Bank of Ireland Sectors Team
Technology, Media and Telecoms (TMT)
H1 2025 Insights / H2 2025 Outlook

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Technology, Media and Telecoms (TMT) Sector
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> Despite geopolitical uncertainty the TMT sector remains resilient. Businesses continue to explore the promise of artificial intelligence (AI) which is continuing to democratise industries and job roles, while satellite broadband heralds a new era of connectivity.

TMT: H1 2025 Review

Technology

Over the first half of the year, we've seen a continuation of the trend of recent years, where top-line growth and expansion in the sector, has been replaced by tight cost control, focused on sustainable growth. This is being driven by investors, seeking a better and more sustainable rate of return.

Despite the threat of tariffs and geopolitical uncertainty during the period, the sector has largely remained insulated and if anything demonstrated its resilience in the face of macro-economic challenges. That said, the application of tariffs across other industries could yet have indirect consequences, as some businesses may choose to pause technology adoption or overhaul, while they grapple with challenges posed by new tariffs.

The announcement of recent job losses in the tech sector were more targeted and strategic compared to earlier instances. More concerning were findings from the recent Morgan McKinley Employment Monitor,[1] that highlighted a drop in graduate hiring, as companies have begun to automate routine tasks, such as payroll and credit control. This could be the start of the shift towards AI-driven operations. What impact this will have on filling mid-level roles and talent pipeline in the coming years, remains to be seen.

Media

Screen Ireland published new research earlier in the year, detailing the economic impact, the sector is contributing to the Irish Economy; €1 billion in terms of gross value add (GVA).[2] The live action sector continues to be the largest contributor given the scale of productions and the associated volumes of staff, logistics and equipment, required to get a feature film made. Section 481 relief continues to be attractive for film makers. Ireland is now seen as a cheaper location to Los Angeles, due to the prudent tax incentives available here. Over 850[3] productions have availed of tax relief in Ireland between 2016 and 2024.

Data published by Core (Ireland's largest marketing communications firms) stated that, in terms of news media, 2024[4] marked a major shift for the industry as online consumption was the dominant source of news, outperforming the more traditional media, such as radio, television, newspapers and social media, reinforcing the need for digital-first models.

Telecoms

Recent quarterly data published by ComReg asserts that gigabit broadband is available at 88%[5] of all premises in Ireland, with 50% of those that had fibre-to-the-premises (FTTP), had active service by Q2. As predicted, 5G subscriptions have continued to rise, up to 2.16 million by Q2 of this year; an increase of 26% on the same period last year. Total mobile subscriptions (mobile broadband and machine-to-machine) also increased to 10.6 million in Q2.[6]

Despite the ongoing expansion in broadband availability, there are still some areas struggling with accessing reliable service. For these customers, there is hope. Earlier in the year, Vodaphone and AST SpaceMobile[7] signed an agreement to create a European direct-to-device satellite service network, accessible directly by 4G and 5G smartphones. They plan to serve, mobile network operators (MNOs), in all European markets. This technology will provide coverage where no feasible mobile or fixed alternative currently exists. Better yet, it will provide European customers with communications infrastructure that supports seamless connectivity to any location; out at sea or on top of a mountain; any place, at any time.

Starlink,[8] the satellite broadband company (a subsidiary of Elon Musk's SpaceX) and Amazon,[9] have both recently applied to ComReg, to set up satellite base stations in Mayo and Cork respectively. Starlink already offers broadband to Irish customers, but requires a dish pointed at the sky and is useful for those in rural areas, that struggle with securing reliable internet.

2025 H1 Key Sector Trends

AI adoption

AI continued to dominate technology conversations over the first half of the year. PWC published its Generative AI (GenAI) Business Leaders Survey which stated that 98%[10] of respondents had begun their AI journey but only 6% had deployed the technology at scale, replicating findings from their previous surveys. Similarly, findings from a report by Accenture stated that 91%[11] of those that have piloted it have not scaled its use, across their business. Likewise, a report by Trinity College[12] recorded similar findings, with AI usage among respondents at just 8%. All of which points to a cautious approach being taken by businesses, in how they are integrating the technology.

The type of AI alluded to here, is integrated in off-the-shelf software applications (Microsoft Co-Pilot, ChatGPT or Salesforce Einstein) that are being used by 37%[13] of organisations surveyed by Trinity College. This data shows, that while there is an increase in the prevalence of AI, most organisations are relying on third party solutions rather than developing their own. Hence, despite all the hype impressing on businesses about the urgency to adopt AI; we are still at the early stages of unlocking its potential. This point was further emphasised in a report, published by Financial Services Ireland[14] earlier this year about the adoption of GenAI. With new tools and applications coming on stream each day, it is only natural that some businesses might feel a little overwhelmed, wondering what AI means for them.

Businesses looking to automate repetitive tasks, draft marketing content, enhance customer service or summarise meeting notes, GenAI platforms could potentially offer a viable solution. Whereas creating bespoke AI systems, built on proprietary data, would be more suitable for a business seeking to solve a specific problem.

Data is the fuel of AI, hence proprietary systems rely on quality, structured and relevant data (gathered for a specific purpose) and this task shouldn't be underestimated. Likewise, establishing the necessary internal capability, choosing the most appropriate tools and infrastructure and ensuring, once built, the AI, is ethically compliant, can prove challenging for most SMEs.

Hence, for those SMEs that would like to explore how AI could help them address a business challenge, applying for an Innovation Voucher[15] from Enterprise Ireland, would be a really great place to start. It provides €10,000 worth of time with an expert, usually a researcher from a third level institute. This provides a fresh perspective on how to address the problem, in an objective way and the best approach to adopting AI for a business. This would allow a business to explore its potential in a controlled environment.

Search Engine Optimisation (SEO) and Generative Search Optimisation (GEO)

Recently when speaking with a colleague the topic of SEO came up and how GenAI platforms are being increasingly used as search engines. "Google it" or "ask Google" became part of our vernacular since the late nineties, but more recently, these terms have been replaced by "I'll ask ChatGPT". I have seen firsthand a family member seeking to organise their family holiday through ChatGPT, providing it with specific prompts and the result, while not perfect, provided detailed information on various packages that included flights, hotels and things to do in the resort. It saved what would have taken hours of Google searching.

This approach is becoming popular and businesses need to ensure their products and services are searchable in an evolving AI economy. So, with GenAI models becoming ubiquitous, businesses need to ensure their business becomes AI optimised or Generative Engine Optimised (GEO). It is estimated that GenAI's share of the overall search market, at the rate it's growing, could reach 10%[16] by 2026.

Both SEO and GEO can coexist because both approaches should always be grounded in answering the user's questions, as efficiently as possible. But, GenAI has made the experience quicker and better for the user, hence, search as we know it, has changed forever, with Google and Bing integrating AI in their algorithms. Likewise other platforms such as TikTok and Pinterest, or forums such as Quora or Reddit, are feeding into generative engines and must also be incorporated when framing an optimisation agenda in terms of how content is presented.

Content thus, needs to be constructed in the format of answering real questions, in a structured, intuitive style, so that AI tools understand. It also needs to be clear, concise and well organised; adopting an authoritative, authentic tone and regularly refreshed with time and date stamps. It is useful to add keywords that denote location, profession or industry. Likewise, creating links to trusted directories is also important. Appreciate that we are at the early stages of AI optimisation, it's nonetheless prudent for businesses to begin to incorporate this approach in tandem with traditional SEO.

Vibe coding and the rise of the citizen developer

Over the first half of the year vibe coding has been referenced on various platforms, technology websites and research outlets. It's essentially a way of creating software where the person in this case tells an AI what it wants it to do, in plain English and then the AI proceeds to write the code for you. This is a complete departure from where ordinarily a software developer sits and writes each line of code by hand. Instead, you simply describe the problem you are looking to solve or the type of functionality you want to achieve and the AI takes care of the technical requirements. If something goes wrong with coding, rather than sitting and trying to fix it, line by line by yourself, you simply copy the error and give it back to the AI and ask it, to fix it. It makes the process of software development, conversational. While it sounds very simple, it's not without risks, particularly in relation to the quality, security and reliability of the end product.

What makes this exciting, is the potential to test ideas quickly and build prototypes in hours as opposed to days or weeks. The trade-off however, is that given it is developed by AI, you will not fully understand how the system works. On the plus side, it lowers the bar to entry for those without a technical background, that have an interest in coding, giving rise to the citizen developer. Vibe coding is changing how software is developed, experienced developers will now adopt more of an orchestration role, where they review the quality of AI generated code for bugs. But it's not without its flaws and according to Pitchbook[17] there have been issues regarding security vulnerabilities reported in applications such as Tea and Replit. Yet, VC money continues to pour into these technologies; Lovable, a Swedish vibe coding start-up (founded in 2023), at the time of writing was reported as receiving funding offers at a valuation of $4bn.[18] This is noteworthy as it follows a $200m funding round in July (2025) that had valued the business at $1.8bn. The business has doubled its value in a matter of weeks.

Anysphere[19], the creators of Cursor (vibe coding) software, its value is also growing at an astounding rate, doubling in valuation every eight weeks. That's why there is so much excitement around this new technology, as investors anticipate how it could change society, in ways, we can't even imagine.

Sector Developments - Key Numbers

15, 899[20] — Total employment in Ireland's Audiovisual sector.

400,000[21] — The number of premises that can now access high-speed broadband under the National Broadband Plan.
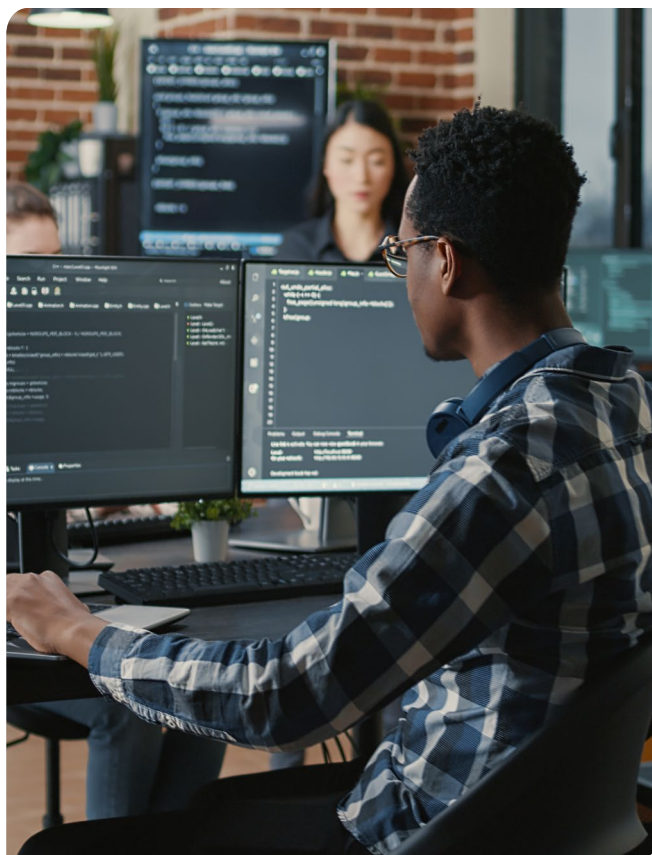
€250bn[22] — The forecasted contribution AI could infuse into Ireland's economy by 2035.

€12m[23] — The amount of funding raised by Dublin-founded SynergySuite for its AI-powered back-of-house platform.

300[24] — Number of new jobs announced by Fenergo as part of large RD&I investment.

Key Activity in the Sector

M&A

Recent data published in William Fry's Half Year Review[25] of 2025, shows the TMT sector accounted for 22% of all deals during the period. One of most standout deals was Tines, that have developed an AI orchestration platform, were the recipients of €121m[26] in investment funding from Softbank and an investment vehicle from Goldman Sachs. Other notable deals included Wolters Kluwer acquisition of Shine Analytics and TA Associates acquisition of Clanwilliam Group's healthtech business. Digital transformation is a key driver of activity in the sector and while uncertainty remains, there are reasons to be positive, with strong expectation for further Irish M&A activity in the sector, in the short term.

Venture Capital investment

Second quarter venture capital funding into Irish SMEs fell to its lowest level in ten years, according to the Irish Venture Capital Association (IVCA). Funding plunged to €112.6m, from €494m in the same quarter last year. This is the lowest figure the IVCA has recorded since the second quarter in 2015. As a result, funding in the first half of the year fell by 14% to €645.5m from €752.7m the previous year. This fall off comes on the back of a record first quarter which had seen an increase of over 100% in funding on the same period in 2024. The cause of this sudden reduction is being attributed to retracting international investors resulting in an 81% decline or loss of €305m[27] in investment. This again shows Ireland's vulnerability to global market sentiment and reinforces the need to become less dependent on capital flows from outside of the country. This has led to calls by the IVCA for the need to build domestic funding capacity to support indigenous startups in the time ahead.

Delta Partners welcomed new partner

In January, Delta Partners welcomed Andreea Wade as a new General Partner in their Venture Capital fund, backed by Bank of Ireland. Andreea is a seasoned entrepreneur with +15 years' experience building tech. She was the co-founder and CEO of Opening.io, an AI-first talent intelligence platform that transformed recruitment by using machine learning to match candidates with opportunities. The platform's success led to its acquisition by iCIMS in 2020.

At iCIMS, Andreea led Artificial Intelligence for the company and built and grew an award-winning AI program that redefined talent acquisition through cutting-edge products. She played a pivotal role in scaling AI capabilities to support enterprises worldwide, integrating advanced technology to enhance hiring outcomes.
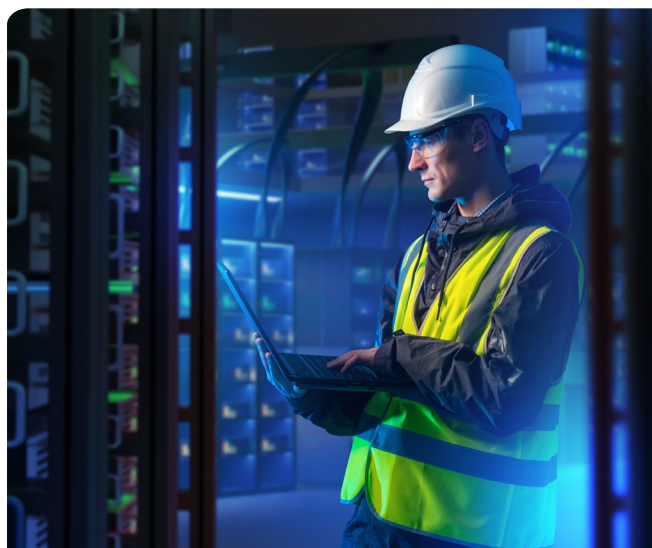
AI is moving fast and becoming part of everyday business, with tools like GenAI and Agentic AI set to automate tasks and improve customer experiences. New tech, like vibe coding, could help staff learn digital skills and reduce the need for hiring.

TMT: H2 2025 Outlook

Key Numbers

182%[28] Forecasted increased 5G subscription penetration by 2029.

$240bn[29] Forecasted worldwide end-user spending on information security in 2026.

165%[30] Goldman Sachs Research forecasted growth in global power demand by data centres by 2030 (from 2023 levels).

€7.5bn[31] Forecasted growth in total revenue of Ireland's Entertainment and Media industry by 2029.

50%[32] The volume of venture capital investment, dominated by AI in 2025.

Technology

Looking ahead, while this update is somewhat 'AI-heavy', it is representative of the pace of change and how quickly GenAI has become ubiquitous in so many applications, becoming part of the vernacular. This will only serve to further accelerate more widespread testing and trialling of the technology in every facet of business in the time ahead. Coupled with 5G bandwidth, it will enable the reimagining of core business models to bundle AI and Internet of Things (IoT) to create and deploy more customer-centric, personalised services leveraging the pace of GenAI developments into new and existing customer segments and categories.

The advent of vibe coding, while in its infancy, has lowered the bar of entry to software development. There have been issues in relation to security vulnerabilities, but much like other GenAI applications, none are perfect and are constantly evolving and improving. The game-changer here is the promise that vibe coding could, in time, consign the term 'war for talent' to the past. It opens up opportunities for companies to retrain and upskill their employees to become citizen developers in different areas of a business. This would reduce the need for hiring externally, retain staff and transform its workforce to sustain and power the business into the future. Most of all, it would empower those that might feel their jobs are under threat to add value to their employers. Experienced employees could now be able to contribute to new product and service development in new ways that previously would not have been possible.

Media

Ireland's Entertainment and Media sector is projected to grow 3.3% annually to 2029, according to a recent report by PWC.[33] The report highlights physical media continued decline with both print newspaper and magazine advertising down 13.3% and 11.6% respectively, see Table 1 below. Revenue from Internet advertising in Ireland is forecasted to grow at 9.2% CAGR by 2029, increasing to €1.8bn. The fastest-growing category continues to be video advertising, that is expected to grow at 12.6% CAGR or €198m by 2029.

This data reinforces that businesses of every size, type and sector will utilise digital video advertising (DVA) to market their products, services and solutions. From hotels, high street fashion retailers, estate agents and even the local butcher are making 'celebrities' of their staff, as more and more face the camera to promote their businesses. This sector is expected to rapidly expand, driven by increased internet penetration and AI enabled, hyper-personalisation, targeted advertising. According to data from Statista, 80.3%[34] of total ad spending in Ireland's DVA market will come from mobile by 2030.

Table 1: Fastest growing and fastest-declining sub-segments by CAGR

Fastest Shrinking Segments – Ireland

Physical PC Games Sell-Through	Print Newspaper Advertising	Print Consumer Magazine Advertising	Retail Other Display Internet Advertising	Retail Paid Search Internet Advertising	Video Internet Advertising
−52.9%	−13.3%	−11.6%	18.6%	13.5%	12.6%

Fastest Growing Segments – Ireland

Table 1: Fastest growing and fastest-declining sub-segments by CAGR – Source PWC

Telecoms

In the coming months, Ireland is set to take an important step in protecting consumers and businesses from scam SMS messages, with ComReg's new SMS Sender ID registry coming into full effect. From 3 October 2025, text messages from all unregistered SMS Sender IDs will be blocked. This is a crucial intervention, as SMS scams are a nuisance and have eroded trust in text communications, despite SMS remaining one of the most widely used communications channels. In 2024, 2.3 billion texts were sent in Ireland, 615 million of which were Application to Person (A2P) messages (sent by hospitals, schools, couriers etc.)[35] Scam texts, along with nuisance phone calls, have been estimated to cost the Irish economy over €300 million annually. ComReg's Stay Scam Safe campaign (see image below) is one of several targeted measures designed to combat this issue, and the total net financial benefit of these interventions is projected to reach €1.2 billion by 2030, alongside vast societal gains. As legitimate businesses adapt to the new registry requirements, consumers can look forward to a safer, more trustworthy messaging environment.

Agentic AI

We are witnessing a surge in the visibility and discourse around AgenticAI, with what seems like a never-ending stream of articles, commentary, media coverage and everyday references from various industry sectors. The reason for all this heightened interest is because it is being seen as the "next big thing".[36] Agentic AI is similar to GenAI insofar as it too, is trained on large language models (LLMs). GenAI use LLMs to generate content. AgenticAI uses LLMs to enable agents to understand complex text and context, so that it can then produce better, nuanced human-quality outputs towards specific goals. The critical difference here is that we are now entering the era where AI begins to act autonomously; agentic AI technologies are beginning to exhibit the ability to make decisions.

Furthermore, these systems have the capability to assess situations, make a plan and take actions, with limited, if any human intervention, which has become known as 'digital labour'.[37] We are all now familiar with AI assistants such as Siri or Copilot. AgenticAI is the next generation. The potential uses of this technology are infinite. AgenticAI allows for the optimisation, automation and execution of routine tasks, where it will make informed decisions based on logic. Agents will not only suggest the best destinations and sites, based on personal preferences, it will go further and book your flights and accommodation. They can tackle, specialised tasks, adapt through experience and adjust their approach accordingly. We will no longer need to immerse ourselves in learning new tools, having a real-time chat with an 'agent' will obtain whatever information you are looking for and take the necessary action. The potential opportunities and efficiency benefits cannot be overstated.

AI sense check – it's not magic!

As AI becomes more embedded in decision-making and everyday systems, it's hugely important to note that it's not magic. It's a tool, and similar to any tool, it has limitations. According to McKinsey,[38] for many enterprises that have deployed GenAI, its actual impact on the business remains to be seen, with only a handful reporting they have seen the needle move on revenue or impact. Despite the pace of advancements, issues remain, such as reproducibility (getting consistent results), explainability (understanding how decisions are made), and how data quality can significantly impact outcomes. The effectiveness of AI depends heavily on the governance of data, the management of risks and the ethical frameworks guiding its use.

If businesses do not have a proper governance plan, AI systems could amplify inherent biases, make opaque decisions, or worse. That's why organisations must adopt a responsible approach, ensuring transparency, accountability and fairness are built into every stage of AI development and deployment. In the months ahead, as AI tools become more powerful and widespread, sense-checking their use will be essential to ensure they serve people in an ethical and fair way.

Funding Activity

Recently we have been able to support some of Ireland's more established creative industry sector content creators as Ireland continues to reap the rewards of its excellent reputation for quality productions and storytelling.

- Funding international expansion has again been a key driver behind much of the activity we are seeing and we expect this to continue through the remainder of the year.

- The Managed Service Providers space continues to consolidate as operators seek to expand their suite of technologies or gain a foothold in a new subsector(s), such a cyber protection in the form of Network Operations or Security Operation.

Bank of Ireland

In Bank of Ireland, we recognise that we have a unique opportunity to support our customers, help enable Irish businesses and support the communities we jointly serve to thrive. Our understanding and comprehensive sector expertise provide us with a strong platform to meet the funding requirements of Irish Technology, Media, and Telecoms companies. We have an appreciation of the diverse types of businesses, revenue and growth models.

We are delighted to continue to provide various facilities to some of Ireland's best-known TMT brands. By having a designated TMT team, we can deliver on our ambition to support Ireland's indigenous Technology, Media and Telecoms Sector, with the experience, the knowledge and most of all an understanding of your business.

Talk to our Technology, Media & Telecoms Team today, to see how we can help you grow your business.

Email: TechnologyMediaTelecoms@boi.com

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Paul joined Bank of Ireland in 2019 as Head of Technology. He has a background in technology transfer having previously worked at the ADAPT Centre at Trinity College, Dublin, and the Walton Institute at South East Technology University, where he led commercialisation activities, while also guiding and supporting new venture creation and spinouts. He managed the Consumer Technology portfolio for IDA Ireland across New England and Eastern Canada. He also led corporate business development activity for Eishtec (an Irish start-up, acquired by Infosys) across the North American market. He holds a Master of Business in International Management from Southeast Technology University.

Classification: Green