

AUSTRALIANS FEEL UNSAFE IN THE DIGITAL REALM

New research reveals almost 7 in 10 Australians rate their fear of online risk as high, as scams, data sharing and leaks become more prevalent.

SYDNEY, AUGUST 2023 – As technology continues to advance, so too does the prevalence of scams that pose a significant threat to Aussies. New statistics highlight the extent of this issue, with nearly half (47%) reporting that they have been targeted by online, email, or phone scams. Additionally, a further 49% revealed that a friend, family member, or colleague had been targeted by such scams.

The research found that nearly 7 in 10 (69%) Aussies aged 18 and older hold a high level of fear concerning online risks. With less than half (46%) feeling very or extremely confident in their understanding of the risks associated with online activities.

Commissioned by Real Insurance, in partnership with consumer research group CoreData, [*The Real Insurance Digital Risk Report 2023*](#) surveyed more than 5,000 Australians, exploring the sentiments surrounding online safety in Australia. The report also examines the anxieties of parents regarding their family's well-being in the digital era, the financial impact of scams, government and political concerns, and the future of AI in Australia.

The cost of scams

In today's day and age, Aussies remain susceptible to various scams, each of which – depending on the intent of the scam – having a different impact. The study found that phishing and smishing scams have been the most common, impacting half (50%) of respondents or people they know. Followed closely by online shopping scams (38%), and technical support scams (32%).

Whilst not all scams are financial in nature, Aussies that have fallen victim to a financial scam lost an average of \$4,307. While many hope to recover their funds, the study found that almost half (45%) were unable to – which could have taken a significant toll on their savings.

Beyond the financial impacts of scams, they can also have detrimental effects on the wellbeing of their victims. The research shows over half (51%) of those who have been targeted by scams experienced negative wellbeing or mental impacts to some degree, with close to 1 in 5 (17%) labelling the impact as considerable.

Regrettably, the vulnerability of individuals to scams exhibits a concerning trend, particularly among the older population, with over half (54%) of Aussies over the age of 60 claiming to be scam targets, compared to 40% of those under 30.

Cyber safety expert, Susan McLean commented: *“The impact of scams on the community cannot be overstated. In addition to suffering significant monetary losses,*

those who fall victim to scams are often humiliated and embarrassed which provides a barrier to help seeking actions. Poorer mental health outcomes are regularly reported by victims of scams which in turn can negatively impact a person's ongoing quality of life."

Family online safety

As social media platforms and apps continue to target large groups of teenagers and children, the research found that the majority (85%) of Aussie families allow their kids, aged 18 and younger, to access the internet at home. Yet almost all (98%) parents expressed some form of concern about their child being exposed to potentially harmful content online.

Despite the wealth of benefits the internet provides, children are at risk of being exposed to content beyond their years. 1 in 3 of respondents with children 18 years old & below (34%) reported that their kids have been exposed to inappropriate content, and a further 1 in 4 (26%) parents reported that their kids have been exposed to abusive behaviour online.

Beyond the inappropriate content concerns, children can also inadvertently expose themselves and their parents to financial loss. Close to a quarter of parents (24%) have reported that their kids have made an unauthorised online purchase, and a further 1 in 5 (21%) said their kids have been the target of online scams.

Amidst the numerous avenues for social connectivity offered by platforms like social media, parents revealed that 1 in 4 (25%) kids have friends or acquaintances online that they do not know in real life, and close to 1 in 5 (17%) have met someone in real life whom they initially knew only through online interactions.

Susan McLean states: *"Sadly, many parents do not have an in-depth understanding of the reality of the online world and base their opinions on their own experiences which will not mirror that of their children. Whilst the results show that parents have a degree of concern, they do not always adequately educate themselves so that they are able to effectively parent in the digital space."*

Parents' most common concerns include cyberbullying and harassment (68%), online predators and cyberstalking (61%), exposure to porn or sexually inappropriate content (59%), inappropriate messages or interactions (55%) and sharing of personal information or images they will regret (55%).

"Cyberbullying is a significant issue and one that requires a whole of community approach to ensure that young people are prepared and confident to report the abuse to the platform, block the user and tell an adult. More education around laws and legislation is needed to reduce offending behaviour in teens. Unfortunately, it is not a matter of 'if' a young person is exposed to online harms, but a matter of 'when'. Education and support for both young people and parents is vital to ensure that harms are able to be identified, minimised and managed."

AI and political implications

Generative AI has dominated the course of 2023 as businesses, governments and individuals battle to understand and stay ahead of the latest technology craze. Close to 7 in 10 (69%) Australians who are currently using, have tried or are planning to try generative AI tools have expressed concerns regarding the handling of information they share with these AI platforms or tools, specifically in terms of confidential work and personal information.

Beyond AI, apps such as TikTok have taken over the social media space, with millions of active users in Australia alone. Despite the widespread popularity, over 80 per cent (82%) believe that apps like TikTok may represent data security risks to Aussies.

As these conversations advance in the political realm, the survey found that an overwhelming majority (97%) believe there should be tougher penalties for cybercriminals. As individuals and companies suffer from the impacts of cybercrime, over 4 in 5 (89%) believe the government should ban foreign companies if they pose potential security risks.

Further insights from the research can be found on the Real Insurance website [here](#).

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About the *Real Digital Risk Report*

The Real Digital Risk Report 2023 forms part of the Real Insurance Research Series and explores feelings around the risk associated with being active online, and how it is affecting Australians. The research also looks at concerns of parents around their family's safety online and the perceptions around the increasing use of language AI tools.

The report is compiled based on research commissioned by Real Insurance and conducted by CoreData between 29 March and 12 April 2023.

The research was conducted via a quantitative online survey, gathering 5,054 responses from Australians over 18 years old.

About Real Insurance

Real Insurance is an award-winning provider of insurance products, specialising in life, funeral, pet, travel, car, home, landlords and health insurance. In the market since 2005, Real Insurance has protected the quality of life of many Australians through the delivery of innovative products. Real Insurance is the proud recipient of many product and service awards, most recently being announced a winner of the 2023 Product Review award for Life Insurance and Funeral Insurance, and Feefo's 2023 Gold Trusted Service Award across a range of products. Real Insurance is a trading name of Greenstone Financial Services Pty Ltd.