

66.7/100 are satisfied with TVC

7% of annual base salary is budgeted as TVC on average

THE MORE ENGAGED, THE MORE SATISFIED

Time Horizon Until Retirement

Members who are closer to retirement age are more satisfied.



Members who are age 55 or above



Members who are below age 55

Knowledge Level

Members who have greater knowledge about MPF feel more satisfied.



Members who believe they have greater knowledge about MPF



Members who believe they have low knowledge about MPF

Inquiry Frequency

Members who inquired about MPF at least once in the past 12 months feel more satisfied.



Members who made inquiries about MPF in the past 12 months



Members who did not make inquiries about MPF in the past 12 months

Understanding MPF Account Investment Types

Members who understand the type of investments in their MPF accounts are more satisfied.

52.9

Members who know the type of investments in their MPF accounts

38.8

Members who do not know the type of investments in their MPF accounts

Awareness of Own Investment Performance

Members who have a strong sense of how their MPF funds perform are more satisfied.

53.3

Members who have a strong sense of how their MPF funds perform

46.3

Members who lack a strong sense of how their MPF funds perform

Top Three Expectations From MPF Members of MPF Providers In September 2019, Apart From Good Performance and Low Fees



39.8%

Provide more comprehensive fund choice



34.8%

Understand customers' needs



30.8%

Provide strong after-sales service/follow-up and a clear MPF benefit statement

In The Past 12 Months, Where Have People Sought Help?

We find it is more common for members to seek advice from personal connections, followed by websites.



55.2%

Personal connections – family, friends and colleagues



53.2%

Websites – MPFA, MPF providers and other financial websites



46.8%

MPF agents – individuals or financial institutions



22.9%

No advice sought

Note: The figures above do not add up to 100%, as individuals can seek advice from multiple sources

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