Cyber Majlis Research and Data on AI Adoption and Constraints

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Research Background

In 2024, AI and cybersecurity have emerged as two of the most prominent areas of discussion among industry leaders in UAE. To gain insights into the development, adoption, and associated challenges of AI within various business sectors, we conducted in-depth interviews with 20 senior executives and 20 IT directors from companies in the UAE. This research explores their perspectives on AI's transformative potential, adoption barriers, and the rising threat of cyber attacks. The findings provide a forward-looking view of market trends and organizational readiness, backed by data-driven conclusions. It was also matched with research done by IBM, McKinsey, BCG and other companies in UAE and MEA region.

# Most Attractive Industries for AI Adoption in UAE

IBM Global AI Adoption Index 2023

65% of IT professionals in the UAE have reported a significant acceleration in AI roll out over the past 24 months

34% of UAE companies have a comprehensive AI strategy in place, while an additional 30% are in the process of developing one

Q: range the industries that have highest potential for AI adoption, N=20

Most Attractive Business Functions for AI Adoption in UAE
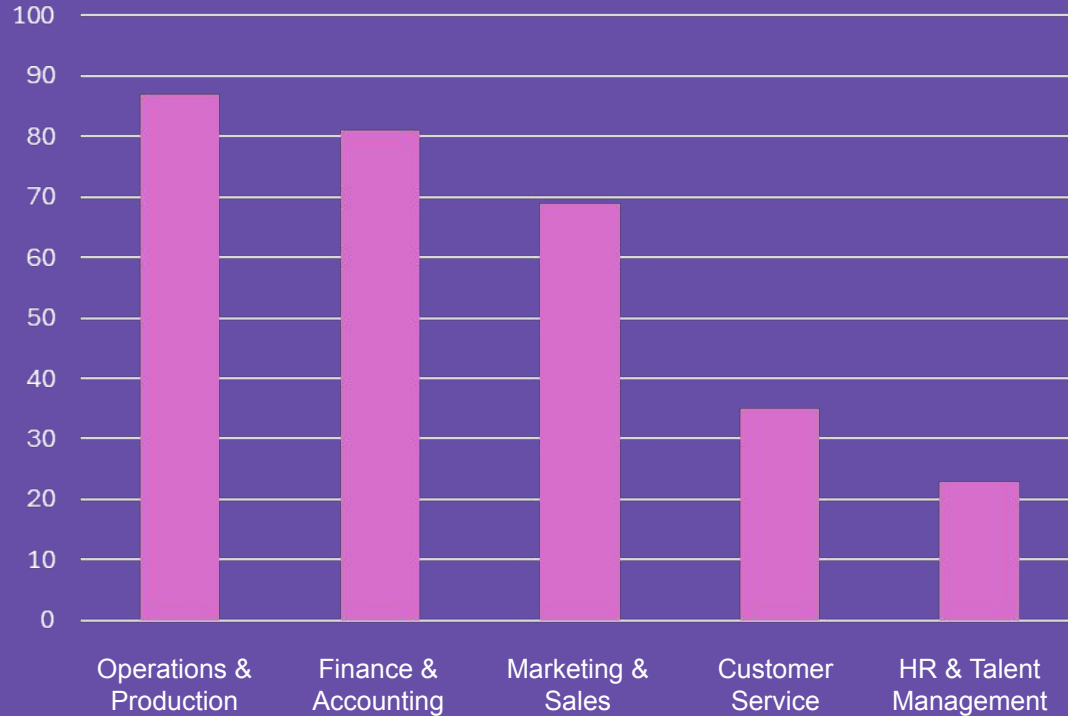
Dubai's leading organizations demonstrate successful AI implementation across diverse business functions. Airline companies like Emirates reducing aircraft downtime and other operations costs. Banks and retailers have advanced chatbots, and AI-enabled customer support.

Q: range the business functions that have highest potential for AI adoption, N=20
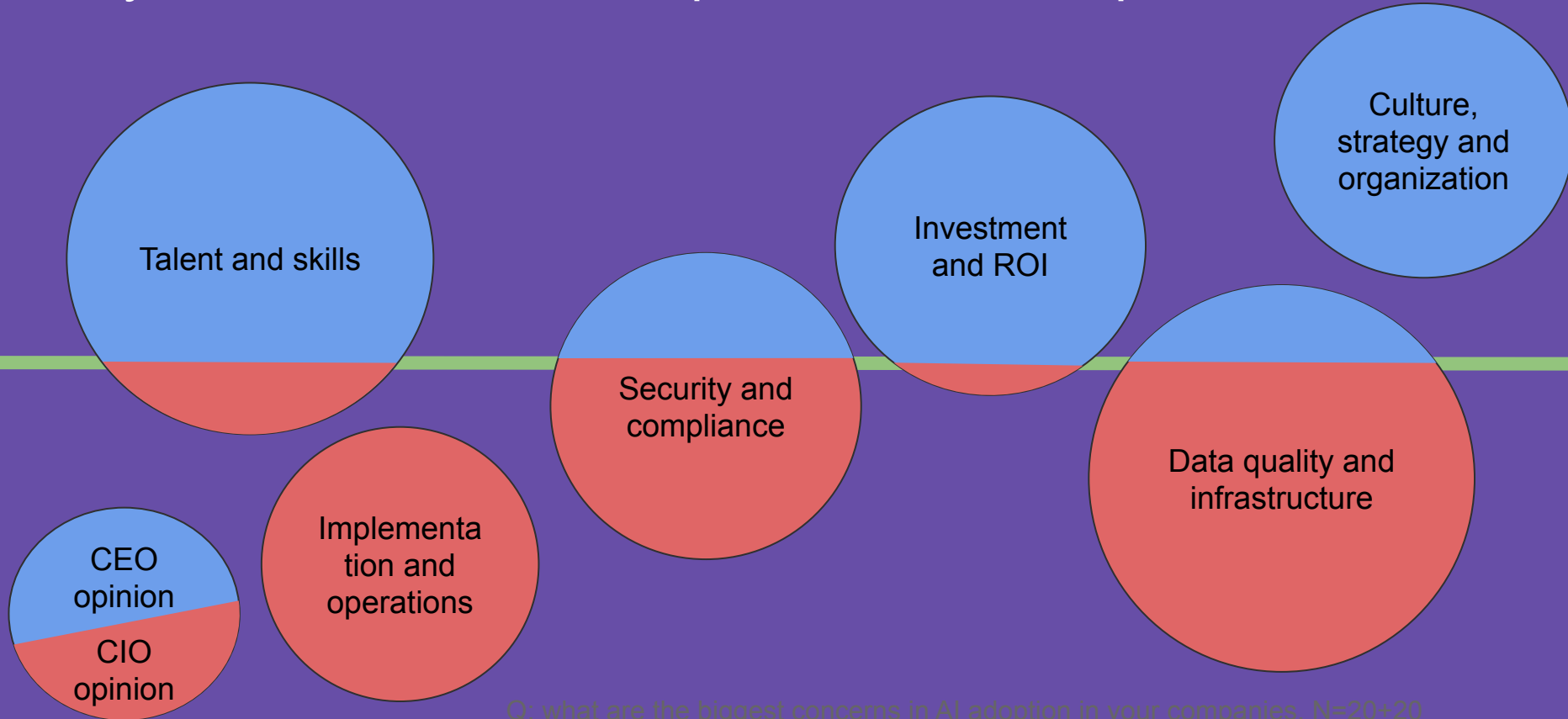
Findings and Conclusions

AI Adoption across Industries

The findings highlight Finance and Retail as the sectors with the highest potential for AI investment and adoption in the UAE. While AI adoption across UAE industries lags behind leading global benchmarks, increasing customer demand for AI-driven solutions - particularly in retail and online services - indicates significant growth potential. This demand is expected to drive companies to accelerate their AI integration strategies to remain competitive and responsive to consumer preferences.

AI Adoption across Business Functions

The top three business areas with the highest potential for AI adoption are operations, finance, and marketing, where the majority of AI-driven opportunities reside. 80% of respondents indicated that their companies are either implementing or actively developing AI solutions in these domains. This trend underscores an emerging landscape in which AI enables more efficient processes and empowers the workforce across key business functions.

Key Constraints in AI Adoption and Development in UAE

Talent and skills

Culture, strategy and organization

Investment and ROI

Security and compliance

Data quality and infrastructure

CEO opinion

CIO opinion

Implementation and operations

Q: what are the biggest concerns in AI adoption in your companies, N=20+20

Findings and Conclusions

CEOs identify talent shortages and substantial investment requirements as primary constraints to AI adoption. While some CIOs echo these concerns, only a subset of CEOs noted that organizational culture and strategic alignment could potentially limit future AI integration. This suggests that while technical and financial barriers are widely recognized, cultural and strategic considerations are perceived as secondary constraints by top executives.

CIOs express heightened concern over data quality, particularly in light of recent issues related to some of well-known large language models degradation, as well as the need for robust infrastructure development both within companies and at a national level. Cybersecurity ranks as the second most critical factor for these executives. While CEOs share some of these concerns, CIOs emphasize the challenges surrounding AI implementation, operation, and maintenance, with just over half identifying these as key constraints.