

Will AI change the world for good, or just change it?

EY Baltics AI Perception Survey Lithuania
March 2024

EY

Building a better
working world

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EY's study on the use of artificial intelligence and attitudes towards it has been conducted in all Baltic countries in cooperation with the sociological research company Norstat. The research was conducted in October 2023, surveying at least a thousand residents in each country.

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Foreword

Navigating the landscape of artificial intelligence, Lithuania stands out with its enthusiastic belief in a brighter future, powered by these rapidly evolving technologies. However, alongside this hope and anticipation, there's a unique blend of trust and uncertainty that many Lithuanians hold towards AI.

Lithuania, when compared to its Baltic neighbours, Estonia and Latvia, holds the strongest faith in the potential of AI to improve lives. Yet, there's a significant number of people who remain on the fence about putting their trust in this fast-growing technology. It may seem contradictory, but despite these reservations, Lithuanians manifest a higher level of confidence in AI than their neighbors,

as highlighted by a Pan-Baltic survey conducted by EY.

The rise and spread of AI technology are remarkable. From common tools like text generators to sophisticated applications in image generation and analysis, speech processing, coding, and even music production, AI is making its presence felt in a multitude of areas. Be it school children, students, teachers, developers, corporate leaders, workers, journalists and marketers, video and music creators, AI is increasingly becoming an essential part of diverse professional toolkits. The Baltic States, too, are touched by this trend, but the rate of acceptance for these new technologies can vary considerably among different demographics.

Linas Dicpetris
EY Baltics
Consulting Leader

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1 | AI could create a new digital divide

1/5

of people in Lithuania have already had experience with artificial intelligence technology.

61%

of Latvians have not yet used any AI solutions.

13%

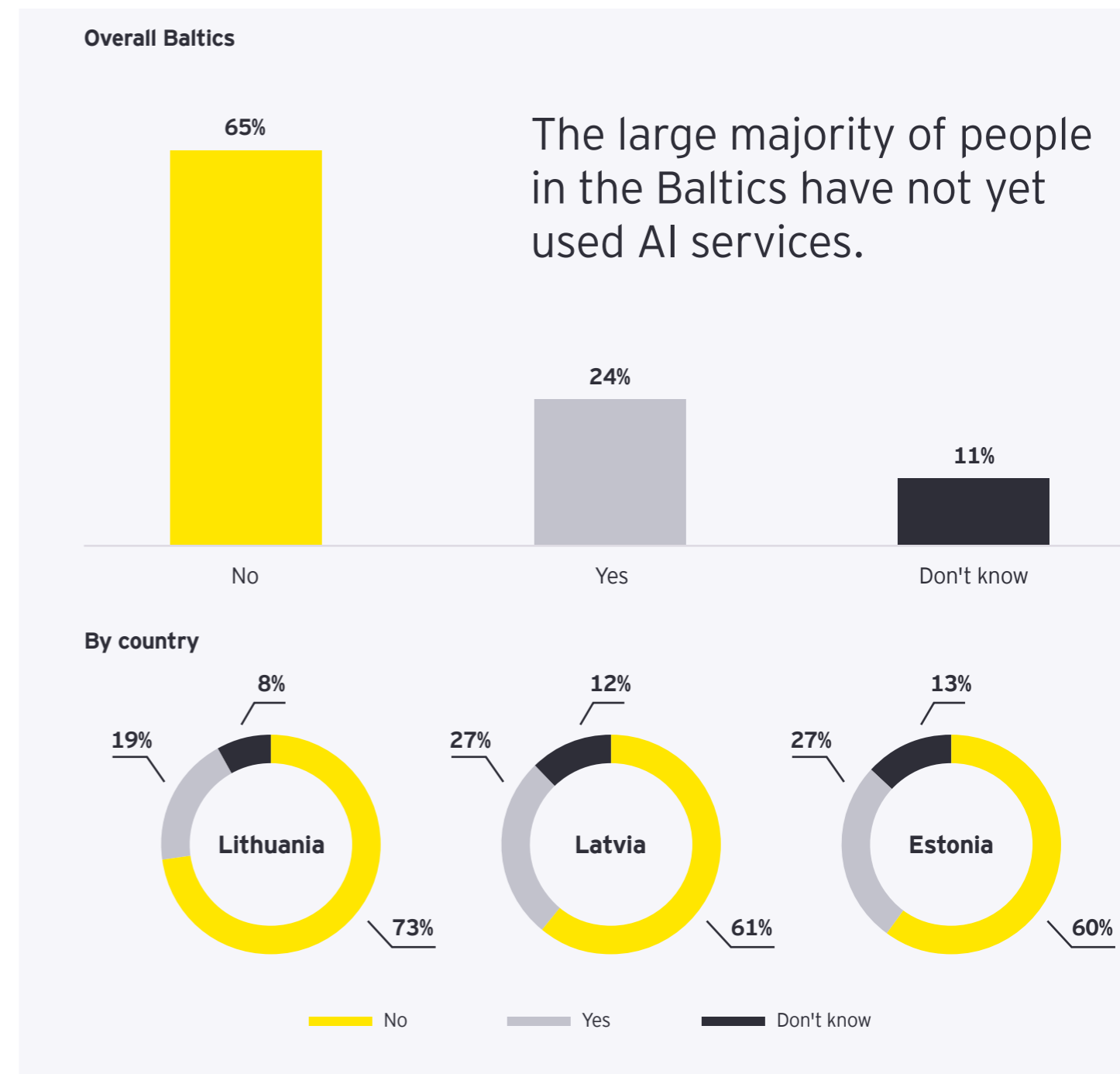
of Estonians are not sure if they have already used AI services.

General AI usage in the Baltics

An EY survey on attitudes towards and use of artificial intelligence (AI) technologies, conducted by research firm Norstat in the Baltic countries, shows, that Lithuanians are less likely to use artificial intelligence (AI) technologies in their daily lives than people in Latvia and Estonia. 19% of the population in Lithuania use AI solutions such as ChatGPT, Bard, Claude or others. In Latvia and Estonia, the percentage

is higher - 27% and 27% respectively. Moreover, trends in the use of AI illustrate the widening digital skills gap in society, with younger people and higher income groups using AI at a much higher rate. According to Linas Dicpetris, EY Baltics Consulting leader, public attitudes towards innovation and the use of certain solutions often determine how innovation will be received and how progress in a country will be enabled.

Figure 1: Have you used any services or solutions that use artificial intelligence?

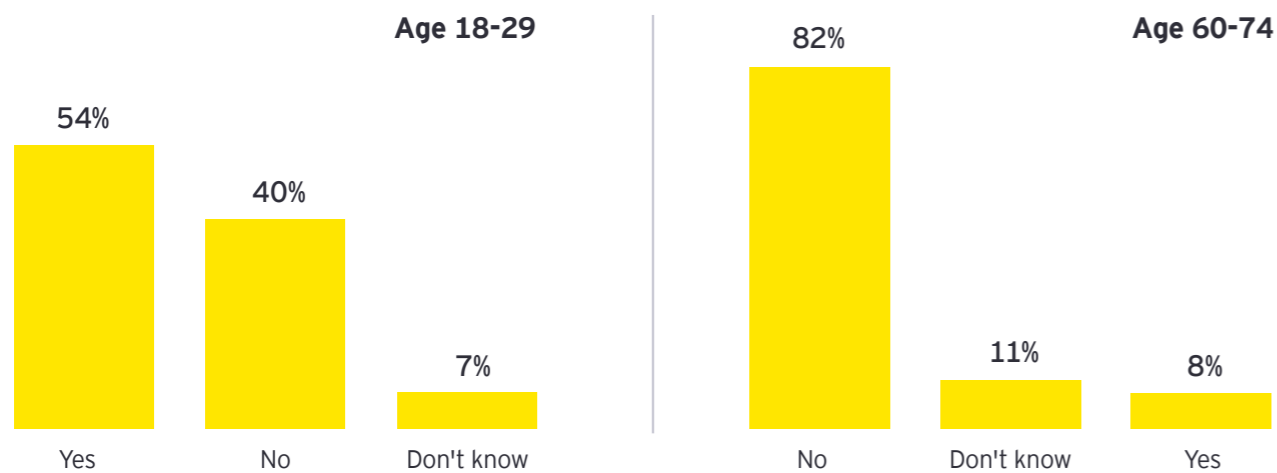


Lithuania: AI usage and age

According to the survey, the most active users of AI in Lithuania are 18-29 year olds, with 40% of them. However, this figure drops sharply among the elderly: in the 30-39 age group, the percentage of people using AI is 22%, in the 40-49 age group it is 22%, and in the over-60 age group it is

just 8%. In Latvia, for example, 58% of the population aged 18-29 use AI technologies, compared to 38% to 11% in other age groups. In Estonia, 56% of 18-29 year olds already use AI technologies as a regular tool, compared to 34% to 8% of other age groups.

Figure 2.1: Have you used any services or solutions that use artificial intelligence? (by age)



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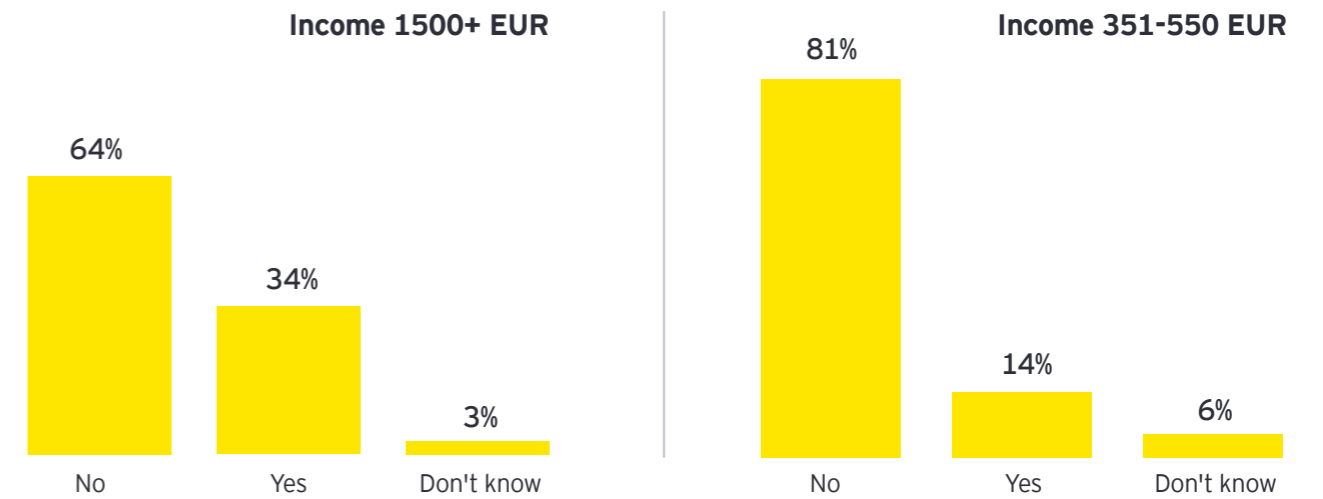
This trend is not surprising - naturally, the most active technology users are the ones most likely to adopt innovations. However, when we compare the figures with Latvia and Estonia, we can see that the differences are not entirely positive - in these countries, both younger and older people are more likely to adopt AI in their daily lives. This means that Lithuania has important homework to do to ensure that knowledge about the AI, its potential and its applicability reaches as many people as possible. It is important to emphasise the value that AI technologies bring, so that there is an incentive to embrace them, acquire the necessary skills and use them, rather than resist them.

Linas Dicpetris
EY Baltics Consulting Leader

Lithuania: AI usage and income level

The study also highlighted the impact of income, with more AI users in the higher income brackets. “This reinforces the risk of a deepening digital divide in society. Undoubtedly, this situation, if left unchanged, will have implications for the future of the

Figure 2.2: Have you used any services or solutions that use artificial intelligence? (by income)



labour market, the resilience of the economy and our ability to compete globally. Therefore, action is needed now to improve all of these indicators for the future, and this requires the efforts of all public and private organisations and institutions," says EY Baltics Consulting leader. Innovation activity is closely linked to people's economic situation in all three

Baltic countries. One in three (34%) Lithuanians earning €1,501 or more per month use AI technologies (49% in Latvia and 32% in Estonia). In lower-income households, this figure drops by half or more. However, Estonia has the smallest gap between lower and higher income earners who use AI, while Latvia has the largest.

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Today, as artificial intelligence (AI) is becoming more and more popular, it is important to see how it is applied in everyday life, not only by businesses, but also by the population.

At least for now, based on the survey data, it can be assumed that the Lithuanian population is quite cautious about AI. To remain a competitive and productive nation, we need to change this position, because the AI will soon be at the heart of many different processes, just as it was 30 years ago with the explosion of e-commerce thanks to the internet, or in recent years with the rapid deployment of chatbots by service providers to provide customers with the information they need.

Linas Dicpetris
EY Baltics Consulting Leader



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AI: Improvement of life and level of trust

61%

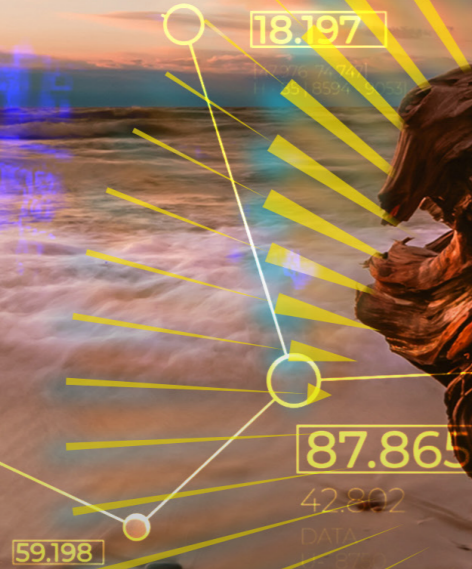
of Lithuanians expect AI to improve their lives, while 21% think the opposite.

80%

of those between ages of 18 and 29 expect that AI can improve their lives.

50%

of those aged above 60 expect positive change from AI.

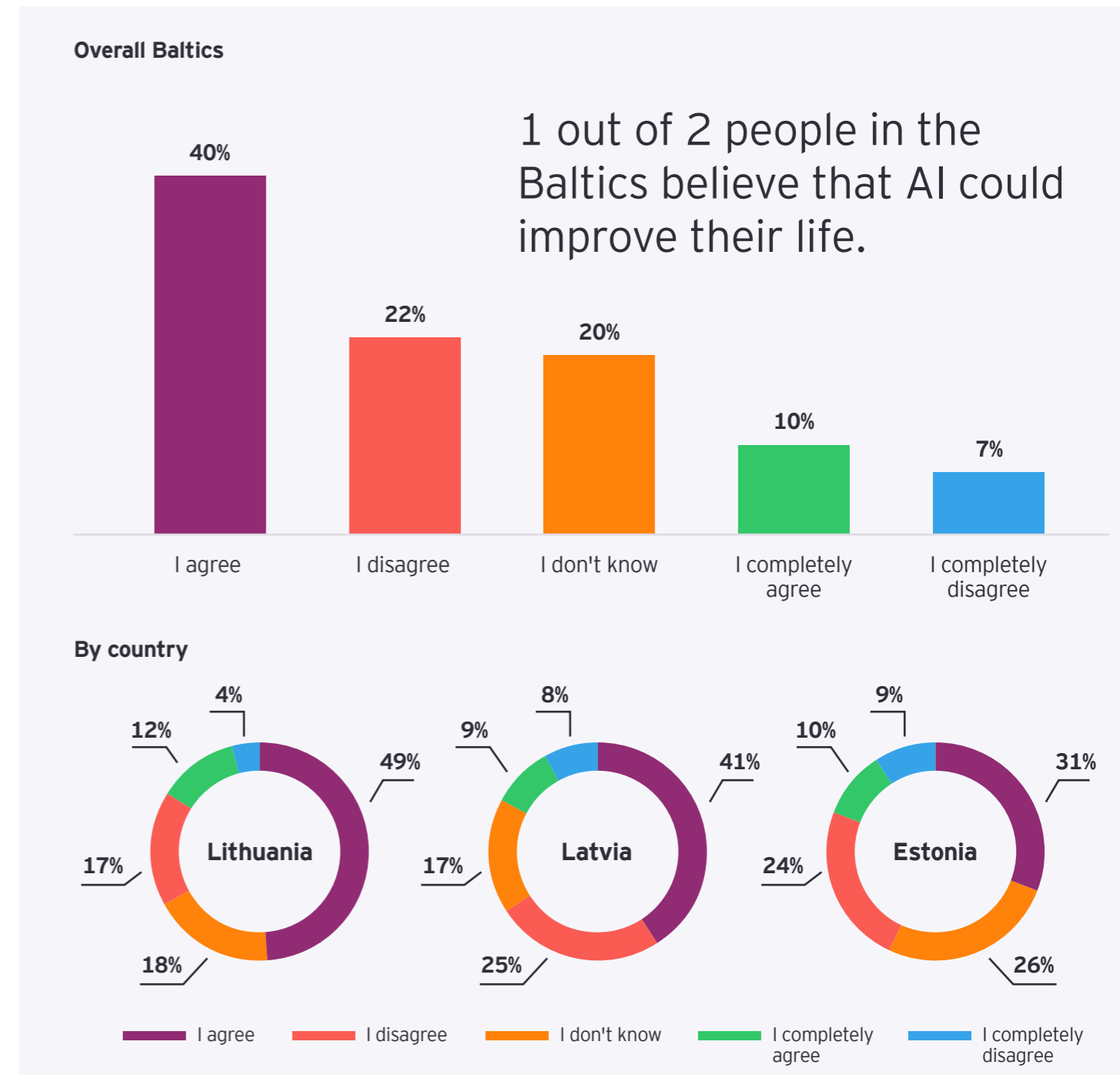


Lithuanians trust AI the most among the Baltic States

Compared to Estonia and Latvia, Lithuania has the strongest belief that artificial intelligence (AI) technologies will improve life in the future. However, Lithuania also has the highest number of undecided people who are undecided about whether they can trust one of the world's fastest

developing and deploying technologies. However, compared to their neighbours, Lithuanians show the highest level of confidence in AI, according to a Baltic survey commissioned by professional services company EY (Figure 3).

Figure 3: Do you agree that artificial intelligence services and solutions will make your life better?



Lithuanians are convinced that AI technologies will also have a positive impact on the labour market and their own productivity. EY research shows that more than half (57%) of Lithuanians agree that AI technologies will lead to a need for new professional skills. One in three (32%) also believe that state-of-the-art technologies will have a positive impact on the labour market (Figure 4).

"The results suggest that people are now much more

rational about the impact of AI on their workplace or the labour market in general. Of course, automation changes some occupations dramatically or reduces the need for certain workers - but this happens all the time in industry. However, technologies such as AI are first and foremost a tool to improve the working environment, and their introduction also creates new professions and the need for new professionals," points out Linas Dicpetris.

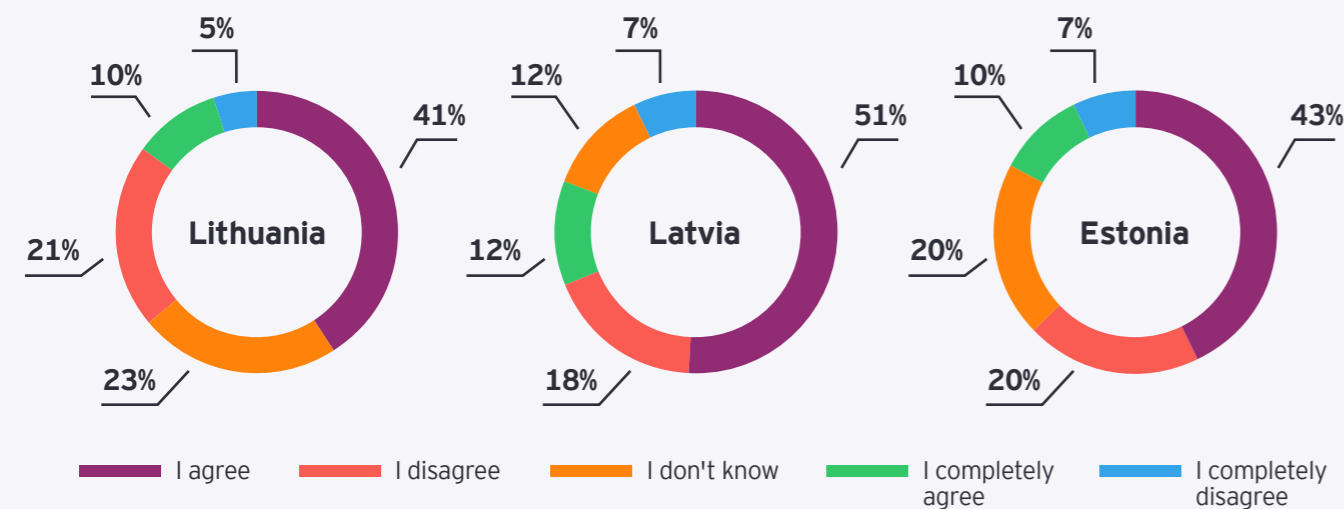
Figure 4: Do you agree that artificial intelligence could improve productivity in your workplace?

Overall Baltics

56% of people in the Baltics believe that AI could improve workplace productivity.



By country



Trust in AI solutions in the Baltics is relatively low, at least for now

Interestingly, Estonia is often portrayed as the most digitally advanced country in the region, but an EY study found that only 40% of the population expects positive change from AI technologies - the lowest of all the Baltic countries. 34% of Estonians said they do not believe it will improve their lives.

36% vs 38%

is the proportion of people who would trust - and would not trust an AI-based technology in Lithuania.

Linas Dicpetris notes that the proportion of people in the Baltic countries who trust technology is lower than the proportion who do not, but there is still a large proportion of the population who are undecided about whether to use or stay away from AI. He points to survey data showing that older people are the most distrustful of AI. Therefore, L.Dicpetris believes that the role of professional mentors and andragogues (teachers of adults) is now as important as that of educators - professionals who educate the younger generation. He points to survey data showing that older people are the most distrustful of AI. Therefore, L.Dicpetris believes that

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So far, the expectation of a positive impact of AI is higher than the trust in this technology. This reflects the attitudes of a large part of the Lithuanian society: the desire to use and adapt already tested AI solutions in the future, rather than being among the first countries to boldly test, adapt and enable innovations in everyday life. Trust is the cornerstone of the innovation journey and clearly Lithuania and the other Baltic countries need to work harder on this - to raise the profile of AI opportunities, to develop the necessary competencies in the public, and to foster trust in technological solutions and the value they bring.

Linas Dicpetris,
EY Baltics Consulting Leader

the role of professional mentors and andragogues is now as important as that of educators - professionals who educate the younger generation.

On the other hand, according to EY, the Baltic population is quite aware of how technology tools and solutions are changing the labour market. More than half of Lithuanians (57%), and even more in Latvia and Estonia (60% and 65% respectively) agree that AI technologies are driving the need for new professional skills. A significant share of the population also believes that the AI will help them be more productive: 51% in Lithuania, 63% in Latvia and 53% in Estonia.

“

This seemingly passive attitude of a part of the public can create obstacles to private and public initiatives to increase the technological literacy of the population and to accustom them to automated, digitalised solutions and their opportunities. Misconceptions about the AI abound in societies. These can only be overcome with knowledge and a better understanding of technology.

Linas Dicpetris,
EY Baltics Consulting Leader

3 | Expectations on AI

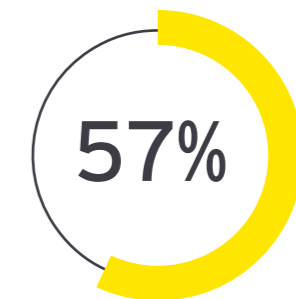
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Technology and accelerated digitisation have already changed many areas beyond recognition - wallets are on our phones, parcels arrive 24 hours a day, services and goods can be ordered instantly, and knowledge and training in new skills are available anywhere, anytime. Yet people still expect breakthroughs in these aspects of life, and look forward to innovation and other improvements. But it is important for the public to remember that this will also require their efforts - technological literacy and changing habits.

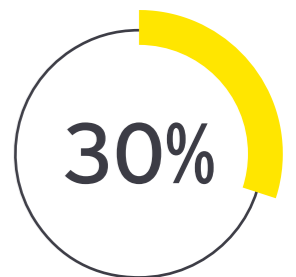
Linus Dicpetris,
EY Baltics Consulting Leader

Lithuanians expect qualitative leap in the services sector

A large part of the Lithuanian population expects a significant qualitative breakthrough in the transport, industry, leisure, medical and financial sectors with the accelerated deployment of AI. However, there are also some areas where the public believes that technological solutions may have more negative than positive effects, such as freedom of expression. According to Linas Dicpetris, EY Baltics Consulting Leader, Lithuanian citizens are very practical when it comes to AI - they clearly see the functional potential of state-of-the-art technologies, especially in the labour market and in the sectors whose services are important to them, such as health care, transport and finance.



think already now, that AI will change the skills needed in the workplace.



expect no change.

According to the survey, nearly one in two people in the country say that faster deployment of AI will improve mobility and transport options (54%), increase entertainment and leisure activities (48%), strengthen the industrial sector (46%), improve medical and healthcare services (43%), and improve the education and training sector (40%). A slightly smaller but also significant share of the population believes that the AI will further improve the quality of financial services (35%) and services provided by public authorities (36%).

be more productive. However, people do not yet see how the AI will affect their own financial well-being, with only a tenth of Lithuanians expecting it to make a positive difference to their income, and the majority - 63% - believing that the AI will have no impact at all. The EY study also reveals public concerns about the accelerated introduction of technology in different areas of life. As many as 58% of Lithuanians believe that AI will have a negative impact on people's creativity and interpersonal relationships in the future.

In addition, nearly one in two respondents said they thought AI would have a negative impact on freedom of expression. "Perhaps this is because respondents are worried about the wider use of AI solutions to control social networking records or monitor individuals. Such concerns of citizens are an important signal for public authorities to ensure proper regulation, ethics and transparency of the AI", concludes Linas Dicipetris.

Shopping and Entertainment are also expected to improve.

40% vs 30%

is the proportion of Lithuanians who believe that AI will improve education vs. those who believe the opposite.

Interestingly, people also expect personal benefits from AI, with one in two respondents (51%) saying it will help them

“

It is clear that we need to make people more aware of AI solutions and opportunities, as when used properly, they can reduce monotonous, repetitive and less value-adding activities, so that we can spend more time on better quality interactions.

Linas Dicipetris,
EY Baltics Consulting Leader

Creativity



1 in 2 Lithuanians think that Human Creativity will be affected negatively.

Culture



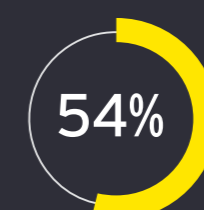
1 in 3 Lithuanians fearing negative impact of AI on culture. Just one in four disagree.

Strong margins of positive expectations due to AI in other industries

Healthcare industry shows strong expectations with **43%** awaiting AI-based improvements and only **28%** think the opposite.



believe **Financial services** will be positively affected. 24% are of the opposite opinion.



think AI will improve **Transportation**. 12% think the opposite.

Production strongly expected to benefit from AI

46% think that AI will improve production industries, which is in line with the general expectation of improved productivity. Less than **1 in 5** expect negative consequences of AI on production.

Productivity

Slightly more than **half** of Lithuanians expect that AI will improve workplace productivity.

State services



think AI could have potential to improve **State Services**.

Only 28% do not.

AI to replace human interaction?

People expect the personal communication to suffer due to AI: **Less than 1/9** expect an improvement but more than **1/2** think it will worsen.

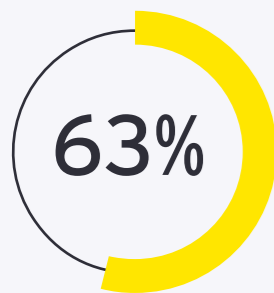
Personal income

The Baltics seems to outdo Europe as far as some key technology-related factors are concerned. Part of it is owing to the thriving startup ecosystem and the digital edge that the Baltic countries have. For instance, 92% investors think that the Baltics fare as well or better than Europe with regard to the availability of workforce with technology skills.

Ninety percent of the investors think that the Baltics perform as good as or better than Europe vis-à-vis the network of startups and research institutions.

Eighty percent of the investors surveyed in the Baltics think that the support by government and regulatory authorities to drive the digital agenda is on par with or better than the European average.

People do not yet see a material effect in their own lives.



63% of Lithuanians do not yet expect that AI would affect their income level.

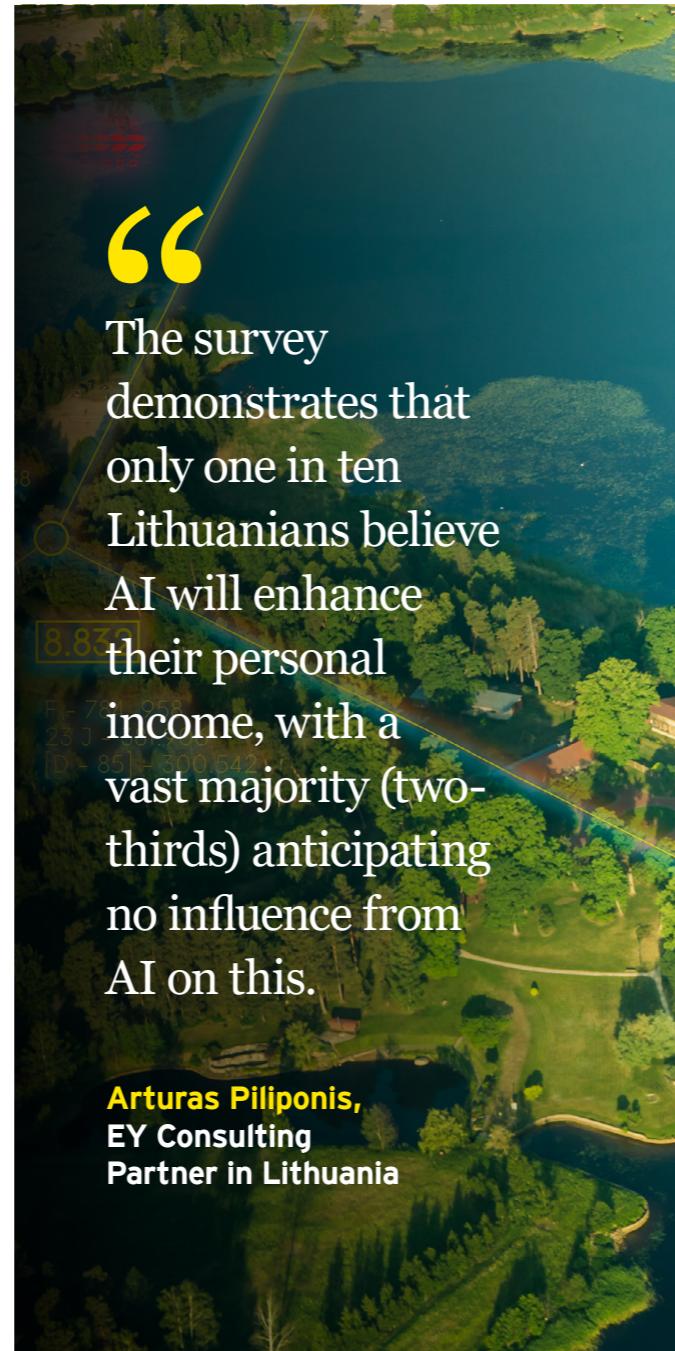
Just **9%** of people older than 60 expect any improvement in their income due to AI.

Among people up to the age of 29 the number is at least somewhat higher:

20%

A similar sentiment can be observed in other Baltic countries, for example in Latvia, 1 in 2 people believe that AI will worsen people's creativity (in Estonia - 57%) and 40% think that AI technologies will worsen people's daily communication (in Estonia - 52%), while 41% think, that

AI will have a negative impact on freedom of expression (in Estonia - 42%). On the other hand, in various areas of practical life, in Latvia and Estonia too, a significant preponderance of positive evaluations of the impact of AI over negative attitudes can be seen.



Overview

Excitement grows, but adoption is slow



Linas Dicipetris,
EY Baltics
Consulting Leader

Expecting Improvements with AI

Artificial intelligence (AI) is predicted to have significant impacts globally across different industries. To better understand this, EY Baltics conducted a study exploring attitudes towards AI across the Baltics. The findings reveal that a majority (61%) of Lithuanians anticipate that AI will bring improvements to their lives. This figure is the highest among the Baltic States. However, 21% of those surveyed are skeptical, anticipating that AI will have more of a negative impact on their daily lives.

This optimistic trend continues through the generations, with a significant 80% of young adults aged 18-29 anticipating positive outcomes from AI. Half of the respondents from all age groups share this outlook.

Altering Skill Sets at Work

The changing landscape of the workplace due to the incrementing rise in the use of AI technology is a much-debated topic. In Lithuania, 57% of residents believe that AI adoption will lead to the need for changes in workplace skills. This sentiment is so widespread that even among younger Lithuanians (up to 29 years old), almost two thirds echo these views. Interestingly, half of those surveyed are optimistically expecting a rise in productivity due to AI technology, while only a quarter expect a fall.

However, on the flip side, actual exposure to AI remains low among the Lithuanian population. Just 20% say they have practical exposure to AI solutions, with this figure increasing to only 40% among 18-29-year-olds.

Challenging Aspects of AI Implementation

The introduction of AI into society is not without its anxieties. Over half the respondents express worry that AI might limit human creativity, while just 16% assume it could enhance creative abilities.

The impact of AI on daily communication and freedom of speech also concern Lithuanian residents, with over half predicting a negative effect in both areas.

Trust in AI

Alongside these concerns, our survey shows a notable level of trust in AI among Lithuanians, with almost as many expressing confidence (36%) as distrust (38%). This is a contrast to other Baltic states, where distrust figures are sometimes as high as 50%.

AI and Personal Income

The survey also demonstrates that only one in ten Lithuanians believe AI will enhance their personal income, with a vast majority (two-thirds) anticipating no influence from AI on this.

When asked about the sectors anticipated to show an improvement from AI, transportation drew the largest number of positive responses, with over half of Lithuanians foreseeing beneficial impacts here. Similar expectations were shown for shopping (55% positive), entertainment (48%), healthcare (43%), and financial services (35%).

Regarding AI's potential in state and municipal services, only a third of Lithuanians believe AI could contribute positively, indicating a need for enhanced communication and education to showcase what AI can offer in the public services sector.

AI and Industry Production

Encouragingly, almost half of Lithuanians predict AI will enhance industry production, with less than 20% expecting a negative impact.

The study results provide valuable insights and pave the way for industry leaders, regulators, and decision-makers to work collaboratively. The challenge now is to not only promote the adoption of AI technologies, but also to carve a path that leads to better understanding, trust, and stronger aptitude amongst the public while managing the potential social and human issues that could arise. ■

Methodology

The EY Baltics AI Survey was conducted based on a structured methodology to ensure a comprehensive understanding of the impact of AI across Estonia, Latvia, and Lithuania.

At least 1000 respondents from each country were surveyed in cooperation with Norstat, a leading sociological research company. The data collection process took place over approximately one week in October 2023.

The selection of the survey respondents was carefully done to include a diverse range of age, gender, education level, income bracket, and country of residence. This mix of respondent profiles allowed for a broad perspective on AI's impact across the different sections of the population in the Baltic States.

The survey comprised five key sections that aimed to assess the perception of AI's influence on various aspects of life and work. These included the perceived improvement of life and productivity due to AI, the change in work skills, the impact on daily life elements, the effect on government services and economic factors, and finally, the level of trust in and usage of AI technology.

This robust approach was designed to offer comprehensive insights into AI's impact in these regions, providing valuable data for businesses, government agencies, and organizations.

EY contacts

Linas Dicpetris

Leader | Consulting
EY Baltics
linas.dicpetris@lt.ey.com

Siim Aben

Partner | Consulting
EY Estonia
siim.aben@lt.ey.com

Nauris Klava

Partner | Consulting
EY Latvia
nauris.klava@lt.ey.com

Arturas Piliponis

Partner | Consulting
EY Lithuania
arturas.piliponis@lt.ey.com

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