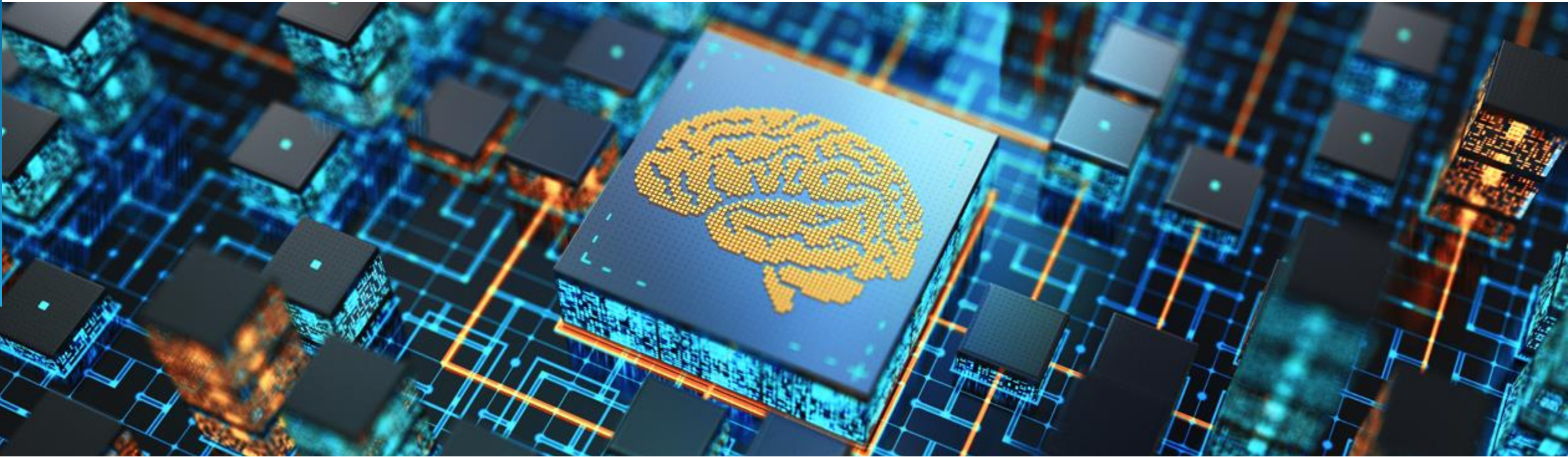


Innovate or Stagnate: the Generative AI Imperative

November 2023: Complimentary Abstract / Table of Contents



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Background of the research

Generative AI (Gen AI) has been in the headlines for quite some time and it seems like it is here to stay. The technology has evolved manifold in the last few months and has found its application across industries and business functions. The content creation capability offered by gen AI aids in improving the performance of existing models, personalizing experiences, simulating complex systems, and automating tasks, eventually transforming the way processes and tasks are carried out. It is a powerful tool that will reshape how we work, interact, and innovate in the digital age, unlocking new possibilities and opportunities across diverse sectors. This is the apt time for enterprises to understand this technology in and out and assess the enormous potential it has.

In this report, we assess the state of the gen AI market and focus on:

- Expected impact of gen AI
- Solution characteristics and technology ecosystem
- Technology provider landscape
- Risks and possible solutions of gen AI
- Framework for successful adoption by enterprises
- Outlook for 2023-24

Scope of this report



Geography
Global



Industry
All Industries



Products and services
Generative AI (Gen AI)

Overview and key messages (page 1 of 2)

This research provides gen AI buyers, technology providers, and third-party enablers (service providers and system integrators) a detailed view of the gen AI space and analyzes its expected impact across verticals and horizontals. It describes the layers of a gen AI solution and its characteristics, key risks, emerging solutions, the technology provider landscape, a framework for successful enterprise adoption, and the outlook for 2023-24.

In this report, we discuss:

Overview of gen AI

- Gen AI can create and synthesize new content that did not exist before in various forms and modalities, such as text, images, or other media, using deep learning models
- The top enterprise business objectives from gen AI are increasing efficiency, employee productivity, and cost savings, enhancing customer experience, and reducing turnaround time

Expected impact

- The BFSI sector is especially well-suited for gen AI applications due to its ready access to data and technological preparedness. The technology promises to offer automation and process enhancement, bolstering decision-making
- Among business functions, gen AI is poised to play a significant role in customer service. Its primary aim is to boost the efficiency of customer service agents by relieving them from mundane tasks, such as complaint summarization and data gathering, enabling them to focus on serving customers effectively

Solution characteristics and technology ecosystem

- A gen AI solution consists of five broad layers: foundation models, infrastructure, platform, application, and services
- Each of these layers have sub-components, their own distinct characteristics, evolving market trends, and a diverse set of companies offering gen AI products/services and using multiple commercial models
- The partnership ecosystem in this space is densely intertwined despite the technology being in a nascent stage. Providers across the technology ecosystem are partnering with each other for holistic gen AI development

Overview and key messages (page 2 of 2)

Technology provider landscape

- The gen AI space is marked by a mix of established and emerging players. We have assessed a few major players based on their presence in the different layers of the gen AI solution
- A few players, primarily hyperscalers, offer solutions across most layers; emerging players are strongly present in only individual layers

Risks of gen AI

- Four key risks associated with gen AI pertain to data privacy and security, reliability and explainability, responsibility and ownership, and bias and ethics. Enterprises need to manage these risks for successful technology adoption
- Providers have started exploring several risk solutions across the model development and deployment cycle, with most solutions targeting the data collection and model fine-tuning stages

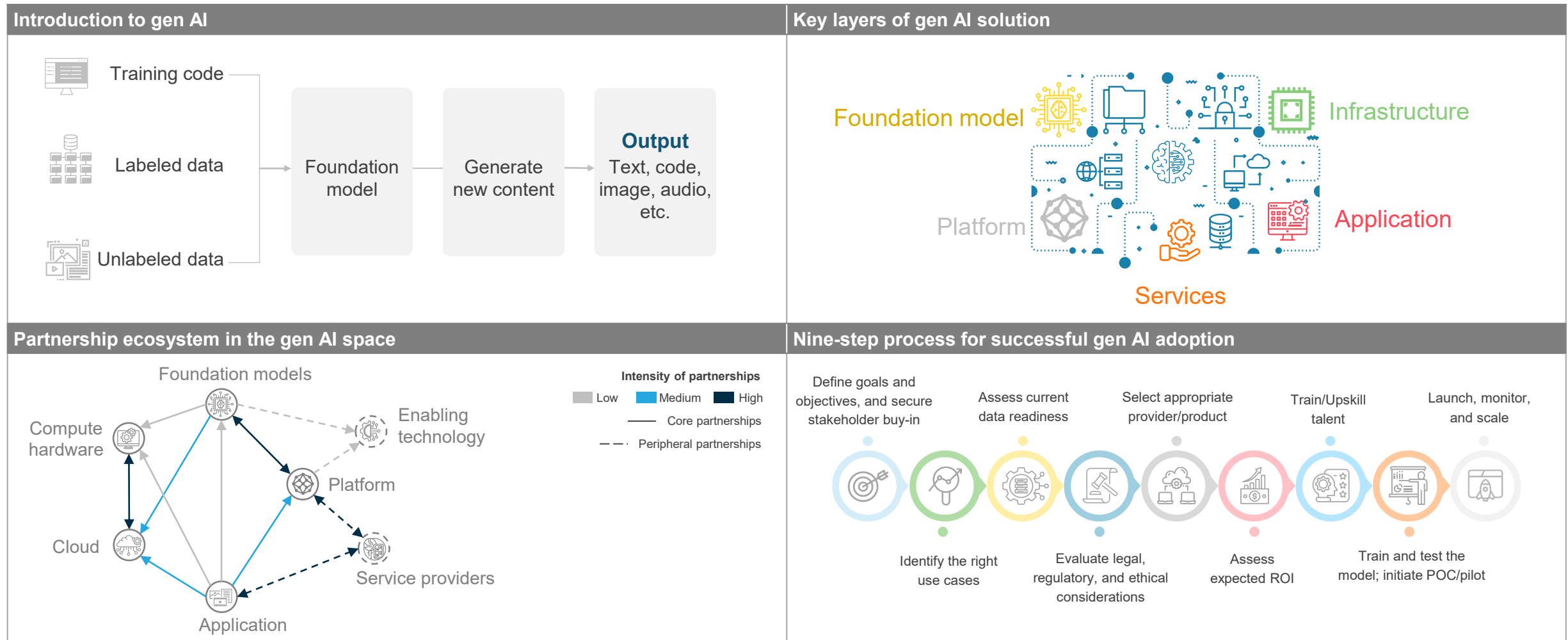
Adoption framework for enterprises

- Enterprises require a structured approach to integrate and leverage gen AI technologies effectively, ensuring alignment with business goals and addressing ethical and operational considerations
- This can be achieved by following a nine-step process starting with defining goals and objectives and securing stakeholder buy-in to launching and scaling the solution successfully

Outlook

- We believe the meaningful adoption of gen AI will begin from early 2024. Until then, the space will be marked by significant developments in building industry-specific gen AI models. These models will capture the real essence of a specific industry or use case with a deep understanding of context, jargon, and other nuances
- To scale gen AI and democratize its use, there is an urgent need to get the underlying data infrastructure in place and leverage adjacent technologies as gen AI enablers. Going forward, we believe the demand for technologies such as data storage and management, cybersecurity, vector database, infrastructure, and data analytics, will increase

This study offers seven distinct chapters providing a deep dive into key aspects of gen AI market; below are four charts to illustrate the depth of the report



Research calendar

Artificial Intelligence (AI)

■ Published
 ■ Planned
 ■ Current release

Reports title	Release date
Generative AI – Revolutionizing the Creative Design and Development Process	April 2023
Artificial Intelligence (AI) in the Pharmaceutical Industry	May 2023
High-quality Curated Data: Scaling Up AI Using a Data-centric Approach	July 2023
Unleashing the Potential of Gen AI (GAI): A Game-changer for Property and Casualty (P&C) Insurance Claims	August 2023
Generative AI: the Next Chapter of Artificial Intelligence	September 2023
:Webinar Deck: Untangling the Risks of Generative AI: Solutions to Your Safety Concerns	October 2023
Innovate or Stagnate: the Generative AI Imperative	November 2023
Artificial Intelligence (AI) Top 50	Q4 2023
Generative AI Executive Brief Q4 2023	Q4 2023
Artificial Intelligence (AI) Services PEAK Matrix® Assessment 2023	Q4 2023
Artificial Intelligence (AI) Services Provider Compendium 2023	Q4 2023
Generative AI Provider Compendium 2023	Q4 2023
Role of Synthetic Data in Scaling AI	Q4 2023
Data Annotation and Labeling (DAL) Solutions for AI/ML PEAK Matrix® for Services Assessment 2024	Q1 2024
Data Annotation and Labelling Provider Compendium 2024	Q1 2024

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Research calendar

Service Optimization Technologies (SOT)

Published Planned Current release

Reports title	Release date
Unlocking the Power of Hybrid Workforce – Process Orchestration State of the Market 2023	February 2023
Intelligent Automation – How Much is Your Dollar Worth?	March 2023
Intelligent Process Automation (IPA) PEAK Matrix® Assessment 2023	April 2023
Process Mining Products PEAK Matrix® Assessment 2023	June 2023
Continuous Process Improvement in Action – Process Mining State of the Market 2023	July 2023
Task Mining Products PEAK Matrix® Assessment 2023	August 2023
Task Mining – Technology Provider Compendium 2023	September 2023
Conversational AI Products PEAK Matrix® Assessment 2023	Q3 2023
Robotic Process Automation (RPA) Products PEAK Matrix® Assessment 2023	Q3 2023
Innovate or Stagnate: the Generative AI Imperative	November 2023
Robotic Process Automation (RPA) State of the Market 2023	Q4 2023
Conversational AI State of the Market 2023	Q4 2023
Process Orchestration Products PEAK Matrix® Assessment 2023	Q4 2023
Intelligent Document Processing (IDP), Banking IDP, and Insurance IDP Products PEAK Matrix® Assessments 2024	Q1 2024
Intelligent Process Automation (IPA) PEAK Matrix® Assessment 2024	Q1 2024

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