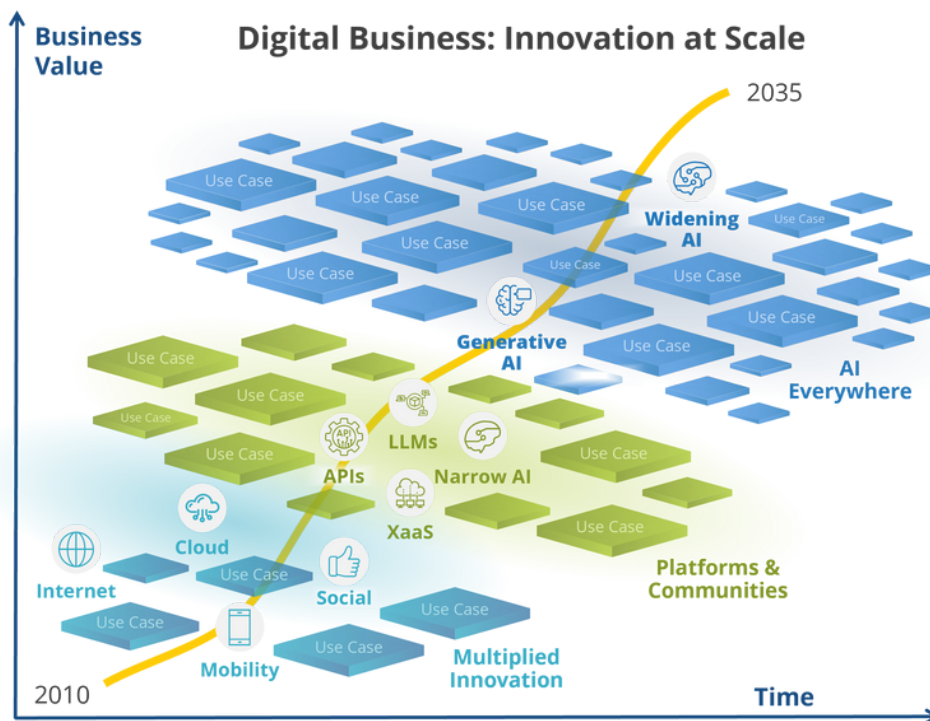


# Generate Growth in Your Markets with the GenAI Opportunity

## A new chapter in the Digital Business Era is starting now – 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.

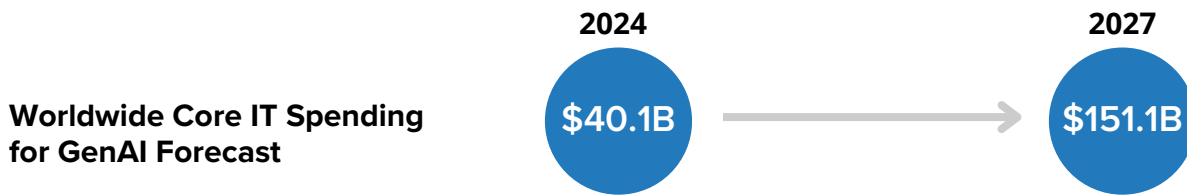


### Analyst Insight

"Generative AI spending in Asia Pacific is nearly ten (10) times higher than the CAGR for Worldwide IT Spending from the same timeframe (2023 - 2027)."

*Vinay Gupta - Research Director Data & Analytics*

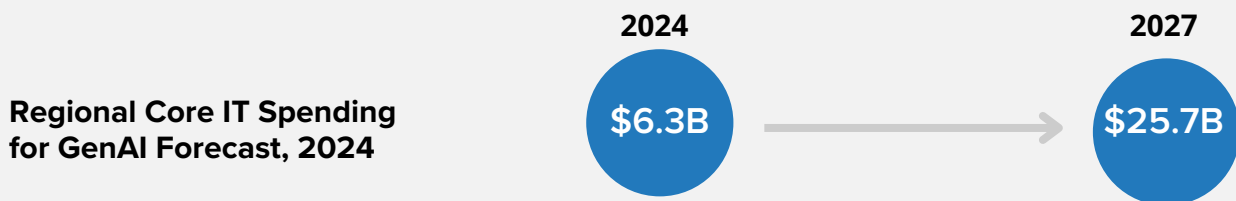
## Worldwide Core IT spending on GenAI will grow aggressively in the coming years.



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.

## Asia Pacific GenAI Spending to grow more than triple by 2027



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

Enterprises in APJ are projected to allocate approximately \$6.3 billion towards GenAI solutions in 2024 (from 3.8 billion in 2023). This investment encompasses GenAI software, foundation models, associated infrastructure hardware, and IT/business services.

Forecasts anticipate a substantial surge, with spending expected to reach \$25.7 billion in 2027, boasting a remarkable compound annual growth rate (CAGR) of 60% from 2023 to 2027. Notably, this growth rate significantly surpasses the overall AI spending rate, which covers infrastructure hardware, software, and IT/business services for predictive, interpretive, and generative AI solutions.

## 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 GenAI Foundation Build phase (2023–2025) shifts focus to core infrastructure, IaaS, and security software. Broad Adoption (2025–2026) emphasizes open source AI platforms delivered as-a-service, becoming foundational in digital business control planes. Unified AI Services (2026 onwards) witnesses rapid spending growth as organizations swiftly adopt GenAI for competitive advantage, defying the usual 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 all the insight needed to capitalize on the GenAI opportunity.

Give your strategic leaders and commercial teams the intellectual coverage they need to understand and capitalize on growing GenAI opportunities in their markets with IDC.

### Answer the most critical questions:

- Where should I focus my resources for the greatest return on investment?
- Which technologies will grow the fastest in AI spending?
- Which regions and countries are early adopters of artificial intelligence technology?
- Which industries show the greatest long-term potential, and which are the largest industries in any specific country for AI spending?
- In which use cases should you develop expertise to support your AI business?
- What does the future hold for the adoption of AI and GenAI?

### IDC Research

**Guide your GenAI strategies with advice from IDC analysts and market experts.**

- GenAI thought leadership research and expert opinions
- GenAI market forecasting analysis and predictions reports
- GenAI supplier landscapes and competitive analyses
- Buyer perspectives and opinions on GenAI markets, suppliers, and solutions

[Learn More →](#)

### IDC Data & Analytics

**Power your own analysis and insights with expansive and granular GenAI datasets.**

- Markets trends 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

[Learn More →](#)

### IDC Custom Solutions

**Enhance GenAI plans and execution with actionable programs tailored to your needs.**

- Planning sessions to understand GenAI impacts and optimize your strategy
- Custom survey and analysis to understand GenAI adoption trends
- Custom data and market models to understand where to point resources
- Workshops and Readiness Assessment tools to enable marketing and sales
- Digital Coaching with training and tools for ROI-driven sales and value-based selling

[Learn More →](#)

### Ready to see the all the ways IDC can help your GenAI go-to-market?

Reach out to connect with an expert who can provide an overview of GenAI research, data, and consulting offerings.

[Talk to an expert now.](#)