

Generative AI Pulse Survey



Key Findings: US, UK, Germany and France
September 2023

Methodology & Scope

500 IT Decision Makers

driving or influencing generative AI* initiatives, mid- to enterprise-sized organizations

Locations

US (200), UK (100),
DE (100), FR (100)

Industries

Private sector only: IT & Technology, Manufacturing, Financial Services, Retail & Consumer Products, Oil & Gas (Energy), Life Sciences, Automotive, Private Healthcare, Telco, Media & Entertainment, Insurance, Other

The study was conducted by independent researcher, Morning Consult, on behalf of Dell Technologies, in August to September 2023 via an online quantitative survey.

| Org Unit | |
|---------------|-----|
| IT | 91% |
| Business unit | 7% |
| Other | 2% |

| Org Size | |
|-------------------------|-----|
| 5,000 employees or more | 24% |
| 1,000 – 4,999 | 47% |
| 500 - 999 | 29% |

| Level in Org | |
|--------------|-----|
| C-level | 25% |
| VP | 6% |
| Director | 32% |
| Manager | 34% |
| Associate | 2% |
| Other | 1% |

Summary

Generative AI* (GenAI) is the innovation accelerator of the decade. It represents exciting opportunities - however capitalizing on these opportunities can be easier said than done.

In August/September of 2023, Dell Technologies surveyed 500 IT decision makers with GenAI implementation responsibilities across the US, UK, Germany and France. The focus of this research was to better understand:

- Organizations' readiness to embrace GenAI
- Where their organizations are on this journey
- What factors are critical to realize GenAI's potential

We have organized these findings into three key insights:

1. The opportunity of GenAI
2. The speed paradox
3. Bring AI to your data

**Generative AI definition provided to respondents: Generally, traditional AI, is focused on detecting patterns, making decisions, honing analytics, classifying data and detecting fraud. Generative AI (GenAI), as a subcategory of AI, can be defined as producing new content, chat responses, designs, synthetic data and new imagery.*



Key Insights

The Opportunity of GenAI

Innovative companies are poised to capture the exciting opportunity of GenAI.

Consideration: *Where do organizations start and how do they generate value?*

The Speed Paradox Go fast but do it right

Most IT leaders surveyed expect meaningful results within the next 12 months. However, hesitancy exists.

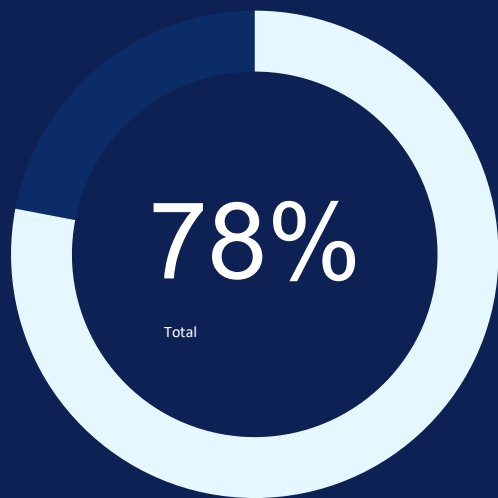
Consideration: *While organizations are tasked with moving fast to uncover immediate outcomes, how do they ensure long-term success?*

Bring AI to your Data

Learn from IT leaders who are already on their GenAI journey and are on track to deliver meaningful results.

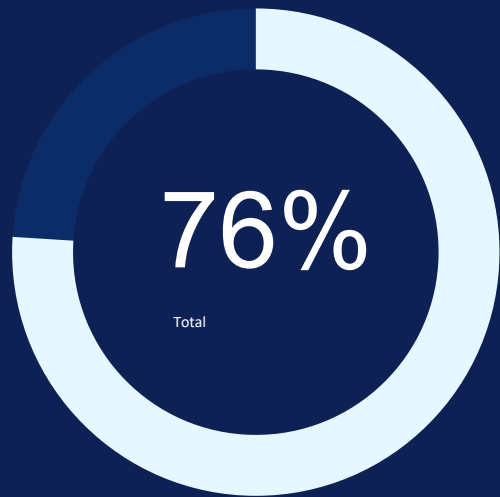
Consideration: *What are the right GenAI models?*

The Opportunity of Generative AI



of ITDMs are **largely excited** for the potential GenAI can have on their organizations.

Expectations of GenAI impact are high

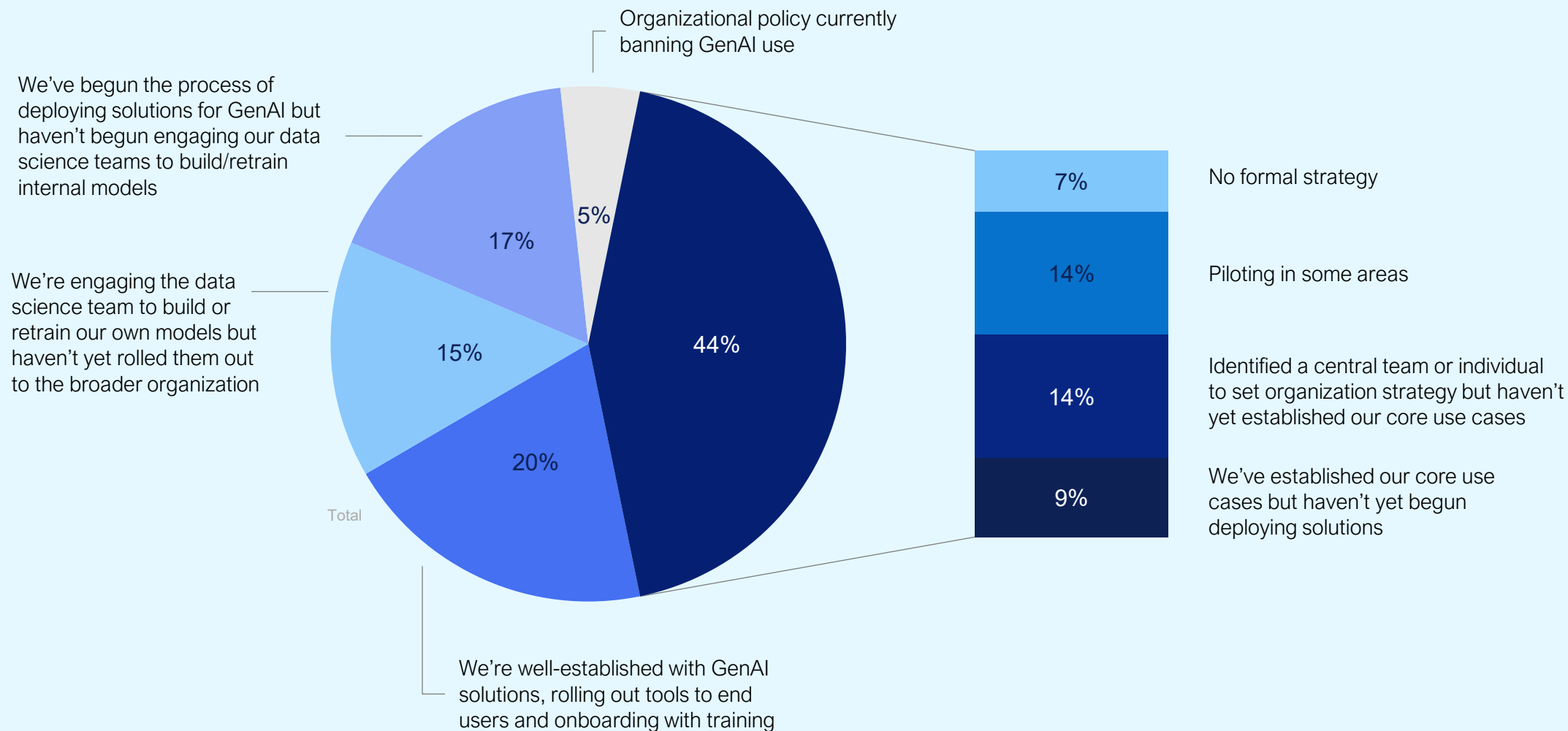


ITDMs think GenAI impact will be **significant if not transformative** for their organizations

Top 3 impact areas

- 1 Providing productivity gains
- 2 Streamlining processes
- 3 Achieving cost savings

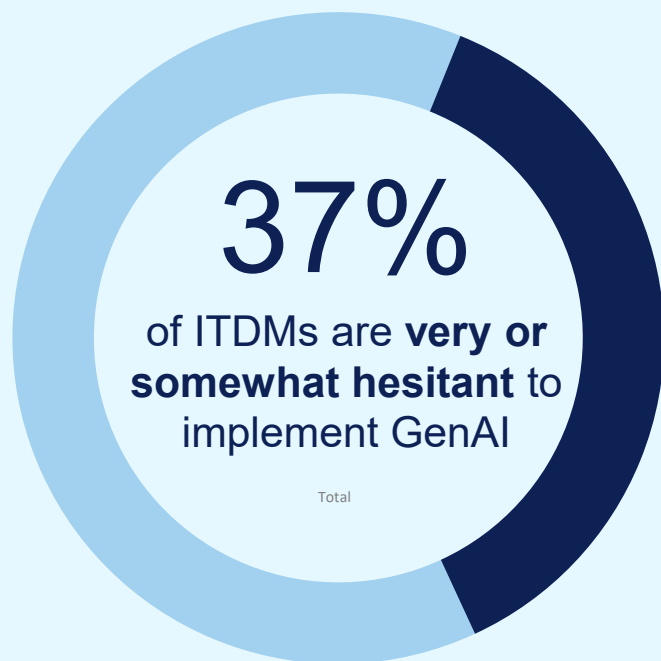
44% of organizations at early to mid-stage in GenAI journey



The Speed Paradox

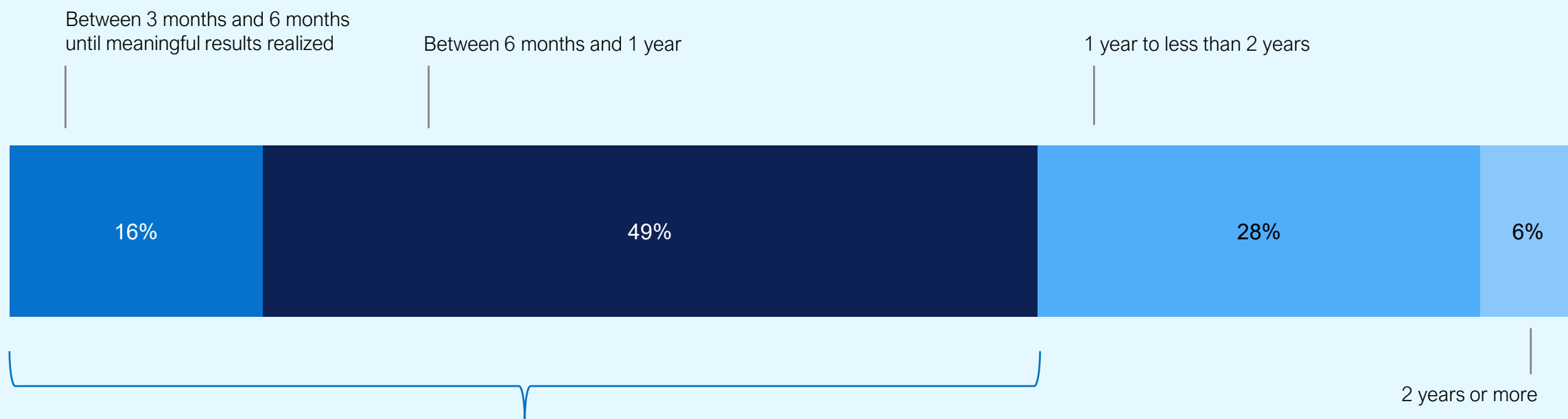
Go fast but do it right

Despite the excitement, some ITDMs report organizational hesitancy when it comes to GenAI adoption



- 1 Security concerns: Data and intellectual property risks are too high.
- 2 Technical complexity
- 3 Data governance – concerns about regulation or compliance
- 4 Cost of implementation
- 5 Concerns around ethical or responsible implementation

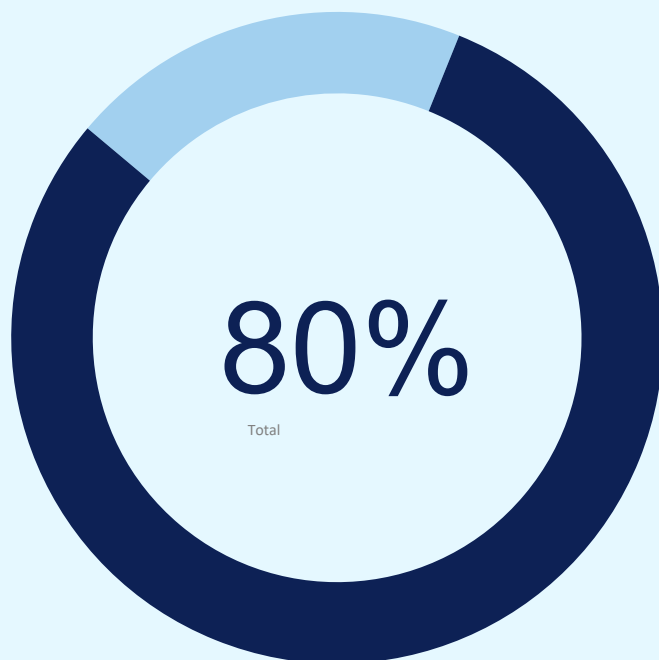
Those who have moved beyond pilot stage expect value from their GenAI projects within a year



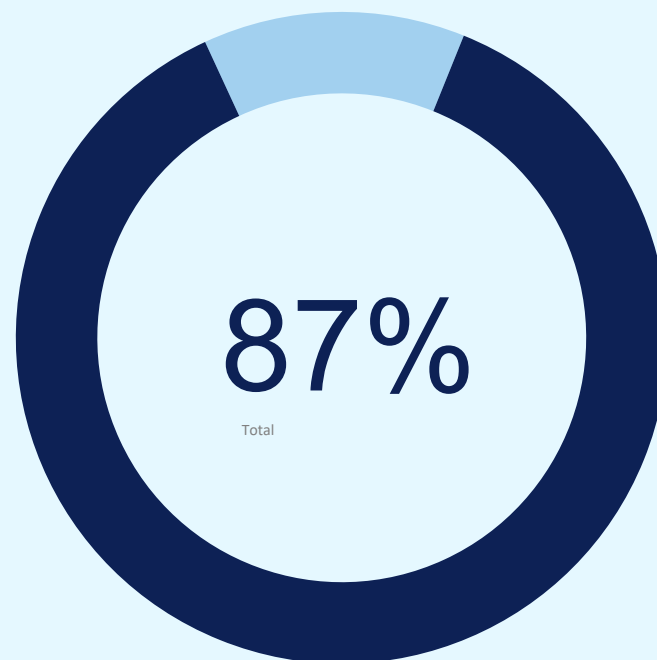
65% of IT Leaders that have moved beyond pilot stages expect near-immediate value (within 12 months)

Bring GenAI to Your Data

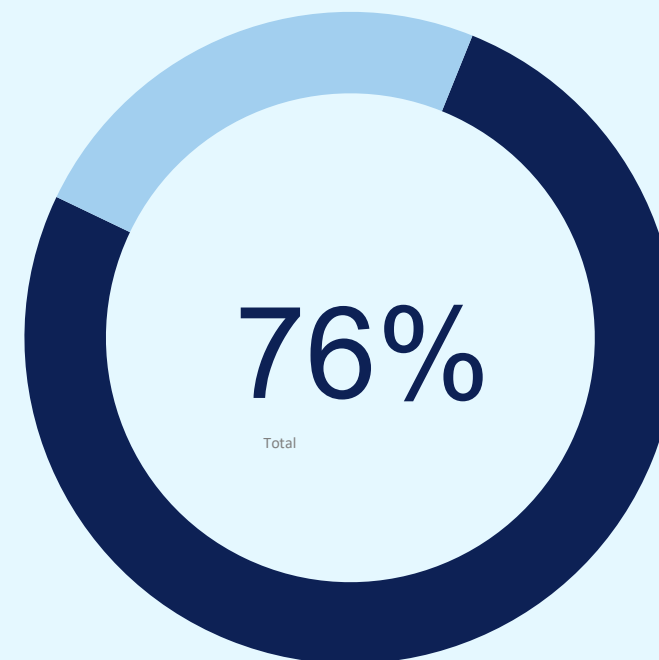
Success indicators for GenAI



of ITDMs who have moved beyond a pilot stage use **centralized decision-making and/or a COE**

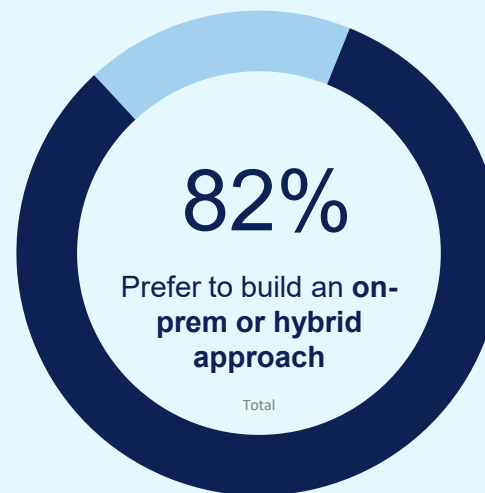
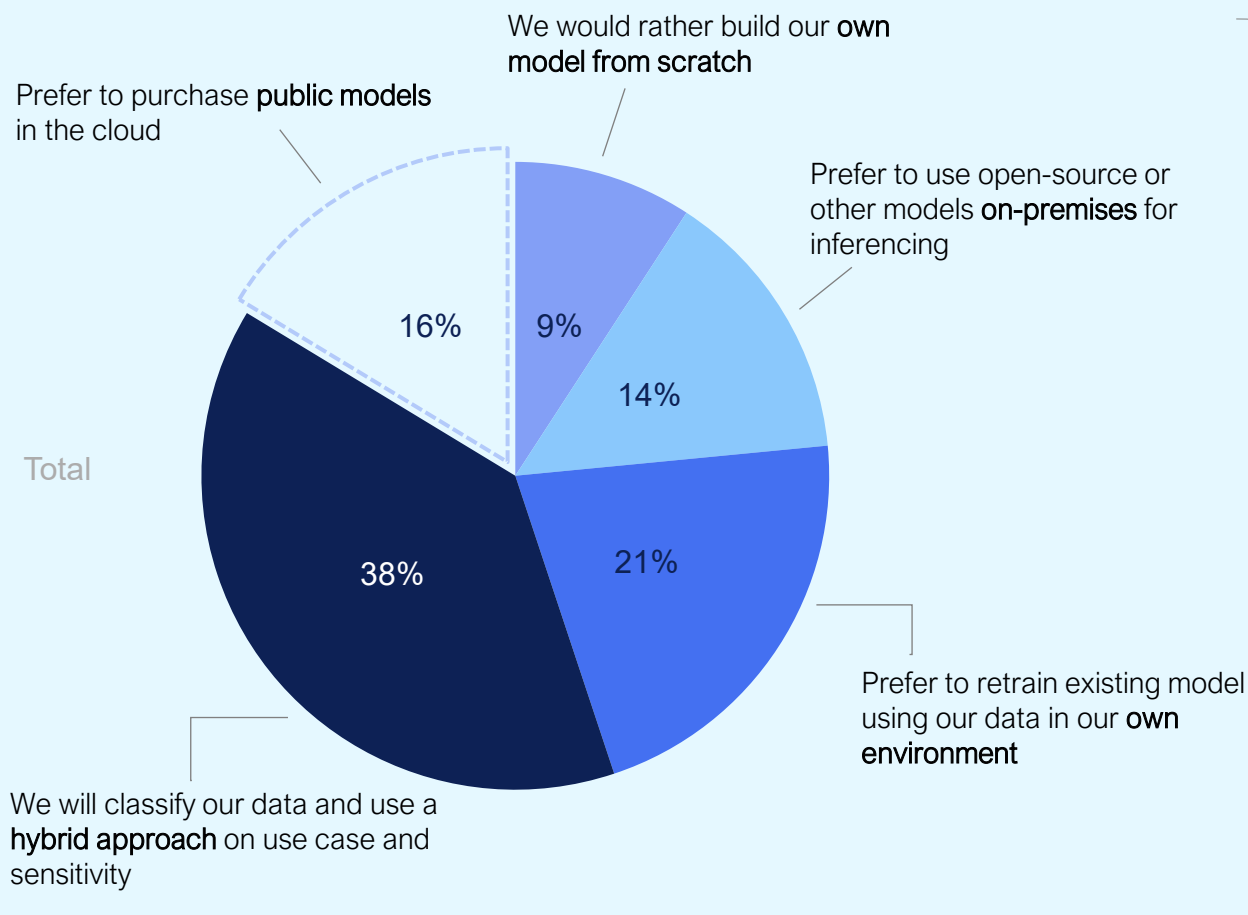


of ITDMs who have moved beyond a pilot believe GenAI is **on track to deliver meaningful results**



of ITDMs are **increasing their budgets** to pursue AI

How organizations are approaching GenAI



Top 3 factors impacting buying and decision-making:

1. Security and the ability to protect data's value
2. More control over models/better results
3. Cost



Generative AI is the decade's most promising accelerator for innovation.

To harness the potential of GenAI, IT leaders must consider its opportunities within their organization, the right models to address their data, use case needs and how to position themselves for long-term success.

Wherever you are in your AI journey, Dell Technologies is here to help you move from AI-possible to AI-proven. With the world's broadest GenAI solutions portfolio from desktop to data center to cloud all in one place, Dell is uniquely positioned to be the partner you need for what's next.

Learn more at www.dell.com/GenAI



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Dell Technologies helps organizations and individuals build their digital future and transform how they work, live and play. The company provides customers with the industry's broadest and most innovative technology and services portfolio for the data era. www.dell.com

ABOUT MORNING CONSULT

Morning Consult is a global decision intelligence company delivering insights and custom market research on what people think in real-time. www.morningconsult.com

Appendix

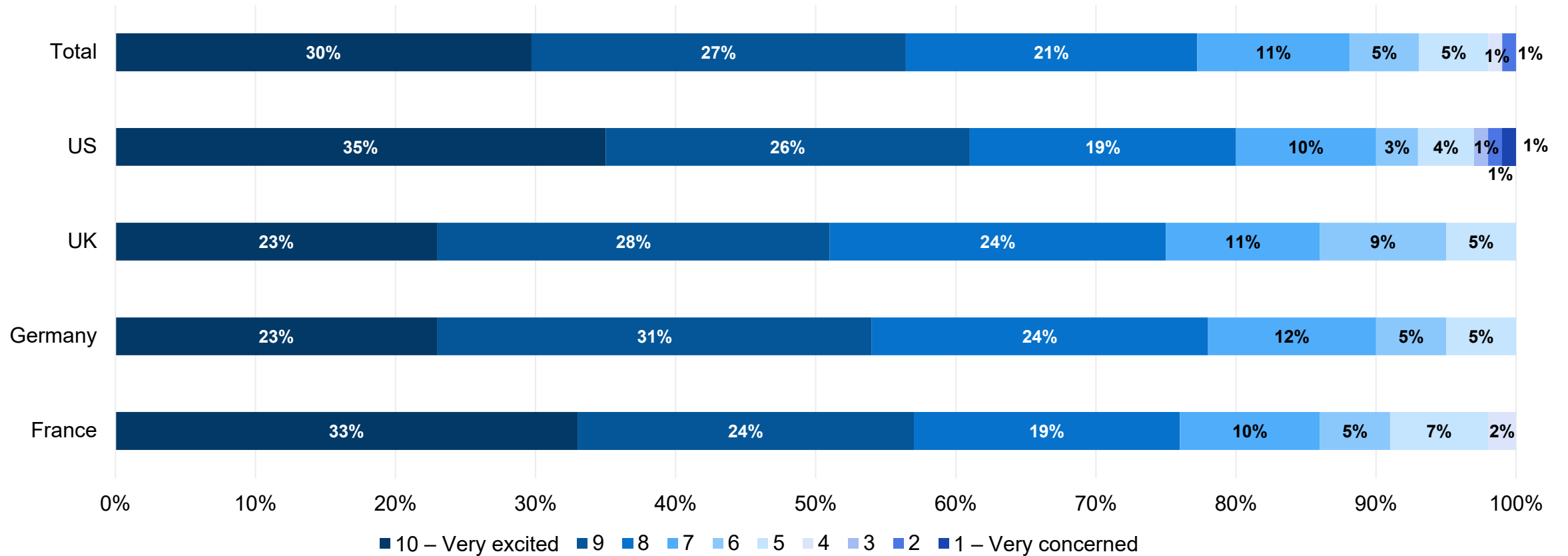


Local data cuts

The Opportunity of Generative AI

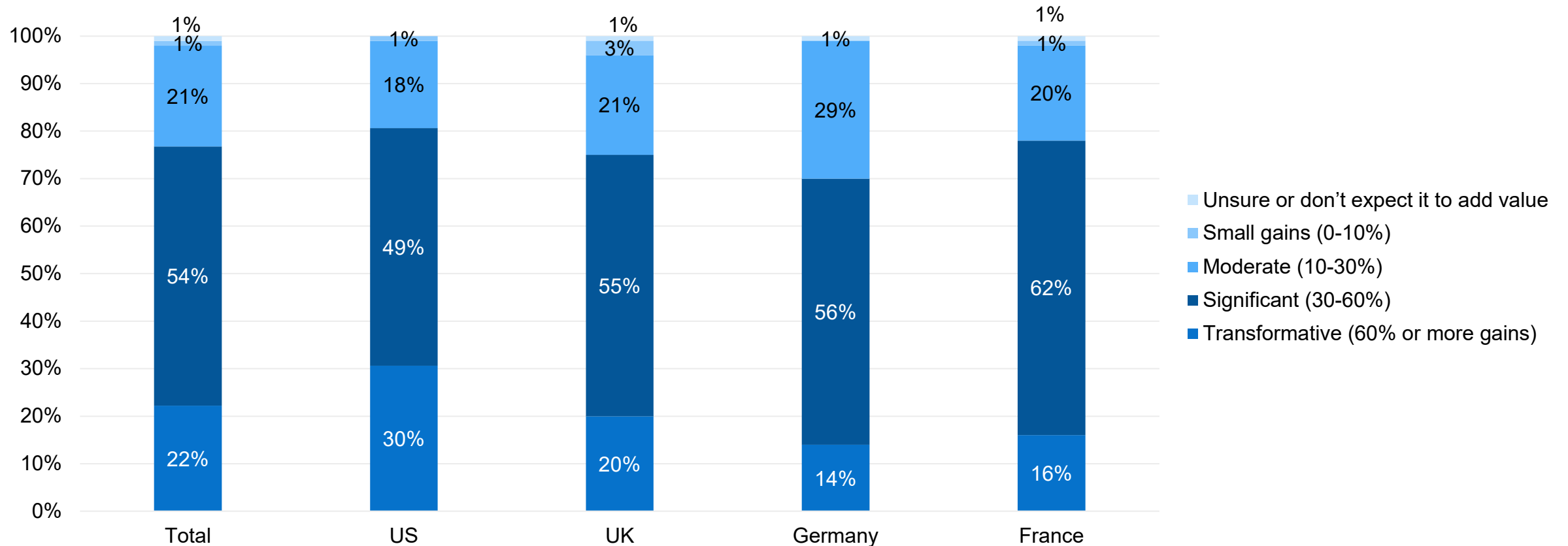
ITDMs are largely excited for the potential GenAI can have on their organizations

What are your personal feelings about the potential GenAI can have on your organization? Please use the scale below to indicate.



ITDMs think GenAI impact will be significant if not transformative for their organizations

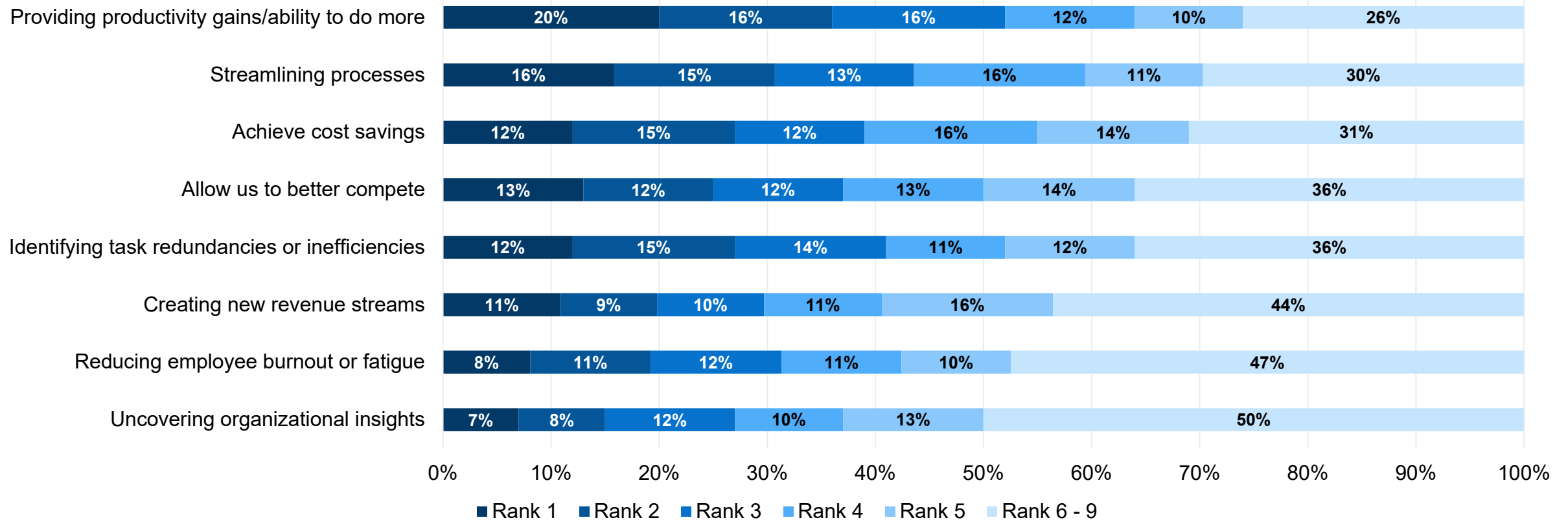
How much potential do you think GenAI has to deliver value for your organization? GenAI will be...



Productivity gains, streamlining processes, and cost savings are seen as GenAI's core areas for delivering value

In what ways do you think GenAI has the most potential to deliver value for your organization? Please rank by the most to least potential.

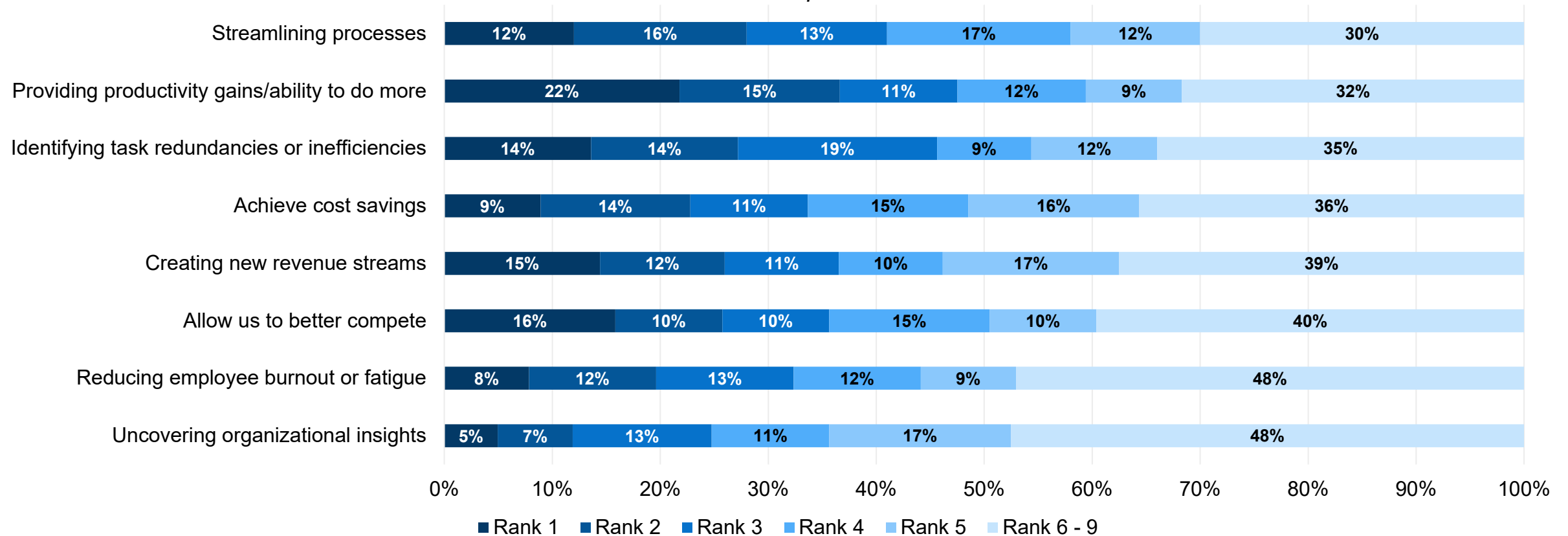
Asked of respondents who see GenAI bringing at least 'Small Gains' to organization



Productivity and streamlining seen as GenAI's top potential value

US results

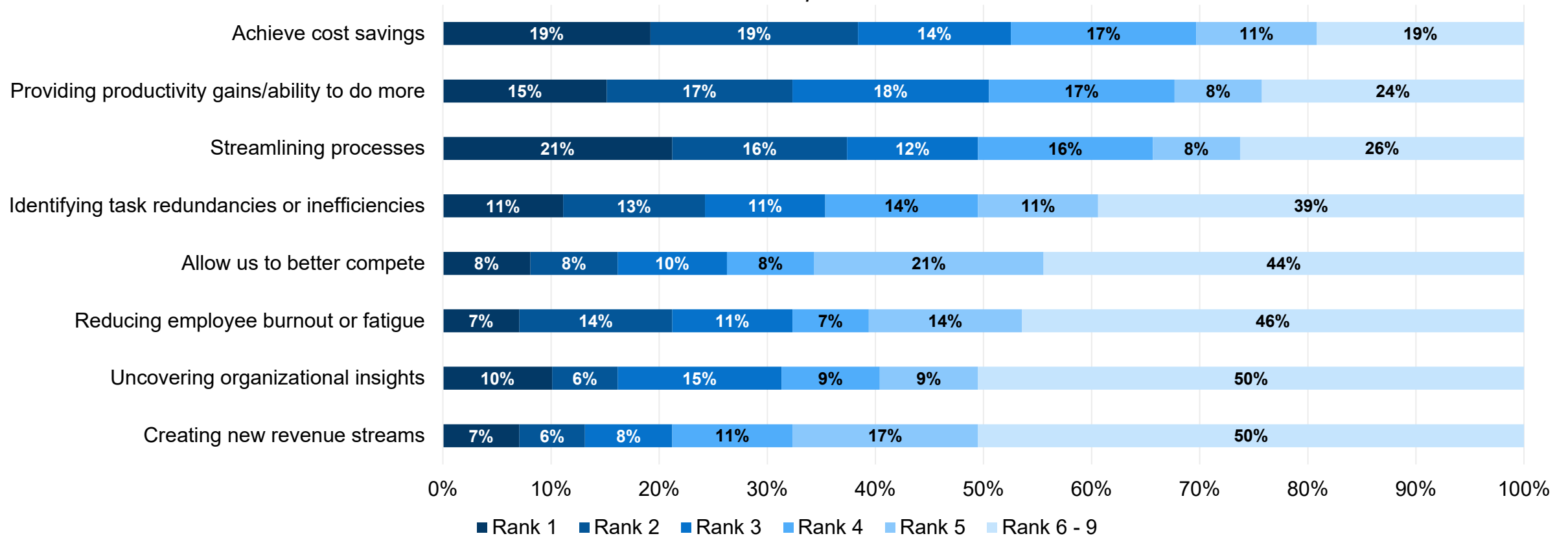
In what ways do you think GenAI has the most potential to deliver value for your organization? Please rank by the most to least potential.



Cost savings a more important value for UK organizations

UK results

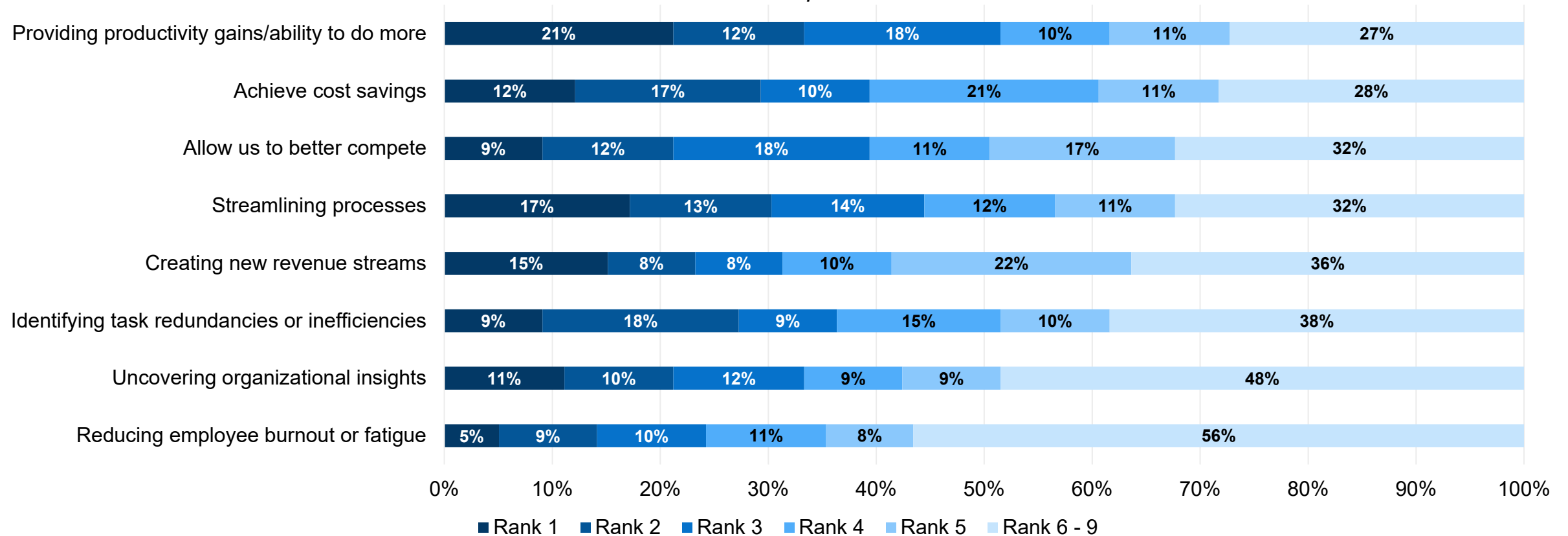
In what ways do you think GenAI has the most potential to deliver value for your organization? Please rank by the most to least potential.



Cost savings and competition ranked highly in Germany

Germany results

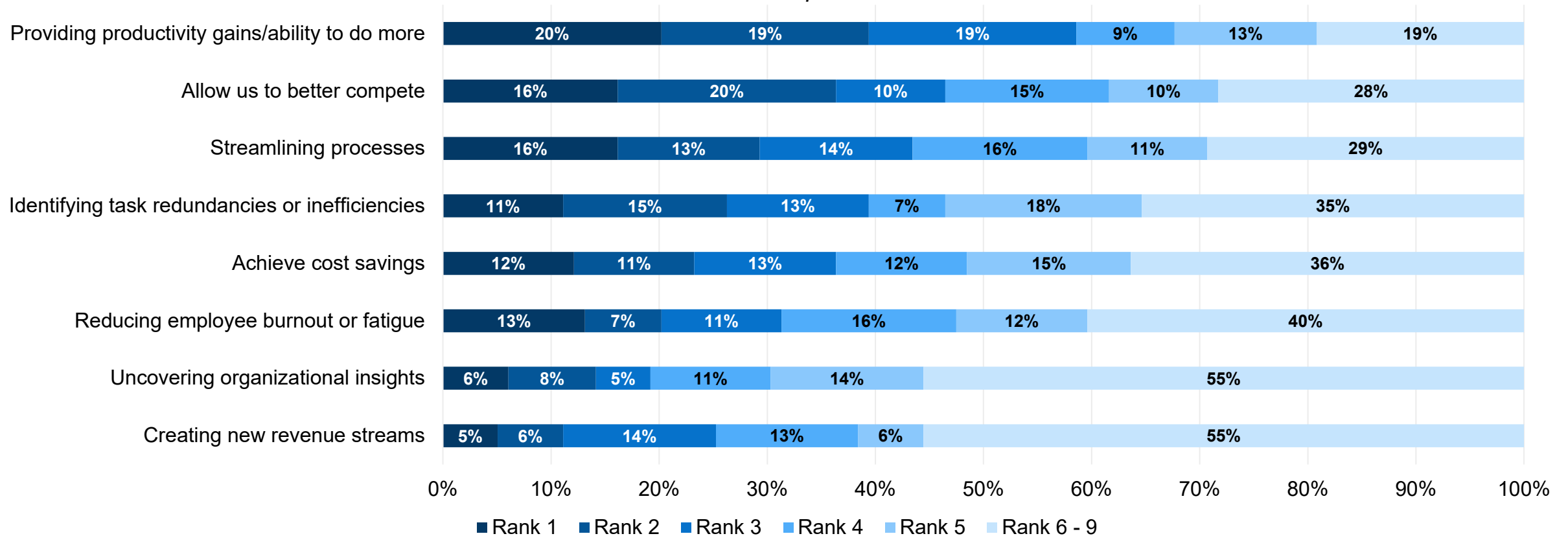
In what ways do you think GenAI has the most potential to deliver value for your organization? Please rank by the most to least potential.



GenAI's competitive edge stood out in France

France results

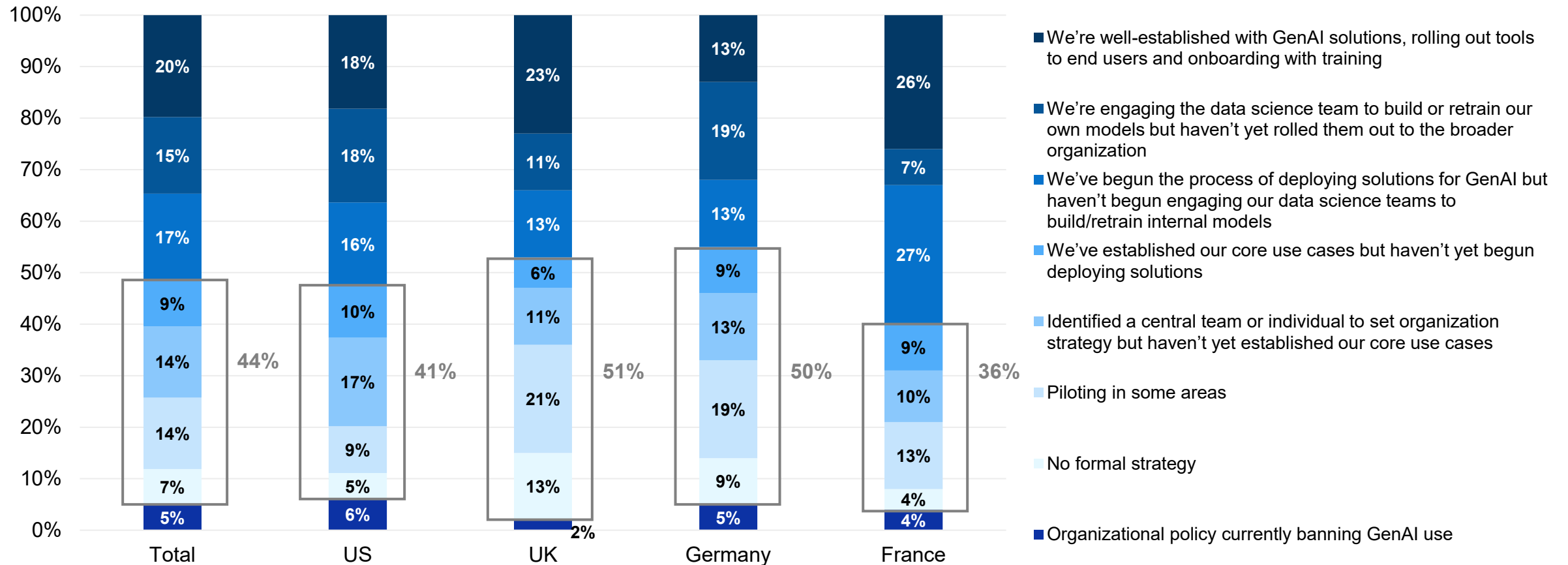
In what ways do you think GenAI has the most potential to deliver value for your organization? Please rank by the most to least potential.



44% of organizations at early to mid-stage in GenAI journey

Very few organizations have banned GenAI usage

Which of the following best approximates where your organization is at in its GenAI journey?

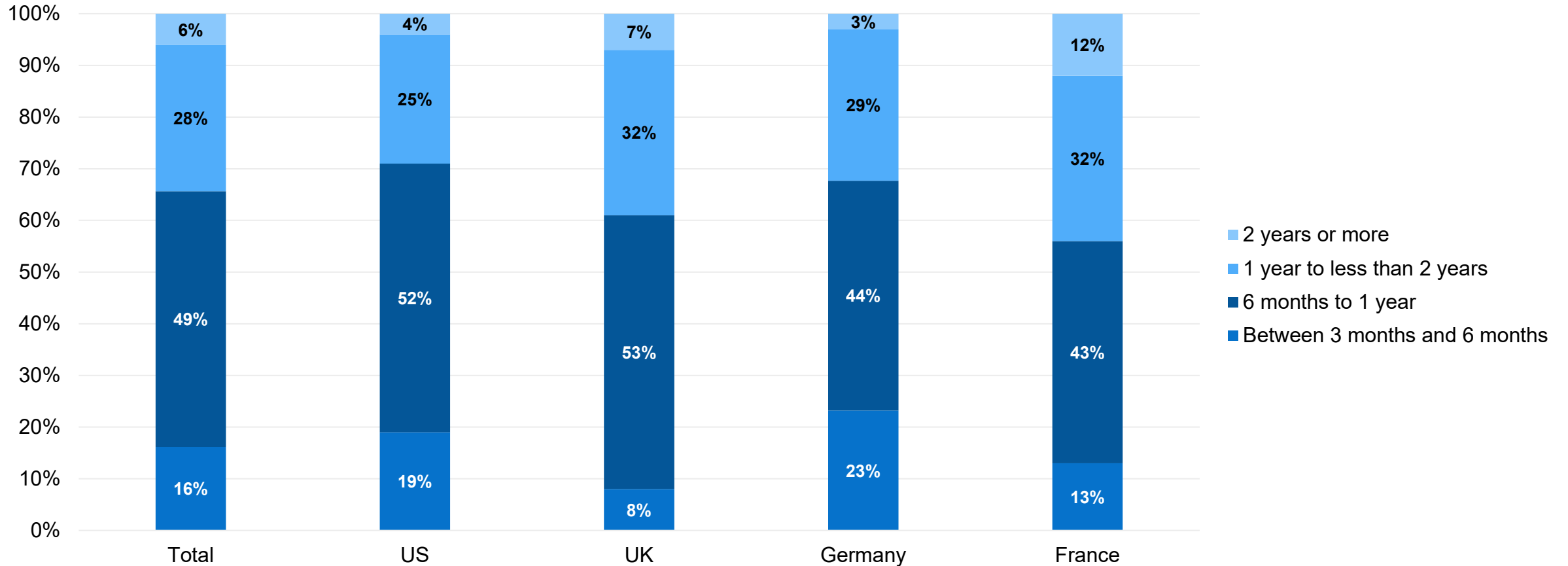


The speed paradox

Go fast but do it right

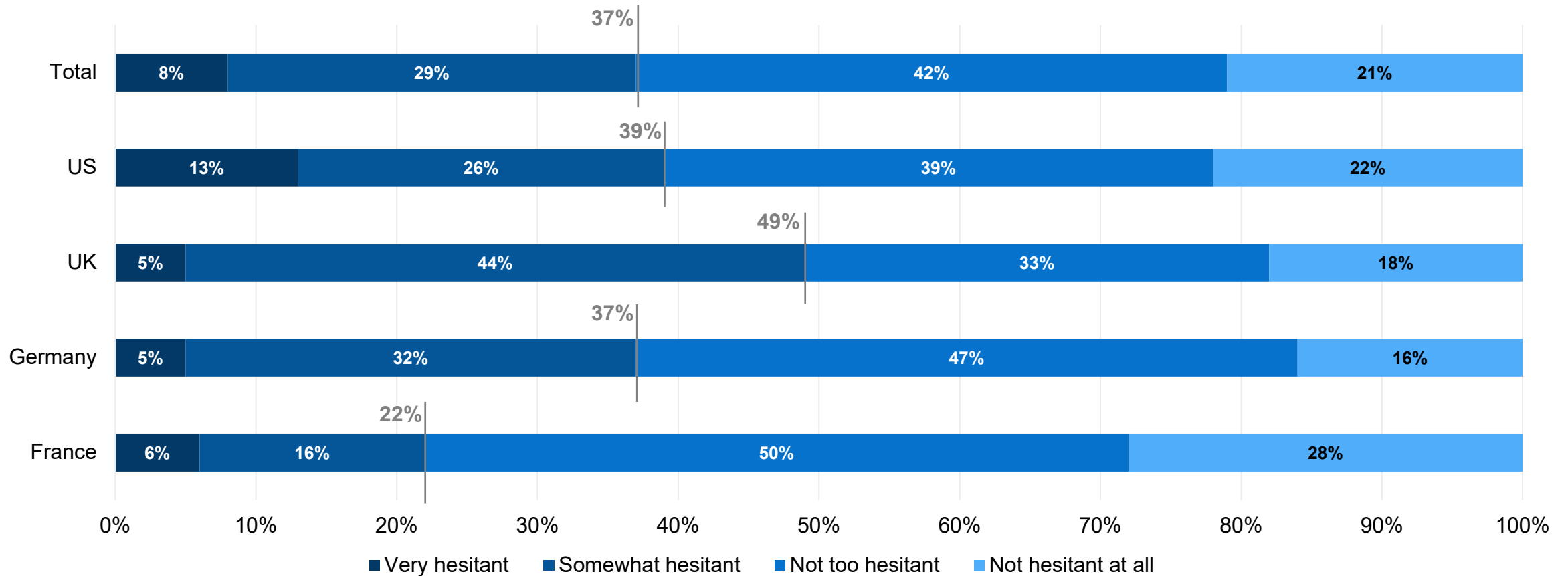
For those who have moved beyond pilot stages, there are expectations for near-immediate value

What is the closest approximate time horizon where GenAI must be providing meaningful results by?



Yet ITDMs report some organizational hesitancy when it comes to GenAI adoption

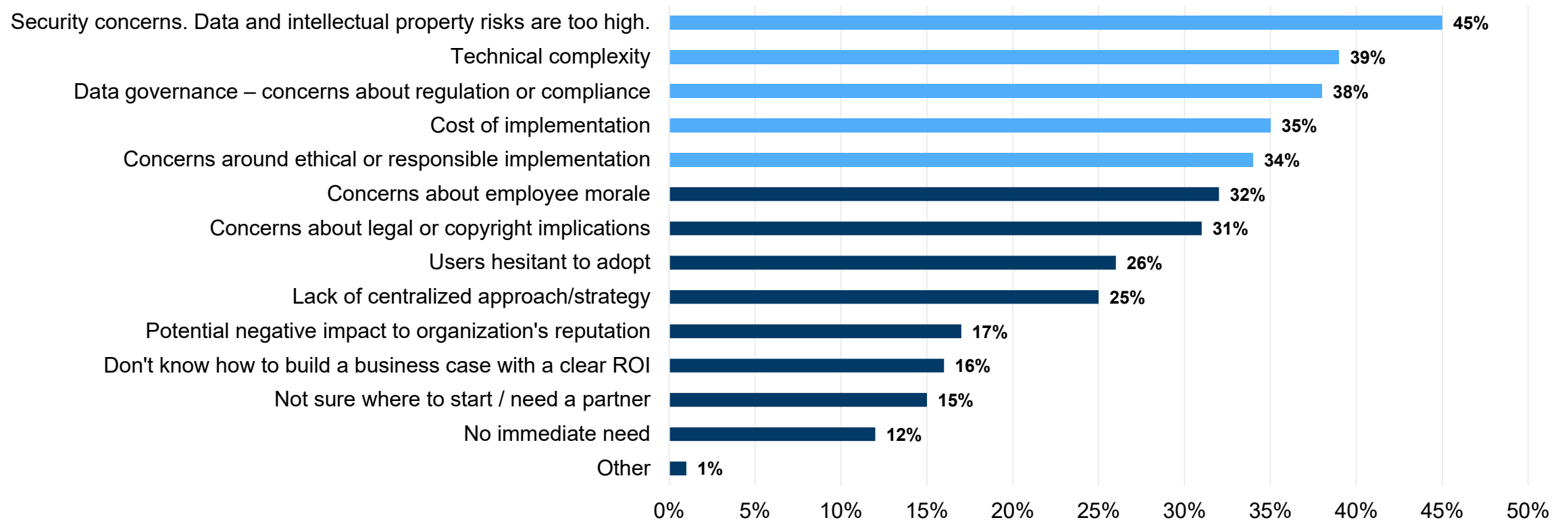
How hesitant would you say your organization is as it discusses or approaches the adoption of GenAI?



Security concerns, complexity and data governance are core drivers for that hesitation

Total results

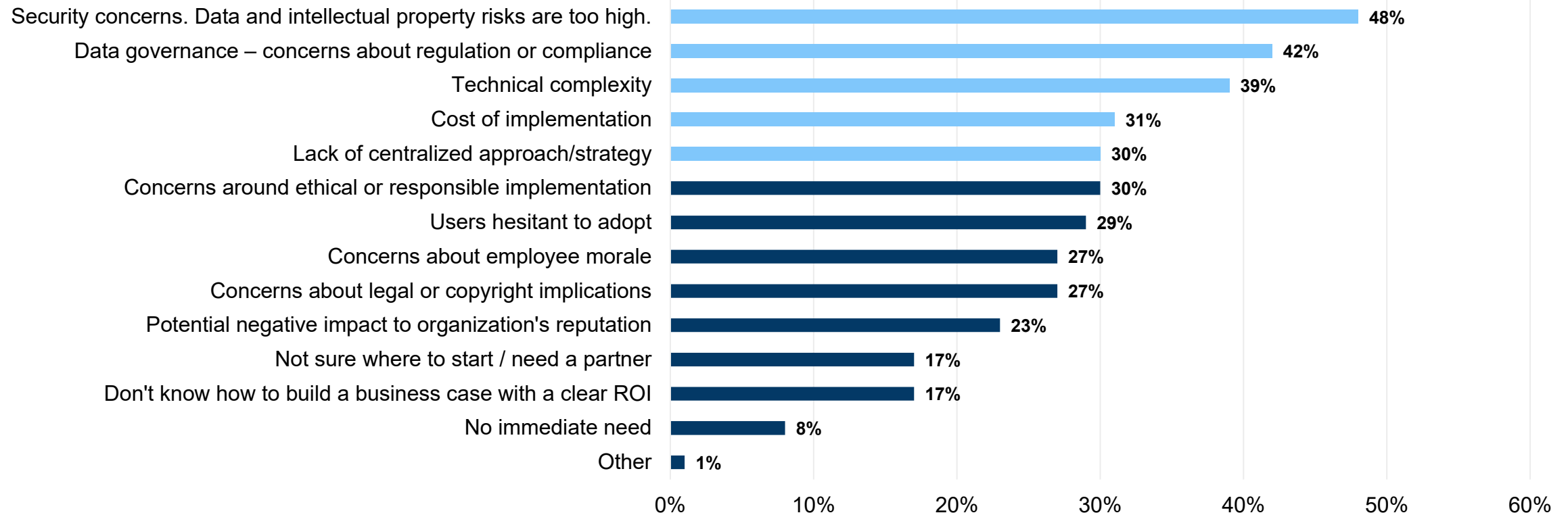
You previously indicated your organization is hesitant about GenAI or does not expect it to add value. To what extent do the following align to those reasons? Please select all that apply.



Security, data governance and complexity drive hesitation in the US

US results

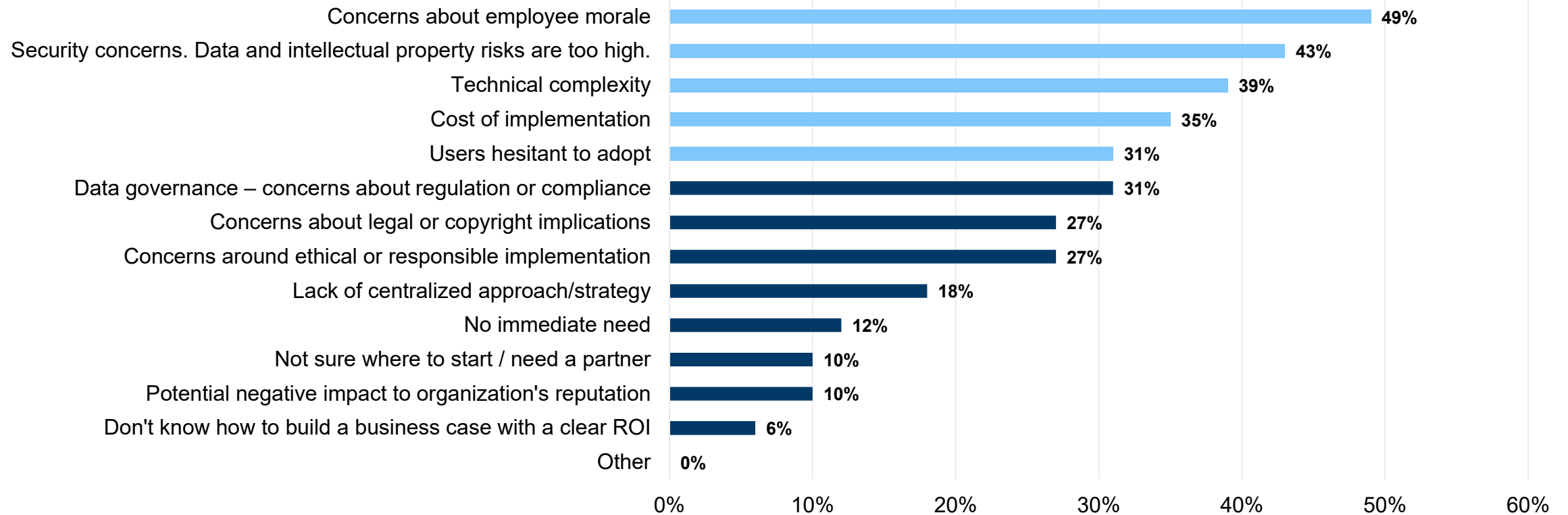
You previously indicated your organization is hesitant about GenAI or does not expect it to add value. To what extent do the following align to those reasons? Please select all that apply.



In UK, impact to employee morale the top reason for hesitation

UK results, **should be considered directional**

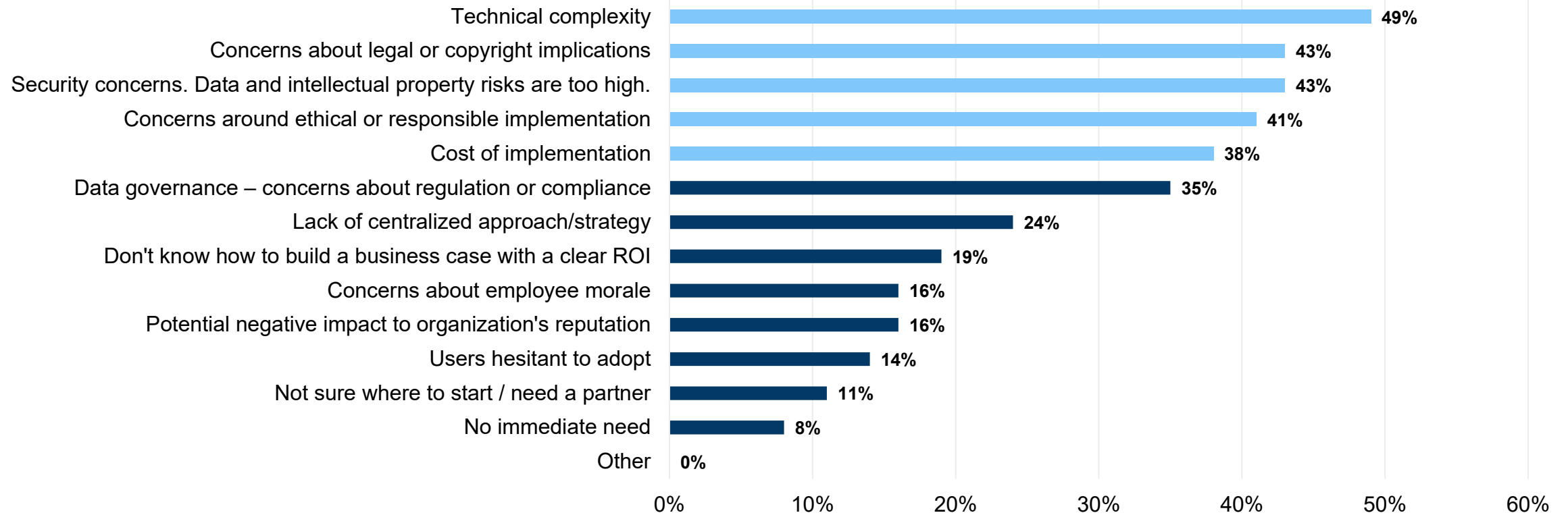
You previously indicated your organization is hesitant about GenAI or does not expect it to add value. To what extent do the following align to those reasons? Please select all that apply.



In DE, complexity, among other concerns, raise organizational hesitation

Germany results, **should be considered directional**

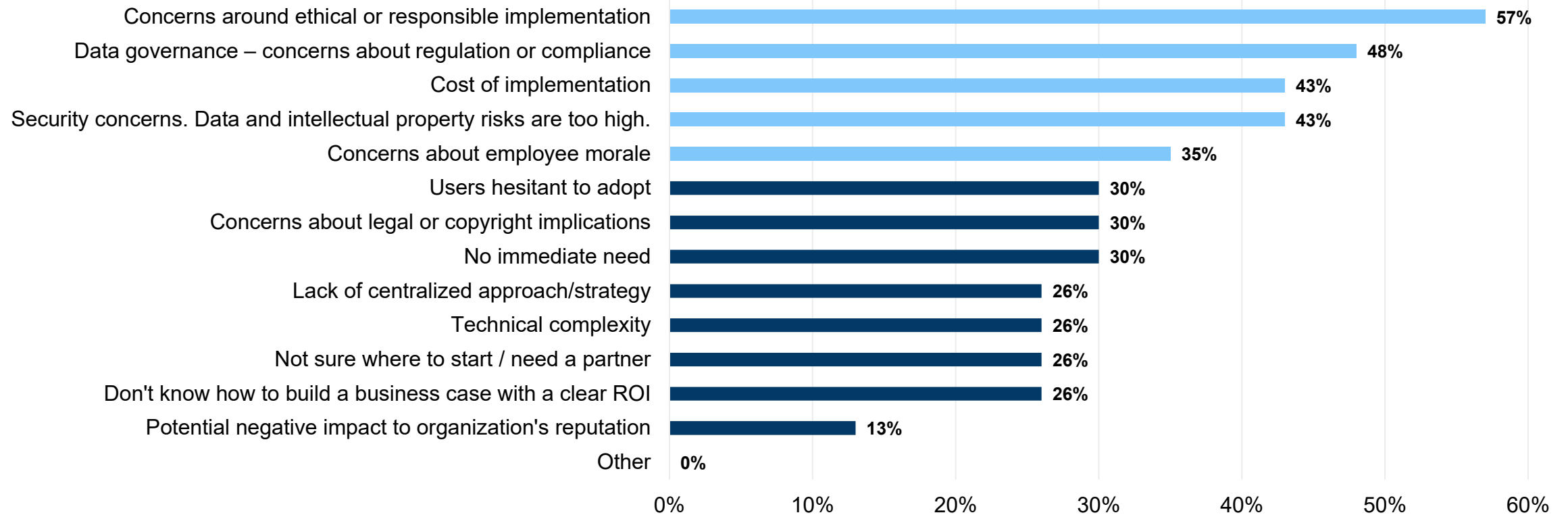
You previously indicated your organization is hesitant about GenAI or does not expect it to add value. To what extent do the following align to those reasons? Please select all that apply.



Ethical concerns top of mind in France

France results, **should be considered directional**

You previously indicated your organization is hesitant about GenAI or does not expect it to add value. To what extent do the following align to those reasons? Please select all that apply.

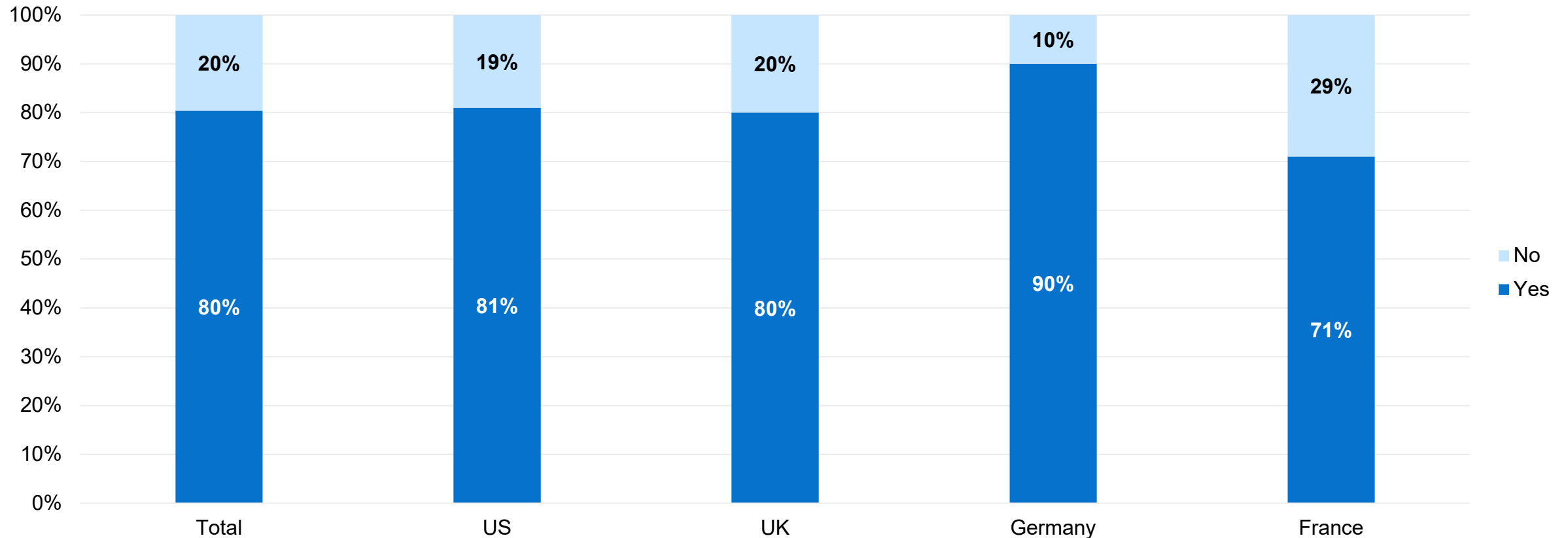


Bring GenAI to Your Data

Of those who have moved beyond piloting, centralized decision-making and COEs are already widespread

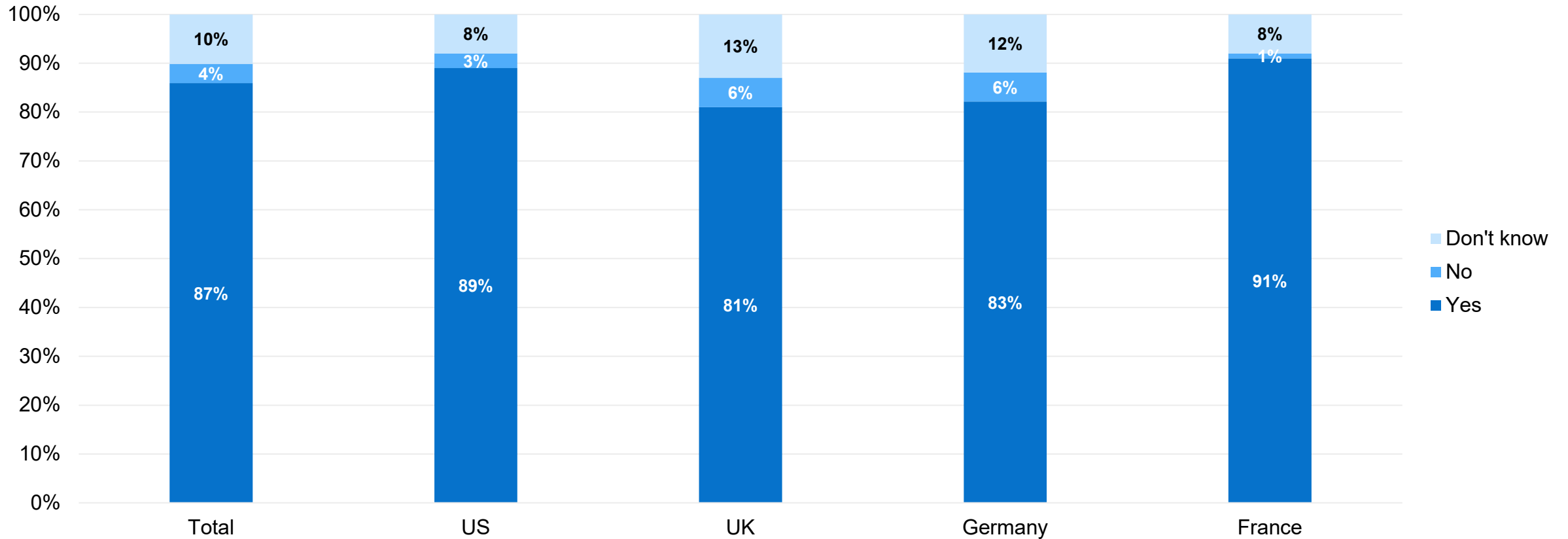
Has your organization centralized decision-making and / or created a center of excellence (COE) for GenAI?

Asked of respondents whose organization has moved beyond piloting



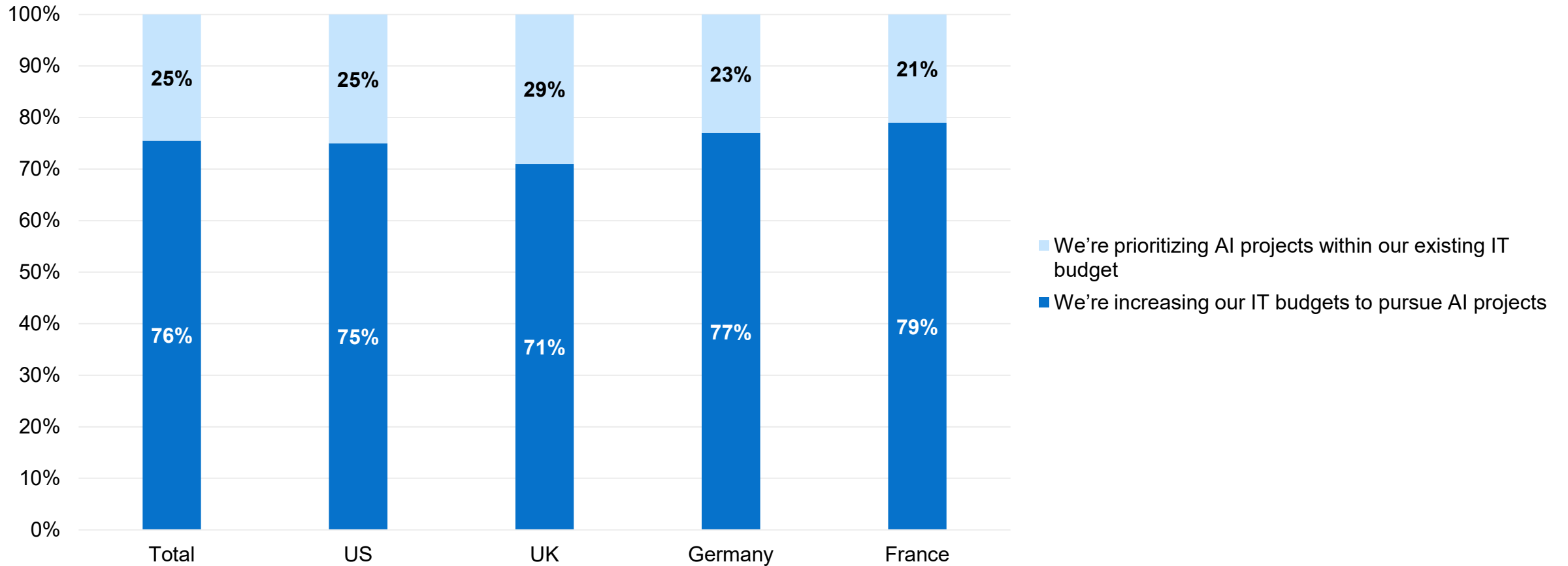
And they report GenAI is on track for impact

Based on your journey, do you think GenAI is on-track to delivering meaningful results for your organization?
Asked of respondents whose organization has moved beyond piloting



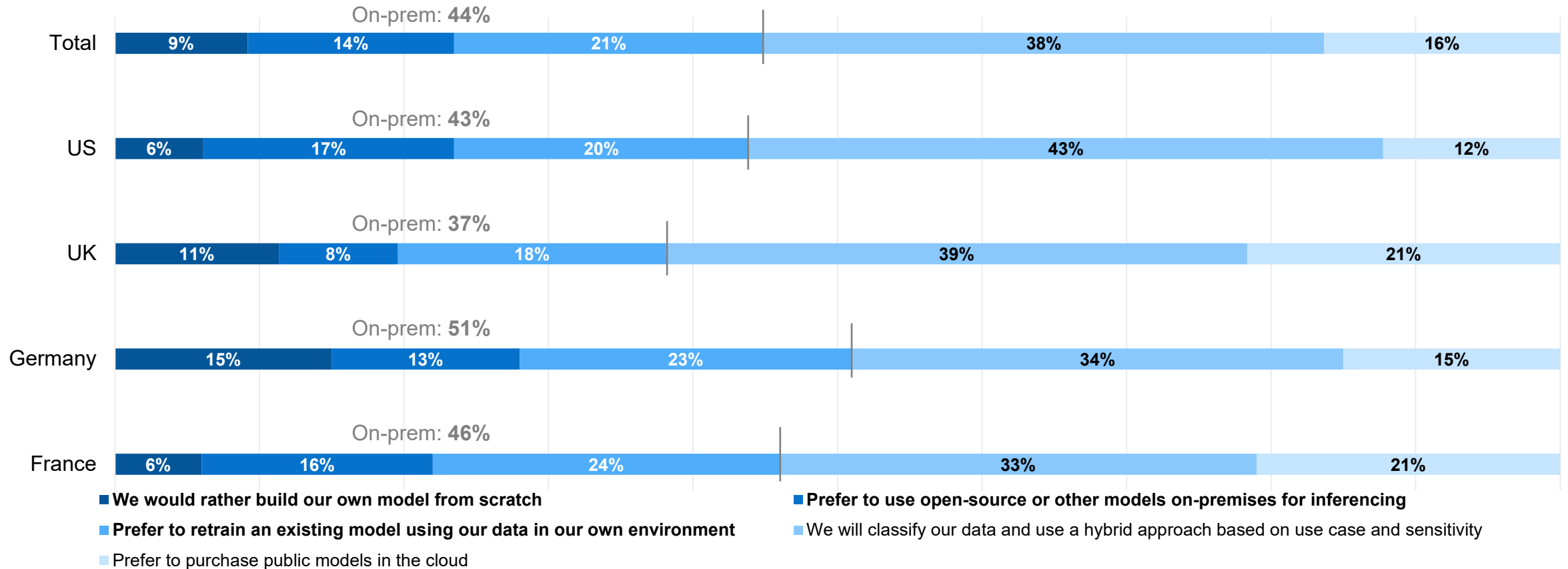
3/4ths of organizations are increasing budgets to pursue AI

How will your AI investments impact your overall IT spend over the next quarter/year?



ITDMs are largely approaching GenAI with hybrid or on-prem options in mind

When thinking about buying for GenAI, which of the following do you prefer?

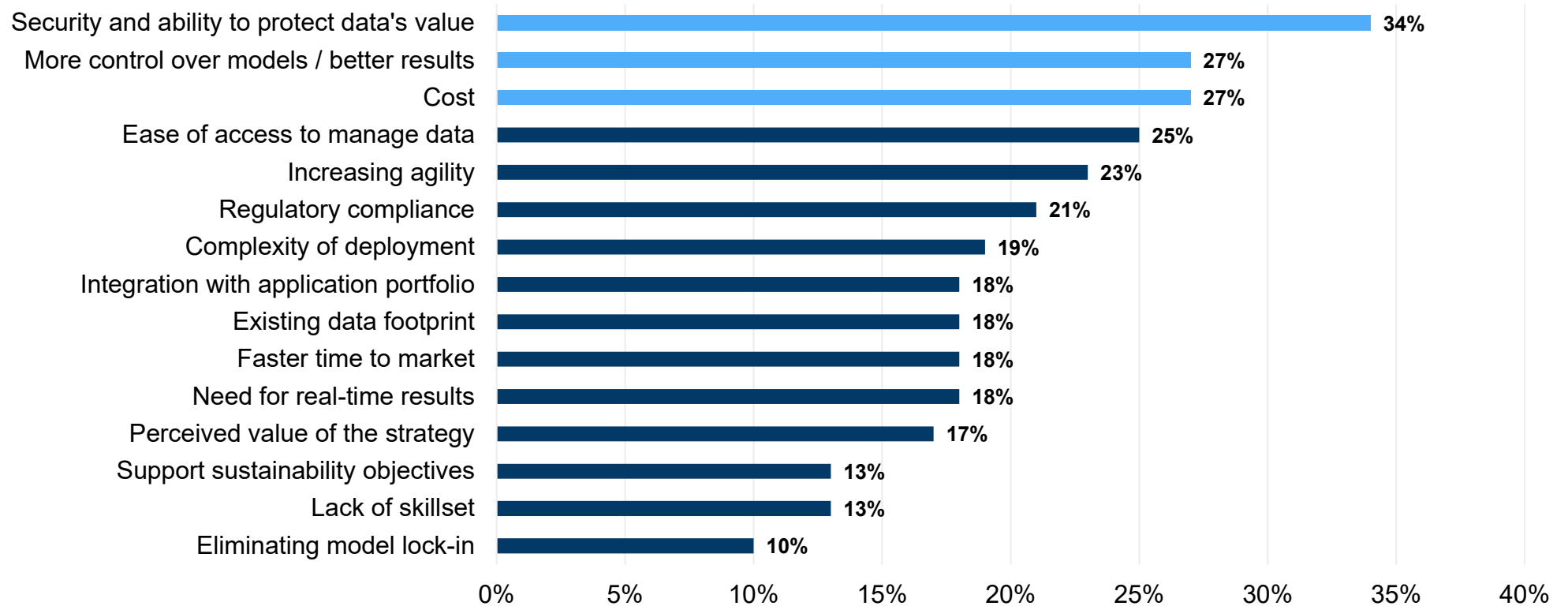


Sample size: Total=500; US=200; UK=100; Germany=100; France=100; does not include marginal datasets of respondents who selected "don't know"

With security, cost and control leading factors for their strategic approach to GenAI

Total results

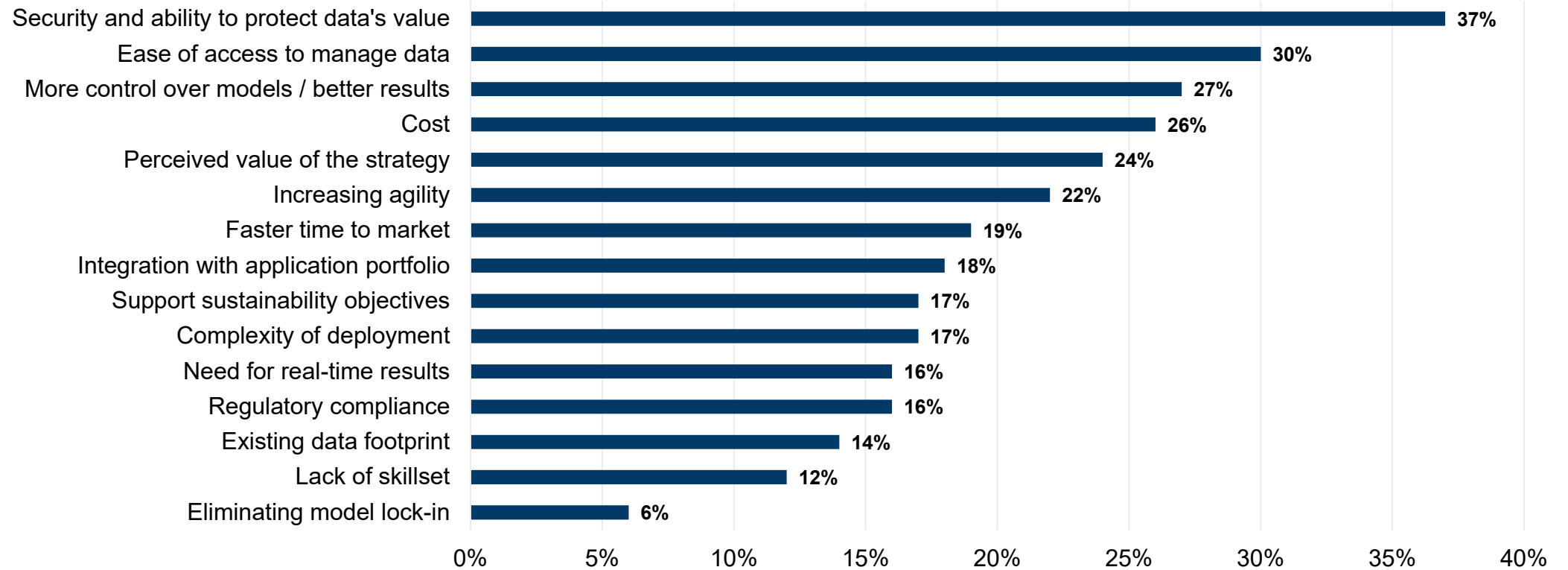
What factors led you to determine the strategy you decided on? Please select the top 3 reasons.



Security and ease of access top reasons for hybrid appeal

US data

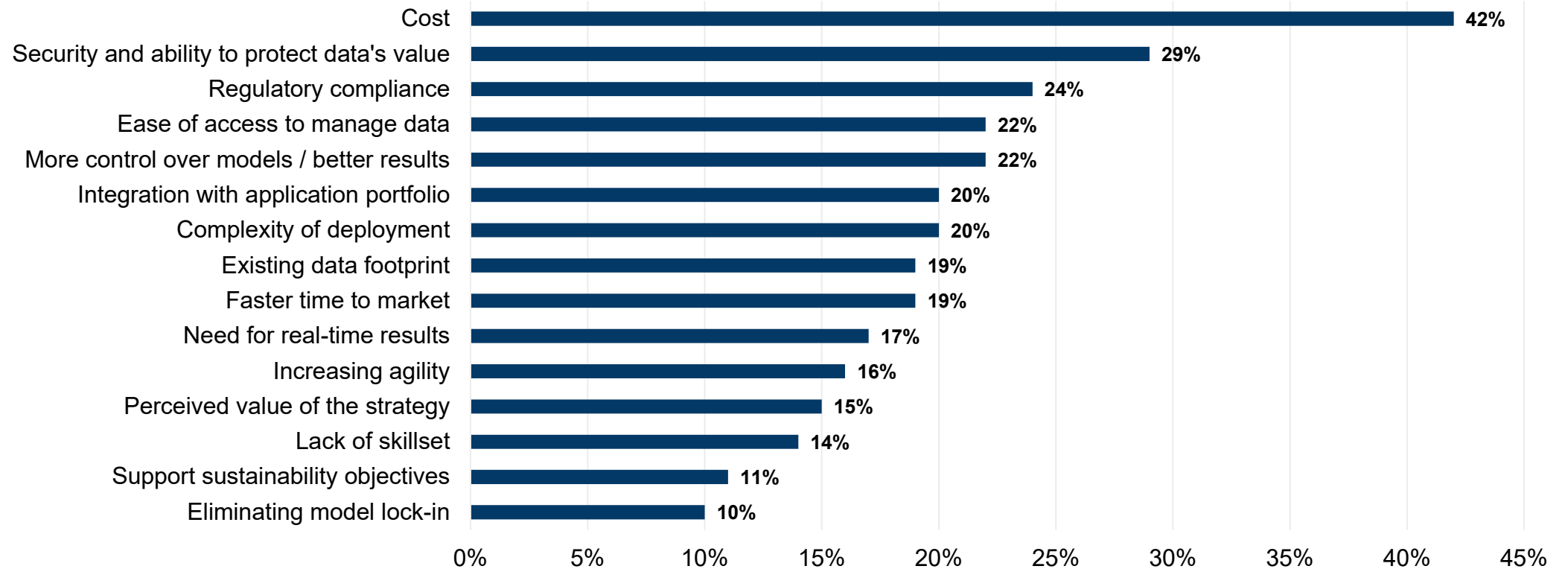
What factors led you to determine the strategy you decided in the previous question? Please select the top 3 reasons.



Cost and security the dominant reasons for hybrid in UK

UK data

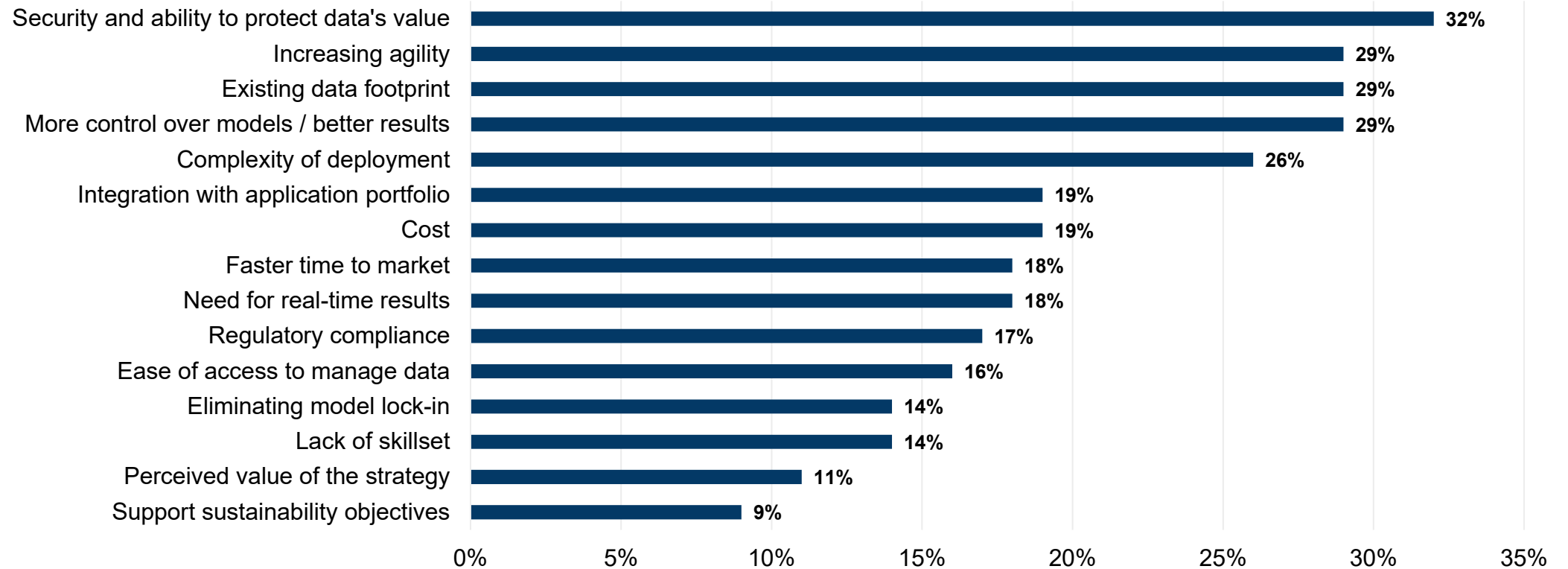
What factors led you to determine the strategy you decided in the previous question? Please select the top 3 reasons.



Control, agility and other issues top of mind for hybrid benefits

Germany data

What factors led you to determine the strategy you decided in the previous question? Please select the top 3 reasons.



Security tops reason for choosing hybrid approach

France data

What factors led you to determine the strategy you decided in the previous question? Please select the top 3 reasons.

