# OpenAI’s consumer surge highlights promise and paradox of generative AI



OpenAI’s rapid ascent from research lab to consumer tech giant reflects both the transformative potential and unresolved challenges facing the AI sector. Its breakthrough came with the global success of ChatGPT in late 2022, which by mid-2025 had more than 700 million weekly active users, making it the fastest app to reach 100 million users and cementing OpenAI’s status as a household name.

New data shows personal use now dominates. Nearly three-quarters of ChatGPT interactions are lifestyle-related, including health advice, travel planning and personal writing, compared with a year ago when usage was evenly split between personal and work. Coding queries now account for fewer than 5 per cent of interactions, signalling a decline in workplace use.

OpenAI’s ambitions rest on three pillars: consumer subscriptions, enterprise solutions and long-term research towards artificial general intelligence. But while consumer adoption has soared, enterprise results have been mixed. An MIT study in August found 95 per cent of enterprise AI pilots had stalled, reflecting scepticism over when AI will deliver measurable efficiencies.

Revenues are climbing sharply—annualised revenue hit $10 billion in June, almost double six months earlier. OpenAI forecasts $12.7 billion in 2025 and nearly $30 billion in 2026, but continues to post multi-billion-dollar losses. To strengthen its financial position, it is renegotiating partner revenue shares, cutting Microsoft’s take from 20 to 8 per cent by 2030, and exploring a fully for-profit structure. A $40 billion funding round led by SoftBank is expected to value the company at $300 billion.

The scale of infrastructure needed is immense. OpenAI has agreed a $300 billion contract with Oracle for cloud capacity from 2027. Training large models such as GPT-4 consumes energy equivalent to powering a major city for days, while billions of daily queries add to environmental concerns. The company and wider industry are now under pressure to embed sustainable practices.

The ChatGPT user base is also diversifying. Once dominated by men—80 per cent at launch—women now slightly outnumber men, an important shift in ensuring equitable access to AI benefits.

Legal challenges remain, particularly over the use of copyrighted material in training data. Recent rulings in the US have leaned towards recognising AI training as transformative fair use, reducing immediate litigation risks, though legal uncertainty persists if original markets are harmed.

OpenAI’s trajectory captures the paradox of generative AI: a technology reshaping communication and creativity, embraced enthusiastically by consumers yet still searching for sustainable business models and clearer societal guardrails. Its next phase will depend on balancing rapid innovation with environmental responsibility, inclusive growth and regulatory clarity.

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## Bibliography

1. <https://www.fastcompany.com/91406385/openai-wants-to-transform-business-many-of-its-users-just-want-life-hacks> - Please view link - unable to able to access data
2. <https://www.reuters.com/business/media-telecom/openais-annualized-revenue-hits-10-billion-up-55-billion-december-2024-2025-06-09/> - As of June 2025, OpenAI's annualized revenue reached $10 billion, nearly doubling from $5.5 billion in December 2024. This growth is driven by the widespread adoption of ChatGPT AI models across consumer and enterprise markets. Despite this revenue surge, OpenAI continues to face significant losses, highlighting the challenges of scaling AI technologies. The company is also planning to raise up to $40 billion in a new funding round led by SoftBank, with a valuation of $300 billion. This financial trajectory underscores OpenAI's market leadership in the AI sector.
3. <https://www.reuters.com/business/openai-share-8-its-revenue-with-microsoft-partners-information-reports-2025-09-13/> - OpenAI is expected to reduce the share of its revenue distributed to commercial partners, including Microsoft, from 20% to 8% by the end of the decade. This reduction could result in over $50 billion in additional revenue retained by OpenAI. The companies are also renegotiating server rental fees and have agreed to a non-binding deal to potentially restructure OpenAI into a for-profit entity. This shift reflects OpenAI's evolving financial strategies and its efforts to retain a larger portion of its revenue.
4. <https://www.livescience.com/technology/artificial-intelligence/why-do-ai-chatbots-use-so-much-energy> - AI chatbots like ChatGPT consume significant energy due to the resource-intensive processes of training and inference associated with large language models (LLMs). Training models like GPT-4 is estimated to have used 50 gigawatt-hours of energy—equivalent to powering San Francisco for three days. The inference phase, though less computationally demanding per request, becomes energy-intensive due to the massive volume of daily queries—over 2.5 billion for ChatGPT alone as of July 2025. This highlights the environmental impact of AI technologies and the need for sustainable practices.
5. <https://www.axios.com/2025/09/15/chatgpt-gender-gap> - As of September 2025, women have begun using ChatGPT slightly more than men, marking a significant shift from its early user demographics. Initially, up to 80% of ChatGPT users were male after its release. This change is highlighted in an OpenAI economic report analyzing 1.5 million sample conversations from approximately 700 million weekly users. The decreasing gender gap is viewed as important to ensuring that women are not left behind as AI technologies increasingly influence work and daily life.
6. <https://www.tomsguide.com/ai/chatgpt/1-1-million-chatgpt-messages-analyzed-turns-out-were-mostly-just-asking-about-ourselves> - A recent study by OpenAI analyzed over 1.1 million ChatGPT messages spanning from May 2023 to April 2024 and revealed a major shift in how people are using the AI tool. Work-related use has significantly declined—from 57% to just 28%—while personal and everyday usage has surged. People now turn to ChatGPT for guidance (e.g., relationship advice, repairs), information (e.g., health questions, travel tips), and writing help (e.g., dating profiles, invitations). Surprisingly, coding accounts for less than 5% of overall use.
7. <https://www.techradar.com/pro/openai-bets-usd300-billion-on-oracle-contract-to-power-artificial-intelligence-expansion-despite-ongoing-losses> - OpenAI has committed to a massive $300 billion contract with Oracle for cloud computing power over the next five years, beginning in 2027. This is one of the largest tech infrastructure deals ever made and signals OpenAI's shift from relying solely on Microsoft Azure. The agreement calls for 4.5 gigawatts of power—enough to power about four million homes—highlighting the immense energy demands of AI development. However, the deal presents substantial risks, as OpenAI is unprofitable and not expected to turn a profit until 2029.