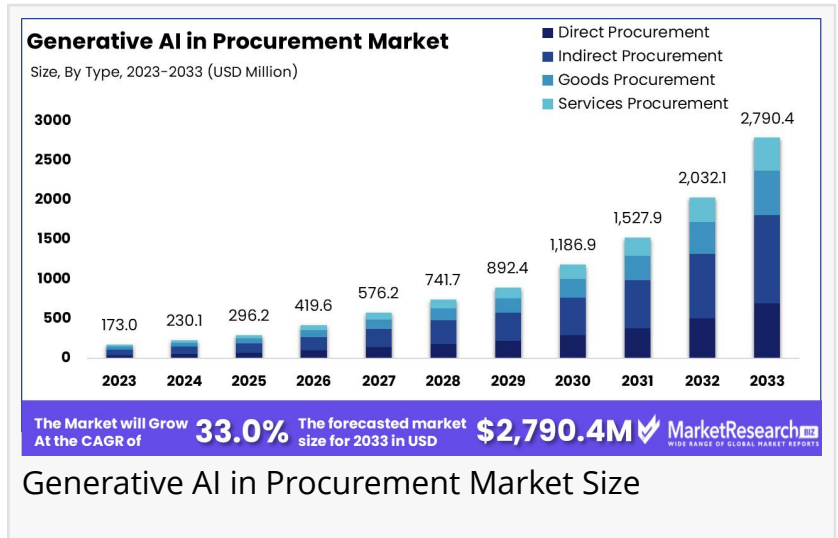# Generative AI in Procurement Market Provides Robust Growth By USD 2790.4 Mn by 2033 By CAGR at 33%

Regional Dominance: North America leads with a 45.8% market share, driven by advanced procurement technologies and practices...

NEW YORK, NY, UNITED STATES, January 30, 2025 /EINPresswire.com/ -- The [Generative AI in Procurement Market](#) is on a robust growth trajectory, expanding from USD 173 million in 2023 to an anticipated USD 2,790.4 million by 2033, registering a 33% CAGR. This surge reflects the increasing adoption of AI technologies in procurement to streamline operations, reduce costs, and enhance decision-making.

Generative AI in Procurement Market
Size, By Type, 2023–2033 (USD Million)

- Direct Procurement
- Indirect Procurement
- Goods Procurement
- Services Procurement

2023: 173.0
2024: 230.1
2025: 296.2
2026: 419.6
2027: 576.2
2028: 741.7
2029: 892.4
2030: 1,186.9
2031: 1,527.9
2032: 2,032.1
2033: 2,790.4

The Market will Grow At the CAGR of **33.0%** The forecasted market size for 2033 in USD **$2,790.4M** MarketResearch.biz

Generative AI in Procurement Market Size

> " By Type: Indirect Procurement represents 40% of the market, focusing on non-production-related purchases..."
>
> *Tajammul Pangarkar*

Generative AI technologies allow for the automation of routine tasks, insights generation, and strategic engagement with suppliers. These capabilities lead to optimized procurement processes, providing substantial savings and efficiency improvements. Key applications include supplier selection, [contract](#) analysis, fraud detection, and predictive modeling.

𝗗 𝗼𝘄𝗻𝗹𝗼𝗮𝗱 𝗘𝘅𝗰𝗹𝘂𝘀𝗶𝘃𝗲 𝗦𝗮𝗺𝗽𝗹𝗲 𝗼𝗳 𝘁𝗵𝗶𝘀 𝗣𝗿𝗲𝗺𝗶𝘂𝗺

𝗥𝗲𝗽𝗼𝗿𝘁 @ https://marketresearch.biz/report/generative-ai-in-procurement-market/request-sample/

The widespread availability of data and continuous technological advancements bolster this market performance. North America's strong procurement technology infrastructure leads with a significant market share, while Europe and Asia Pacific follow, driven by investment in AI innovations. Organizations recognize the strategic value of AI, integrating it into procurement to

not only meet competitive pressures but also to enhance supplier management and cost efficiency.

Key Takeaways

Market Value: The Global Generative AI in Procurement Market was valued at USD 173 million in 2023, projected to reach USD 2,790.4 million by 2033, growing at a CAGR of 33%.
By Type: Indirect Procurement represents 40% of the market.
By Application: Supplier Identification constitutes 25%.
Regional Dominance: North America holds a 45.8% market share.
Growth Opportunity: AI integration for predictive analytics enhances procurement decision-making.

𝐆 𝐞𝐭 𝐚𝐡𝐞𝐚𝐝 𝐨𝐟 𝐲𝐨𝐮𝐫 𝐜𝐨𝐦𝐩𝐞𝐭𝐢𝐭𝐨𝐫𝐬 𝐛𝐲 𝐚𝐜𝐪𝐮𝐢𝐫𝐢𝐧𝐠 𝐭𝐡𝐞 𝐫𝐞𝐩𝐨𝐫𝐭 𝐧𝐨𝐰 @ https://marketresearch.biz/purchase-report/?report_id=37655

Generative AI in Procurement Market Share

Generative AI in Procurement Market Region

Experts Review

Experts highlight the pivotal role of government incentives and technological innovations in the Generative AI in Procurement Market. Governments promote digital transformation through favorable policies, spurring AI adoption to enhance efficiency in procurement. Technological advancements, especially in AI and machine learning, enable sophisticated solutions for supplier selection and contract management, driving market growth.

Investment opportunities are vast, with AI poised to transform procurement processes, though challenges such as high integration costs and ethical considerations persist. Increasing consumer awareness about AI's benefits and operational efficiencies encourages adoption. The technological impact includes AI-driven predictive insights that enhance supply chain management and risk assessment.

Regulations focusing on data privacy and AI ethics present barriers, necessitating compliance, and robust data protection measures, thus potentially slowing integration. Despite these challenges, generative AI promises significant benefits, making procurement processes more
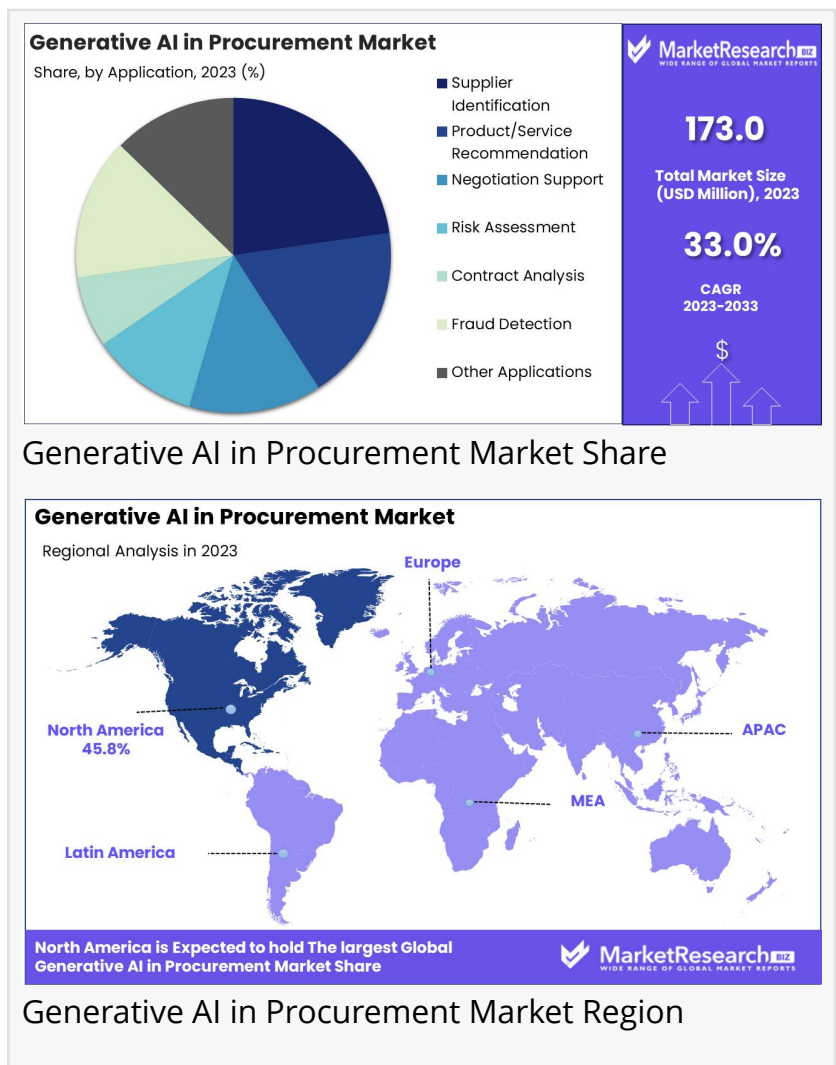
efficient, reducing costs, and fostering strategic supplier relationships, leading experts to foresee continued growth and innovation in this sector.

◉ 𝗗𝗼𝘄𝗻 𝗹𝗼𝗮𝗱 𝗙𝗿𝗲𝗲 𝗦𝗮𝗺𝗽𝗹𝗲 𝗥𝗲𝗽𝗼𝗿𝘁 @ https://marketresearch.biz/report/generative-ai-in-procurement-market/request-sample/

Report Segmentation

The Generative AI in the Procurement Market is segmented by type, application, and region. Types include Indirect Procurement, which captures over 40% of the market by focusing on non-production purchases, optimizing through AI-driven supplier management and spend analysis. Direct Procurement involves raw materials acquisition, benefiting from AI in supply chain visibility, although holding a smaller share due to its straightforward nature compared to the complexity of indirect procurement.

Applications encompass Supplier Identification, representing a 25% market share, leveraging AI for optimizing supplier relationships and streamlining selection processes. Other applications include Product/Service Recommendation, Negotiation Support, Risk Assessment, Contract Analysis, Fraud Detection, and Predictive Modeling, each enhancing various procurement functions. AI empowers these applications to deliver insights, streamline processes, and improve decision-making.

Regionally, North America leads with a 45.8% market share, supported by advanced technology infrastructure and significant AI investments. Europe and Asia Pacific show strong growth due to the increasing adoption of digital procurement solutions and a focus on innovation. This segmentation highlights diverse opportunities for AI integration in procurement, promising efficiency and strategic enhancements across different procurement areas.

◉ 𝗗𝗼𝘄𝗻 𝗹𝗼𝗮𝗱 𝗙𝗿𝗲𝗲 𝗦𝗮𝗺𝗽𝗹𝗲 𝗥𝗲𝗽𝗼𝗿𝘁 @ https://marketresearch.biz/report/generative-ai-in-procurement-market/request-sample/

Key Market Segments

By Type
Direct Procurement
Indirect Procurement
Goods Procurement
Services Procurement

By Application
Supplier Identification
Product/Service Recommendation
Negotiation Support

Risk Assessment
Contract Analysis
Fraud Detection
Predictive Modeling
Other Applications

Drivers, Restraints, Challenges, and Opportunities

Drivers: The rising demand for efficient supply chain management and cost reduction drives the Generative AI in Procurement Market. AI technologies automate complex processes, improve demand forecasting, and optimize supplier relationships, enhancing overall procurement efficiency and resilience.

Restraints: High implementation and integration costs, along with data security concerns, pose significant constraints. These factors slow AI adoption, particularly in SMEs, which face challenges in maintaining and updating AI systems within limited budgets.

Challenges: Protecting sensitive data and ensuring AI ethics are major challenges. Procurement data often involves confidential supplier information, necessitating robust security measures. Ensuring that AI models comply with ethical standards and do not perpetuate biases is also critical.

Opportunities: Significant growth opportunities exist in developing AI-driven supplier management solutions and expanding automated procurement processes. These advancements enhance operational efficiency, risk management, and supplier relationship optimization. Moreover, the integration of AI with existing ERP systems further streamlines procurement processes, providing a competitive edge through improved efficiency and strategic value. As more businesses embrace AI-driven innovations, the market is set to see substantial growth and transformative impacts on procurement practices.

Key Player Analysis

Key players in the Generative AI in the Procurement Market include Microsoft, IBM, Google, AWS, and Adobe, each leveraging AI to revolutionize procurement processes. Microsoft uses AI for predictive analytics and automation, enhancing procurement efficiency through its Azure cloud platform. IBM's Watson platform provides advanced generative AI solutions, enabling data-driven decisions. Google applies AI for enhanced machine learning and data analytics, driving significant improvements.

AWS offers comprehensive tools for process automation and optimization, bolstered by its scalable infrastructure, while Adobe focuses on analytics and automation to streamline processes. Other influential companies like SAP SE, Oracle, GEP Worldwide, and Coupa Software Inc. are also pivotal, contributing to market growth by offering innovative procurement solutions.

Together, these key players drive technological advancements and competitive dynamics, establishing AI-powered procurement as a transformative force in the industry.

Market Key Players
IBM Corporation
SAP SE
Oracle Corporation
GEP Worldwide
Coupa Software Inc.
Microsoft Corporation
Other Key Players

Recent Developments

Recent developments in the Generative AI in the Procurement Market showcase strategic funding and technological advancements. In May 2024, Synthesis AI raised $30 million to enhance generative AI solutions for procurement, focusing on research and development to optimize procurement processes. This investment underscores the growing interest in AI-driven innovations to boost efficiency.

In January 2024, Microsoft launched an AI-powered procurement solution designed to optimize supplier selection and contract management, projected to reduce procurement costs by 15%. These initiatives reflect a broader industry shift toward AI integration to achieve substantial cost savings and operational improvements.

Such developments highlight the continuous expansion and innovation within the market, driven by strategic investments in AI technology. Companies are increasingly investing in solutions that automate and streamline procurement processes, enhancing efficiency and competitiveness, and positioning AI as a critical tool for future procurement strategies.

Conclusion

The Generative AI in the Procurement Market is poised for significant growth, driven by technological advancements and the demand for more efficient, cost-effective procurement processes. Despite challenges associated with implementation costs and data security, AI's potential to transform procurement is substantial. Key players are innovating to provide advanced solutions that improve decision-making and supplier management.

As organizations continue to integrate AI into procurement to enhance efficiency and performance, the market is set to expand, realizing benefits in cost savings, operational efficiency, and strategic supplier relationships, heralding a new era of innovation in procurement practices.

◌ ▯▯▯▯▯▯▯ ▯▯▯▯▯ ▯▯▯▯▯▯▯▯▯▯▯ ▯▯▯▯▯▯

Generative Ai In Automotive Market - https://marketresearch.biz/report/generative-ai-in-automotive-market/
Generative AI in Retail Market - https://marketresearch.biz/report/generative-ai-in-retail-market/
Animation Market - https://marketresearch.biz/report/animation-market/
Mutual Fund Transfer Agent Market - https://marketresearch.biz/report/mutual-fund-transfer-agent-market/
API Testing Market - https://marketresearch.biz/report/api-testing-market/
Soundbar Market - https://marketresearch.biz/report/soundbar-market/
Website Builder Software Market - https://marketresearch.biz/report/website-builder-software-market/
Generative AI in Digital Economy Market - https://marketresearch.biz/report/generative-ai-in-digital-economy-market/
Generative AI in Waste Management Market - https://marketresearch.biz/report/generative-ai-in-waste-management-market/
Generative AI in E-commerce Market - https://marketresearch.biz/report/generative-ai-in-e-commerce-market/

Lawrence John
Prudour
+91 91308 55334
Lawrence@prudour.com

This press release can be viewed online at: https://www.einpresswire.com/article/781616899