

UK Lags Leading Asian Economies on Enterprise AI Adoption - New IBM Study

- **37% of UK enterprise-scale companies (> 1,000 employees) report having actively deployed AI, vs. 59% in India, 58% in the UAE, 53% in Singapore and 50% in China**
- **41% of large UK enterprises are currently exploring or experimenting with AI but have not deployed their models**
- **However, 40% of those companies already exploring or deploying AI say they have accelerated their rollout or investments in the technology**
- **The top barriers preventing deployment include limited AI skills and expertise (38%), high costs (31%), and data complexity (29%)**



LONDON and ARMONK, N.Y., January 10, 2024 — New research commissioned by IBM (NYSE: IBM) found that more than a third of UK organisations with over 1,000 employees are actively using AI, placing the UK behind leading Asian economies. Early adopters are leading the way, with 40% of the enterprises already working with AI intending to accelerate and increase investment in the technology. Ongoing challenges for AI adoption in enterprises remain, including hiring employees with the right skillsets, high costs, and data complexity which continue to inhibit businesses from adopting AI technologies.

“Our latest research shows that enterprises which have overcome barriers and deployed or explored AI are already seeing the benefits and accelerating investments. These findings suggest that more accessible AI tools, the need to automate key processes, and AI being increasingly embedded into business applications are the major drivers of AI adoption at the enterprise level,” said Michael Conway, Partner and Data, AI & Transformation Leader, IBM Consulting UK & Ireland.

“We see organisations leveraging AI for use cases where it can quickly have a tangible impact, such as IT automation, security and threat detection, and human resources. In 2024, we are likely to see the 41% of UK companies still in the experimentation phase start to really tackle and overcome barriers to AI adoption, like the

skills gap and data complexity.”

Highlights of the UK findings from the “IBM Global AI Adoption Index 2023,” conducted by Morning Consult on behalf of IBM, include:

Over the last several years, AI adoption in the UK has remained steady at large organisations:

- Today, **37%** of IT professionals at large organisations in the UK report that they have actively deployed AI while an additional **41%** are actively exploring using the technology.
- Additionally, **32%** of UK IT professionals at enterprises report that their company is actively implementing generative AI and another **46%** are exploring it.
- The UK stands mid-ranking in global AI adoption (**37%**) at the enterprise level. Organisations in India (**59%**), China (**50%**), Singapore (**53%**), and the UAE (**58%**) are leading the way in active use of AI, compared with lagging markets like Spain (**28%**), Australia (**29%**), and France (**26%**).

Two-in-five UK companies actively deploying or exploring AI have accelerated their rollout or investments in the past 24 months:

- **40%** of UK IT professionals at companies deploying or exploring AI indicate that their company has accelerated their investments in or rollout of AI in the past 24 months.
- UK enterprises lag other markets in AI acceleration (**40%**). China (**85%**), India (**74%**), and the UAE (**72%**) are the markets most likely to be accelerating AI rollout, while businesses in the UK (**40%**), Australia (**38%**) and Canada (**35%**) were the least likely to accelerate the rollout.
- Research and development (**43%**) and augmenting human tasks with digital labor (**39%**) are the top AI investments at organisations exploring or deploying AI.

Easier to use AI tools and the need to reduce costs and automate processes are driving enterprise AI adoption in the UK:

- Advances in AI tools that make them more accessible (**51%**), the need to reduce costs and automate key processes (**37%**), and the increasing amount of AI embedded into standard off the shelf business applications (**36%**) are the top factors driving AI adoption.
- For UK IT professionals, the two most important changes to AI in recent years are the increased prevalence of data, AI, and automation skills (**43%**), and solutions that are easier to deploy (**38%**).
- The AI use cases driving adoption for UK companies currently exploring or deploying AI are not limited, but cut across many key areas of business operations:
 - Automation of IT processes (**26%**)
 - Security and threat detection (**26%**)
 - Human resources and talent acquisition (**25%**)
 - Business analytics or intelligence (**23%**)
 - Fraud detection (**23%**)
 - Automating customer or employee self-service answers and actions (**23%**)
 - AI monitoring or governance (**23%**)

- Marketing and sales **(21%)**
- Automating processing, understanding, and flow of documents **(21%)**
- Automation of business processes **(20%)**
- Visual recognition **(19%)**
- Digital labor **(18%)**
- Supply chain intelligence **(18%)**
- Search and knowledge discovery **(17%)**
- Automation of network processes **(16%)**
- Financial planning and analysis **(16%)**

The same set of barriers are keeping the next wave of UK companies from benefiting from AI:

- The top barriers hindering successful AI adoption at enterprises both exploring or deploying AI are limited AI skills and expertise **(38%)**, high price **(31%)**, too much data complexity **(29%)**, lack of tools for AI model development **(24%)**, ethical concerns **(22%)**, missing the use cases defined or the end user research needed to get started **(19%)**, and AI projects that are too difficult to integrate and scale **(19%)**.

AI is already having an impact on the UK workforce:

- **Nearly one-in-four (24%)** UK organisations do not have employees with the right skills in place to use new AI or automation tools and **19%** cannot find new hires with the skills to address that gap.
- Only **32%** are currently training or reskilling employees to work together with new automation and AI tools.

The need for trustworthy and governed AI is understood by UK IT professionals, but barriers are making it difficult for British companies to put into practice:

- IT professionals are largely in agreement that consumers are more likely to choose services from companies with transparent and ethical AI practices **(82% strongly or somewhat agree)** and say being able to explain how their AI reached a decision is important to their business **(75% among companies that are exploring or deploying AI)**.
- But, with many companies already deploying or exploring AI facing multiple barriers in the process, well **under half** are taking key steps towards trustworthy AI like reducing bias **(30%)**, tracking data provenance **(40%)**, making sure they can explain the decisions of their AI models **(40%)**, or developing ethical AI policies **(44%)**.

To download the 2023 IBM Global AI Adoption Index, click [here](#).

Methodology:

This survey was conducted in November 2023 among a representative sample of 2,342 IT Professionals at organizations with over 1,000 employees in Australia, Canada, China, France, Germany, India, Italy, Japan,

Singapore, South Korea, Spain, UAE, UK, US and LATAM (Argentina, Brazil, Chile, Colombia, Mexico, and Peru). The participants surveyed were employed full-time at companies with more than 1,000 employees, working in a manager or higher-level role, and knowledgeable to at least some degree about how IT operates and is used by their company. The global results have a margin of error of +/- 2 percentage points.

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Media Contact:

Gregor Hastings

IBM Media Relations

Gregor.hastings@ibm.com

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