ARTIFICIAL INTELLIGENCE ISN'T JUST A CATCHPHRASE ANYMORE.

AGENDA

Top AI Trends

Why AI Matters

Generative AI impact

AI's Disruptive Impact on Software

AI's Impact on Data Talent

AI challenges

TOP AI TRENDS SEARCH

1. Gartner

Top Trends based on research

1. Digital Human (Digital Twins)
2. Agentic AI
3. AI Abuse
4. Responsible AI
5. AI Energy usage
6. Human Motivation with AI
7. Human Mental Health
8. Artificial General Intelligence(AGI)

Source: Gartner

2. ChatGPT

Certainly! Here are some of the most important AI trends for 2025 that you can highlight in your update:

1. **Generative AI Expansion:** Generative AI continues to grow, with more businesses adopting it for various applications, from content creation to customer service. The use of generative AI tools has surged, and this trend is expected to continue [1].
2. **AI-Powered Agents:** AI agents are becoming more autonomous and capable, simplifying tasks both at work and home. These agents will play a significant role in addressing global challenges like climate change and healthcare access [1].
3. **Edge AI:** The deployment of AI at the edge, closer to where data is generated, is gaining traction. This trend is driven by the need for real-time processing and reduced latency, particularly in industries like manufacturing and healthcare [2].
4. **AI Cybersecurity:** As cyber threats become more sophisticated, AI is being increasingly used to enhance cybersecurity measures. AI can detect and respond to threats faster and more accurately than traditional methods [2].
5. **AI in Healthcare:** AI's role in healthcare is expanding, with advancements in diagnostics, personalized medicine, and patient care. AI is helping to improve outcomes and reduce costs in the healthcare sector [1].
6. **AI Regulation and Ethics:** With the rapid growth of AI, there is a heightened focus on regulation and ethical considerations. Ensuring AI is used responsibly and transparently is becoming a priority for governments and organizations [3].
7. **AI Chips:** Specialized AI hardware, such as AI chips, is being developed to handle the increasing computational demands of AI applications. These chips are designed to improve the efficiency and performance of AI systems [2].

3. Custom Research

Top Trends based on research

1. Agentic AI
2. Multimodal AI
3. Generative Video
4. Responsible AI
5. Sustainable AI
6. AI Legislation And Regulation
7. Delivery AI value
8. Measure AI ROI
9. Quantum AI
10. Artificial General Intelligence(AGI)

Source: HBR, MIT, Leadership Surveys, Capgemini, McKinsey, BCG,AI Podcasts, Microsoft, etc.

What are your Top 3 Trends in AI for 2025?

WHY AI MATTERS

Financial Performance

Companies investing in digital and AI tools significantly outperform their peers, with sectors like retail, energy, and insurance seeing notable financial gains. In consumer-packaged goods, AI adopters enjoy a threefold increase in shareholder returns.

01

Innovation

Digital and AI leaders focus on integrating these technologies into business processes and customer journeys, leveraging data and ROI metrics to uncover new value sources.

02

Competitive Edge

Embracing digital and AI capabilities is essential for staying ahead in today's market. Organizations that seize these opportunities set themselves up for long-term success and innovation.

03

Companies leading in Digital and AI technologies significantly outperform their peers financially. In the insurance sector, they achieve 6.1 times higher performance, in consumer industries 2.9 times, and in energy and materials 2.3 times, compared to the gap between industry leaders and laggards leveraging AI

LEADERS FORESEE THE GAME-CHANGING POWER OF AI

AI's Impact: 74% of chief executives see AI as the most impactful technology for their industry over the next three years, up from 59% in 2024. However, the Focus was on how AI should augment, not dominate, enterprise strategy.

Increased Investment in AI & Data: Generative AI's rapid rise drives significant organizational investment in AI and data, with a growing focus on data quality. Nearly all organizations (98.4%) now view these investments as top priorities and central to business plans.

Consensus on Importance: Global organizations broadly agree on the critical importance of AI and data, with investment priorities rising from 87.9% in 2024 to 90.5% in 2025.

Early Stages with Rapid Progress: Most Fortune 1000 companies' AI initiatives are still in the early stages, with 76.1% in experimentation, testing, and limited production. However, there has been significant progress, with limited production increasing from 24.7% in 2024 to 47.4% in 2025 and at-scale production rising from 4.9% to 23.9%.

Measurable Business Value: 46.4% of organizations report high or significant business value from their AI investments, primarily through productivity gains, with some potential for driving business growth.

Source: Gartner, MIT, McKinsey, HBR, and DataIQ Survey

AI ADOPTION IN THE INDUSTRY AND IN ASSET MANAGEMENT

Generative AI Adoption: In 2024, 65% of organizations regularly used generative AI, nearly double the rate from 2023. Three-quarters of respondents expect significant or disruptive industry changes from generative AI. AI adoption has jumped to 72% globally, substantially increasing across all regions.

Increased Gen AI Usage: 65% of respondents say their organizations regularly use generative AI in at least one business function, up from one-third last year. 50 % used AI in more than two functions

Where was AI used: Generative AI is most commonly adopted in marketing, sales, product development, and IT, where it creates the most value.

Asset Management – 31 Asset Managers mostly Technology and Operation Leaders Responded

- **AI Investment:** All asset managers are investing in AI, with plans to fully implement at least one-use case in the next 12 months.

- **AI Strategy:** 42% use a bottom-up approach, 42% use a top-down approach, and 8% have no AI strategy. Most AI use cases are planned to be developed within 3-6 months.

- **Model Types**: Increased use of deep learning, reinforced learning, and natural language processing models.

- **Value Chain Utilization:** AI is used in data gathering, forecasting, asset-specific analysis, and strategy definition.

- **Integration:** 75% have integrated AI into investment management, primarily as an addition to existing funds.

- **Future AI Use:** Continued use of AI for supplementary functions, improving existing strategies, and developing dedicated AI products.

AI DISRUPTIVE IMPACT ON SOFTWARE

Satya Nadella envisions a radical shift where business logic moves to an AI layer. He quotes, "How AI agents will impact SaaS solutions moving ahead. The agent will orchestrate across multiple SaaS applications. It will be kind of like humans are the swarm of agents. This is the next frontier, where much of the productivity will come from. Just like I can build a spreadsheet, I will develop thousands and hundreds of agents to streamline my work".

Rapid Adoption of Generative AI: In 2023, large global enterprises spent around $15 billion on gen AI solutions, making up about 2% of the global enterprise software market.

Comparison with SaaS Growth: This level of growth is 3 times the software-as-a-service (SaaS).
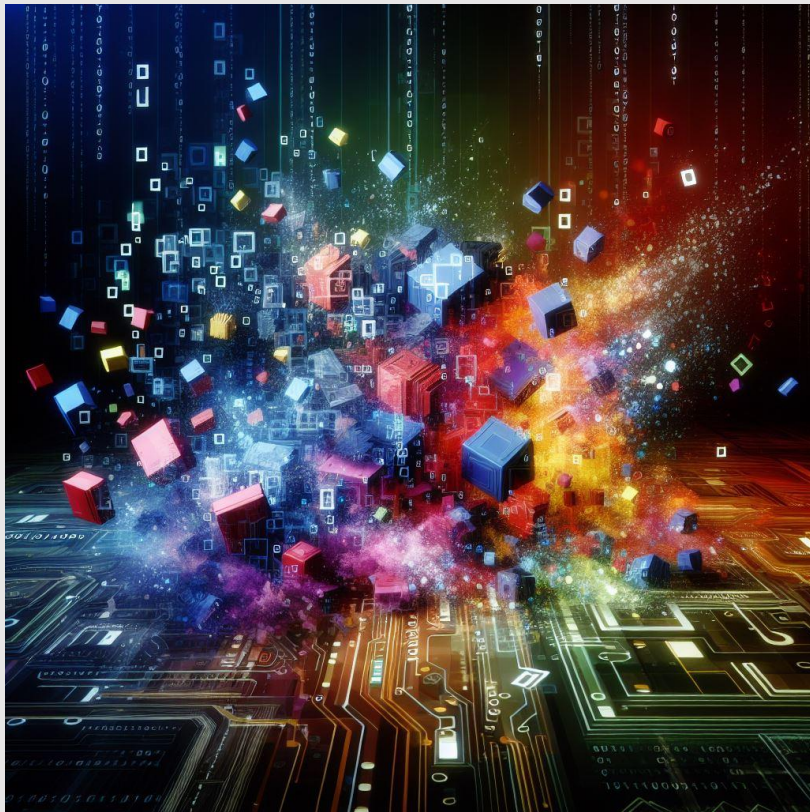
Significant Growth: By 2027, spending on generative AI could reach $175 billion to $250 billion, adding 2-6 percentage points of growth to the software sector.

Increased Vendor Switching: The most disruptive impact will be a 5-10 percent increase in vendor switching, driven by new upstarts leveraging Gen AI to lower transition costs.

Higher Churn Rates: Total churn is expected to rise by 1-3 percent as more enterprises shift from buying to building their gen AI solutions and certain software categories become commoditized.

HOW AI WILL DISRUPT TECHNOLOGY AND SOFTWARE

Generative AI could drive nearly $300 billion in new software spending globally, with significant disruption in content creation and varied impacts across other software categories. This shift may lead to a complete reimagining of software categories as we know them

Software Category	Impact Detail
Information Services/Data Aggregation	Emerging business models will offer insights from data assets, focusing on innovative ways to consume and discover data.
Content Creation	Core products will be reimagined, increasing accessibility and expanding the user base, including semi-expert users, altering how customers use the software and their likelihood of switching.
Customer Service	Automation with generative AI assistants will enhance staffing and customer engagement. However, fewer expert users, more in-house development, and higher vendor switching rates may offset some benefits.
Collaboration and Communication	Core products will be reimagined, increasing accessibility and expanding the user base, including semi-expert users, altering how customers use the software and their likelihood of switching.
Cybersecurity	As generative AI increases threat levels, including AI-generated deep fakes, providers will need to implement new features for prevention and remediation.
Customer Relationship Management (CRM) and Enterprise Resource Management (ERM)	New use cases like automating labor-intensive tasks and workflows, along with low switching rates and more semi-expert users, will boost cloud-based solution usage. The ease of moving to the cloud will also speed up migration from on-premises solutions.
Analytics/Visualization	Generative AI will change the mandate and unique value of ad-hoc software by taking over querying, forcing incumbents to reinvent themselves against platform players.
Enterprise Automation	Generative AI will allow companies to reinvent traditional tasks like robotic process automation, explore end-to-end AI automation, and evolve into AI automation platforms.
Data and AI Development	This AI sub-segment is likely to see continued investment and innovation as companies build generative AI tools; existing data solutions may continue to be leveraged if they can stay competitive.
Application Development and Integration	Rising demand for generative AI and AI features in application development, but existing solutions are likely to be leveraged if they can stay competitive.

Source IDC: McKinsey Analysis

AI'S IMPACT ON DATA TALENT AND THE RESHAPE OF ROLES

Evolving Talent Profiles: By 2030, organizations will see significant changes in talent profiles as Gen AI and automation technologies optimize basic tasks like code generation and document creation and move towards more complex tasks like data product development.

Evolution of Roles

Role	Responsibilities
Data Architect	Duties shift to include developing AI-driven data strategies, optimizing data models for AI, ensuring real-time data processing, and addressing AI-related security and ethical considerations.
Data Engineer	expand to include ensuring data quality and availability for AI processes and collaborating with data scientists to optimize data workflows for machine learning and AI applications.
Data Modeler	Include designing data models that support AI and machine learning algorithms and ensuring data structures are optimized for AI processing.

New Roles

Role	Responsibilities
Prompt Engineer	Designs, refines, and optimizes prompts to effectively guide AI models in generating accurate and relevant response
Unstructured Data Specialists	Extracts, processes, and analyzes unstructured data to derive meaningful insights and support data-driven decision-making.
AI Ethics Stewards	Ensures that AI systems are developed and deployed in a manner that is ethical, transparent, and aligned with societal values and norms.

CHALLENGES WITH AI ADOPTION

Legacy Firms: Over 90% of Fortune 1000 legacy firms, many of which are over a century old, transform gradually to mitigate risks. These firms, often in regulated industries with deep customer franchises, approach transformation cautiously and deliberately.

Cultural Challenges: Survey data from the past five years consistently show that cultural challenges such as business process changes, organizational alignment, talent and skills gaps, change management, and resistance to change are the main impediments to data and AI transformation.

Recognized Risks: Businesses are increasingly aware of various risks associated with generative AI, including data privacy, bias, intellectual property (IP) infringement, inaccurate output, lack of explainability, security, and misuse. Survey respondents are more concerned about inaccuracy and IP infringement than last year, with about half still viewing cybersecurity as a risk.

Mitigation Efforts: Organizations are less concerned about workforce and labor displacement and are not increasing efforts to mitigate these risks.

Inaccuracy: Risk that organizations are significantly more likely to be actively working to mitigate compared to last year.

Asset Management Survey Data

1. Compliance and regulatory requirements.

2. Data licensing and access.

3. Talent acquisition.

4. Technology and financial resources.

5. Quality assurance of AI models is still heavily reliant on manual testing.

TOP THREE TRENDS
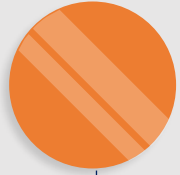
01

Agentic AI

Agentic AI is artificial intelligence that autonomously solves complex, multi-step problems using sophisticated reasoning and iterative planning. These AI systems can independently analyze challenges, develop strategies, and execute tasks across various domains.

02

Multimodal AI

Multimodal AI refers to artificial intelligence systems capable of processing and integrating information from multiple types of data or modalities, such as text, images, audio, and video. Unlike traditional AI models that handle a single type of data, multimodal AI combines different data forms to achieve a more comprehensive understanding and generate more robust outputs

03

Responsible AI

Responsible AI refers to the principles and practices that guide the development, deployment, and use of artificial intelligence in a way that is ethical, trustworthy, and aligned with societal values. It encompasses several key aspects: fairness, transparency, accountability, privacy, reliability, and security.

THANK YOU

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