Borromean Consulting

DIGITAL ADVICE MARKET SCAN | PART A

Beyond the Algorithm

2026 Digital Advice Market Scan

From Advice Delivery to Member Engagement

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FOR
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BASIS
2026 provider research and Borromean analysis

Independent. Insight-led. Pragmatic.

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In brief

Beyond the Algorithm 2026 is the second edition of Borromean Consulting's Digital Advice Market Scan. The scan covers ten providers, all of which took part in structured interviews between July and September 2026. Their verified interview records are read against the 2025 baseline and Borromean's published research with the Financial Services Council and CoreData. Four findings stand out.

1

Faster innovation is turning digital advice into an engagement proposition.

The research shows a faster innovation cycle helping providers reposition digital advice as a capability for engagement, guidance and decision support, with regulated advice one part of it, and design tools around the questions members actually bring. In 2025 providers believed members want help more than advice. In 2026 that belief is being built into products. **Inside funds the shift is at an earlier stage.** Most deployments are still organised around delivering advice, which leaves room to put existing capability to wider use.

2

As innovation accelerates, putting capability to work becomes the focus.

Providers report that AI has cut the time and cost of building advice capability sharply, while the recommendation itself stays rules-based. **They describe** fund decision-making, governance and procurement as largely unchanged. **Borromean's reading** is that selection and implementation models designed for static technology solutions fit less well in a dynamic environment, where capability can change materially before it goes live. The research does not show fund adoption slowing; whether the two cycles diverge is a strategic risk, not a finding.

3

The contest for the member relationship starts with the first question.

Australian and international surveys show general-purpose AI, which sits outside regulated financial advice, becoming a place where financial questions begin. Funds hold a real trust advantage, but it is conditional on offering help when members look for it. **Borromean's reading** is that the advantage lies in what a general-purpose tool cannot offer on its own: help grounded in member context, carried forward through experience persistence, connected to regulated advice and human judgement, and accountable.

4

Capability is moving faster than the visible evidence of outcomes.

The evidence is strong on what providers have built, growing on what funds have implemented and members use, and **much less visible on whether members decide better**. That gap matters for how digital advice is measured, how investment is justified and how provider claims are assessed. The aim the report proposes is not more engagement or more advice. It is well-founded confidence to act.

What it means for funds. The first decision is the role a fund wants in the member relationship: product provider, source of financial help, financial interface or orchestrator. Each is a legitimate choice, and each carries consequences for how useful the fund is, what it owns and partners for, how it carries member context, and how it governs and measures what it builds.

Beyond the Algorithm: digital advice enters its next phase

Digital advice is entering a new phase. For most of the past decade its purpose was clear: to make regulated financial advice more accessible and more economical, so that a fund could help far more members with contributions, investment choice and retirement than its advisers could ever see. That purpose has not gone away. But the capability built to serve it is now being put to wider use.

In this year's research, providers described digital advice less as a product and more as a capability for member engagement, guidance and decision support, in which regulated advice is one part of what the capability does rather than the whole of it. They are building experiences that begin with a member's own question rather than an advice topic, that sit on a fund's homepage rather than behind an advice gateway, and that serve the member, the phone-based adviser and the financial planner from the same engine.

Artificial intelligence is accelerating that development in two ways. Behind the scenes, it is changing the speed and economics of building. At the member interface, conversational AI lets people start with what is on their mind, in their own words, instead of finding their way through a menu of products, calculators and advice topics. The same technology is creating a different kind of competition. General-purpose AI tools, which sit outside regulated financial advice, are becoming a place where financial questions are first asked, outside the fund.

A larger market, with more of it in use

The first Beyond the Algorithm report, published in August 2025, examined six providers. It found that the market had moved well beyond calculators and static tools, that each provider could deliver at scale, and that the more useful question for a fund was which partner fitted its strategy, culture and members. It also found that much of the capability on offer was under-recognised by funds, and that most fund–provider relationships were still framed as purchaser and vendor.

This year's scan covers ten providers, up from six in the first edition. All ten took part in structured interviews, four of them for the first time. More of their capability is now in use inside funds: advice for members over sixty, adviser teams working from the same platform as members, Age Pension entitlements built into the core retirement calculation, and guidance tools placed on a fund's homepage. The first conversational services that let members begin with a question in their own words are live. Providers with live deployments can now describe not only what they have built but what happened after a fund switched it on.

The 2025 report anticipated much of what follows. It expected digital advice to become part of a fund's wider engagement, AI to accelerate the building of advice journeys, and engagement to move from episodic to continuous. Exhibit 1 shows which of those expectations the 2026 research shows being realised, and where the evidence is still less visible.

EXHIBIT 1

What changed between 2025 and 2026

Dimension	What the 2025 research established	What the 2026 research shows	Significance
Provider proposition	Purpose-built digital advice providers, differentiated less by algorithms than by business-model fit, experience design and partnership. Advice described as part of a fund's engagement when well integrated	Many providers now define themselves as engagement and decision-support businesses, with regulated advice one part. Buyers inside funds widen to marketing, member experience, product and retirement teams	**Engagement moves from a feature of good integration to the core of the provider proposition**
Capability	Integrated, configurable platforms able to scale personal and intra-fund advice. Retirement the dominant anchor; hybrid models emerging	Capability extended into the retirement phase: advice for over-sixties, Age Pension in the core calculation, lifetime income, multi-topic advice. Conversational interfaces live or in build	**Capability is broadening fastest at retirement and at the member interface**
AI and development economics	AI seen as an enabler still to come; providers prioritising explainable, rules-based advice logic	AI in use in providers' own development, with provider-reported falls in build time and cost. The recommendation remains rules-based	**AI's first large effect is on the economics of building, not on the advice decision**
Member engagement	A shared belief that members want help more than advice; continuous engagement anticipated	Tools designed around members' own questions; early, provider-reported evidence of use. No provider described a member's context carried across channels inside a fund	**The belief has become design; continuity and outcome evidence have not**
Fund deployment	Capability under-recognised by funds; relationships transactional; procurement rigid	More live deployments and post-launch experience. Providers describe procurement and governance as largely unchanged, and most deployments as advice-led	**The constraint providers describe has moved from recognition to absorption**
Competitive environment	A choice among specialist providers on fit	General-purpose AI, banks and other institutions positioning for where financial questions begin	**The question widens from which partner to what role the fund wants**

Source: Borromean Consulting, Beyond the Algorithm (2025); 2026 provider interview records. The 2026 column describes provider capability and provider accounts unless stated; it does not describe any single provider or fund.

What this report argues

The central argument is that **digital advice is evolving from an advice proposition into a broader member engagement proposition**, and that the advantage of regulated digital advice increasingly lies not in producing an answer but in understanding the member's circumstances, supporting the decision and being accountable for the outcome.

Fluent answers are becoming easy to obtain. What remains hard to replicate is help that is grounded in a member's own circumstances, connected to advice that someone is accountable for, and able to bring in a person when the decision warrants it. Funds and their partners start with real advantages here: they hold the member's context, they operate within an accountable regulatory framework, and they can connect a conversation to regulated advice and to human judgement. Add experience persistence, the principle that a

member's next interaction should be better because the last one happened, and these advantages can support something a general-purpose tool does not offer on its own: well-founded confidence to act.

Producing advice still matters. The rules-based advice engine is what allows a member's confidence to be well founded. What is changing is what that engine is for, and where the member meets it.

This is an examination of a market entering its next phase, not a warning that funds are falling behind.

Exhibit 2 shows how the argument fits together. Two forces, accelerating innovation and competition for the front door, are reshaping the member engagement experience. That experience runs from a member's first question to action, with members leaving and returning at any point; many will never need a personal recommendation. Two foundations decide whether it earns the member's trust: relevance and continuity, built on member context and experience persistence; and trust and accountability, built on regulated advice capability and human judgement.

EXHIBIT 2

The Connected Engagement Model



The experience runs from a member's first question to action. Advice is one stage among several, used when needed. The foundations decide whether the confidence it builds is well founded.

Source: Borromean Consulting. Draws on Borromean's Engagement Confidence Matrix (first published by the Financial Services Council, 2026) and its work on experience persistence.

About this research

What it draws on. The principal evidence is the 2026 Digital Advice Market Scan: structured interviews with ten digital advice providers held between July and September 2026, each recorded in a question-and-response record that the provider reviewed and verified. The published 2025 report provides the baseline. The report also draws on Borromean's published research, in particular *The Role and Value of Digital Advice in Australia*, developed by Borromean Consulting with the Financial Services Council and CoreData (FSC, April 2026), and *AI, Advice and Confidence to Act* (Borromean Consulting with Otivo, October 2026), together with Australian and international sources cited where they are used.

What it covers. This is a provider-side scan. It examines what providers have built, what they report from implementing it with funds, and developments that can be observed publicly. It does not interview funds, and where it describes fund practice it does so from providers' accounts or from public information. Part A does not name individual providers or attribute views to them. Part B profiles each of the ten providers in the scan.

How claims are graded. The report distinguishes four levels of evidence: capability that providers have built or demonstrated, capability implemented in funds, member use, and demonstrated member outcomes (Exhibit 3, in Section 2). The 2026 evidence is strong on the first, growing on the second and third, and much less visible on the fourth. Short evidence notes in Sections 2 and 4 show which level a passage rests on. Where the report moves from what the research shows to Borromean's interpretation, or to developments that are possible but not yet demonstrated, the wording says so.

Figures. Figures reported by providers are their own and have not been independently audited. Most usage figures shared in interviews are not published.

Independence and disclosure. Beyond the Algorithm is independently researched and written by Borromean Consulting, and the interpretation in it is Borromean's own. No provider paid to take part. Borromean co-authored *AI, Advice and Confidence to Act* with Otivo, one of the providers in this scan; no payment was made or received by either party. Concepts from that paper are Borromean's and are cited by name. Where this report uses member evidence from that paper, it says so in the text, because that evidence comes from one provider's conversational service and the members who chose to use it, not from across the market. Borromean also advises superannuation funds and advice organisations, including on advice strategy and provider selection, and from time to time undertakes specific, scoped projects for digital advice providers. Those engagements do not influence Borromean's independence or the content of this scan.

SECTION 1

1. From advice proposition to engagement proposition

For most of its short history, digital advice has been judged as an advice proposition: how many statements of advice it produces, at what cost, and on which topics. In 2026 the providers building it are judging it by something wider. This section looks at what is driving that change, how far it has travelled, and the distinction that makes it workable inside a superannuation fund.

Digital advice is being repositioned as part of how a fund helps its members

Its regulated core is unchanged, but digital advice is increasingly treated as a capability to be put to work across a member's interactions with the fund, rather than as a destination the member has to find. The shift is visible in how providers describe themselves, in who they deal with inside funds, and above all in how their tools are designed.

Most providers in this research now describe something broader than digital advice: a member engagement business, an "insight and engagement platform", one component of an adviser-based capability. One suggested the term itself may need a rebrand, because funds still hear "digital advice" and think of calculators. Inside funds, several providers now work with marketing, communications, member experience, product and retirement teams as well as advice teams. One said requests for proposal had begun placing digital advice inside a fund's wider member strategy "only in the last six months".

Most of what members ask is not a request for advice

The more important evidence is about members. Most of what members bring to their fund is a question, not a request for personal advice, and a proposition built only around advice serves a small part of it. Members want to know what happens to a death benefit, what to consider when they leave an employer, or whether they will still be able to get the Age Pension. One provider estimates that personal advice accounts for around one in ten of all interactions members have with their fund, and designed its tool to answer the other nine. Personal advice, it said, "will probably come as a surprise" to the member who receives it.

> *"You need to engage someone before you can educate someone, then before you can give them advice."*
>
> PROVIDER INTERVIEW, 2026

Advice itself can feel intimidating. Low confidence, unfamiliar language and fear of making a mistake mean many members need somewhere safe to explore before they are asked to decide. In 2025 every provider in the scan shared the belief that members want help more than they want advice. What is different in 2026 is that tools are now designed around that belief and are in use inside funds.

The transition is provider-led and still under way

The transition is real, but it is not uniform, and the research carries clear evidence against reading it as complete. One long-established provider said it has always talked about experience first, and that the starting point for the institutions it works with is still scale: reaching far more of the membership than advisers can. Two providers said the questions funds ask are essentially unchanged from a year ago; one called them "exactly the same". A provider with a large fund deployment said most funds are still solving the immediate problem, which is advice,

and that a connected member experience remains largely aspirational. Others described digital advice still being bought as a single-topic tool, treated as a box to tick against a retirement income commitment, or placed where members struggle to find it.

There is also a point at which broader help is not enough. One provider observed that general advice can feel "very vanilla" to a fund that wants to be able to tell a member what they should do. Engagement that never reaches a recommendation, when a member needs one, is not a better proposition.

The defensible reading is that the transition is clearly visible in what providers have built and how they position themselves, and is evolving more slowly in what funds buy and deploy. The FSC research supports the direction from the fund side as well: super funds, digital advice providers and advice businesses consistently rejected the idea that digital tools compete with professional advice, and described them as building clarity, preparedness and confidence. What most funds have not yet settled is how their engagement and advice capabilities are owned and connected.

The scope of usefulness is wider than the scope of advice

The idea that makes this transition practical for a superannuation fund is a distinction Borromean draws between two things that are often treated as one (*AI, Advice and Confidence to Act*, 2026).

- **The scope of usefulness** is the range of questions a fund can help a member think through: answering straightforward questions, giving general information, explaining how parts of their finances connect, and modelling options.
- **The scope of personal advice** is the range of topics on which the fund will make a personal recommendation.

A fund can widen the first without widening the second. That matters because a fund's advice is bounded by the intra-fund advice rules, the sole purpose test and the rules on collective charging. Breadth of help does not have to mean breadth of personal advice, and conversational AI makes it far more practical to offer the first while bringing in regulated advice, or a specialist, when a recommendation is needed. The boundary is a legal one rather than a design preference, so where it sits needs to be settled with compliance and legal advisers, not left to the technology.

The boundary itself may be moving. Some providers read recent government statements on advice reform as encouragement for funds to do more, and reported funds extending intra-fund advice to Age Pension strategy and broader retirement questions. Others pointed out that new consumer protections will come with any expansion. Either way, how useful a fund wants to be, and on what terms, is becoming a strategic decision rather than a compliance default.

Members do not organise their lives by product. A decision to contribute more to super depends on mortgage repayments and cash flow. An inheritance raises questions about the mortgage, investing and super at once. A fund that is useful only inside its product boundary may find members taking the next question somewhere else.

WHAT THIS MEANS FOR FUNDS

If digital advice is becoming part of how a fund engages its members, the measures that suited an advice proposition stop being sufficient. The number of statements of advice says little about whether members were helped. One provider summed up its goal as “engagement, not execution”; another cautioned that usage and satisfaction scores show that a tool was used, not whether members understood more. Ownership is the other open question: advice, engagement, technology and service teams each have a claim, and providers often find them wanting different things.

The repositioning depends on capability that is now changing faster, and at lower cost, than before.

SECTION 2

2. As innovation accelerates, putting capability to work becomes the focus

The transition described in Section 1 rests on capability that took most of a decade to build. In 2026, on providers' accounts, that capability is being extended faster and at lower cost than before, largely because of AI. As innovation accelerates, the focus moves to putting capability to work inside a fund, and showing that it helps members. This section looks at both, and at what the shift means for funds and for providers.

The foundations were laid before AI arrived

Much of what makes the engagement proposition possible was already in place in 2025: shared advice engines, modular platforms, integration with fund systems, and hybrid models in which members and advisers work from the same tools. What 2026 adds is extension and use.

Over the past year, providers report extending advice to members over sixty, building Age Pension entitlements into the core retirement calculation instead of offering a separate calculator, adding lifetime income products to retirement advice, and automating advice across several topics at once where previously it was produced one topic at a time. One described a single engine driving everything from calculators to comprehensive advice, so that the assumptions behind a member's projection and the advice that follows are consistent. Another has moved a fund's team of more than forty advisers onto its platform. Some of this is live and some is pre-launch or in build, and providers were generally careful to say which.

- *Evidence: capability built and demonstrated by providers; implemented in funds for some items, not all.*

Integration, long the slowest part of any implementation, is moving unevenly. One provider said connecting to a fund's data, once "a nightmare", is now "a couple-of-month exercise" for funds that have modernised their core systems. Others said the opposite is still true for many funds, where layers of legacy technology and narrow change windows mean "some funds just cannot go any quicker". As one put it, funds often want something built in 2026 plugged into an ecosystem "from 1986".

AI is changing the economics of building

The more consequential change is in the cost and speed of building. Most providers in this research reported using AI in their own development, testing or delivery, and several gave concrete examples. Between them, they describe work that once took months and a sizeable team moving towards weeks and a small one, at a fraction of the cost: a core calculation engine rebuilt in weeks rather than months, a fund's first advice implementation estimated to need a fraction of today's time and people, and one provider's capacity to build for fund partners increasing many times over in a year, partly because of AI and partly because its engine and partnerships have matured.

These are provider-reported and, in turn, a completed piece of work, a proof of concept and an estimate, and another provider's target of halving delivery time has not yet been met. But they point in the same direction, and they change what is scarce. A year ago, a fund could reasonably treat building an advice capability as the long and expensive part of the exercise. On providers' own accounts, it is becoming the shorter and lower-cost part.

- *Evidence: provider-reported build experience, not independently verified. One completed piece of work, one proof of concept, one estimate.*

Faster building also changes how capability can be improved. Small changes can be tested with members and kept or discarded, where previously an experience might be redesigned every few years. One provider described rapid, low-cost testing of small variations as something that would have been impractical twelve months ago.

AI is changing how members reach help, not how advice is decided

At the member interface, conversational capability is now live or in build across much of the provider market. One provider's conversational service has produced what it describes as a large increase in member interaction. Another has made a library of several hundred short videos conversational, so a member can ask a question, see relevant content and be guided on. A third described a prototype in which "the calculator disappears" and the member simply chats while the calculations run in the background. Others are building agents for a fund's advice team first, or exposing their advice engines so that a fund's own AI agents can call them, with the output remaining deterministic and auditable.

- *Evidence: capability live at some providers, prototype or in build at others. Member use is provider-reported.*

The interface is not settled. One provider found its members preferred short content followed by a question and a choice of buttons to typing or recording their own responses. Another provider's data, published in a paper Borromean co-authored with it, shows members overwhelmingly typing their own question when given the chance (*AI, Advice and Confidence to Act*, 2026). Both can be true for different members, tools and moments, which is a reason to test rather than assume.

What has not changed is the recommendation itself. Every provider that addressed the point said the advice decision remains rules-based and auditable, with AI working around it rather than producing it. One described using AI to generate statements of advice as "an absolute no-no". Another explained why: digital advice is held to a higher standard than human advice, and the same inputs must always produce the same outcome. This is a position providers have chosen, and at least one treats it as an assumption for the current year that may be revisited. Others in the market already take a different view. For now, the faster-moving part of the market sits around the advice rather than in it.

> *"Digital advice, weirdly, for me, is actually held at a different standard than manual advice."*
>
> PROVIDER INTERVIEW, 2026

Funds are managing a real tension between responding to members and taking care

Funds have moved materially in the past year: more digital advice is live, and more funds now have experience of what happens after launch. What providers describe as largely unchanged is how funds decide, govern and buy. If innovation is becoming faster and lower cost, as providers report, the pace at which capability reaches members depends increasingly on that process. Fund decisions still pass through trustee risk appetite, layers of compliance and risk review, a new layer of AI governance, contract terms that restrict generative and agentic capability without explicit consent, and procurement processes that apply generic information-security checklists regardless of what is being bought. Discretionary digital work competes with regulatory and data projects that have to come first. One of the providers reporting the largest gains drew the same line: AI has done little for market uptake, which still depends on fund spend, partnerships and execution. Another expects the defining constraint of 2027 to be that "institutional project-management infrastructure and trustee governance hasn't caught up with the technology".

This reflects a real tension. Funds are responding to members who increasingly look for help in new places, while meeting trustee and regulatory obligations that rightly make them careful. They therefore often move more deliberately than members and providers. The provider view also needs to be read carefully. It is a provider-side account, and providers have an interest in locating the constraint with the buyer. Much of the caution is legitimate: advice delivered at scale carries risk at scale. APRA's April 2026 letter to regulated entities, drawing on a review of large banks, insurers and superannuation trustees, found that governance, risk management and assurance were not keeping pace with AI adoption, and that many boards were still developing the technical literacy to challenge management on AI risk. APRA was equally clear that failing to adopt AI carries its own strategic risk. Its concern is less the pace at which funds move than whether their governance keeps up. The picture is also uneven. Providers with the deepest deployments described funds that, once they have board approval and a budget, want to "run at 100 miles an hour", and one said it does not see excessive risk aversion among the funds it works with. Another observed that some funds are "really digitally enabled" while others are "completely in the dark ages", and that size does not predict which. Providers also named limits on their own side: platforms that are still "a bit clunky", a cost of embedding that one called "too high", and engines that may need replacing to support ongoing advice.

What happens after launch decides the value

Providers with live deployments made a consistent point: the outcome is rarely decided by the technology. Where take-up was strong, they credited where the capability sat and how the fund promoted it: single sign-on from the member portal and app, careful positioning and follow-up campaigns. Where tools were described as failing, the description was of something that "sits in a corner", or that a visitor could not find on the fund's own website.

Switching capability on also changes the work of the people around it. One provider reported that in at least two funds the human support teams were initially overwhelmed by the demand digital advice generated, and the rollout had to be slowed and recalibrated. Another said an implementation ran long partly because advisers' actual process differed from management's view of it. First phases that left out the connection to the advice team and to administration were rarely followed by a second: "there is never a phase two". As one provider put it, a tender is won on the member interface, but whether the tool works inside the fund is decided by implementation and compliance.

- *Evidence: provider accounts of implementation in funds, not verified with the funds concerned. Member outcomes not measured.*

Selection and implementation models built for static technology solutions may need to change

The usual response to a gap between provider innovation and fund adoption is to call for faster procurement and governance. Borromean's view is that the issue runs deeper. Advice technology has typically been selected against a detailed specification, contracted for a fixed scope, implemented as a project and then run largely unchanged for several years. That model suits static technology solutions. It fits less well in a dynamic environment, where capability can change materially between selection and go-live, and several of its assumptions weaken.

- **Selection.** A feature comparison at a point in time says less than it used to. More relevant is a provider's capacity to keep changing: its architecture, how readily its engine can sit behind different interfaces, its record of implementation, and its own durability at a time when AI is forcing providers to re-examine where their value lies.

- **Fixed-scope procurement.** A specification written months before go-live may describe capability that has already moved on. Scoping the first release tightly, and contracting for a roadmap and the way changes are agreed, may serve a fund better than specifying everything in advance.
- **Investment.** If building continues to become faster and lower cost, the balance of investment shifts from a large initial implementation towards a smaller first release and a funded program of continuing improvement, and business cases need to carry the cost of the people, promotion and integration work that decides whether value is realised.
- **Governance.** Trustee obligations do not change. What can change is how they are met: controlled experiments within defined guardrails, staged approvals for small changes, routine review of member conversations, and clear lines on where AI may and may not operate around advice.
- **Partnership.** Continuing innovation needs arrangements that share a roadmap and its governance, set out how changes are tested and approved, and protect the fund's ability to change direction, including data portability and exit.

None of this is a criticism of funds. Their governance and regulatory obligations are legitimate, and APRA expects governance to keep pace with whatever they adopt. The research establishes that provider innovation is accelerating. It does not establish that fund adoption is slowing. Whether the two diverge is a strategic risk to examine, and the outcome will depend partly on how funds choose to select, contract for and govern advice technology.

What the shift means for providers

The same forces change the provider market. If AI keeps lowering the cost of building, a large accumulated code base is less of an advantage than it was. One provider said AI is collapsing the value software businesses once placed in their code; another described re-examining where its value lies and concluding that it sits in enterprise integration and a deterministic advice engine rather than in any single feature. Neither view is universal, and nothing in the research shows advice engines becoming commodities. But the sources of differentiation are moving towards things that are harder to copy: implementation capability, integration with fund systems, governance and assurance, the quality of the partnership, and the capacity to keep changing.

The position of the advice engine is changing too. As funds build their own interfaces and AI agents, an engine may increasingly be called from experiences the provider does not own. Providers are taking different positions: some are exposing their engines as tools a fund's agents can use; others continue to bring their own front end; one described itself as selling "a capability, which at the moment requires us to give them a tool with a UX attached to it". Commercial models are being questioned as well, from whether implementation should still be charged for to how use-based pricing would work.

Above all, the shift from supplying a discrete advice solution to participating in an ongoing member engagement model changes what a provider is accountable for. A provider that can help a fund show what happened after launch, through continuing improvement, shared measurement and evidence of use and outcomes, is likely to be better placed as funds ask harder questions about value. That is Borromean's interpretation, not a finding of the research.

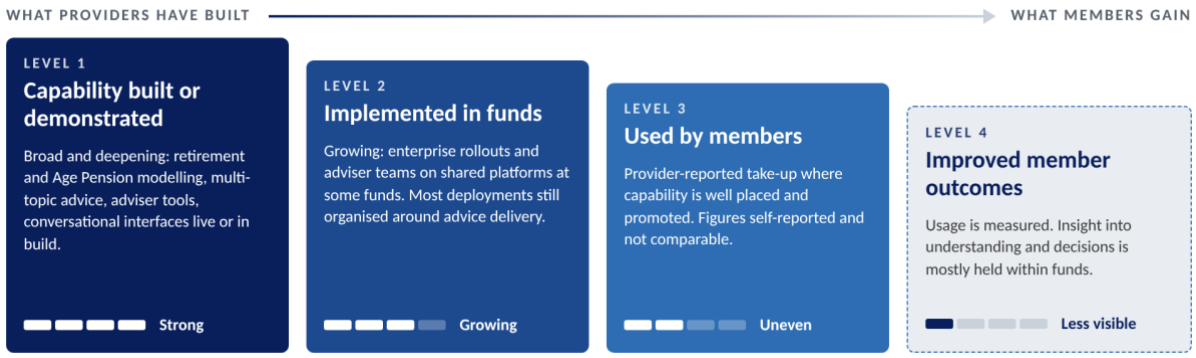
Capability is moving faster than the visible evidence of outcomes

Set the 2026 evidence against the four levels used in this report and a clear pattern appears (Exhibit 3). The breadth and sophistication of capability available to funds has moved materially since 2025. Evidence of

implementation inside funds is growing, and evidence of member use is emerging where capability is well placed and promoted. Evidence that members understand more, feel more confident or decide better is much less visible. In Borromean's experience, funds with live digital advice are gathering rich insight into what members do, but most hold it closely, and that keeps questions about the value of digital advice open. Anecdotally, digital advice is doing what it was designed to do: activating engagement, drawing members into other services, particularly human support, and improving member outcomes.

EXHIBIT 3

Where the 2026 evidence sits



The 2026 research is strongest on what providers have built and least visible on whether members decide better. Each level is necessary for the next; none implies the next.

Source: Borromean analysis of the 2026 provider interview records. Strength ratings are Borromean's judgement of the evidence available to this research, not a measure of the market.

Providers were candid about this. The provider with the most usage data said that usage statistics and satisfaction scores show a tool was used, not whether the member understood more or felt more confident. Another found that shorter journeys lifted completion, but could not yet say whether they led to better decisions. The usage figures shared in interviews were self-reported, defined differently by each provider, and mostly not published.

The gap has three practical consequences. **For measurement**, counting statements of advice, sessions or completions will understate value where help does not end in advice, and overstate it where activity does not change decisions. **For investment**, business cases built on cost to serve will miss most of what this report describes, and business cases built on outcomes cannot yet draw on visible evidence. **For evaluating provider claims**, a fund should ask which level a claim rests on: built, implemented, used, or shown to improve outcomes. The distinction is simple, and it is rarely made.

SECTION 3

3. The competition for the front door

AI is not only changing what providers can build. It is changing where members go when a financial question first occurs to them. This report uses “front door” in a specific sense: the point where a member first brings a financial question, before any advice has been given. The first question is where the contest starts, and it matters: it is the moment an organisation earns the chance to help. As this section argues, what is at stake is the relationship built from that first question, and the roles a fund can choose in it.

Financial questions increasingly begin somewhere else

Members are already taking financial questions to general-purpose AI. A survey of 1,009 Australians commissioned by AustralianSuper (Quantum Market Research, April to May 2026) found 17% use AI tools to inform financial decisions, rising to 28% of 18 to 29 year olds and falling to 6% of those aged 60 and over. Smaller research for the Super Members Council (RepTrak, n=500, May 2026) found about one in three had used tools such as ChatGPT, Gemini or Claude to obtain information about super and retirement. The gap between the two is itself telling: far more people use AI to find information than to make decisions. Internationally, McKinsey reports that almost a quarter of the consumers it surveyed use generative AI for financial tasks at least monthly.

Providers see the same shift from inside the market. One described AI as “now the front door to search”, a change that happened without anyone directing consumers to it. Another said traditional search traffic has fallen sharply as members take complex questions to AI, and that some now paste a statement of advice into an AI tool to ask whether it looks fair.

The evidence does not show that funds have lost the member relationship. One provider was clear that generative AI has “not yet” changed what members expect of their fund. AustralianSuper’s research found that 37% of Australians do not trust AI for financial information, that more than half of AI users cross-check its answers, and that around a third consult a financial professional. A quarter, though, said they had acted on AI-generated information without checking it elsewhere.

The more likely pattern, for now, is the one Borromean described in *The Sauna and the Ice Bath*. A member explores a question with AI, where the experience feels warm, immediate and personal, then comes to the fund to check what they have learned. In that pattern the fund is no longer where the member starts. It is where the member goes to validate, and that role is only as strong as the experience the member finds when they arrive.

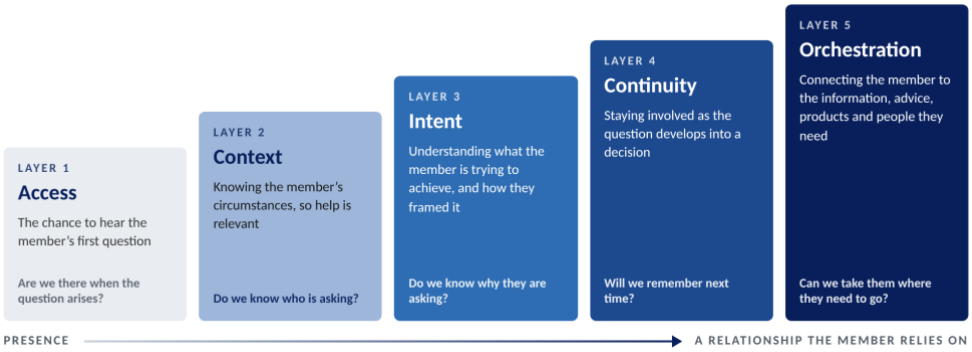
The relationship is built from the first question

The first question is rarely the whole question. A member who asks how much they will have at 65 may go on to ask whether to pay off a car loan first, whether a target is realistic, and what happens if they retire earlier. The relationship that matters forms as the member moves from a question to an understanding, a decision and an action, and whoever accompanies them through that sequence is in a position to shape what happens next.

Borromean’s view is that the value of that position builds in layers (*AI, Advice and Confidence to Act*, 2026). **Access** gives an organisation the chance to hear the first question. **Context** makes its help relevant, because it knows the member’s circumstances. **Intent** makes its help useful, because it understands what the member is trying to achieve. **Continuity** keeps it involved as the question develops. Only with all four does **orchestration**, connecting the member to the information, advice, products and people they need, become a realistic option (Exhibit 4).

EXHIBIT 4

The value of being present builds in layers



Each layer makes the next possible. Access alone gives an organisation the first question; only context, intent and continuity turn that presence into a relationship the member relies on. Memory is what turns a front door into a relationship.

Source: Borromean Consulting, first published in AI, Advice and Confidence to Act (2026). A conceptual view, not a measured one.

Presence alone is not enough, but it is where everything else begins. As a question becomes a consequential decision, staying involved depends on whether the organisation can justify the member's confidence. A front door that cannot do this has two poor options. It can lose the member when the decision matters most, or keep them in a conversation that is more confident than it should be.

Funds hold a trust advantage, and it is conditional

Funds begin this contest with a real advantage. Almost every working Australian already has a superannuation relationship, and the fund holds context that no general-purpose tool has. International evidence suggests consumers value that kind of institutional anchor. McKinsey found that 62% of consumers surveyed would most trust their primary bank to provide generative AI financial services, against 19% for a major technology company. In the UK, Scottish Widows found that 30% of adults trust AI tools to help with their pension, and that 80% of that group would most trust such help from their pension provider or a firm that gives financial guidance or advice. In Australia, a third of respondents to AustralianSuper's survey, and more than half of those aged 18 to 29, said AI guidance would appeal if it were securely personalised to their circumstances.

The same research shows the condition attached. McKinsey found that 57% of consumers would consider a third-party AI financial agent if their bank did not offer one. Trust in the institution is an advantage only if the institution offers the help members are looking for, when they are looking for it. As one provider observed, a fund's AI that can only say it cannot help is likely to send the member to a general-purpose tool that will try.

These markets are not models for Australia. Superannuation is compulsory and often passive, many funds operate on a profit-to-member basis so banking cross-sell economics do not translate, and the intra-fund advice rules and sole purpose test limit what a fund can do. The transferable point is narrower: an existing, trusted relationship is an advantage that has to be exercised to be kept.

Other institutions are also positioning for the relationship

Funds are not the only institutions with a claim on the member's financial front door. Providers pointed to banks, which have customers in their apps several times a day and are investing heavily in digital and AI capability. One described the banks as "the trend", and expects open banking eventually to extend to superannuation data. Life insurers were described as moving faster than funds to adopt digital advice, for clear

commercial reasons. Accountants hold the relationship for much of the money in self-managed funds. And retail platforms and self-managed funds are already drawing members away at retirement.

Technology companies are moving closer to financial help as well. General-purpose AI services have begun to offer personal finance features that connect a user's accounts (Section 4), and in September 2026 two of the major AI developers launched financial services products in the United States, one of them aimed at financial advisers. None of this shows that banks, insurers or technology companies have captured the member relationship in Australia. It does show that the relationship is contestable.

For providers, the same contest raises a question of position. A provider whose engine sits behind a fund's interface depends on the fund holding the front door; a provider with its own member-facing experience competes, in part, with general-purpose tools for the member's attention. Several providers already work across channels outside superannuation, through employers, insurers, accountants and directly, which gives them another view of where members' questions are going.

Funds can choose different roles in the member relationship

Borromean has described four roles a fund can play (*AI, Advice and Confidence to Act*, 2026), set out in Table 1. They are choices, not a maturity ladder: each asks more of the fund in capability, safeguards, partnerships and accountability, and for some funds the right answer will be to perform the first two very well.

TABLE 1

Four roles a fund can choose in the member relationship

Role	What the fund offers members	What it asks of the fund	Where accountability sits
Product provider	Clear answers about its own products and services	Accurate, accessible information; content AI tools can represent well; a clear path when a question goes beyond the fund's scope	Within the fund's own products and existing obligations
Source of financial help	Help with a wider range of financial questions, within a defined scope of personal advice	A settled boundary between usefulness and advice; regulated advice capability; pathways to people	With the fund, for help and advice within its scope
Financial interface	A regular starting point for members' financial questions, with pathways into advice and human support	Retained member context and consent; conversational capability across channels; experience persistence	With the fund, across a continuing relationship
Orchestrator	Connections to the information, advice, products and people members need, including those the fund does not provide	Partnerships and referral arrangements; shared context; a commercial model for who pays	With the fund, for how the member's path across organisations is managed

Source: roles from AI, Advice and Confidence to Act (Borromean Consulting, 2026); requirements are Borromean analysis.

Whatever the role, one practical step applies to every fund. If AI is becoming a front door, a fund needs to be legible through it: its content structured and consistent enough that AI tools represent the fund accurately when a member asks about it.

WHAT THIS MEANS FOR FUNDS

The question is not whether general-purpose AI will take a fund's members. It is what role the fund wants to play when members have financial questions, and what it would take to justify that role. A fund that makes no choice still makes one: by default, it becomes the product provider behind someone else's interface.

SECTION 4

4. The advantage of context, continuity and trust

General-purpose AI tools sit outside regulated financial advice. Competing with them on fluency is not a contest a fund is likely to win, and it is not the contest that matters most. What a fund can offer is different in kind, and Section 3 showed that its value builds in layers. This section looks at what context, continuity and trust each involve, and what a regulated institution has to get right to turn that potential into a better experience.

Context is what turns an answer into help

A general-purpose tool knows what the member tells it, in the moment, framed however the member happens to frame it. That is a real limit. A recent MIT and Stanford study found that advice from leading AI models was broadly sound, and that following it would leave most people better placed than their current behaviour. But quality improved markedly when the question carried the person's full circumstances, and in simulations, less financially literate users ended up with around 4% less wealth by age 60, partly because of how they asked and partly because the models answered the same question differently for different people (Choukhmane and others, 2026). Members know their question. The question alone does not carry the context.

Borromean distinguishes three layers of context. **Circumstances** are the facts: balance, contributions, insurance, partner, home, debts and other assets. **Intent** is what the member is trying to achieve and how they have framed the problem. **Decision stage** is where they are: what they have explored, been advised and done. Most funds hold much of the first layer, little of the second and almost none of the third in a form that can be used in the next interaction.

Providers increasingly value the second and third layers. Several described learning from the language members use in booking notes and conversations, and one pointed to the cost of not having it: "if someone drops out of a journey, you don't know why." Another identified the largest opportunity for AI as a member understood across every point of contact, so that the fund is aware of the interactions a member has had, not only their balance and insurance. That provider described it as an opportunity rather than a current capability, with the remaining barrier largely regulatory rather than technical.

▸ *Evidence: an opportunity described by providers and interpreted by Borromean. No provider described all three layers in use inside a fund.*

Experience persistence: the next interaction should be better because the last one happened

Borromean describes experience persistence as the principle that what a member shares once should be retained and drawn on in every future interaction, whatever the channel or the time that has passed. Most engagement models are episodic. A member completes a fact find, uses a tool or speaks to someone on the phone, and the next time they engage, they start again. When financial engagement resets like this, it does not feel neutral to the member. It feels broken.

It is more than remembering a previous conversation: it means retaining useful context rather than a transcript, so that the next interaction builds on the last. Table 2 sets out what it carries forward.

TABLE 2

What experience persistence carries forward

What is retained	What it covers	How the next interaction improves
Circumstances	Balance, contributions, insurance, partner, home, debts, other assets	The member is not asked again for what the fund already knows, and answers reflect their situation
Intent	What the member is trying to achieve, and the words they use to describe it	Help starts from the member's goal rather than the fund's product menu
Decision stage	Exploring, comparing, ready to act, advised, implemented, reviewing	Support matches where the member is, rather than restarting the process
Advice and actions	What was modelled, recommended, declined and done	Advisers and digital tools work from the same record; changes can be tracked against earlier advice
Preferences and consent	Preferred channel, level of detail, what the member has agreed may be retained and shared	The member stays in control, and the fund can show why it holds what it holds

Source: Borromean analysis, drawing on Borromean's work on experience persistence.

The evidence that persistence changes behaviour is early, and most of it comes from one provider's service. In the conversational service examined in *AI, Advice and Confidence to Act*, a paper Borromean co-authored with the provider concerned, members could return, pick up an earlier conversation or ask something new without explaining their circumstances again, and 41% came back for another conversation within a four-week observation period. That is one service, four weeks and members who chose to use it, and it should be read as an early signal rather than a market finding. Other providers point the same way from different angles: one has built a persistent member dashboard and an annual review prompt, not yet launched; another has identified the predictable points at which a member's plan goes out of date, such as when a member or partner reaches Age Pension age or drawdowns need resetting, and notes that most funds rely on members returning of their own accord because few offer real ongoing advice.

- *Evidence: member use within individual providers' services. Not yet demonstrated across a fund, and no evidence yet on outcomes.*

Continuity has to work across channels, not only inside a tool

Members do not stay in one channel. They move between the app, the website, the contact centre and an adviser, and their context is held in different systems: the administration platform, the CRM, the advice platform, the contact centre's records and the provider's own environment. Shared tools are a start. Several providers now let a member and a phone-based adviser work in the same tool, and one argued that separate member and adviser experiences leave more services incomplete. But no provider in this research described a member's context being carried across digital, phone and adviser interactions inside a fund.

The obstacles are practical. Data quality across contact-centre, marketing, employer and member records is often patchy. Funds rightly want to own their data, and many have invested heavily in their own data platforms. Legacy systems limit what can be changed and when. One provider put it plainly: "I haven't yet seen AI solving those complex ecosystem problems." Meanwhile, general-purpose AI has begun to hold people's financial context: since May 2026, ChatGPT users in the United States have been able to link bank and investment accounts and have that information retained across conversations. In Australia, superannuation is not part of the Consumer Data Right, which covers banking, energy and, from July 2026, non-bank lending. Super was proposed for inclusion in 2022 but has not been designated. For now, the member's super context sits with the fund. That

advantage comes from regulation rather than from anything the fund has done, and it lasts only as long as the regulation does.

Borromean's interpretation is that continuity is mainly an integration and operating-model challenge, not a technology one. What a fund often lacks is the decision that persistence matters enough to organise around. Funds with direct control of their member data start from a stronger position. Where data sits with third parties such as administrators, progress depends on working with those partners to make data more mobile and usable. Borromean's view is that mobilising member data is becoming a competitive advantage: funds that do it well will be better placed to serve their members and to compete for new ones.

Trust depends on how context is governed

Holding more context brings more responsibility. The FSC research found that concern about data privacy is present across all age groups and rises as decisions become more consequential. Among people under 35, digital tool users were more likely than non-users to be concerned about privacy (35% against 21%), suggesting concern often emerges through use. Roughly half of those aged 60 and over reported some discomfort. Members were more willing to engage digitally when tools were clearly anchored to an institution they already trusted.

Providers described the same tension from the fund side. For many funds the first governance question is whether AI may see member data at all, and some contracts now restrict generative and agentic capability without explicit consent. One provider argued that, as advice reform takes effect, failing to keep track of a member's continuing interactions could itself become a compliance issue; that is one provider's view, but it illustrates how continuity and obligation are converging.

For a regulated institution, the requirements are clear even where the answers are not yet settled: consent that is explicit and meaningful; members who know what is retained and why; retention that serves the member's interest rather than only the fund's; clear rules on what AI may see and do; and routine review of what members are told. A fund that gets this right turns its regulated status from a constraint into part of the reason members trust it.

Fluency is not the same as accountable help

Fluent AI tends to be agreeable, and agreeable is not the same as appropriate. The co-authored paper describes a member who asked whether to direct most of their super contributions to their spouse. The conversation explained the spouse contribution offset and why the strategy can be worthwhile. When the question moved to a formal recommendation, the advice engine assessed the strategy and recommended against it for now: the household did not hold enough liquid savings to cover three months of expenses. The conversation helped the member explore the opportunity. The advice architecture decided whether they should act.

The example comes from one provider's service, but the principle behind it was stated across the research. Providers consistently described keeping the recommendation in rules-based engines that can trace why one course was recommended and not another, and one licensee said it remains deliberately conservative about using AI to construct advice at all. Sometimes the right answer is "not yet", and regulated advice is designed to establish when an action is premature or inappropriate. This is not a claim that general-purpose AI is unreliable, or that regulated advice is free of error. The comparison is between conversation alone and a service that combines context, controls and accountable recommendations. The FSC research adds a caution that applies to people as well as machines: human involvement can increase reliance on advice irrespective of its accuracy, which is why quality oversight matters in any hybrid model.

- *Evidence: provider-stated design principle, consistent across the research. The worked example is from one provider's service.*

WHAT THIS MEANS FOR FUNDS

Context, continuity and trust do not come automatically with member data. They have to be designed, governed and resourced. The practical test is what a member should never have to tell the fund twice, and whether retained context, with the consent that goes with it, is a core requirement in the fund's architecture and in every provider contract, or an enhancement for later.

SECTION 5

5. From engagement to confidence and action

Engagement is not the goal. A member can use a tool, read an explanation or hold a conversation and be no better placed to act. This section uses two Borromean frameworks to explain how engagement becomes understanding, confidence and action, and why the right combination of digital and human support depends on the member and the decision.

Engagement, understanding and confidence are different things

Four gaps sit between a member engaging and a member acting well.

- **Engagement does not automatically produce understanding.** Usage and satisfaction show that a tool was used, not that the member understood more (Section 2).
- **Understanding does not automatically produce confidence.** The FSC research found that only one in four digital tool users felt confident acting on recommendations from a digital tool. As decisions become more consequential, confidence rather than access becomes the limiting factor.
- **Confidence is not necessarily well founded.** Fluent AI can raise confidence without justifying it. A quarter of AI users in AustralianSuper's survey said they had acted on AI-generated financial information without checking it.
- **The right balance of digital and human support changes.** It depends on the member's confidence and the consequence of the decision, not on the topic, age or balance alone.

Support depends on confidence and consequence together

The Engagement Confidence Matrix, developed by Borromean and first published in the FSC research, explains why (Exhibit 5). It places a member's situation on two dimensions. **Decision consequence** runs from transactional and reversible decisions to complex, irreversible and life-shaping ones. **Confidence to act** runs from "I'm not ready" to "I can proceed without regret". Together they define four engagement states, with a transitional zone between them.

EXHIBIT 5

The Engagement Confidence Matrix



People move between engagement states over time. Digital tools help maintain proximity to advice, while access to human support becomes more important as confidence falls or decision consequence rises.

Source: Borromean Consulting. The Engagement Confidence Matrix was developed by Borromean and first published in Financial Services Council (2026), The Role and Value of Digital Advice in Australia, Chart 5.5, developed in collaboration with CoreData and Borromean Consulting; redrawn by Borromean.

Four principles turn the matrix from a static grid into a model of movement. The threshold at which a person needs human help is personal, not fixed by cohort. People move between states over time rather than progressing along a line. Digital activates and sustains engagement, building confidence between decisions. And acting can mean implementing alone, verifying with an expert or handing the decision to an adviser; all are legitimate.

The provider evidence fits this logic. One provider argued that retirement decisions are not reversible, so where literacy and product understanding are low the experience should be hybrid or adviser-led. Another builds trust by starting members on simple tasks, because when investment risk, contributions and adequacy are tackled at once, “inertia wins”. The FSC consumer research shows the activating effect: among people concerned about retirement adequacy, 28% of digital tool users intended to seek advice within 12 months, against 11% of non-users; and 70% of people who consult an adviser had used a digital tool, against 37% of those never advised.

The FSC research also flagged a forward-looking possibility: that AI may extend digital support into higher-consequence decisions than it can support today. That is a direction of travel, not a description of current practice. If it happens, the foundations described in Section 4 matter more, not less.

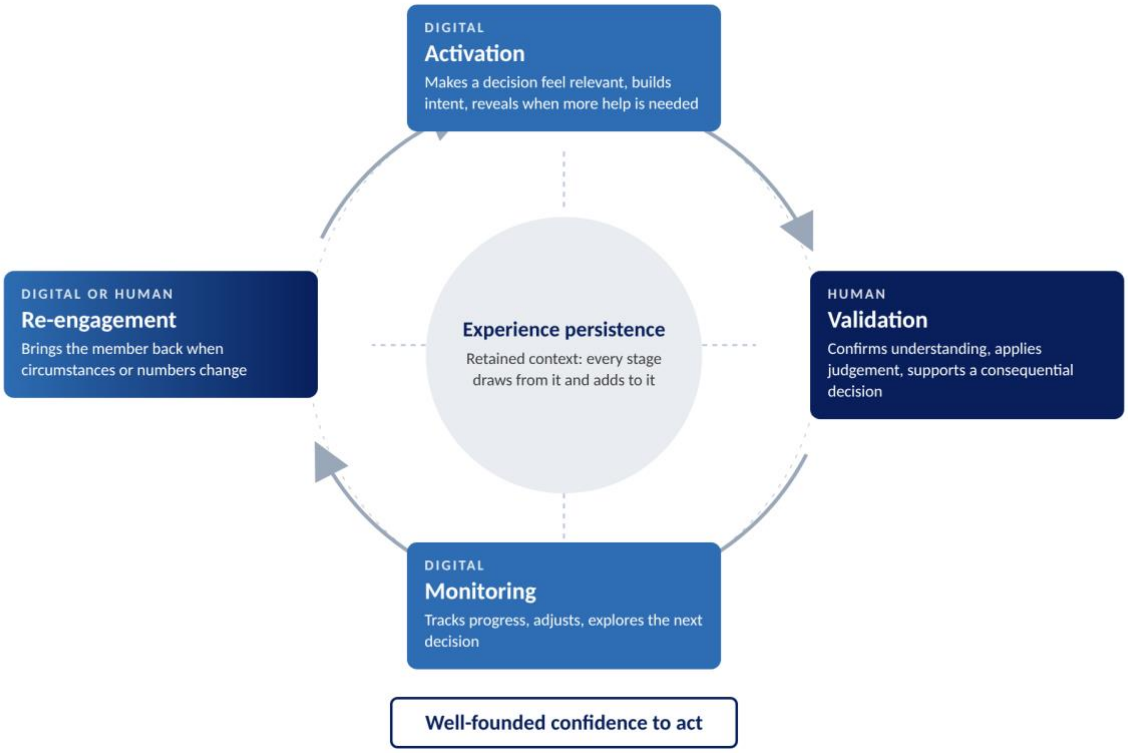
Digital and human support can reinforce each other over time

The matrix shows where a member is at a given moment. The Digital–Human Reinforcing Loop shows how they move (Exhibit 6). **Activation**: digital engagement makes a decision feel relevant, reduces ambiguity through modelling, builds familiarity and reveals when further help is needed. **Validation**: human support confirms understanding, applies judgement and helps the member through a consequential decision and its

implementation. **Monitoring**: the member returns to digital channels to track progress, adjust and explore the next decision. **Re-engagement**: when circumstances or numbers change, the member is brought back, ideally at a predictable point rather than a moment of stress.

EXHIBIT 6

The Digital–Human Reinforcing Loop



Digital engagement activates and sustains; human support validates and resolves. Retained context lets each interaction build on the last, so the member returns better informed and the next conversation starts further ahead.

Source: Borromean Consulting; draws on FSC (2026).

Experience persistence is what turns this into a loop that builds rather than a circle that repeats. Each pass starts from what is already known. The adviser sees what the member explored before the call. The next digital interaction reflects the advice given. Over time, confidence and engagement deepen, and the context each interaction generates improves the next.

Reinforcement creates demand for people, not only efficiency

The evidence points to reinforcement rather than substitution. The FSC research found that digital tool users are more likely to prefer a mix of digital and human advice than non-users, most notably among people with an ongoing adviser relationship (56% against 18%), and that the preference holds across age groups, from 39% of digital tool users under 35 to 53% of those aged 55 to 59. Providers described the same pattern in operation: one tool used by a member alone or with a phone-based adviser; a fund that put adviser tools ahead of anything member-facing; chat services that answer simple questions and pass complex ones to service or advice staff; and more tenders asking for hybrid as well as digital capability.

There is a capacity consequence that funds may not expect. Digital creates demand for human help as well as absorbing it; the support teams overwhelmed after launch, described in Section 2, are one example. Hybrid is

therefore not only a channel choice. It is a question of how many people, with what skills and tools, a fund needs at the consequential end of the matrix.

Not every provider agrees. One expects digital-first models to prevail, arguing that adviser-centred models cannot scale far enough to close the advice gap. Another sees hybrid advice partly as a symptom of digital tools that were not good enough, and leaves the choice of channel to the member. Both views have force, and the balance between digital and human support will shift as digital improves. The loop's logic holds either way: help that builds on what came before, with people where judgement matters most.

The goal is well-founded confidence to act

The objective is not more engagement, more statements of advice or even more confidence. It is well-founded confidence to act: confidence grounded in the member's own circumstances, reliable calculations, regulated advice where required, effective safeguards and access to human judgement when the consequence or complexity warrants it (*AI, Advice and Confidence to Act*, 2026). That gives funds a practical test for any capability put in front of members. The question is not "does it make members feel more confident?" but "on what basis should they be?"

WHAT THIS MEANS FOR FUNDS

Design triage around confidence as well as topic. Calibrate governance to consequence, so that low-consequence help can move quickly while high-consequence help carries the controls it needs. Measure understanding, confidence and action, not only completion. And size human capacity for the demand that good digital engagement creates.

SECTION 6

6. Retirement: bringing the model together

Retirement is where the argument of this report is tested hardest, because its decisions are consequential, often irreversible and unfold over years. This section shows how the connected engagement proposition might work across a retirement, and separates what providers can demonstrate today from the fuller experience Borromean considers possible.

Retirement concentrates everything this report describes

As one provider put it, the default system works until a member reaches their sixties; then the number and consequence of decisions rise sharply. When to stop work, how to draw an income, whether to use a lifetime income product, how the Age Pension interacts with super, what to do about a partner's super, the mortgage or an inheritance, and later how to fund aged care: each decision affects the others. ASIC reported in October 2025 that more than 1.5 million members, holding about $575 billion, were already in the retirement phase, with more than 2.5 million Australians expected to retire over the coming decade.

There is a commercial reason funds are acting too. Several providers identified member outflows at retirement as the main driver of fund investment in advice; one described boards asking why they lose so many members around 67. Retention is a legitimate concern, but it is a consequence of good help rather than its purpose. ASIC has urged trustees to prioritise informing members over product promotion and retention, and found retirement communications too often generic and aimed at pre-retirees. One provider in this research made a similar point from another direction: the journey to advice starts much earlier than funds usually target.

Providers can already demonstrate many of the components: advice for members over sixty, Age Pension entitlements integrated into retirement projections, lifetime income products within advice, in-retirement modelling of how a member draws down, adviser tools for point-of-retirement advice, and identification of the moments when a plan goes out of date. No provider in this research showed these working as one connected experience from first question to life in retirement.

A connected retirement, step by step

The following illustration is a composite, not a real member. Anne is 57, works as a nurse and is a member of a large fund. Her partner, Tom, is 60 and has his super elsewhere. They own their home with a small mortgage.

A first question. After a news story about the Age Pension, Anne asks a general-purpose AI tool whether she will qualify, then checks with her fund. The fund's conversational service answers in general terms, uses the balance and contributions it already holds to show a projection that includes an Age Pension estimate, and asks about her partner and her home. Anne is in the low-consequence, building-confidence part of the matrix. The fund retains what she has shared, and that she hopes to stop work at around 63.

Exploring the trade-offs. A few months later she returns and does not have to start again. She compares retiring at 62 and at 65, models extra salary sacrifice, and asks whether to pay off the mortgage first. The fund answers the mortgage question within its scope of usefulness, explaining the trade-offs in general terms without making a personal recommendation it is not positioned to make. When she reaches her preservation age, a prompt suggests she look at a transition-to-retirement strategy.

The decision approaches. At 62 the consequence rises and her confidence is uneven: she worries about running out of money and is unsure how Tom's super fits in. The fund suggests a call with an adviser, who opens the same tool and can see what Anne has already explored. The advice covers contributions, drawdown, a lifetime

income option and how their combined assets affect the Age Pension. On one strategy Anne had been keen on, the recommendation is “not yet”.

Acting. Anne starts an account-based pension and a small lifetime income stream, and the fund helps with her Age Pension claim. Digital confirms what has been done and what to expect next.

Living in retirement. Anne checks her income in the app. The fund knows the points at which her plan will need revisiting: when Tom reaches Age Pension age, when drawdowns reset, and if markets move sharply. When her mother needs aged care, Anne comes back with a new question and does not have to retell her story. Some of these moments are handled digitally; some go back to an adviser. The loop continues.

TABLE 3

A connected retirement: what exists today and what is still to be connected

Moment	Support	What carries forward	Status in the 2026 research
A first question	Conversational entry; projection with Age Pension estimate; education	Circumstances, partner, home, retirement goal	Components demonstrated by providers; conversational entry at scale in funds is early
Exploring trade-offs	Modelling; general advice across connected questions; timely prompts	Options explored, preferences, decision stage	Modelling demonstrated; persistence across sessions within one platform partly demonstrated
The decision approaches	Hybrid: adviser using the same tool; personal advice across topics	Advice given, declined and deferred	Shared member and adviser tools demonstrated; handing context from digital to adviser partly demonstrated
Acting	Implementation support; Age Pension claim; confirmation	Actions taken and expected next steps	Retirement advice including lifetime income demonstrated; straight-through implementation partly demonstrated
Living in retirement	Monitoring; prompts at predictable points; ongoing advice	The full record, available to every channel	Largely not yet in place; most funds rely on members returning. Borromean’s view of what is possible

Illustrative composite. Status reflects the 2026 provider research and does not describe any single fund or provider. Source: Borromean analysis.

What the example shows

Most of the components of Anne’s experience exist. What is missing is the connection between them: context carried from one channel to the next, prompts at the moments that matter, and advice that continues after the first recommendation. That is why retirement is where experience persistence is worth most, and where its absence is felt most.

The example also shows where each part of the argument applies. The general-purpose AI tool is part of Anne’s experience, not a rival to be excluded; the fund’s role is to be where she checks, decides and acts. The scope of usefulness lets the fund help with the mortgage and her partner without overreaching on personal advice. And not every member will follow this path: many will need help with only one or two moments, and some will need no personal advice at all.

WHAT THIS MEANS FOR FUNDS

Retirement is a natural place to start building the connected proposition, because the value of context and continuity is highest there. The hand-offs between digital and human support deserve the closest testing, because that is where context is most often lost.

SECTION 7

7. The strategic choices facing superannuation funds

This section sets out the decisions fund executives and trustees face. It does not prescribe one model. Different funds will reasonably choose differently, and the purpose here is to make the consequences of each choice clear.

The first decision is the role the fund wants to play

The four roles described in Section 3 shape almost every other decision, and each carries trade-offs.

- **Product provider** is the lowest-cost and lowest-risk role, and the one most funds occupy by default. Its risk is that the relationship forms elsewhere and the fund becomes a manufacturer behind someone else's interface.
- **Source of financial help** is the natural extension for funds that already invest in intra-fund advice. It asks for a settled boundary between usefulness and advice, and a hybrid model that can handle the demand it creates.
- **Financial interface** offers the strongest position in the relationship, but requires experience persistence, conversational capability across channels and a step up in data governance and consent.
- **Orchestrator** extends the fund's usefulness furthest, but depends on partners and leaves open questions about referral arrangements, shared context, accountability across organisations and who pays.

Strategy, membership and capability all bear on the choice. A large fund with a strong brand, rich data and a substantial advice team might reasonably aim to become a financial interface. A fund with an older membership might concentrate on being an excellent source of financial help through retirement. A fund with limited internal capability might choose a narrower role and do it very well, with partners behind it. None of these is a lesser answer. Table 4 shows how the choice flows through to other decisions.

TABLE 4

How the choice of role shapes other decisions

Decision	Product provider	Source of financial help	Financial interface	Orchestrator
Scope of usefulness	The fund's own products and services	Wider financial questions, with a defined scope of personal advice	Broad, across members' financial lives	Broad, extending to services the fund does not provide
Interface	Website and app; content AI tools can represent accurately	Fund-owned experiences with provider capability behind them	A conversational starting point owned by the fund	A fund-owned interface connecting members to partners
Context and persistence	Account and product data	Context retained within advice and guidance tools	Context retained across channels, with consent	Context shared with partners, with consent
Digital and human model	Service centre and referral	Hybrid, with triage by confidence and consequence	Continuous digital help, with people at consequential points	Coordinated hand-offs across organisations

Decision	Product provider	Source of financial help	Financial interface	Orchestrator
Providers and partners	Content and calculators	Advice engine and implementation partner	Engine, conversation layer and integration partners	A network of partners working to shared standards
Governance focus	Accuracy of product information	The advice boundary and AI around advice	Data, consent and review of conversations	Accountability across organisations and referral arrangements
Measures of success	Accuracy and service quality	Reach, understanding and action	Return, continuity and confidence	Completed outcomes across services

Illustrative. Funds may combine elements of more than one role. Source: Borromean analysis.

Decide what digital advice is for

A fund can treat digital advice as a destination, a tool members must find and use, or as a capability that sits behind many of its interactions. The destination is easier to govern and measure, but serves the minority who arrive asking for advice. The capability reaches more members, but needs ownership across advice, engagement, technology and service teams, and broader measures of success. The choice also settles who leads inside the fund when, as providers often observe, advice and engagement teams want different things.

Set the scope of usefulness deliberately

How broadly the fund helps, and where personal advice begins, is a design decision to be made up front. Broader help keeps members with the fund as their questions develop, but raises questions under the sole purpose test and the rules on collective charging, and about who pays for help that reaches beyond super. A narrow scope is simpler but risks members taking the next question elsewhere. Either way, the boundary belongs with compliance and legal advisers, settled before members find it for themselves.

Decide what to own and what to partner for

The member interface, the conversation layer, the advice engine and the member's context can each be owned or partnered for. Providers are divided on where the line should sit: some expect the fund to own the experience and call on their engines; others bring their own front end. Owning the interface gives the fund control of the relationship, and with it accountability for everything the interface says. Partnering for it is faster, but a fund with many vendors, each bringing its own experience, risks what one provider called "a whole bowl of spaghetti". Whatever the split, contracts should protect data portability and the ability to change direction.

Treat member context as infrastructure

Experience persistence will not emerge from individual projects. It needs integration across administration, CRM, advice platform and contact centre, attention to data quality, and consent designed in from the start. That is a multi-year investment, and its benefits are spread across many interactions rather than tied to one tool, which makes it hard to justify project by project. Funds that want it will need to decide to fund it as infrastructure. The fund's present hold on super context rests partly on regulation (Section 4), which is a reason to build on it now rather than wait. Funds that control their member data directly start from a stronger position; where data sits with administrators or other third parties, progress depends on working with those partners to make it more mobile and usable. In Borromean's view, funds that mobilise member data well will be better placed to serve their members and to compete for new ones.

Design digital and human support as one operating model

If digital creates demand for human help as well as absorbing it, the operating model has to be designed as a whole: triage built around confidence and consequence, not only topic; advisers and phone teams working from the same tools and context as members; and capacity planned for the consequential end of the matrix. One provider suggested the model could extend further, with external advisers working inside the fund's environment when a member already has one. That is a possibility to consider rather than an established practice.

Govern for continuing change

Trustee obligations are not negotiable, and APRA has made its expectations on AI governance clear. The design question is how to meet them for technology that changes during implementation. Governance built for continuing change does not slow a fund down. It lets the fund move with confidence, and it gives the board a basis to challenge and oversee what is being built.

Invest, and measure, for outcomes

Business cases for digital advice have often rested on cost to serve and the number of statements of advice produced. Those measures miss most of the value described in this report and can reward the wrong things; one provider warned against "SOA factories" that generate volume without making a difference. Better measures follow the matrix and the evidence levels in Exhibit 3: reach, understanding, confidence, action and, over time, member outcomes. The industry cannot yet measure all of these well, which is a reason to build measurement in from the start rather than to keep counting what is easy. Retention will follow good help, but it should not be the measure of whether help was good.

The next phase of digital advice

The first edition of this report concluded that digital advice had moved beyond the algorithm. A year later the algorithm remains essential, but it is no longer where the market's attention lies. Providers have built a broad and growing base of capability, and report that AI is making it faster to extend, at a fraction of the cost. General-purpose AI and other institutions are making the member relationship contestable. What has not kept pace is the visible evidence that any of this leaves members better able to decide.

That gap is the heart of the next phase. Capability will keep broadening, and much of it will become available to every fund that wants it. Its value will increasingly depend on things technology cannot supply: the role a fund chooses in its members' financial lives, how it integrates capability into that relationship, how well it carries what members share from one interaction to the next, how it governs help that keeps changing, and whether it can show that members understand more, act with well-founded confidence and are better off for it.

Funds start with real advantages over any general-purpose tool, and they are conditional. They will count only if they are put to work.

The challenge for industry leaders is therefore not whether to invest in digital advice. It is to decide what relationship the fund wants with members when their financial questions arise, and to be able to show, in time, that the relationship makes a difference.

QUESTIONS FOR BOARDS AND EXECUTIVES

1. Where do our members take their financial questions today, and where would we want them to take them?
2. Which role in the member relationship have we chosen, and is it a decision we have made or a position we have drifted into?
3. What should a member never have to tell us twice, and can our systems and partners carry it?
4. What sits behind any conversation a member has with us, and could we explain it to a member and a regulator with equal confidence?
5. Are our selection, contracting and governance processes built for technology that will change before it goes live?
6. How will we know whether our digital advice improves members' understanding, confidence and decisions, not only whether it is used?

About Borromean Consulting

Borromean Consulting is an independent advisory practice specialising in superannuation, financial advice, retirement and the use of digital technology in member engagement and advice. It works with superannuation funds, advice organisations and industry participants at the point where insight needs to turn into action: understanding how the market is changing, weighing the options and trade-offs, assessing providers and partners, and moving from strategy to implementation. Borromean is not a technology vendor or an implementation provider.

Duncan McPherson, Principal, has more than 30 years' experience across financial advice and superannuation, including almost a decade as CEO of Link Advice. He led the research, in collaboration with CoreData, published by the Financial Services Council as *The Role and Value of Digital Advice in Australia* (2026).

About Part B

Part A has examined the direction of the market. *Part B: From Provider Selection to Strategic Alignment* turns to the providers themselves. It profiles each of the ten providers in the 2026 scan on its own terms: their origins, guiding principles and how they have evolved since 2025, what they have built and deployed, and how they approach partnership with funds. Each vignette has been signed off by its provider. Part B also sets out how a fund can move from understanding the market to choosing a partner that fits its strategy, its members and the outcomes it wants. Read together, the two parts are intended to help funds understand both where digital advice is heading and which partners fit the role they want to play.

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