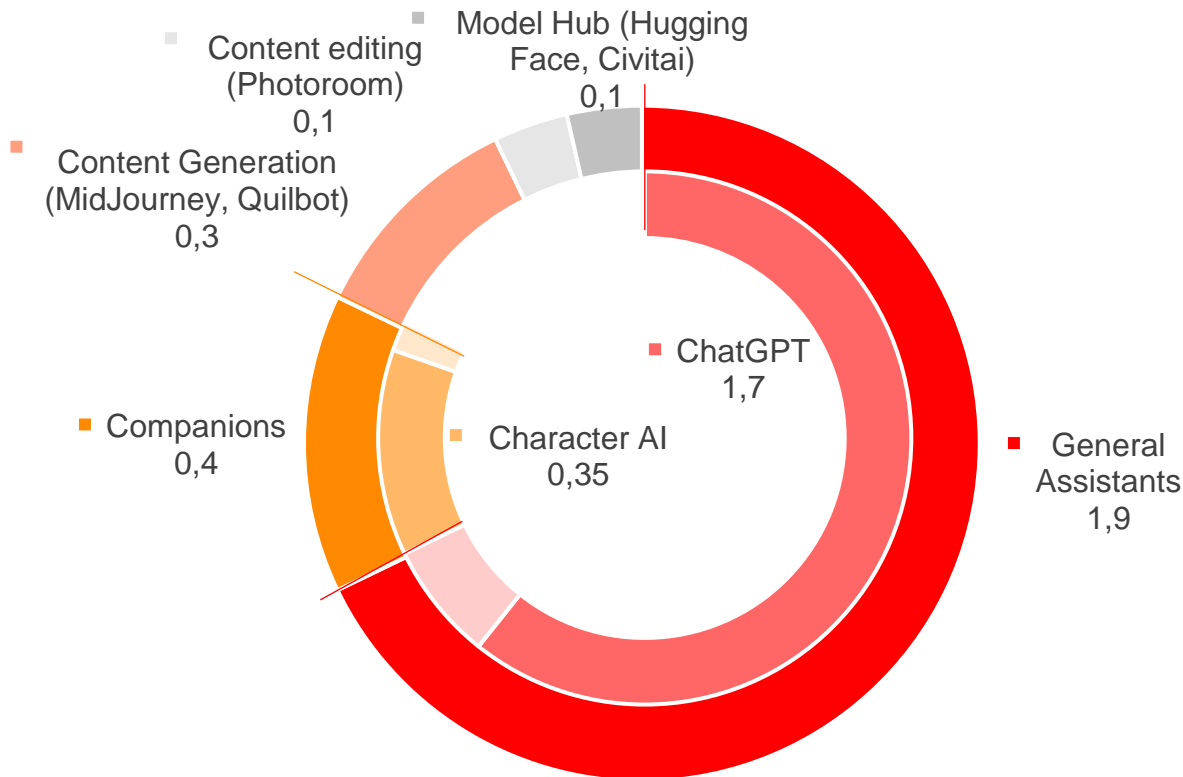


GenAI was on the center stage during all 2023 and is here to stay

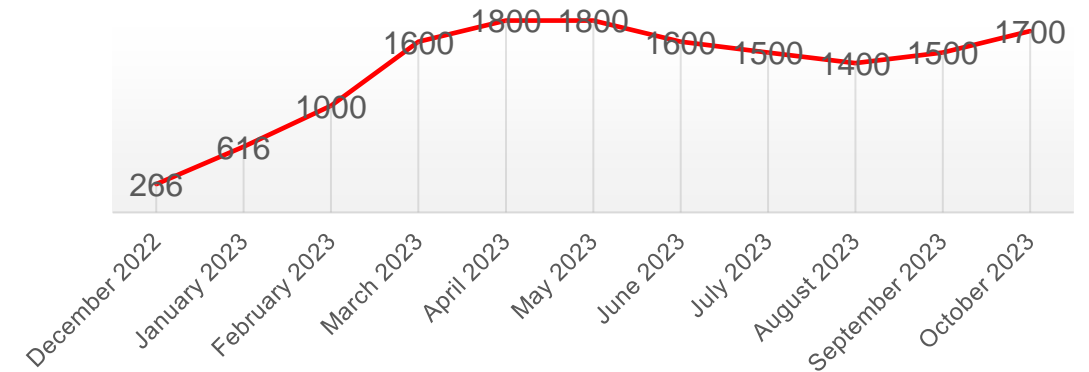
Still early days but some early winners are emerging

Analysis of GenAI approx. 3Bn Web Traffic in October



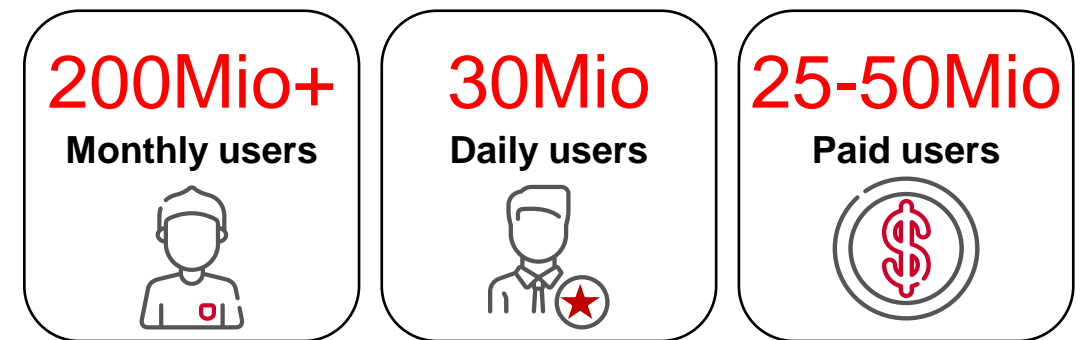
ChatGTP incredible success

Evolution of ChatGPT monthly web traffic in millions



ChatGTP usage development drives monetization

Analysis of ChatGPT user base



- 50% of traffic generated by paid users

Better and better trained, GenAI will take on more and more value-added over the next 5 years

Tab : Large Model Availability and Maturity

	PRE-2022	2022	2023	2025 ?	2028 ?
TEXT APPLICATIONS (most developed, ready for industrial scale)	Basic copywriting First drafts	Longer form Second drafts	Vertical fine-tuning gets good (scientific papers, etc.)	Final drafts better than the human average	Final drafts better than professional writers
CODE APPLICATIONS (most developed, ready for industrial scale)	Multi-line generation	Longer form Better accuracy	More language More verticals	Text to product (first and second drafts)	Text to product (final drafts) better than full-time developers
IMAGE APPLICATIONS (stabilization imminent, scaling in 12 - 24 months)		Art Logos Photography	Mock-ups (product, design, architecture, etc)	Final drafts (product design, architecture, etc)	Final drafts better than professionals
VIDEO /3D/ GAMING APPLICATIONS (still in construction, 3 - 5 years of training needed before scaling)		First attempts at 3D/video models	Basic/first draft videos or 3D files	Second drafts	AI Roblox Video games and movies become personalized dreams

First attempts : ■

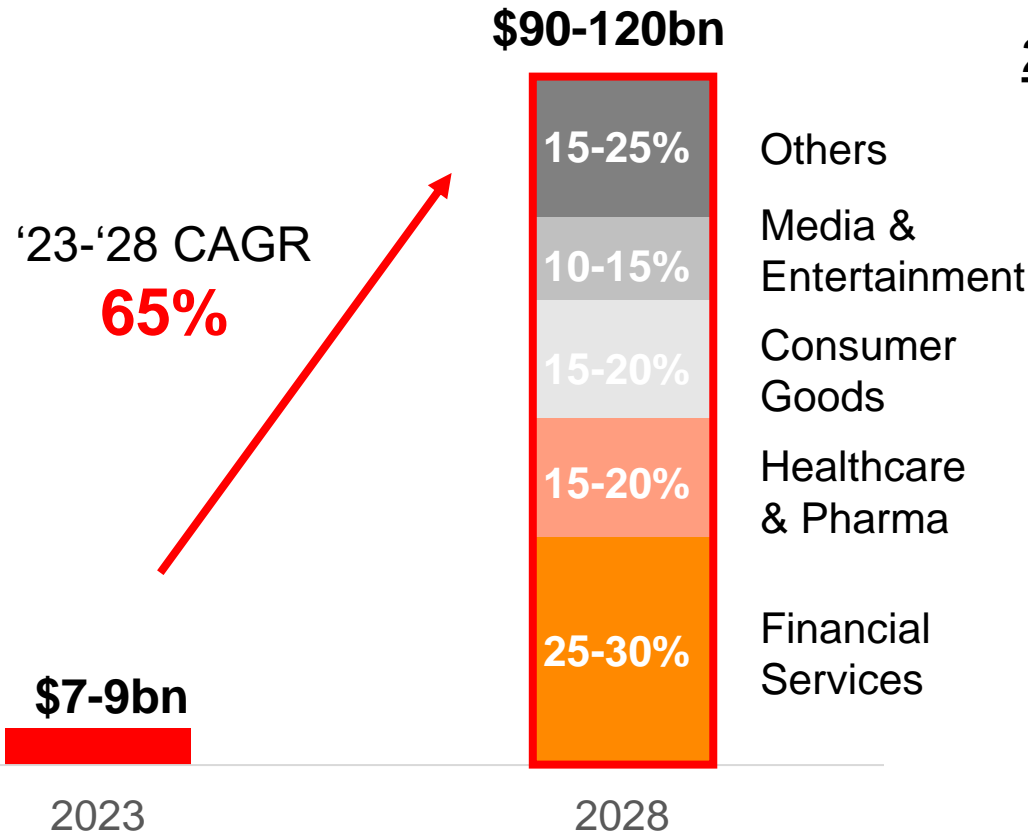
Almost there : ■

Ready for prime time : ■

Analysis : Sopra Steria Next / Source : Sequoia Capital, CB Insights

We forecast the GenAI market to be worth around \$100bn in 2028 in our central scenario

GenAI Market evolution forecast and breakdown by industry users (Infrastructure, Software & IT Services)



Explosion of GenAI applications will drive usage and hence monetization

2023 -> 2028

2028





x2-3	GenAI monthly users	400 – 600 Mio
x2-3	Share of paid users	30 – 50%
x4-6	GenAI daily time spent	30 – 60 min
-50%	Price per minute	30–40\$/month

An invitation for leaders to adopt a proactive and progressive approach to best seize the GenAI opportunity

**Medium level
of “hallucination”**

(next 18 months)

No regret moves

-  **Customer Services**
-  **Digital Marketing**
-  **Software Engineering**
-  **Market Research**

**Low level
of “hallucination”**

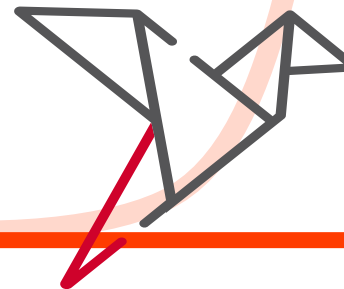
(next 36 months)

- Expand “transversal” use cases
- Target areas where GenAI can complement / enhance existing predictive AI solutions
- Deploy first fine-tuned AI models leveraging internal data
- Update workforce skills & invest in data/AI infrastructure

**Near 0 level
of “hallucination”**

(3+ years)

- Generalize deployment of dual Gen+Pred AI solutions
- Expand the deployment of tailored AI solution to industrial/core business use cases
- Execute AI-ready workforce plan and secure sourcing of AI-expert talent
- Run on an updated data/AI platform



Market Maturity →

**“GenAI augmented
by humans”**

**“GenAI customized
by proprietary data”**

**“GenAI applied
to the core”**

Start by the obvious “no-regret moves” and be realistic of what each GenAI strategy implies in terms of \$, talent and data

7-10% savings potential in the most mature domains in case of GenAI deployment at scale

Digital Marketing

Gen AI is revolutionizing the full value chain of digital marketing bringing brands closer to their customers and delivering higher engagement and conversion

Software Engineering

Automated testing & code generation assistance for developers as well as IT helpdesk for employees are the areas where GenAI can have the most impact in software development

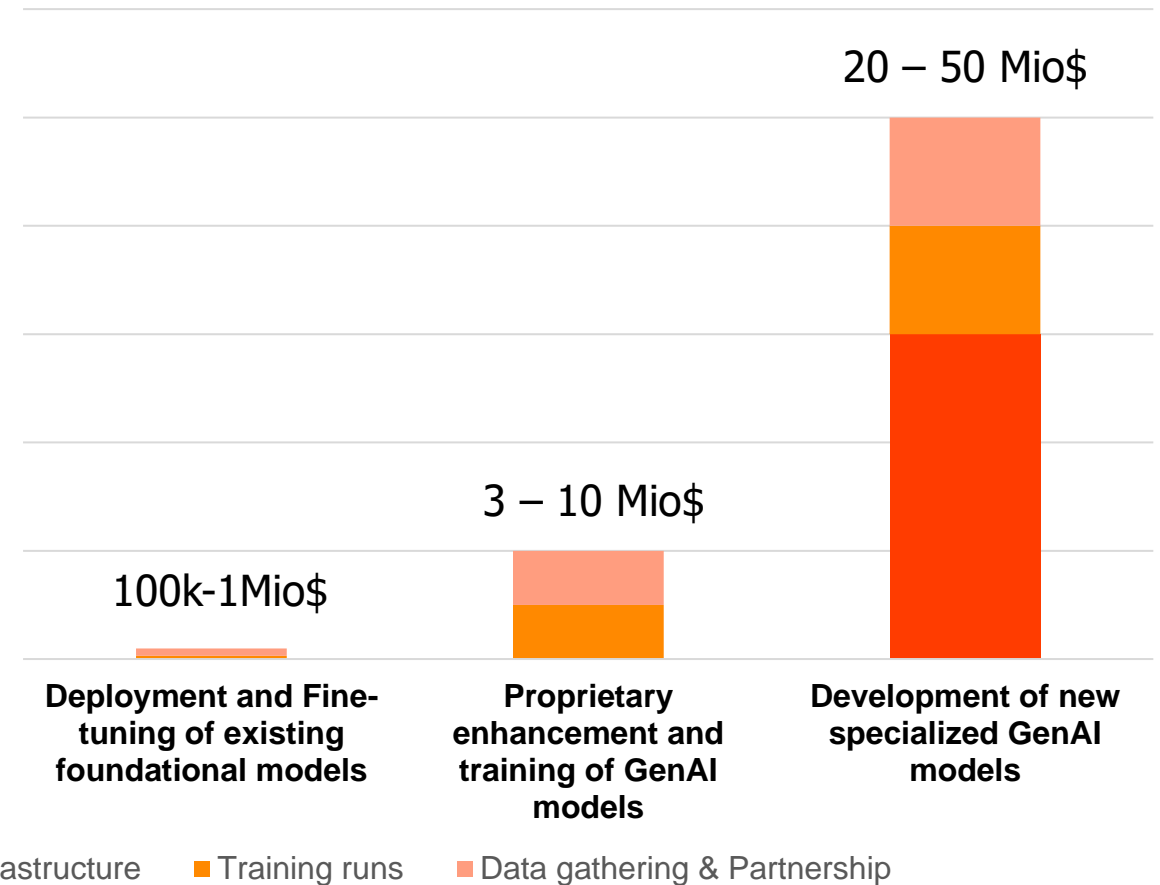
Customer Services

A new wave of customer care transformation thanks to GenAI ability to digest immense volume data and develop empathic conversation to develop further self-service and support operators in real time

Knowledge Management

GenAI allows a step-change of efficiency in both accessing a KM database with natural language search as well as in summarizing, classifying and anonymizing new content

Investment needed depending on GenAI strategy (USD million)



Source : Sopra Steria Next