Voice of the **tech-savvy** consumer

Blending trust with cautious optimism in emerging technologies

Customer trust is the cornerstone of loyalty and business success. In the Middle East, consumers have rated the airlines and healthcare industries as the most trusted, scoring 7.97 and 7.95 on a scale of 10 respectively. This is aligned with the sentiments of global consumers, where healthcare is the most trusted globally. In contrast, social media companies and platforms are consistently ranked as the least trustworthy both regionally and globally; however, Millennials are more likely to score them higher on average compared to Gen Z and older generations, indicating a generational divide in trust perceptions.
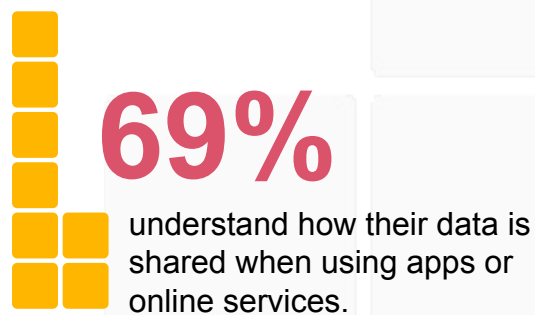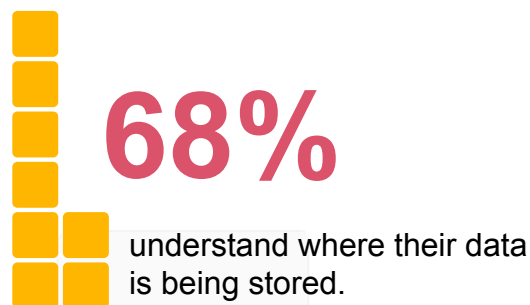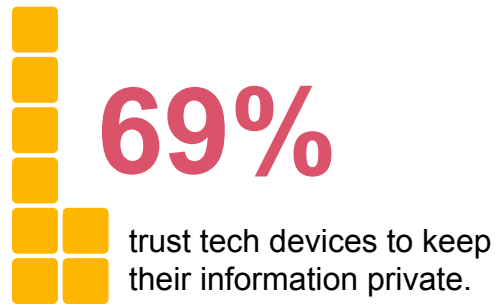
Trust in regional healthcare and airline industries is largely driven by strategic government investments and impressive growth. The airline industry saw a 33% increase in passenger traffic in 2023 due to the region's key geographical location and renowned carriers. In healthcare, the sector's reliability is strengthened by regional government initiatives aimed at lowering the burden of disease, including investments in technology and a patient-centric approach. Both industries reinforce consumer trust by prioritising exceptional customer service, promoting transparency, and actively connecting with customers.

In the Middle East, 85% of consumers prioritise protecting customer data as the most crucial factor for earning trust, slightly higher than the global average of 83%. This is followed by the importance of offering high quality products, ensuring ethical treatment of employees, and delivering consistent customer service and affordable products. Notably, Gen X shows a stronger emphasis on data protection, with 91% ranking it as highly important, while only 52% of Baby Boomers share this priority.

In the region, there is a growing concern among regional consumers about data privacy and security, particularly as emerging technologies become more integrated into daily life. With 83% of survey respondents seeking reassurance that their devices are safeguarding their information, it is clear that trust in technology is critical. This concern is further highlighted by the 59% who choose to opt out of receiving marketing communications while browsing websites, indicating a desire to control their personal information. Additionally, 31% of regional consumers, compared to 39% globally, have frequently encountered suspicious activities online, such as spam, calls, or phishing attempts. This highlights that consumers in the Middle East are acutely aware of the risks to their online privacy when engaging with digital platforms.

Despite these concerns, there is a notable level of trust and understanding among consumers regarding technology and data usage:

69%
trust tech devices to keep their information private.

68%
understand where their data is being stored.

69%
understand how their data is shared when using apps or online services.

61%
are willing to share data in exchange for a more personalised service.

This suggests that while consumers in the region are wary of data privacy issues, they also recognise the benefits of sharing their data. In fact, it is the Core Millennials (born between 1987 and 1992) who are more trusting and happy to share data with organisations, whereas baby boomers are less so.

Balancing trust and concern: Consumer perceptions of AI

While across the region, governments and organisational leaders view AI as a positive force, consumer trust varies significantly between low-risk and high-risk activities. Over half of the regional and global consumers are willing to trust AI for low-risk activities, such as obtaining product information before a purchase or receiving product recommendations. They are less confident in AI handling high-risk activities, such as financial transactions, stock recommendations, and medical diagnoses.

AI is trusted by:

61% to collate product information before purchase, compared to **55%** globally

57% to provide product recommendations compared to **50%** globally

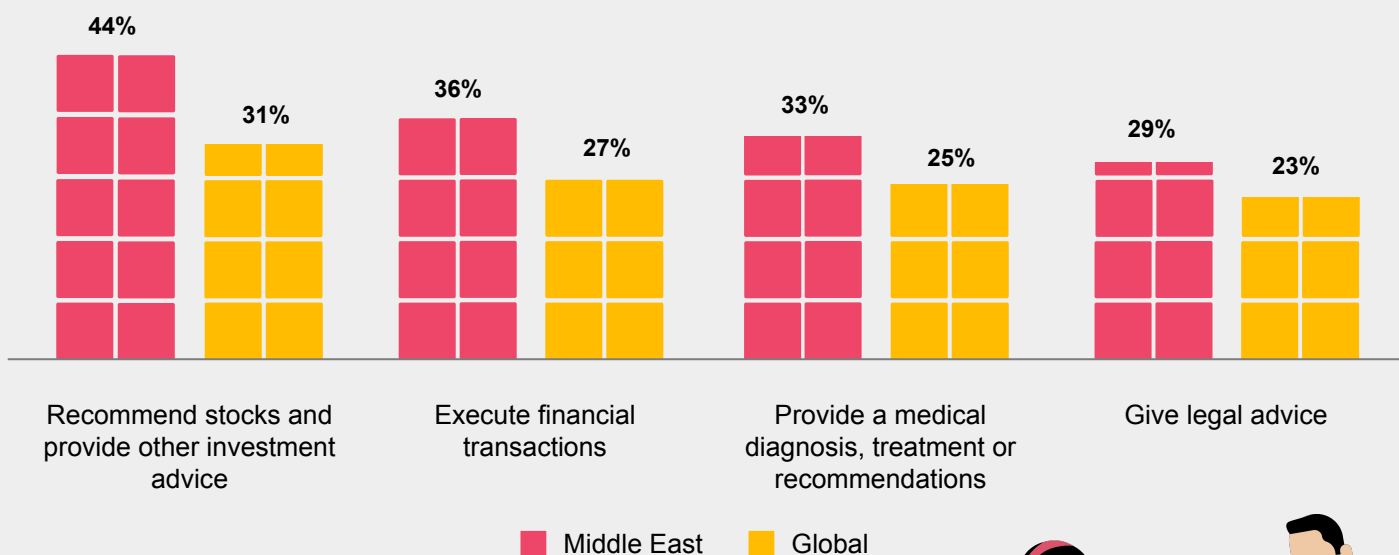**55%** for written communication vs **44%** globally

53% to handle customer service vs **44%** globally

Trust diminishes for high-risk activities. Only 44% of regional consumers trust AI for stock recommendations (vs. 31% globally), 36% for managing financial transactions (vs. 27% globally), and 33% for medical diagnoses (vs. 25% globally). Concerns over data privacy and security likely contribute to this lack of confidence.

Q. Which of the following high-risk activities would you trust AI to do accurately in place of a human interaction?

Recommend stocks and provide other investment advice: Middle East 44%, Global 31%

Execute financial transactions: Middle East 36%, Global 27%

Provide a medical diagnosis, treatment or recommendations: Middle East 33%, Global 25%

Give legal advice: Middle East 29%, Global 23%

■ Middle East ■ Global

Millennials are significantly more trusting of AI across various activities, **with young Millennials and Gen X** particularly trusting AI for written communications (57%).

57%

There is significant concern about the potential outcomes of AI development, with at least 80% of consumers expressing worry about its future impacts. Specifically, 82% are concerned about the increased risk of cyber threats and hacking, compared to 86% globally. 32% of consumers in the region consider it as a potential threat impacting their country, echoing sentiments of regional CEOs, who ranked it as the second top threat. This sentiment mirrors the findings in the PwC Digital Trust Insights survey, where 52% of the business leaders have indicated that Gen AI could lead to a catastrophic cyber attack within the next year.

Additionally, 81% of regional consumers are worried about the lack of regulation, and 79% fear potential job losses, versus 85% and 84% globally, respectively. These concerns highlight a pervasive anxiety regarding AI's implications on security, employment, and governance. Both males and females express similar levels of concern across these issues.

Interestingly, Gen Z and Core Millennials are slightly more likely to indicate they are "not at all concerned" across all options, suggesting yet again a generational divide in the perception of AI risks.

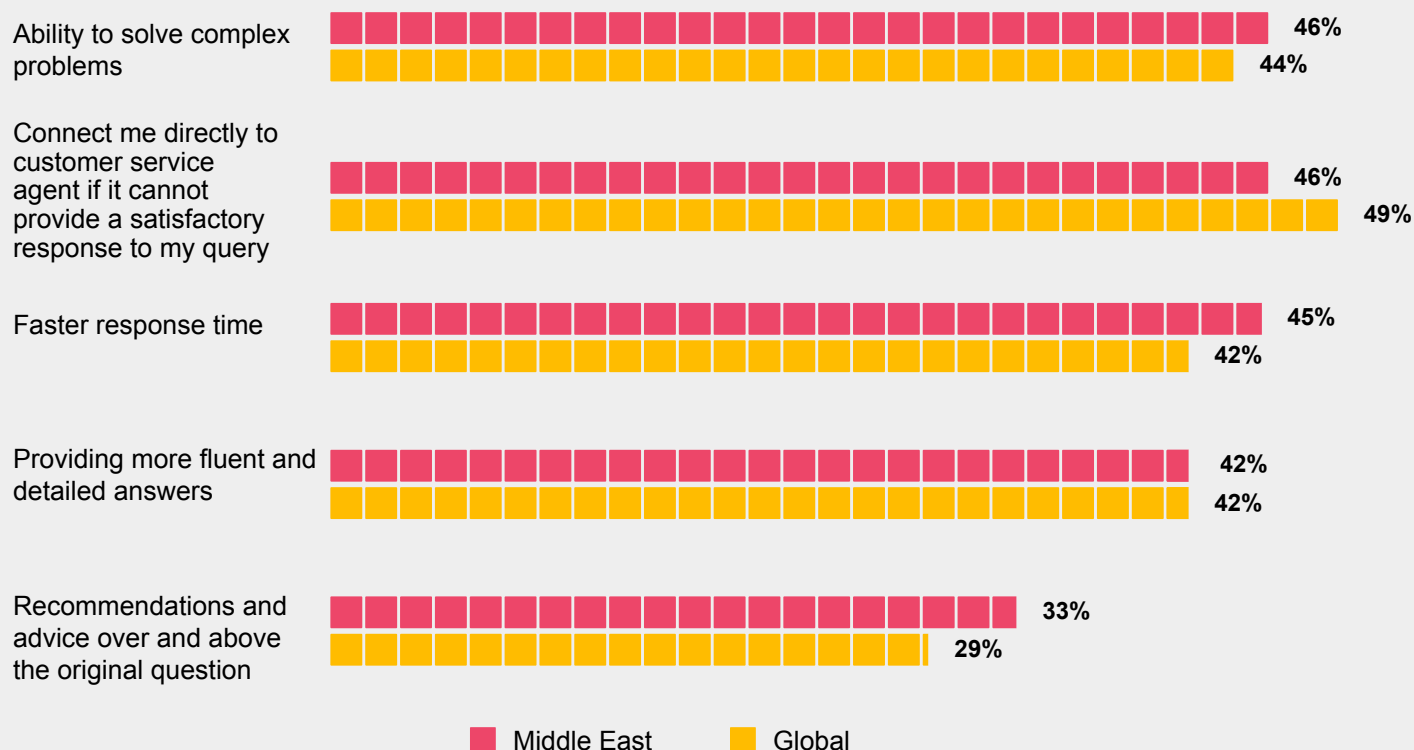**Consumers who are ready to use AI in place of traditional human-led activities are more likely to:**

■ Have higher trust in tech and social media companies

■ Switch brands that offer innovative products with more technological features

■ Have higher comfort levels in using autonomous vehicles across a range of areas

■ Trust tech to keep their data secure and are confident in how their data is stored
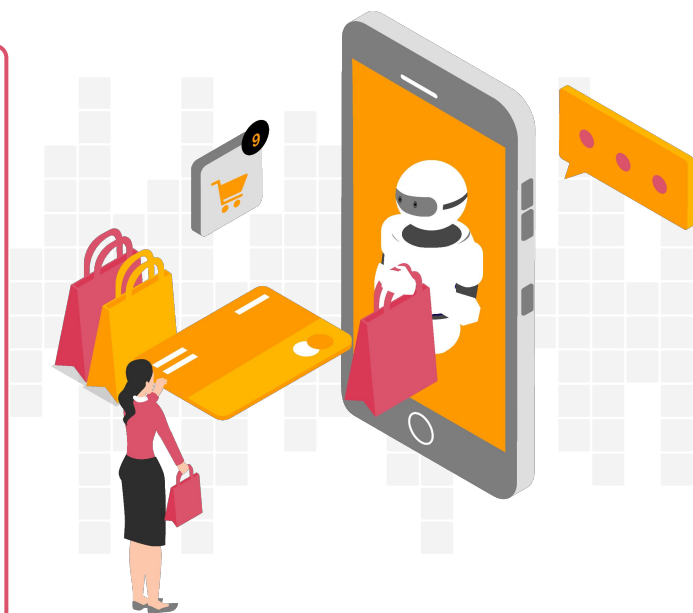
Using chatbots in meeting consumer expectations

When communicating with a company via a chatbot, certain capabilities significantly enhance the user experience for regional consumers. Solving complex problems is a key capability, valued by 46% of regional users compared to 44% globally. Additionally, 46% of regional consumers appreciate the ability to connect directly to a customer service agent, slightly below the global average of 49%. Faster response times are also crucial, with 45% of regional users prioritising this feature, compared to 42% globally.

Q. **When communicating with a company via a chatbot, which of the following capabilities would enhance your experience? (Ranked in top three)**

Capability	Middle East	Global
Ability to solve complex problems	46%	44%
Connect me directly to customer service agent if it cannot provide a satisfactory response to my query	46%	49%
Faster response time	45%	42%
Providing more fluent and detailed answers	42%	42%
Recommendations and advice over and above the original question	33%	29%

Legend: Middle East, Global

Interestingly, solving complex problems is specifically highlighted by 16% of users as a key chatbot capability. Over 40% of both regional and global consumers express a strong interest in chatbots that can manage intricate issues, swiftly connect them to customer service agents, respond promptly, and provide detailed answers.

Millennials show the highest preference for direct connection to customer service agents, with 50% indicating this feature would enhance their experience. This analysis underscores the importance of advanced chatbot capabilities in meeting consumer expectations and improving overall user satisfaction.

Conclusion

Customer trust remains the bedrock of successful business operations. In the Middle East, the airline and healthcare sectors stand out as pillars of trust. The integration of technology into daily life has heightened consumer vigilance regarding data privacy. Despite this, there is cautious optimism towards technological advancements, particularly AI. Generational differences further highlight varying levels of trust and understanding of technology, with younger consumers generally more trusting of AI and data sharing compared to older generations.

The rise of chatbots and AI-driven customer service solutions reveals a strong preference for efficiency and problem-solving capabilities among consumers. As businesses navigate these trends, they must balance technological innovation with an unwavering commitment to data protection and customer transparency.

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