

# Privacy concerns don't get in the way of Gen Z's enthusiasm about AI-enabled banking

Article

**The findings:** Gen Z views AI-enabled banking in a positive light and isn't very concerned about the privacy and security issues that may result from the integration.

- That's the conclusion of analysis that PYMNTS Intelligence and [ACI Worldwide](#) undertook through three census-balanced surveys of 3,396, 2,338, and 3,302 US consumers between March and September 2023.

**By the numbers:** Baby boomers and seniors are [less familiar](#) with AI and also expressed more fears about privacy and security and distrust of the technology than younger generations.

- [65%](#) of Generation Z said they were “very familiar” with AI.
- 46% of Gen Zers reported integrating the technology into daily activities.

**Gen Z uses AI in everyday life:** Gen Z is the generation most interested in incorporating AI into their everyday routine.

- [60%](#) express interest in using AI for online shopping.
- **54% are interested in AI-enabled banking services.**

These young consumers also use AI at work, giving them an early understanding of how it can be leveraged.

Gen Zers are the [most interested](#) in how AI can augment their work, although they acknowledge that it might completely replace certain skills in the workplace.

**Gen Zers fret less about privacy:** They're less concerned in general about the privacy of their personal data than other age cohorts.

- Gen Zers are the [least](#) worried about the way companies use their personal information.
- They're also the most skeptical of companies' ability to keep their information safe, with only 39% of Gen Z internet users in the US saying they trust brands to do so.

**Social media strongly influences Gen Z:** These digital natives' early exposure to social media may have influenced their ideas about data sharing.

- [88%](#) of Gen Zers are willing to share personal information with social media companies, which is 20%-plus higher than older generations.
- In fact, they feel sharing their data can help improve their online experiences. They view personalization as the non-negotiable factor, prioritizing it over data privacy.

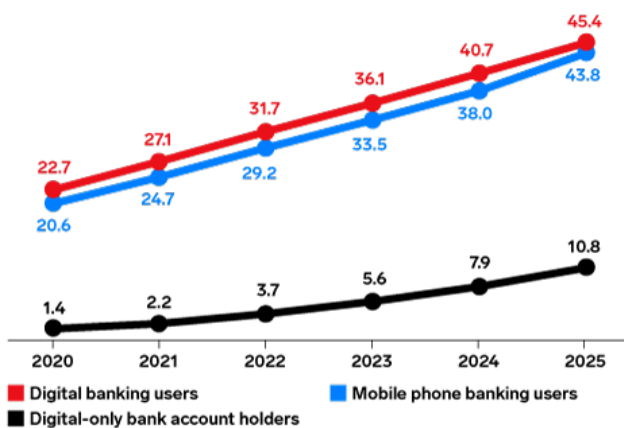
However, 50% of Gen Zers don't know or are prey to misunderstandings about how social media companies use their data.

- A recent Deloitte study found that Gen Z was **three times** more likely to fall victim to online scams than baby boomers.

**What does this mean for banks?** Whether Gen Z's comfort level is based on early and daily exposure to AI or a lack of awareness regarding the risks, they seem more interested in the quality of their experiences than in guarding their privacy.

- This doesn't mean FIs catering to this generation should disregard privacy concerns. They do care, but they don't want privacy to get in the way of superior digital experiences.

**US Gen Z Digital\* and Mobile\* Banking Users, 2020-2025**  
millions



*Note: digital banking users are internet users who access their bank, credit union, credit card, or brokerage account digitally via any device at least once per month; mobile banking users are mobile phone users who access their bank, credit union, credit card, or brokerage account via mobile browser, app, or SMS using a mobile phone at least once per month; excludes virtual wallet services (e.g., PayPal, Google Wallet); digital-only bank account holders are individuals who have at least one account at an FDIC-backed digital-only full-service bank open to all consumers that includes transactional and savings options but does not operate physical branches, and where all account management is carried out via web browsers, mobile apps, or over the phone; Gen Z are individuals born between 1997 and 2012; \*forecast from March 2021*  
Source: eMarketer, May 2021

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