

Technology & AI

**AI investment accelerates
as focus shifts to
measurable returns**



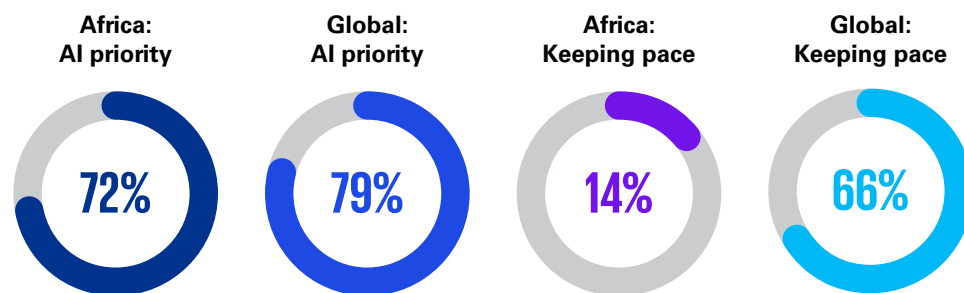
Technology & AI

Africa's AI ambition is outpacing enterprise readiness

Artificial intelligence remains firmly on the strategic agenda of African business leaders. Yet while investment ambition is approaching global levels, confidence in the ability to keep pace with change is markedly lower. The next phase of AI adoption will be defined less by experimentation and more by the organisational capacity to turn technology into sustained value.

Across Africa, 72 percent of CEOs identify AI as a top investment priority, compared with 79 percent globally. However, only 14 percent believe their organisations are keeping pace with or ahead of AI developments, compared with 66 percent globally. The sharper difference therefore lies in perceived readiness rather than investment intent: African CEOs are considerably less confident that their organisations are advancing quickly enough to keep pace with AI.

AI ambition and execution confidence



AI investment ambition is high, but confidence in execution differs sharply between Africa and the global benchmark.

The gap does not imply that African businesses are standing still. Many are investing in use cases that promise efficiency, improved customer experience and better decisions. But without dependable data, clear ownership and accountable delivery, pilots can struggle to become integrated enterprise capabilities.

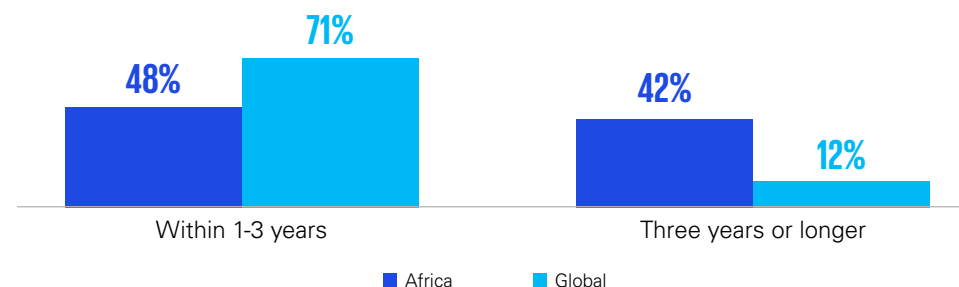
Investment is only the starting point

For CEOs, the imperative is to align AI investment with clearly defined business outcomes, supported by modern infrastructure, trusted information and effective oversight. The strongest returns are likely to come from solutions that are embedded in workflows, not isolated from them.

The distinction between commitment and capability matters. AI initiatives often begin in discrete teams or functions, but their enterprise value depends on whether data, processes and accountability can be connected across the organisation. Without these foundations, investment may generate promising pilots without changing productivity, customer outcomes or the economics of the business at scale.

From investment to measurable value

African CEOs anticipate longer timeframes for AI returns. While 48 percent expect returns within one to three years, compared with 71 percent globally, 42 percent expect returns beyond three years, compared with 12 percent globally. These expectations of longer time for AI value realisation may be linked to the relatively lower perception of keeping pace with AI developments.



Share of CEOs by expected AI payback timeframe (%). These are selected, non-exhaustive response categories; the bars are not intended to total 100 percent.

AI's immediate value proposition is operational: greater efficiency and productivity, stronger threat detection, and more effective use of information. These outcomes offer tangible starting points because they can be measured through cost, speed, quality and risk. Over time, the opportunity extends to differentiated customer propositions, new products and business-model transformation.

The foundations of enterprise-wide AI

Trusted data is essential. CEOs need reliable datasets, defined ownership, secure access and governance that address privacy and sovereignty. Equally, investment decisions should be business-led: each significant use case needs an accountable owner, a baseline and measurable benefits.

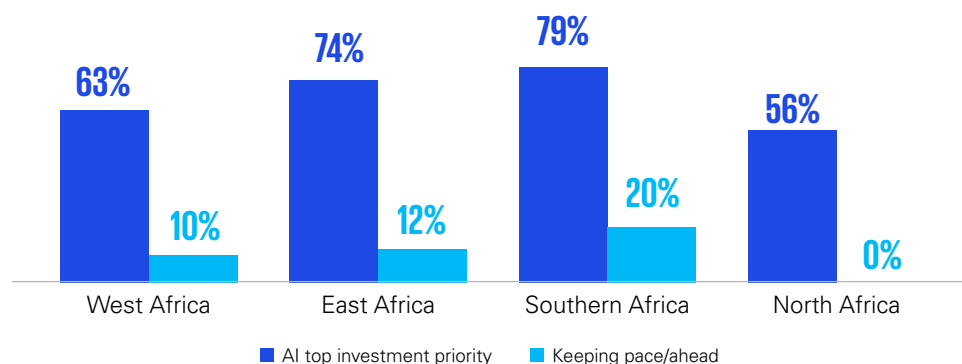
At the same time, workforce readiness must advance alongside technology, with upskilling, leadership literacy and redesigning work around human-AI collaboration helping to convert tools into productivity. Finally, responsible scale requires cyber resilience, model oversight, human intervention and clear accountability from the outset.

Longer payback expectations should not be interpreted as weak conviction in AI. They may instead reflect the time required to modernise underlying systems, prepare data and build the governance needed to deploy solutions safely. CEOs should distinguish near-term efficiency gains from more ambitious revenue or business-model opportunities, setting different milestones and investment thresholds for each.

A disciplined portfolio approach is therefore critical: begin with problems that matter commercially, measure outcomes against a clear baseline and scale only when performance and controls are demonstrable. This also reduces the risk of treating technology adoption as a substitute for operating-model change.

One continent, different paths to scale

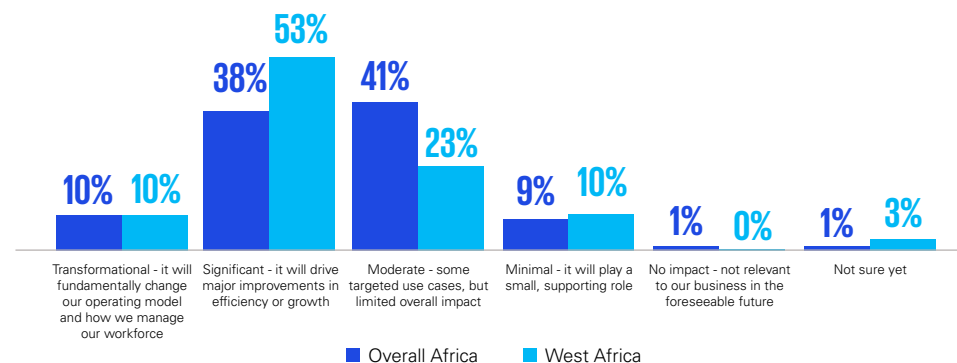
The regional results show a shared commitment to AI but different stages of readiness. Investment priorities, confidence and operating constraints vary, reinforcing the need for strategies grounded in local conditions rather than a single continental blueprint.



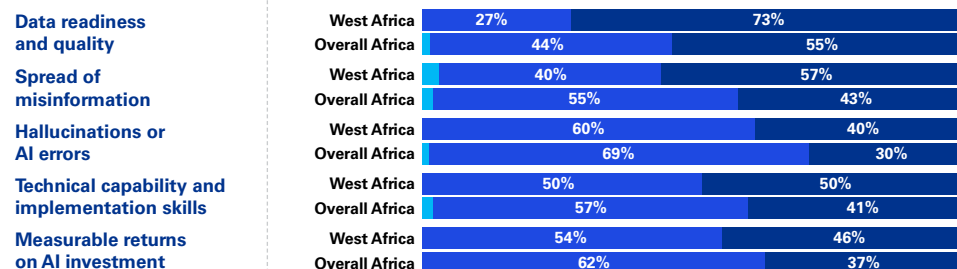
West Africa

Momentum is running ahead of readiness

In West Africa, 63 percent of CEOs identify AI as a top investment priority, compared with 72 percent across Africa. Yet 63 percent report that agentic AI is already having a significant or transformational impact, compared with 48 percent across the continent. Only 10 percent are confident that their organisations are keeping pace, although 70 percent remain cautiously optimistic. Data readiness is the most pronounced implementation constraint, cited by 73 percent versus 55 percent across Africa. Technical capability, AI reliability and measurable returns also present greater challenges, showing that reported operational impact can coexist with concerns about dependable enterprise-wide deployment. The region's challenge is to convert enthusiasm and early operational gains into reliable, governed delivery at scale. These figures relate to distinct survey questions, rather than shares of a common total.



Agentic AI impact, Africa vs West Africa



Overall Africa (n=176)

West Africa (n=30)

Not at all changing | Slightly/Somewhat Challenging | Mostly/Very Challenging

All figures are percentages. Labels below 5% are omitted. Totals may differ from 100% due to rounding
Selected AI implementation challenges, Africa vs West Africa

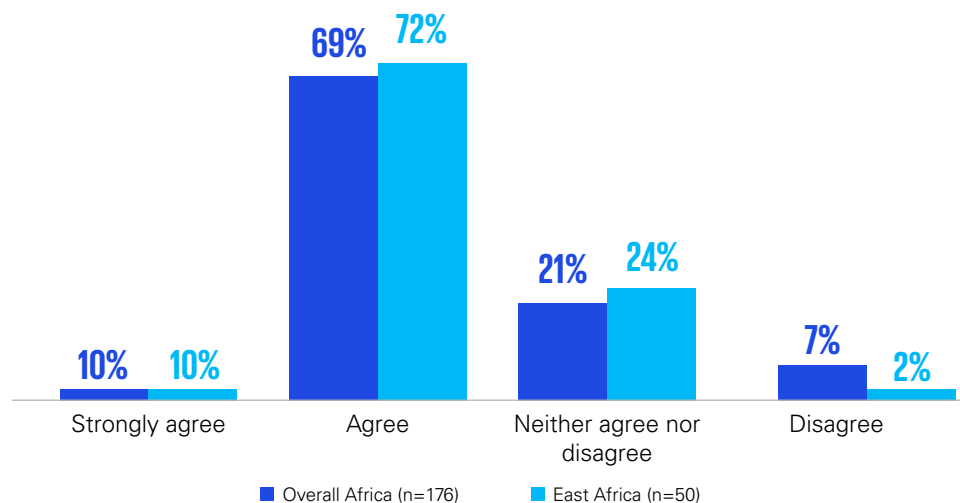
East Africa

Disciplined investment and practical value

AI remains a strategic priority for East African CEOs, with 74 percent identifying it as a top investment priority. However, spending plans remain measured: 78 percent expect to allocate no more than 20 percent of their budgets to AI over the next 12 months. Confidence is similarly cautious, with 78 percent cautiously optimistic about keeping pace and only 12 percent confident that their organisations are moving at the right pace or ahead. Return expectations are longer than the African average: 42 percent anticipate returns within three to five years, compared with 30 percent across Africa. Cost and data readiness are the leading implementation challenges, each cited by 60 percent, compared with 55 percent across the continent.

The perceived benefits are primarily operational rather than revenue-led. Efficiency and productivity are identified as leading benefits by 64 percent of East African CEOs, compared with 60 percent across Africa, followed by threat detection and security at 56 percent, compared with 53 percent. Fewer East African CEOs identify profitability, growth or new AI-enabled products and revenue as leading benefits.

For CEOs, the next step is to build on this operational focus while strengthening the leadership, workforce and governance capabilities needed to embed AI across the business and pursue new sources of value.



AI investment priority, Africa vs East Africa

Trust, talent and execution will define the next phase

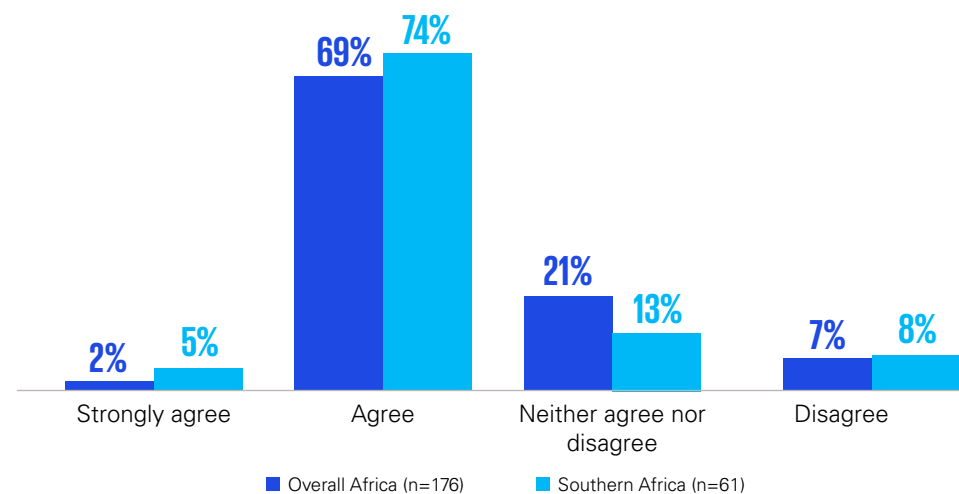
Southern Africa

AI is reshaping the operating model

Southern African leaders increasingly view AI as a change to how organisations operate, rather than simply a technology deployment. In Southern Africa, 79 percent of CEOs treat AI as a top investment priority, yet only 20 percent believe their organisations are keeping pace with or ahead of AI developments. Workforce redesign is central: the regional contribution reports 67 percent redeploying employees into AI-enabled roles and 57 percent redesigning roles and career paths. Leaders must balance automation with opportunities to develop the judgement and expertise of future talent.

The Southern African perspective places workforce redesign at the centre of AI strategy. Automation can improve productivity, but businesses must also consider how junior professionals develop judgement and how specialist capabilities are retained. Governance and human oversight should be designed into the operating model rather than added after deployment.

Beyond workforce redesign, reliable power, connectivity and infrastructure have also been highlighted as being essential to sustaining digital operations, while dependence on a small number of technology providers introduces continuity and concentration risks. The region's priority is to connect technology, talent and physical resilience within the same operating-model agenda.

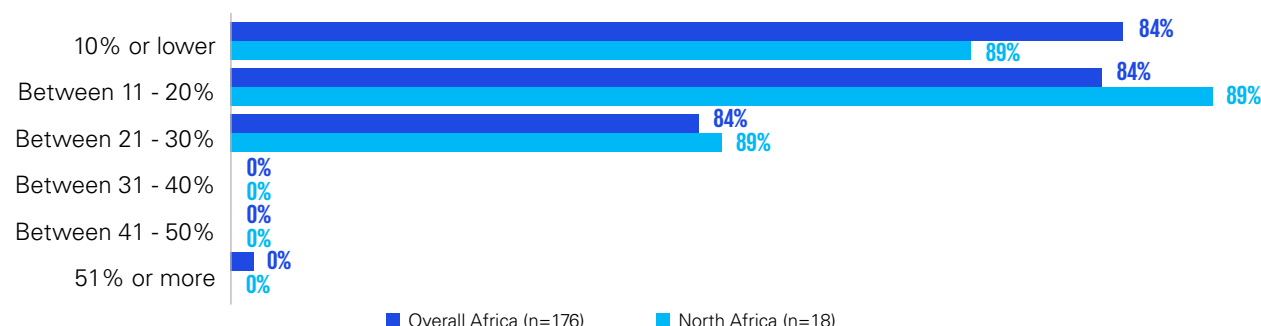


AI investment priority, Africa vs Southern Africa

North Africa

Selective investment, cautious scaling

North Africa presents a selective investment pattern; 56 percent of CEOs identify AI as a top investment priority over the next three years, while 22 percent plan to allocate more than 20 percent of their budgets to AI, compared with 21 percent across Africa and 8 percent globally. None of the surveyed CEOs consider their organisations to be keeping pace with or ahead of AI developments, although 69 percent remain cautiously optimistic and 88 percent believe their organisations are equipped to train and upskill employees. Governance is a defining consideration: 75 percent say AI and data sovereignty are strengthening their focus on internal data governance and control. Ethical considerations and regulatory disparities are the leading implementation challenges, cited by 69 percent and 63 percent, respectively.



AI budget allocation, Africa vs North Africa

Digital trust is a prerequisite for scale

Cybersecurity, privacy and accountability are inseparable from AI adoption. Ninety-four percent of the North Africa respondents expressed concerns about fraud, 88 percent about identity theft and data privacy, and 81 percent about cyberattacks. These are different risk measures and should not be added together. As AI systems take on more autonomous tasks, strong controls, human oversight and resilience will be critical to maintaining confidence.

For CEOs, digital trust is a commercial consideration as well as a technical one. As AI tools increasingly influence or initiate actions, the consequences of weak access controls, unreliable information or inadequate oversight can extend across customers, regulators and supply chains. Responsible scale requires the disciplines of cyber resilience, data stewardship and human accountability to evolve together.

The leadership imperative

The next stage of AI adoption is less about the number of pilots launched and more about the value organisations can demonstrate. CEOs should assign business ownership to priority use cases, invest in data and workforce readiness, set transparent measures of return and establish clear controls over deployment. Those able to combine innovation with institutional readiness will be better positioned to turn ambition into durable advantage.

Source and methodology: Findings draw on the supplied KPMG 2026 CEO Outlook comparison extracts and regional submissions; the global comparison uses the Core dataset. *North Africa denotes the survey segment labelled “French Africa” in the source data. Of its 20 respondents, 16 were from North Africa and four from Francophone sub-Saharan Africa; the results therefore predominantly, but not exclusively, reflect North African perspectives. The Southern Africa comparison uses the South Africa survey cut. Regional findings should be interpreted directionally given differences in sample size.

Turning AI ambition into business value requires more than technology. It calls for trusted data, capable people, strong governance and a clear focus on where AI can make the greatest difference.”



Joeline Pierce

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