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How we see AI evolving over the next two to three years

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Audio Starts

Owen:

Over the next two or three years we should see a pretty large increase in the number of AI agents that are being deployed at enterprises. What that's going to mean is that effectively, the world is going to shift from having a chatbot interface to really more automated pieces of jobs. And I think that's going to dramatically shift the way that people spend their time at work. A lot of the more mundane tasks are going to be taken off people's plates, and that's going to allow them to do other more value add work. And over time, that also means that we're going to have very large returns on that invested capital that we've seen being spent, well over $600 billion dollars this year in the US alone, between the large hyperscalers. And that's going to earn very positive rates of returns. We've seen almost all of these companies, not only serve these models, but also expand their product offerings and also start to grow revenue in other ways, with ancillary services, not only serving AI models, but also serving the storage and compute that goes along with that. And once we have hyperscalers that are at that scale and start to see more and more enterprise adoption, I think what it's ultimately going to look like down the road is more of a managed agent. So an enterprise can actually take an existing workload, it can present it to the public cloud in a managed environment, so they don't have to do all of it themselves. It can be hosted on the public cloud, and that agent can run 24 hours a day if the work is necessarily required to do that. And that is a much easier setup than having to build and maintain your own agent, which can be technically complex. So the hyperscalers are adding a lot of value here by creating this broader system, rather than just having a simple AI model, which on its own may not be as valuable. So this is really a value-add product that I think is going to drive margins higher over time, for most of the public clouds that are offering this service. And over time, that is also going to acrue into the customers who are actually using these models and driving efficiency.

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