State of Enterprise AI

THE AI VALUE GAP

September 2026

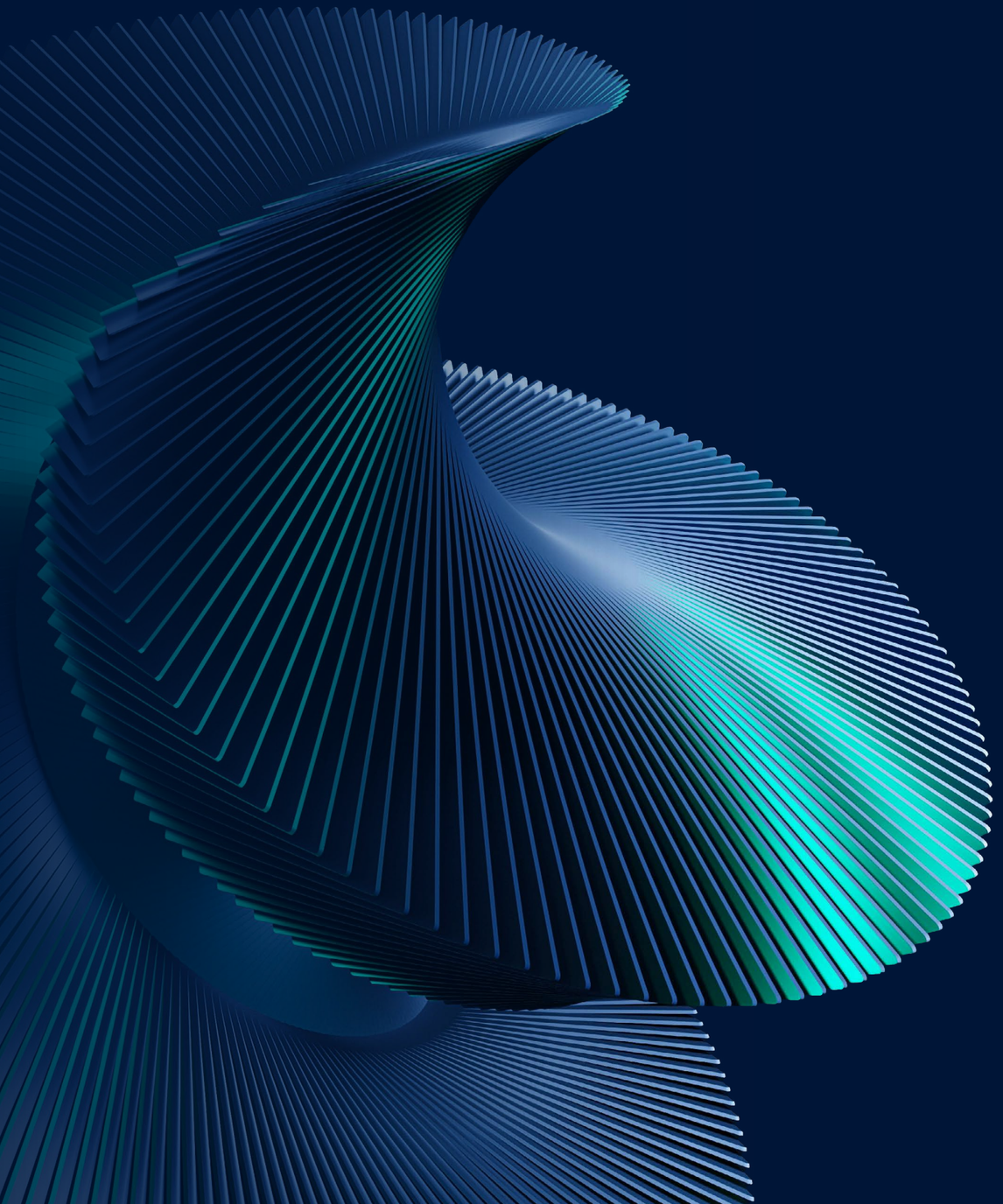


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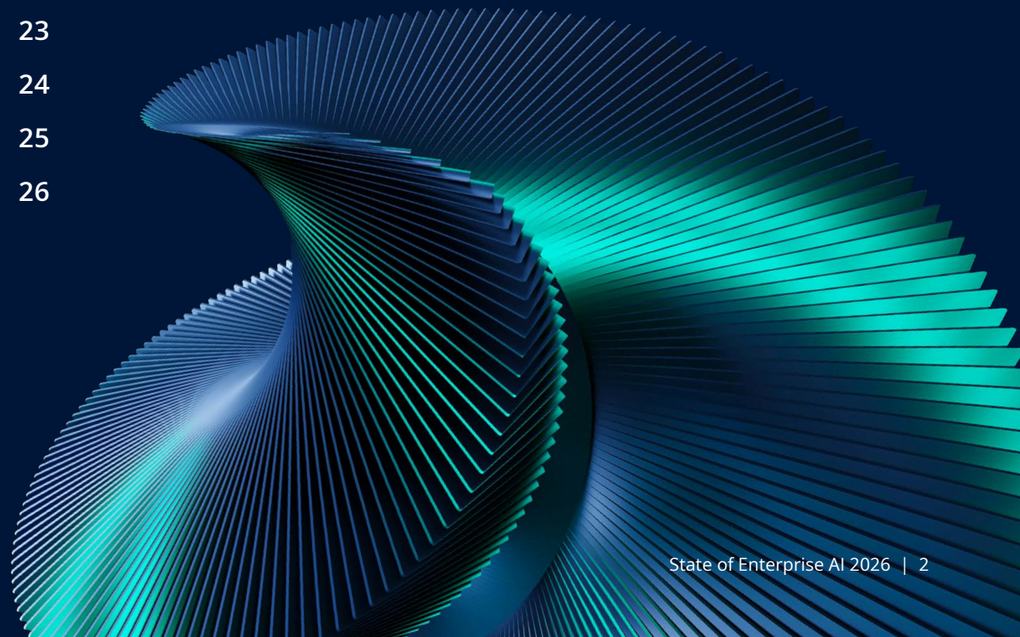
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Executive Summary

ISG's 2026 State of Enterprise AI report finds that AI is creating visible operational gains for many enterprises. However, it's not yet consistently producing business and financial value.

Enterprises are focused on using AI to add value in four areas: profitability, growth, quality and risk. However, companies are more often measuring operational impact and financial outcomes than they are measuring business outcomes. This suggests they are missing the link between the operational impact that is occurring and the financial value they expect to produce.

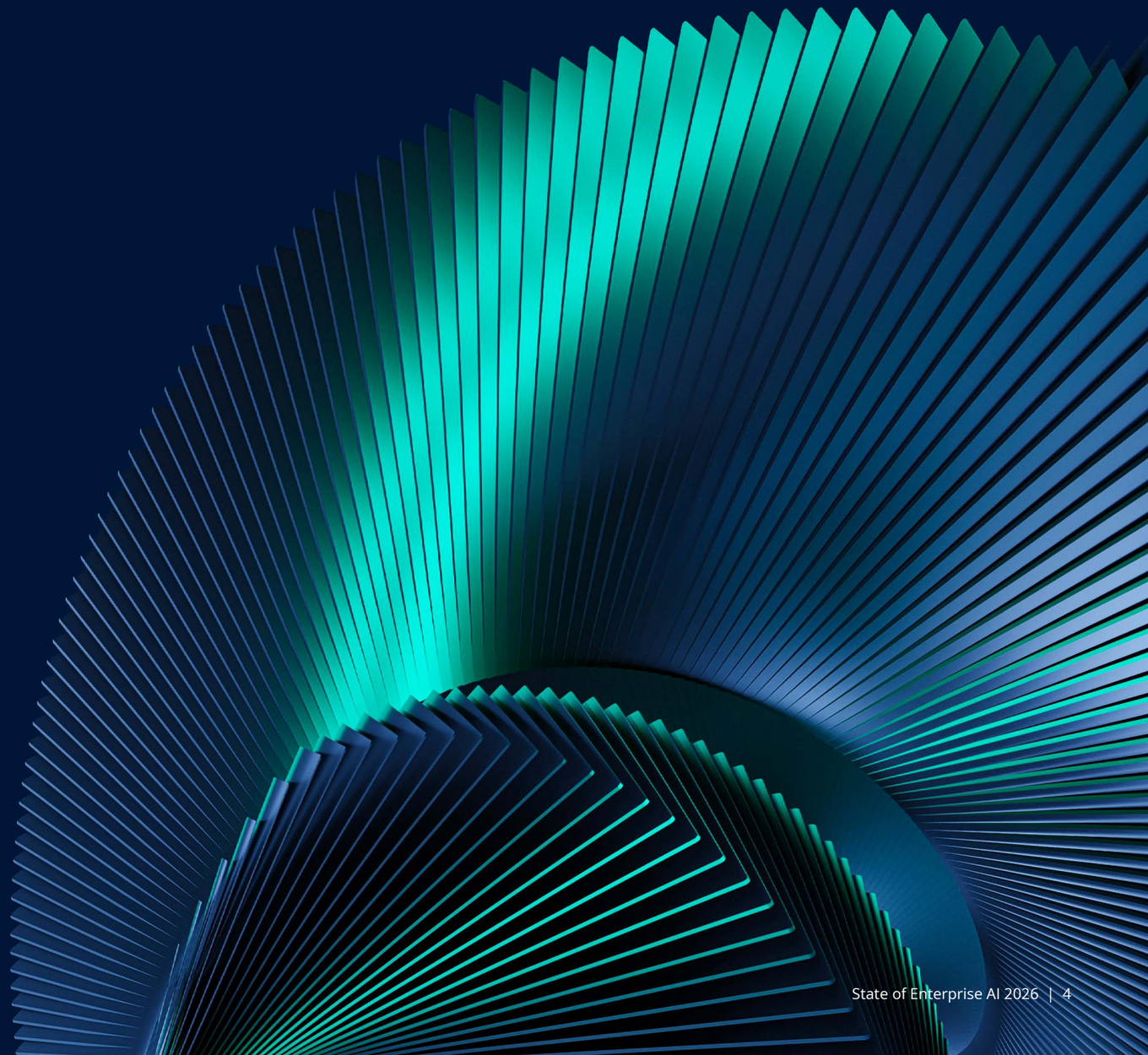
Our analysis show that AI value realization is not a linear journey from adoption to success. Organizations can be using AI extensively and experience very different outcomes: some are still trying to prove value, others are creating value while absorbing significant transformation friction, and others are realizing value more efficiently. The differentiator is an organization's ability to effectively convert AI into value while managing the technology, workforce and economic friction that comes with it.

To generate value from AI, enterprises need to modernize their data, simplify the technology stack, redesign the way employees work, clarify the economics of AI and set clear governance guardrails. These changes will help turn today's AI activity into tomorrow's measurable business and financial results.

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The AI Value Gap

> *Twelve months ago, we looked at AI from activity metrics. Such as number of pilots, use cases launched and adoption rates. Today we are seeing it differently with ROI, cost savings, labor savings and risk reduction.*
>
> **- Marketing Director, UK based CPG Firm**



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Enterprises Expect AI To Create Business-Focused Value

Outcomes cluster around four value intents: profitability, growth, quality and risk reduction.

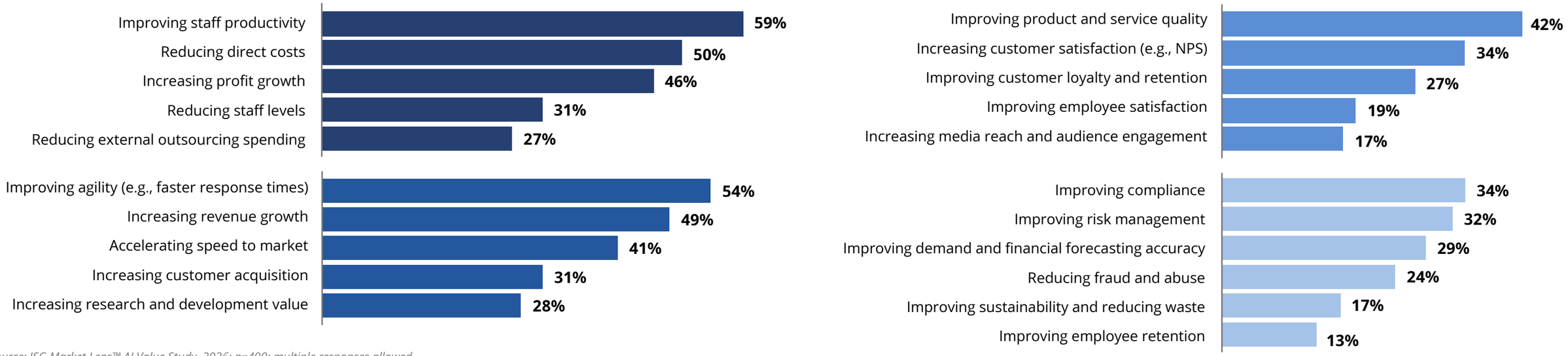
Organizations expect AI to improve many parts of the business. The most common outcomes are greater staff productivity (59% of respondents), greater agility (54%), lower costs (50%), revenue growth at (49%) and profit growth (46%).

We grouped these outcomes into four value intents: profitability, growth, quality and risk. Respondents could select more than one goal, so the value intents can overlap.

AI Value Intent: What enterprises want from their AI investments

- **Profit/ productivity** *(90% of organizations)*
- **Growth/ revenue** *(87% of organizations)*
- **Quality** *(75% of organizations)*
- **Risk reduction** *(67% of organizations)*

What are the key outcomes for your organization's AI initiatives in 2026?



Source: ISG Market Lens™ AI Value Study, 2026; n=400; multiple responses allowed

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But Organizations Are Not Consistently Measuring AI Against Business Outcomes

Responses indicate a missing link between AI's operational impact and the realized financial outcomes it is expected to produce.

Cost savings is the most common AI metric used to judge the success and ROI of AI initiatives, reported by 61% of respondents, followed by employee productivity by 53%. Revenue growth and profit growth measures are used by 45% and 40% of respondents, respectively.

Business outcome measures such as customer acquisition are used by 25% of respondents, customer retention by 22% and employee outcomes by 22%.

These results are an indicator that organizations have a measurement gap between the operational impact they are tracking and the financial outcomes they are seeking.

What metrics does your organization use to judge the success and ROI of its AI initiatives?



Source: ISG Market Lens™ AI Value Study, 2026; n=400; multiple responses allowed

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AI Is Everywhere Except in the Outcomes

AI is performing above expectations in functionality and adoption, but below expectations in business and financial outcomes.

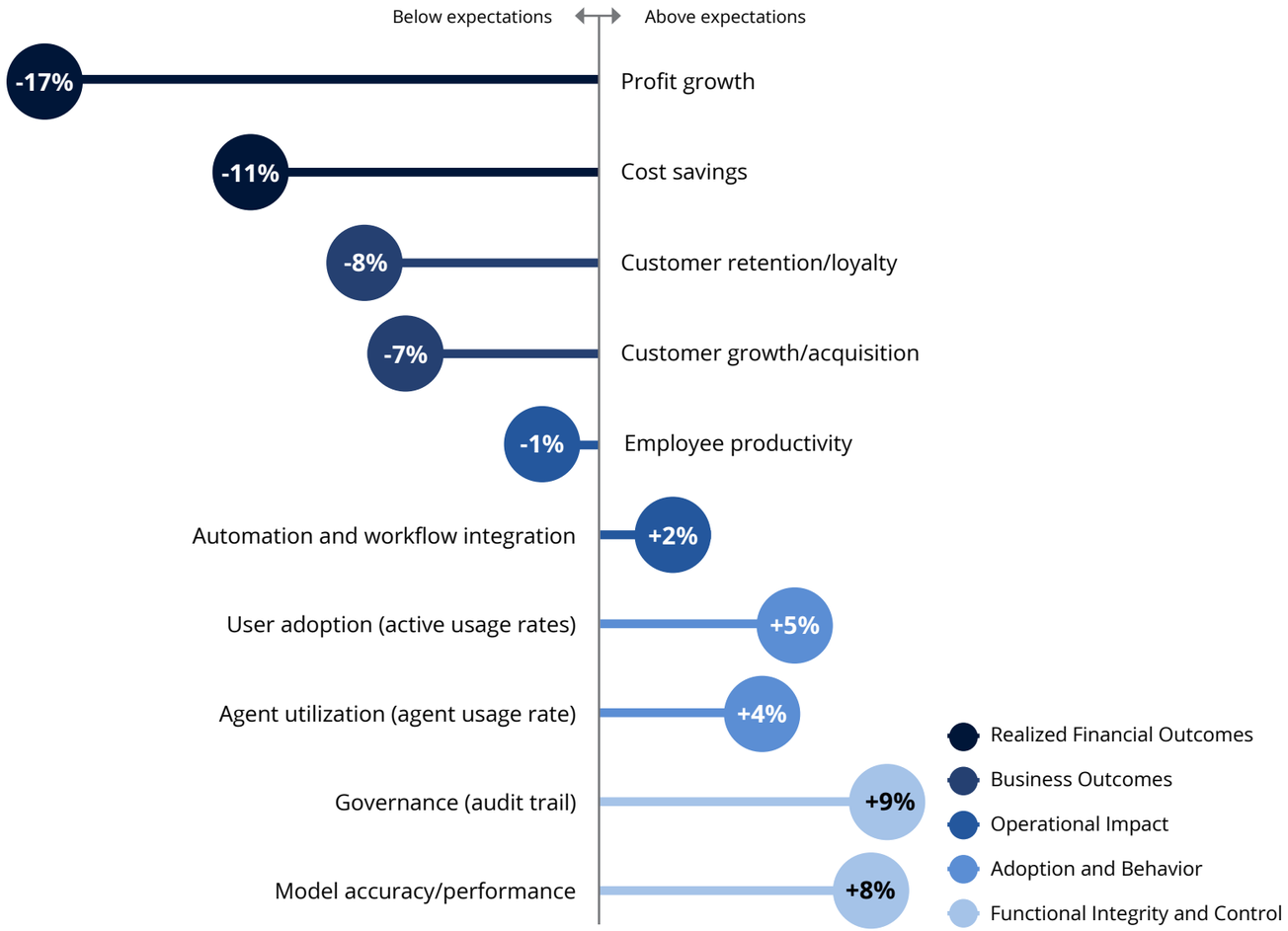
The five evidence levels in this chart show a progression from (1) functional integrity and control to (5) realized financial outcomes.

Performance is above expectations for most measures in the first two levels, while performance in operational impact (Level 3) is mixed. Importantly, organizations are finding AI is not increasing employee productivity as much as they expected.

However, performance is well below expectations for most business and financial measures, with revenue and profit growth performing the worst against expectations.

These results indicate that the technology of AI itself is working, and that employees are using it, but the operational impact – and that the downstream business and realized financial outcomes from this – are not yet materializing.

How would you rate your organization's current performance for each of the following metrics relative to those performance expectation goals as of today?



Source: ISG Market Lens™ AI Value Study, 2026; n=400; n varies for each metric, selected metrics shown; net rating (100 far below to +100 well above)

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Organizations' Experience With AI Reveals Three Archetypes

The AI value archetypes classify organizations by value realization and transformation friction.

Value Seekers

36% of sample

AI is in use but has yet to translate into meaningful business value.

16% Believe AI investment has been worthwhile

37% Say time saved from AI has been offset by a new AI oversight burden

Biggest challenge: ROI

Value Warriors

29% of sample

AI has produced value, but by pushing it deeper into the organization, AI is causing transformational friction.

63% Believe AI investment has been worthwhile

72% Say time saved from AI has been offset by a new AI oversight burden

Biggest challenge: Skills & Talent

Value Realizers

35% of sample

AI has produced greater value compared to other archetypes by scaling it with less friction.

85% Believe AI investment has been worthwhile

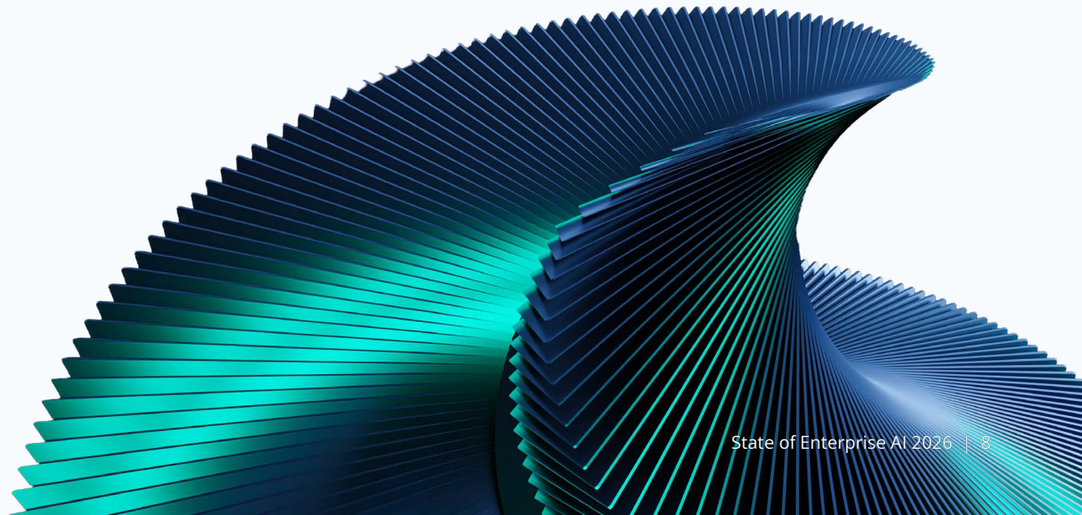
16% Say time saved from AI has been offset by a new AI oversight burden

Biggest challenge: Data quality

All three archetypes report similar AI priorities and value intents, with profit and growth ranking highest across the groups. However, the groups differ in the value they measure, the performance they report and the friction they experience.

Value Seekers report low or unproven value. **Value Warriors** report greater value with higher friction. **Value Realizers** report the highest value with less friction. Achieving an acceptable ROI is the leading value-realization challenge for **Value Seekers**, suggesting many are still trying to establish the fact that AI produces sufficient business value.

Skills and talent gaps are the top challenges among **Value Warriors**, while data quality and availability are the greatest challenges for **Value Realizers**.



Source: ISG Market Lens™ AI Value Study, 2026; n=400. AI Value Archetypes segment organizations by their current AI experience. Principal Component Analysis (PCA) and a clustering analysis was used to identify the underlying factors that explained the main patterns in respondents' attitudes and behaviors

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AI Value: Budgets & Spending

> *Currently managing token costs dwarfs all other metrics. As the subsidy decreases for compute at the closed frontier labs, the ballooning cost structure has a natural shelf life that needs to balance out. We need better tooling.*
>
> **- VP, Data & Analytics, US Financial Services Firm**



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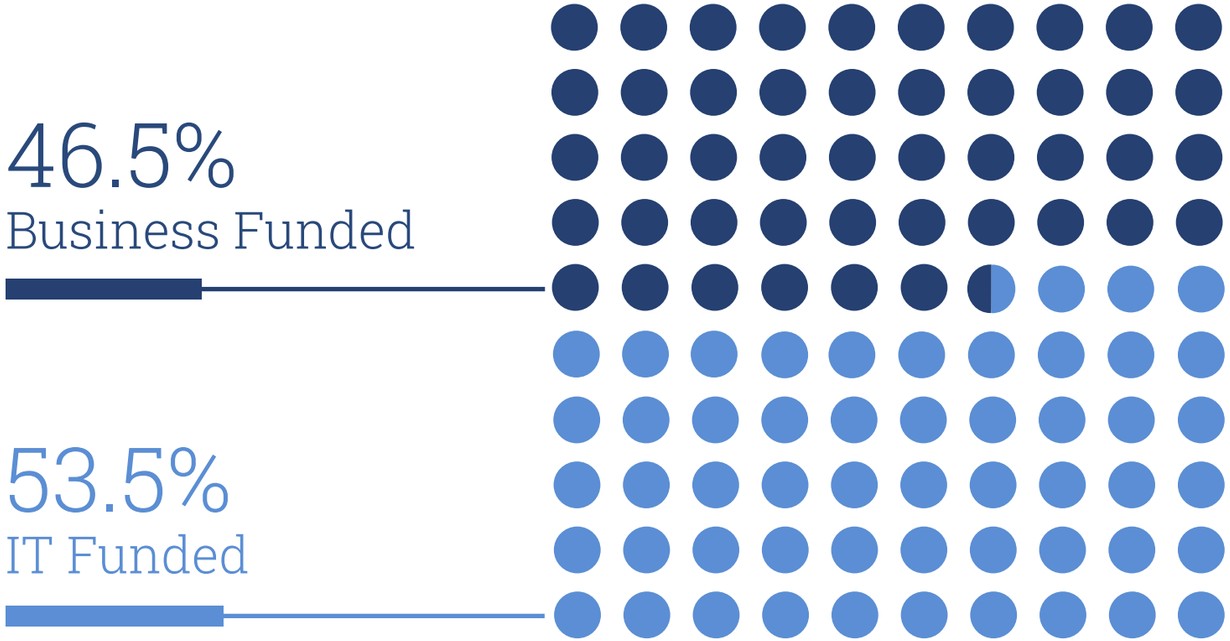
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AI Investment Is Not Confined to the IT Budget

Business units fund nearly half of reported AI initiatives.

What proportion of your organization's AI initiatives budget is funded by IT, and what part is covered by business units?



What is your organization's annual budget for AI initiatives across the organization for 2026?

Annual AI Budget

0.24%
Of Revenue

Source: ISG Market Lens™ AI Value Study, 2026; n=400
Based on midpoints from ranges

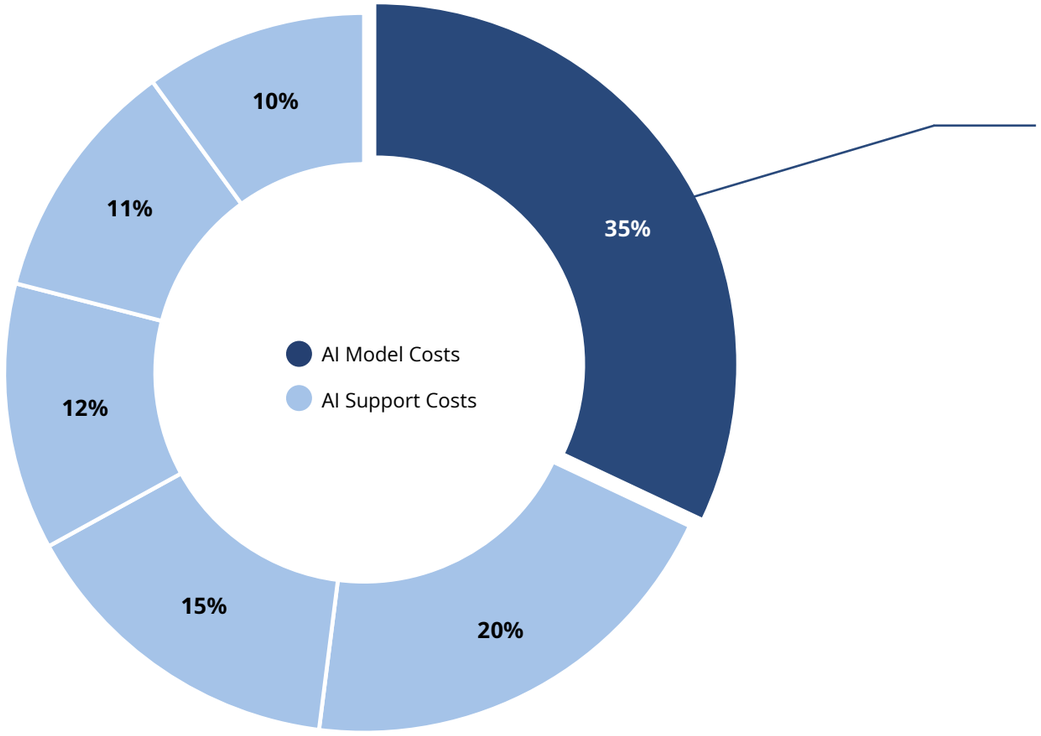
In 2026, the average AI budget for an organization is 0.24% of its annual revenue.

IT funds just over half of AI initiatives, while business units fund just under half. AI investment now extends beyond the technology budget and into the business functions expected to use it.

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Model Costs Are Only One-Third of AI Investment

The remaining costs support the deployment, operations and adoption of AI.



How does your organization's investment in AI initiatives break down into the following areas?

- 35% AI platforms & technology
- 20% Data and integration
- 15% Managed services and consulting
- 12% AI training
- 11% AI governance
- 10% Transformation and change management

AI model costs account for approximately one-third of reported AI costs.

The remaining costs go toward technology that support the deployment, operations and adoption of AI, such as services from external providers, training, governance and workforce transformation.

AI investment therefore extends well beyond technology and across both IT and business budgets.

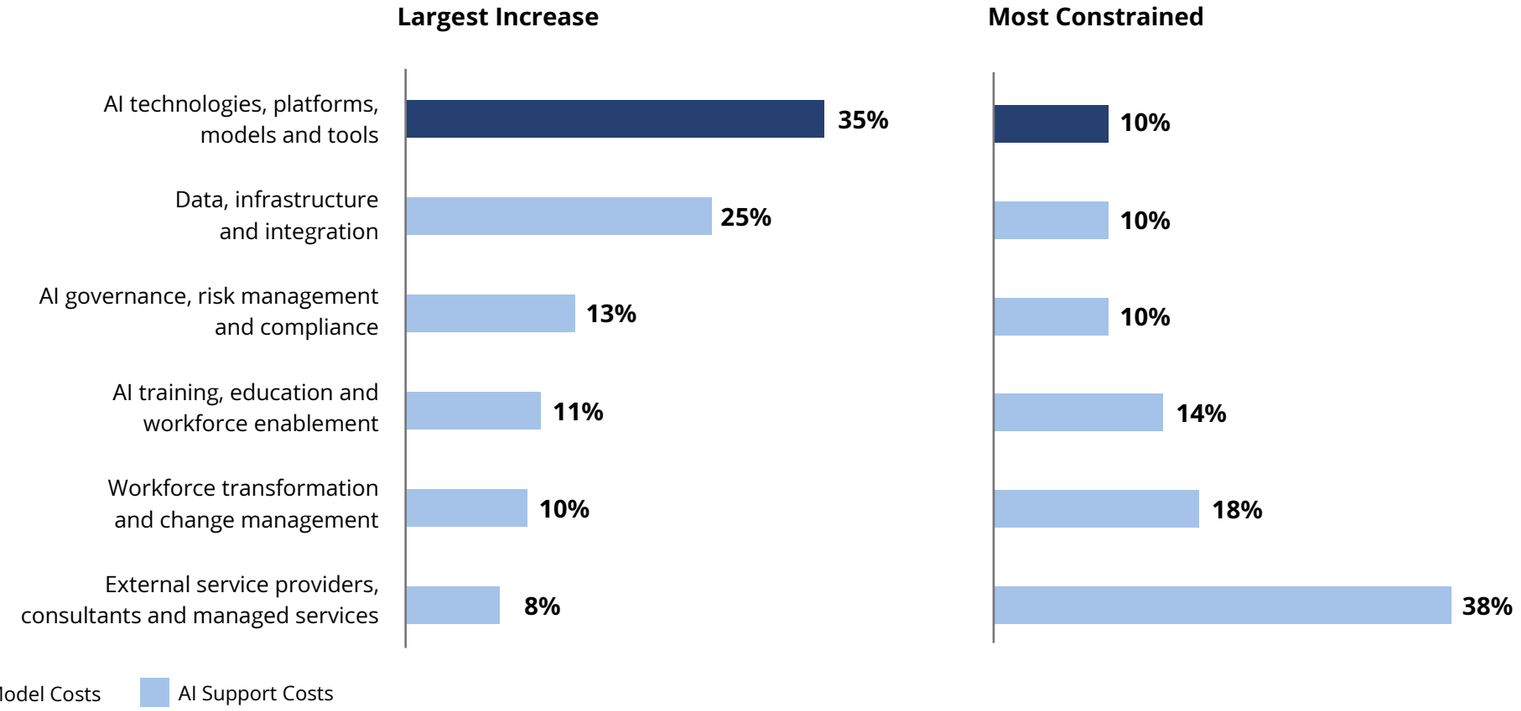
Source: ISG Market Lens™ AI Value Study, 2026; n=400.

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Budgets for AI Platforms and Tech Will Increase

Budgets that support AI training, workforce transformation and external support will see constraints.

Over the next 12 months, which of the following areas do you expect to receive the largest increase/ to be the most constrained in AI-related investment?



Over the next 12 months, 35% of respondents expect to see the largest budget increases go toward AI models, followed by data, infrastructure and integration, indicated by 25% of respondents.

Services is the area most often identified to be budget constrained, reported by 38% of respondents. Workforce transformation and change management show a similar pattern, with 18% indicating these areas of the budget will be constrained.

Therefore, budget increases over the next 12 months will be weighted toward the technical foundation of AI, while budgets to support AI training and workforce transformation will face pressure.

Source: ISG Market Lens™ AI Value Study, 2026; n=400

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Token Usage Leads the List of AI Cost Management Challenges

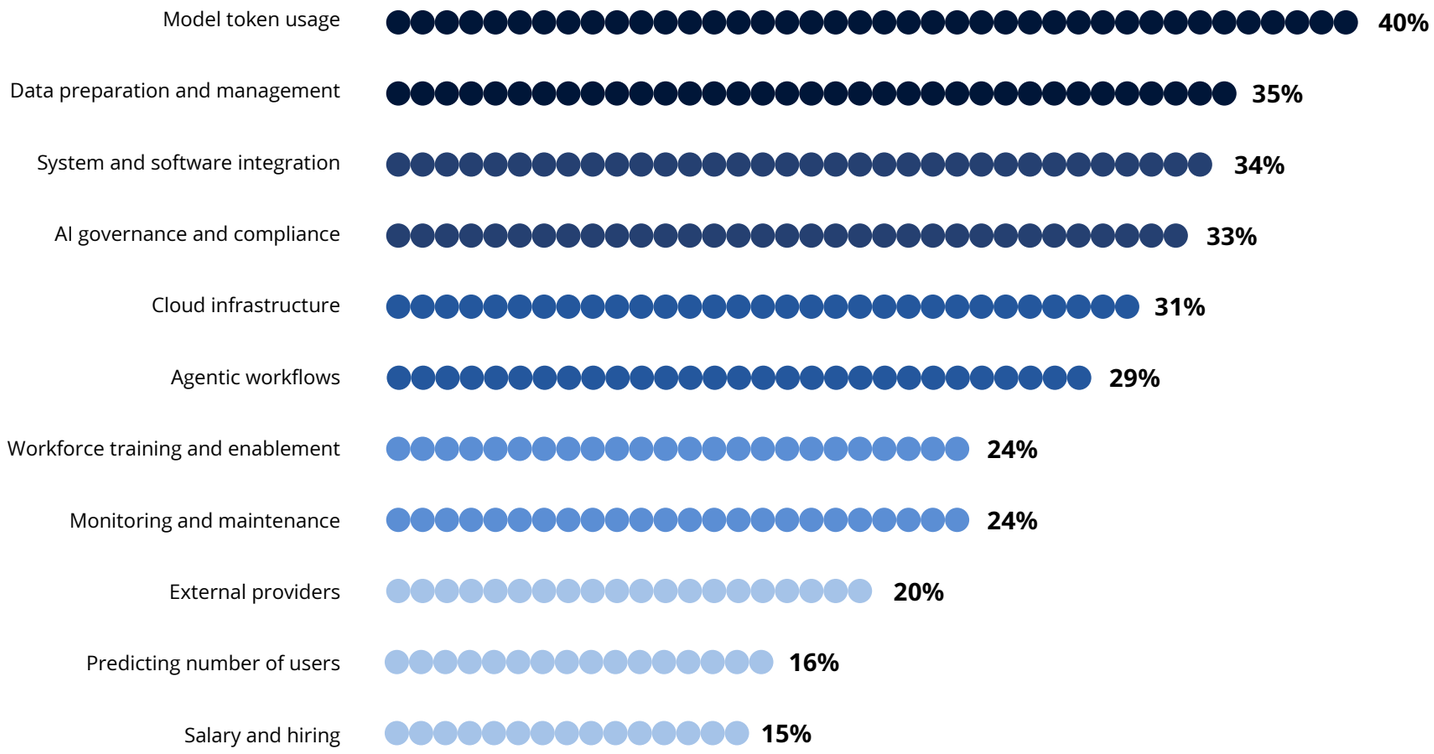
Token-based AI costs don't translate directly into time saved, the traditional measure of productivity value.

Model token usage is the AI cost that organizations find hardest to predict and manage, cited as a top-three challenge by 40% of respondents.

Traditional work is often valued via time spent. However, AI cost is driven by token consumption, which does not convert directly into time. This makes it harder to compare AI work with non-AI work or establish the value of an AI process before it runs in production.

Organizations therefore need to run AI in production to determine how much time AI saves. And, according to our study, the evidence to date is that productivity improvements are not yet meeting expectations.

In which of these areas have costs relating to AI been hardest for your organization to predict and manage?



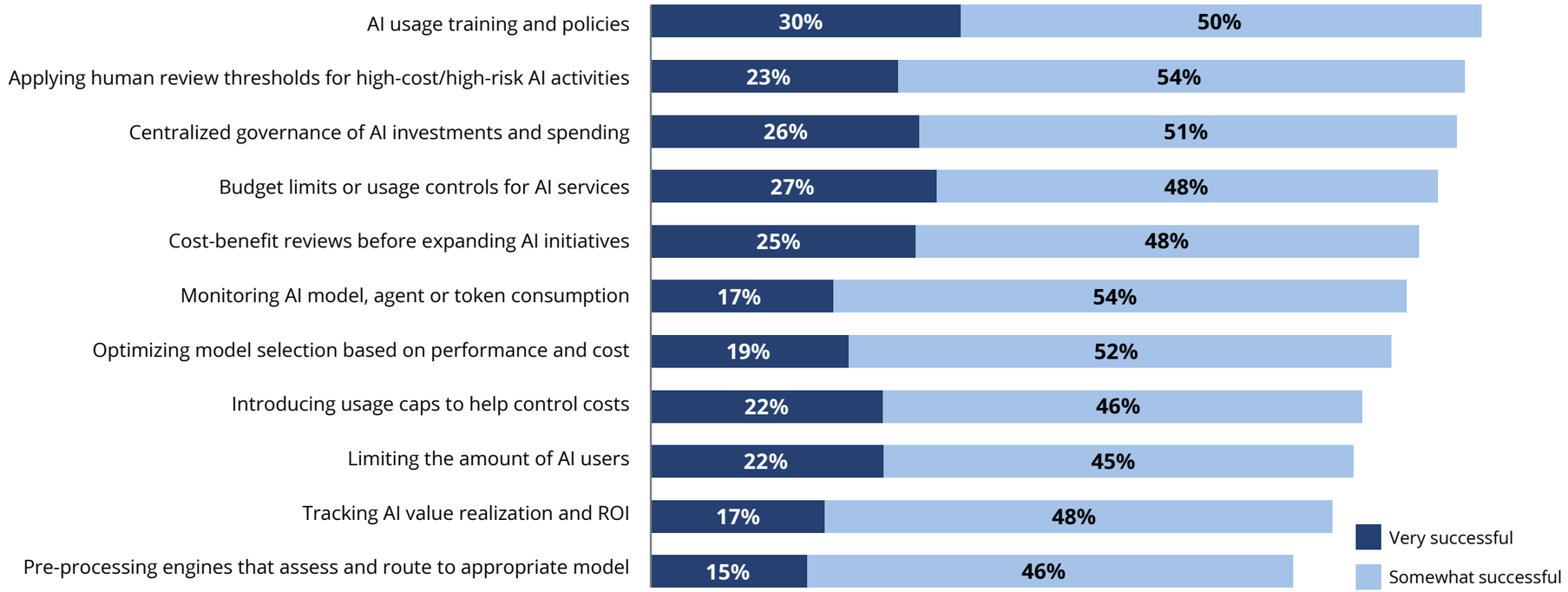
Source: ISG Market Lens™ AI Value Study, 2026; n=400. Sum of top three mentions shown

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Training and Policies Are Reported as The Most Successful Ways to Manage AI Costs

Strong cost controls and technical monitoring shape usage.

How successful has your organization been at using the following approaches to manage AI costs?



Training and policies have the highest combined success rating at managing AI costs. Eighty percent of respondents rate their organization as somewhat or very successful using this approach to manage AI costs.

Human review thresholds and centralized governance follow at 77% each. Budget limits or usage controls reach 75%, and cost-benefit reviews reach 73%. Monitoring model, agent and token consumption also receives a strong success rating at 71%.

The results indicate that the strongest results for cost management come from controls that shape usage and from technical monitoring.

Source: ISG Market Lens™ AI Value Study, 2026; n =400. Percentage shown very/ somewhat successful

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Archetypes Have Similar AI Investments but Different Cost Challenges

Cost-management challenges and controls vary across the archetypes.

Value Seekers

0.18%

Revenue on average of Annual AI Budget

Top 3 Cost Management Approaches

1. AI usage training
2. Centralized governance
3. Limiting number of AI users

Value Warriors

0.31%

Revenue on average of Annual AI Budget

Top 3 Cost Management Approaches

1. Human-review thresholds
2. AI usage training
3. Monitoring consumption

Value Realizers

0.23%

Revenue on average of Annual AI Budget

Top 3 Cost Management Approaches

1. Human-review thresholds
2. Centralized governance
3. AI usage training

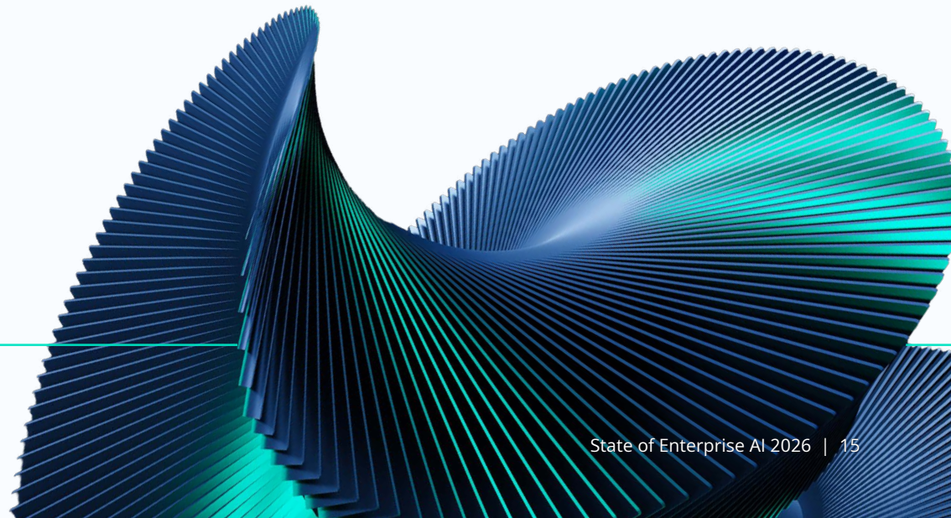
Findings indicate that similar investment priorities produce different levels of value and friction, suggesting outcomes depend less on allocation than on how investments are governed and operationalized.

Cost pressures reflect each archetype's position. **Value Warriors** face the demands of scaling, ranking governance and compliance first and agentic workflows second.

Value Realizers face sustained-use economics, with token consumption their leading cost challenge.

Management approaches follow the same pattern: **Value Seekers** emphasize training, policies and limiting access; **Value Warriors** combine human-review thresholds with training and consumption monitoring; and **Value Realizers** prioritize targeted review of high-cost or high-risk activities

Source: ISG Market Lens™ AI Value Study, 2026; n=400. AI Value Archetypes segment organizations by their current AI experience. Principal Component Analysis (PCA) and a clustering analysis was used to identify the underlying factors that explained the main patterns in respondents' attitudes and behaviors



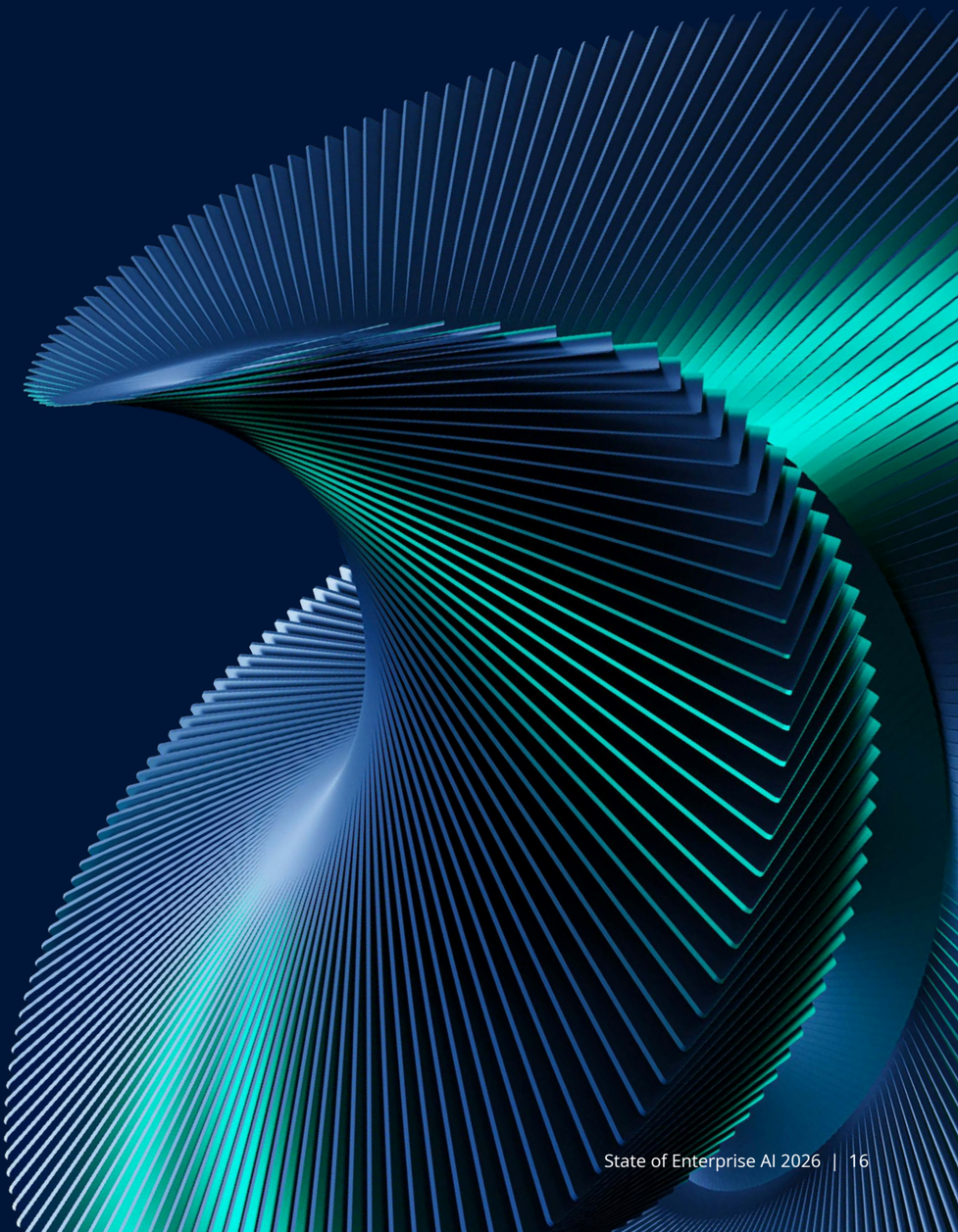
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AI Value: The Tech Stack

> *AI implementation is forcing us to retire legacy applications and tools, as well as consolidate a highly disparate tech stack across our enterprise technology estate.*
>
> **- Chief Executive Officer, UK Insurance Firm**

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AI Is a Forcing Function to Modernize the Tech Stack

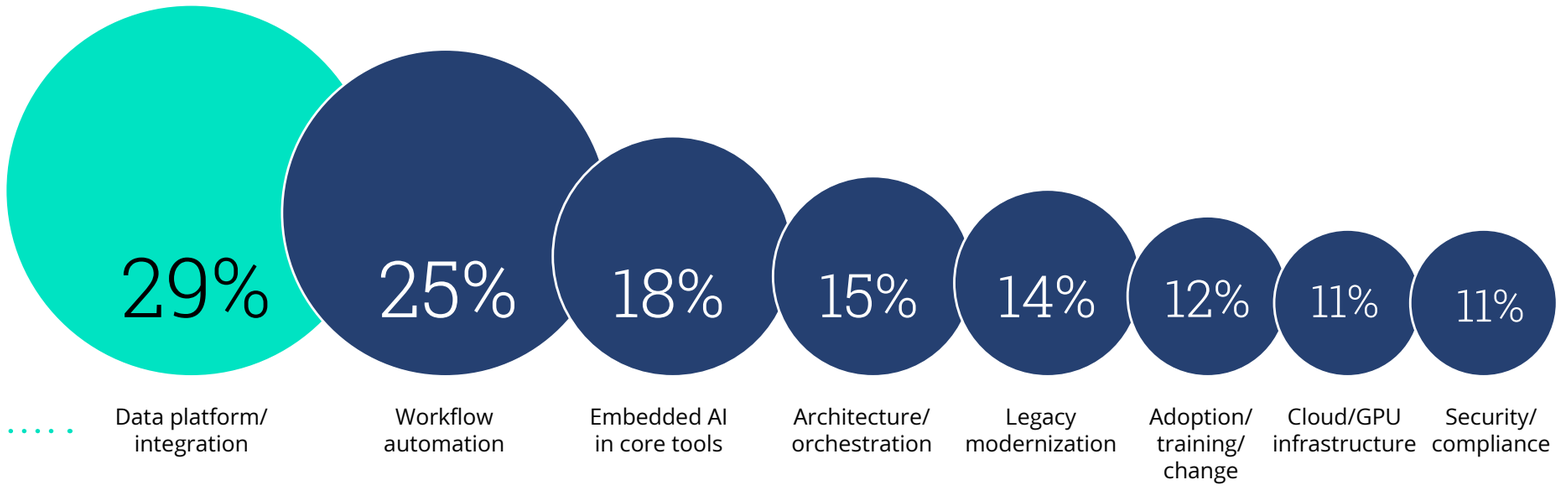
Organizations are starting with the data foundation and extending change across enterprise systems.

Respondents describe AI as a change to the wider technology environment, not a stand-alone model deployment. However, data platform and integration emerge as the areas that are being most impacted by AI. Many respondents describe migrations to cloud data warehouses, centralized data lakes, transformation layers and data mesh/AI hubs to enable RAG, vector DBs and LLM access.

As a COO of a European Entertainment and Media company said:

> *AI has pushed us to rebuild the data layer first. We moved from a legacy operational database and spreadsheets to a cloud analytical warehouse with a version-controlled transformation layer, so models run on consistent data across operating companies.*
>
> **- COO, European Entertainment and Media company**

How is AI impacting the technology stack in your specific business unit or functional area?



Source: ISG Market Lens™ AI Value Study, 2026; n=400; Themes coded from open-ended responses; responses could include multiple themes; not all responses shown

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The Tech Stack Is Also Limiting AI Value

Lack of data quality, security and IP concerns, and tech debt are slowing value creation with AI.

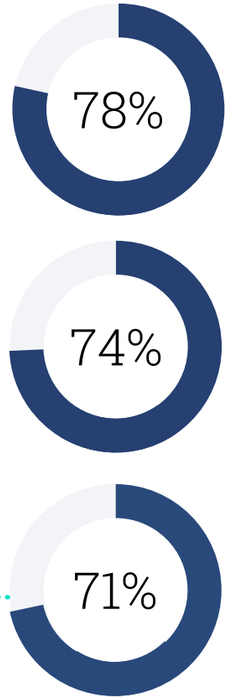
Respondents report data availability, quality and consistency as the leading barrier to AI value. Seventy-eight percent of respondents say it either blocks value or limits their ability to realize it.

Security, privacy and governance follow. Respondents are reporting the need for new AI governance boards, LLM gateways, strict data access controls, and enhanced monitoring to manage agents, data sovereignty and regulatory requirements.

Technology debt and legacy applications are also limiting value. As a CMO for a European Medical Device Manufacturing company said:

> *Our legacy tools and data infrastructure limit the adoption and leverage that AI could provide.*
>
> **- CMO, European Medical Device Manufacturing**

To what extent have the following technology-related domains limited your organization's ability to realize business value from AI?



1. Data availability, quality and consistency
78% say it limits AI value

2. Security, privacy and governance of AI systems
74% say it limits AI value

3. Tech debt and legacy applications
71% say it limits AI value

Source: ISG Market Lens™ AI Value Study, 2026; n=400; Percentage selecting "barrier to get value" or "limiting our ability to get value; top 3 responses shown

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There Is Significant Work Ahead to Make Enterprise Applications Accessible to AI Agents

Agent-readiness priorities are spread across process, technology and governance.

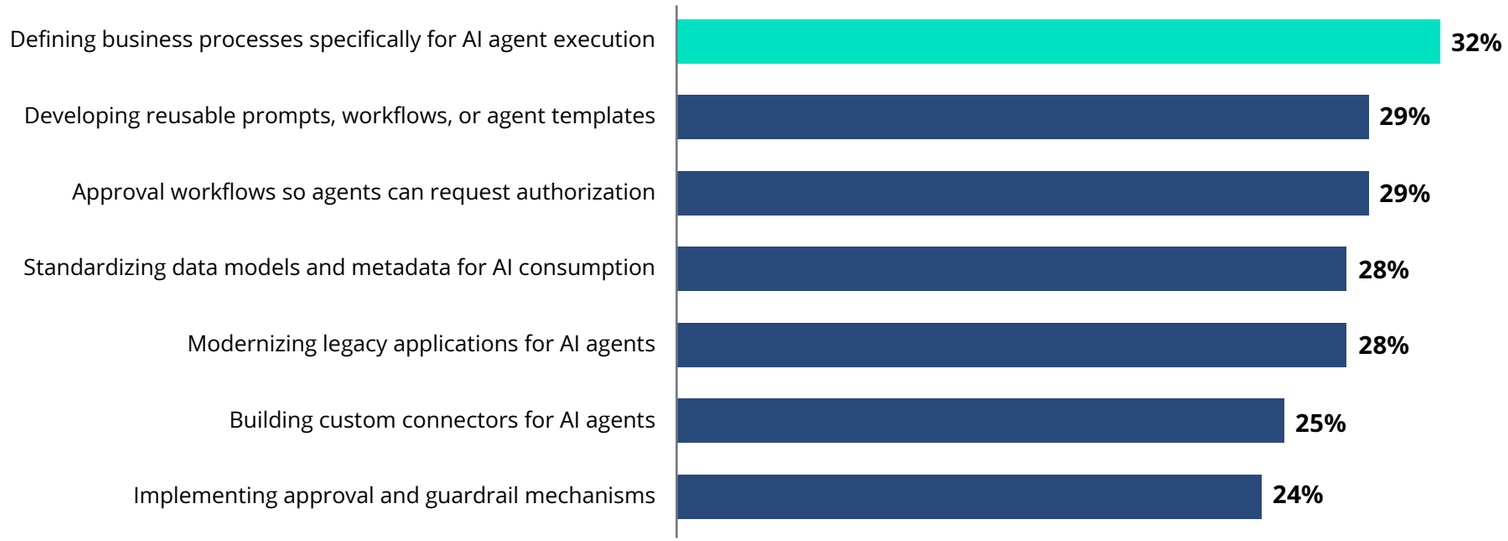
Findings indicate that, as of yet, there is no common roadmap to ensure enterprise applications are available to AI agents.

Even the most common actions, defining agent-ready business processes and developing reusable agent components, are prioritized by a third of organizations.

Governance foundations show similar gaps. Only 29% of respondents say they prioritize authorization workflows that allow agents to request approval, while just 24% prioritize approval and guardrail mechanisms.

The findings suggest that most enterprises are not yet building the coordinated governance, process and technology foundations required for agents to operate at scale.

Which of the following steps is your organization prioritizing to make enterprise applications accessible to AI agents?



Source: ISG Market Lens™ AI Value Study, 2026; n=400; Sum of top three mentions shown; not all responses shown

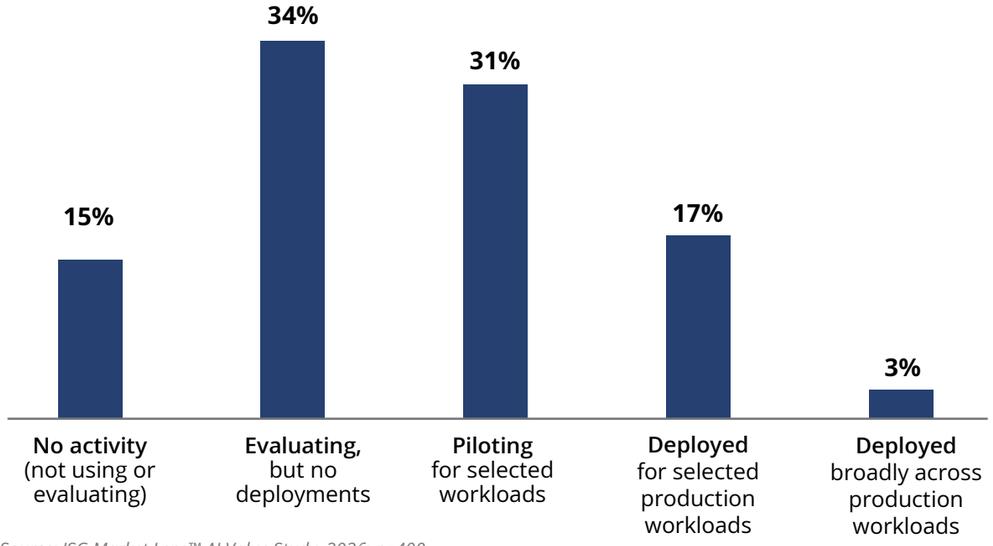
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Use of Local AI Models Is Nascent but Shows Signs of Growing

Organizations are using local models where control, cost and predictability are important.

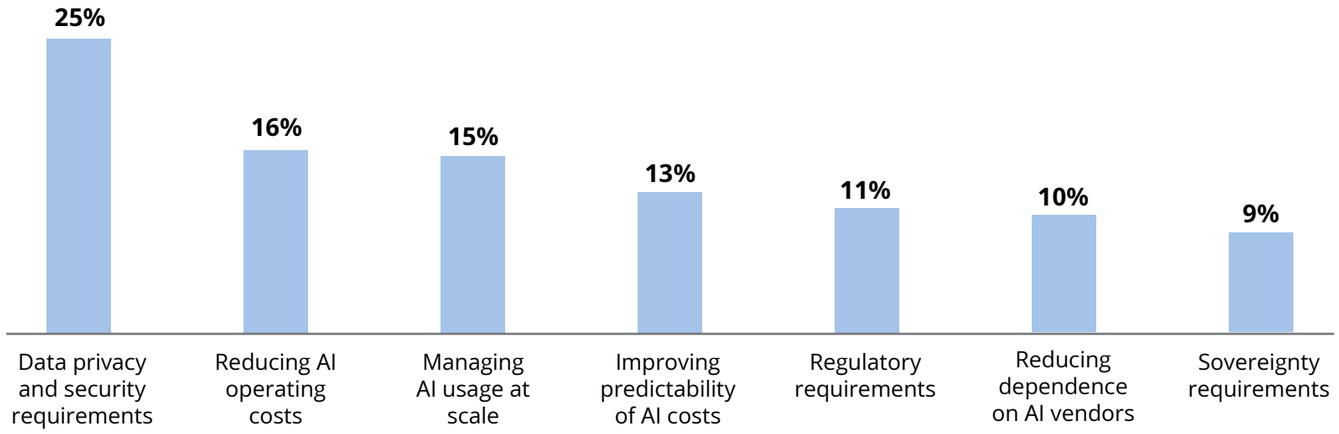
Most organizations are evaluating or testing local and self-hosted models. Thirty-four percent of respondents are evaluating them, and 31% are piloting them for selected workloads. Among organizations using or considering these models, governance is a central driver. Nearly half cite data privacy and security, regulatory requirements or sovereignty requirements as their primary reason for considering local models. This suggests that enterprises increasingly view model deployment as a governance decision, by using local environments where sensitive data, regulatory obligations or the need for greater operational control make reliance on frontier AI services less suitable.

To what extent is your organization using or evaluating locally deployed or self-hosted AI models as an alternative or complement to frontier AI services?



Source: ISG Market Lens™ AI Value Study, 2026; n=400

What is the primary reason for using or considering usage of those locally deployed or self-hosted AI models?



Source: ISG Market Lens™ AI Value Study, 2026; Base: all using/considering local models (n=365).

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Archetypes Show How AI Can Outgrow the Tech Stack

Friction can grow as AI starts delivering value.

Value Seekers

41.2% of AI-enabled work **is already AI-led**

10.7% of work expected to be **fully autonomous** by 2027

Core tech stack constraints

79% IT architecture complexity

75% Tech debt/legacy apps

58% Infrastructure capacity

Value Warriors

48.4% **HIGHEST** of AI-enabled work **is already AI-led,** highest of the three archetypes

16.1% **HIGHEST** of work expected to be **fully autonomous** by 2027, **also highest**

Core tech stack constraints

77% IT architecture complexity

73% Tech debt/legacy apps

59% Infrastructure capacity

Value Realizers

45.6% of AI-enabled work **is already AI-led**

12.9% of work expected to be **fully autonomous** by 2027

Core tech stack constraints

60% IT architecture complexity

65% Tech debt/legacy apps

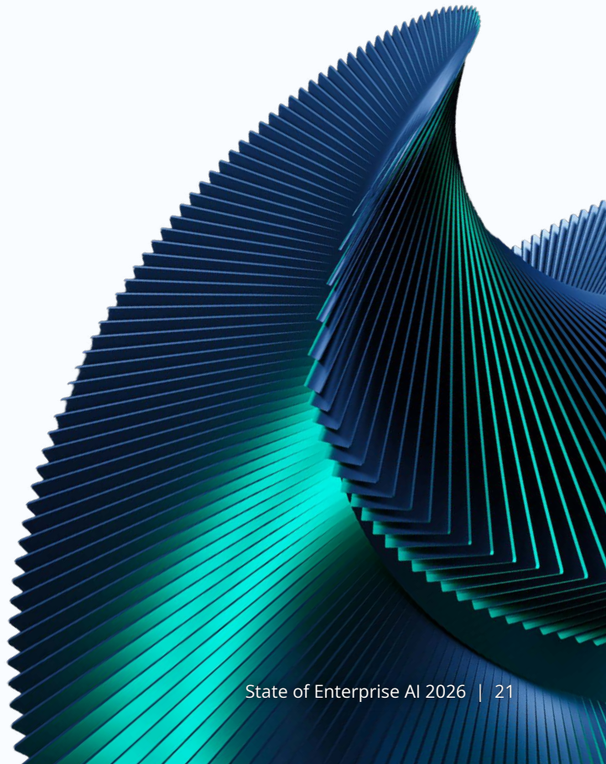
38% Infrastructure capacity

Data quality/availability limits value for all three archetypes, however, when it comes to the core enterprise tech stack, **Value Warriors** show marked differences compared to **Value Realizers**.

Value Warriors are 17 percentage points more likely to cite IT architecture complexity, eight points more likely to cite technology debt and 21 points more likely to cite infrastructure capacity. **Value Seekers** face similarly high technology constraints but have yet to demonstrate comparable value.

Value Warriors expose the gap between successful AI use cases and an enterprise stack capable of supporting them, suggesting that technology friction does not necessarily precede value realization, but it can intensify as organizations extend successful AI use cases into more workflows.

AI at scale ultimately requires the enterprise (not only the AI) to become ready. The shift is from proving individual use cases to creating an operating environment in which value can be reproduced across workflows, functions and business units.

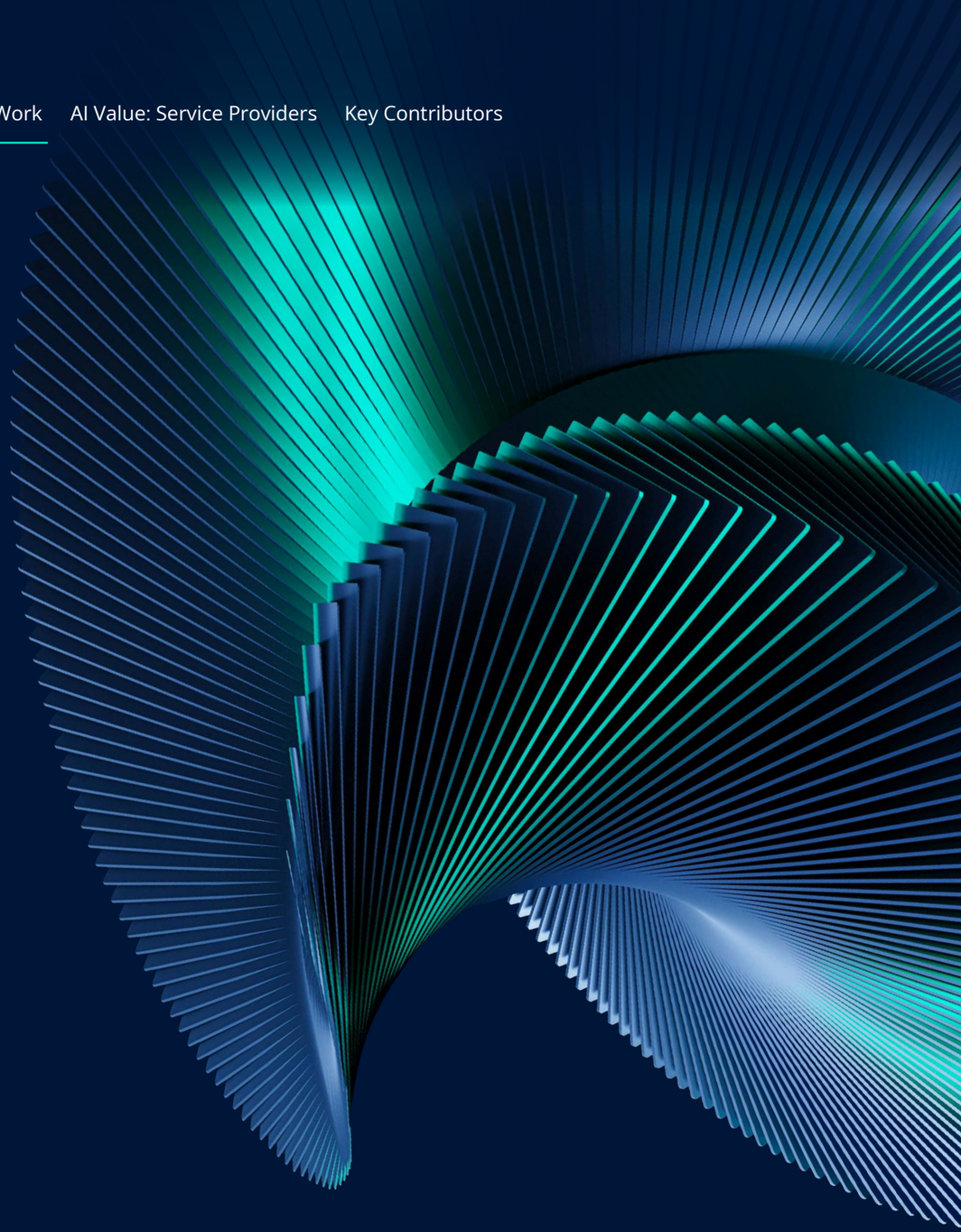


Source: ISG Market Lens™ AI Value Study, 2026; n=400. AI Value Archetypes segment organizations by their current AI experience. Principal Component Analysis (PCA) and a clustering analysis was used to identify the underlying factors that explained the main patterns in respondents' attitudes and behaviors

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AI Value: People & Work

> *The operating model is also shifting towards smaller teams using AI to increase output, accelerate decision-making and automate repetitive workflows.*
>
> **- Marketing Director, Canadian Financial Services Firm**



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AI Is Already Impacting the Way Work Gets Done

AI's strongest workforce impacts to date are improved decision-making and new AI roles.

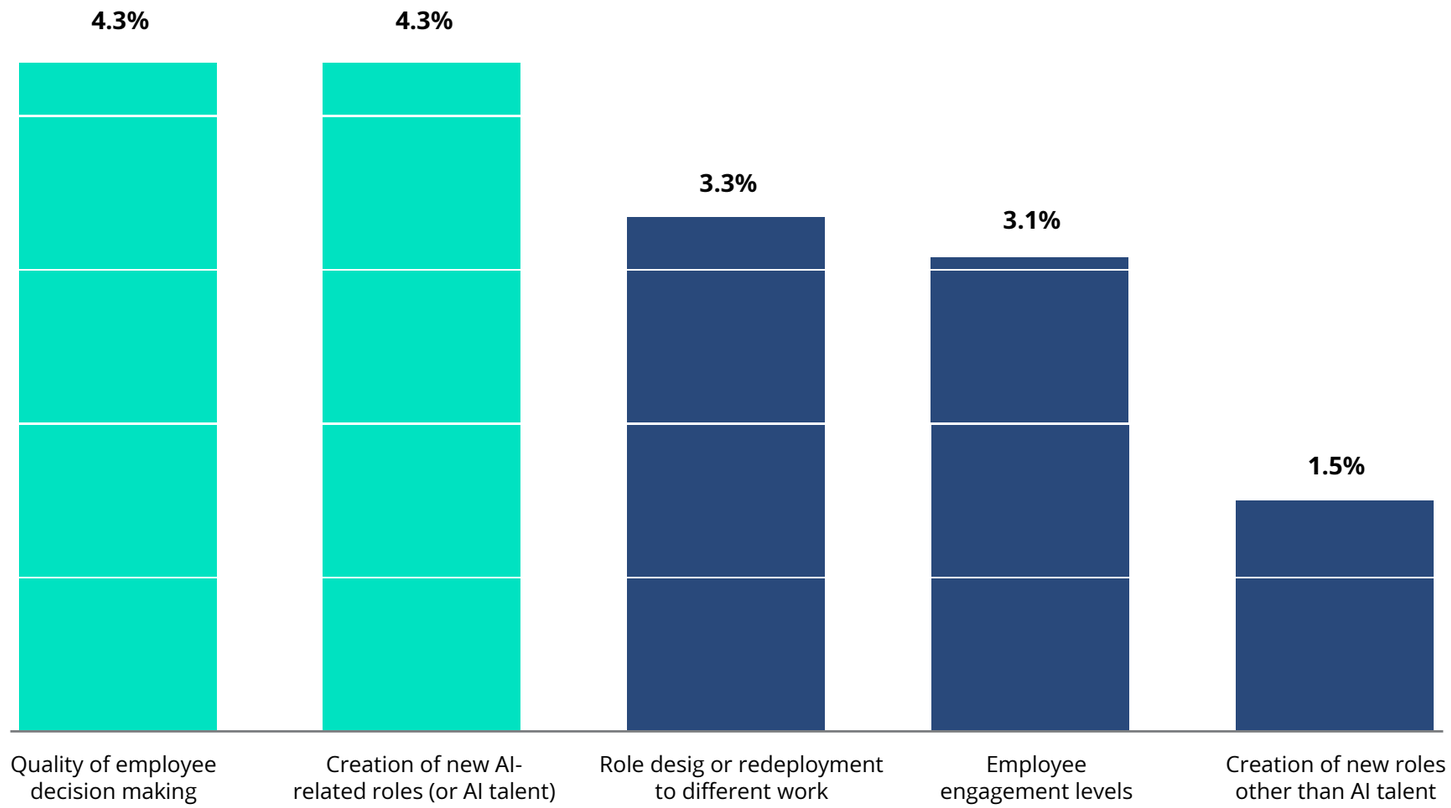
Quality of employee decision-making and the creation of AI-related roles show the strongest reported changes, followed by role redesign or redeployment increase and employee engagement.

AI is impacting how decisions get made, how roles are defined and what skills organizations need. In addition, work is beginning to shift toward roles that help employees manage AI and its context.

The value of this shift will depend heavily on the creation of a new operating model where employees will need the context and skills to understand, validate and act on AI output.

In this new model, employees – even junior ones will manage agents and their context.

What level of workforce-related changes has your organization already experienced as a direct result of AI initiatives?



Source: ISG Market Lens™ AI Value Study, 2026; n=400; Means shown from mid-points of ranges; Not all responses shown

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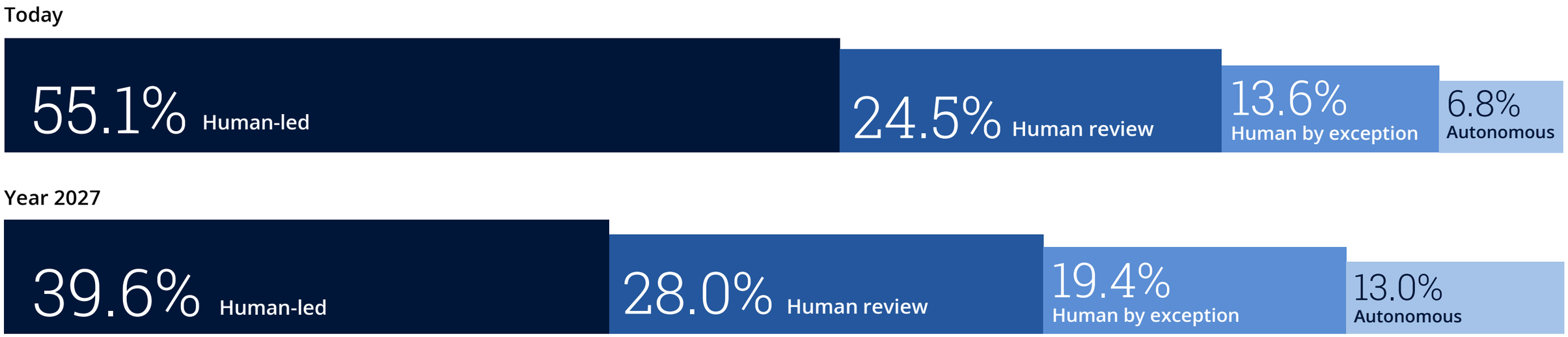
As New AI Roles Emerge, the Division of Work Will Change

Work will increasingly be AI-led, while people manage context and exceptions.

Today, of all AI-enabled work, 55.1% on average is still led by humans. By year-end 2027, respondents expect that share to fall to 39.6%. Over the same period, work performed mostly by AI with human oversight by exception is expected to rise from 13.6% to 19.4%. Fully autonomous work is expected to rise from 6.8% to 13.0%.

Employees will increasingly focus on managing context and exceptions. This means that the role of the human employee becomes less about completing every task and more about managing the conditions in which AI performs the work.

What percent of AI-enabled work falls into each of the following categories today, and what do you expect this to be by year-end 2027?



Source: ISG Market Lens™ AI Value Study, 2026; n=400; Mean averages shown

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AI Is Shifting From a User Tool to Process Infrastructure

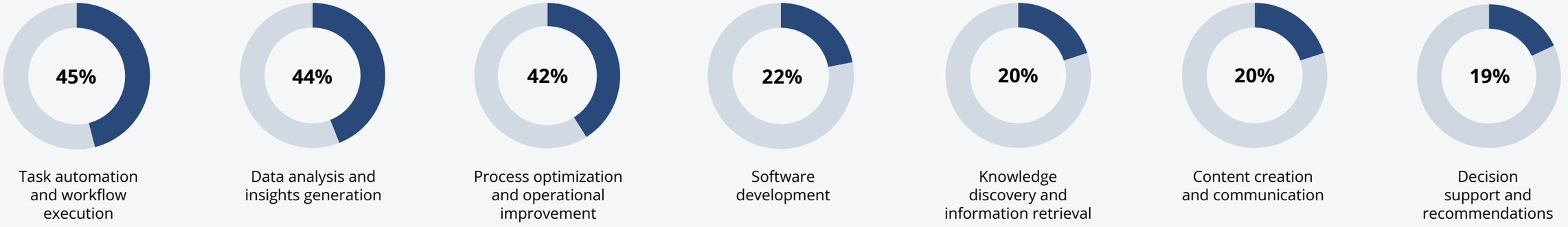
When AI supports the workflow, validation is embedded in doing the work instead of becoming another layer of work.

Task automation and workflow execution, data analysis and insights generation and process optimization and operational improvement lead the AI uses respondents selected for highest value over the last 12 months.

These workflow-centered uses help explain the changing division of work. As AI takes on more of the workflow, a validation bottleneck can emerge: AI produces work faster than employees can review and approve it. Employees then spend time checking output, supplying missing context and deciding what can be used.

Higher-value uses place AI inside the workflow, where it monitors information, gathers context and surfaces a bounded issue for a person to assess. Validation stays within the work, while employees focus on judgment.

Which AI objectives have generated the most value for your organization over the past 12 months?



Source: ISG Market Lens™ AI Value Study, 2026; n=400; Sum of top three mentions shown; not all responses shown.

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AI Is Already Driving Workforce Redesign but Not Every Transformation Is Equally Efficient

All three groups expect providers to show measurable business contribution.

Value Seekers

44% report workforce reductions

47% are increasing role redesign

Other workforce changes

+2.6% Decision-quality

+0.7% Engagement

-0.6% Work effort

Value Warriors

35% report workforce reductions

61% are increasing role redesign

Other workforce changes

+4.9% Decision-quality

+3.3% Engagement

-2.1% Work effort

Value Realizers

HIGHEST

48% report workforce reductions

HIGHEST

65% are increasing role redesign

Other workforce changes

+5.7% Decision-quality

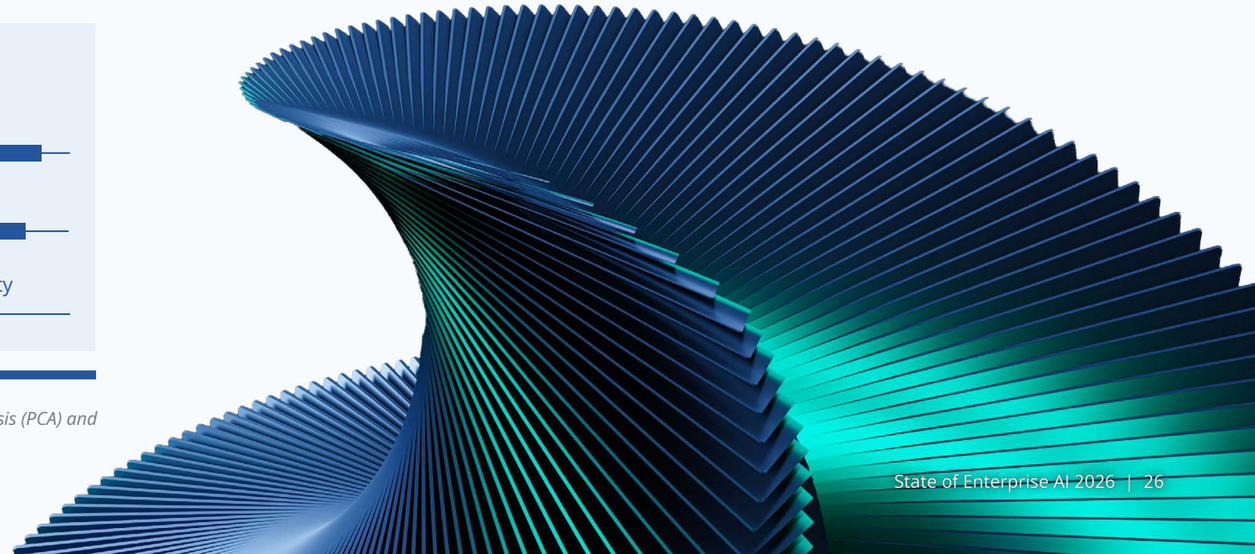
+5.3% Engagement

+1.0% Infrastructure capacity

Value Realizers report the strongest improvements in decision quality (+5.7%) and engagement (+5.3%), while 65% are redesigning roles and 45% report some headcount reduction.

Value Warriors report similar role redesign, but employee effort and time to complete routine work increase reflecting the friction of transforming and scaling work.

Value Seekers show more limited workforce transformation, with smaller gains in decision quality (+2.6%) and engagement (+0.7%), and fewer organizations redesigning roles (47%).

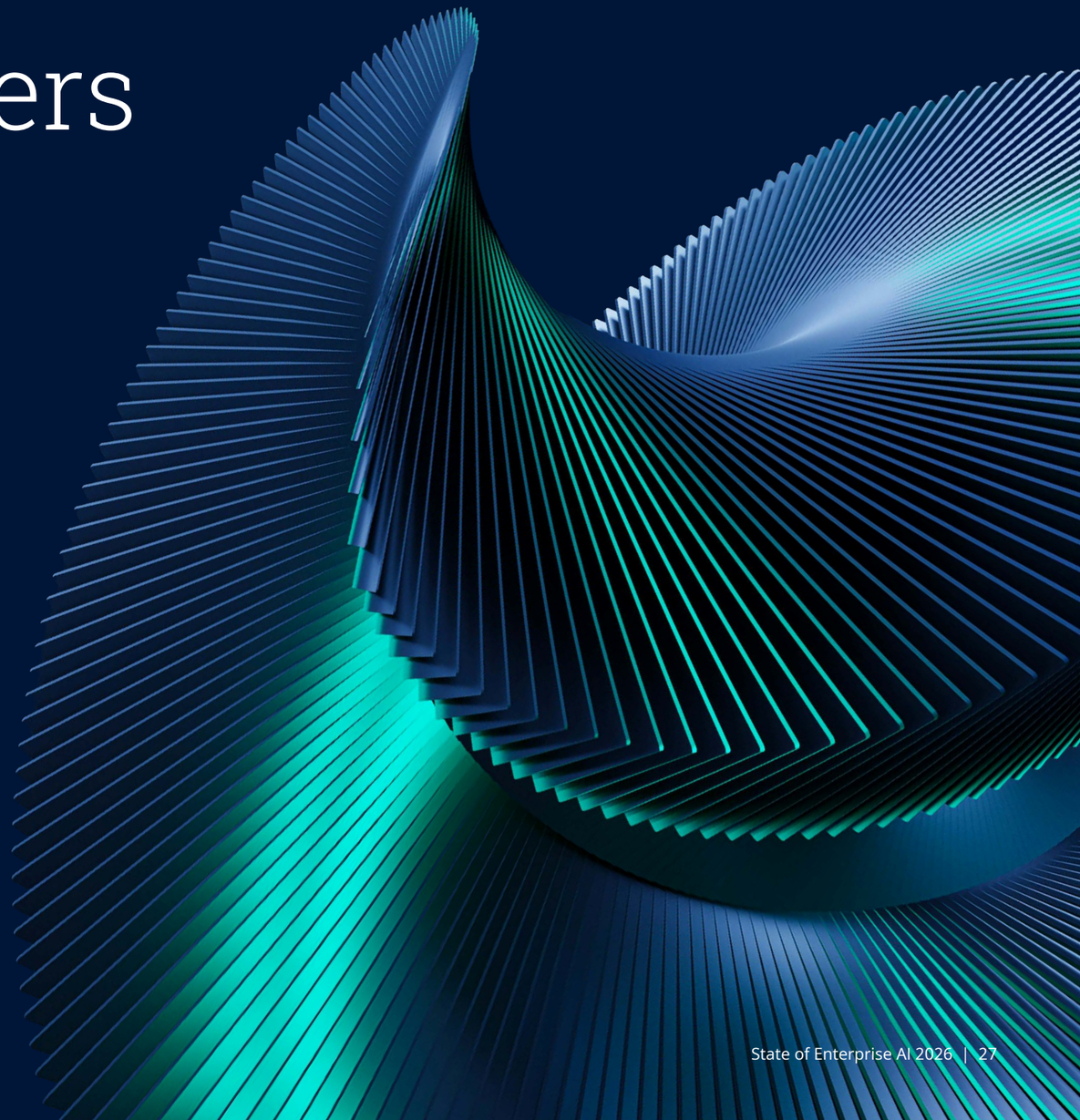


Source: ISG Market Lens™ AI Value Study, 2026; n=400. AI Value Archetypes segment organizations by their current AI experience. Principal Component Analysis (PCA) and a clustering analysis was used to identify the underlying factors that explained the main patterns in respondents' attitudes and behaviors

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AI Value: Service Providers

> *The biggest gap is that providers stop at deployment [...]. Engagements should be structured to transfer capability to our internal team, with pricing tied to adoption outcomes, not open-ended staff augmentation billed by seats and hours.*
>
> **- SVP, US Manufacturing Firm**



In This Section

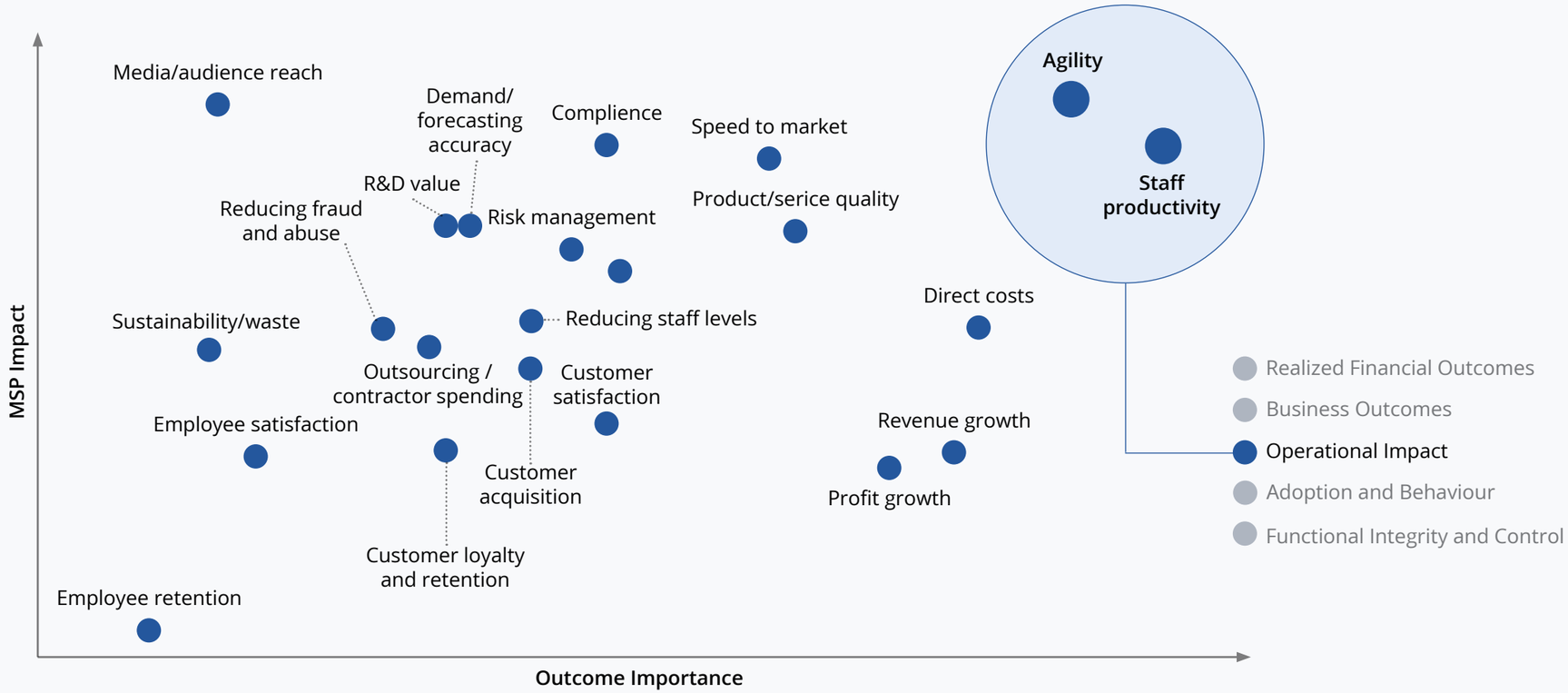
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AI Has Not Yet Shifted Providers' Role Beyond Operations

Respondents see providers contributing most to agility and staff productivity, not business or realized financial outcomes.

X Axis: What are the key outcomes for your organization's AI initiatives in 2026?
Y Axis: To what extent has providers' use of AI contributed value for each of these outcomes?



Source: ISG Market Lens™ AI Value Study, 2026; n=400

Respondents report agility and staff productivity as the areas where they see the greatest provider contribution.

Both sit within the operational impact evidence level, suggesting that providers remain most closely associated with improving how work is delivered and how efficiently teams operate.

Providers are less strongly associated with revenue growth and profit growth. This doesn't mean that providers can't influence those results, but it does mean that respondents see the connection less clearly today.

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Expectations for Providers Are Expanding Beyond Operations

Enterprises want measurable business outcomes – not just operational outputs – from AI.

Compared with 12 months ago, organizations' expectations of their external service providers are changing as AI becomes more widely adopted.

Seventy seven percent of respondents say demonstrated productivity improvements are more important than they were 12 months ago, and 77% say measurable business outcomes are more important.

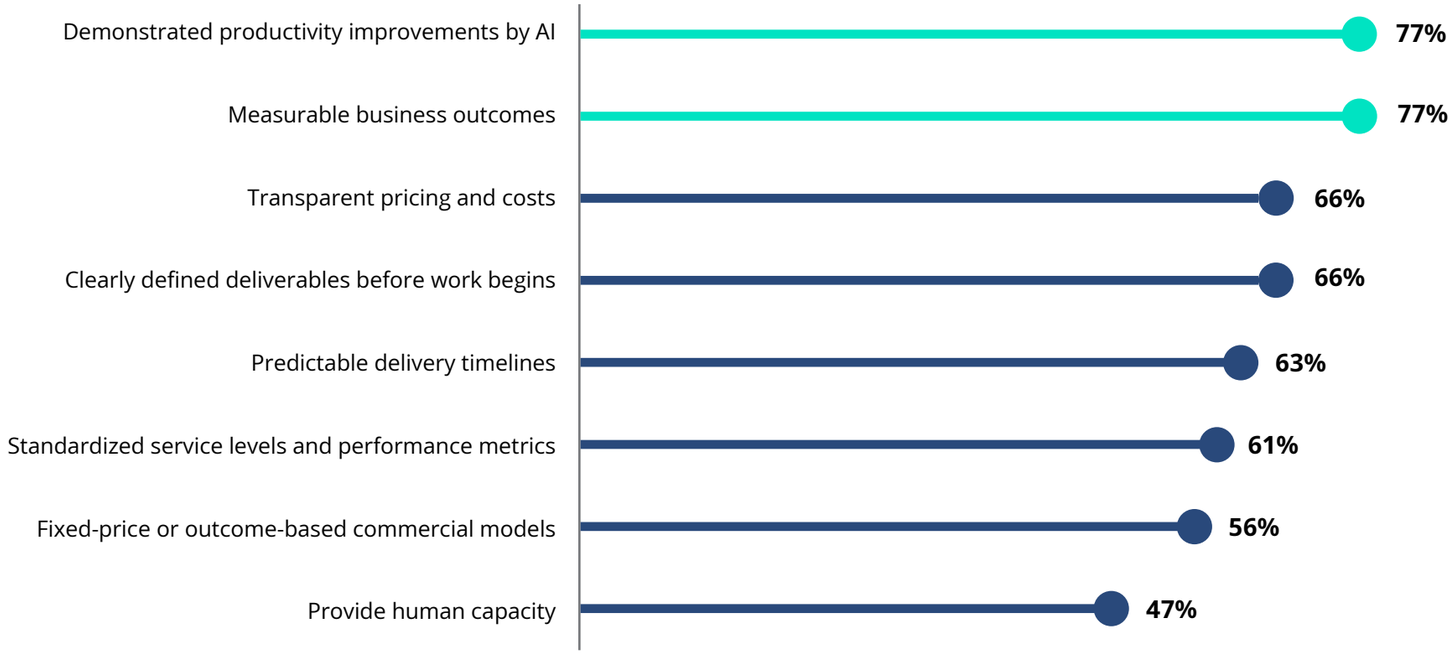
As a Compliance Director for a European Learning and Training company said,

> *...many MSPs still focus on deploying AI rather than ensuring we (as a company) realize measurable business from it."*
>
> **- Compliance Director for a European Learning and Training**

Expectations of providers are moving beyond operational outcomes and outputs and into business outcomes.

However, change has created a new gap for providers: measuring the impact of AI has not yet caught up with these changing expectations.

Compared with 12 months ago, how have your organization's expectations of external service providers changed as AI has become more widely adopted?



Source: ISG Market Lens™ AI Value Study, 2026; n=400; percent answering "more important"

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Organizations Want Help With AI ROI Measurement

Providers will need to take more responsibility for quantifying the impact of AI.

ROI and KPI measurement is the most common response when respondents describe what providers could do differently to improve AI value realization, cited by 20%.

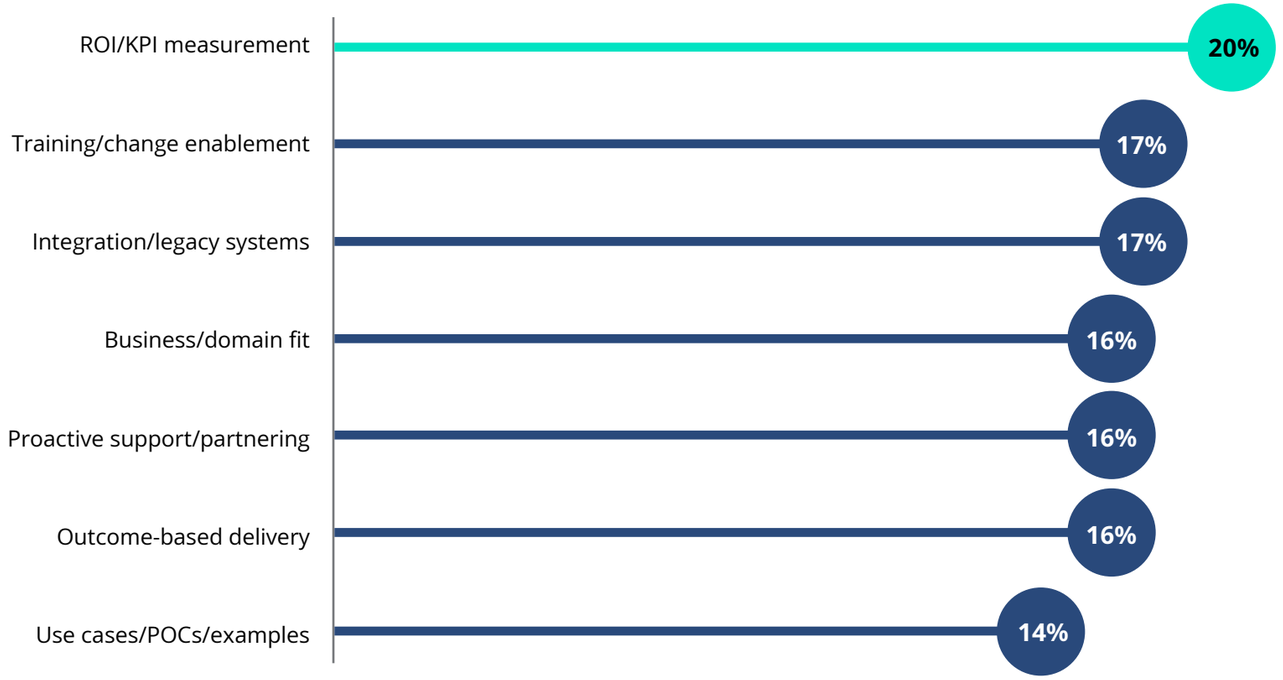
Providers know they need to focus on client outcomes, but measurement mismatches show that they haven't yet built the necessary confidence in their ability to measure and attribute value to their activities.

As a VP of IT Strategy and Planning at a US Healthcare provider said, providers need to

> *...make a template to document up front how we will measure ROI, so we don't have to figure it out ourselves.*
>
> **- VP of IT Strategy and Planning at a US Healthcare provider**

Before providers can take greater responsibility for outcomes, enterprises need confidence in the measures behind the claim.

What could managed service providers do differently or more effectively to improve AI value realization in your organization?



Source: ISG Market Lens™ AI Value Study, 2026; n=400. themes coded from open-ended responses

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Providers Play Distinctly Different Roles Across the Archetypes

All three groups expect providers to show measurable business contribution.

Value Seekers

MSP contribution

43% to AI adoption programs

38% to workforce transformation

38% to AI governance

Top business outcomes

- Waste reduction
- Audience reach
- Staff productivity

Leading requests to MSPs

- Outcome-based delivery
- ROI/ KPI measurement
- Business fit

Value Warriors

MSP contribution

68% to AI adoption programs

59% to workforce transformation

63% to AI governance

Top business outcomes

- Demand forecasting
- Risk management
- Compliance

Leading requests to MSPs

- Change enablement
- Proactive partnering
- ROI/ KPI measurement

Value Realizers

MSP contribution

53% to AI adoption programs

46% to workforce transformation

44% to AI governance

Top business outcomes

- Agility
- Staff productivity
- Product/ service quality

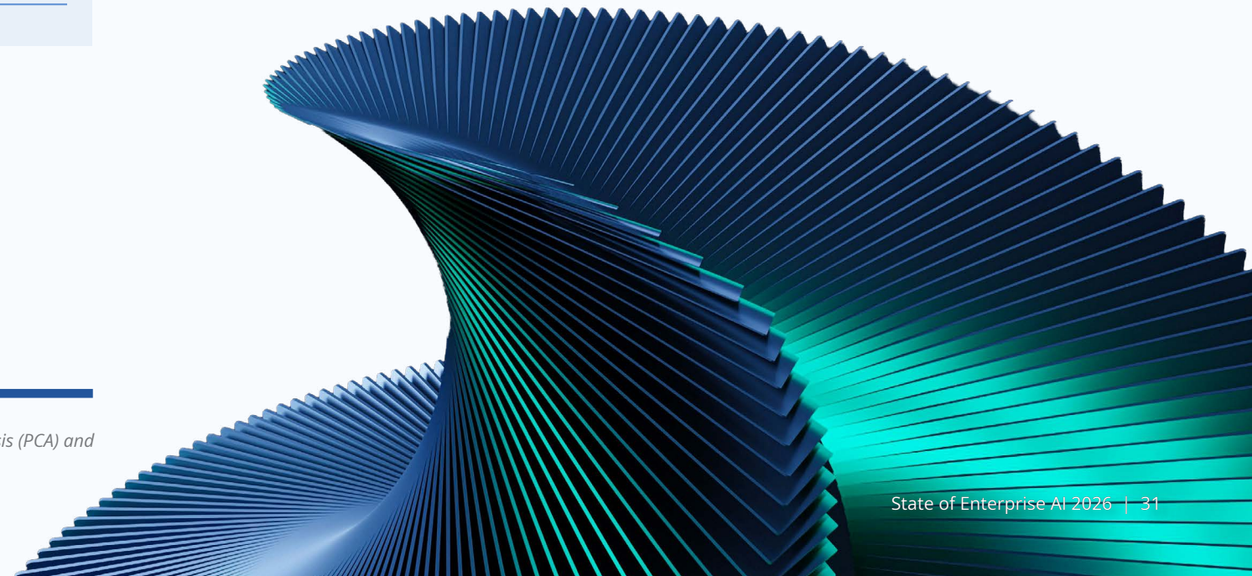
Leading requests to MSPs

- ROI/ KPI measurement
- Integration/legacy systems
- Custom/industry solutions

Value Warriors report the broadest MSP contribution to business outcomes. Across outcomes such as customer acquisition, employee experience, retention, risk, compliance, forecasting and R&D, they report greater MSP-enabled AI contribution than either **Value Seekers** or **Value Realizers**, suggesting **Value Warriors** are turning to MSPs as transformation partners.

Value Realizers report the strongest AI outcomes come from providers contributing toward productivity, agility and quality.

Value Seekers appear to be using MSPs extensively, primarily to support AI adoption and operational improvement rather than to drive transformation or business outcomes.



Source: ISG Market Lens™ AI Value Study, 2026; n=400. AI Value Archetypes segment organizations by their current AI experience. Principal Component Analysis (PCA) and a clustering analysis was used to identify the underlying factors that explained the main patterns in respondents' attitudes and behaviors

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Recommendations by Archetype

Use ISG's advisory expertise and data to help you realize more value from your AI investments.

Value Seekers

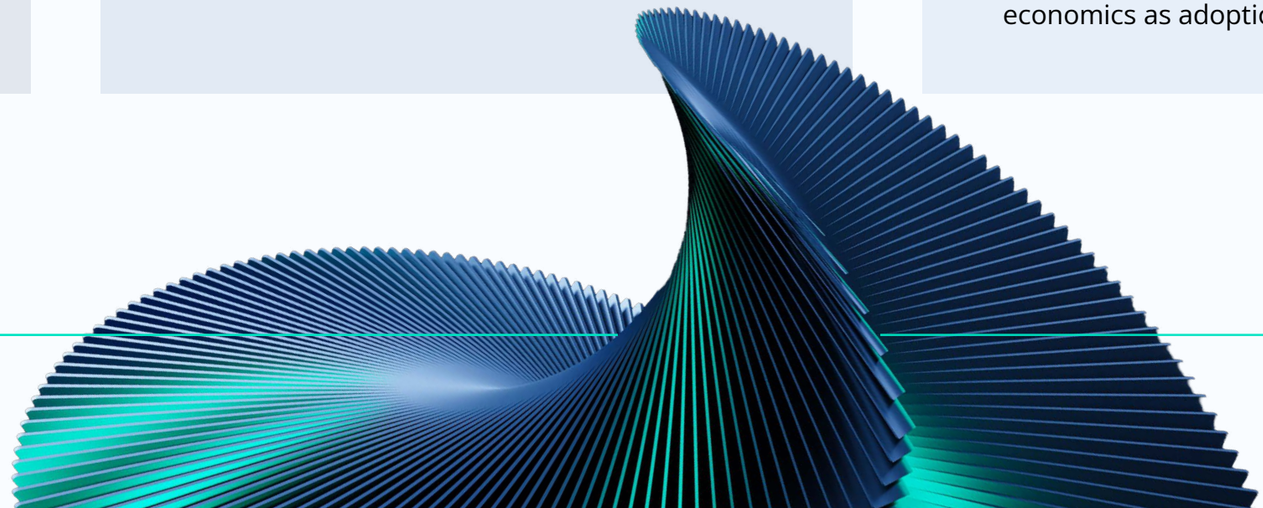
- AI is in use, but business value and ROI remain unproven. Cost control and clear ownership should come before broader scaling.
- **Consider partnering with business line experts** to identify priority use cases. A strong business case, supported by an understanding of token economics and modern pricing models, will be critical to success and to demonstrating the business value of these use cases.

Value Warriors

- AI is producing value, but the effort and complexity required to deliver it are eroding the benefit.
- **Consider assessing where AI is adding new work across workflows**, skills, human oversight, governance, data and technology. Redesign the operating model around AI to eliminate duplicated work and unnecessary oversight while building the skills and foundations needed to scale.

Value Realizers

- AI is producing high value with less friction. The next challenge is to deepen it in core workflows while keeping data, integration, risk and costs under control.
- **Consider implementing a rigorous AI governance capability** focused on capturing and classifying use cases, ensuring controls and risk reviews are in place and a (what works and does not) process to continuously optimize data, integration, risk and economics as adoption expands.



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Methodology and Research Approach

We interviewed 400 AI senior decision-makers from large global enterprises with more than 1,000 employees across the Americas, Europe and other regions. Fifty-five percent of respondents were C-level executives, including CIOs, CISOs, CEOs and CTOs, and 45% were other IT, data, Finance and Marketing roles. To qualify, enterprises must have seen value from AI.

400	55%	$5 bn	12,000
AI senior decision-makers	C-level executives	Median revenue	Median size of employees

Respondent organizations were mostly multinational, with median revenue of $5 billion and median size of 12,000 employees. Industries represented include banking and finance, manufacturing, healthcare, utilities, services, life sciences, education, energy, public sector, telecommunications and other sectors. The AI investments studied equate to approximately $6.5 billion in annual budget for AI initiatives.

AI Value Archetypes segment organizations by their current AI experience. Principal Component Analysis (PCA) and a clustering analysis were used to identify the underlying factors that explained the main patterns in respondents' attitudes and behaviors resulting in three groups: Value Realizers (high value, low friction), Value Seekers (low/unproven value), and Value Warriors (high value, high friction).

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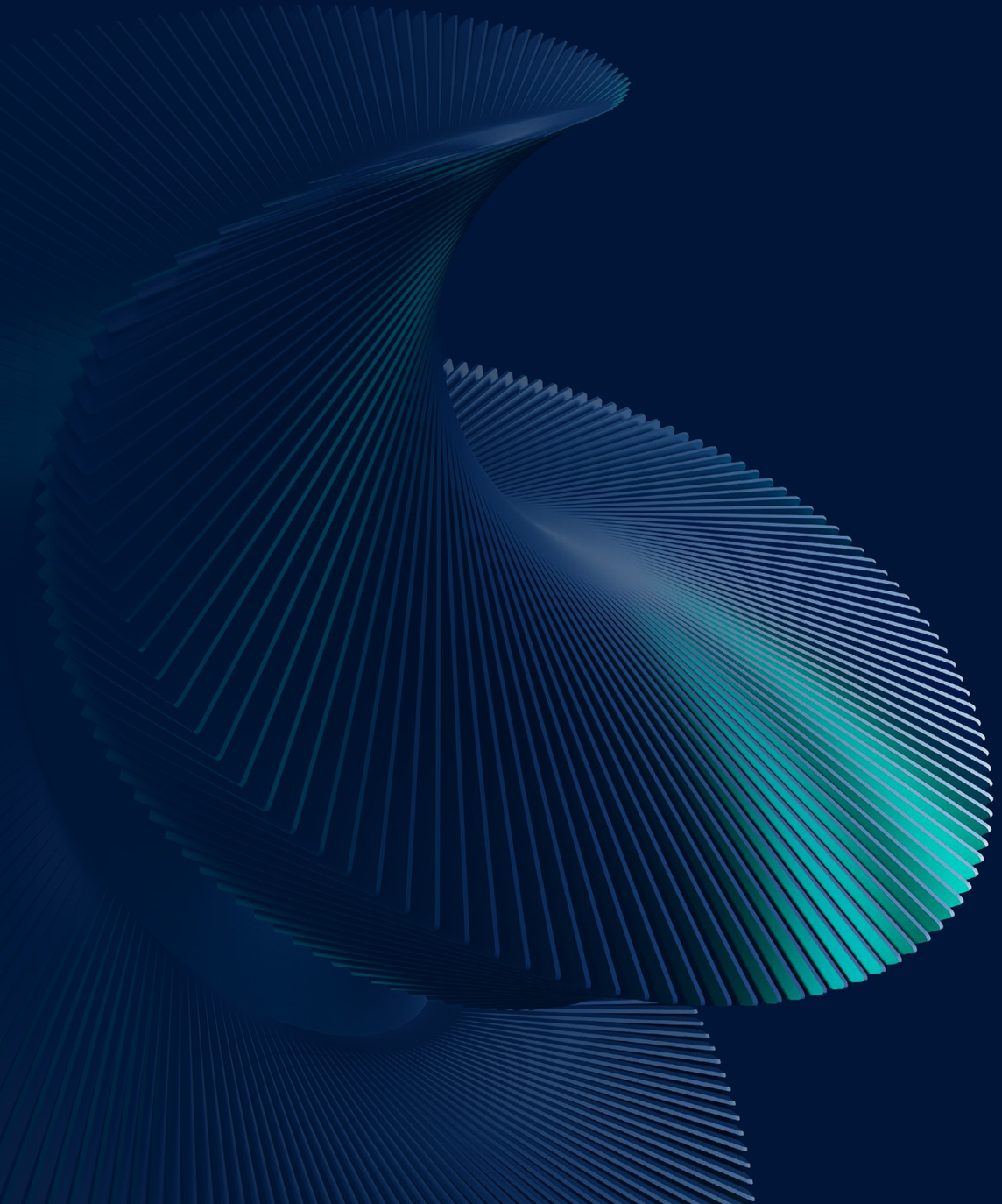
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ISG (Nasdaq: III) is a global AI-centered technology research and advisory firm. A trusted partner to more than 900 clients, including 75 of the world's top 100 enterprises, ISG is a long-time leader in technology and business services that is now at the forefront of leveraging AI to help organizations achieve operational excellence and faster growth. The firm, founded in 2006, is known for its proprietary market data, in-depth knowledge of provider ecosystems, and the expertise of its 1,600 professionals worldwide working together to help clients maximize the value of their technology investments.



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