

## Spending in Artificial Intelligence to Accelerate Across the Public Sector Due to Automation and Social Distancing Compliance Needs in Response to COVID-19, says IDC

LONDON, April 9, 2020 — Prior to the COVID-19 pandemic, the IDC (International Data Corporation) Worldwide Artificial Intelligence Spending Guide had forecast European artificial intelligence (AI) spending of \$10 billion for 2020, and a healthy growth at a 33% CAGR throughout 2023. With the COVID-19 outbreak, IDC expects a variety of changes in spending in 2020. AI solutions deployed in the cloud will experience a strong uptake, showing that companies are looking at deploying intelligence in the cloud to be more efficient and agile.

"Following the COVID-19 outbreak, many industries such as transportation and personal and consumer services will be forced to revise their technology investments downwards," said Andrea Minonne, senior research analyst at IDC Customer Insights & Analysis. "On the other hand, AI is a technology that can play a significant role in helping businesses and societies deal with and solve large scale disruption caused by quarantines and lockdowns. Of all industries, the public sector will experience an acceleration of AI investments. Hospitals are looking at AI to speed up COVID-19 diagnosis and testing and to provide automated remote consultations to patients in self-isolation through chatbots. At the same time, governments will use AI to assess social distancing compliance"

In the IDC report, What is the Impact of COVID-19 on the European IT Market? (IDC #EUR146175020, April 2020) we assessed the impact of COVID-19 across 181 European companies and found that, as of March 23, 16% of European companies believe automation through AI and other emerging technologies can help them minimize the impact of COVID-19. With large scale lockdowns in place, a

shortage of workers and supply chain disruptions will drive automation needs across manufacturing.

Applying intelligence to automate processes is a crucial response to the COVID-19 crisis. Not only does automation allow European companies to digitally transform, but also to make prompt data-driven decisions and have a positive impact on business efficiency. IDC expects a surge in adoption of automated COVID-19 diagnosis in healthcare to speed up diagnosis and save time for both doctors and patients. As the virus spreads quickly, labor shortages in industries where product demand is surging can become a critical problem. For that reason, companies are renovating their hiring processes, applying a mix of intelligent automation and virtualization in their hiring processes. Companies will also aim to automate their supply chains, maintain their agility and avoid production bottlenecks, especially for industries with vast supplier networks. With customer service centers becoming severely restricted, automation will be a crucial part for remote customer engagement and chatbots will help customers in self-isolation get the support they need without having to wait a long time.

"As a short-term response to the COVID-19 crisis, AI can play a crucial part in automating

processes and limiting human involvement to a necessary minimum," said Petr Vojtisek, research analyst at IDC Customer Insights & Analysis. "In the longer term, we might observe an increase in AI adoption for companies that otherwise wouldn't consider it, both for competitive and practical reasons."

IDC's Worldwide Semiannual Artificial Intelligence Spending Guide provides guidance on the expected technology opportunity around the AI market across nine regions. Segmented by 32 countries, 19 industries, 27 use cases, and 6 technologies, the guide provides IT vendors with insight into this rapidly growing market and how the market will develop over the coming years.

For IDC's European coverage of COVID-19, click [here](#).

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