Google Cloud

The agentic shift

The new frontier of enterprise growth

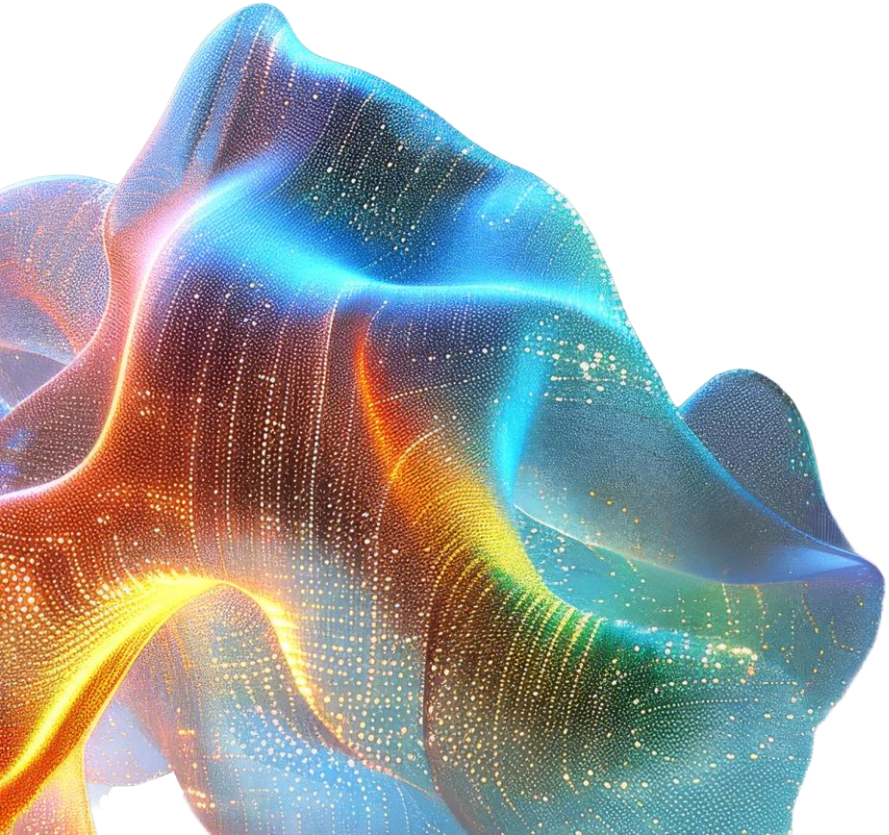


Research insights by

IDC

Asia Pacific Insights I November 2025

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Foreword

Some shifts in enterprise tech are incremental. Others redefine the rules. Agentic AI is the latter.

For years, we've talked about digital transformation—using AI to boost efficiency, cut costs, maybe reimagine a few workflows. But with agentic AI, we're entering a new phase: one where AI doesn't just support decisions, but drives them.

This is intelligence that can observe, reason, and act. It enables autonomy at scale—and it's changing how leaders think about technology, operations, and value creation itself.

We're also seeing a shift in how people engage with that intelligence. From desktop to mobile to Gemini Enterprise—a new environment where AI agents live. Not just embedded in apps, but operating across them: understanding goals, planning, and executing tasks. And with the rise of agent SDKs—software kits that give developers the tools to build, train, and deploy intelligent agents—developers can now build and scale these agents faster, powering a new wave of enterprise automation.

At Google Cloud, we're working with CxOs across Asia Pacific who are already on this journey. What's clear is this: success in the agentic era demands more than just smart models. It takes a unified foundation—where infrastructure, data, and AI come together seamlessly. That's exactly what we've built: a secure, enterprise-grade stack trusted globally, backed by world-class partners, and powered by AI innovation that's reshaping industries today.

The IDC *Asia Pacific Generative AI Adoption Study 2025*, commissioned by Google Cloud, surveyed 950 organizations across the region. It offers a timely look at how businesses are adopting generative AI (gen AI)—and preparing for what comes next. I hope it not only informs, but inspires. Because the question isn't whether AI will change your business—but how you'll lead that change.

Mitesh Agarwal
Managing Director, Architecture & Technology
Google Cloud, Asia Pacific

“Success in the agentic era demands more than just smart models. It takes a unified foundation. One where infrastructure, data, and AI come together seamlessly.”

Executive summary

Across the world, CEOs seek competitive advantage, CIOs architect scalable platforms, CFOs demand measurable ROI, CHROs prepare the workforce for what's next, COOs pursue operational agility, and CMOs aim to personalize at scale. Generative AI (gen AI) will dramatically change how the C-suite works. Gen AI is no longer a futuristic concept; it is a strategic imperative. Combined with the shift toward agentic AI, where autonomous systems act intelligently in some context, gen AI heralds a new chapter in enterprise transformation.

But questions remain: **how do you lead responsibly, scale intelligently, and invest strategically?** This eBook explores adoption trends, and effective leadership strategies for gen AI success in Asia Pacific—and offers a blueprint for C-suite leaders to lead with purpose in this new world.

From gen AI implementation to agentic AI at scale, organizations are entering a new frontier of enterprise growth, where agility, innovation, and ROI converge. For CxOs, the path to sustainable advantage lies in bold tech choices, empowered talent, and trusted platforms that scale autonomy with purpose. Those who lead with vision today will define the competitive edge of tomorrow, and succeed.

01

AI success path: Evolve with agentic AI

For today's C-suite, the mandate goes beyond digital transformation—it is about enabling intelligent autonomy. Agentic AI delivers proactive decisioning and automates workflow. Those who adapt fast, lead decisively.

02

Invest in AI foundation: Security and data

CIOs and CISOs know this: AI is only as strong as its foundation. Trusted data, secure pipelines, and compliance-first infrastructure unlock scale, resilience, and boardroom confidence.

03

Ensure AI impact: Build AI skills

AI is not just an IT project—it is a capability. Forward-looking CxOs invest in people, empowering teams with AI fluency to drive innovation, not just run operations.

04

Adaptive AI platform: Engage partners with a long-term vision

AI partners can help organizations achieve their goals. Choosing platforms that offer end-to-end orchestration, continuous innovation, and ecosystem depth helps drive sustained impact.

Agentic AI turns enterprise goals into reality

AI agents' reasoning power transforms strategic business goals into high-impact, self-driving outcomes.

IDC research shows organizations are expanding AI use from narrow cases to strategic priorities—driving innovation, agility, and growth. Agentic AI accelerates this by turning complex goals into actions, automating decisions, boosting responsiveness, and enhancing experiences. It converts gen AI's intent into impact, helping enterprises scale and lead with speed.

Organizations' AI objectives for initiating AI projects



What is possible with agentic AI

- Agents scan market trends, suggest new product ideas, run quick product-or-service simulations, and prepare a prototype brief overnight.
- Smart service bots predict what customers need, fix issues on the spot, and personalize offers—no endless hand-offs.
- AI helpers handle tasks, fill routine forms, and schedule shifts, freeing employees to tackle bigger, more creative challenges.
- Agents instantly adjust suppliers, inventory, and prices when demand or risks change, keeping operations smooth.
- Sales agents fine-tune pricing, spot cross-sell chances, and renegotiate supplier rates to boost margins.

Key takeaways

- **Position agentic AI at the enterprise core:** Go beyond automation to intelligent orchestration by aligning AI with key business functions. Agentic AI reasons, creates sub-tasks, and activates hidden processes to autonomously drive outcomes.
- **Empower AI to decide and act:** Rethink how value is created—agentic AI transforms business objectives into executable strategies, enabling real-time decision making and autonomous action to unlock innovation, growth, and competitive advantage.

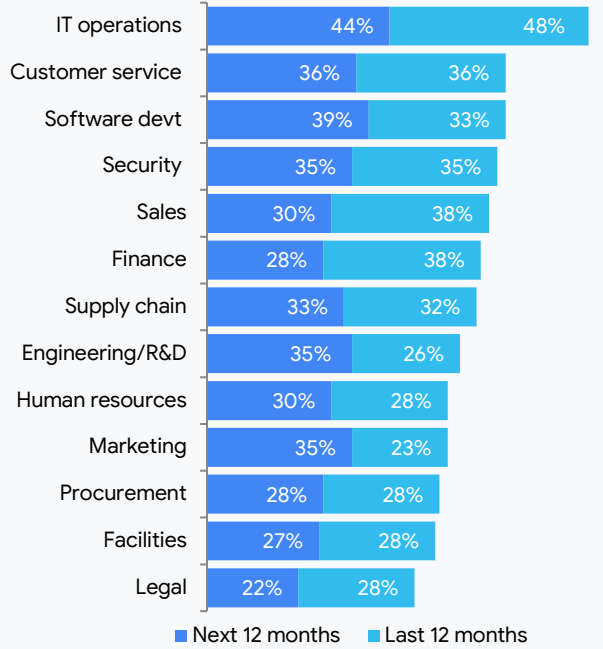
Source: IDC's *Asia Pacific Generative AI Adoption Study 2025*, commissioned by Google, n = 950

Agentic AI unlocks more sophisticated use cases

Advanced use cases emerge as organizations expand gen AI capabilities and embed agentic AI.

Asia Pacific organizations are rapidly scaling gen AI across enterprise functions—from IT operations and software development to engineering, marketing, and HR—moving from experimentation to value realization, while increasingly identifying mission-critical use cases for their lines of business.

Gen AI use case adoption by business functions



Industry	Planned gen AI use cases in next 12 months	Implemented
Manufacturing	Energy and resource efficiency	**54%**
Retail	Pricing and merchandising strategy	**47%**
Financial services	Fraud detection and risk management	**52%**
Public sector	Economic policy and financial governance	**54%**
Telecommunications	Revenue management and pricing strategy	**52%**
Media & entertainment	Content creation and production	**53%**
Gaming	Game asset creation with limited coding skills	**60%**

Key takeaways

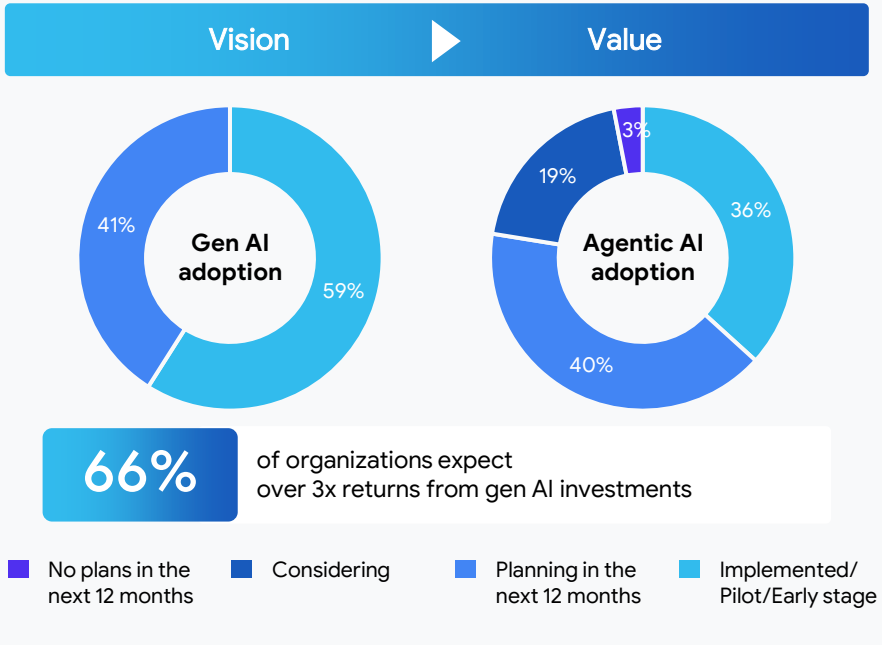
- **Elevate use cases from tasks to outcomes:** Agentic AI evolves content creation into autonomous campaign orchestration—planning, executing, and optimizing.
- **Enable autonomous, context-aware execution:** In product development, agents interpret requirements, simulate designs, and iterate with minimal human input.
- **Built for scalable, multi-agent collaboration:** In supply chains, agents dynamically resolve disruptions, align logistics, and adapt procurement strategies in real time.

Source: IDC's *Asia Pacific Generative AI Adoption Study 2025*, commissioned by Google, n = 950

AI success path

Gen AI fuels agentic AI to create intelligent systems, accelerate innovation, and drive next-level transformation.

Organizations are rapidly evolving from traditional AI to gen AI. The next stage will be agentic AI—enabling autonomous decision making and contextual intelligence at scale. As they mature in their use of gen AI, organizations will expect higher ROI by integrating agentic capabilities. Agentic AI takes gen AI further—turning strategic vision into real, autonomous outcomes that drive measurable business value. The IDC study predicts that by 2025, about **76%** of Asia Pacific organizations will implement agentic AI use cases across functions.



Key takeaways

- **Agentic AI is an evolution, not a revolution:** Agentic AI builds on gen AI foundations—advancing autonomy, adaptability, and context awareness without disrupting existing systems.
- **Business-driven, not just tech-driven:** Strong gen AI ROI accelerates agentic AI adoption. Identifying the right agentic AI use cases will bring higher ROI, and fuel your next wave of enterprise transformation.
- **Success isn't adoption; it's acceleration:** From experimentation to execution, high-impact use cases fuel momentum, transforming AI from a cost center into a strategic growth engine.
- **AI maturity = competitive advantage:** Enterprises that integrate multiple AI modalities are building smarter, more adaptive systems, unlocking greater agility, ROI, and long-term differentiation.

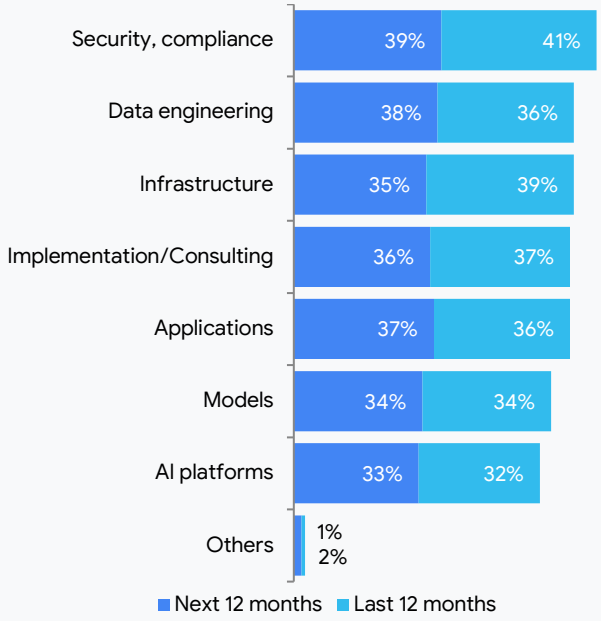
Source: IDC's *Asia Pacific Generative AI Adoption Study 2025*, commissioned by Google, n = 950

Investing in AI foundation: Security

Securing generative AI at scale demands resilient architecture, trusted data, and autonomous threat response.

Security and compliance remain the top AI investment priority for the C-suite for at least the coming year, reflecting rising regulatory pressures and escalating cyber threats. This means proactively developing robust, AI-driven security and compliance is non-negotiable, as this safeguards business value, customer trust, and future growth as AI adoption accelerates.

Investment areas for AI



Role of security and compliance in building future-ready agentic workflow*

- **Mitigate autonomy exploits:** Without proper guardrails, AI agents acting independently can trigger data leaks or unauthorized access.
- **Secure dynamic interactions:** Agentic workflows interacting across APIs or systems can introduce stealthy threat surfaces if unchecked.
- **Embed oversight protocols:** Always-on human governance is vital to ensure agent behavior aligns with compliance and ethics mandates.
- **Engineer for trust:** Transparent logic flows and explainable actions build enterprise confidence in autonomous decision making.

*Source: *IDC Agentic AI in Cybersecurity: A Primer Guide for Cybersecurity Architects,* Jun 2025; *IDC RSAC Conference 2025: Agentic AI and a Continued Move Toward Integration Emerge as Key Themes*

Key takeaways

- **Secure from the ground up:** Choose AI platforms with embedded security at the model, data, and infrastructure layers to future-proof innovation.
- **Adapt security to autonomous agents:** Evolve governance and threat models to anticipate risks from self-directed AI agents operating in complex environments.
- **Make trust a core capability:** Invest in explainability, traceability, and compliance by design to ensure every AI outcome is accountable and auditable.

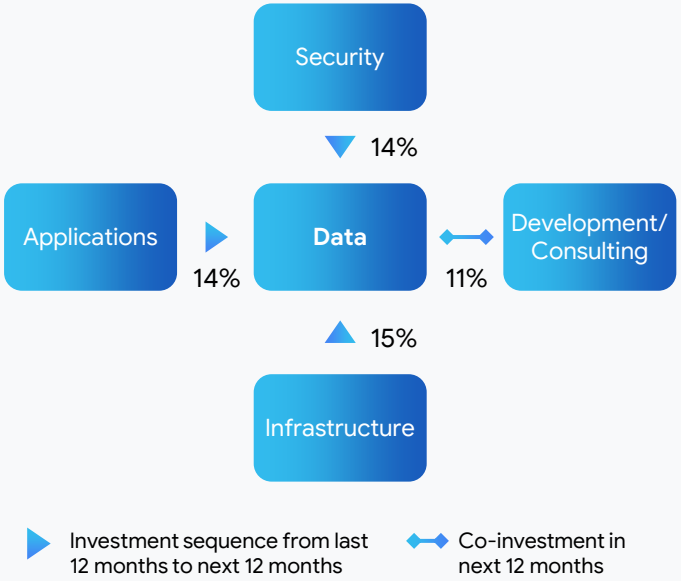
Source: IDC's *Asia Pacific Generative AI Adoption Study 2025*, commissioned by Google, n = 950

Investing in AI foundation: Data

Prioritize high-quality, well-governed data pipelines to maximize generative AI ROI and accelerate agentic AI.

Data engineering ranked fourth for AI investments in the last 12 months but now is second only to security for the year ahead. This acknowledges data engineering's importance in supporting other AI investments.

AI investment flow: Data as the hub of investment portfolio



Flexing AI investment to data engineering

- **From security to data:** AI security investments have exposed data governance gaps, underscoring the need for stronger data engineering to secure AI use.
- **From AI applications to AI-ready data:** AI tools, including agentic ones, flounder without high-quality data. This fuels the need to modernize infrastructures with data lakehouse, data mesh, and scalable data platforms.
- **From AI infrastructure to advanced data solutions:** GPU/TPU investments revealed data-compute bottlenecks, prompting further investments in advanced data solutions to optimize these AI resources.
- **AI implementation/consulting with data:** Aligning AI with business needs requires redesigned data models—making integrated data-AI execution more cost-efficient and outcome-driven.

Key takeaways

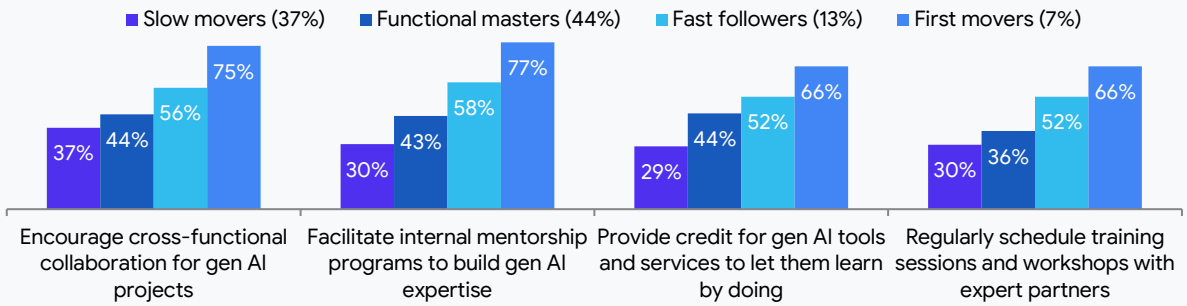
- **Modernize data first, scale AI faster:** Robust data infrastructure is the backbone of AI; without it, AI remains fragmented, biased, and unscalable.
- **Fuel agentic AI with intelligent data:** Future-ready data platforms power self-learning systems, unlocking continuous innovation and competitive advantage.

Source: IDC's *Asia Pacific Generative AI Adoption Study 2025*, commissioned by Google, n = 950

Build skills to power AI success

Empower talent with AI fluency to transform innovation into impact.

IDC analyzed functional and industry-specific gen AI use cases adopted in the past year and those planned for next year. Cluster analysis suggests four enterprise archetypes—**first movers** who invest heavily in AI skills and produce the highest AI performance. At the other extreme are **slow movers**, whose low investment in skills leads to low AI performance. (Refer to Appendix 1 for detailed features of these four clusters.)



Traits of first mover – AI success track

High investment in AI skills program

- Top in cross-functional collaboration
- Top in gen AI mentorship
- Top in providing gen AI training
- Top in providing credits for AI tools

High AI performance

- 3.5x ROI on average—the highest segment
- Highest (59.4%) adoption of agentic AI
- Highest gen AI project success rate (54% reported more than 80% success)

Proactive, deliberate strategy to invest in AI talent is essential to building the capability needed to lead with agentic AI.

Key takeaways

- **Modernization unsupported by gen AI talent is a recipe for failure:** AI platform upgrades will fail without skilled teams. Skills development investments fuel AI-driven transformation.
- **People are your gen AI force multiplier:** Human-agent collaboration will be a key feature of the agentic AI era. Upskilling with intent, and building cross-functional collaboration create real value from your agentic AI investment.
- **Strategy + Execution = Gen AI Leadership:** Leading enterprises align AI investments with a clear organization-wide vision.

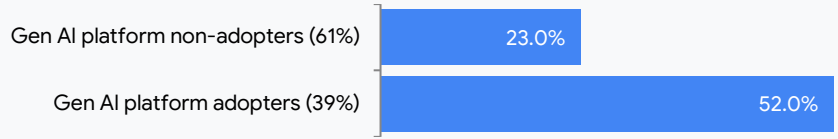
Source: IDC's *Asia Pacific Generative AI Adoption Study 2025*, commissioned by Google, n = 950

Trusted generative AI platforms help scale agentic workflows

Accelerate business value by scaling agentic workflows on secure, enterprise-grade generative AI platforms.

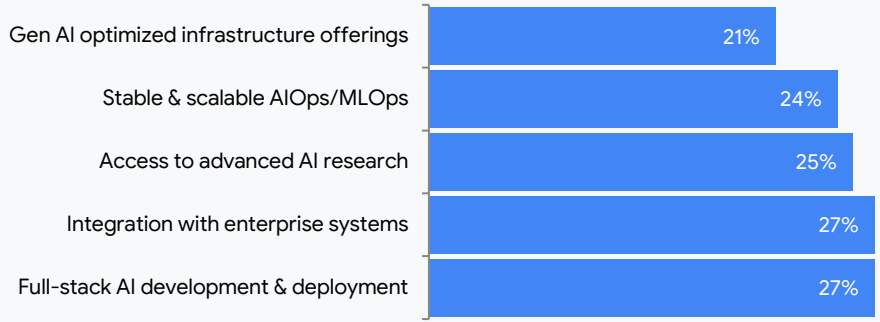
Platforms matter. IDC analysis reveals that firms with gen AI platforms are nearly twice as likely to deploy agentic AI in production—gaining efficiency, speed, customer experience, and competitiveness. This is hardly surprising as such platforms accelerate agentic workflow implementation by securely integrating models, data, and orchestration at scale. Platforms move businesses forward—beyond experimentation and pilot fatigue—unlocking autonomous workflows that deliver measurable, real-world outcomes, empowering C-suite to drive innovation and operational efficiency with confidence.

Deployed agentic AI in production



* N = 504

Top 5 gen AI platform selection criteria



Key takeaways

- **Move beyond pilots and industrialize gen AI with platforms:** Platform adopters scale faster by turning experiments into autonomous workflows, leaving laggards trailing behind in the AI maturity curve.
- **Invest in vendors with full-stack AI capabilities:** Early gen AI leaders choose platforms with end-to-end capabilities—from development to deployment—to scale intelligently and securely.
- **Bridge the execution gap with ecosystem-ready platforms:** Platforms that integrate seamlessly with enterprise systems eliminate operational friction and accelerate gen AI adoption.
- **Choose strategic partners, not just an AI vendor:** Your gen AI success hinges on who you build with. Engage with platform providers with deep AI expertise, R&D strength, and a proven record in enterprise delivery.

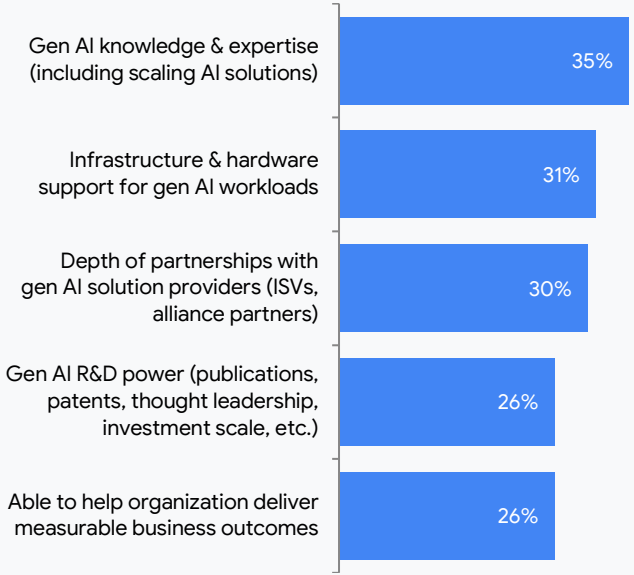
Source: IDC's *Asia Pacific Generative AI Adoption Study 2025*, commissioned by Google, n = 950

Build generative AI partnership with a long-term vision

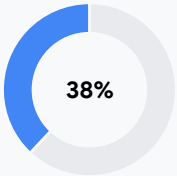
Forge strategic generative AI alliances that scale innovation, accelerate impact, and future-proof the business.

Organizations tend to select partners with deep expertise, execution strength, and ecosystem breadth to bridge capability gaps and scale enterprise impact. They increasingly prefer full-stack AI solution vendors that offer models, tools, infrastructure, and governance in one platform to accelerate adoption, ensure interoperability, and future-proof their innovation. Strategic alignment with such partners enables long-term value creation, continuous optimization, and faster time to trusted gen AI outcomes.

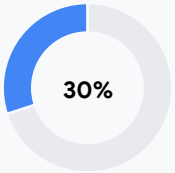
Top 5 generative AI partner selection criteria



Type of gen AI vendor organizations prefer to partner with



Full-stack AI solution vendor



Cloud service provider

Key takeaways

Look for partners with proven credibility in:

- **Knowledge and expertise:** Partners providing consulting services with deep understanding of business, industry, roadmap design, AI skilling, and operational models.
- **Implementation skills:** Partners experienced in technology deployment, and offer infrastructure support .
- **Right ecosystem:** To optimize real ROI from your gen AI investment, work with vendors with a well-developed ecosystem across the gen AI stack.

Source: IDC's *Asia Pacific Generative AI Adoption Study 2025*, commissioned by Google, n = 950

Charting the future

Your agentic AI playbook.

01

Lead with purpose, not just performance

Agentic AI redefines leadership. It drives value by embedding autonomy, ethics, and intent into enterprise decision making.

02

Invest in secure, scalable AI foundations

Success demands trusted data, compliant architecture, and resilient pipelines that can evolve with AI complexity.

03

Build AI fluency across the organization

Upskill talent beyond IT; empower every function to co-create innovation through intelligent systems.

04

Adopt adaptive platforms for agentic execution

Choose full-stack AI platforms that support orchestration, model evolution, and dynamic agent-driven workflows.

05

Align use cases to strategic impact

Don't just chase automation—design agentic AI use cases that proactively shape business models and industry outcomes, and deliver real business value.



Market Insights

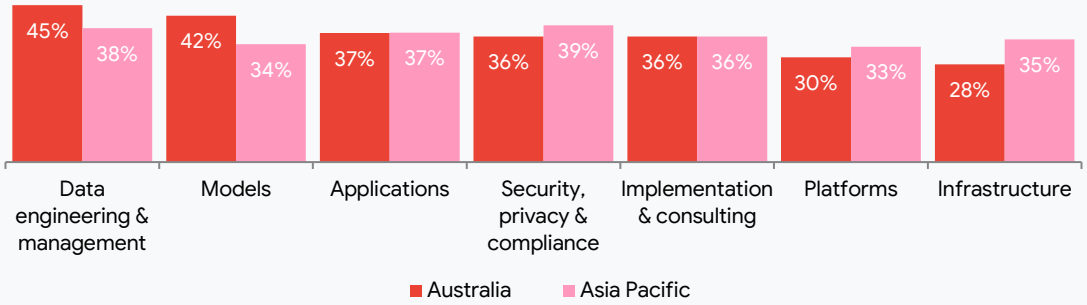
Australia

Strengthening the foundations for intelligent transformation

Enterprises align AI with security, scalability, and productivity for sustainable digital transformation.

Australian organizations are moving from gen AI pilots to full-scale deployment, recognizing AI as a pivotal driver of innovation, efficiency, and digital transformation. Increased foundational AI investments—in data infrastructure, scalable model development, and secure applications—reflect a pragmatic approach to industrializing gen AI across core business functions. Government-industry collaboration, backed by a robust regulatory framework, and digital upskilling reinforce responsible AI. This synergy fuels sustained ROI by strategically aligning AI initiatives with compliance, consulting, and platform modernization, positioning Australia for growth.

AI investment for next 12 months



Key motivators of AI projects



Agentic AI is gaining traction in Australia

Australian enterprises are progressively integrating autonomous, outcome-oriented AI agents into core workflows, signaling growing maturity in deployment. A strong focus on data security, operational integrity, and scalable digital platforms underpins this shift. With transparency and efficiency prioritized across sectors, agentic AI is emerging as a trusted enabler of automated decision making, and intelligent operations.

Agentic AI adoption



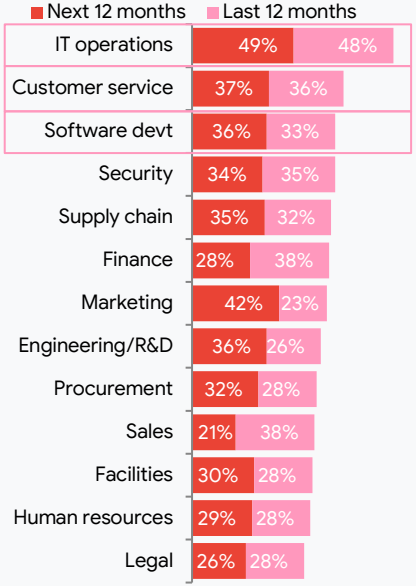
Source: IDC's *Asia Pacific Generative AI Adoption Study 2025*, commissioned by Google, n = Australia 100

From intelligence to impact

Leverage agentic AI for scalable, outcome-focused transformation.

Australian enterprises are scaling and accelerating gen AI adoption across priority business functions—from operational hubs like IT and software development to customer-centric areas such as customer service and marketing. Agentic AI is fueling intelligent automation, enhancing employee productivity, and unlocking measurable ROI across high-impact digital workflows and enterprise operations.

Gen AI use case adoption by functional areas



Scaling gen AI where it matters most

- Gen AI enhances customer service through automation and contextual intelligence that improve responsiveness, personalization, and service quality, while boosting engagement in contact centers and field operations.
- Custom gen AI solutions optimize training, streamline support, and elevate experience management across touchpoints.
- In IT operations, gen AI improves service performance, financial operations, and user experience through intelligent automation.
- In IT workflows, gen AI drives efficiency, while proprietary gen AI applications support predictive issue resolution and enhanced digital workplace experience.

Key goals for integrating AI agents across functions

Customer service

86% Improve customer satisfaction

43% Improve worker engagement

Operations

56% Quality improvement

33% Accelerate innovation

Source: IDC's *FERS Study,* Wave 1, Feb 2025, n = Australia 30

Agentic AI ROI & key benefit

63% >3X ROI from AI agents

69% Enhanced productivity

Source: IDC's *AP Agentic AI Survey, 2025,* n = Australia 80

Key takeaway

To stay ahead, business leaders must scale agentic AI to activate autonomous, outcome-driven use cases that redefine productivity, elevate experiences, and future-proof operations.

Source: IDC's *Asia Pacific Generative AI Adoption Study 2025*, commissioned by Google, n = Australia 100

The path to autonomous organizations

Operationalizing agentic AI across the digital core.

With growing deployment and forward-looking strategies, Australian organizations are embracing agentic AI to embed intelligence into planning, reflection, and multi-agent collaboration. This signals a shift from fragmented gen AI efforts to unified, autonomous systems that address key implementation barriers and unlock enterprise-wide, scalable impact

Agentic AI adoption in Australia

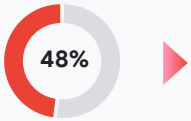
34%	42%	20%
Already deployed	Planned in next 12 months	Considering deploying

Agentic AI use cases organizations plan to deploy next year

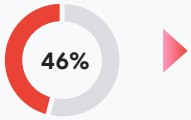
Reflection: Make LLM self-evaluate its response and fix and retry prompts until it meets certain quality thresholds	83%
Planning: Use LLM to suggest step-by-step plan to achieve some goals	67%
Multi-agent collaboration: Connect two or more agents to split tasks or discuss ideas for a solution	67%
Tool use: Integrate agents with other tools such as web scraping, calculators, analytics/ML models	56%

AI implementation challenges

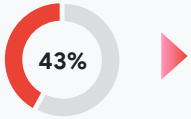
Data challenges



Align AI with business goals



Skill development



Agentic AI: Overcoming gen AI implementation barriers

Conquer data complexity: Agentic data agents enable seamless access to fragmented, unstructured data sets. Data discovery and compliance automation ensures trusted, real-time data pipelines—foundational for scaling gen AI use cases.

Bridge business and AI alignment gaps: Agentic strategy agents interpret OKRs and dynamically adjust execution—aligning AI initiatives with enterprise goals. This ensures AI applications deliver measurable business impact, moving beyond isolated pilots to organization-wide value realization.

Close talent and skills gap: Agentic AI automates core operational workflows and simplifies AI integration, reducing reliance on technical skills. This empowers users to leverage gen AI capabilities effectively while supporting ongoing digital upskilling and change.

Key takeaway

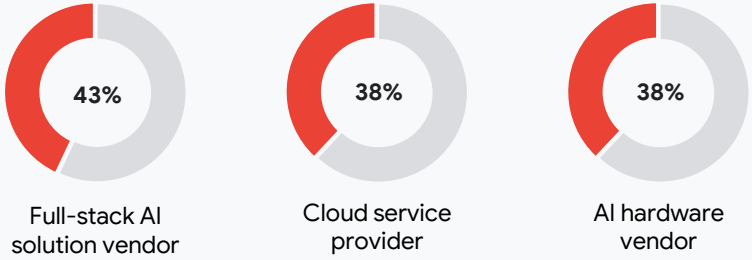
To lead in Australia's rapidly evolving AI landscape, business leaders must transition from experimentation to execution by operationalizing agentic AI. Embedding AI agents into core workflows will align enterprise goals, activate governed data, and scale automation, turning isolated gen AI efforts into cohesive, high-impact business transformation.

Source: IDC's *Asia Pacific Generative AI Adoption Study 2025*, commissioned by Google, n = Australia 100

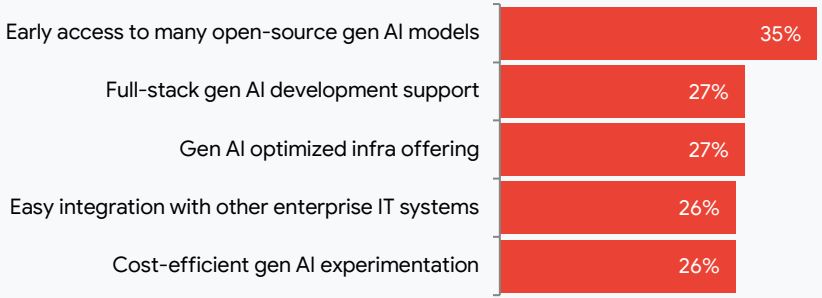
Drive generative AI excellence through transformative platforms

Choose gen AI platforms that deliver integrated capabilities, seamless enterprise integration, and cost-effective innovation—focusing on tailored, scalable, and end-to-end AI partnerships that accelerate transformation and sustainable growth.

Preferred gen AI vendor type



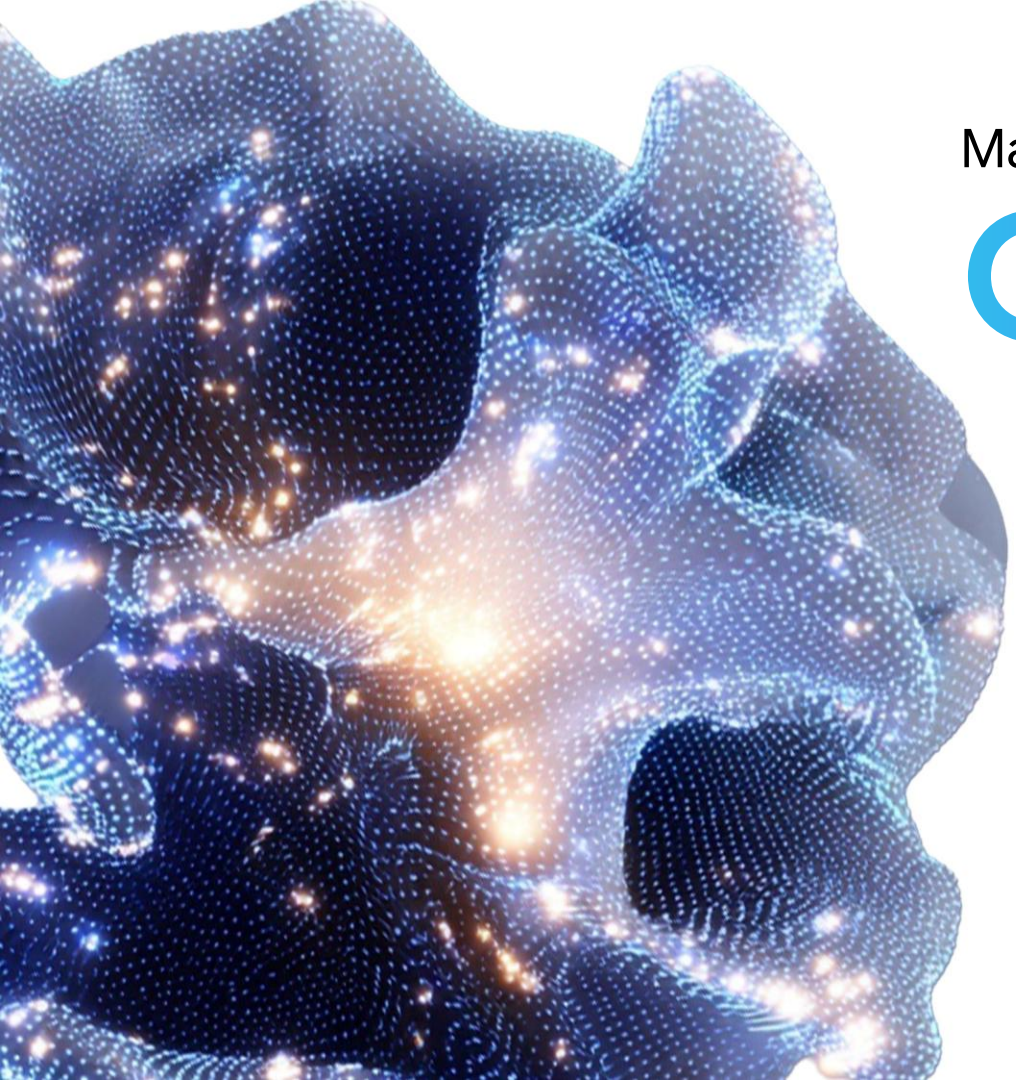
Top 5 gen AI platform selection criteria



Five key takeaways for Australian business and IT leaders

1. **Prioritize full-stack gen AI investments:** Australian enterprises are betting on full-stack platforms that span infrastructure, model development and deployment. These integrated, multi-platform solutions enable seamless agent performance across diverse enterprise systems—accelerating production, streamlining the gen AI life cycle, and delivering faster, measurable business outcomes.
2. **Leverage open-source gen AI model ecosystem** to fuel agility and innovation. It empowers organizations to build scalable, customizable AI agents on a shared platform—encouraging experimentation, and enabling flexible, future-ready AI roadmaps.
3. **Emphasize enterprise grade integration & support:** Scalable gen AI deployment relies on robust connectors and proven enterprise integration capabilities that maximize ROI for Australian industries.
4. **Build for cost-efficient experimentation:** Transparent and efficient pricing models enable safe AI testing and iteration, helping organizations manage budgets and risks effectively.
5. **Make end-to-end gen AI enablement a strategic priority:** Vendors offering full-spectrum support—from infrastructure to governance—are best positioned to unlock gen AI's long-term innovation potential.

Source: IDC's *Asia Pacific Generative AI Adoption Study 2025*, commissioned by Google, n = Australia 100



Market Insights

China

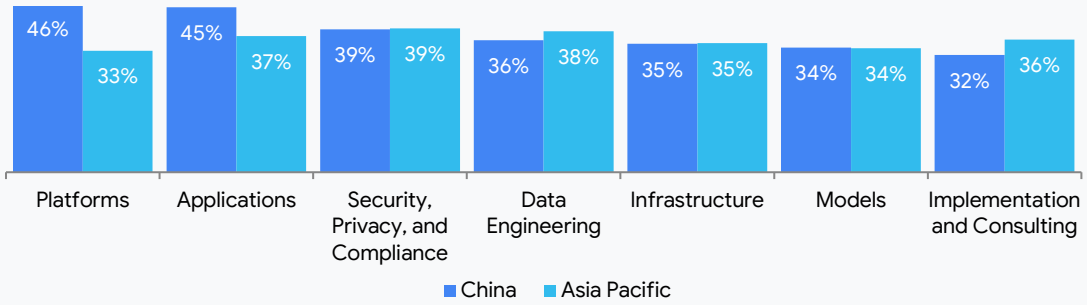
China's AI resurgence: From challenger to global catalyst

Organizations demonstrate strong generative AI momentum with a drive for adoption.

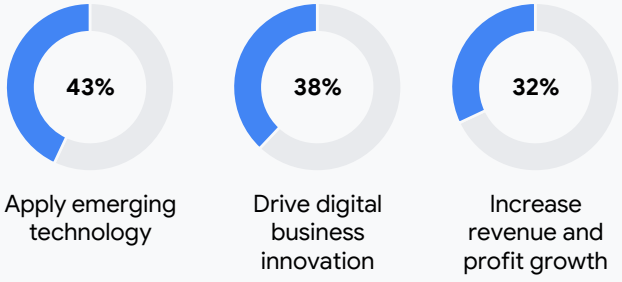
China has long led in traditional machine learning, and the rise of gen AI presented a unique transformation opportunity. The arrival of high-performing global gen AI services was a powerful catalyst for a new wave of innovation—spearheaded by firms like DeepSeek and Qwen—which boosted national confidence in AI, and revitalized the domestic AI ecosystem. Yet, widespread AI adoption still faces obstacles, including high costs, talent shortages, and data infrastructure limitations. Encouragingly, strong government support, such as the "AI Plus" initiative, combined with fierce market competition, is helping to address these barriers.

Agentic AI will accelerate the AI transformation of the country. A remarkable 55% of organizations plan to deploy agentic AI within the next 12 months, which will bring the adoption rate to an impressive 80%. This underscores China's ambitious trajectory in deepening AI integration across industries.

AI investment for next 12 months



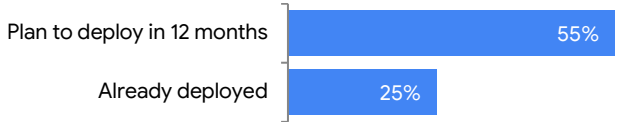
Key motivators of AI projects



Increasing ROI with an agentic AI focus

Organizations' AI investment plans lean toward AI platforms and applications, with a clear splitting of roles: top-tier companies focus on producing advanced AI models, while most others are using them. The combination of AI platform and application is both strategic and smart—platforms accelerate the development and deployment of AI applications. Also, agentic AI is inherently application-oriented, and China's emphasis on AI applications promises increasingly impactful business outcomes in the years ahead.

Agentic AI adoption in China



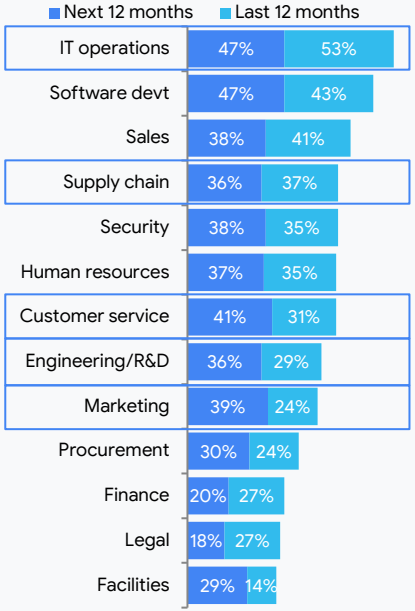
Source: IDC's *Asia Pacific Generative AI Adoption Study 2025*, commissioned by Google, n = China 100

From adoption to autonomy

Scaling agentic AI across the enterprise.

By prioritizing AI applications, Chinese organizations are seamlessly integrating agentic AI into core business functions, driving greater impact, and accelerating enterprise-wide transformation.

Gen AI use case adoption by functional areas



Gen AI vs agentic AI use cases

IT operations
- Gen AI auto-generates IT health dashboards and metrics without manual data aggregation.
- AI agents independently detects diagnose, and resolve IT incidents.

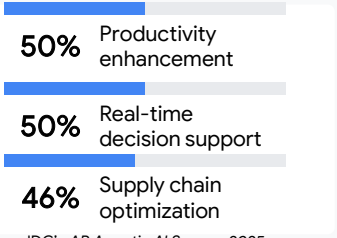
Supply chain
- Gen AI improves demand forecasting using historical data.
- Agentic AI optimizes routes and fleets in real time, adapting to traffic and weather conditions.

Customer service
- Gen AI augments AI customer centers solutions with multimodal data processing and interactive chatbot.
- Agentic AI analyzes customer data in real time for personalized solutions.

Engineering/R&D
- Gen AI extracts insights from unstructured data for requirements gathering.
- Agentic AI supports multi-disciplinary product modeling and compliance simulations.

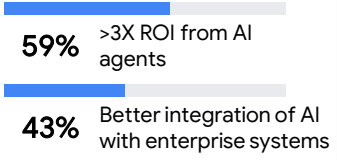
Marketing
- Gen AI creates content in varied styles and formats.
- AI agents collaborate to run complex marketing workflows (lead qualification, campaign execution, and follow-ups).

Top 3 agentic AI areas in China



Source: IDC's *AP Agentic AI Survey, 2025*, n = China 70

Agentic AI ROI and benefit



Source: IDC's *Asia Pacific Generative AI Adoption Study 2025*, commissioned by Google, n = China 100

Key takeaway

Leverage gen A I to transform core business tasks, focusing on empowering individual decision making, and then transition to agentic AI for more complex tasks, adapting to dynamic conditions.

Source: IDC's *Asia Pacific Generative AI Adoption Study 2025*, commissioned by Google, n = China 100

China's challenges in scaling generative AI with agentic AI

Agentic AI turns data, strategy, and infrastructure hurdles into scalable, intelligent transformation engines.

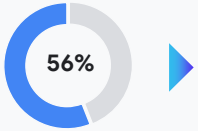
Agentic AI adoption in China

19%	55%	25%
Considering deploying	Planned in next 12 months	Already deployed

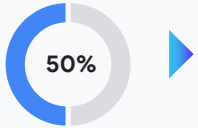
Agentic AI use cases organizations plan to deploy next year	
Planning: Use LLM to suggest step-by-step plan to achieve some goals	**42%**
Reflection: Make LLM self-evaluate its response and fix and retry prompts until it meets certain quality thresholds	**64%**
Tool use: Integrate agents with other tools such as web scraping, calculators, analytics/ML model	**81%**
Multi-agent collaboration: Connect two or more agents to split tasks or discuss ideas for a solution	**78%**

AI implementation challenges

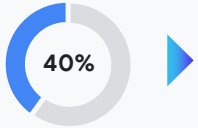
Data challenges



Strategy challenges



Infra challenges



Agentic AI: Overcoming gen AI implementation barriers

Work with smart data curation agents: AI agents autonomously source, clean, and validate enterprise data, thus resolving data quality issues while enabling secure, compliant access across business units.

Leverage agent platform: By standardizing and abstracting the common technical components of their enterprise AI system, agent platform allows organizations to concentrate on business logic and strategic goals.

Optimize infrastructure usage with agentic AI: Agentic AI dynamically allocates computational resources based on workload demands, ensuring optimal utilization of hardware and software infrastructure, and reducing inefficiencies and bottlenecks.

Key takeaway

Agentic AI helps overcome challenges in AI/gen AI implementation. It plans your next move, enables a cross-functional approach, and identifies the right tools and platforms that align with your goals. Adhering to local governance policies is as crucial as your data strategy. Design AI systems to function within regulatory frameworks, scale across business functions, and deliver real business outcomes.

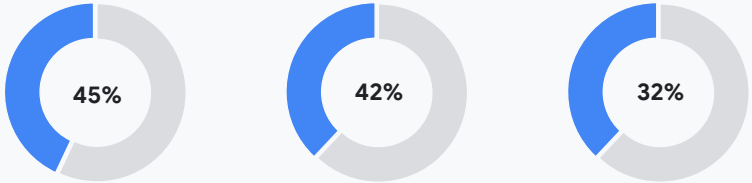
Source: IDC's *Asia Pacific Generative AI Adoption Study 2025*, commissioned by Google, n = China 100

Selecting for scale

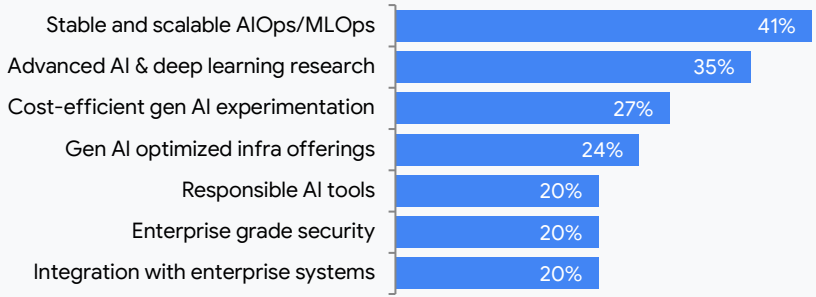
Generative AI platforms that power autonomy.

Success in adopting gen AI starts with the right partner—one that enables secure integration, autonomous workflows, and enterprise-grade scalability from day 1.

Preferred gen AI vendor type



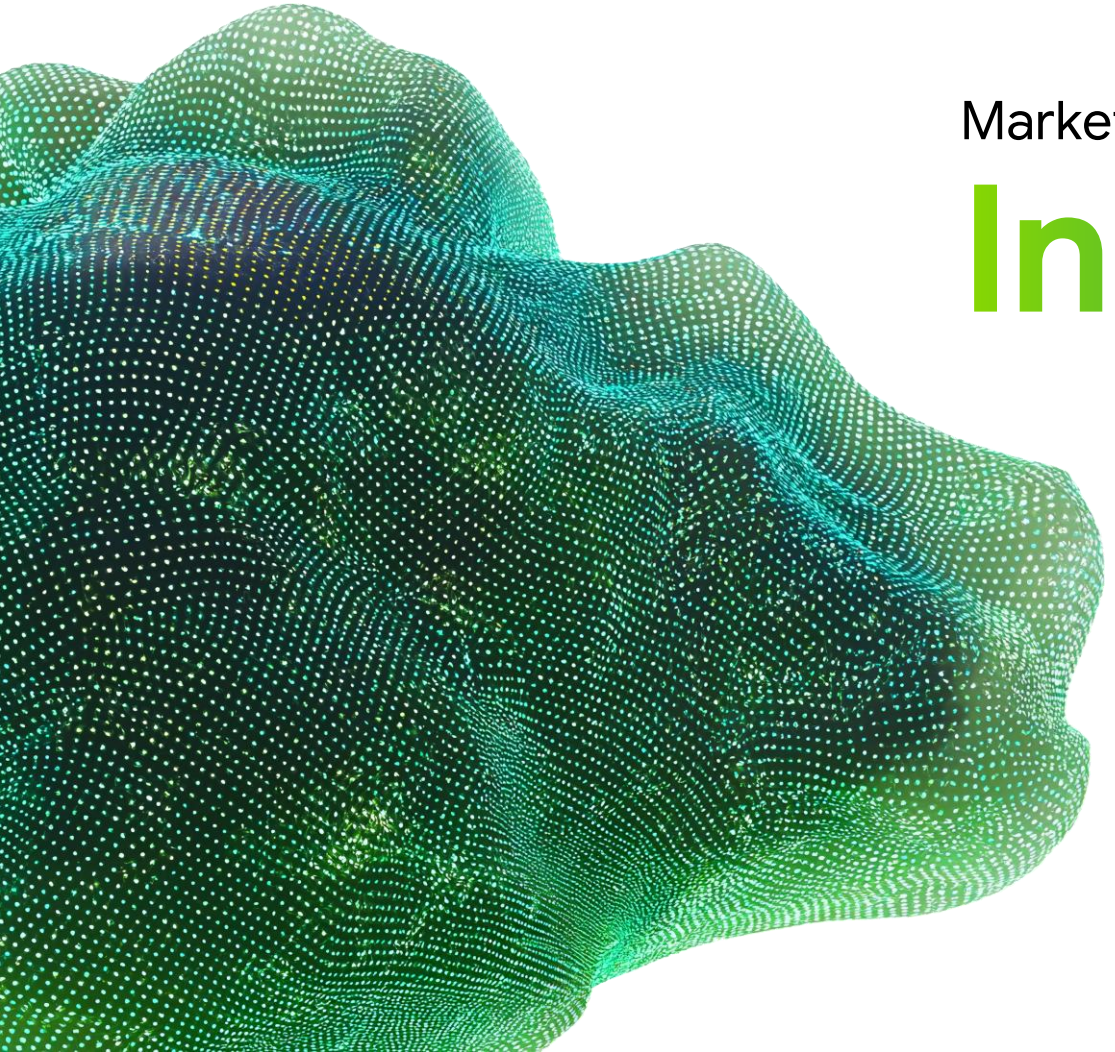
Top 5 gen AI platform selection criteria



Five key takeaways for Chinese business and IT leaders

1. **Prioritize seamless enterprise integration**
   AI platforms must plug smoothly into existing IT systems to ensure speed to value without sacrificing operational stability in China's innovation-friendly environment.
2. **Bridge AI infrastructure gaps with advanced AI platform**
   Volatile global supply chains hamper AI infrastructure expansion for enterprise needs. A resource-efficient AI platform can counteract this by offering optimization tools to build and deploy AI applications even with limited resources.
3. **Choose vendor-supported agentic workflow orchestration**
   As businesses move from experimentation to autonomy, they should partner with vendors that support real-time agent collaboration, continuous learning, and contextual decision making at scale.
4. **Enable scalable, cost-efficient innovation**
   China's push for AI adoption favors lean, repeatable, and value-driven experimentation. This requires platforms that speeds up PoC to production while minimizing overheads with advanced AIOps/MLOps.
5. **Partner with vendors with full-stack capability**
   Organizations should work with vendors that offer deep R&D, diverse model choices, and Chinese language optimization to transform business functions and industry-specific applications—without adding significant infrastructure costs.

Source: IDC's *Asia Pacific Generative AI Adoption Study 2025*, commissioned by Google, n = China 100



Market Insights

India

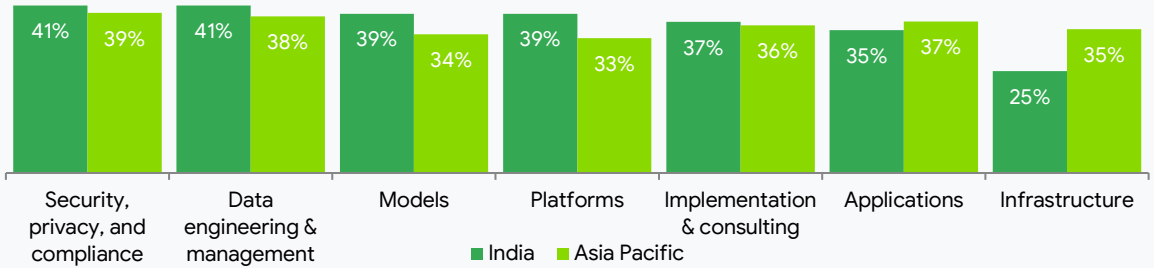
India's generative AI momentum: Scaling adoption, accelerating impact

Foundational investments, technological innovation, and agentic AI fuel enterprise transformation

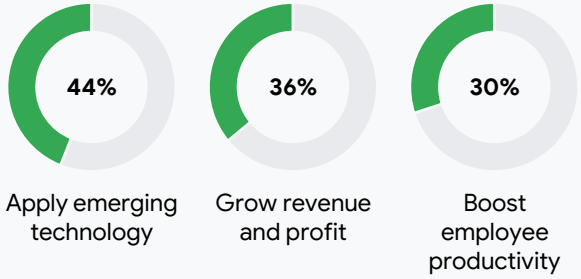
Indian organizations are rapidly transitioning from experimentation to enterprise-scale gen AI implementation, with AI emerging as a strategic enabler of agility, innovation, and digital transformation. Growing attention on foundational AI investments—**scalable models, robust data pipelines, and outcome-driven platforms**—reflects an ambition to industrialize gen AI across critical business functions.

The government's push to adopt AI and build a robust startup ecosystem accelerates ROI by aligning AI programs with **tech adoption, revenue growth, and productivity**—positioning India as a leading AI growth engine in Asia Pacific.

AI investment for next 12 months



Key motivators for AI projects



Agentic AI is gaining momentum in India

Organizations are increasingly embedding autonomous, goal-driven AI agents into operational workflows. This signals a maturing landscape, where emphasis on scalability, cost efficiency, and digital public infrastructure is accelerating agentic AI adoption as a pragmatic driver of automation.

Agentic AI adoption

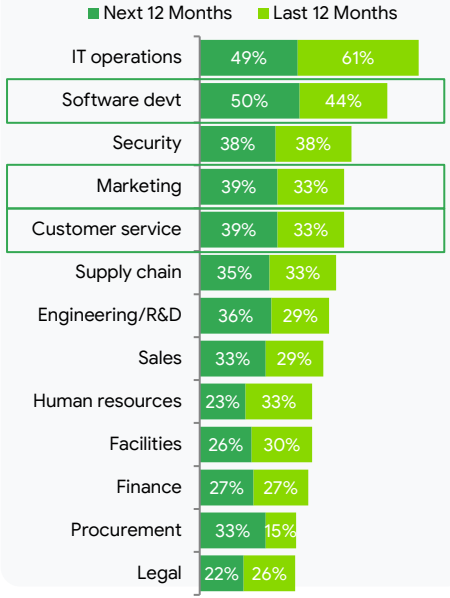


Source: IDC's *Asia Pacific Generative AI Adoption Study 2025*, commissioned by Google, n = India 100

From adoption to autonomy: Scaling agentic AI organization-wide

Indian enterprises are expanding gen AI adoption across diverse business functions—from high-impact technical functions like software development and engineering, to customer-facing functions like marketing, and customer service. Agentic AI is accelerating automation, boosting productivity, and delivering stronger ROI across critical business operations.

Gen AI use case adoption by functional areas



Scaling gen AI where it matters most

Software development

- Indian organizations are embedding gen AI across the software development life cycle to boost speed and quality through intelligent automation and customization.
- Integrating gen AI into existing applications enhances code generation, testing, and quality assurance, while custom and proprietary gen AI applications streamline DevOps, shortening release cycles, and automating defect triage.

Marketing and customer service

- Organizations are also rapidly scaling gen AI across functions like marketing and customer service to boost personalization, efficiency, and customer engagement.
- Integrating gen AI for marketing ops and contact center automation, customizing models for content and customer engagement, and building proprietary applications to drive service and creative innovation are gaining traction.

Key goals for integrating AI agents across business functions

Customer service		Marketing	
50%	Improve time to market	44%	Competitive advantage
46%	Improve resource reallocation	38%	Content personalization

Source: IDC's *FERS Study*, Wave 1, Feb 2025, (n = 50 India)

Agentic AI ROI & benefit

77% >3X ROI from AI agents

80% Enhanced productivity

Source: IDC's *AP Agentic AI Survey, 2025*, (n = 70 India)

Key takeaway

By enabling autonomous, goal-driven execution, agentic AI drives scalable, high-impact use cases tailored to organizations' need for speed, efficiency, and digital reach.

Source: IDC's *Asia Pacific Generative AI Adoption Study 2025*, commissioned by Google, n = India 100

The next frontier: embedding Agentic AI into the DNA of organizations

Driven by strong intent and growing maturity, Indian organizations are adopting agentic AI to embed intelligence across planning, tooling, and collaboration. This shift from siloed gen AI pilots to autonomous, system-wide value drivers, is helping to break down adoption barriers and unlock lasting impact.

Agentic AI adoption in India



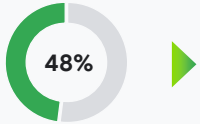
Already deployed	Planned in next 12 months	Considering deploying

Agentic AI use cases organizations plan to deploy next year:

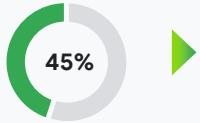
Tool use: Integrate agents with other tools such as web scraping calculators, analytics/ML models	64%
Reflection: Make LLM self-evaluate its response and fix and retry prompts until it meets certain quality thresholds	61%
Planning: Use LLM to suggest step-by-step plan to achieve some goals	61%
Multi-agent collaboration: Connect two or more agents to split tasks or discuss ideas for a solution	65%

AI implementation challenges

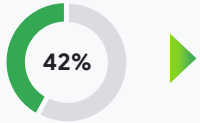
Align AI with business goals



Data challenges



Infrastructure challenges



Agentic AI: Overcoming gen AI implementation barriers

Drive business-aligned autonomy: Agentic strategy agents interpret and act on enterprise OKRs, ensuring gen AI applications remain closely aligned with business goals, and bridging the gap between isolated pilots and enterprise-wide value realization.

Activate data on demand: Intelligent data agents autonomously connect to siloed systems, normalize unstructured inputs, and enforce governance—delivering high-quality, compliant data pipelines critical for reliable gen AI outcomes.

Unblocking infrastructure for scale: Agentic orchestration agents simplify backend complexity by automating provisioning, deployment, and scaling—making AI infrastructure more accessible, resilient, and innovation-ready.

Key takeaway

To stay ahead in India's fast-evolving digital economy, organization leaders must prioritize the adoption of AI agents as strategic enablers—embedding them into workflows to align goals, activate real-time data, and scale automation. The next step is operationalizing agentic AI to turn fragmented AI initiatives into enterprise-wide, outcome-driven transformation.

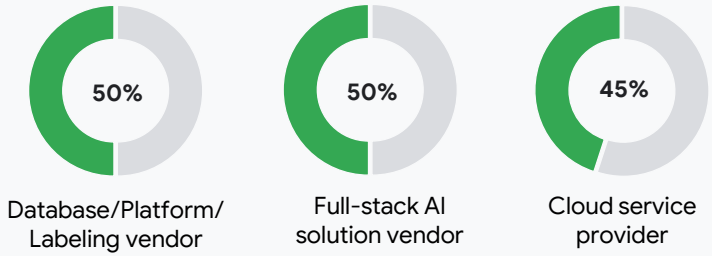
Source: IDC's *Asia Pacific Generative AI Adoption Study 2025*, commissioned by Google, n = India 100

Selecting for scale

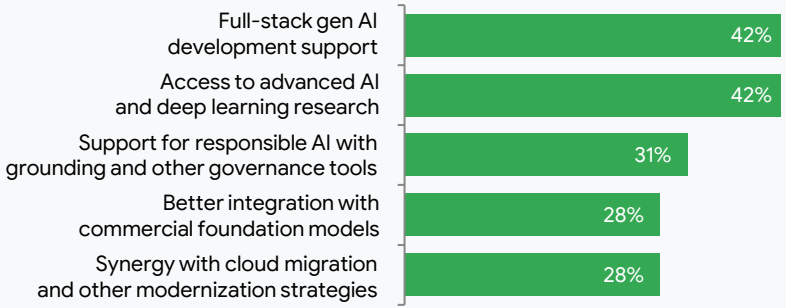
Generative AI platforms that drive transformation

Indian organizations strategically choose gen AI partners who offer full-stack solutions, and robust data platform expertise over generic cloud service providers. Their focus: trusted, tailored, and transformational AI partnerships.

Preferred gen AI vendor type



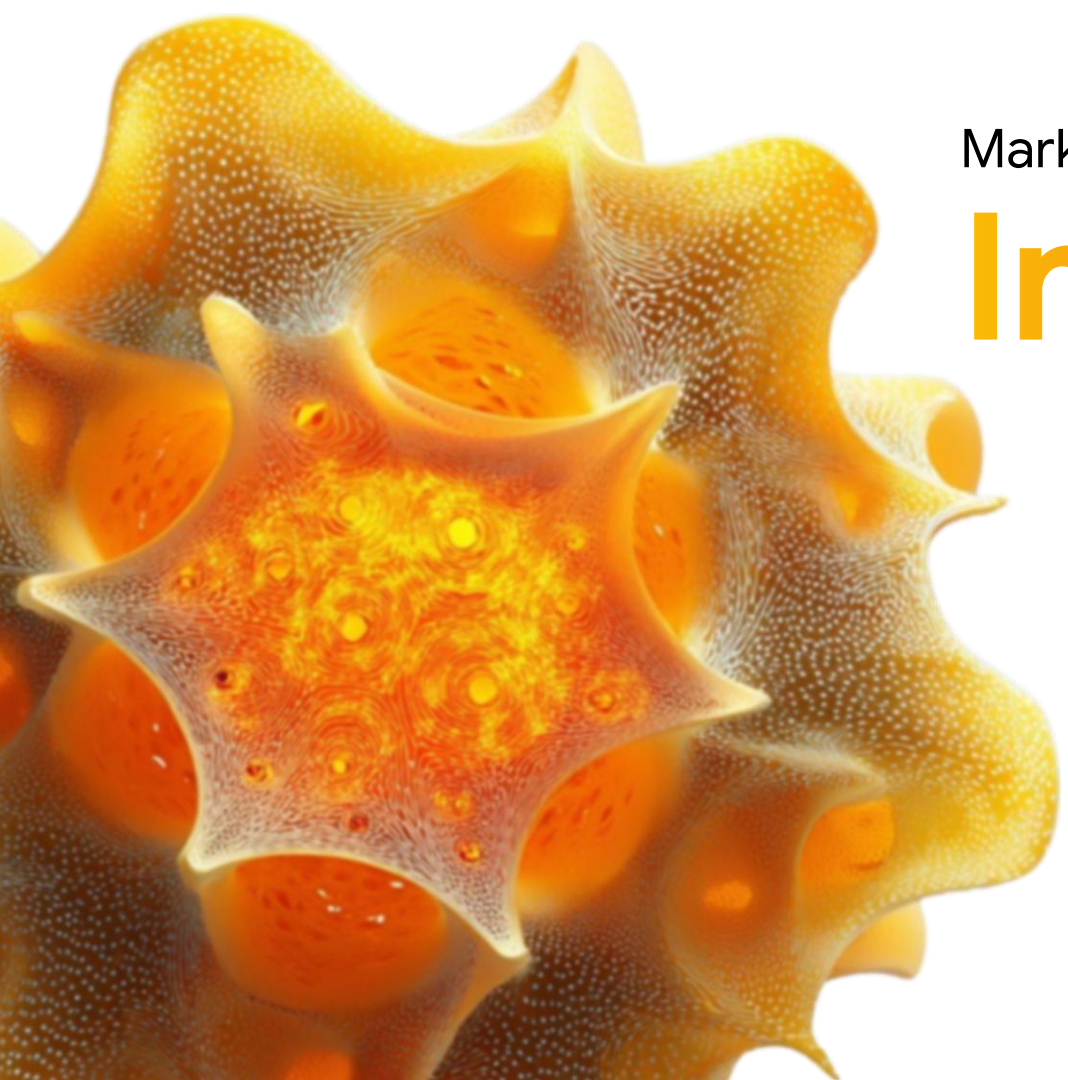
Top 5 gen AI platform selection criteria



Five key takeaways for India business and IT leaders

1. **Double down on full-stack gen AI platforms:** Full-stack gen AI solution vendors are favored for their ability to deliver seamless integration across the AI life cycle—from data to deployment—accelerating time to value.
2. **Invest in research-driven partnerships:** Platform choices are being shaped by access to cutting-edge AI and deep learning research, underscoring the need to partner with vendors who invest in continuous innovation and model advancement.
3. **Embed governance into gen AI initiatives:** As responsible AI becomes a top priority, Indian organizations seek platforms with built-in grounding, traceability, and policy enforcement, enabling safe and compliant gen AI adoption.
4. **Prioritize interoperability with foundation models:** Seamless integration with commercial foundation models is emerging as a key differentiator, enabling enterprises to scale use cases without overhauling current core AI workflows or switching platforms.
5. **Align gen AI with cloud and modernization goals:** To future-proof AI strategies, select platforms that align with your digital transformation goals, including cloud migration, modernization, and hybrid deployment readiness.

Source: IDC's *Asia Pacific Generative AI Adoption Study 2025*, commissioned by Google, n = India 100



Market Insights

Indonesia

Indonesia's gen AI shift: Primed for progress

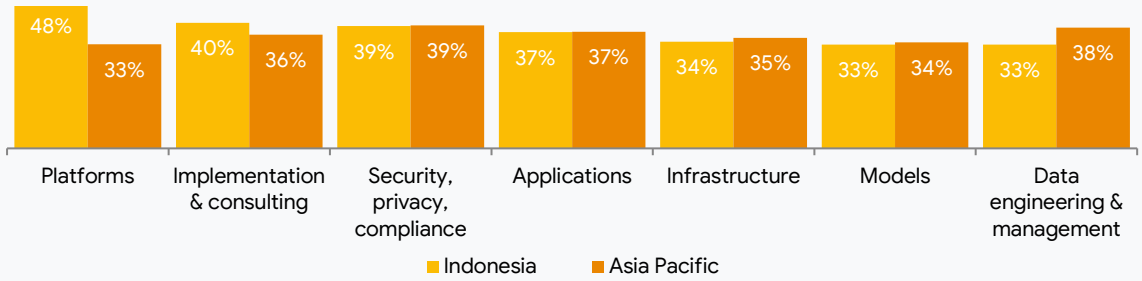
Platform-led and security-first orientation positions Indonesia for agentic AI evolution.

For Indonesia's C-suite, gen AI is rapidly becoming a strategic priority—not yet fully mainstream, but an emerging enterprise imperative. While current adoption rate at 33% slightly trails the Asia Pacific average, momentum is accelerating. Over the next 12 months, more organizations are planning gen AI initiatives, with early investments focused on platforms, trusted consulting partnerships, and robust AI security.

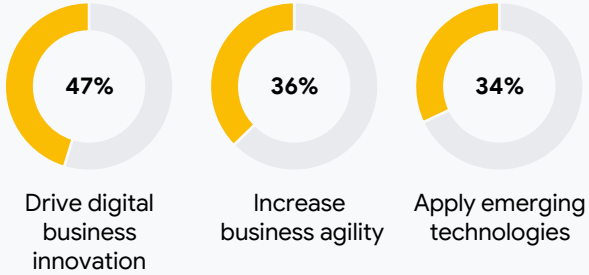
Fueled by ongoing digital transformation, ambition, and a young, digital-native workforce, AI is poised to reshape how Indonesia organizations scale and build resilience. They are allocating as much as 30% of their IT budgets to AI, signaling an unmistakable shift from planning to execution.

Agentic AI is also on the horizon, aligning with Indonesia's current stage of gen AI maturity. As enterprises advance their digital transformation journeys, the potential of agentic AI to drive intelligent autonomy, streamline decision making, and scale operations is increasingly resonating with business and IT leaders.

AI investment for next 12 months



Key motivators for AI projects



The key drivers of AI investment in Indonesia—enabling digital innovation, improving agility, and adopting emerging technologies—are laying the groundwork for future agentic AI success. As organizations transition from planning to production, building robust AI platforms, modernizing data infrastructure, and ensuring privacy and compliance will be critical to turning agentic AI from concept into a competitive advantage.

Agentic AI adoption



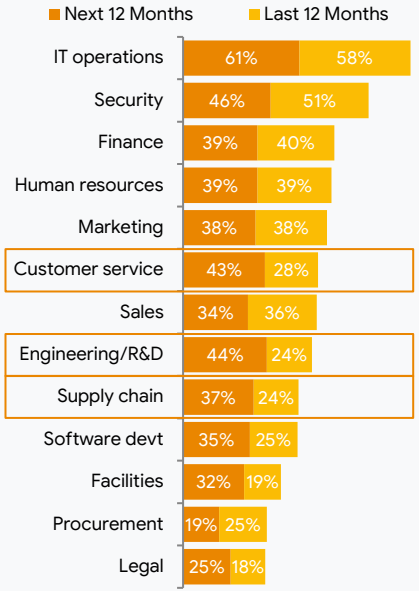
Source: IDC's *Asia Pacific Generative AI Adoption Study 2025*, commissioned by Google, n = Indonesia 100

From use case to impact: Scaling agentic AI

Enterprises in Indonesia progress from generative AI experimentation to purposeful use case adoption across core functions.

In Indonesia, the focus is shifting toward domain-specific agentic execution to boost agility, improve decision precision, and deliver ROI. Rapid gen AI uptake in customer service, engineering, R&D, and supply chain is fueled by widespread digital adoption, government-led AI initiatives, e-commerce and manufacturing digitization, strong local tech talent development, and a dynamic, youthful workforce powering competitiveness and innovation.

Gen AI use case adoption by functional areas



Scaling gen AI where it matters most

Customer service

- Conversational AI enables intelligent virtual agents to resolve complex queries without the need for escalation.
- Gen AI-powered community insights drive proactive engagement and peer-assisted support.

Engineering/R&D

- AI-driven product design assistants simulate design variations and predict performance early in the development cycle.
- Gen AI synthesizes research findings, patent data, and competitive intelligence to streamline R&D documentation.

Supply chain

- Smart logistics orchestration adapts routing and inventory decisions in real time using structured and unstructured data.
- Generative models simulate disruption scenarios and resilience strategies to optimize network design and strengthen supply chain agility.

Key goals for integrating AI agents across business functions

Customer service

83% Improve time to market

50% Improve CX & retention

Marketing

100% Increase engagement volume

33% Content personalization

Source: IDC's FERS Study, Wave 1, Feb 2025, n = Indonesia 30

Agentic AI ROI & benefit

70% >3X ROI from AI agents

80% Better decision making

Source: IDC's AP Agentic AI Survey, 2025, n = Indonesia 30

Key takeaway Activate intelligent agents in high-impact functions to drive faster decisions, deliver deeper insights, and support enterprise-wide autonomy.

Source: IDC's *Asia Pacific Generative AI Adoption Study 2025*, commissioned by Google, n = Indonesia 100

Indonesia's strategic pivot toward scalable agentic AI-driven transformation

Organizations are harnessing agentic AI's power to align enterprise goals, unify fragmented data, and simplify platform complexity for intelligent transformation.

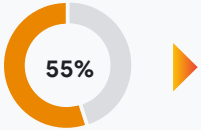
Agentic AI adoption in Indonesia



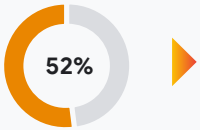
Agentic AI use cases organizations plan to deploy next year	
Planning: Use LLM to suggest step-by-step plan to achieve some goals	63%
Reflection: Make LLM self-evaluate its response and fix and retry prompts until it meets certain quality thresholds	59%
Tool use: Integrate agents with other tools such as web scraping, calculators, analytics/ML model	59%
Multi-agent collaboration: Connect two or more agents to split tasks or discuss ideas for a solution	59%

AI implementation challenges

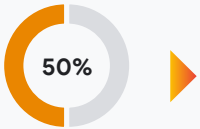
Align AI with business goals



Data challenges



Platform challenges



Agentic AI: Overcoming generative AI implementation barriers

Align autonomy with enterprise goals: Strategic alignment agents embed OKRs and business KPIs into AI behavior, ensuring that every autonomous decision contributes to core business outcomes. This closes the gap between gen AI experimentation and measurable impact.

Fix the data foundation fast: Smart data agents continuously extract, clean, and contextualize structured and unstructured data across systems. This addresses issues of data quality, access, and compliance.

Scale AI without the platform bottleneck: Agentic co-developer agents streamline app creation, model deployment, and orchestration—empowering teams to scale AI without deep coding expertise, or navigating fragmented infrastructure. This accelerates innovation while reducing reliance on specialized talent.

Key takeaway

Empower your gen AI journey with agentic AI—align strategy, data, and platforms to confidently scale AI adoption within Indonesia's dynamic regulatory and business landscape. Lead with purpose, build for impact.

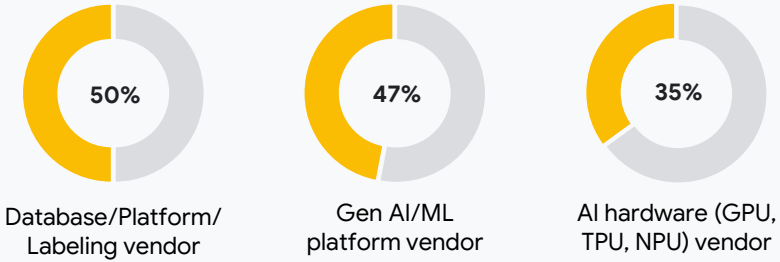
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Selecting for scale

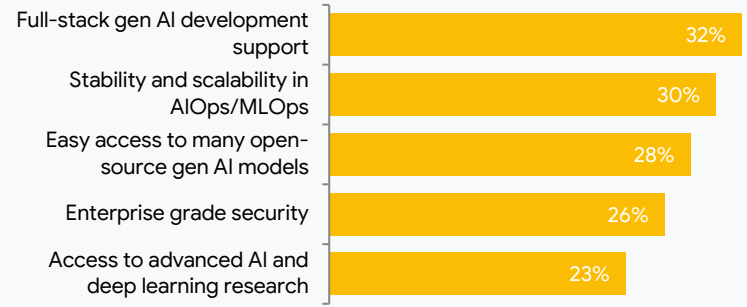
Generative AI platforms that drive resilience

Indonesia's gen AI leaders prioritize full-stack platforms that support trusted, scalable innovation and seamless orchestration across dynamic, enterprise-wide AI workflows.

Preferred gen AI vendor type



Top 5 gen AI platform selection criteria



Five key takeaways for Indonesian business and IT leaders

1. **Anchor investments in full-stack gen AI platforms**
   Indonesian organizations are prioritizing gen AI partners that offer robust, end-to-end capabilities, from data labeling to application orchestration. A full-stack platform approach shortens development cycles, and ensures smoother integration with enterprise systems.
2. **Build for scale with AIOps and MLOps maturity**
   As gen AI adoption progresses beyond pilots, scalable platforms with mature AIOps/MLOps capabilities are critical. These enable streamlined model deployment, automated operations, and the sustainability of AI programs.
3. **Democratize innovation through open-source ecosystems**
   Organizations increasingly tap into open-source model ecosystems to cut development costs, foster local innovation, and enable experimentation at scale without vendor lock-in. This approach drives faster time to value.
4. **Strengthen gen AI with enterprise-grade security**
   Organizations are choosing platforms that embed security controls, governance, and traceability to protect sensitive data and ensure trust across functions.
5. **Partner for future-proof AI infrastructure**
   Organizations value partners offering flexible gen AI infrastructure and deep R&D expertise. This ensures adaptability to evolving business demands, and supporting continuous innovation across models, data, and deployment types.

Source: IDC's *Asia Pacific Generative AI Adoption Study 2025*, commissioned by Google, n = Indonesia 100



Market Insights

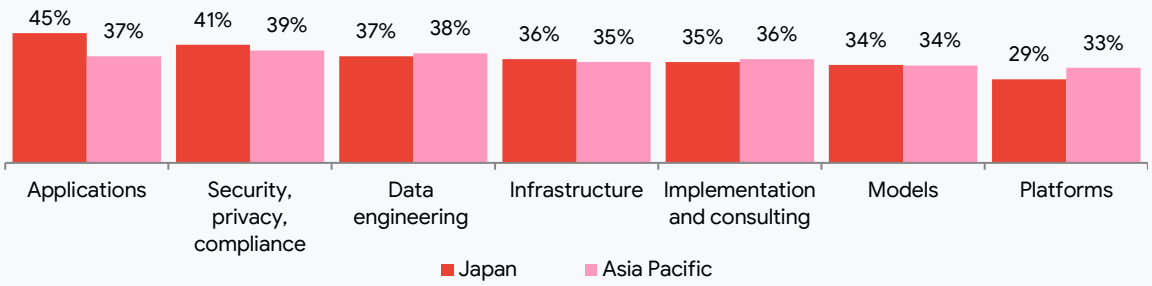
Japan

Japan's pragmatic conservatism harnesses agentic AI

Japan's AI adoption remains moderate and balanced, with a strong focus on business applications.

The AI Promotion Act (May 2025) aims to position Japan as the world's "most AI-friendly country", providing a flexible governance framework and strong industry support. Yet, organizations' AI adoption remains moderate. While gen AI adoption at 65% is the third highest in Asia Pacific, AI spending at 42% of IT budget aligns with the region's average. Despite 55% of Japanese organizations reporting over 80% satisfaction with gen AI—the highest in Asia Pacific—their expected ROI is 4% below the regional average, reflecting Japan's nuanced stance on AI adoption. Nonetheless, agentic AI is gaining ground. In the next 12 months, 42% of organizations plan to deploy agentic AI, pushing adoption to 69%. IDC notes this highlights Japan's emphasis on productivity and automation.

AI investment for next 12 months



Key motivators for AI projects



Increasing ROI with an agentic AI focus

Japanese organizations' AI investment plans lean toward applications over models and platforms, reflecting a conservative yet pragmatic approach. They prioritize the gradual adoption of business AI applications, leveraging readily available global AI models with low token costs. As agentic AI deployment grows, these organizations are well-placed to develop innovative AI use cases that transform business processes to improve employee productivity and customer experience, driving stronger ROI.

Agentic AI adoption

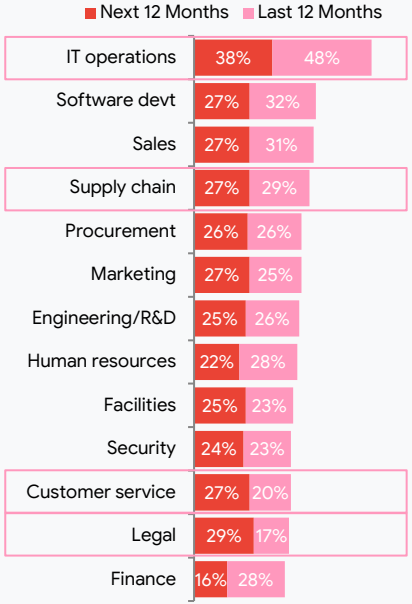


Source: IDC's *Asia Pacific Generative AI Adoption Study 2025*, commissioned by Google, n = Japan 100

From adoption to autonomy: Scaling agentic AI across the enterprise

Organizations should consider integrating agentic AI into core business functions for greater impact and to hasten enterprise-wide transformation.

Gen AI use case adoption by functional areas



Gradual agentic infusion in selective gen AI use cases

IT operations

- Gen AI generates IT performance reports using natural language, producing dashboards or summaries of system health and performance metrics without manual data aggregation.
- Agentic AI autonomously detects, diagnoses, and resolves IT incidents—isolating affected systems, patching vulnerabilities, and restoring services without human intervention.

Customer experience

- Gen AI analyzes historical data to improve demand forecasting.
- Agentic AI optimizes routes and fleet operations, adapting to changes like traffic and weather conditions.

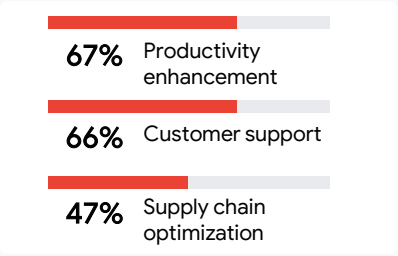
Customer Service

- Gen AI contributes to AI customer center solutions.
- Agentic AI automates end-to-end marketing campaigns, from ideation to execution, coordinating across teams.

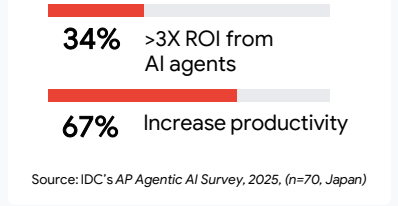
Legal function

- Gen AI analyzes and summarizes case law and legal precedents, helping lawyers refine searches and democratizing legal access.
- Agentic AI autonomously handle claims processing—from intake to resolution—managing document validation, detecting fraud, and recommending settlement to cut processing time and raise efficiency.

Top 3 agentic adoption areas in Japan



Agentic AI ROI and benefit



Source: IDC's *AP Agentic AI Survey, 2025, (n=70, Japan)*

Key takeaway Leverage gen AI to transform core business tasks, focusing on empowering individual decision making, and then transition to agentic AI to handle more complex tasks, adapting to dynamic conditions.

Source: IDC's *Asia Pacific Generative AI Adoption Study 2025*, commissioned by Google, n = Japan 100

Japan's challenges in scaling generative AI outcomes with agentic AI

Organizations should leverage agentic AI to turn strategy, infrastructure, and data hurdles into drivers of scalable, intelligent transformation.

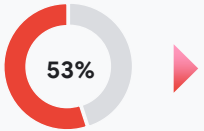
Agentic AI adoption in Japan



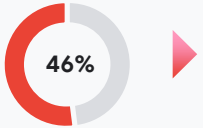
Agentic AI use cases organizations plan to deploy next year	
Planning: Use LLM to suggest step-by-step plan to achieve some goals	53%
Reflection: Make LLM self-evaluate its response and fix and retry prompts until it meets certain quality thresholds	50%
Tool use: Integrate agents with other tools such as web scraping, calculators, analytics/ML model, etc.	63%
Multi-agent collaboration: Connect two or more agents to split tasks or discuss ideas for a solution	47%

AI implementation challenges

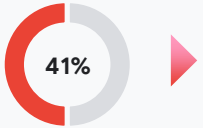
Strategy challenges



infrastructure challenges



Data challenges



Agentic AI: Overcoming gen AI implementation barriers

Leverage agent platform: By standardizing and abstracting the common technical components of their enterprise AI system, agent platform allows organizations to concentrate on business logic and strategic goals.

Optimize infrastructure usage with agentic AI: Agentic AI dynamically allocates computational resources based on workload demands, ensuring optimal utilization of hardware and software infrastructure, and reducing inefficiencies and preventing bottlenecks.

Work with smart data curation agents: AI agents autonomously source, clean, and validate enterprise data, thus resolving data quality issues while enabling secure, compliant access across business units.

Key takeaway

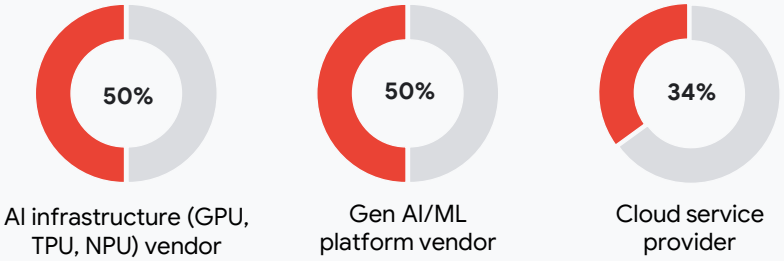
Agentic AI helps overcome challenges in AI/gen AI implementation. It plans your next move, enables a cross-functional approach, and identifies the right tools and platforms that align with your goals. Adhering to local governance policies is as crucial as your data strategy. Design AI systems to function within regulatory frameworks, scale across business functions, and deliver real business outcomes.

Source: IDC's *Asia Pacific Generative AI Adoption Study 2025*, commissioned by Google, n = Japan 100

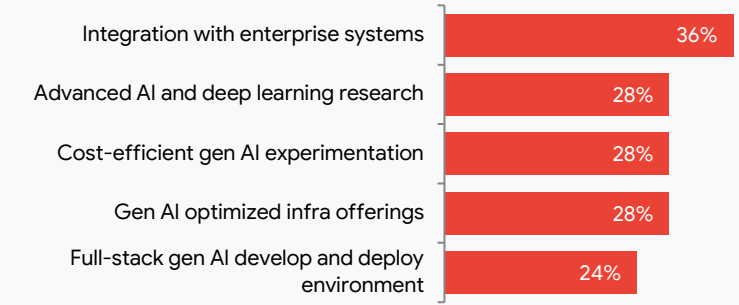
Selecting for scale: Generative AI platforms that power autonomy

Success in adopting Gen AI starts with the right partner—one that enables secure integration, autonomous workflows, and enterprise-grade scalability from day 1.

Preferred gen AI vendor type



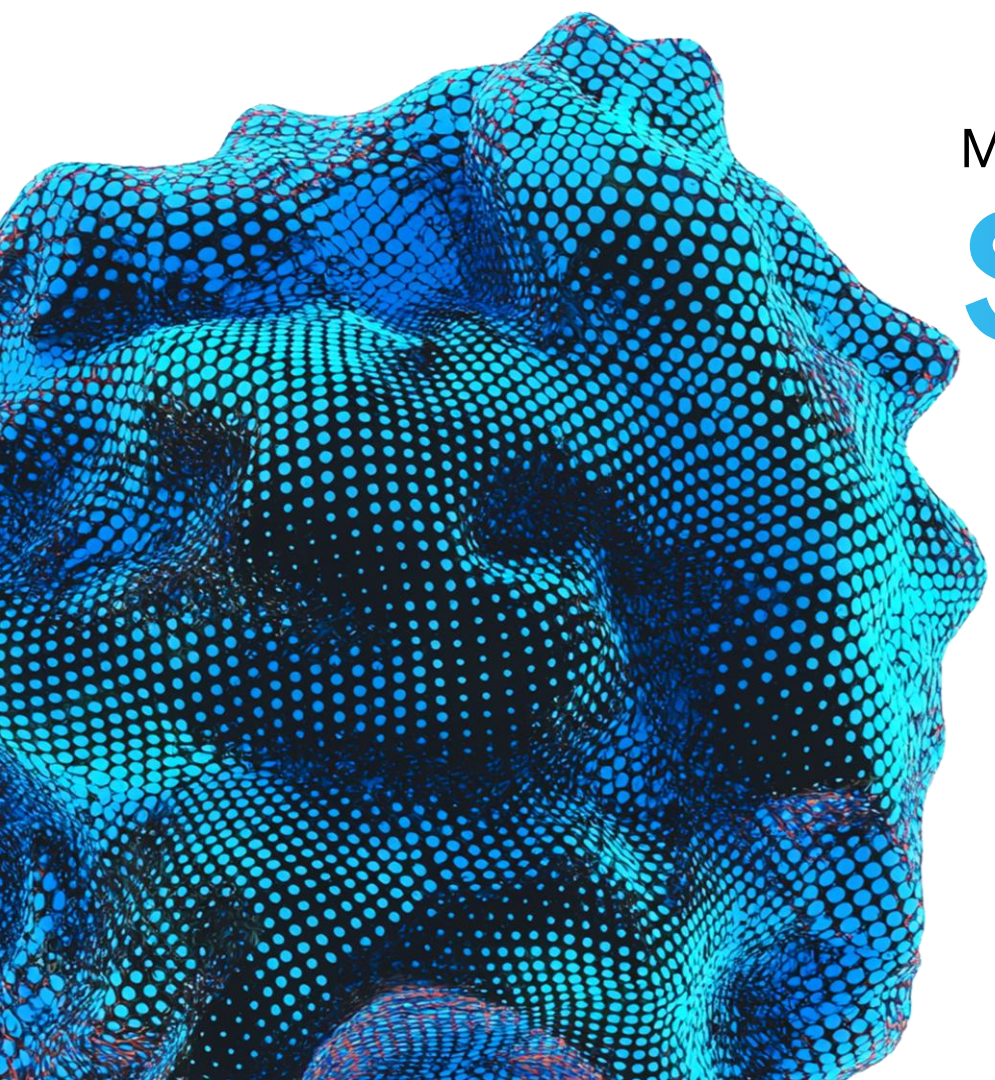
Top 5 gen AI platform selection criteria



Five key takeaways for Japan business and IT leaders

1. **Prioritize seamless enterprise integration**
   Gen AI platforms must plug smoothly into existing IT systems with minimal disruption, ensuring speed to value without sacrificing operational stability in Japan's conservative yet innovation-friendly environment.
2. **Opt for AI infrastructure as a service (IaaS)**
   To accelerate AI adoption, Japanese organizations should consider cloud-based AI platforms that offer full visibility, FinOps, and security over readily available AI infrastructure. This will diversify their AI infrastructure strategy and accelerate innovation at the application layer for improved ROI.
3. **Choose vendor-supported agentic workflow orchestration**
   As businesses move from experimentation to autonomy, they should partner with vendors that support real-time agent collaboration, continuous learning, and contextual decision making at scale.
4. **Enable scalable, cost-efficient innovation**
   Japan's measured approach favors lean, repeatable, and value-driven experimentation. This requires platforms that speed up PoC to production while minimizing overheads.
5. **Partner with vendors with full-stack capability**
   Organizations should work with vendors that offer deep R&D, diverse model choices, and Japanese language optimization to transform business functions and industry-specific applications—without adding significant infrastructure costs.

Source: IDC's *Asia Pacific Generative AI Adoption Study 2025*, commissioned by Google, n = Japan 100



Market Insights

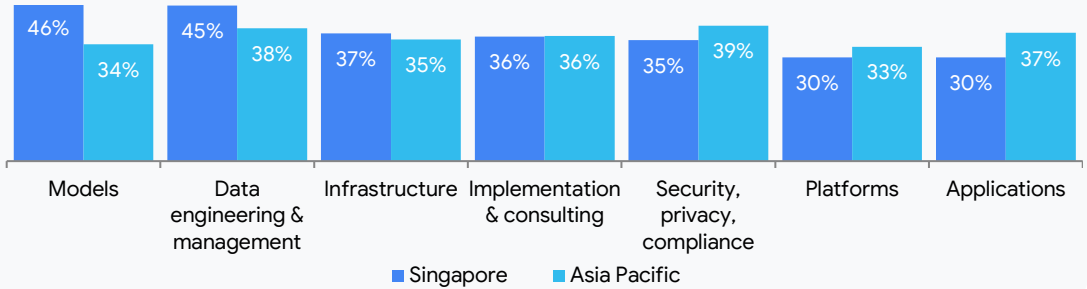
Singapore

Singapore's gen AI journey: scaling smartly toward growth

Focused, strategic investments drive generative AI adoption, anchored by realistic near-term ROI expectations.

Singapore's C-suite have progressed gen AI beyond the pilot phase. It is now a strategic enabler of the country's Smart Nation goals and long-term competitiveness. Organizations are running a larger number of PoCs than their Asia Pacific counterparts and are fast tracking the transition to production. There is a strong national focus on AI innovation, improving customer experience, and business growth, with organizations spending more on AI—to as much as **40% of IT budgets.**

AI investment for next 12 months



Key motivators of AI projects



There is growing emphasis on agentic AI

Agentic AI is enabling autonomous decisions, simplifying complex operations, and elevating Singapore to the forefront of responsible, scalable AI transformation. Organizations are strategically investing in AI foundations—particularly advanced models, data engineering, and infrastructure—to support the development of autonomous, context-aware AI systems. This can unlock real enterprise value, resulting in greater ROI, and positioning themselves ahead of their regional peers.

Agentic AI adoption in Singapore

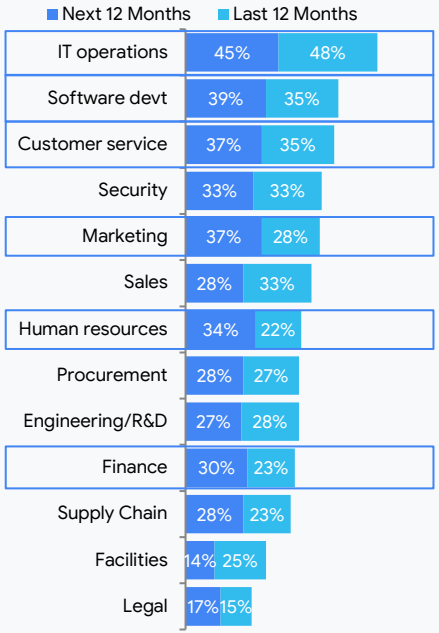


Source: IDC's *Asia Pacific Generative AI Adoption Study 2025*, commissioned by Google, n = Singapore 100

From adoption to autonomy: Scaling agentic AI enterprise-wide

Singapore enterprises are moving beyond gen AI pilots, embedding agentic AI into core business functions to accelerate impact and enterprise-wide transformation. Many believe Agentic AI will help them attain their goals across business functions. For example, 58% believe that integrating agentic AI into the customer service function will help improve financial KPIs, and 50% expect to improve customer service and customer retention.

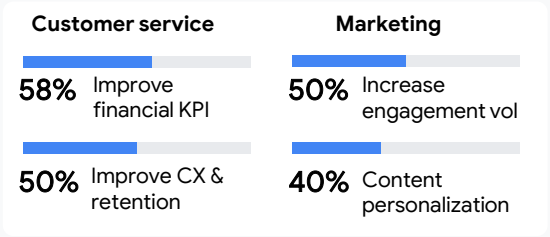
Gen AI use case adoption by functional areas



Gradual adoption of own/proprietary model

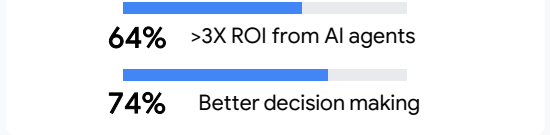
- **IT operations**: Mostly embedding gen AI within DevOps, end-user experience, and contact center applications.
- **Software development**: Customizing existing gen AI application to suit specific business needs in customer service and development use cases.
- **Customer service**: Building their own gen AI platform for customer communication and engagement, and service performance use cases.
- **Marketing**: Investing in own gen AI, or customized application for content marketing use cases; embedding gen AI in existing marketing operations applications
- **Human resources**: Embedding gen AI for strategic HR and workforce analytics applications; using customized gen AI or building own gen AI applications for enhanced HR delivery and employee experience use cases.
- **Finance**: Using own gen AI application for accounts receivable and expense management; customized or embedded gen AI for treasury and risk management, and AR applications.

Key goals for integrating AI agents across business functions



Source: IDC's *FERS Study,* Wave 1, Feb 2025, n = Singapore 30

Agentic AI ROI & benefit



Source: IDC's *Asia/Pacific Agentic AI Survey, 2025,* n = Singapore 50

Key takeaway

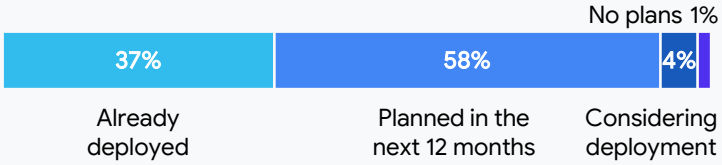
Empower core business function with AI by developing domain-specific applications that deliver autonomy, hasten execution, and generate measurable business outcomes.

Source: IDC's *Asia Pacific Generative AI Adoption Study 2025*, commissioned by Google, n = Singapore 100

Singapore's pragmatic leap forward: Accelerating generative AI outcomes with agentic AI

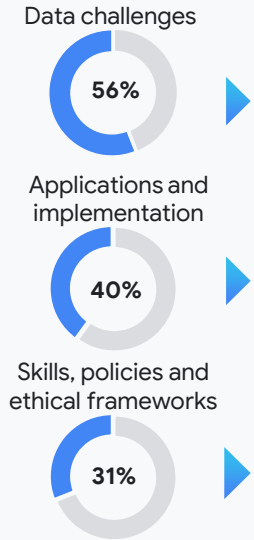
Harness Agentic AI to turn data silos, skills gaps, and governance hurdles into drivers of scalable, intelligent transformation.

Agentic AI Adoption in Singapore



Agentic AI use cases organizations plan to deploy next year	
Reflection: Make LLM self-evaluate its response and fix and retry prompts until it meets certain quality thresholds	61%
Planning: Use LLM to suggest step-by-step plan to achieve some goals	60%
Multi-agent collaboration: Connect two or more agents to split tasks or discuss ideas for a solution,	40%
Tool use: Integrate agents with other tools such as web scraping, calculators, analytics/ML models	60%

AI implementation challenges



Agentic AI: Advancing beyond gen AI implementation barriers

Leverage smart data curation agents
AI agents autonomously source, clean, and validate enterprise data, thus resolving data quality issues while enabling secure, compliant access across business units.

Harness AI-enabled co-developer agents
Integrated into AI platforms, these agents support low-code application development, model tuning, and infrastructure orchestration, all helping to fast-track deployment while minimizing reliance on scarce technical talent.

Consider deploying strategic alignment agents
These agents embed organizational OKRs and regulatory constraints into model behavior, ensuring AI decisions align with enterprise goals, governance, and ethical frameworks.

Key takeaway

Agentic AI can help address the challenges in your AI/gen AI implementation, plan your next move, develop a cross-functional approach, and identify the right tool and platform that support your goals. Adherence to local governance policies are as crucial as your data strategy. Build AI systems to operate within regulatory framework, scale across business functions, and deliver real business outcomes.

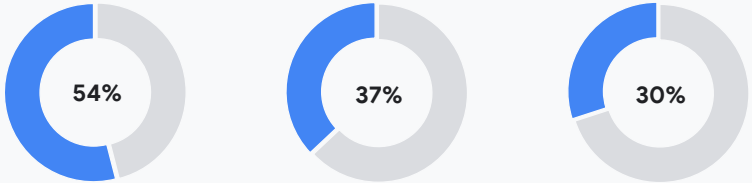
Source: IDC's *Asia Pacific Generative AI Adoption Study 2025*, commissioned by Google, n = Singapore 100

Selecting for scale

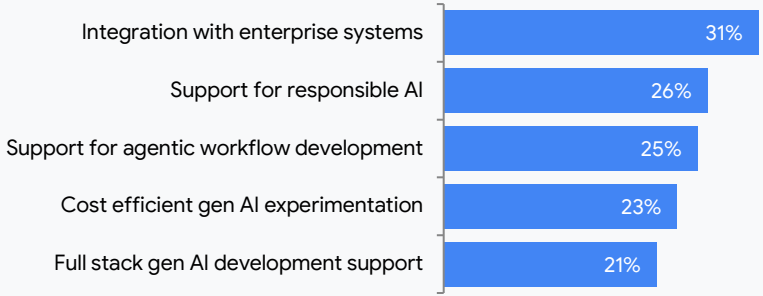
Generative AI platforms that power autonomy.

Success in adopting gen AI starts with the right partner—one that enables secure integration, autonomous workflows, and enterprise-grade scalability.

Preferred gen AI vendor type



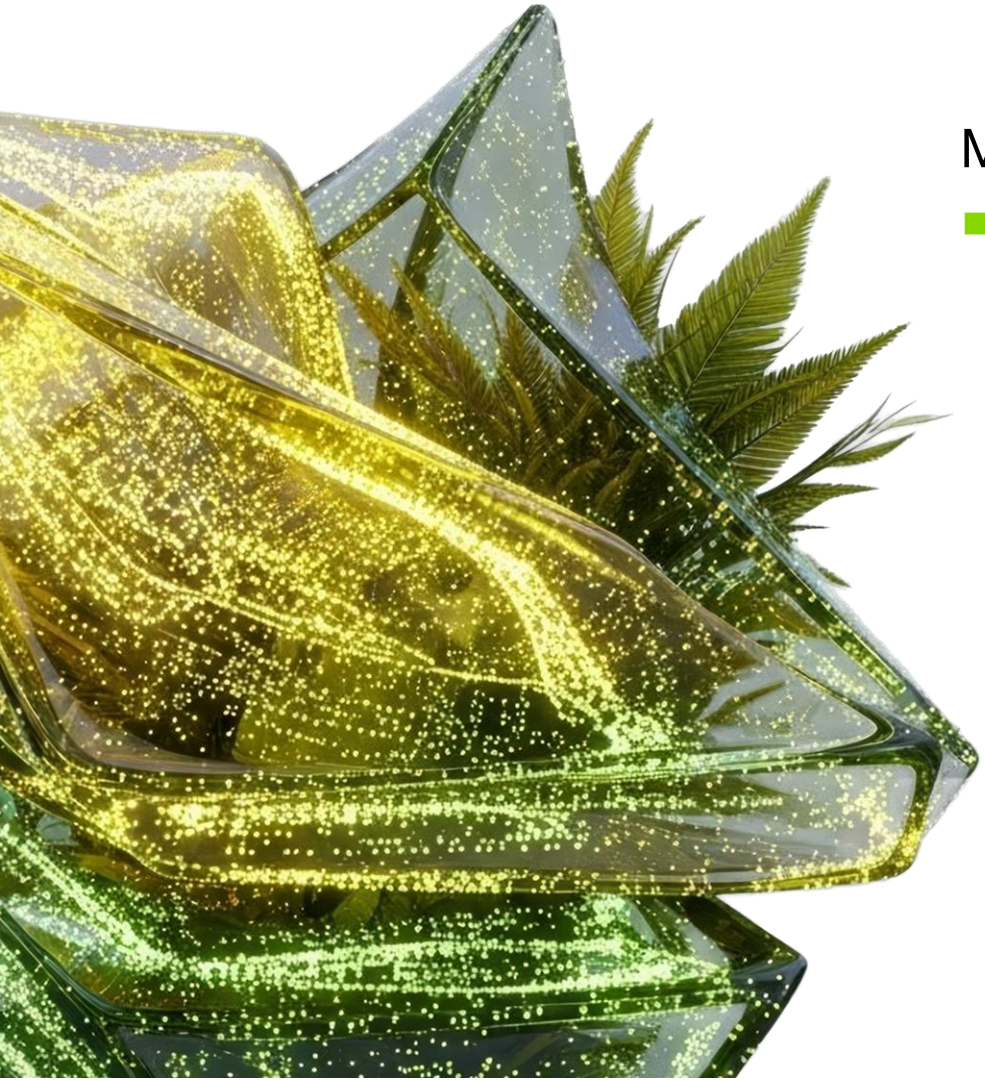
Top 5 gen AI platform selection criteria



Five key takeaways for Singapore business and IT leaders

1. **Prioritize seamless enterprise integration**
   Singapore is a tightly regulated, world-leading financial and business hub. C-suite should adopt gen AI platforms that integrate seamlessly into existing IT ecosystems, and seek solutions that accelerate value without compromising compliance, control, or operational continuity.
2. **Choose platforms that align with responsible AI**
   With a strong national emphasis on AI ethics and governance, platforms must embed transparency, traceability, and compliance—aligned with frameworks like the Infocomm Media Development Authority's AI Verify—to build stakeholder trust and ensure long-term viability.
3. **Agentic AI needs native workflow orchestration**
   As businesses move from experimentation to autonomy, they need vendors that support real-time agent collaboration, continuous learning, and contextual decision making at scale.
4. **Enable scalable, lean innovation**
   Singapore's pragmatic approach to gen AI values rapid, repeatable, value-driven PoC-to production cycles. This calls for platforms that iterate fast, and cost effectively.
5. **Back ambition with full-stack capability**
   To achieve Singapore's AI self-sufficiency aspiration, organizations should work with vendors that bring deep R&D expertise, model tuning, and custom support.

Source: IDC's *Asia Pacific Generative AI Adoption Study 2025*, commissioned by Google, n = Singapore 100



Market Insights

Taiwan

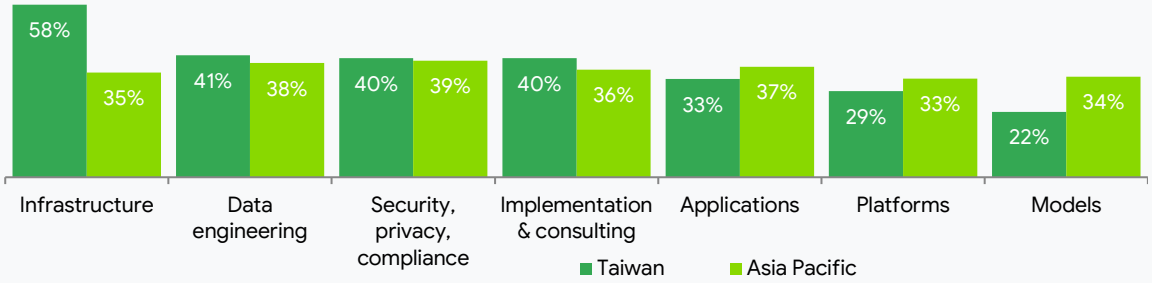
Taiwan: AI technology island

The dual pillars of AI infrastructure and agentic AI secure Taiwan's position in the global AI supply chain

The government and private sectors are working to position Taiwan as a global hub for AI innovation, leveraging their world-leading semiconductor and ICT industries. Deep government funding in AI talent aim to train thousands of professionals and researchers. Meanwhile, 50% of companies are allocating over 30% of their IT budgets to AI. There is a recent push to integrate AI across key sectors like finance, manufacturing, and healthcare—balancing Taiwan's infrastructure leadership with growing innovation at the application layer.

Agentic AI is already a reality in Taiwan. Currently, 57% of organizations have deployed agentic AI use cases—12% higher than the Asia Pacific average. This accelerated adoption aligns with their top AI drivers: adapting to new AI technology and increasing business agility.

AI investment for next 12 months

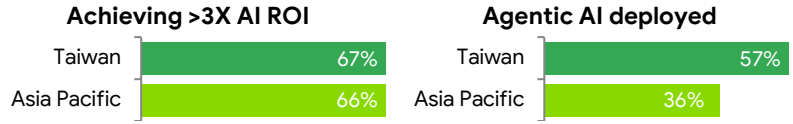


Key motivators for AI projects



Organizations' AI investment plans are heavily skewed toward infrastructure. This reflects Taiwan's strategic advantage rather than a lack of interest in applications and platforms. Their keen adoption of agentic AI reflects a more balanced approach: prioritizing robust infrastructure, while embracing cutting-edge AI paradigms. As agentic AI deployment expands, these organizations are well-placed to develop more innovative AI use cases that deliver greater ROI.

Increasing ROI with agentic focus

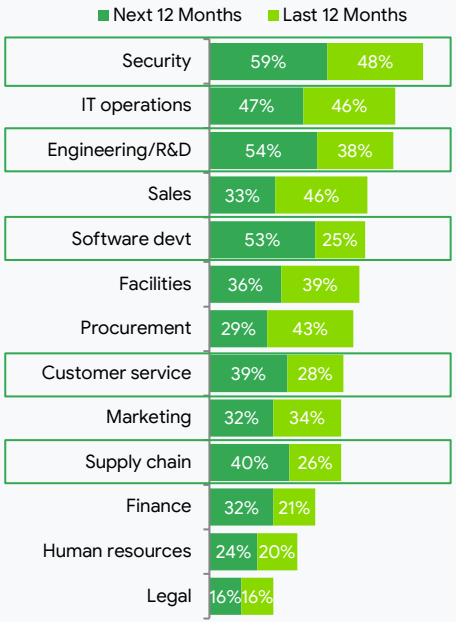


Source: IDC's *Asia Pacific Generative AI Adoption Study 2025*, commissioned by Google, n = Taiwan 100

From adoption to autonomy: Scaling agentic AI organization-wide

Taiwanese organizations are increasingly integrating agentic AI into core business functions to drive greater impact and accelerate enterprise-wide transformation.

Gen AI use case adoption by functional areas



Scaling gen AI where it matters most

Security operations
- Gen AI automates security tasks such as phishing triage, threat detection, and incident analysis and prevention.
- Agentic AI handles more complex and connected tasks at the SecOps level—e.g., automating incident response (isolating affected systems, removing malware).

Engineering and R&D
- Gen AI processes unstructured data to support requirement analysis for individual engineers.
- Agentic AI enables cross-disciplinary product modeling and runs simulations for quality and compliance.

Software development
- Gen AI assists developers by suggesting and completing codes.
- Agentic AI automates the software development life cycle and manages more complex tasks via multi-agent collaboration

Customer experience
- Gen AI contributes to AI customer center solutions.
- Agentic AI automates end-to-end marketing campaigns, from ideation to execution, coordinating multiple stakeholders.

Logistics & supply chain
- Gen AI analyzes historical data to improve demand forecasting.
- Agentic AI optimizes transportation routes and fleet operations, adapting to real-time changes like traffic or weather conditions.

Top 3 agentic AI adoption areas in Taiwan

72% Customer support

64% Risk management

60% Supply chain optimization

Agentic AI ROI & benefit

64% >3X ROI from AI agents

70% Handling more complex tasks

Source: IDC's *AP Agentic AI Survey, 2025,* n = Taiwan 50

Key takeaway

Leverage gen AI to transform core business tasks, focusing on empowering individual decision-making, and then transition to agentic AI to handle more complex tasks, adapting to dynamic conditions.

Source: IDC's *Asia Pacific Generative AI Adoption Study 2025*, commissioned by Google, n = Taiwan 100

Taiwan's challenges accelerating generative AI outcomes via agentic AI

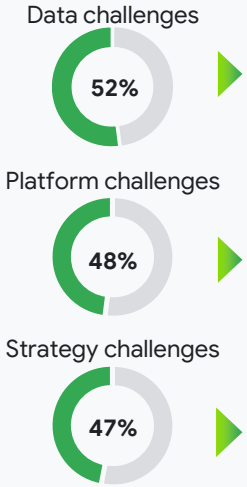
Oaganizations should leverage Agentic AI to turn data, platform, and strategy hurdles into drivers of scalable, intelligent transformation.

Agentic AI adoption in Taiwan



Agentic AI use cases organizations plan to deploy next year:	
Planning: Use LLM to suggest step-by-step plan to achieve some goals	65%
Reflection: Make LLM self-evaluate its response and fix and retry prompts until it meets certain quality thresholds	35%
Tool use: Integrate agents with other tools such as web scraping, calculators, analytics/ML models	53%
Multi-agent collaboration: Connect two or more agents to split tasks or discuss ideas for a solution	65%

AI implementation challenges



Agentic AI: Overcoming gen AI implementation barriers

Address data challenges with smart data curation agents: AI agents autonomously source, clean, and validate enterprise data, thus resolving data quality issues while enabling secure, compliant access across business units.

Overcome platform challenges with agent framework: By standardizing the common components of gen AI development, an agent framework shortens project timelines, cuts costs, and enhances both the performance of AI applications and the efficiency of managing multiple AI services.

Tackle strategy challenges with agent platform: By standardizing and abstracting the common technical components of their enterprise AI system, agent platform allows organizations to concentrate on business logic and strategic goals.

Key takeaway

Agentic AI offers a way to overcome challenges in AI/gen AI implementation. It helps plan your next move, enables a cross-functional approach, and identify the right tools and platforms that align with your goals. Adhering to local governance policies is as crucial as your data strategy. Design AI systems to function within regulatory frameworks, scale across business functions, and deliver real business outcomes.

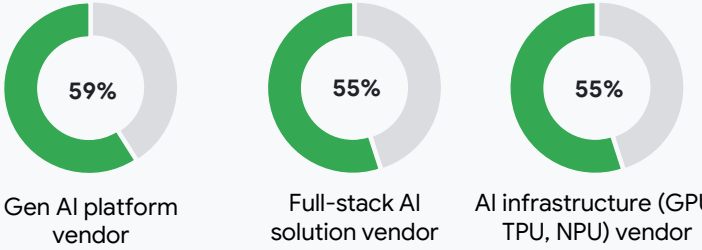
Source: IDC's *Asia Pacific Generative AI Adoption Study 2025*, commissioned by Google, n = Taiwan 100

Selecting for scale

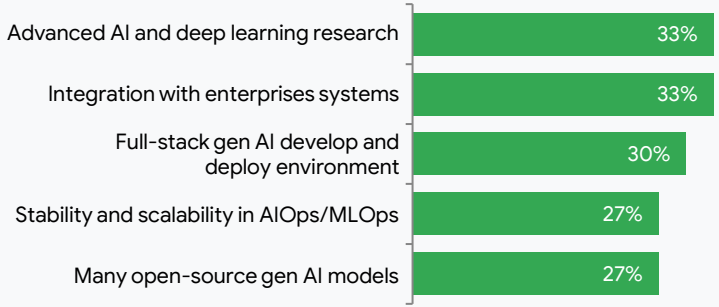
Gen AI platforms that power autonomy

Success in adopting gen AI starts with the right partner—one that enables secure integration, autonomous workflows, and enterprise-grade scalability from day 1.

Preferred gen AI vendor type



Top 5 gen AI platform selection criteria

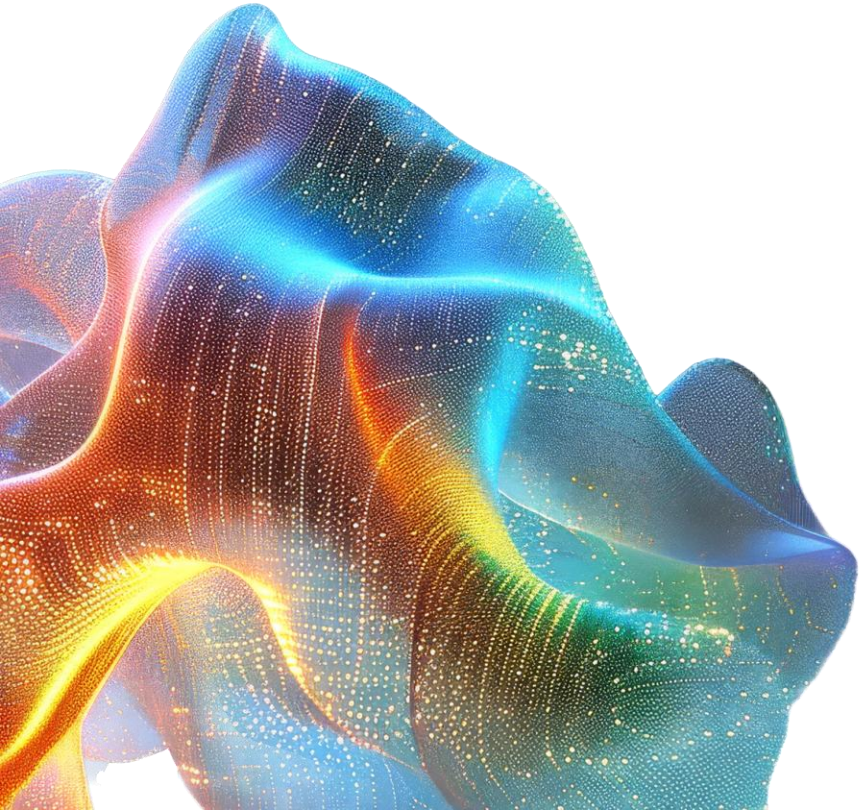


Five key takeaways for Taiwan business and IT leaders

1. **Prioritize seamless enterprise integration**
   Gen AI platforms must plug smoothly into existing IT systems with minimal disruption, quickening time to value while maintaining operational stability.
2. **Choose platforms that optimize AI infrastructure**
   With Taiwan's strong focus on AI infrastructure, platforms should deliver robust visibility, FinOps, and security across hybrid and multi-cloud environments. Leveraging AI-native infrastructure technology allows organizations to diversify their AI strategy and accelerate innovation at the application layer for stronger ROI.
3. **Agentic AI needs native workflow orchestration**
   As businesses shift from experimentation to autonomy, it is critical to select vendors that support real-time agent collaboration, continuous learning, and contextual decision making at scale.
4. **Enable scalable, cost-efficient innovation**
   Taiwan's pragmatic approach to gen AI emphasizes lean, repeatable, and value-driven experimentation. This requires platforms that speeds up the PoC to production while minimizing overheads.
5. **Back ambition with full-stack capability**
   Organizations should work with vendors that bring deep R&D expertise, model tuning, and custom build support—beyond just providing APIs.

Source: IDC's *Asia Pacific Generative AI Adoption Study 2025*, commissioned by Google, n = Taiwan 100

Appendix



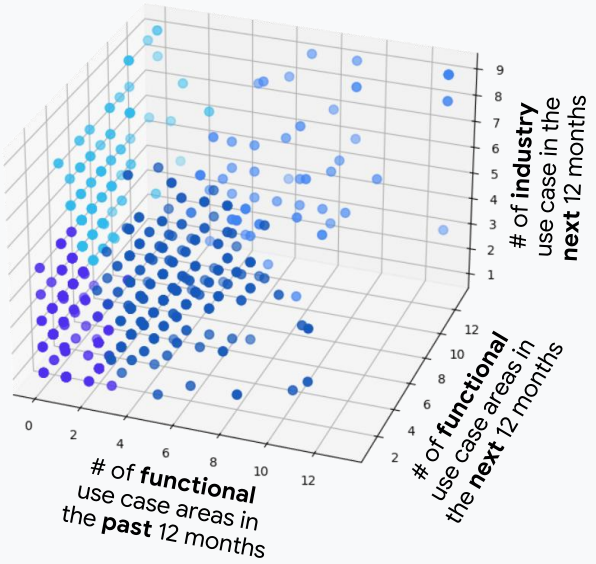
Appendix 1: Generative AI use case clustering

Appendix 2: Research methodology

The four patterns of generative AI use case adoption

IDC's cluster analysis reveals four distinct AI use case adoption patterns among Asia Pacific organizations. Each pattern reflects unique attitudes toward AI and gen AI, shaped by the state of functional and industry-specific adoption, and future plans. Notably, first movers also emerged as the best performers.

Use case adoption clustering



	Gen AI performance	Agentic AI adoption	Deployment challenge
First mover (7%) Biggest data engineering investor; deploys diverse functional and industry use cases	~3.5X ROI with 81% project success	59.4%	**Strategy:** Aligning AI investments to business goals
Fast follower (13%) Begins to expand functional and industry use cases	~3.1X ROI with 76% project success	13.3%	**Data:** Quality and management of data
Functional master (44%) Focused on functional, not industry use cases	~3.1X ROI with 81% project success	48.8%	**Data:** Quality and management of data
Slow mover (37%) Maintains only a few functional and industry use cases	~2.6X ROI with 77% project success	23%	**Data:** Quality and management of data

Source: IDC's *Asia Pacific Generative AI Adoption Study 2025*, commissioned by Google, n = 950

Methodology

This survey was conducted in early 2025 to understand how organizations in the Asia Pacific region are adopting AI.

IDC asked 950 IT and business leaders across the region about their reasons for pursuing AI, areas of AI-related investment, most adopted gen AI use cases, AI project success factors and challenges, and preferred types of partnerships.

Based on this large-scale survey and IDC research, the study reveals a dynamic and diverse pattern of AI transformations being undertaken by organizations in APAC. These data and insights will help organizations better determine the next steps in their AI journey.

IDC's Asia Pacific Generative AI Adoption Study 2025, commissioned by Google Cloud (n = 950)

By country	
Australia	100
Japan	100
South Korea	150
China	100
Taiwan	100
Indonesia	100
Singapore	100
India	100
Rest of JAPAC	100

By organization size	
Less than 1,000 employees	321
1,000 to 4,999 employees	325
5,000+ employees	304

By role	
CEO/Owner	193
Vice President/ Executive	346
General Manager	411

By function	
IT	504
Non-IT	446

By industry	
Financial services	150
Telecom	50
Media/ Entertainment/ Gaming	100
Manufacturing	250
Distribution	250
Public sector	150

Note: All data in this report is sourced from the above survey unless another source is mentioned.

IDC Research Team



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