2025 Global AI Report

The AI Acceleration Gap: Why Some Enterprises Are Surging Ahead

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Contents

Our survey polled

1,420 tech leaders

Across a broad range of industries

Financial services

Manufacturing
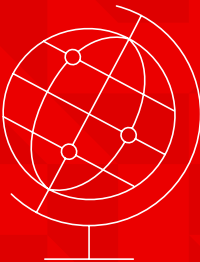
Retail

Hospitality

Government

Healthcare

Technology

Life sciences and pharma

Media

Energy

Geographic regions that include

The Americas, Europe, Asia and the Middle East

Foreword

One quarter into the 21st century, AI innovation is rewriting the rules of competition. AI has moved far beyond a promising experiment — it has become the driving force reshaping every industry. But here's the new truth: adopting AI isn't enough. To lead, you must accelerate and industrialize AI across your organization.

That's why I'm thrilled to introduce our latest global research: **The AI Acceleration Gap: Why Some Enterprises Are Surging Ahead.**

This 2025 report from the **Foundry for AI by Rackspace (FAIR™)** shares insights from over 1,400 global IT decision-makers and reveals a striking reality: a new class of **AI Leaders** is transforming ambition into real-world outcomes — and pulling away from the pack.

These leaders aren't just experimenting — they're scaling, and the results speak for themselves:

- **64% report significant ROI from AI — twice that of their peers.**
- **77% have AI agents in production, actively expanding their impact.**
- **87% see AI as a core competitive advantage, not just an automation tool.**

At **Rackspace Technology**®, we've seen this transformation firsthand. Since launching FAIR in 2023, we've been helping enterprises move from prototypes and proofs of concept to production at scale. Our expanded hybrid and private AI offerings give organizations — especially in regulated industries — the **flexibility**, **security**, **compliance** and **resilience** they need to lead with confidence.

We've also embraced **agentic AI** within our own operations, experiencing how it amplifies human potential. Looking ahead, we're excited to launch a new series of **agentic AI platform solutions** designed to accelerate your time to value and turn **AI ambition into meaningful business outcomes.**

Our philosophy is simple: **AI powers machines to be better machines, so humans can be better humans.**

While some organizations are surging ahead, the gap isn't permanent. With the right strategy, architecture, governance and talent, any company can close the distance and lead. That's where FAIR comes in. We're here to help you navigate the evolving AI landscape and lead responsibly at speed.

I invite you to read this report, reflect on where you stand using the results of the FAIR AI Diagnostic, and join us for a **FAIR Ideate session**.

Sincerely,

Srini Koushik
President of AI, Technology and Sustainability
Rackspace Technology

Unleashing the AI Leaders

Our new research reveals a startling trend among firms using AI. There is a stark disparity between those at the forefront of AI adoption — the AI Leaders — and everyone else.

Examining the maturity of firms using AI reveals a significant gap in their level of advancement. Way in front is a small, breakout group of AI Leaders — the 13% of firms who have comprehensively implemented AI throughout their organization, aligned the tech with their business strategy and are using advanced practices to help them thrive.

Minimal adopters **9%**   Majority adopters **78%**   **AI Leaders 13%**

AI adoption timeline
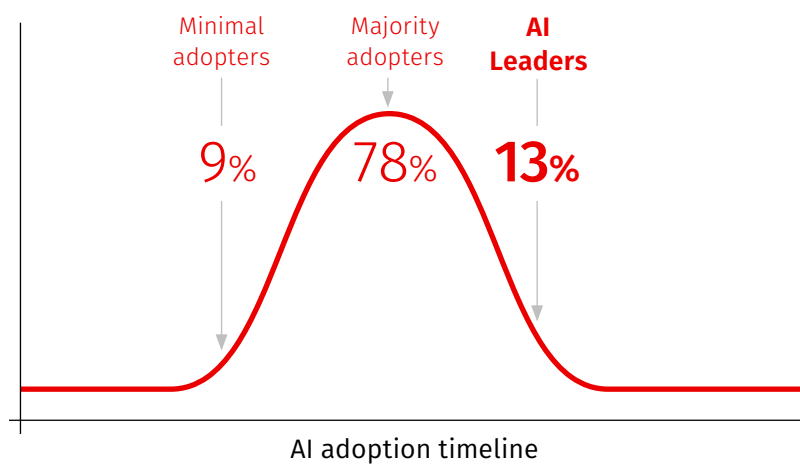
Then there is a large gap before the majority of adopters, who are at various stages of adoption and integration but still lag far behind.

And right now, that gap is widening at an accelerating rate. This leaves the possibility of a new order of business, purely based on growing disparities in the speed and thoroughness of AI implementation.

What sets AI Leaders apart? They don't treat AI as an add-on. Instead, they embed it at the core of their business, taking an AI-first approach to strategy, operations and innovation. From AI agents to seamless human-AI collaboration, they integrate AI into the way teams work and make decisions, as if AI were a coworker.

They're also aligning their infrastructure strategy to better support AI adoption and scale. More than half of AI Leaders (52%) use a hybrid cloud strategy, compared to just 35% of other organizations. This blended approach lets them run AI workloads where it makes the most sense, combining the flexibility of public cloud with the control and compliance benefits of private infrastructure. The result? Faster deployment, broader integration and stronger return on AI (RoAI).

AI Leaders use advanced AI capabilities to transform how they operate, and it shows. They're ahead across every metric and modality, from customer experience and product innovation to employee productivity.

They lead on AI readiness, too. Compared to their peers, AI Leaders are stronger across the board in the areas of compliance, security, long-term sustainability, strategic alignment and cultural integration. On average, they hold a **2x advantage** compared with the other firms across each of these elements.

> *"AI helps us run operations, forecast demand and reduce waste. It's not a side project — it's driving long-term growth, innovation and impact."*
>
> Head of Business Intelligence, Healthcare, USA

91% of AI Leaders have fully integrated AI into customer experience and new products. Only 32% of other firms have managed this.

Compared with the AI Leaders, most organizations are still struggling with basic AI implementation. Just a quarter have properly implemented AI into their employee strategy — half the rate of the AI Leaders. Many of these organizations are stuck in the early stages of development. Across every area of AI usage, the majority are either still using MVPs, working on proofs of concept or still ideating. Those who stay stuck in the early stages of development for too long face a trap: not being able to develop AI because they can't prove ROI, and then falling further behind while competitors accelerate.
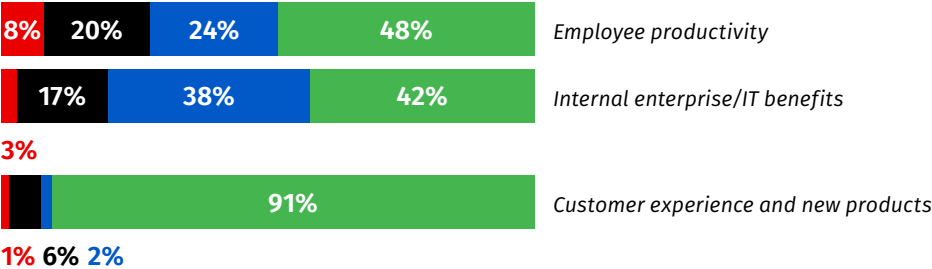
The result? At the top of the market, the AI Leaders are opening a remarkable gap.
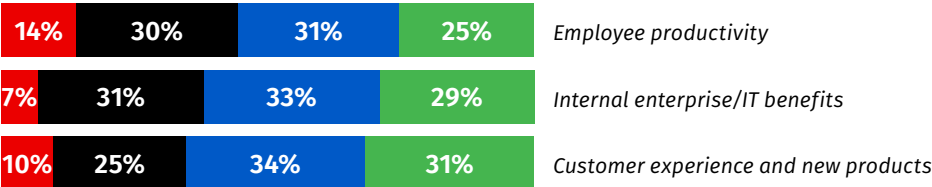
AI strategy maturity

What stage of realization is your AI strategy currently at in each of the following areas?

- 🟥 Ideation
- ⬛ Proof of concept
- 🟦 Minimum Viable Product (MVP)
- 🟩 Fully integrated into the business

AI Leaders

8%	20%	24%	48%	Employee productivity
	17%	38%	42%	Internal enterprise/IT benefits
3%			
		91%		Customer experience and new products
1%	6%	2%	

All others

14%	30%	31%	25%	Employee productivity
7%	31%	33%	29%	Internal enterprise/IT benefits
10%	25%	34%	31%	Customer experience and new products

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Inside the AI Leader strategy

Why are the AI Leaders so far ahead of the pack? There is no new secret — it comes down to the same basics of well-applied business strategy that win time and again: invest, integrate, measure and empower.

Invest

AI Leaders know you can't cut corners on investment. They recognize that this inflection point in AI is the time to accelerate. Last year, companies invested an average of $2.5 million in AI and machine learning. In 2025, AI Leaders plan to spend nearly four times that — $8.7 million on AI alone.

And momentum is only building. Across the board, firms know they need to commit to AI investment, with 83% planning to increase their spending further over the next five years. But the AI Leaders outpace average investment increases, with 94% set to increase budgets further.

Integrate

For AI Leaders, integration goes far beyond adoption. They've embedded AI into day-to-day operations where it delivers measurable value. Among these organizations, AI agents are now standard in customer service where it can handle repetitive requests, reduce response times and free human teams to focus on more complex needs.

But AI Leaders are already looking beyond these foundational applications. With early wins in place, they're scaling next-generation use cases and expanding the role of autonomous AI agents across the business. Seventy-seven percent say they have AI agents in production and are actively increasing deployment versus 24% of all others, confident these systems will be essential to long-term success.

AI Leaders see AI agents not just as tools, but as collaborators that are capable of contributing meaningfully to team goals. In this model, AI takes on high-volume, rules-based tasks, while employees focus on strategy, creativity and decision-making. It's not just about automation — it's about unlocking human potential.

AI Leaders don't wait for technologies to fully mature. By adopting early and using that time to iterate, test and upskill workers, AI Leaders gain momentum, while most others are still piloting (41%) or waiting to see how the market evolves (28%).
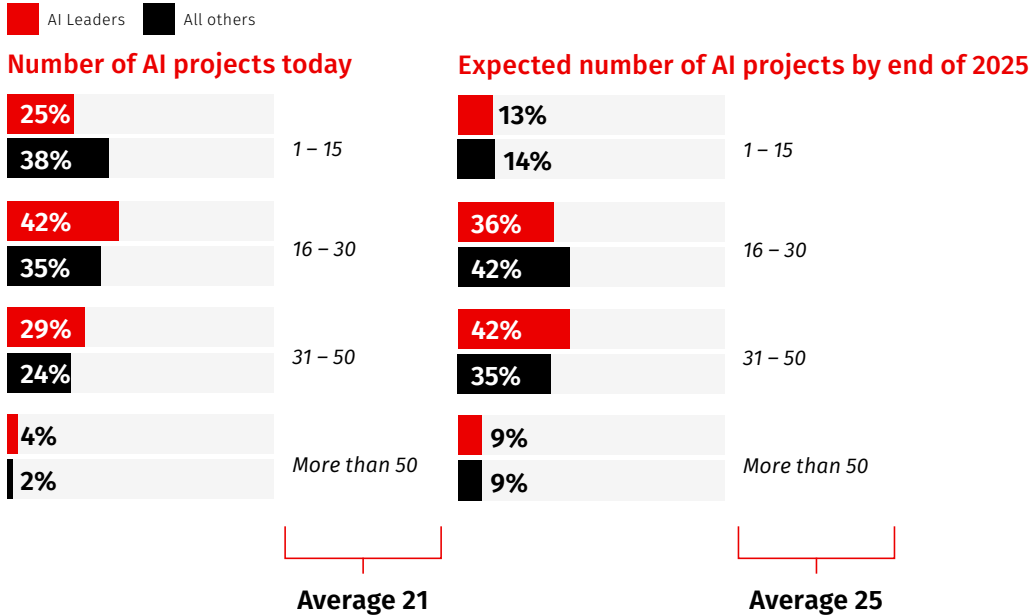
We also see that AI Leaders are **intentional** about the number of projects they take on. They spread their bets — but not too wide. While they're running more AI initiatives than other firms and plan to keep expanding, they're doing so with intention and focus. Five years from now, they expect to have only slightly more distinct use cases than their peers. They know that spreading too thin is costly, especially when expensive technologies go underutilized.

4 in 5 AI Leaders want to implement AI that's capable of working autonomously, compared to 64% of other firms using AI.

Number of AI projects in production

How many AI projects, use cases and applications does your organization currently have in production, and how many do you expect to have by the end of 2025?

🟥 AI Leaders ⬛ All others

Number of AI projects today

25% **38%**	*1 – 15*
42% **35%**	*16 – 30*
29% **24%**	*31 – 50*
4% **2%**	*More than 50*

Average 21

Expected number of AI projects by end of 2025

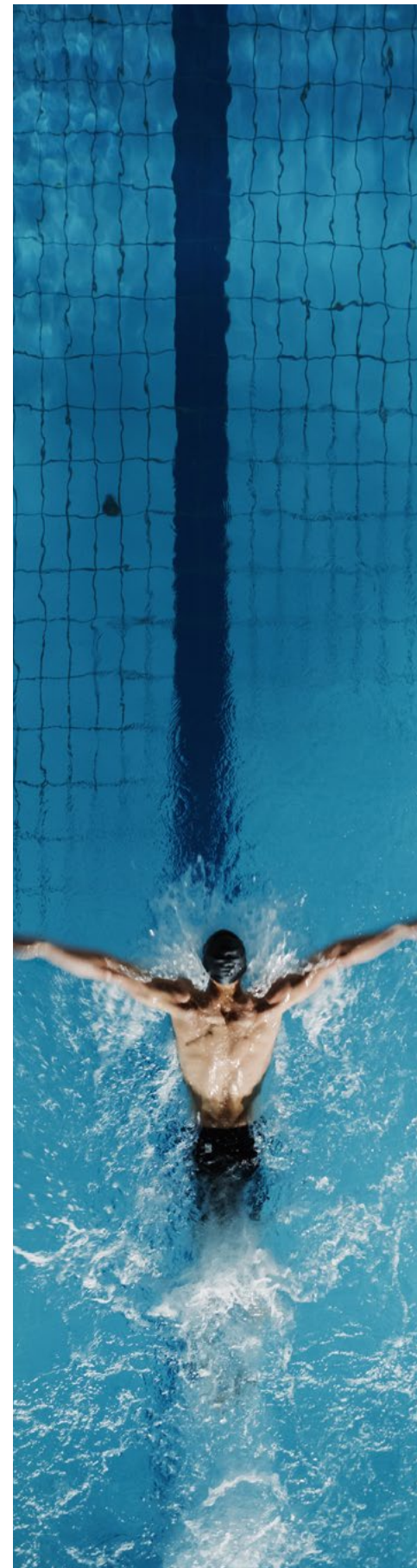|	
13% **14%**	*1 – 15*
36% **42%**	*16 – 30*
42% **35%**	*31 – 50*
9% **9%**	*More than 50*

Average 25

Measure

AI Leaders are outcome-focused and method-agnostic, with a roughly 50/50 split between buying AI solutions and building them in-house. It's a pragmatic approach: When an off-the-shelf product delivers high-quality results, it's faster and more cost-effective to adopt it. When it doesn't, they invest in building the right solution for their needs.

By prioritizing clear success metrics, AI Leaders create a strong foundation for iteration and improvement. They're 15% more likely to use ROI as a KPI, 10% more likely to measure innovation and market impact, and 9% more likely to track customer experience metrics like satisfaction and net promoter scores. Most notably, they're nearly twice as likely as other organizations to report substantial business benefits from AI.
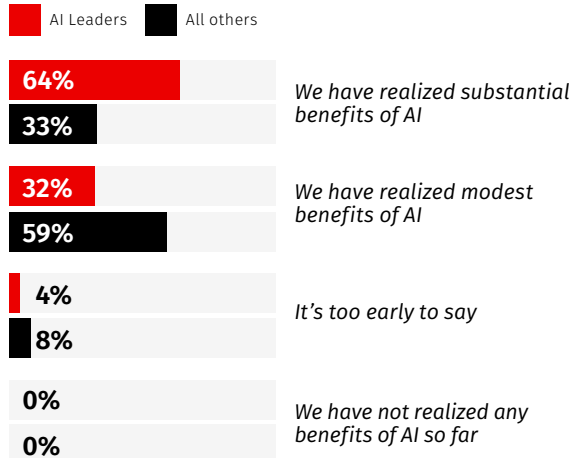
KPIs used to assess the success of AI

Which KPIs does your organization use to assess the success of AI initiatives?

🟥 AI Leaders ⬛ All others
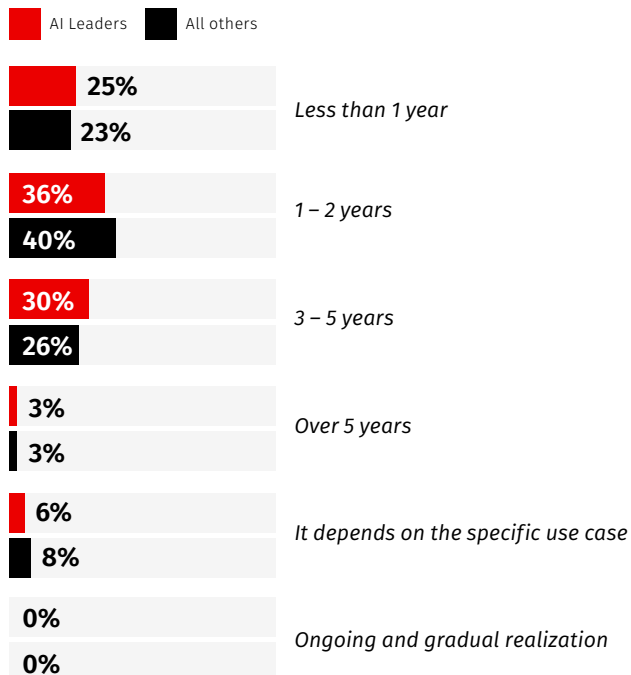
56% **47%**	*Customer experience metrics (satisfaction and net promoter scores)*
50% **35%**	*ROI*
41% **31%**	*Innovation and market impact (competitive advantage)*

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AI benefits realized

To what degree has your organization realized the benefits of AI over the last year?

■ AI Leaders   ■ All others

64% — We have realized substantial benefits of AI
33%

32% — We have realized modest benefits of AI
59%

4% — It's too early to say
8%

0% — We have not realized any benefits of AI so far
0%

Number of years until organizations realize the ROI of AI

How long do you estimate it will take for organizations in your industry to realize the return on their AI investment?

■ AI Leaders   ■ All others

25% — Less than 1 year
23%

36% — 1 – 2 years
40%

30% — 3 – 5 years
26%

3% — Over 5 years
3%

6% — It depends on the specific use case
8%

0% — Ongoing and gradual realization
0%

76% of AI Leaders have an AI-ready workforce.

Empower

Technology fails without people, and AI is no exception. AI Leaders understand this. They invest in building teams that are not only comfortable working with AI, but equipped to thrive alongside it.

That investment is paying off. Seventy-six percent of AI Leaders say their employees have the training and skills to work effectively with AI, compared to just 42% of other organizations.

Skills matter, but so does trust. As organizations integrate AI, employees want clarity on what it means for their roles. When employees express concerns about AI disruption, leaders need to respond with clear, proactive communication. Show teams how AI adds value by boosting productivity, removing repetitive tasks and opening the door to more strategic, engaging work.

Top methods for ensuring AI operates as a co-worker with employees

1. **Clear communication** and transparency on AI's role and impact

2. **Employee training** and upskilling

3. **Collaboration frameworks** for AI and employees working together

4. **Employee feedback** loops

5. **Gradually introducing AI** to specific teams and functions

"When we introduced AI, people were naturally a bit cautious and wondering if it would replace roles or make their jobs harder. But once we started deploying AI in our processes, we started hearing the opposite. In areas like operations and compliance, where teams used to be buried under repetitive tasks, it's taken the pressure off. Teams now have more time to focus on the parts of the job that require critical thinking or problem-solving, which has made their work more engaging and less draining."

Head of Product, Financial Services, UK

The virtuous circle of AI success

At the current rate, AI Leaders are set not only to maintain their advantage over other firms using AI, but to keep widening the gap between them and the majority of organizations.

Why? Faster than ever before, technology is transforming businesses for the future — it is starting to do what many said was impossible. AI Leaders know this and overwhelmingly describe AI as a fundamental driver of competitive advantage, not just an automation tool (87% — compared to 72% of all other organizations).

The faster businesses enter an accelerating AI loop of efficiency and capability, the faster they can advance. The rewards of AI Leaders' current successes are driving them even further forward. Nearly two-thirds (64%) of AI Leaders say they have realized substantial benefits of AI over the past year — almost double the rate of other organizations (33%).

AI Leaders are nearly twice as likely to report substantial benefits of AI

64%

AI Leaders

33%

Other companies
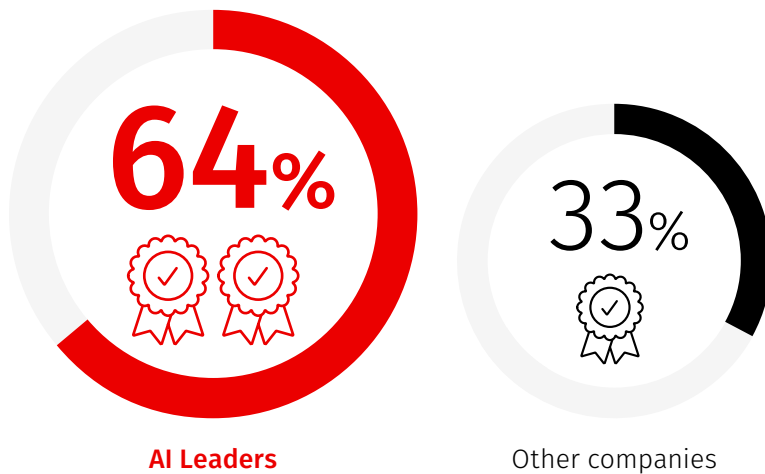
This seemingly exponential reward rate means that the earlier organizations start to iterate their application of AI, the sooner they enter a positive feedback loop that accelerates their advancement.

And it's not just tech improvement loops that are important. Continual employee feedback is critical. People on the ground know the details of what is working and what isn't. A common hurdle for effective AI implementation is that staff are skeptical about it — or afraid it might take their job.

For success in the short- and long term, staff sentiment can't be ignored. Unless staff are happy that AI is making things better and their jobs easier, firms are doing it wrong.

Compared to other companies, AI Leaders are 8% more likely to use employee feedback loops so that AI works harmoniously alongside their staff.
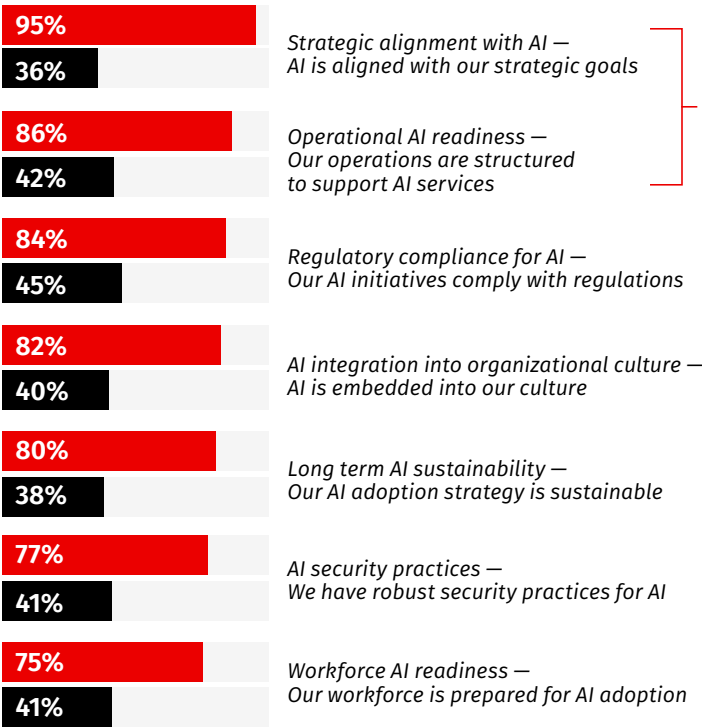
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Across every readiness factor, AI Leaders are better prepared for the future. They outperform other organizations by roughly a two-to-one margin — from security, strategic alignment and long-term sustainability to workforce readiness, organizational integration and regulatory compliance. By investing early, integrating AI deeply and making it a business priority, these organizations have built a clear and growing advantage.
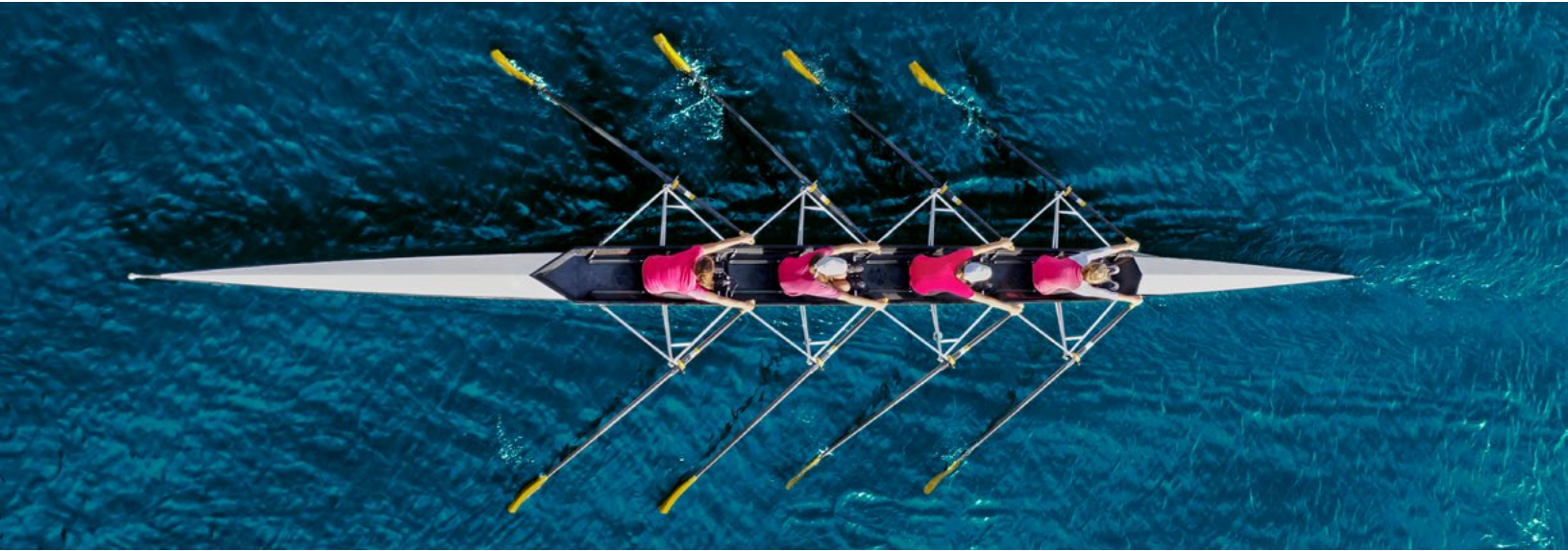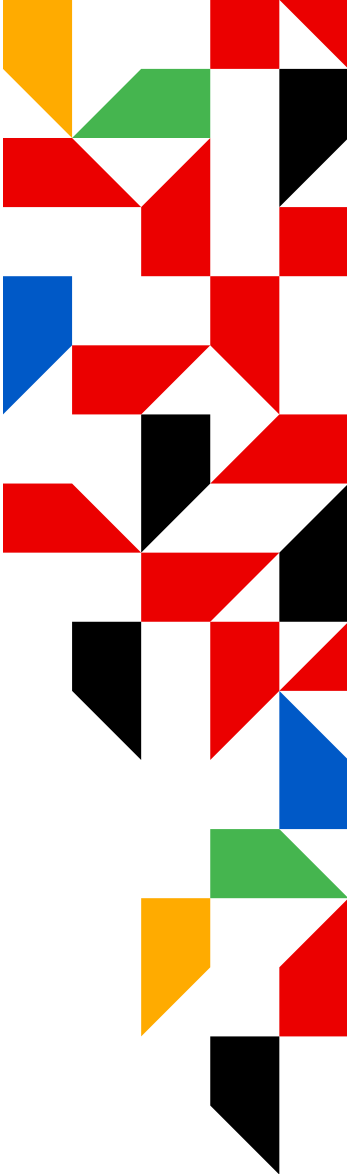
AI readiness

For each area of AI readiness listed below, choose the phrase that best describes where your organization currently stands.

■ AI Leaders   ■ All others

95%
36%
*Strategic alignment with AI —
AI is aligned with our strategic goals*

86%
42%
*Operational AI readiness —
Our operations are structured
to support AI services*

**Top 2: those scoring
5 and 4 for each area**

84%
45%
*Regulatory compliance for AI —
Our AI initiatives comply with regulations*

82%
40%
*AI integration into organizational culture —
AI is embedded into our culture*

80%
38%
*Long term AI sustainability —
Our AI adoption strategy is sustainable*

77%
41%
*AI security practices —
We have robust security practices for AI*

75%
41%
*Workforce AI readiness —
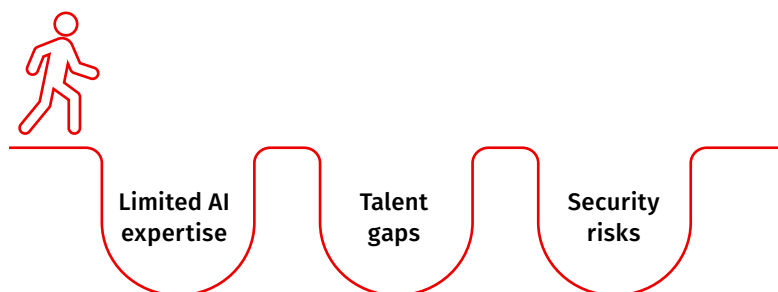Our workforce is prepared for AI adoption*

Facing down the challenges

The path to success is never free from obstacles. Implementing AI effectively is a complicated task requiring foresight and adaptability. Across all businesses, 68% of respondents say the implementation and scalability of AI remains difficult, despite its business value. Moreover, 71% agree that investing in AI infrastructure is crucial for enabling the scalability and flexibility needed for AI initiatives.

Data quality is not the same stumbling block it once was, but challenges from poor data sets still exist. Only 31% of all businesses feel very or significantly confident in the quality and readiness of their data for AI applications, and less than a third are very confident. For AI Leaders, this is less of an issue: just 1 in 20 still find data a major challenge in AI implementation.
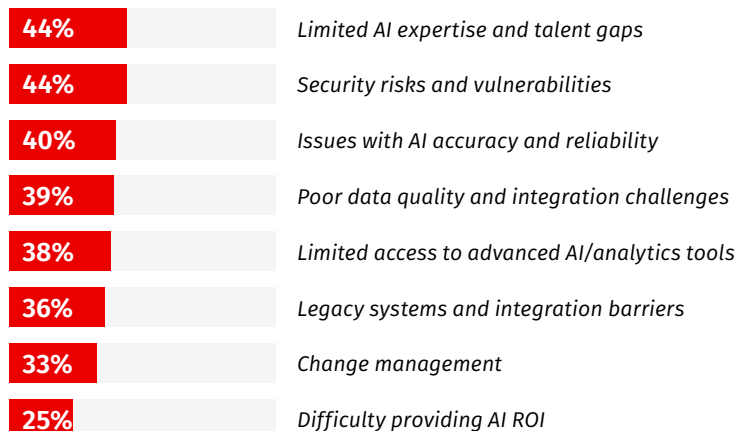
As AI models mature and data pipelines improve, the biggest challenges are shifting from implementation to risk management. With business operations increasingly driven by AI — and proprietary data flowing into large language models — privacy and cybersecurity are becoming top concerns.

8 in 10 AI Leaders say that AI governance, reskilling and regulatory adaptation will be crucial to managing AI's rapid transformation.

AI pitfalls for all groups

Limited AI expertise   Talent gaps   Security risks

Biggest pitfalls in leveraging AI

Which of the following are the biggest pitfalls in leveraging AI for your organization?

| %	Pitfall
44%	*Limited AI expertise and talent gaps*
44%	*Security risks and vulnerabilities*
40%	*Issues with AI accuracy and reliability*
39%	*Poor data quality and integration challenges*
38%	*Limited access to advanced AI/analytics tools*
36%	*Legacy systems and integration barriers*
33%	*Change management*
25%	*Difficulty providing AI ROI*

Many AI Leaders are addressing cybersecurity challenges by embedding defenses at the source, building security protocols and procedures directly into AI applications rather than treating them as add-ons. More than half have taken this approach to meet international standards like ISO 27001, SOC 2, GDPR and CCPA.

The leading edge

Which security and compliance strategies are AI Leaders using more than others?
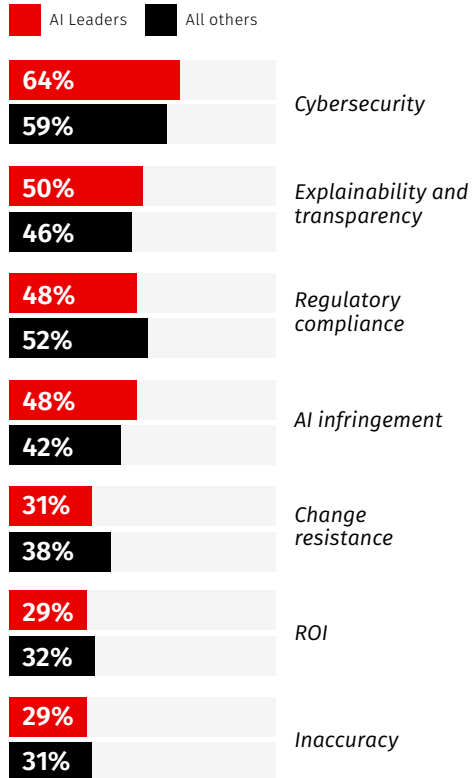
1. *Automated compliance monitoring for AI applications*

2. *Consulting localized regulatory expertise*

3. *Modifying AI models and data practices in line with local laws*

Businesses with a strong, fully integrated and proactive AI security framework in place

77%
AI Leaders

41%
Other businesses
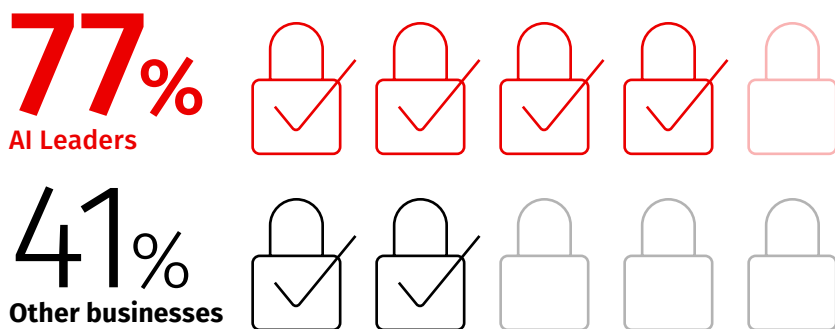
Top risks and blockers of AI adoption

Which of the following are the biggest risks or blockers you see regarding AI adoption?

■ AI Leaders ■ All others

Cybersecurity
- 64%
- 59%

Explainability and transparency
- 50%
- 46%

Regulatory compliance
- 48%
- 52%

AI infringement
- 48%
- 42%

Change resistance
- 31%
- 38%

ROI
- 29%
- 32%

Inaccuracy
- 29%
- 31%

"Keeping up with evolving AI regulations is something we are really proactive about. There isn't a single place to look for updates, so we take a multifaceted approach. Our legal and compliance team works closely with external legal counsel who specialize in data privacy and AI governance. They flag potential risks or upcoming changes that might impact our operations or product design. Our engineering and data science leaders regularly participate in industry forums, such as the AI Infrastructure Alliance, and we also monitor white papers from bodies like NIST, which often preface regulatory shifts. These sources help us understand not just what's changing but also why — so we can plan for it intelligently."

Vice President, Technology, USA

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Ready for the future

Automation changes everything. Whether software handles routine tasks or AI agents solve complex problems under human supervision, AI-driven automation frees people from low-value work and opens space for more meaningful contributions.

But responsible use of AI is just as important as rapid adoption. AI Leaders treat safety, governance and compliance as top priorities. Security, compliance and AI safety top their Day 2 focus areas, outranking MLOps, LLMOps, infrastructure optimization and even human-in-the-loop feedback. These leaders recognize that AI must operate within clear guardrails, but they also see its potential to strengthen cybersecurity at a foundational level.

In the workplace of the future, AI delivers real efficiency gains across all levels. Not everyone will manage AI agents, but personal AI assistants can support employees by handling scheduling, sorting large volumes of information or guiding them through complex workflows. AI can take on compliance reviews, surface market insights or support faster decision-making through real-time analysis while freeing people to focus on creative thinking, strategic problem-solving and the human side of work.

AI is already delivering huge gains. But we are at the bottom of the inflection curve as AI bulldozes business-as-usual and transforms the world of work. AI Leaders know that patience and persistence are required and that it's impossible to expect the full impact of AI transformation to be immediate, but that the gains will keep on coming.
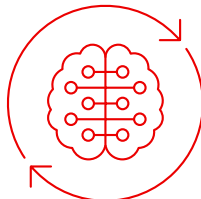
Over the next 3-5 years, AI Leaders say their top transformative applications of AI will be...
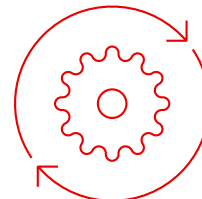
19%
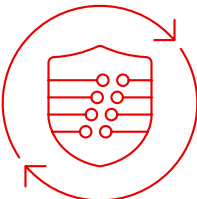
AI for cybersecurity and threat protection

18%

Automation and process optimization

17%

Fully autonomous decision-making systems

What next?
Unlocking the power of AI

Your AI strategy should reflect your organization's unique goals, but there are key principles that apply no matter where you are on the journey.

- Recognize that AI is a workload, and carefully evaluate where it makes the most sense to run it based on performance, cost, data gravity and compliance needs.

- Ensure all new AI solutions come from well-scoped use cases that align with business value, deliver a measurable ROI and are feasible to build and manage.

- Prioritize cybersecurity and data privacy from the design stage of AI initiatives — this is too important to add on later.

- Invest in AI literacy and training programs for employees at all levels to improve knowledge and operational skill. Most importantly, it shows people AI's value to them, not just as a tool, but as a teammate.

- Stay informed about AI trends and keep adjusting strategy based on new technologies and industry intelligence.

- Always design and implement with responsible AI principles in mind: Keep AI secure, sustainable and symbiotic with human employees.

Recommendations
for AI Leaders

If AI is already firmly embedded in your organization, you're likely seeing strong ROI from select applications — and leading the way in enterprise adoption. Here are four ways to build on that success and deepen your advantage:

- Ensure you have a robust operating model which provides a detailed framework for how you structure, govern and deploy AI — this will support you through future evolutions.
- Continue to increase AI investments, focusing spending on advanced areas that go beyond customer experience.
- Architect a federated data mesh to give AI agents secure, compliant, high-quality access to data across all business units.
- Reuse effective existing assets to scale AI best practice in your business — from AI models and reference architectures to data pipelines and process accelerators.

Recommendations
for organizations
trying to build momentum

If your organization is experimenting with AI but hasn't yet embedded it into strategic planning or seen consistent results, you're not alone. Here are steps you can take to close the gap and move toward stronger outcomes:

- Conduct an AI readiness assessment to identify your organization's specific gaps and opportunities. What can you realistically do next? Where have competitors succeeded and failed?
- Develop a strategic plan for increasing AI adoption, balancing out some quick wins with long-term transformative projects. Account for the need to iterate and change track.
- Allocate budget for AI investments and plan to increase your spending year-over-year.
- Carefully assess whether to buy an AI solution or build in-house capabilities. Whichever path you take, make sure it aligns with your business model, AI maturity and architectural strategy, including decisions related to open vs. closed source and system coupling.
- Communicate the benefits of AI through every tier of your organization. Strong backing from your leadership is crucial, and so is buy-in and trust from employees.

Introducing the FAIR AI Diagnostic

Ready to move from pilot to production? Try the FAIR AI
Diagnostic to assess your organization's AI readiness with
a complimentary assessment and report.

Start now
fair.rackspace.com/ideate/ai-diagnostic/

Appendix: methodology & audience profile

Our partner Coleman Parkes Research conducted this global survey of 1,420 technology decision-makers at companies and organizations in ten sectors and ten countries during March and April 2025.

Country

18%	USA
11%	Germany
11%	Saudi Arabia
10%	Australia
10%	Mexico
10%	UK
8%	Colombia
8%	Singapore
7%	Middle East (UAE)
7%	Netherlands

Job Title

9%	VP/Director/Head of IT
8%	CIO – Chief Information Officer
8%	Chief Data Scientist
7%	CFO – Chief Financial Officer
7%	Head of Infrastructure VP/Director/Head of Product
7%	COO – Chief Operating Officer
7%	VP/Director/Head of AI
7%	CTO – Chief Technology Officer
7%	VP/Director/Head of Business Intelligence
6%	VP/Director/Head of AI Analytics
6%	CDO – Chief Data Officer
6%	VP/Director/Head of Engineering
5%	Chief AI Officer
5%	Chief Digital/Innovation Officer
4%	Chief Architect
2%	LOB (Line of Business)

Sector

4%	Bio-tech/Life sciences
4%	Pharma
9%	Energy Sector (Oil and Gas)
9%	Technology, Media and Entertainment
9%	Healthcare (Payer/Provider)
12%	Hospitality and Travel
12%	Government/Public Sector
13%	Retail
13%	Manufacturing/Industrials
15%	Financial Services

Level of responsibility

37%	Key decision maker
47%	Key influencer
13%	Influence part of the process
4%	Part of a decision-making team

Note: includes all respondents except those who responded Line of Business

Number of Employees

16%	Less then 1,000
19%	1,000 – 4,999
29%	5,000 – 9,999
35%	10,000+

Annual revenue in the last financial year

5%	Less than $50 million
5%	Between $50 million and $99 million
10%	Between $100 million and $249 million
10%	Between $250 million and $499 million
20%	Between $500 million and $999 million
20%	Between $1 billion and $2.9 billion
20%	Between $3 billion and $14.9 billion
10%	Between $15 billion and $50 billion

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About Rackspace Technology

Rackspace Technology is a leading end-to-end hybrid cloud and AI solutions company. We can design, build and operate our customers' cloud environments across all major technology platforms, irrespective of technology stack or deployment model. We partner with our customers at every stage of their cloud journey, enabling them to modernize applications, build new products and adopt innovative technologies.

About Foundry for AI by Rackspace (FAIR)

FAIR™ is at the forefront of global AI innovation, paving the way for businesses to accelerate the responsible adoption of AI solutions. FAIR aligns with hundreds of AI use cases across a wide range of industries while allowing for customization through the creation of a tailor-made AI strategy that's applicable to your specific business needs. Capable of deployment on any private, hybrid or hyperscale public cloud platform, FAIR solutions empower businesses worldwide by going beyond digital transformation to unlock creativity, unleash productivity and open the door to new areas of growth for our customers.

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