

# Banking customers have strong preferences around how AI is used

Article

**The findings:** Almost half of banking consumers are open to their financial institutions (FIs) using AI, but those customers care very much about what it has access to, per the technology service provider GFT.

- That's according to a survey of 2,002 US consumers conducted in April 2024.

**The big takeaways:** Many US consumers generally understand the benefits of AI in their everyday banking.

- **44% are fine with their bank incorporating AI.**
- **35% prefer that it be used for fraud detection**, the top preference. This could be due to [the drastic increase in fraudulent banking activity over the last few years](#).
- Everyday banking activities (28%) followed, then customer service inquiries (26%), recurring payments (22%), and everyday spending and saving advice (18%).
- As might be expected, **consumer preferences vary by age**. For example, Gen Zers are over three times more likely to feel more confident in their bank's use of AI than baby boomers.
- Interestingly, while 11% of **Gen Zers are open to their bank using AI, they don't want it to have their financial details**. That's compared to 7% of baby boomers and 10% of respondents overall who said the same. This group would likely not want AI to assist with their everyday banking activities or provide personalized advice.

**The fintech marketing problem:** Fintechs consistently launch AI-generated tools, many of which perform the functions respondents said they want. But their AI usage may not fit well with [fintechs' recent marketing pivot to older consumers](#), because:

- **15% of baby boomers don't want AI in banking at all**
- Another 16% said they're not comfortable with it right now, but could be in the future
- And another 12% said they are "fine" with it if it's used for operations, but not for their accounts

Baby boomers who feel this way about AI may not be the most open to switching to a fintech, anyway, even though fintechs want that business to boost their profitability.

**AI regulations still lag:** Much like the subset of consumers who aren't completely comfortable with AI, regulators are also still figuring out how they should oversee its use of financial data.

Regulations worldwide are still catching up.

- The European Securities and Markets Authority (ESMA) just said European [banks can use genAI, but warned that they're responsible for any fallout](#) resulting from its use.

- Until [President Biden's AI executive order](#), AI was largely a regulatory gray area in the US. Now the US Treasury Department has requested information on how FIs use AI, which is likely to inform future rules or regulations.

More AI regulations are likely to follow as AI offerings continue to develop. Early adopters may need to someday review and potentially reverse their processes.

**Key takeaways:** Many consumers are fine with their FI's use of AI, but they'd like to understand what it has access to—and they prefer not to give it unlimited access to their personal data.

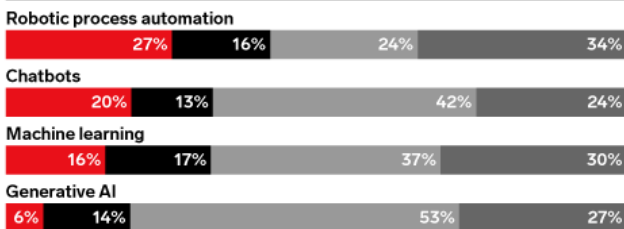
- In fact, most consumers want it to protect their personal data against fraudulent attackers.

Innovative tools that incorporate AI may improve the customers' experience and financial health, but FIs should always disclose how AI is being used and, if requested, explain in detail what information it accesses.

- Explainability will also benefit FIs if regulators eventually require more detailed information about how it's being used.

### Current vs. Planned Investment in AI According to US Bank Executives, Q1 2024

% of respondents



- Have already invested in or deployed
- Planning to invest/implement in 2024
- Have discussed at the board or executive team level
- Not on our radar

Note: numbers may not add up to 100% due to rounding  
 Source: Cornerstone Advisors, "What's Going on In Banking: Finding the Next Wave to Ride," Feb 6, 2024

285916

