



KPMG American Perspectives Survey

Boston

Our inaugural assessment

—

Summer 2024

Boston: Optimism and Trust in the Era of Compound Volatility

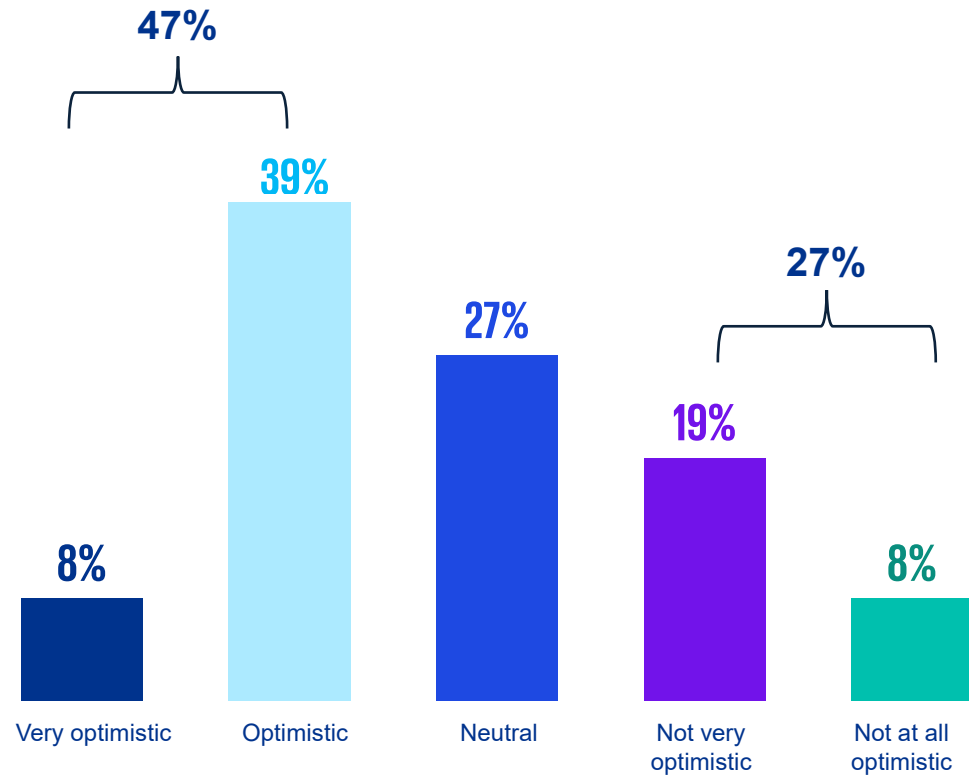
How Bostonians Are Grappling with Evolving Economic Opportunities and Risks

- **Bostonians are more confident about their own personal financial situations than they are about the U.S. economy**, with 47% of Bostonians expressing optimism in their personal finances, but just 34% expressing optimism in the overall growth of the U.S. economy.
- **Trust in GenAI usage is still a concern for Boston residents**, as 76% share their worry that GenAI could be used to manipulate public opinion or sway important decisions. With these concerns in mind, 39% of people still feel that GenAI has an impact on their day-to-day lives.
- **Digitalization in retail presents new opportunities for businesses, but generational attitudes vary.** More than a quarter (26%) of Gen Z shoppers in Boston plan to use buy now, pay later services, compared to just 16% of millennials. Furthermore, 26% of Gen Z plan to shop using brand-specific apps, compared to only 19% of millennials.
- **Of those who view GLP-1s as relevant to their health, nearly one-third (31%) of people in Boston believe GLP-1 medication would improve their quality of life or help them with significant weight loss.** 72% would not be willing to pay out of pocket for the drugs, and only 13% would be willing to pay higher insurance premiums for coverage.

This survey of over 400 adults in Boston is part of the inaugural KPMG American Perspectives Survey, which assessed the views of an additional 1,100 adults nationwide to understand their outlook on their personal financial situation and the U.S. economy, spending plans and preferences, as well as attitudes toward the forces shaping their experience in banking, energy, government, automobiles, healthcare and technology.

In the age of compound volatility, Bostonians' optimism about their personal finances does not extend to the economy overall

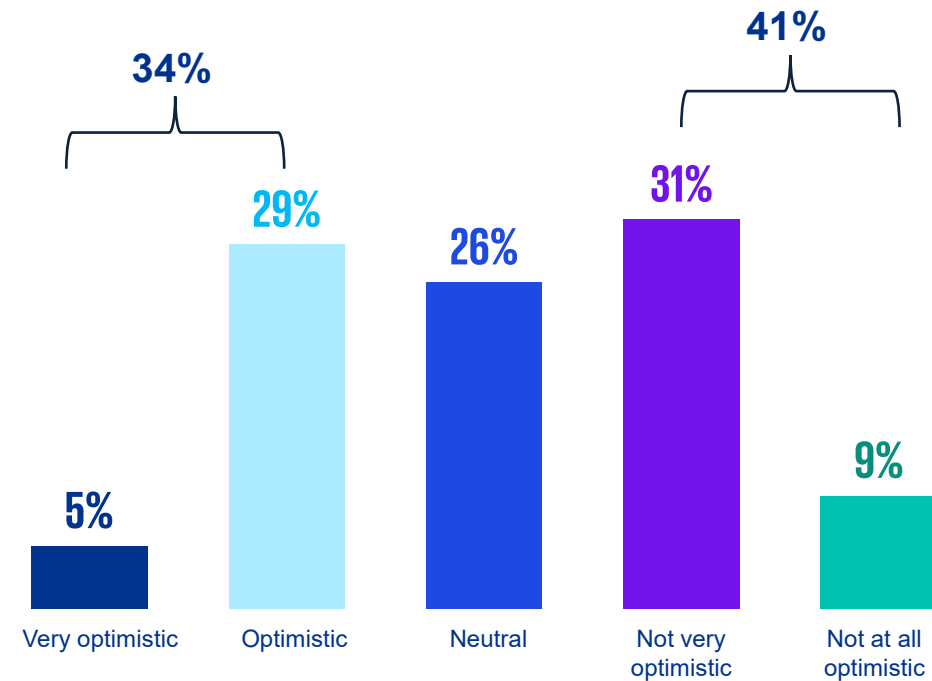
Optimism about personal financial situation over next year



Personal financial situation - Please indicate your level of optimism for each of the following over the next year.

Note, numbers may not add up due to rounding.

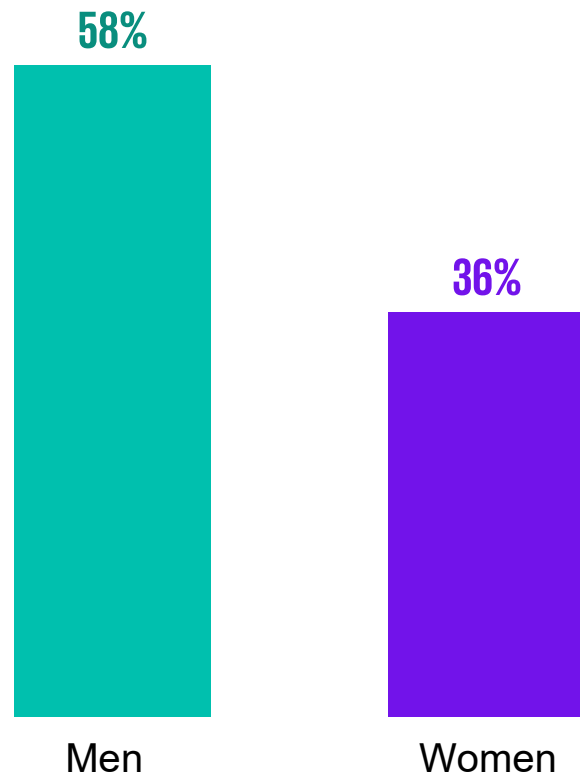
Optimism about growth prospects for U.S. economy over next year



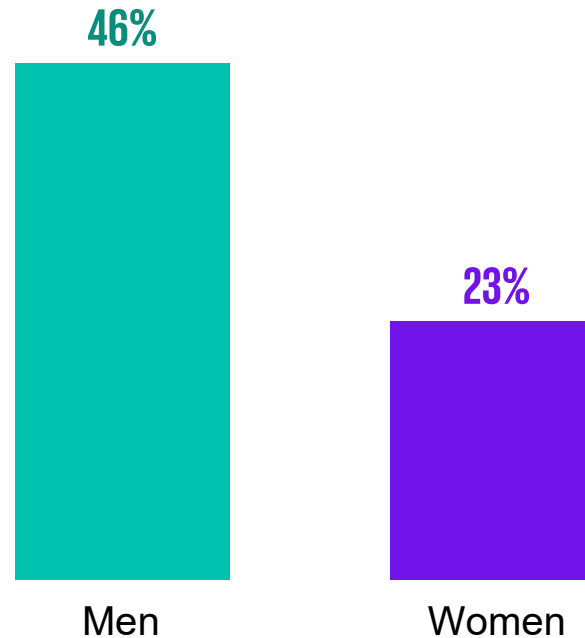
Growth prospects for the U.S. economy - Please indicate your level of optimism for each of the following over the next year.

In Boston, men are more optimistic about U.S. economic outlook and their personal finances

Optimism about personal financial situation over next year



Optimism about growth prospects for U.S. economy over next year

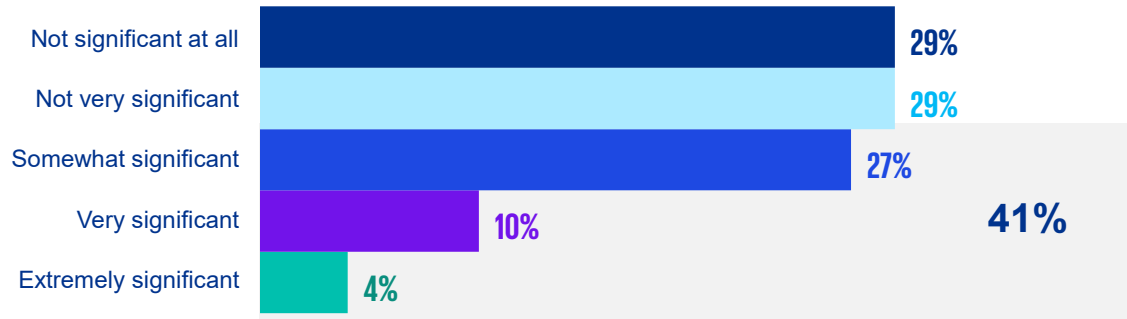


Discussion

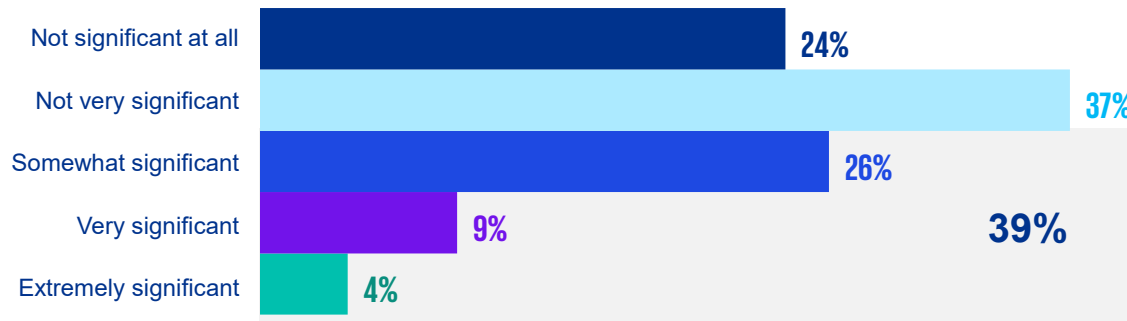
- Overall, people in Boston are less optimistic than the national average. On net, 20% of Bostonians are optimistic about their personal financial situation compared with 30% nationwide (54% optimistic minus 24% not optimistic).
- Similarly, people in Boston are slightly less optimistic about their disposable income over the next year compared to the national average. Locally, 37% are optimistic compared with 35% who are not vs. 44% and 32%, respectively, nationwide.

People are increasingly using GenAI in their professional and personal lives, especially as a substitute for searches

GenAI impact on professional life



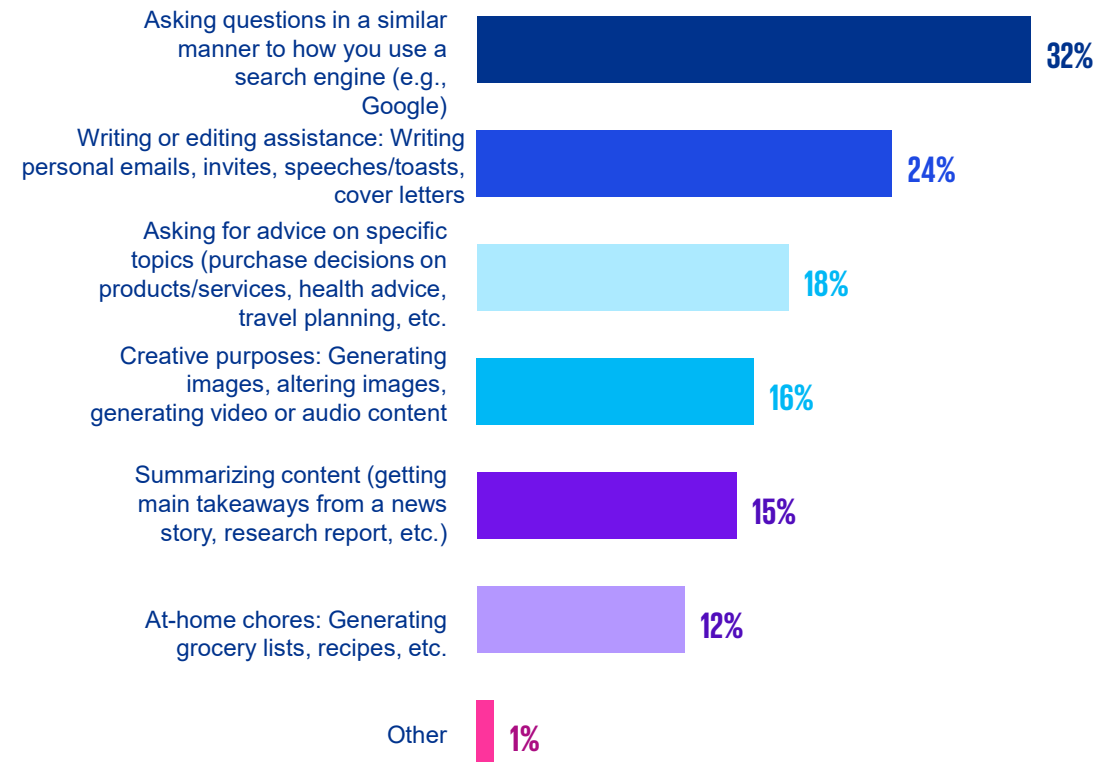
GenAI impact on personal life



In your professional life - How significant of an impact do you feel GenAI has on your day-to-day life right now?

In your personal life - How significant of an impact do you feel GenAI has on your day-to-day life right now?

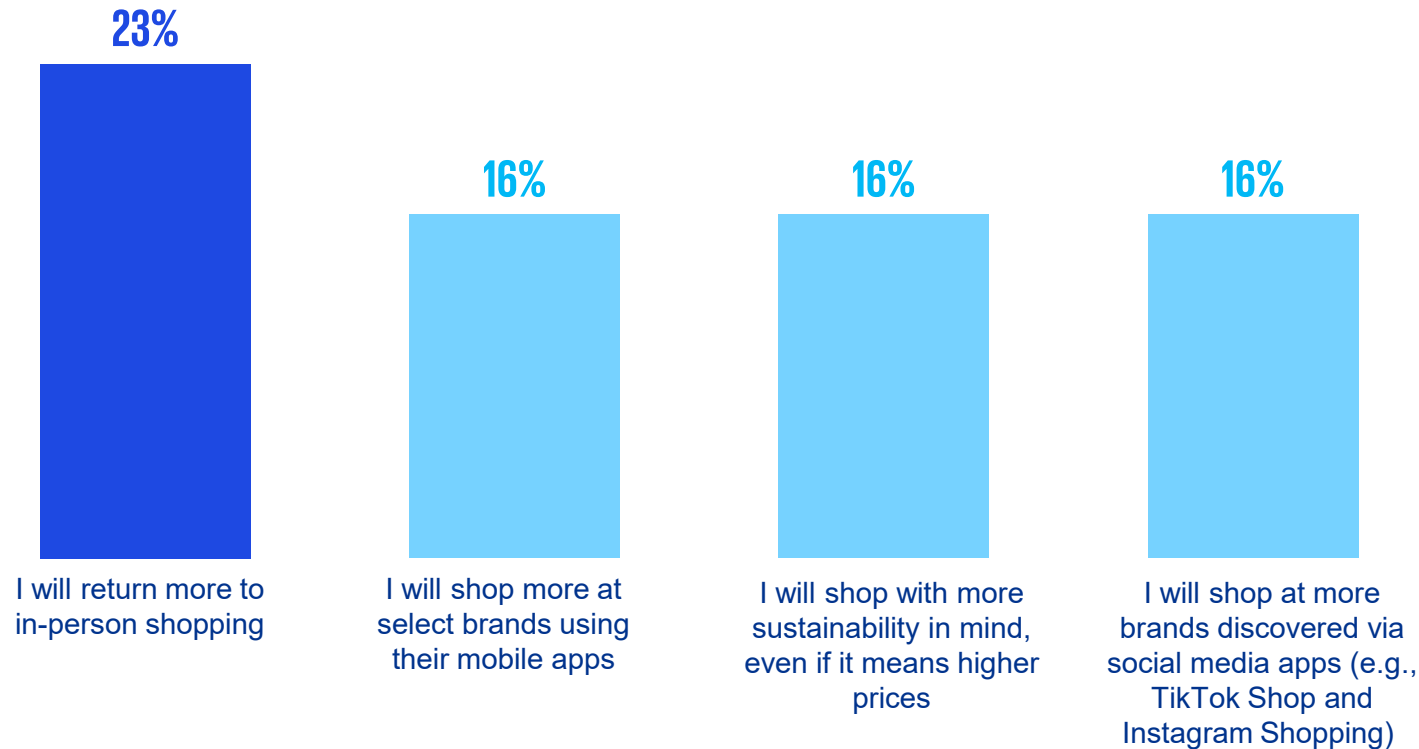
Most common personal uses of GenAI



Have you used GenAI for the following personal reasons?

People in Boston plan to do more in-person shopping in the next year compared to other trends, while also hunting for more discounts

Percent of people adopting certain shopping trends in Boston this year



71%

expect to do more discount shopping

15%

plan to use more buy now, pay later services

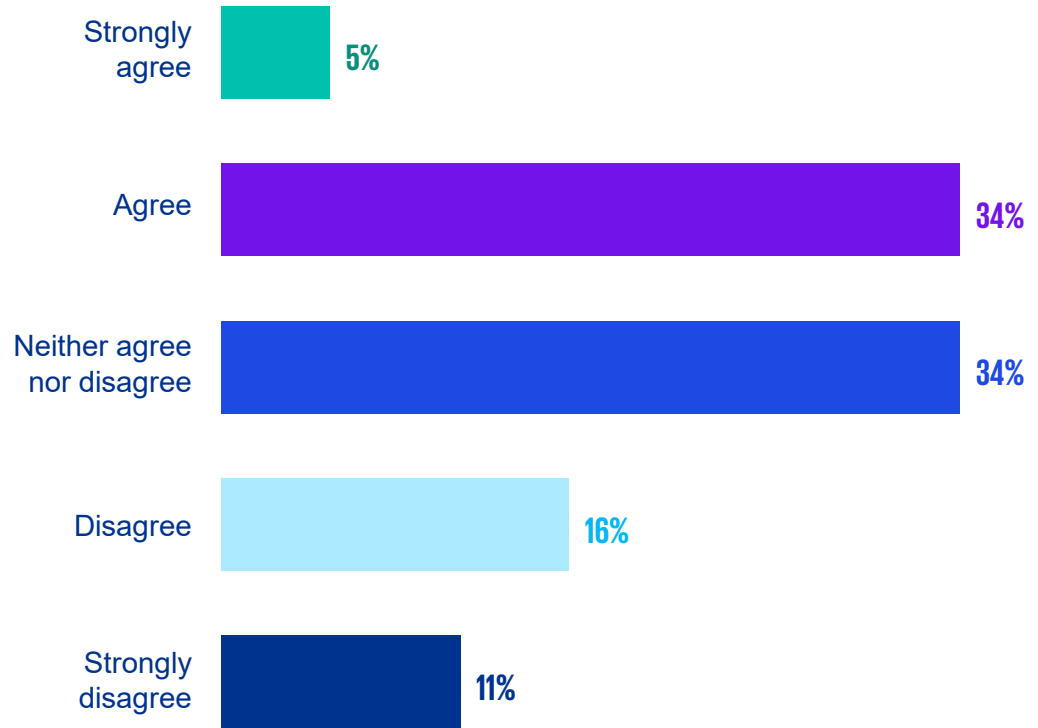
29%

buy products or services through social media apps at least monthly

Considering your shopping overall, what shopping trends apply to you this year?

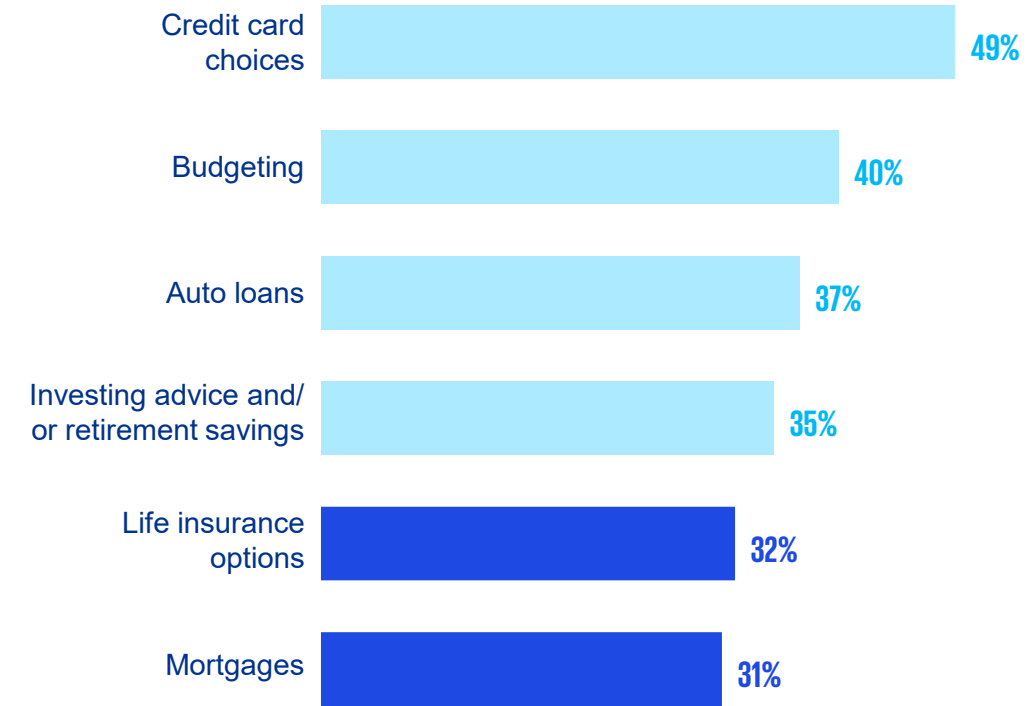
People are demanding GenAI in financial services, but a human-in-the-loop approach is critical for mortgages and investment advice

Expectations for banks to have a GenAI capability for banking decisions



To what extent do you agree/disagree with the following statement: I expect my bank to have a GenAI capability that allows me to quickly get info to make banking decisions (bank's current mortgage rates, auto loan info, CD rates...).

Percentage comfortable with GenAI advice in the following areas

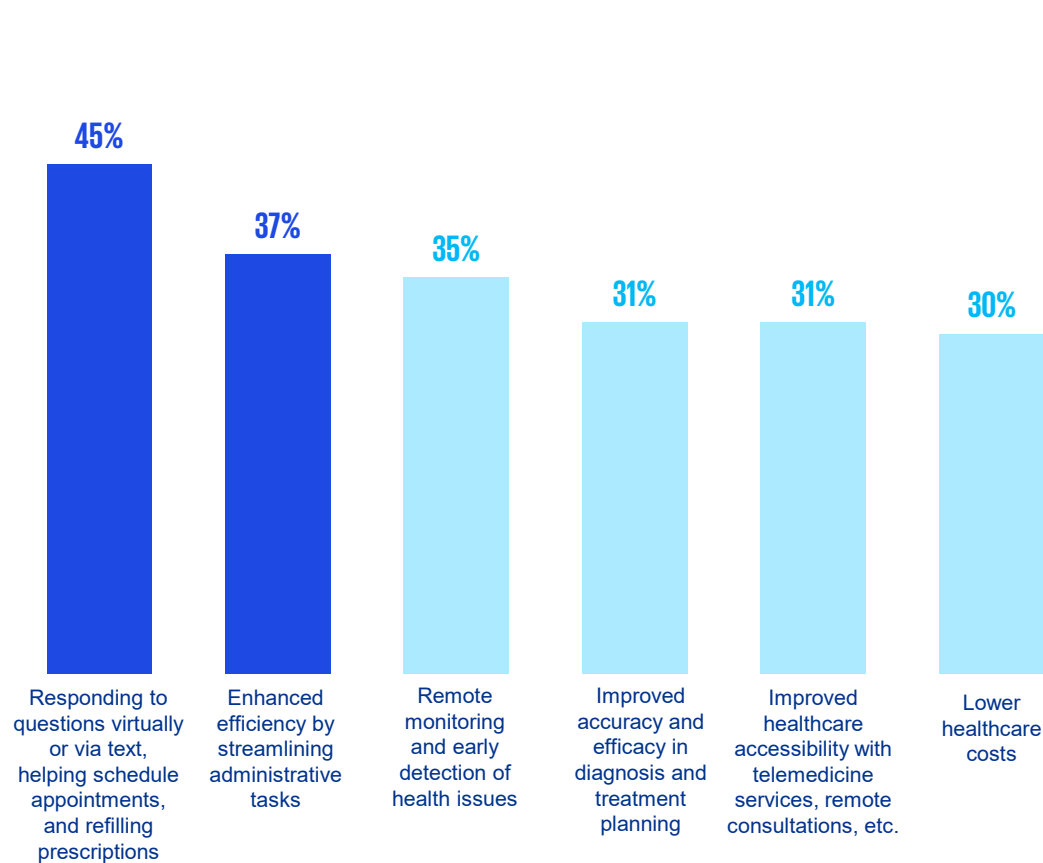


On a scale of 1 (not at all comfortable) to 5 (very comfortable), how comfortable would you be with GenAI-generated advice offered by your bank in each of the following areas.

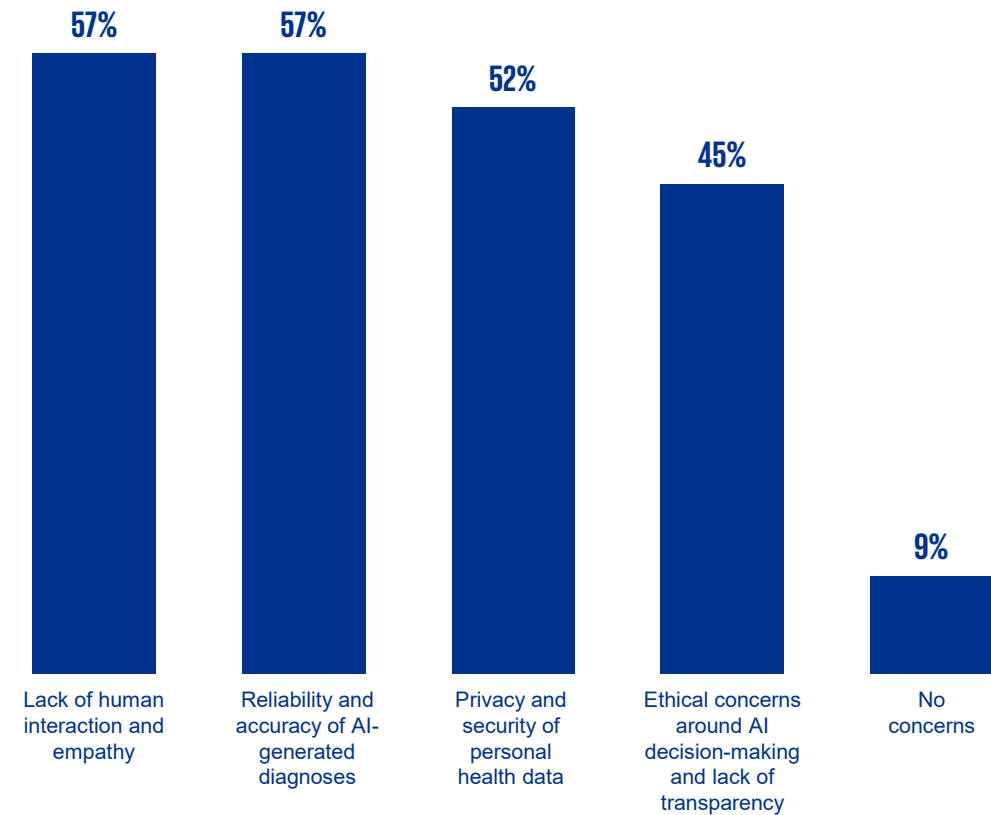
Chart includes those that selected 4 and 5.

In healthcare, people believe GenAI will improve their experience more than they believe it will improve diagnoses and lower costs

Perceived Benefits of GenAI



Concerns about GenAI Usage



What do you perceive as the potential benefits of using GenAI in healthcare?

What concerns, if any, do you have about the use of GenAI in healthcare?

Government agencies have significant room to enhance their use of technology, especially GenAI, to meet people's expectations

Only 24%

agree government agencies adequately use technology, compared to 35% who disagree

50%

are more concerned about a cyber breach at a government agency than at a private sector company, compared to 21% who disagree

Importance of government using GenAI in...



How important is it for the government to use GenAI for each of the below government services and programs if it improves your experience?
Total percentage of respondents saying important or very important.

Additional findings

- **Nearly half of Bostonians are comfortable with GenAI advice related to credit card choices (49%) and 40% are comfortable with GenAI for budgeting advice.** When looking across generations, 45% of Gen Z and 58% of millennials are comfortable with GenAI budgeting advice from their bank, compared to just 32% of Gen X and 29% of boomers.
- **Of Bostonians who view GLP-1s as potentially important to them personally, 31% believe taking GLP-1 drugs would improve their quality of life** by helping with overall health, significant weight loss or a specific health issue. Only 19% believe they are too risky, while 18% believe the benefits are difficult to predict.
- **Almost 4 in 10 (39%) of Bostonians** expect their bank to have a Gen AI capability that allows them to make banking decisions about CD rates, auto loan information, and mortgage rates.

Methodology

About the KPMG American Perspectives Survey

KPMG conducted an online survey of a representative sample of 1,100 U.S. adults, age 18+, similar to the 2020 U.S. Census Bureau demographics. In addition, the same survey was conducted of a representative sample of 400 U.S. adults, age 18+, in each of the Atlanta, Boston, Chicago, and New York City metro areas and the San Francisco Bay Area based on the 2022 American Community Survey demographics from the U.S. Census Bureau. The survey was conducted nationally and in the regional markets from April 9, 2024 to April 22, 2024.



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