

## AI Solutions are Enabling Changes to A/NZ Business Models

SYDNEY, AUSTRALIA, 15th July 2020: Over half of Australian and New Zealand enterprises implementing Artificial Intelligence (AI) solutions say the deployments are enabling changes to their business models. Conversational AI is transforming the customer care model and predictive analytics is shifting traditional maintenance business models. A/NZ organisations are using AI Recommendation Systems to optimise transport routes, detect driving offences and determine effective environmental protection actions.

IDC has just released its [AI in Australia and NZ: Viable Use Cases Driving Adoption](#) report which says that the main drivers behind investment are automation for productivity, customer satisfaction, business agility and accuracy. “Organisations are shifting workloads to AI solutions where the system can make decisions and act faster than employees can”, says Liam Landon, Associate Market Analyst at IDC, “Artificial Intelligence is augmenting the employee workforce, driving changes to business models to capture real returns on improved productivity, satisfaction, agility and accuracy”.

A common example frequently deployed in A/NZ is where organisations deploy Conversational AI to provide consistent and accurate responses to straight-forward customer queries. This frees up frontline staff to spend more time helping customers with complicated queries. More complex uses of AI that leverage large data sources such as assisted diagnoses, especially within healthcare, will grow as the technology matures.

40% of A/NZ organisations said they planned to deploy an AI initiative by the end of 2020. The impacts to business from the COVID-19 crisis has dampened business spending intent

for 2020, but still close to one-third of organisations expect their budgets for AI to increase in 2020.

"Organisations are investing in AI solutions to adjust quickly to market changes and enhance the customer experience through improved business processes. The additional benefit of business agility gives organisations the ability to be more flexible to changes in the market, unlocking greater potential to stay ahead of competitors. This is especially key, given the recent stress many workplaces have been placed under due to Covid-19."

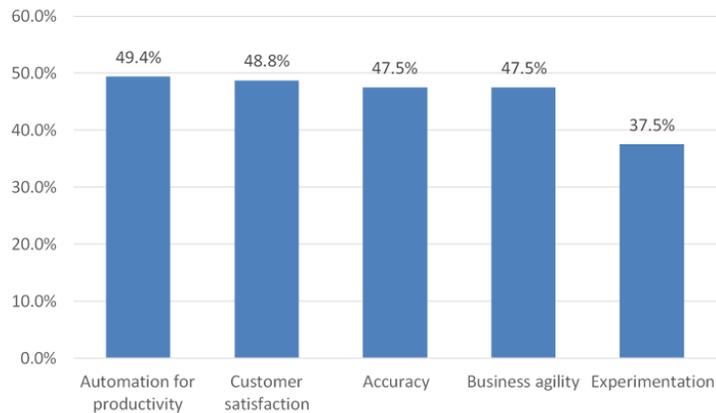
IT operations and customer service business processes are common uses of AI and will remain frequent, with more simplistic implementations such as chatbots being popular.

Technology suppliers should identify emerging new business models where they can maximise the value proposition of AI for their clients. Key focuses for 2020 will be around resiliency and redundancy as well as business processes that enable future ways of working.

Figure 1



Drivers for using AI in projects



Source: 2019 APEJ Artificial Intelligence and Cognitive Computing Survey

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