NetApp

WELCOME TO THE AI SPACE RACE

EXECUTIVE SUMMARY

With open LLMs taking the stage in early 2025, and geopolitical tensions, tariffs and controls around technology and innovation on the rise, businesses find themselves in the midst of fierce global competition for AI dominance. Who is leading now, and who is best positioned to lead in the future?

To find out, NetApp surveyed 400 CEOs and 400 IT Executives across the US, China, UK, and India in May 2025.

Welcome to the AI Space Race.

The findings? Twice as many CEOs and IT Executives see the US as leading in AI against China, the UK and India in the next five years. That same margin applies when you just look at CEOs and IT Executives from the US and China (eliminating responses from the UK and India).

Yet, every nation has the potential to thrive in the AI Space Race.

The data confirms that every region is all in on AI: 81% of global respondents are currently piloting or scaling AI, and 88% view their organization as mostly or completely ready to sustain AI transformation. Everyone sees themselves as AI ready, and every region views themselves as competitive in the global AI innovation race.

While turbocharging innovation by embracing AI is on the mind of every CEO and IT Leader globally, organizations in some countries have better internal alignment than others, which could determine long-term success and leadership.

In China, there is a critical misalignment between Chinese CEOs and IT leaders on both AI readiness and actual deployment, which could hinder its long-term leadership potential: 92 percent of Chinese CEOs report active AI projects, compared to just 74 percent of Chinese IT leaders. In the United States, alignment is stronger – 77 percent of CEOs and 86 percent of IT leaders say the same. Perceptions of AI readiness are also misaligned. These differences suggest that internal alignment - not just ambition - may shape how AI strategies are executed, depending on region and role.

One of the most significant success factors in the AI Space Race will be data infrastructure and data management, supported by cloud solutions that are agile, secure and scalable. Successful organizations need an intelligent data infrastructure in place to ensure unfettered AI innovation. This is critical no matter the company size, industry or geography.

Success in the AI Space Race won’t be driven by hype, but by resilient, scalable data infrastructure built to fuel real innovation.

SURVEY READOUT

HOW READY IS YOUR IT AND DATA INFRASTRUCTURE TO SUSTAIN AI-DRIVEN TRANSFORMATION?

Findings: Overall, CEOs and IT execs see themselves as ready to sustain AI-transformation. 32% see themselves as 100% ready, while another 56% see themselves as mostly ready. But there are significant differences of opinion on who's leading the AI race today. In China, 68% of CEOs see themselves as ahead of the global CEO average (62%), but 58% of their IT Execs see themselves as trailing the global IT Exec average (72%). Meanwhile, US CEOs and IT Execs are aligned (61% ready).

DO YOUR CEO'S AI AMBITIONS ALIGN WITH THE REALITY OF EXECUTION CHALLENGES YOU FACE?

Findings: But there are significant differences of opinion on who's leading the AI race today depending on who and where you ask. China CEOs see themselves as leading (68% ready) vs the global CEO average of 62%. While China IT Execs see themselves as trailing (58% ready) vs. the global IT Exec average of 72%. US CEOs and Tech Execs are aligned (61% ready). Overall, three-quarters of CEOs (76%) believe their AI ambitions are aligned with IT's capabilities, yet a quarter of IT execs still describe the relationship as misaligned.

WHERE DOES YOUR ORGANIZATION CURRENTLY STAND IN THE GLOBAL AI INNOVATION RACE?

Findings: While all countries see themselves as competitive in the AI race, none see themselves as the current leader. The US (29%) and China (25%) are more likely to see themselves as global AI leaders than India (11%) and the UK (13%). India (28%) and UK (27%) are more likely to see themselves as struggling to keep up than as global leaders in AI.

HOW PREPARED IS YOUR ORGANIZATION TO INTEGRATE AI INTO ITS CORE BUSINESS STRATEGY?

Findings: Overall, countries appear to be scaling AI now. 81% of respondents are piloting or scaling AI. However, in China, there is a notable contrast between IT Execs and CEOs. China CEOs (92%) see themselves as leading today, versus only 74% of China IT Execs.

WHAT IS THE MOST CRITICAL CAPABILITY FOR ACHIEVING AI LEADERSHIP IN YOUR INDUSTRY OVER THE NEXT FIVE YEARS?

Findings: And China is uniquely focused on scalability (35% vs. global average of 24%), whereas others are focused on integration. Security and compliance is the least-ranked concern globally (10% average between IT Execs and CEOs globally).

HOW CONCERNED ARE YOU THAT POOR DATA AND CLOUD STRATEGIES WILL LEAD TO AI FAILURES SUCH AS BROKEN MODELS, BIASED INSIGHTS, AND SECURITY BREACHES?

Findings: Overall, countries are extremely or somewhat concerned that poor data and cloud strategies will lead to AI failures such as broken models, biased insights, and security breaches (79% average between IT execs and CEOs globally). But China shows notably less concern – echoing focus on fast near-term growth and a willingness to take risks (46% vs. 25%).

WHAT IS THE BIGGEST ROADBLOCK TO PREVENTING AI FROM DELIVERING REAL BUSINESS IMPACT IN YOUR ORGANIZATION?

Findings: Still, China acknowledges security and compliance as a roadblock, preventing AI from delivering real business impact in its organizations (19% vs 15%).

WHICH REGION IS BEST POSITIONED TO LEAD AI INNOVATION OVER THE NEXT FIVE YEARS?

Findings: Looking forward, the US is perceived as the long-term leader (43%). Each country ranks themselves higher than the overall, with nationalism clearly playing a role. China is the only other country that views itself as the long-term leader.

- 64% of US respondents ranked itself as the likely leader in AI innovation over the next five years, versus 43% of the global average.
- 43% of China respondents ranked itself as the likely leader in AI innovation over the next five years, versus only 22% of the global average.
- 40% of India respondents ranked itself as the likely leader in AI innovation over the next five years, versus only 16% of the global average.
- 34% of UK respondents ranked itself as the likely leader in AI innovation over the next five years, versus only 19% of the global average.
- China is the only other country that views itself as the long-term leader, but sees US as a much greater threat than the US sees China. 43% of China respondents ranked itself as the likely leader in AI innovation over the next five years, followed by 28% who voted for the US.

WHAT IS THE SINGLE MOST POWERFUL FORCE DRIVING AI ADOPTION IN YOUR ORGANIZATION?

Findings: Competition to stay ahead and win the race is driving AI adoption. Overall, CEOs and IT execs see "AI for decision making and competition to stay ahead" as the single-most powerful force to drive AI adoption (26%). India (29%) and UK (32%) feel extra pressure to compete as China and US are seen as clear leaders (26%). China is uniquely driven by customer demand (21% vs. 13% global average), underscoring the China market is seen as leading today with actual pilots and programs (83% vs. 81% global average).

CONCLUSION

In the AI Space Race, hype won't win – data will.

No matter the size, industry, or location, success hinges on a foundation that can support the full weight of AI. Organizations that come out on top will be those with intelligent, secure, and scalable data infrastructure built to power real innovation.

MEDIA CONTACT

Kenya Hayes
NetApp
kenya.hayes@netapp.com

LEARN MORE

- → Watch the LinkedIn Live Session
- → View the AI Space Race Infographic
- → Discover NetApp's AI Solutions

About NetApp

NetApp is the intelligent data infrastructure company, combining unified data storage, integrated data services, and CloudOps solutions to turn a world of disruption into opportunity for every customer. NetApp creates silo-free infrastructure, harnessing observability and AI to enable the industry's best data management. As the only enterprisegrade storage service natively embedded in the world's biggest clouds, our data storage delivers seamless flexibility. In addition, our data services create a data advantage through superior cyber resilience, governance, and application agility. Our CloudOps solutions provide continuous optimization of performance and efficiency through observability and AI. No matter the data type, workload, or environment, with NetApp you can transform your data infrastructure to realize your business possibilities. www.netapp.com