
AI-driven change and the next big thing

AI adoption and emerging technologies 2026

May 2026



Agenda

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- 3 The transformation gap
- 4 The next big thing
- 5 Call for action

A close-up, high-angle photograph of a computer chip, likely a GPU, with a glowing blue 'AI' logo on its surface. The chip is surrounded by a dense network of glowing blue circuit lines and traces, creating a complex, futuristic digital landscape. The overall color scheme is dark blue and black, with bright blue highlights from the glowing circuits.

Key findings

Our recent CIO trend study shows that as AI matures, differentiation shifts from model choice to architectural sovereignty and resilience

Executive summary and strategic context

Context: Germany and Europe

The trends identified in our recent German CIO study (interviews with 50 tech leaders) are **transferable from Germany across Europe**

Tech leaders are in a **“tough spot”**: rising demands for speed and sovereignty vs. budget/talent constraints

AI adoption maturity curve and critical risk

Experimentation 1

Teams explore potential AI use cases

Centralization 2

CoEs¹ focusing on AI emerge

Execution 3

Focus on security, structure, sovereignty



Critical risk of scaling on an inadequate basis: 50% of organizations build AI on data not ready for autonomous decisions, **creating unscalable systems**

The next big thing: Composable resilience



Cybersecurity

Whole-system protection for AI assets



Privacy tech

Data used as an enabler, not a blocker



Zero trust

Identity-based validation for every interaction

AI is not a technology challenge; it is a structural, cultural, and investment transformation

Hypotheses overview




The adoption illusion

AI is everywhere – except where it matters

AI is widely deployed, but rarely decisive, with only one in three having AI structurally embedded¹; most use it as a tool, not a driver of business models

Perceived progress masks structural stagnation; pilots scale visibility, not impact, with Germany and EU lagging behind in revenue uplift and cost reduction potential²

The real divide is organizational, not technological, and Germany's position in the global AI race makes this gap existential, not theoretical




The transformation gap

AI doesn't fail – organizations do

Most organizations are **scaling AI into structures that were never designed for it**, with only ~22% having the **AI-ready data setups** required for advanced use cases³

The **bottleneck** is not intelligence, but **integration**; **data readiness**, **sovereign infrastructure**, and **dedicated funding** remain unresolved

Only those who have **structurally absorbed AI** can move beyond it, while the rest remain locked in catch-up mode




The next big thing

The next big thing is not innovation – it is reaction

Leadership fears the pace of innovation (32% as top concern⁴), but is failing to invest in internal adaptability. Executives are watching the storm instead of building the ship

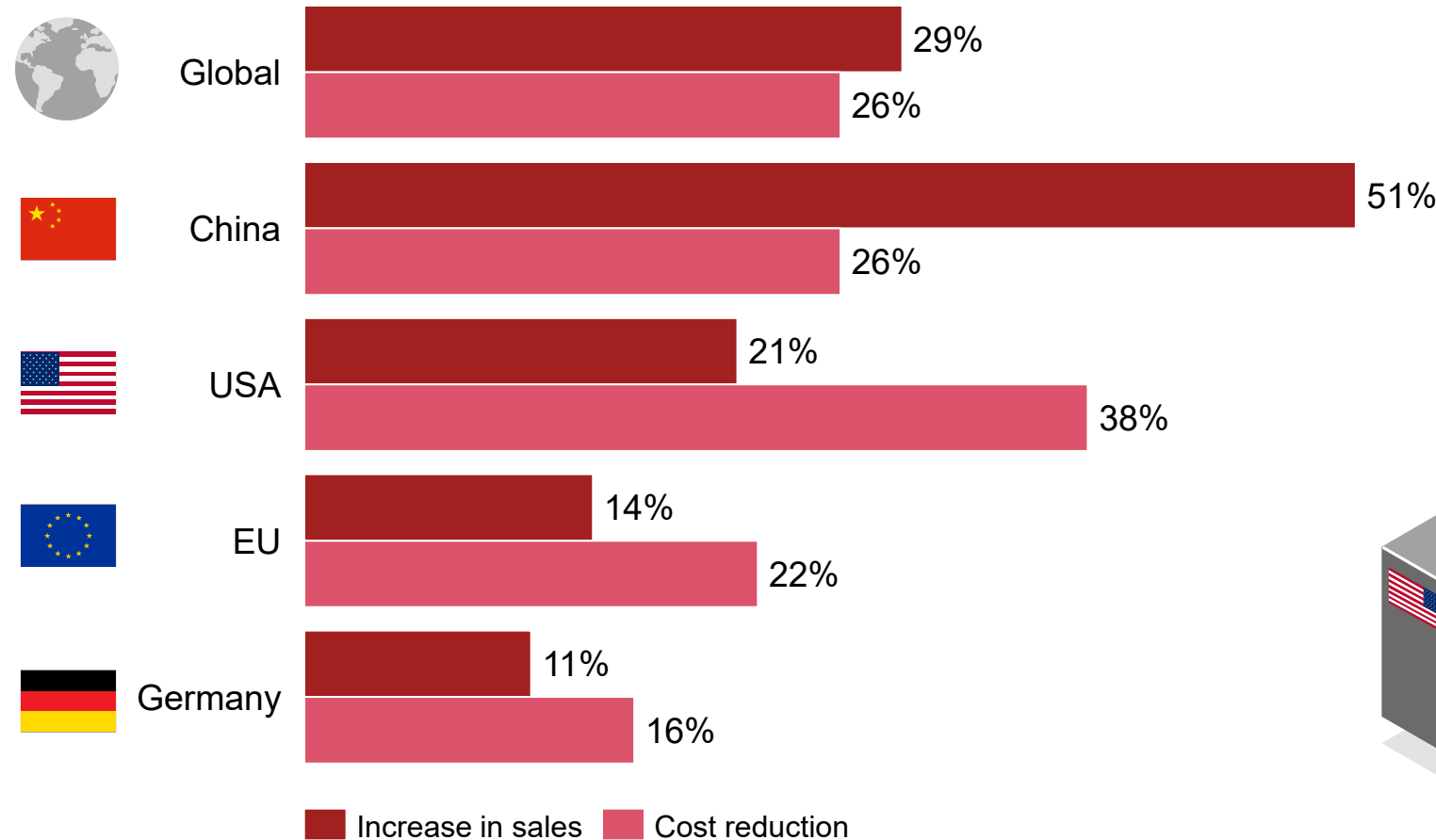
Europe's fixation on resilience is not a strategy, it is a symptom. While others are defining what's next, Europe is building walls around what already exists

Winners will not be the most advanced, but the most adaptive; those who treat speed as an internal capability, not an external threat

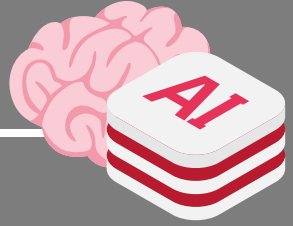
The AI adoption illusion

There is a global divide in AI's impact on revenue uplift and cost reduction, with Germany lagging behind

AI impact on revenues and costs



Key findings



China and USA lead the AI revenue and cost race

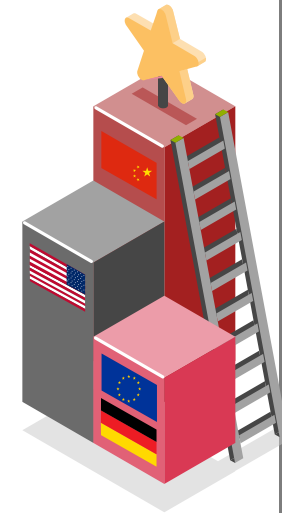
China (51%) and the US (38%) show the highest AI-driven **sales increases and cost reductions**, fueled by faster innovation cycles and lighter regulatory frameworks

Europe is falling behind on both dimensions

EU and Germany lag behind in revenue uplift and cost reduction potential compared to other markets

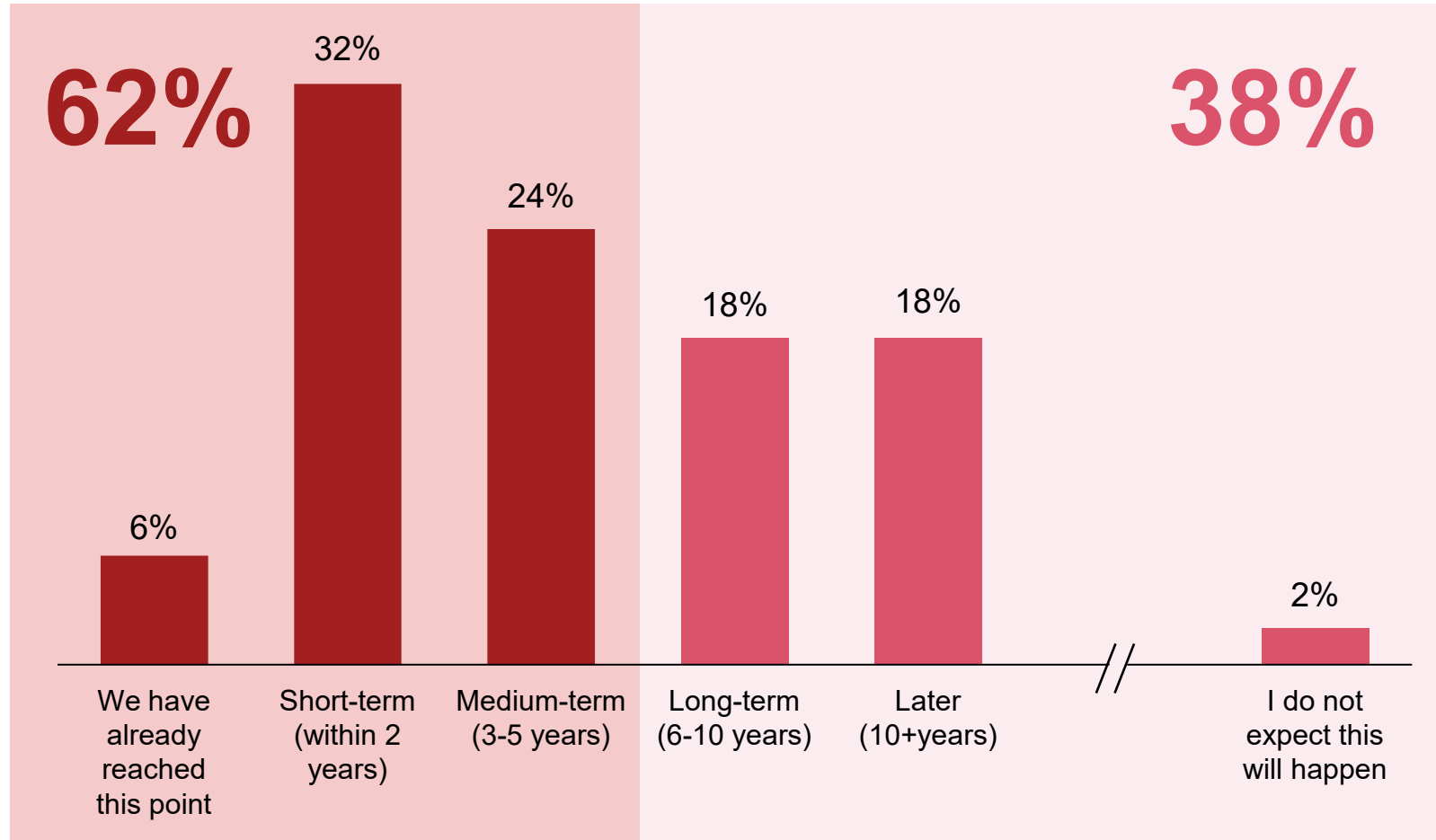
Regulation as a double-edged sword

Stricter **data privacy and security requirements** protect citizens but constrain the speed of AI

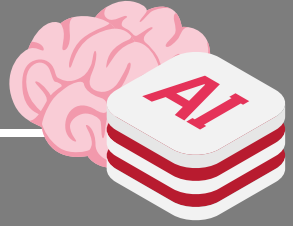


Over 60% of CIOs foresee a dominance of AI-driven decision-making within in the next five years

Dominance of AI



Key findings



AI dominance is a near-term reality

62% of CIOs expect AI to **dominate organizational decision-making within five years** — with 32% already anticipating this shift in the short term

From enabling tool to central driver

AI-driven decision-making is evolving rapidly **from a support function to the core of strategic and operational decisions** across industries

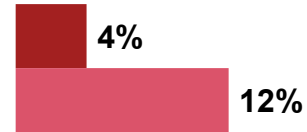
AI adoption is non-negotiable

Leading companies are already pursuing **fully autonomous AI-controlled plants**; in Finance, AI hedges currency risks in **global sales**

Many companies in Europe have not yet started embedding AI into workflows and business models

Adoption of AI

Pre-adoption: We barely use AI tools; strictly traditional workflows dominate



Experimental: Individual uses (shadow AI) exist, but with no formal integration into daily processes



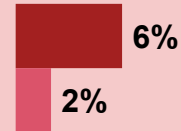
Early scaling: AI tools are formally integrated to support specific tasks; humans remain in full control



Structural integration: AI is embedded in core workflows; significant decision-making is AI-supported



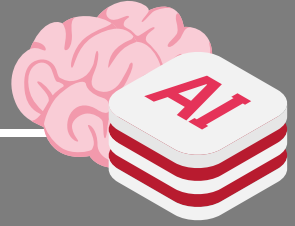
Commoditization: Workflows are designed around AI capabilities; the team operates primarily as "AI orchestrators"



Own team Industry sector



Key findings



Structural integration of AI remains the exception

Only ~1/3 of CIOs report having formalized their AI organization and structurally embedded AI into core workflows and business models





The transformation gap

Without a solid data foundation, AI remains stuck in pilot mode

Data readiness for AI integration

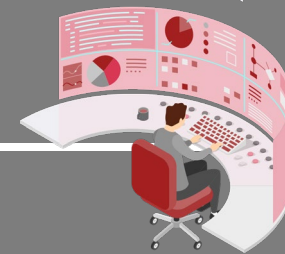
Organization's data readiness for AI



- 1 Business meaning is **trapped in code, dashboard or individual expertise**
- 2 Some domains are documented, but **data meaning is inconsistent across systems**
- 3 **Basic data standards** exist, but lack a unified business logic
- 4 **Shared semantic models** exist across all core business domains
- 5 **Knowledge graphs** and AI-ready structures actively drive automation
- 6 AI systems and autonomous agents are built around **explicit machine-readable business meaning**



Key findings



True data readiness remains rare

Only ~22% are achieving the **formalized or AI-ready data setups** required to scale advanced use cases

Semantic standardization is the tipping point

Introducing **shared semantic models** is the key inflection toward usable AI

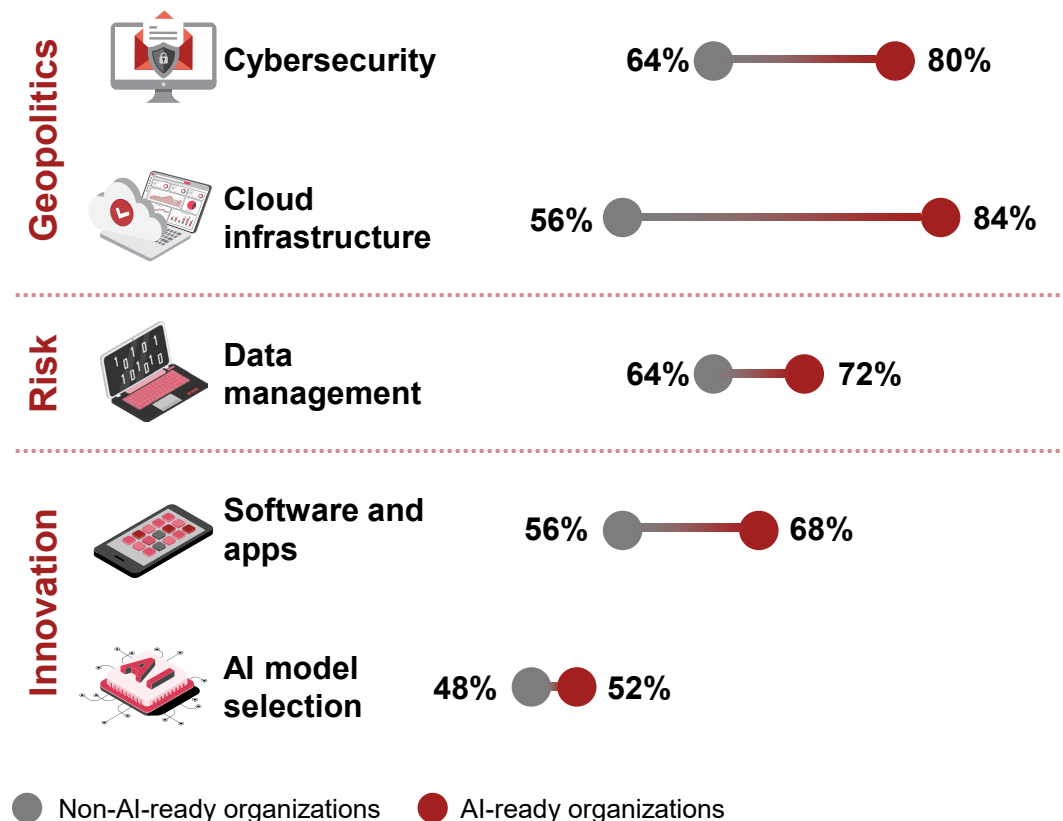
Data foundations, not AI models, are the bottleneck

The main constraint is **data quality, structure and accessibility**, not AI technology itself

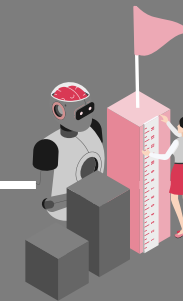
AI-ready data serves as a catalyst forcing strategic positionings across three dimensions

Balancing digital sovereignty

Relevance for investment decisions¹⁾



Key findings



Resilience or efficiency?

80% or more of executives view Cyber/Cloud as the **critical bottleneck** for investing in digital sovereignty. High AI-readiness forces a pivot from Global Sourcing to Strategic Autonomy

Protection or aggression?

72% emphasize digital sovereignty when it comes to data management investments. Readiness means **shifting the mindset from Data as a risk to Data as a competitive asset**

Pioneering or pragmatism?

Only 52% prioritize digital sovereignty when choosing AI models. The **absence of competitive European models is forcing a strategic resignation**: Sovereignty is fought for in the “pipes” (Cloud), but surrendered in the “brain” (Model)

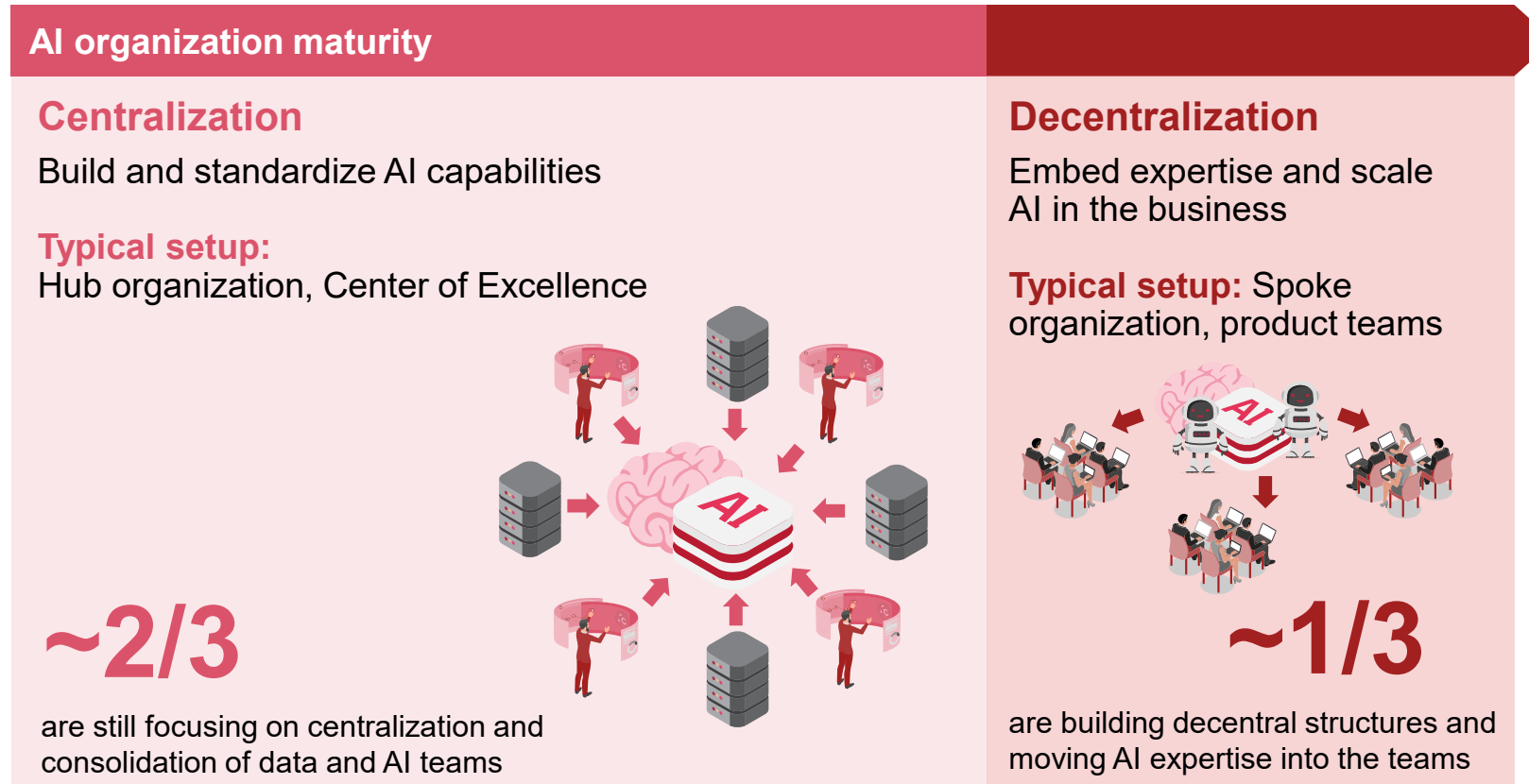


Organizations must **choose a sovereignty strategy** to fit with three critical dimensions

AI-fication and scale will require decentralized, embedded capabilities

Shift in organizational structure

AI expertise in the organizational structure



Key findings



Centralization dominates in the early stages

Most organizations establish **AI hubs/Centers of Excellence** to build capabilities, ensure governance, and accelerate adoption

Shift to decentralization as maturity increases

AI capabilities move into **business units and product teams** (e.g., spoke organization) to enable speed, relevance, and ownership

AI agents accelerate decentralization

Increasing use of AI agents drives distributed decision-making and creates roles like **AI process owners** closer to the business

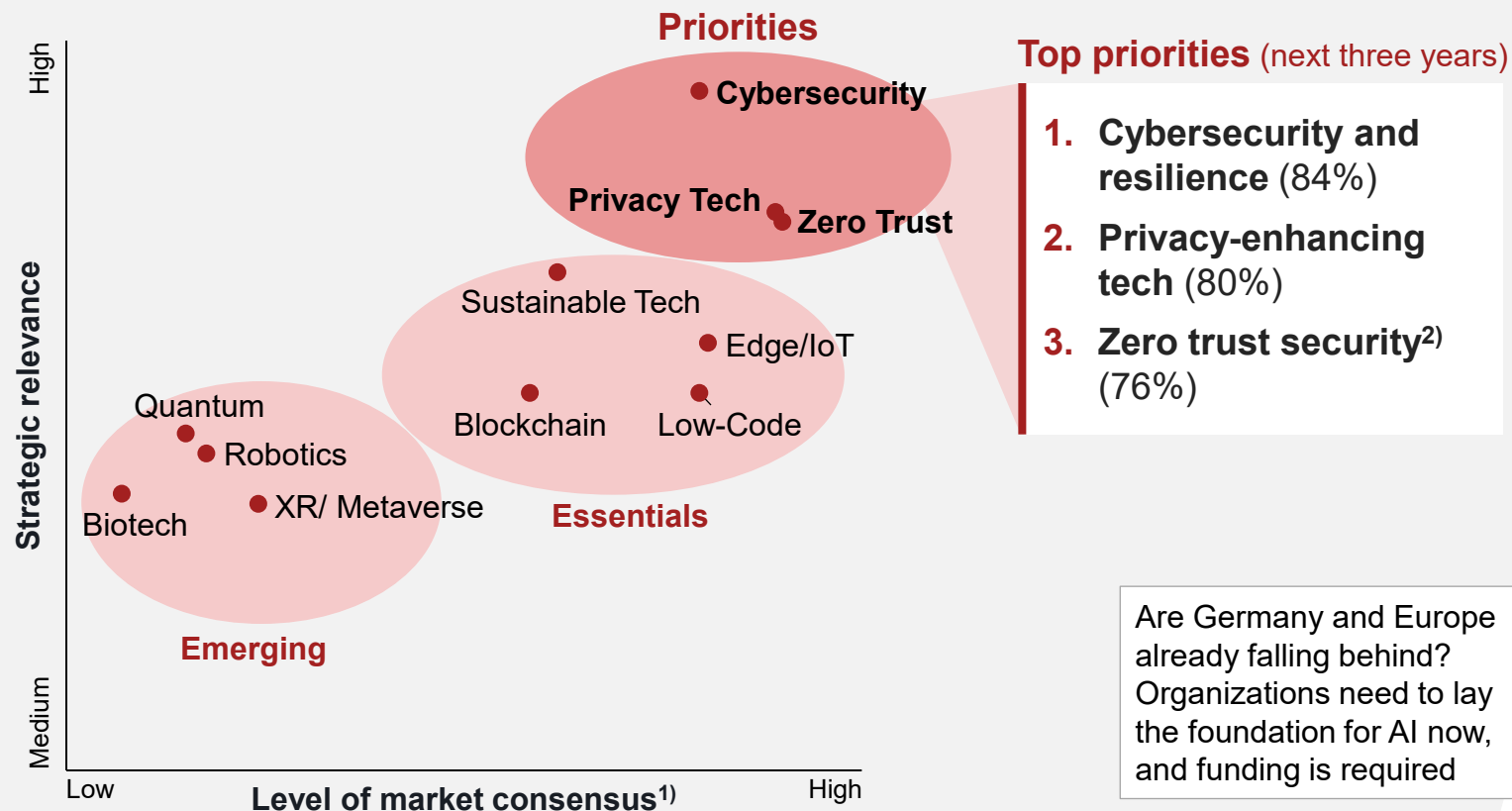
A man and a woman are sitting at a desk in a modern office, looking at a computer monitor. The man is on the left, wearing a green sweater and glasses, and the woman is on the right, wearing a white shirt and glasses. They are both looking at the screen with interest. The office has large windows in the background, and there are other computer monitors and a small potted plant on the desk.

The next big thing

The next big thing is composable resilience - built on cybersecurity, privacy and zero trust, and enabled through portfolio discipline

The next big thing besides AI

Technology relevance besides AI



Are Germany and Europe already falling behind?
Organizations need to lay the foundation for AI now, and funding is required



Innovation budget



Only **6%** of **AI adoption leaders** are shifting funds away from AI to diversify the tech stack

while

50% of **AI adoption laggards** are increasing AI funding, including by cannibalizing other tech funds

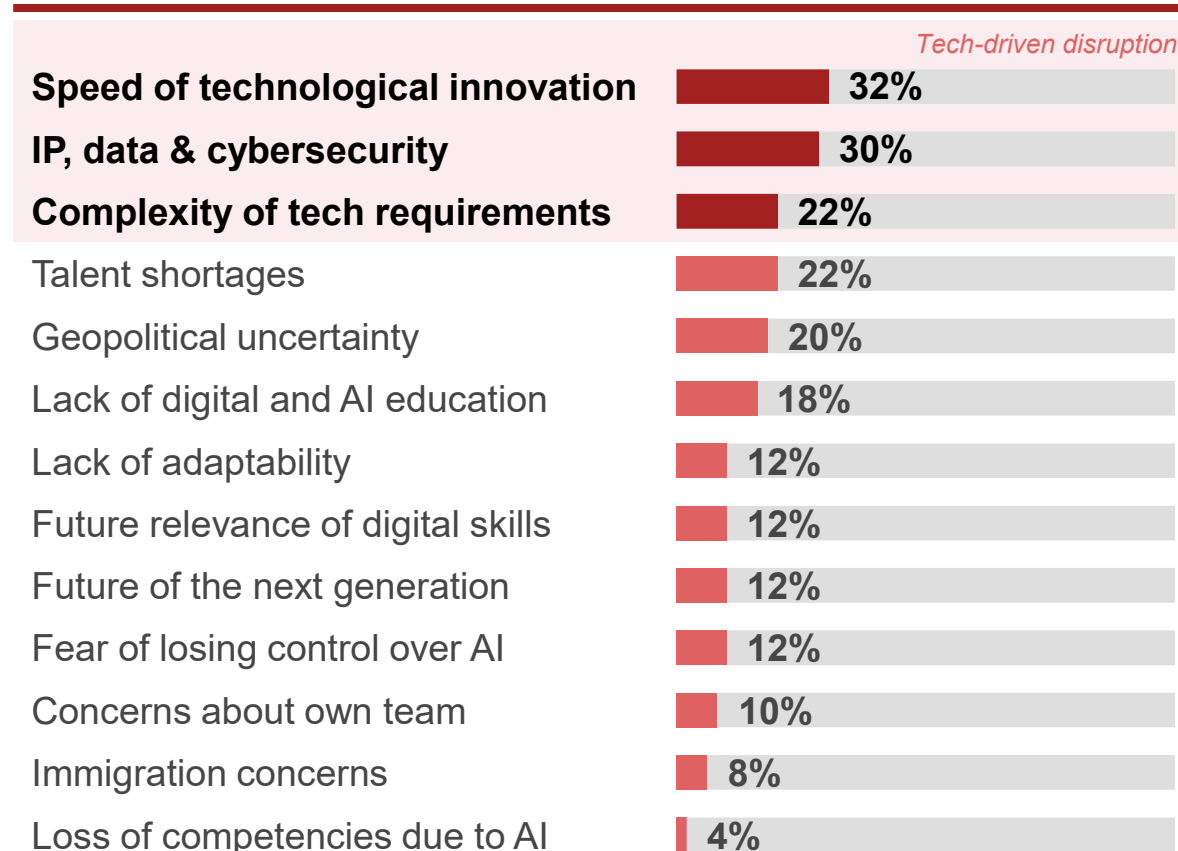
Only organizations with **AI structurally absorbed into portfolio models** can move beyond AI

Others remain stuck in catch-up mode, reallocating or cannibalizing budgets

Tech-driven disruption keeps every third executive up at night, while they are less concerned with the forces they can control internally

The biggest CIO concerns for the coming years

Top concerns for the next 4 years



Strategic synthesis



The Velocity Gap

The top three concerns are explicitly tech-driven. CIOs perceive **technology itself as the primary source of strategic risk**, not the organizational challenges it creates.

The Readiness Paradox

Tech-driven disruption dominates the agenda, yet concerns about internal capabilities (e.g., lack of adaptability, own team) range between just 4-12%. **CIOs are watching the waves, not building the boat.**



The discrepancy suggests a strategic misalignment: **investment in organizational resilience is not keeping pace** with the perceived speed of external disruption. The risk is not the technology, but the failure to adopt it.

A woman with dark hair and glasses is looking upwards and to the right, holding a tablet. The background is a blurred digital environment with glowing blue and orange data points and lines of code.

Call for action

CIOs should scale the impact of AI, strengthen data foundations, and build secure, future-proof operating models with AI

Call for action



1. Define a bold AI vision and enterprise “North Star”

- › Establish an AI vision aligned with business strategy, customer impact, and long-term value creation
- › Translate the vision into a coherent enterprise change narrative for AI
- › Make AI a board-level capability, with business decisively in the driver seat for outcomes



2. Focus AI investments on a few high-impact domains

- › Move from fragmented pilots to mission-critical AI embedded in core processes and decisions
- › Define clear domains of focus / big bets with end-to-end business process competence and ownership
- › Govern AI success based on measurable business value vs. cost, not activity or tech output



3. Select the right partners to accelerate digital and AI-driven reinvention

- › Tech alone does not deliver results; big tech and software vendors will not re-design your workflows and customer experience
- › Focus on targeted collaborations with specialist digital/AI firms – and conduct “goal-oriented” screening for AI partners
- › Develop a strategy for leveraging China as an AI innovation booster (partner screening, potential AI hub setup, etc.)



4. Invest in a solid data foundation for AI at scale

- › Standardize data, semantics, and knowledge assets to enable reliable, repeatable AI outcomes
- › Build strong internal data and process management capabilities, as a prerequisite for AI at scale
- › Close the structural gap to AI leaders through AI-ready data platforms budgets, not relabeled IT spend

Our Strategy& team of experts – reach out to us with your questions



Christian Kaspar

Partner
Munich

christian.kaspar@pwc.com



Matthias Schlemmer

Partner
Vienna

matthias.schlemmer@pwc.com



Moritz Wächter

Director
Frankfurt

moritz.waechter@pwc.com



Franziska Meyer

Senior Manager
Frankfurt

franziska.meyer@pwc.com



Tobias Kalsbach

Manager
Munich

tobias.kalsbach@pwc.com



Sophie Kübler-Wachendorff

Senior Associate
Munich

sophie.kuebler-wachendorff@pwc.com



Jan-Hendrik Schmidt

Associate
Frankfurt

jan-hendrik.schmidt@pwc.com



Franziska Henn

Associate
Stuttgart

franziska.henn@pwc.com

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