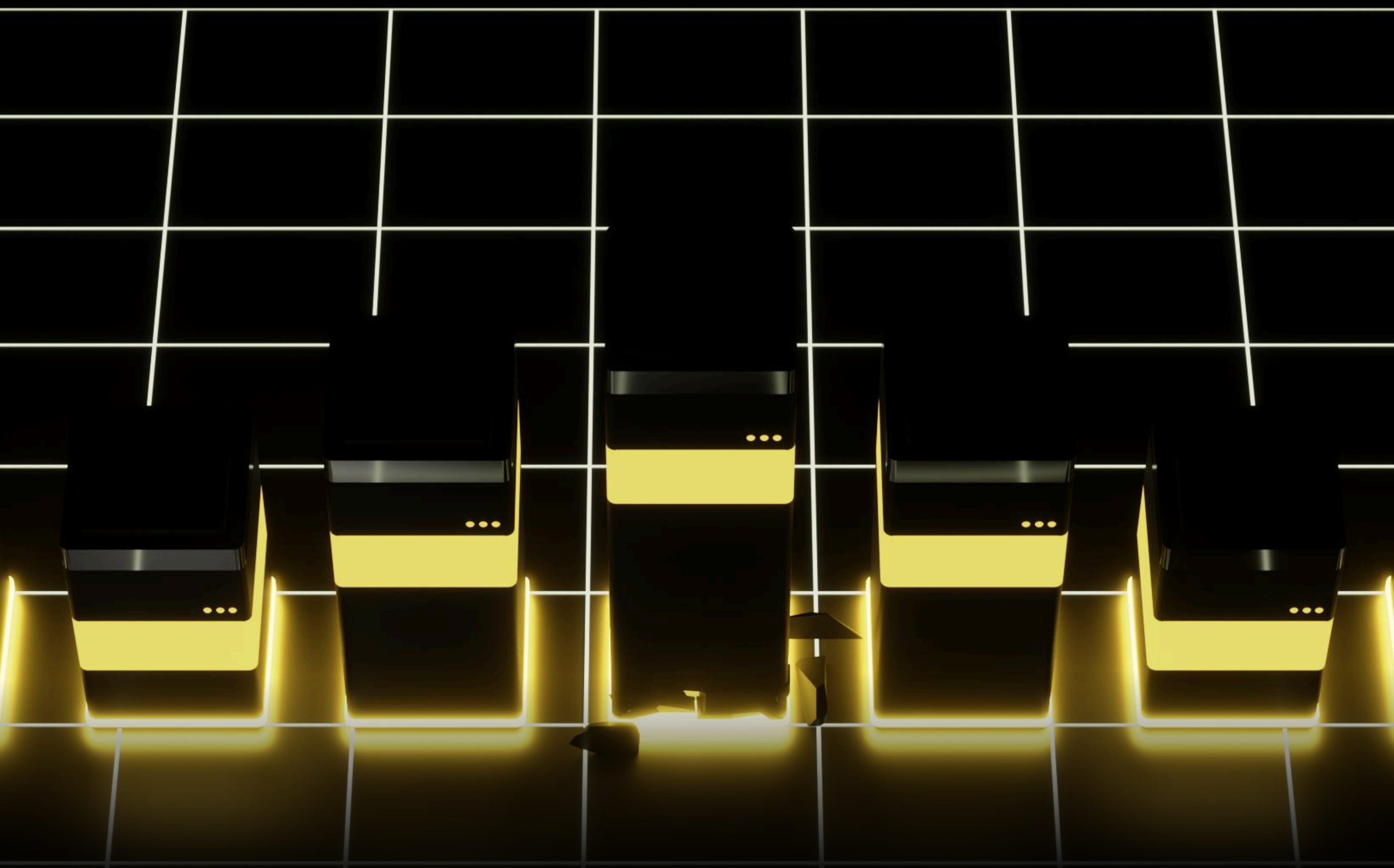


WHAT THE EARLY DATA SHOWS

The AI Production Paradox

The problem isn't your AI.
It's your comms infrastructure.



Early findings from 586 enterprise decision-makers across APAC, part of a global independent survey of 2,527 customer communication leaders across 10 countries and 6 industries.



Get even more findings

The AI Production Paradox early findings report is already live, and the full report – including vertical, regional, and persona insights – is coming in June.

Explore the global data and discover why more investment isn't closing the governance gap.

[Read the report](#)

sinch.com/ai-production-paradox

The finding that changes the conversation

Getting out of pilot purgatory was supposed to be the hardest part. Our data shows it wasn't.

In customer communications, 62% of organizations are already in production. Nine in ten expect to be there by the end of the year. What happens next is not what the market expected.

Top global findings



Pilot purgatory is over

62% of enterprises already have AI communications agents in production. 88% will be deployed within 12 months.



Production is where the real story starts

74% of enterprises that deployed AI in customer communications have been forced to roll back. Among those with fully mature guardrails, the rate is 81%.



Confidence doesn't correlate with fewer failures

90% of enterprise decision-makers describe themselves as confident in their AI agent readiness. Of those, 75% have experienced at least one governance rollback.



The real impact of AI failures hits three places at once

When an AI agent fails in production, the cost lands in the support queue, the brand, and the engineering backlog. Most organizations are only tracking the first.



Infrastructure is where the race gets decided

Infrastructure satisfaction is the single strongest predictor of AI deployment success across every variable analyzed, but most organizations say their current provider falls short in at least one area.

The reality in APAC



APAC is the global leader in AI deployment

In APAC, 67% of organizations are already in production – 5 points above the global average and higher than North America, EMEA and Latin America. Singapore leads within the region at 72%.



Channel coverage is the highest in the world

APAC organizations are deploying AI across the most channels simultaneously (3.6 versus 3.3 channels globally).



Investment intent is high but some countries are investing more than others

In APAC, 99% are planning to increase AI communications investment in 2026. India has the most aggressive plans, with 71% planning over 25% increase in investment. This is compared to only 40% in Singapore.



Organizations in APAC are deploying with the least success

83% have had to shut down or roll back a deployed AI agent compared to 74% globally. PII and data leaks are the leading cause at 38%, 7 points above the global average.



Provider gaps are fueling a big evaluation wave across the region

Despite 88% of APAC organizations rating high-performing infrastructure as essential or very important, 93% of APAC organizations identify at least one shortcoming in their current provider. Half of Indian organizations are actively evaluating a new provider.

Pilot purgatory is over

For two years, the dominant story in enterprise AI has been about being stuck. But for AI in customer communications, that story is no longer true. The debate about whether to deploy is over.

APAC leads on production deployment, with 67% saying they already have AI agents in production – five points above the global average. APAC is also the region with the most plans to deploy in the next 12 months: 92% expect to have an AI agent live by the end of the year.

Enterprises in APAC plan to integrate AI across an average of 3.6 channels simultaneously – higher than the global average of 3.3. The main channels in the region are web chatbot (67%), email (66%), WhatsApp (58%), social media (55%), SMS/MMS (52%), and voice and IVR (43%).

For 37% of APAC enterprises, the primary goal is improving customer satisfaction and loyalty.

67%

of APAC organizations already have AI agents in production.

92%

of enterprises in APAC plan to be in production in the next 12 months.

99%

in APAC plan to increase AI communications investment in 2026.



Production is where the real story starts

All along, the market has been drawing the wrong finish line. We thought getting to production was the hardest part. The data shows it isn't.

In APAC, **83% of enterprises have been forced to shut down or roll back a deployed AI communications agent** – 9 points above the global average of 74%.

And that number doesn't decline with experience. Sinch data shows that, among organizations with fully mature guardrails, the rollback rate is higher still. More governance, more monitoring, more investment – and still, the most advanced programs have had to shut something down.

What's triggering the rollbacks: **PII or customer data exposure** is the leading cause, cited by 38% of APAC organizations, 7 points above the global average of 31%. Australia (45%) has the highest PII rollback rate in the region followed by Singapore (39%), while in India the rate is much lower at 28%.

Other common reasons for rolling back agents are hallucinations (21%) and lack of auditability (19%). These aren't abstract risk categories. When nearly one in five leaders in APAC say their rollbacks can't be fully diagnosed because there's no audit trail, the organization is left with a failure it can't learn from and no way to prove it's been fixed.

83%

of APAC organizations have had to shut down or roll back an AI agent.

38%

of enterprises in APAC have rolled back due to data leaks.

The real cost of governance failures

These rollbacks don't happen quietly. When an AI communications agent fails in production, customers notice. Our data shows the impact splits in three directions: the support queue, the brand perception, and the engineering cost.

In APAC, respondents cite a surge in support team workload as the biggest impact of AI agent failure at 45%, followed by reputational damage at 29%. The impact to the support queue worries those in APAC significantly more than it does across other regions – 10 points higher than the global average.

And when an agent gets rolled back, the engineering team goes back with it – diagnosing, rebuilding, re-deploying. Our research shows 84% of AI engineering teams in APAC report spending at least half their time building guardrails and safety controls, even before a single failure occurs.

Main business impact of AI agent failure:

45%

of APAC organizations cite impact to the support queue.

29%

of APAC organizations cite reputational damage to the brand.

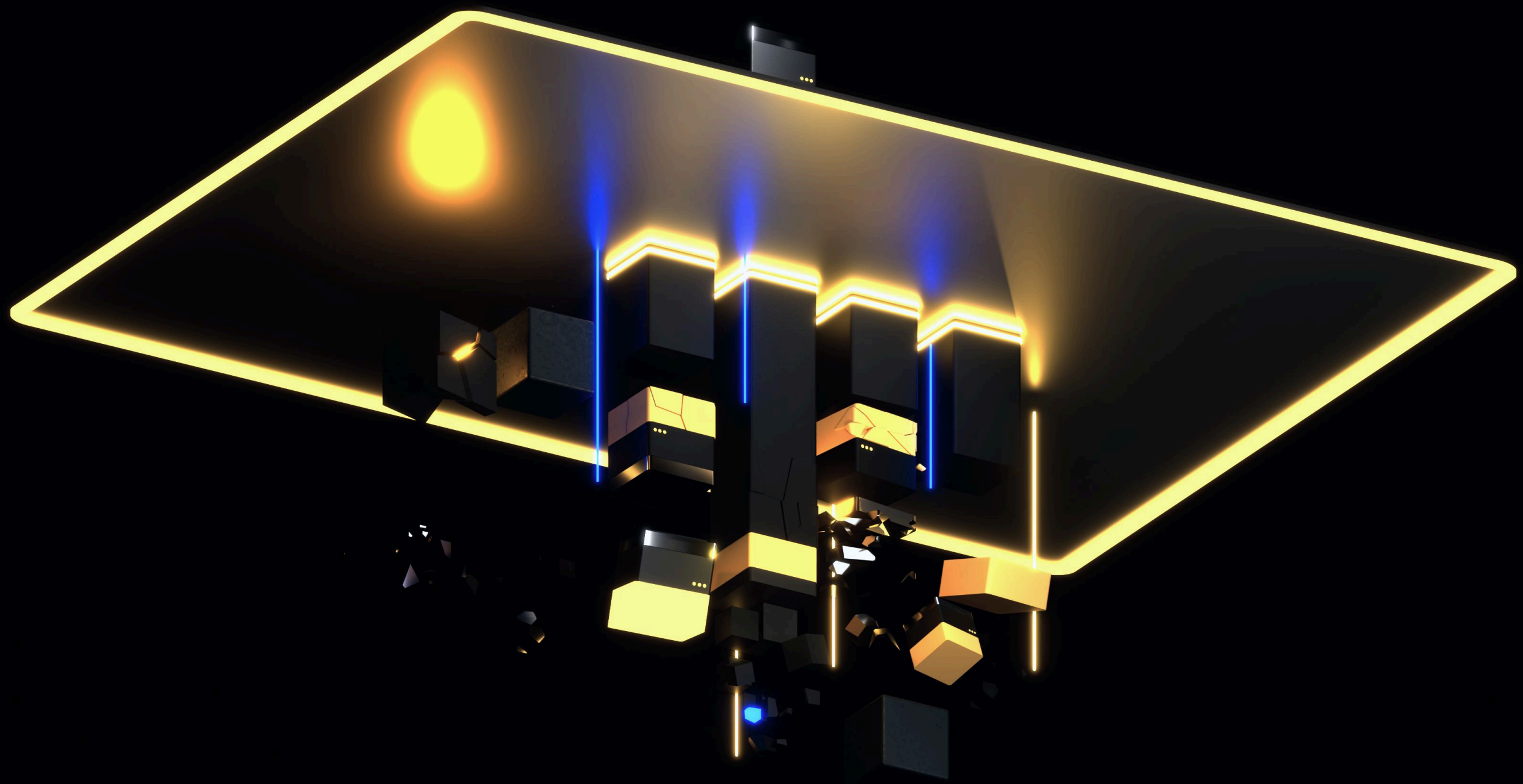
84%

of engineering teams in APAC spend at least half their time building safety measures.



When you have to roll something back, it costs more than just the time it takes to roll it back. These are real people, real customers. And if you're deploying an AI agent into production that is just confidently wrong, confidently making mistakes, that's going to really impact your brand's value. Not to mention the experience that your customers are having. They may never come back. That's a real cost.

Daniel Morris
CPO at Sinch



Infrastructure is where the race gets decided

Sinch's global data shows that infrastructure satisfaction is the strongest predictor of AI deployment success across every variable analyzed.

In APAC, 88% of organizations rate high-performing infrastructure as essential or very important. Despite this, 93% of APAC organizations identify at least one shortcoming in their current provider, and 89% have had active or exploratory conversations with alternative providers in the past 12 months.

The level of frustration and evaluation varies significantly within the region.

Australia, the region's most satisfied market, is also its most stable. Over half (55%) are satisfied with their current provider and not actively looking to switch.

In contrast, India – the fastest-moving market – is also the most frustrated. 96% identify at least one gap in their current solution, and half of all organizations have actively evaluated a new provider.

The market isn't shopping because it's unhappy with a vendor. It's shopping because AI ambitions have outgrown what the current infrastructure was built to handle.

88%

of APAC organizations rate high-performing infrastructure as essential or very important.

48%

of respondents report insufficient reliability for AI at scale from their current provider.

89%

of APAC organizations have had active or exploratory conversations with alternative providers.

Summary of key findings

APAC

- 67% of APAC enterprises have AI agents in production – highest of any region and 5% the global average
- 83% have experienced an AI agent failure – highest of any region and 9% above the global average
- 45% cite support team overload as the #1 consequence of AI failure (10% above global average)
- 48% stronger governance–AI link in APAC vs. global average
- 41% say context is AI’s biggest advantage (vs. 37% globally); cost reduction ranks last at 2%
- 93% can identify at least one shortcoming in their current provider

Australia

- 63% of Australian enterprises already have AI agents live in production
- 84% have rolled back or shut down a deployed AI agent due to a governance failure (10 pp above global average)
- 45% PII/data leakage rollback rate
- 72% invest in trust, security and compliance – the #1 AI investment priority
- 67% plan a 25%+ AI investment increase
- 3.6 average AI channels planned across APAC – highest of any region

Singapore

- 82% have rolled back or shut down a deployed AI agent (8% above the global average)
- 72% of enterprises have AI agents in production – highest in APAC
- 27% guardrail maturity rate – lowest in APAC and 8% below the global average
- 75% prioritising investment into trust, security and compliance
- 40% planning to increase their investment by more than 25% compared to the previous year – lowest in APAC and globally
- 44% cite support team overload as the #1 consequence of AI failure (9% above the global average)
- 44% say context is AI’s biggest advantage (vs. 37% globally); cost reduction ranks last at 3%
- 3.1 average AI channels planned
- WhatsApp and chatbots (website and in-app) are top messaging channels where companies are integrating AI agents
- 82% rate high-performance infrastructure as essential or very important
- 7% say their provider is fully meeting their needs – one of the lowest satisfaction figures of any market surveyed
- 91% are evaluating or new communications providers –5% above the global average