

Friday, 19 October 2018

State-owned Synergy is most trusted energy company

Australia's most trusted energy company is WA government-owned Synergy, the latest Roy Morgan Net Trust Score survey for the energy sector reveals.

Synergy, which supplies just over half the electricity and gas across the WA grid, had the highest 'net trust score' (NTS) of any provider, based on Roy Morgan data for August.

The NTS is generated by asking respondents, unprompted, to name brands they trust and brands they distrust. The difference between the percentages of population who hold each view of a company or brand gives its NTS.

Respondents for the *Net Trust Score* survey are selected from the Roy Morgan consumer panel which involves more than 50,000 detailed, face-to-face, in-home surveys per year.

The August data shows that many of the larger, private-sector energy providers have high levels of trust among some consumers, but once other consumers' distrust of them is taken into account their net trust score can be low.

The most recent survey showed that two of the three largest energy suppliers, AGL and Energy Australia, had high levels of trust, but even higher levels of distrust among the energy consumers surveyed – putting them in the 'top five' of low NTS scores (see below).

Top five positive net trust scores (in order)	Top five negative net trust scores (alphabetical order)
1. Synergy	AGL
2. Red Energy	Click Energy
3. Powershop	Dodo
4. Kleenheat	Energy Australia
5. Origin	Lumo

Source: Roy Morgan Net Trust Score survey, August 2018. Base: Australians aged 18+. n=1004

Origin Energy was the only one of the big-three energy companies to record a positive NTS. Like its rival AGL, it is trusted by a high percentage of consumers. However AGL has a higher distrust score than Origin.

Drivers of trust

Qualitative research into the reasons for trust – and even more importantly distrust – revealed many issues and feelings among respondents.

Key drivers of trust included: cheap prices and good value; having a good history with the company; and having had no negative experiences with the company. Respondents also named good customer service and getting problems fixed quickly, as well as a company's ability to 'keep the lights on' as important trust factors.

Key drivers of distrust were: overcharging and high fees; dishonest behavior and a lack of transparency; poor customer service and exhibiting 'greed and self-interest'; and having a poor environmental record, according to the survey.

FOR IMMEDIATE RELEASE

Michele Levine, Roy Morgan CEO, commented:

“The energy sector is suffering a trust problem generally as high power and gas prices have been made worse by over-complex or in some cases unfair charging structures. Consumers are not fooled by those behaviours for long, as our latest Net Trust Score survey data shows.

“Growing distrust is a key driver of customer churn, and if ignored can end in serious reputational damage. It is the bellwether for a company with an unsustainable future.

“We were a little surprised to find that the most trusted energy company was government owned. Decades after the wave of privatisations of energy companies, it’s interesting to see a government-owned entity winning in the trust stakes.

“Trust is easily lost, and when distrust starts to rise it can be like trying to put a genie back in the bottle. The starting point is to know what drives distrust in a relationship and then to get the fundamentals right. Roy Morgan has the deep demographic and psychographic data that can help with that process – understanding what the customer really wants, rather than allowing complacency to turn into distrust”

The full *Net Trust Score* report for the energy sector is now available from the [Roy Morgan Online Store](#), providing a comprehensive analysis of a company’s NTS. It reveals how many Australians trust and distrust the brand, and its key competitors, reported by:

Each brand’s net trust score (NTS) and rankings

NTS rankings by state

NTS rankings by gender

NTS rankings by age

The brand’s NTS compared to the highest and lowest brands (all brands)

The brand’s NTS compared to the highest and lowest brands in its industry sector

The drivers of trust and distrust.

MORE INFORMATION

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More information on the suite of products available via the [Roy Morgan Single Source](#) and the psychographic segmentation tools provided by [Roy Morgan Helix Personas](#) is available at roymorgan.com or by visiting the [Roy Morgan Online Store](#).

About Roy Morgan

Roy Morgan is the largest independent Australian research company, with offices in each state of Australia, as well as in the United States, Indonesia and the United Kingdom. A full service research organisation specialising in omnibus and syndicated data, Roy Morgan has over 70 years’ experience in collecting objective, independent information on consumers.

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%
5,000	±1.4	±1.2	±0.8	±0.6
10,000	±1.0	±0.9	±0.6	±0.4
20,000	±0.7	±0.6	±0.4	±0.3
50,000	±0.4	±0.4	±0.3	±0.2