

Large Language Model (LLM) Market In 2029

The Business Research Company's Large Language Model (LLM) Global Market Report 2026 – Market Size, Trends, And Global Forecast 2026-2035

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/EINPresswire.com/ -- "[Large Language Model \(LLM\) Market](#) to Surpass \$25 billion in 2029. In comparison, the Software Services market, which is considered as its parent market, is expected to be approximately \$2,407 billion by 2029, with Large Language Model (LLM) to represent around 1% of the parent market. Within the broader Information Technology industry, which is expected to be \$12,711 billion by 2029, the Large Language Model (LLM) market is estimated to account for nearly 0.2% of the total market value.

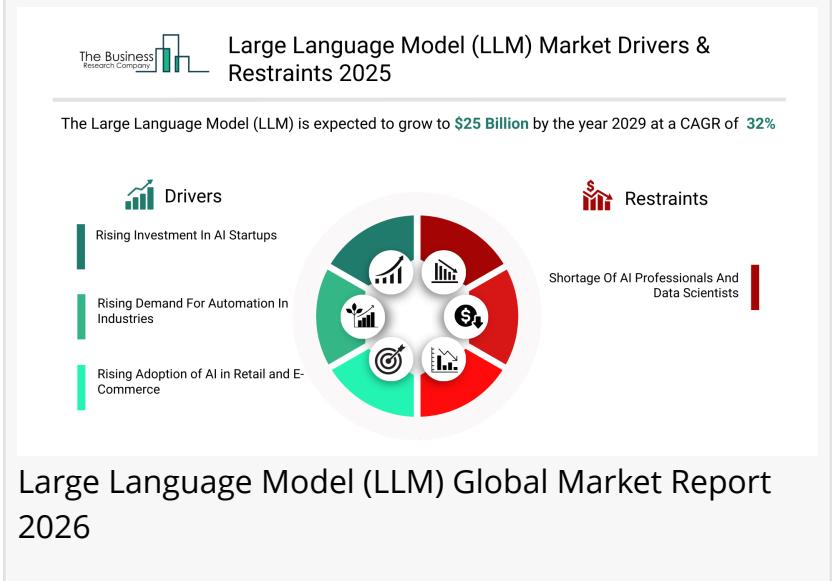
Which Will Be the Biggest Region in the Large Language Model (LLM) Market in 2029

North America will be the largest region in the large language model (LLM) market in 2029, valued at \$8,917 million. The market is expected to grow from \$2,331 million in 2024 at a compound annual growth rate (CAGR) of 31%. The exponential growth can be attributed to the increasing demand for automation and increasing government support.

Which Will Be The Largest Country In The [Global Large Language Model \(LLM\) Market](#) In 2029? The USA will be the largest country in the large language model (LLM) market in 2029, valued at \$7,639 million. The market is expected to grow from \$2,020 million in 2024 at a compound annual growth rate (CAGR) of 30%. The exponential growth can be attributed to the expansion of



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digital marketing content creation and increasing government support.

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What will be Largest Segment in the Large Language Model (LLM) Market in 2029?

The large language model (LLM) market is segmented by model size

into below 100 billion parameters, 100 billion to 500 billion parameters and above 500 billion parameters. The below 100 billion parameters market will be the largest segment of the large language model (LLM) market segmented by model size, accounting for 62% or \$15,604 million of the total in 2029. The below 100 billion parameters market will be supported by demand for cost-effective, deployable and fine-tuned artificial intelligence (AI) models across various industries.

The large language model (LLM) market is segmented by architecture into autoregressive language models, autoencoding language models, hybrid language models and other architectures. The autoregressive language models market will be the largest segment of the large language model (LLM) market segmented by architecture, accounting for 54% or \$13,589 million of the total in 2029. The autoregressive language models market will be supported by increased enterprise adoption, multi-modal capabilities and hybrid AI architectures for better performance and cost-effectiveness.

The large language model (LLM) market is segmented by deployment into cloud and on-premises. The on-premises market will be the largest segment of the large language model (LLM) market segmented by deployment, accounting for 57% or \$14,347 million of the total in 2029. The on-premises market will be supported by enhanced data security, regulatory compliance and greater control over sensitive information, reduced latency and improved performance for real-time processing, customization capabilities, ensuring large language model (LLMs), Cost savings over time, businesses concerned about vendor dependency and increasing investment in artificial intelligence (AI) startups.

The large language model (LLM) market is segmented by industry into healthcare, finance, retail and e-commerce, media and entertainment and other industries. The retail and e-commerce market will be the largest segment of the large language model (LLM) market segmented by industry, accounting for 28% or \$6,934 million of the total in 2029. The retail and e-commerce market will be supported by the growing demand for AI-driven personalized recommendations,



the rising need for real-time sentiment analysis to enhance marketing strategies, the expansion of artificial intelligence (AI) - powered inventory management and demand forecasting, the integration of large language model (LLMs) in dynamic pricing optimization and the increasing adoption of large language model (LLMs) for customer service automation through chatbots.

What is the expected CAGR for the Large Language Model (LLM) Market leading up to 2029? The expected CAGR for the large language model (LLM) market leading up to 2029 is 32%.

What Will Be The Growth Driving Factors In The Global Large Language Model (LLM) Market In The Forecast Period?

The rapid growth of the global large language model (LLM) market leading up to 2029 will be driven by the following key factors that are expected to reshape various industrial and business processes worldwide.

Rising Investment In AI Startups - The rising investment In artificial intelligence (AI) startups will become a key driver of growth in the large language model (LLM) market by 2029. Rising artificial intelligence (AI) investment is driving innovation, expanding research and accelerating large language model (LLM) development. Startups attract funding from venture capitalists and tech firms, enabling cost-efficient models and improving artificial intelligence (AI) accessibility. This fosters competition and market expansion as enterprises integrate artificial intelligence (AI) - driven solutions to enhance efficiency, automation and decision-making across industries. As a result, the rising investment in artificial intelligence (AI) startups is anticipated to contributing to annual growth in the market.

Rising Demand For Automation In Industries – The rising demand for automation in industries will emerge as a major factor driving the expansion of the market by 2029. As businesses increasingly adopt artificial intelligence (AI) - driven solutions, large language model (LLM) adoption is set to accelerate, fostering market growth and innovation across various applications. Consequently, the rising demand for automation in industries is projected to contributing to annual growth in the market.

Rising Adoption of AI in Retail and E-Commerce – The rising adoption of artificial intelligence (AI) in retail and e-commerce will serve as a key growth catalyst for the market by 2029. Retailers use large language model (LLMs) for chatbots, virtual assistants and automated support, improving accuracy and reducing costs. E-commerce platforms leverage artificial intelligence (AI) for recommendations, dynamic pricing and sentiment analysis to boost sales. large language model (LLMs) also support fraud detection, supply chain optimization and multilingual services. As artificial intelligence (AI) adoption grows, demand for large language model (LLMs) will continue to expand. Therefore, this growing adoption of artificial intelligence (AI) in retail and e-commerce is projected to supporting to annual growth in the market.

Expansion of Digital Marketing and Content Creation - The expansion of digital marketing and content creation will become a significant driver contributing to the growth of the market by

2029. Digital marketing and content creation enable businesses to produce high-quality, scalable and personalized content efficiently. Marketers use large language model (LLMs) to automate ad copy, social media posts and emails, boosting engagement and conversions. artificial intelligence (AI) - driven tools streamline blog writing, SEO and video scripts while reducing costs. large language model (LLMs) also enhance audience targeting through predictive analytics and sentiment analysis, helping companies tailor campaigns to consumer behaviour. Consequently, the expansion of digital marketing and content creation is projected to contributing to annual growth in the market.

Growing Demand For Chatbots And Virtual Assistants - The growing demand for chatbots and virtual assistants will become a significant driver contributing to the growth of the market by 2029. Chatbots and virtual assistants enhance communication, customer support and business operations. Companies use artificial intelligence (AI) - powered chatbots to handle inquiries, process transactions and offer personalized recommendations, boosting efficiency and user experience. Virtual assistants streamline workflows, assist with scheduling and provide real-time insights, reducing costs. Advances in natural language processing enable these solutions to understand complex queries, support multiple languages and deliver human-like interactions. As a result, the growing demand for chatbots and virtual assistants is anticipated to contributing to annual growth in the market.

Favourable Government Initiatives - The favourable government initiatives will become a significant driver contributing to the growth of the market by 2029. Favourable government initiatives support AI research, digital transformation and regulations. Investments in funding, grants and policy frameworks drive innovation and global competitiveness. Public sector adoption of large language model (LLMs) for citizen services, cybersecurity and data management increases demand. Policies on AI ethics, data privacy and infrastructure development further create a strong market environment. As a result, the favourable government initiatives is anticipated to contributing to annual growth in the market.

Access the detailed Large Language Model (LLM) Market report here:

<https://www.thebusinessresearchcompany.com/report/large-language-model-llm-global-market-report>

What Are The Key Growth Opportunities In The Large Language Model (LLM) Market in 2029? The most significant growth opportunities are anticipated in the sub-100B parameter large language model (LLM) market, the on-premises large language model solutions market, the autoregressive large language model market, and the large language model (LLM) for retail and e-commerce market. Collectively, these segments are projected to contribute over \$38 billion in market value by 2029, driven by the accelerating demand for cost-efficient, compute-optimized large language model (LLM) architectures; rising enterprise preference for data-sovereign and secure on-premises deployments; rapid advancements in autoregressive reasoning capabilities; and the expanding integration of large language model (LLM) - powered automation across retail and e-commerce operations. This surge reflects the growing shift toward scalable, domain-

adapted large language model (LLM) technologies that deliver high-performance language intelligence with lower infrastructure overhead, enabling transformative productivity gains, personalization, and decision automation across global digital ecosystems.

The sub-100B parameter large language model (LLM) market is projected to grow by \$11,861 million, the on-premises large language model solutions market by \$10,681 million, the autoregressive large language model market by \$10,211 million, and the large language model (LLM) for retail and e-commerce market by \$5,213 million over the next five years from 2024 to 2029.

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