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Cities of the future: consumers' perception and expectations about AI in their post-covid urban life

Brussels – 29 November 2021 – Euroconsumers reveals the results of a survey carried out in Belgium, Portugal, Spain, Italy and Brazil in order to identify the trends in consumers' expectations, concerns, and opportunities related to new technologies and AI as solutions to urban problems in the post-covid era. The survey also shows cities remain attractive despite the pandemic.

Cities remain very attractive as a place to live in despite the covid pandemic

11% of EU respondents (6% of Brazilians) moved during the pandemic, only 12% of which moved to a rural area. Asked if they were likely to move to another area in the next three years, only 10% (EU) said they were very likely to, amongst which only 14% said this would very likely be to a rural area. Therefore cities remain attractive to most. When asked what they value most when choosing a place to live, half of EU respondents mentioned access to health care services, doctors and hospitals as well as the proximity of convenience stores and retail shops. Other key assets being easy mobility (traffic, public transport, highways,...) (for 35% of EU respondents) and quality of the environment (for 28% of EU respondents).

With regards to their working lives, **63% of EU respondents are not currently working remotely at all**. 35% started teleworking during the pandemic. Going forward, only one third of respondents think they are unlikely to telework in the next three years.

Al seen as opportunity for cities despite fears of job losses

EU consumers overall find AI useful to improve life in the city, whether it be for controllying city lighting more efficiently (85%) waste collection (84%), identifying criminals and missing persons (79%), optimising public transport (35%) and city traffic (84%). These numbers are even higher in Brazil.

Although at present, most consumers think AI has only little, or somewhat of a presence, in their day-to-day life, this increases significantly when asked what they perceive the situation will be within 3 and 10 years. 72% in the EU, and 80% in Brazil, expect it to be very present in their day-to-day lives within a decade.

However, consumers see AI more as a threat to their jobs than an opportunity. **35% of EU** respondents agree with the statement "the implementation of AI-based technology will lead to significant job cuts in various sectors" while only 22% agree with the statement "the implementation of AI-based technology will create significant demand for new job positions". Figures are similar in Brazil with 39% and 21% respectively.

Lack of knowledge about AI and distrust in government's ability to regulate them

55% (EU) and 39% (BR) think consumers should be better informed when they are dealing with an automatic decision system. Moreover, very few consumers believe current legislation is adequate to efficiently regulate AI-based activities (EU: 14 %), or even trust [national] authorities to exert effective control over AI organizations and companies (EU: 18 %). Therefore, while consumers are welcoming of the idea of AI in a city context, to further build, and maintain, their trust in AI, a strong regulatory framework needs to be created and implemented. <u>As our hackable home test showed</u>, AI systems in our homes can be easily hacked already. Regulatory action is urgently needed to foster trust in these technologies.

More to be unveiled at the Euroconsumers International Forum on 2nd December

Al cities and the future of urban life in Europe will be discussed at Euroconsumers' <u>International Forum on the 2nd December</u>, with policy-makers and representatives from European smart cities. Our survey results will provide plenty to discuss.

"The majority of the global population live in cities," said **Marco Pierani, Director of Public Affairs & Media Relations at Euroconsumers.** "And this number will only grow. That is why AI will be crucial for the efficient management of our urban spaces, and making them healthier, safer, and more sustainable places to live. These surveys should serve as a basis for identifying what is needed from policy-makers to bring the promise of AI in cities."

"Consumers have a healthy trust in AI to improve how our cities work," said **EIs Bruggeman**, **Head of Policy and Enforcement at Euroconsumers.** "But as technology becomes more prevalent, and important, in our urban lives, continued consumer trust will be vital. That's why a robust legal framework is needed to reassure consumers that their data and privacy will be strongly protected."

Methodology

The surveys were conducted by Euroconsumers' Statistical Surveys Department from 11 to 19 October 2021 in the countries Euroconsumers operate i.e. Belgium, Italy, Portugal, Spain as well as Brazil, where the survey focused on two major cities: São Paulo and Rio de Janeiro. A sample of approximately 1.000 adults (from 18 to 74) were surveyed in each country. A weighting procedure was applied to bring survey data into line with the target population, for gender, age, geographical area and educational level, for each country. The questionnaire was designed in English and translated and adapted to the national contexts.

About Euroconsumers

Gathering five national consumer organisations and giving voice to a total of more than 1.5 million people, Euroconsumers is the world's leading consumer cluster in innovative information, personalised services and defence of consumer's rights. We work closely together with Consumers International to ensure consumers are safe, that markets are fair and benefit from honest relations with businesses and authorities. Our European member groups are also part of the umbrella network of BEUC, the European Consumer Organisation. Together we advocate for EU policies that benefit consumers in their daily lives.