

Google Cloud



The ROI of Gen AI

A global survey of enterprise adoption and value

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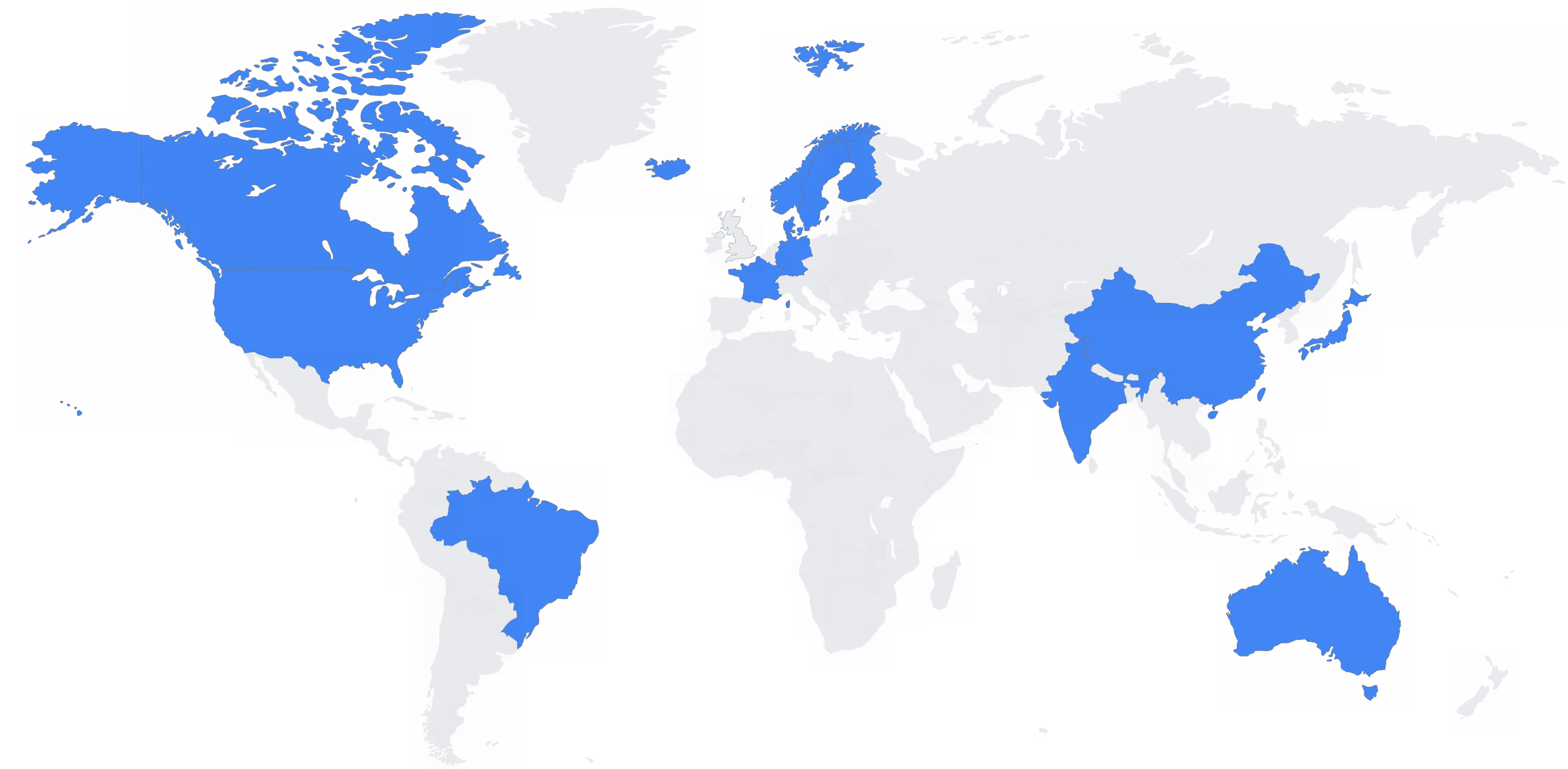
This report is based on a survey of 2,500 senior leaders of global enterprises (\$10M+ revenue), conducted by Google Cloud and National Research Group. It provides a comprehensive benchmark of the impact of gen AI on business and financial performance.

Unless otherwise noted, all statistics in this report are derived from the survey and only include those who are using gen AI in production.

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Methodology

A 14-minute online survey with 2,508 business leaders.



Upper-level, senior executive, and C-suite business leaders, including:

758 CEO, CIO

746 CFO, CMO, CTO

517 CISO, CDO, CSO, COO,
Director of Digital Strategy, VP of IT

487 IT Director, Head of Innovation

US	250	Nordics	145	South Korea	200
Canada	204	Japan	110	Taiwan	93
UK	201	China	199	Singapore	199
Germany	151	India	141	Mexico	160
France	152	Australia	151	Brazil	152

Over
100
full-time employees

Over
\$10m
annual revenue

Must be at least interested in gen AI use cases

A robust representation from priority industries

Fieldwork conducted February 23 - April 5, 2024



Executive summary

Our global survey shows that gen AI is more than just a new technology; it is a key driver of business transformation. By thoughtfully incorporating it into their operations, companies can achieve significant financial returns, improve efficiency, and sustain growth. For CEOs, the message is clear: gen AI is an essential tool for staying competitive in a fast-changing market.

Key insights

Gen AI helps fuel rapid financial growth.

74% of enterprises using gen AI report ROI within the first year, with 86% of those reporting increased revenue noting a 6% or more increase.

With the speed of business picking up, gen AI helps companies keep pace.

84% of organizations can move a gen AI use case from idea to production in less than six months. This can enable CEOs to see revenue increases within a year, and it can also significantly shorten the innovation cycle and enhance agility in responding to market demands.

Shared C-level sponsorship helps maximize gen AI's potential.

91% of organizations with robust C-level support that also report increased revenue estimate a 6% or more increase.

Gen AI helps boost productivity and business performance.

45% of organizations that report improved productivity have seen employee productivity double or more as a result of gen AI, while 63% report that gen AI has directly driven business growth. 85% of those who report an improved user experience also report measurable improvement to user engagement.





Executive-level support and strategic alignment are crucial. By connecting financial business drivers with technology drivers, organizations can ensure that AI strategies are not just innovative but also tightly intertwined with core business goals. This strategic alignment is the key to escaping the dreaded ‘pilot purgatory,’ and accelerating towards tangible business impact.”

Carrie Tharp

VP, Global Solutions & Industries, Google Cloud



Benchmark: The global business impact of gen AI

This research reports on the state of business value that gen AI is delivering today. We assess “business value” measures across two categories: the direct financial impact of gen AI solutions, and the business benefits that organizations realize as a result of leveraging gen AI in production.

The financial impact of gen AI

Our survey assessed the direct value of gen AI using three measures.

ROI

3 in 4

organizations (74%) are currently seeing ROI from their gen AI investments

Annual revenue increase

86%

of organizations using gen AI in production and seeing revenue growth estimate 6% or more gains to overall annual company revenue

Accelerated time-to-value

84%

of organizations successfully transform a gen AI use case idea into production within six months. Once in production, organizations report an increase in annual revenue directly attributed to gen AI in 12 or more months

ROI

Increasingly, organizations are realizing ROI from their gen AI investments within a year. And those with gen AI in production for more than a year are more likely to see ROI now on several use cases.

Key takeaway



As a technology, gen AI moves fast. To ensure significant returns on gen AI investments within this truncated timeframe, business executives can direct their organization to adopt an agile approach, prioritize high-impact use cases, and be aware of regional trends.

74%

of organizations are seeing ROI now on at least one gen AI use case, with an additional 30-35% anticipating ROI on gen AI investments across use cases within the next 12 months

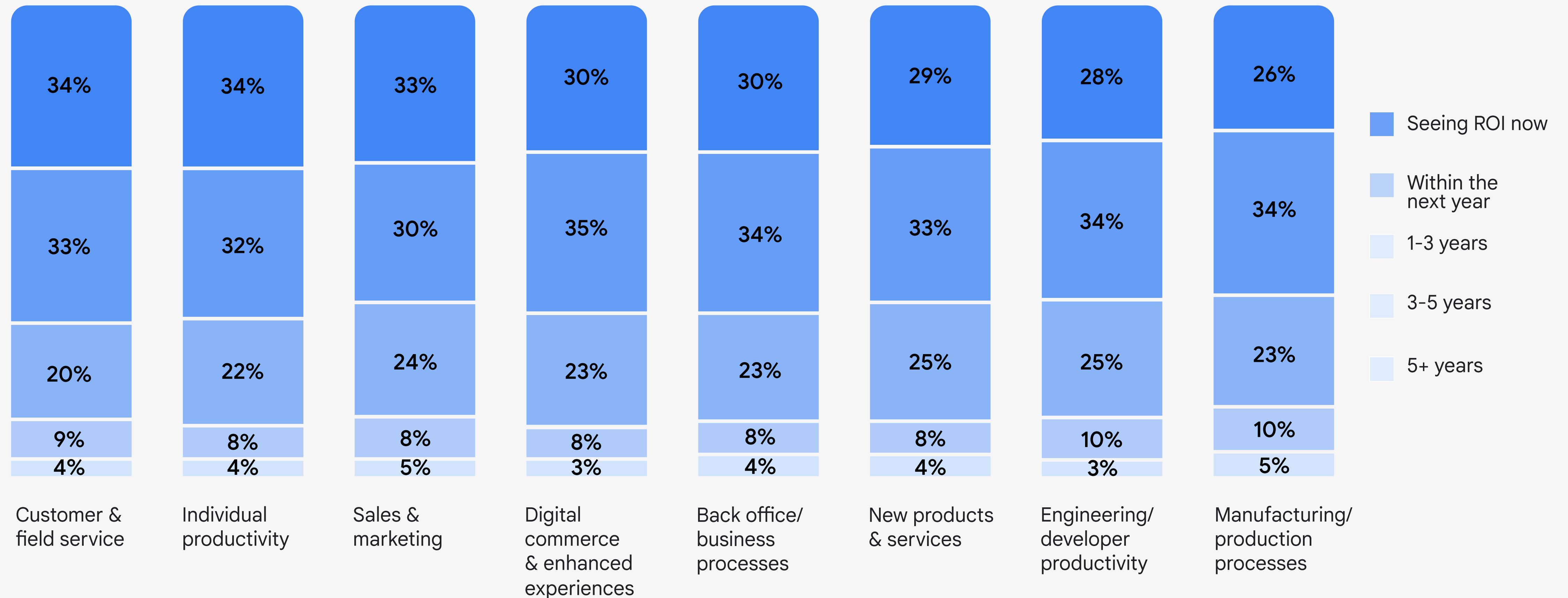
Regional insight

1 in 3

LATAM organizations report seeing ROI now from gen AI use cases in new products and services (37%), while two in five indicate the same for customer and field service (42%) and sales and marketing (41%)

Organizations with C-level sponsorship are more likely to see ROI from digital commerce and enhanced experiences (+9%) and back office / business process (+8%) compared to all other organizations leveraging gen AI in production.

ROI timeline for gen AI use cases



Annual revenue increase

The increased use of gen AI in production is hand-in-hand with a notable increase in annual revenue for many organizations.

86%

of respondents using gen AI in production and seeing revenue growth estimate **6% or more increase in revenue**



It's no surprise that organizations are seeing these revenue gains. In the long term, I expect even greater returns as the industry explores use cases that really change business models."

Christoph Rabenseifner

Managing Director, Technology, Data and Innovation, Deutsche Bank

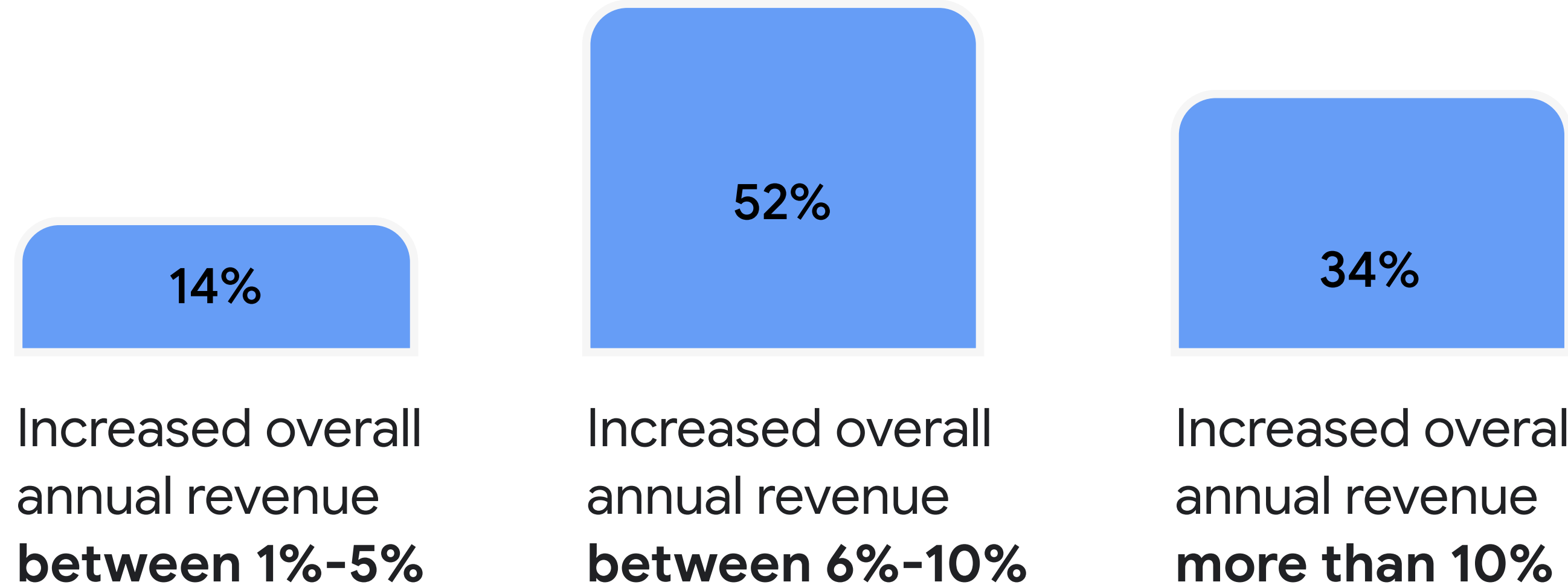
Key takeaway



Gen AI can be a powerful revenue generator. However, to achieve the best results, you should adopt a strategic approach to integrating gen AI into your core operations and invest in the necessary resources to support its long-term growth.

Revenue growth resulting from gen AI solutions

Among organizations that report meaningful impact to business growth

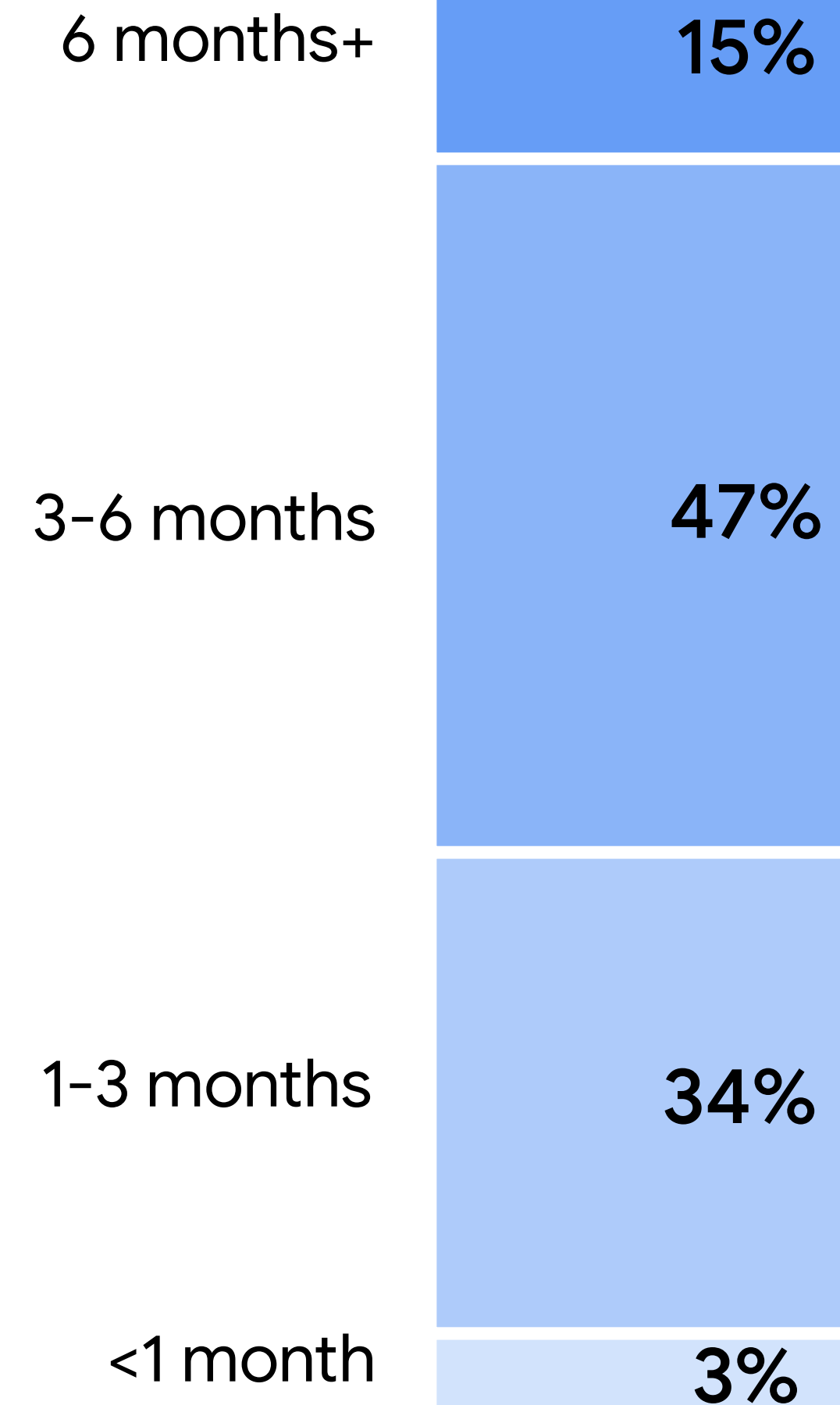


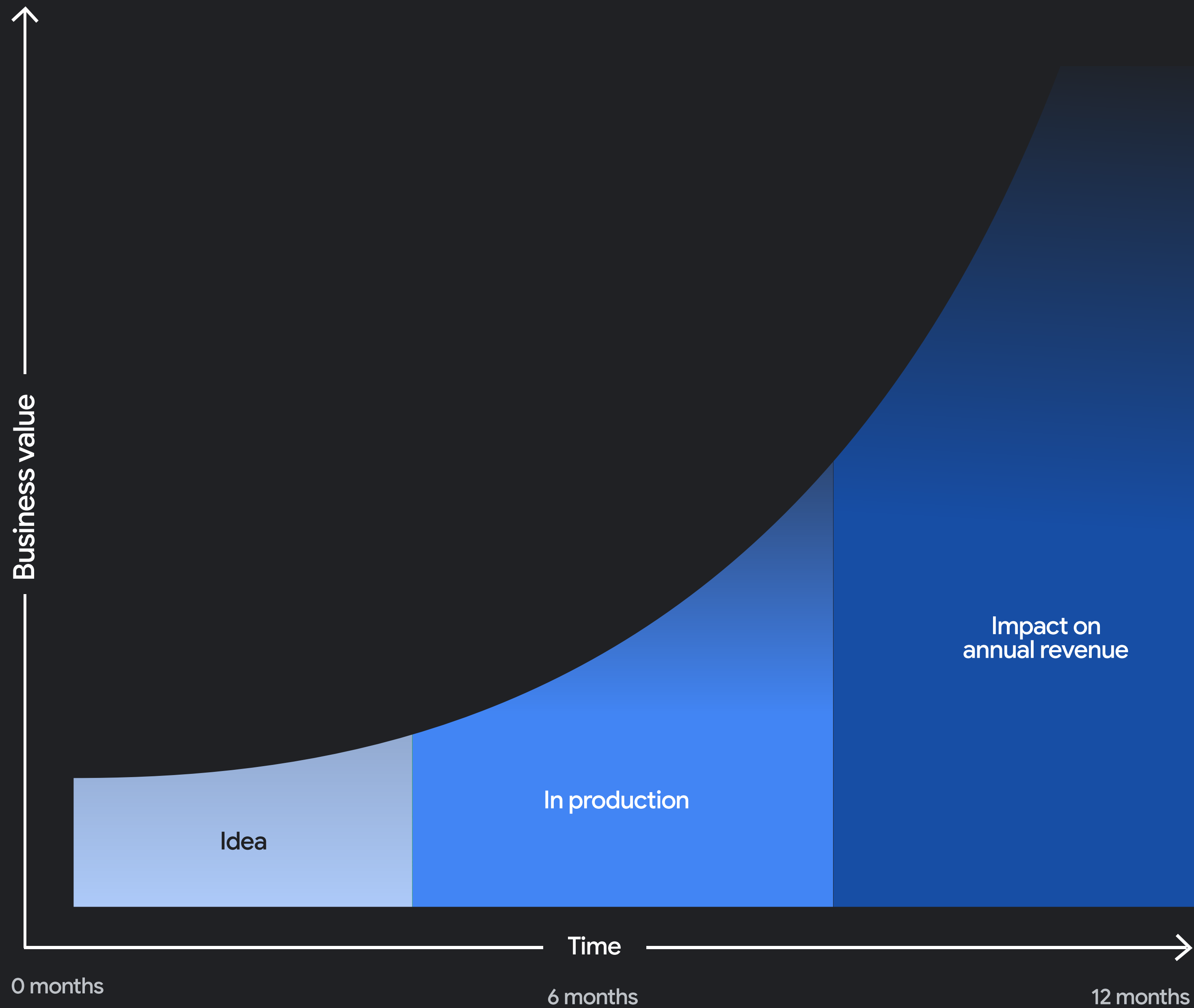
Accelerated time-to-value

Gen AI moves fast. Despite its recent arrival within enterprises, organizations report seeing ROI within mere months of launching gen AI into production.

Within 12 months or more in production, the majority of organizations report gen AI has a direct impact on annual revenue growth.

Average time to market





- <6 months:** 84% of organizations transform a gen AI use case idea into production in less than six months
- Today:** 74% of organizations report seeing ROI from gen AI
- 12+ months:** 87% of organizations with gen AI in production for more than one year and reporting revenue growth estimate a 6% or more increase in revenue

Key takeaway

The accelerated time-to-value for gen AI projects presents a significant opportunity. Select high-impact use cases based on your organization's unique needs to achieve the greatest impact.

The business benefits of gen AI

To understand the most common outcomes experienced as a direct result of gen AI, our survey asked about a multitude of business benefits. These benefits are used to measure the health of technology transformation initiatives and serve as leading indicators of financial performance.

Four key benefits emerged from the global data set as having the greatest overall gains attributed to gen AI.

Productivity

45%

of organizations that report improved productivity indicate employee productivity has at least doubled as a result of gen AI

Business growth

63%

of organizations have experienced business growth as a result of gen AI solutions

User experience

85%

of organizations that report an improved user experience have seen increased user engagement, and 80% report improved user satisfaction due to gen AI

Security

56%

of organizations report improvements to their security posture. Of these, 82% report an improved ability to identify threats and 71% see a reduction in time to resolution

Productivity

Gen AI is driving significant productivity improvements, particularly in IT processes and staff roles, regardless of how long gen AI has been up and running within an organization.

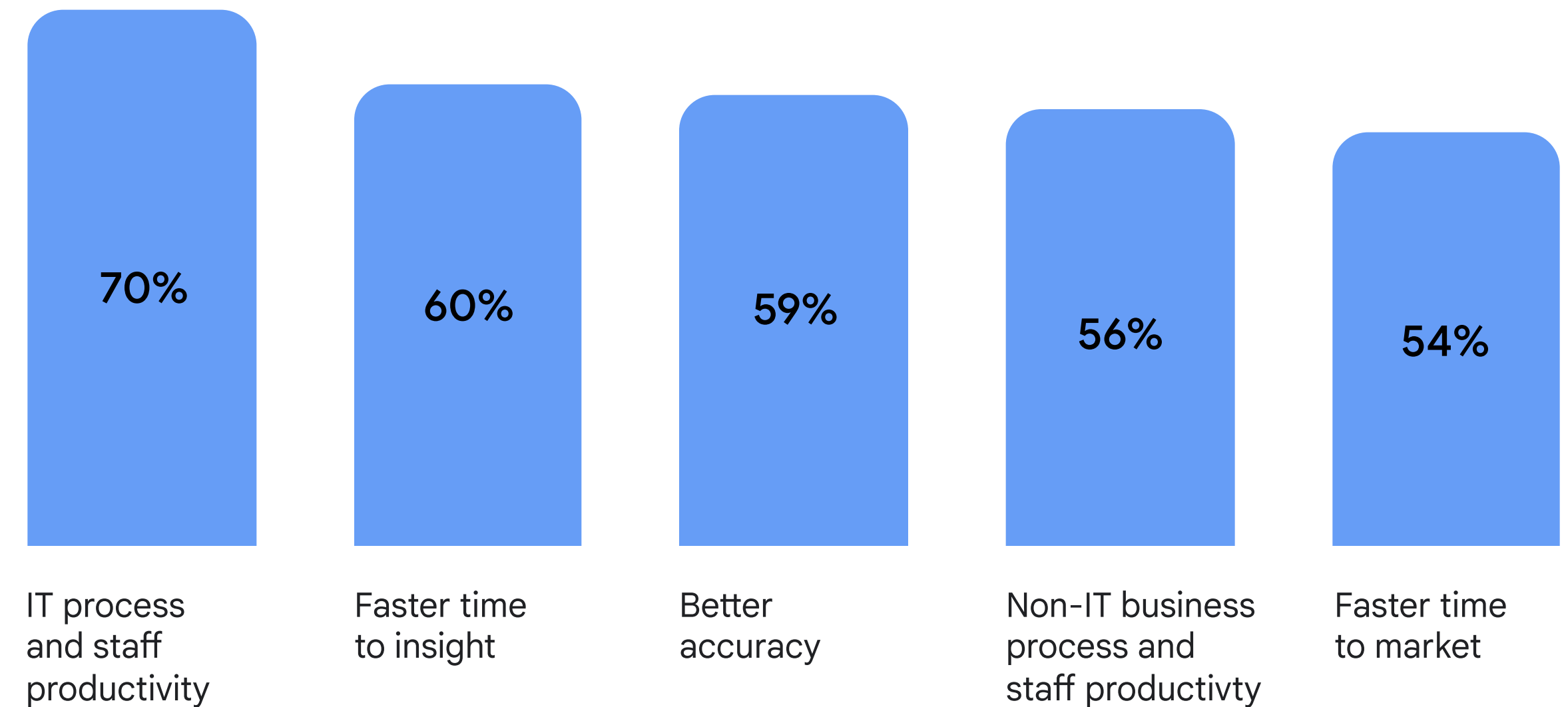
Key takeaway



Gen AI has the potential to dramatically boost productivity across various organizational functions. To reap this value and gain a competitive edge, you should explore how gen AI can be incorporated into business processes.

Of the organizations that report productivity gains, nearly half (45%) estimate employee productivity has **at least doubled** as a result of having gen AI in production.

Productivity improvements resulting from gen AI



Business growth

Gen AI is driving significant business growth by improving lead generation, customer acquisition and, ultimately, revenue for many organizations.

Key takeaway



To maximize the potential of gen AI for business growth and revenue generation, you should explore how to use it to amplify your sales and marketing efforts. Focus on long-term growth by investing in data and talent.

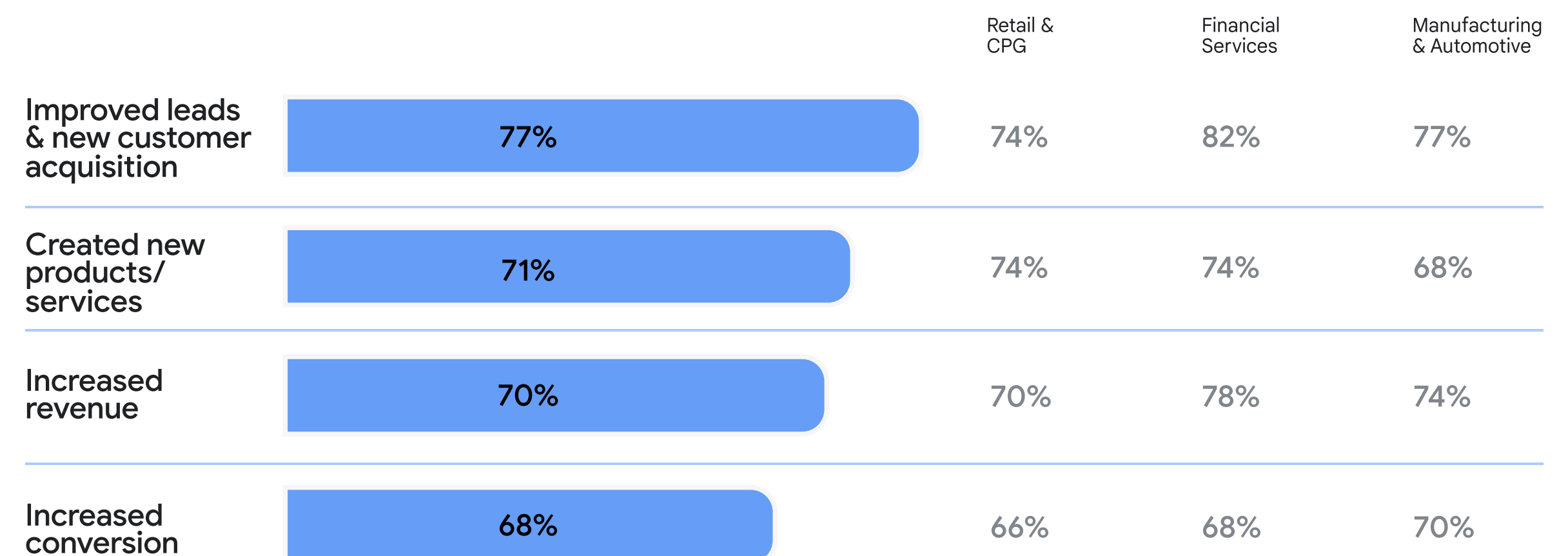
77%

of organizations that report business growth have improved leads and customer acquisition as a result of gen AI solutions

86%

of organizations using gen AI in production and seeing revenue growth also estimate revenue growth of 6% or more

Areas of business growth attributed to gen AI



User experience

Across industries, gen AI is improving the user experience—which in turn boosts user engagement and satisfaction.

85%

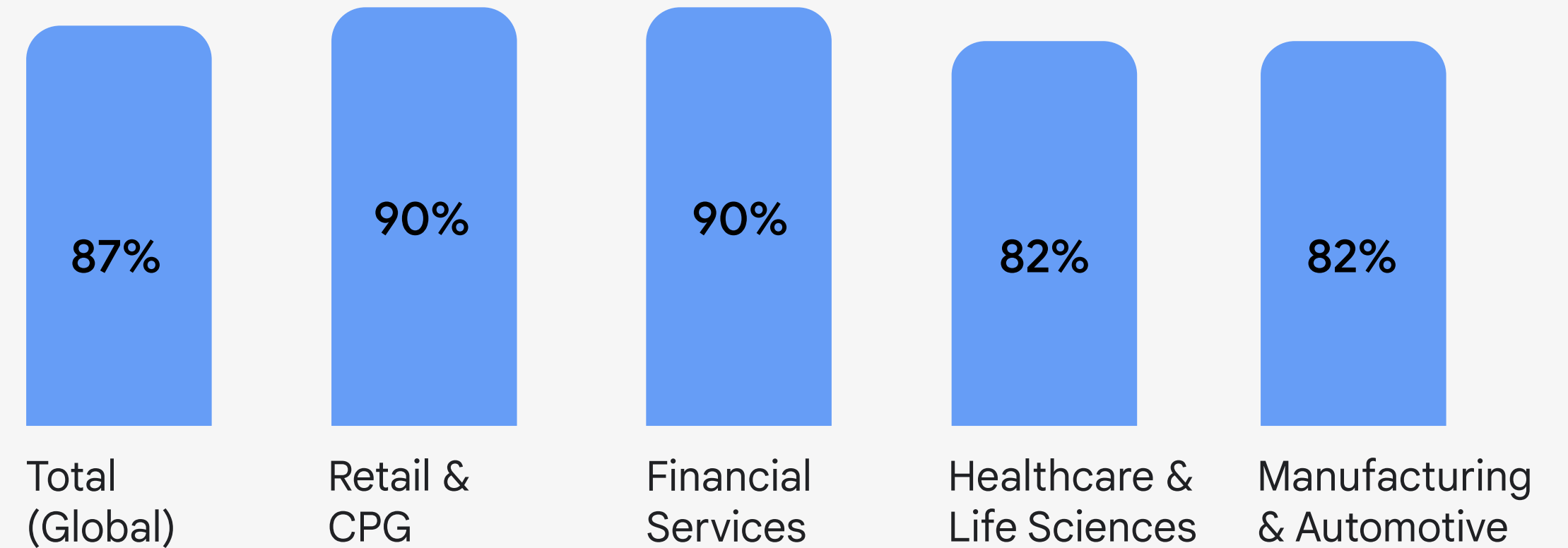
of organizations that report an improved user experience indicate increased user engagement from gen AI, and nearly the same number report improved user satisfaction (80%)

Industry insight

69%

of Financial Services and Healthcare & Life Sciences organizations report gen AI solutions have added value to their user experience

User experience improvements of 6% or more with gen AI



Key takeaway



With the findings clearly highlighting the potential of gen AI to create more positive user experiences, explore gen AI solutions that directly impact engagement, satisfaction, and experience—and capture user feedback to ensure your solutions truly meet user needs.

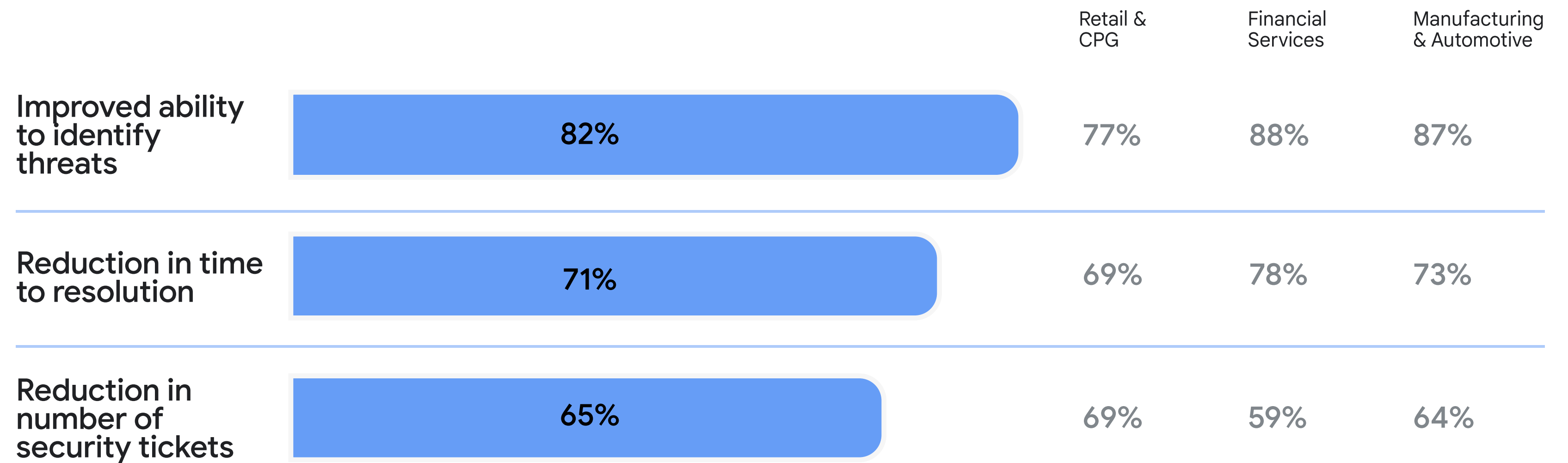
Security

Gen AI can enhance an organization's security posture by helping improve threat identification and reducing response times.

56%

of global organizations report an improvement to their security posture as a result of gen AI

Areas of security improvements with gen AI





Key takeaway



Gen AI has the potential to enhance security and mitigate risks. The data suggests AI-powered security solutions are already delivering substantial value in strengthening organizations' ability to detect and respond to threats.



Fraud and anomaly detection require you to crunch a massive amount of data in real time to establish a relationship between data points that may not be obviously connected. We know that the bad actors are also learning to use gen AI, so we continue to find ways to apply it to safeguard us and our customers.”

Luis Uguina

Chief Data Officer, Macquarie Bank



Gen AI Leaders: Trends in top-performing organizations

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A distinct group of organizations have achieved the highest financial performance as a result of their gen AI initiatives. Gen AI Leaders are organizations with four or more use cases in production, which have invested more than 15% of their total operating expenses in gen AI in the past fiscal year. They represent a mere 16% of all global organizations.

Several key characteristics differentiate Gen AI Leaders from the rest. Leaders outperform their peers on financial metrics like revenue gains and operational efficiency improvements attributed to gen AI. Additionally, they invest heavily in carrying out their vision for business model innovation, brand perception, and future growth.

Gen AI Leaders outperform their peers on financial metrics

Annual revenue growth

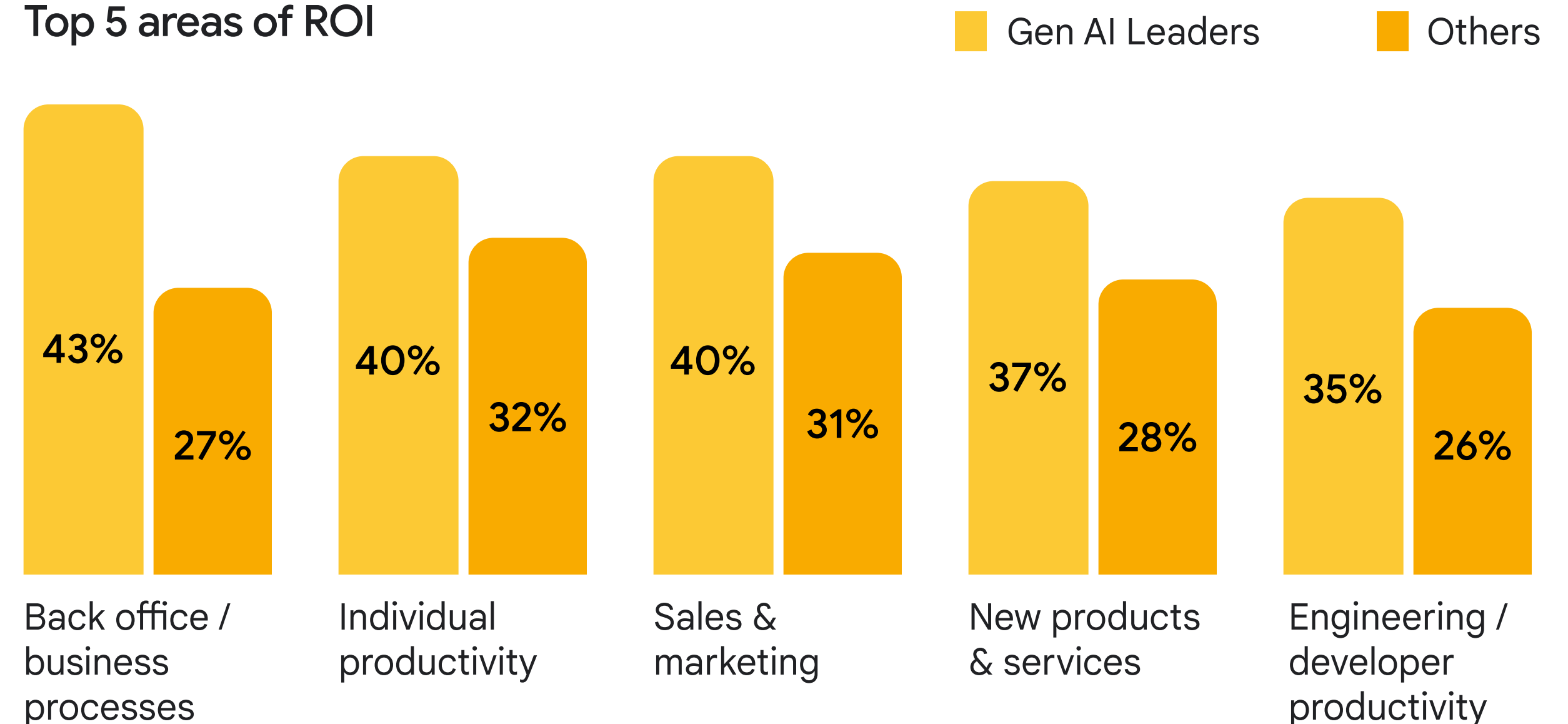
Gen AI Leaders are 33% more likely to report an annual revenue increase of 10% or more driven by gen AI than all other organizations.

ROI

Gen AI Leaders are more likely to see faster and more significant ROI across a broader range of use cases compared to average organizations. The findings highlight the importance of moving beyond experimentation and towards a more strategic and integrated approach to gen AI adoption.

Organizations that prioritize deep integration, strategic alignment, dedicated resources, and continuous improvement are more likely to unlock the full potential of gen AI and achieve greater ROI.

Top 5 areas of ROI



Trends in how the Leaders approach gen AI

Gen AI Leaders approach gen AI differently than other organizations. Their strategies tend to position gen AI as a tool to drive longer-term growth, innovation, and business model transformation.

01

Gen AI Leaders have a clear vision for the future with growth-oriented goals

02

Gen AI Leaders bet big on gen AI with substantial financial investments

03

Gen AI Leaders align gen AI technology objectives to business outcomes

04

Gen AI Leaders are more likely to create dedicated gen AI teams

05

Gen AI Leaders drive advanced adoption of gen AI across core business functions

01 A clear vision of the future with growth-oriented goals

Gen AI Leaders have clear goals oriented around business growth, including new product development and accelerated innovation.

In comparison, other organizations are iterating on existing business, including increasing operational efficiency and employee productivity, and improving strategic decision making.

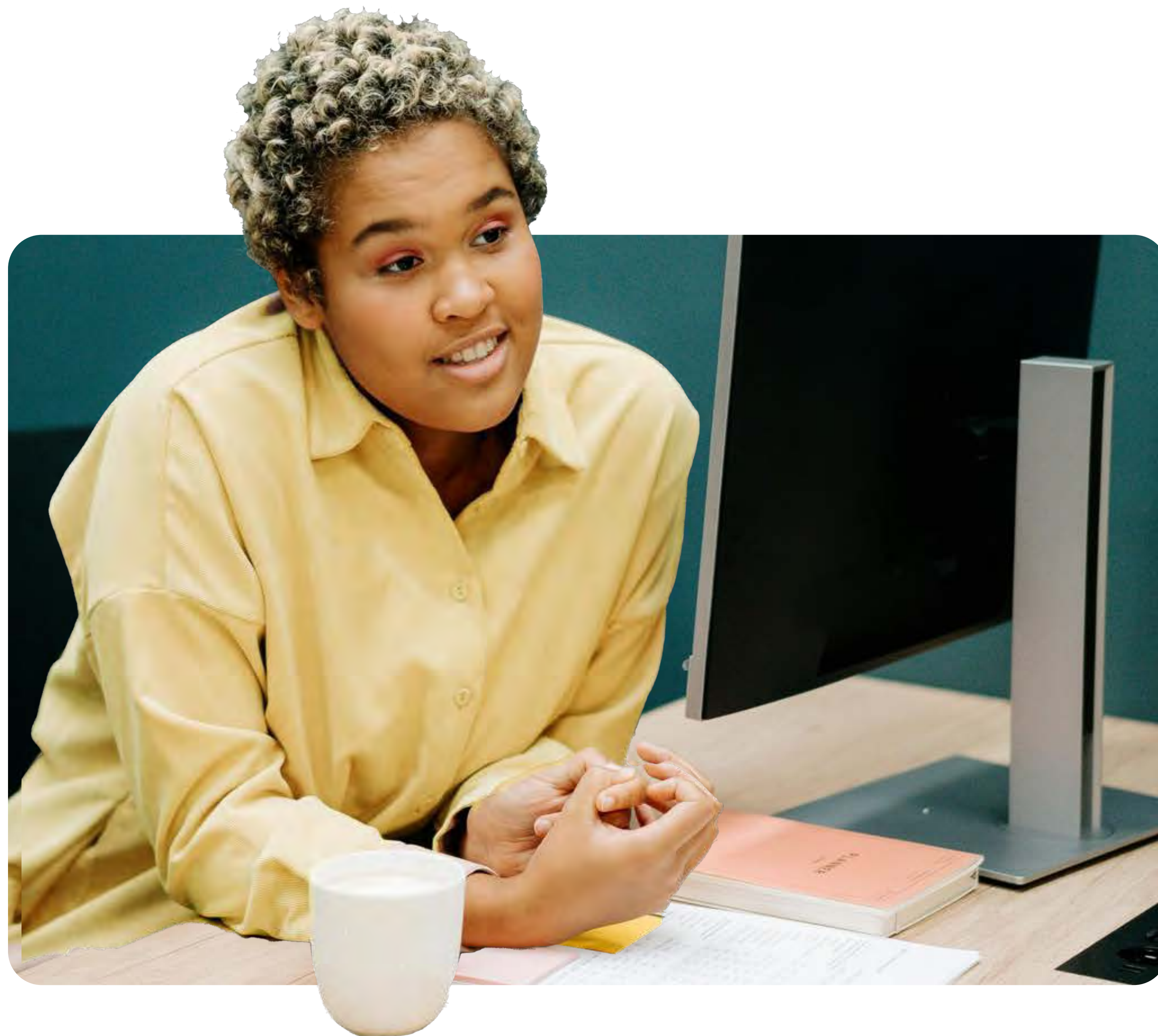
To get there, Gen AI Leaders are leveraging the gains they have realized from gen AI into strengthening their market leadership and launching their transformational journeys.

Top 5 future goals

Ranking	Gen AI Leaders	Other organizations
01.	Improved customer experience	Increased operational efficiency
02.	New product development	Increased employee productivity
03.	Increased operational efficiency	Improved customer experience
04.	Increased employee productivity	Increased competitiveness / market share
05.	Accelerated innovation	More strategic decision making

Top 5 near-term initiatives for Gen AI Leaders

01. Improved brand perceptions
02. New product development
03. Improved operating profit margin
04. Identification of new revenue streams
05. Increased competitive differentiation



02

Betting big on gen AI with substantial financial investments

Gen AI Leaders demonstrate high confidence in the potential of gen AI by dedicating more resources and projected investments than their peers.

86%

of Gen AI Leaders plan to allocate at least half of their AI future budget to gen AI, significantly higher than the 67% average among their peers

03

Aligning gen AI technology objectives to business outcomes

For Gen AI Leaders, gen AI is not simply a technology project—it is a strategic tool for achieving key business objectives. They have a clear understanding of how it contributes to business goals, and are committed to integrating it into strategic planning.

76%

of Gen AI Leaders report strong alignment between their goals for gen AI technology initiatives and the needs of their business (+9% vs. other organizations)

04

More likely to create dedicated gen AI teams

Gen AI Leaders prioritize the necessary resources and talent to build successful gen AI strategies. By building specialized teams, organizations can foster innovation and expertise, and accelerate the development and deployment of gen AI solutions.

54%

of Gen AI Leaders have dedicated gen AI teams embedded within existing AI/ML teams (+16% vs. other organizations)

Driving advanced adoption of gen AI across core business functions

Leaders push beyond pilot projects by integrating gen AI into day-to-day operations, and the resulting impact it has had on revenue growth is substantially greater than other organizations.

69%

of Gen AI Leaders use gen AI for at least half of their core functions (+36% vs. other organizations)

50%

of Gen AI Leaders have 10+ use cases in production (+31% vs. other organizations)

Gen AI Leaders have a clear understanding of how gen AI can contribute to their business goals, and they are committed to integrating it into strategic planning.

Comprehensive C-level sponsorship of gen AI may help organizations unlock greater financial benefits

9 in 10

organizations with comprehensive C-level sponsorship of gen AI estimate a revenue increase of 6% or more

Of the individual members of the C-suite, the Chief Technology Officer (CTO) is most commonly cited as the executive responsible for driving gen AI strategy. However, progress is not possible without the help of their C-suite peers. Without comprehensive C-level sponsorship, organizations in the study are less likely to realize the business benefits of their AI investments.

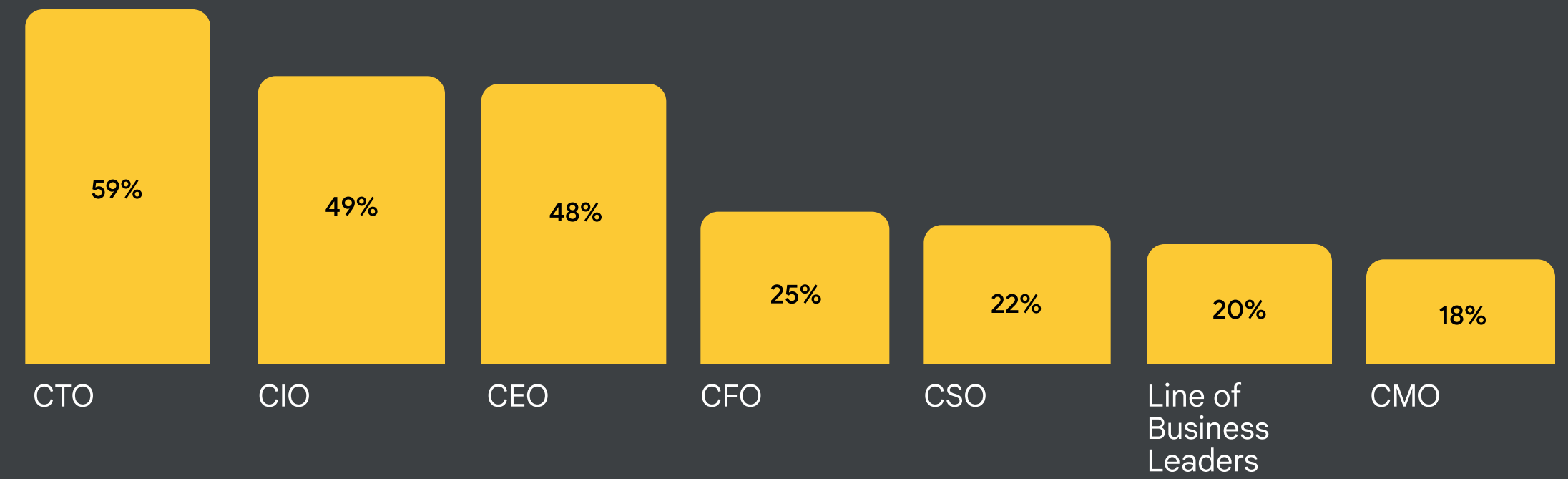
“

You must have C-level support to get started, and we are in a good state in our firm. We have a board member responsible for technology, data and innovation, which is not common in banking, and our CEO is taking that conviction call to invest in technology even if we aren't sure yet how big the ROI will be.”

Christoph Rabenseifner

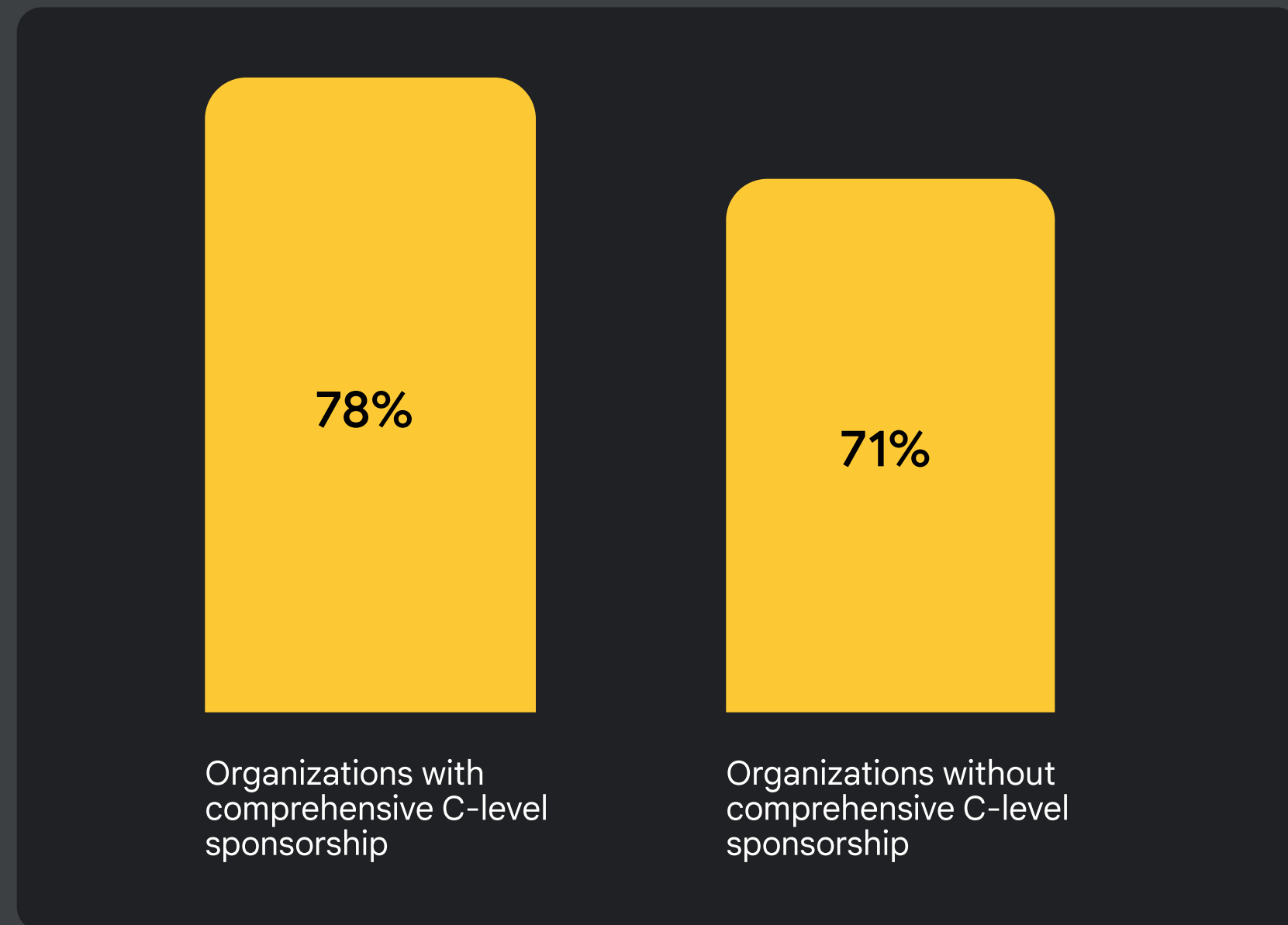
Managing Director, Technology, Data and Innovation, Deutsche Bank

Leader responsible for driving gen AI strategy



When multiple members of the C-suite share responsibility for gen AI, their organization is more likely to report accelerated time-to-market (1-3 months), improved cost efficiency, and ROI.

Organizations with comprehensive C-level sponsorship of gen AI initiatives are more likely to report seeing ROI now



Key takeaway



The data shows a clear link between C-suite sponsorship and both revenue and the financial impact of gen AI initiatives. To maximize returns, executives can prioritize aligning the C-suite behind a shared vision and clearly defining ownership among each executive to incentivize comprehensive support and collaboration.



I'm not surprised to hear that companies are growing their revenue by 6% with gen AI. It makes such a big impact that in two or three years, I could see it being 60% or more."

Sean Shin
Head of Research, KakaoHealthcare



Reinvesting in innovation

Early gains from gen AI can be reinvested to further enhance AI capabilities, leading to even greater returns and a continuous cycle of growth and innovation. Here's where organizations in the study plan to invest—today, in the near future, and over the long term.

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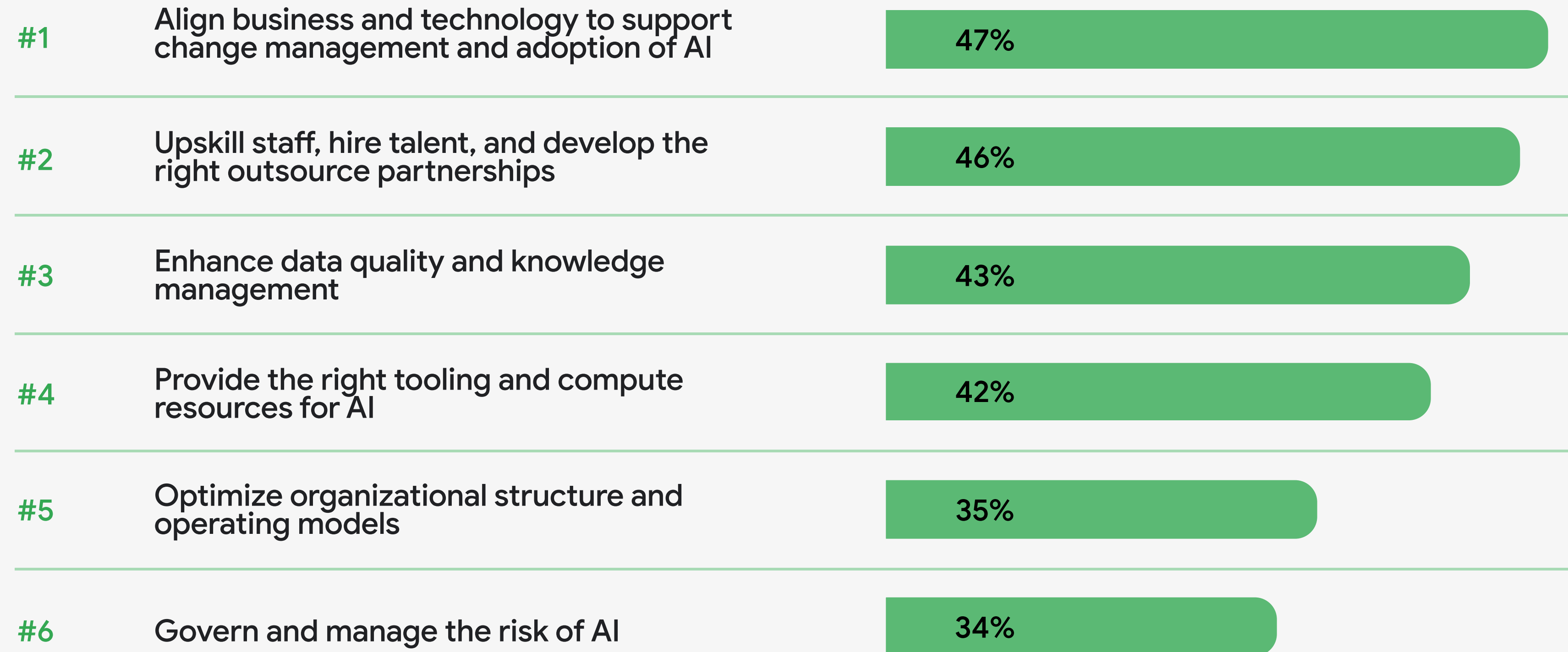
03

04

Today's investment priorities

Organizations have their sights set on accelerating gen AI adoption.

Top 6 areas of global gen AI investment to accelerate gen AI adoption



Near-term investment priorities

In the near term, organizations plan to reinvest capital gained from gen AI in two key areas: accelerated innovation and improving operating profit margins.

47%

of organizations plan to use gen AI to develop new products, services, and business models

49%

of organizations plan to reinvest to improve operating profit margins through revenue generation

Industry insight

57%

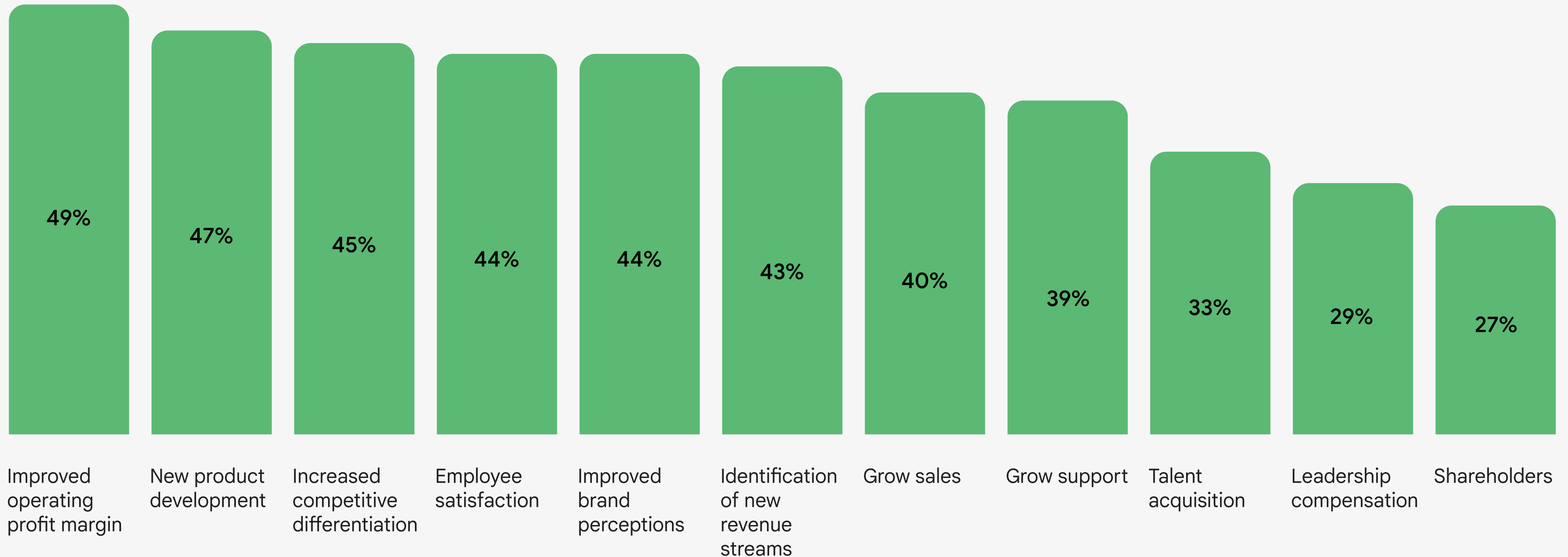
of Financial Services organizations hope to leverage gen AI gains to improve operating profit margin

Industry insight

38%

of Media and Entertainment organizations would like to use gen AI gains for leadership compensation (ranked #10 at the global level)

Areas of near-term reinvestment for gen AI gains



Long-term investment priorities

Over the next two to three years, Gen AI Leaders are more likely to invest in ways to use gen AI for things beyond productivity improvements. For example, 55% plan to use gen AI to develop new products and services, and 55% plan to use it to increase operational efficiencies.

But not all industries are the same. Some industries deviate from the global average with how they plan to prioritize future business objectives relating to gen AI.



In Media and Entertainment, the top priority is increased competitiveness and market share (ranked #4 at the global level), while improved customer experience, a top three priority globally, is ranked lowest (ranked #8).



In the Telecom industry, increased competitiveness and market share ranks as the top priority (#4 globally), and new product development is the third-highest priority (rank #6 globally).



In the Retail & CPG and Healthcare & Life Sciences industries, improved customer experience ranks as the top priority (#3 globally).

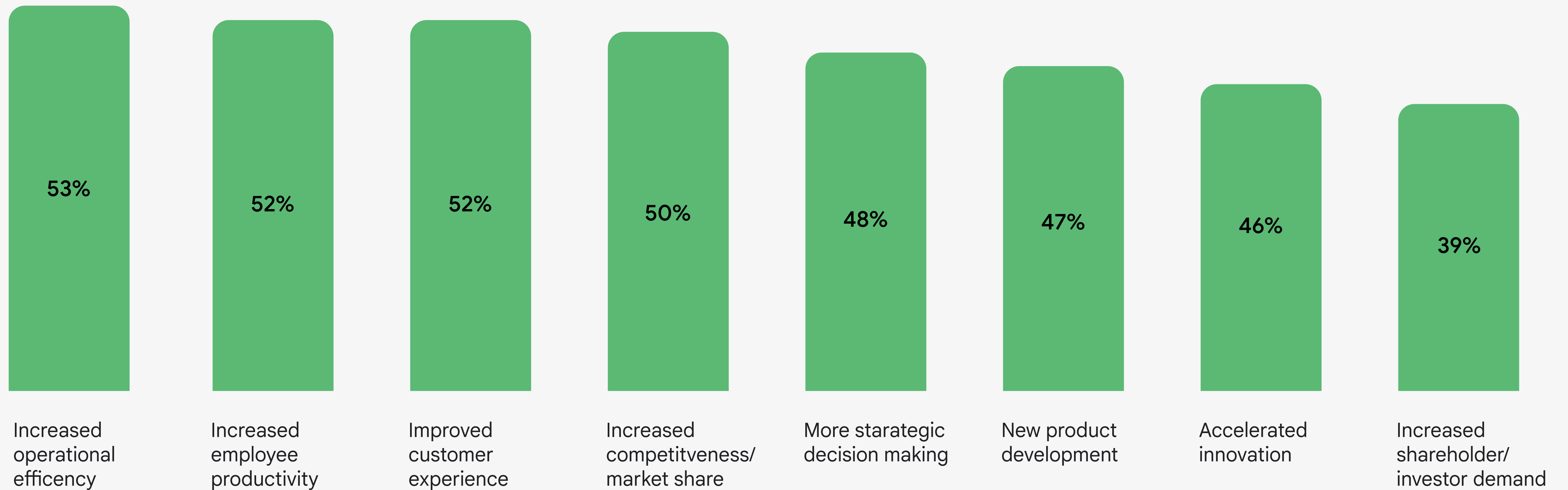


While more strategic decision making is a mid-tier priority at the global level (ranked #5), this is the third-highest priority in the Healthcare & Life Sciences industry.



Despite being a top three priority globally and among all other industries, employee productivity ranks much lower in the Telecom sector (ranked #8).

Business objectives organizations plan to pursue with gen AI (in the next 2-3 years)





7 takeaways for your organization


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04



Gen AI is no longer a theoretical concept. It's a game-changer with the potential to revolutionize the business landscape. By adopting a strategic approach, investing in the right areas, and embracing continuous innovation, you can unlock the transformative power of AI and can achieve lasting success.

Not sure where to start? Based on all the findings of the global research, seven priority areas have emerged. Focus on these things today, and you'll be on your way to realizing ROI from gen AI in no time.



01

Build unified C-suite support

Establish a clear vision that articulates strategic goals, identifies key use cases, and defines expected benefits and outcomes. Secure buy-in from your peers and appoint a senior leader who can champion gen AI adoption.



02

Start with quick wins that aim to deliver measurable business benefits

Focus on use cases that directly address business needs, align with measurable goals, and can quickly deliver results—such as customer service and employee productivity.



03

Focus on core areas of the business

For greater ROI, integrate gen AI into core operations, not just specific departments. Develop a strategy that aligns core business functions with technology implementation objectives.



04

Keep a close eye on your data

Take advantage of readily available enterprise data to customize and deploy gen AI models more efficiently. And invest in ongoing data infrastructure and management.



05

Invest in transformational projects

Many organizations that have been using gen AI for over a year experience sustained revenue growth. Move beyond short-term experimentation or pilot projects and prioritize continued business transformation.



06

Build your AI talent

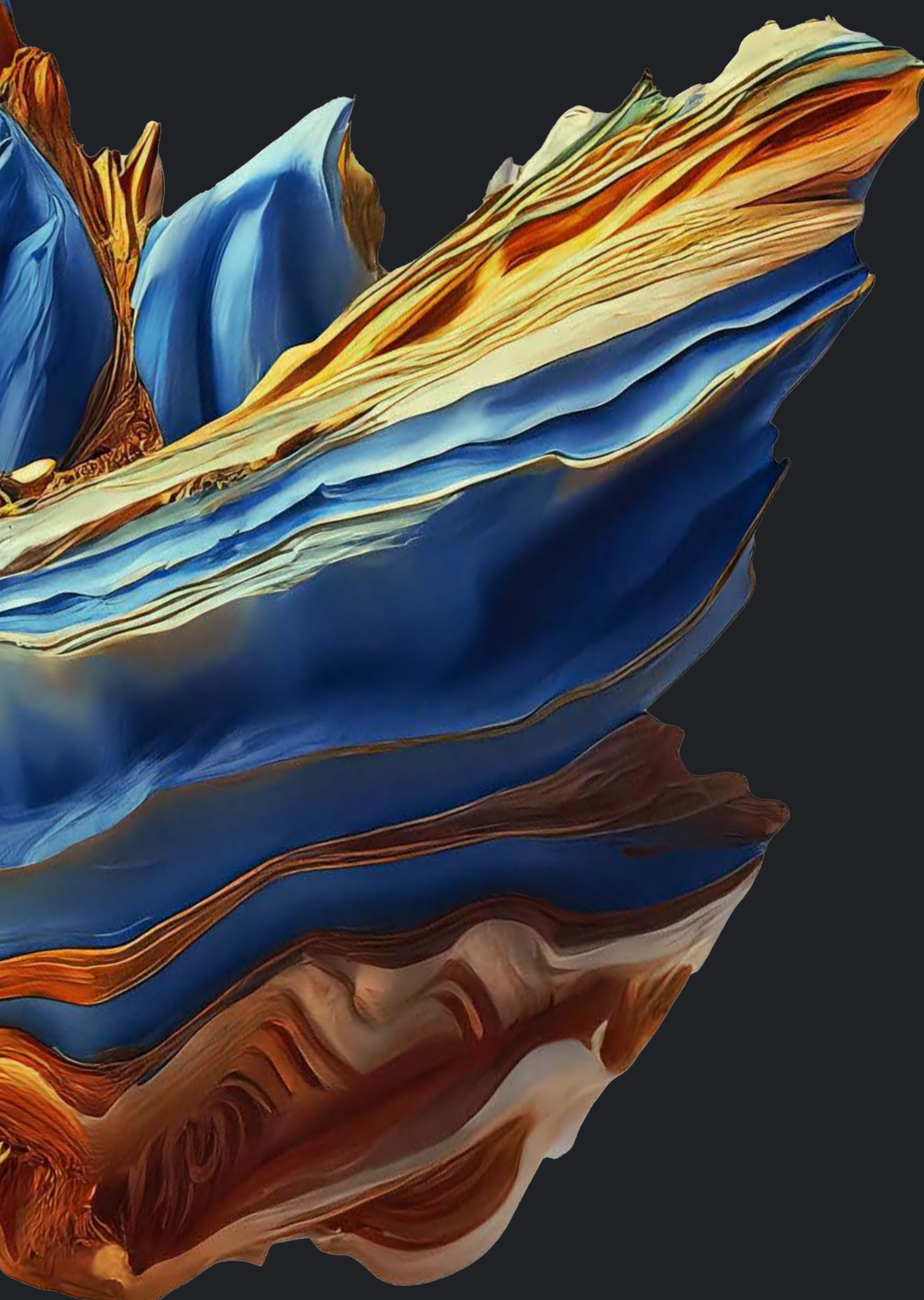
Consider the skills your employees need to develop and deploy effective gen AI solutions, and invest in recruiting, training, and developing these skills. Ensure you have the right capabilities and tools to enable employees across a wide range of AI skill-levels, such as agents with no code, low code, and full code options.



07

Aim to bolster enterprise security with gen AI

Invest in AI-powered security solutions that leverage machine learning to help identify threats, analyze vulnerabilities, and automate responses.



How Google Cloud helps organizations realize business value

Gen AI and AI agents are revolutionizing how businesses operate. Google Cloud is at the forefront of this shift, empowering hundreds of organizations to build powerful agents that are transforming experiences across critical areas such as customer service, employee productivity, creative ideation, data analysis, code generation, and cybersecurity.

Google Cloud, backed by two decades of Google's AI research and development, is uniquely positioned to help organizations build transformative gen AI experiences with confidence and speed. We do this by taking advantage of Google's advances in infrastructure, foundations models, and safety to help make AI accessible and useful for everyone.



With our unified, open, and enterprise-ready AI stack, customers can access and customize the best foundation models from both Google and the industry, build and deploy gen AI models with an integrated developer platform, and help everyone be more productive with Google's own Gemini AI assistants. We offer the same cutting-edge AI Hypercomputer infrastructure used by more than 60% of funded gen AI startups and nearly 90% of all gen AI unicorns.*

Beyond technology, we foster a collaborative ecosystem of AI partners and remain committed to guiding our customers on their AI journeys.

*Source: Pitchbook defined Gen AI startups including accelerator/incubator, angel (individual), early stage vc, late stage vc, seed round categories.



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