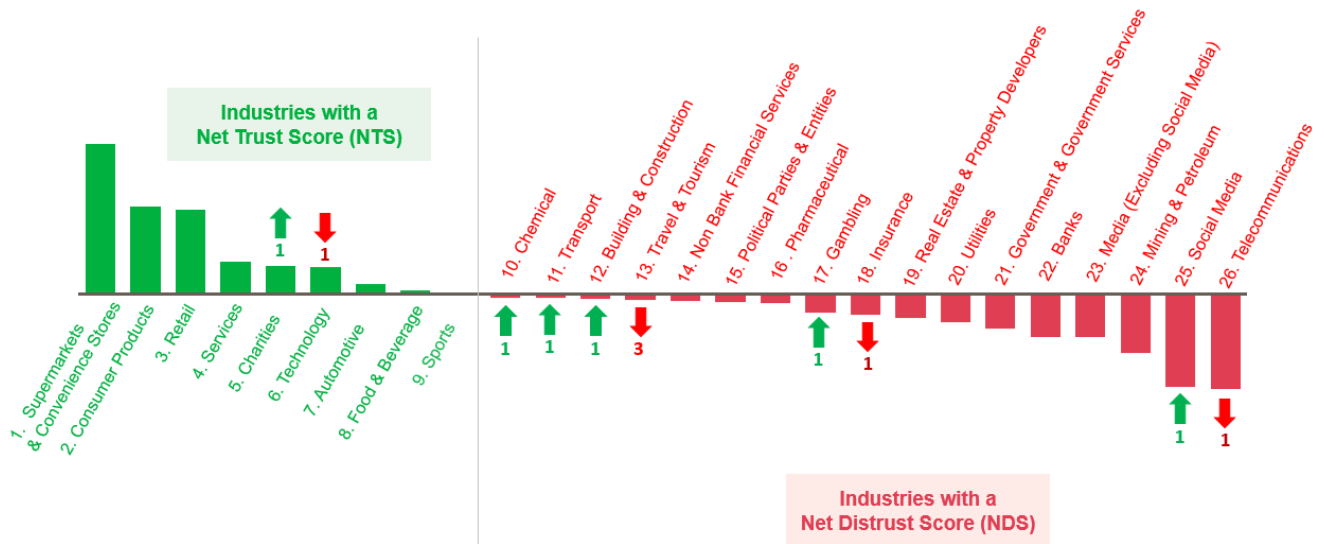


Tuesday, 4 April 2023

Telecommunications industry overtakes Social Media as the most distrusted industry

For the first time since Roy Morgan began measuring trust and distrust in 2018, the telecommunications (telco) industry has emerged as the most distrusted industry in the entire economy, usurping the unenviable position from the social media industry.

Industry Trust & Distrust Rankings – February 2023



Source: Roy Morgan Single Source (Australia). Risk Monitor, 12 month average to February 2023.
Base: Australians 14+, n=25,445. Arrows with numbers show ranking change since January 2023.

The recent woes of the telco industry have been driven primarily by the toxic levels of distrust that telco giant Optus experienced in the wake of its highly publicised data breach in September 2022.

In the 12 months to February, Optus was the second most distrusted brand in the economy, with Telstra the third most distrusted. Facebook remains the most distrusted brand in the country despite slightly lower levels of distrust in recent months, however Optus is closing in on the social media giant.

While the telco industry is the most distrusted industry in the economy, some brands in this industry are bucking the trend. Aussie Broadband is one of the most trusted brands in Australia, currently ranked 26th among all brands and is by far the most trusted telco.

[Click here](#) to register for an upcoming Roy Morgan webinar with a deep-dive into the telco industry, including trust and distrust.

The travel and tourism industry has also taken a fall in the industry Net Trust rankings, falling from 10th position to 13th, and now recording more distrust than trust. The industry has been brought down by heightened distrust of QANTAS, which has faced negative press coverage over the past year. QANTAS has fallen into Net Distrust territory for the first time this month, recording more distrust than trust.

FOR IMMEDIATE RELEASE

Insurance was the other industry to fall in the rankings, contributed to by continued high levels of distrust in Medibank, which is now the 7th most distrusted brand in the economy. Along with the impact on Optus, this demonstrates how data breaches have a very real impact on a brand's distrust levels, and that data security should be a top priority for all organisations. The insurance industry is now more distrusted than the gambling industry.

Roy Morgan CEO Michele Levine says that brands need to be aware of the dangers that distrust presents in the wake of major scandals.

"Unfortunately for Optus, it has been proven that brands which suffer major scandals find that once distrust takes hold, it is very difficult to curtail. In combination with Telstra's existing position, as the third most distrusted brand in the economy, Optus has driven the telecommunications sector to be even more distrusted than the social media industry.

"We know that distrust makes a brand fragile and is a powerful driver in the decisions consumers make. High distrust in any industry's key players opens the door for trusted brands to take market share.

"Risk assessments and procedures by executives and company directors across all industries need to formally factor-in distrust – indeed distrust should be on the risk register of every board in Australia."

The latest Risk Report ranking over 200 brands on Net Trust or Net Distrust Scores is available [here](#).

The *Roy Morgan Risk Monitor* surveys approximately 2,000 Australians every month (around 25,000 per year) to measure levels of trust and distrust of around 1,000 brands across 26 industries. Respondents are asked which brands they trust, and why, and which brands they distrust, and why. The survey is designed to be open-ended, context-free, and unprompted.

Roy Morgan's Industry Net Trust Rankings are derived from aggregating the Net Trust/Distrust Scores from each brand in the industry (and general industry trust or distrust) and calculating an overall Net Trust/Distrust Score for the industry.

Roy Morgan Risk Monitor data is available in a variety of formats, from snapshot overviews to detailed tracking of individual brands and competitors. Industry Trust and Distrust Surveys are also conducted (e.g. Telco, Utilities, Insurance, Banking, Agribusiness, Media, Retail, etc.) for deeper insights into perceptions of, and experience with brands.

To learn more call (+61) (3) 9224 5309 or email askroymorgan@roymorgan.com.

About Roy Morgan

Roy Morgan is the source of the most comprehensive data on Australians' behaviour and attitudes, surveying over 1,000 people weekly in a continuous cycle that has been running for two decades. The company has more than 80 years' experience collecting objective, independent information.

Margin of Error

The margin of error to be allowed for in any estimate depends mainly on the number of interviews on which it is based. Margin of error gives indications of the likely range within which estimates would be 95% likely to fall, expressed as the number of percentage points above or below the actual estimate. Allowance for design effects (such as stratification and weighting) should be made as appropriate.

Sample Size	Percentage Estimate			
	40%-60%	25% or 75%	10% or 90%	5% or 95%
1,000	±3.0	±2.7	±1.9	±1.3
2,000	±2.2	±1.9	±1.3	±1.0