Five for 25:

Meet the trends shaping the AI year ahead

DELL Technologies

Foreword

2024 marked a period of significant exploration in generative AI (GenAI). Organisations experimented with various GenAI tools, assessing their potential applications and benefits. For many, this test and learn phase paid off. In fact, last year, our research found that 70% of UK companies achieved some ROI on at least one AI application.

As leaders in the technology industry, we recognise that the coming year will be even more pivotal for the future of business. Your organisation should prioritise moving from the discovery phase of AI to a full-scale AI execution to achieve transformational, tangible business outcomes.

AI has the potential to become the engine of our economic future, and the AI Opportunities Action Plan that was recently announced by the UK Government is a clear response to this. AI will transform the technological landscape, business operations and the lives of UK citizens, profoundly impacting innovation and economic growth strategies.

While the future of AI is undeniably promising, navigating the complex landscape can be mired with challenges around governance, security, infrastructure and talent. Overcoming these barriers requires an open ecosystem of partners, validated and integrated solutions and expert services.

Rest assured that you won't be alone on this journey.

For 40 years, Dell Technologies has been at the forefront of technological innovation and empowering human progress. We haven't just been talking about AI; we've been living it. By treating our business as "customer zero," we've gained firsthand experience of the practical applications of AI, moving beyond theory to real-world implementation. We've seen the benefits for ourselves. This experience makes us uniquely positioned to guide others through this critical moment, and we're ready to lead the charge.

We have cultivated a robust ecosystem of technology partners and providers, ready to assist you every step of the way. At Dell Technologies, we believe that the successful scaling of AI requires collaboration and partnership. We are dedicated to working alongside you, to help you realise the potential of AI and achieve measurable results. 2025 is set to be the year of AI execution, and together, we can unlock its full potential.

Steve Young
UK SVP and MD Dell Technologies

Foreword cont.

2025 marks a pivotal moment in the evolution of artificial intelligence (AI). As someone who had the privilege of attending the AI-focused Dell Technologies Forum last year, I witnessed first-hand their forward-thinking leadership and innovation driving this space. Dell Technologies' role as "customer zero," under the stewardship of John Roese, its Chief AI Officer and CTO, exemplifies Dell's commitment to turning AI potential into practical outcomes and empowering others to do the same.

It is clear to me that Dell deeply understands the power of AI because they use it every day in their own organisation to drive ROI and efficiencies. The insights in this whitepaper, 'Five for 25: Meet the Trends Shaping the AI Year Ahead', are both timely and essential. Two trends stand out for me as completely transformative: Agentic AI and Sovereign AI.

Agentic AI, with its ability to act autonomously and adaptively, is set to redefine how businesses and individuals interact with technology, creating dynamic, personalised experiences.

Sovereign AI, mentioned by the UK Government as one of its key AI focus areas, underscores the importance of secure, homegrown AI capabilities, aligned with national and organisational values, to maintain control and trust in a rapidly evolving landscape.

The UK's AI Opportunities Action Plan launched in January 2025 makes it clear that moving from experimentation to execution is vital. Similarly, Dell Technologies highlights the need to overcome challenges like scaling AI and ensuring robust infrastructure to unlock AI's full potential.

With offerings such as their Accelerator Workshops and AI Factory solutions, Dell stands ready to help organisations chart their course, from pinpointing impactful use cases to achieving measurable ROI. If you're wondering how your organisation can stay ahead in this transformative year, I encourage you to explore each of these five key trends shaping AI in 2025.

Don't wait to act. Speak with Dell to learn more about how these five trends can guide your AI strategy and ensure you're prepared for this new era of innovation.

Andrew Grill
Globally recognised AI expert speaker and author, Digitally Curious

Introduction

AI is a hot topic in boardrooms everywhere and is far more than just another line item in the IT budget.

While still in its early stages, the industry is achieving daily breakthroughs in productivity and capabilities. Successful adoption requires more than just technology - it demands a considered, well-rounded approach supported by the correct infrastructure and ecosystem of collaborators.

AI is set to reshape the business landscape in 2025, and those who don't move from AI pilot projects to scaled solutions risk falling behind. The insights and recommendations within this whitepaper are designed to set you on the path to developing the right AI approach for your business. Doing so will ensure your competitive advantage in what promises to be a momentous year.

Trend

01 AI will move from concept to reality

What this means:

Setting your AI strategy needs to be your top priority in 2025.

GenAI experimentation increased significantly last year; **McKinsey[1] found in early 2024 that 65% of global survey respondents regularly used GenAI**, twice the figure reported in 2023. According to the same report, 75% of respondents thought that GenAI would lead to significant disruptive change in their industries.

Despite this, few early adopters broke out from test to broad business impact in 2024. Businesses and the government recognise that AI is the key to unprecedented progress, but widespread adoption faces hurdles, **often stemming from a lack of clear direction**.

To unlock the full value of AI in business, **you need to stay focused on how the technology can deliver measurable returns**. Rather than adopting AI just because it's popular, you need to pinpoint the most meaningful applications that address your unique challenges. This approach ensures smarter investment decisions, better use of resources, and a clearer framework for evaluating success.

1 McKinsey & Company (2024). The state of AI in early 2024: Gen AI adoption spikes and starts to generate value | McKinsey

Think “flywheel”

Demonstrable ROI should be the crucial driver for any AI project. A helpful way to think about this is to adopt a “flywheel” approach, building momentum through incremental successes. Focus on identifying specific, high-impact quick wins rather than attempting large-scale transformations. These initial successes will serve as proof points to demonstrate the real value of AI and build confidence within your organisation.

This, in turn, will encourage further investment and broader adoption, creating a self-reinforcing cycle of success. As the wheel spins faster, it will create more momentum to drive further innovation and accelerate the AI journey. The flywheel should also be iterative, meaning your teams will learn and adapt along the way to minimise risk and maximise the chances of long-term success.

Getting the wheel turning

Lead from the top, assemble a dedicated cross-functional team with expertise in AI, operations and IT. Secure ongoing buy-in from stakeholders by clearly articulating the vision and empower this team to make key decisions to drive the project forward. Communicate early successes by gathering data and feedback throughout the pilot phase. This builds momentum to encourage further investment and adoption of AI initiatives across the business.

> Use Dell’s half-day Accelerator Workshops to pinpoint the AI uses that matter. Dell experts, working with your team, will help you develop a point of view on the important GenAI questions and create the vision for your organisation’s future.

Where should your data live?

Making the right decision about where data is stored is crucial for maximising the value of AI investments. Data location is more than just storage; access, security, control, cost and compliance are also critical considerations. Making the right decision about where data is stored is crucial for maximising the value of AI investments.

For projects involving sensitive data and applications, on-prem solutions offer the greatest control and security. These solutions may be preferable to public cloud environments, especially in relation to regulatory compliance.

Similarly, AI workloads often require real-time processing and low latency. On-prem infrastructure can deliver this level of performance. While cloud solutions offer scalability, they can sometimes introduce latency that hinders performance-critical applications.

Ultimately, the optimal AI path is unique to each organisation and project. Success hinges on complete alignment with business goals.

> Dell’s AI Factory solutions can help to simplify AI adoption with pre-validated solutions and expert services to accelerate time-to-value. The open ecosystem featuring collaborations with NVIDIA, Hugging Face, Meta and Microsoft, streamlines development and deployment, allowing you to focus on driving innovation, whether on-premises, in the cloud, or at the edge.

Last year, the business world actively explored AI and GenAI to test its potential. From our research, we could see that most companies saw a return on their AI investments. We believe 2025 marks the turning point. **This year, AI projects will advance into full-scale execution**.

We understand that scaling AI can be tough. Start by prioritising a clear, ROI-driven AI strategy that aligns with your business's unique strengths and challenges. Prioritise those strategically important projects that are more likely to deliver demonstrable ROI and consider what will be the most impactful use cases.

From there, think about **strategically managing your data, including which solutions are most appropriate for the project's long-term viability and sensitivities**.

Leveraging partnerships to navigate the complexities of AI implementation is key for ensuring success, which ultimately hinges on delivering positive business value. By focusing on the right projects and leaning on available expertise, organisations can harness AI's power to gain competitive advantage and drive meaningful change.

Steve Young
UK SVP and MD

Trend

02 AI Agents will be Everywhere

What this means:

Agentic AI is the next major evolution in AI. Agents can autonomously complete complex tasks, make decisions, and adjust as needed.

Think about how agents could save time, boost productivity and drive innovation by automating repetitive work and delivering smarter solutions.

2025 marks the next big step in GenAI evolution: Agentic AI. Up to this point, GenAI has been tethered to the user, relying on prompt-based interaction to deliver information and complete tasks. Agentic AI can complete complicated tasks independently. AI Agents can essentially join teams, setting their own goals, planning workflows, making decisions and adapting to changing circumstances.

We expect rapid adoption of the technology in coming years. Gartner[2] also predicts that a **third of interactions** with GenAI will use action models and autonomous agents for task completion by 2028.

2 Gartner. (2024). Gartner Predicts One-Third of Interactions with GenAI Services Will Use Action Models & Autonomous Agents for Task Completion by 2028.

Agentic AI in the workplace

One group of professionals that are already seeing the benefits of trained agents are developers, who are using AI Agents to automate the coding process. These AI Agents are trained to conduct thorough code reviews or help with debugging to reduce development times, so that you can bring new products and services to your customers faster than ever before.

At Dell, we are using AI Agents ourselves to help teams sort through content code artifacts and other knowledge bases. We then share our early key learnings to help inform and shape your strategies.

Accelerating human progress with AI agents

Agentic AI has the potential to significantly impact businesses and contribute to human progress. There are many real-life use cases for the technology that will provide more personalised, efficient services for individuals.

In the healthcare sector, Agentic AI presents many exciting opportunities for faster and more personalised patient care. For example, an AI Agent could analyse fragmented patient data like patient schedules and profiles alongside unstructured data like medical notes and imaging files. This would help doctors make decisions, provide personalised care recommendations, and suggest treatment plan adjustments accordingly. The agent could also automate tasks such as populating and correcting insurance claim forms, thereby freeing administrative staff for other duties.

> Dell Technologies simplifies the creation of Agentic AI with the AI Factory. This offering combines Dell's AI expertise, services and partner ecosystem to create streamlined solutions. Dell's professional services team will help to identify use cases, prepare data and run projects underpinned by the right infrastructure.

Creating efficiencies

AI Agents are also having an impact in manufacturing. An AI Agent can monitor production lines in real-time, predicting potential equipment failures and automatically adjusting workflows to minimise downtime. This predictive maintenance can significantly improve operational efficiency and reduce costs.

The steps to adopting Agentic AI

While the potential for these technologies is exciting, challenges with rolling out agents are common. Start by targeting areas ripe for automation where minimal human oversight is required. This could be, for example, inventory management, predictive maintenance or personalised customer interactions. This initial deployment provides a controlled environment to validate the AI's decision-making capabilities and ensure alignment with specific business goals. Taking an iterative approach in this way allows for continuous refinement and helps to minimise disruption or down time.

In terms of teaching the agents, establish some well-defined goals, parameters and constraints. These are crucial steps for preventing unintended consequences and ensuring they learn responsibly. From here, you can gradually expand the scope of agent deployments and begin integrating them into more convoluted workflows. This stage requires collaboration between the AI and human teams.

You will need to allocate adequate resources for the set-up and maintenance of successful AI Agents. As with any member of the team, they will only perform well if they are thoroughly onboarded at the outset of their role. Looking ahead, long-term success of AI Agents will depend on access to the right tools (data) and continuous direction and feedback. Agentic AI is an evolving technology, meaning ongoing evaluation and refinement is essential.

With The Dell AI Factory, Dell simplifies and accelerates organisations' GenAI journeys, creating better outcomes tailored to company needs and safeguarding proprietary data securely and sustainably. In addition to hardware and software infrastructure, Dell offers a robust ecosystem of partners and services to assist organisations, whether they're just starting out or scaling up. Learn how you can Accelerate your AI innovation with the Dell AI Factory.

Engaging external advisors can help you boost your Agentic AI journey. Our professional services team can consult on data preparation and synthesis. Options like 'Residency' embeds Dell experts with your team to help identify and perform use cases for Agentic AI while building in-house capability through skills transfer. Our end-to-end enterprise AI solution, the Dell AI Factory, can also speed AI adoption by delivering integrated capabilities to accelerate AI-powered use cases, integrate data and workflows, and enable businesses to design their own AI journey for repeatable, scalable outcomes.

We're seeing a growing trend towards the adoption of Agentic AI technologies where autonomous agents will collaborate to perform increasingly complex tasks, enabling organisations to proactively and more effectively address business challenges.

While the future is filled with exciting possibilities, responsible implementation is key. We need to ensure AI development is underpinned by sound data, and aligned with strategic objectives that **focus on empowering the progression of humanity.**

Arash Ghazanfari
UK CTO

Trend

03 AI will transform Data Centre Architecture

What this means:

The time is now to reassess data centre strategies. Future proofing must ensure that the scalability, flexibility and energy efficiency required by AI-driven workloads are possible while optimising performance and minimising environmental impact.

Every business seeking to capitalise on AI **must plan for future-proof data centre infrastructure**.

As you engage more deeply with AI training and inferencing, you will have more need for **higher power densities and integrated systems capable of scalable computing solutions**.

This shift will lead to changes in physical hardware and data management strategies.

Shifting data: from cloud to on-prem and edge

In the last decade, the pull of the public cloud presented a solution for many to cost, scalability, complexity and skills gap challenges. However, AI and GenAI are moving the goal posts, requiring more data, computational resources and expertise than anything we have seen before.

Inferencing, which generates outputs from a trained model based on user requests, is one of the most critical stages of GenAI model operation. By the end of the decade, inferencing is set to account for up to 90% of AI workloads and will significantly impact the performance, scalability, longevity and cost-effectiveness of GenAI solutions.

Unlike training, inferencing[3] is about maximising where to run the workload relative to quality, cost, data, security and latency. And inferencing in the public cloud can be expensive, incurring high data transfer, storage and compute fees. In a study commissioned by Dell Technologies, Enterprise Strategy Group (ESG) found that inferencing on-premises can be more cost-effective when compared to the public cloud.

The shift from training to inferencing also means that AI is moving towards disaggregated architectures where compute, storage and networks are lightning-fast and can be scaled independently. Common pain points in the modern data stack include knowledge silos, latency issues, staffing challenges and a lack of holistic data governance. These challenges impact the ability to deploy effective AI solutions, but with disaggregated architectures, you can reduce costs, break down silos, and prevent vendor lock-in.

AI and GenAI workloads are a new class of workload – requiring a new class of open, modern innovation spanning the entire AI estate: data layers and lakes, compute, networking, storage, data protection and AI software applications. Not every GenAI use case will require the same infrastructure investment, and not every workload will run in the cloud.

With all this in mind, you will require flexibility in infrastructure and software that can adapt to the rapidly evolving landscape of models, tools and AI-led technologies. Crucially, these will need to be able to handle a variety of workloads and use cases across the highly distributed data landscape – on-prem, at the edge, and in the cloud. Plus, with GenAI models now extending to the PC (see trend four, below), you'll have the benefit of local language modelling, language processing and machine learning capabilities without sacrificing the user experience.

> Through our Professional Services for Generative AI practice, we help businesses with: building a GenAI strategy & identifying use cases, data preparation, engineering & management, implementation and integration services, operations, model tuning, security, business processes, education services, and sustainability.

The urgency to modernise infrastructure and adopt AI technologies has never been more pronounced. However, the rise of AI workloads presents a dual challenge: increased energy demand and a pressing need for efficiency. As such, we expect to see the capacity for better insights and efficiencies to factor hugely into decisions in the coming year.

As our economy and lives run on data, the number of data centres will continue to grow. Navigating the rising cost of energy, combined with the energy demands and environmental impact of certain AI workloads continues to be tricky. And at the same time, regulatory requirements are becoming more rigorous worldwide, requiring new levels of disclosure.

But even in the face of this proliferation of data, our increasingly digital economy does not have to be at odds with a sustainable transition. In fact, intentionally building more efficient data processing ecosystems and energy-smart configurations can benefit your business in significant ways:

- Reduced energy use
- Lower carbon emissions
- Overall better performance
- Lower long-term costs
- Optimised space and reduced infrastructure footprints
- Reduced waste output

3 Maximizing AI ROI: Inferencing On-premises With Dell Technologies Can Be 75% More Cost-effective Than Public Cloud Challenges for Enterprises The Solution -Dell Technologies for LLM Inferencing. (2024).

Right sizing your AI

A key part of successful AI adoption is ensuring your infrastructure is right sized for your specific needs. Whether it's deploying the right GPUs or balancing workloads across data centres, having the right infrastructure in place is critical. For example, while some will benefit from larger general-purpose large language models (LLMs), others will only require domain or enterprise-specific implementations. In this scenario, using a pre-trained model eliminates the biggest energy demand.

Poor use of IT assets is the single biggest cause of energy waste in the data centre. Right sizing your AI ensures you fully use the infrastructure you have, therefore minimising the potential for economic and energy waste. You will need infrastructure solutions that offer flexibility, scalability, and consumption-based pricing to ensure they can grow AI capabilities as their needs evolve, while ensuring efficient practices.

Efficiency in the data centre

Today's data centres can't keep up with the demands of AI. It requires high density compute and liquid cooling innovations with modular, flexible and efficient designs. It will take new systems, like those found in the Dell AI Factory, to deliver the performance needed for organisations to remain competitive in the fast-evolving AI landscape. Managing power and cooling is one of the most pressing challenges for modern data centres. As AI use cases grow, liquid cooling is emerging as the next frontier in data centre efficiency, with direct liquid cooling (DLC) representing a game-changing shift in efficiency. Direct Liquid Cooling works by directly removing heat from the platform's most critical components — CPUs and GPUs — so they stay cool and continue to perform without slowing down. It ensures your systems are always ready to perform at their best, even under the most demanding conditions.

> At Dell, we've been transforming data centre design for over 30 years. Dell PowerEdge servers are engineered to deliver high performance while maintaining energy efficiency. These servers incorporate advanced cooling technologies, such as liquid cooling options, which help manage heat more effectively than traditional air-cooling methods.

Choosing AI infrastructure with direct liquid cooling isn't just about temperature control—it's about staying competitive. It means lower energy bills, higher performance and less risk of your systems overheating and causing costly downtime. The next era of the data centre will be about creating adaptive, future-ready solutions that address the environmental and operational demands of AI-driven workloads. This approach ensures that you can compete today while maintaining the agility to adopt tomorrow's transformative technologies.

Future processors will be even more challenging to cool, which is why we at Dell remain dedicated to investing in research and development to provide you with optimised, cost-effective solutions for your most critical applications.

AI is forcing a revolution in data centre strategies.

The increasing demands of AI workloads, particularly Agentic AI, are driving a shift from cloud computing back to on-prem solutions for greater control, tighter integration and lower latency. Businesses must now prioritise **flexible and scalable data infrastructure to adapt to evolving power, cooling and density requirements**.

Our 30-year history of data centre design experience and offerings like the AI Factory means we are in a unique position to partner with organisations looking to **deliver value through AI technologies**. We are able to help future-proof infrastructure and achieve AI success while addressing sustainability goals.

Tim Loake
UK VP Infrastructure Solutions Group

Trend

04 2025 will be the year of the AI PC

What this means:

Every company that wants to remain competitive will have to start AI in some way, and AI PCs will be central to that.

If you're holding onto older hardware, now may be the time to make the leap.

We define an AI PC as an accelerated PC – whether a desktop, laptop or workstation – **that can run an AI workload or AI-optimised app locally on the device**. And they're not just boosting productivity; they're redefining innovation.

From streamlining workflows to enabling advanced data analytics, **these devices are accelerating employee productivity like never before**.

IDC[4] notes that AI didn't primarily drive PC growth in 2024. However, Gartner[5] predicts that by 2026, AI laptops will be the only laptop choice available to large businesses. Analysts expect that the question is soon to become: **"Which AI PC should I buy," rather than "Should I buy an AI PC."**

A refresh wave of old commercial hardware estates is coming this year, driven by the increasing recognition that AI will be an indispensable tool for workers. **AI PCs will augment human capabilities, and the time to prepare is now**.

4 IDC: The premier global market intelligence company. (2024). PCs and Tablets Expected to Grow in 2024, but AI Isn't the Main Driver -Yet, Says IDC.
5 Gartner. (2024). Gartner Forecasts Worldwide Shipments of AI PCs to Account for 43% of All PCs in 2025.

Productivity gains

The rise of the AI PC isn't just about faster processing speeds and enhanced graphics; it's about fundamentally transforming how we work. AI PCs are poised to become indispensable tools for navigating the complexities of the modern workplace, with these tools empowering workers to achieve more in less time.

A lot of day-to-day AI work will be done locally on an AI PC – from running complicated AI workloads on workstations to using AI-powered applications on a laptop. Imagine asking your AI PC to summarise your email and calendar after being out for a week's holiday, and then asking it to prioritise what messages to action and meetings to attend.

AI PCs will make your days and weeks easier, give you more productive use of your time, and free up space for you to think about other, more strategic work.

Between higher-performing CPUs, GPUs and NPUs and more PC silicon options in the market than ever before, the choice and innovation will be the best it's ever been. The result? Real-world business benefits, including reduced costs, increased revenue and improved employee satisfaction.

> Dell's new tiered portfolio (Dell, Dell Pro and Dell Pro Max) offers devices tailored to specific user needs, while its modular design and repairability minimises downtime. The new Dell displays, with features like enhanced IPS Black technology and AI-enhanced 3D Spatial Sound, further elevate the user experience to boost productivity.

Living on the edge

The edge, where data is generated and utilised is becoming increasingly critical in today's landscape. And as AI projects mature, data will become even more distributed, with AI following that data.

The AI PC will be the cornerstone of that distributed architecture. With AI PCs, data can be processed directly on the device to drive real-time insight, lower costs and improve security considerations. AI PCs also mean the simpler deployment of large or small language models at scale on edge devices, creating a holistic ecosystem. Data Scientists will use AI workstations to preprocess data, run exploratory data analysis and train machine learning models efficiently. AI Developers will be able to build, test and deploy AI models into software applications. And AI Researchers will run simulations, develop new algorithms and perform large-scale experiments, all at their desk. Such high-velocity AI capabilities on a device will be a game changer for innovation in your organisation.

The Windows 10 end-of-life Catalyst

There are 1.5 billion PCs out there today – none of them have NPUs in them – and 30% of those are four or more years old. Many of these older devices don't meet the hardware requirements to update to Windows 11, a must since Windows 10 is nearing end of support (October 2025). Older devices that don't meet Windows 11 requirements after that date will lack the crucial performance, security and AI enhancements needed to keep pace in the new world of work. There is a real risk of outdated hardware hindering business outcomes.

> Dell holds regular interactive community events for you to benefit from the support of experts who understand the challenges and opportunities ahead. Modern workplace community workshops and our commercial flagship event at The Shard are designed to help you streamline your PC refresh and management, as well as support you with today's modern challenges. These initiatives are designed to encourage interactive sharing and learning to better support navigating this new complex environment.

Service support

With an increase in the variety of devices available to organisations and the workstyles of the employees who use them, management of the device life cycle is more complicated and expensive than it has ever been. IT must support a wide range of device and technology options to an increasingly dispersed and mobile workforce while maintaining low user disruption, all amid cost uncertainty. We understand that, on top of that, the AI PC refresh may seem daunting. Migrating data, ensuring application compatibility and managing the logistical complexities of large-scale deployments can be a significant undertaking. Navigating this transition can be made easier by leaning on OEM partners and their services designed to support the entire PC life cycle, from procurement and deployment to maintenance and retirement.

Dell APEX PC as a Service (PCaaS) enables you to save valuable and increasingly scarce IT personnel productivity by reducing the required device life cycle management tasks while also reducing hardware costs. Users are enabled with the latest devices that improve productivity through reduced downtime and better performing applications. Customers of Dell APEX PCaaS also realise hiring, budget and project flexibility for IT, enabling better support for an increasingly hybrid workforce.

See how your current PC life cycle costs compare with Dell APEX PCaaS using this Forrester calculator.

A device can dictate a person's daily work experience – how productive, collaborative and efficient they can be. And, of course, AI PCs will make for a more intelligent and personalised experience for the end user's day-to-day experience. But an AI PC is so much more than automated routine tasks.

With an AI PC, you have the capacity to bring a large or small language model directly into a mainstream PC and run inferencing straight on the device. **You'll have high computational power and advanced software tools able to support complex data analysis and software development and the production of visual, audio and interactive content**.

That is an extraordinary amount of power at your employee's fingertips.

Soon, everyone will expect an AI PC, just as everyone expects an Internet browser or Wi-Fi. And the **businesses that invest in technology are the ones that will win** – and attract the best talent.

We recognise that transitioning hardware estates can be challenging, which is compounded by the current context of ever-changing industries and enterprise needs. But the right partnerships can ease the process with expert guidance, specialised expertise and added layers of service support.

Every company that wants to remain competitive will have to start AI in some way, and AI PCs will be central to that.

Louise Quennell
Senior Director, Client Solutions Group

Trend

05 Sovereign AI accelerates adoption, innovation and growth

What this means:

Sovereign AI has the potential to catalyse economic growth and enhance national competitiveness. The UK government has committed to giving the country's AI industry the foundation it needs to become a world leader. The time is now to engage and help shape the future.

Sovereign AI is emerging as a critical national priority. The recent AI Opportunities Action Plan from the government demonstrates the UK's proactive stance on the issue. The plan includes the formation of a dedicated unit designed to maximise the nation's stake in frontier AI through strategic public-private partnerships.

For UK businesses, this is a crucial moment to engage. **There are opportunities for direct investment, joint ventures and support for scaling operations**. UK Sovereign AI will act as a catalyst for collaboration, empowering the private and public sectors to innovate while coordinating efforts and removing barriers to growth.

Public-private sector collaboration

Sovereign AI is a concept that revolves around a nation's ability to create AI value and differentiation using its own infrastructure and data, designing an ecosystem aligned with local culture, language and intellectual property. In an era where data security is paramount, countries are opting for sovereign AI strategies and solutions, often with strong collaboration between the public and private sectors.

At Dell Technologies, we see several approaches to Sovereign AI:

- **Government for Government:** This approach sees governments create national infrastructure and build models specifically for government use, using proprietary, country-level data.
- **Government for Industry:** Nations following this method will create national infrastructure to support both the public sector and private industry. By providing access to large-scale computing power and resources, this approach drives industrial success while maintaining national control.
- **Government with Industry:** This final, collaborative model, focuses on co-designing national strategies with private industry. Governments don't necessarily build new infrastructure but instead foster an environment where private industries can innovate, modernise, and lead in AI ecosystems.

Public-private collaboration is at the heart of the AI Opportunities Plan, which is great news for enterprises up and down the country. There is a clear directive in the plan for closer collaboration between the public and private sectors to "play mutually reinforcing roles in AI adoption." With the public and private sectors working together and sharing responsibility for AI innovation, we hope to see both direct and indirect economic opportunities for enterprise, as well as the prosperity of the British people and the future of UK public services.

Focus on key sectors and streamline AI adoption

The government has identified key areas for AI-driven transformation, including healthcare, sustainable energy and education. Aligning your business and AI strategies with these national priorities helps to maximise impact and potential for growth. Seek technology partners that are already committed to contributing to these areas. These partners can help you to accelerate AI initiatives designed to boost innovation and national advancement.

> Dell Technologies is a long-standing partner of UK innovation and an existing contributor to the UK's priority industries such as healthcare and education.

“ ”

The UK is at the forefront of a global AI revolution, and this is an incredibly exciting time for businesses.

At Dell, we have already been working with Higher Education, Research institutions, and across all areas of the Public Sector to unleash the power of AI. **Collaboration across industries and through public-private partnerships will be crucial for helping the government realise its ambitious vision**.

Companies that wish to contribute should seek **technology partners that are equally as committed to driving innovation through sustainable, cutting-edge technologies**. Together we will help to build that strong foundation and ensure the UK leads the world in responsible AI development.

Tariq Hussain
Head of Public Sector

Conclusion

2025 marks a truly pivotal year for AI in the UK.

It will be a year where ambition translates into business results that drive growth for the economy.

The five trends outlined in this whitepaper - strategic scaling, Agentic AI, rethinking the data centre for an AI-driven world, the rise of the AI PC and considering Sovereign AI – all represent the immense opportunities that lie ahead.

Successfully navigating this evolving landscape requires a proactive approach, a clear vision and the right foundations. Dell Technologies, with its comprehensive portfolio of AI solutions is uniquely positioned to support organisations on this transformative journey.

By embracing these trends and collaborating with trusted partner vendors such as Dell, you can seize the full potential of AI to drive innovation and efficiency. This will ultimately result in better end user experiences not only in 2025 but beyond.

Get in touch with Dell Technologies to begin building your AI-powered future.


DELL Technologies