Reframing the 2025 AI Trends Report

A Business-Friendly Summary of Mary Meeker's AI Report.

This document is a summarised interpretation of the 2025 edition of the '*Trends – Artificial Intelligence*' report, authored by Mary Meeker and her team at BOND Capital. All original research, charts, and source material are credited to the report's authors. The full 340-slide report is available at https://www.bondcap.com/reports/tai.

This narrative summary is intended to make the core themes more accessible to a general business audience. While it will serve readers well as a standalone source of information, it is best read in conjunction with the full report.

All insights and commentary presented here are respectfully built on the excellent work of Mary Meeker and colleagues. This document is neither supported nor endorsed by Mary Meeker or BOND Capital.

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1: AI is Changing Faster than any Prior Tech Wave

🌎 Lay Summary for a Business Audience

We are witnessing a technological shift that is **faster than any before** — including the rise of the Internet or mobile phones. The adoption rate and scale of artificial intelligence (AI), primarily since the launch of ChatGPT in late 2022, have surpassed almost all previous benchmarks.

- **Google's search engine** took years to gain traction globally.
- **ChatGPT**, by contrast, reached hundreds of millions of users across continents in just months.
- The **growth of AI infrastructure**, from chips to cloud capacity, is being driven by massive investments from both Big Tech firms and startups.
- The trend is also **geopolitical**: the USA and China are now in a digital "space race" for AI dominance.

Analogy: In 1999, Vint Cerf described the Internet era as moving in "dog years" — seven times faster than regular life. The AI era is now running at *cheetah speed*.

📊 Key Takeaways

- **AI adoption is global from the start** – unlike the Internet, which spread gradually.
- **Massive investment** from both tech giants and startups is fuelling a surge in AI development.
- **Everything is connected**: compute power, data, and software models are evolving together in a compounding loop.
- **Expect exponential effects**, not linear ones. For example, each new breakthrough accelerates the next.

🧠 Implications for Business

- Leaders must think in shorter innovation cycles: annual plans may become outdated within months.
- Businesses should track **both user behaviour and backend infrastructure trends**, as both are evolving rapidly.

- Communicators and strategists should prepare for **frequent AI-driven shifts** in customer expectations, employee tools, and competitor activity.

Original reference:

- *Trends – Artificial Intelligence (AI)* report, pages 9-51 – "Seem Like Change Happening Faster Than Ever? Yes, It Is"

2: Adoption and Investment Levels are Skyrocketing

🚀 AI's Growth Curve Is Unlike Anything We've Seen

Artificial intelligence isn't just growing — it's exploding. The scale of user adoption, usage frequency, and the capital invested in AI development are all setting records.

Let's look at a few signals from the report:

- **ChatGPT's user base** reached 800 million weekly users by April 2025 — an 8x increase in just 17 months.
- **Tech giants' capital expenditure** (CapEx) on AI infrastructure has soared to over $212 billion — up 63% in ten years.
- AI tools are spreading globally much faster than previous technologies. While the internet took over two decades to reach 90% of its user base outside North America, ChatGPT reached that same level in *just three years*.

This rapid adoption is made possible by a combination of:

- Easy-to-use interfaces
- Global smartphone and internet access
- Massive financial backing from Big Tech and venture capital

📈 The New Industrial Arms Race

AI isn't just another software upgrade — it's a new layer of infrastructure. Much like electricity or the internet, it now underpins how businesses operate, compete, and grow.

- **Companies like OpenAI, Google, and Meta** are investing billions in chips, data centres, and custom models.
- **NVIDIA and Google ecosystems** now support millions of developers — 5x to 6x growth in just a few years.
- There is a **land grab underway**, not unlike the early days of cloud computing or mobile apps.

🧠 Implications for Business Leaders

- **AI isn't optional** – it's becoming as foundational as cloud computing or smartphones.
- Organisations need a **clear AI strategy**, even if they're not building their own models.
- Whether you build, buy, or partner, expect AI to be baked into most platforms and tools you use.
- For communicators: prepare internal audiences for continuous change. AI isn't a one-time upgrade — it's an ongoing transformation.

Original reference:

- *Trends – Artificial Intelligence (AI)* report, pages 52-128 – "AI User + Usage + CapEx Growth = Unprecedented"

3: Costs are Falling for Developers – Unlocking Wider Access

⚖️ A Tipping Point in AI Economics

AI development has long been expensive and resource-intensive. But something remarkable is happening: while the cost to *train* models continues to rise, the cost to *use* them (known as inference) is falling — fast.

- **Training cost**: Developing models like GPT-4 still requires vast computing power and expensive GPUs.
- **Inference cost**: The cost per "token" (unit of language) to generate AI responses is plummeting, similar to how cloud storage or computing dropped in price over the past decade.

The result? **Wider access to powerful AI**. More developers can now integrate AI into apps, websites, and workflows without needing Google- or OpenAI-sized budgets.

🧮 Why This Matters

- **Performance is converging** – as open-source models and commercial tools grow in quality, the gap between top-tier models narrows.
- **Developer usage is exploding** – easier access and lower costs mean more experimentation, more apps, and more competition.

This shift echoes the early days of mobile apps or web development, when falling costs triggered booms in creativity and product launches.

🧠 Implications for Business

- Expect a flood of **AI-powered features** in everyday tools — from CRMs and project managers to customer service bots and personal assistants.
- **Cost dynamics matter**: the business case for AI is becoming easier to justify, even for smaller firms.
- For communicators and IT leaders, this means **rising internal demand** for AI-enhanced workflows and employee tools.

Original reference:

- *Trends – Artificial Intelligence (AI)* report, pages 129-152 – "AI Model Compute Costs High / Rising + Inference Costs Per Token Falling = Performance Converging + Developer Usage Rising"

4: Losses are Mounting, but the Land Grab is On

🔄 The High-Stakes Game Behind the AI Boom

The AI industry is currently in what you might call a **"scale now, monetise later"** phase — echoing earlier tech waves like social media and cloud computing. Usage is skyrocketing. So are costs. And so are losses.

Consider this:

- OpenAI's estimated **compute expenses in 2024 exceeded $5 billion**, while revenue was estimated at around **$3.7 billion**.
- That means even the biggest names are burning cash — intentionally — to build dominant market positions.

This is a classic tech play: grow fast, lock in users, improve your models, and trust that monetisation will follow.

🧯 Why the Losses Aren't Spooking Investors

Tech investors understand that whoever wins this AI arms race could control the infrastructure for a new wave of computing. The prize is enormous — and that's why:

- **Big Tech firms** (Microsoft, Google, Amazon) are pouring billions into infrastructure, even without immediate ROI.
- **Startups** are also raising huge rounds and prioritising growth over profitability.

But this approach isn't without risks — especially for smaller players without deep pockets.

📊 The New Economics of AI

- Costs are front-loaded: compute, data, model training.
- Monetisation is back-loaded: subscriptions, API usage, enterprise contracts.
- Success is often measured in *usage, not profit* — for now.

🧠 Implications for Business

- **Expect turbulence**: Some AI services may disappear or pivot rapidly as funding conditions shift.
- **Choose partners wisely**: Stability, privacy, and roadmap alignment matter — not just features.
- Communicators should help **manage expectations** internally: AI tools may evolve or be replaced more quickly than traditional software.

Original reference:

- *Trends – Artificial Intelligence (AI)* report, pages 153-247 – "AI Usage + Cost + Loss Growth = Unprecedented"

5: Open Source and China are Challenging Monetisation

🥊 It's Getting Crowded at the Top

While a handful of Western firms (OpenAI, Google, Anthropic) currently dominate the conversation around AI, their grip is far from guaranteed. The race is intensifying on three key fronts:

1. **Rising competition among US players**
2. **A surge in open-source AI models**
3. **China's rapid advancement in AI infrastructure and adoption**

All three dynamics threaten the path to reliable monetisation — making this one of the most strategically sensitive issues in the AI sector today.

🔓 Open-Source: Innovation at Internet Speed

Open-source models, like Meta's Llama 3 and Mistral's Mixtral, are rapidly closing the quality gap with proprietary models. They offer developers:

- Greater transparency
- More flexibility for customisation
- No vendor lock-in

While open-source lowers costs and accelerates experimentation, it also undercuts revenue models based on API access or subscriptions — especially for companies relying on premium pricing.

🌏 China: A Parallel AI Ecosystem

China isn't trying to join the Western AI ecosystem — it's building its own. Domestic companies like Alibaba and DeepSeek are releasing open-source models, investing in custom silicon, and growing their user base at scale.

In areas like:

- Industrial robotics
- Real-world deployment (e.g. autonomous taxis)

- State-sponsored infrastructure

…China is moving at pace, backed by coordinated national strategies and well-funded tech giants.

🧠 Implications for Business

- **Diversify AI dependencies**: Open-source options may offer strategic value, especially for cost control and localisation.
- **Watch the geopolitical angle**: The AI race isn't just commercial — it's geopolitical, with implications for regulation, compliance, and data sovereignty.
- **Prepare for a price war**: As more players enter the space, costs may drop but complexity will rise — making vendor selection and integration strategy critical.

Original reference:

- *Trends – Artificial Intelligence (AI)* report, pages 248-298 – "AI Monetisation Threats = Rising Competition + Open-Source Momentum + China's Rise"

6: AI is Entering the Physical World – from Cars to Factories

🤖 From Screens to Streets: AI Steps into the Real World

We often think of AI as something that lives in the cloud or on our devices — answering questions, summarising text, generating images. But that's rapidly changing.

AI is now **interacting with the physical world**, and the growth is staggering.

- In San Francisco, **autonomous taxis** have started carving out significant market share from traditional ride-hailing.
- In manufacturing, **industrial robot deployments** are rising sharply — especially in China.
- AI-powered robots, drones, logistics systems, and real-world agents are becoming increasingly common.

This is the moment where **bits meet atoms**.

📦 The Data That Drives the Machines

AI's physical-world impact relies on two key factors:

1. **Sensor data** — from cameras, LiDAR, GPS, microphones, etc.
2. **Real-time decision-making** — AI models trained to navigate, interpret, and act.

These machines don't just respond to inputs. They learn, adapt, and even train themselves using vast pools of environmental data. As a result, the **gap between virtual intelligence and physical action** is narrowing.

🏗️ Infrastructure, Not Just Apps

Companies like NVIDIA, Tesla, and Waymo aren't just building software — they're developing AI-powered systems that:

- Drive vehicles
- Sort packages
- Manage supply chains

- Assist in surgery and manufacturing

It's not about making tools *for* humans anymore. Increasingly, it's about making AI that **collaborates with or replaces** human tasks in the physical domain.

🧠 Implications for Business

- **Expect automation in more places**: Warehousing, transport, delivery, even service jobs may see AI-driven replacements or augmentations.
- **Real-world AI has hardware costs**: Budgeting for sensors, infrastructure, or robotic systems will become part of digital transformation conversations.
- **Regulatory frameworks will matter more**: Safety, liability, and public trust become critical when machines operate in the real world.

Original reference:

- *Trends – Artificial Intelligence (AI)* report, pages 299-307 – "AI & Physical World Ramps = Fast + Data-Driven"

7: New Users are AI-first, not Internet-first

🌎 The Internet's Next Billion Users Are AI-First

One of the most striking shifts in the AI era is how it's driving global internet use — especially in regions where users are coming online primarily **to access AI tools**.

Unlike the early 2000s, when people discovered the internet via email or search, many new users today are **starting with ChatGPT or similar AI apps**. This represents a fundamental change in what the internet *is* to billions of people.

📱 From Access to Assistance

AI apps are now a gateway to:

- Education (homework help, tutoring, language learning)
- Career support (CV writing, interview practice)
- Creative expression (music, art, storytelling)

These services are powered by **mobile-first, low-cost apps** available globally — and they're spreading faster than any tech before them.

ChatGPT reached the same global user distribution in 3 years that the internet took 23 years to achieve.

🌐 The AI-Driven Connectivity Surge

Key factors fuelling this shift:

- **Smartphone penetration** in developing markets
- **Multilingual AI interfaces** and real-time translation
- **Minimal onboarding friction** (no training needed to use ChatGPT)

As a result, AI is catalysing internet access and usage at scale — sometimes even outpacing infrastructure improvements like fibre or 5G.

🧠 Implications for Business

- **Design for AI-first experiences**: New users may not search — they might prompt. UX and content must evolve accordingly.
- **Language and localisation are key**: AI tools are leapfrogging traditional language barriers. Is your organisation ready to support AI-assisted communication across cultures?
- **Digital literacy priorities are shifting**: For many, learning to use AI tools will be more important than mastering office software.

Original reference:

- *Trends – Artificial Intelligence (AI)* report, pages 308-322 – "Global Internet User Ramps Powered by AI from the Get-Go = Growth We Have Not Seen the Likes of Before"

8: Work is Evolving Rapidly – Skills, Roles, and Expectations

🧭 The Workplace Is Changing — Whether We're Ready or Not

AI is already transforming how we work — not in a distant future, but *right now*. While past technological shifts (like email or video calls) changed workflows over years, AI is having an impact within **months**.

From coding and copywriting to scheduling and analysis, AI tools are **augmenting — and in some cases replacing — human effort.**

📊 The Data Speaks Loudly

- Job postings for **AI-related IT roles** in the US are up **448%** since 2018.
- Meanwhile, postings for **non-AI tech roles** are down **9%** over the same period.
- Tools like Microsoft Copilot, Google Gemini, and hundreds of AI startups are being adopted across knowledge work, customer service, HR, and more.

This is not just about automation. It's about **new ways of working** — combining human judgment with machine efficiency.

🧠 From "AI Will Replace Us" to "AI Will Work With Us"

AI isn't replacing all jobs, but it is:

- **Redefining tasks** within roles
- **Changing expectations** for speed and quality
- **Shifting value** towards uniquely human capabilities (e.g. emotional intelligence, critical thinking, creativity)

The emergence of "AI-native" work — where prompting, evaluating, and collaborating with AI is standard — is already here.

🧠 Implications for Business

- **Reskilling is urgent**: Employees need support to learn how to work *with* AI, not fear it.

- **Leadership roles are shifting**: Managers must now guide teams through AI integration while navigating ethical and operational uncertainty.
- **Internal communication is critical**: Transparency about AI's role in the workplace can ease anxiety and build trust.

Original reference:

- *Trends – Artificial Intelligence (AI)* report, pages 323-336 – "AI & Work Evolution = Real + Rapid"

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