

# Generative AI Adoption – Examining Real-world Use Cases in Horizontal Functions and Future Outlook

June 2024: Complimentary Abstract / Table of Contents

Market Report  
Artificial Intelligence (AI)

POWERED BY CALYPSO AI

 Everest Group®

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# Background of the research



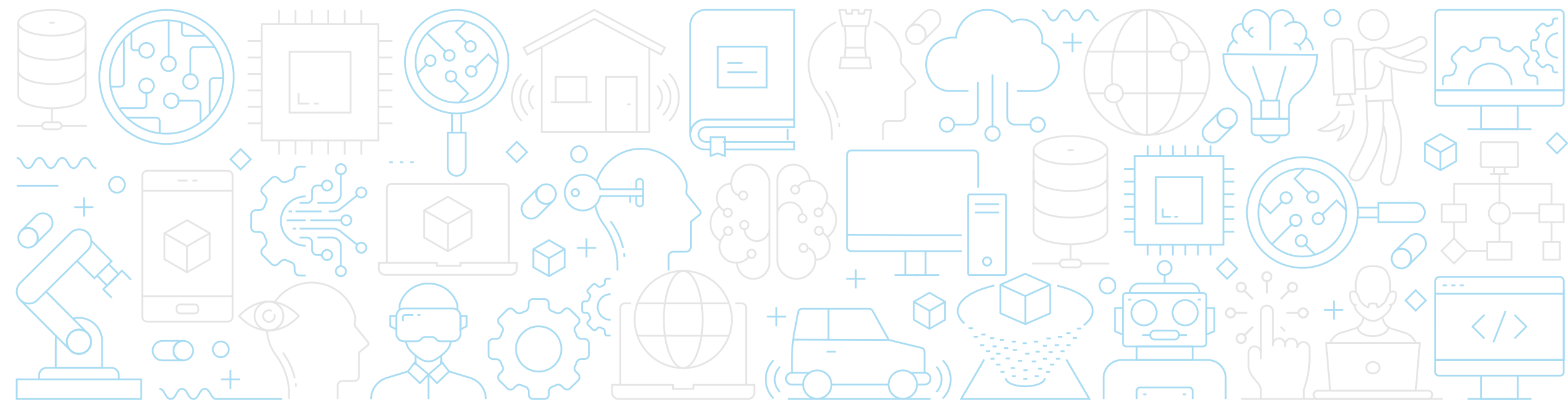
Gen AI technology is moving at a break-neck speed. While perspectives and opinions abound, limited research, if any, **distills insights from real-world data.**



**This research, conducted in collaboration with CalypsoAI, brings to the fore insights based on validated instances of gen AI adoption** in various horizontal functions across industries. It will help establish a view based on the ground reality and help readers cut through the noise around gen AI.



**The data is indicative of primarily large enterprises in North America**, and we will update it periodically to include a wider cross-section of geographies, use cases, and enterprise types.



# Overview and abbreviated summary of key messages

In this report, we explore generative AI adoption trends across horizontal business functions and industries. We examine the top challenges CIOs face with gen AI adoption and key risks in its implementation. Additionally, we discuss future outlook trends, including shifts in core technologies and its impact on productivity and adoption trends..

## **Some of the findings in this report, among others, are:**

### Function-specific use cases and adoption trends

- IT and security, which are technology-centric functions, are at the forefront of adopting gen AI and account for the majority share of enterprises' gen AI spend
- Notably, legal and HR, despite accounting for a smaller share of overall enterprise spend on gen AI, are showing a strong appetite for gen AI to process large unstructured document volumes

### Industry-specific use cases and adoption trends

- Financial services and pharmaceuticals together account for about half of gen AI adoption in horizontal functions
- Industry-specific applications vary, with finance leveraging gen AI for fraud detection and personalized financial advice, while retail focuses on personalized marketing and supply chain management

### Barriers to adopting gen-AI

- CIOs face challenges such as lack of clear success metrics, a rapidly evolving technology landscape, budget constraints, and talent shortages
- Key risks in gen AI adoption involve data security, privacy, interpretability, ownership, responsibility, bias, and ethical concerns

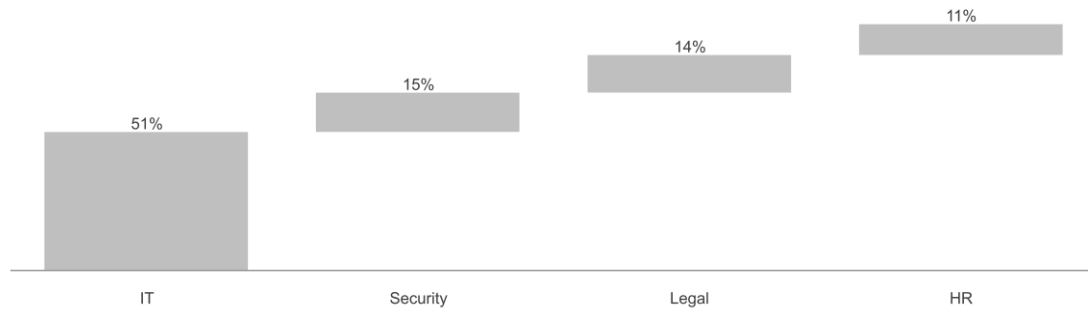
### Future outlook

Shifts in core technologies, such as the movement of AI computing to the edge, the emergence of small language models (SLMs) in response to resource efficiency demands, and the growing need for model orchestration

# This study offers four distinct chapters providing a deep dive into key aspects of adoption of generative AI technology; below are four charts to illustrate the depth of the report

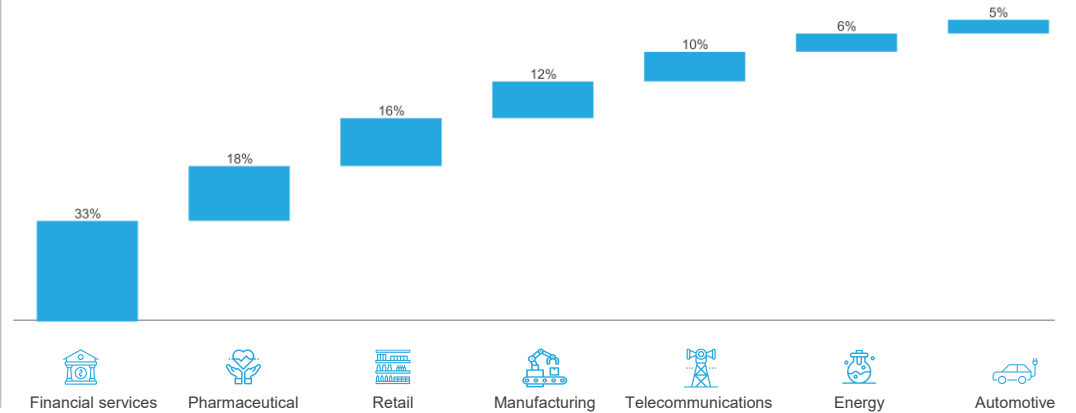
## Function-specific use cases and adoption trends

Gen AI adoption across key horizontal functions  
Enterprises with scaled implementation = 135



## Industry-specific use cases and adoption trends

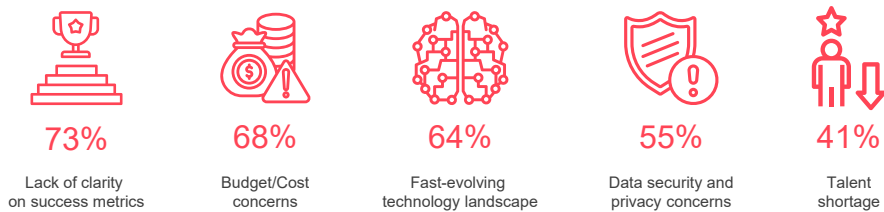
Gen AI adoption across key industries



## Barriers to adopting gen-AI

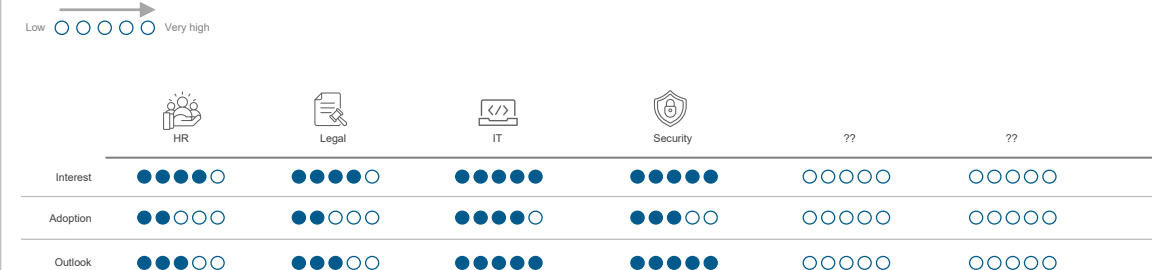
Top challenges CIOs face with gen AI adoption

By percentage of enterprise leaders who counted the specific challenge as one of their top three concerns



## Future outlook

Adoption trends and outlook of gen AI across horizontal functions



# Research calendar

## Artificial Intelligence (AI)

Published **Current release** Planned

Reports title	Release date
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
AI Top 50	November 2023
Innovate or Stagnate: the Generative AI Imperative	November 2023
Artificial Intelligence (AI) Services PEAK Matrix® Assessment 2023	December 2023
Generative AI Solutions – Provider Compendium 2023	December 2023
Capturing the Generative AI Pulse	December 2023
Artificial Intelligence (AI) Services – Provider Compendium 2024	March 2024
<a href="#">Generative AI Adoption – Examining Real-world Use in Horizontal Functions and Future Outlook</a>	<a href="#">June 2024</a>
Powering Tomorrow: The Role of AI in Transforming Energy and Utilities	Q2 2024
Role of Synthetic Data in Scaling AI	Q2 2024
Data Annotation and Labeling (DAL) Solutions for AI/ML PEAK Matrix® for Services Assessment 2024	Q2 2024

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