Qlik

Generative AI Benchmark Report

2023

Summary

About the report

The explosive rise of generative artificial intelligence (GenAI) has prompted incredible excitement about its transformative potential – but at this early stage, most organizations are just beginning to understand how to best leverage it. There is also a lot of noise on this from the tech world, with vendors touting it as the next big, best thing. Many organizations feel like they're in a lose-lose situation: jump in, chase the hype, and risk going down the wrong path; or do nothing and be left behind.

In August 2023, we commissioned a survey with ETR to better understand the impact of GenAI on organizations and their data management strategies and initiatives. We received 200 responses from C-levels, VPs, directors, and senior architects and engineers from Global 2000 firms spanning multiple industries.

Here's what we found. →

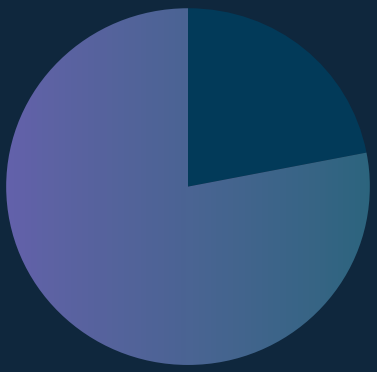
Summary

Respondents Profile

200

Respondents

Directors and above from global 2000 firms

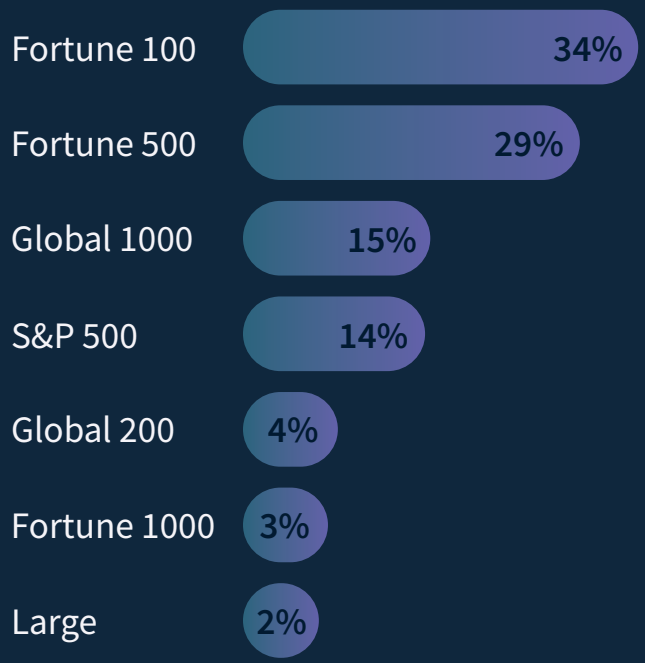


Roles

- 157 VP, Sr Director, Sr Architect, Sr Engineer
- 43 CxO – CIO, CTO, CISO, CMO, CDO and CPO

83% North America | **9% EMEA** | **9% APAC**

Enterprise Size



Industry

- Financials/Insurance
- IT/Telecommunications
- Industrials/Materials/Manufacturing
- Healthcare/Pharma
- Services/Consulting
- Other
- Retail/Consumer
- Energy/Utilities
- Education

Benchmark Report

Generative vs Traditional AI

Despite GenAI's exploding popularity, traditional AI remains an important value driver for organizations. However, GenAI has important characteristics that make it better for certain use cases, and it will therefore play an important role for virtually every organization in the future.

Traditional AI remains valuable, especially for predictive use cases.

"We still have many uses for traditional AI in making all kinds of predictions on data."

"[Traditional] AI is more around predictive analytics."

"The two are working together to expand the current AI capabilities in fraud prevention and mitigation."

GenAI is better for certain use cases related to creativity and innovation

"Unlike traditional AI, GenAI allows creation of new content that till now required creative human effort."

"…specific use cases that do not lend themselves so seamlessly to traditional AI or ML."

"More proactive and less reactive … generative AI to CREATE rather than REPORT."

GenAI will allow us to move faster, with bigger productivity gains.

"Similar uses to traditional AI, but hoping speed of deployment is faster"

"I see much more productivity gains much faster through GenAI."

"Generative AI can accelerate research and development in the chemical industry and enhance the efficiency of the supply chain."

GenAI provides new ways of problem solving and better insights.

"Limited benefits of traditional AI focused mainly on data for analysis, not much better than traditional analytics. There is expectations that GenAI can produce more beneficial and new insights."

"Offers a novel approach to problem-solving compared to traditional AI methodologies."

GenAI can be used by anyone, not just data scientist/engineers.

"While traditional AI was primarily used by data scientists and engineering personnel, our expectation is that business users will derive significant benefit from generative AI."

GenAI provides access to larger data sets to run our models.

"While Traditional AI is good in analysis and making predictions, we have use cases where we don't have enough data to run our models. This is where we think generative AI will plug in the gap."

Benchmark Report

Where They Are Today

Current Investment Level

79% have purchased a GenAI tool, or invested in a GenAI project

AI Strategy

39% have a formalized AI strategy

36% have invested in Gen AI and have a formalized AI strategy

44% have invested in Gen AI but don't have a strategy

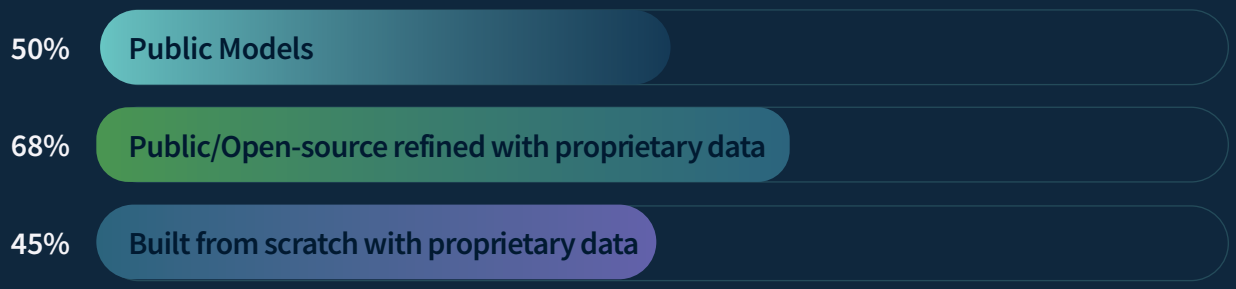
- C-Suite
- SVP/VP/Dir IT/Data Eng
- Line of Business
- Individual Contributors

Although the concept of generative AI has been explored for decades, its popularity really did not become mainstream until 2022 with the release of products like DALL-E 2 and ChatGPT.

Once these GenAI applications gained notoriety, organizations started scrambling to get on board — whether they had a plan in place or not. Barely a year later, 79% of respondents to our survey have invested in a GenAI tool or project, but a full 44% of those who have invested have no formalized AI strategy.

What They Are Planning

GenAI Model Approaches Considered



Data Training Process Considered

60%

Partially in-house partially by a third-party

4%

Fully by a third-party

37%

Fully in-house

Target Use Cases

86%
Fully by a third-party

70%
Chat-bot integration

50%
Code writing and dev.

46%
Content creation

Of the organizations who have created or are in the process of creating an AI strategy, most plan to leverage public or open-source models to some extent, with many planning to augment those models with their own proprietary data. Most organizations acknowledge that they'll need help with the data training process — nearly two thirds say they will rely either partially or fully on a third party. The most popular use case identified by our respondents is data analysis. In many ways, data analysis is a perfect example of how GenAI can be a force multiplier for organizations. With GenAI, everyone — not just technical users — will be able to get better, faster insights out of their data quickly and easily. But the insights they obtain will only be as good as the data they use.

Benchmark Report

Data Fabric Assessment

Data Fabric Readiness

Only

20%

say their data fabric supports GenAI very/ extremely well

While

49%

say their data fabric supports GenAI somewhat well, but may need upgrades

And

24%

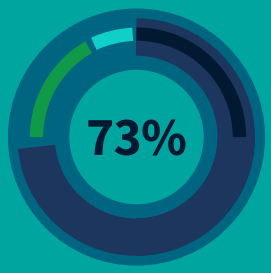
say their data fabric supports GenAI somewhat poorly or very poorly

Data Fabric For GenAI Success

Important or very important

Majority rated importance of data fabric areas as 4 or 5 on a scale

GenAI Impact on Data



expect amount of data moved /managed on current analytics to increase

- significant increase
- slight increase
- stay the same
- decrease

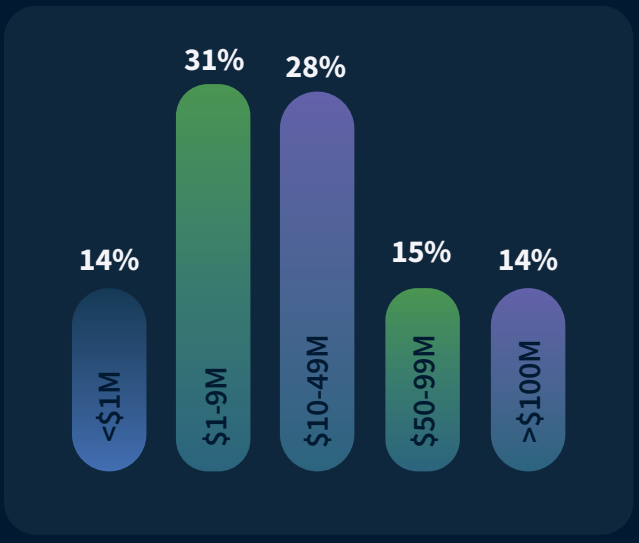
In order to enact their plans, organizations must first get their “data house” in order. Trusted, high-quality insights can only be obtained through trusted, high-quality data. Most organizations recognize the importance of a strong data fabric foundation for GenAI success. But only 20% of our respondents believe their data fabric is very/extremely well equipped to meet their needs for GenAI.

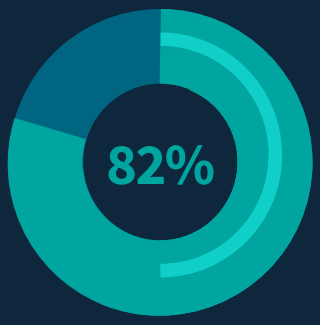
Benchmark Report

Data Fabric Budget Planning

2023 → 2024

Planned Data Fabric Spend





82% expect their spend to increase

73%

Expect their data fabric spend to increase because of GenAI

18%

Expect their data fabric spend to significantly increase

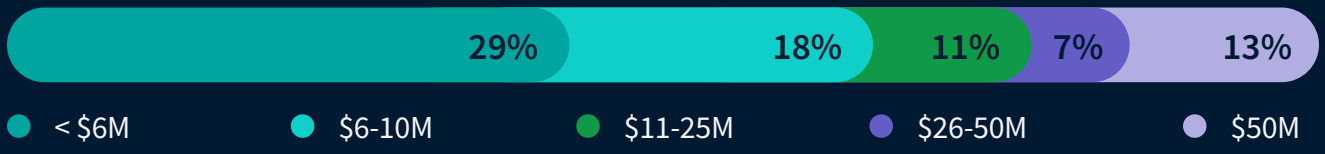
To get their data fabric capabilities up to snuff, organizations are planning to spend more. In fact, 73% expect to increase data fabric spend as a direct result of GenAI, while nearly a third expect their spend in 2024 to increase by more than 10%.

Data Fabric = Data Integration, Data Governance, Data Quality, Business Intelligence, Analytics, ML/AI/Generative AI

Benchmark Report

GenAI Budget Planning

GenAI Budget Size For The Coming Year



59% This is brand new budget specifically for GenAI

41% This is working with existing budget

Respondents Not Investing In GenAI Today: Plans For Coming Year

4 respondents say their organization will plan to commit budget to GenAI at some point in coming year

7 respondents say their organization does NOT plan to commit budget to GenAI at some point in coming year

Most organizations are dedicating brand-new budget to support their GenAI initiatives over the coming year, with 60% planning to spend over $10 million. Less than 5% of respondents are not planning to commit budget to GenAI this year.

What Holds Them Back

Respondents Not Investing In GenAI: Common Barriers

"We are actively meeting to determine whether these tools make sense to help us in our decision making process."

"As we near 2024 more funding buckets should open up allowing us to begin exploring the technology."

"It is pretty new and engineering is researching on its use."

"We need more time to build trust on Gen AI protocols."

"As these are a new class of tools, the organization is taking a no stance and only will be selectively choosing tools for exploration once strategy is in place."

"Company is deciding on their policies and positioning around it first. We are also extremely conservative."

The minority of organizations not investing in GenAI today highlight regulatory concerns and concerns about data security as key barriers they will need to overcome. These concerns apply to every organization, and even those organizations choosing to invest in GenAI today will need to address these obstacles to ensure their GenAI initiatives are a success.

Next Steps

While every organization's AI strategy can (and should) be different, one fact remains the same: the best AI outcomes start with the best data. With the massive amount of data that needs to be curated, quality-assured, secured, and governed to support AI and construct useful GenAI models, a modern data fabric is essential. And once data is in place, your platform should deliver end-to-end, AI-enabled capabilities that help all your users — regardless of skill level — get powerful insights, automation, and assistance. With Qlik, you can easily go from raw data to trusted insights that drive action.

When evaluating which AI-enabled platform is best suited to helping you implement your AI strategy, make sure it addresses the following areas:

AI Foundation

A rich data fabric layer that helps you prepare governed, high-quality data for AI you can trust.

- Create AI-ready datasets via connectivity, intelligent pipelines, and processing engines.
- Fine tune enterprise LLMs using internal data to optimize models.

Augmented AI

A full range of AI-driven business intelligence (BI) capabilities, so your analytics are always one step ahead.

- Auto-generate advanced analytics, visualizations and NLG readouts.
- Utilize natural language search and chat for fast answers.
- Integrate with Generative AI for expanded context and assistance.

Self-Service AI

Built-in Predictive AI for analytics teams to easily generate machine-learning (ML) models and predictive insights.

- Create ML unlimited experiments through a simple yet powerful experience.
- Generate predictions with full explainability, showing not just what might happen but why.
- Integrate models in real time for exploration and what-if analysis.

Next Steps

Read The eBook

Get your copy to learn how AI can help you unlock the full potential of your data.

Read Now

Qlik

About Qlik

Qlik, with the recent addition of Talend, delivers an industry-leading portfolio of solutions for data integration, data quality and analytics. This includes advancements in real-time data, AI, ML and automation. The most successful organizations are investing in data to make sense of the increasing amounts and varieties of data from diverse sources. The challenge is to effectively integrate, analyze and act on the data while ensuring its trustworthiness. With more than 40,000 active customers in over 100 countries, Qlik's solutions work with virtually any data source, target, architecture or methodology, to ensure customers have the data they need, whenever they need it.

ETR

About ETR

Enterprise Technology Research (ETR) is a technology market research firm that leverages proprietary data from its targeted technology decision maker community to deliver actionable insights about spending intentions and industry trends. Since 2010, ETR has worked diligently at achieving one goal: eliminating the need for opinions in enterprise research, which are typically formed from incomplete, biased, and statistically insignificant data. The ETR community of technology decision makers is uniquely positioned to provide best-in-class customer/evaluator perspectives. ETR's proprietary data and insights from this community empower institutional investors, technology companies, and technology decision makers to navigate the complex enterprise technology landscape amid an expanding marketplace.