

dentsu

Dentsu Consumer Navigator: Generative AI 2023

March 2023



About this study

The survey is administered each month through Toluna, an online research panel.

Conducted by dentsu, this survey is distributed among a random sample of 1,000 respondents, 18-years-of age or older and residing in the United States.

The survey garners an equal number of male and female respondents and controls for nationally representative weighting across race and ethnicity (using the latest publicly available U.S. Census numbers).

The survey that informs this report was fielded on March 15th, 2023.



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Top Consumer Insights

Attention has not yet translated into widespread adoption of AI.

Our survey finds that 61% of consumers say they at least somewhat understand what generative AI is and how it works - and 87% have at least heard of AI. While only 27% say they have used generative AI tools, 42% are interested.

AI is believed to be the future - whether that future is good is up for debate.

While close to 4 in 5 consumers are convinced generative AI is the future, less than 2 in 5 are excited about that future. That leaves over 3 in 5 consumers either concerned or undecided.

People are most excited by tangible applications of AI, but need a deeper understanding of how it will impact their day-to-day.

For consumers, several of the most exciting applications enhance day-to-day life – helping with daily tasks (37%), improving accessibility for those with disabilities (36%), and automating repetitive tasks (33%). At that same time, sweeping promises excite them – like helping researchers discover new innovations (36%) and advancing society (27%).

People are most concerned that AI will change what it means to be human.

What AI means for our jobs (45%), social bonds (39%), personal privacy (36%), and the integrity of creative outputs (35%) are all top sources of concern for consumers. They also feel there may be negative effects we can't foresee today (37%).

Brands have a mandate to use AI responsibly and transparently.

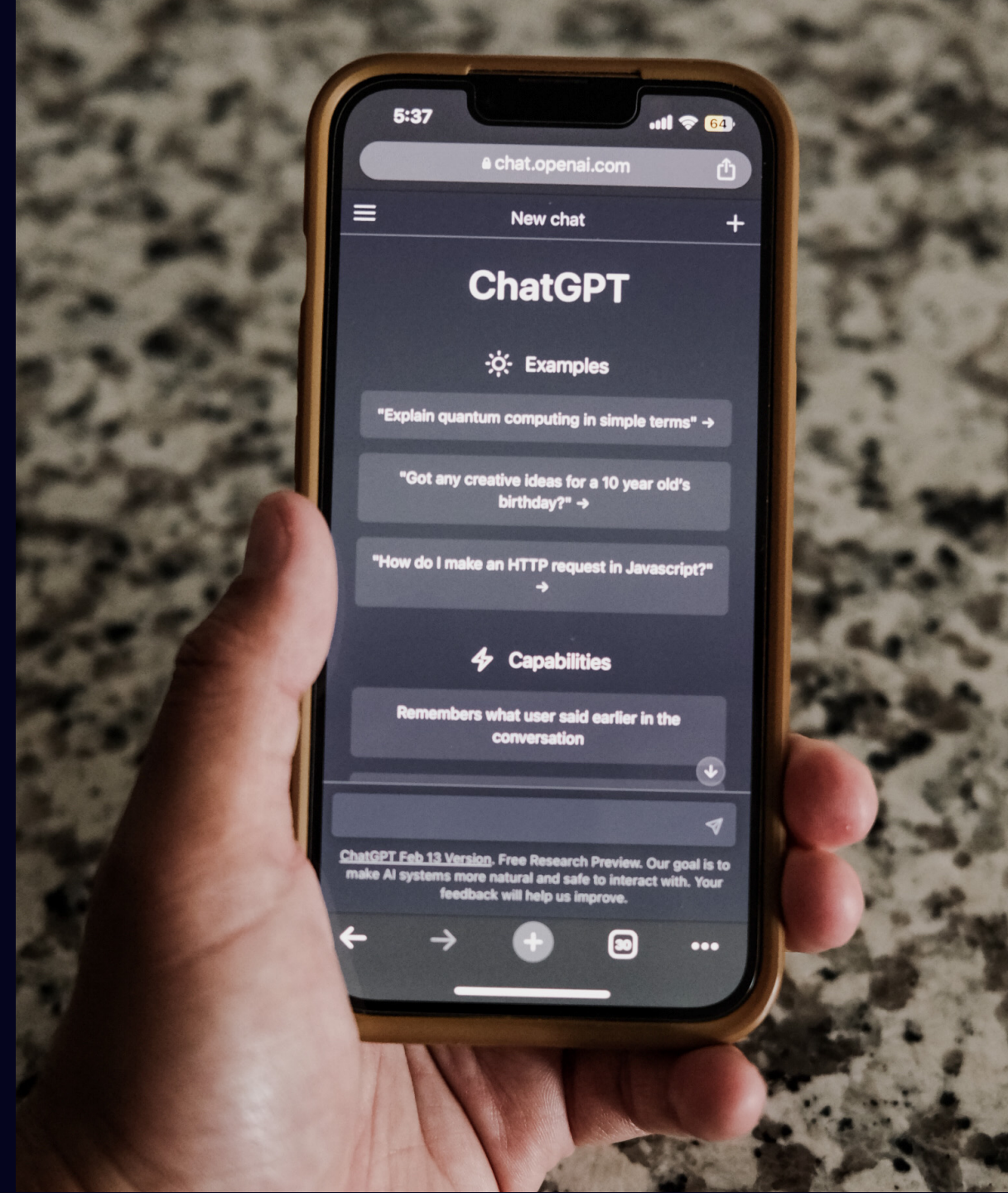
Consumers value responsible use and transparency from brands. Our survey finds that 77% of consumers agree that brands should ensure that existing biases and systems of inequality are not propagated by the AI-based applications they leverage. And over 70% believe brands should disclose when they use AI across products, services, experiences, and content.

Consumers support brands using AI, but most do not yet prefer it.

Our survey finds that 61% of consumers support brands using generative AI to design products and services. However, fewer (42%) agree: I prefer brands that use AI to design products and services over ones that do not. Millennials are most likely to prefer brands using AI, with 60% agreeing.

Current Adoption of Generative AI

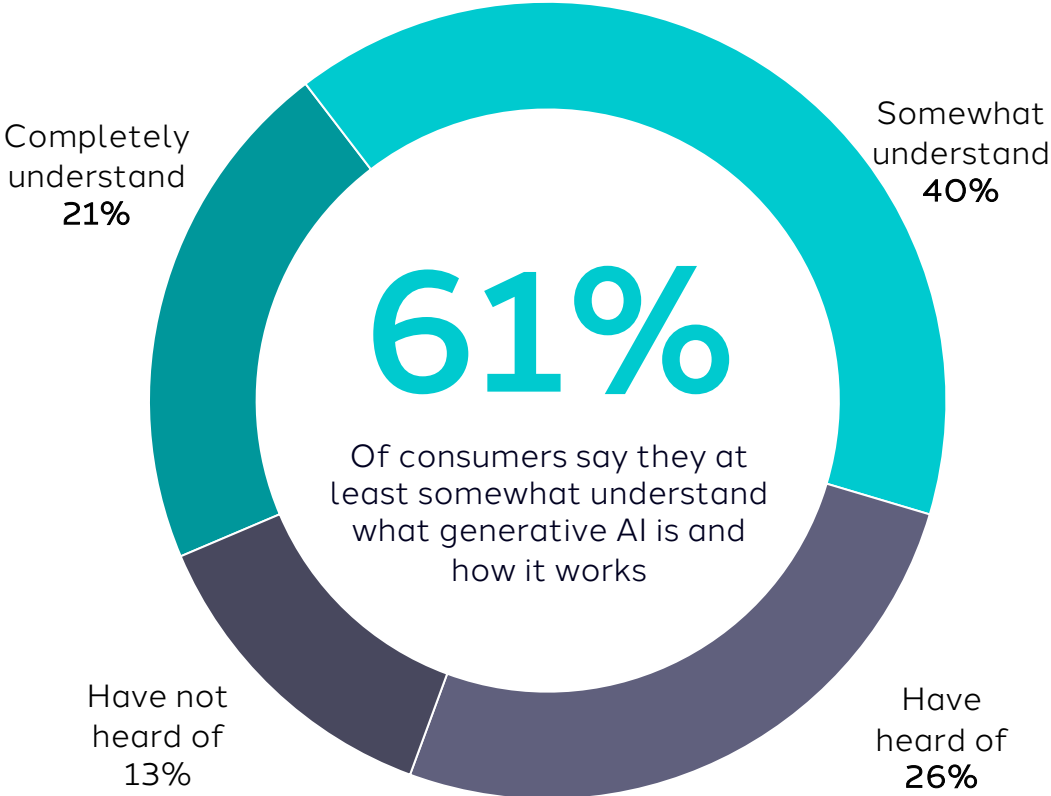
In the wake of the recent viral success of ChatGPT and DALL-E2, Google, Microsoft, Facebook and other tech companies are racing to develop and deploy their own suite of generative AI-powered tools. But as tech fawns over the applications of generative AI, how are consumers responding?



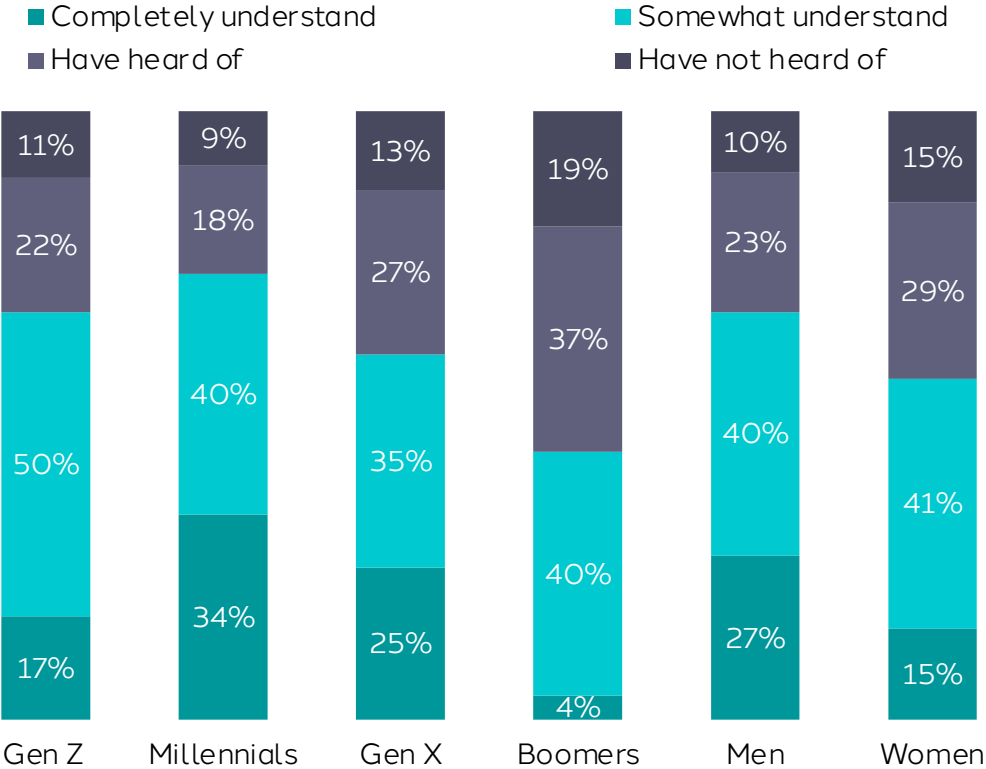
Most consumers say they at least 'somewhat' understand generative AI.

Millennials report being most familiar with the technology, followed by Gen Z and Gen X. Men are also more likely to report 'completely understanding' AI than women.

Familiarity with Generative AI



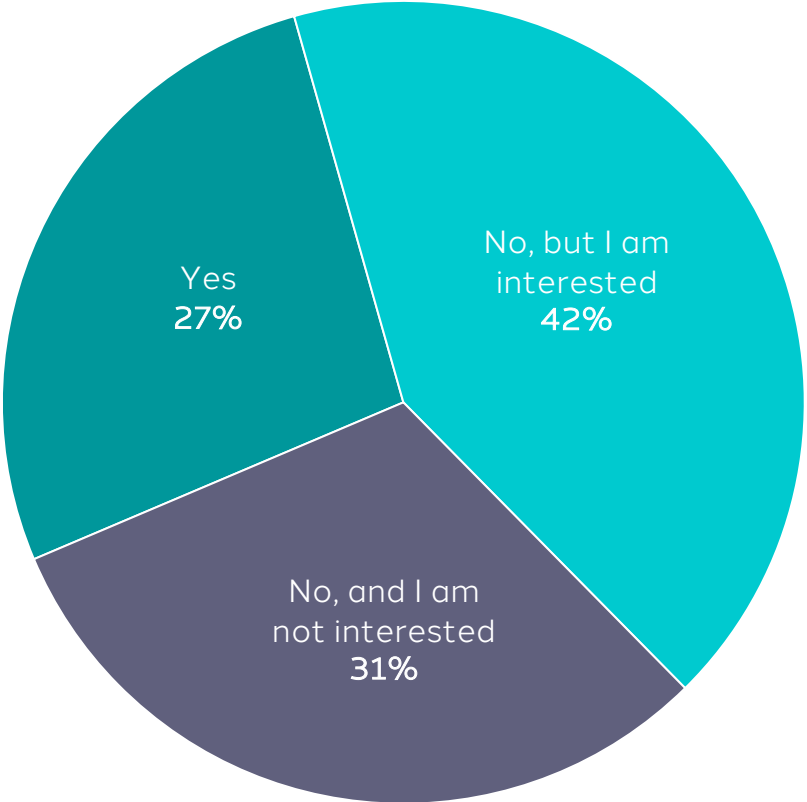
By Generation & Gender



Fewer have used generative AI tools themselves, but interest is there.

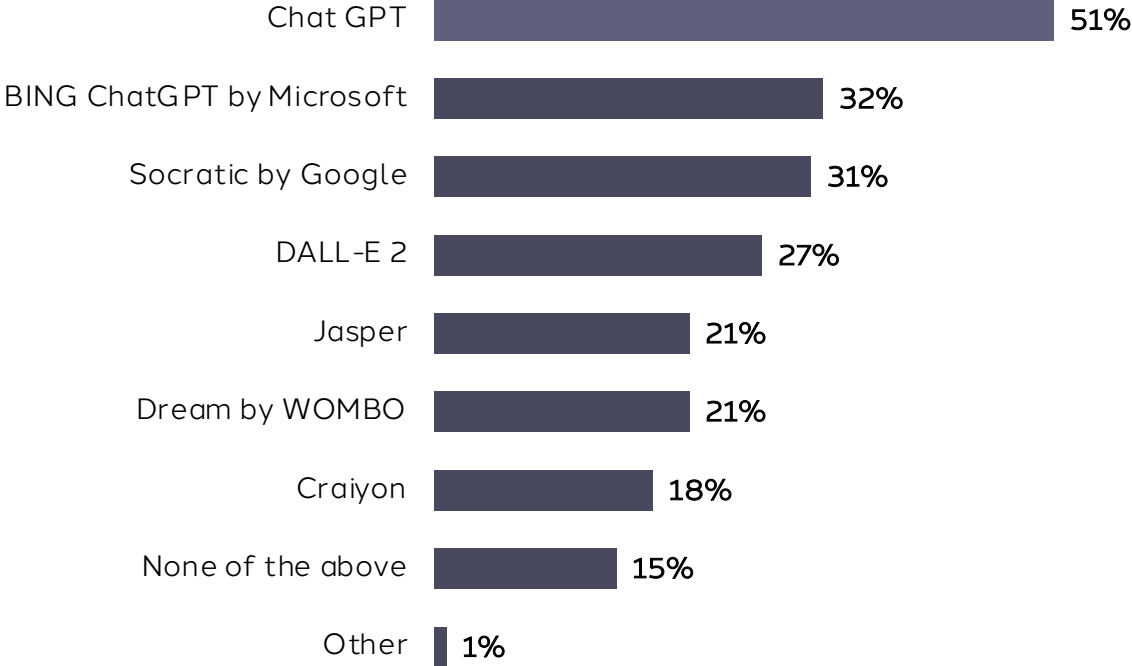
Among those who have dabbled with the tools, the headline-grabbing ChatGPT is most used. Other high-profile tools like BING ChatGPT, Socratic, and DALL-E2 are popular.

Have You Used Generative AI Tools?



Generative AI Tools Used

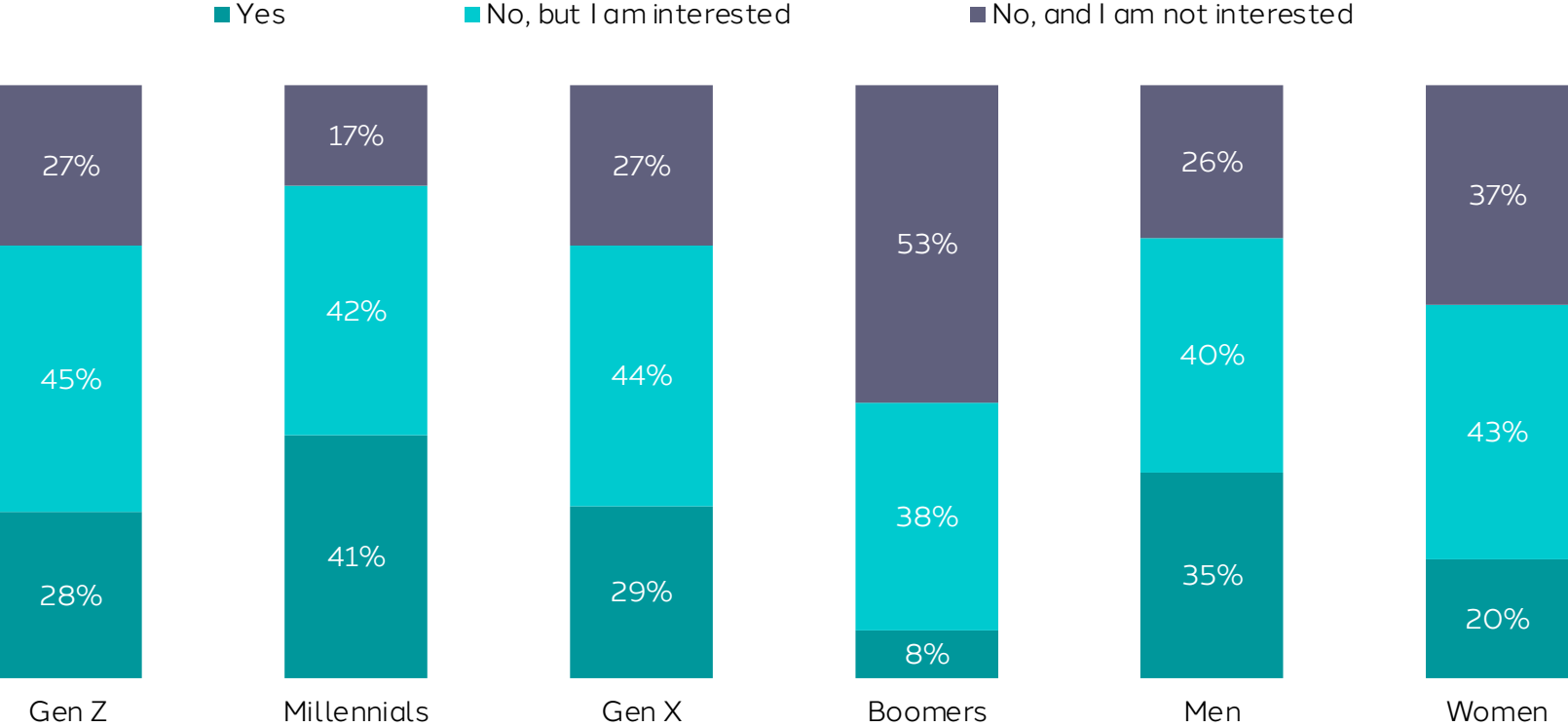
Among those who said 'yes'



Boomers and women are least likely to have used generative AI or be interested.

The same cohorts that report a deeper understanding of generative AI are also those that report the highest use of generative AI-based tools like Chat GPT.

Use of Generative AI Tools By Generation & Gender



Why they used generative AI tools in their own words:

Curiosity

Because I heard a news report about it and was curious.

I heard a lot about it and decided to check it out to find out what people were talking about.

I've heard and read about ChatGPT and had some fun with it, just to get a better idea about what it can and can not do.

To try it out and understand the attention it was getting.

Practice

I was experimenting to see for myself and evaluate the possible advantage I could benefit from when using these tools to help me with my world. And yeah, sometimes for fun.

It's in the process of changing how we do business and I want to stay on the leading edge of this technology and have helping others use it be part of my business.

I am a college professor and I want to understand how AI tools will impact learning and help my students in the future.

Real-Life Applications

I use it to help me with my work. it helps me with formulas as I'm creating templates.

I gave it a try on a memo I wrote for work then told my staff about it and they were excited.

To experiment with designs for jewelry.

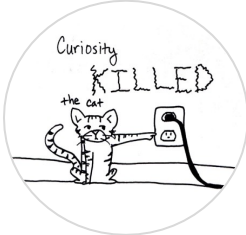
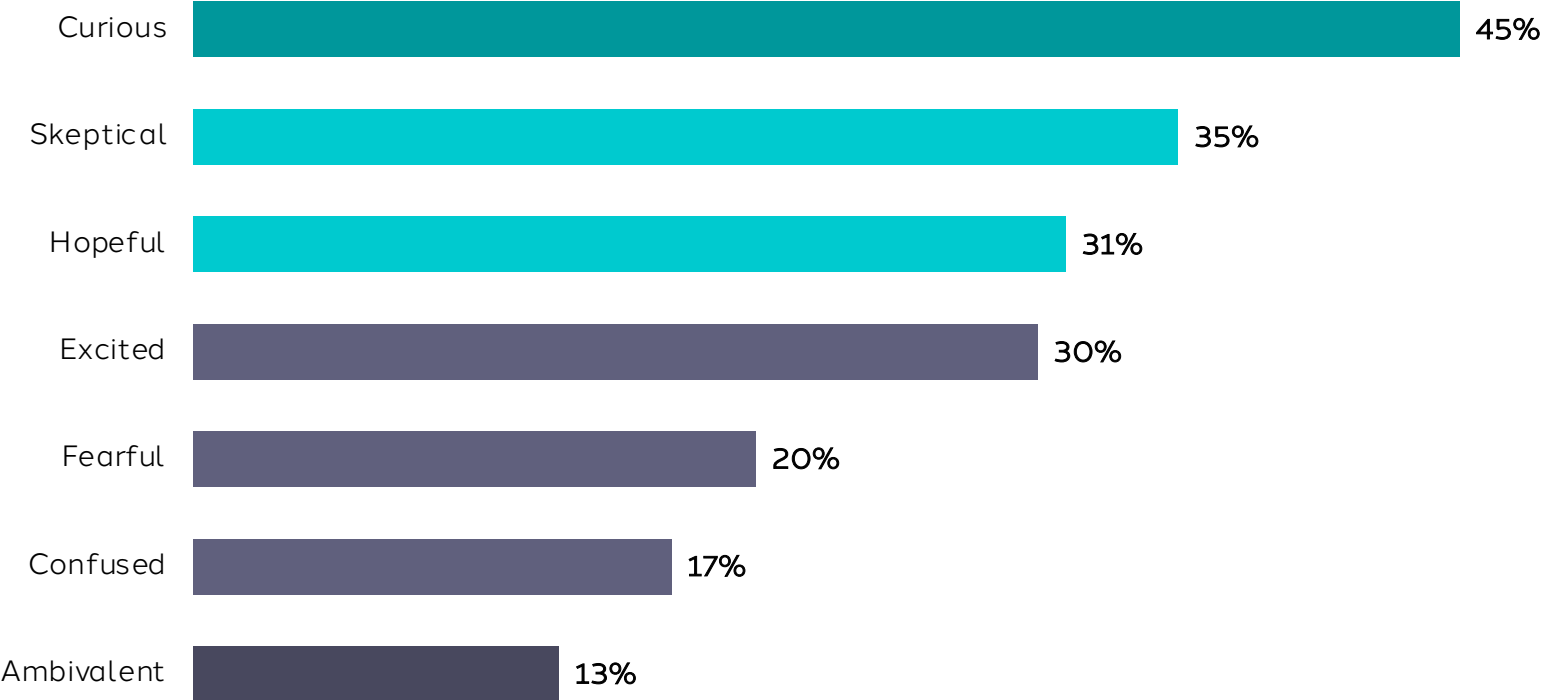
To generate a job role description for potential hiring advertisements.

When I need an essay done and don't want to do it.

Generative AI comes with conflicting emotions, but above all people are curious.

While consumers feel a conflation of hope and fear, excitement and skepticism, they above all are curious about the new technology and its implications for their day-to-day lives and society at large.

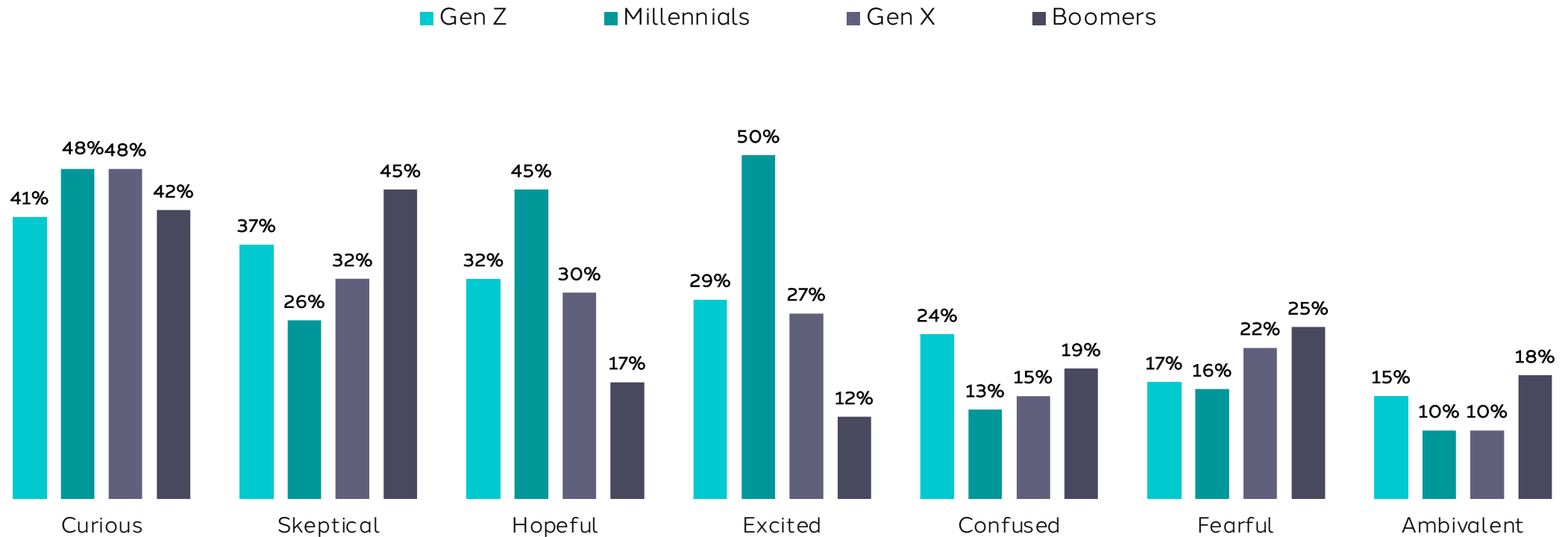
How Consumers Feel About the Current State of Generative AI



All generations feel curious about generative AI.

Boomers are also most likely to feel skeptical and fearful and least likely to feel excited. Gen X is by-and-large curious, but also skeptical. Millennials feel the most excited and hopeful about generative AI and the least skeptical. And Gen Z expresses a healthy dose of skepticism but also admits they feel confused about generative AI.

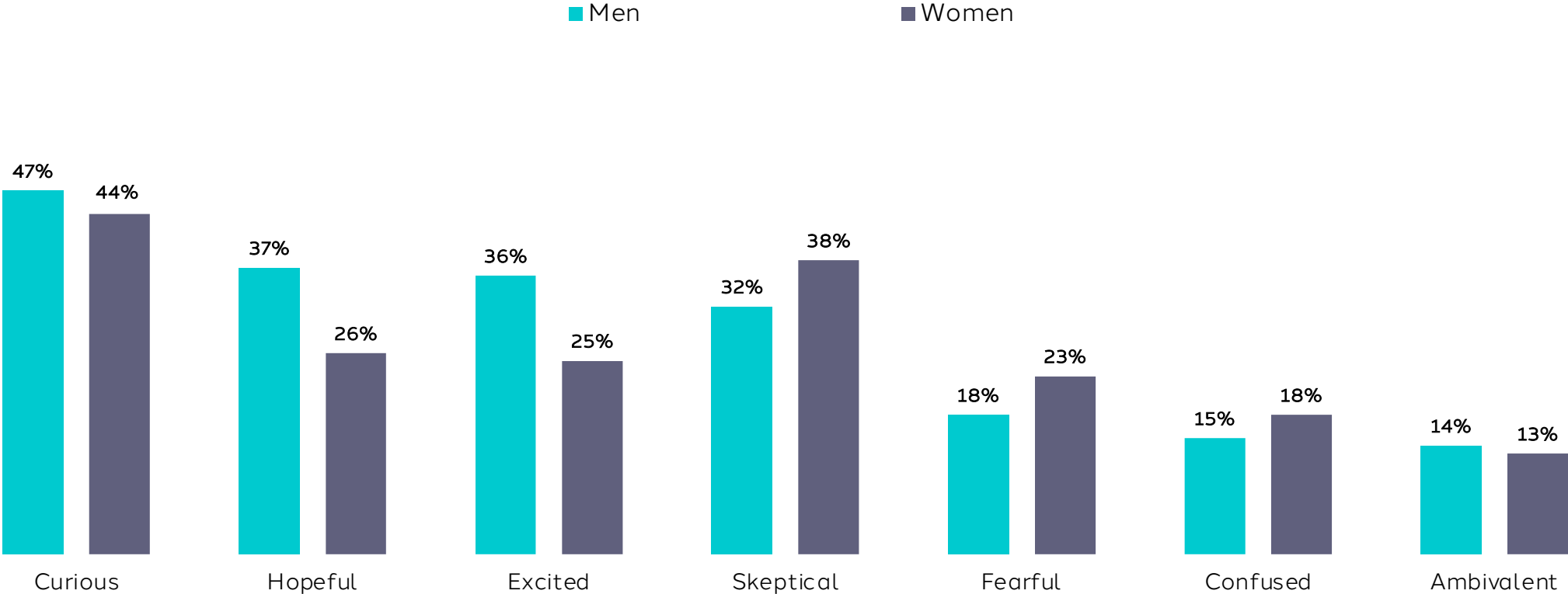
How Generations Feel About the Current State of Generative AI



Men express more optimistic feelings towards generative AI than women.

Men are more likely than women to be hopeful and excited, women are more likely to be skeptical, fearful and confused.

How Men & Women Feel About the Current State of Generative AI





IMPLICATIONS FOR MARKETERS

- **Identify business opportunity for generative AI ahead of mainstream adoption.** Our survey shows that while most consumers have at least heard of generative AI, far fewer have used generative AI-based tools. The most popular tools are limited to the same ones making headlines. The space is ripe with opportunity to capture consumer demand – and a significant share of consumers are interested in the technology.
- **Keep up with acceleration from practice to performance.** Currently, consumers largely report using generative AI tools to satiate curiosity. Practical use cases are few and far between – and appear to be contained to small experiments. However, the space is moving quickly. It is clear that generative AI transformation will happen much more rapidly than digital transformation.
- **Address a key barrier: skepticism.** Consumers mainly express positive emotions about the current state of generative AI, but skepticism exists, particularly among specific groups. Getting to the root of that skepticism will be key to the mainstream adoption of generative AI and the acceptance of use cases and applications to our daily lives.

The Future of Generative AI

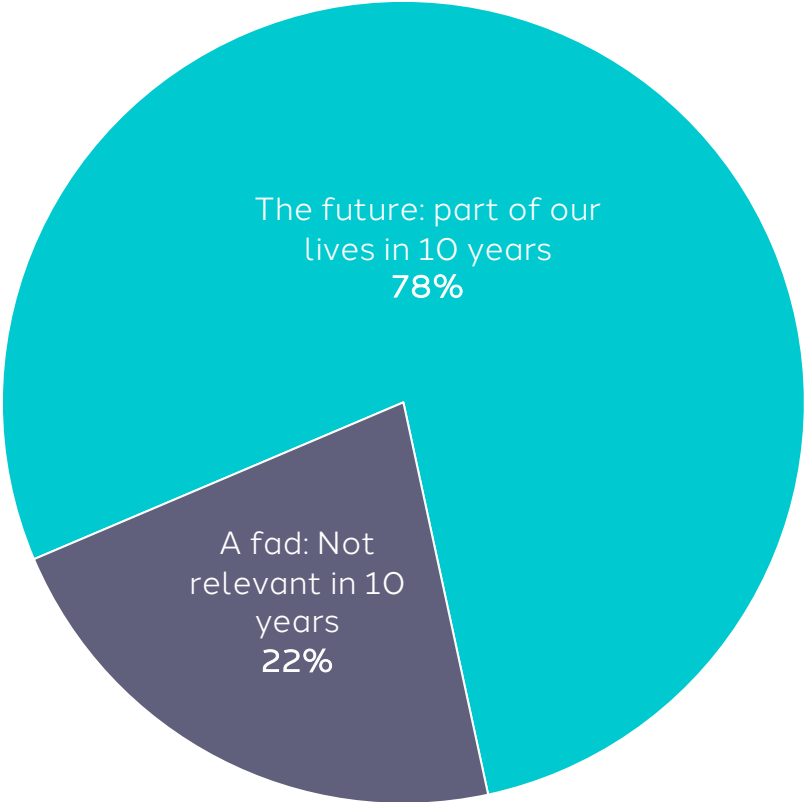
Looking ahead to the future of generative AI, do consumers believe it will be a critical part of our lives in 10 years? And how do they feel about that prospect?



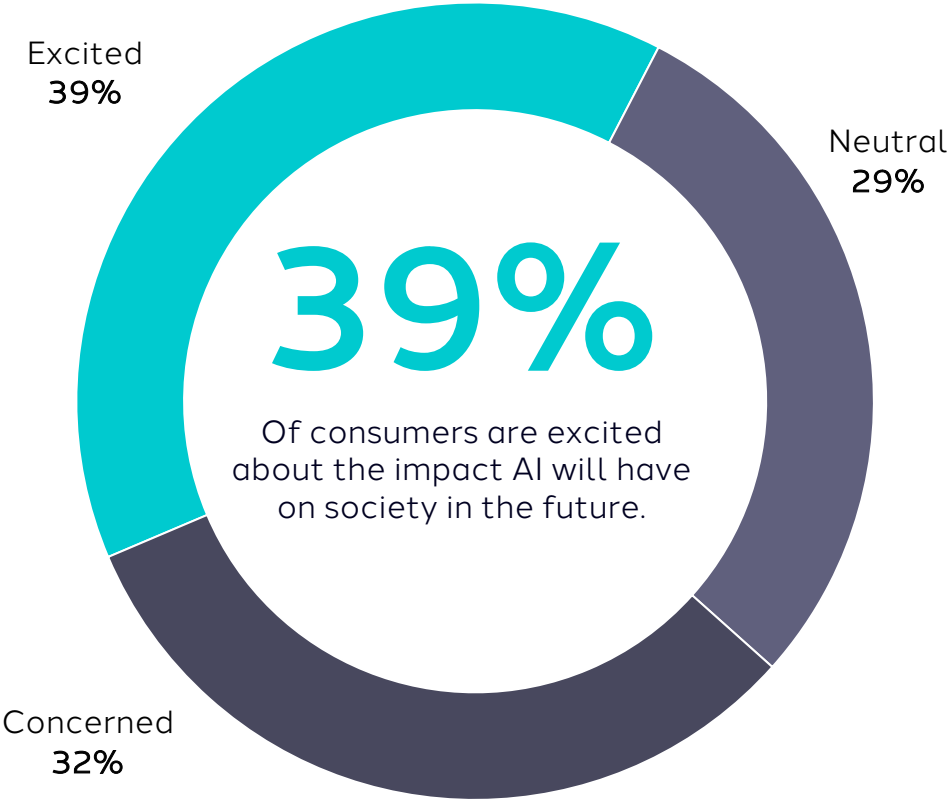
Consumers believe AI is the future, but many are not sure how to feel about that future.

While close to 4 in 5 consumers are convinced generative AI is the future, less than 2 in 5 are excited about that future. That leaves over 3 in 5 consumers either concerned or undecided.

Do You Believe Generative AI is Future or Fad?

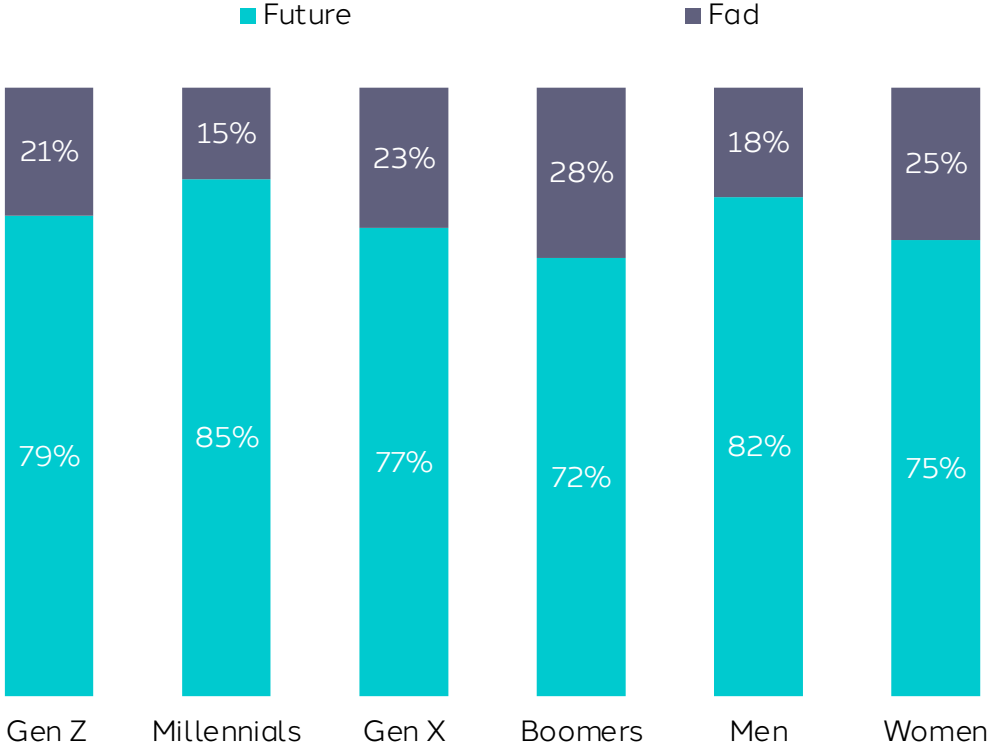


Feelings About the Future Impact of AI?

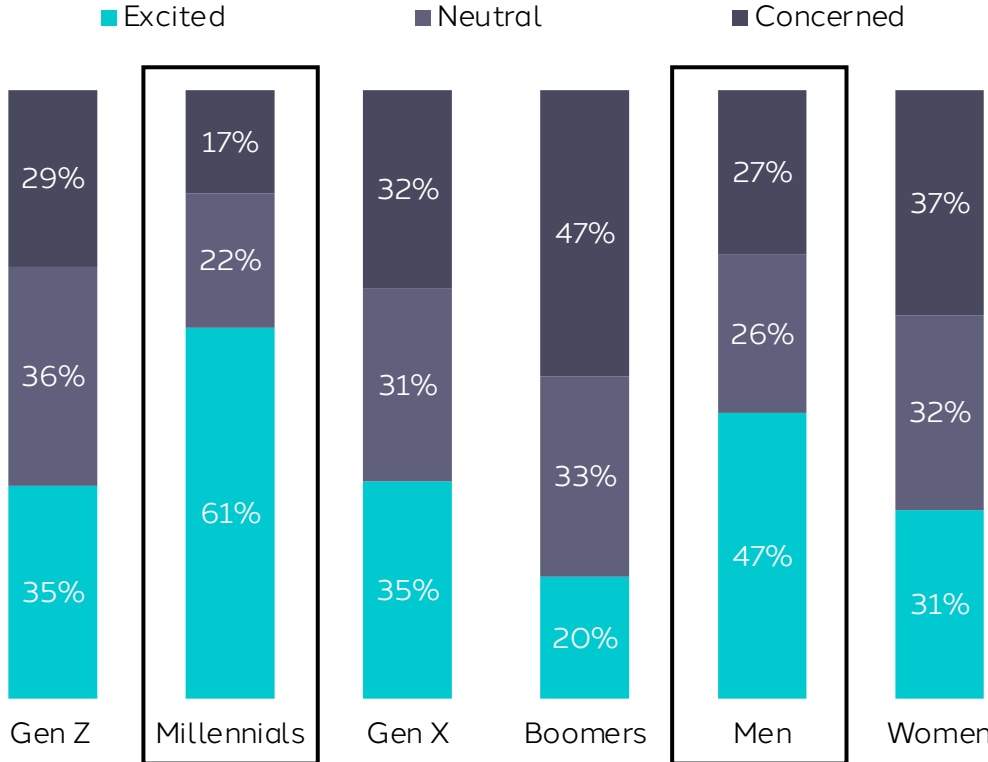


All cohorts agree AI is the future, but only Millennials and men are significantly more excited than concerned/neutral.

By Generation & Gender



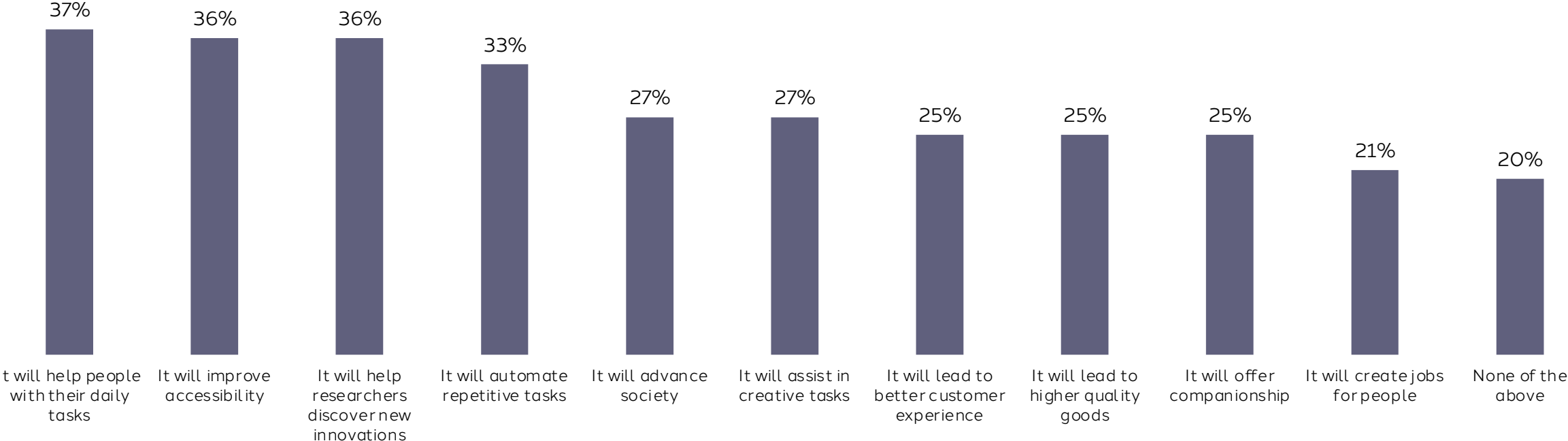
By Generation & Gender



Excitement stems from tangible benefits and broad advancements.

For consumers, several of the most exciting applications are to enhancing day-to-day life – helping with daily tasks, improving accessibility for those with disabilities, and automating repetitive tasks. At that same time, sweeping promises excite them – like helping researchers discover new innovations and advancing society.

What Makes Consumers Excited About the Future of AI



Different generations are excited about generative AI for different reasons.

Gen Z is most excited about how generative AI will enhance creativity. Millennials are most excited about how generative AI can impact their daily life, while Boomers and Gen X are excited about enhancements to accessibility enabled by AI.

What Makes Generations Excited About the Future of AI

Gen Z	Millennials	Gen X	Boomers
1 It will assist with creative tasks i152	1 It will help people with their daily tasks i116	1 It will improve accessibility i103	1 It will improve accessibility i102
2 It will help researchers discover new innovations i100	2 It will help researchers discover new innovations i111	2 It will help researchers discover new innovations i92	2 It will help people with their daily tasks i94
3 It will automate repetitive tasks i106	3 It will improve accessibility i100	3 It will help people with their daily tasks i86	3 None of the above i170

Men are most excited by how generative AI will help with daily tasks, while women are most excited by the potential to improve accessibility for those with disabilities.

What Makes Men & Women Excited About the Future of AI

Men

- 1 It will help people with their daily tasks **i108**
- 2 It will help researchers discover new innovations **i108**
- 3 It will automate repetitive tasks **i115**

Women

- 1 It will improve accessibility **i108**
- 2 It will help researchers discover new innovations **i94**
- 3 It will help people with their daily tasks **i89**

There is opportunity to show more people how AI could enhance their daily life.

Particularly among Boomers.

57%

AGREE: I believe generative AI will make my day-to-day life better.

AGREE: AI will make my day-to-day life better.

GEN Z
56%

MILLENNIALS
73%

GEN X
58%

BOOMERS
41%

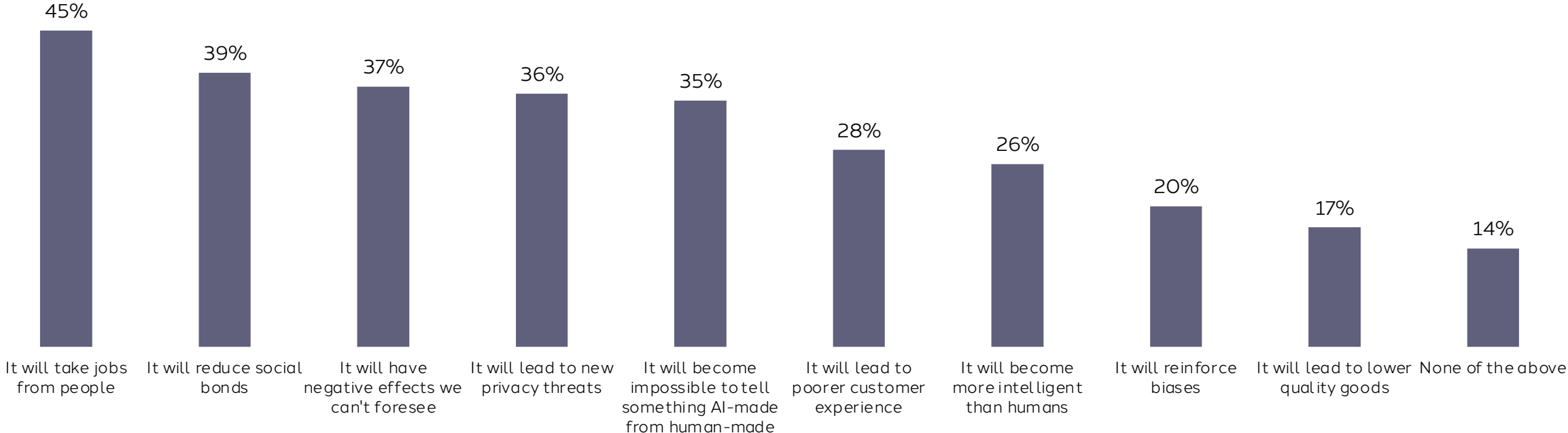
MEN
61%

WOMEN
54%

Concern stems from anxiety about what it means to be human in a world with AI.

What AI means for our jobs, social bonds, personal privacy, and the integrity of creative outputs are all sources of concern for consumers. They also feel there may be negative effects we can't foresee today.

What Makes Consumers Concerned About the Future of AI



Fear of losing jobs is the top concern across all generations.

Though older generations are more intensely concerned. Gen Z and Gen X are highly concerned about new threats to privacy. Gen Z and Boomers are highly concerned about reduced social bonds.

What Makes Generations Concerned About the Future of AI

Gen Z	Millennials	Gen X	Boomers
1 It will take jobs from people i86	1 It will take jobs from people i88	1 It will take jobs from people i107	1 It will take jobs from people i111
2 It will lead to new privacy threats i106	2 It will become impossible to tell something AI-made from human-made i94	2 It will lead to new privacy threats i114	2 It will reduce social bonds i126
3 It will reduce social bonds i95	3 It will have negative effects we can't foresee i84	3 It will reduce social bonds i100	3 It will have negative effects we can't foresee i127

Both men and women are most concerned about jobs.

Men are also highly concerned about privacy and unforeseen effects, while women are concerned about social bonds and integrity of human-made items.

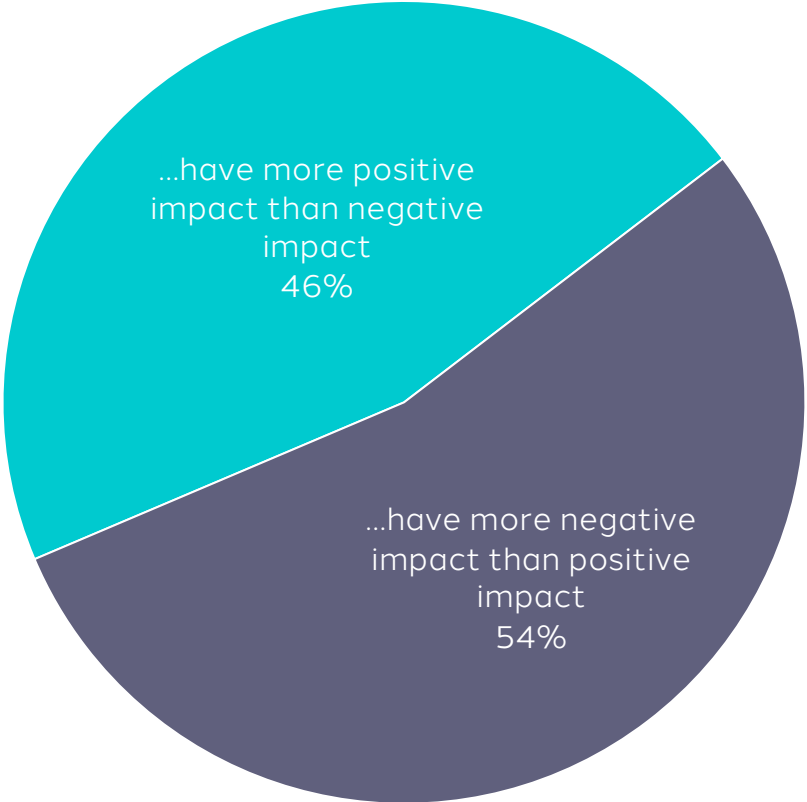
What Makes Men & Women Concerned About the Future of AI

Men	Women
1 It will take jobs from people i91	1 It will take jobs from people i109
2 It will lead to new privacy threats i103	2 It will reduce social bonds i105
3 It will have negative effects we can't foresee i100	3 It will become impossible to tell something AI-made from human-made i112

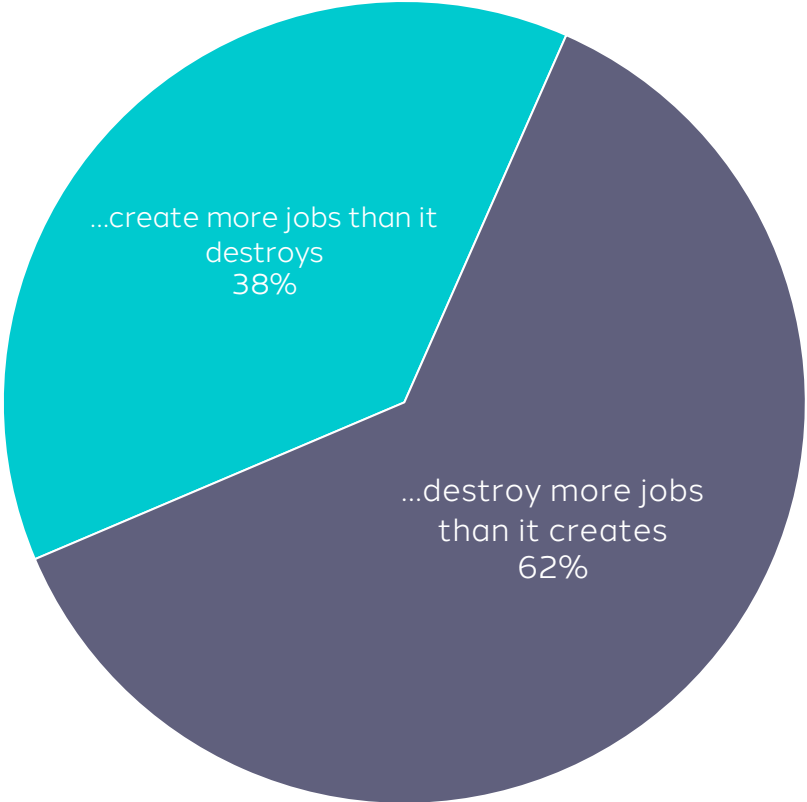
People's perceptions on the future of AI are clouded by fear of losing jobs.

While consumers are fairly split between whether the impact of generative AI will be more positive or negative, the clear majority feels that generative AI will destroy more jobs than it creates.

Do You Believe Generative AI will...?



Do You Believe Generative AI will...?



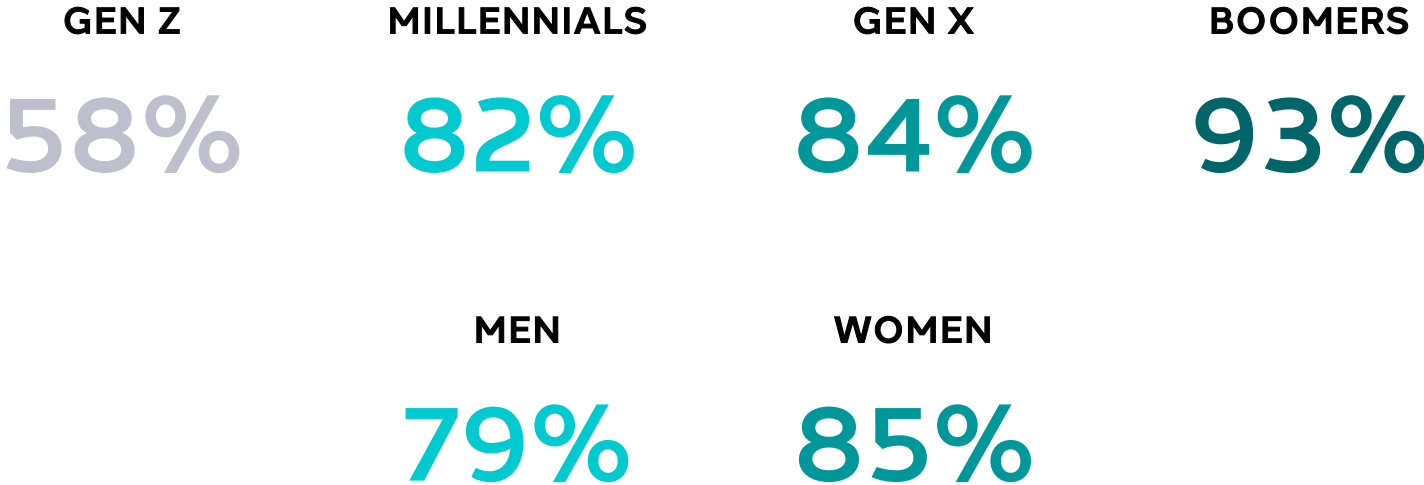
Consumers believe the development of AI should be closely managed.

Gen Z is significantly less likely to agree, while all other cohorts vehemently agree.

82%

AGREE: We must keep a close eye on the development of generative AI, so it doesn't get out of control.

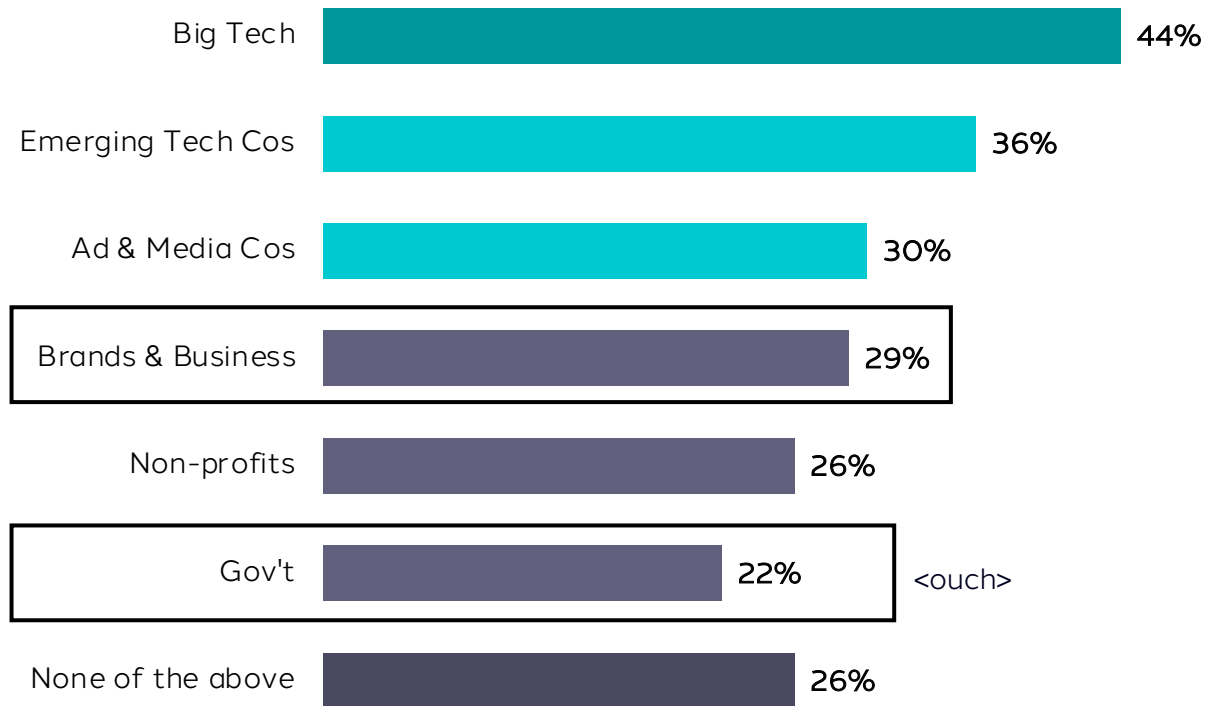
AGREE: Must keep close eye on the dev. of generative AI



Tech companies are most trusted to responsibly develop AI, but brands have a role in responsible adoption.

Just under one-third of respondents trust brands to responsibly develop AI. More importantly, consumers feel that brands using AI for business – even third-party tools - should work to mitigate biases and systems of inequality. Gov't is not trusted.

Entities Consumers Trust to Responsibly Develop AI



77%

Brands should ensure that existing biases and systems of inequality are not propagated by the AI-based applications they leverage.

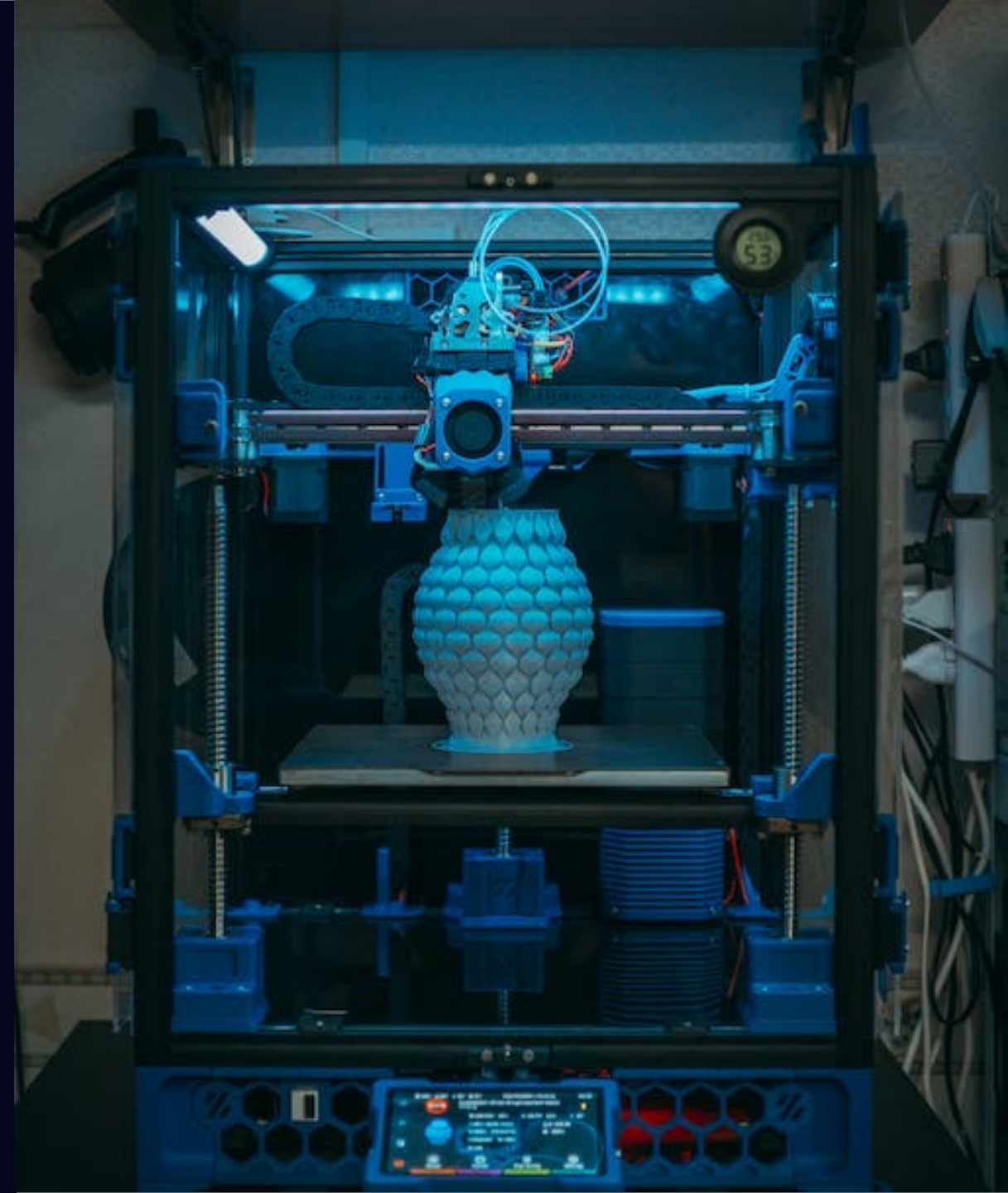


IMPLICATIONS FOR MARKETERS

- **Instill consumers with confidence.** Our survey finds that most consumers agree: generative AI is the future. However, not everyone is excited about that future. For brands entering this space, a healthy dose of circumspection about who will be impacted by changes brought by generative AI transformation will go a long way toward making sure that AI applications are helpful and ethical.
- **Make use cases more tangible.** Our survey finds that consumers are most excited by day-to-day applications of generative AI, but there is opportunity to show more people how the technology can improve their lives – particularly among skeptical groups. Marketers must ensure that the ways generative AI will enhance consumer experiences are clear and tangible.
- **Use AI responsibly, from the start.** Many of consumers' concerns about generative AI stem from the potential for irresponsible development and deployment – from taking jobs to threatening privacy to amplifying bias and discrimination. As companies use AI for a growing range of tasks, consciously applying it with good intention to empower employees and fairly impact society is key.

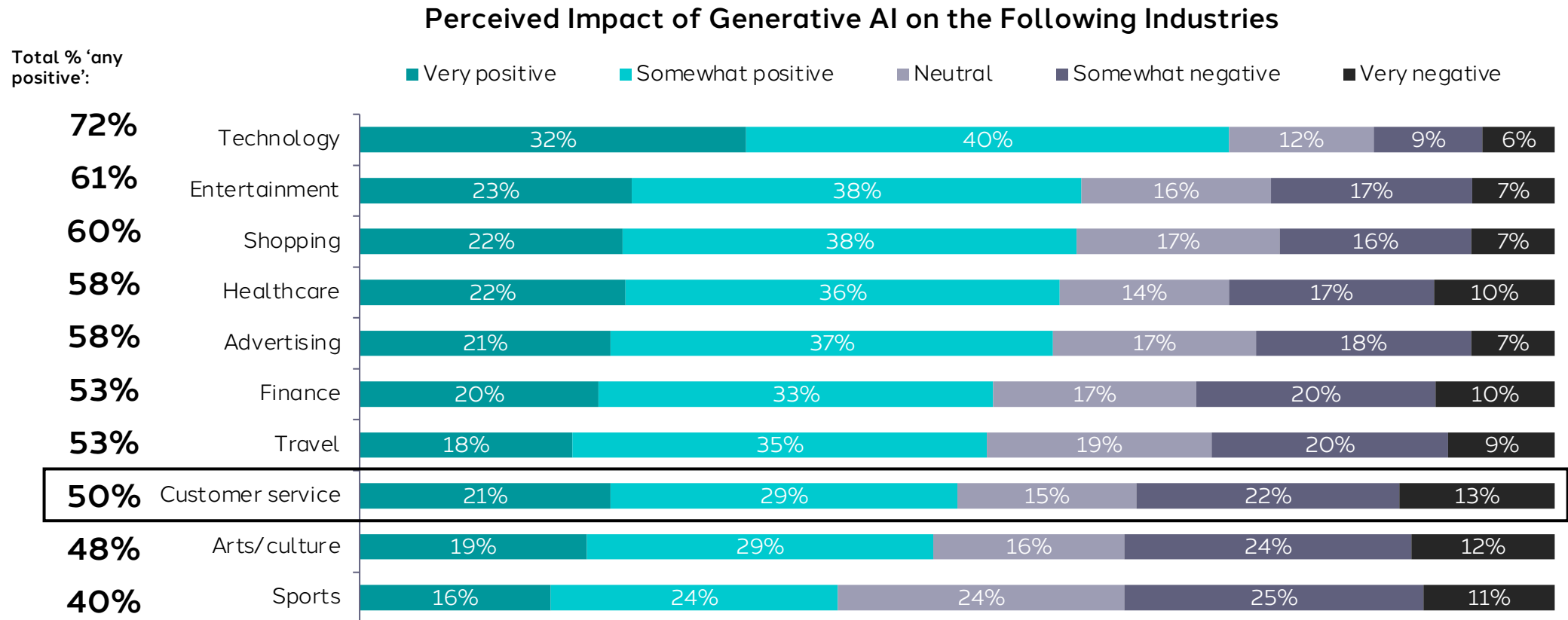
Brands & Generative AI

Among technology companies the race is on to integrate generative AI into our day-to-day lives, but for other companies and brands, how do consumers want them to adopt this technology into business? What are the rules to successfully gaining consumer affinity and share of wallet in this new landscape?



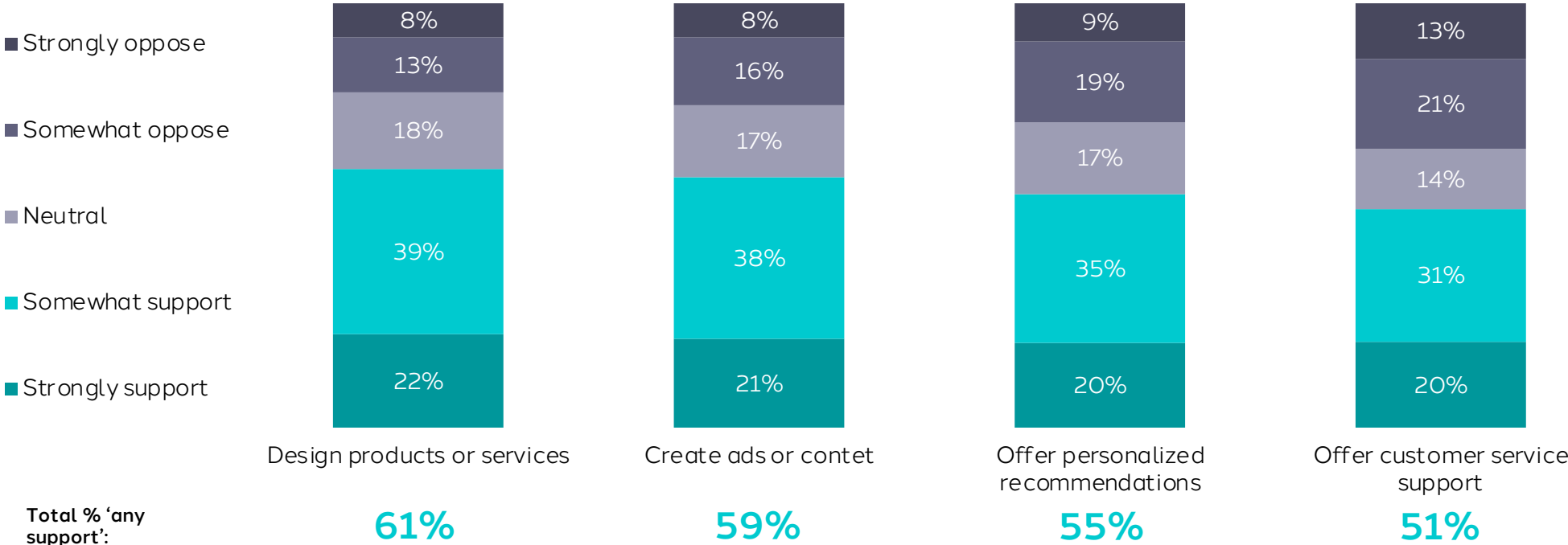
Consumers see the most potential for generative AI to have a positive impact on tech, entertainment, shopping, healthcare, advertising.

Interestingly, respondents feel very polarized about customer service, indicating that some see room for AI to improve experiences while many others prefer human interactions.



At least half or more of consumers support brands using AI to power products, services, and experiences.

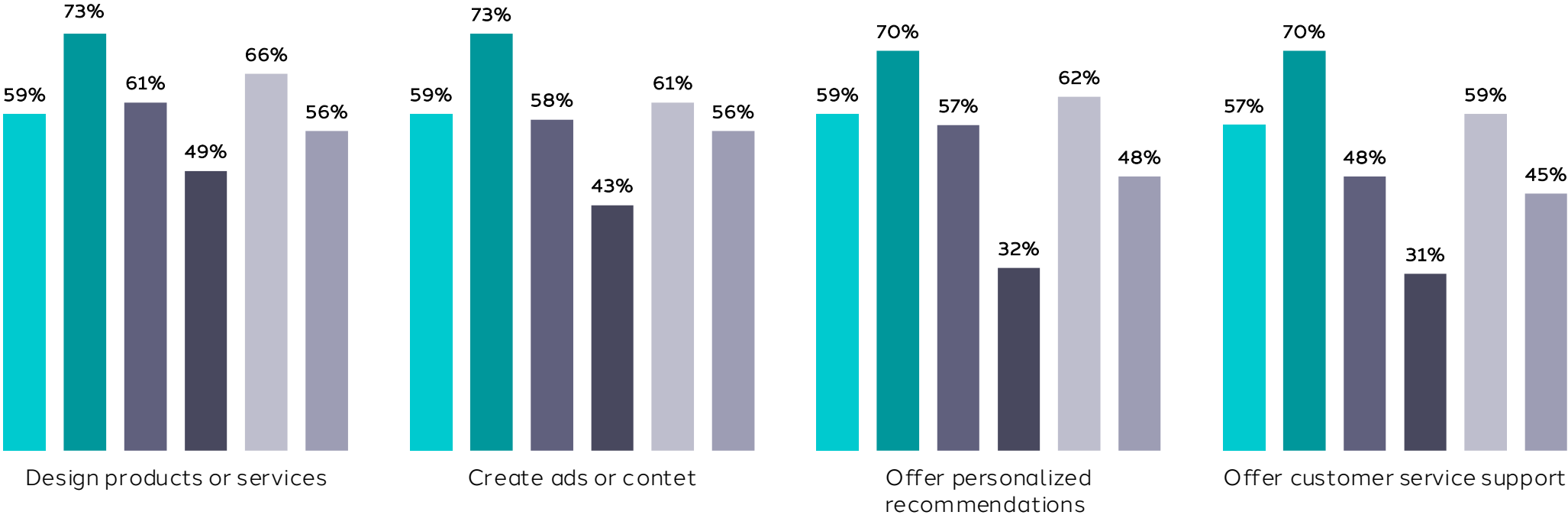
Consumer Support or Opposition of Brands Using Generative AI to:



Cross-cohort support for brands using AI to power products, services, and experiences – except grumpy Boomers.

Support of Brands Using Generative AI to:

■ Gen Z ■ Millennials ■ Gen X ■ Boomers ■ Men ■ Women



But consumers want brands to disclose when AI is involved.

All audience cohorts agree.

78%

Brands should disclose to consumers that a service is delivered using AI.

78%

Brands should disclose to consumers when they are having interactions powered by AI.

75%

Brands should disclose to consumers if branded content was created with AI.

73%

Brands should disclose to consumers if a product was designed with AI.

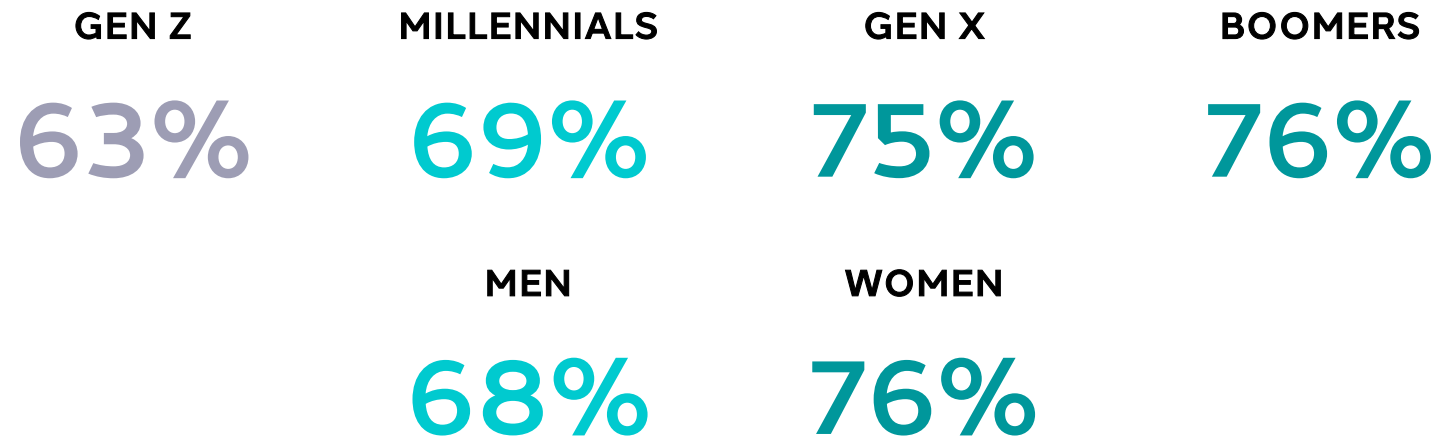
And want brands to help protect 'human' jobs while adopting AI.

Older generations are more likely to express this preference compared to younger generations. However, a majority of all generations agree. Women are more likely to express the preference than men.

72%

Brands should limit their adoption of AI to protect 'human' jobs.

Brands should limit their adoption of AI to protect 'human' jobs.



For a select share of consumers, the use of AI by brands drives preference and even a willingness to pay a premium.

Around 2 in 5 respondents agree that they prefer brands that use AI over ones that do not when it comes to designing products and services and customer experience. Just over one-third are willing to pay more for such brands.

42%

AGREE: I prefer brands that **use AI to design products and services** over ones that do not.

41%

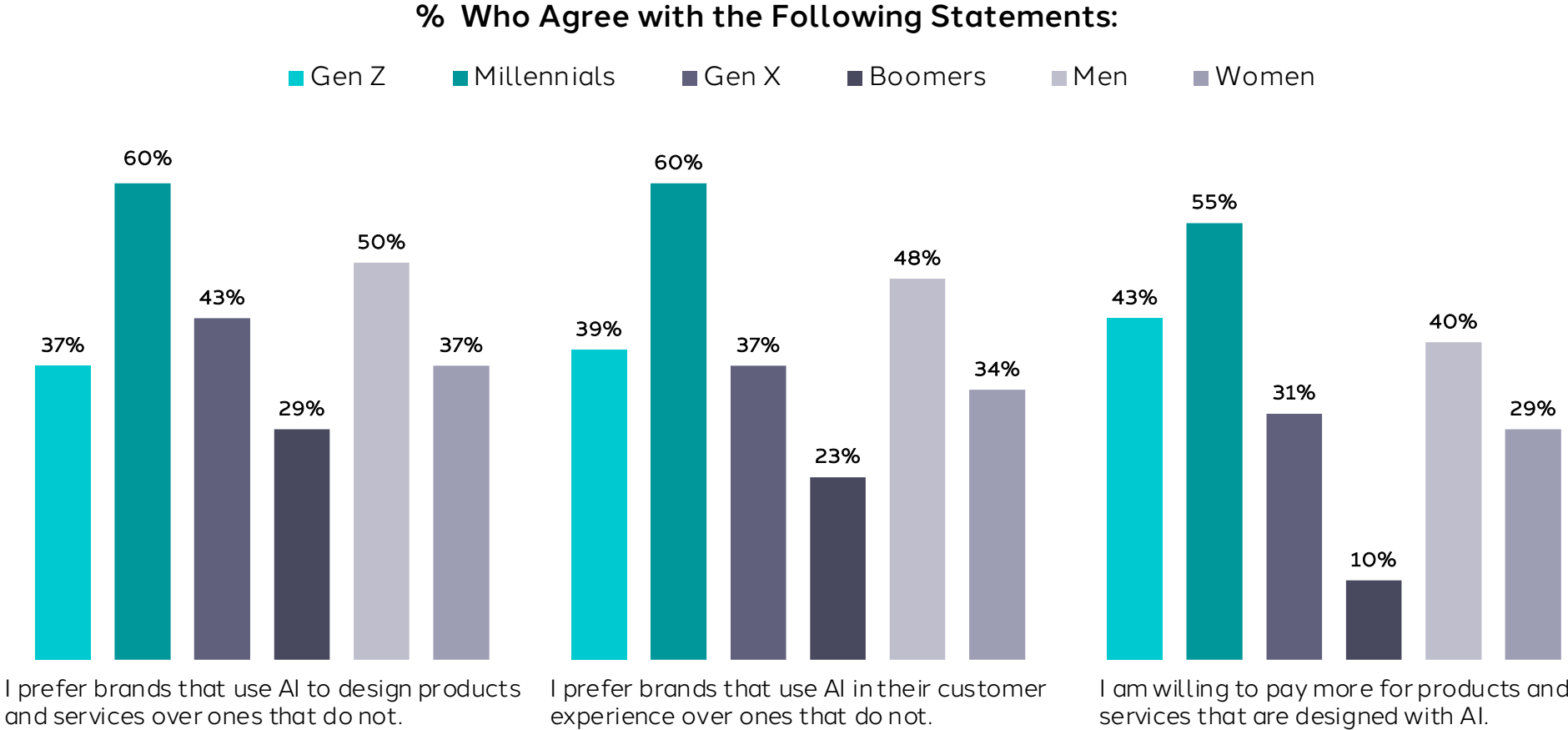
AGREE: I prefer brands that **use AI in their customer experience** over ones that do not.

34%

AGREE: I am **willing to pay more** for products and services that are designed with AI.

Millennials are most likely to choose and pay more for brands that use AI.

Half or fewer of all other cohorts agree.





IMPLICATIONS FOR MARKETERS

- **Communicate with transparency.** Our survey finds that most consumers support brands using generative AI to develop products, services, experiences and content. However, disclosing AI's role in creation is key to support. Marketers would be wise to start developing communications strategies and frameworks now as generative AI plays a growing role in consumer-facing business.
- **Communicate the value of AI-enhanced products and services.** Our survey finds that consumers aren't willing to pay a premium for AI-enhanced products and services – yet. Brands must figure out how to position and market these products and services to give consumers proof of value and superior offering.
- **Communicate emerging roles.** Jobs, jobs, jobs – as a key point of concern for people, companies should consider how HR-practices and corporate communications can set them apart to consumers and top talent. Companies should aim to make new AI-related roles visible and competitive, create a pipeline of talent for AI-related roles, sponsor or create development programs, communicate how they are using AI to create new jobs or safeguard existing jobs, and more.

Closing Thoughts

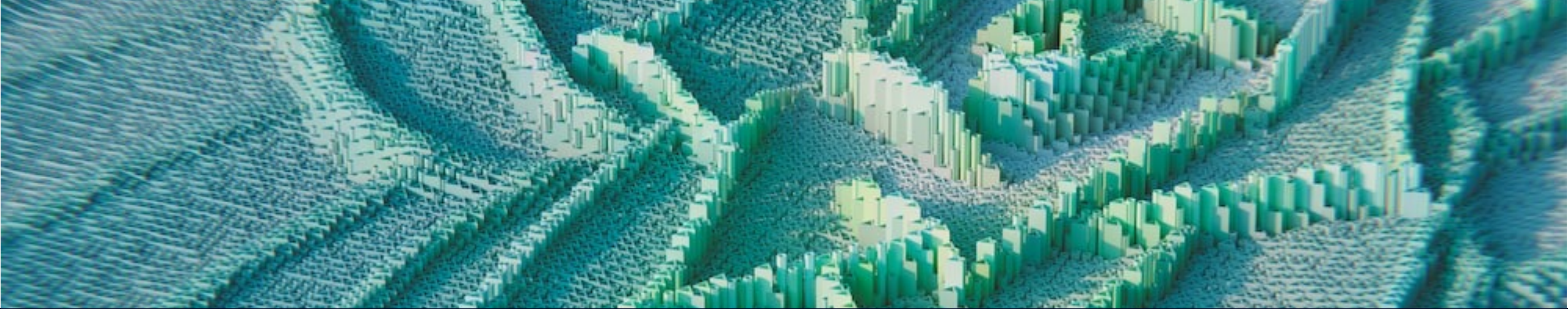
While AI is still in its early stages of maturity, the hype is real. We may soon be entering an era in which machines are marketing to machines. AI's potential impact should not be downplayed or ignored. Marketers who embrace and adopt AI will stay ahead of the competition and gain marketing superiority.

A word of caution though: behind the scenes, AI models are based in math-based probabilities that can show bias and make errors. There is also a lack of regulations, and potential concerns regarding privacy, IP and liability.

Therefore, marketers who want to win in this new marketing world must use AI with transparency, supplement it with owned data, and weave results with storytelling to develop a trusted relationship with the consumer.

AI will enable a plethora of use cases, even create new ones that we cannot imagine today. Marketers should ground themselves by experimenting with known, well-defined use cases - for instance in the areas of multilingual support, customer service, and predictive analytics - without getting carried away by AI's future potential.

In its current state AI is best used as an aid to human effort, that can increase efficiency, productivity and velocity – rather than as a wholesale replacement for it: brands should use AI to scale how human truths manifest through their content, rather than to replace them.



About dentsu

Dentsu is the network designed for what's next, helping clients predict and plan for disruptive future opportunities and create new paths to growth in the sustainable economy. Taking a people-centered approach to business transformation, we use insights to connect brand, content, commerce and experience, underpinned by modern creativity. As part of Dentsu Group Inc. (Tokyo: 4324; ISIN: JP3551520004), we are headquartered in Tokyo, Japan and our 65,000-strong employee-base of dedicated professionals work across four regions (Japan, Americas, EMEA and APAC). Dentsu combines Japanese innovation with a diverse, global perspective to drive client growth and to shape society.

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