



GENERATIVE AI
&
EMERGING
TECHNOLOGY

Earning Trust with Every Interaction:

Conversational AI in Financial Services

NOVEMBER 2025



Acknowledgments

Thank you to Commonwealth team members Gabrielle Barnes, Charles de la Cruz, Katia Diaz, Paula Grieco, David Kibbe, Kia McCallister-Young, and Taylor Straatmann. Thank you to the Capital One Insights Center for its contributions. Thank you to our research partners Metro Credit Union and Arro Finance.

The generous support of the Capital One Insights Center made this report possible. All results, interpretations, and conclusions expressed are those of the authors alone and do not necessarily represent the views of Capital One, the Capital One Insights Center, or any of its affiliated companies.



Commonwealth is a national nonprofit building financial security and opportunity for people earning low-to-moderate income through innovation and partnerships. For over two decades, Commonwealth has designed effective innovations, products, and policies enabling over 2 million people to save nearly \$8 billion. Commonwealth collaborates with consumers, the financial services industry, employers, and policymakers. Because Black, Hispanic, and women-led households disproportionately experience financial insecurity, we focus especially on these populations. The solutions we build are grounded in real life, based on our deep understanding of people who are financially vulnerable and how businesses can best serve them. To learn more, visit us at www.buildcommonwealth.org.



The Capital One Insights Center combines Capital One research and partnerships to produce insights that advance socioeconomic mobility. As a nascent platform for data and dialogue, the Center strives to help changemakers create an inclusive society, build thriving communities and develop financial tools that enrich lives. The Center draws on Capital One's deep market expertise and legacy of revolutionizing the credit system through the application of data, information and technology.

Table of Contents

Executive Summary	4
Introduction	7
Generative AI: A Transitional Moment	10
Arro Case Study: Credit Building with the Power of Generative AI Coaching	11
Trust and Conversational AI	12
Trust in Financial Institutions	13
Trust in Effectiveness of Conversational AI	16
Trust in Data Privacy and Security	18
Trust in Oneself to Navigate Digital Financial Services	21
Trust in Service Providers to Provide Support Without Judgment	23
Other Conversational AI Behaviors and Attitudes	24
Conclusion	26

Executive Summary

This report provides insights from Commonwealth's 2024 national survey and two field tests with credit union members focused on understanding trust in financial institutions and conversational AI. These findings contribute to an earned trust framework that breaks down the different aspects of trust that influence a customer's overall experience with banking and emerging technologies. Finally, this report explores new opportunities to build trust and provide banking resources at scale, as well as new risks to customer trust that are associated with the rise of generative AI technologies.

Conversational AI has enabled financial service providers to support customers 24/7 at a scale that would be impossible with live agents, and has become a ubiquitous part of the digital banking landscape. Yet significant opportunities remain for this technology to better engage customers, particularly customers living on low-to-moderate incomes (LMI), and to provide financial support that can unlock new financial security and wealth building opportunities.

One key channel for building this engagement through stronger customer relationships is **earned trust**, by which we mean trust that develops through adding value to customers' financial lives. Conversational AI has

the potential to supercharge relationship-building with customers and contribute to their long-term financial health, but only if they trust it enough to engage and incorporate it into their financial routine.

The rise of generative AI marks a turning point in customer support and banking capability. These generative AI tools promise to provide a new level of personalization through spontaneous and detailed conversations relevant to customers' unique circumstances, as well as the ability to draw on customer financial data to provide real-time guidance and support. But as these capabilities grow, trust becomes an even more important factor with new opportunities for it to be built or undermined.

In this report, we share insights from Commonwealth's research into the different ways that trust contributes to customer behavior and attitudes when engaging with conversational AI in banking.

We approach this topic with a framework for distinguishing five distinct but interconnected forms of trust:

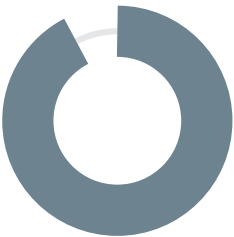


Guided by this framework, we conducted a national survey of 3,000 chatbot users and two field tests with our partner, Metro Credit Union (MCU), to study their customers' use of and attitudes toward MCU's financial chatbot. Based on this work, we provide insights into the five aspects of trust in the context of financial conversational AI. Key takeaways from this report include:

■ **Customer trust in their primary bank is correlated with trust in their bank's chatbot.**

Findings from our national survey showed that those who had high trust in their bank were also more likely to trust their bank's chatbot. This was also supported by our conversations with MCU members in our field tests, who shared that they trusted MCU's chatbot because they had high trust in MCU as their credit union.

■ **Customer trust in their primary bank is not a significant barrier to conversational AI engagement.** Respondents' overall trust in their primary bank averaged a 4.5 on a 5-point scale, with 90% of respondents somewhat or completely trusting their bank. Financial service providers can leverage these high levels of trust to increase engagement with conversational AI. Our field test and survey data indicated that association with bank branding increased trust in conversational AI tools.



90%
of respondents report somewhat or completely trusting their bank.

■ **Distrust of chatbots is driven more by concerns about information relevance than accuracy.** A significant minority of respondents (43%) in our national survey maintain that chatbots are generally "more frustrating than helpful," highlighting widespread experiences with conversational AI that cannot meet customers' needs. A majority (54%) selected as their top concern either that the chatbot would not understand them, that it would understand them but still not be able to provide an answer, or that it would simply take too much time or effort to engage with the chatbot. At the same time, 79% expressed trust in the information they received from their primary bank's chatbot, suggesting that the primary issue is not the accuracy of the information itself, but the ability of the chatbot to provide the information they actually want.



79%
expressed trust in the information they received from their primary bank's chatbot.



54%
selected as their top concern either that the chatbot would not understand them, that it would understand them but still not be able to provide an answer, or that it would simply take too much time or effort to engage with the chatbot.

Focus groups conducted with MCU members also found that members trusted chatbot information when it was relevant to their question, but aimed to circumvent the chatbot and reach a live agent when they did not feel confident the chatbot would understand them.

- **The way in which a conversational AI capability boundary is encountered matters.** The option to transfer to a human agent is one of the top factors that support trust in conversational AI, preventing users from feeling trapped when they reach the limits of what a chatbot can do. Messaging about the limits of what a chatbot can do, and helpful language for understanding what to do next, can make a big difference in how boundaries impact trust.
- **Data security and privacy concerns impact trust and engagement less than capability concerns.** While data security and privacy are commonly cited as concerns by conversational AI users, our field test research indicates that these concerns are not preventing people from engaging with conversational AI, largely because they have high trust in their primary bank. However, the introduction of generative AI support may heighten these concerns as chatbots gain the ability to draw on personal and financial data as well as engage in more detailed and personalized conversations.
- **Generative AI presents a key opportunity to build trust by greatly expanding conversational AI capabilities.** Commonwealth's research into and partnership with financial service providers rolling out customer-facing generative AI tools indicates that these more advanced capabilities can address many of the frustrations users feel when engaging with older chatbots. But understanding how trust in conversational AI works and applying

these insights to the new generation of this technology is particularly important at this moment as firms work on understanding how to harness the powerful personalization generative AI offers while still ensuring that its outputs are accurate and reassuring.

These findings highlight the different ways that trust impacts engagement with conversational AI and how banks can continue to build user engagement and earn trust in the future through their design and implementation decisions. Overall, high trust in individuals' primary bank indicates that this existing relationship can be an asset in building engagement with technologies like conversational AI.

Our research suggests that the key to building earned trust in conversational AI banking tools is to invest in their capabilities, making existing chatbots more robust where possible and thinking seriously about how to implement more capable generative models that can provide deeper conversation and data-driven personalization. At the same time, it will be important to pair these increased capabilities with assurances about data security and privacy, as well as communications updating customers about new capabilities who may have been frustrated with past chatbot experiences.

By investing in the future of conversational AI, banks and other financial service providers have a valuable opportunity to expand their ability to support the financial health of all customers, including those living on LMI.



Introduction

Technological development is a key driver of change in the financial services industry, creating opportunities to increase the accessibility, impact, and scale of service offerings. It also creates opportunities to build stronger relationships between providers and their customers.

Conversational AI is the most recent technology to promise a transformational improvement, giving banks and other providers the power to create customized guidance tailored to individual customer requests at a scale and speed that would be impossible with traditional live customer support. This AI support can drive greater engagement with a wider range of financial services, as customers become better informed about the opportunities and services available to them at any given moment in their financial journey.

Although this technology promises to be beneficial for all customers, it is particularly important for households earning low and moderate incomes (LMI). Commonwealth's [prior research](#) indicates that these households are nearly twice as likely to want to bank through personalized conversations, but also have significantly lower rates of access to local bank branches. Personalized support through generative AI provides an opportunity to meet this unmet need at scale for this significant market segment—building stronger customer relationships, and improving financial health for this underserved population.

The new level of connectivity offered by conversational AI introduces both opportunities and challenges around building trust with customers. It represents an opportunity to provide more frequent interaction and personalized guidance to customers, building stronger relationships with them and providing them with resources to build financial security and wealth. But challenges remain around the degree to which customers trust this new interaction channel for a variety of reasons, including information accuracy, limited functionality, data security, and the lack of a personal touch normally provided by a human agent.

This report provides insights from Commonwealth's latest research into trust and conversational AI to shed light on customer perceptions around these challenges and opportunities. These insights support actionable design guidance for financial service providers looking to create customer-facing conversational AI tools in a way that builds **earned trust**, by which we mean trust that is rooted in real value provided to customers. It is this earned trust that lays the foundation for long-term customer relationships.

To understand how conversational AI can support relationship banking by building trust with customers, particularly customers living on LMI, we have developed a framework to examine the topic from five different perspectives.



1. TRUST IN FINANCIAL INSTITUTIONS

Customer trust in their banking institution is fundamental to the relationship, and influences their perceptions of every interaction and product offering. At the same time, these interactions can build institutional trust over time when they provide value and connection for customers.



2. TRUST IN EFFECTIVENESS OF CONVERSATIONAL AI

Greater engagement with conversational AI tools—and the positive financial outcomes they can facilitate—depends on customers trusting these tools to provide value rather than frustration. Building this trust will require designing tools that provide personalized engagement and value that go beyond general information from the website.



3. TRUST IN DATA PRIVACY AND SECURITY

Data privacy and security remain persistent concerns for conversational AI users, particularly when it comes to their financial lives. Designing AI tools that users feel will keep their data safe is an important contributor to the overall trust that drives engagement with these tools.



4. TRUST IN ONESELF TO NAVIGATE DIGITAL FINANCIAL SERVICES

Navigating the financial services landscape can be overwhelming, especially for customers living on LMI with limited time and resources. One key opportunity for conversational AI is to build customer confidence in their ability to navigate financial product offerings and take advantage of opportunities that will support their long-term financial health.



5. TRUST IN SERVICE PROVIDERS TO PROVIDE SUPPORT WITHOUT JUDGMENT

Our interviews with banking customers with LMI indicate that fear of judgment can inhibit engagement with financial institutions around sensitive topics like debt or other financial challenges. Conversational AI can provide customers with a space to share their challenges and receive guidance in a judgment-free space with solutions tailored to their specific needs.

This report will draw on this framework to understand where current iterations of conversational AI support are more or less successful in building trust, as well as thinking through the ways in which lessons from existing chatbots can inform the development of the next generation of digital customer support through generative AI, which promises a new level of personalization and tailored support.

Overall, we find that trust in financial institutions tends to be high and is not a major barrier to engagement. In fact, institutional branding can support the legitimacy of conversational AI tools. Instead, we find that the primary barrier to chatbot engagement—both from customers living on LMI and higher income customers—is that they do not trust the current generation of chatbots to be particularly helpful. Limited and static information and minimal capability to support personalized banking

activities often leave customers feeling like the chatbot does not do much more than share information that can be found on the bank's website.

Data privacy and security are frequently cited concerns from chatbot users, but in our research we did not find these to be major barriers to engagement. Still, language and practices that build trust in the security of interaction data will become more critical as generative AI becomes more common, introducing capabilities for more in-depth financial discussions and direct access to customer financial data to provide customized guidance. Building this form of trust now can ease this transition.

Finally, trust in one's own capability and in service providers to support without judgment also offer significant opportunities to empower customers living on LMI to make better use of the products, tools, and guidance available to them through their bank.

Methodology

National Survey and In-Depth Interviews

In order to better understand perceptions of, use of, and trust in banking and conversational AI technologies, Commonwealth conducted a nationally representative survey of 3,075 Americans in the summer of 2024. This survey provided insights into banking trends, trust of banks and banking technologies, and perceptions of generative AI. To further expand on these findings, Commonwealth conducted 15 in-depth interviews focused on understanding how trust in financial institutions and technology is built.

Of the 3,075 national survey respondents:



Field Tests



FOCUS GROUPS & INTERVIEWS

Commonwealth also partnered with Metro Credit Union (MCU) to study their customers' use of and attitudes toward MCU's financial chatbot and their voicebot banking tool—both named Chelsea. This field test included a focus group with users of MCU's chatbot, in-depth interviews with both chatbot and voicebot users, and two surveys fielded through MCU's communication systems.



SURVEY WITH 120 MCU MEMBERS

A survey of 120 MCU members who had recently interacted with the chatbot aimed to explore users' level of trust in the information the chatbot provided and how their perceptions of the chatbot related to their experience of MCU overall.



380 PHONE SURVEYS

MCU members who interacted with MCU's voicebot system were given the option of completing a survey immediately after their phone call. Three-hundred and eighty surveys were collected through the phone banking system. This voicebot survey aimed to understand MCU members' trust in the voicebot technology, as well as how they compared the technology to other methods of receiving customer service from MCU.



Generative AI: A Transitional Moment

Over the last fifteen years, conversational AI—in the form of customer support chatbots—has become ubiquitous in financial services, allowing banks to provide critical guidance and information to customers 24/7. Most of these chatbots make use of natural language processing (NLP), which uses machine learning to take unstructured text prompts from customers and predict the topic they are asking about. It then guides them to a particular pre-written response that the financial service provider has created for that topic.

Although this can be helpful for providing information, these systems are limited to providing generalized responses to queries that service providers have anticipated and pre-written answers for. For example, such systems might identify that someone is asking about a loan and provide them with an automated response listing the different loan options with links to each page in its response, rather than engaging with the specific question that was entered.

The rapid development of generative AI marks the beginning of a new era of conversational AI in which generative AI chatbots can provide customers with detailed, personalized responses to their queries that do not depend on or require the provider to predict and write stock answers. These queries can now develop into conversations, with customers able to ask for spontaneous clarification or greater detail on specific topics. Connecting generative AI chatbots to customer

financial data also creates opportunities for personalized financial guidance at a level of detail that is impossible with the current generation of NLP chatbots.

Along with these promising capabilities, generative AI customer support also comes with risks arising from the difficulty of predicting or monitoring the responses generated. For financial institutions, liability for incorrect or misleading information has created hesitation around rolling out generative AI support directly to customers, with [many providers opting to first introduce generative AI as a support for live agents](#) who can filter and verify outputs before sharing guidance with customers. The lack of widespread availability of generative AI chatbot support in retail banking means that the customer experience of banking chatbots today has not undergone major change since we conducted our national survey in the summer of 2024.

While many wait to see how the technology develops, some early adopters in financial services have already begun rolling out generative AI tools to support customers, including the investing platforms [Stash](#) and [Public](#), as well as credit provider [Arro](#). As we learn from these early applications, it is critical to understand what the first generation of NLP chatbots can teach us about trust—both to drive engagement and build stronger customer relationships through present offerings, and to inform the development of this new era of generative conversational AI.

Arro Case Study:

Credit Building with the Power of Generative AI Coaching

Arro is a credit-building option for customers with limited, poor, or no credit with the goal of empowering people to build financial confidence and credit while growing in their understanding of personal finance. Arro customers receive an Arro credit card as well as an app featuring a gamified financial education platform that tracks how customers engage, as well as alternative methods for assessing risk and extending credit that go beyond traditional credit scores.

Arro is leveraging AI through Artie, Arro's generative AI-powered financial coach. Using generative AI allows

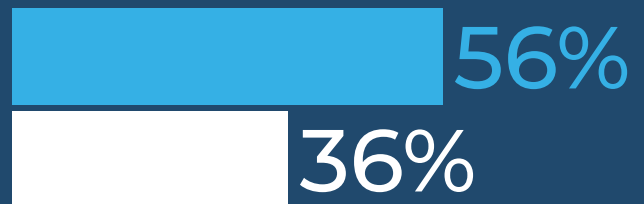
Artie to go beyond older generations of chatbots by providing users with nudges and actionable advice tailored to their financial goals and choices. Rather than static information, Artie can engage in dynamic conversations with users that can dig more deeply into specific topics relevant to user needs. The chatbot can offer personalized assessments of users' spending to identify places where they may be able to save money, as well as tips for building credit in an easily accessible, conversational format.

Customized AI Nudges and Advice Increase Payments

With generative AI tools, Arro is able to customize advice based on individual user profiles and send users nudges when payments are due. These nudges have proven effective, **with 56% of nudged users who were under 90 days delinquent in June 2025 making a payment by the next month.** For comparison, among the overall population of users who were less than 90 days delinquent, **just 36% made a payment over the same period.**

This kind of personalized assistance through generative AI can increase the usefulness of AI-based tools for users and increase customer trust that their financial institution has their unique needs in mind.

As tools like this become more common across financial services, we see a major opportunity to build stronger and more trusting relationships with customers through this more capable and personalized support.



56% of nudged users who were under 90 days delinquent in June 2025 made a payment by the next month.

For comparison, among the overall population of users who were less than 90 days delinquent, **just 36% made a payment over the same period.**



Trust and Conversational AI

Trust is the cornerstone of relationship banking. It is the feeling that underlies customer loyalty and motivates people to continue returning to the same provider for a range of services across their financial lives. In addition to its value as a useful tool for customers, conversational AI represents a major opportunity to enhance customer trust in financial service providers through more frequent two-way interactions that, ideally, leave the customer feeling like they have received personalized and helpful guidance.

To gain insight into the ways that this trust can develop, we have conducted research into five different aspects of trust to identify challenges and opportunities for providers looking to build stronger relationships with their customers, with a focus on households living on LMI. **As mentioned earlier, these aspects are:**

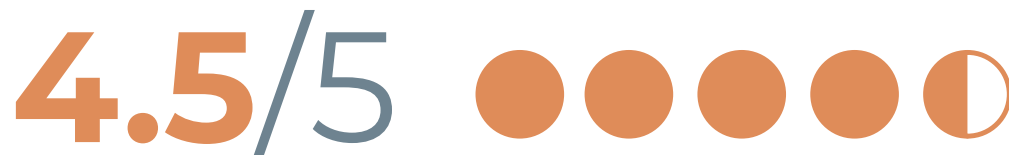


These distinct elements work together to support the feelings of trust that drive both loyalty and financial health, as customers feel willing and able to engage with the full suite of services available to support their financial journey. In the remainder of this section, we provide insights from our research relevant to each of these aspects of trust.

Trust in financial institutions



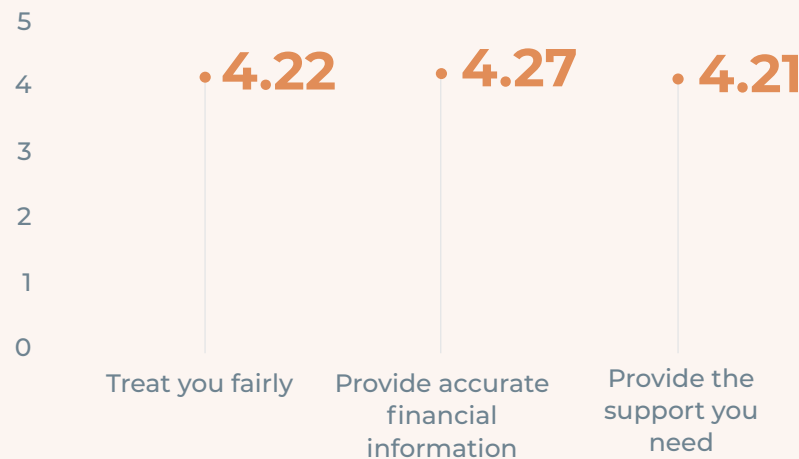
Across our survey and field test research, customers expressed high levels of trust in their banks, reporting an average score of 4.5 on a 5-point scale when asked about overall trust in their primary bank. Participants generally believed that their bank would treat them fairly, provide accurate financial information, and provide the support they needed.



average score when asked about overall trust in their primary bank.

Consumers have high trust for banks based on a 5.0 Scale

Survey respondents were also asked to rate their trust in financial institutions on a scale of 1-5 across several elements, including their trust that their financial institution would treat them fairly, provide accurate information, and provide needed support. For each of these elements of trust, average scores were above 4/5.



This baseline trust is essential for encouraging the adoption of conversational AI, as customers are more likely to engage with tools provided by institutions they perceive as reliable, trustworthy, and supportive. We identified a positive correlation between customers' trust in their bank and their trust in their bank's chatbot across multiple dimensions, including trust in being treated fairly ($r=.49$) and trust in the accuracy of financial information provided ($r=.4$).¹

¹ A correlation coefficient of 0 represents no correlation, and 1 represents a perfect correlation. Scores from .4 to .7 represent a moderate correlation.

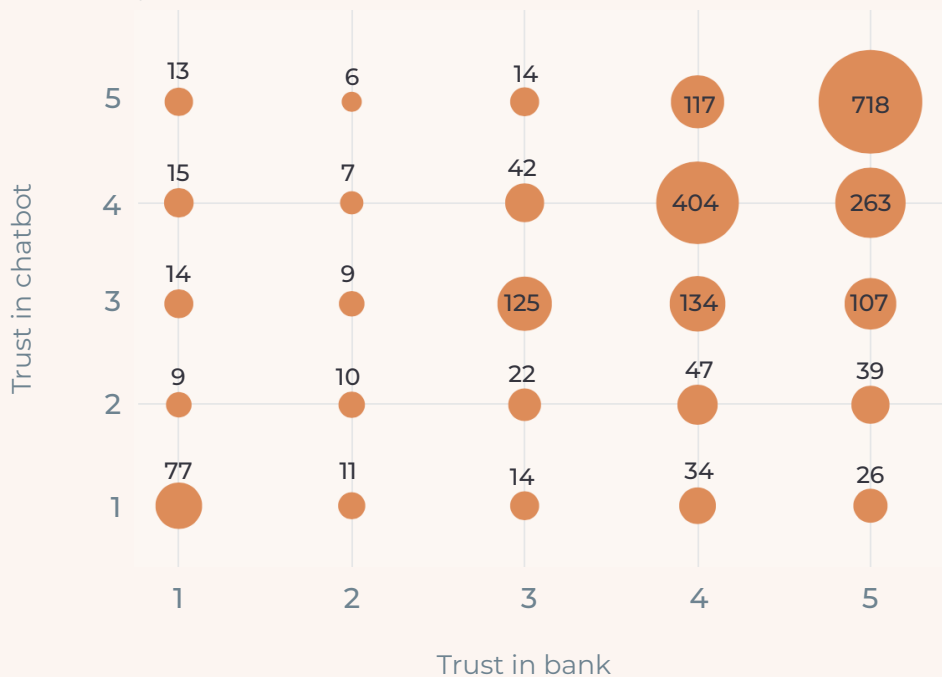


TRUST IN FINANCIAL INSTITUTIONS

We asked users to rate their trust of their bank overall and their trust of their bank's chatbot each on a 5-point scale. **Generally, those with higher trust in their bank overall also had higher trust in their bank's chatbot.**

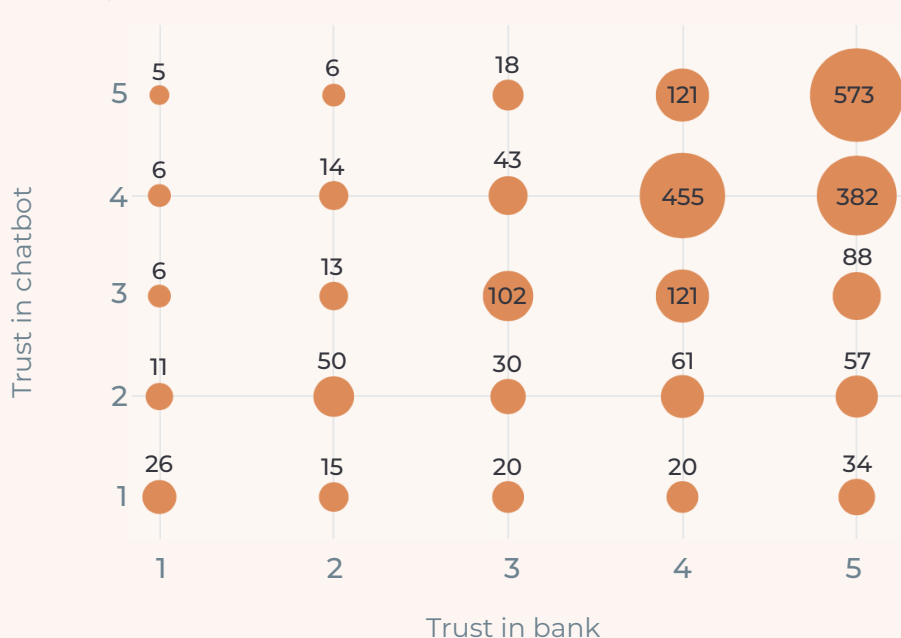
Positive correlation between trust in bank vs. chatbot to treat you fairly

circle size = number of respondents



Positive correlation between trust in bank vs. chatbot to provide accurate information

circle size = number of respondents





TRUST IN FINANCIAL INSTITUTIONS

Because there is a significantly larger number of people who trust their bank more than their chatbot than the other way around, this data suggests that trust in one's primary bank is an important driver of trust in the bank's chatbot. This institutional trust can be leveraged to improve customer trust in chatbot services through messaging and branding that taps into this institutional trust. At the same time, there may also be opportunities for influence in the other direction, with positive chatbot experiences supporting increased trust in financial institutions.

As a part of our analysis, we also looked into whether this correlation between bank trust and chatbot trust varied by race. We found that Black respondents had a notably stronger correlation between these two types of trust than the sample as a whole, including both trust in being treated fairly ($r=.57$ vs. $r=.49$ for the overall sample) and trust in the accuracy of financial information ($r=.49$ vs. $r=.4$ for the overall sample). No other racial group had trust correlations significantly different from the overall sample. This tighter correlation suggests that leveraging institutional trust to build chatbot trust—and vice versa—may be a particularly important strategy for building positive banking relationships with Black Americans.

Despite generally high levels of trust in one's primary bank, asking more specifically about their bank's tech offerings elicited more mixed results. On a scale of 1-5, trust in new technologies provided by banks received an average score of 3.9, and the belief that AI tools in banking are designed with customers' best interests in mind received an average score of 3.4. The correlation between trust in one's primary bank and trust in their bank's chatbot suggests that continuing to build institutional trust may help drive further trust in these technological opportunities. In field tests with Metro Credit Union (MCU), members' assessment of MCU and their trust of MCU's chatbot were also correlated.

Trust in new technologies



3.9/5

average score of trust in new technologies provided by banks.



3.4/5

average score of belief that AI tools in banking are designed with customers' best interests in mind.

When asked what would increase their trust in financial chatbots, 25% of survey respondents agreed that having the source of information provided by the chatbot clearly stated would increase their trust. Twenty-five percent also agreed that ensuring that the information provided by their chatbot matched their bank's website would increase trust, and 13% agreed that their trust in the chatbot would increase if bank branding was included in the chatbot. These findings suggest that when it comes to newer tech offerings like generative AI, bank customers are more likely to trust the technology when it is connected to an already trusted bank relationship. At the same time, building trust in conversational AI offerings may have secondary effects on overall institutional trust.

What would increase your trust in financial chatbots?



25%

Having the source of information provided by the chatbot clearly stated.



25%

Ensuring that the information provided by their chatbot matched their bank's website.



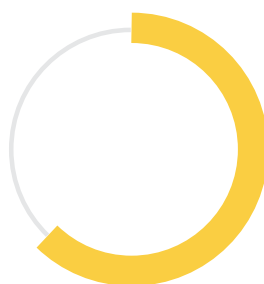
13%

Including bank branding in the chatbot.

Trust in the Effectiveness of Conversational AI

The second aspect of trust we examined as a part of this research was trust in the effectiveness of conversational AI to meet customer needs. This type of trust is fundamental to the idea of “earned trust,” as it represents the degree to which customers see conversational AI as actually adding value to their lives.

Although a majority (64%) of respondents in our national survey agreed that chatbots were “usually able to help me with what I am trying to do,” a significant minority (43%) maintained that chatbots were generally “more frustrating than helpful.” Even with these frustrations, respondents’ trust in the actual information they receive from their bank’s chatbot was an average of 4.06 on a 5-point scale. This indicates that much of the mistrust in the effectiveness of conversational AI comes less from the reliability of the information provided, and more from the chatbot’s ability to actually provide the relevant information customers are looking for.



64%

agreed that chatbots were “**usually able to help me with what I am trying to do.**”



43%

maintained that chatbots were generally “**more frustrating than helpful.**”

Further supporting the importance of building trust through information relevance, the most commonly selected reason for *decreasing* trust in a bank’s chatbot was that its answers provided only generic information rather than more personalized support.

The importance of the option to connect with a human representative also emerged as an important driver of trust in conversational AI efficacy. In addition to difficulty with this connection being the second most commonly cited driver of mistrust, the number one driver of *increased* trust in conversational AI, selected by 42% of respondents, was the option to easily access a human representative when necessary.



The number one driver of **increased trust** in conversational AI, selected by 42% of respondents, was the option to **easily access a human representative when necessary.**



TRUST IN THE EFFECTIVENESS OF CONVERSATIONAL AI

We found that trust in information from a person is generally higher than from a bot, with 88% of respondents somewhat or completely trusting information from a person working at their bank and 78% trusting information from their bank's chatbot.

**3.79/5**

In our field test with MCU's chatbot, participants rated their trust in information from the chatbot at an average of 3.79 on a 5-point scale.

Trust in Information from Human vs. Chatbot

**88%**

somewhat or completely trust information from a person working at their bank.

**78%**

trust information from their bank's chatbot.

The importance of this human connection can be understood as akin to a safety net; people are more trusting of engaging with conversational AI when they know they will be supported even if it fails to assist them rather than leaving them stuck with unanswered questions. We found in our conversations with customers that the way in which they encounter the boundaries of a chatbot's capabilities—either as a frustrating loop or as an opportunity to connect in other ways—can impact their willingness to engage again. Over time, as they build trust in a particular AI application, this desire for human access may decrease. But it should be understood as an important factor in building that initial trust.

Overall, trust in conversational AI's effectiveness remains limited primarily due to the limits of existing NLP chatbots, which can only provide answers that are pre-written by bank staff and are thus incapable of providing fully personalized support. This is reflected in the top concerns customers reported they felt about asking

a chatbot about their finances, with a majority (54%) selecting as their top concern either that the chatbot would not understand them, that it would understand them but still not be able to provide an answer, or that it would simply take too much time or effort to engage with the chatbot.

This is the area in which there is the greatest opportunity to build trust with improved technological capabilities, with generative AI standing out as the primary option for advancing conversational AI offerings to customers from limited pre-written responses to fully personalized conversations that can address their specific needs. Ultimately, customer skepticism about the helpfulness of the current generation of chatbots is often justified, and the primary path to overcoming this is to build conversational AI that provides greater value and personalization.

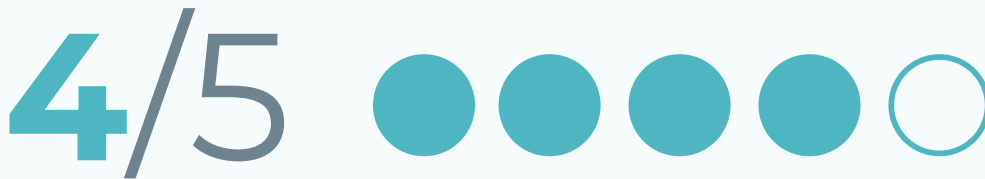
Trust in Data Privacy and Security



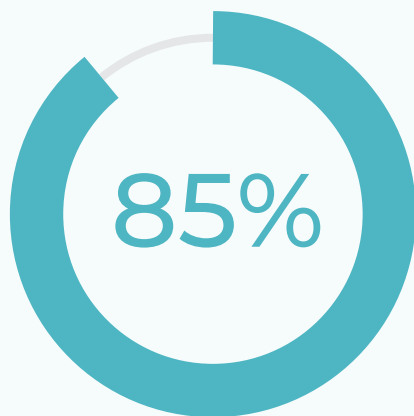
Commonwealth's research also explored how concerns over data privacy and security impacted survey respondents' trust in their bank and the technologies their banks provide. For the majority of survey respondents, data security concerns may not be a major barrier to engagement.

When asked how much they trusted their primary bank to keep their data secure, survey respondents gave an average of over 4 out of 5, with 5 being complete trust in their bank. Eighty-five percent of survey respondents also would be willing to share some or all of their financial data with their bank's chatbot in order to receive more personalized financial recommendations. In fact, in-depth interviews revealed that some Americans may trust chatbots and online tools more than live agents when it comes to data security.

A subset of interviewees raised concerns that a live agent might want to steal their account info, while an automated system would have no incentive to do so.



average response when asked how much they trusted their primary bank to keep their data secure.

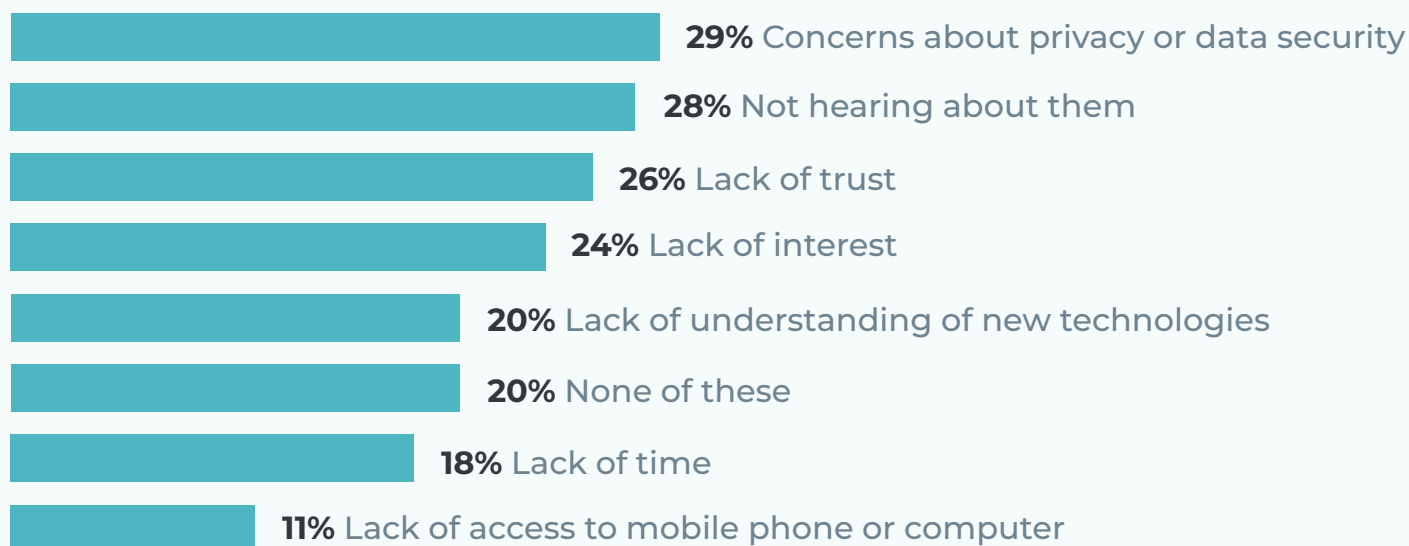


would be willing to share some or all of their financial data with their bank's chatbot in order to receive more personalized financial recommendations.

Which of the following attributes would be unacceptable to you when choosing a bank?



Have any of the following prevented you from using new financial technologies?



While survey respondents demonstrated relatively high trust in their primary financial institution, data security remained a high priority for respondents. When asked what would be unacceptable to customers in choosing a bank, nearly 50% of respondents selected weak customer privacy protections—the third most common response. Concerns about privacy or data security was the top stated reason survey respondents gave for not using new financial technologies, with 29% of respondents naming this as a reason preventing them from engaging.



TRUST IN DATA PRIVACY AND SECURITY

Overall, concerns about privacy and security generally are widespread, but the high levels of trust customers express in their primary bank suggest that this is not preventing them from engaging with conversational AI in this context. As generative AI support becomes more widespread, however, addressing these concerns will become more important as the capability for chatbots to draw on personal data to develop recommendations and to engage in more in-depth and personal conversations about finances increases. Introducing more opportunities for data security and privacy to be an issue creates a greater need to reassure customers of the safety of that data.

“ I just feel like in a chatbot, it’s just me and the chatbot... it doesn’t seem like anyone else is gonna be able to hear what’s going on.”

- Survey participant



“ I really don’t like to give my information to people on the phone, like a real person. So, yeah, I would rather call Chelsea (MCU’s virtual voicebot).”

- Survey participant

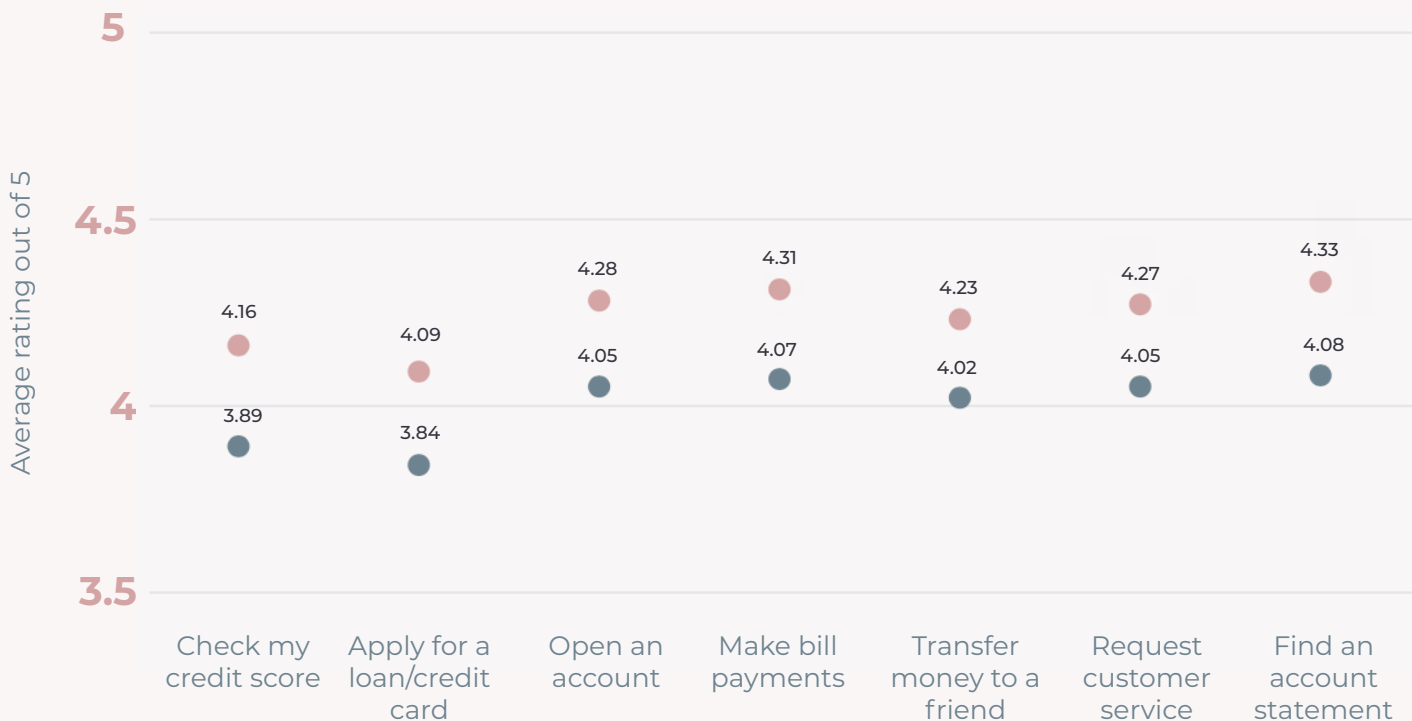
Trust in Oneself (Confidence) to Navigate Financial Services



Another important element in a customer's overall sense of trust is their confidence that they have the tools and resources they need to navigate their financial lives. Building this trust can influence customers' willingness to engage with financial conversational AI as well as the full range of financial opportunities available to them. In order to better understand the level of trust customers have in themselves, we asked national survey respondents to rate their level of confidence when it came to completing a variety of banking tasks. Looking at trust in oneself reveals important gaps between those earning LMI and higher earners, particularly around checking credit scores and applying for loans or credit cards.

Confidence in ability to...

● LMI (HHI <\$80,000) ● NON LMI (HHI > \$80,000)



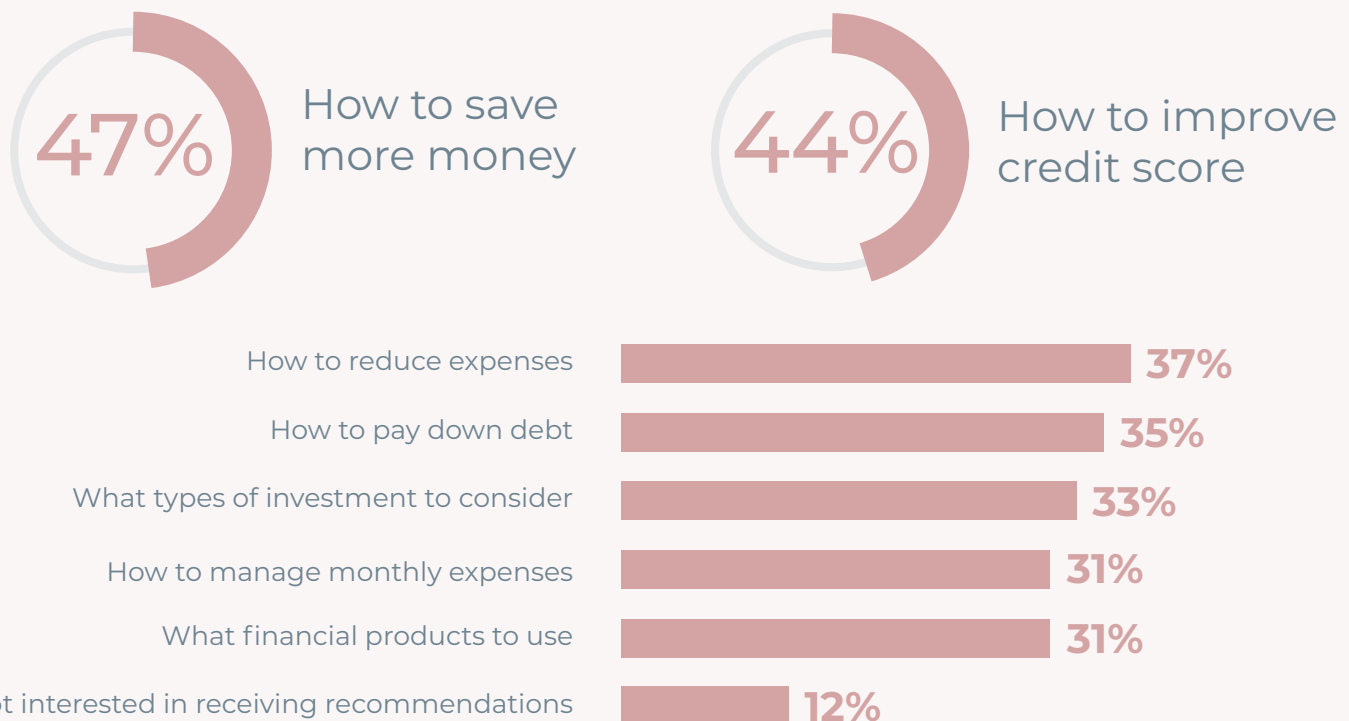
These gaps reveal an opportunity for technology to not only increase speed or convenience for customers, but also to open doors for customers to grow in banking knowledge, skill, and confidence. This potential is particularly important for households earning LMI, who consistently express lower confidence in their ability to make use of financial services.



TRUST IN ONESELF (CONFIDENCE) TO NAVIGATE FINANCIAL SERVICES

When asked about their openness to receiving recommendations or advice through an app or online tool, 47% of survey respondents reported that they would be interested in receiving recommendations on how to save more money, and 44% were interested in receiving recommendations on improving their credit score. This level of interest suggests that technology could play an important role in improving customer confidence, particularly when it comes to building credit.

Which types of recommendations would you be interested in receiving through an app or online tool?



We also explored customer confidence in field tests with Metro Credit Union after MCU members completed an interaction with MCU's chatbot or voicebot. For both voicebot and chatbot users, members who reported higher levels of satisfaction with the chatbot were also more confident in their next steps. These findings indicate that customer perception of quality chatbot interactions and customer's sense of their own banking capabilities are connected.

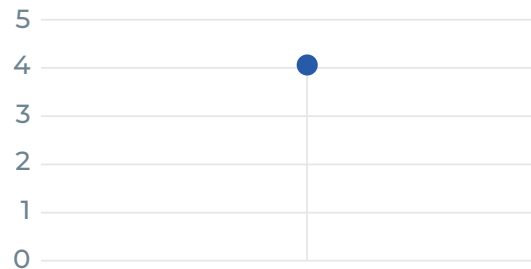
Trust in Financial Service Providers to Provide Support Without Judgment



Customers want to feel supported in their banking journey by agents and banking resources that will provide non-judgmental advice on improving their financial standing. Concerns about judgment can be particularly significant for LMI customers struggling with things like debt and late payments. The presence of these concerns may also increase the value of conversational AI support, which allows customers to get the support they need from a source they know will not form judgments about them.

National survey respondents reported generally high levels of trust that their bank would provide support without judgment, averaging 4.16 on a 5-point scale. For customers who do fear judgment when it comes to navigating their finances, adding messaging to conversational AI features that make it clear customers are talking to a chatbot may increase willingness to engage.

The possibility for conversational AI to build trust with this group of users also increases with the improved capabilities of generative AI. As chatbots are more capable of addressing more nuanced or complicated financial questions, the opportunity for them to add value by being clearly non-judgmental can increase.



4.16/5

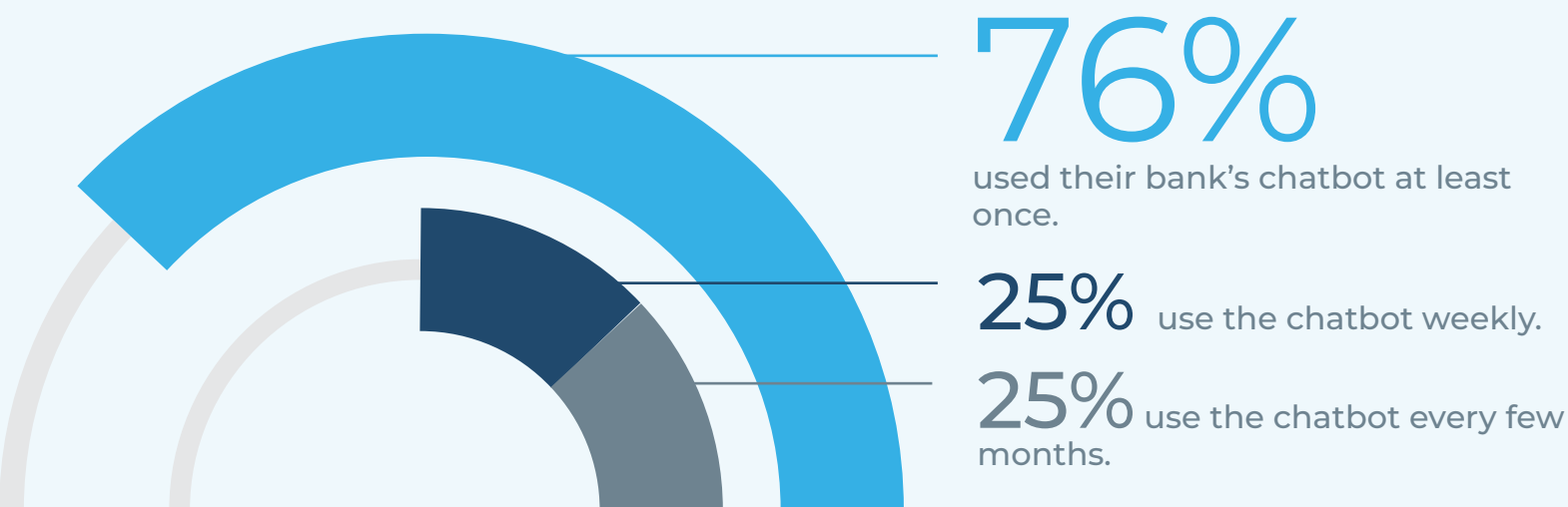
Other Conversational AI Behaviors and Attitudes

In addition to learning more about each of these different aspects of trust for LMI customers, this research also provided a look at more general customer attitudes toward conversational AI in finance. Overall, a majority of users feel that engaging with financial chatbots is beneficial, with **67% agreeing that they “like having access to chatbot support when banking online.”**

Our research indicates that users recognize that chatbots can be useful and want them to be available, but that they have tempered their expectations of existing chatbots and limit their use to simple functions to avoid frustration.

Chatbot usage rates are also quite high; **76% of survey respondents reported having used their bank’s chatbot at least once.** Among this group, about **25% said they use the chatbot weekly, while another 25% reported using it every few months.**

Regardless of how frequently they engaged with the chatbot, over **90% of respondents said they felt somewhat or very comfortable banking online, and 81% expressed a preference for accessing their banking services via phone or laptop over visiting a physical branch.** These results indicate the potential impact of conversational AI support across the income spectrum, especially as its capabilities for personalized support and guidance grow.



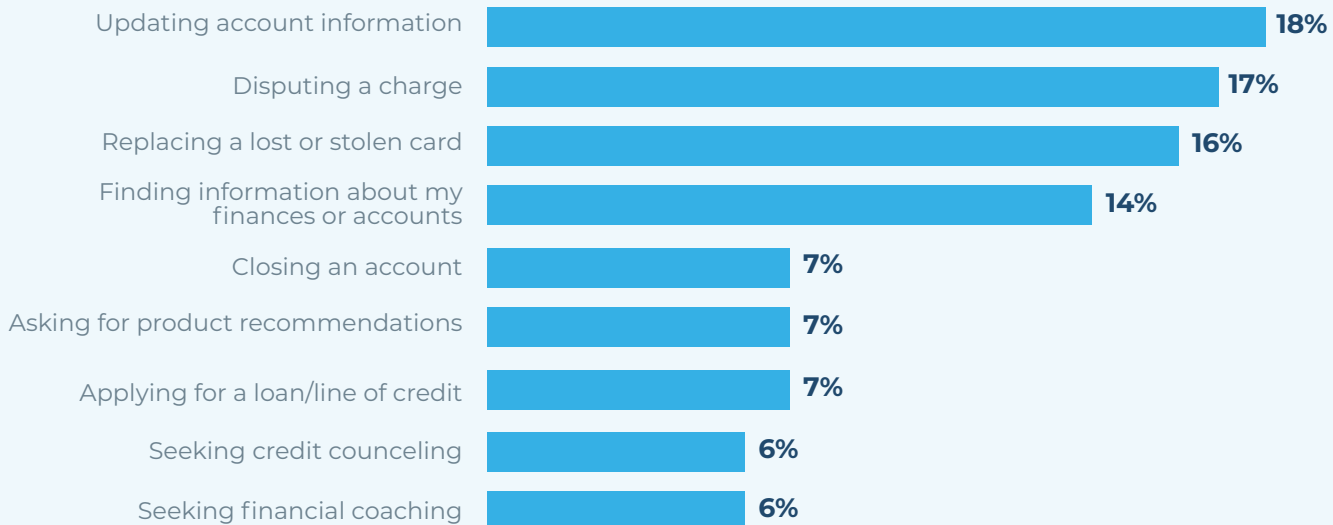
To better understand what conversational AI chatbots are being used for today, and what people want to use them for, we asked respondents to rank options in each of these categories. The close alignment between actual use and desired use suggests that these desires are heavily tempered by expectations of what current chatbots are capable of. As capabilities increase, it will be important to communicate this to customers and reset expectations about what conversational AI empowers them to do and learn.

In which areas would you most like your chatbot to be able to assist?



23% Contacting customer support

This top response suggests that a major use case for chatbots continues to be getting to a live agent.



Actual chatbot use



37% Contacting customer support



26% Updating account information



23% Finding information about finances



22% Disputing a charge



22% Paying bills

4 of the top 5 responses are the same for desired chatbot features and chatbot features previously used.

The bottom 5 selected responses are consistent across questions.

Conclusion

This research has provided an up-close view into the intersection of customer trust, financial services, and conversational AI. The potential of this technology to provide individualized support to customers at scale has only just begun to be realized through the present generation of NLP chatbots. By understanding how trust interacts with user engagement, financial service providers can think strategically about how to design conversational AI tools to address multiple dimensions of trust, building stronger relationships and more effectively assisting people living on LMI and other undersupported market segments.

Conversational AI in financial services is undergoing a transformation, as older and more limited NLP bots compete with the new generation of generative AI tools that can provide greater personalization and deeper engagement. In addition to the direct customer service use cases explored in this report, many financial institutions are exploring initial rollouts of generative AI as an indirect support tool used to help live agents talk directly with customers. This provides a buffer against the chance of generative AI agents providing unpredictable responses by filtering advice through the judgment of a live agent, but also prevents institutions from taking full

advantage of the scalability of AI support. We also see significant potential for generative AI support such as:

- Helping households living on LMI navigate workplace and public benefits programs
- Clarifying often complex programs
- Providing personalized guidance on key financial decisions

The question of trust will only become more relevant as the capability for both personalized support and for unanticipated outputs increases. How customers balance the opportunities and risks of engaging with generative AI will inevitably be colored by the degree of trust they feel in the technology itself, the firm providing it, and in their own technological savvy.

This report has provided insights into some key considerations service providers must make as they enter this new era. We encourage financial institutions to incorporate the learnings from this report and Commonwealth's [AI for Good Guide](#) to think about how to develop generative AI in a way that builds trust and supports the financial health of households living on LMI.

If you are interested in learning more about this work to inform your firm's conversational AI offerings, please reach out to info@buildcommonwealth.org to learn more.



buildcommonwealth.org