SCOTTS INTERNATIONAL

AI In Accounting - Market Share Analysis, Industry Trends & Statistics, Growth Forecasts (2026 - 2031)

Market Report | 2026-02-09 | 120 pages | Mordor Intelligence

AVAILABLE LICENSES:

- Single User License $4750.00
- Team License (1-7 Users) $5250.00
- Site License $6500.00
- Corporate License $8750.00

Report description:

AI In Accounting Market Analysis

AI in Accounting market size in 2026 is estimated at USD 10.87 billion, growing from 2025 value of USD 7.52 billion with 2031 projections showing USD 68.75 billion, growing at 44.6% CAGR over 2026-2031. This rapid trajectory is powered by the convergence of generative AI breakthroughs, mandatory digitization rules for invoicing and tax submissions, and enterprise-wide cloud migrations that collectively automate labor-intensive financial workflows. Software layers ranging from optical character recognition (OCR) to large-language-model (LLM) copilots now translate unstructured invoices and receipts into structured ledger entries, allowing controllers to finalize month-end close tasks in hours instead of days. Simultaneously, scalable cloud infrastructure brings enterprise-grade AI to small and medium enterprises (SMEs) that previously lacked the computational footing for machine-learning workloads. These intertwined forces are rewriting accounting's operating model, shifting human effort away from data entry toward anomaly resolution, variance analysis, and strategic cash-flow guidance. Vendors that combine embedded AI with tight ERP integration and jurisdiction-specific compliance updates are the most likely to capture upsell and cross-sell opportunities in the next five years.

Global AI In Accounting Market Trends and Insights

Accelerating NLP accuracy for unstructured invoice data

Natural-language models now extract key fields from invoices, contracts, and receipts at accuracy levels exceeding 95%, effectively eliminating the keyboard bottlenecks that have long stalled accounts-payable teams. Oracle's Bill Capture module, embedded in NetSuite since 2024, showcases how pretrained models convert PDF bills into categorized expense entries automatically. Beyond extraction, rules-based engines route transactions for approval, flag duplicates, and trigger exception workflows, driving a documented 30% reduction in processing times across early adopters. The downstream payoff appears in faster vendor payments, early-payment-discount capture, and improved supplier satisfaction outcomes that reinforce the business case for further AI investments. Because structured ledgers also feed analytical dashboards, CFOs gain near-real-time visibility into working-capital positions, increasing demand for predictive treasury modules that ride on the same data backbone.

Pervasive cloud-first ERP migrations among mid-market firms

Mid-market companies are abandoning on-premise ledgers in favor of multi-tenant SaaS suites that bake AI into every journal step. Microsoft's Copilot for Finance exemplifies the shift: controllers can generate flux analyses simply by typing plain-language prompts, leaving the LLM to query sub-ledgers, calculate variances, and draft commentary. Such capabilities have redefined total cost-of-ownership equations: firms now weigh subscription fees against avoided upgrade projects, faster close cycles, and reduced audit adjustments. Cloud deployments further guarantee the underlying infrastructure for compute-intensive models, freeing finance teams from capacity planning. Because updates roll out automatically, customers continuously inherit algorithm gains without disruptive version migrations-an attribute that accelerates market penetration in sectors with lean IT staff.

Shortage of AI-literate accounting talent

The profession faces a widening skills gap as legacy curricula lag behind automation realities. Recruiters report salary premiums of up to 20% for candidates who combine CPA credentials with Python proficiency. Firms unable to fill data-science-hybrid roles delay AI rollouts, undermining projected ROI. Professional bodies tackle the deficit with certificate courses in prompt engineering and ethics, yet the supply pipeline remains constrained. High attrition further compounds pressures, since technologists often migrate to higher-paying fintech roles. In the long run, vendors that embed low-code configuration tools may circumvent talent shortages by minimizing specialized scripting requirements.

Other drivers and restraints analyzed in the detailed report include:

SME demand for real-time cash-flow forecasting dashboardsRegulatory push for e-invoicing and digital tax submissionsData-privacy and residency regulations tightening

For complete list of drivers and restraints, kindly check the Table Of Contents.

Segment Analysis

Software captured 74.05% of the AI in the Accounting market share in 2025, reflecting the indispensable nature of core ERP platforms, OCR engines, and intelligent document processing modules. These offerings provide the foundational algorithms that parse invoices, match purchase orders, and recommend accruals. Major providers such as SAP, Oracle, and Microsoft continually embed new LLM logic into their suites, cementing customer stickiness through annual subscription renewals. Nonetheless, services revenue outpaces product sales, expanding at a 45.3% CAGR as clients purchase implementation, integration, and change-management expertise. Enterprises face complex legacy landscapes, necessitating consulting partners that map bespoke workflows to standardized AI pipelines, migrate historical data sets, and calibrate models for industry-specific taxonomies.

The services uptick indicates that AI in the Accounting market size gains increasingly hinge on human advisory layers that translate abstract AI capabilities into tangible business outcomes. Training packages, managed-services retainers, and continuous optimization contracts now drive annuity streams for system integrators and boutique consultancies. Because platform updates roll out quarterly, clients need ongoing tuning and governance checks tasks that bolster the long-term services outlook. Meanwhile, software vendors explore revenue-sharing alliances with consulting ecosystems, underscoring the symbiotic evolution of product and service value pools within the broader AI in Accounting market.

Cloud solutions represented 61.72% value in 2025 and remain on a 45.8% CAGR curve, highlighting a decisive shift toward multi-tenant architectures optimized for AI workloads. Elastic compute layers enable on-demand model training, inference, and retraining cycles that on-premise servers cannot match without significant capex. Vendors push weekly algorithm refreshes, instantly propagating enhancements such as improved invoice-line-item extraction or outlier-detection heuristics to all tenants. These factors underpin the AI in Accounting market size growth among SMB segments that leverage cloud entry-level plans to bypass costly data-center expansions.

On-premise deployments decline steadily, clinging primarily to defense contractors, utilities, and public agencies bound by data-residency mandates. Hybrid models serve as interim bridges, rerouting sensitive ledgers to private clouds while offloading less-critical workloads to public infrastructure. Yet maintenance overhead for hybrid stacks often proves higher than anticipated, nudging laggards toward full SaaS adoption over the forecast horizon. The net result reinforces cloud's leadership, consolidating vendor roadmaps around subscription monetization and platform extensibility.

The AI in Accounting Market is Segmented by Component (Software and Services), Deployment Mode (On-Premise, Cloud, and Hybrid), Organization Size (Small and Medium Enterprises and Large Enterprises), Application (Fraud and Risk Management, Reporting and Compliance, and More), End-User Industry (BFSI, Professional Services and Accounting Firms, and More), and Geography. The Market Forecasts are Provided in Terms of Value (USD).

Geography Analysis

North America retained 38.74% of 2025 revenue, underpinned by deep venture-capital pools, mature cloud infrastructure, and early regulatory experimentation with digital tax regimes. North America's leadership rides on the presence of ERP giants such as Microsoft, Oracle, and Intuit, abundant venture capital, and an innovation-friendly regulatory climate. Funding flows illustrate momentum: Numeric secured USD 28 million in 2024 to refine its generative-AI close-automation tools. U.S. enterprises integrate AI deeply into enterprise-grade ERPs, while Canadian and Mexican firms focus on SME-tailored solutions that simplify cross-border VAT reconciliation. Regulators encourage adoption via guidance on acceptable AI audit-trail standards, reducing legal uncertainty and clearing procurement backlogs.

Still, Asia-Pacific exhibits a blistering 46.2% CAGR, driven by national AI roadmaps, fast-scaling digital-payments ecosystems, and government e-invoicing mandates. India stands out: 73% of businesses plan AI deployment in accounting workflows by 2025, eclipsing the global average of 52%. China's manufacturing modernization and Japan's productivity-focused corporate reforms further amplify demand. Asia-Pacific's surge is multi-faceted. India's Institute of Chartered Accountants debuted CA GPT to arm 70,000 practitioners with AI-driven annual report analytics, signaling official endorsement of technology refresh. China pairs AI accounting with its vast manufacturing base, letting finance teams link production telemetry to real-time cost-of-goods-sold calculations. Tech-forward economies such as Singapore and Australia function as integration hubs, hosting regional data centers that satisfy sovereignty constraints and accelerate onboarding for neighboring markets.

Europe, while smaller in absolute AI in the Accounting market size, wields a hefty influence on standards. The EU AI Act forces vendors to document model provenance, bias checks, and fallback procedures. Germany's industrial champions upgrade finance stacks to comply with upcoming machine-readable e-invoice mandates. France commands attention through unicorns like Pennylane, which closed successive funding rounds to offer full-stack AI bookkeeping services. Smaller economies embrace pan-European SaaS platforms that alleviate tax-compliance complexity across 27 member states. Collectively, these conditions establish Europe as a crucible for responsible-AI practices that ripple into global vendor roadmaps. Latin America and the Middle

East, and Africa progress at more measured paces, but targeted cloud-datacenter expansions and fintech sandboxes position these regions for catch-up growth later in the decade.

List of Companies Covered in this Report:

Intuit Inc. Xero Limited Sage Group plc SAP SE Oracle Corporation (NetSuite) Microsoft Corporation Google LLC IBM Corporation Epicor Software Corporation Zoho Corporation Pvt Ltd. SMACC GmbH Botkeeper Inc. VIC.AI Inc. FreshBooks Invoice Software Inc. Tipalti Solutions Ltd. BlackLine Inc. Docyt Inc. Datarails Ltd. AppZen Inc. Receipt Bank Ltd. (Dext Software) KarbonHQ Pty Ltd. MindBridge Analytics Inc. Validis Holdings Ltd. Inflo Limited CaseWare International Inc.

Additional Benefits:

 The market estimate (ME) sheet in Excel format
3 months of analyst support

Table of Contents:

5.6.3.5 Spain
5.6.3.6 Rest of Europe
5.6.4 Asia-Pacific
5.6.4.1 China
5.6.4.2 India
5.6.4.3 Japan
5.6.4.4 South Korea
5.6.4.5 Malaysia
5.6.4.6 Singapore
5.6.4.7 Australia
5.6.4.8 Rest of Asia-Pacific
5.6.5 Middle East and Africa
5.6.5.1 Middle East
5.6.5.1.1 United Arab Emirates
5.6.5.1.2 Saudi Arabia
5.6.5.1.3 Turkey
5.6.5.1.4 Rest of Middle East
5.6.5.2 Africa
5.6.5.2.1 South Africa
5.6.5.2.2 Nigeria
5.6.5.2.3 Rest of Africa

6 COMPETITIVE LANDSCAPE
6.1 Market Concentration
6.2 Strategic Moves
6.3 Market Share Analysis
6.4 Company Profiles (includes Global level Overview, Market level overview, Core Segments, Financials as available, Strategic Information, Market Rank/Share for key companies, Products and Services, and Recent Developments)
6.4.1 Intuit Inc.
6.4.2 Xero Limited
6.4.3 Sage Group plc
6.4.4 SAP SE
6.4.5 Oracle Corporation (NetSuite)
6.4.6 Microsoft Corporation
6.4.7 Google LLC
6.4.8 IBM Corporation
6.4.9 Epicor Software Corporation
6.4.10 Zoho Corporation Pvt Ltd.
6.4.11 SMACC GmbH
6.4.12 Botkeeper Inc.
6.4.13 VIC.AI Inc.
6.4.14 FreshBooks Invoice Software Inc.
6.4.15 Tipalti Solutions Ltd.
6.4.16 BlackLine Inc.
6.4.17 Docyt Inc.
6.4.18 Datarails Ltd.
6.4.19 AppZen Inc.

SCOTTS INTERNATIONAL

AI In Accounting - Market Share Analysis, Industry Trends & Statistics, Growth Forecasts (2026 - 2031)

Market Report | 2026-02-09 | 120 pages | Mordor Intelligence

To place an Order with Scotts International:
- - Print this form
- - Complete the relevant blank fields and sign
- - Send as a scanned email to support@scotts-international.com

ORDER FORM:

Select license	License	Price
	Single User License	$4750.00
	Team License (1-7 Users)	$5250.00
	Site License	$6500.00
	Corporate License	$8750.00
	VAT	
	Total	

*Please circle the relevant license option. For any questions please contact support@scotts-international.com or 0048 603 394 346.

** VAT will be added at 23% for Polish based companies, individuals and EU based companies who are unable to provide a valid EU Vat Numbers.

Email*		Phone*	
First Name*		Last Name*	
Job title*			
Company Name*		EU Vat / Tax ID / NIP number*	
Address*		City*	
Zip Code*		Country*	
		Date	2026-02-26
		Signature	

Scotts International. EU Vat number: PL 6772247784
tel. 0048 603 394 346 e-mail: support@scotts-international.com
www.scotts-international.com