



# KPMG American Perspectives Survey

Optimism, Trust, and Uncertainty in the Era of Compound Volatility

Our inaugural assessment

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Summer 2024



# The American People and Trust in the Era of Compound Volatility

## How Americans Are Grappling With Evolving Economic Opportunities And Risks

- **We are in the age of compound volatility:** the combination of near-term risks, such as geopolitical and technology-driven disruption, and longer-term structural changes to the U.S. economy, including the energy transition, tight labor markets, new regulation, and sticky inflation.
- **CEOs are navigating this challenge on anticipating and outpacing these risks** by pairing long-term investments with a focus on generative AI (GenAI) and the agility it can create for an organization to take advantage of new opportunities and overcome challenges.
- **The American people are also grappling with these dynamics**, which shapes how companies and governments should engage customers and citizens to enhance trust and optimism.
- **Americans are more optimistic about their personal financial situations than the growth prospects of the U.S. economy** over the next year.
- **Americans also exhibit various degrees of enthusiasm, comfort and skepticism about the forces shaping their experience**, including AI, the energy transition, digitalization, GLP-1s, and more.

The inaugural KPMG American Perspectives Survey assessed the views of 1,100 adults nationwide to understand their outlook on their personal financial situation and the U.S. economy, as well as spending plans and preferences, and attitudes toward the forces shaping their experience in banking, energy, government, automobiles, healthcare and technology. Additionally, 400 U.S. adults were surveyed in Atlanta, Boston, Chicago, New York and San Francisco for local insights.

# Key findings

- 54%** are optimistic about their personal financial situation
- 44%** are optimistic about their outlook on disposable income, compared to 32% who are not
- 40%** say GenAI is having at least somewhat of an impact on their personal life
- 40%** expect their bank to have GenAI capability to help them with their needs
- 51%** believe GenAI will improve customer experience in healthcare
- 69%** want more renewable energy in the grid, ahead of all other sources

- 37%** are optimistic about the U.S. economy
- 65%** are planning more discount shopping, and 14% plan to use buy-now, pay-later services
- 31%** are comfortable with GenAI advice related to mortgages
- 63%** are concerned about the lack of human interaction and empathy with GenAI in healthcare
- 21%** prefer an electric vehicle assuming all costs and features are the same

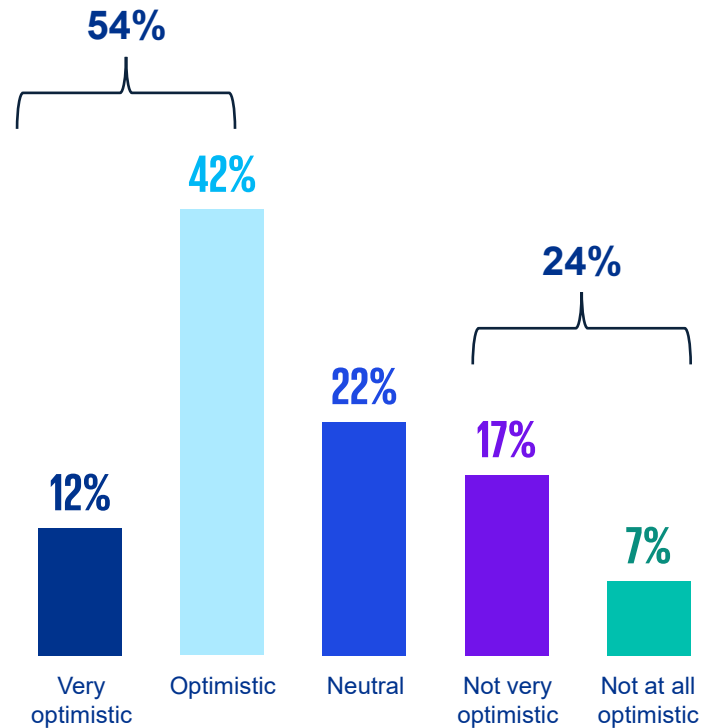
*Note: Throughout the report, findings are rounded to the nearest whole number and may affect summations.*

# Table of contents. Click to jump.

<b>National Findings</b>						
<b>Atlanta</b>	<b>Boston</b>	<b>Chicago</b>	<b>New York</b>	<b>San Francisco</b>		
<b>Banking</b>	<b>Healthcare and Life Sciences</b>	<b>Retail</b>	<b>Energy</b>	<b>Auto</b>	<b>Gov't</b>	<b>Insurance</b>

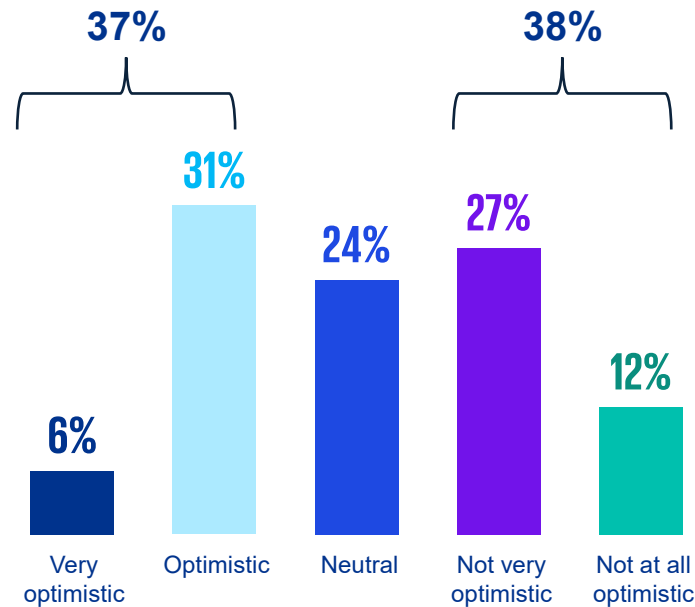
# In the age of compound volatility, more than half of Americans are optimistic about personal finances; less so about U.S. economy

## Optimism about personal financial situation over next year



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

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



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



**Matt Kramer**

KPMG U.S. Line of Business Leader, Products

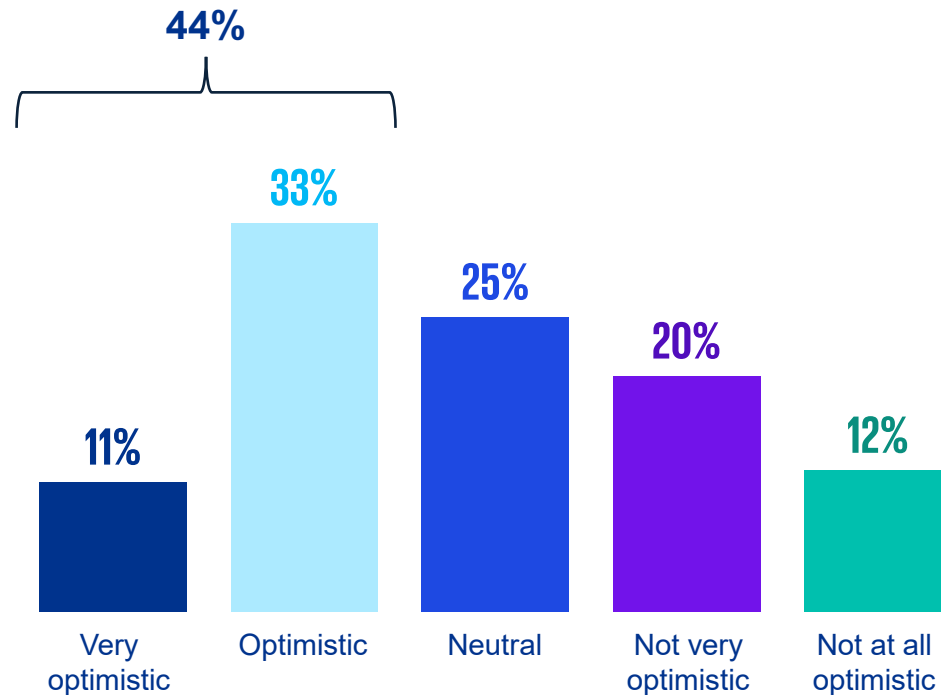
“

Similar to business leaders' attitudes, people's overall optimism is connected to their confidence in navigating the forces shaping our economy, including GenAI, the energy transition, digitalization, and more. Americans are grappling with compound volatility, requiring businesses and governments to think critically about how they enhance trust, drive innovation and promote growth.

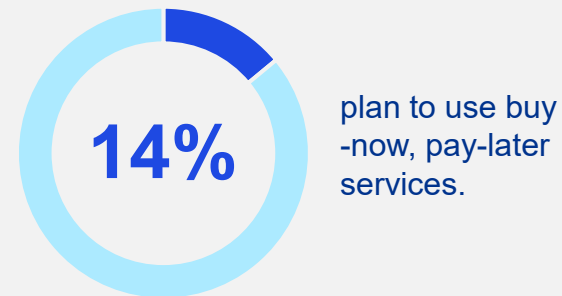
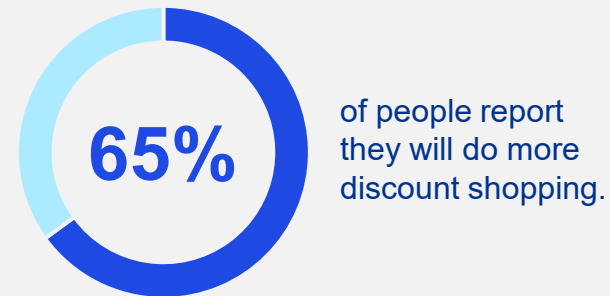
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# Despite optimism about disposable income over the next year, 65% of people report they will do more discount shopping

## Optimism about disposable income over next year



Amount of disposable income you will have (i.e. pay for a vacation, dining out, entertainment, hobbies, etc.) - Please indicate your level of optimism over the next year.



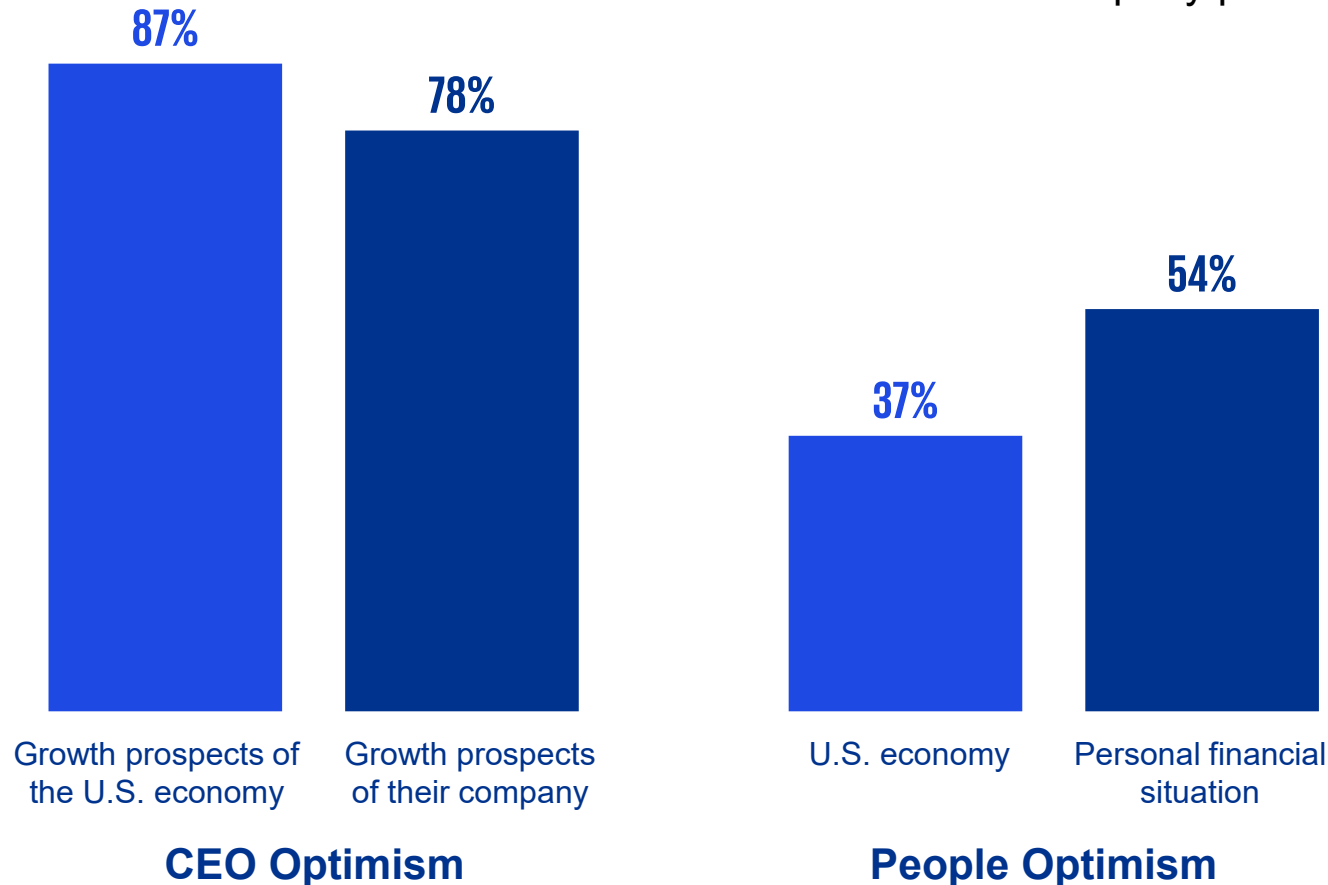
## 75%

Of people do not believe that interest rate cuts by the Federal Reserve would improve their personal financial situation.

# Compound volatility is shaping CEOs' and people's expectations differently

## Comparing Confidence Dynamics

- Confidence in economy
- Confidence in company/personal

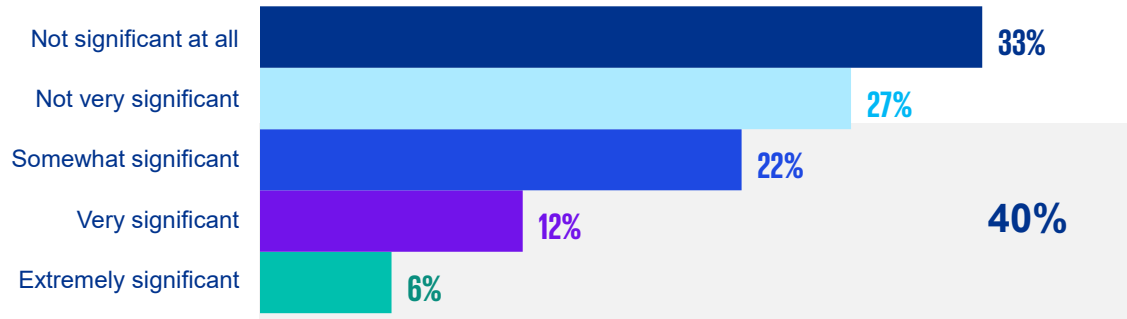


## Discussion

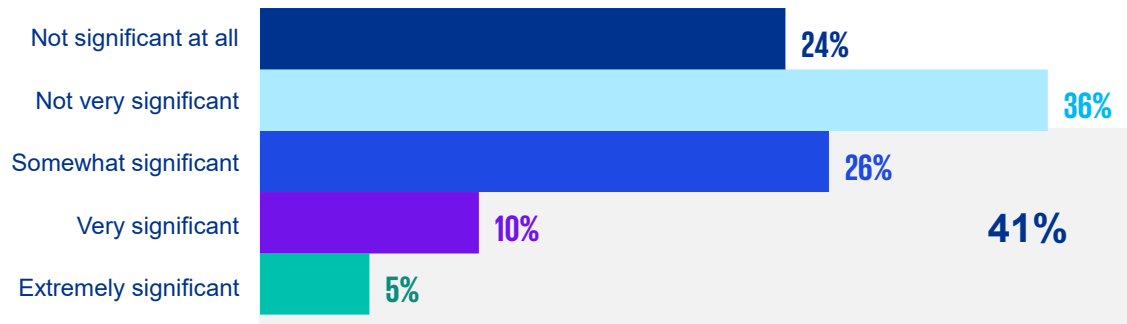
- Our CEO Outlook found that CEOs are more optimistic about the U.S. economy than their own companies. People have somewhat of an opposite view with more optimism about their personal financial situation than the economy.
- One hypothesis is that CEOs have now seen a resilient U.S. economy grow through disruptions, giving them confidence in the economy.
- As the rest of this survey will show, people are still somewhat uncomfortable with the forces shaping our economy.

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

## GenAI impact on professional life



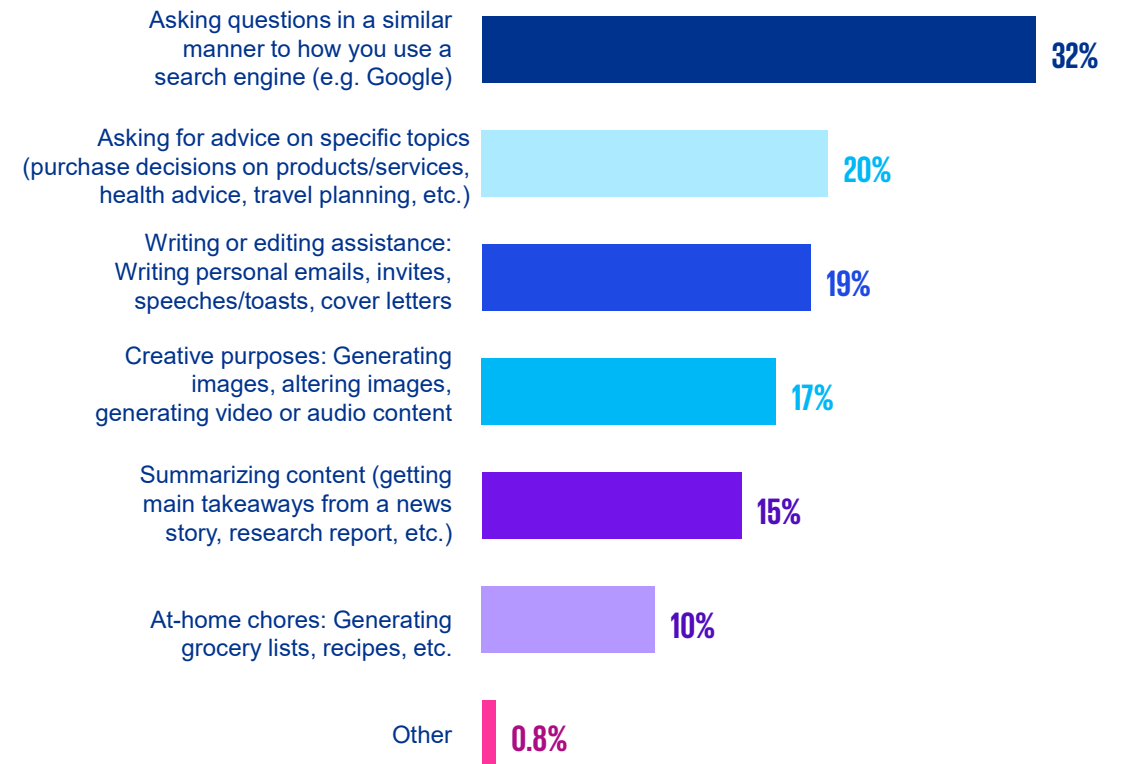
## GenAI impact on personal life



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?

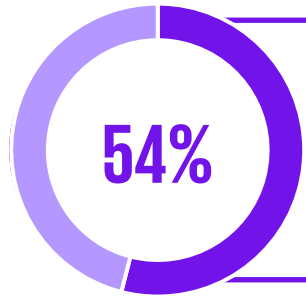
## Most common personal uses of GenAI



Have you used GenAI for the following personal reasons?

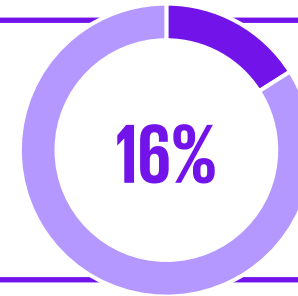


# Across the board, people are concerned about cybersecurity risks



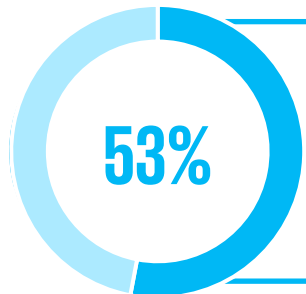
54%

agree they are more concerned about a cybersecurity breach at a government agency compromising their data than a private company, compared to



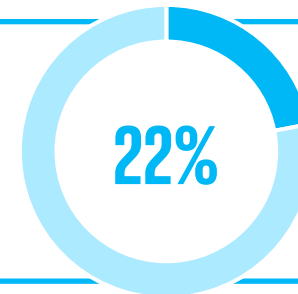
16%

who disagree.



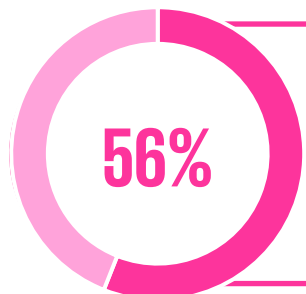
53%

are concerned about a cybersecurity breach at their bank compromising personal information, compared to just



22%

who are not.

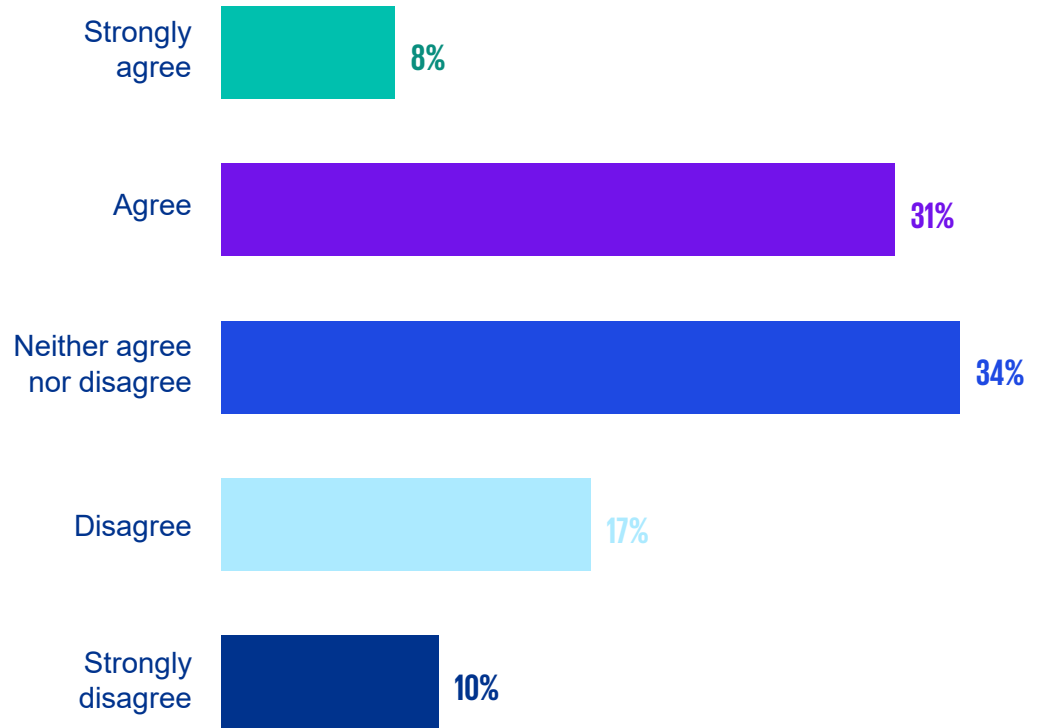


56%

of people are concerned about GenAI usage related to the privacy and security of their personal health data.

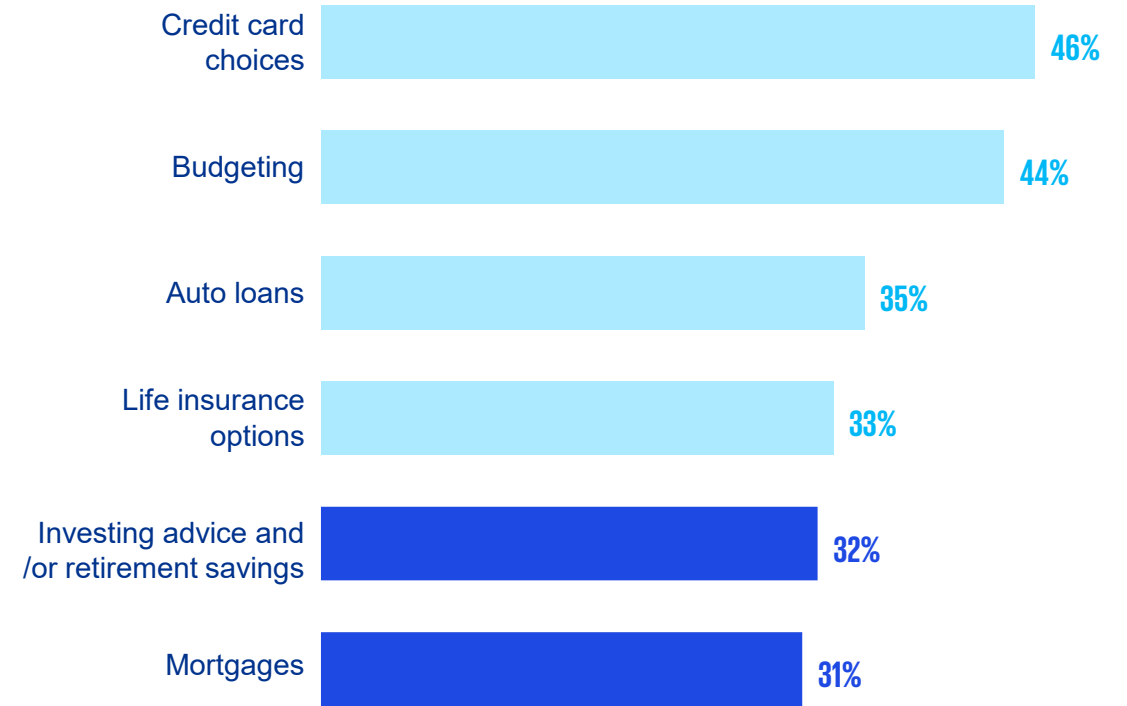
# People are demanding GenAI in financial services, but a human-in-the-loop approach is critical for mortgages and investment advice

## 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

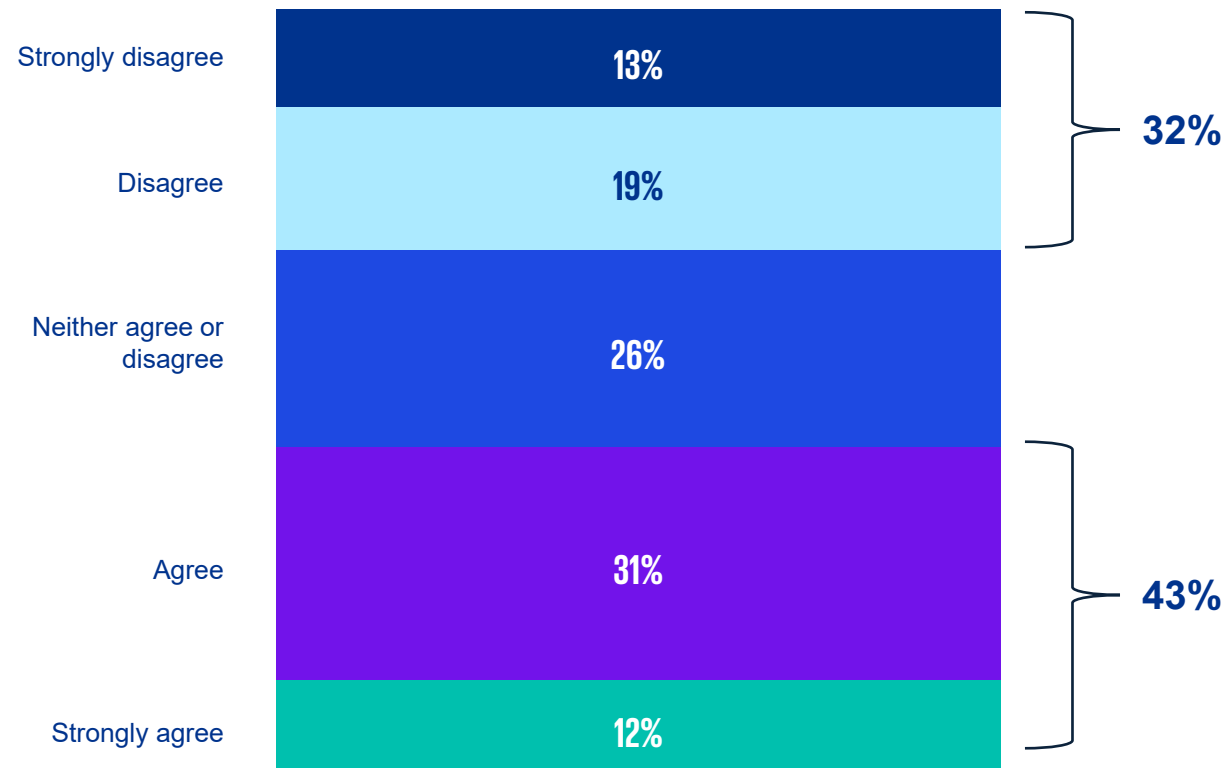


On a scale of 1 (not at all comfortable) to 5 (very comfortable), how comfortable would you be with GenAI-generated advice offered by your bank in each of the following areas.

Chart includes those that selected 4 and 5.

# While younger generations are open to digital banking, even assuming comparable services, brick-and-mortar retains value for consumers

Assuming comparable services, would you consider switching to a bank with no physical branches?



To what extent do you agree/disagree with the following statement: I would consider switching to a bank or financial institution that doesn't have physical branches if it offered comparable services and convenience through digital/online channels.



**Peter Torrente**

KPMG U.S. Banking and Capital Markets  
Sector Leader

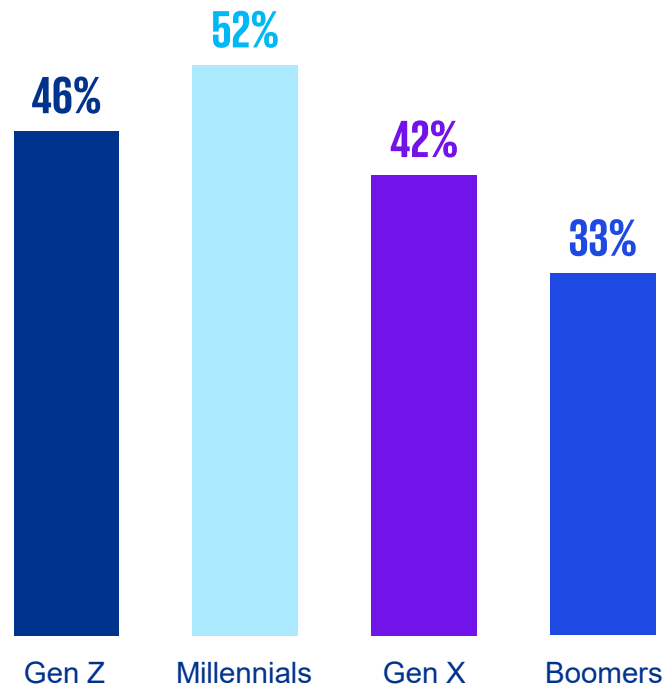
“

Banks are investing in order to meet elevated customer expectations, particularly Gen Z and millennials, who desire a tech sector-like experience in this era of digital disruption. Those who can effectively balance the delivery of quality services while addressing trust concerns will be best positioned for future growth.

”

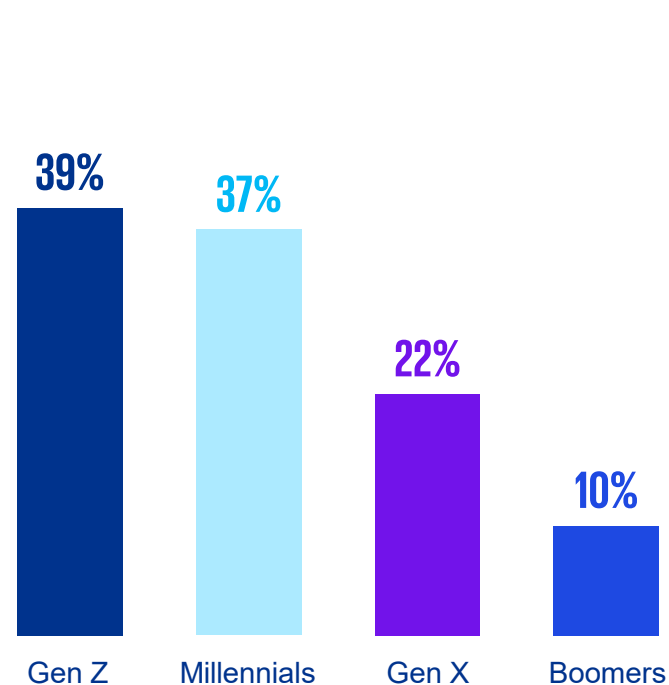
# Gen Z and millennials are more open to digital banking, alternative lending, and chat bot engagement

Openness to switching to digital bank with comparable services



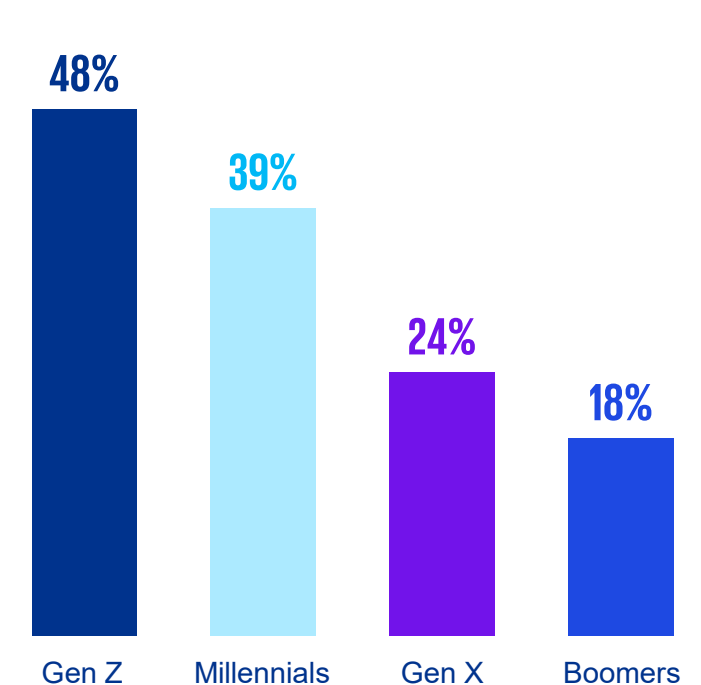
I would consider switching to a bank or fin. inst. that doesn't have physical branches if it offered comparable services and convenience through digital/online channels. Percent who say agree and strongly agree.

Openness to alternative lending given high interest rates



Given the high interest rate environment, I am considering or have used alt. lending platforms (peer-to-peer lending, microfinance inst...) to borrow money. Percent who say agree and strongly agree.

Satisfaction with chatbot engagement



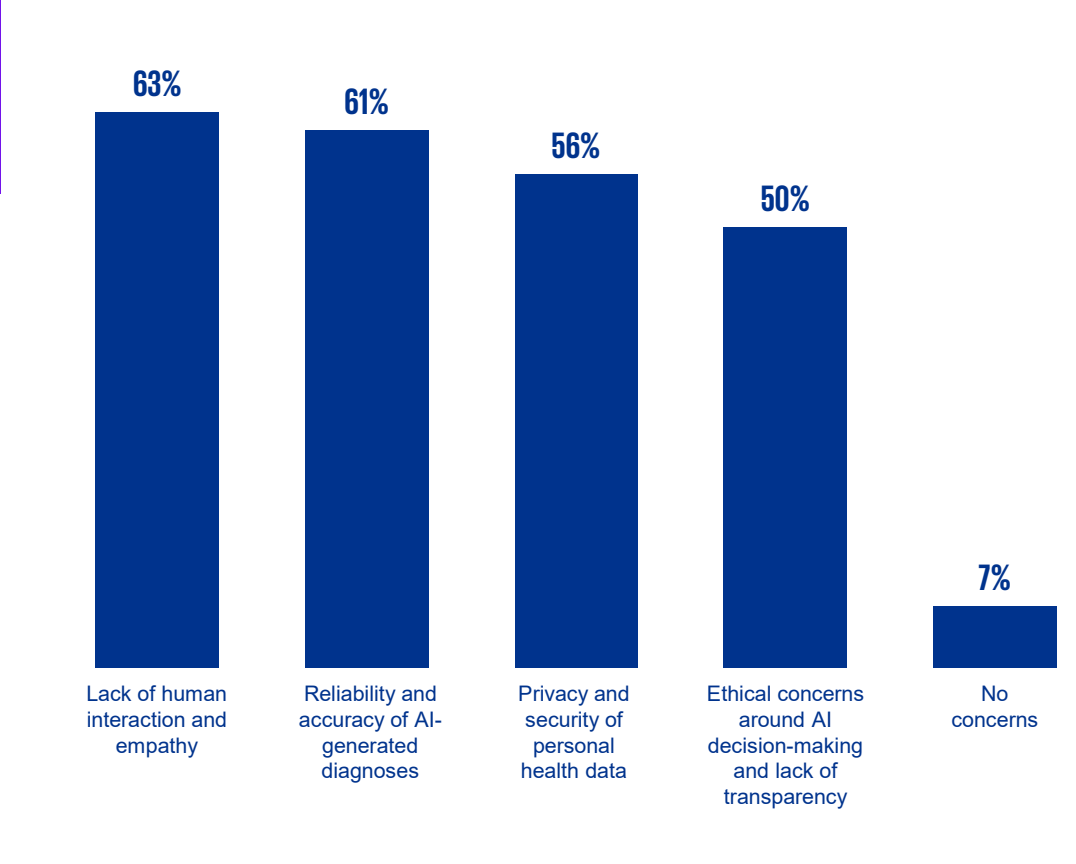
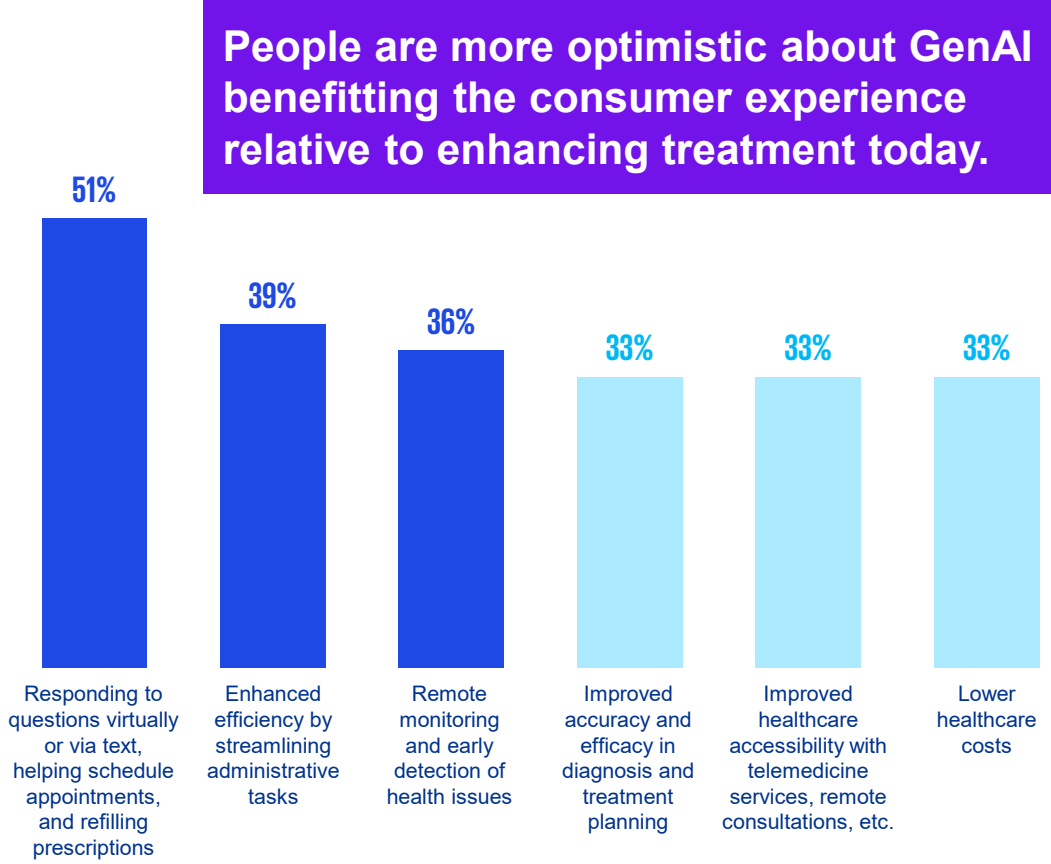
I find chatbots currently available via my online banking platform helpful in addressing my banking needs and questions. Percent who say agree and strongly agree.

# In healthcare, people believe GenAI will improve consumer experience, but are wary of less human interaction

## Perceived benefits of GenAI

## Concerns about GenAI Usage

People are more optimistic about GenAI benefitting the consumer experience relative to enhancing treatment today.



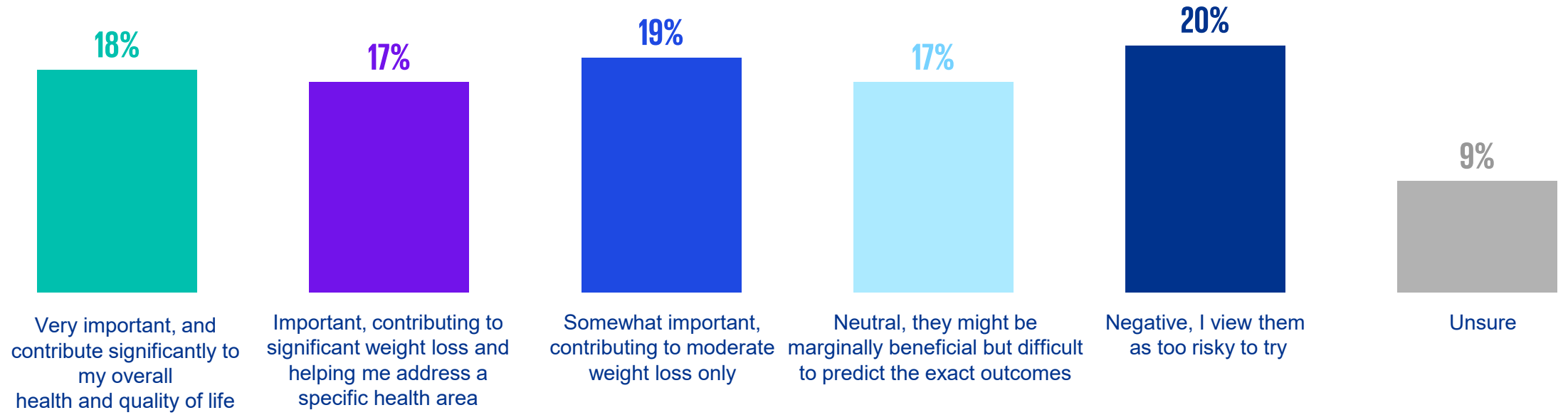
What do you perceive as the potential benefits of using GenAI in healthcare?

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

# For those who see GLP-1s as important to them personally, 35% believe they are either important or very important to their health

## Consumer attitudes toward GLP-1s \*

Among people in which GLP-1s is important to them personally



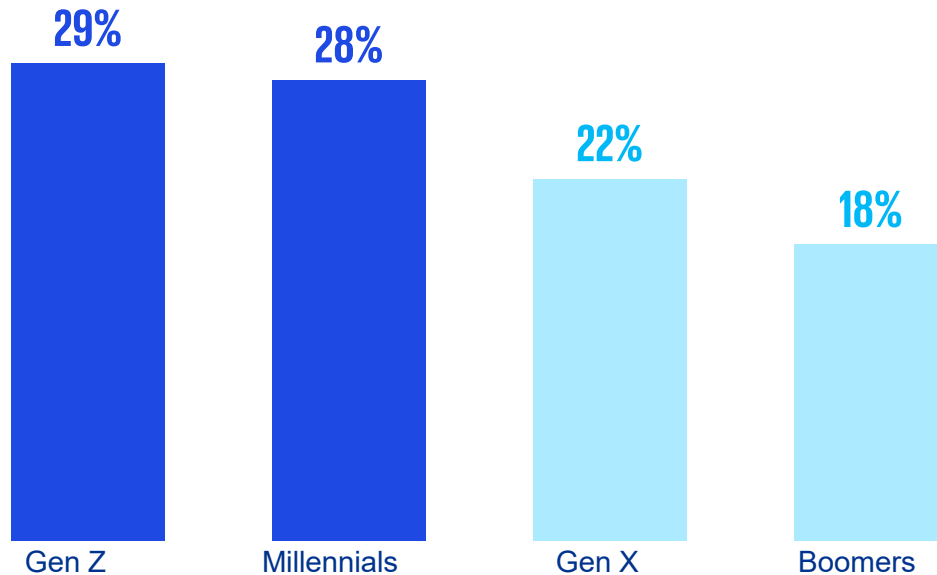
**34%** of people don't believe GLP-1s are important to them personally

How important do you expect taking GLP-1 weight loss drugs (Ozempic, Wegovy, etc.), under the direction of a physician, would be to improving the quality of your life?

\*Percentage breakdowns refer to the percentage of people who did not select "GLP-1s are not important to me personally"

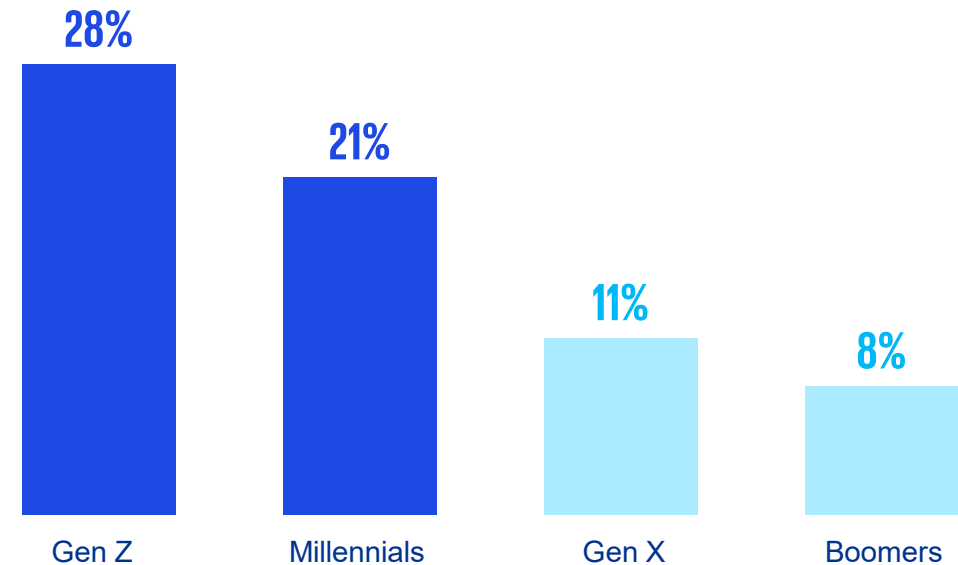
# Gen Z and millennials are more interested in GLP-1s and are willing to pay higher insurance premiums to cover them than other generations

## Importance of taking GLP-1s by generation



How important do you expect taking GLP-1 weight loss drugs (Ozempic, Wegovy, etc.), under the direction of a physician, would be to improving the quality of your life?

## Willingness to pay higher premiums for GLP-1s by generation



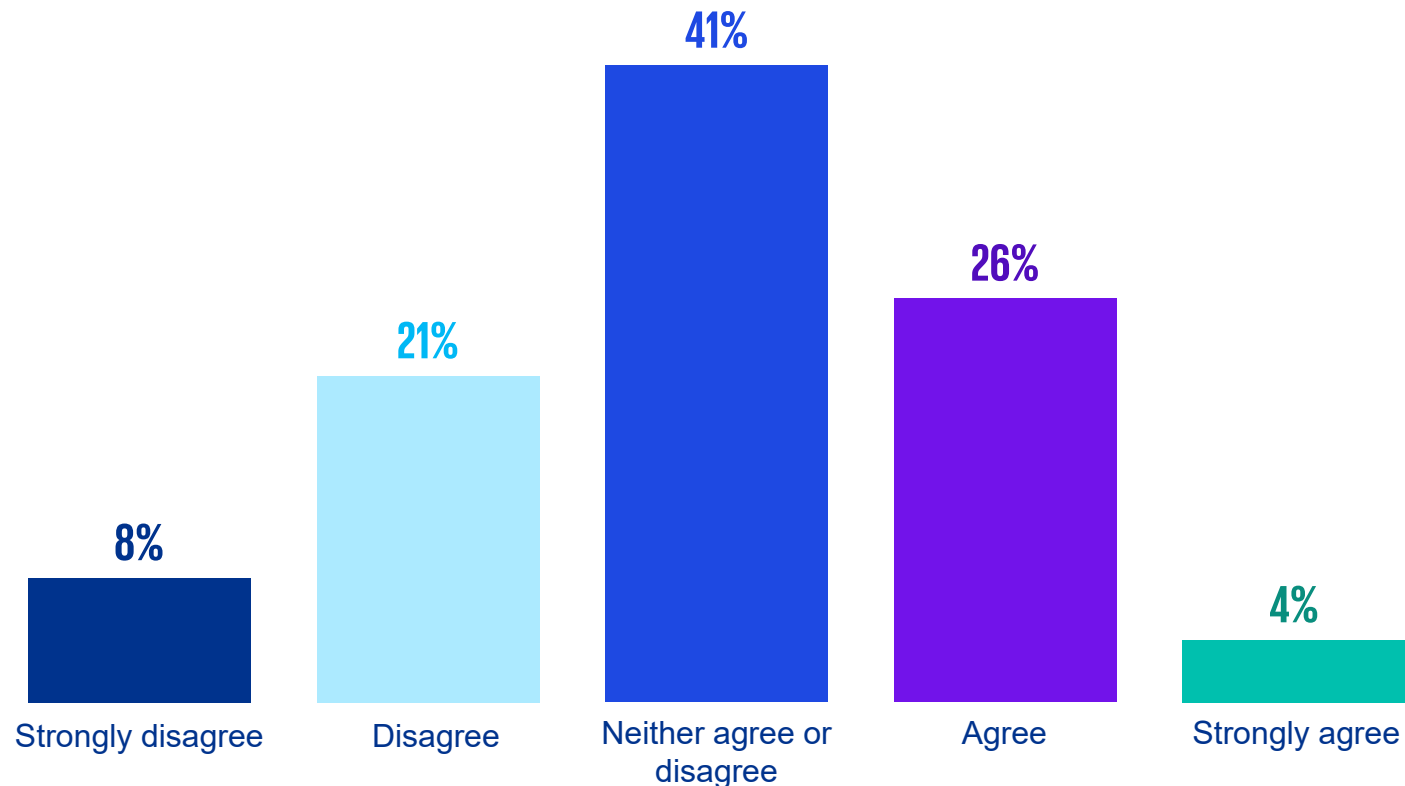
Would you be willing to pay higher health insurance premiums if GLP-1 weight loss drugs (i.e., Ozempic, Wegovy, etc.) were covered?

Very few people across all generations are willing to pay more than

**\$100** out of pocket per month for GLP-1s.

# While people are split on whether governments adequately use technology, Gen X and boomers are far more negative

Do government agencies adequately leverage technology to improve services and interactions with people?



Government agencies are adequately leveraging technology to improve their services and interactions with consumers.

Gen Z and millennials believe the government uses technology adequately by a margin on 2:1 ratio. Gen X and boomers disagree more than they agree by 11 percentage points.

Heading into an election year, nearly

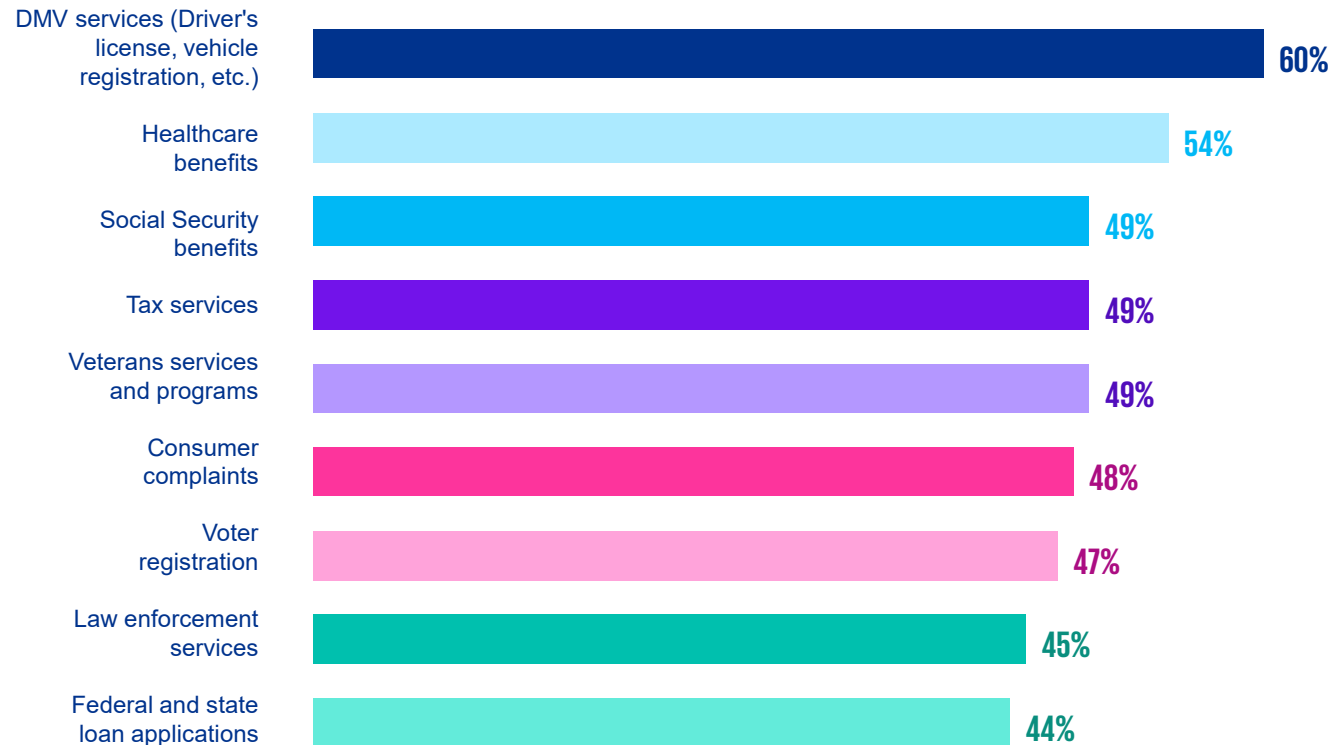
**8 in 10**

of all respondents fear GenAI will be used to manipulate public opinion or sway important decisions



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

## 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.



**Lorna Stark**

KPMG U.S. Line of Business  
Leader, Government and  
Healthcare

“

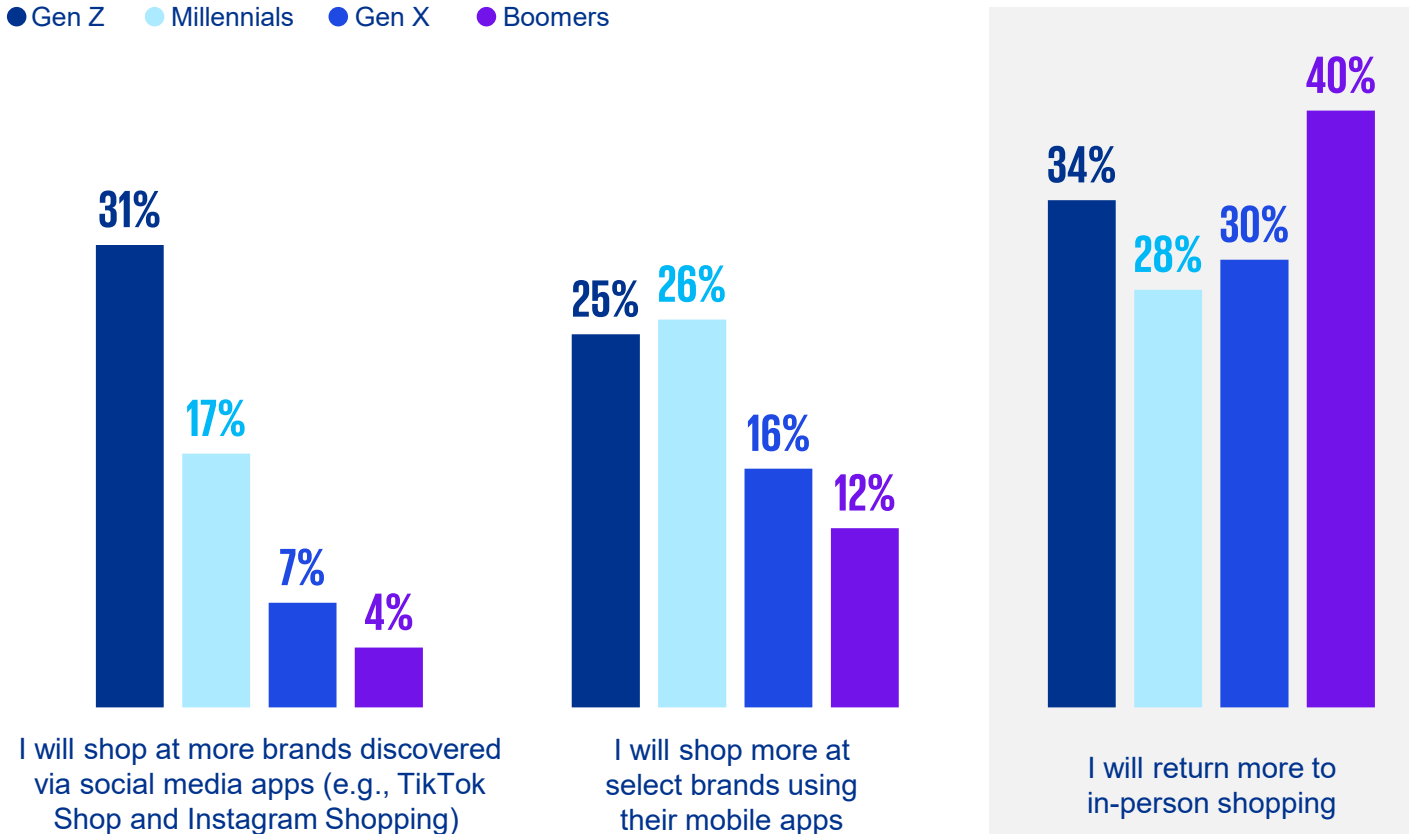
Embracing technology is no longer an option, but a vital imperative for government agencies. In an era of constant change and increasing constituent expectations, leveraging technology is the key to delivering efficient and effective public services. By embracing emerging technologies such as GenAI, agencies can enhance transparency, streamline operations and improve constituent engagement.

”

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

## Shopping Trends Among Consumers By Generation

● Gen Z ● Millennials ● Gen X ● Boomers



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

### 65%

of all generations expect to hunt more for discounts

### 33%

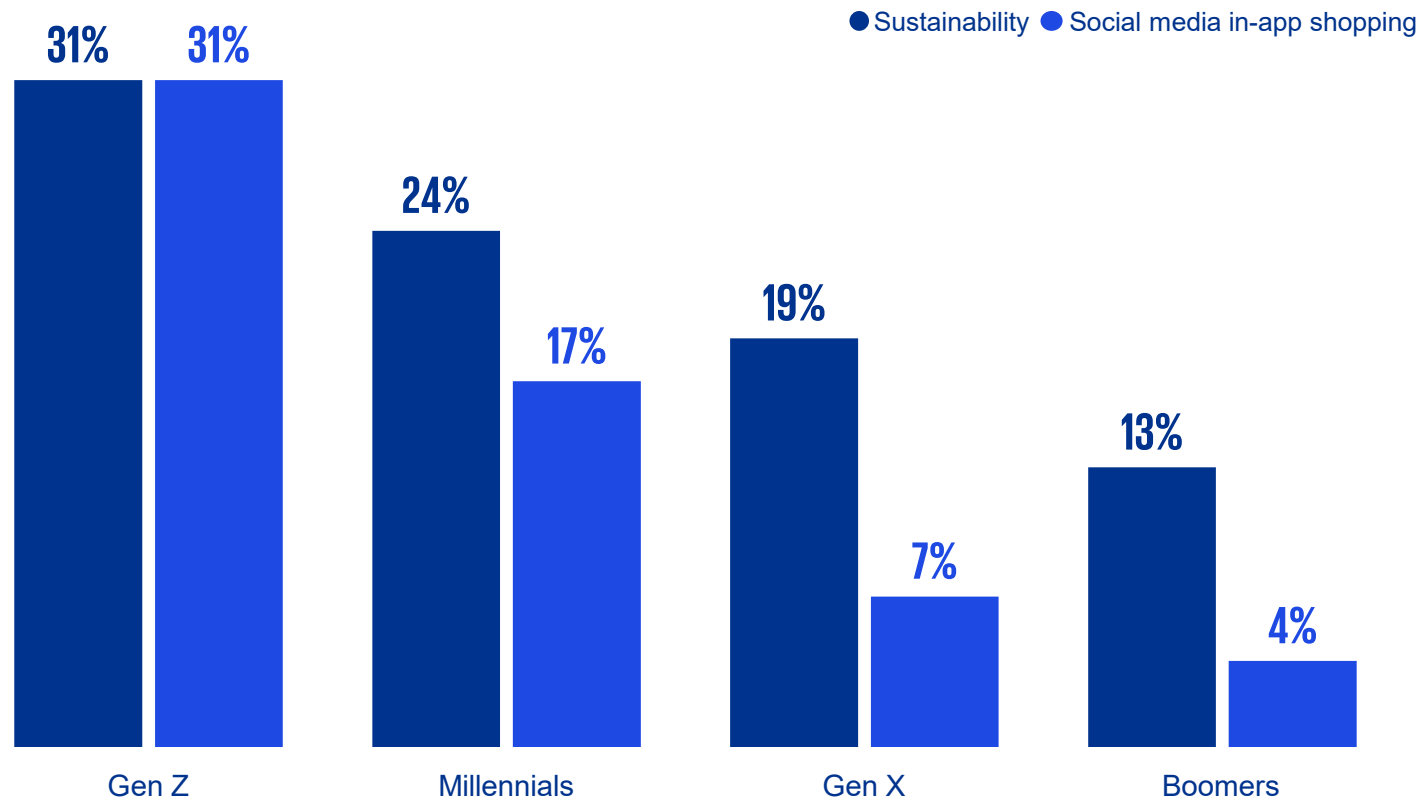
of people plan to do more in-person shopping

### 25%

of people buy products or services within social media apps at least monthly with 20% of Gen Z reporting they use social media for shopping on a weekly basis

# Gen Z is the most unique shopper in 2024, prioritizing sustainability and shopping on social media more than other generations

People who will shop with sustainability in mind and/or via social media



**Duleep Rodrigo**

KPMG U.S. Consumer and Retail Sector Leader

“

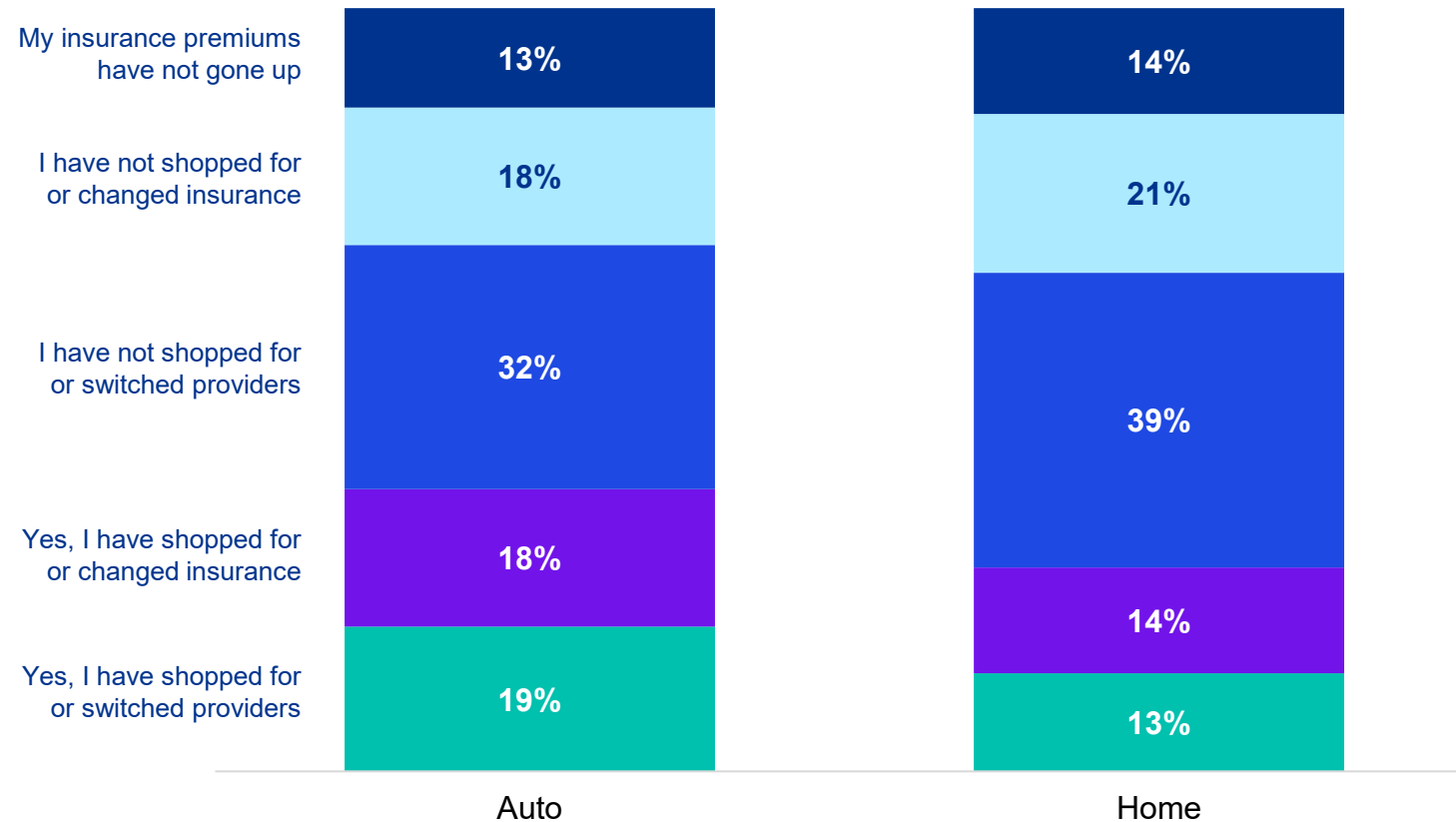
While not in the prime spending phase of life, today's Gen Z is still reshaping the future of retail with their choices and tech-savvy approach. Retail and consumer packaged goods companies must consider now how they can develop strong sustainable relationships with Gen Z today and have their pulse as these consumers move through generations.

”

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

# U.S. consumers are more likely to switch auto insurance providers than home insurance

## How rising premiums changed shopping behavior in past two years



People making

**\$50,000 -**

**\$200,000**

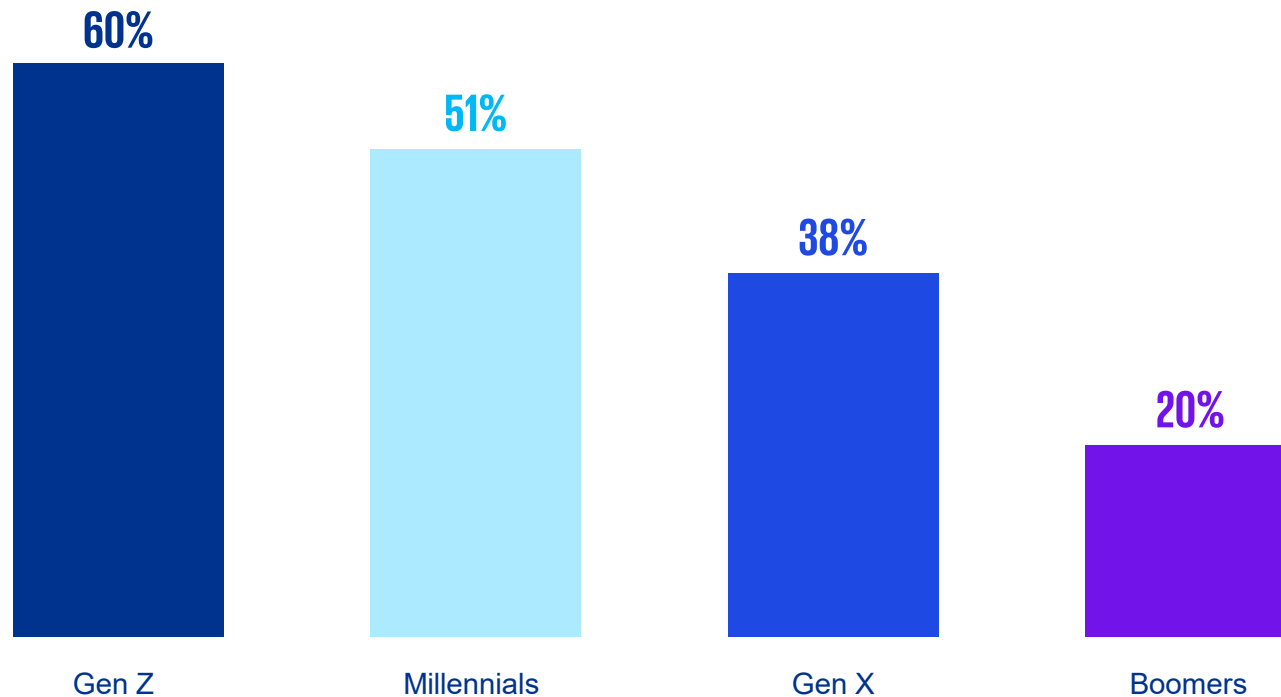
annually are more likely to switch auto insurance.

However, with home insurance, people earning beyond \$200,000 are also more likely to switch their home insurance.

Has an increase in insurance premiums for your auto led you to shop for different insurance providers or change your insurance coverage in the last 2 years? Has an increase in insurance premiums for your home led you to shop for different insurance providers or change your insurance coverage in the last 2 years?

# Life insurance purchase interest low among U.S. consumers, but there are differences across generations

Likely\* to purchase a new or additional life insurance policy or annuity product



\*Likely = extremely likely, very likely, and somewhat likely; not likely = not at all likely and not so likely.

How likely are you to purchase a new or additional life insurance policy or annuity product in the current economic environment?

**39%**

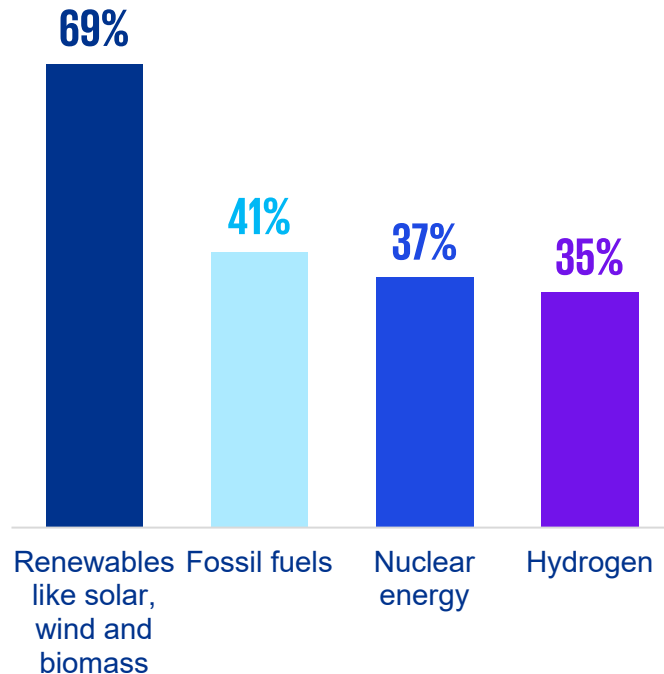
of U.S. consumers **likely to** purchase a new or additional life insurance policy or annuity product

**61%**

of U.S. consumers **not likely to** purchase a new or additional life insurance policy or annuity product

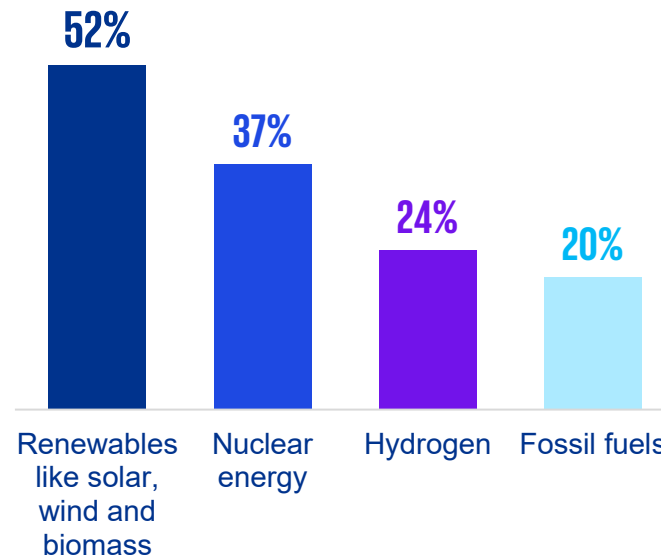
# Today, people are comfortable with renewables and fossil fuels, with most viewing renewables as key to lowering costs long-term

## Energy sources people are most comfortable with



Please indicate your level of comfort with each of the following power sources for your utility's electricity generation, assuming all costs are equal.

## Energy sources people believe will lower costs



What do you believe the impact of adding more (...) does to your energy prices in the long-term?



**Angie Gildea**

KPMG U.S. Energy Sector Leader

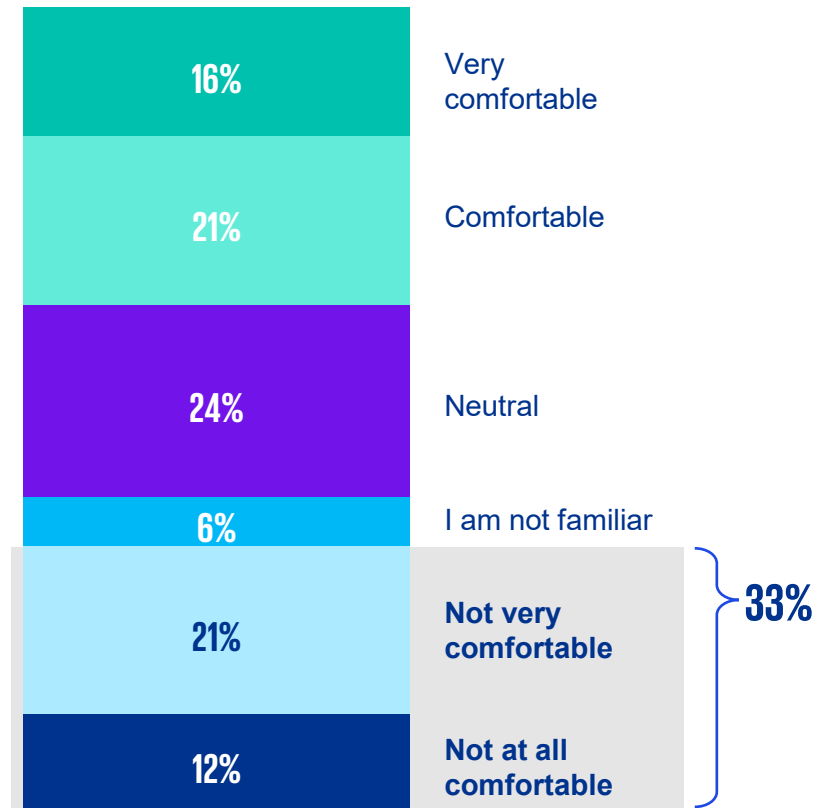
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Consumers are comfortable with what they know – right now, that is renewables and fossil fuels. While this may sound like a paradox to some, it points to the messy reality that is the energy transition. Whether it's educating consumers on the benefits of nuclear energy or getting customers on board with purchasing an EV or hybrid vehicle, the market – and especially the costs to the consumer – will be a significant driver of the energy transition.

”

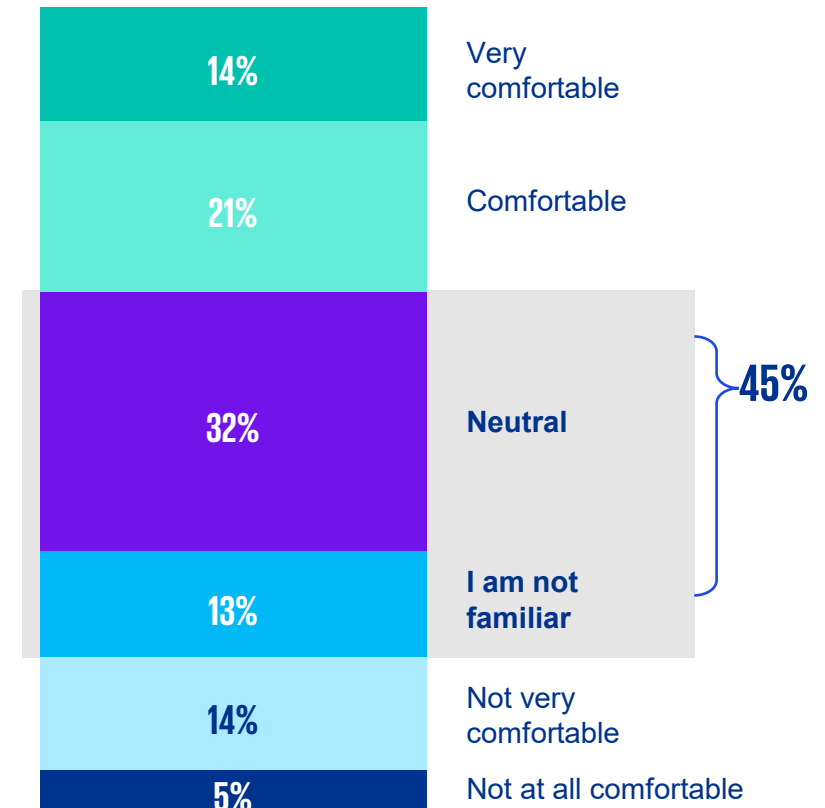
# Why less comfortable? People are less comfortable with nuclear energy; hydrogen appears to have less familiarity or awareness

Level of comfort with nuclear energy



Nuclear energy - Please indicate your level of comfort with each of the following power sources for your utility's electricity generation, assuming all costs are equal.

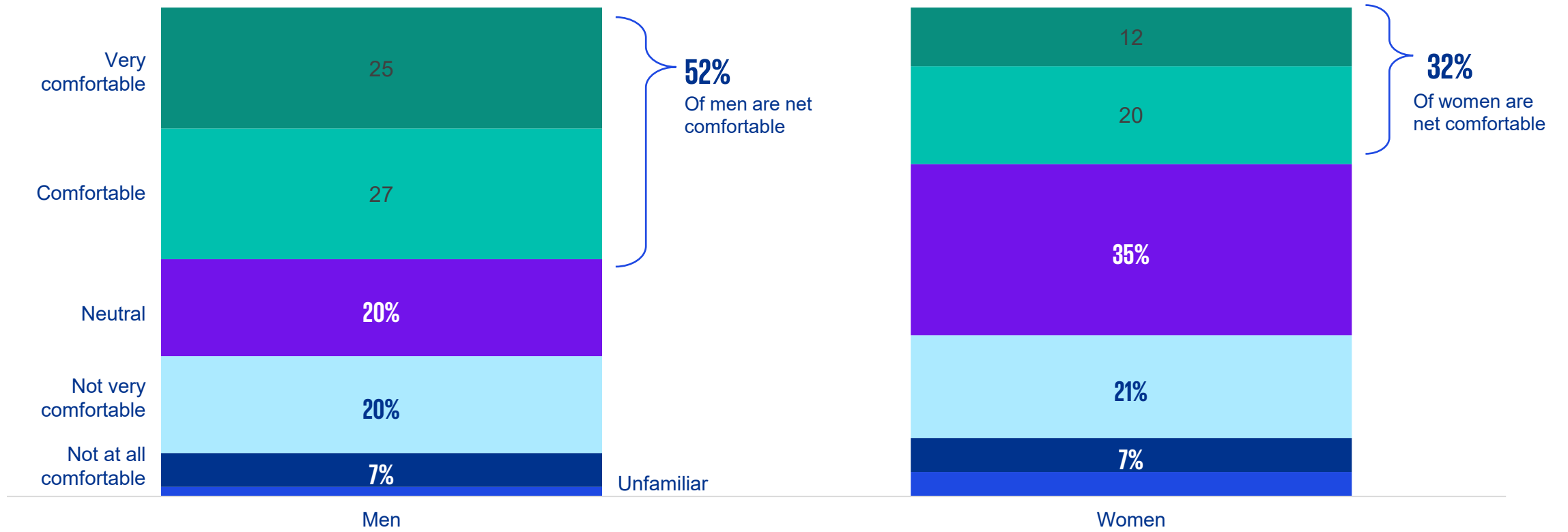
Level of comfort with hydrogen



Hydrogen - Please indicate your level of comfort with each of the following power sources for your utility's electricity generation, assuming all costs are equal.

# All costs equal, men are far more comfortable with fossil fuels than women

Percent of men and women comfortable with fossil fuels as power source

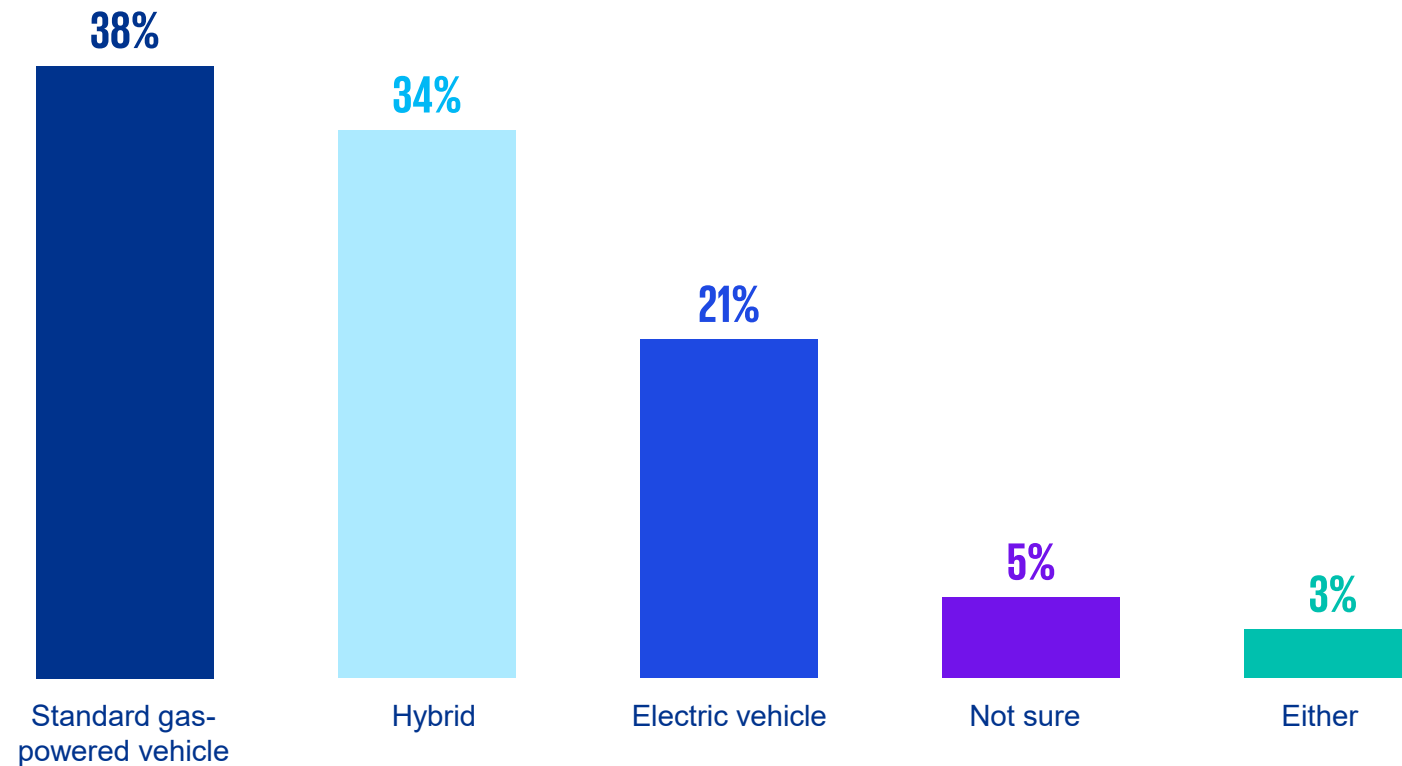


Please indicate your level of comfort with each of the following power sources for your utility's electricity generation, assuming all costs are equal.



# Even with same price and features, people would still prefer to buy a standard gas vehicle over a hybrid or electric vehicle

Assuming costs and features are equal, which type of vehicle do people want to purchase?



If an electric vehicle, standard gas-powered vehicle, and hybrid all cost the same amount and have the same features, which type of vehicle would you prefer to purchase?

Only

**1 in 5**

prefer an EV

**43%**

prefer hybrid vehicles on West coast

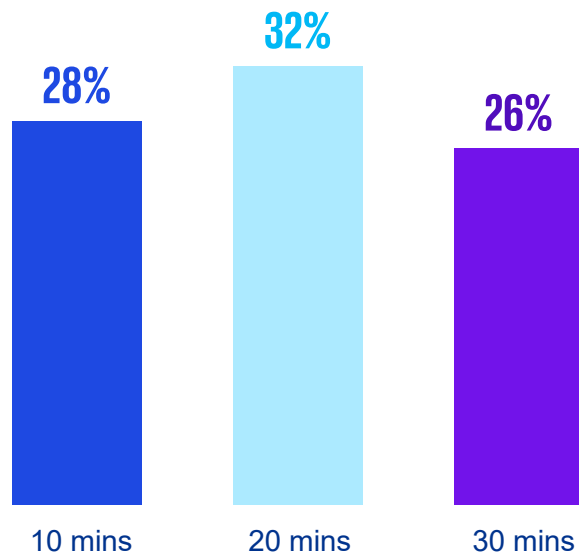
Standard gas-powered vehicles are the top preference in the

**40%** Midwest

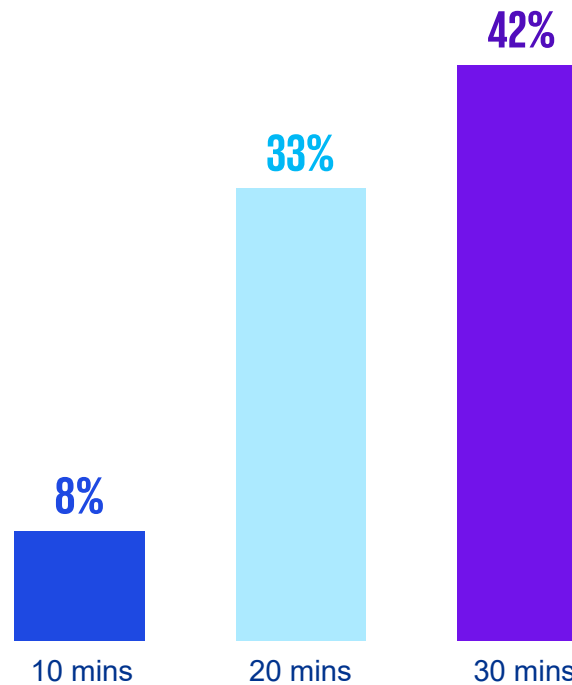
**37%** Northeast

# Expectations for EV charging times during road trips show major gap between U.S. consumers and auto industry executives

## U.S. consumer stated wait time for 80% charge



## U.S. auto industry executives perceived consumer wait time\*



### 60%

of consumers want charging in 20 minutes or less compared to 41%, which is what auto executives believe.

### 80%

Today an 80% charge takes 20 to 60 minutes on a fast charger, and 4 to 10 hours on a Level 2 charger.\*\*

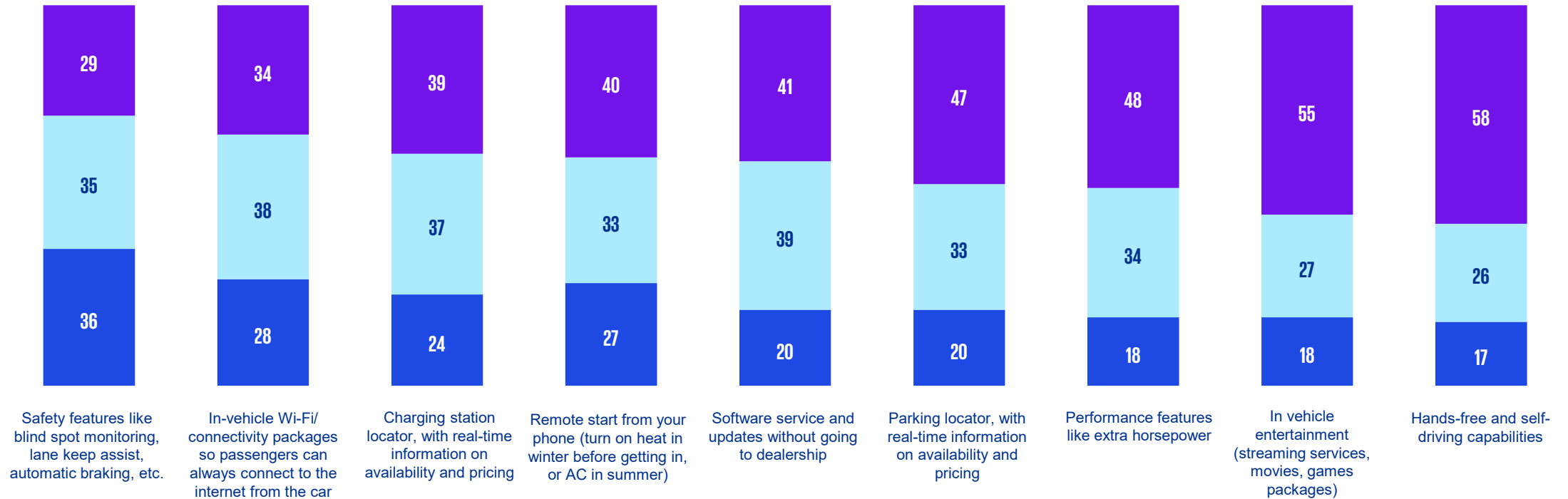
\*Source: KPMG 24<sup>th</sup> Annual Global Automotive Executive Survey conducted in October 2023.

\*\* Source: US Department of Transportation.

# Fewer consumers likely to pay for self-driving features and entertainment, compared to safety, Wi-Fi and charging locator

How likely would you be willing to pay a monthly fee for these features?

● Very likely ● Somewhat likely ● Unlikely



Wi-Fi/internet joins the list of high-interest features for consumers. The high interest in a charging location service presents an opportunity to address a consumer pain point.

Many automakers are contemplating offering additional features and services for their automobiles on a subscription basis. How likely would you be willing to pay a monthly subscription fee for the following specific features, if offered?



# KPMG American Perspectives Survey

## Atlanta

**Our inaugural assessment**

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Summer 2024

# Atlanta: Optimism and Trust in the Era of Compound Volatility

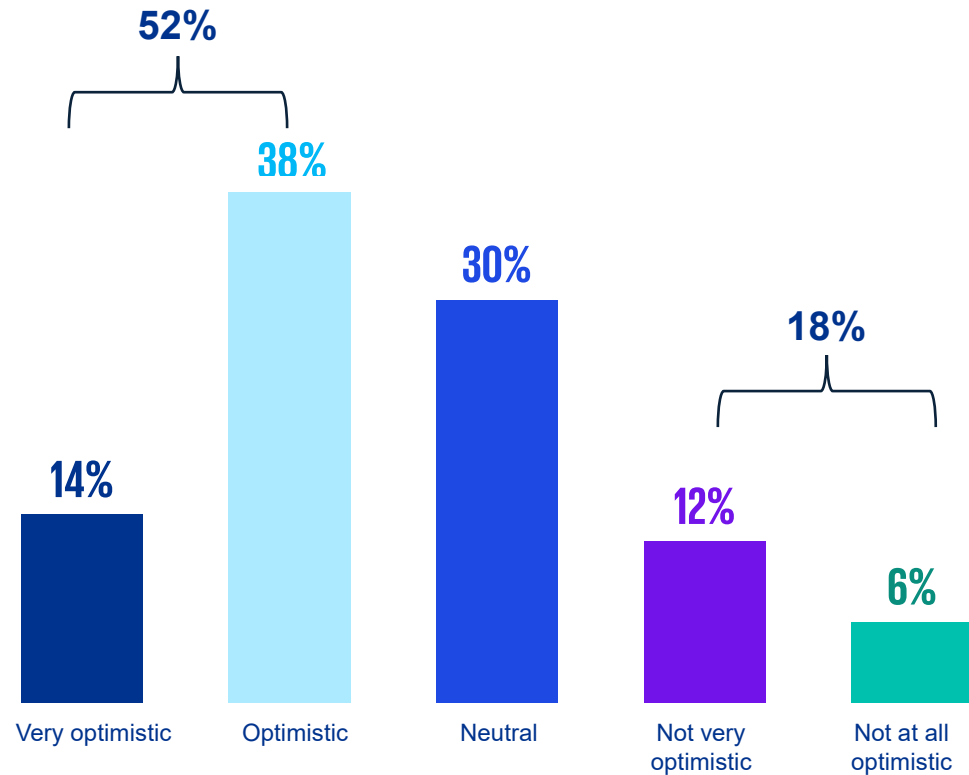
## How Atlantans Are Grappling with Evolving Economic Opportunities and Risks

- **People in Atlanta are optimistic about their personal financial situation** and have developed new shopping habits in response to national economic trends, with 70% saying they plan to do more discount shopping this year, compared to 65% nationally.
- **Atlantans are still in the early days of learning how GenAI fits into their daily lives**, but they are eager to see the technology put to work to improve everyday government services and programs. Most (63%) say it is important for the government to use GenAI to improve their experiences at the DMV, as well as services related to healthcare benefits (57%) and Social Security (54%).
- **The future of banking is top of mind for people in Atlanta** as they evaluate digital options, the implementation of GenAI, and cybersecurity risks. One third report they would not shift to a digital alternative even with comparable services. At the same time, 43% of people demand banking services be enhanced by GenAI.
- **Atlantans want more renewable energy, believing it will reduce prices in the longer term, but are less likely to purchase electric vehicles than the national average.** Fewer would purchase an electric vehicle (16%) or a hybrid (31%) compared to a standard gas-powered vehicle (40%), even if all price points and features were on par.

This survey of over 400 adults in Atlanta 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.

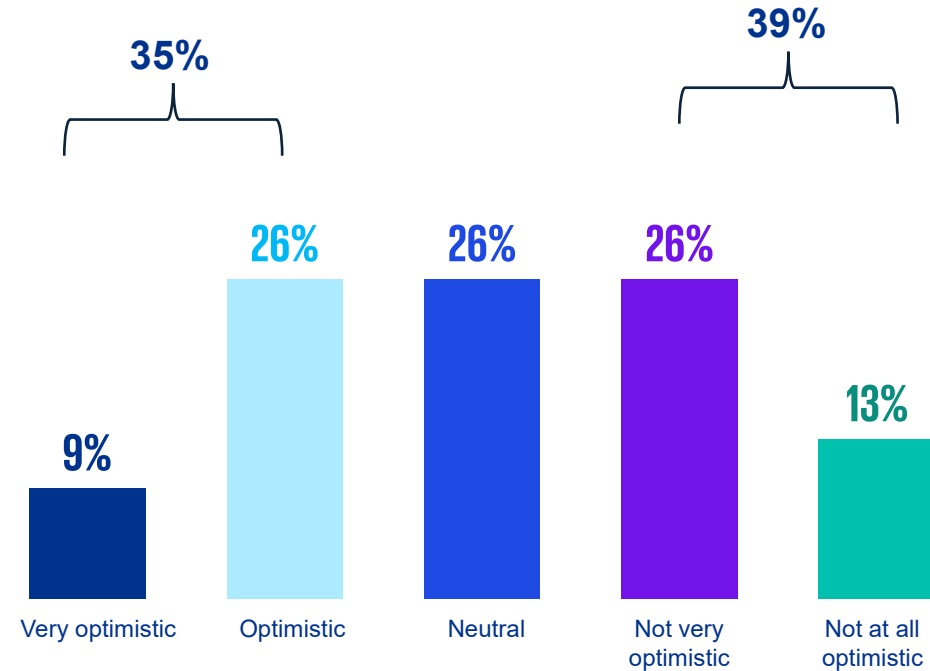
# In the age of compound volatility, Atlantans' optimism in their personal finances does not extend to the economy overall

## 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.

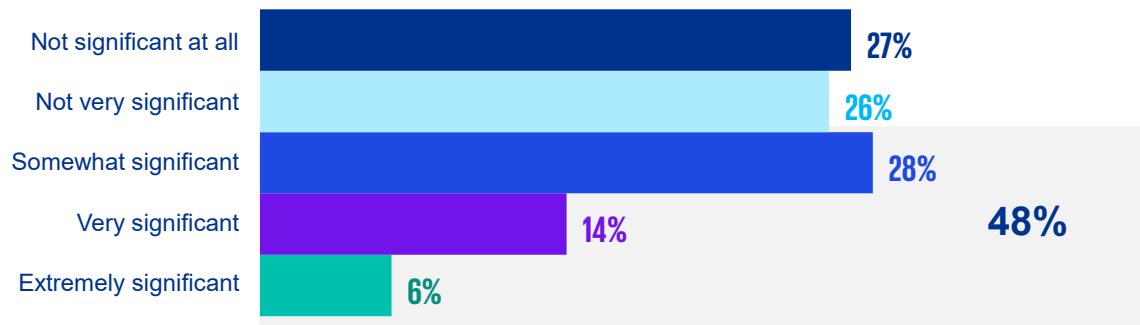
## Optimism about growth prospects for U.S. economy over next year



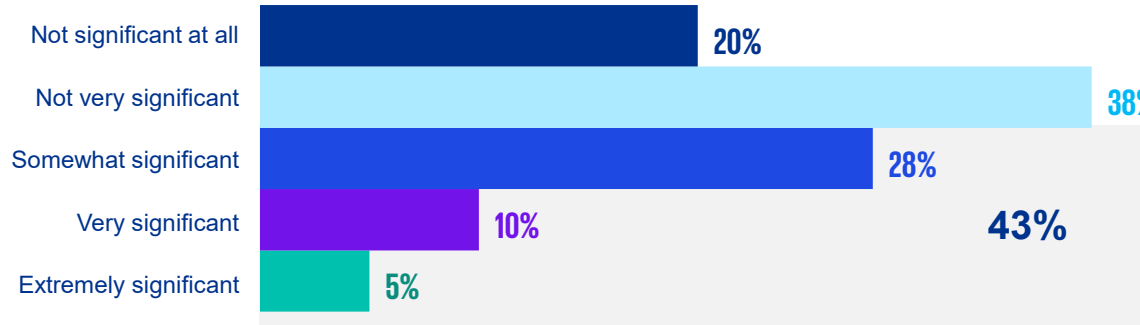
Growth prospects for the U.S. economy - Please indicate your level of optimism for each of the following over the next year.

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

## GenAI impact on professional life



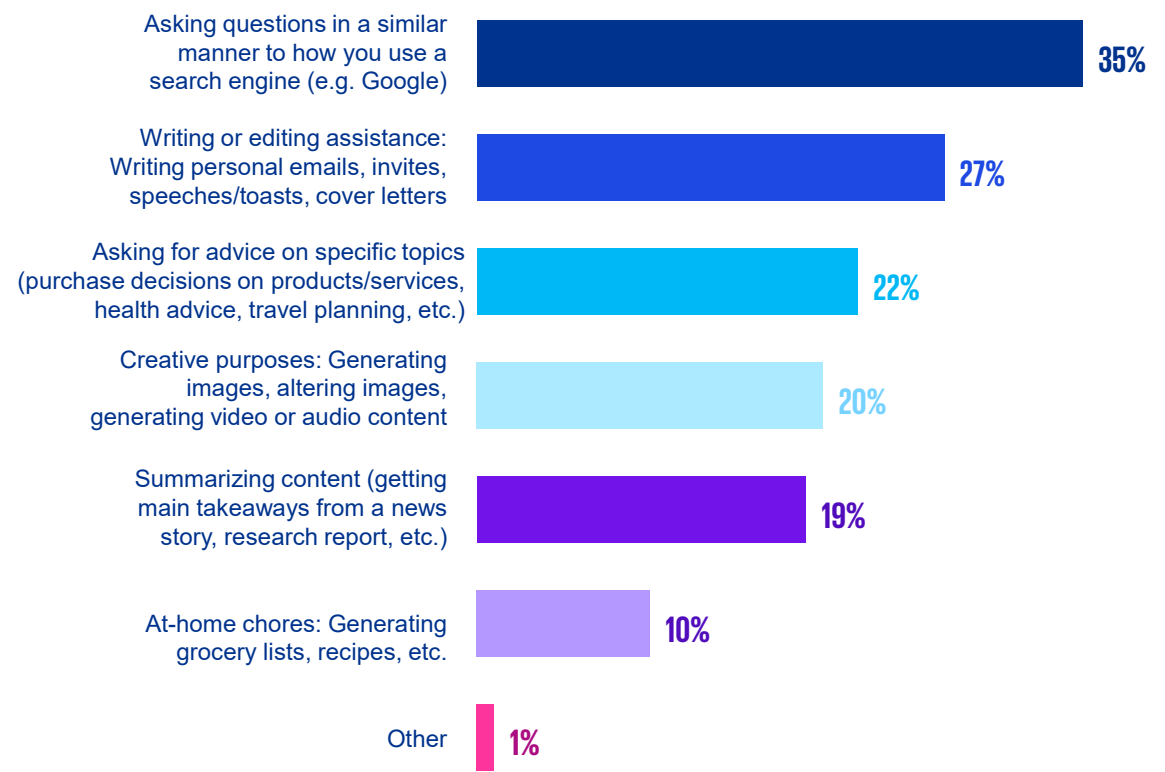
## GenAI impact on personal life



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?

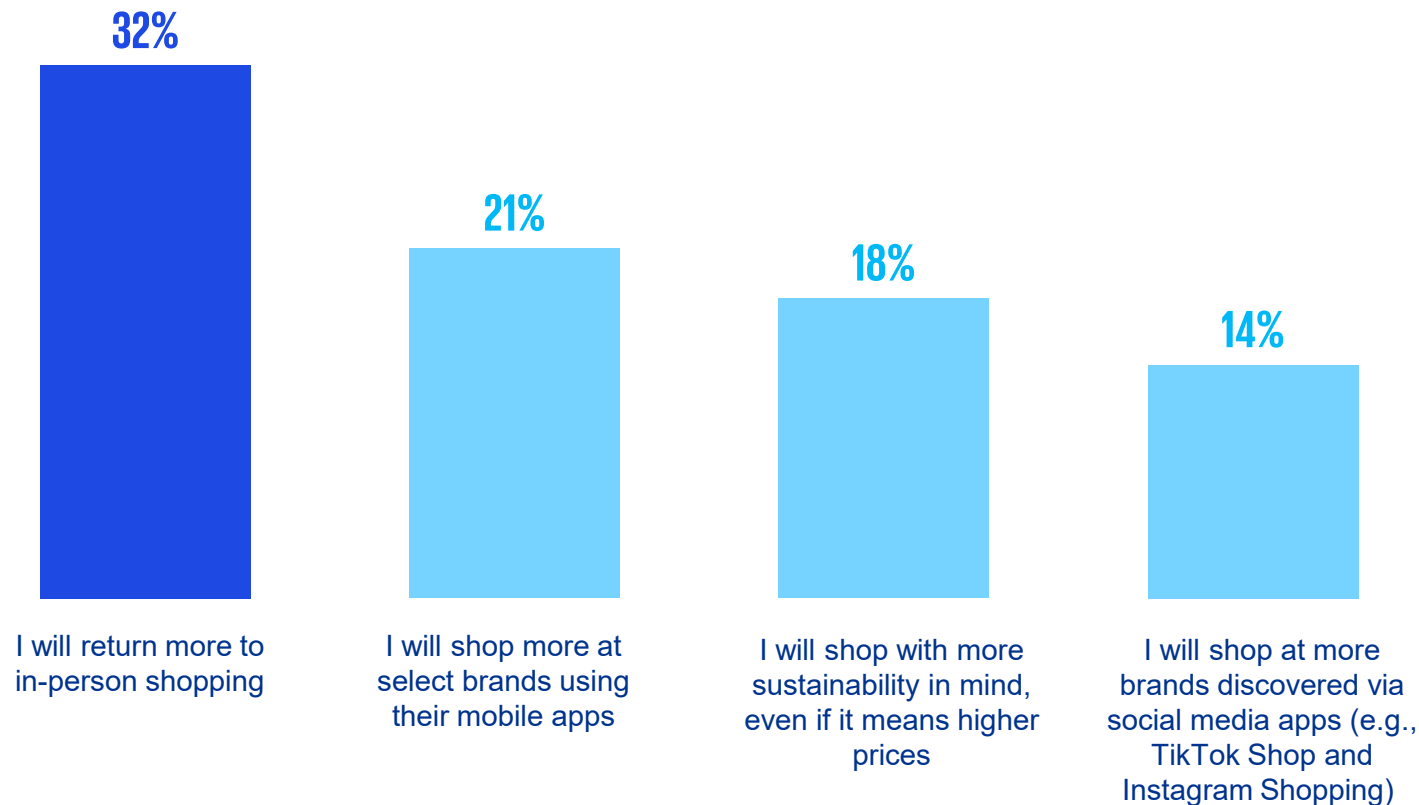
## Most common personal uses of GenAI



Have you used GenAI for the following personal reasons?

# People in Atlanta plan to do more in-person shopping compared to other trends, while also hunting for more discounts

Percent of Atlantans adopting certain shopping trends this year



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

**70%**

of all Atlantans expect to hunt for more discounts

**26%**

of Atlantans buy products or services within social media apps at least monthly

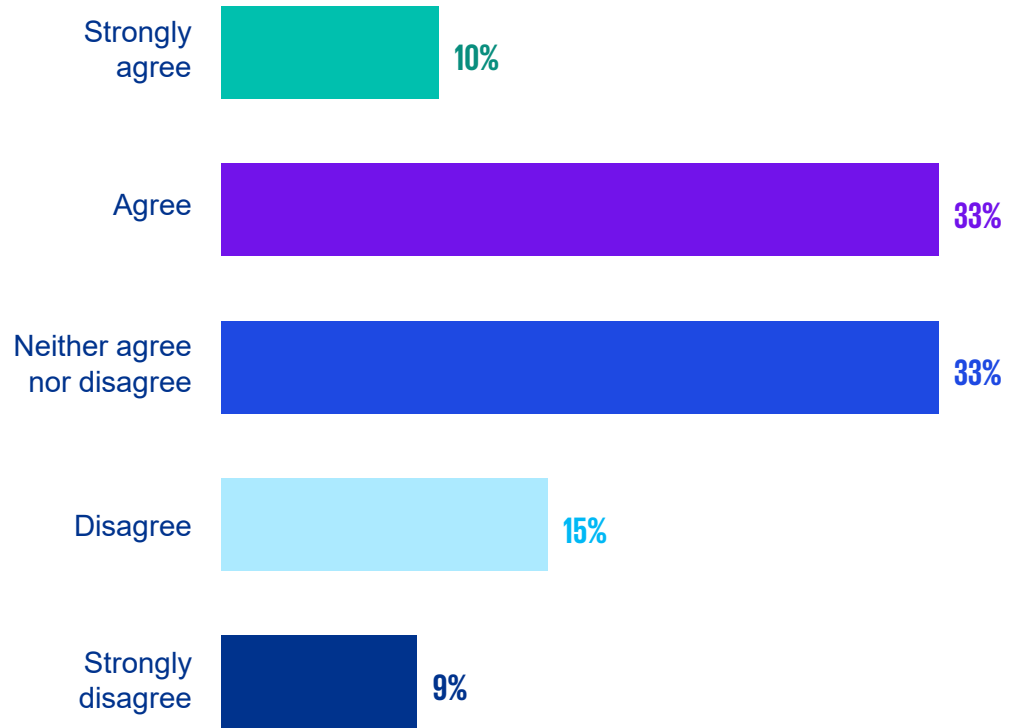
**27%**

Of Gen Z and 24% of millennials will shop with sustainability in mind



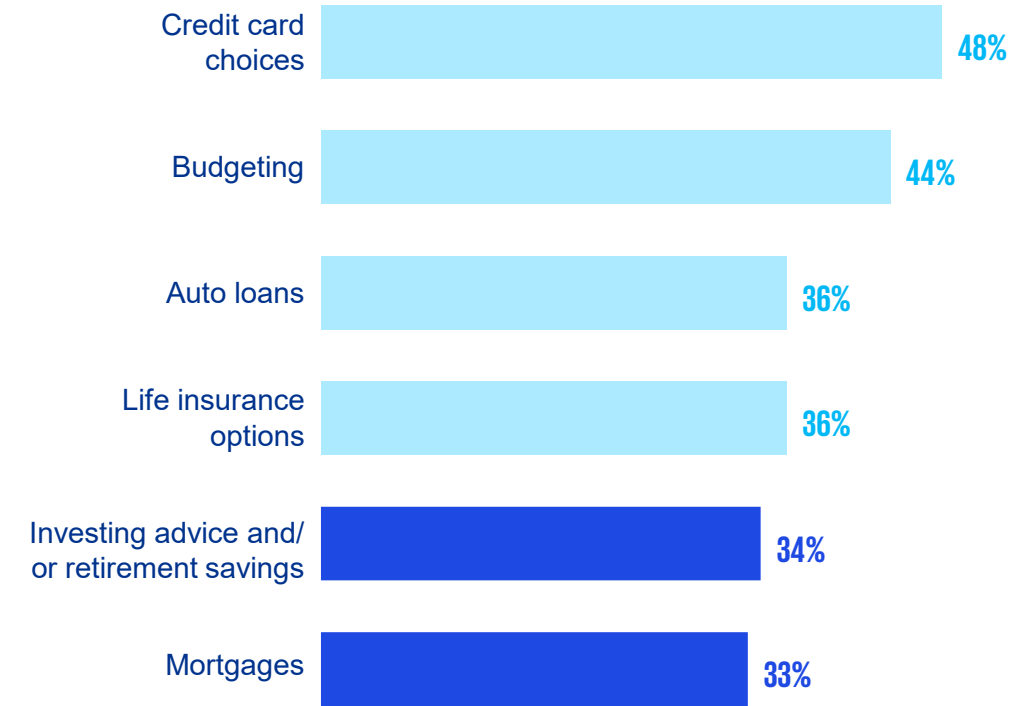
# People are embracing GenAI in financial services, but human involvement seen as critical for mortgages and investment advice

## 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

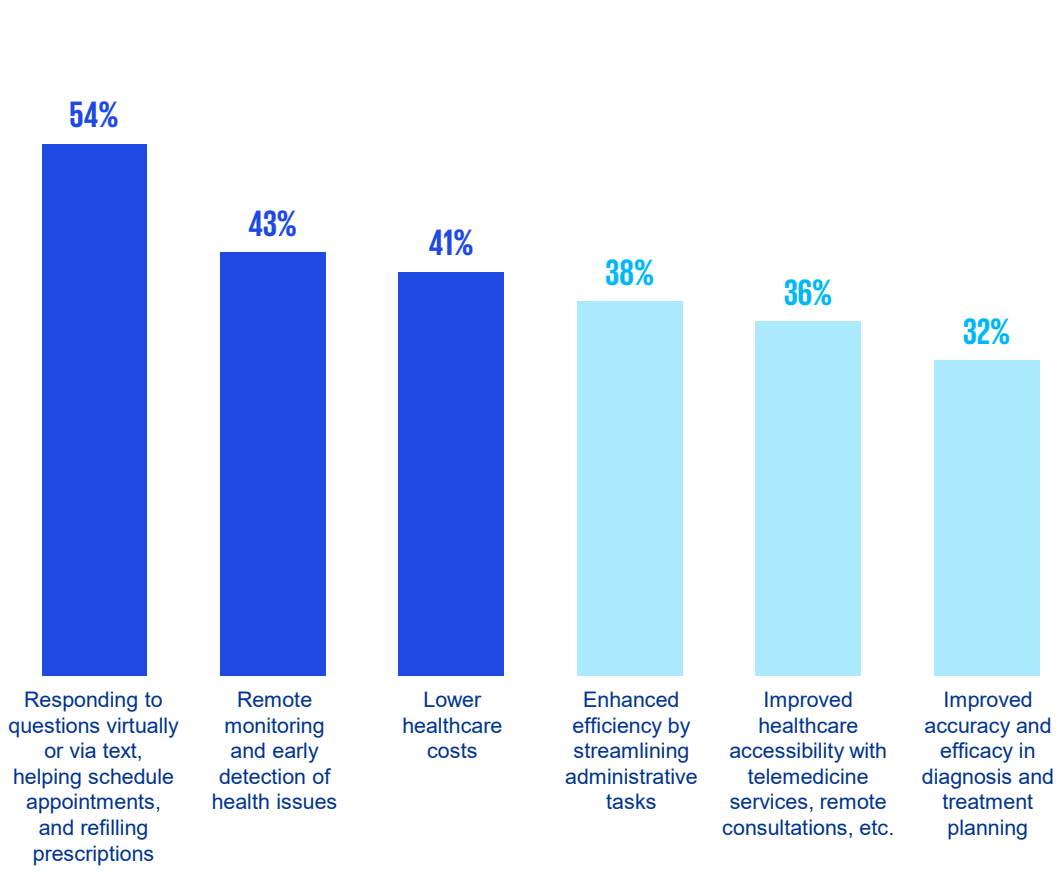


On a scale of 1 (not at all comfortable) to 5 (very comfortable), how comfortable would you be with GenAI-generated advice offered by your bank in each of the following areas.

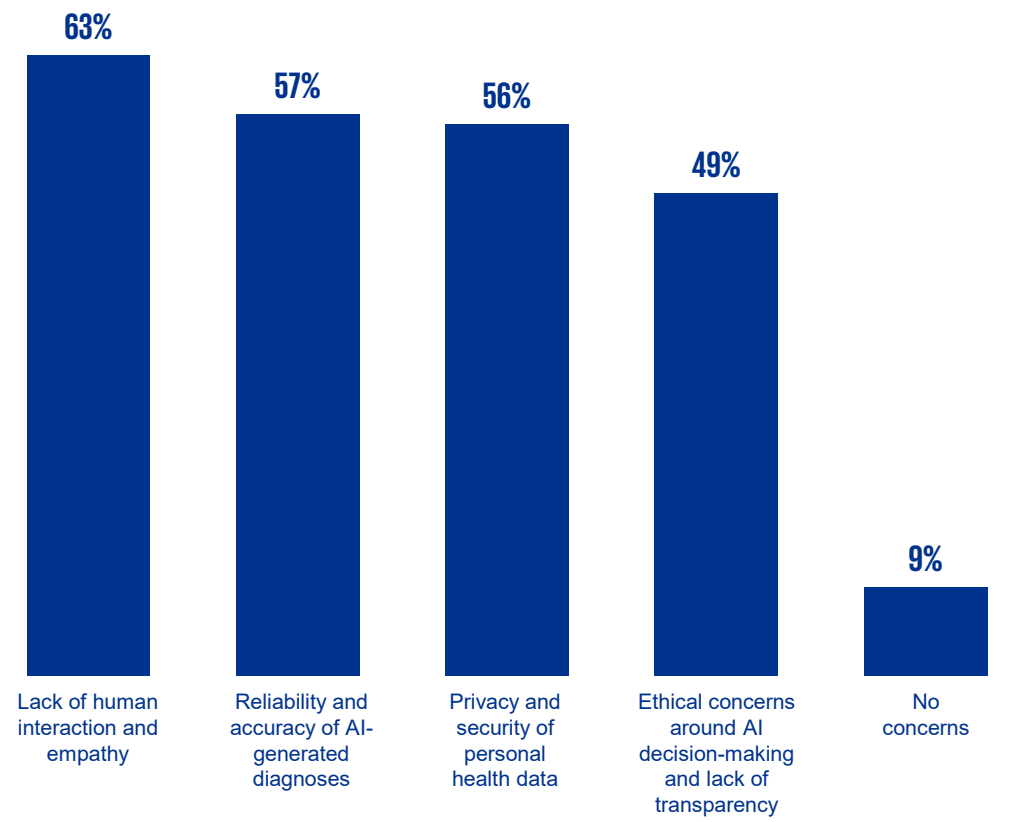
Chart includes those that selected 4 and 5.

# In healthcare, Atlantans believe GenAI will improve their experience, support early detection and lower costs, but they have concerns

## 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 27%**

agree government agencies adequately use technology compared to 31% who disagree

**56%**

are more concerned about a cyber breach at a government agency than at a private sector company

## 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

- **Even with sticky inflation, slightly more people in Atlanta (42%) are optimistic about their disposable income** in the next year compared to those who are not optimistic (37%). Additionally, 16% of consumers in Atlanta plan to use buy now, pay later services, compared to only 14% nationally.
- **When it comes to using GenAI for personal reasons, Gen Z Atlantans lead the way**, with 42% using the technology as a writing assistant, compared to 34% of millennials and 27% of Gen X. Millennials lead the pack of early adopters at work, with nearly one-quarter (23%) reporting they expect to use the technology on a weekly basis, ahead of Gen Z (18%) and Gen X (13%).
- **Atlantans are evaluating digital financial services**, with 66% of Gen Z and 53% of millennials reporting they are comfortable receiving GenAI budgeting advice from their bank, compared with just 35% of Gen X and 34% of boomers. While people want to fully engage in a digital environment, a majority of people (57%) are worried about a cybersecurity breach at their bank compromising their personal information.
- **Just 33% of people in Atlanta believe GLP-1s are not important to them personally.** Of Atlantans who do view GLP-1s as potentially important to them personally, 32% believe GLP-1s would improve their quality of life by helping with overall health, significant weight loss or a specific health issue. Only 20% of this group believe they are too risky, while 18% believe the benefits are hard to predict.



# KPMG American Perspectives Survey

## Boston

Our inaugural assessment

—

Summer 2024

# Boston: Optimism and Trust in the Era of Compound Volatility

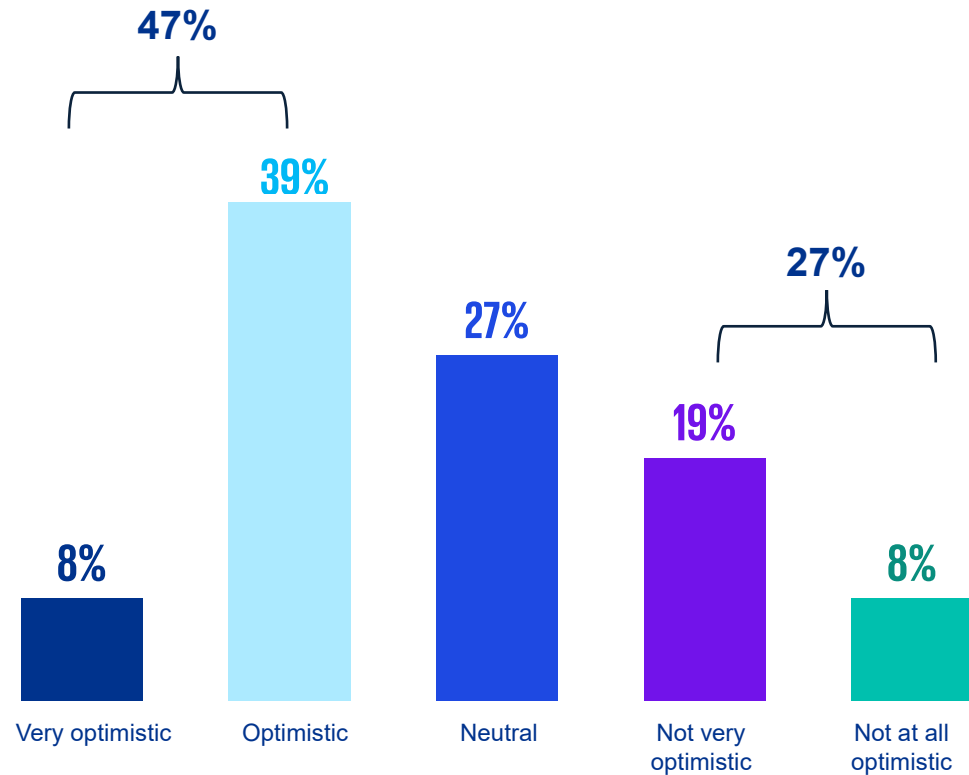
## How Bostonians Are Grappling with Evolving Economic Opportunities and Risks

- **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

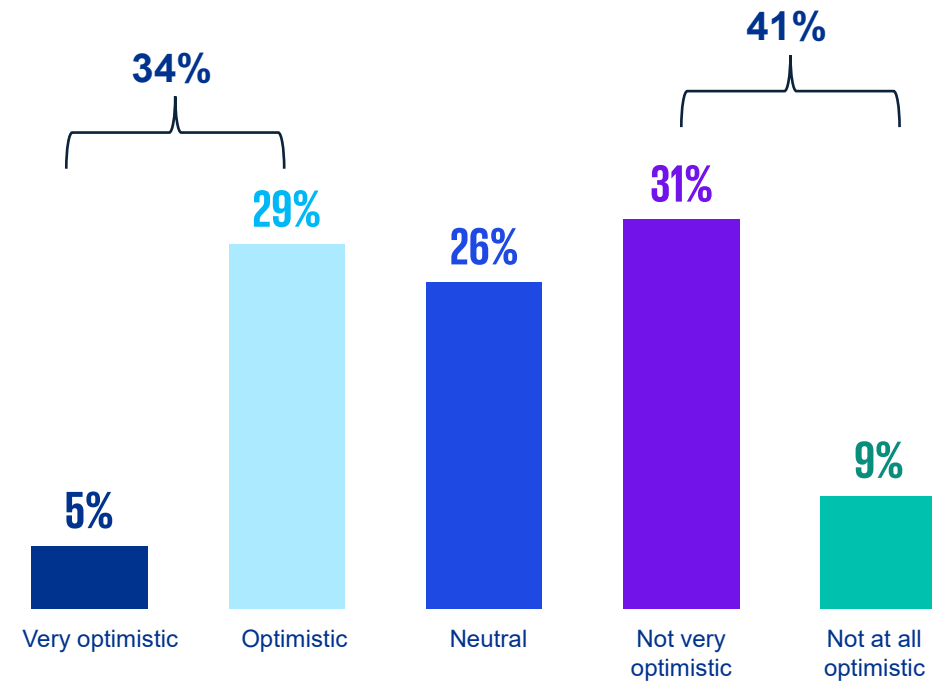
## Optimism about personal financial situation over next year



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.

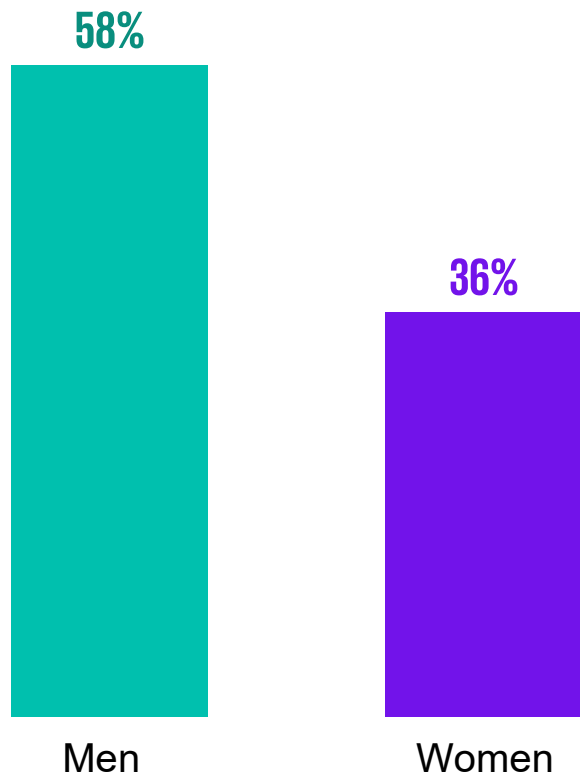
## Optimism about growth prospects for U.S. economy over next year



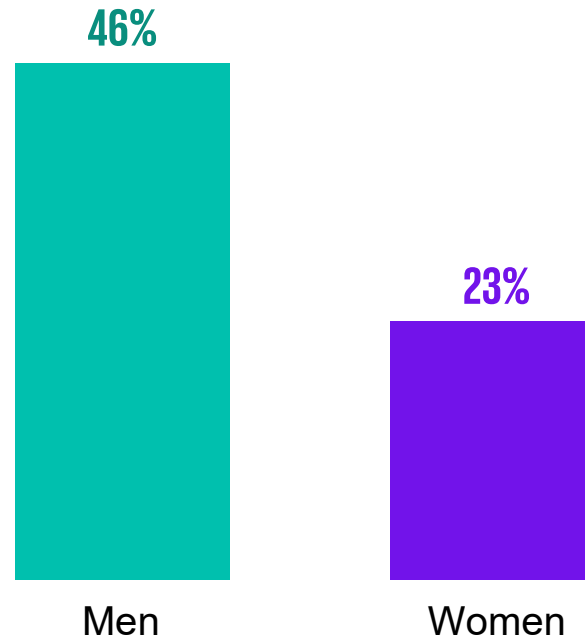
Growth prospects for the U.S. economy - Please indicate your level of optimism for each of the following over the next year.

# 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



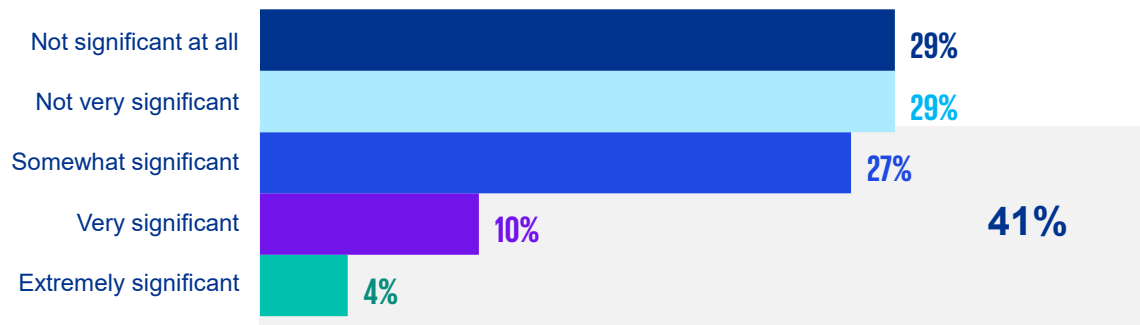
## Discussion

- 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.

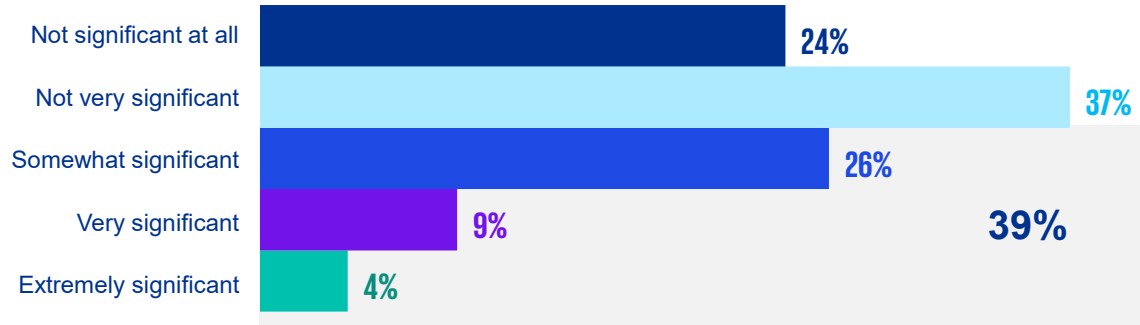


# People are increasingly using GenAI in their professional and personal lives, especially as a substitute for searches

## GenAI impact on professional life



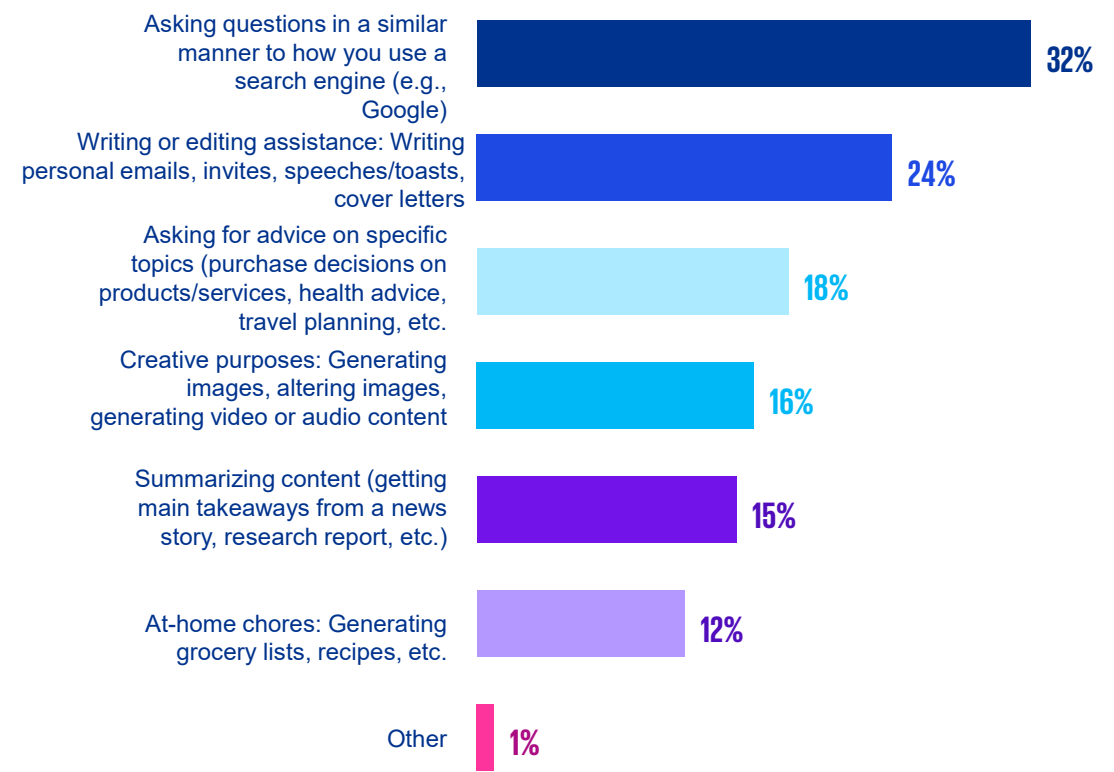
## GenAI impact on personal life



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?

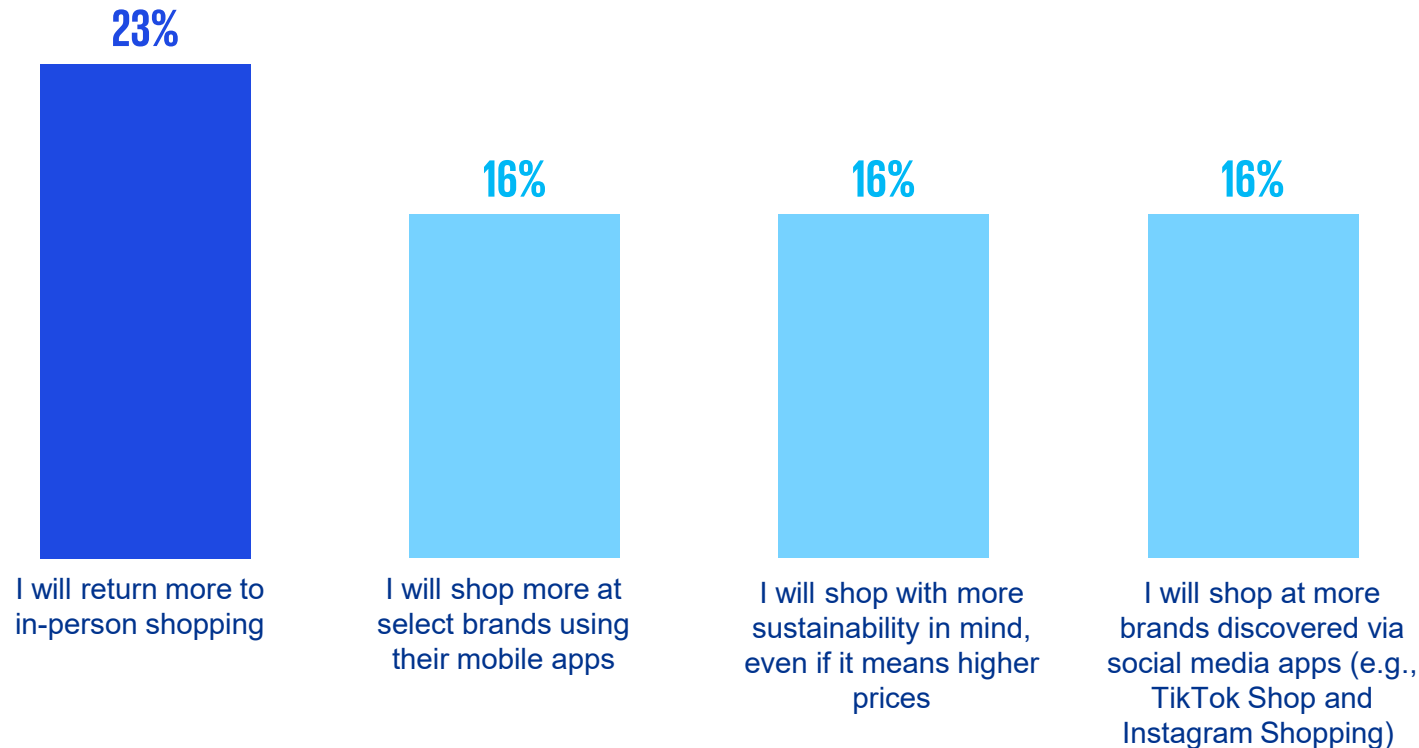
## Most common personal uses of GenAI



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

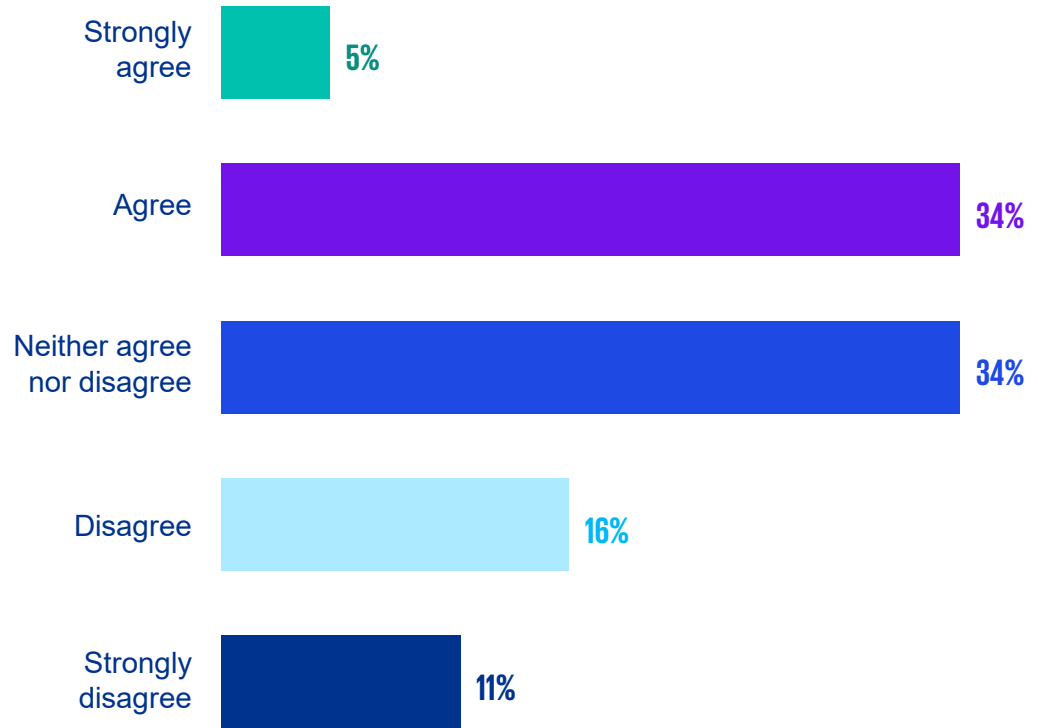
**29%**

buy products or services through social media apps at least monthly

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

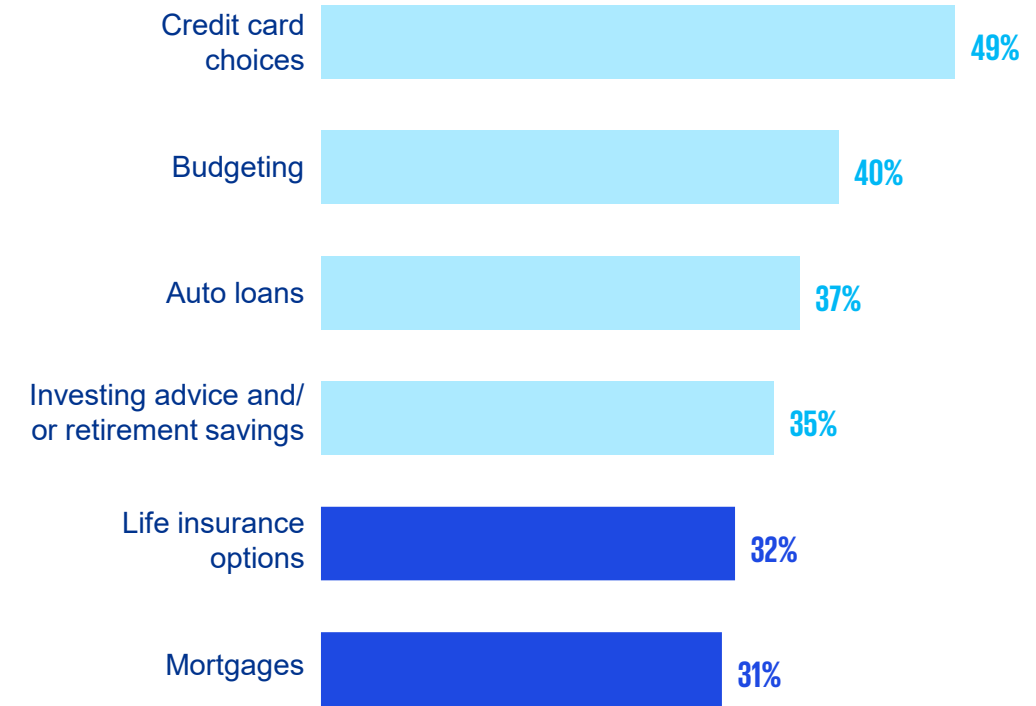
# People are demanding GenAI in financial services, but a human-in-the-loop approach is critical for mortgages and investment advice

## 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

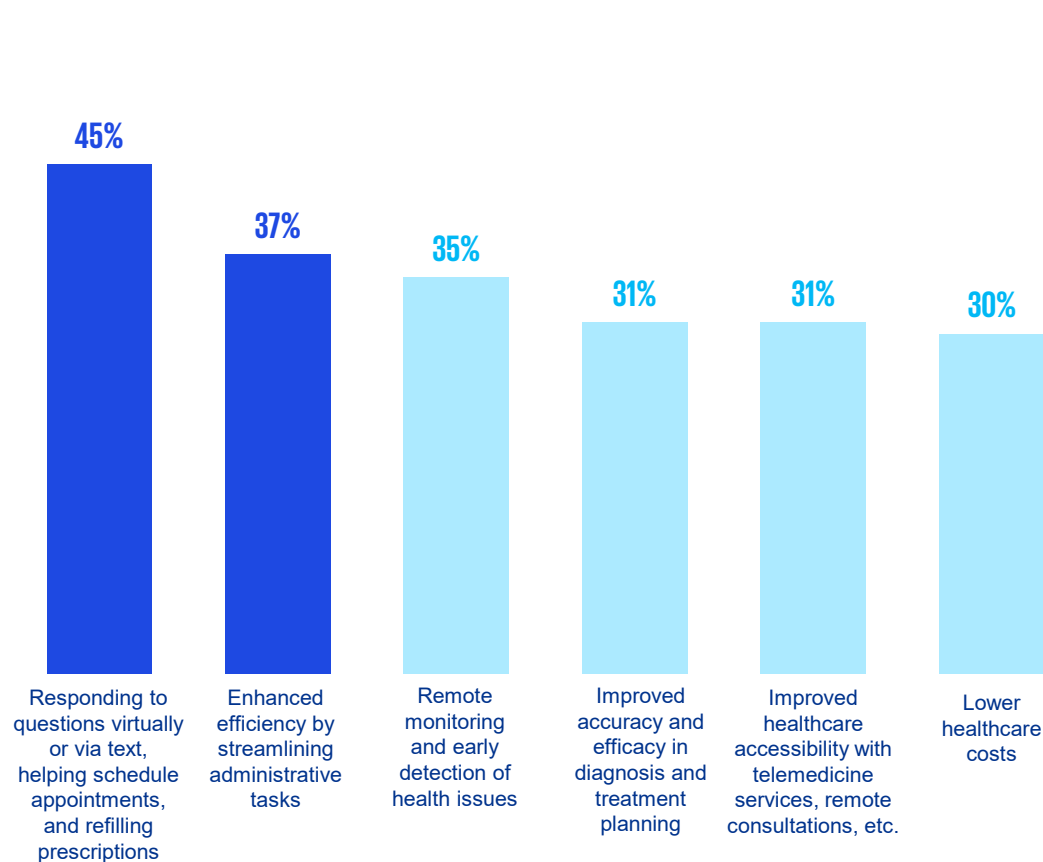


On a scale of 1 (not at all comfortable) to 5 (very comfortable), how comfortable would you be with GenAI-generated advice offered by your bank in each of the following areas.

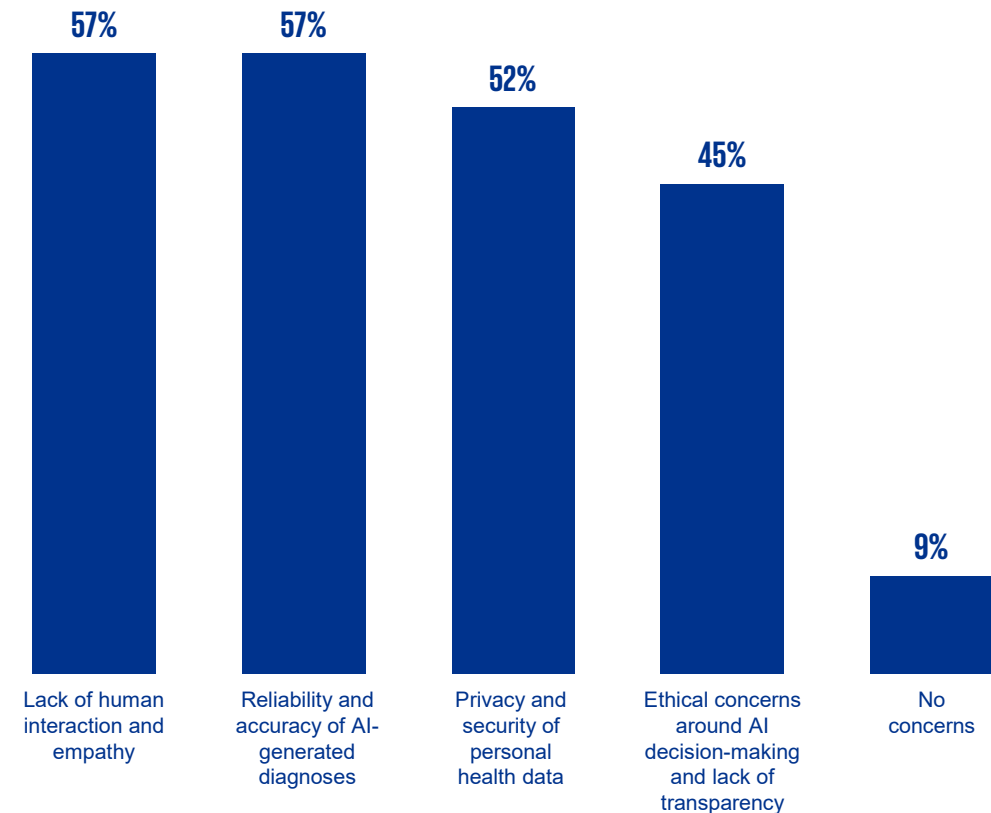
Chart includes those that selected 4 and 5.

# 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

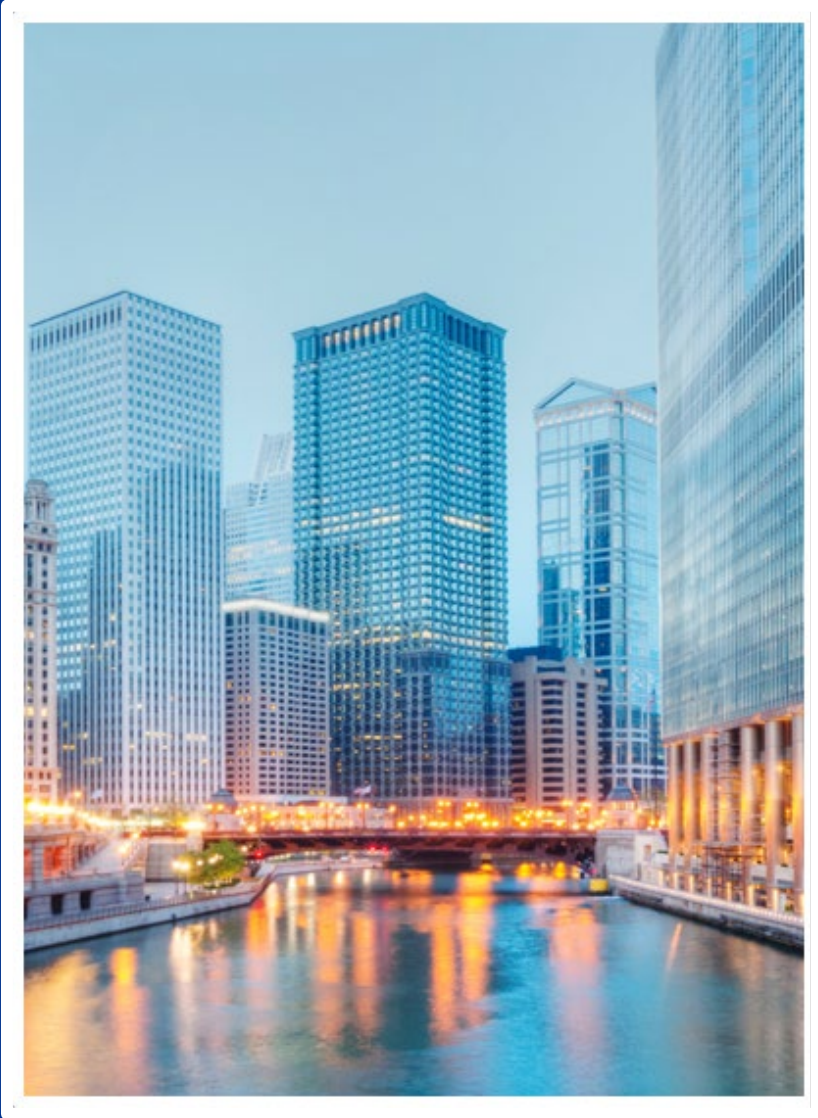
## Importance of government using GenAI in...



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.



# KPMG American Perspectives Survey

## Chicago

**Our inaugural assessment**

—

Summer 2024

# Chicago: Optimism and Trust in the Era of Compound Volatility

## How Chicagoans Are Grappling with Evolving Economic Opportunities and Risks

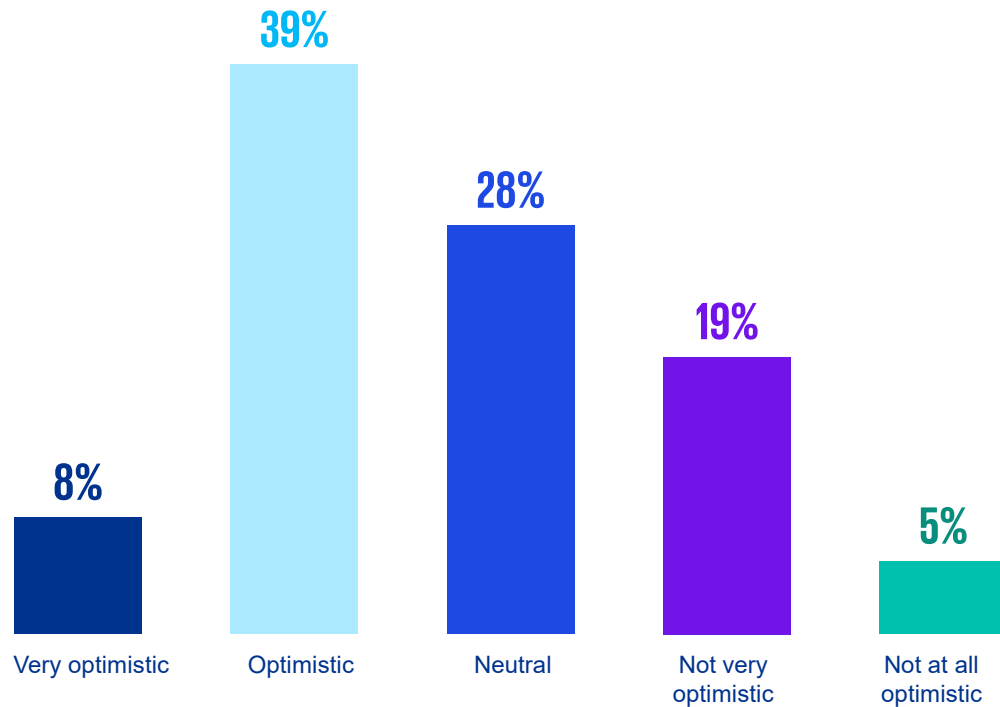
- **Almost half of people (47%) in Chicago are more optimistic about their personal financial situation** than about the growth prospects of the U.S. economy (34%) over the next year.
- **Chicagoans also exhibit various degrees of enthusiasm, comfort, and skepticism** in the forces shaping the consumer experience.
- **People in Chicago are comfortable experimenting with GenAI** and are finding ways to implement it in personal and professional settings. Roughly 40% of people report that GenAI is having at least a somewhat significant impact on their day-to-day personal lives. Meanwhile, one in four Chicagoans expect to use GenAI for work at least once a week in the coming year.
- **Chicagoans are most comfortable with renewable energy compared to other energy sources**, believing it will lower costs. However, if all price points and features were on par, only 22% would choose to purchase an EV compared with a standard gas-powered (33%) or hybrid (35%) vehicle.

This survey of over 400 adults in Chicago 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.



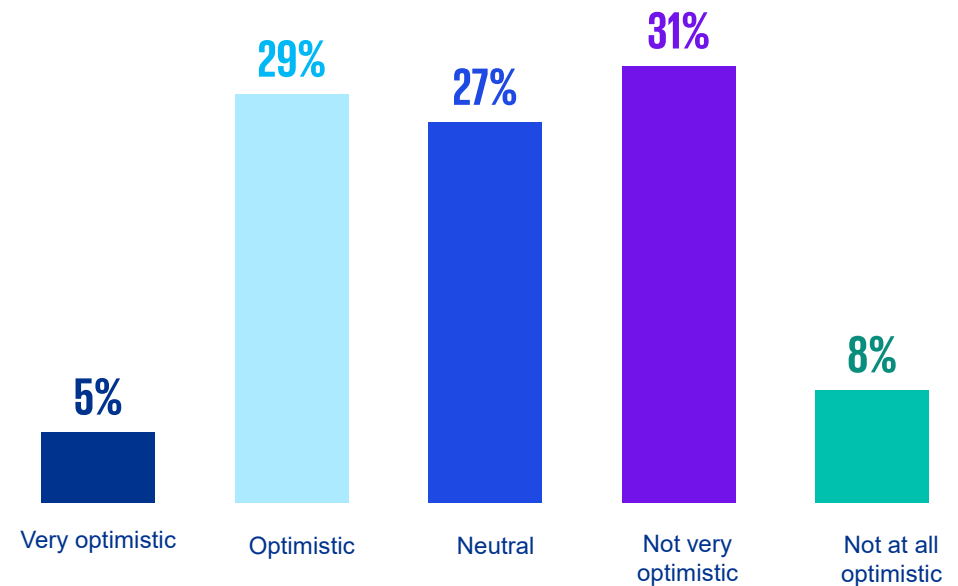
# In the age of compound volatility, Chicagoans' optimism about their personal finances does not extend to the economy overall

## 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.

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

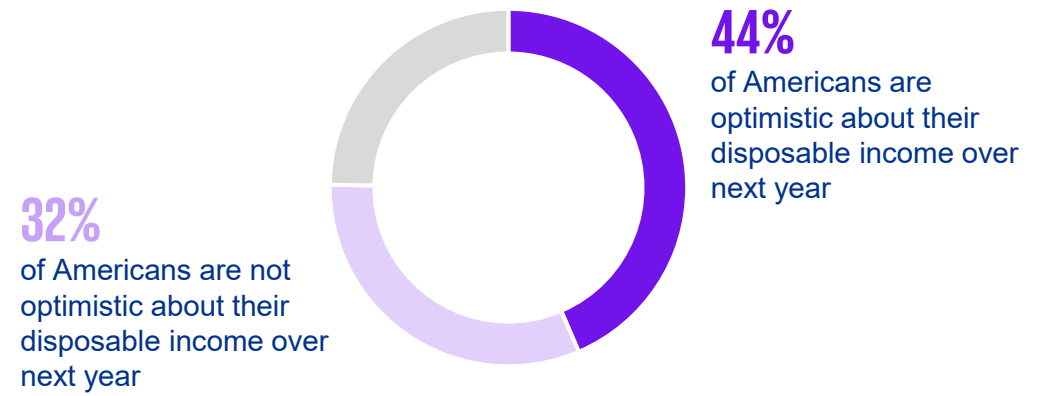
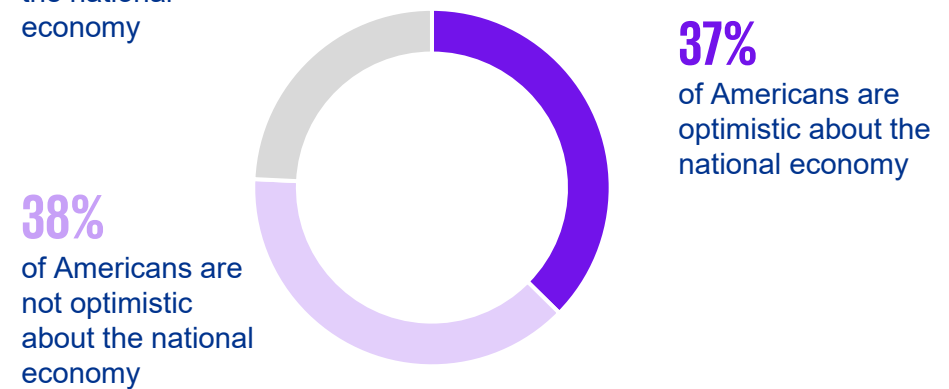
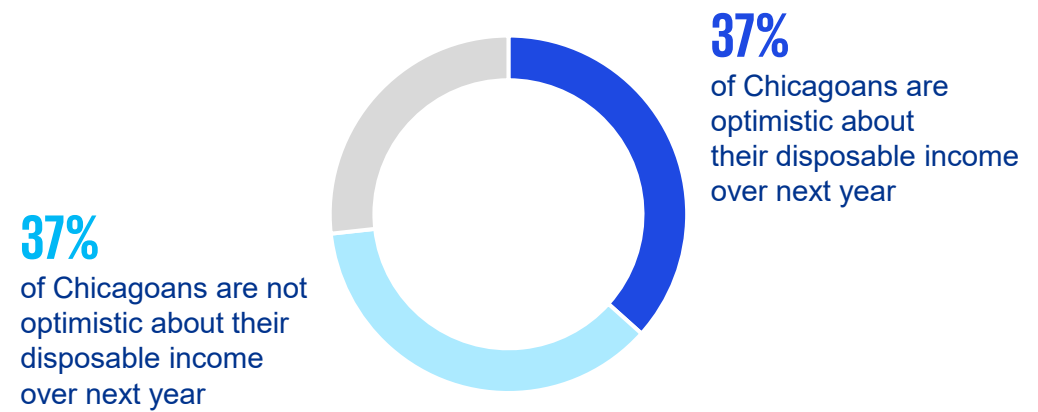
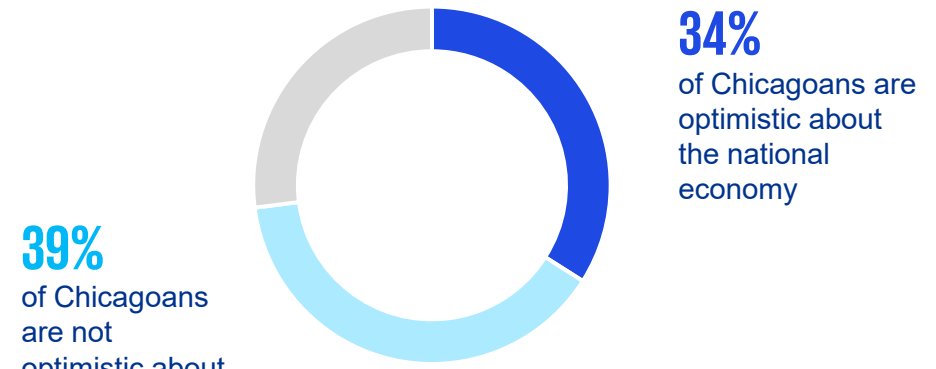


Growth prospects for the U.S. economy - Please indicate your level of optimism for each of the following over the next year.

# Chicago compared to national average? Expectations for disposable income stand out.

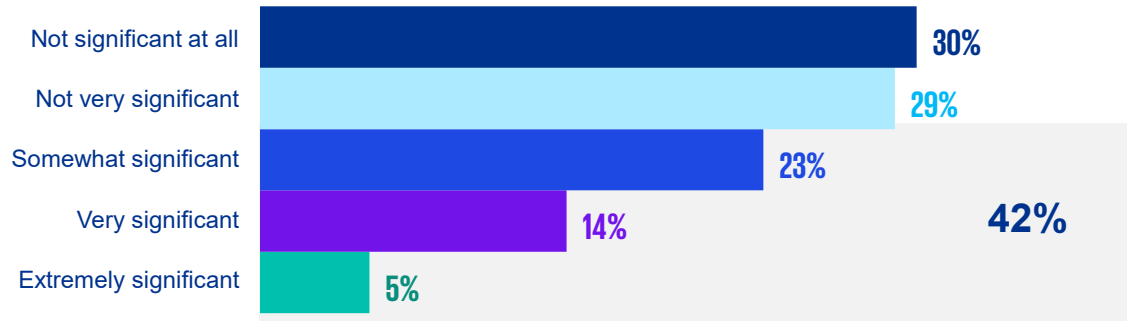
Chicagoans are just slightly less confident than nation about the growth prospects of U.S. economy

Chicagoans are less optimistic about disposable income compared to nation amid sticky inflation

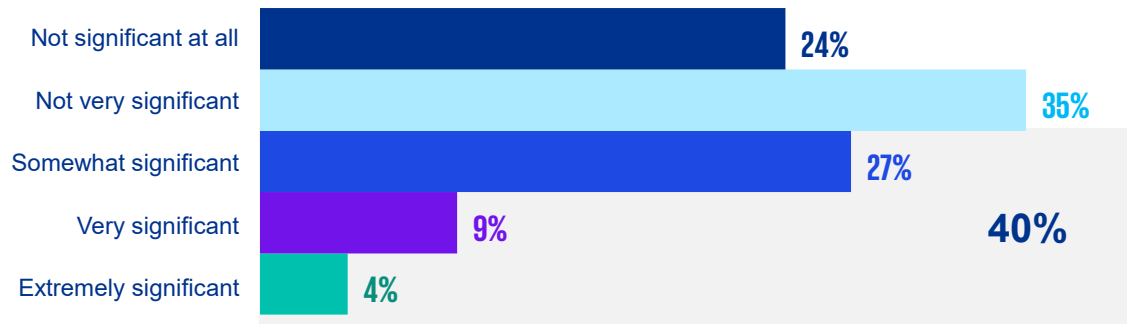


# Chicagoans are increasingly using GenAI in their professional and personal lives, especially as a substitute for searches

## GenAI impact on professional life



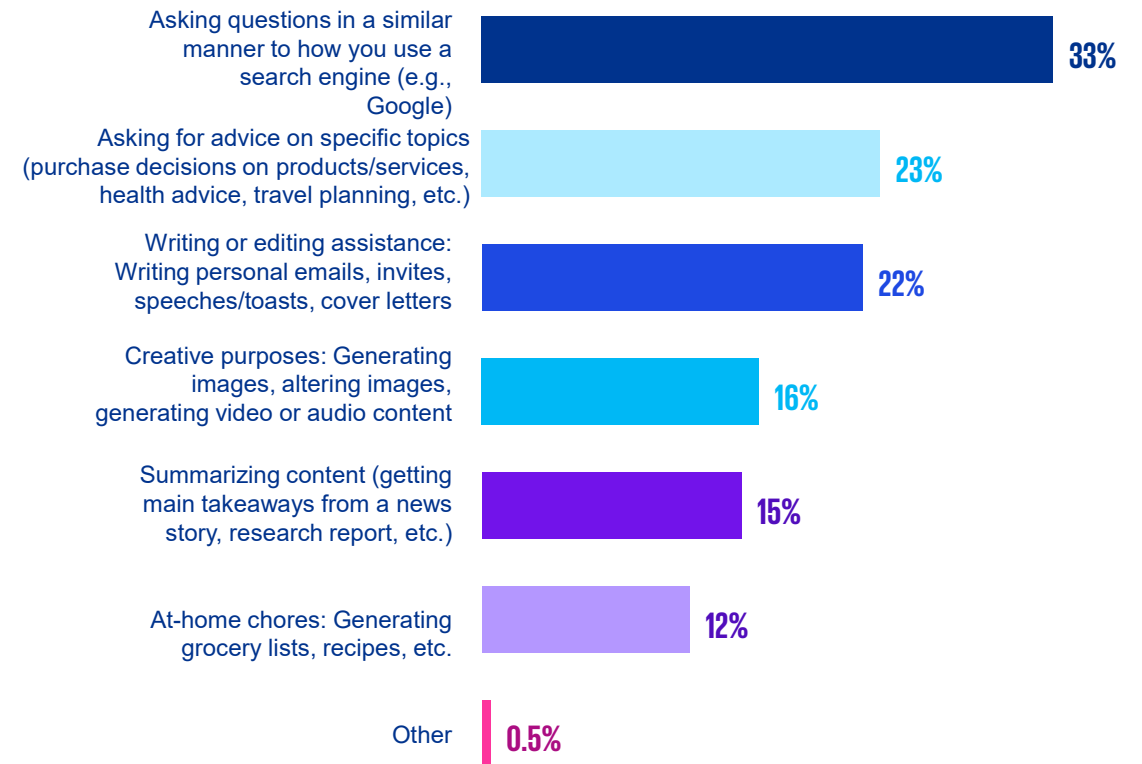
## GenAI impact on personal life



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?

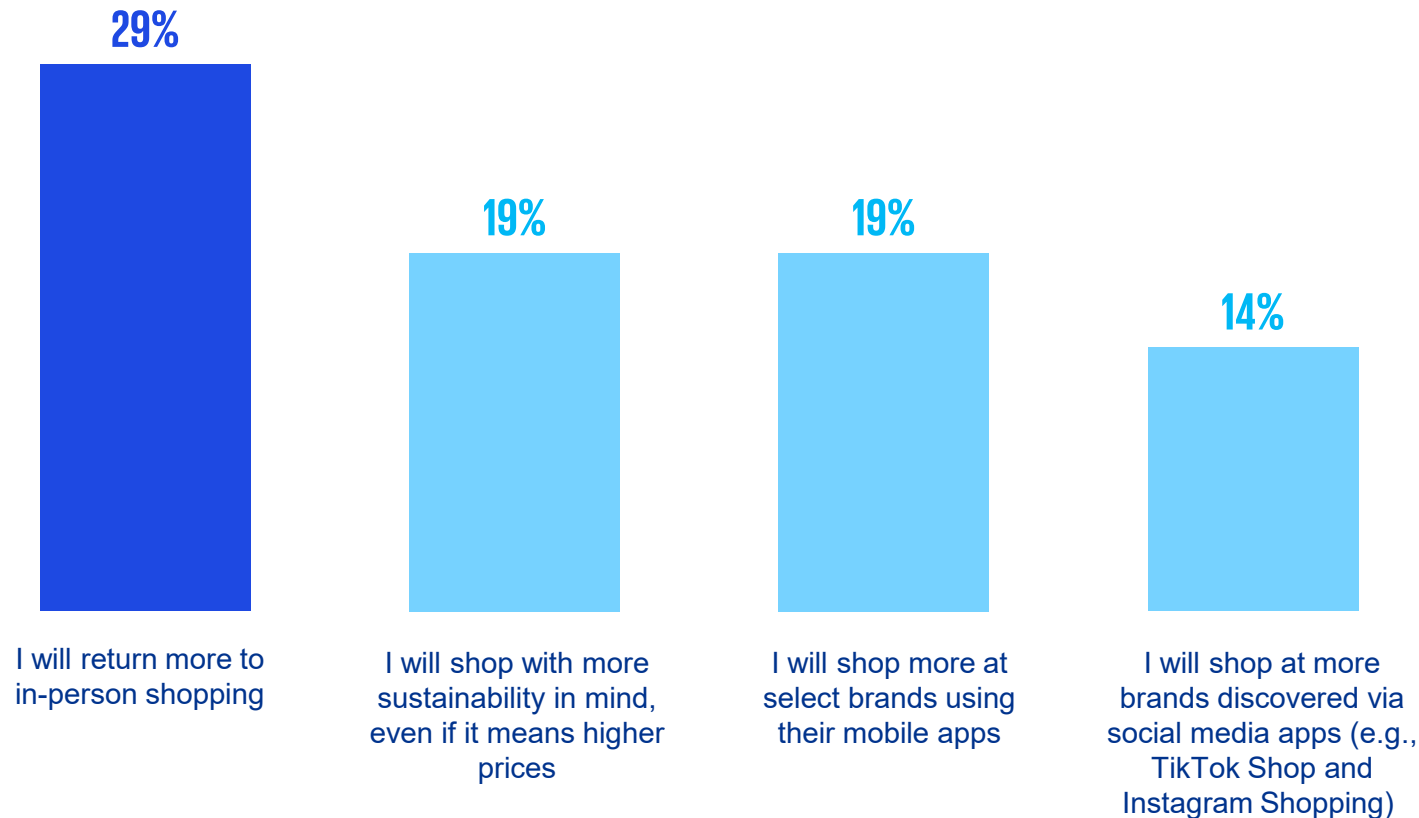
## Most common personal uses of GenAI



Have you used GenAI for the following personal reasons?

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

Percent of Chicagoans adopting certain shopping trends this year



**68%**

expect to hunt for discounts

**17%**

plan to use more buy now, pay later services

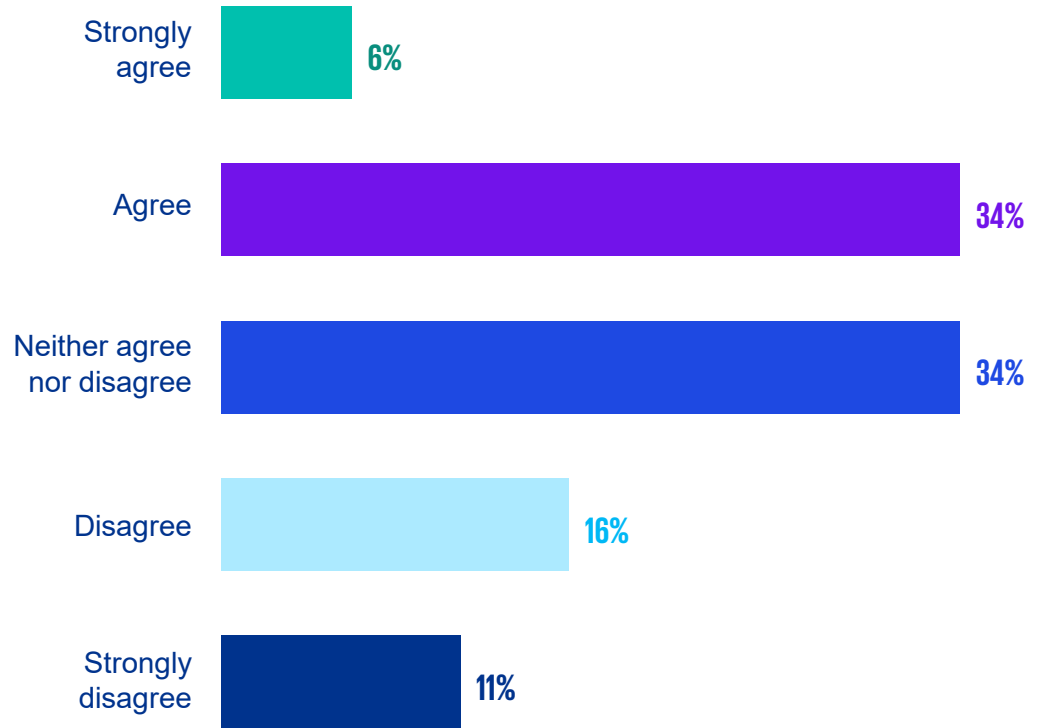
**14%**

buy products or services through social media apps at least monthly

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

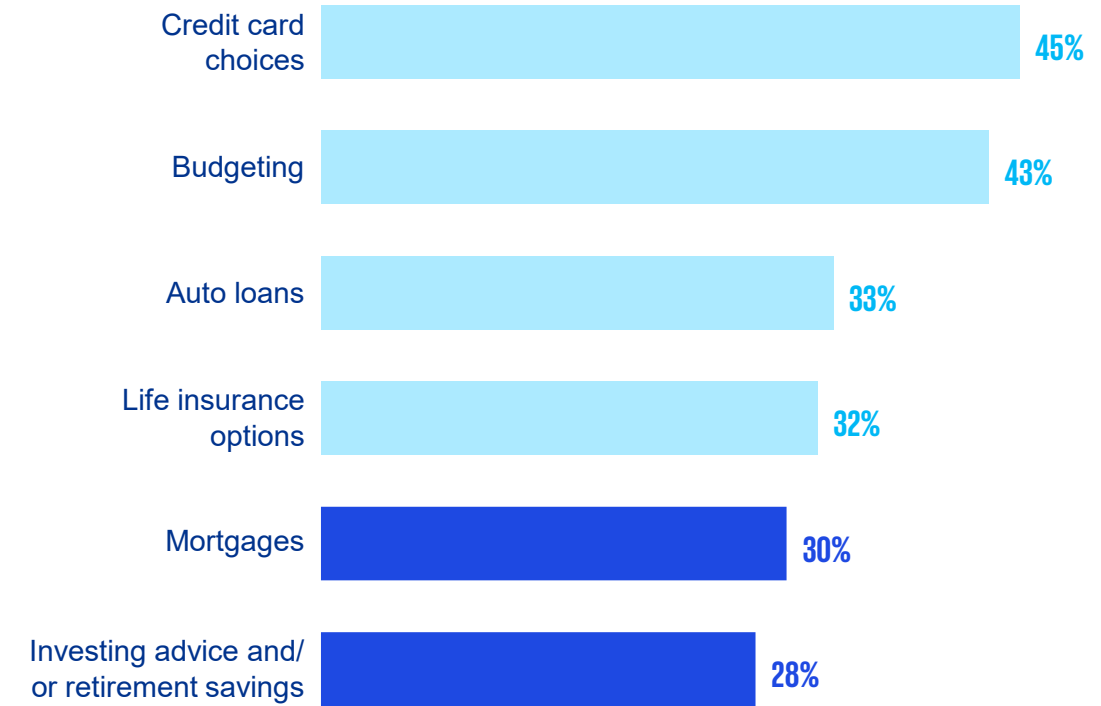
# Chicagoans are beginning to demand GenAI in financial services, but a human-in-the-loop approach is critical to enhance trust

## 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

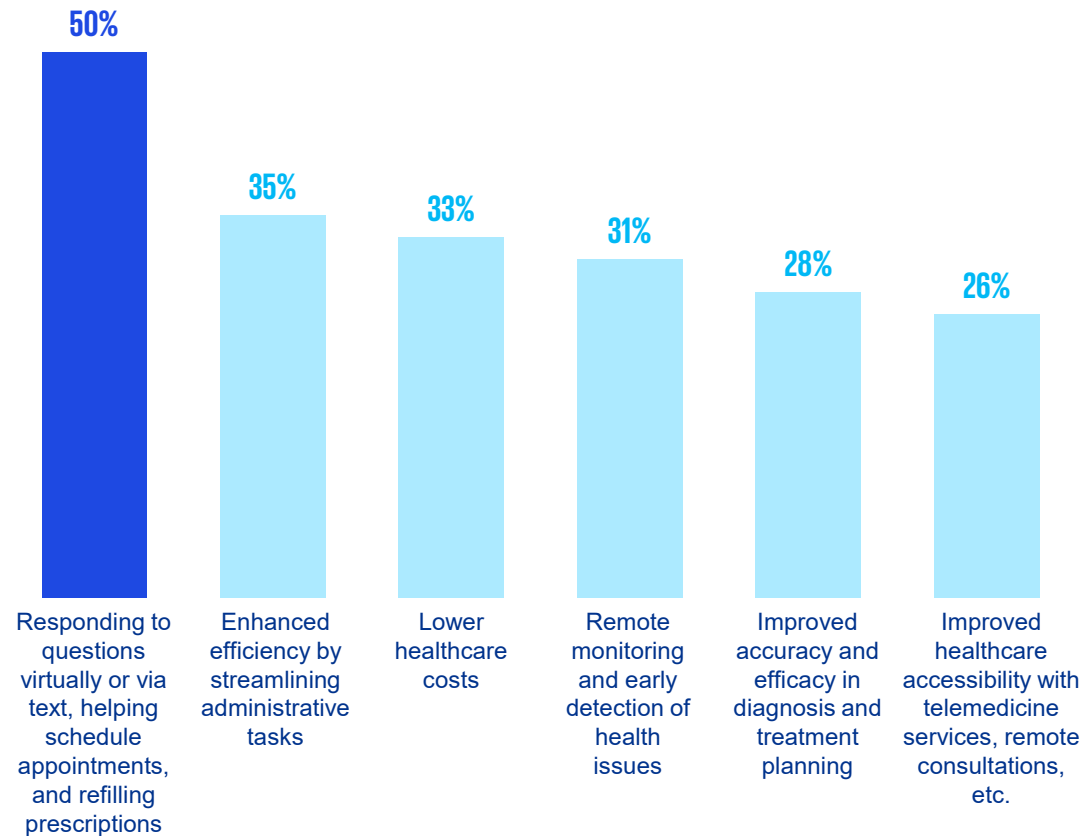


On a scale of 1 (not at all comfortable) to 5 (very comfortable), how comfortable would you be with GenAI-generated advice offered by your bank in each of the following areas.

Chart includes those that selected 4 and 5.

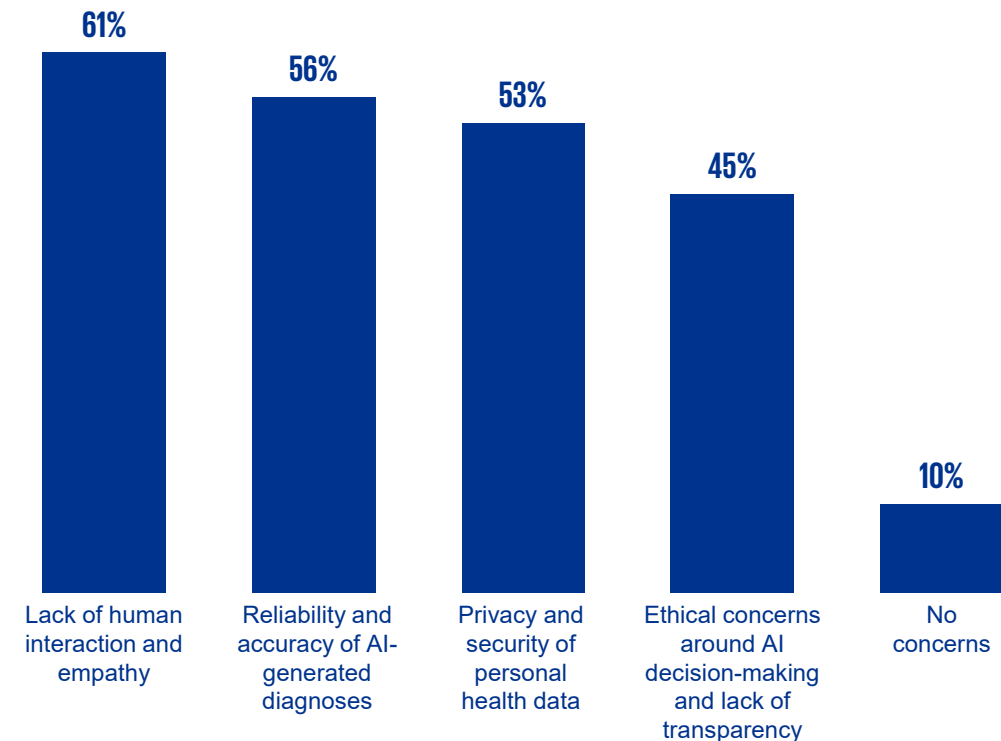
# In healthcare, more people believe GenAI will improve their experience, but there is a strong demand for human interaction

## Perceived Benefits of GenAI



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

## Concerns about GenAI Usage



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

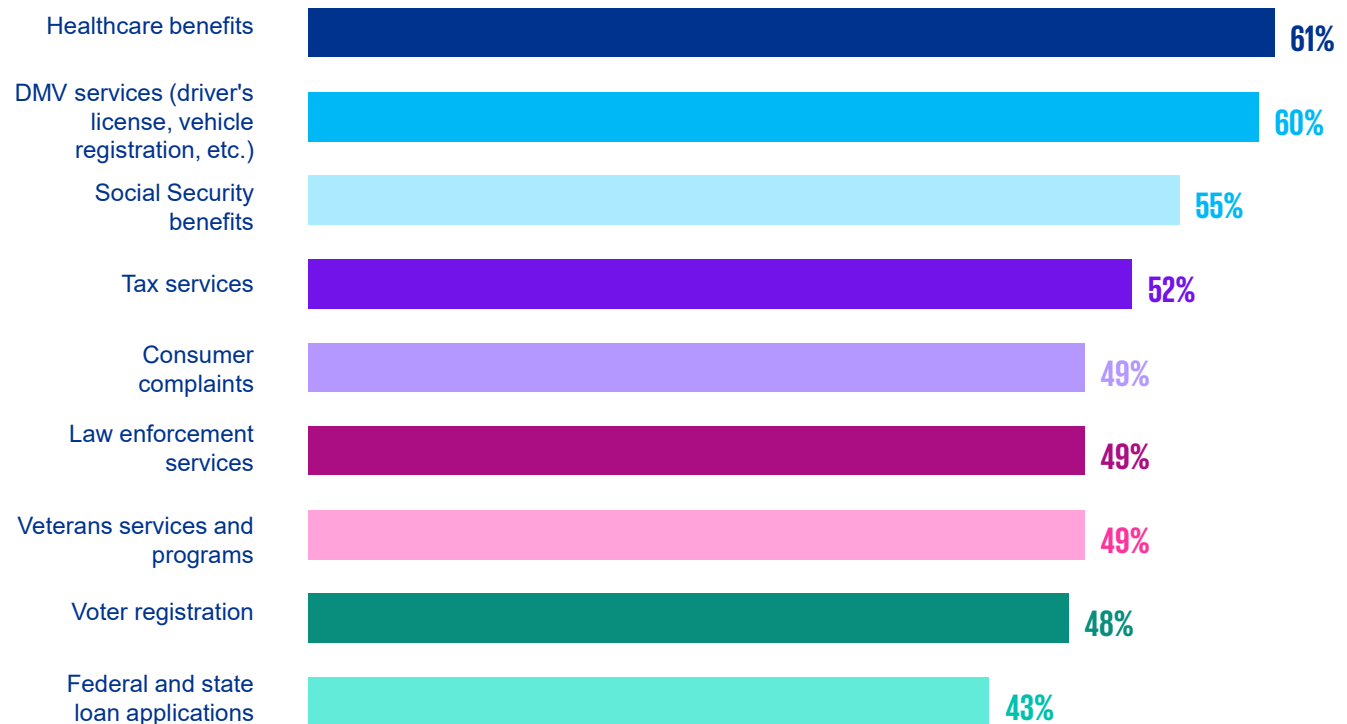
**Only 27%**

agree government agencies adequately use technology compared to 33% who disagree

**52%**

are more concerned about a cyber breach at a government agency than at a private sector company

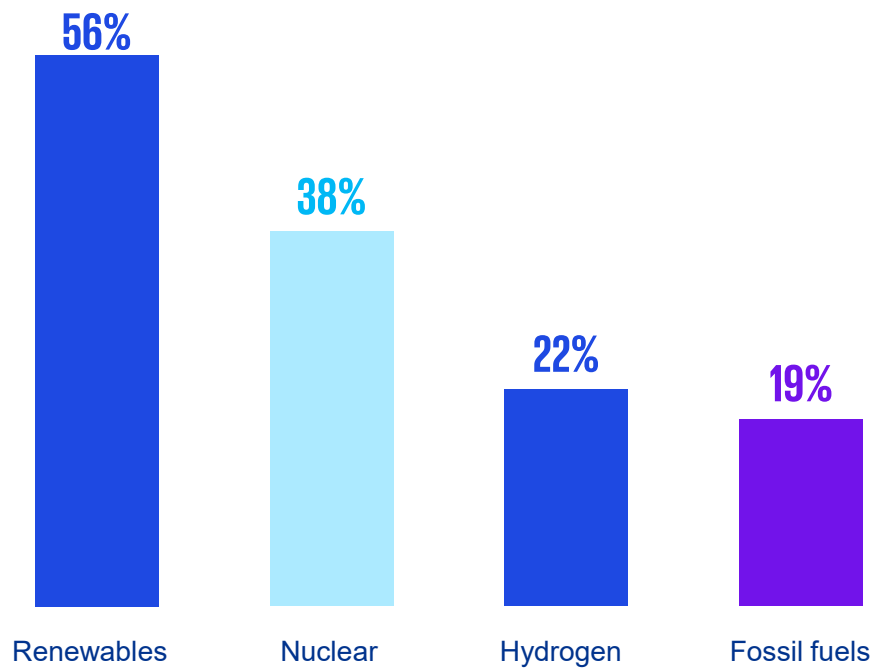
## Importance of government using GenAI in...



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.

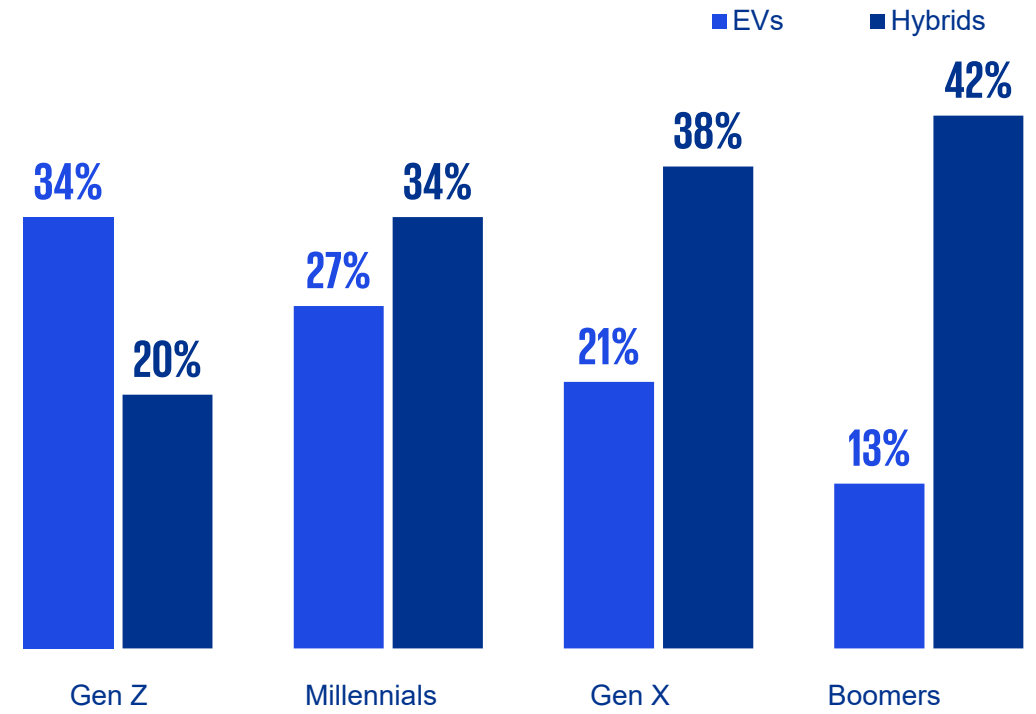
# Chicagoans are most comfortable with renewable energy in the power grid, but prefer to purchase hybrid vehicles compared to EVs

Percent of people who believe energy source will reduce costs over long-term



Percent of people believing adding more the energy source will reduce prices somewhat or significantly in the long-run

Vehicle preference assuming costs and features are the same



If an electric vehicle, standard gas-powered vehicle, and hybrid all cost the same amount and have the same features, which type of vehicle would you prefer to purchase? Chart shows results for EV and hybrid only.



# Additional findings

- **While Chicagoans are leaning into GenAI, generational differences exist.** For example, 38% of Gen Z people said they use GenAI for writing or editing assistance, compared to only 14% of boomers, and 22% overall. When it comes to banking, 61% of Gen Z and 54% of millennials are comfortable with GenAI budgeting advice from their bank compared to just 39% of Gen X and 29% of boomers.
- **People across generations worry that GenAI could be used to manipulate public opinion,** including 83% of boomers, 80% of millennials, 77% of Gen X, and 63% of Gen Z. In addition, 80% of people said they were afraid GenAI could be used to create fake news articles or videos that would be indistinguishable from real ones.
- **Nearly 30% of Chicagoans do not believe GLP-1s are important to them personally. Among all others, 30% of people in Chicago believe GLP-1 weight loss drugs would improve their quality of life.** Few, however, are willing to pay more for coverage. In fact, 74% would not be willing to pay out of pocket for GLP-1s and only 16% would be willing to pay higher insurance premiums.



# KPMG American Perspectives Survey

## New York

Our inaugural assessment

—

Summer 2024

# New York: Optimism and Trust in the Era of Compound Volatility

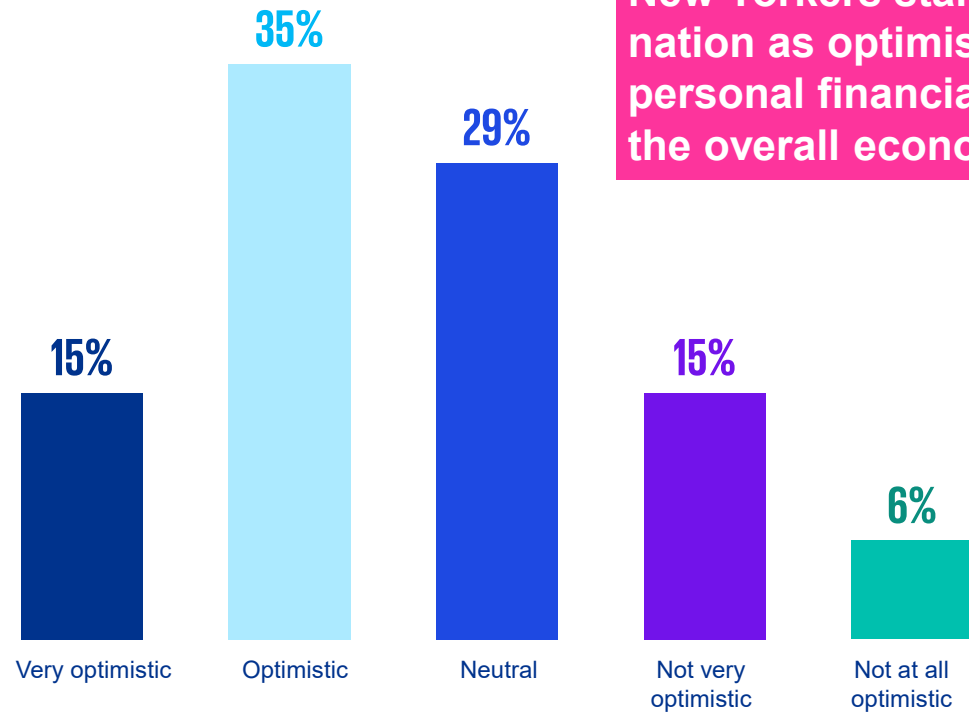
## How New Yorkers Are Grappling with Evolving Economic Opportunities and Risks

- **Unlike national trends, New Yorkers are confident about both their personal financial situation and the growth prospects of the U.S. economy.**
- **Shifts in the economy have led New Yorkers to a more discerning approach to their spending habits**, with 65% saying they plan to do more discount shopping than they do today, similar to the national average. Additionally, 17% of New Yorkers report they will use more buy now, pay later services this year.
- **With new GenAI services launching regularly, over 50% of New Yorkers report that GenAI is having at least somewhat of an impact** on their personal and professional lives – higher than the national average (40%). Three in ten (30%) New Yorkers report they are using GenAI professionally at least weekly, and one-third of New Yorkers report using it in their personal life as a substitute for searches.
- **30% of New Yorkers believe GLP-1s are not important to them personally.** Of those who do believe GLP-1s are personally important, 34% believe taking GLP-1 drugs are important to their quality of life.

This survey of over 400 adults in New York 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.

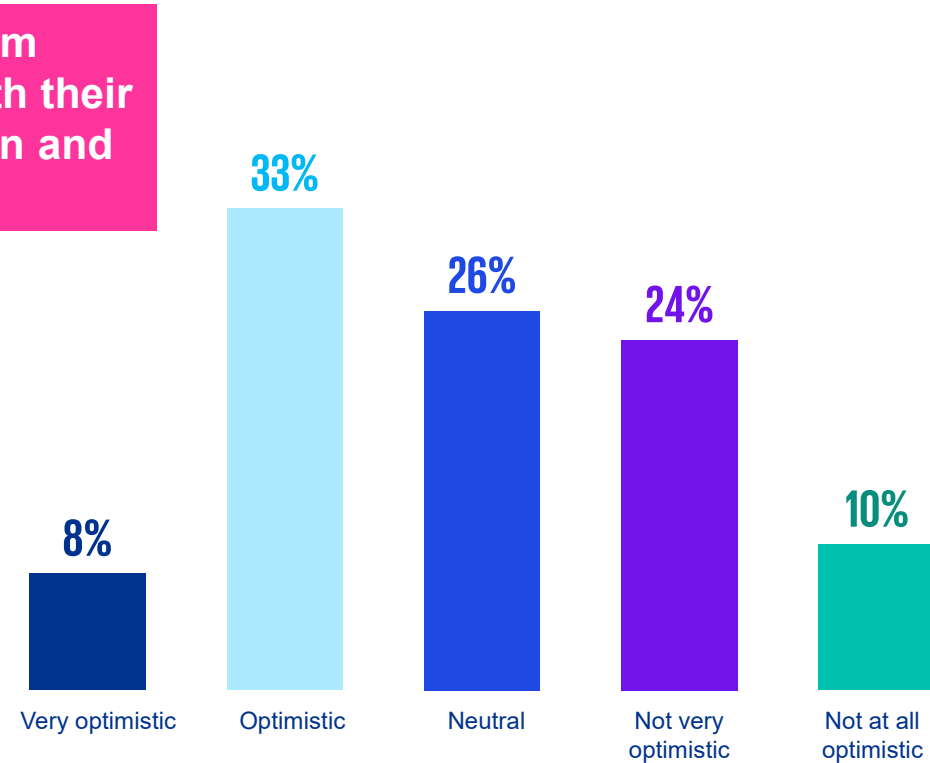
# New Yorkers are optimistic about their personal financial situation and the growth prospects of the U.S. economy

## 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.

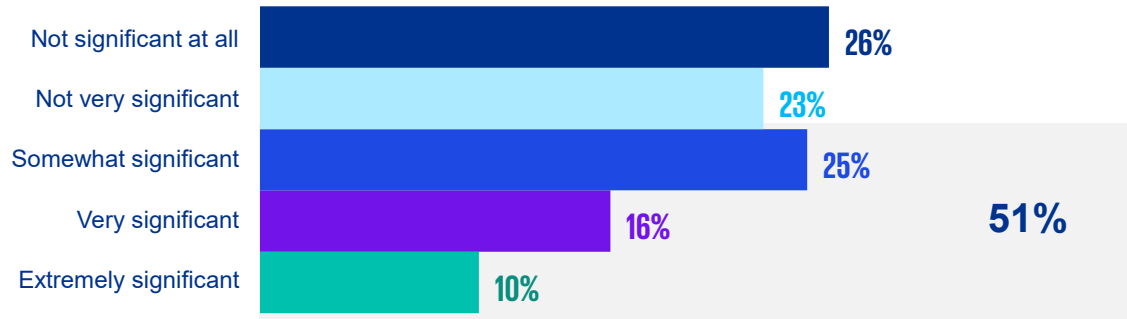
## Optimism about growth prospects for U.S. economy over next year



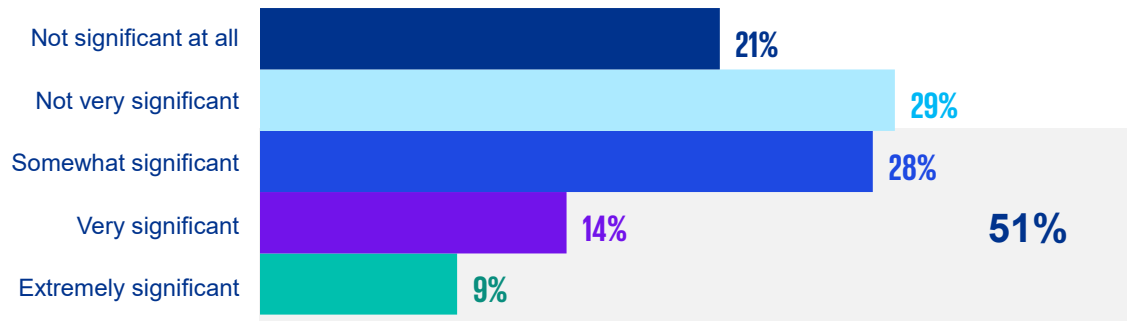
Growth prospects for the U.S. economy - Please indicate your level of optimism for each of the following over the next year.

# New Yorkers are embracing GenAI, using it at work and home more frequently than national averages

## GenAI impact on professional life



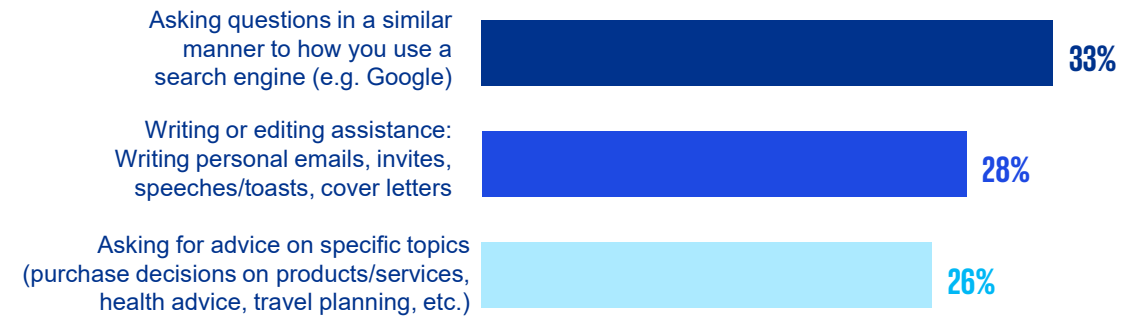
## GenAI impact on personal life



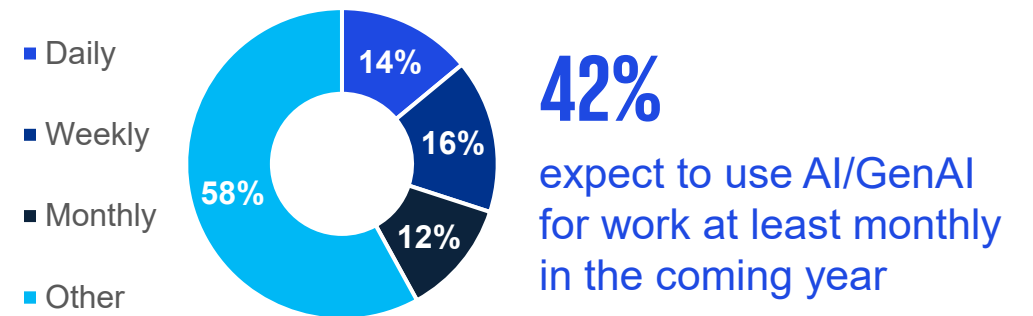
In your professional life - How significant of an impact do you feel GenAI has on your day-to-day life right now?

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



## Work expectations with AI/GenAI in next year

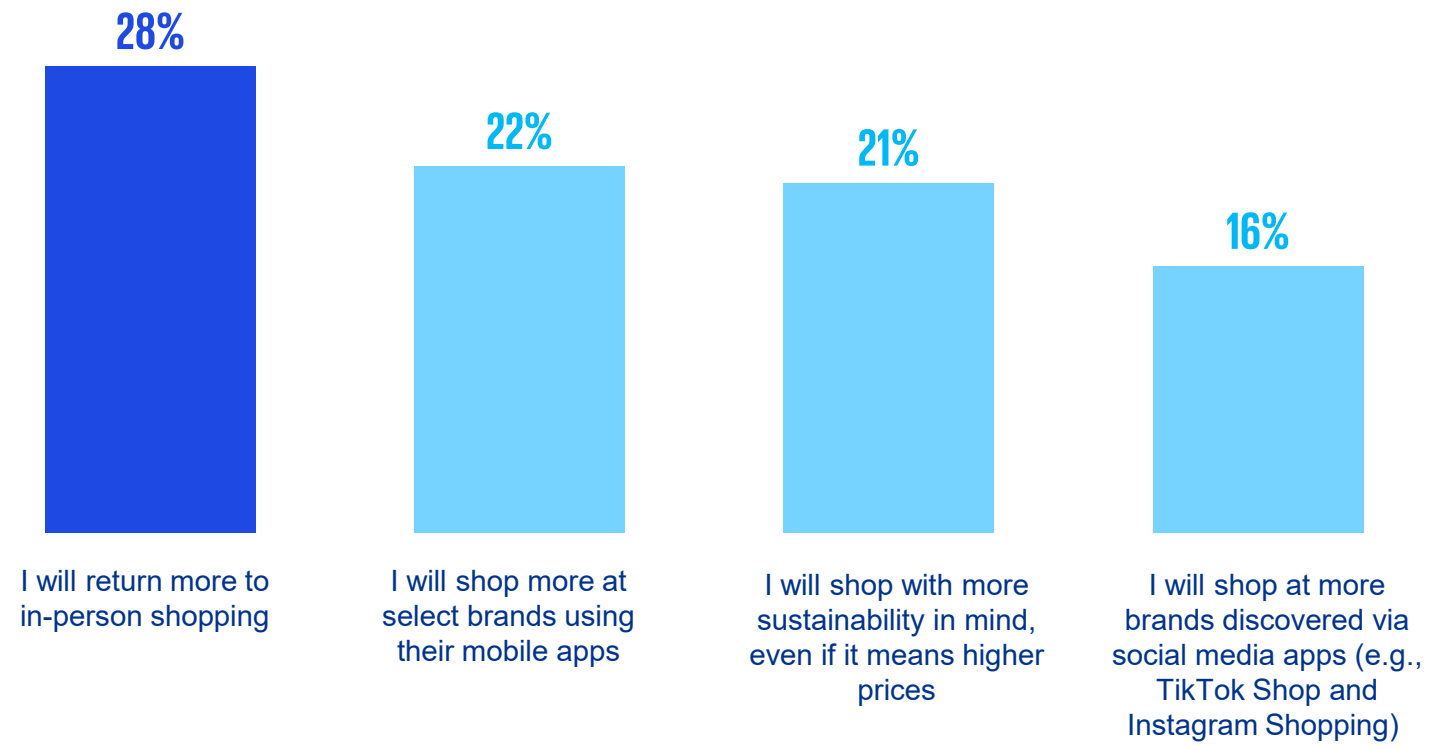


Have you used GenAI for the following personal reasons?

Over the next 12 months, do you anticipate using AI/GenAI for work?

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

Percent of New Yorkers adopting certain shopping trends this year



**65%**  
plan to do more discount shopping

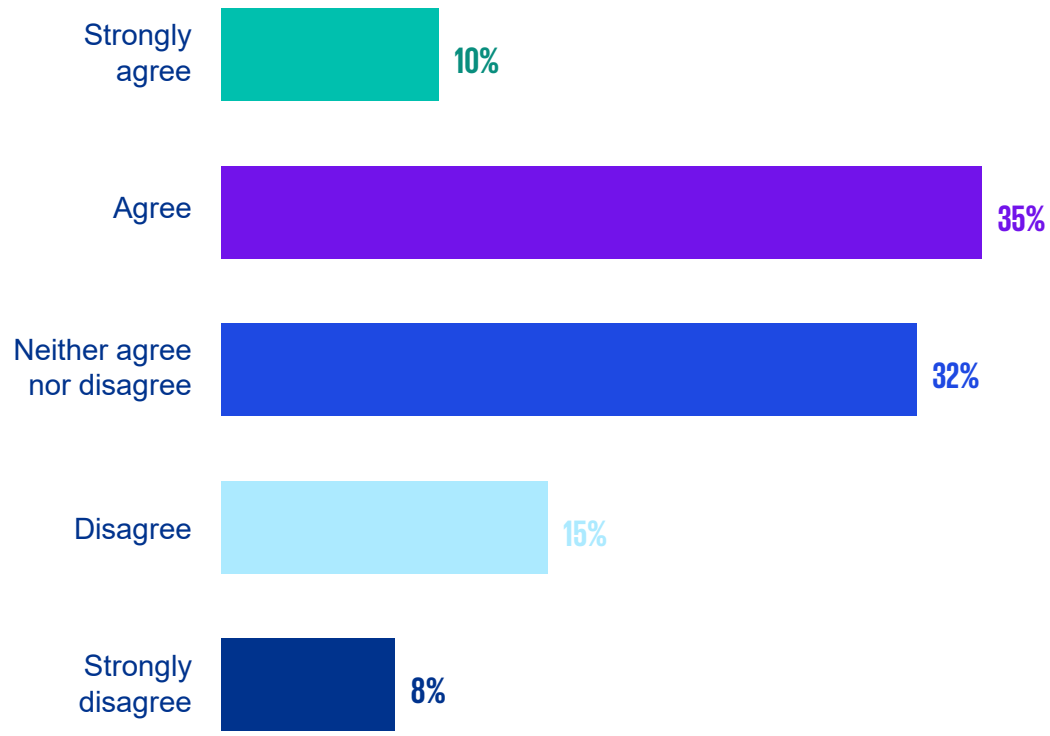
**34%**  
buy products or services through social media apps at least monthly

**~25%**  
of Gen Z and millennials will shop with sustainability in mind

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

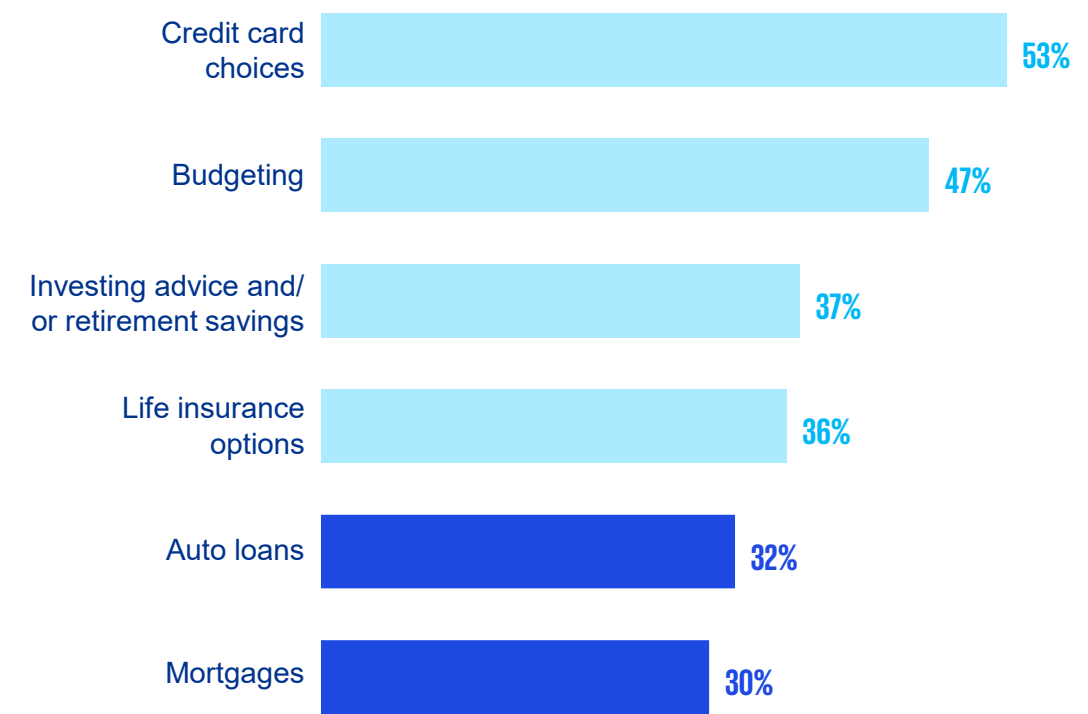
# People are demanding GenAI in financial services, but a human-in-the-loop approach is critical for lending decisions

## 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

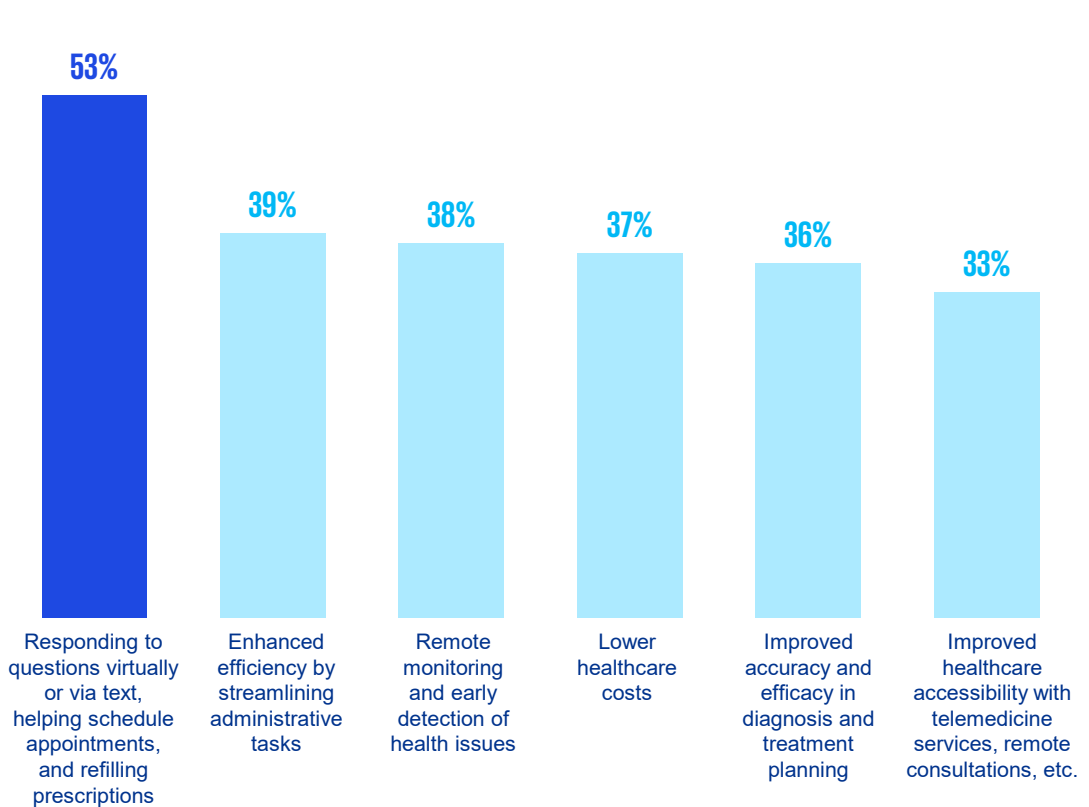


On a scale of 1 (not at all comfortable) to 5 (very comfortable), how comfortable would you be with GenAI-generated advice offered by your bank in each of the following areas.

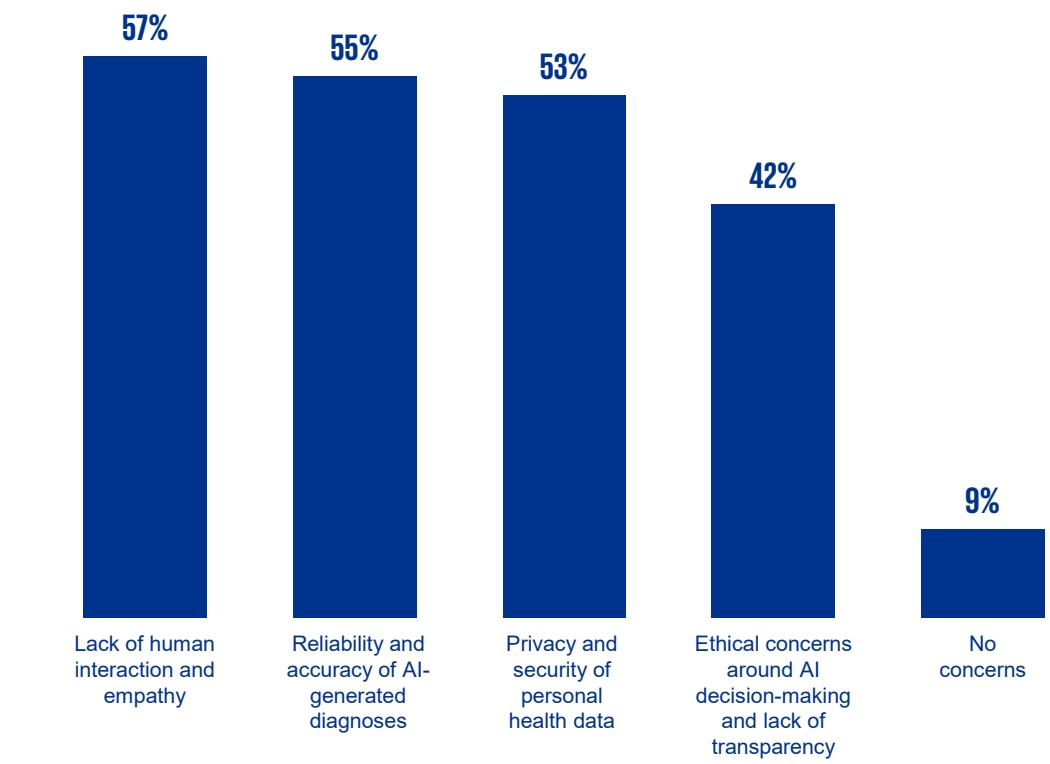
Chart includes those that selected 4 and 5.

# In healthcare, people believe GenAI will improve their experience, but businesses must focus on enhancing trust to maximize benefits

## 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

## 34%

of New Yorkers agree government agencies adequately use technology compared to 27% who disagree

## 53%

are more concerned about a cyber breach at government agency than at a private sector company

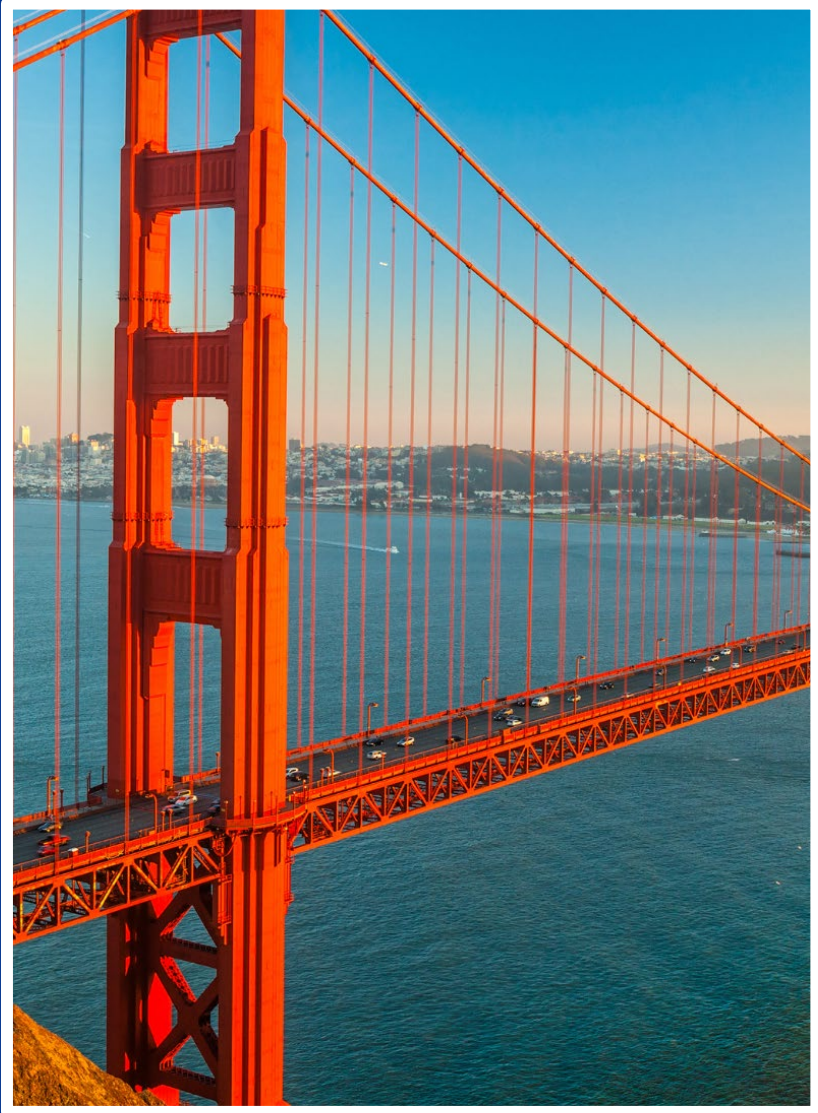
## Importance of government using GenAI in...



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

- **New Yorkers believe GenAI can help the most with budgeting (47%) and credit card choices (53%).** However, there's a generational gap: 65% of Gen Z and 57% of millennials in New York are comfortable with GenAI budgeting advice from their bank, compared to just 47% of Gen X and 31% of boomers.
- **While people want to fully engage in a digital environment, trust gaps remain.** Most New Yorkers (58%) are worried about a cybersecurity breach at their bank and the risk of such an event compromising their personal information.
- **Of New Yorkers who view GLP-1s as potentially important to them personally, 34% believe taking GLP-1 drugs would improve their quality of life** by helping with overall health, significant weight loss or a specific health issue. Another 21% view them as too risky and 16% believe their benefits are difficult to predict.



# KPMG American Perspectives Survey

## San Francisco Bay Area

**Our inaugural assessment**

—

Summer 2024

# San Francisco Bay Area: Optimism and Trust in the Era of Compound Volatility

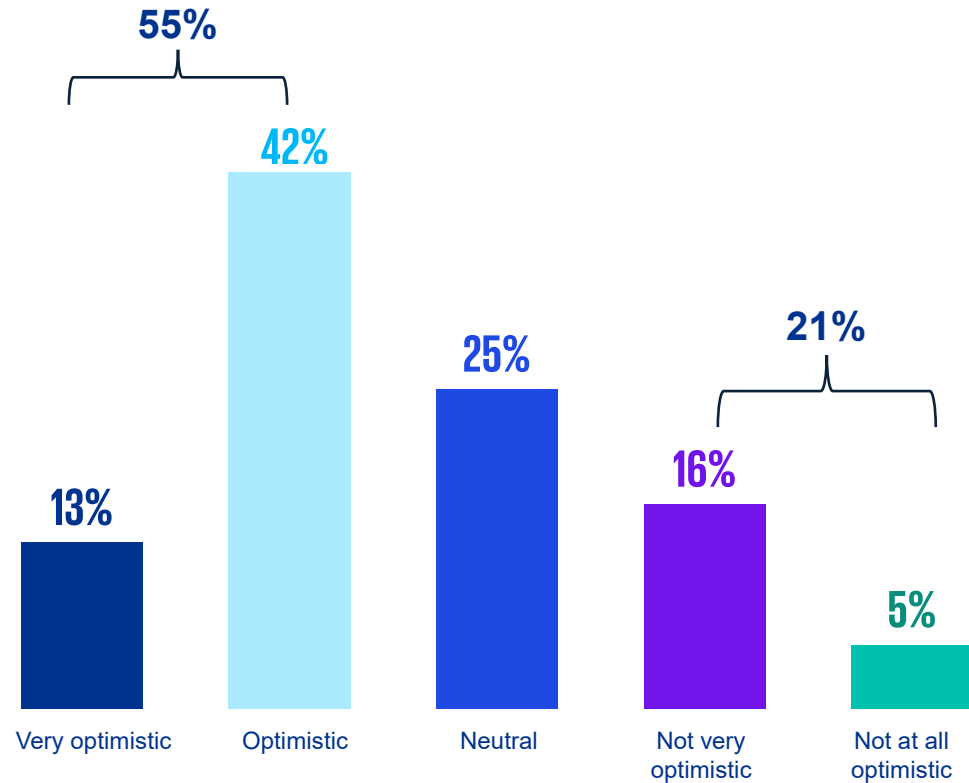
## How Bay Area Residents Are Grappling with Evolving Economic Opportunities and Risks

- **Overall financial optimism in the Bay Area is higher than Americans nationwide.** Most people in San Francisco (55%) are optimistic about their personal financial situation in the coming year, but their optimism in the growth prospects of the U.S. economy (37%) is more tempered.
- **There is a trend toward more frugal behavior, with 62% of people planning to do more discount shopping.** However, almost three in ten (29%) are willing to pay higher for sustainable products – well above the national average of 20%.
- **People in the Bay Area are demanding that GenAI be integrated into their consumer experience, but security and privacy concerns remain.** Over one-third (37%) of people report that GenAI is having at least somewhat of an impact on their personal lives.
- **Over three-fourths of people in San Francisco (77%) are comfortable with renewable energy as a power source for their electricity, and they prioritize sustainable automobile options.** In fact, 73% would choose an electric vehicle or a hybrid over a gas-powered vehicle if all price points and features were equal.

This survey of over 400 adults in the San Francisco Bay Area 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.

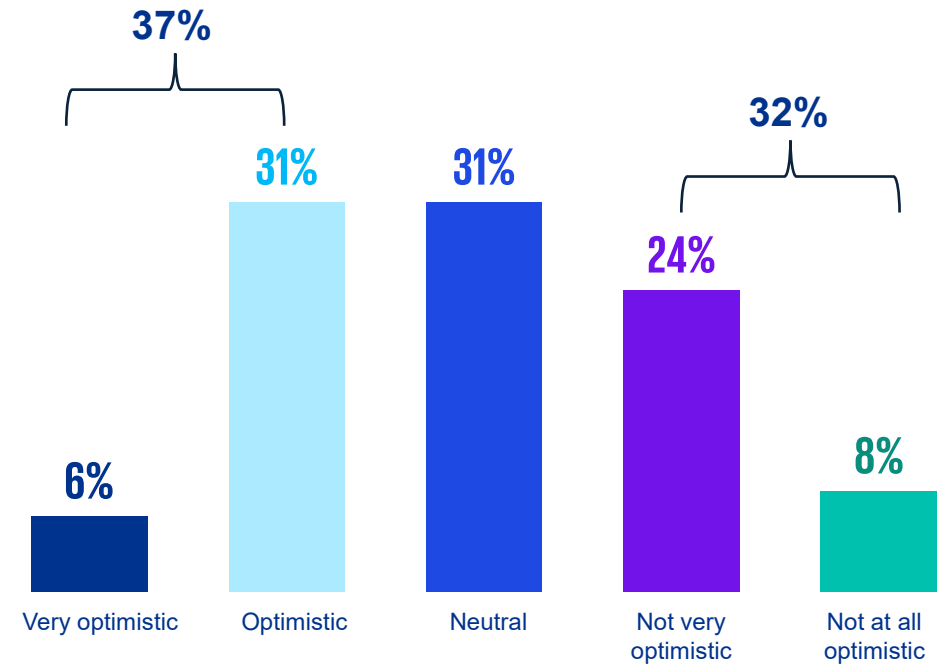
# San Franciscans are optimistic about their personal finances and the growth prospects of the U.S. economy

## 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.

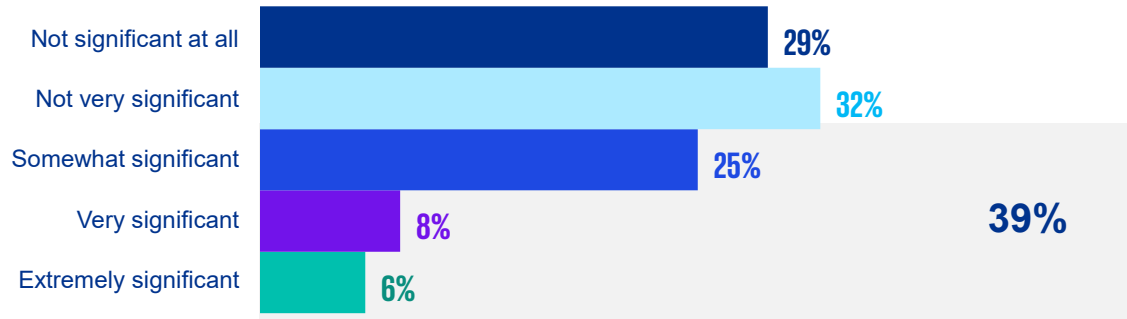
## Optimism about growth prospects for U.S. economy over next year



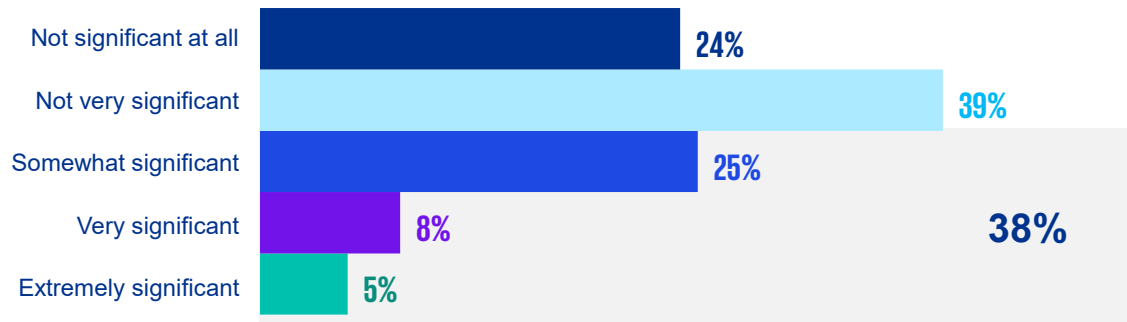
Growth prospects for the U.S. economy - Please indicate your level of optimism for each of the following over the next year.

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

## GenAI impact on professional life



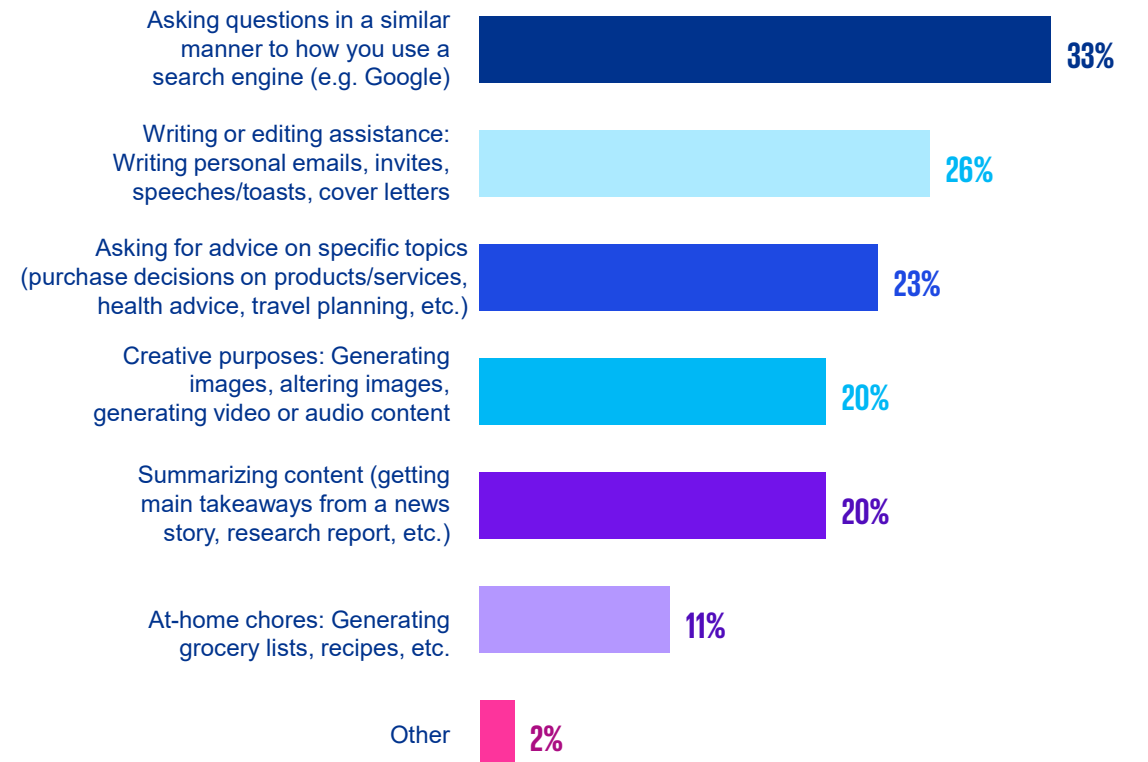
## GenAI impact on personal life



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?

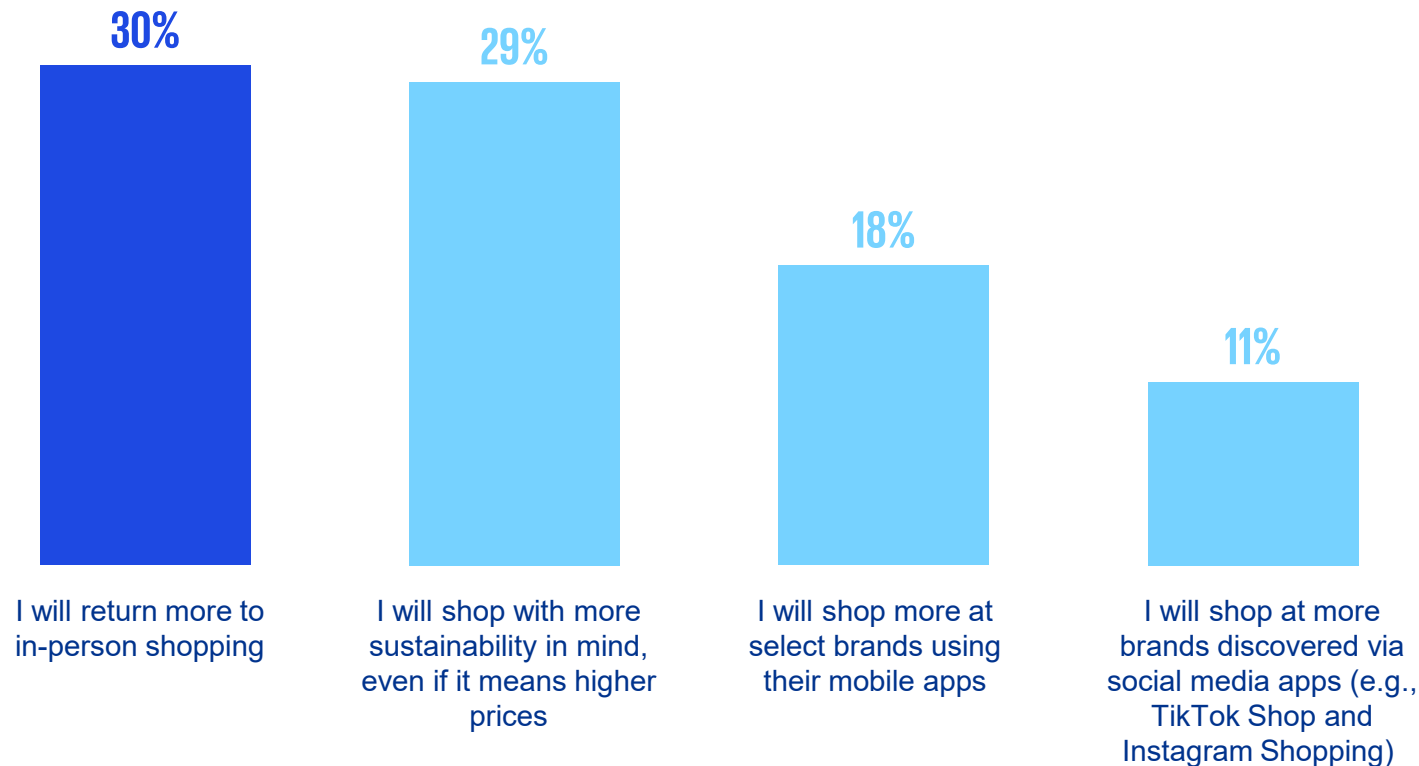
## Most common personal uses of GenAI



Have you used GenAI for the following personal reasons?

# People in the Bay Area 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 this year



**62%**

expect to do more discount shopping

**13%**

will use more buy now, pay later services this year

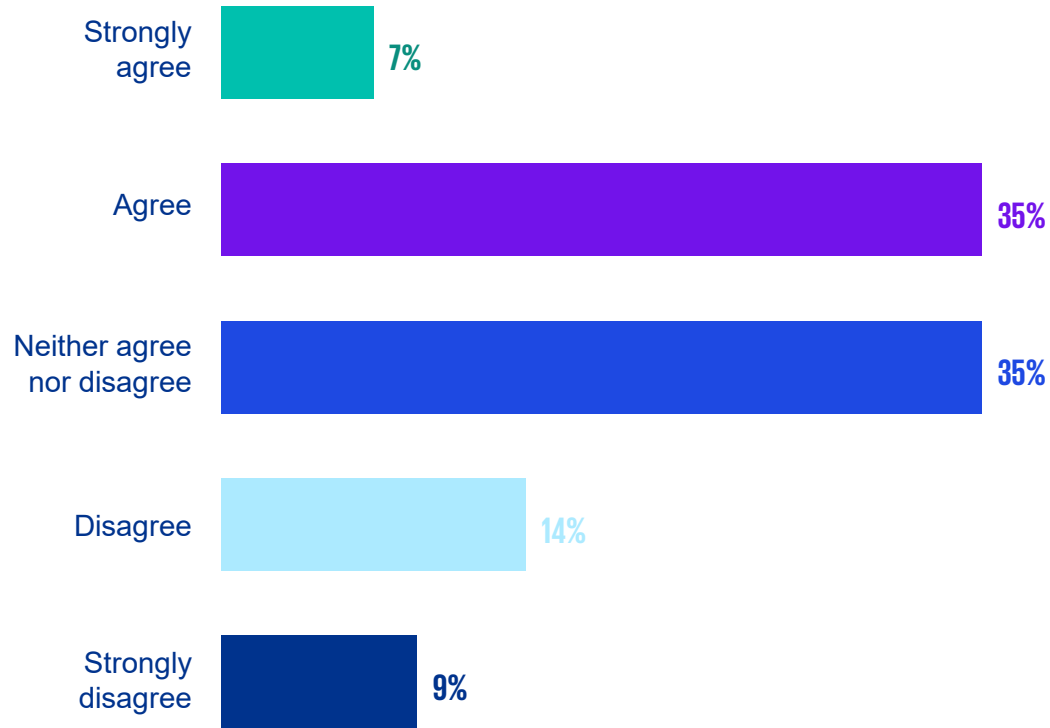
**42%**

of Gen Z and 31% of millennials will shop with sustainability in mind

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

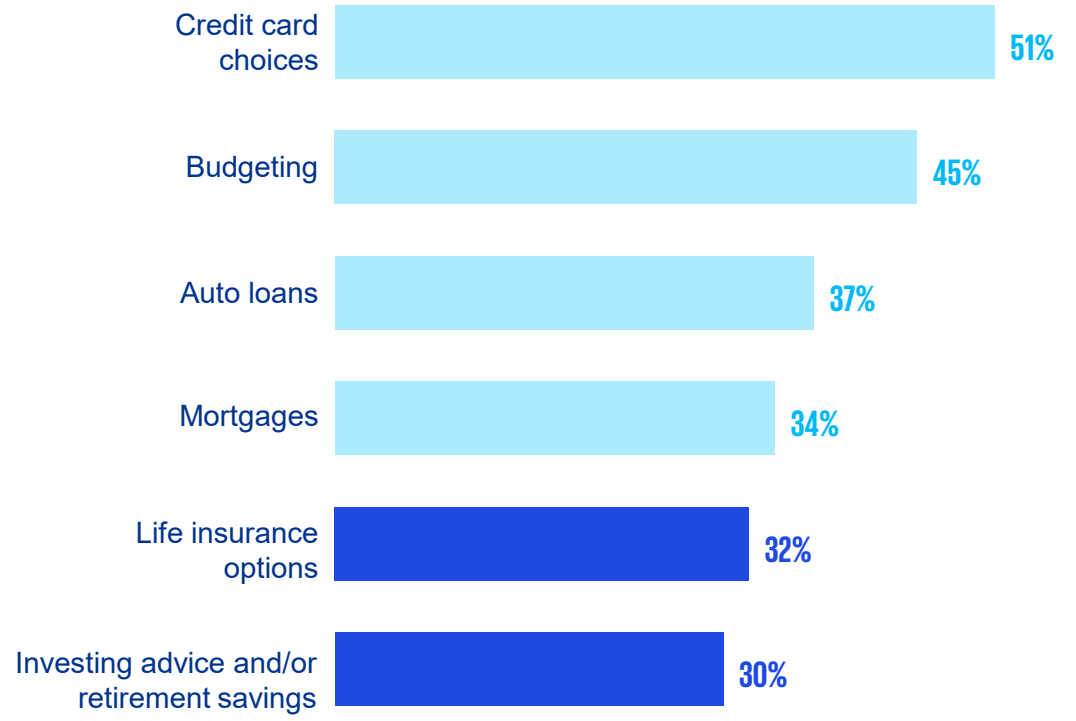
# GenAI in financial services anticipated, but the human component is critical for investment advice

## 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



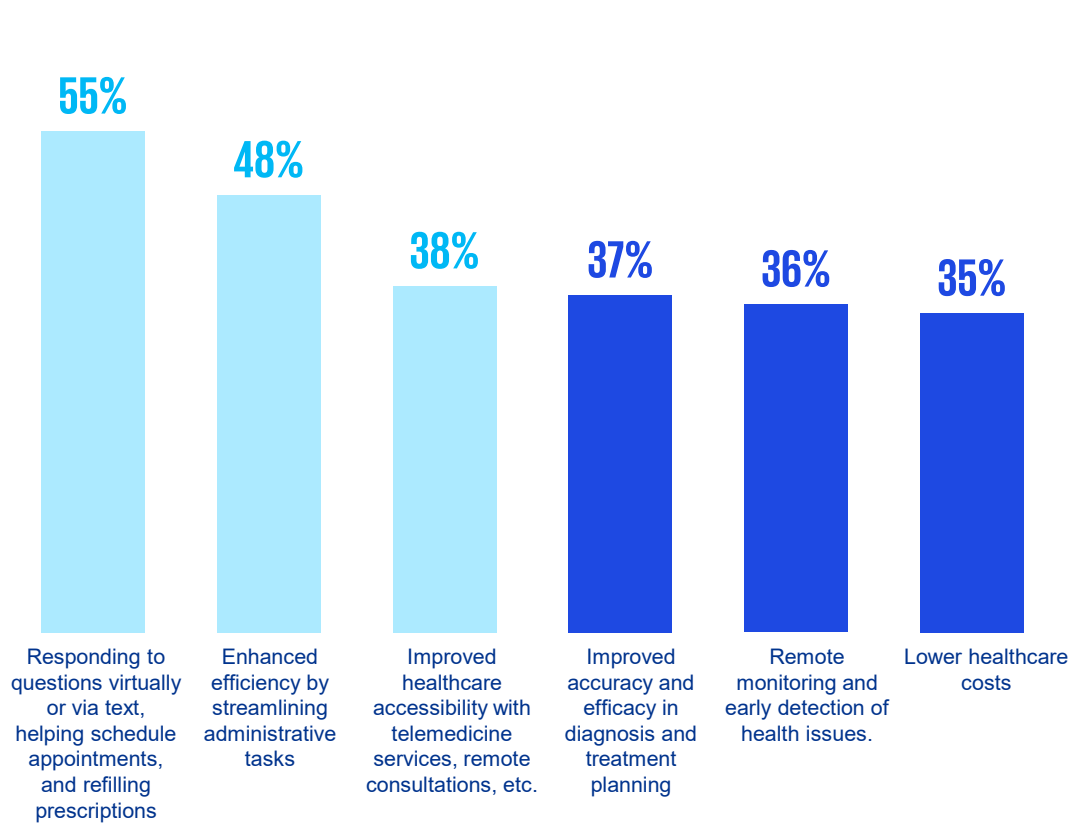
On a scale of 1 (not at all comfortable) to 5 (very comfortable), how comfortable would you be with GenAI-generated advice offered by your bank in each of the following areas.

Chart includes those that selected 4 and 5.

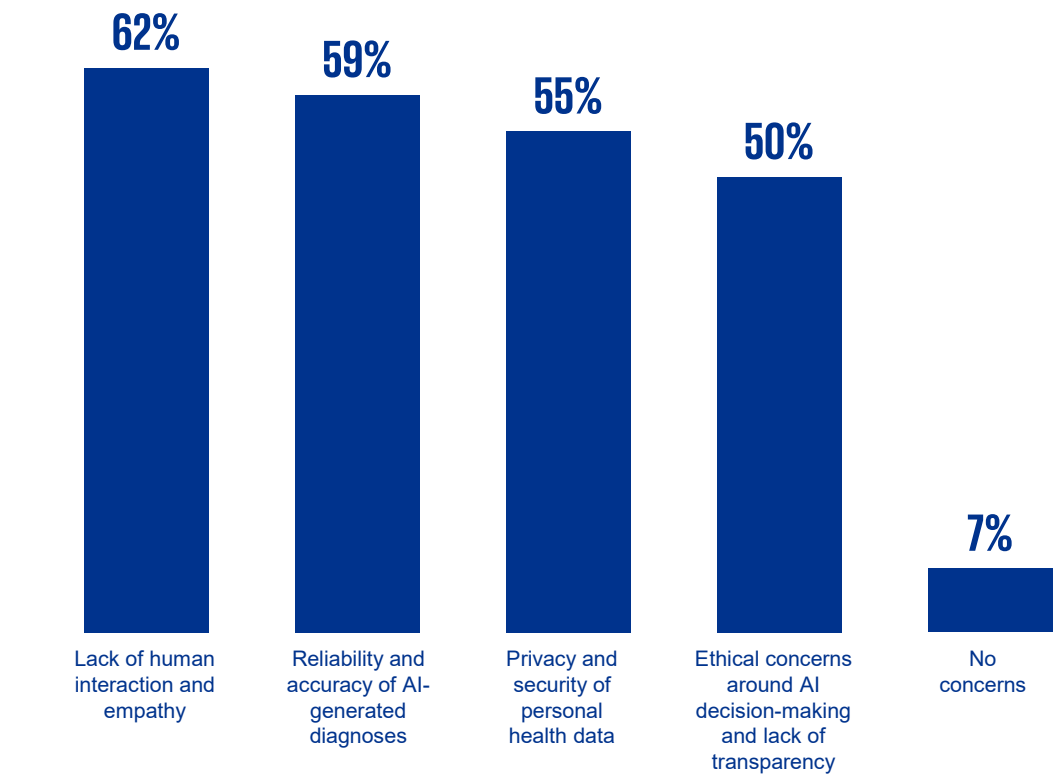


# In healthcare, people in the Bay Area believe GenAI will improve the accessibility and efficiency of their experiences, but concerns exist in some areas

### 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

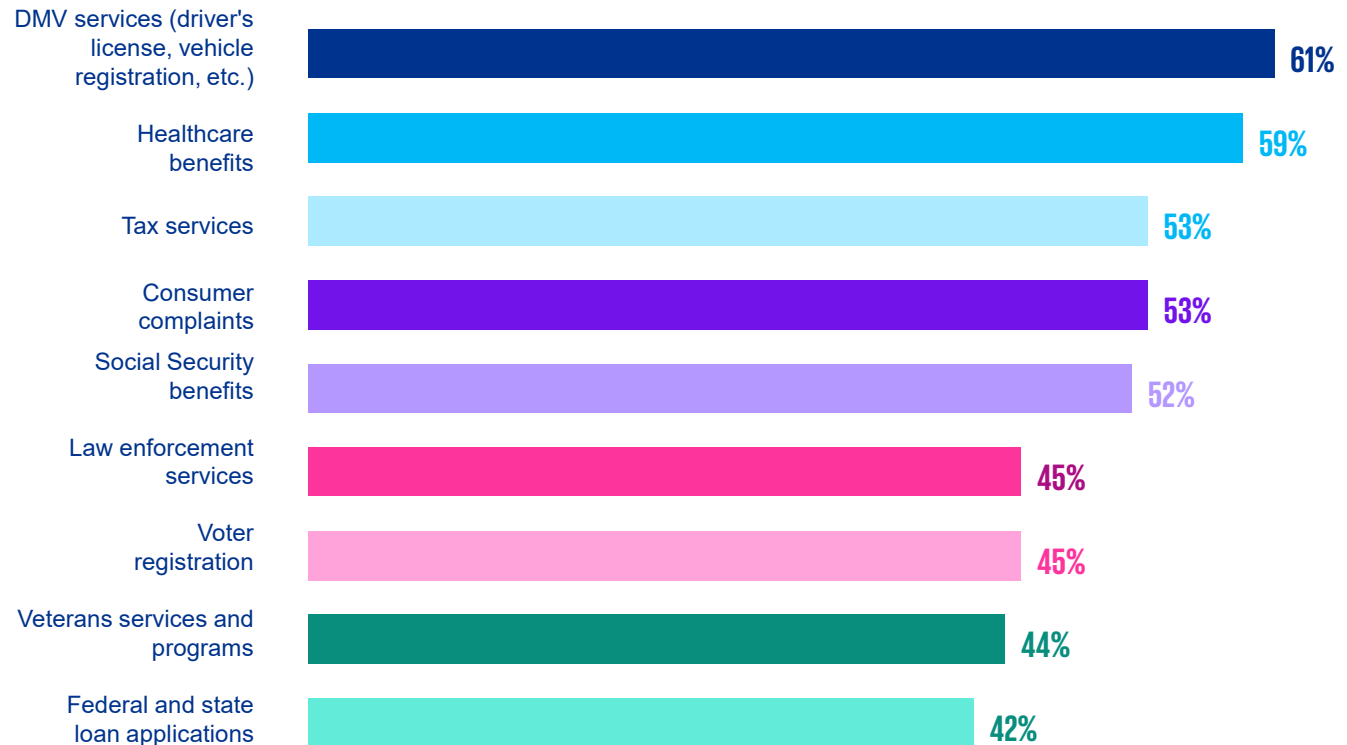
**Only 23%**

agree government agencies adequately use technology compared to 37% who disagree

**52%**

are more concerned about a cyber breach at a government agency than at a private sector company

## Importance of government using GenAI in...



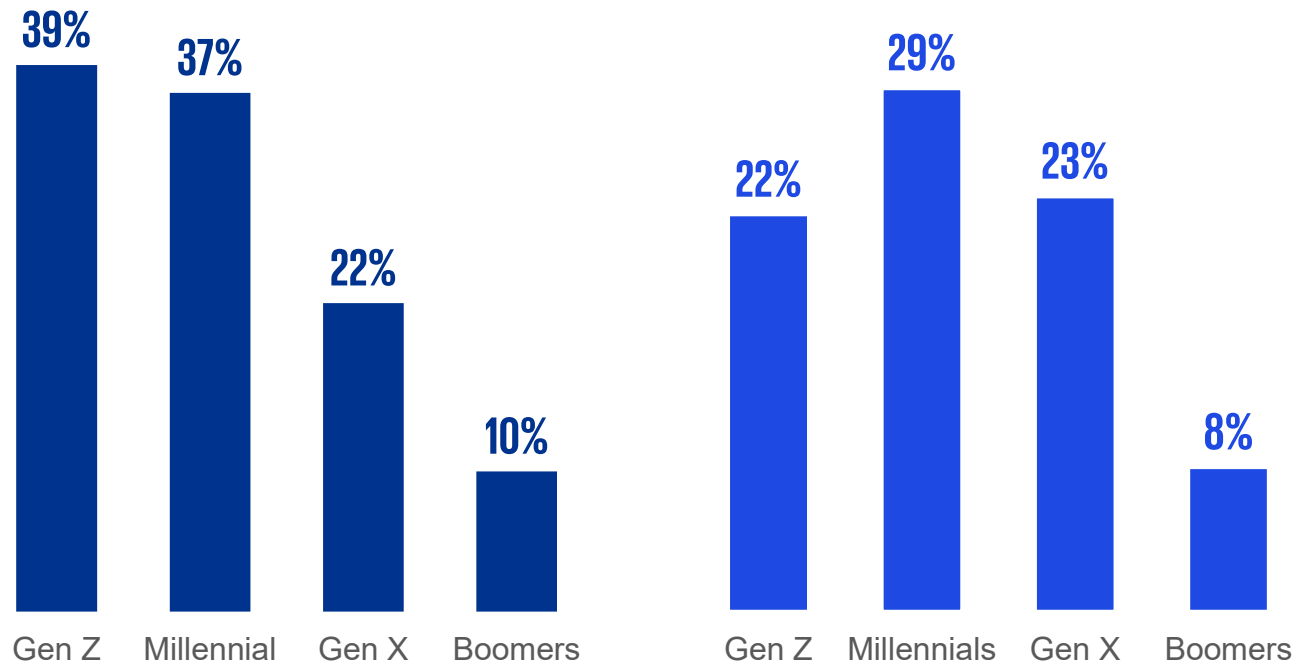
How important is it for the government to use GenAI for each of the below government services and programs if it improves your experience?  
Total percentage of respondents saying important or very important.

# People in San Francisco Bay have mixed views about banking alternatives and technology

Percentage of respondents who are considering or have already used alternative lending platforms, given high interest rate environment

National respondents

Bay Area respondents



**44%**

of people in the San Francisco Bay area would consider switching to a fully digital bank with comparable services, compared to 32% who would not

**Only 27%**

of people in the San Francisco Bay area find currently available chatbots helpful in addressing banking needs and questions

Given the high interest rate environment, I am considering or have used alt. lending platforms (peer-to-peer lending, microfinance inst...) to borrow money. To what extent do you agree/disagree with the following statements regarding your banking preferences.

# Additional findings

- **While shoppers across all generations plan to do more discount shopping, generational differences exist.** Gen Z plans to do the most discount shopping (77%), followed by Gen X (67%), millennials (55%), and boomers (55%). More than half of Gen Z (53%) plan to do more in-person shopping.
- **When it comes to banking and GenAI, comfort levels vary among generations,** with 61% of Gen Z and 55% of millennials comfortable with GenAI budgeting advice from their bank, compared to just 46% of Gen X and 31% of boomers.
- **Nearly 40% of Bay Area residents believe GLP-1 weight loss medications are not important to them personally.** Among all others, 28% believe the drugs would improve their quality of life. 76% would not be willing to pay out of pocket for the drugs, and only 11% would pay higher insurance premiums for coverage.

# 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.



[kpmg.com/socialmedia](https://kpmg.com/socialmedia)

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