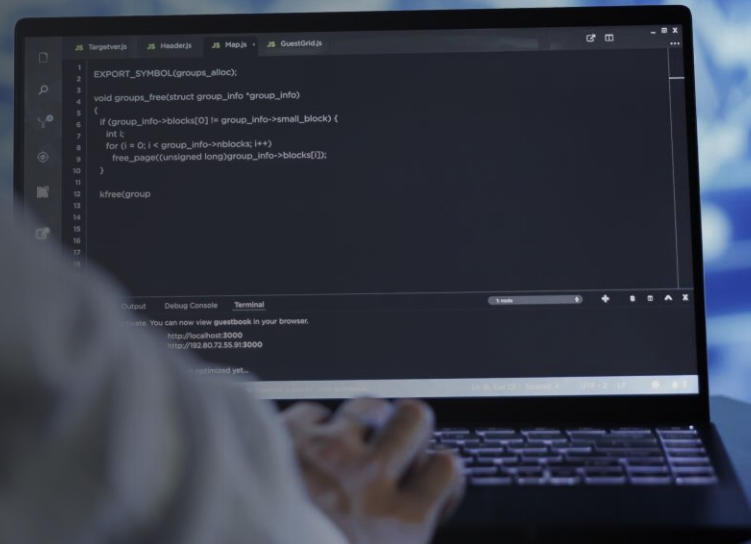




The Future of AI-Powered Business: 5 Trends to Watch

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The Asia Pacific region is rapidly emerging as a global economic powerhouse, with AI playing a key role in driving this growth. The AI market in the region is projected to reach **USD 244B by 2025**, and organisations must adapt and scale AI effectively to thrive. The question is no longer whether to adopt AI, but how to do so responsibly and effectively for long-term success.

The **APAC AI Outlook 2025** highlights how Asia Pacific enterprises are moving beyond experimentation to maximise the impact of their AI investments.

Here are 5 key trends that will impact the AI landscape in 2025.



#1 Strategic AI Deployment

AI is no longer a buzzword, but Asia Pacific's transformation engine. It's reshaping industries and fuelling growth.

Initially, high costs and complex ROI pushed leaders toward quick wins. Now, the game has changed. As AI adoption matures, the focus is shifting from short-term gains to long-term, innovation-driven strategies.

GenAI is at the heart of this shift, moving beyond the periphery to power core business functions and deliver competitive advantage.

Organisations are rethinking AI investments, looking beyond pure financials to consider the impact on jobs, governance, and data readiness. The AI journey is about balancing ambition with practicality.

Nearly 60% of organisations expect to see tangible AI benefits within 2–5 years, while immediate returns remain rare.

Source: Ecosystem, 2025





#2 Optimising AI: Tailored Open-Source Models

Smaller, open-source, and specialised AI models will gain momentum as organisations seek efficiency, flexibility, and sustainability in their AI strategies.

Unlike LLMs, which require high computational power, smaller, task-specific models offer comparable performance while being more resource-efficient. This makes them ideal for organisations working with proprietary data or limited computational resources.

Beyond cost and performance, these models are more energy-efficient, addressing growing concerns about AI's environmental impact.

Purpose-built models for local languages and regional contexts are crucial in the Asia Pacific region, enabling organisations to address linguistic diversity and deploy AI on edge devices for faster, more localised insights.





#3 Centralised Tools for Responsible Innovation

Navigating the increasingly complex AI landscape demands unified management and governance. Organisations will prioritise centralised frameworks to tame the chaos of diverse AI solutions, ensuring compliance (think EU AI Act) while boosting transparency and security.

Automated AI lifecycle management tools will streamline oversight, providing real-time tracking of model performance, usage, and issues like drift.

By using flexible developer toolkits and vendor-agnostic strategies, organisations can accelerate innovation while maintaining adaptability, as the technology evolves.

Multi-modal, multi-vendor environments, integrating data from text, images, and audio, will demand better orchestration tools to coordinate workflows and maintain peak performance.





#4 Supercharging Workflows With Agentic AI

Organisations will embrace Agentic AI to automate complex workflows and drive business value.

Traditional automation tools struggle with real-world dynamism, but AI-powered agents offer a flexible solution. They empower autonomous task execution, intelligent decision-making, and adaptability to changing circumstances.

These agents, often using GenAI, understand complex instructions and learn from experience. They collaborate with humans, boosting efficiency, and adapt to disruptions, unlike rigid traditional automation.

Agentic workflows are key to redefining work, enabling agility and innovation.

By combining AI with automation, organisations improve operations, customer experience, and decision-making.





#5 From Productivity to People

The focus of AI conversations will shift from simply boosting productivity to using AI for human-centric innovation that transforms both employee roles and customer experiences.

For employees, AI will handle routine tasks, enabling them to focus on creativity and innovation. Education and training will be crucial for a smooth transition to AI-powered workflows.

For customers, AI is evolving to offer more empathetic, personalised interactions by understanding individual emotions, motivations, and preferences. Organisations are recognising the need for transparent, explainable AI to build trust, tailor solutions, and deepen engagement.

Continuous improvement – driven by user feedback and ethical AI practices – will be essential to ensure fairness and alignment with societal values.





Ecosystem Opinion

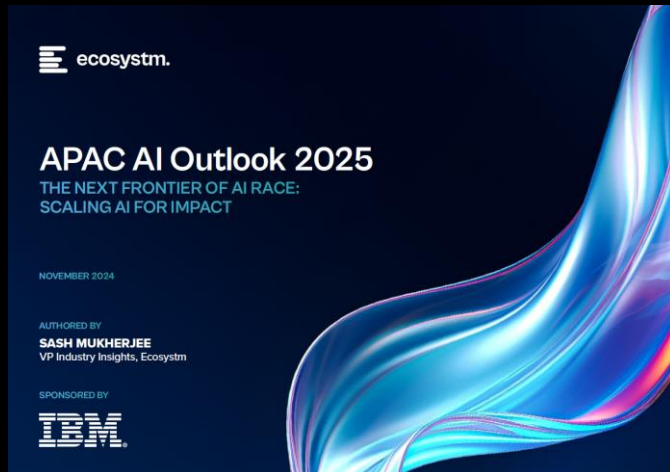


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2025: AI's Defining Moment

Hit or miss AI experiments have leaders demanding results. In this breakneck AI landscape, strategy and realism are your survival tools. A pragmatic approach? High-impact, achievable goals. Know your capabilities, prioritise manageable projects, and stay flexible.

The AI winners will be those who champion human-AI collaboration, bake in ethics, and never stop researching.



Read the IBM-commissioned report to discover how organisations in Asia Pacific are tackling their AI challenges.

