Turning AI Momentum into Measurable Business Value

September 2026



Introduction

AI is no longer an emerging technology but an institutional capability and a strategic driver of growth, efficiency, and innovation. The question facing leadership is no longer whether to invest, but how to turn that investment into tangible, sustainable impact.

Success does not depend on technology alone, but on aligning it with business priorities and the highest-value use cases, together with the data, infrastructure, capabilities, and governance needed to scale with confidence.

As national investment in data and AI accelerates, the opportunity now exists to move from experimentation to enterprise-wide scale and value realization. In this spirit, this report presents Elm's perspective: from the landscape and challenges, through success stories, to a practical methodology linking readiness, strategy, capabilities, and governance.

The goal is not to adopt more technology, but to build an organization that knows where to invest, how to scale, and how to turn AI into measurable business outcomes.

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Global AI spending to rise 47% (YoY) in 2026, while KSA advances across its key layers

AI Investment Momentum Across the Ecosystem

GLOBAL STATS

15 Bn SAR
Global AI applications market, 2025*
▲ 37.4% CAGR (2025–2032)

AI APPLICATIONS

107 Bn SAR
Global AI platform spending, 2025
▲ 39% YoY increase by 2026

AI PLATFORMS & TOOLS

54 Bn SAR
Global AI models spending, 2025
▲ 83% YoY increase by 2026

AI MODELS & ALGORITHMS

1,061 Bn SAR
AI-optimized server market*** spending, 2025
▲ 49 % YoY increase by 2026

AI COMPUTE INFRASTRUCTURE

427 Bn SAR
Annual investment in data center buildings 2024-2025
▲ 2.2x growth expected by 2027

AI DATA CENTERS



KSA POSITIONING

500 Mn SAR
KSA's anticipated AI applications market, 2025**

1.1 Bn SAR
Investment in AI platform capabilities (announced in 2025)

1.5 Bn SAR
KSA's anticipated investment in flagship Arabic LLMs**

37.5 Bn SAR
Investment in AI compute infrastructure announced in 2025

4.5 Bn SAR
Investment financing secured to expand AI data center capacity by up to 250 MW in 2025/6

Despite accelerating AI investment, only **39%** of organizations report measurable enterprise-level financial impact, highlighting the need to understand and overcome key AI adoption challenges.

*The AI applications market represents annual market size of AI-powered applications that directly interact with end users (e.g., virtual assistants, chatbots, productivity and industry-specific AI applications).
**While KSA AI applications market and investments in AI models are not specified, Elm professional estimates indicate these values. ***AI-optimized servers are specialized computing systems designed to train and run AI models, making them a core component of AI compute infrastructure.
Note: USD values have been converted to SAR using an exchange rate of 1 USD = 3.75 SAR. Figures are rounded for presentation purposes.

Enterprises may feel ready for AI adoption, but operational challenges across governance, data, infrastructure and capabilities stand in their way

Key Challenges Limiting Successful Enterprise AI Adoption

01

Lack of a clear AI strategy



Without a clear AI strategy, enterprises may struggle to translate strategic ambition into execution, determine expected returns on investment, and avoid scattered AI use cases across the organization.

42%

Of companies say that their AI strategy is highly prepared for adoption.

02

Dependence on foreign AI technologies



Reliance on foreign AI technologies can limit control over sensitive data, infrastructure and compliance, increasing the need for locally governed and sovereign AI capabilities.

66%

Of companies surveyed globally express moderate concern about reliance on foreign-owned AI technologies and infrastructure.

03

Fragmented data and legacy technology



Fragmented, siloed data and legacy systems limit reliable data access, hinder integration and interoperability, and slow the deployment of scalable AI solutions.

40%

Of companies consider their data management and technical infrastructure, respectively, highly prepared for AI adoption.

04

Limited AI leadership capabilities



Limited business ownership of the AI agenda and insufficient leadership capabilities weaken enterprises' ability to drive AI transformation and realize value from adoption.

50%

Of leaders in every C-suite role were considered AI-savvy for 2025–2026, according to Gartner's global CEO survey.

05

Inadequate AI governance



Unclear AI policies and weak controls make it difficult for enterprises to govern AI use consistently as initiatives expand across the organization.

30%

Of companies consider their risk and governance capabilities highly prepared for AI adoption.



Despite these challenges, some enterprises are beginning to see successful results from deploying AI across core business functions

AI Delivering Measurable Business Impact



Manufacturing & Industrial Operations

AI-powered predictive maintenance using Senseye to predict equipment failures and optimize maintenance.

- **~50%** of unplanned downtime reduced
- **~40%** of maintenance costs reduced



Legal & Compliance

AI-powered contract and compliance support covering contract generation ,clause extraction ,policy interpretation and document review.

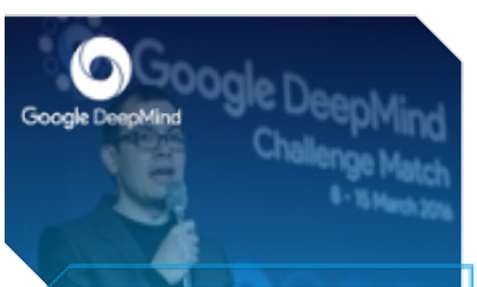
- **94%** accuracy in legal & compliance review
- **31%** lower operational costs



Supply Chain & Operations

AI-powered supplier negotiations through a partnership with Pactum AI.

- **68%** agreement rate among suppliers approached
- **1.5%** cost savings in supplier negotiations



Technology Infrastructure

AI-powered data center cooling to optimize cooling systems and energy consumption.

- **~40%** of cooling energy use reduced
- **15%** of overall data center energy efficiency improved



Telecommunications

AI-powered customer service through SuperTOBi, a generative AI virtual assistant, to automate and resolve complex customer enquiries.

- **70%** of customer queries resolved without human intervention and first-time query resolution increased from 15% to 60%



Energy & Industrial Operations

AI-powered predictive maintenance and energy optimization using over 10 Bn data points daily.

- **6.75 Bn SAR** AI-driven business value generated in 2024 (company-wide AI initiatives)

Elm's AI adoption journey: Enabling successful adoption and scaled impact

Elm has built an AI adoption journey that connects readiness, strategy, capabilities and governance to help organizations overcome adoption challenges and scale proven AI solutions across the enterprise

Assess
Your AI Readiness

Objectively evaluate data foundations, technology environment, gaps and risks to understand the factual view of entity's readiness and surface quick wins.

Develop
A Clear AI Strategy

Define the AI vision, strategic pillars & objectives, guiding principles, KPIs and the measurement framework that ties every AI initiative to measurable business value.

Select & Pilot
High-Value Use Cases

Identify potential AI use cases, rank them by business value and feasibility, and pilot the strongest to prove real value before scaling.

Build
Capability Across the Entity

Run structured programs for executives, leaders and practitioners so AI skills grow at every level while projects are being delivered.

Establish
Strong AI Governance

Put clear policies, ethical guidelines and risk controls in place so every AI solution stays safe, compliant and trusted.

Scale
AI Into Production

Move proven solutions into everyday operations through a dedicated AI team and unified platform that deploys, monitors and scales them.

Elm's AI journey is where ambition meets execution, empowering organizations to move seamlessly from readiness and strategy to capability building and governance ,so every initiative scales into trusted ,high-impact outcomes across the enterprise.

Key AI shifts help organizations align investments and build scalable, future-ready operating models

Key Considerations for Enterprise AI Adoption

01
Sovereign AI and National Competitiveness

Governments worldwide are increasingly treating AI as a strategic national asset, accelerating investments in sovereign AI capabilities and domestic AI ecosystems.

664 Bn SAR

Global sovereign AI market size projected by 2035 (28% CAGR, 2026-2035)

- **65%** of governments to introduce AI sovereignty requirements by 2028
- **KSA ranked #1 globally** for government AI strategy in the Tortoise Global AI Index 2024

KSA's National Strategy for Data & AI (NSDAI) targets by 2030:

- Attract 75 Bn SAR investments in data & AI
- 20,000 AI & data specialists
- 300+ AI & data startups

NSDAI INDIAi NAVS2.0

02
Rise of Enterprise-Specific AI

Enterprises globally are shifting from generic AI tools to proprietary solutions built on their own data, processes and expertise.

50%

of enterprise GenAI models will be industry- or function-specific by 2027

- **3× more** organizations will use task-specific AI models more than general-purpose LLMs by 2027
- **92%** of AI-deploying enterprises report better model performance post fine-tuning* in 2025

Bloomberg Goldman Sachs JPMorgan Chase & Co.

03
Expansion of AI Infrastructure

The rapid adoption of AI is accelerating investment in data centers, cloud infrastructure and compute capacity, creating the foundation for large-scale AI deployment worldwide.

+108%

Global AI infrastructure** spending growth from 2024 to 2025 (YoY), indicating accelerating investment in AI infrastructure

- Global AI infrastructure investment is projected to exceed **3.75 Tn SAR by 2029**
- 6.8 Bn SAR AI infrastructure spending across the Middle East and Africa in **Q4 2025**

Google aws

04
Emergence of Agentic AI

AI is evolving from content generation to autonomous agents that execute tasks, orchestrate workflows and drive outcomes with minimal human intervention.

43.8%

CAGR (2024-2034) projected for the agentic AI market, reaching 746 Bn SAR by 2034

- **79%** of enterprises globally have implemented AI agents at some level (2025)
- Agentic AI is projected to deliver an average **ROI of 171%**, approximately three times higher than traditional automation

BNY citi Walmart

*Fine-tuning customizes a pre-trained AI model using company-specific data and workflows to improve performance for enterprise use cases. **AI infrastructure refers to the compute and storage infrastructure supporting AI workloads. AI servers accounted for 97.6% of AI infrastructure spending in Q4 2025, with storage representing the remaining 2.4%.

Where to start: prioritizing investment across AI capability layers

Organizations can prioritize investment in AI Predict, AI Create and AI Act based on their readiness, business needs and value potential, with each layer supporting distinct enterprise priorities

AI PREDICT

Decision intelligence that analyzes business data to identify patterns, detect risks, and forecast future outcomes.

- ✓ Decision accuracy
- ✓ Business planning
- ✓ Risk mitigation

elm
- Lezam: Accident Risk Prediction

- Fraud Detection



28.3%

(CAGR) Projected growth of the global predictive analytics market from 2025 to 2030



AI CREATE

Generates text, code, images and business content to accelerate knowledge work, improve creativity and support enterprise-wide content creation.

- ✓ Workforce productivity
- ✓ Faster creation
- ✓ Output quality

accenture
- Code Generation

Adobe
- Graphic Generation for Marketing Campaigns

71%

Of organizations regularly using generative AI* in at least one business function in 2025

AI ACT

Autonomous execution that performs tasks and interacts with enterprise systems with minimal human involvement.

- ✓ Operational efficiency
- ✓ Faster execution
- ✓ Reduced workload

elm
- Nuha: E-Gov Service Processing

Walmart
- Autonomous Procurement



33%

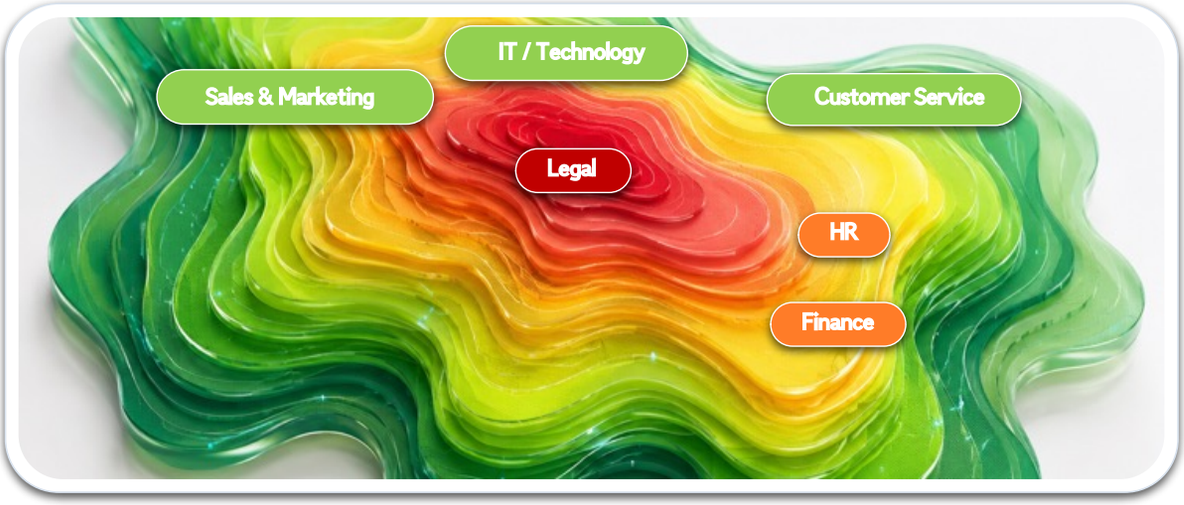
Enterprise software applications expected to include agentic AI by 2028, up from less than 1% in 2024

*GenAI comprises AI models that generate and transform text, code, images and other content, forming the primary technology behind AI Create capabilities. We have positioned this statistic under AI Create as it represents the capability that is most directly enabled by GenAI.

Where to focus: prioritizing AI across business functions

Organizations can direct investment toward business functions based on strategic priorities and value potential, with customer-facing and technology functions currently demonstrating the strongest AI adoption

Enterprise AI Adoption



Leading Enterprise Adoption
AI embedded at scale across leading enterprises

Growing Enterprise Adoption
AI adoption growing with expanding enterprise use

Emerging Enterprise Adoption
AI adoption remains selective with significant growth potential

AI adoption is expanding across all major corporate functions, although the **level of enterprise deployment varies** significantly by business function. Customer-facing and technology functions demonstrate the highest levels of adoption today, while support functions continue to scale AI deployment as enterprise use cases mature. The representative **use cases and business outcomes** below illustrate how organizations are creating value across each function.

Enterprise AI Use Cases and Business Value by Function

Function	Representative AI Use Cases	Primary Business Value
 **Customer Service**	Chatbots & self-service, call summarization, response drafting, routing & escalation	**98%+** of clients received answers within 44 seconds
 **IT / Technology**	Code generation, code transformation, ticket automation, IT support agents, AIOps*	**4,500+** developer-years saved **975 Mn SAR** in annual cost savings from performance improvements
 **Sales & Marketing**	Content operations & creative production, personalization & lifecycle marketing, campaign copy & testing assistants, brand & market intelligence	**43%** higher purchase likelihood **39%** higher basket value
 **Finance**	Financial forecasting, invoice extraction, audit support, financial reporting, reconciliation, fraud detection	**2x** compromised-card detection rate **300%** faster at-risk merchant identification
 **HR**	CV screening & candidate ranking ,enterprise knowledge assistant, invoice reading ,policy checks for approval-ready claims	**30,000+** employee queries resolved with no human involvement **1,333** hours saved on allowance claims
 **Legal**	Contract generation, clause extraction, compliance assistants, policy interpretation, document review	**88%** reduction in contract-processing time **1600+** hours saved annually

Methodology: Relative adoption levels represent our analysis, informed by McKinsey's State of AI 2025, industry analyses of AI adoption across business functions, and publicly reported enterprise AI implementations.

*AIOps (Artificial Intelligence for IT Operations) is the practice of using AI, machine learning (ML), and big data analytics to automate and improve IT operations.

Conclusion

AI is moving beyond experimentation to become an enterprise capability, with global investment accelerating and KSA strengthening its position in the global AI economy. At the enterprise level, what matters is how effectively organizations convert this investment into use cases that deliver meaningful business outcomes.

Sustainable impact does not come from isolated pilots. It emerges when each AI initiative is linked to a clear business priority, supported by the data, technology and governance needed to deliver it responsibly, and scaled based on what proves valuable.

Elm's structured AI Adoption Journey provides a clear path from readiness to scaled impact: assessing data and technology foundations, defining a focused AI strategy and high-value use cases, then building the capabilities and governance to move proven solutions into production.

To begin or accelerate your AI journey, engage Elm for a tailored consultation and a practical roadmap aligned with your priorities.

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