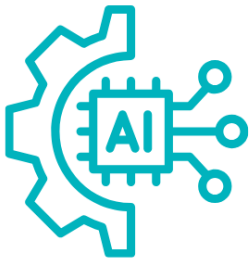
AI in Numbers: Market Growth, Emerging Trends, and What's Next for Artificial Intelligence

Artificial Intelligence (AI) is taking the world by storm, with Crunchbase data noting that nearly $19 billion in funding was given to AI startups. AI enables machines to perform tasks that once required human intelligence, from chatbots to self-driving cars, now integrated into daily life.



27.67% CAGR is forecast for the AI industry over the next five years, reaching a market volume of $826.73 billion by 2030, according to Statista.

According to Statista, the AI industry is expected to grow at a CAGR of 27.67% over the next five years, yielding a $826.73 billion market volume by 2030. In McKinsey's research, 65% of businesses utilize AI technology to optimize their workflow and automate mundane tasks, while the U.S. Chamber of Commerce's 2024 Impact of Technology on Small Business Report found that 65% of organizations incorporate AI into their day-to-day tasks.

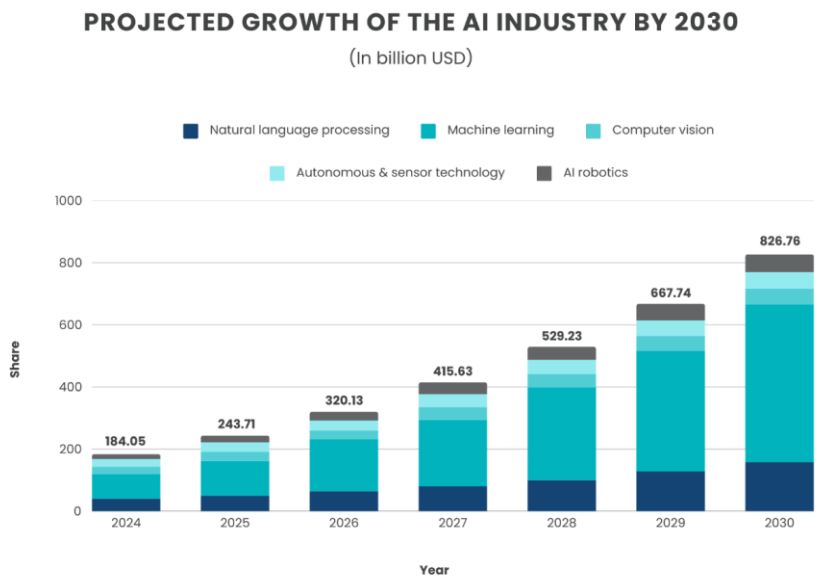
Here, we'll take a closer look at how the AI industry grew to the mammoth industry it is today, emerging trends in the Artificial Intelligence sector, and what we can expect from it in the foreseeable future.

Historical Overview of AI

Alan Turing pioneered the idea of machines mimicking human thought in the 1930s, laying AI's foundation with his Universal Turing Machine. In 1943, Warren McCulloch and Walter Pitts advanced this with neural networks, modeling how the brain processes logic. Turing later introduced the Turing Test to measure machine intelligence. AI became a formal scientific field in 1956, and by the 1960s, the U.S. Department of Defense began training computers to emulate human reasoning.

Similar to how the human brain stores and retrieves memories, computers store information that allows them to process and communicate the way humans would. This same capability allows the machines to do tasks they weren't originally programmed to do, which eventually paved the way for more complex AI technologies like street mapping and AI-powered assistants in the later years.

Current AI Statistics You Need To Know



Here are several key facts and statistics you need to know about AI:

- Research by PwC states that the AI industry will potentially contribute $15.7 trillion to the global economy by 2030
- According to Marketsandmarkets' whitepaper, the AI market around the world is expected to hit $1,339 billion by 2030, a big jump from its $214 billion in 2024
- The same PwC research found that China (an additional 26% of GDP in 2030) and North America (an additional 14.5% of GDP in 2030) will be two of the biggest contributors to the rise of the AI industry
- AI can lead to a 20-30% increase in productivity for businesses
- According to the IMF Blog, AI is set to impact 60% of businesses in more advanced economies, while it will impact 40% of businesses in lower income countries
- Singapore, the United States, and Denmark have the highest potential for adopting AI into their society

- Venture capital firms were on track to invest $79.2 billion into generative AI, according to report by Accel
- A study by Global Market Insights says that the top five companies that do R&D on AI as a tool for project management are IBM Corporation, Intel Corporation, Microsoft Corporation, Google LLC (Alphabet Inc.), and Amazon Web Services Inc.
- 56% of businesses are adopting AI into their organization and plan to make it a major part of their workflows, according to a survey by Hostinger
- The same Hostinger survey found that nearly 60% of businesses plan to increase their investment in AI tools and technologies
- The U.S. plans to conduct nationwide AI education to better educate students about the potential of AI
- According to research by McKinsey, generative AI has the potential to hit $4 trillion in value across all the industries it's being used in
- The same McKinsey research finds that 75% of this value is expected to come from applications in marketing and sales, customer operations, software engineering, and research and development.
- Generative AI is perhaps the most prominent form of AI technology today
- Stanford University HAI's AI Index predicts that investment in generative AI will reach $25.2 billion
- Key players in generative AI are Open AI, Inflection, Hugging Face, and Anthropic, and these companies received significant funding during their fundraising efforts
- According to Fortune Business Insights, the global wearable AI market, valued at $31 billion in 2023, is expected to surge to $260.29 billion by 2032, growing at a 26.8% CAGR.

Trends in AI Development

One in three respondents regularly use AI, according to the St. Louis Fed.

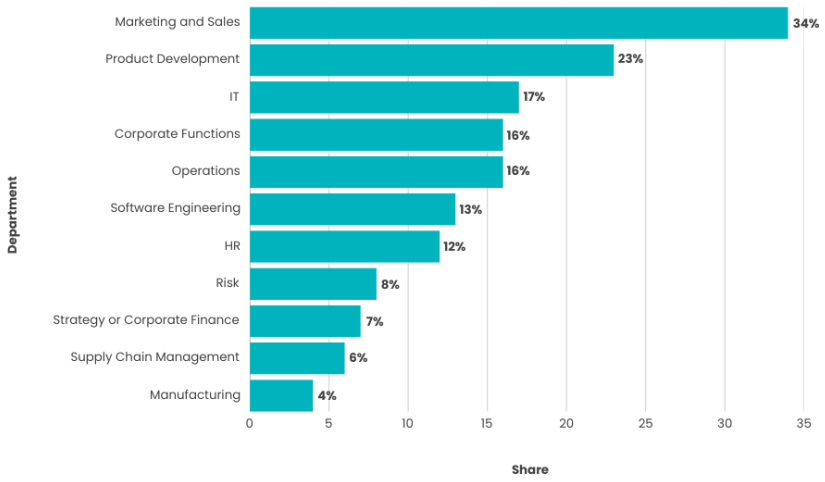
As AI systems evolve , they're becoming more embedded in everyday life, powering customer service, financial forecasting, and even the supply chains that keep our world running. St. Louis Fed found that 1 in 3 respondents regularly use AI. Here are five key trends that are shaping the AI landscape today:

Generative AI Going Beyond Text and Images

Various research has found that tools like GPT models, Bard, and Claude are now designing drugs, composing music, and even coding software. However running these powerhouse models requires massive computing resources, which makes AI infrastructure more expensive than ever.

That's why, according to McKinsey, many businesses are turning to previous-generation AI hardware (n-1 technology) as a cost-effective and more sustainable alternative. IT Services businesses such as Procurri can help in both extracting and re-homing AI infrastructure . McKinsey has found the departments that have adopted generative AI the most, as well as the percentage of workers that use it.

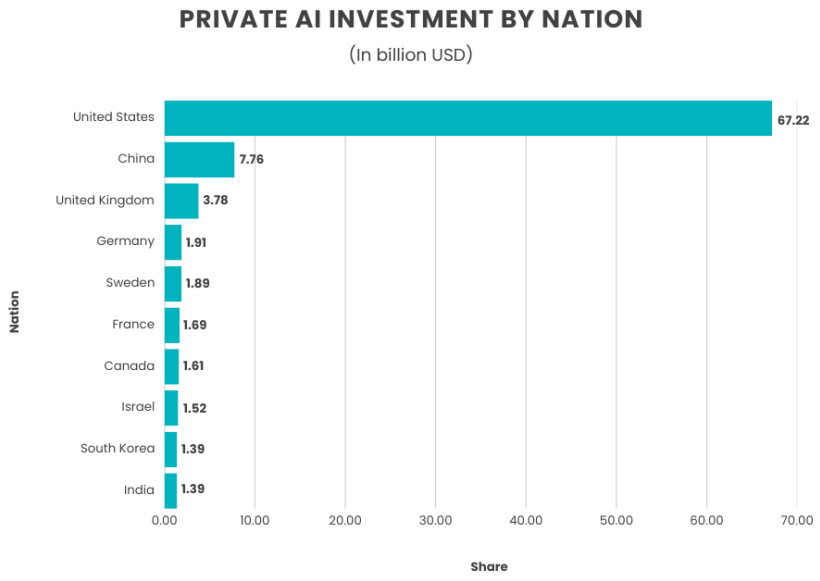
ADOPTION OF GENERATIVE AI ACROSS DEPARTMENTS



Department	% of Respondents
Marketing and Sales	34
Product Development	23
IT	17
Corporate Functions	16
Operations	16
Software Engineering	13
HR	12
Risk	8
Strategy or Corporate Finance	7
Supply Chain Management	6
Manufacturing	4

AI Investment Globally

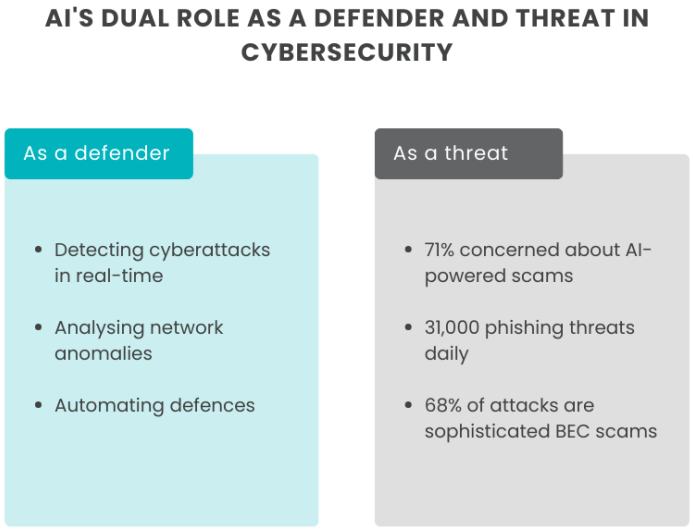
As found in Stanford University HAI's research, private AI investments are on the rise, with first world nations leading the charge towards a more AI-oriented future. The United States has the highest amount of private investment in AI technologies, almost nine times as much as China, the country with the second highest amount invested.



Country	In Billions of USD
United States	67.22
China	7.76
United Kingdom	3.78
Germany	1.91
Sweden	1.89
France	1.69

Canada	1.61
Israel	1.52
South Korea	1.39
India	1.39

AI Redefining Cybersecurity



AI is both a guard and a threat in cybersecurity. According to the Forbes Technology Council, AI can detect cyberattacks in real time, analyze network anomalies, and automate defences. According to data from Statista, 71% of respondents have listed AI-powered scams as their number one concern with AI booming. Cybersecurity firm Slashnext confirms these fears with its research showing an average of 31,000 phishing threats per day in 2023, with 68% of attacks being text-based BEC scams that have grown more sophisticated due to generative AI.

This AI arms race is forcing businesses to rethink their security protocols and invest in adaptive AI-driven protection systems that evolve as fast as the threats do.

The Push for Ethical AI and Bias Reduction

AI bias is a growing problem because AI models trained on flawed (i.e. biased and outdated) data can lead to discriminatory hiring, unfair lending, or poorly made medical decisions. To combat this, companies are prioritizing transparent model training, bias audits, and diverse datasets to ensure fairer AI outcomes. Meanwhile, regulators worldwide are stepping in with new laws to enforce AI transparency and accountability.

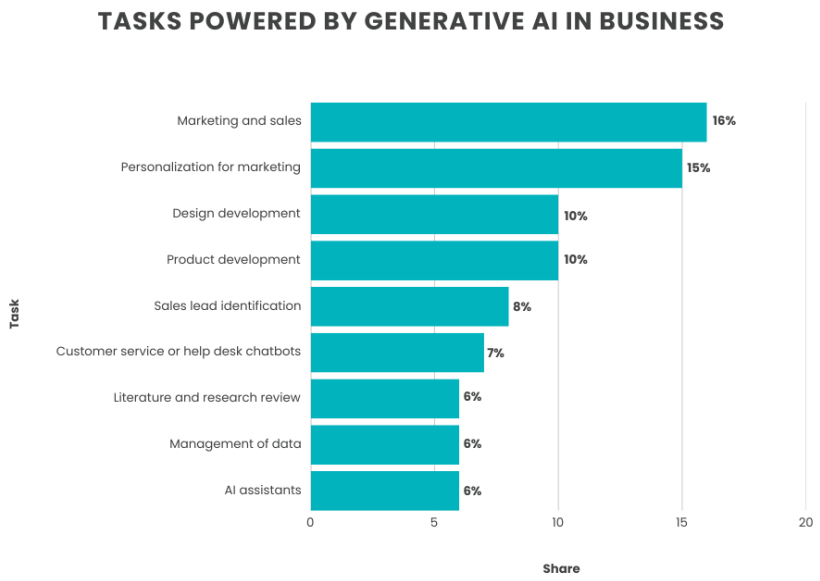
AI's Growing Infrastructure Problem

According to the Kleinman Center for Energy Policy, AI technology uses up a lot of resources, which drives up costs and energy consumption. To keep AI sustainable, companies are adopting energy-efficient AI chips, advanced cooling systems, and circular economy practices like reusing and reselling AI hardware to extend its life cycle.

The Impact of AI in Business

Businesses that adopt AI-powered tools are seeing faster workflows, reduced costs, and improved customer experiences.

According to a study by McKinsey, generative AI is one of the most widely adopted forms of AI by organizations. Marketing and sales take the top spot in tasks that are powered by AI, with 16% of organizations using generative AI in their strategies.



- Marketing and sales - 16%
- Personalization for marketing - 15%
- Design development - 10%
- Product development - 10%
- Sales lead identification - 8%
- Customer service or help desk chatbots - 7%
- Literature and research review - 6%
- Management of data - 6%
- AI assistants - 6%

Real-Life AI Business Transformations

Artificial intelligence is transforming industries by enhancing efficiency, personalizing experiences, and driving innovation. Here are five companies that showcase how AI can transform businesses.

REAL-LIFE EXAMPLES OF AI TRANSFORMING BUSINESS

Business	AI Tech	Impact
Telstra	• AskTelstra • One Sentence Summary	• 80% of team members reported more positive customer interactions • One Sentence Summary reduced follow-ups by 20% and saved 90% of employee time
Bunnings	• Ask Lionel	• 40% increase in project completion • 3x increase in customer engagement
National Australia Bank (NAB)	• Amazon Q • Microsoft Copilot	• Reduced coding time from 45 minutes to 1 minute
Tyro Payments	• AI agents for customer support	• 45% of 8,500 tickets handled by AI agents • 51% of customer queries resolved without real agents
KPMG Australia	• KymChat AI platform	• Saved 200,000 hours • More intentional use of AI in 2024

Telstra

In 2024, Australian telecom giant Telstra implemented AI tools like AskTelstra and One Sentence Summary to streamline customer support. AskTelstra consolidates over 2,000 knowledge articles, providing staff with clear, consistent answers, while One Sentence Summary offers concise overviews of customer issues, reducing repetition and improving service efficiency.

Telstra tested their tools internally to see how they would optimize workflows. With AskTelstra, 80% of team members reported more positive customer interactions. One Sentence Summary, on the other hand, reduced the need for follow-ups by 20% and saved 90% of employees' time.

Bunnings

Home improvement retailer Bunnings introduced "Ask Lionel," an AI-enabled service that provides staff with real-time product information via headsets. This tool allows team members to access instant details such as warranty terms and product specifications. Early feedback from both customers and staff has been overwhelmingly positive, with a 40% boost in the completion of projects and 3x increase in the number of customers engaged.

National Australia Bank (NAB)

NAB employs generative AI for knowledge management, marketing content creation, and report summarization. By integrating tools like Amazon Q technology and Microsoft Copilot, NAB's engineers have accelerated coding processes cutting down processing times from 45 minutes to 1 minute.

Tyro Payments

Jonathan Davey, Tyro Payments' CEO, spoke up about how the use of AI, particularly in the healthcare industry, seems promising. The company tried out AI agents for customer support, and they found that this cut down customer services' workload. To be precise, Stockhead reports that 45% of 8,500 tickets for Tyro Health were managed with the help of an AI agent. Even more promising, 51% of all customer support queries were fixed without the need for a real-life agent.

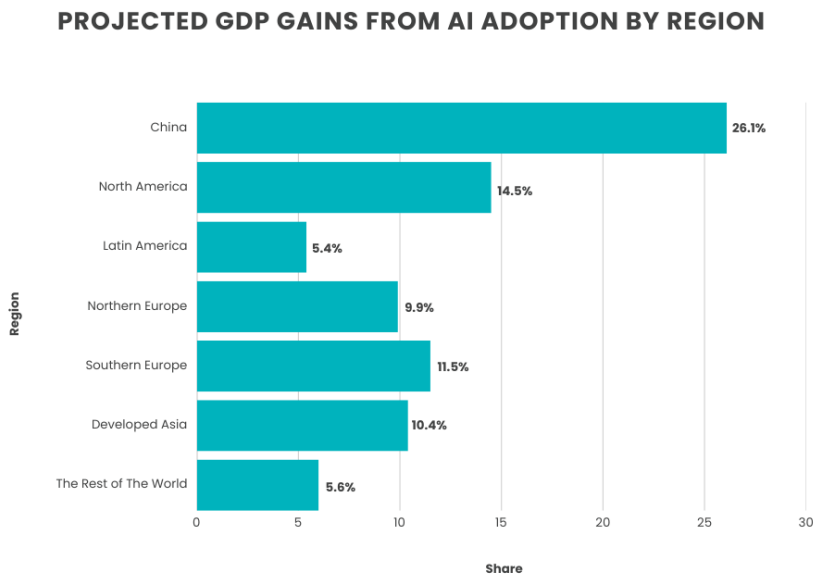
KPMG Australia

According to their chief executive, Andrew Yates, KPMG Australia's AI use is in its advanced stages, and their AI platform, KymChat, has been incorporated in their workflows. The amount of time saved for the company? 200,000 hours.

Yates says that 2024 was the year when KPMG became more intentional in its use of AI in their daily work. In 2023, they were in the research stages of integrating AI into their systems, and they began developing AI assistants in 2024.

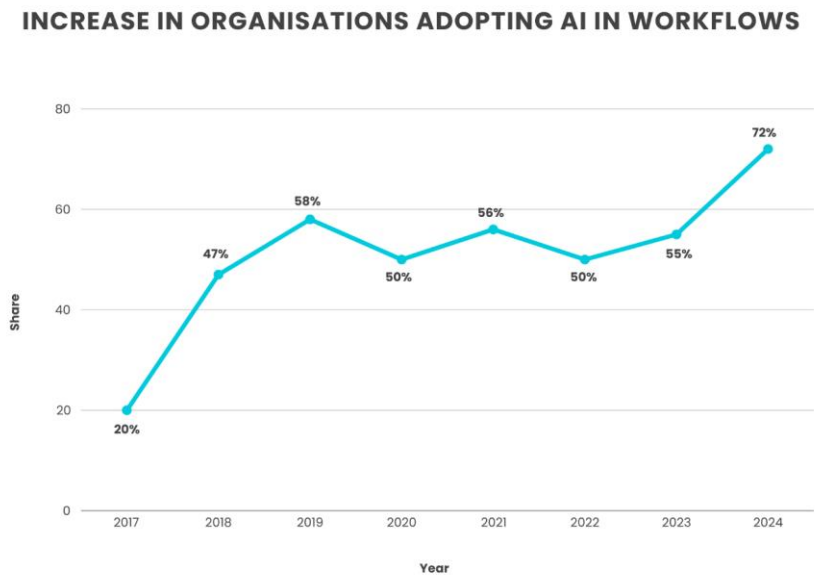
Market Size and Revenue Distribution

As mentioned, AI is being adopted by almost all industries, and each region has a growing AI landscape. In the coming years, the World Economic Forum suggests that all countries will experience the impact of AI and benefit from the growth of AI in their respective regions. Research from PwC identifies how much each region stands to gain from widespread AI adoption over the next decade:



- China - 26.1% of GDP
- North America - 14.5% of GDP
- Latin America - 5.4% of GDP
- Northern Europe - 9.9% of GDP
- Southern Europe - 11.5% of GDP
- Developed Asia - 10.4 % of GDP
- The Rest of The World - 5.6% of GDP

According to PwC, these projected numbers will largely be due to firms adopting AI technologies to improve employee productivity and automate mundane tasks. Current products on the market are also expected to be upgraded, and 45% of the projected gains will be because of enhanced products. AI will help in the development of new products, which will drive up consumer demand. According to McKinsey, the percentage of organizations that have adopted AI into their workflows is at an all time high.



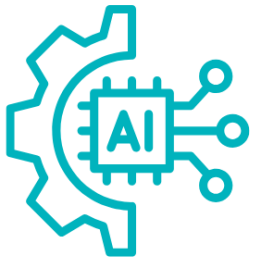
Year	% of Organizations
2017	20
2018	47
2019	58
2020	50
2021	56
2022	50
2023	55
2024	72

Regulatory and Ethical Implications

AI's rapid expansion has sparked intense debates around regulation, ethics, and accountability. While businesses rush to integrate AI, lawmakers worldwide are scrambling to set boundaries that ensure innovation doesn't come at the expense of security and fairness.

AI Regulations: Playing Catch-Up with Technology

Governments are now rolling out stricter AI regulations to prevent misuse and ensure transparency. The EU AI Act, the first regulation centred on Artificial Intelligence, is leading the way, classifying AI systems based on risk. For example, the European Commission suggests high-risk applications like biometric surveillance will face tougher scrutiny, while lower-risk AI tools will require minimal oversight.



A 56.3% increase in AI legislation was recorded in 2024, up from just one regulation on AI usage in 2016, according to Stanford's 2024 AI Index Report.

In the U.S., policymakers are pushing for AI transparency laws, demanding that companies disclose when AI is making decisions that impact consumers. According to the AI Index, there was only one regulation about AI usage in 2016, while 2024 saw a 56.3% increase in the number of AI legislation, according to Stanford's 2024 AI Index Report.

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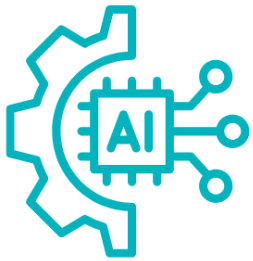
Meanwhile, China has imposed strict controls on AI-generated content, ensuring that AI models align with government-approved narratives. Although AI is being widely used in the region (China is the biggest adopter of AI technology), there are certain protocols the machines must follow to stay compliant. These evolving regulations mean businesses must stay ahead of compliance requirements or risk fines, lawsuits, and reputational damage.

The Ethics Dilemma: Bias, Privacy, and Accountability

AI isn't neutral. In fact, it reflects the data it's trained on, and that can lead to dangerous biases in hiring, lending, and healthcare decisions.

Some AI models have already been exposed for exacerbating racial and gender biases, reinforcing systemic discrimination instead of eliminating it. The Conversation, for example, prompted Midjourney

to generate images of professionals with specialized roles, and only images of older men came out. This reinforced the gender bias that men are more suited for specialized roles than women.



Bias in AI-generated facts rose by 38.6% due to learning from inherently biased human data, according to University of Southern California researchers.

Researchers from the University of Southern California found that bias went up by 38.6% in facts provided by AI. This was largely because the AI models were trained on facts provided by people, who already have inherent biases.

At the same time, AI-driven data collection raises significant privacy concerns. With AI scraping and analyzing vast amounts of personal information, the question of who owns the data is becoming increasingly urgent.

It's important to note, however, that while AI can rival human reasoning for some topics, this is not always the case. According to Stanford University Human-Centered Artificial Intelligence's AI Index, Artificial Intelligence excels in visual reasoning, image analysis, and English, but humans are still superior in planning, visual reasoning, and high-level mathematics.

Future Outlook on AI

AI is on a trajectory that will redefine industries, economies, and daily life over the next decade. According to Google, we can expect hyper-personalized AI assistants, self-evolving algorithms, and autonomous systems that require minimal human intervention.

While today's AI is still narrow (i.e. excelling at specific tasks but lacking true reasoning) Google also suggests that researchers are inching closer to AGI. The next phase will see AI models capable of learning, adapting, and problem-solving like humans. This shift will raise ethical and safety concerns, making secure AI infrastructure management more important than ever.

AI is also set to reduce carbon footprints by optimizing energy use, streamlining supply chains, and enhancing smart city planning. In cybersecurity, AI will play defence against AI-generated cyber threats, using self-learning models to predict and counteract attacks in real time.

Key Takeaways

The AI industry is booming, with generative AI, automation, and cybersecurity advancements reshaping businesses. Projected to contribute $15.7 trillion to the global economy by 2030, AI is driving efficiency, cost reduction, and smarter decision-making across industries.

However, rapid adoption brings challenges: governments are enforcing stricter regulations like the EU AI Act, while businesses tackle bias, data privacy, and AI's environmental impact.

Looking ahead, AI will fuel AGI development, sustainable tech solutions, and stronger cybersecurity. As AI infrastructure evolves, companies are turning to secondary AI markets for cost-effective, sustainable adoption. Procurri plays a role in this shift, helping businesses securely extract and repurpose AI infrastructure, ensuring that innovation remains accessible, scalable, and sustainable in the long run.