

Verizon CEO Hans Vestberg sees AI as big part of network growth

Artificial intelligence, and its need to move and process vast amounts of data, will be a core focus for Verizon Communications ([VZ](#)) in 2024 and beyond.

In an exclusive sit-down at the 2024 World Economic Forum in Davos, Switzerland, Verizon chairman and CEO Hans Vestberg outlined his AI vision for the company with Yahoo Finance Live's Julie Hyman and Brian Sozzi.

"When it comes to AI, especially the generative AI and things like that, I think at the edge of the network it will be very important to have AI to make quick decisions very close to the end user," Vestberg said, adding that the company has already built "enormously strong resilience" into its data network.

"Network strength, the ability to power the processes and movements of AI-generated activity — AI will be important for future business growth," Vestberg added.

Hans Vestberg, Chairman and Chief Executive Officer of Verizon, attends the Viva Technology conference dedicated to innovation and startups at Porte de Versailles exhibition center in Paris, France, June 14, 2023. (Gonzalo Fuentes/REUTERS) (REUTERS / Reuters)

European telecom giant Vodafone (VOD) announced a 10-year partnership with Microsoft (MSFT) on Monday, which will bring generative AI and other services to its consumers and businesses. One area of use will be customer service, where Microsoft's AI chatbots will help provide more intelligent responses to questions.

Verizon is also working on providing more AI services, says Vestberg. "You can not only expect we're working with all these players in order to see the customer get the best of us, and there is many different [aspects] we need to work with because we have different type of operating system and devices."

As generative AI applications become more commonplace they may also revive a flagging smartphone market, which has been stagnating as users go longer and longer between upgrades.

"Every new innovation attracts new players in the market and new devices," says Vestberg, who compares AI to the launch of 5G connectivity, which spurred a need for new phones.

While mum about the company's upcoming quarterly results, Vestberg did note that Verizon has been shifting its focus away from the saturated consumer market and more towards the enterprise market, where it expects to see continued demand. Its broadband services have become an essential good, particularly as the need for online education, telehealth, and other remote services increase.

Verizon will report its fourth quarter earnings on Jan. 23. The company is expected to have earned \$1.07 a share vs. \$1.19 a share in the year-earlier period, according to the average of analysts polled by Zacks Investment Research.

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