

Forbes insights

ARTIFICIAL INTELLIGENCE:

The State of AI in the Middle East

IN ASSOCIATION WITH



عالم الذكاء الاصطناعي
EVERYTHING

Forbes insights

“There’s a lot of excitement and hype around artificial intelligence (AI) in the Middle East,” says Evans Munyuki, group chief digital officer, Emirates NBD. “There are quite a few success stories of data and AI-driven startups from UAE and the Middle East making it big in the world, like Careem. However, the region is still playing catch-up in the utilization of AI at scale compared to the West and China.”

To examine the state of AI in Middle Eastern companies, Forbes Insights surveyed 100 C-suite executives in the Middle East, including CEOs (11%), Chief Technology

Officers (29%), and CISOs (20%) who were familiar with their organization’s AI strategies and digital transformation. These executives came from a range of industries, including manufacturing, energy and utilities, financial services, healthcare, and transportation. Eighty-two percent came from organizations with annual revenues greater than \$1 billion.

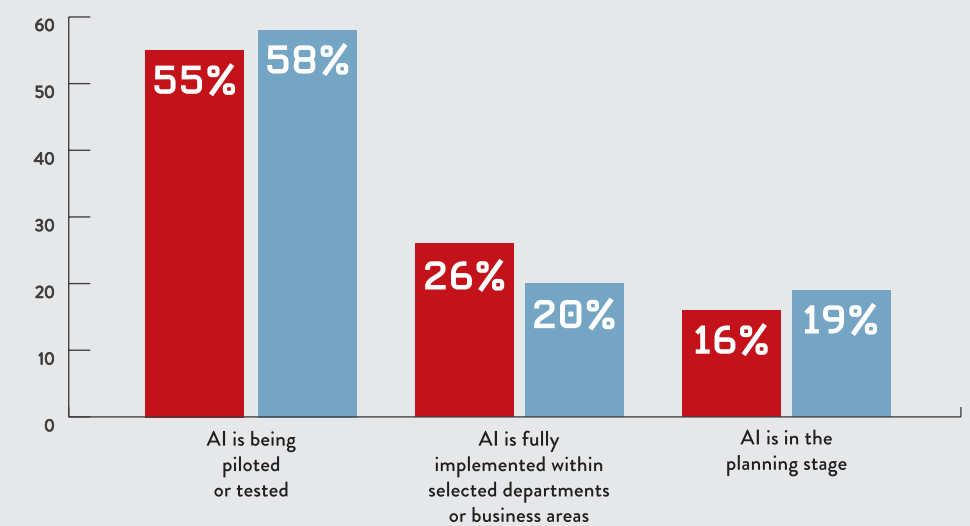
This executive summary highlights key findings from the research, progress that’s been made in the region and what the future of AI looks like.

CURRENT STATE OF AI

When it comes to AI adoption, Middle Eastern companies are on pace with their global counterparts (Table 1), yet have some distinct differences, such as how management views AI and their trust in the technology.

Table 1: AI Adoption

How far along is your organization in adopting and implementing AI?



More than half (62%) of Middle Eastern executives believe AI is emerging rapidly in their industry. Almost the same number (60%) agree that their company has identified AI as a key enabler of future success, in line with their global colleagues. Executives in the Middle East look to AI as just one part of their digital transformation, and slightly more than half see themselves as being only at the start of executing on that plan.

The countries that executives say have demonstrated the strongest commitment to developing and implementing AI are United Arab Emirates (UAE) (38%) and Kuwait (43%). The UAE stands out particularly, and Munyuki believes the rest of the world can learn from how the

country approaches AI, especially with their quality conferences and events and internationally recognized speakers.

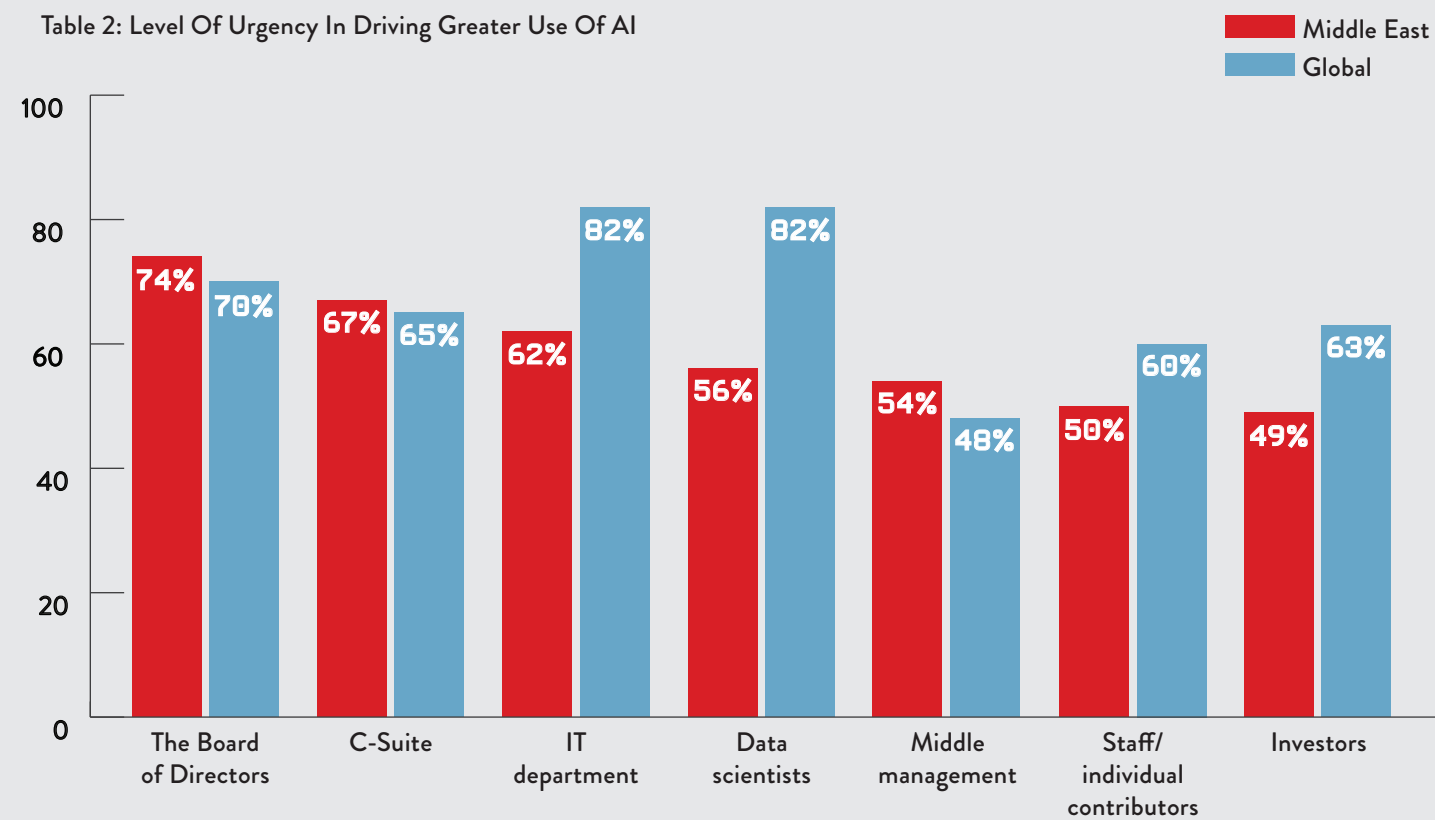
In 2017 the UAE announced a national strategy to become a world leader in AI by 2031. “This strategy aims to make UAE the top adopter of emerging AI technologies as well as attract top AI talent to experiment and work in sophisticated secure ecosystems to solve complex problems in our government,” says H.E. Dr. Aisha Bin Bishr, director general, Smart Dubai. “The vision is to make UAE a world leader in AI and generate up to almost US\$100 billion in extra growth.”

EXECUTIVE SPONSORSHIP

Unlike their global counterparts, business leaders in Middle Eastern companies are guiding the transformation to AI — the board of directors and C-suite express the most urgency to drive greater use of AI across their companies. Outside the region, this effort is being led by technology leadership — IT departments and data scientists (Table 2). Though Muryuki sees “convincing companies’ top management that AI is a long-term

commitment that needs substantial investment upfront” as a challenge, the survey data suggests that management does recognize the business case for AI technologies and is ready and willing to integrate these to drive companies’ goals. That’s bolstered by the fact that 66% of companies anticipate increasing their annual IT budget by at least 6% to implement AI solutions.

Table 2: Level Of Urgency In Driving Greater Use Of AI

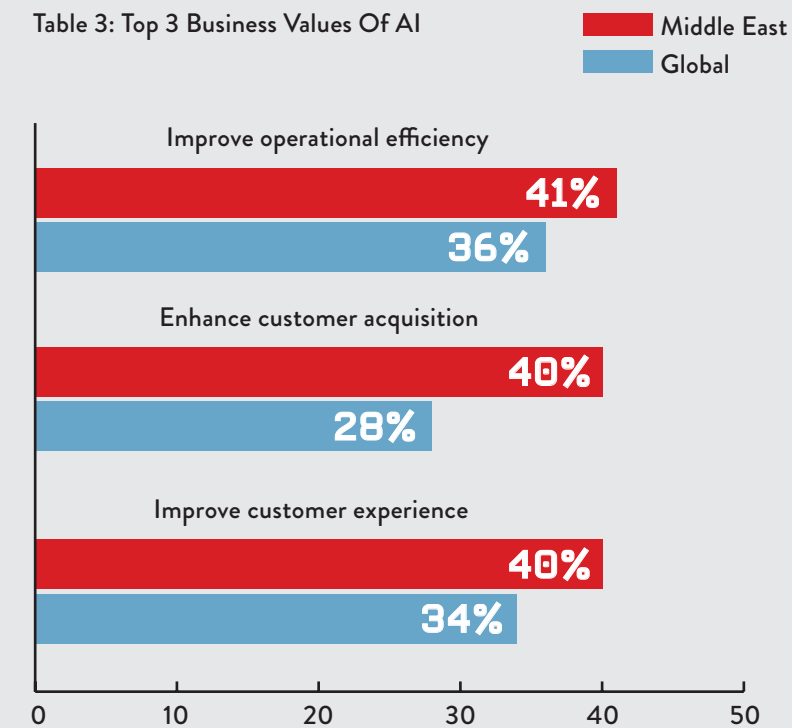


When it comes to understanding AI technologies and making informed decisions about adoption, these executives know what they don’t know — they drive the business and rely on IT leadership and outside consultants for guidance and advice about adopting AI to achieve their business goals.

VALUE OF AI

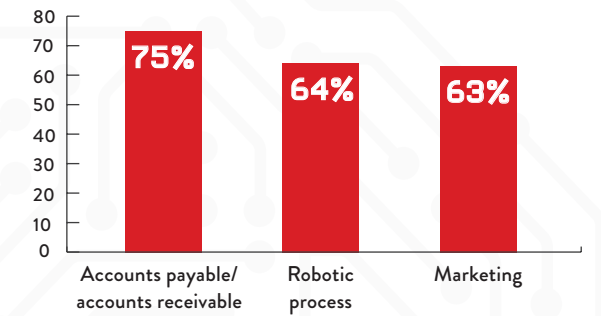
The top three reasons Middle Eastern executives are implementing AI are to improve operational efficiency, enhance customer acquisition and improve customer experience (Table 3), with several types of game-changing initiatives underway or planned (see sidebar). Global companies appear less concerned about using AI with customers and find that the most important business value of AI is improved product/services innovation (38%).

Table 3: Top 3 Business Values Of AI

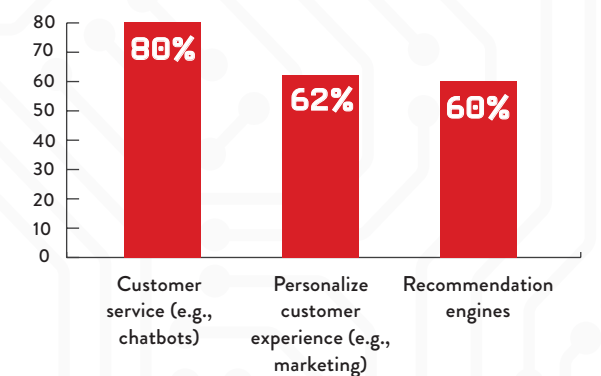


As companies adopt and implement AI, there’s no overwhelming consensus about how to do it — they are assembling their own AI teams, providing developers with tools to accelerate and automate building of AI applications, and putting AI at the core of their business model. In general, companies feel they’re doing OK at driving innovation and building the skills and vision necessary for creating a data-driven culture that nurtures AI.

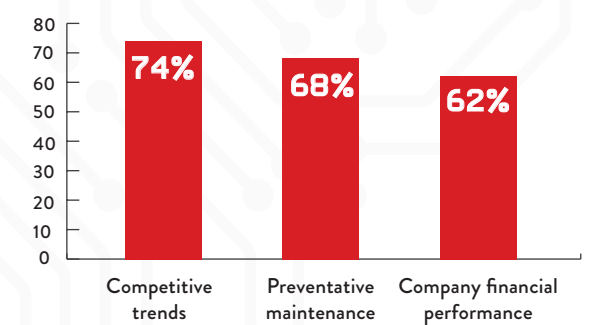
AUTOMATION



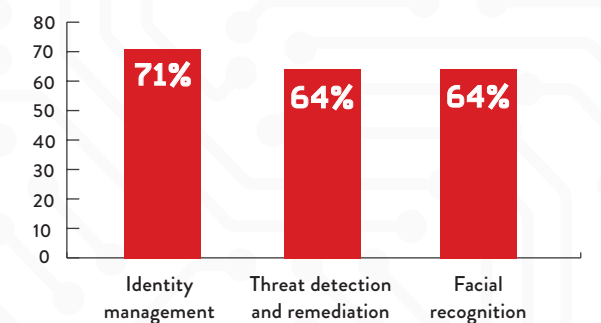
IMPROVE CUSTOMER EXPERIENCE



PREDICTIONS



CYBERSECURITY

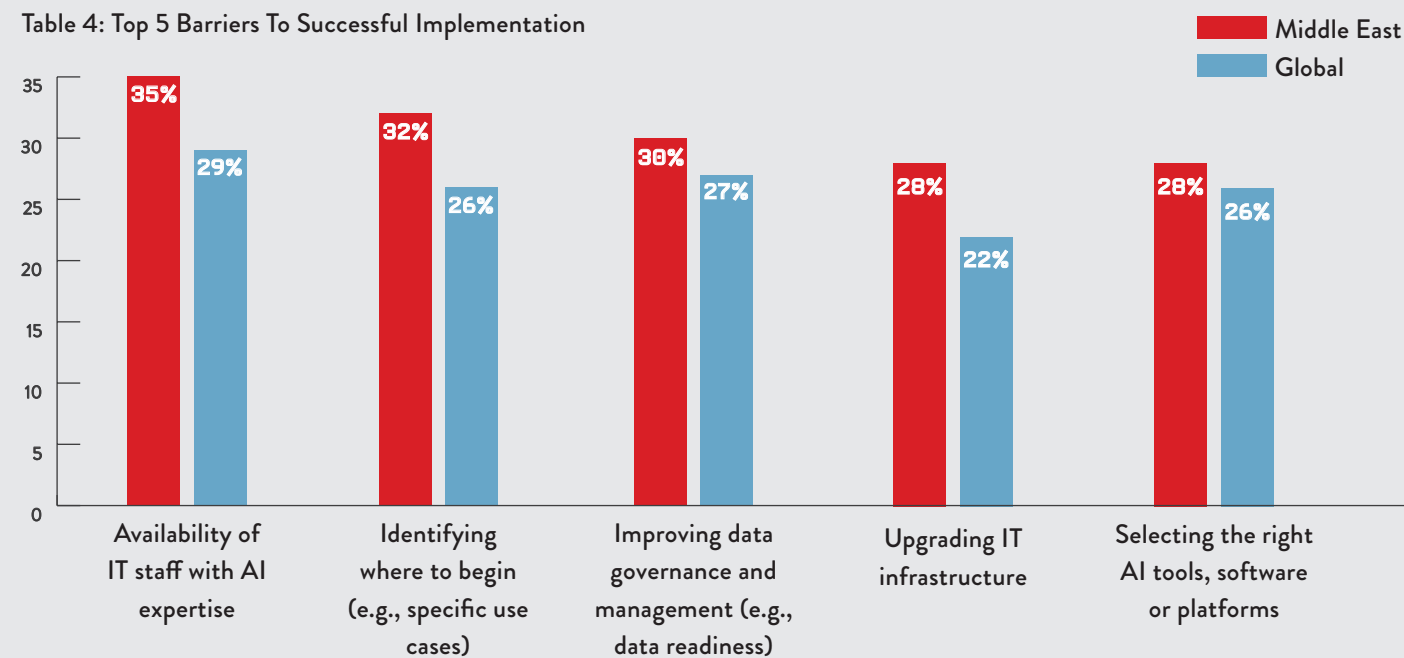


ROADBLOCKS TO AI IMPLEMENTATION

The nuance of implementing AI presents challenges as well. Companies don't always know where to start. (Table 4). There are differences in how Middle Eastern and global companies feel they are being held back. Global companies are more challenged with the data literacy skillsets of their

employees (29%) and finding the budget (20%). These concerns fall at the bottom half of the list for companies in the Middle East. This suggests that companies in the region possess a maturity level and comfort with implementing AI to achieve their business goals.

Table 4: Top 5 Barriers To Successful Implementation



TALENT

“One of the biggest challenges is talent. It is a bit challenging attracting and retaining top talent with AI skills in the region,” says Munyuki. The survey results agree — it’s the top barrier for both Middle Eastern and global companies.

DATA AND TECHNOLOGY

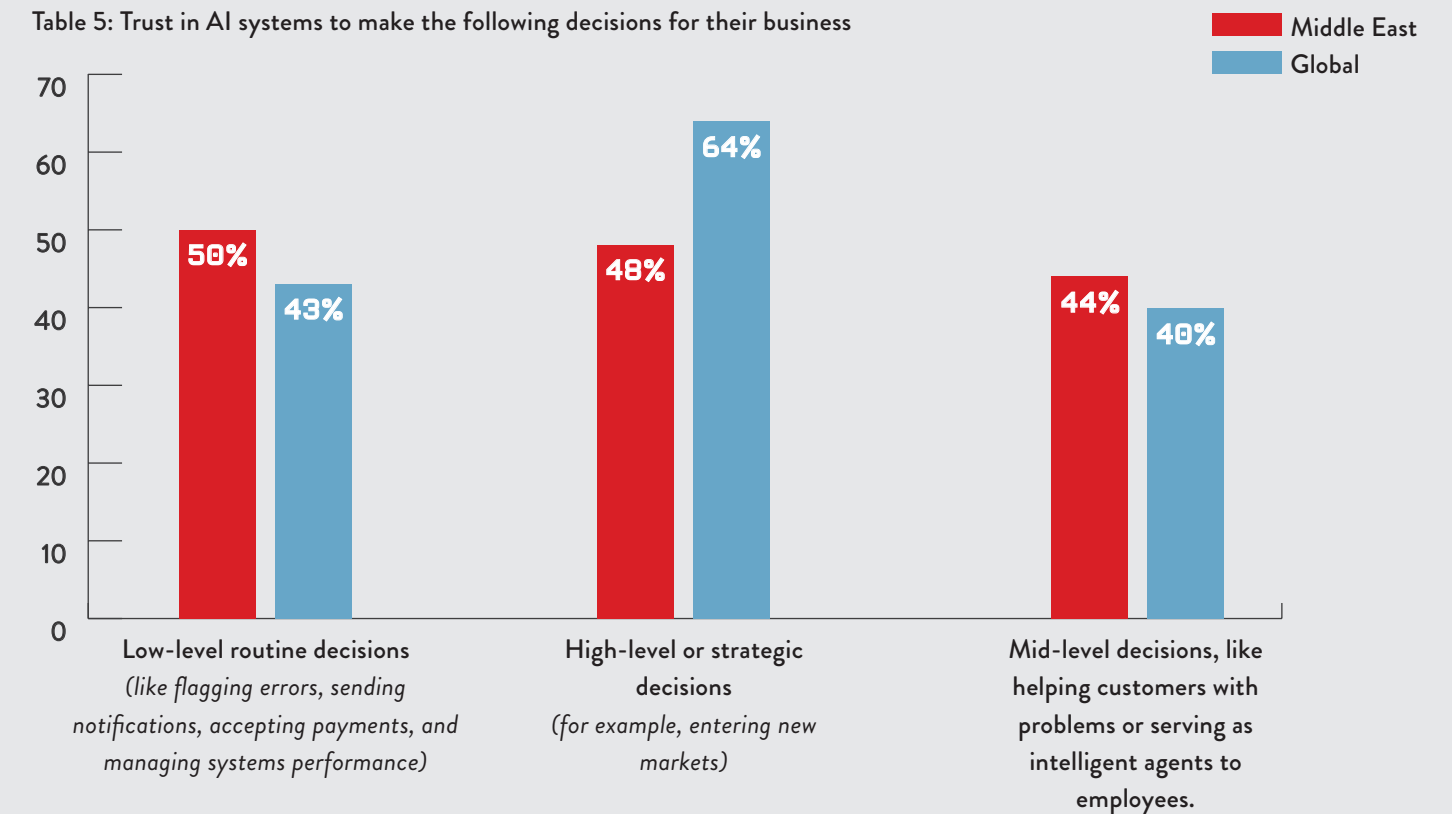
“The biggest priority for Middle Eastern companies looking to use AI is getting their data right,” says Munyuki. “Making sure the right data are collected, then fixing data fragmentation and quality issues. AI’s success highly depends on data.”

While half of the companies surveyed feel their data is ready for some departments or functions, fewer (44%) feel their data is ready enterprise wide. This is likely because Middle Eastern companies report struggling with infrastructure issues: scaling infrastructure/computational power for current and future AI workloads (68%) and lacking pre-integrated infrastructure solutions for running AI workloads (63%).

TRUST

Interestingly, overall trust of AI systems may play a role here, as it’s a prerequisite for successful planning and adoption. Only about half of all companies surveyed trust AI to make decisions, with global companies expressing much higher confidence than their Middle Eastern colleagues in using AI to make high-level, strategic decisions for the organization (Table 5).

Table 5: Trust in AI systems to make the following decisions for their business



THE LOOK OF SUCCESS

Almost every Middle Eastern executive surveyed (97%) expects to have centralized AI initiatives in the next five years. There’s an even split about how to create that model: whether to use pre-built models from third-party providers, to modify or train these pre-built models, or to build or train in-house models. However these systems are created, executives are looking to AI to improve operational efficiency, customer service and customer acquisition.

“Any type of technology should lead to cost effectiveness and value proposition,” says Dr. Aisha Bin Bishr. “It can be expensive — especially advanced

technology like AI, blockchain and the internet of things. Companies in the UAE are ensuring the solution is making the firm cost effective in the long run and differentiating themselves from competitors. There is a general understanding that using any and every emerging technology is the way forward.”

Executives in the region agree wholeheartedly that AI is the way forward: 71% say it will have a greater positive impact on the Middle East than any other technology or trend. And 67% believe that, on a per-capita basis, AI will have a greater impact on the Middle East than any other global region.



Forbes insights

ABOUT FORBES INSIGHTS

Forbes Insights is the strategic research and thought leadership practice of Forbes Media, a global media, branding and technology company whose combined platforms reach nearly 94 million business decision makers worldwide on a monthly basis. By leveraging proprietary databases of senior-level executives in the Forbes community, Forbes Insights conducts research on a wide range of topics to position brands as thought leaders and drive stakeholder engagement. Research findings are delivered through a variety of digital, print and live executions, and amplified across Forbes' social and media platforms.

499 WASHINGTON BLVD. JERSEY CITY, NJ 07310 | 212.367.2662 | WWW.FORBES.COM/FORBESINSIGHTS