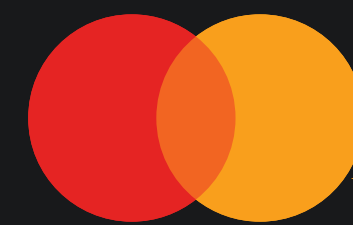


# Commerce

in the age of Generative AI



Q4 2023



APAC spending on AI systems (hardware, software, services) projected to reach

~ **\$46 Bn**

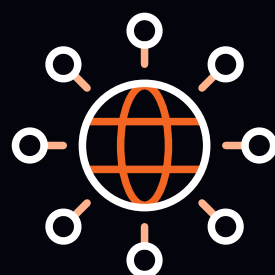
by 2026\*



driven by



**Data availability**



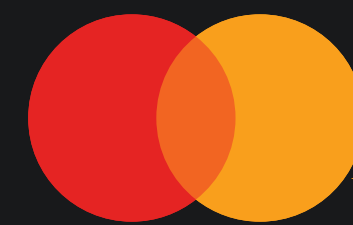
**Computing power**



**Algorithmic sophistication**

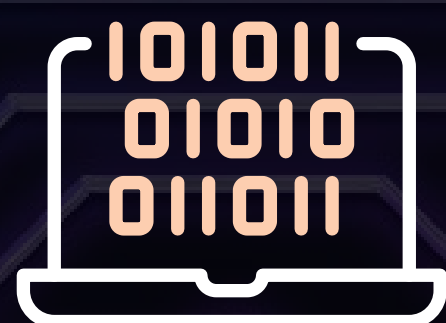


\*Source: IDC



# 2 in 3

APAC organizations will explore Gen AI technologies in 2023\*



**Code writing**



**Marketing**

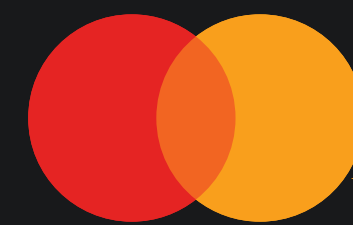


**Customer interface**  
(conversational agents)



**Knowledge distribution**

\*Source: IDC



# Things to consider when evaluating Gen AI applications

## 1. Data Privacy

Will this application facilitate safe data exchange?

## 2. Framework

Does it allow users to share their own data across platforms?

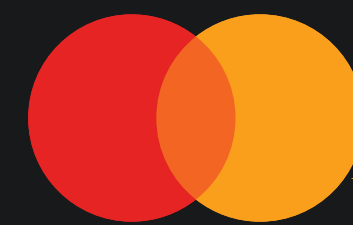
## 3. Open-source Tech

Will open-source models empower companies to use gen AI solutions with greater confidence?

## 4. User Experience

Have plug-ins been incorporated to enable a seamless end-to-end UX?





# Within organizations, Gen AI solutions can



**Enable rapid sharing** of info across departments in real-time

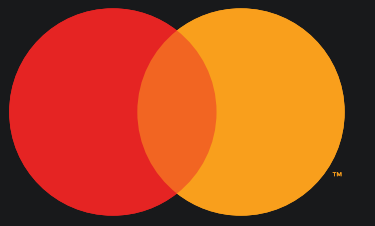


Synthesize troves of data to **provide insights** where most needed



Take the form of customized AI models, run on in-house data, to **drive efficiencies** and **improve internal processes**



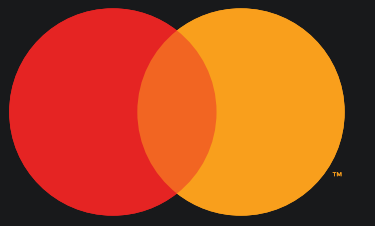


AI assistants can shop on behalf of consumers, scanning e-commerce sites to hyper-personalize and curate purchases, redefining the concept of convenience

**40%**

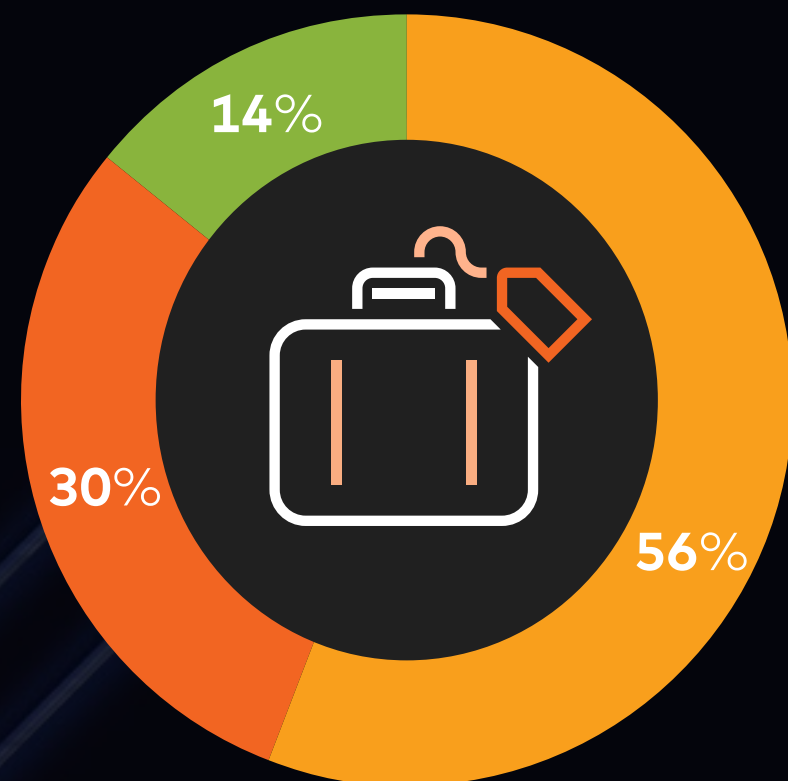
Projected APAC retail growth rate from 2016–2027 (**\$500m**)





# Gen AI can create more personalized itineraries and provide more accurate price estimates

## Generative AI in the Travel Market Share by Service Types (2022)



### Transportation services

Airline, Car, Train, Bus, Cruise etc.

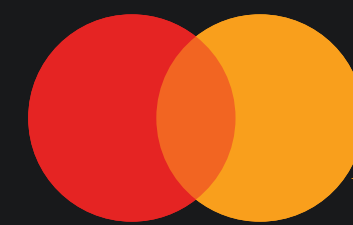
### Accommodation services

Hotels, Homestay, Guest house etc.

### Other service types

Advisory, Online booking agents etc.

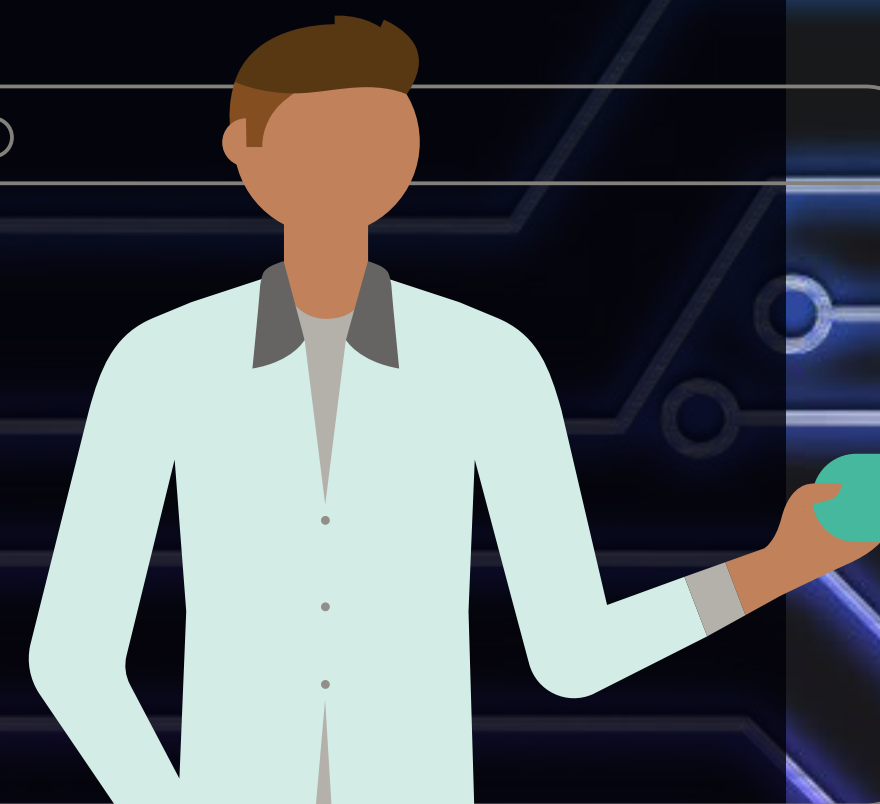
AI-powered travel agents will simplify every aspect of travel planning. From creating itineraries to booking flights, lodging, ground transportation and restaurant reservations.



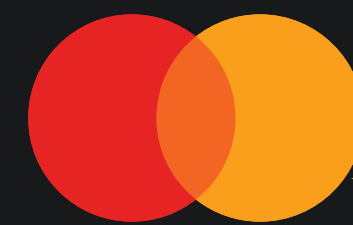
Gen AI can be an extra pair of hands for entrepreneurs – helping with everything from financial and admin tasks to marketing, supporting operations and powering business growth.

**1 in 2**

APAC SMEs intend to use Gen AI in 2023\*





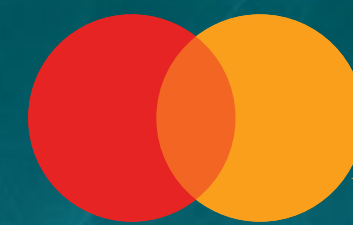


Gen AI advisors can help consumers manage their money by overseeing investments, providing financial advice, or paying bills and taxes, to name just a few.

**40%**

of APAC financial firms have deployed AI or machine learning for investment, research or idea generation purposes





# Gen AI trends on the horizon



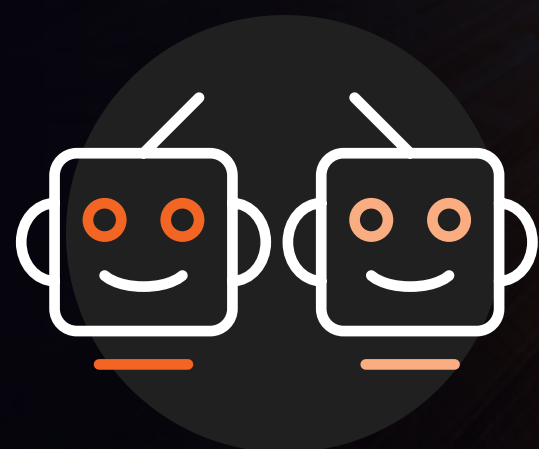
## **Widespread integration**

Gen AI solutions will be integrated into any and every application, everywhere.



## **Bespoke AI**

Every sector – healthcare, legal, finance, architecture, etc – will develop specialized AI solutions for their industry based on open standards.



## **AI-to-AI interactions**

Eventually, AI bots will orchestrate the AI services of other AI bots, removing the need for human intervention.



Want to learn more  
about how generative AI  
will change the  
future of commerce  
and payments?

**EXPLORE**

Mastercard Signals reports [here](#).

**CONTACT**

Connie.Cheng@Mastercard.com