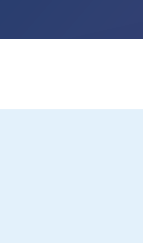


The Business Opportunity of AI

How leading organizations are using AI to drive impact across every industry and addressing barriers such as AI governance, upskilling, and cost.



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

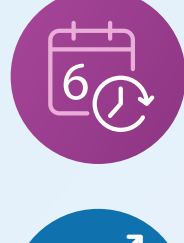


David Schubmehl
Research Vice President, Conversational Artificial Intelligence, IDC



AI Impacts the Bottom Line

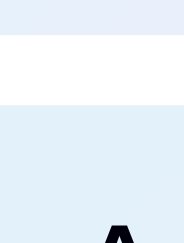
IDC conducted a global study that provides unique insights into the business value of artificial intelligence (AI).



For every \$1 companies invest in AI, they are realizing an average of \$3.5 in return and 5% of organizations worldwide are realizing an average of \$8 in return.



92% of AI deployments are taking 12 months or less.



40% of organizations had implementation times of less than 6 months.

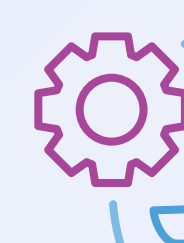


Organizations are realizing a return on their AI investments within 14 months of deployments on average.

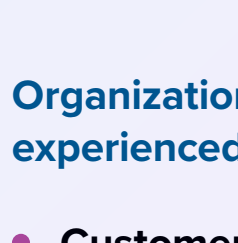
n = 2,109; Source: IDC Business Value of AI Survey, September 2023

Adopting AI Creates New Value for Organizations

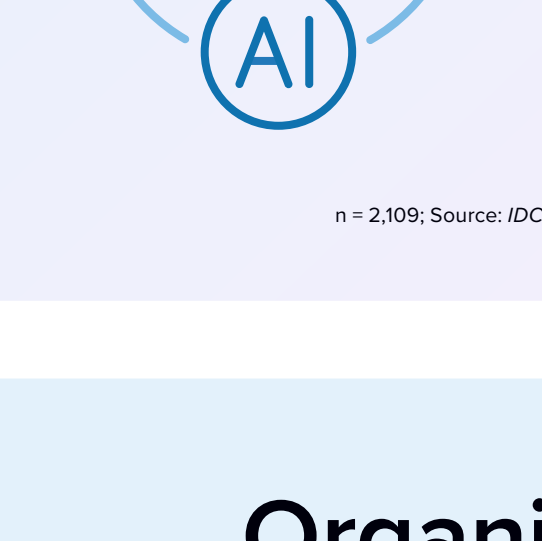
Automating IT tasks, fraud detection and cybersecurity, and automating business process and workflows are the top use cases organizations are currently using or planning to use AI for in the next 24 months.



71% of organizations are currently using AI



22% of organizations are not using AI but expect to do so in the next 12 months.



Organizations using AI experienced an 18% increase in:

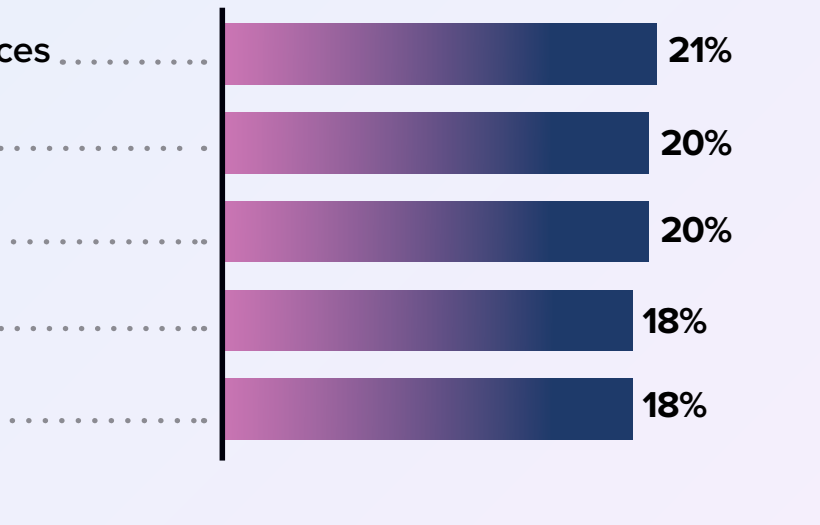
- Customer satisfaction
- Employee productivity
- Market share

n = 2,109; Source: IDC Business Value of AI Survey, September 2023

Organizations are Prioritizing AI Funding

43% of organizations plan to reduce spending in other areas of the business to reallocate spending towards AI within 24 months.

32% of organizations have reduced an average of 11% of spending on certain business areas to fund AI projects.



Outside of IT budgets, funding is coming from:



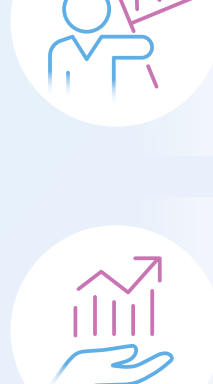
n = 2,109; Source: IDC Business Value of AI Survey, September 2023
Note: Respondents could select all that apply. Total doesn't sum to 100%.

AI Leadership has Tangible Benefits

Key Attributes of AI Leaders

An AI leader is one whose enterprise-wide AI strategy is aligned to business goals and whose re-imagined business models repeatedly create business value.

AI leaders maximize organizational efficiency with an emphasis on data and skills readiness; AI governance; and optimized technology usage. According to this study:



On a worldwide level, 23% of the respondents have been classified as leaders.



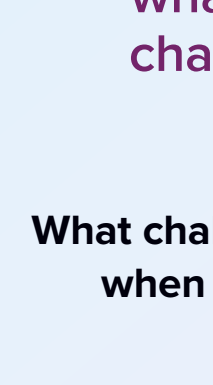
Leaders have rules, policies, and processes to enforce responsible AI principles.



Leaders have better reduction in business risk, improvement in customer satisfaction, and higher revenue growth.



The majority of leaders have already reduced spending in certain areas to reallocate spending toward AI projects/initiatives.



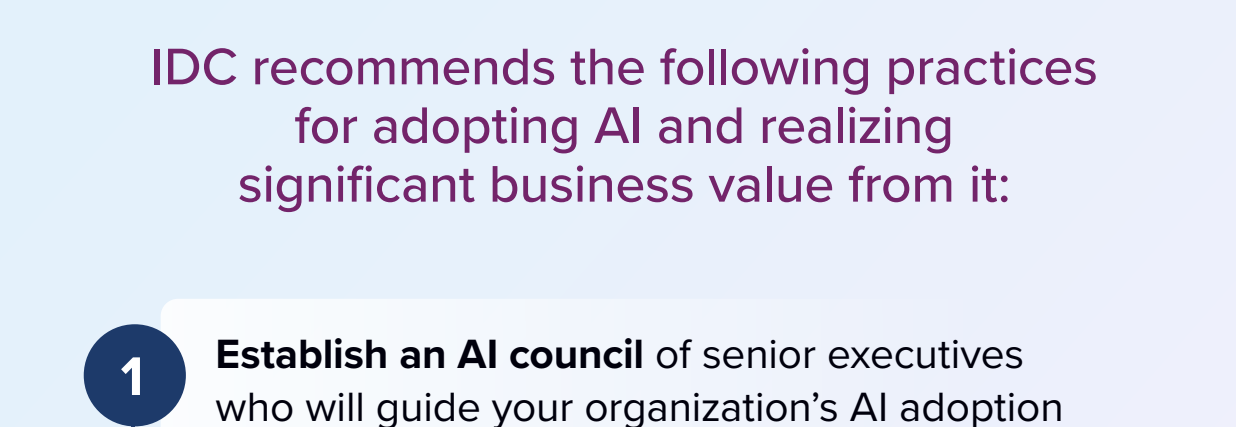
Among leaders, security breaches and exposure of customer data are top concerns and their responsible AI policies are intended to protect against these risks.

n = 2,109; Source: IDC Business Value of AI Survey, September 2023
Note: Respondents could select all that apply. Total doesn't sum to 100%.

What's Holding Organizations Back?

Even with the excitement and hope for what AI can bring, organizations are facing challenges when it comes to implementing and scaling AI technologies.

What challenges have you experienced or expect to experience when implementing AI technology at your organization?



n = 2,109; Source: IDC Business Value of AI Survey, September 2023
Note: Respondents could select all that apply. Total doesn't sum to 100%.

Steps to Adopting AI

IDC recommends the following practices for adopting AI and realizing significant business value from it:

1

Establish an AI council of senior executives who will guide your organization's AI adoption

Develop responsible AI policies

2

3

Reskill and upskill your employees with AI knowledge

Allocate sufficient budget for your AI initiatives

4

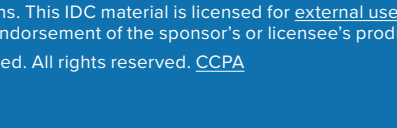
5

Collaborate with technology suppliers to optimize the cost throughout the AI life cycle

Identify AI projects that align with your business objectives and get started

6

Message from the Sponsor



Learn more about how companies are benefiting from Microsoft AI and how you can accelerate AI adoption within your organization today.

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