### Hogan Lovells



## Living Mobility by Mobility & Transportation

### Living Mobility is objective Spotlight on AI and consumer trust

In conversation with Mark Brennan, lead innovation partner, global leader Technology and Telecoms sector group

Objective Living Mobility broadly encompasses fairness and transparency in the use of new mobility-improving technologies. As artificial intelligence (AI) paves the way for increasingly integrated transport systems, manufacturers are joining forces with service providers and software developers to deliver innovative mobility solutions. But the promise of AI-enabled transport is not without its challenges. Connecting all hurdles is the crucial need to build consumer trust. Mark Brennan discusses a few of these challenges and the overarching importance of prioritizing consumer trust.

### What should the mobility and transportation industry keep in mind about consumer trust and AI?

**Brennan:** It is going to be increasingly critical that our mobility clients be transparent with

consumers. The details matter. We are seeing a lot of rapid legal, regulatory, and policy developments for autonomous vehicles (AVs) and unmanned aerial vehicles (UAVs), ridesharing, and micromobility like e-scooters. But long-term success in the market will almost certainly depend on maintaining consumer trust. Data protection, service terms and conditions, and fee structures all can significantly impact consumer trust.

Our clients are innovating to change the world, and we are their strategic advisors. It's really important that we bring an innovative mindset and continually look for opportunities to enhance our services and help them find creative new solutions to their challenges.

We also need to be mindful that assessing risk involves more than the immediate legal issues – long-term impact and reputational harms also play an important role.

# What AI developers consider when approaching commercial agreements with manufacturers and service providers?

**Brennan:** For AI, one question for developers is at what points you need to ensure that somebody is maintaining a level of control. It's not enough to say "We trained the AI and then it decided everything after that."

As advisors, we must make sure that our clients build processes and protections that go beyond core compliance in their commercial agreements.

## *Is it possible to harmonize service offerings and regulatory compliance?*

**Brennan:** You want your suppliers to be partners, and you want all stakeholders to be aligned and incentivized to identify and address AI concerns throughout the life of the agreement.

# How can industry work with government to balance consumer protections with technological investments?

**Brennan:** We need a thoughtful, comprehensive, and balanced approach. We are seeing a race among some regulators to see who can "regulate more," especially on consumer protection issues.

There seems to be a presumption by some that more regulation is automatically better, without any critical assessment.

There needs to be a holistic approach taken with the first step being a fulsome analysis of whether and to what extent any new requirements are needed, or if there are sufficient developments in the marketplace to protect consumers.

There is also an opportunity for industry leadership, and it's incumbent on stakeholders to make sure regulators are fully informed on the latest marketplace developments and innovative services.

### Featured Speaker



### **Contact Us**



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