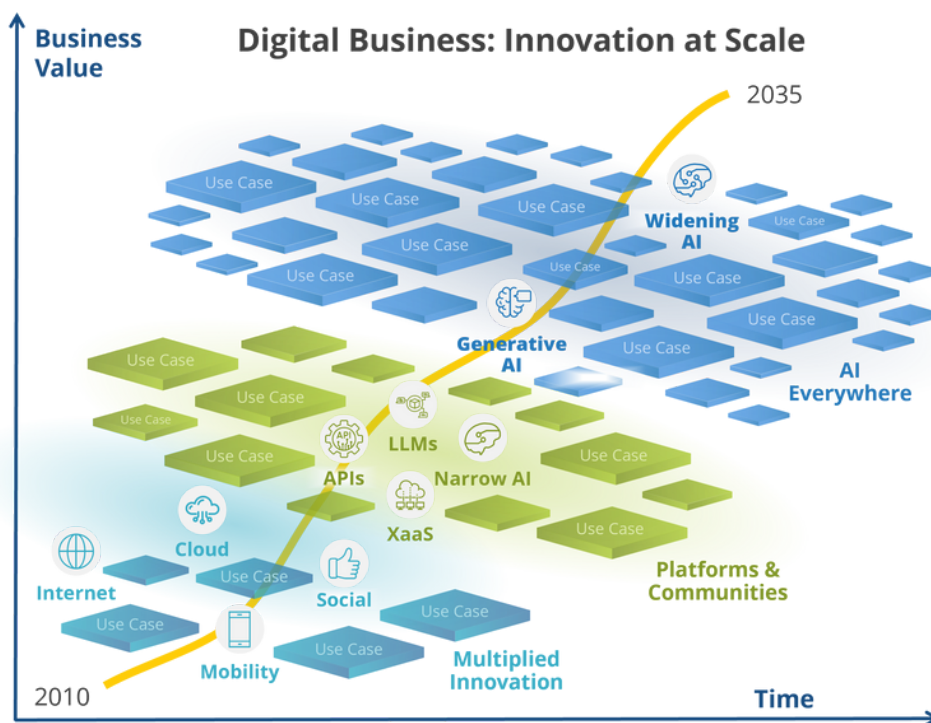


Generate Growth in Your Markets with the GenAI Opportunity

A new chapter in the Digital Business Era has begun – AI Everywhere.

Generative AI (“GenAI”) triggered the opening of this new chapter because it seeks to drastically reduce the time and long-term costs associated with developing solutions across a wide range of use cases associated with automation and intelligence.



GenAI is at the forefront of AI Everywhere.

While the market for GenAI solutions is still nascent, few technologies have become so dominant a topic in so many different arenas—including consumer, enterprise, academia, public policy, and more—in such a short period of time.

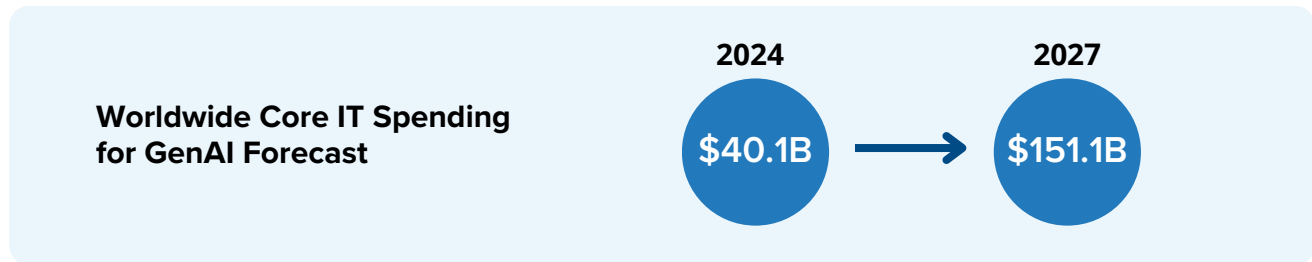


Analyst Insight

"Generative AI is more than a fleeting trend or mere hype. It is a transformative technology with far-reaching implications and business impact."

Ritu Jyoti - Group Vice President, Worldwide Artificial Intelligence and Automation Research Practice Global AI Research Lead

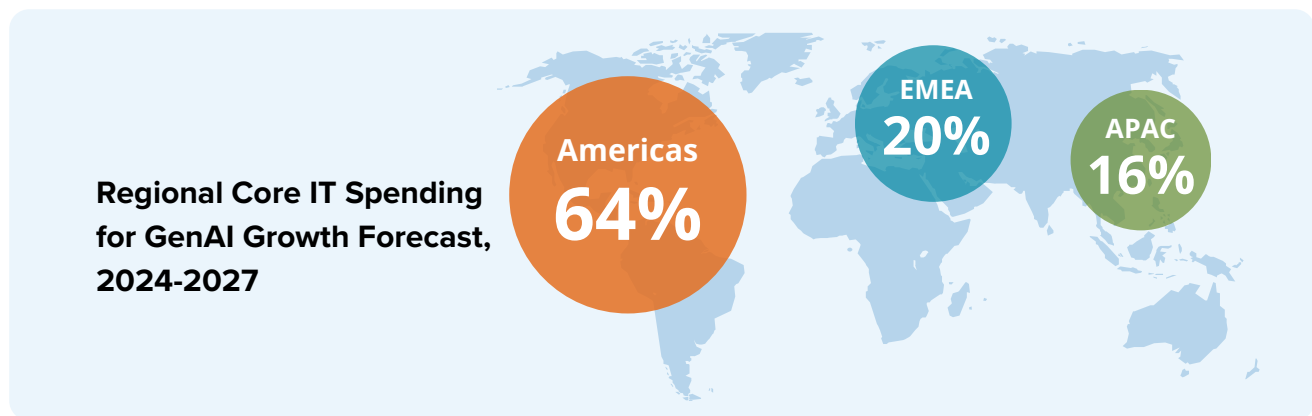
Worldwide Core IT spending on GenAI will grow aggressively in the coming years.



Source: Worldwide Core IT Spending for GenAI Forecast, 2023–2027: GenAI Is Triggering Hyper-Expansion of AI Spending - December, 2023

In 2024, the shift to artificial intelligence (AI) everywhere will enter a critical buildout phase around the world. Most enterprises will make major new investments with the intent of drastically reducing the time and costs associated with customer and employee productivity use cases. Organizations will spend \$371.6 billion on products and services to implement generative AI (GenAI) from 2024 to 2027, but the focus will shift to investments that boost revenue and business outcomes. In 2027, GenAI's annual spending worldwide (\$151.1 billion) will account for 29.0% of the \$521.0 billion spent on all AI implementations.

GenAI is a major global opportunity within the Core IT segment - with big regional differences.



Source: Worldwide Core IT Spending for GenAI Forecast, 2023–2027: GenAI Is Triggering Hyper-Expansion of AI Spending - December, 2023

Investments in GenAI will be significant across all major regions with the Americas accounting for a majority of all GenAI spending through 2027, but Europe, the Middle East, and Africa (EMEA) and Asia/Pacific (including Japan) (APJ) will have higher five-year growth levels. The major variations across regions will be a result of pricing variations, access restrictions affecting infrastructure spending in 2023 through 2025, regulations on data use/locations, and levels of interest in the use of open source large language models (LLMs) and software.

Worldwide Core IT GenAI spending will evolve in phases.



PHASE 1

**GenAI Foundation Build:
2023–2025**



PHASE 2

**Broad Adoption of GenAI
Capabilities: 2025–2026**



PHASE 3

**Unified AI Services: 2026
and Beyond**

IT spending on GenAI technology evolves in three phases. The focus of the GenAI Foundation Build phase (2023–2025) is on core infrastructure, IaaS, and security software. Broad Adoption (2025–2026) will emphasize open source AI platforms delivered as-a-service, becoming foundational in digital business control planes. Unified AI Services (2026 onwards) will witness rapid spending growth as organizations swiftly adopt GenAI for competitive advantage - going against the usual trend of slower growth in services spending seen in new tech markets.

Source: Worldwide Core IT Spending for GenAI Forecast, 2023–2027: GenAI Is Triggering Hyper-Expansion of AI Spending - December, 2023



The Partner Perspective:

The channel and ecosystem have a tremendous opportunity to capture new business through this market transition. Still, partners state that their GenAI business is in the early stages of maturity with 70% of partners sharing their AI strategy is limited and opportunistic.

Source: IDC Survey Spotlight: GenAI and the Channel Opportunity - January, 2024

Align to sales and marketing towards the GenAI use cases customers care about.

C-Suite executives bet on GenAI to address key priorities in the following areas:



Client Services

Customer Journey Optimization



Marketing

Personalized Interaction



IT Use Case

Automated IT Service Desk



Supply Chain

Use Case Fleet Optimization



Finance

Fraud Detection



H.R.

Development of training materials

Get the data needed to capitalize on the GenAI opportunity.

Give your strategic leaders and commercial teams the data-driven insight they need to understand and capitalize on growing GenAI opportunities with IDC Data & Analytics.

Inform your objectives and strategies by understanding:

- Technology and solutions markets and potential for GenAI expansion and development.
- Competitor and market performance in various GenAI market scenarios.
- GenAI spending nuances in different industries and use cases.
- GenAI-related channel trends and partner performance.
- GenAI-related budget and contract details for top buyers.

IDC Data & Analytics empowers global analysis of AI and GenAI spending in the scenario that makes sense for your technology business:

5

5-Year Forecast

18

Industries

32

Countries

40+

Use Cases

15+

Product Markets

Get this and more with the [Worldwide AI and Generative AI Spending Guide](#) from IDC Data & Analytics.

[Learn More →](#)

Learn more about AI and GenAI data from IDC:

Size and analyze market growth and expansion opportunities

- Worldwide Black Book 3rd Platform Edition
- Worldwide Black Book Live Edition

[Learn More →](#)

Monitor competitor performance and share

- Worldwide Semiannual Artificial Intelligence Infrastructure Tracker
- IDC Semiannual Software Tracker

[Learn More →](#)

Analyze buyer budgets and services contracts related to AI

- IDC Wallet
- IDC Services Contracts Database

[Learn More →](#)

[Learn More →](#)

Identify ideal partners to increase your footprint in AI

- IDC Channel Partner Ecosystem

[Learn More →](#)

Learn all the ways IDC data can help your GenAI go-to-market:

[Talk to an expert now.](#)