



Spending on Artificial Intelligence Systems in the Middle East & Africa to Top \$374 Million in 2020

Dubai – Spending on artificial intelligence (AI) systems in the Middle East and Africa (MEA) is expected to maintain its strong growth trajectory as businesses continue to invest in projects that utilize the capabilities of AI software and platforms. That's according to the latest forecast from global technology research and consulting firm International Data Corporation (IDC), with a recent update to the firm's [Worldwide Artificial Intelligence Systems Spending Guide](#) showing that spending on AI systems in MEA is expected to reach \$374.2 million next year, up from \$261.8 million in 2018 and an anticipated \$310.3 million in 2019. Over the longer term, IDC expects spending in the region to increase at a compound annual growth rate (CAGR) of 19% for the 2018-2023 period.

"The AI software applications and AI platforms markets continue to show steady growth in the MEA region, and we expect this momentum to continue over the forecast period," says Manish Ranjan, IDC's program manager for software and cloud in the Middle East, Africa, and Turkey. "The use of AI and machine learning (ML) is on the rise in a wide variety of business applications from ERP and CRM to analytics, content management, and collaboration solutions. Many global vendors have started embedding AI, ML, and cognitive applications to provide ultimate business benefits to their users."

Spending on AI systems in the region will be led by the banking and retail industries. Together, these verticals will account for more than 33% of spending in 2020, followed by federal/central governments and telecommunication industry. Investments in AI systems across MEA will continue to be driven by a wide range of use cases. The three largest use cases – automated customer service agents, IT automation, and automated threat intelligence and prevention systems – will account for around 30% of total AI spending in 2020.

"With the growing adoption of various use cases across all industries, organizations are continuing to invest significantly in optimizing their business processes, automating their operations and enhancing their products and services offerings in order to maximize the overall customer experience," says Ranjan.

Looking at individual countries, IDC's forecast shows South Africa accounting for 20.5% of AI spending in MEA during 2020, followed by the UAE on 19.7%. Saudi Arabia will be the region's

third-biggest spender next year with 15.7% share. Turkey will rank fourth, accounting for 11.1% of regional AI spending.

The [Worldwide Artificial Intelligence Systems Spending Guide](#) sizes spending for technologies that analyze, organize, access, and provide advisory services based on a range of unstructured information. The spending guide quantifies the AI opportunity by providing data for 26 use cases across 19 industries in 9 regions and 32 countries. Data is also available for the related hardware, software, and services categories. Unlike any other research in the industry, the detailed segmentation and timely, global data is designed to help suppliers targeting the market to identify market opportunities and execute an effective strategy.

About IDC Spending Guides

IDC's Spending Guides provide a granular view of key technology markets from a regional, vertical industry, use case, buyer, and technology perspective. The spending guides are delivered via pivot table format or custom query tool, allowing the user to easily extract meaningful information about each market by viewing data trends and relationships.

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