

A.I./ALGORITHMIC DECISION-MAKING

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INTRODUCTION

In May 2024, Consumer Reports conducted a nationally representative multi-mode **American Experiences Survey**. NORC at the University of Chicago administered the survey from **May 9th – 20th, 2024** through its AmeriSpeak® Panel to a nationally representative sample of 2,022 adult U.S. residents.

The May omnibus survey included eight sections:

- Housing
- Cybersecurity
- Prevagen
- Treadmill Subscription Incidence
- Solar Panels
- Older Technology
- Renters Insurance
- AI/Algorithmic Decision-Making

This report covers one section from this omnibus: the **A.I./Algorithmic Decision-Making** section.

Toplines for the complete survey, including all sections, are available at the following link:

https://article.images.consumerreports.org/image/upload/v1718112414/prod/content/dam/surveys/Consumer_Reports_AES_May_2024.pdf

AI/ALGORITHMIC DECISION-MAKING

This section began with some essential context:

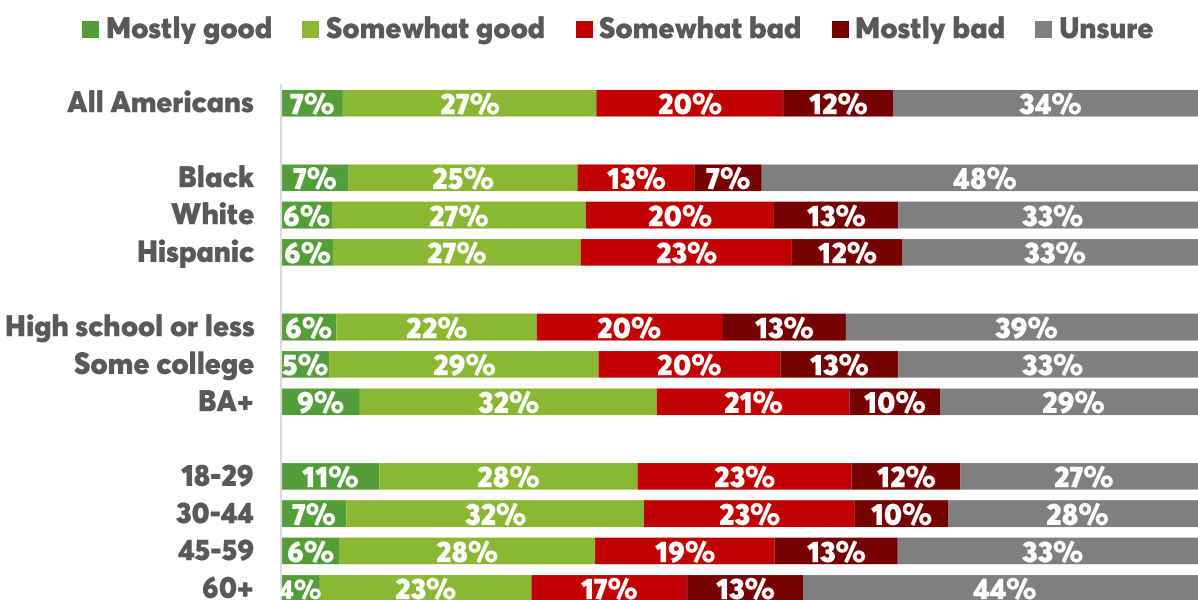
Many businesses and other organizations use computer programs to help them make decisions, including about the products and services they provide to consumers. These programs are sometimes called algorithms and sometimes artificial intelligence (AI), depending on their underlying mechanisms and capabilities.

ATTITUDES TOWARD AI/ALGORITHMS MAKING MARKETING DECISIONS

We asked Americans how they would view it if a company used AI or computer algorithms to make decisions about what products or services to offer. **About a third of Americans said “Unsure,” making it the most common response.** Roughly equal percentages said it would be good (34%) and bad (32%), although a higher percentage said “mostly bad” (12%) than “mostly good” (7%).

Because “unsure” was the most common response, we dug into it in more detail. A higher percentage of Black than white or Hispanic Americans said they were unsure (48% vs. 33% each). In addition, the percentage unsure went down with education and up with age.¹

If a company uses AI or computer algorithms to make decisions about what products or services to offer customers, overall would you view this as a good or bad thing, or are you unsure?



Base: All respondents

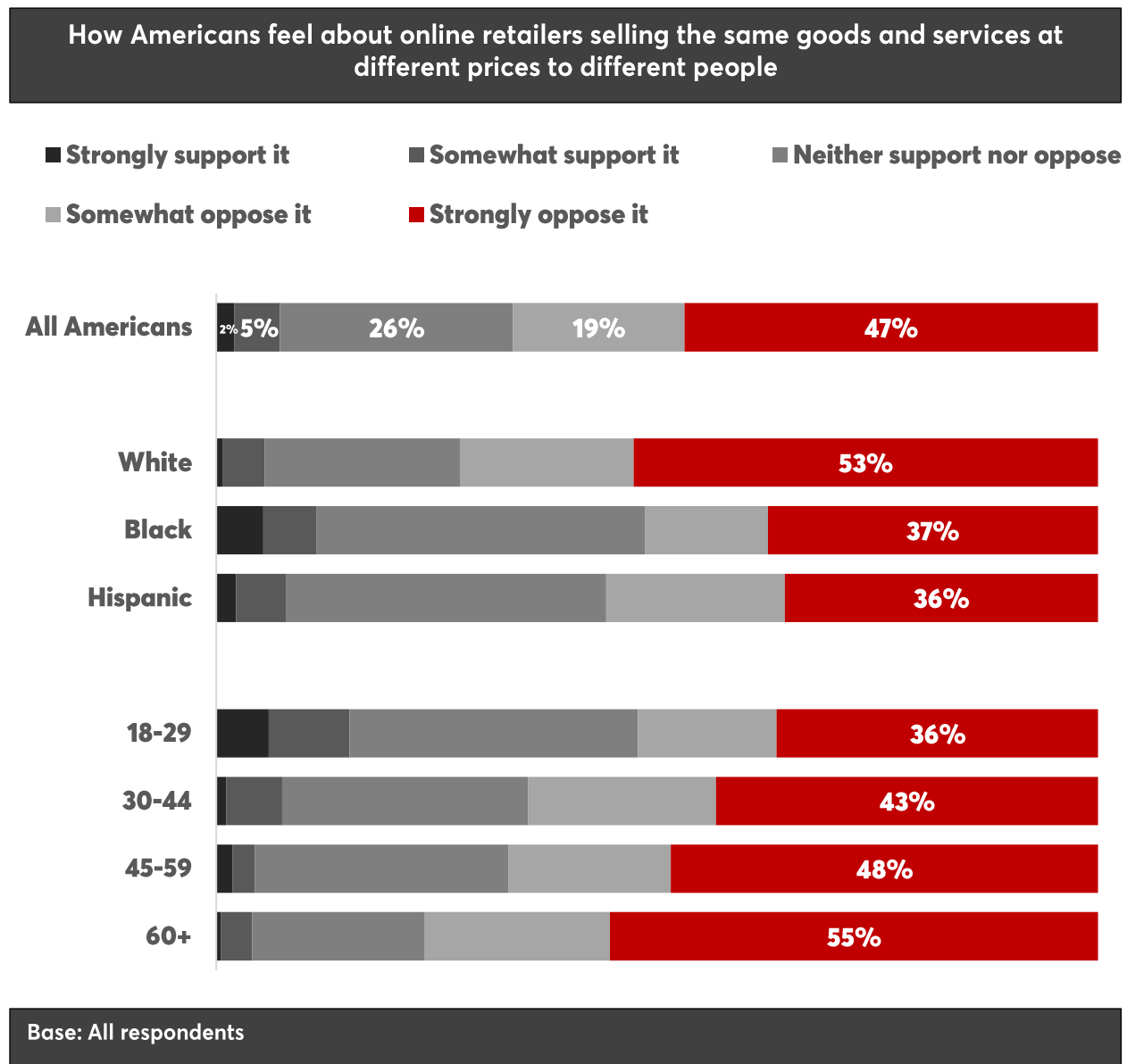
¹ Predictors in this model, and all others in this report, included race/ethnicity, gender, highest level of education, income, age, urbanicity, region of the country, and political leaning. Any reported differences in one characteristic are statistically significant at the .05 level controlling for all the rest.

PRICE DISCRIMINATION

Next, we asked Americans how they feel about price discrimination or “personalized pricing.” Specifically, we explained that *Online retailers are in the practice of selling the same goods and services at different prices, depending on things like your income, home address, age, credit rating, browsing history and other personal information. This can result in someone being charged more or less than the standard retail price, depending on the AI program or algorithm used.*

Nearly half of Americans (47%) said they strongly oppose this practice—the most common response by far. Another 19% somewhat opposed it, and 26% neither supported nor opposed. Hardly any (7%) said they actively support it.

As the graphic below shows, white Americans were more likely than Black and Hispanic Americans to say they strongly oppose this practice (53% compared to 37% and 36%, respectively). The percentage who strongly oppose it also goes up with age.



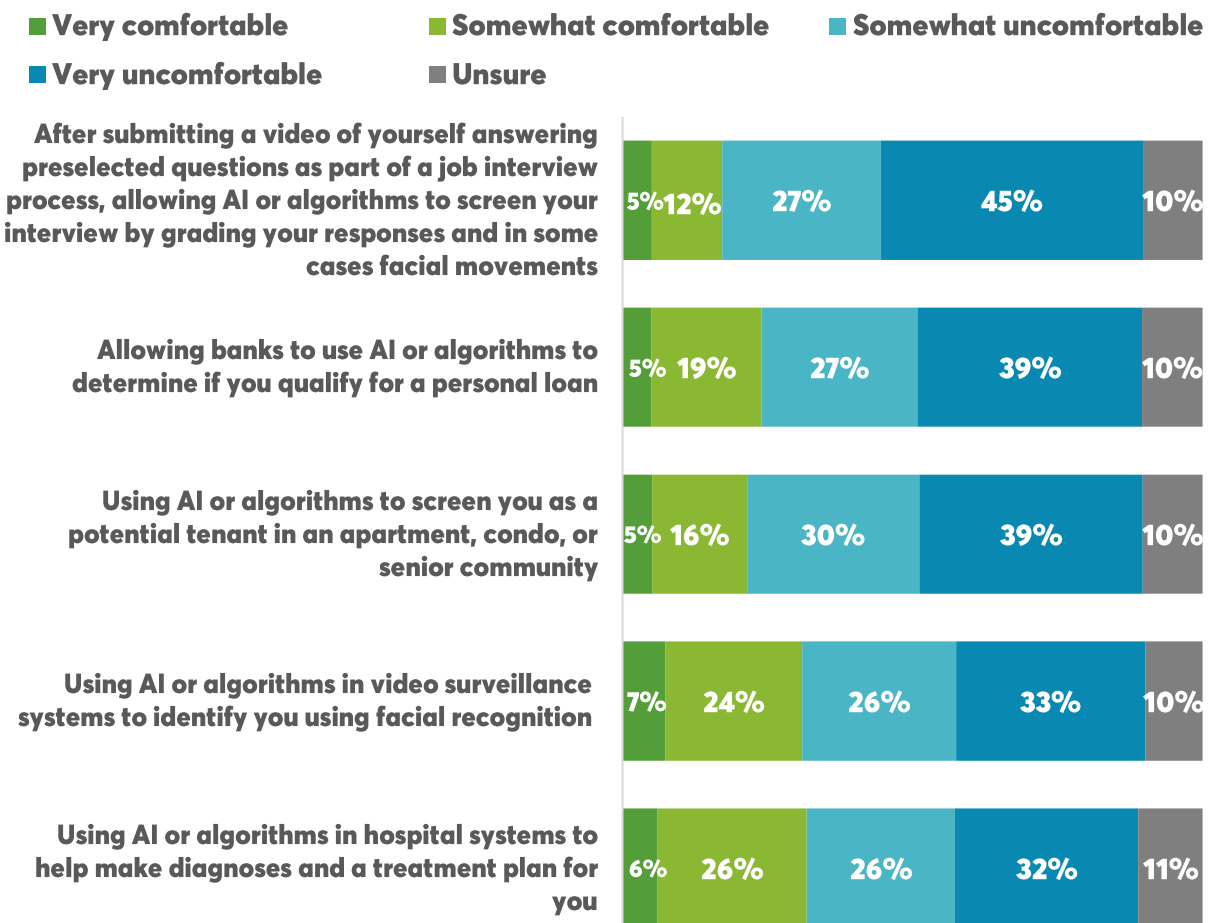
COMFORT WITH PROGRAMS MAKING DECISIONS THAT AFFECT PEOPLE

We also asked Americans how comfortable or uncomfortable they would be with AI or an algorithm making decisions that could affect their lives beyond shopping. Roughly one in ten said “unsure” for all five scenarios we asked about. **Nearly half (45%) said they would be “very uncomfortable” when asked about a scenario in which a program would have a role in a job interview process**, and less than 20% would be at all comfortable with it (12% “somewhat comfortable” and just 5% “very” so).

About four in ten (39%) would be “very uncomfortable” allowing banks to use such programs to determine if they qualified for a **loan**, and the same percentage said so for using programs to screen them as a **potential tenant**.

About a third said they would be “very uncomfortable” with video surveillance systems using facial recognition to identify them and with **hospital systems** using AI or algorithms to help with diagnosis and treatment planning. However, roughly a quarter of Americans said they would be “somewhat comfortable” with each of those scenarios.

For each of the following, please tell us how comfortable, or uncomfortable, you would be allowing AI or computer algorithms to make these decisions.



Base: All respondents

We explored demographic differences in the percentage saying “very uncomfortable” or “somewhat uncomfortable” for each scenario, after removing those who were unsure.

- Job interview scenario: white and Hispanic Americans were more likely to be uncomfortable with this than Black Americans (85% and 79%, respectively, vs. 73%). Older Americans were more likely to be uncomfortable with it than younger Americans, from 71% of those aged 18-29 to 86% of those aged sixty or older.
- Loan application scenario: older Americans were more likely to say they were uncomfortable than younger Americans, ranging from 61% of those aged 18-29 to 79% of those aged sixty or older. Women were more likely to be uncomfortable than men (76% vs. 70%).
- Tenant screening scenario: white Americans were more likely to be uncomfortable than Black Americans (79% vs. 69%). Older Americans were more likely to be uncomfortable than younger Americans, from 70% of those aged 18-29 to 80% of those aged sixty or older.
- Surveillance and facial recognition scenario: no demographic differences.
- Hospital scenario: Women were more likely to be uncomfortable than men (72% vs. 56%).

LOOKING UNDER THE HOOD

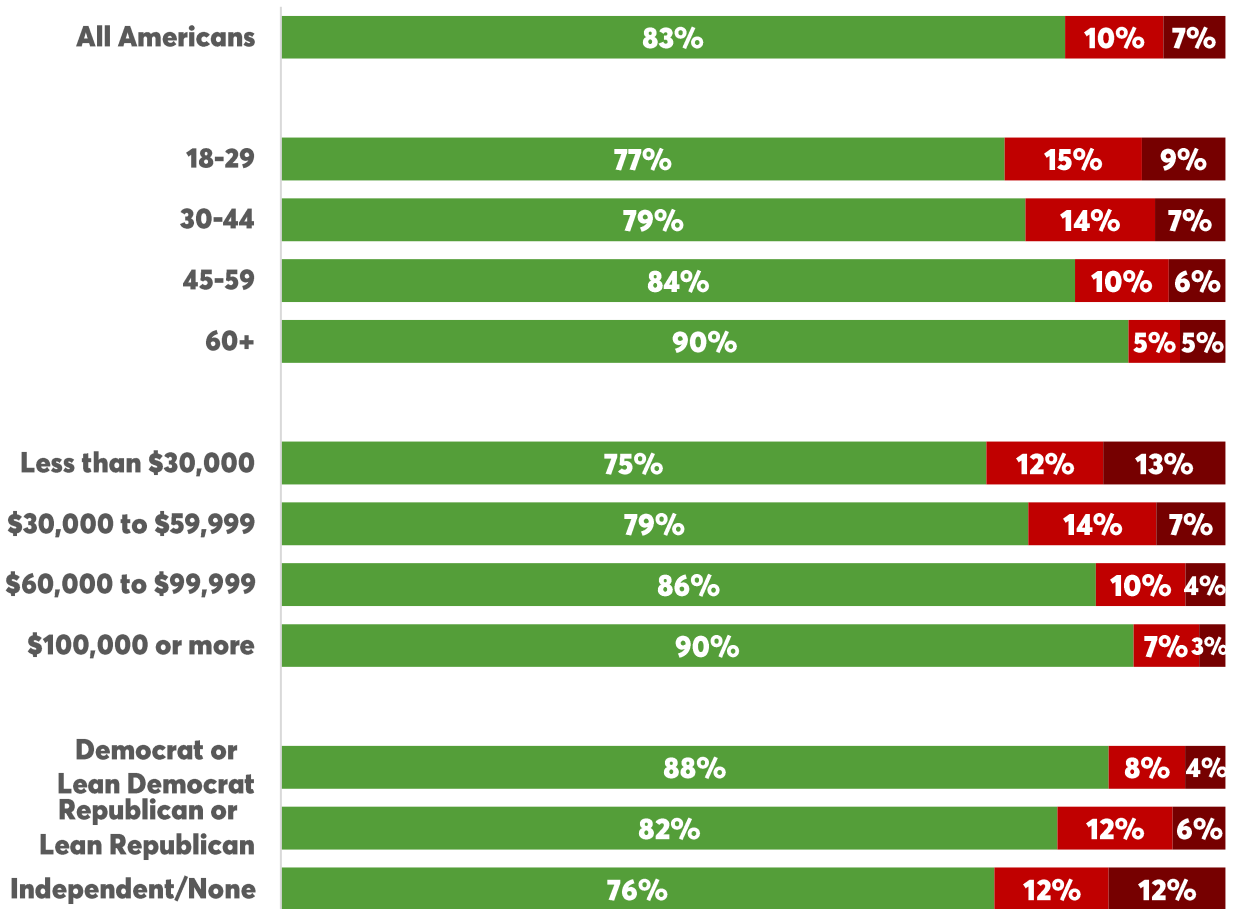
Building on the job interview scenario above, we instructed Americans to imagine an AI or computer algorithm had been used to determine whether or not they would be interviewed for a job they applied for and asked them if they would like to know specifically what information about them the program used to make the decision.

To remind them that these systems may have access to information that another human would not and/or consider factors a human would not, we said: *This could be your age, income, zip code, race/ethnicity, shopping habits, phone history, social media profiles, etc.*

Most Americans (83%) said they would want to know. Democrats were more likely to say they would want to know (88%) than Republicans (82%) and independents (76%). Wanting to know also went up with age and annual household income.

Would you like to know specifically what information about you the program used to make the decision?

■ Yes, I would want to know ■ No, I would prefer not to know ■ No, I would not care

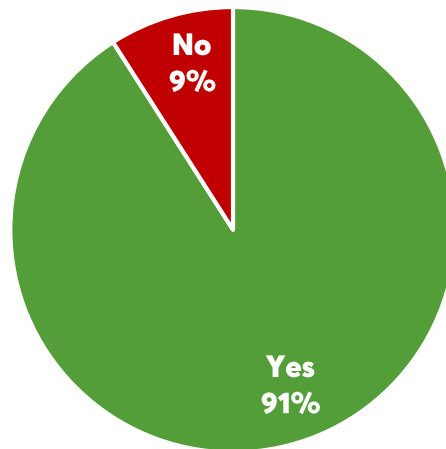


Base: All respondents

We followed this up with another question about knowing what data a computer program uses: *Now, imagine that you were given the information the AI or computer algorithm had used to determine whether or not you would be interviewed and realized that some of that information was incorrect. For example, the program may have used information from a different person with the same name as you, or used an old address rather than where you currently live.*

Most Americans (91%) said they would want to have a way to correct the data in a situation like that.

In a situation where an AI or computer algorithm made a decision about whether you got a job interview based on incorrect information, would you like a way to correct the data?



Base: All respondents

Older Americans are more likely than younger Americans to say they would like to have a way to correct the data in such a situation, from 85% of those aged 18-29 to 95% of those aged sixty or older. So were more educated Americans: from 86% of those with a high school education or less to 95% of those with a BA or above. There were no differences by gender or race/ethnicity.

METHODOLOGY

This multi-mode survey was fielded by NORC at the University of Chicago using a nationally representative sample. The survey was conducted from May 9th – 20th, 2024. Interviews were conducted in English ($n = 1,943$) and in Spanish ($n = 79$), and were administered both online ($n = 1,915$) and by phone ($n = 107$).

A general population sample of U.S adults age 18 and older was selected from NORC's AmeriSpeak® Panel for this study. Funded and operated by NORC at the University of Chicago, AmeriSpeak® is a probability-based panel designed to be representative of the US household population. Randomly selected US households are sampled using area probability and address-based sampling, with a known, non-zero probability of selection from the NORC National Sample Frame. These sampled households are then contacted by US mail, telephone, and field interviewers (face to face). The panel provides sample coverage of approximately 97% of the U.S. household population. Those excluded from the sample include people with P.O. Box only addresses, some addresses not listed in the USPS Delivery Sequence File, and some newly constructed dwellings. While most AmeriSpeak households participate in surveys by web, non-internet households can participate in AmeriSpeak surveys by telephone. Households without conventional internet access but having web access via smartphones are allowed to participate in AmeriSpeak surveys by web. AmeriSpeak panelists participate in NORC studies or studies conducted by NORC on behalf of governmental agencies, academic researchers, and media and commercial organizations.

In total NORC collected 2,022 interviews. The margin of error for the sample of 2,022 is +/- 2.72 at the 95% confidence level. Smaller subgroups will have larger error margins. Web-mode panelists were offered the cash equivalent of \$3 for completing the survey, while phone-mode panelists were offered the cash equivalent of \$5.

Final data are weighted by age, gender, race/Hispanic ethnicity, housing tenure, telephone status, education, and Census Division to be proportionally representative of the U.S. adult population. Key demographic characteristics (after weighting is applied) of this sample are presented below:

- 51% female
- Median age of 47 years old
- 61% white, non-Hispanic
- 36% 4-year college graduates
- 60% have an annual household income of \$50,000 or more

NORC asked separate questions about race and ethnicity. This report refers to "white" and "Black" Americans. This should be taken to mean people who gave their race as white or Black and did not give their ethnicity as Hispanic; people who gave their ethnicity as Hispanic are reported as Hispanic here, regardless of what race(s) they selected.