Thinks
— Insight & Strategy —

Consumer use and understanding of Generative AI, including in financial and debt advice

Summary report by Thinks Insight & Strategy commissioned by the Financial Conduct Authority (FCA) / the Competition and Markets Authority (CMA) as members of the Digital Regulation Cooperation Forum (DRCF)

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1) Introduction

Background to commissioning

The topic of consumer use of Generative AI (Gen AI throughout) is an important area of research.

In our evidence review (conducted before engaging in primary research) we found consumer access to Gen AI has progressed rapidly given the increase in consumer-facing offerings in the past two years. This is reflected in consumers' levels of awareness of the term with 9 in 10 saying they have heard of Gen AI, and use of specific tools, with 23% of internet users over 16 claiming to have used Chat GPT.[1][2] As with any new technology, certain audiences are early adopters, with 71% of Chat GPT users being younger, online men.[3][4]

At the moment, evidence suggests that the use cases for Gen AI vary widely. The most frequently cited use case is 'exploring the new technology' (46%) with seeking advice also being cited as a common use case (though the specific topic of advice is unspecified).[5] Evidence also suggests that openness and comfort using Gen AI varies by context. Trust is higher for using Gen AI in contexts that may be viewed as 'lower stakes', for example ordering food, compared with 'higher stakes' settings such as seeking medical or financial advice.[6]

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[1] Global Counsel, *Regulating Generative AI,* 2023
[2] Department for Science, Innovation & Technology, *Public Attitudes to AI: Tracker Survey, Wave 3*, 2023
[3] Ibid
[4] Ofcom, *Online Nation Report*, 2023
[5] Ibid
[6] Kearney Consumer Institute, *Generative AI and Consumer Trust,* 2023

Given the evidence about specific use of Gen AI in different contexts is currently high level, there is appetite to understand more about which contexts consumers are open to using Gen AI in, and how this use might impact decision making and ultimate outcomes.

In this context, the FCA and CMA commissioned Thinks to answer key questions in relation to consumers' usage and understanding of Gen AI, and how they might use Gen AI in a scenario where they required financial or debt advice. This will help to feed into the CMA's Foundational Models review, the FCA's overall approach to the regulation of AI, and inform further joint research through the Digital Regulation Co-operation Forum (DRCF).[7][8][9]

The report reflects the findings and views of Thinks Insight & Strategy and does not express policy views or expectations held by the regulators.

Research objectives

The specific objectives of this research were to understand:

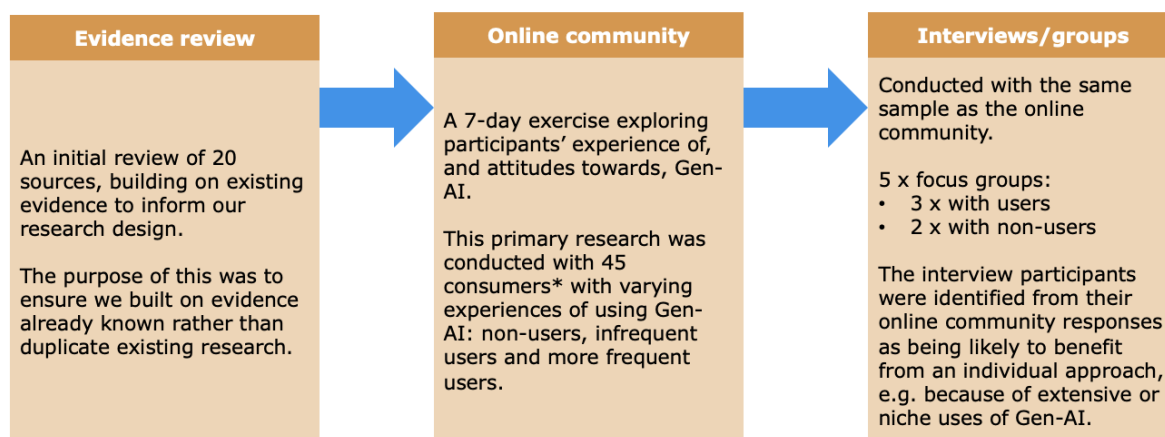| Use	Awareness	Understanding	Trust	Assessment	Appetite
Understanding consumers' **use of Gen-AI,** including frequency and type of use, and whether this extends to activities related to financial services.	Understanding consumers' **awareness of Gen-AI**, specifically the products on offer to them.	Evaluating consumers' **understanding of Gen-AI,** including the language used to talk about offerings, beliefs about how offerings work, perceptions of reliability of content produced.	Understanding consumers' **trust in Gen-AI,** including the extent to which trust varies in different contexts, and how consumers feel delegating decisions to services powered by AI.	Understanding consumers' **perceptions of the benefits and risks** of Gen-AI including bias, explainability, fraud etc.	Understanding consumers' **appetite for using Gen-AI** for financial and debt advice.

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[7] Competition and Markets Authority, *AI Foundation Models: initial review,* 2024
[8] Financial Conduct Authority, *AI Update*, 2024
[9] Digital Regulation Cooperation Forum, *Workplan 2024/25*, 2024

Methodology

To answer these objectives, we conducted a three-phrase approach to this research:

Evidence review	Online community	Interviews/groups
An initial review of 20 sources, building on existing evidence to inform our research design. The purpose of this was to ensure we built on evidence already known rather than duplicate existing research.	A 7-day exercise exploring participants' experience of, and attitudes towards, Gen-AI. This primary research was conducted with 45 consumers* with varying experiences of using Gen-AI: non-users, infrequent users and more frequent users.	Conducted with the same sample as the online community. 5 x focus groups: • 3 x with users • 2 x with non-users The interview participants were identified from their online community responses as being likely to benefit from an individual approach, e.g. because of extensive or niche uses of Gen-AI.

*The full sample can be found in the appendix.

Throughout the research, we used case studies (found in the appendix) to explore consumers' likelihood of using Gen AI for these specific issues, the factors that influence trust when using Gen AI, and the role of regulations and warnings in building that trust.

When we talk about 'consumers' within this report, we are referring to the qualitative sample we have engaged. We remind the reader this sample is made up of 45 people and is not therefore representative of all UK adults. Groups were split based on how frequently they use, or have used, generative AI.

These exploratory findings provide a rich qualitative understanding of consumer perceptions and appetite for Gen AI, however quantitative research would be required to provide robust data on how prevalent or widespread these views and experiences are within the broader population. It is also likely that views and behaviours may rapidly change as technology further develops and is embedded, therefore these represent a robust snapshot of consumer experiences at the time the research was conducted but may not be replicable in future years.

2) Key findings

We have split the key findings below into two sections.

- The first examines key findings related to consumers' current perceptions and experiences of using Gen AI.
- The second section explores their appetite for use in the future, including the extent to which receptiveness to use and trust in Gen AI are impacted by regulation and warnings.

The current picture

- **Awareness of the *concept* of Gen AI among consumers is high, viewed as an aspect of ongoing technological advancement as opposed to a completely new or distinct technology.** Consumers assume they will adopt and adapt to using Gen AI like other new technology that has come before, which is now part of their day-to-day lives.

- **Few consumers have a deep understanding of how Gen AI works or how it is distinct from other types of AI.** Specifically, consumers often use the terms Gen AI and AI interchangeably and conflate tools that are powered by each different types of technology.

1. **As a result, spontaneous risks and benefits associated with Gen AI are typically related to technology and AI more broadly, rather than specific to Gen AI.**
   - Risks most top of mind are more societal, including losing human interaction (which contributes to concerns that information may be less accurate than human experts provide, or delivered in a way that is not sensitive to individual needs), and job losses through Gen AI replacing work that was previously done by humans.
   - Benefits are much more related to individual experiences using technology, specifically time and cost efficiencies.

- **When probed, specific risks such as Gen AI being used to drive fraud and Gen AI potentially giving inaccurate outputs are felt to be concerning to consumers -** but not enough to prevent use or override personal benefits, particularly amongst more frequent users.

- **Consumers are on a journey to using Gen AI, starting by experimenting at home, before extending to use in work and more nuanced use cases. Specifically, consumers:**
   - Use Gen AI at home in the first instance to 'try out' the new technology usually for entertainment purposes consistent with existing evidence.
   - Extend to using in work to save time on menial tasks including text generation for emails, or captions for online content.
   - Once tried, a handful in this sample use Gen AI to conduct more sophisticated tasks, e.g. asking Gen AI for mental health advice.

- **No matter the point at which Gen AI is used, Gen AI is seen as one stage of a broader, longer process rather than a solution in and of itself, with consumers claiming to conduct further due diligence on its outputs.**

- When used in this way, consumers are satisfied with the outputs, giving them the tools to take the 'next step' for example adapting drafted text, or having the information that allows them to conduct further research.

2. **That said, due diligence varies by consumer,** ranging from verifying information through search engines, or asking a trusted friend or family member if they agree with results. This could lead to some consumers being more exposed to risks than others.

Appetite and expectation for future use

- **Consumers use 'signifiers' as short-cuts to decide how much they can trust Gen AI in different contexts.** These signifiers include: human oversight; a well-known provider offering the tools; use cases feeling recognisable and routine (as opposed to novel); and, not being asked for large volumes of personal data. Collectively these all serve to improve trust.

1. **When these 'signifiers' are present, consumers are open to using Gen AI in the future-facing use cases explored in this study, including for financial services.** They see the use cases tested as providing quick and easy to access information to inform research, often tailored to their specific needs, which appeals.

- **But there are also signs of caution given financial use cases are perceived to be 'high stakes', so as with current use, Gen AI is assumed to be one tool or source they would use as part of a broader decision-making process.** Even where there is appetite to use Gen AI in use cases, delegating final decisions to Gen AI is not typically welcomed (e.g. asking it to order something, make an investment on their behalf).

2. **In the absence of information about regulation, consumers 'fill in the gaps' and assume regulation is or would be in place if using Gen AI in financial service settings which further builds trust.** This is because they associate financial services with being a highly regulated industry anyway.

3. **Specifically, consumers expect those organisations deploying Generative AI tools will be accountable if things go wrong.** They assume the host (in this case those deploying tools) would be the first port of call for redress and even reimbursement for financial loss should something go wrong e.g. the information provided led to financial loss.

- **Warnings and messages can increase consumers' sense of personal responsibility (that if something goes wrong or bad decisions are made) and reduce expectations on deployers of Generative AI tools,**

which is critical if tools are not regulated, and consumers are unable to seek redress.

3) Findings in detail

The detailed findings have been split into five sections.

- The first examines familiarity, awareness and understanding of Gen AI.
- The second examines how they currently use it, and identifies the stages of use.
- The third explores their perceptions and responses to the various risks and benefits related to the technology.
- The fourth looks at their appetite for using Gen AI in the future, specifically in the context of financial and debt advice.
- The fifth identifies the key implications of this research for the FCA and CMA.

3a) Starting awareness and understanding of Gen AI

Stated familiarity with the term 'Generative AI' is high

Consistent with previous research, the term Gen AI is well known.[10][11] Participants mostly hear about Gen AI through news coverage, but also via friends and family and at work. They can identify several examples of it in practice: Chat GPT is by far the most cited, synonymous with Gen AI for many. DALL-E (for image generation) and chatbots are also comparatively well known.

But how Gen AI is distinct from AI and other technology is less well known

Some conflate tech such as smart devices with Gen AI, showing that whilst familiarity is high, consumers are still learning to identify tools. Indeed, in focus groups, consumers discussed the topic using the terms Gen AI and AI interchangeably, drawing little distinction between the two.

> *"I have heard of the term, but I don't know what it means, I know AI stands for artificial intelligence."*
>
> *Non-user, Female*

Gen AI is seen as one part of ongoing technological advancement, as opposed to something completely new or distinct

Consumers acknowledge they are increasingly accustomed to adopting and adapting to new technology and this 'inevitable change' is the lens they use to

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[10] DSIT and CDEI, *Public attitudes to data and AI: Tracker survey (Wave 3),* 2023
[11] Global Counsel, *Regulating Generative AI,* 2023

assess Gen AI. This being said, AI as a whole is seen to have huge potential to stretch technology's current capabilities.

> *"It's the way that everything is going so you have to get on board with it."*
>
> *Non-user, Male*

3b) How consumers currently use Gen AI

Consumers are at different stages of their journeys in using Gen AI

Participants were recruited for this research to have a spread of experience with Gen AI. This strongly showed the differences in attitudes towards the technology at each point in the 'journey'. We identified four key stages:

- **Not using**: Using Gen AI for the first time during this research (as part of the research process).
- **Basic personal use**: Typically, just 'trying it out' or using it in ad hoc cases, for entertainment or basic research.
- **Workplace use**: Mostly for researching information or drafting new content, being used for inspiration, and usually after trying at home.
- **Advanced tasks**: At home or in work, tasks such as more advanced writing tasks (e.g. writing a eulogy) and tasks seeking advice (e.g. for mental health support) having built confidence using it for more basic tasks.

As participants move along this journey, their levels of competence with (and confidence in) Gen AI tools and their outputs increase. Whilst most current use cases are rudimentary, they are developing quickly, showing the scope for Gen AI to become ingrained in daily life in future.

> *"When I have free time and something reminds me of AI, I would give it a go. I don't use it that frequently."*
>
> *User, Male (Basic personal use)*

> *"I often use ChatGPT to help with writing engaging social media posts to promote my bar."*
>
> *User, Male (Workplace use)*

> *"My therapist has given me tools to cope with crisis, but to have 24/7 a 'real' someone to talk to and who can guide me through exercises is incredible."*
>
> *User, Female (Advanced tasks)*

No matter which stage in the journey consumers are at, none say they see Gen AI as a one-stop shop or complete solution – it is a step in a longer process that consumers engage in

Specifically, consumers claim to conduct 'due diligence' to reduce risks of, for example, inaccurate information. Actions taken include:

- Checking content against other reputable sources.
- Being 'wary' of the personal information they share, and with whom.
- Speaking to someone else to sense check the tool's outputs.

In reality, what counts as due diligence varies greatly depending on the person and the context of using the tool. For example, 'checking content' can be anything from a quick Google search to speaking with an expert.

Some users already report having become more trusting over time, therefore it seems possible that consumers will be more relaxed in their due diligence in future, the more they get used to outputs and Gen AI becomes the norm.

"If [a Gen AI-powered chatbot] cuts down on the call rates [for customer service] then it improves it from a time management point. But it's one stage in the wider process; the anchor point still has to be to chat to someone."

User, Male

"In my mind as I'm typing, I'm cross-referencing [the Gen AI's] output with what I've written. I use it to pull content together, but then I re-edit that based on my knowledge, and cross-reference what it has said with other research..."

User, Female

3c) Consumer perceptions of and responses to benefits and risks

Initial views of benefits and risks are typically related to technology in the round

Given that consumers see Gen AI as another new emerging technology in general, their initial responses to the benefits and risks presented by it are focussed on technology in the round (as opposed to those distinct to Gen AI).

Specifically, benefits that feel most tangible relate to practical and measurable impacts such as time and cost efficiencies. Risks most top of mind are more likely to be seen at broader, more opaque societal level. These include concerns such as job losses (due to Gen AI replacing functions currently conducted by humans) and over reliance on technology which could lead to a loss of skills in society, including critical thinking.

"Time saving is the biggest benefit. By setting parameters the AI does the work for you… [it can] look for solutions and produce documents or images that can be used in work situations."

User, Male

"People will become far less capable of free thinking or researching… young people are less inclined to think for

themselves or do anything work related that requires much effort."

User, Female

Upon further probing, some additional risks associated with Gen AI may cause concern

Through multiple engagements with participants, we sought to dig deeper in their views of risks and benefits and go beyond standard concerns related to technology in the round.

Using a list of potential risks for probing, we uncovered that they have other concerns with Gen AI (see appendix for the full list). The most saliant probed risk is fraud, with Gen AI seen to have the ability to further increase the sophistication and believability of fraudsters' tactics. This is followed by inaccuracy, with concern that information is incorrect or not up to date.

"Fraud is where you have most losses...that's worrying."

User, Male

Some risks are overlooked even upon probing. This is likely due to low understanding about how Gen AI works. Specifically, bias introduced at development (e.g. humans developing the tool holding bias which is then built in, or past data that is biased being used to teach tools) does not resonate strongly and only a handful are worried about explainability and tools producing different outputs each time.

"I've ranked bias further down (in terms of risk), the risk isn't as strong to me and others as things like fraud."

User, Male

Consistent with other research on the topic of Gen AI, we found that context matters for assessing benefits and risks.[12] Risks from using Gen AI being viewed as serious feel more pertinent in contexts that are perceived to be 'higher stakes' in general, such as financial guidance and medical advice. Conversely, the salience of known risks is felt to be much lower in contexts like conducting research and being creative. This is because the impact and outcome from using Gen AI is seen to be much less significant, and because consumers feel much better equipped to check outputs themselves, compared with financial and medical contexts, which they see as requiring expert input.

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[12] KPMG, *Trust in Artificial Intelligence*, 2023

"People could misdiagnose themselves and not bother going to see a medical professional…so it's worrying in that context."

User, Female

Ultimately, perceived risks are not enough to deter general use, but they may lead to more cautious use

After probing on different potential risks associated with Gen AI, participants reflect that risks are not enough to deter their use, though in higher-stakes setting, they may inspire greater caution. This is driven by several factors:

- **For existing users, benefits feel more salient than risks.** This is because they are able to see the personal benefit e.g. time saved, whereas risks most top of mind (job losses, loss of skills) feel much less tangible in day to day use.
- **Consumers anticipate Gen AI will unlock new opportunities in the future** which are likely to appeal.
- **Tech advancements and adoption feels inevitable** and so even those who are most concerned with risks, anticipate using Gen AI in some contexts in the future.

"It's just the way the world's going. It's inevitable... We'll all be using it."

Non-user, Female

3d) Appetite for using Gen AI in the future

In the following section, we share findings from consumers based on their responses to use cases related specifically to financial advice and debt advice. However, findings about appetite to use, and the conditions which consumers feel comfortable using Gen AI are also likely relevant to other use cases given the insight they give use into views and behaviours when approaching Gen AI use cases.

Overall, there is appetite to use Gen AI in the context of financial advice and debt advice in the future

Through the course of this research, we asked participants to consider whether they would use Gen AI in some hypothetical future financial advice and debt advice use cases (see appendix for use cases explored).

Overall, we found participants in this sample are open to using Gen AI in the context of financial advice and debt advice. They are most enthusiastic and interested in using Gen AI in these contexts when tools are providing:

- **Quick, aggregated information** e.g. a list of mortgage rates available to them that would ordinarily require a long time spent conducting research.

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- **Information tailored to them** e.g. a list of investment options that take into account the income and expenditure of the individual, rather than generic online advice. This can take the place of tailored advice that is often seen as too expensive.
- **Multiple solutions** e.g. a list of possible investment options, felt to inspire conversation with a financial advisor, or research ideas they had not previously thought of.

> *"I have always wanted to explore cryptocurrencies, but it can seem quite intimidating, so having a great AI chatbot or similar to help out would be great."*
>
> *User, Male*

> *"It's good to see that there could be options to access more personalised information."*
>
> *User, Male*

That said, consumers in this sample do have some reservations about using Gen AI for financial and debt advice, especially where they feel:

- **A tool is trying to sell them something** for example, some questioned whether options put to them were the most profitable for host firms, rather than the best option to them.
- **The human touch is still required** which is especially true for debt advice, where the participants imagined the person seeking this information may be struggling financially, or perceived to be less able to interpret information put forward by the tool. Therefore, speaking with a human is perceived as essential.
- **Tools require 'too much' personal financial information to give the information required.** The threshold for what constitutes 'too much' varies, but from a data security and privacy perspective, some are concerned about tools which would require personal information about spending habits, incomes or debt to make recommendations related to debt or investments.

> *"I can see it being somewhat helpful for information, but I think it would be more beneficial to speak to someone and get them to understand your situation."*
>
> *Non-user, Female*

> *"I didn't like that she had to input her personal information to get better information that's more suited."*
>
> *User, Female*

When assessing whether or not to use Gen AI in future facing cases, consumers look for symbols that cue trust

Specifically, they are using quick 'signifiers' to evaluate trust in the tools and their outputs:

- **Provider's reputation.** Well-known, established providers (i.e. those firms or companies who offer or host the Gen AI service to the consumer) are more likely to be trusted than lesser well-known firms or hosts, showing the importance of a brand in building trust with consumers. There is some nuance: consumers in this sample are also wary of firms trying to 'sell them products', which means they feel wary that the outputs are pushing them to a product, even if they implicitly trust the information is accurate given the firms credibility.
- **Familiarity with task.** Where Gen AI mirrors other familiar tools used in financial services, participants feel more trusting and open to use. For example, a tool which produces a list of mortgage rates is felt to be akin to price comparison websites.
- **The amount of personal data required.** Just as 'too much' personal data required is a 'red flag' for consumers, minimal questions and data requirements build trust. That said, the acceptability of data sharing is linked to the provider, and specifically, who is asking for this information. Consumers are more accepting of giving a tool personal data and feeling trusting of it where provider brands are already well known.
- **Level of human oversight.** If a tool suggests a human has reviewed outputs, trust is much higher based on a feeling that human involvement reduces error. Additionally, the offer to follow up with a human (even if they have not already reviewed outputs) also builds feelings of transparency, and therefore trust.
- **Sources of information provided.** Where tools can provide sources, consumers believe the outputs are more reputable as they are reassured they could follow up and do further research of their own. Even if they do not follow up themselves, they feel the tool is transparent.

These heuristic 'signifiers' may or may not actually be effective. However, they are based on consumers 'mental models' of engaging with other types of online information or financial products and services:

No matter if all the 'signifiers' do make consumers feel trusting, using Gen AI in these future use cases is still (currently) perceived to be just one part of a broader process

As with current use, consumers in this sample did not view using Gen AI in financial advice and debt advice cases as a standalone solution in and of itself. Instead, they anticipate using it as a starting point for further research or conversations with experts such as mortgage brokers. Whilst this may be the current picture, it is also important to consider that this anticipation may dissipate over time as Gen AI use and its outputs become more normalised and trusted, reducing perceived need for human and expert involvement.

"A financial problem like debt is not just financial, it is psychological, it can traumatise. I would advise [the person in the case study] to speak to someone. But I don't think a Gen AI chatbot by a charity is bad, it's a good first step."

Non-user, Male

"I'd probably use Gen AI to find some information out, but if I had quite a bit of money to invest, I might go to an investment company. That's what they're there for, that's their whole thing."

User, Male

Consumers assume regulation will be in place for the financial advice and debt advice use cases, which increases their level of trust in using Gen AI tools in the future

Participants in this sample had generally not thought about the extent Gen AI is regulated before. Little starting awareness means consumers 'fill in the gaps', based on their perceptions of regulation elsewhere and for other sectors. In doing so, they assume regulation must be in place for the types of use cases explored.

This is especially the case for financial services, where consumers expect the industry is already heavily regulated based on the information they already receive from financial service providers more generally.

"I bet this sort of thing would fall under the FCA, or say an FCA equivalent who would be regulating." – Female, User

These assumptions about regulation lead to high expectations about accountability and redress, which can result in overconfidence if using in the future

Because participants are expecting regulation, they are also expecting to be able to seek redress if things go wrong when making decisions using Gen AI tools. Specifically, they are expecting to be able to seek redress with the organisations via which they access a tool, rather than any redress with those further 'upstream', for example developers.

For some, these assumptions extend to believing the host of Gen AI tools will reimburse them if they have experienced a financial loss after using the tool. This is again driven by perceived evidence from other touchpoints in financial services, like the ability for consumers to seek reimbursement after falling victim to fraud.

These high expectations on regulation, accountability and redress could lead to consumer overconfidence in the validity and suitability of Gen AI outputs.

"If a financial institution uses a Gen AI tool and it gives flawed advice, then I think that's their responsibility."

Male, User

"I imagine there would be a complaint department, like if I order a product and don't like it."

Female, Non-user

Warnings can create pause and encourage users to validate Gen AI outputs

We tested the extent messages clarifying regulation and redress (or lack thereof) would impact appetite for using Gen AI and the trust in its outputs in the different use cases.

Consumers acknowledge that warnings do encourage them to reflect further on how they would use the outputs generated by the Gen AI.

Specifically information notices that state regulation is in place confirms assumptions and builds latent confidence in outputs, increasing trust to use and belief outputs will be accurate.

Whereas warnings that tell consumers they are personally responsible for any final outcomes if they use Gen AI to help decision making cause a pause. These warnings increase the perceived need to conduct further due diligence, including checking outputs with others including financial experts.

Responses to warnings and information notices emphasise the important role they can play in impacting consumer behaviour. They also suggest that information notices used to communicate regulation and redress related to Gen AI tools in the future can borrow from those which already exist in financial services. For example, a reminder that firms are not responsible for financial losses from investment.

"Full transparency (with warnings) about the tech makes me remember how much in its infancy the tech still is." – User, Male

4) What could the implications be for FCA and CMA?

This research points to some implications helping the FCA and CMA to understand:

- Elements of consumer behaviour, trust and risk appetite regarding AI use and integration.
- Potential market demand for Gen AI in financial and debt advice use cases.

- The potential implications for the regulation required that would allow consumers to access the offerings that fulfil their needs, whilst promoting transparency and understanding.

However, we remind the reader that this sample is made up of 45 people and is not therefore representative of all UK adults. We put forward the following early implications, which can be used to inform future research on this subject.

Implications for market demand

1. **Consumers may be open to Gen AI offerings for financial advice and debt advice, which could mean there is demand for new Gen AI driven products in future.**

2. **Gen AI tools in financial advice and debt advice are more likely to be valued when they offer tailored, quick, digestible information.** Any tailored information should not come at the cost of accuracy, which is also latently expected.

3. **Consumers are likely to be most open to tools that are either hosted by well-known providers, or are similar to tools they are already familiar with but not yet powered by Gen AI.** These preferences have the potential to lock out new firms and offerings from the market.

4. **Gen AI tools cannot be the only solution on offer.** Consumers are likely to still want to be given the opportunity to speak with specialists, especially when making the bigger financial/ debt decisions or if they are in a position of lower financial resilience. Maintaining this option will be key to supporting a broad range of consumers and decision making.

5) Next steps

The DRCF has published its 2024/25 workplan. Building on these research findings, regulators will be undertaking further joint **quantitative** consumer research into consumer use, understanding and trust in Gen AI. This will help inform their approach to the regulation of AI.

6) Appendix

Sample

Online community	Focus groups	In-depth interviews
45 participants:	**25 participants:**	**15 participants:**
• 15x frequent users • 15x infrequent users • 15x non-users	• 7x frequent users • 10x infrequent users • 8x non-users	• 7x frequent users • 3x infrequent users • 5x non-users
• 21x male • 24x female	• 16x male • 9x female	• 5x male • 10x female
• 23x England • 12x Wales • 5x Scotland • 5x Northern Ireland	• 13x England • 7x Wales • 2x Scotland • 3x Northern Ireland	• 8x England • 2x Wales • 3x Scotland • 2x Northern Ireland

Probed risks explored

- **Data:** security, privacy and consent: Generative AI runs off huge data sets which often come from publicly available information, e.g., the Internet and social media. Some users may not have consented to their information being used for this when they published this information, and keeping the large amounts of data secure from hackers is also a key concern for Generative AI companies.
- **Fraud:** It is possible that fraudsters can use Generative AI to make highly personalised content (e.g., impersonating a family member's voice or writing style) to invite a victim to give up money or personal information. Equally, sophisticated hackers can use chatbots as a front to communicate with consumers trying to access information online (but this is less common).
- **Bias:** Generative AI generates its content by predicting the best response to a query, based on what it has learnt from huge quantities of data. If that data contains certain biases, it is likely that the Generative AI's predictions will replicate those biases. For example, if asked to generate an image of 'a senior person in the workplace', a tool may generate more images of men than women.
- **Explainability:** It is often not possible to explain in simple terms *how* a Generative AI tool generates its content. This is both because of the size of the data sets which it analyses, and the complexity of the way in which it analyses this data. This can be elusive even to those who work on AI technology.
- **Inaccuracy (/ misinformation):** Generative AI can often present false information. This is because it makes predictions from data sets; therefore, if its data contains false information, the Generative AI tool could draw false

conclusions. A key issue is that Generative AI is often able to produce content that is *convincing* to a human, even if the information is wrong.

- **Misuse:** As with any technology, Generative AI can be used for malevolent purposes. One example is fraud (mentioned above), but 'deep fake' content is another example where false information can be spread to incriminate innocent people. For example, this might include a video of a politician saying something they did not in fact say, or sexually explicit images of celebrities which are not real.

Probed benefits

- **Finding cheaper or better-quality products:** By answering direct questions from a consumer, a Generative AI tool may be able to find products which are better suited to the consumer's circumstances (such as their preferences or their budget).
- **Cost savings:** By providing more personalised information, Generative AI can allow people to use tools more efficiently, and therefore save on costs. For example, this might be a businessperson using technology more efficiently in their workplace (e.g., by having Generative AI draft messages or documents), or a customer making better decisions about which products to buy (see point above).
- **Instant information:** A Generative AI tool's strength is the speed at which it is able to generate numerous ideas or responses, based off a user's suggestion. This can help a user get concisely presented information or content as quickly as they pose the question. This can be good for creative, as well as factual content. (Note, 'instant' should not be confused with 'up-to-date' information, which is dependent on when the tool's databases were last uploaded or updated).

Case studies explored

We tested three example case studies in the online community, focus groups and interviews, probing on using Gen AI for financial advice specifically.

The aim of this was to understand a) which factors make consumers more or less comfortable with using Gen AI for financial and debt advice, and b) how likely participants would be to use Gen AI themselves in these scenarios.

These case studies were:

Debt advice - Jenny

Jenny is a 40-year-old office manager, with a 10-year-old daughter. For about six months, Jenny has been **struggling to balance her repayments** on a **mortgage**, **personal loan** and **two credit cards** that have started to spiral out of control.

Each of them requires repayment at different times of the month, with different interest rates, fees and charges. This situation is making Jenny more nervous and stressed than usual, and she is **concerned about affording the essentials** such as food and heating over the coming months.

Jenny is **not confident** enough to ask family or friends for help but mentioned her situation to a colleague, who had heard about debt consolidation. **Debt consolidation** is when a person takes out a new loan or credit card to pay off other existing loans or credit cards. By combining multiple debts into a single, larger loan, Jenny may be able to obtain lower interest rates and/or lower monthly payments.

Jenny is not sure whether debt consolidation would improve her situation (because neither she nor her colleague are confident when it comes to finances). So, she visits a **debt management charity** who have a **Gen-AI chatbot** and asks it whether debt consolidation would suit her needs.
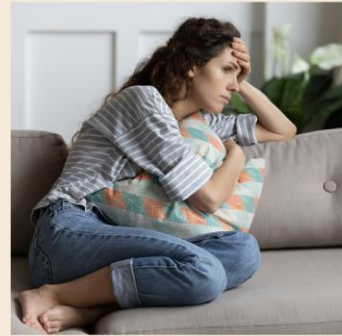
Mortgage scanning - Aiden

Aiden is 29-years old and looking to **buy his first house**. He knows his credit score, but other than that is unsure of how to go about applying for a mortgage.

Aiden's parents recommend speaking to their **mortgage broker**. When he visits their website, it has a tool which is powered by Gen-AI. The **tool compares a list of mortgage rates** available on the market, including those from the website itself.

Previously, Aiden has used Gen-AI for drafting documents at work, so he trusts the tool's output and **believes he can be critical** about whether its information is accurate or not.

Since using it, Aiden thinks that the tool has been very helpful in giving him **instant information** about an area he is new to. However, his family and friends tell him that he **still needs to speak to a person** before committing to any plans.

Investment advice - Cathy

Cathy is 35 and lives alone. She is **looking to invest** to grow her savings over the next 5-10 years. She has heard of a variety of investment opportunities from her friends but doesn't know what will give her the best return for her personal circumstances.

Cathy finds that search engines are not helpful because sites have conflicting information, there are lots of pop-up adverts, and it takes time to find information that is relevant to her. Her **friend recommends a free online Gen-AI tool** which quickly summarises online information.
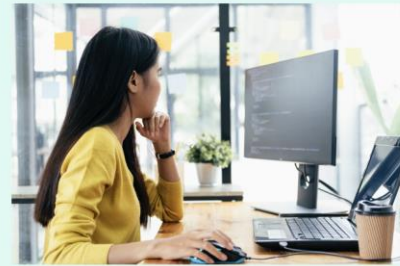
Cathy decides to use this tool to find out what the best options are for her. At first it does a good job providing information about investments, but this **advice is quite generic**. To make the information more personalised, she **tells the tool her income and outgoings**, and the amount of savings she has to fall back on if the investments lose value.

After some time, she finds a set of investment funds which she thinks are most suited to her situation.

About Thinks Insight & Strategy

We are an international insight and strategy consultancy, focused on providing our clients with the insight they need to make better decisions. We do this by putting the people who matter most to our clients' organisation at the heart of their thinking.

Authors of this executive summary and accompanying report

Dr Carol McNaughton Nicholls, Managing Partner |
cmcnaughtonnicholls@thinksinsight.com
Anna Noren, Research Director | anoren@thinksinsight.com
Phoebe Ward, Associate Director | pward@thinksinsight.com
Josh Cohen, Research Lead | jcohen@thinksinsight.com
Alex Howard Vyse, Senior Research Executive | ahowardvyse@thinksinsight.com
Callum Waterhouse, Research Executive | cwaterhouse@thinksinsight.com

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