eBook | January 2026

Lenovo

Europe & Middle East

CIO Playbook 2026
The Race for Enterprise AI

Research insights by

IDC

Introduction

Over the past two years, the role of AI inside Europe and Middle East organizations has changed profoundly. In 2024, many CIOs were still in a learning phase focusing on testing early use cases, understanding GenAI's potential, and working through cultural and regulatory questions. By 2025, this curiosity matured into structured pilots and proofs of concept, with organizations starting to see where AI could reliably improve operations, strengthen compliance, or even support innovation. Early successes in IT operations, customer service, and supply chain workflows helped shift the conversation from experimentation to first tangible and, what was often even more crucial, measurable, business outcomes.

Now, in 2026, EMEA organizations in Europe and Middle East will no longer treat AI as a new power to explore but as a transformative force that shapes how enterprises operate and compete. Organizations are moving from scattered adoption to enterprise-wide strategies supported by stronger foundations in data, skills, infrastructure, and governance. Hybrid deployment models, responsible AI policies, and clearer operating models for automation and agentic capabilities are becoming essential parts of the CIO toolkit.

For CIOs, this new phase brings both opportunity and responsibility. AI is now deeply tied to business priorities, from growth and customer experience to efficiency and resilience, which means technology decisions directly impact strategic performance. The challenge ahead is to scale AI safely and consistently across the organization and to ensure that technology foundations, risk controls, and workflows evolve at the same pace as the technology.

This Playbook offers a guide for navigating that shift. First-hand data collected and trends identified will help CIOs set the direction and build the capabilities needed so they can continue playing a key role in deploying enterprise-grade AI.

Definitions of AI Types

PREDICTIVE AI

Analyzes large data sets to uncover long-term behavioral patterns for forecasting.

INTERPRETIVE AI

Analyzes unstructured data—such as language, images, and event streams—to uncover patterns and derive insights.

GENERATIVE AI (GenAI)

Creates new content or code by leveraging existing content or code as a foundation, using Large Language Models (LLMs).

AGENTIC AI

Uses machine learning and deep learning techniques to exhibit agency—setting goals, making decisions, and taking actions through the perception-reasoning-action loop.

Source: IDC's *CIO Playbook 2026 Survey*, commissioned by Lenovo; Europe & Middle East; n = 800

CIO Strategic Imperatives (1/2)

Here are some key insights from IDC's research involving 800 IT and business decision-makers in Europe and the Middle East, along with considerations for CIOs in 2026:

	Insights	Considerations for CIOs for 2026
1	AI Adoption Driven by Business Needs and for Business Outcomes **AI Becomes a Core Engine of Business Performance** AI has moved to the top of the business agenda in Europe and the Middle East, as organizations see it as a direct enabler of growth, experience improvement, and operational efficiency. More than half of enterprises have already deployed AI, and 94% expect a positive ROI, proving that early investments deliver measurable value. Business priorities such as general regulatory compliance fall lower this year because many organizations have already met core requirements, while digital innovation is now embedded in day-to-day transformation rather than treated as a standalone goal.	• Translate business priorities into AI use cases with clear owners, key performance indicators (KPIs), and timelines so expected outcomes are measurable. • Work with business teams to prepare workflows for automation by modernizing processes and removing manual steps that prevent AI from scaling. • Engage in evolving operating models and skills by updating team structures, embedding AI literacy into employee development and supporting AI-heavy roles. • Adopt a simple value and readiness framework, considering impact, feasibility, and risk; and use it with business leaders early so AI becomes part of core planning, not an add-on.
2	Positive ROI Drives AI Investment **AI Spending Rises as Value Proof Strengthens Across the Enterprise** AI adoption now extends far beyond IT, with half of organizations reporting that non-IT departments directly fund AI initiatives. This indicates deeper operational use of AI and faster scaling of practical use cases across functions such as HR, finance, customer service and operations. At the same time, only 46% of POCs successfully reach production, showing that CIOs must address integration, governance, and user-readiness gaps.	• Focus investment on scale, not experiments, by turning proven POCs into production solutions and stopping low-impact pilots early. • Establish joint budget governance with business units, so funding, ownership, and KPIs sit with the teams that benefit from the solution. • Build a unified enterprise AI platform covering data, governance, MLOps, and shared APIs to accelerate reuse, reduce duplication, and control vendor sprawl. • Apply consistent evaluation and adoption standards for all AI investments, including clear business KPIs, an adoption plan, life-cycle costs, and criteria for selecting predictive, interpretive, generative, or agentic AI vendors and providers.
3	Strong Foundations Needed to Scale AI **Hybrid, Secure, and Integrated Environments Become an Essential Standard for Enterprise AI** Confidence in AI's value is driving a sharp rise in investment, with 93% of organizations in Europe and the Middle East increasing their budgets and planning for around 10% growth on average. Spending now spans predictive, interpretive, generative, and agentic AI, which signals a move toward multi-model portfolios. This diversification raises new demands on infrastructure, skills, and integration because each AI type introduces slightly different operational and governance requirements.	• Define a hybrid AI deployment strategy that assigns workloads to cloud, on-premises, or edge based on latency, data risk, sovereignty, and cost. • Extend security controls to AI systems, including identity, access, and continuous monitoring for models, AI devices, and agents. • Build an enterprise integration layer so AI can connect reliably with core systems, operational data and downstream workflows. • Establish disciplined operational readiness, including a cross-functional AI review board, a skills plan and standard incident-response procedures.

Source: IDC's *CIO Playbook 2026 Survey*, commissioned by Lenovo; Europe & Middle East; n = 800

CIO Strategic Imperatives (2/2)

Here are some key insights from IDC's research involving 800 IT and business decision-makers in Europe and the Middle East, along with considerations for CIOs in 2026:

	Insights	Considerations for CIOs for 2026
4	Trust and Governance Necessary to Fully Succeed with AI **Governance Maturity May Become the Gatekeeper for AI Scale** Even as adoption accelerates, many organizations remain in the "developing" or "ad hoc" stages of AI governance, creating exposure around transparency, responsible AI, and data quality. With 82% planning on-premises or edge AI deployments, CIOs face growing pressure to balance sovereignty, compliance, and performance when choosing where AI runs. Skills gaps, weak data pipelines, and immature integration practices remain some of the strongest blockers to scaling AI safely.	• Co-create with other stakeholders a unified responsible AI policy covering transparency, fairness, data lineage, and human oversight. • Set mandatory approval steps for AI use cases, involving legal, compliance, security, and data teams. • Establish model monitoring for drift, misuse, and unexpected behavior, with clear rules for escalation, and create secure experimentation environments to prevent shadow AI. • Plan for clear documentation and audit trails for every model to support compliance and internal accountability. • Train leaders and teams beyond IT on AI risks, bias, limitations, and safe-use practices so governance becomes operational, not theoretical.
5	Accelerating Automation with Agentic AI **Agentic AI Emerges as the Next Step in Workflow Automation; However, It Requires Control** Interest in agentic AI is rising quickly, with a 65% increase in organizations preparing for adoption as they seek to automate complex, multi-step processes. Early focus areas include security operations, financial workflows, and customer service, which are domains where structured tasks make agents effective. However, organizations still face major challenges around data quality, workflow redesign, control mechanisms, and managing autonomy.	• Identify candidate workflows for agents: high-volume, rules-heavy tasks in well-defined processes. • Define strict autonomy boundaries for agents, including triggers, decision limits, and when humans must intervene. • Build an orchestration layer to manage multiple agents, avoid duplication, and prevent "agent sprawl." Update security controls to include agent permissions, identity management, and access monitoring. • Work closely with business stakeholders to prepare teams for new ways of working by clarifying how agents change roles, handoffs, and responsibilities. • Pilot agents in controlled environments where performance, safety, and reliability can be tested under supervision; scale agentic AI only when data quality, integrations, and workflow logic are mature enough to avoid operational disruption.

Source: IDC's *CIO Playbook 2026 Survey*, commissioned by Lenovo; Europe & Middle East; n = 800

Europe & Middle East Insights

AI Adoption Driven by Business Needs and for Business Outcomes

AI becomes a key business enabler as organizations seek faster growth and better outcomes.

Enterprises across Europe and the Middle East are elevating AI to a business priority because it enables improvements that traditional digital tools do not always deliver. Growth targets, customer expectations, and productivity needs push companies to integrate AI across processes and no longer treat it as experimental technology. The mix of priorities shows that leaders expect AI to support both revenue generation and internal efficiency, making AI a key element of day-to-day execution. Organizations progressing fastest build AI into workflows that shape how employees work and how customers engage. This shift to reinventing business with AI highlights that competitive advantage increasingly depends on operationalizing AI consistently across the business.

Business Priorities - Europe and Middle East	2025	2026	YoY Change
Enhancing/innovating/reinventing our business with AI	*N/A*	=1	*New for 2026*
Increasing revenues and profit growth	5	=1	+4
Improving customer experience and satisfaction	6	3	+3
Improving employee productivity	4	4	=
Reducing business risk and cyberthreats	8	5	+3

The priorities that shaped 2025, such as regulatory compliance and digital business innovation, rank lower now because many organizations have already met core compliance requirements, and digital innovation is no longer viewed as a separate initiative but as a natural part of growth driven by AI and broader transformation efforts.

Spotlight Quote

"AI is something we want to adopt across all of our processes, but never as a substitute for people. Our strategy is based on the belief that humans and AI should work together, with AI acting as an enabler that enhances what people do best."

— CIO, a European financial sector company

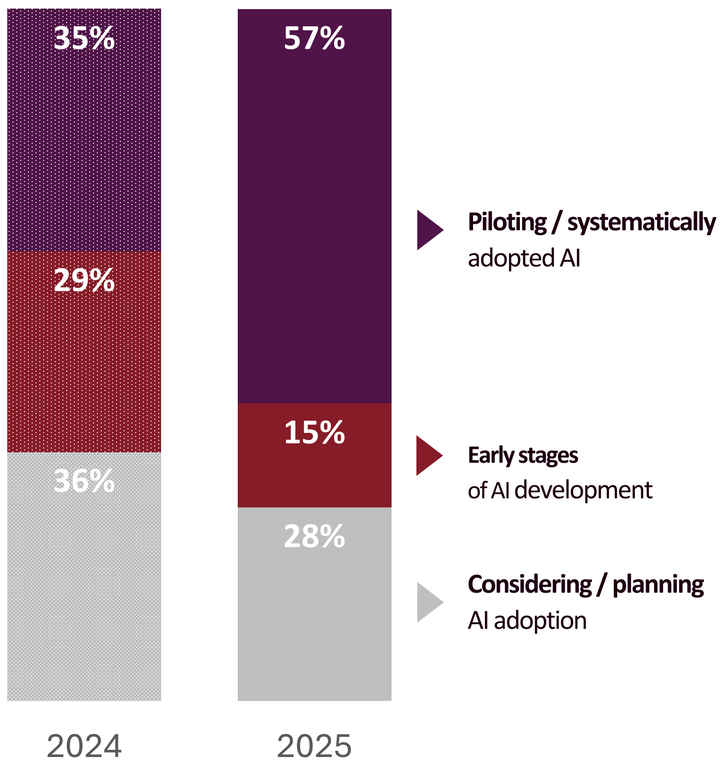
Source: IDC's *CIO Playbook 2026 Survey*, commissioned by Lenovo; Europe & Middle East; n = 800

AI Adoption Driven by Business Needs and for Business Outcomes

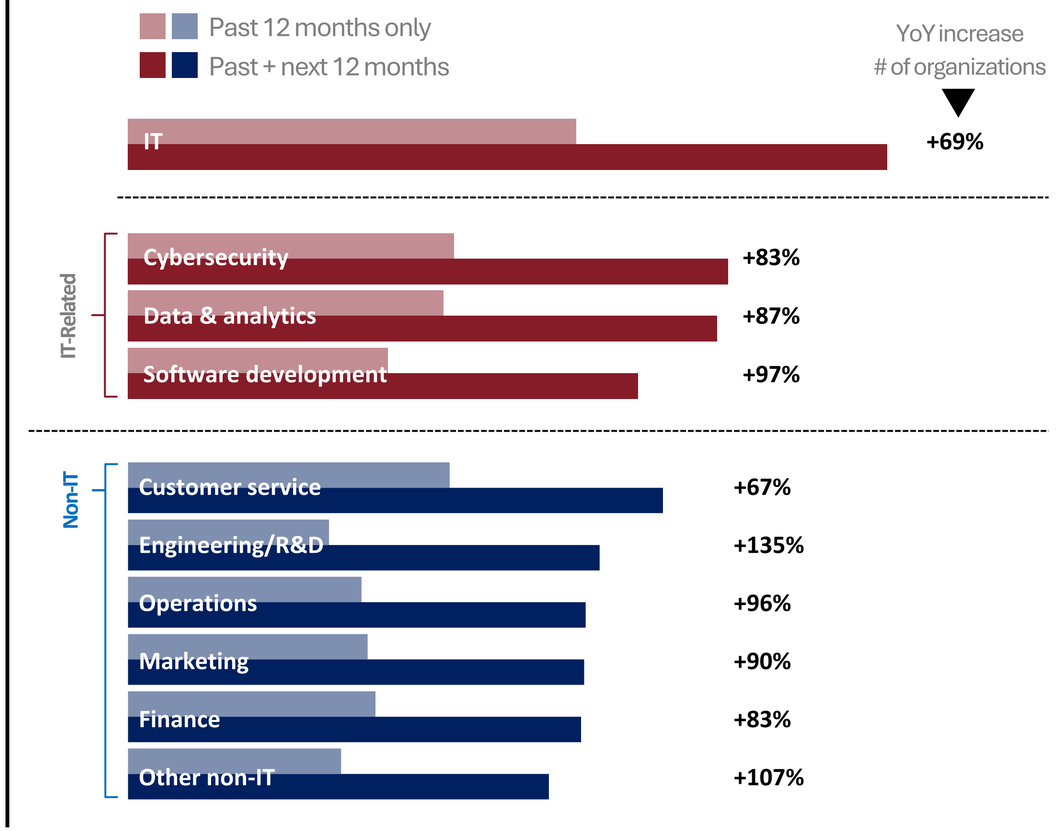
AI moves beyond IT as more business units take ownership of use cases and budgets.

AI adoption in Europe and the Middle East has matured significantly over the last 12 months, with more than half of organizations actively deploying AI. Adoption is accelerating because organizations recognize that value multiplies, especially when business functions outside IT own and scale their initiatives. Non-IT departments increasing their budget contributions shows a shift toward shared responsibility, where business units treat AI as a core capability rather than a purely technical service. The rise in POCs and user adoption also highlights deeper engagement, yet it exposes fragmentation risks if governance and platforms are not unified. Enterprises that succeed treat AI as a distributed but integrated capability, not an isolated project managed away from the technology function.

AI Adoption Status



AI Implementation by **Business Area**: past year & next year



AI Implementation

35 POCs — Average # of POCs implemented last year

46% Production — Average % of POCs that transition into production

48% — Average % of target users adopting AI projects in production

Source: IDC's *CIO Playbook 2026 Survey*, commissioned by Lenovo; Europe & Middle East; n = 800

Positive ROI Drives AI Investment

Strong investment growth reflects rising confidence in AI's enterprise value.

93% of the surveyed organizations plan to increase their investment in AI over the next 12 months, with an average spending growth of approximately **+10%**.

Organizations across Europe and the Middle East are expanding their AI budgets because early experience confirms that AI improves outcomes across multiple functions. The variety of categories that companies plan to allocate money to signals that enterprises are no longer experimenting with individual technologies or AI types but are assembling diverse portfolios of AI capabilities applied to different business needs or even use cases. This shift places new demands on the infrastructure, talent, and integration capabilities needed to meet the growing complexity. Still, the sustained investment momentum is a very positive sign, indicating that leaders now consider AI essential to business performance.

Spending Distribution by AI Type
for the Next 12 Months

23%

Agentic AI

Agentic AI software refers to systems that use machine learning and deep learning techniques to exhibit agency — setting goals, making decisions, and taking actions through the perception-reasoning-action loop.

26%

GenAI

Creating new content or code by leveraging existing content or code as a foundation, using Large Language Models (LLMs).

24%

Interpretive AI

Analyzing unstructured data — such as language, images, and event streams — to uncover patterns and derive insights.

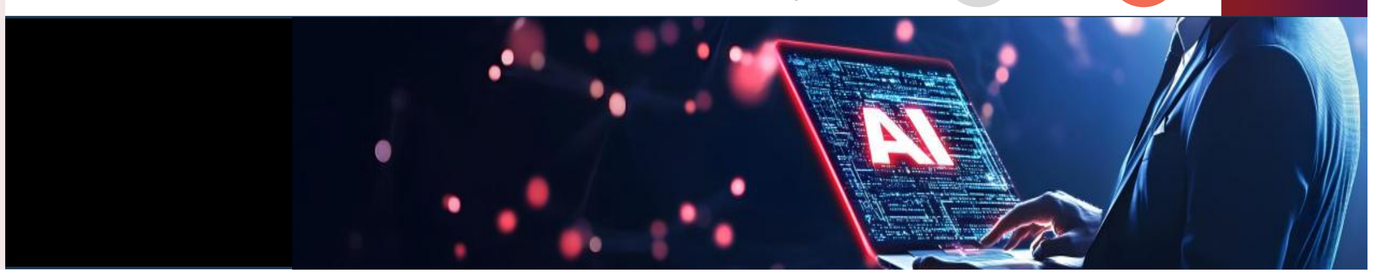
28%

Predictive AI

Analyzing large data sets to uncover long-term behavioral patterns for forecasting.

AI Investments Priorities

	Past 12 Months	Next 12 Months	Change
Deploying and supporting AI infrastructure	1	1	=
AI integration with devices, infrastructure, and enterprise systems	2	2	=
AI security, trust, and transparency tools	10	3	+7
Deploying AI devices	7	4	+3
Public cloud AI services	11	5	+6



Source: IDC's *CIO Playbook 2026 Survey*, commissioned by Lenovo; Europe & Middle East; n = 800

Positive ROI Drives AI Investment

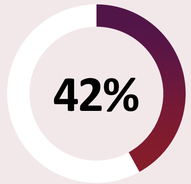
AI delivers value across various KPIs, from revenue to experience to decision-making.

The strong financial and non-financial gains prove why organizations deepen their AI commitments. Companies see that AI improves decision accuracy, customer experience, and staff engagement, which strengthens both top-line and operational performance. These benefits materialize in functions with structured data and repeatable processes — features that have made them ideal entry points for scaled AI. The combination of financial return and cultural impact also highlights AI's role in shifting organizational behavior and encouraging data-driven decision-making. Again, it is worth stressing that organizations in the region that mature fastest perceive AI as a broad transformation lever and look beyond purely targeted optimization.

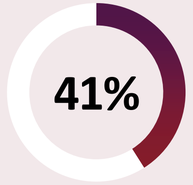
94% of the surveyed organizations anticipate a positive ROI from their AI initiatives.

On average, these organizations expect to generate **$2.78** in value for every dollar invested in AI projects.

Top Non-Financial Benefits Realized from AI Initiatives



Increased employee engagement or satisfaction



Improved customer experience

Improved decision-making speed or effectiveness

Top Business Areas where AI has Shown Positive Returns

1. IT
2. Cybersecurity
3. Data & analytics
4. Customer service
5. Software development

Spotlight Quote

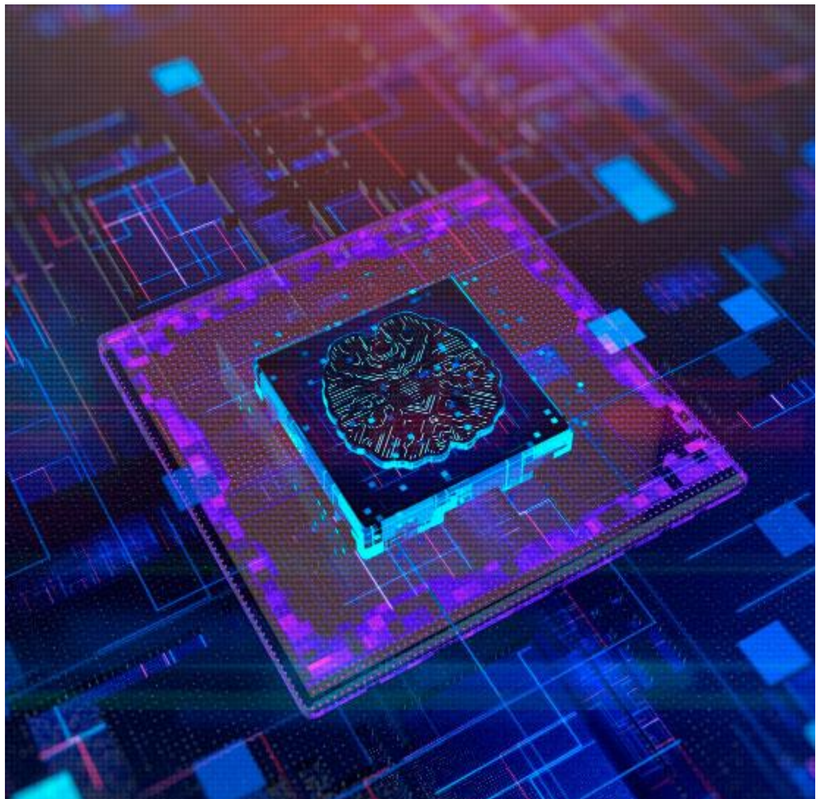
"AI has already delivered clear, measurable outcomes for us. In customer service, AI-powered first-level support has sharply reduced waiting times and improved availability, allowing human agents to focus on the complex cases that truly need their expertise. We see similar gains in training and finance, where AI-generated avatars speed up content creation, and advanced models detect patterns far better than before. These improvements show that AI is not theoretical; it is already raising service quality, speeding up processes, and reducing operational effort across the organization."

— CIO, a European business services company

Source: IDC's *CIO Playbook 2026 Survey*, commissioned by Lenovo; Europe & Middle East; n = 800

Strong Foundations Needed to Scale AI

Skills, infrastructure, data, and integration remain challenges.



The critical success factors underline the effort needed for enterprise-grade AI. Enterprises must build reliable data pipelines, modern infrastructure, and integration frameworks that allow AI to operate across departments without creating risk. Talent remains a major challenge, as organizations need teams that understand both business context and AI life-cycle management. These requirements highlight why many projects stall after pilots: without strong foundations, scaling becomes costly and inconsistent. To be successful, enterprises must recognize that AI maturity is not about increasing model sophistication or the number of tools, but about sustained and predictable use in production, supported by disciplined processes running on strong foundations.

Critical Success Factors for AI Implementation in Organizations

1. Employee training/upskilling to build internal AI expertise(e.g., MLOps, prompt engineering)
2. Scalable, high-performing, and cost/energy-efficient AI infrastructure
3. Effective human-AI collaboration for optimized workflows
4. Availability of AI devices(e.g., PCs, workstations, smartphones & tablets)
5. Robust data security, sovereignty & governance

Spotlight Quote

"Scaling AI is impossible without the right foundations. We learned quickly that high-quality data, strong security controls, and clearly defined governance are not optional — they are prerequisites for every successful use case. Our teams also need the skills to understand how AI works and how to manage its risks. That is why we invest heavily in secure environments, continuous monitoring, and cross-functional oversight.“

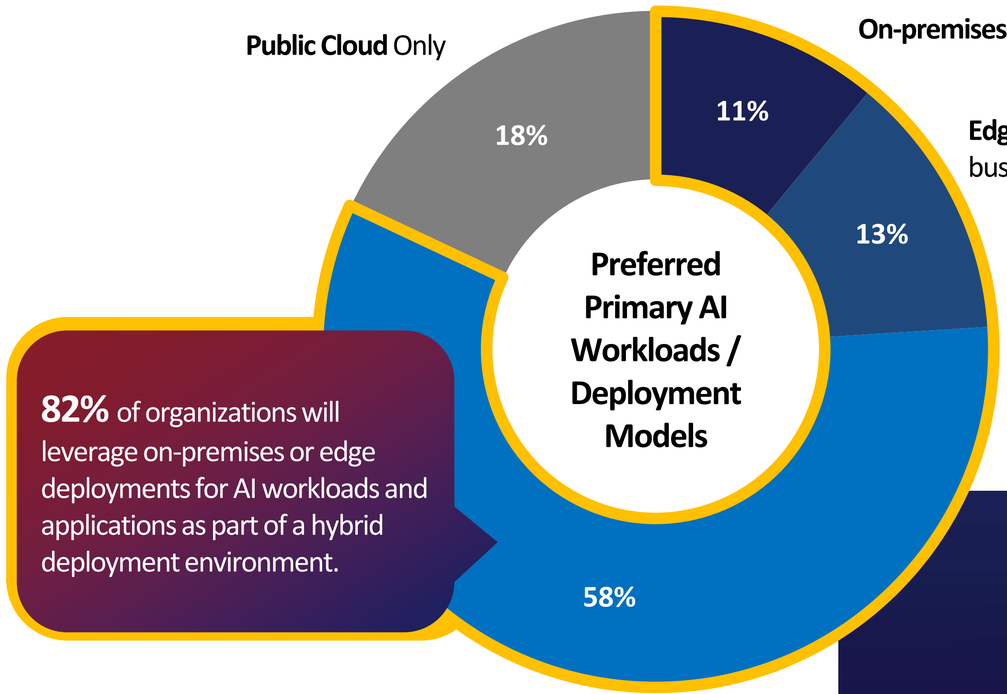
— CIO, a European professional services company

Source: IDC's *CIO Playbook 2026 Survey*, commissioned by Lenovo; Europe & Middle East; n = 800

Strong Foundations Needed to Scale AI

Organizations choose hybrid deployments to balance control, performance, and compliance.

Enterprises in Europe and the Middle East are increasingly adopting hybrid AI because they must manage sensitive data, meet regulatory requirements, and optimize performance across distributed environments. Companies face pressure to support workloads running in private cloud, public cloud, and edge locations, making flexibility essential. The high reliance on on-premises and edge reflects concerns over data movement, cost predictability, and security. CIOs also factor in operational needs such as latency, sovereignty, and workload customization. As hybrid becomes the default model, integration, governance, and platform consistency become critical. Organizations that succeed treat hybrid deployment not as a constraint but as a strategic tool for resilient, controlled AI deployment.



Key Drivers for On-Premises AI Workload Deployment

1. Flexibility to customize & optimize infrastructure
2. Ensuring data privacy, regulatory compliance, and security protocols
3. Greater control over operations & data
4. Implementing advanced security strategies/measures to address emerging threats
5. Support for distributed businesses, devices & data

Spotlight Quote

"So, hybrid would also be an option, but I would say that the majority use private cloud solutions, mainly due to concerns about data protection. In some areas, we also operate in regulated environments, which means we have to pay special attention to data protection. IT security is, of course, another important factor. Therefore, we often create sandbox environments where we can use large language models in a separate, secure area to ensure that our data does not leave our internal systems."

— CIO, a global logistics company based in Germany

Source: IDC's *CIO Playbook 2026 Survey*, commissioned by Lenovo; Europe & Middle East; n = 800

Strong Foundations Needed to Scale AI

AI-enabled devices become essential as organizations push intelligence closer to users and data.

Organizations in Europe and the Middle East are accelerating their adoption of AI PCs, edge devices, and local inferencing to improve productivity and reduce dependence on centralized compute. As more applications rely on real-time context, running models locally becomes necessary to reduce latency and strengthen data control. The rise of AI devices reflects demand for personalized assistance, secure offline processing, and improved employee experiences. This trend also moves AI closer to daily workflows; therefore, device-level capability becomes more of a strategic enabler. Modernizing endpoints may help organizations unlock faster decision-making and reduce bottlenecks tied exclusively to central infrastructure.

Survey Insights

"Deploying AI devices to enhance productivity and local inferencing" is the **#1 ranked** IT investment priority for the next 12 months.

IDC Predictions

By 2027, **50% of enterprise PC purchases will shift to models with on-device AI agents.** These agents will work in hybrid mode (on-device and cloud), enhancing productivity, security, and autonomy.

Source: *IDC FutureScape: Worldwide Connected Devices 2026 Predictions*

By 2027, as the focus of AI shifts from training to inferencing, **80% of enterprises will deploy distributed edge infrastructure** to improve the latency and responsiveness of AI applications.

Source: *IDC FutureScape: Worldwide Digital Infrastructure 2026 Predictions*

Spotlight Quote

"As our operations become more AI enabled, we see growing value in running inferencing closer to where data is generated. Local processing reduces latency, improves resilience, and lets us keep sensitive operational information inside controlled environments. For industrial settings, the edge is becoming a natural extension of our AI infrastructure."

— CIO, a global utility/process manufacturing company

Source: IDC's *CIO Playbook 2026 Survey*, commissioned by Lenovo; Europe & Middle East; n = 800

Trust and Governance Necessary to Fully Succeed with AI

Responsible AI: Trust, alignment, accountability, and control are not negotiable.

Organizations realize they need to address governance gaps because inconsistent controls limit safe AI adoption and expose organizations to compliance, security, and ethical risks. The distribution of maturity levels shows many organizations are still formalizing policies around AI, which constrains deployment, especially in regulated industries or customer-facing functions. The top concerns — responsible AI, transparency, and data quality — underline the need for robust oversight frameworks that should extend across departments. As AI becomes central to decision-making, trust frameworks must evolve from guidance documents to operational systems embedded in workflows. Enterprises that invest early in governance create safer conditions for scaling advanced AI.

Organizational Approach to AI Governance, Risk & Compliance

Comprehensive
We have established AI governance policies, rules, guidelines, and practices that rigorously address security, data protection, privacy, and AI sovereignty. These frameworks are actively enforced and regularly reviewed.

Developing
We are in the process of developing comprehensive policies. Some measures are in place, but they are not yet fully implemented.

Ad-Hoc
We have some security and data protection measures for AI, but they are inconsistent and lack formal governance policies.

Not Established
We currently do not have an established approach or specific policies regarding AI governance, security, privacy, or data sovereignty.

Spotlight Quote

"For us, introducing AI into the organization is not a matter of enthusiasm alone; it must follow a disciplined, structured process. Every team that wants to adopt AI must present a concrete use case that goes through a multidisciplinary committee. This governance protects us from unmanaged risks and ensures that AI is adopted purposefully, not impulsively."

— CISO, a global insurance company

Top AI Trust Concerns

1. Lack of Responsible AI
2. Poor data security
3. Poor knowledge / application of Responsible AI
4. Shadow AI risks
5. Intellectual property risks

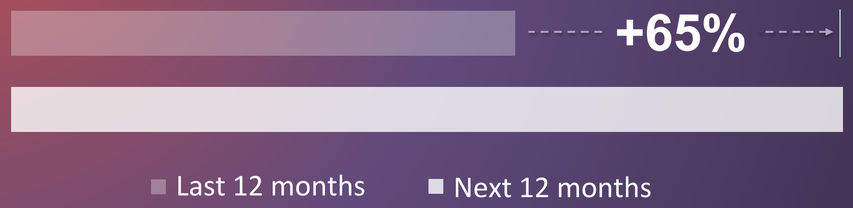
Source: IDC's *CIO Playbook 2026 Survey*, commissioned by Lenovo; Europe & Middle East; n = 800

Accelerating Automation with Agentic AI

Organizations prepare for agentic AI as they seek deeper automation.

Interest in agentic AI is growing because organizations want systems that can act, not just analyze. CIOs see potential in automating complex, multi-step tasks that currently rely on manual coordination. The increase in readiness signals that enterprises view agent capabilities as the next stage of digital transformation. However, timelines for scaled adoption show that many are still working through foundational issues such as data integration, workflow redesign, and governance. CIOs must prepare architecture and security frameworks capable of handling autonomous actions safely. The shift also requires new organizational structures and operational models, as teams adapt to processes that evolve with machine-driven decision logic. Early adopters will gain advantage in efficiency and speed, but only if they invest in readiness across technology, people, and policy.

Organizations Focusing on Agentic AI

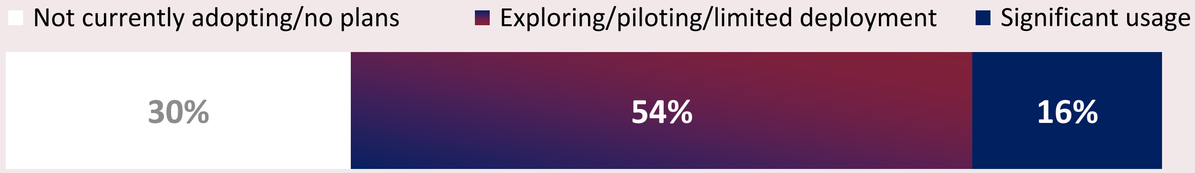


Spotlight Quote

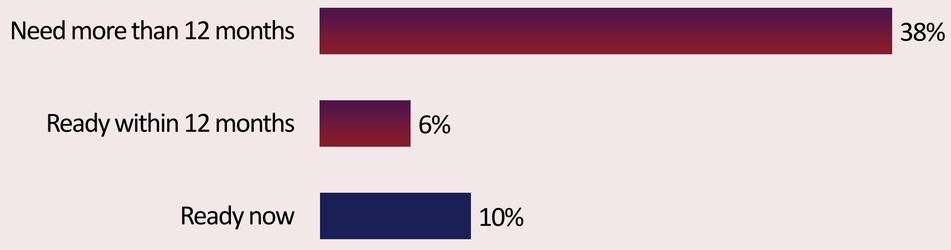
"With agents, the conversation changes. People immediately recognize that agents can automate entire processes, and that raises questions about their future roles. But agents will not be fully autonomous anytime soon; we will always need humans in the loop, clear thresholds, and continuous monitoring."

— CIO, a European professional services company

Agentic AI: Adoption and Implementation Readiness



Timeline Needed for Scaled Agentic AI Implementation



Source: IDC's *CIO Playbook 2026 Survey*, commissioned by Lenovo; Europe & Middle East; n = 800

Accelerating Automation with Agentic AI

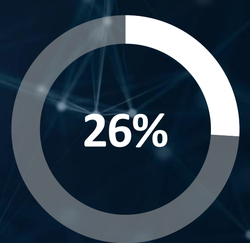
Agentic AI gains traction in high-value processes but faces scaling barriers.

Organizations are targeting agentic AI at functions where automation can reduce workloads and improve consistency, such as security operations, service management, and financial analysis. These areas often already offer structured workflows suitable for autonomous action. Still, scaling remains difficult because organizations must solve challenges in data quality, integration, control mechanisms, and change management. Agentic systems require clarity on boundaries, oversight, and escalation paths, which many enterprises are still designing. As these capabilities mature, agentic AI will shift from isolated pilots to end-to-end process automation and, in many cases, will fundamentally change how enterprises operate.

Where Agentic AI Is or Will Be Used

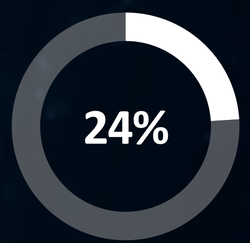
1. Cybersecurity
2. Quality control and maintenance
3. Customer service and support
4. Product development and innovation
5. Financial analysis and reporting

Key Challenges Organizations Need to Overcome to Successfully Implement Agentic AI



Technical complexity and integration with existing systems

Security and privacy risks



Uncertain ROI and cost justification

Spotlight Quote

"One person can be replaced easily with hundreds of agents. If you build 100 agents, you build hundreds of workers. But managing so many agents also means creating the right guardrails, because without strong oversight, their autonomy can quickly introduce new risks."

— CIO, a global utility / process manufacturing company

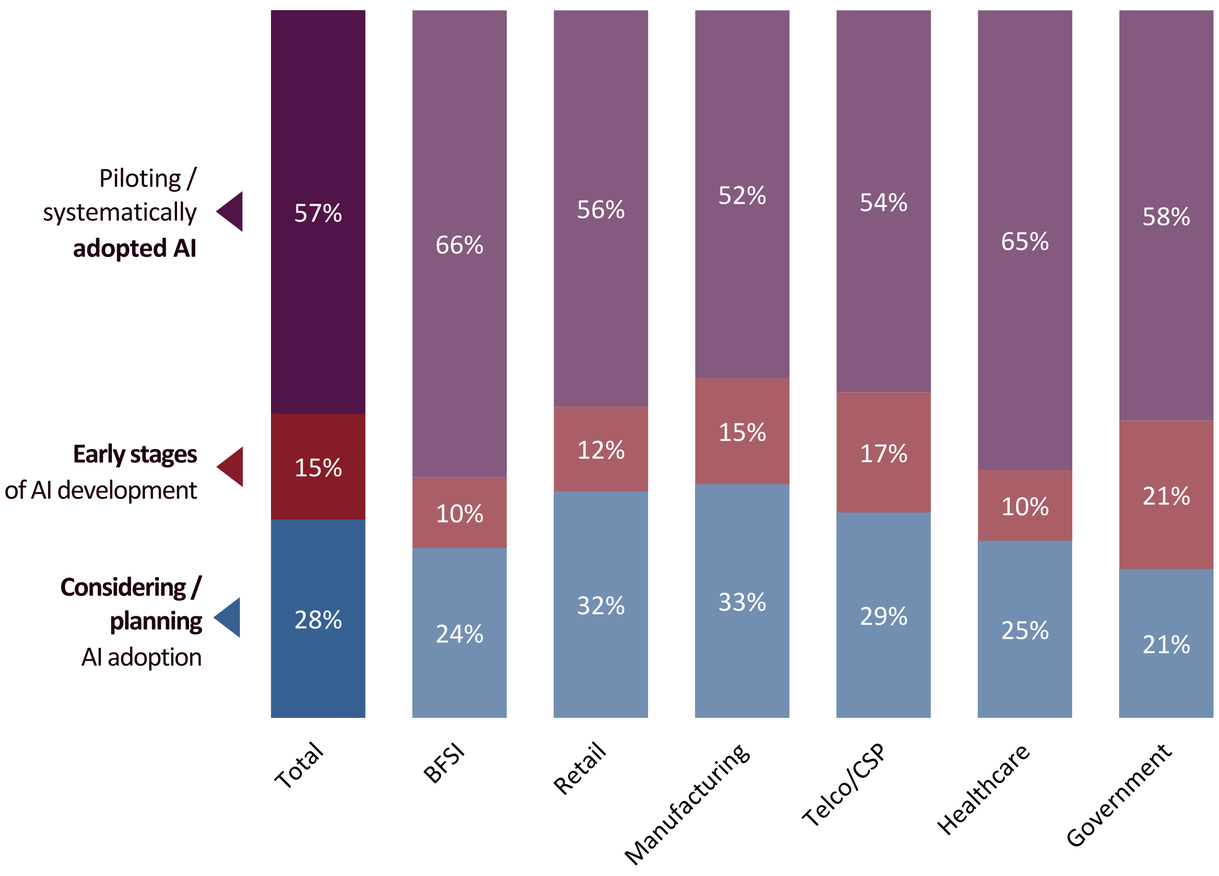
Source: IDC's *CIO Playbook 2026 Survey*, commissioned by Lenovo; Europe & Middle East; n = 800

Insights by Industries

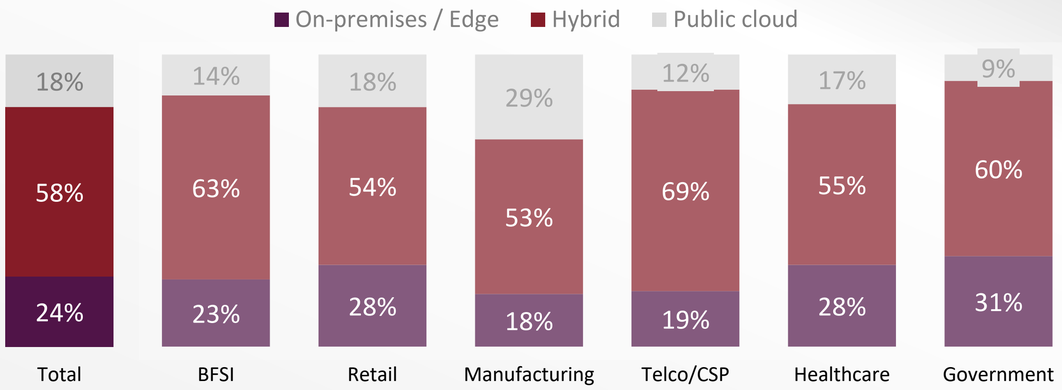
Industries Overview

Across industries in the Europe and Middle East region, AI adoption is moving from experimentation toward more structured and scaled use, but maturity levels remain uneven. Most sectors are balancing the need for innovation with concerns around control, security, and integration, explaining the continued preference for hybrid and edge-oriented deployment models. At the same time, there is a clear shift in mindset toward more autonomous and agent-based AI, signaling growing confidence in AI's ability to support complete and complex business processes rather than just isolated and individual use cases.

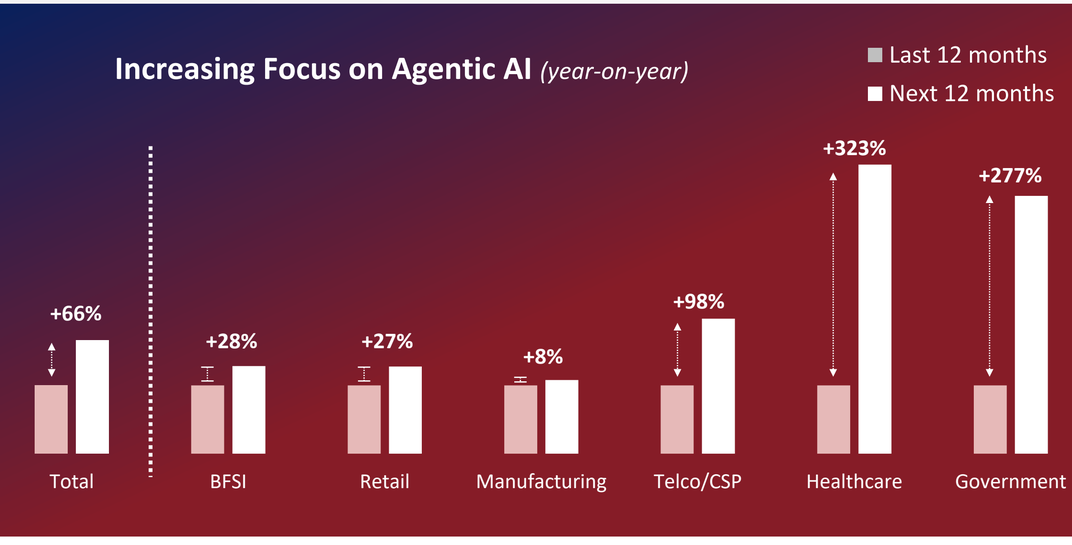
AI Adoption Status



Preferred Primary AI Workloads / Deployment Models



Increasing Focus on Agentic AI *(year-on-year)*



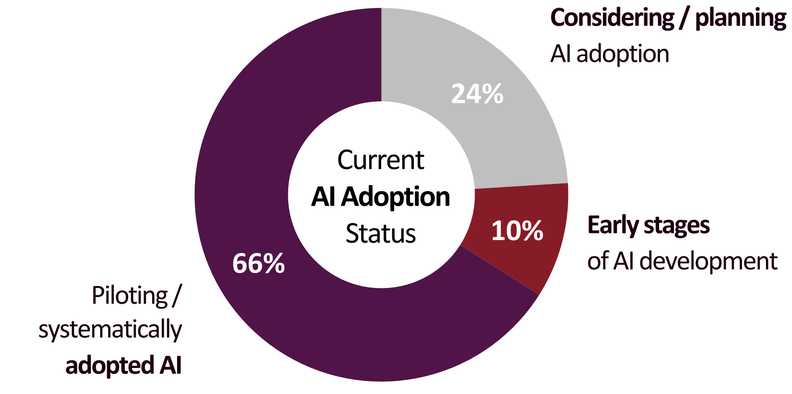
Source: IDC's *CIO Playbook 2026 Survey*, commissioned by Lenovo; Europe & Middle East; n = 800

BFSI Overview *(1/2)*

Financial organizations are prioritizing AI to improve the client experience because they compete on service quality and must grow their revenues efficiently. They are investing early in IT and customer service since these teams already run on structured data and repeatable processes. Banks and other financial institutions are expanding their AI budgets to strengthen core platforms, integrate AI into existing systems, and prepare for broader automation. They are emphasizing infrastructure because dependable, well-governed environments are essential for risk-sensitive operations that handle large transaction volumes.

Business Priorities for 2026

1. Improving customer experience & satisfaction
2. Increasing revenues & profit growth
3. Improving employee productivity
4. Enhance/innovate/reinvent our business with AI
5. Driving digital business innovation

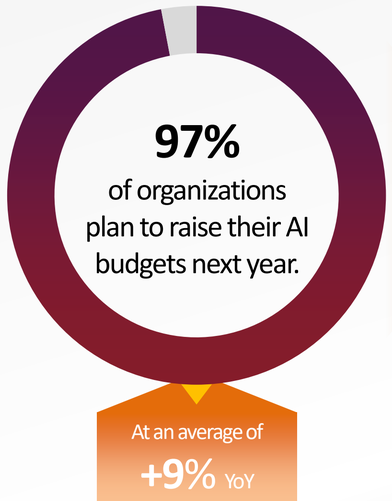


96% of the surveyed organizations anticipate a **positive return** on investment from their AI initiatives.

On average, organizations expect to generate **$2.40** in value for every dollar invested in AI projects.

Top Business Areas where AI has Shown Positive Returns

1. IT
2. Customer service
3. Data & analytics
4. Finance
5. Cybersecurity



AI Investments Priorities for the next 12 months

1. Deploying and supporting AI Infrastructure
2. AI integration with devices, infrastructure & enterprise systems
3. Generative AI development, deployment & applications/solutions
4. Deploying AI devices
5. AI security, trust & transparency tools

Source: IDC's *CIO Playbook 2026 Survey*, commissioned by Lenovo; Europe & Middle East; n = 800

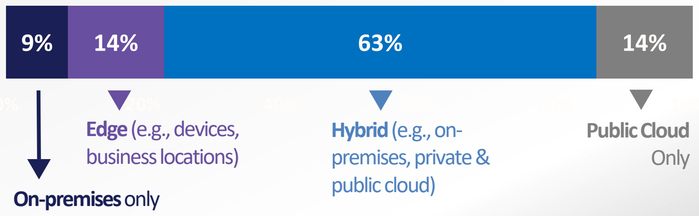
BFSI Overview *(2/2)*

BFSI firms are choosing hybrid and on-premises AI because they must control sensitive data and meet strict regulatory requirements. They are strengthening their governance procedures to manage IP risk and responsible AI obligations, as weak controls directly threaten compliance. Financial institutions are testing agentic AI cautiously, using it first in security, customer support and financial analysis, where task logic is predictable. They are following this path because even small gains in accuracy, speed, or risk reduction scale significantly across millions of daily operations.

Technology Foundations

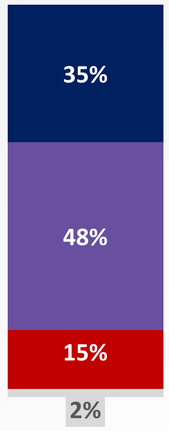
More than **1 in 4** organizations highlighted that **"deploying AI devices to enhance productivity and local inferencing"** is a key IT investment priority for the next 12 months.

Preferred Primary AI Workloads / Deployment Models



Building AI Trust

Approach to AI Governance, Risk & Compliance



Comprehensive
We have established AI governance policies, rules, guidelines, and practices that rigorously address security, data protection, privacy, and AI sovereignty. These frameworks are actively enforced and regularly reviewed.

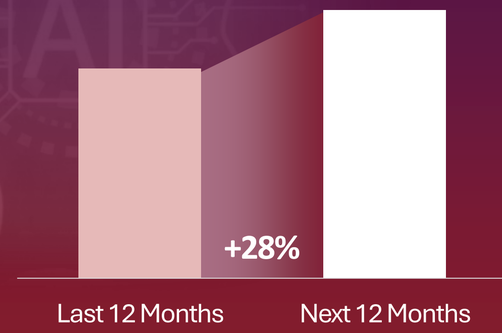
Developing
We are in the process of developing comprehensive policies. Some measures are in place, but they are not yet fully implemented.

Ad-Hoc
We have some security and data protection measures for AI, but they are inconsistent and lack formal governance policies.

Not Established
We currently do not have an established approach or specific policies regarding AI governance, security, privacy, or data sovereignty.

The Agentic Future

Increasing Focus on Agentic AI



Key Drivers for On-Premises AI Workload Deployment

1. Greater control over operations & data
2. Ensuring data privacy, regulatory compliance, and security protocols
3. Implementing advanced security strategies/measures to address emerging threats

Top AI Trust Concerns

1. Lack of Responsible AI
2. Intellectual property risks
3. Poor knowledge / application of Responsible AI

Where Agentic AI Is or Will Be Used

1. Cybersecurity
2. Customer Service and Support
3. Financial Analysis and Reporting

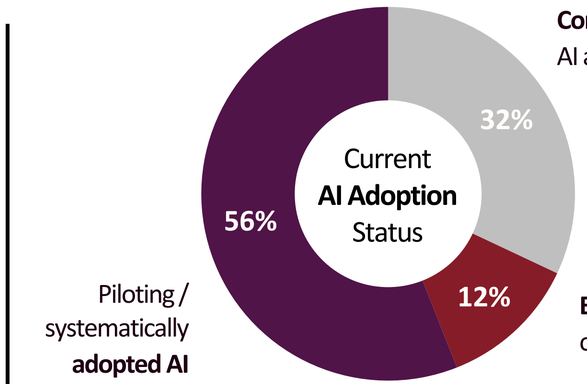
Source: IDC's *CIO Playbook 2026 Survey*, commissioned by Lenovo; Europe & Middle East; n = 800

Retail Overview *(1/2)*

Retail organizations are using AI to reinvent their businesses because customer expectations and margins are pushing them to modernize quickly. They are focusing on IT, analytics, and sales as these areas already capture real-time behavioral data that AI can use immediately. Retailers are raising their budgets to expand omnichannel experiences and streamline inventory decisions. Their investment focuses on infrastructure and systems integration to support AI-enabled personalization and faster execution across stores, logistics, and digital channels, where speed directly influences revenue and loyalty.

Business Priorities for 2026

1. Enhance/innovate/reinvent our business with AI
2. Increasing revenues & profit growth
3. Improving customer experience & satisfaction
4. Improving regulatory compliance
5. Accelerating time to market



94% of the surveyed organizations anticipate a **positive return** on investment from their AI initiatives.

On average, organizations expect to generate **$2.59** in value for every dollar invested in AI projects.

Top Business Areas where AI has Shown Positive Returns

1. IT
2. Data & analytics
3. Sales
4. Cybersecurity
5. Administration

AI Investments Priorities for the next 12 months

1. Deploying and supporting AI Infrastructure
2. AI integration with devices, infrastructure & enterprise systems
3. AI pilot programs & POCs
4. AI agent development, deployment & applications/solutions
5. On-premise AI infrastructure

Source: IDC's *CIO Playbook 2026 Survey*, commissioned by Lenovo; Europe & Middle East; n = 800

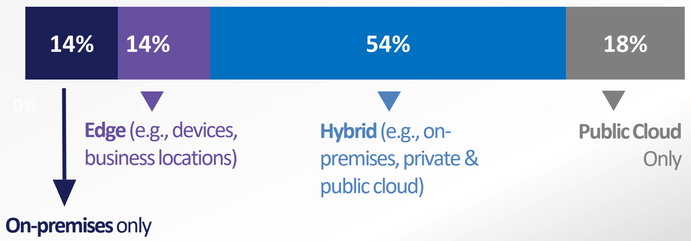
Retail Overview *(2/2)*

Retailers are adopting hybrid AI because distributed stores and sensitive customer interactions require both local processing and cloud elasticity. They are working on governance because inconsistent security practices and shadow AI create operational risk. Retail organizations advance agentic AI less dynamically and deploy it first in cybersecurity, maintenance, and financial checks, where issues emerge at scale and automation helps stabilize operations. They follow this route because predictable, repeatable improvements support high-volume retail workflows better than experimental use cases.

Technology Foundations

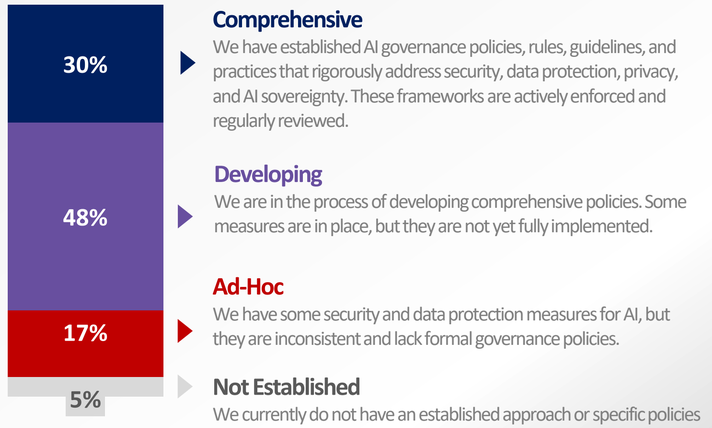
Close to **1 in 4** organizations highlighted that **"deploying AI devices to enhance productivity and local inferencing"** is a key IT investment priority for the next 12 months.

Preferred Primary AI Workloads / Deployment Models



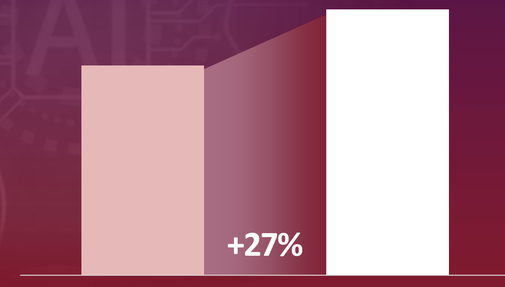
Building AI Trust

Approach to AI Governance, Risk & Compliance



The Agentic Future

Increasing Focus on Agentic AI



Key Drivers for On-Premises AI Workload Deployment

1. Greater control over operations & data
2. Ensuring data privacy, regulatory compliance, and security protocols
3. Support for distributed businesses, devices & data

Top AI Trust Concerns

1. Shadow AI risks
2. Poor data security
3. Lack of Responsible AI

Where Agentic AI Is or Will Be Used

1. Cybersecurity
2. Quality Control and Maintenance
3. Financial Analysis and Reporting

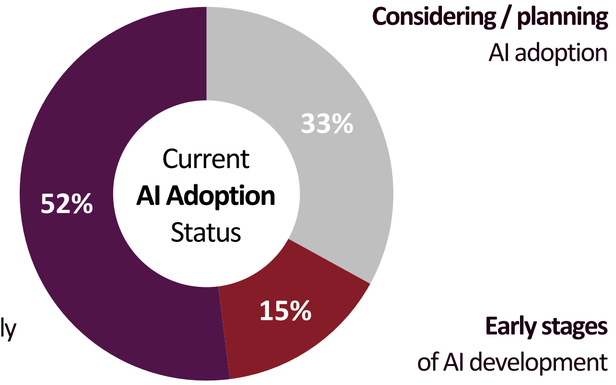
Source: IDC's *CIO Playbook 2026 Survey*, commissioned by Lenovo; Europe & Middle East; n = 800

Manufacturing Overview *(1/2)*

Manufacturers are adopting AI to increase output, improve sustainability, and manage supply chain volatility. They are embedding AI first in IT, cybersecurity, and supply chain teams because these functions already rely on continuous monitoring and well-defined data, therefore offering chances for positive outcomes. Many manufacturers are planning for AI budget growth to upskill workers and introduce agent capabilities into engineering and operational processes. They build AI foundations before expanding to advanced automation because production environments require accuracy, reliability, and strict control to avoid downtime and quality failures.

Business Priorities for 2026

1. Increasing revenues & profit growth
2. Improving sustainability
3. Enhance/innovate/reinvent our business with AI
4. Optimizing supply chain/inventory
5. Improving employee productivity



98% of the surveyed organizations anticipate a **positive return** on investment from their AI initiatives.

On average, organizations expect to generate **$2.91** in value for every dollar invested in AI projects.

Top Business Areas where AI has Shown Positive Returns

1. IT
2. Cybersecurity
3. Supply chain
4. Software development
5. Operations

AI Investments Priorities for the next 12 months

1. Deploying and supporting AI Infrastructure
2. AI agent development, deployment & applications/solutions
3. Internal AI training (including non-IT staff)
4. Attracting & retaining AI talent
5. Public cloud AI services

Source: IDC's *CIO Playbook 2026 Survey*, commissioned by Lenovo; Europe & Middle East; n = 800

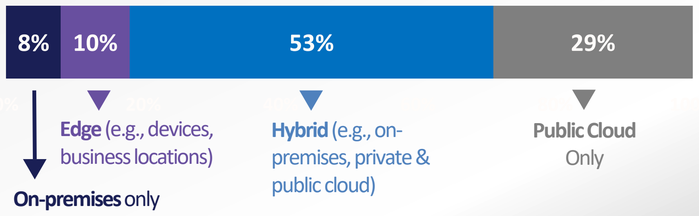
Manufacturing Overview *(2/2)*

Manufacturing firms are willing to use hybrid, public cloud, and edge models for AI because they must analyze distributed sensor data while continuing to protect intellectual property. They are building governance around IP security and data control, as breaches directly endanger product design and competitive advantage. Manufacturers remain relatively less interested in growing their spending on agentic AI because early pilots often struggle with complex physical workflows. They are prioritizing cybersecurity, product development, and quality tasks since these areas benefit the most from continuous monitoring and precise pattern detection.

Technology Foundations

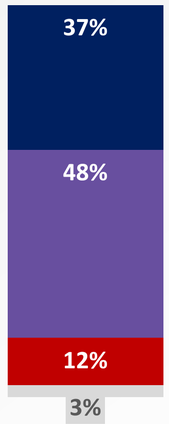
"Deploying AI devices to enhance productivity and local inferencing"
is the **#1 ranked** IT investment priority for the next 12 months.

Preferred Primary AI Workloads / Deployment Models



Building AI Trust

Approach to AI Governance, Risk & Compliance



Comprehensive
We have established AI governance policies, rules, guidelines, and practices that rigorously address security, data protection, privacy, and AI sovereignty. These frameworks are actively enforced and regularly reviewed.

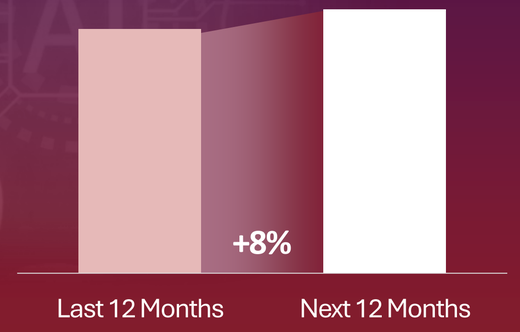
Developing
We are in the process of developing comprehensive policies. Some measures are in place, but they are not yet fully implemented.

Ad-Hoc
We have some security and data protection measures for AI, but they are inconsistent and lack formal governance policies.

Not Established
We currently do not have an established approach or specific policies regarding AI governance, security, privacy, or data sovereignty.

The Agentic Future

Increasing Focus on Agentic AI



Key Drivers for On-Premises AI Workload Deployment

1. Ensuring data privacy, regulatory compliance, and security protocols
2. Flexibility to customize & optimize infrastructure
3. Implementing advanced security strategies/measures to address emerging threats

Top AI Trust Concerns

1. Intellectual property risks
2. Poor data security
3. Lack of Responsible AI

Where Agentic AI Is or Will Be Used

1. Cybersecurity
2. Product Development and Innovation
3. Quality Control and Maintenance

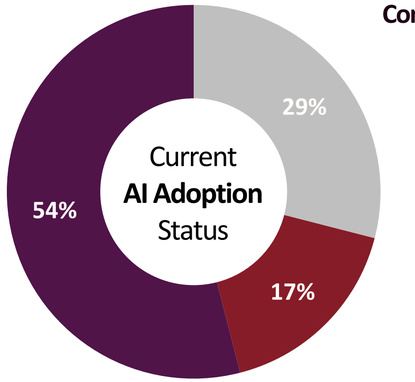
Source: IDC's *CIO Playbook 2026 Survey*, commissioned by Lenovo; Europe & Middle East; n = 800

Telecommunications / Cloud Service Providers Overview *(1/2)*

Telcos and cloud service providers are using AI to grow their revenues and improve decision-making since their networks produce massive amounts of time-sensitive data. Yet only half of the surveyed companies have fully adopted AI, as legacy tools and operational fragmentation are slowing deployment. They are spending their budgets and seeing positive outcomes in automating IT, protecting infrastructure, and supporting customer operations. Providers are investing in security tools and agent development to improve service quality across high-volume interactions. They are following this path because network uptime and rapid issue resolution directly influence customer satisfaction.

Business Priorities for 2026

1. Increasing revenues & profit growth
2. Enhance/innovate/reinvent our business with AI
3. Improving employee productivity
4. Enhancing decision-making
5. Driving digital business innovation



Considering / planning AI adoption

Piloting / systematically **adopted AI**

Early stages of AI development

97% of the surveyed organizations anticipate a **positive return** on investment from their AI initiatives.

On average, organizations expect to generate **$3.32** in value for every dollar invested in AI projects.

Top Business Areas where AI has Shown Positive Returns

1. IT
2. Cybersecurity
3. Customer service
4. Software development
5. Data & analytics

AI Investments Priorities for the next 12 months

1. Deploying AI devices
2. AI security, trust & transparency tools
3. AI agent development, deployment & applications/solutions
4. AI-driven process automation
5. On-premise AI infrastructure

Source: IDC's *CIO Playbook 2026 Survey*, commissioned by Lenovo; Europe & Middle East; n = 800

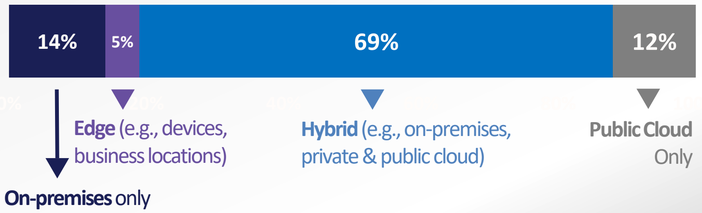
Telecommunication / Cloud Service Providers Overview *(2/2)*

Providers are choosing hybrid AI because they operate widely distributed locations and must tune their infrastructure to workload needs. They are developing governance policies gradually, even though their scale requires strong discipline, because many teams are still transitioning from legacy security models. Telcos and cloud service providers are planning to aggressively adopt agentic AI to automate customer support, network maintenance, and operational diagnostics. They are doing this because intelligent automation reduces response times, improves reliability, and frees up specialists to manage complex issues instead of routine tasks.

Technology Foundations

"Deploying AI devices"
is the top AI investment priority for the next 12 months.

Preferred Primary AI Workloads / Deployment Models

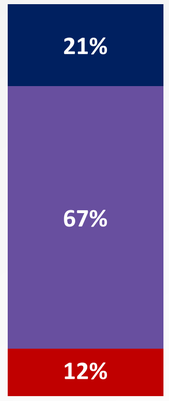


Key Drivers for On-Premises AI Workload Deployment

1. Support for distributed businesses, devices & data
2. Flexibility to customize & optimize infrastructure
3. Challenges in managing cloud environments

Building AI Trust

Approach to AI Governance, Risk & Compliance



Comprehensive
We have established AI governance policies, rules, guidelines, and practices that rigorously address security, data protection, privacy, and AI sovereignty. These frameworks are actively enforced and regularly reviewed.

Developing
We are in the process of developing comprehensive policies. Some measures are in place, but they are not yet fully implemented.

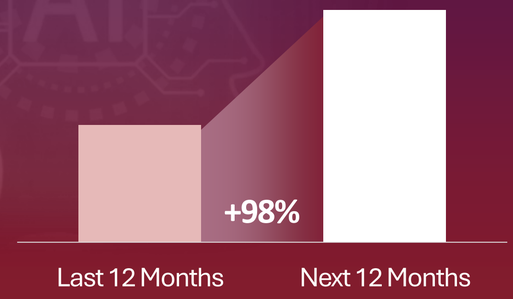
Ad-Hoc
We have some security and data protection measures for AI, but they are inconsistent and lack formal governance policies.

Top AI Trust Concerns

1. Shadow AI risks
2. Poor data security
3. Intellectual property risks

The Agentic Future

Increasing Focus on Agentic AI



Where Agentic AI Is or Will Be Used

1. Customer Service and Support
2. Cybersecurity
3. Quality Control and Maintenance

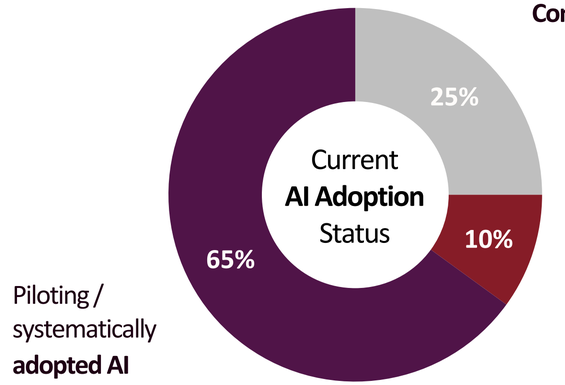
Source: IDC's *CIO Playbook 2026 Survey*, commissioned by Lenovo; Europe & Middle East; n = 800

Healthcare Overview *(1/2)*

Healthcare organizations focus on improving patient experience and attracting skilled staff because they face labor shortages and heavy administrative burdens. Using AI for this will require a lot of preparation to ensure the adoption is safe and controlled. They gain early benefits in IT, finance, and cybersecurity, where AI supports structured, non-clinical data. Providers are increasing their budgets to modernize infrastructure, expand devices, and integrate cloud services. They are directing spending here because reliable foundations enable safer long-term adoption and give clinicians more time for direct care rather than paperwork.

Business Priorities for 2026

1. Improving customer experience & satisfaction
2. Enhance/innovate/reinvent our business with AI
3. Attracting & retaining talent
4. Reducing business risk & cyber threats
5. Increasing revenues & profit growth



Considering / planning AI adoption

Early stages of AI development

Piloting / systematically **adopted AI**

96% of the surveyed organizations anticipate a **positive return** on investment from their AI initiatives.

On average, organizations expect to generate **$3.22** in value for every dollar invested in AI projects.

Top Business Areas where AI has Shown Positive Returns

1. IT
2. Finance
3. Cybersecurity
4. Data & analytics
5. Facilities

AI Investments Priorities for the next 12 months

1. Deploying and supporting AI Infrastructure
2. Deploying AI devices
3. Public cloud AI services
4. AI agent development, deployment & applications/solutions
5. External AI consulting & other third-party AI services

Source: IDC's *CIO Playbook 2026 Survey*, commissioned by Lenovo; Europe & Middle East; n = 800

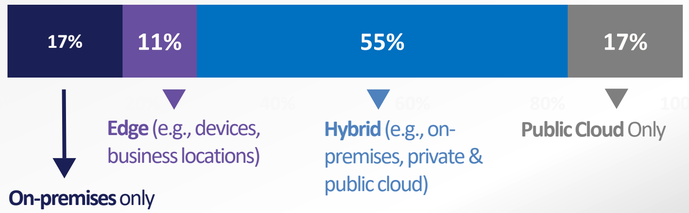
Healthcare Overview *(2/2)*

Healthcare organizations are choosing hybrid and local AI because they handle highly sensitive data and must meet strict compliance rules. Despite this, many are still formalizing governance, creating a gap that they are now working to close. They are planning to significantly increase their investment in agentic AI to reduce the administrative workload, strengthen security, and improve HR processes. This focus makes sense because freeing up staff from repetitive tasks and protecting data directly improve care capacity, system resilience, and operational safety across hospitals and clinics.

Technology Foundations

"Deploying and supporting AI infrastructure" and **"deploying AI devices"** are the top 2 AI investment priorities for the next 12 months.

Preferred Primary AI Workloads / Deployment Models

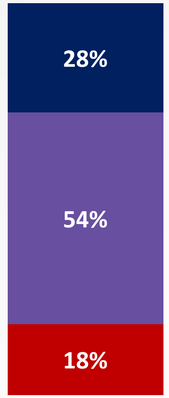


Key Drivers for On-Premises AI Workload Deployment

1. Ensuring data privacy, regulatory compliance, and security protocols
2. Challenges in managing cloud environments
3. Implementing advanced security strategies/measures to address emerging threats

Building AI Trust

Approach to AI Governance, Risk & Compliance



Comprehensive
We have established AI governance policies, rules, guidelines, and practices that rigorously address security, data protection, privacy, and AI sovereignty. These frameworks are actively enforced and regularly reviewed.

Developing
We are in the process of developing comprehensive policies. Some measures are in place, but they are not yet fully implemented.

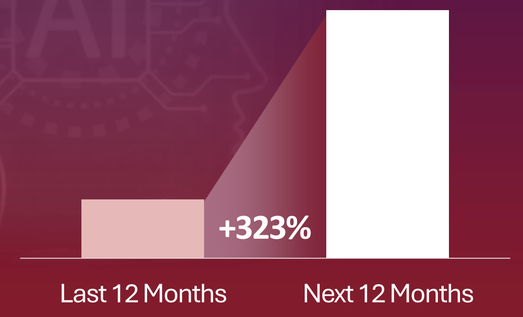
Ad-Hoc
We have some security and data protection measures for AI, but they are inconsistent and lack formal governance policies.

Top AI Trust Concerns

1. Poor data quality
2. Loss of data sovereignty
3. Lack of transparency

The Agentic Future

Increasing Focus on Agentic AI



Where Agentic AI Is or Will Be Used

1. Cybersecurity
2. Financial Analysis and Reporting
3. Human Resources Management

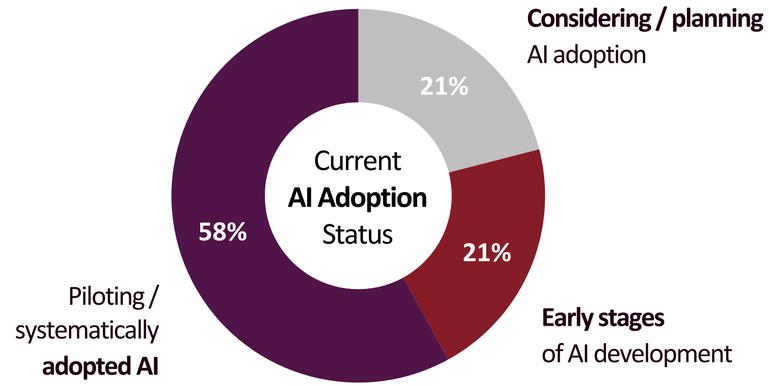
Source: IDC's *CIO Playbook 2026 Survey*, commissioned by Lenovo; Europe & Middle East; n = 800

Government Overview *(1/2)*

Government institutions are prioritizing compliance, evidence-based decision-making, and digital service improvement because they must provide reliable and transparent public services. They gain early AI benefits in IT, analytics, and sector-specific operations where digital infrastructure already exists. Public agencies are expanding their investment in cloud services, external expertise, and integration to update legacy systems and support data-driven workflows. They are following this path because modernizing foundational capabilities is essential before AI can deliver value at population scale.

Business Priorities for 2026

1. Improving regulatory compliance
2. Enhancing decision-making
3. Driving digital business innovation
4. Improving employee productivity
5. Reducing business risk & cyber threats



96% of the surveyed organizations anticipate a **positive return** on investment from their AI initiatives.

On average, organizations expect to generate **$2.85** in value for every dollar invested in AI projects.

Top Business Areas where AI has Shown Positive Returns

1. IT
2. Data & analytics
3. Software development
4. Industry specific LOB
5. Cybersecurity

AI Investments Priorities for the next 12 months

1. Public cloud AI services
2. External AI consulting & other third-party AI services
3. AI integration with devices, infrastructure & enterprise systems
4. Data quality & governance improvements
5. Deploying and supporting AI Infrastructure

Source: IDC's *CIO Playbook 2026 Survey*, commissioned by Lenovo; Europe & Middle East; n = 800

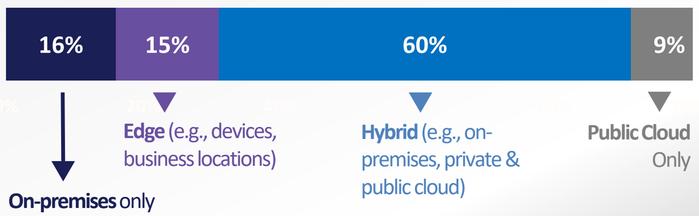
Government Overview *(2/2)*

Government bodies are using hybrid and local AI to maintain sovereignty and protect citizen data. They are working on governance because inconsistent policies create risk in environments that must uphold trust. Agencies are intending to invest heavily in agentic AI to improve service delivery, enhance quality control, and strengthen cybersecurity. They are prioritizing these use cases because automation helps them standardize responses, reduce backlogs, and manage rising demand for public services with limited resources.

Technology Foundations

1 in 4 organizations highlighted that **"deploying AI devices to enhance productivity and local inferencing"** is a key IT investment priority for the next 12 months.

Preferred Primary AI Workloads / Deployment Models

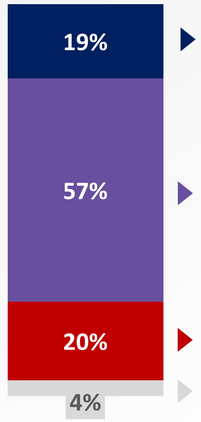


Key Drivers for On-Premises AI Workload Deployment

1. Flexibility to customize & optimize infrastructure
2. Ensuring data privacy, regulatory compliance, and security protocols
3. Support for distributed businesses, devices & data

Building AI Trust

Approach to AI Governance, Risk & Compliance



Comprehensive
We have established AI governance policies, rules, guidelines, and practices that rigorously address security, data protection, privacy, and AI sovereignty. These frameworks are actively enforced and regularly reviewed.

Developing
We are in the process of developing comprehensive policies. Some measures are in place, but they are not yet fully implemented.

Ad-Hoc
We have some security and data protection measures for AI, but they are inconsistent and lack formal governance policies.

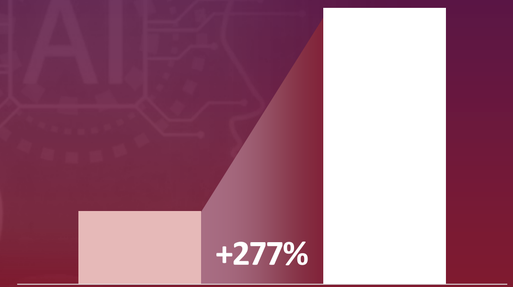
Not Established
We currently do not have an established approach or specific policies regarding AI governance, security, privacy, or data sovereignty.

Top AI Trust Concerns

1. Shadow AI risks
2. Poor knowledge / application of Responsible AI
3. Lack of Responsible AI

The Agentic Future

Increasing Focus on Agentic AI



Where Agentic AI Is or Will Be Used

1. Customer Service and Support
2. Quality Control and Maintenance
3. Cybersecurity

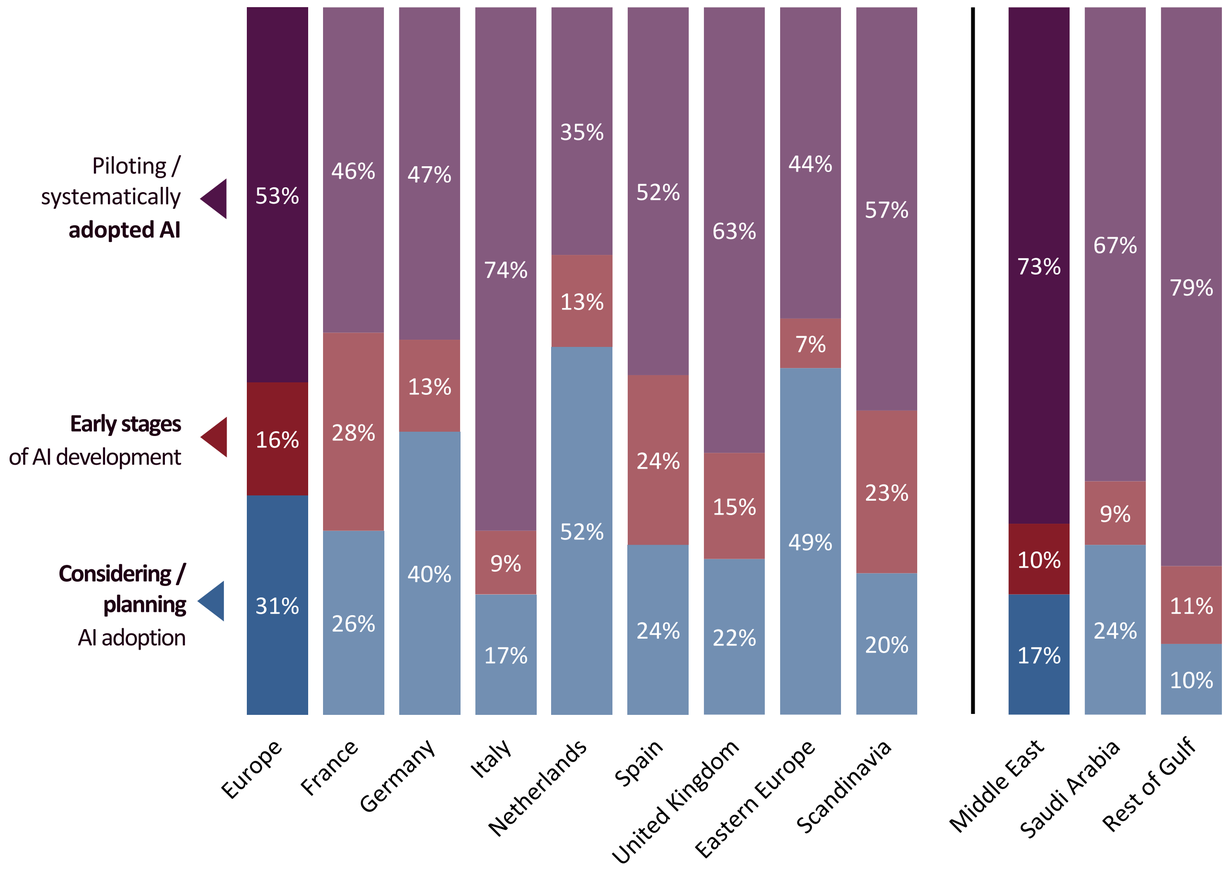
Source: IDC's *CIO Playbook 2026 Survey*, commissioned by Lenovo; Europe & Middle East; n = 800

Insights by Markets

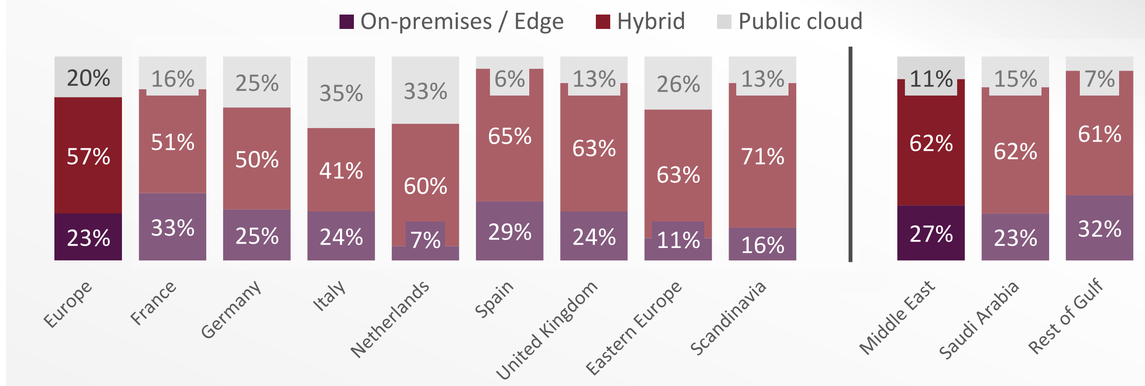
Markets Overview

Across Europe and the Middle East, AI adoption reflects a mix of advanced leaders and areas that are still building foundational capabilities, driven by differences in digital maturity, regulation, and investment capacity. Organizations across countries are prioritizing hybrid and edge deployments to retain data sovereignty and operational control while gradually moving from piloting to scaling AI. There is growing interest in more advanced agentic AI that can operate with greater independence and support more complex tasks. Organizations are starting to think beyond basic use cases and pilots, even though the level of readiness and speed of adoption still vary across markets.

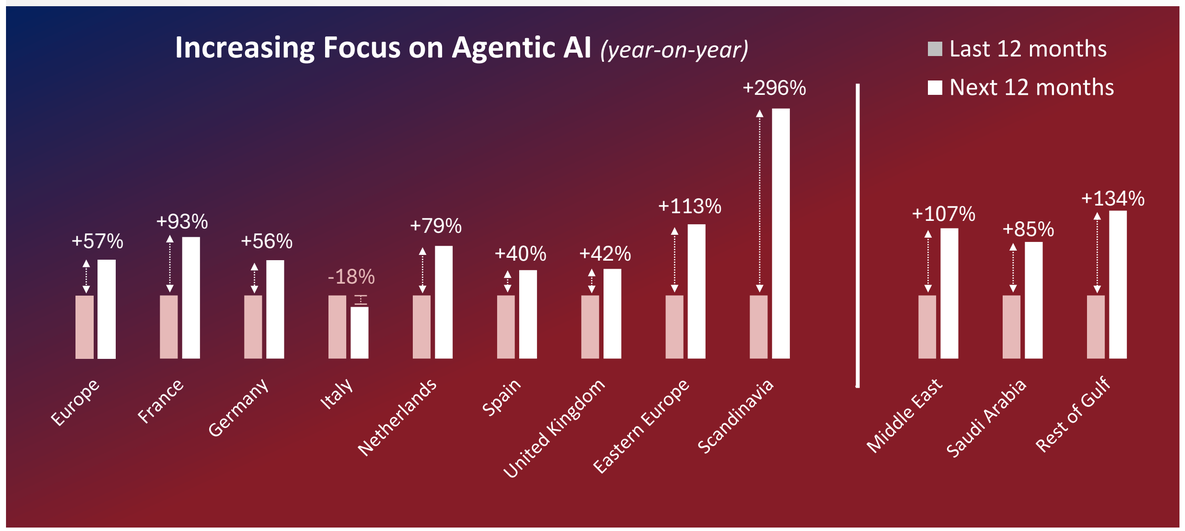
AI Adoption Status



Preferred Primary **AI Workloads / Deployment Models**



Increasing Focus on Agentic AI *(year-on-year)*



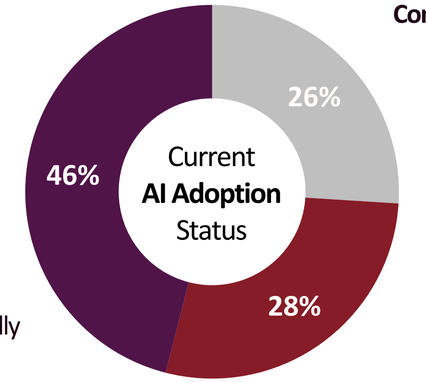
Source: IDC's *CIO Playbook 2026 Survey*, commissioned by Lenovo; Europe & Middle East; n = 800

France Overview *(1/2)*

French organizations view AI as a lever for reinvention, not just efficiency. Still, less than half have moved to scaling AI, and a large portion of the market remains in the exploration phase. Strong ROI expectations and rising budgets reflect confidence. Yet, companies still rely heavily on external expertise to accelerate integration across devices, infrastructure, and enterprise systems. Positive returns in IT, cybersecurity, and software development show that AI already supports complex workflows. The growing focus on supply chain optimization and employee productivity suggests that French enterprises may want AI embedded deeply into their daily operations.

Business Priorities for 2026

1. Enhance/innovate/reinvent our business with AI
2. Increasing revenues & profit growth
3. Improving employee productivity
4. Optimizing supply chain/inventory
5. Improving customer experience & satisfaction



Considering / planning AI adoption

Piloting / systematically **adopted AI**

Early stages of AI development

99% of the surveyed organizations anticipate a **positive return** on investment from their AI initiatives.

On average, organizations expect to generate **$3.06** in value for every dollar invested in AI projects.

Top Business Areas where AI has Shown Positive Returns

1. IT
2. Cybersecurity
3. Software development
4. Finance
5. Data & analytics

AI Investments Priorities for the next 12 months

1. External AI consulting & other third-party AI services
2. AI integration with devices, infrastructure & enterprise systems
3. Deploying and supporting AI Infrastructure
4. AI security, trust & transparency tools
5. Attracting & retaining AI talent

Source: IDC's *CIO Playbook 2026 Survey*, commissioned by Lenovo; Europe & Middle East; n = 800

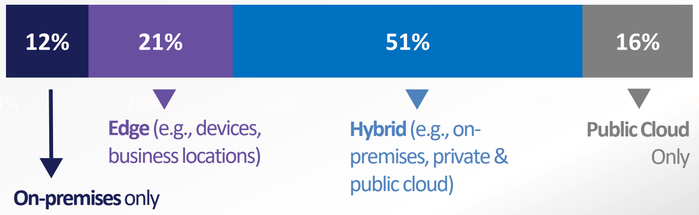
France Overview *(2/2)*

France's shift toward agentic AI is moving fast, driven by the need to manage back-office functions and strengthen security. Organizations prefer flexible deployment models that combine cloud and on-premises resources, reflecting an approach to scaling AI with a consideration for sovereignty and control. Governance remains uneven, with many firms still in the phase of developing policies as they confront risks tied to responsible AI, IP, and transparency. Demand for agentic AI concentrates on cybersecurity, HR, and financial tasks, where automation promises operational resilience and improved daily completion of repeatable tasks.

Technology Foundations

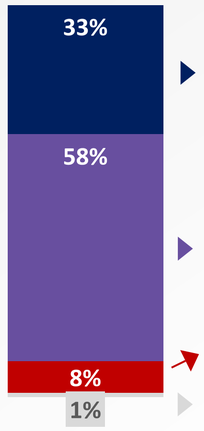
More than **1 in 4** organizations highlighted that
"deploying AI devices to enhance productivity and local inferencing"
is a key IT investment priority for the next 12 months.

Preferred Primary AI Workloads / Deployment Models



Building AI Trust

Approach to AI Governance, Risk & Compliance



Comprehensive
We have established AI governance policies, rules, guidelines, and practices that rigorously address security, data protection, privacy, and AI sovereignty. These frameworks are actively enforced and regularly reviewed.

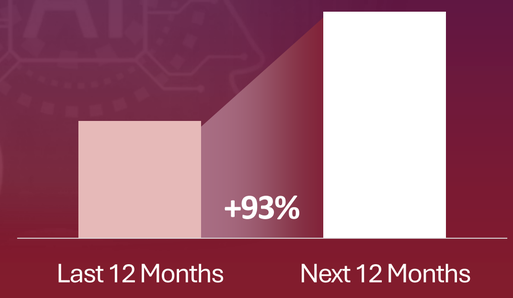
Developing
We are in the process of developing comprehensive policies. Some measures are in place, but they are not yet fully implemented.

Ad-Hoc
We have some security and data protection measures for AI, but they are inconsistent and lack formal governance policies.

Not Established
We currently do not have an established approach or specific policies regarding AI governance, security, privacy, or data sovereignty.

The Agentic Future

Increasing Focus on Agentic AI



Key Drivers for On-Premises AI Workload Deployment

1. Challenges in managing cloud environments
2. Implementing advanced security strategies/measures to address emerging threats
3. Flexibility to customize & optimize infrastructure

Top AI Trust Concerns

1. Lack of Responsible AI
2. Poor data security
3. Intellectual property risks

Where Agentic AI Is or Will Be Used

1. Cybersecurity
2. Human Resources Management
3. Financial Analysis and Reporting

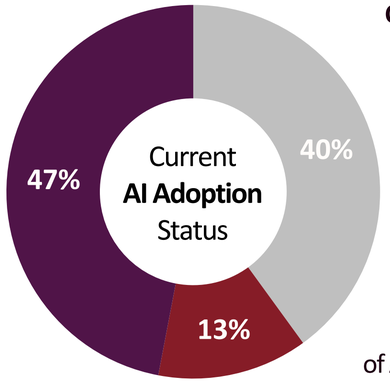
Source: IDC's *CIO Playbook 2026 Survey*, commissioned by Lenovo; Europe & Middle East; n = 800

Germany Overview *(1/2)*

AI adoption in Germany is moving steadily, with many firms past the initial exploration phase and now looking for clearer business impact. However, the numbers are lower than the regional average. Strong ROI expectations show that organizations link AI directly to growth, customer experience, and productivity gains. Spending plans reflect a shift from experimentation to building trusted foundations, especially infrastructure and security. Early positive returns in IT, cybersecurity, and operations suggest that German enterprises view AI as a practical tool for efficiency rather than a disruptive reinvention.

Business Priorities for 2026

1. Increasing revenues & profit growth
2. Improving customer experience & satisfaction
3. Improving employee productivity
4. Improving sustainability
5. Driving digital business innovation



Piloting / systematically **adopted AI**

Considering / planning AI adoption

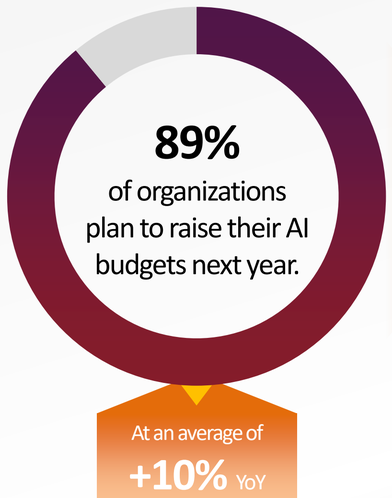
Early stages of AI development

97% of the surveyed organizations anticipate a **positive return** on investment from their AI initiatives.

On average, organizations expect to generate **$2.75** in value for every dollar invested in AI projects.

Top Business Areas where AI has Shown Positive Returns

1. IT
2. Cybersecurity
3. Operations
4. Sales
5. Data & analytics



AI Investments Priorities for the next 12 months

1. Deploying and supporting AI Infrastructure
2. AI security, trust & transparency tools
3. Deploying AI devices
4. AI agent development, deployment & applications/solutions
5. External AI consulting & other third-party AI services

Source: IDC's *CIO Playbook 2026 Survey*, commissioned by Lenovo; Europe & Middle East; n = 800

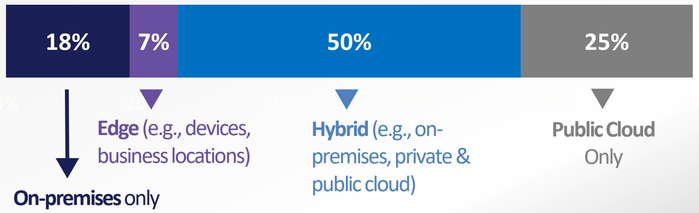
Germany Overview *(2/2)*

Organizations in Germany are strengthening AI's operational role while addressing trust gaps and governance maturity. A focus on hybrid deployment shows the need to balance compliance with performance and control. Rising interest in agentic AI signals demand for automation in security, maintenance, and service tasks, but firms may still hesitate due to inconsistent governance and data quality concerns. On-premises drivers highlight strict regulatory expectations and complex distributed environments. This pushes enterprises to tailor AI to local requirements rather than rely on a single public cloud model.

Technology Foundations

"Deploying AI devices to enhance productivity and local inferencing"
is the **#1 ranked** IT investment priority for the next 12 months.

Preferred Primary AI Workloads / Deployment Models

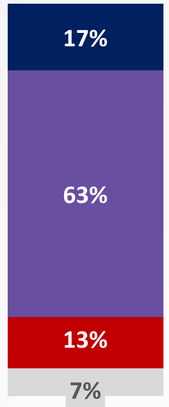


Key Drivers for On-Premises AI Workload Deployment

1. Ensuring data privacy, regulatory compliance, and security protocols
2. Flexibility to customize & optimize infrastructure
3. Support for distributed businesses, devices & data

Building AI Trust

Approach to AI Governance, Risk & Compliance



Comprehensive
We have established AI governance policies, rules, guidelines, and practices that rigorously address security, data protection, privacy, and AI sovereignty. These frameworks are actively enforced and regularly reviewed.

Developing
We are in the process of developing comprehensive policies. Some measures are in place, but they are not yet fully implemented.

Ad-Hoc
We have some security and data protection measures for AI, but they are inconsistent and lack formal governance policies.

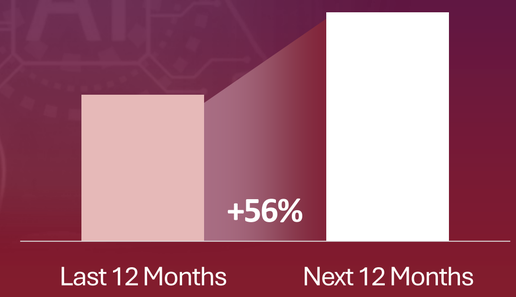
Not Established
We currently do not have an established approach or specific policies regarding AI governance, security, privacy, or data sovereignty.

Top AI Trust Concerns

1. Lack of Responsible AI
2. Intellectual property risks
3. Poor data quality

The Agentic Future

Increasing Focus on Agentic AI



Where Agentic AI Is or Will Be Used

1. Cybersecurity
2. Quality Control and Maintenance
3. Customer Service and Support

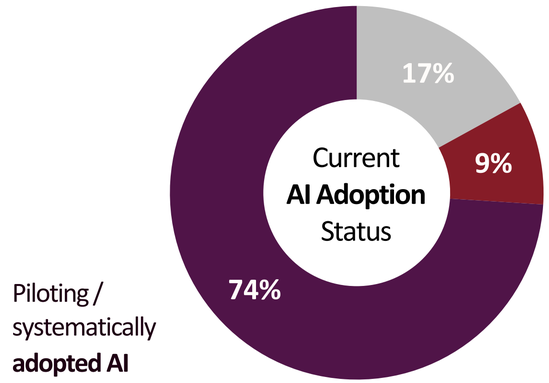
Source: IDC's *CIO Playbook 2026 Survey*, commissioned by Lenovo; Europe & Middle East; n = 800

Italy Overview *(1/2)*

Italian organizations frame AI as an engine for reinvention but also as a tool to drive customer-centric growth and improve financial outcomes. Italy has a large proportion of companies in the later stages of AI adoption, higher than the regional average. Firms expect meaningful value creation and plan to expand their budgets accordingly. Returns emerge in IT, data analytics, cybersecurity, and marketing, where AI strengthens decision-making and operational responsiveness. Investment priorities span security, devices, and automation. Italian organizations plan to make AI usable across business functions. Talent acquisition also stands out, reflecting the need to strengthen internal expertise as companies hope to broaden AI adoption.

Business Priorities for 2026

1. Enhance/innovate/reinvent our business with AI
2. Improving customer experience & satisfaction
3. Increasing revenues & profit growth
4. Driving digital business innovation
5. Improving sustainability



Considering / planning AI adoption

Early stages of AI development

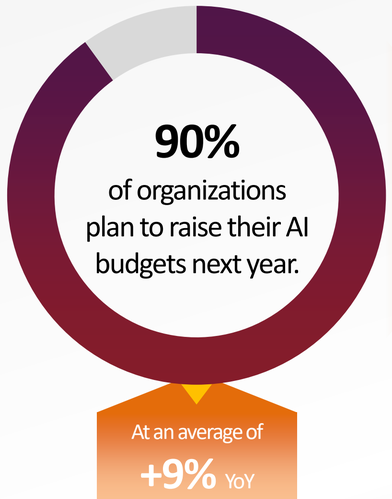
Piloting / systematically **adopted AI**

94% of the surveyed organizations anticipate a **positive return** on investment from their AI initiatives.

On average, organizations expect to generate **$2.43** in value for every dollar invested in AI projects.

Top Business Areas where AI has Shown Positive Returns

1. IT
2. Data & analytics
3. Cybersecurity
4. Marketing
5. Software development



AI Investments Priorities for the next 12 months

1. AI security, trust & transparency tools
2. Deploying AI devices
3. AI-driven process automation
4. Attracting & retaining AI talent
5. AI agent development, deployment & applications/solutions

Source: IDC's *CIO Playbook 2026 Survey*, commissioned by Lenovo; Europe & Middle East; n = 800

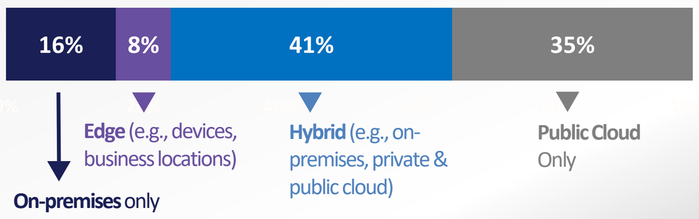
Italy Overview *(2/2)*

In Italy, AI strategies balance control with modernization. Interest in on-premises and hybrid models reflects concerns over sovereignty and compliance, especially in sectors that manage sensitive data. However, the number of companies willing to run AI workloads primarily in the public cloud is well above the regional average. Governance maturity varies, and many firms are still building structured policies to address responsible AI and regulatory risk. Agentic AI adoption remains modest; however, almost one quarter of organizations report that they will focus on it in 2026, particularly within cybersecurity, marketing, and quality control and maintenance workflows. As infrastructure and security gain priority, Italian enterprises aim to create safer, more predictable environments for scaling automation.

Technology Foundations

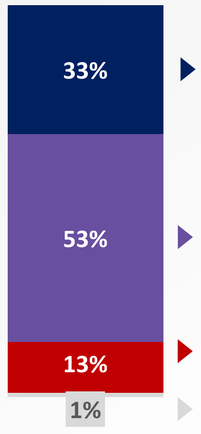
More than **1 in 4** organizations highlighted that **"deploying AI devices to enhance productivity and local inferencing"** is a key IT investment priority for the next 12 months.

Preferred Primary AI Workloads / Deployment Models



Building AI Trust

Approach to AI Governance, Risk & Compliance



Comprehensive
We have established AI governance policies, rules, guidelines, and practices that rigorously address security, data protection, privacy, and AI sovereignty. These frameworks are actively enforced and regularly reviewed.

Developing
We are in the process of developing comprehensive policies. Some measures are in place, but they are not yet fully implemented.

Ad-Hoc
We have some security and data protection measures for AI, but they are inconsistent and lack formal governance policies.

Not Established
We currently do not have an established approach or specific policies regarding AI governance, security, privacy, or data sovereignty.

The Agentic Future

Key Drivers for On-Premises AI Workload Deployment

1. Greater control over operations & data
2. Implementing advanced security strategies/measures to address emerging threats
3. Flexibility to customize & optimize infrastructure

Top AI Trust Concerns

1. Loss of data sovereignty
2. Lack of Responsible AI
3. Non-compliance

Where Agentic AI Is or Will Be Used

1. Cybersecurity
2. Marketing Automation
3. Quality Control and Maintenance

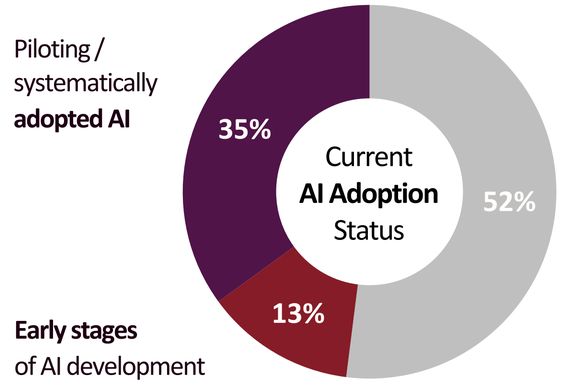
Source: IDC's *CIO Playbook 2026 Survey*, commissioned by Lenovo; Europe & Middle East; n = 800

Netherlands Overview *(1/2)*

Dutch organizations are very pragmatic about their priorities and are focused on productivity, innovation, and revenue growth, with AI playing a less prominent role. Companies are at the early stages of AI adoption, with over half still planning to start their AI journeys. Those that have already invested have seen tangible use cases across IT, supply chain, HR, and analytics functions. Budget growth is a bit more moderate than in other countries and supports expanding infrastructure and devices to build strong foundations for future AI deployments. Data governance improvements are central, showing recognition that sustained value depends on reliable information flows.

Business Priorities for 2026

1. Increasing revenues & profit growth
2. Enhance/innovate/reinvent our business with AI
3. Improving employee productivity
4. Driving digital business innovation
5. Reducing business risk & cyber threats



98% of the surveyed organizations anticipate a **positive return** on investment from their AI initiatives.

On average, organizations expect to generate **$2.51** in value for every dollar invested in AI projects.

Top Business Areas where AI has Shown Positive Returns

1. IT
2. Supply chain
3. Human resources
4. Data & analytics
5. Administration

AI Investments Priorities for the next 12 months

1. Deploying AI devices
2. Deploying and supporting AI Infrastructure
3. Data quality & governance improvements
4. AI integration with devices, infrastructure & enterprise systems
5. AI-driven process automation

Source: IDC's *CIO Playbook 2026 Survey*, commissioned by Lenovo; Europe & Middle East; n = 800

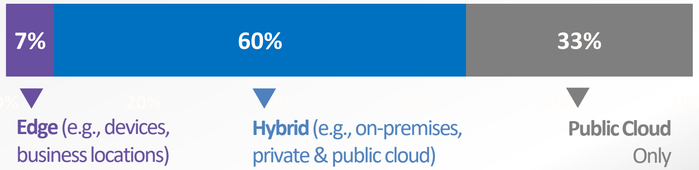
Netherlands Overview *(2/2)*

For a country with many companies still considering AI, the Netherlands is advancing quickly toward agentic AI. Companies in the Netherlands prefer hybrid environments and see no need for pure on-premises AI, underscoring the complexity and diversity of potential AI sources. Governance maturity is in a relatively early phase compared with other countries, with shadow AI and IP risk viewed as key obstacles to trust. Agentic use cases cluster around quality control and maintenance, customer service, and sales optimization, suggesting a shift from experimentation to targeted automation that improves operational predictability and customer engagement.

Technology Foundations

"Deploying AI devices" and
"deploying and supporting AI infrastructure"
are the top AI investment priorities for the next 12 months.

Preferred Primary AI Workloads / Deployment Models

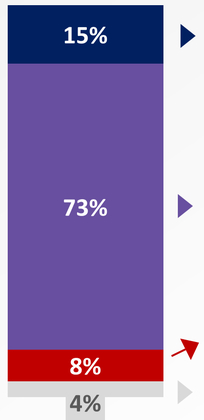


Key Drivers for On-Premises AI Workload Deployment

1. Challenges in managing cloud environments
2. Flexibility to customize & optimize infrastructure
3. Implementing advanced security strategies/measures to address emerging threats

Building AI Trust

Approach to AI Governance, Risk & Compliance



Comprehensive
We have established AI governance policies, rules, guidelines, and practices that rigorously address security, data protection, privacy, and AI sovereignty. These frameworks are actively enforced and regularly reviewed.

Developing
We are in the process of developing comprehensive policies. Some measures are in place, but they are not yet fully implemented.

Ad-Hoc
We have some security and data protection measures for AI, but they are inconsistent and lack formal governance policies.

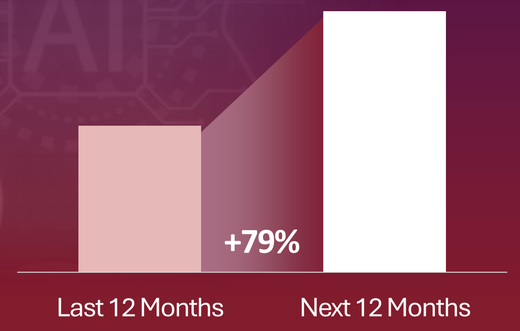
Not Established
We currently do not have an established approach or specific policies regarding AI governance, security, privacy, or data sovereignty.

Top AI Trust Concerns

1. Shadow AI risks
2. Intellectual property risks
3. Poor knowledge / application of Responsible AI

The Agentic Future

Increasing Focus on Agentic AI



Where Agentic AI Is or Will Be Used

1. Quality Control and Maintenance
2. Customer Service and Support
3. Sales Optimization

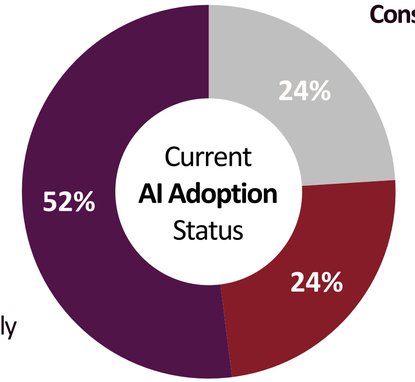
Source: IDC's *CIO Playbook 2026 Survey*, commissioned by Lenovo; Europe & Middle East; n = 800

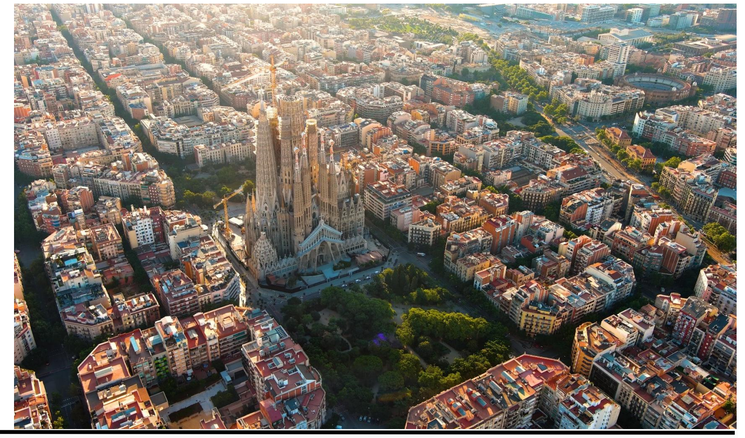
Spain Overview *(1/2)*

Organizations in Spain prioritize operational efficiency and talent resilience, potentially using AI to also streamline supply chains and meet regulatory requirements. Although just over half have moved beyond the early deployment phases, confidence in AI's financial impact is high. Returns appear in IT, but also in industry-specific functions, cybersecurity, and HR, where automation reduces complexity. Planned investments focusing on integration, AI devices, and pilot programs show that firms want practical, scalable solutions. Governance and data quality improvements are also gaining traction as organizations prepare for wider AI adoption.

Business Priorities for 2026

1. Optimizing supply chain/inventory
2. Attracting & retaining talent
3. Improving regulatory compliance
4. Increasing revenues & profit growth
5. Enhance/innovate/reinvent our business with AI



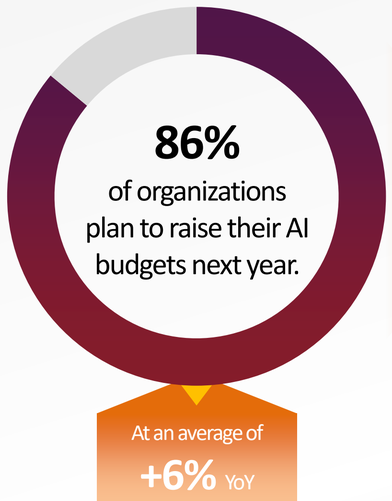


94% of the surveyed organizations anticipate a **positive return** on investment from their AI initiatives.

On average, organizations expect to generate **$2.36** in value for every dollar invested in AI projects.

Top Business Areas where AI has Shown Positive Returns

1. IT
2. Industry specific LOB
3. Cybersecurity
4. Human resources
5. Data & analytics



AI Investments Priorities for the next 12 months

1. AI integration with devices, infrastructure & enterprise systems
2. Deploying AI devices
3. AI pilot programs & POCs
4. Deploying and supporting AI Infrastructure
5. Data quality & governance improvements

Source: IDC's *CIO Playbook 2026 Survey*, commissioned by Lenovo; Europe & Middle East; n = 800

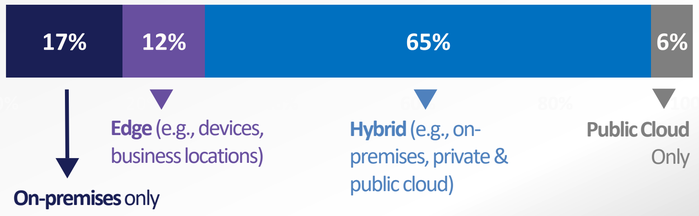
Spain Overview *(2/2)*

Spain's AI strategy blends growing ambition with persistent trust challenges. Hybrid deployments dominate as firms balance compliance with performance needs for individual applications or even use cases. Governance frameworks are still forming, and concerns around responsible AI, shadow AI, and data security are shaping investment choices and the practices being developed. Agentic AI expansion, though slightly less dynamic than in some other countries, focuses on quality maintenance, security, and customer service tasks that can all benefit from automation. Improving data governance and infrastructure becomes essential as organizations aim to reduce operational risk while building confidence in new AI-driven workflows.

Technology Foundations

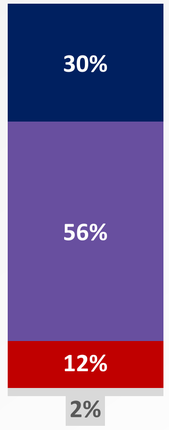
1 in 3 organizations highlighted that
"deploying AI devices to enhance productivity and local inferencing"
is a key IT investment priority for the next 12 months.

Preferred Primary AI Workloads / Deployment Models



Building AI Trust

Approach to AI Governance, Risk & Compliance



Comprehensive
We have established AI governance policies, rules, guidelines, and practices that rigorously address security, data protection, privacy, and AI sovereignty. These frameworks are actively enforced and regularly reviewed.

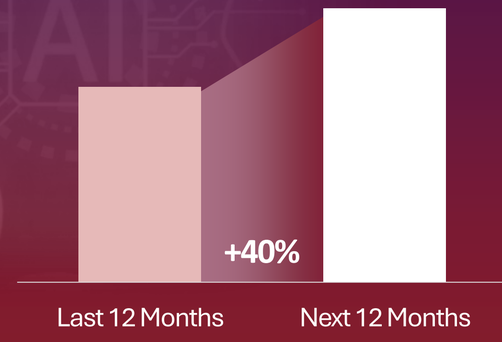
Developing
We are in the process of developing comprehensive policies. Some measures are in place, but they are not yet fully implemented.

Ad-Hoc
We have some security and data protection measures for AI, but they are inconsistent and lack formal governance policies.

Not Established
We currently do not have an established approach or specific policies regarding AI governance, security, privacy, or data sovereignty.

The Agentic Future

Increasing Focus on Agentic AI



Key Drivers for On-Premises AI Workload Deployment

1. Greater control over operations & data
2. Implementing advanced security strategies/measures to address emerging threats
3. Ensuring data privacy, regulatory compliance, and security protocols

Top AI Trust Concerns

1. Poor knowledge / application of Responsible AI
2. Shadow AI risks
3. Poor data security

Where Agentic AI Is or Will Be Used

1. Quality Control and Maintenance
2. Cybersecurity
3. Customer Service and Support

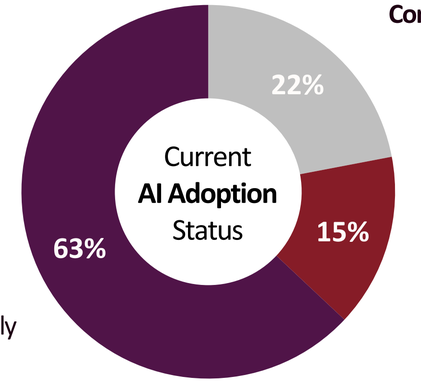
Source: IDC's *CIO Playbook 2026 Survey*, commissioned by Lenovo; Europe & Middle East; n = 800

United Kingdom Overview *(1/2)*

U.K. organizations are approaching AI as both a catalyst for innovation and a tool for reducing risk. High expectations for returns show confidence in applied use cases, especially in IT, customer service, and cybersecurity. The majority of organizations are investing in pilots or deploying AI at scale to speed adoption while integrating AI with existing devices and systems. Productivity and compliance pressures are pushing companies to modernize their processes. At the same time, budget growth, expected by all companies in the country, indicates that AI is now part of core business planning and that spending to date might have been insufficient.

Business Priorities for 2026

1. Enhance/innovate/reinvent our business with AI
2. Reducing business risk & cyber threats
3. Increasing revenues & profit growth
4. Improving employee productivity
5. Improving regulatory compliance



Considering / planning AI adoption

Early stages of AI development

Piloting / systematically **adopted AI**

90% of the surveyed organizations anticipate a **positive return** on investment from their AI initiatives.

On average, organizations expect to generate **$2.75** in value for every dollar invested in AI projects.

Top Business Areas where AI has Shown Positive Returns

1. IT
2. Customer service
3. Cybersecurity
4. Data & analytics
5. Marketing

100% of organizations plan to raise their AI budgets next year.

At an average of **+9%** YoY

AI Investments Priorities for the next 12 months

1. AI pilot programs & POCs
2. AI integration with devices, infrastructure & enterprise systems
3. Public cloud AI services
4. Deploying AI devices
5. Deploying and supporting AI Infrastructure

Source: IDC's *CIO Playbook 2026 Survey*, commissioned by Lenovo; Europe & Middle East; n = 800

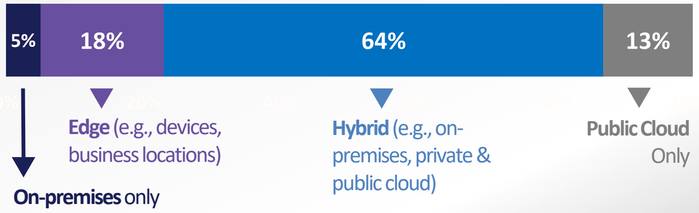
United Kingdom Overview *(2/2)*

AI platform adoption in the U.K. is shaped by security needs and a shift toward hybrid deployments that maintain control but also enable scale. Many organizations are still in the process of formalizing their governance procedures as they face concerns over transparency and accuracy. The growing, if slower than regional average, focus on agentic AI reflects demand for automation in service, quality control and maintenance, and security operations. As firms balance risk management with innovation, integrating AI across distributed environments becomes a priority, supporting more adaptive and resilient digital infrastructure.

Technology Foundations

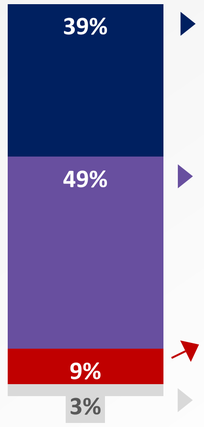
More than **1 in 4** organizations highlighted that **"deploying AI devices to enhance productivity and local inferencing"** is a key IT investment priority for the next 12 months.

Preferred Primary AI Workloads / Deployment Models



Building AI Trust

Approach to AI Governance, Risk & Compliance



Comprehensive
We have established AI governance policies, rules, guidelines, and practices that rigorously address security, data protection, privacy, and AI sovereignty. These frameworks are actively enforced and regularly reviewed.

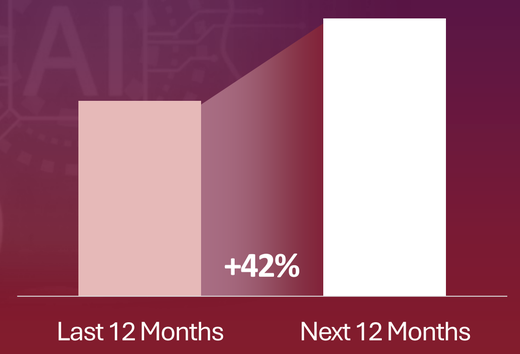
Developing
We are in the process of developing comprehensive policies. Some measures are in place, but they are not yet fully implemented.

Ad-Hoc
We have some security and data protection measures for AI, but they are inconsistent and lack formal governance policies.

Not Established
We currently do not have an established approach or specific policies regarding AI governance, security, privacy, or data sovereignty.

The Agentic Future

Increasing Focus on Agentic AI



Key Drivers for On-Premises AI Workload Deployment

1. Support for distributed businesses, devices & data
2. Implementing advanced security strategies/measures to address emerging threats
3. Ensuring data privacy, regulatory compliance, and security protocols

Top AI Trust Concerns

1. Lack of Responsible AI
2. Lack of transparency
3. Inaccuracies

Where Agentic AI Is or Will Be Used

1. Customer Service and Support
2. Quality Control and Maintenance
3. Cybersecurity

Source: IDC's *CIO Playbook 2026 Survey*, commissioned by Lenovo; Europe & Middle East; n = 800

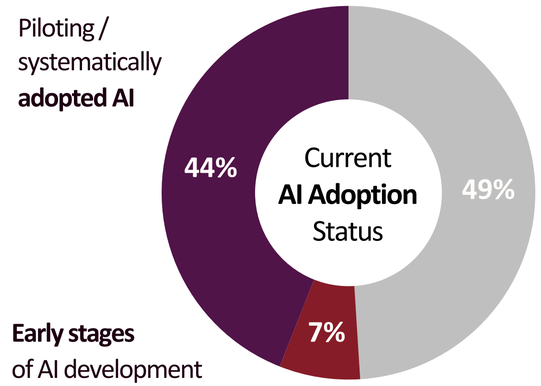
Eastern Europe Overview *(1/2)*

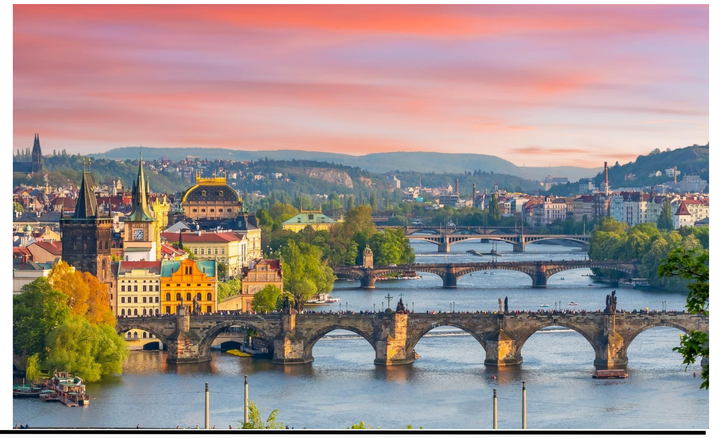
Inclusive of Czech Republic, Hungary, Poland, and Romania

Eastern European organizations are adopting AI to reinvent their businesses, but their primary focus is on strengthening security, managing costs, and improving revenue resilience. Many are early in the early stages of the AI journey, with almost half of companies currently planning the use of AI. However, planned budget increases and strong ROI expectations signal accelerating maturity. Firms rely on external expertise and cloud services to bridge capability gaps, while also investing in infrastructure and internal training. Positive returns across cybersecurity, IT, and finance show that AI already supports essential operational functions. The region's priorities reflect a need for stability amid ongoing market pressures.

Business Priorities for 2026

1. Reducing business risk & cyber threats
2. Decreasing or managing costs (e.g., moving from CAPEX to OPEX)
3. Increasing revenues & profit growth
4. Improving customer experience & satisfaction
5. Enhance/innovate/reinvent our business with AI



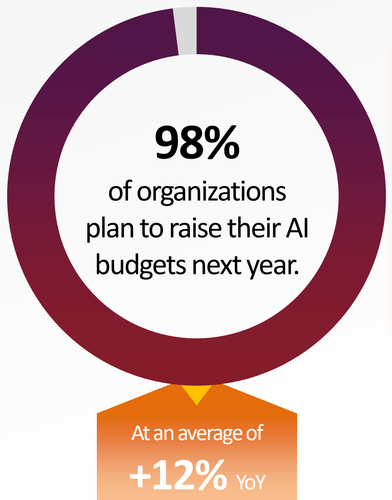


96% of the surveyed organizations anticipate a **positive return** on investment from their AI initiatives.

On average, organizations expect to generate **$2.85** in value for every dollar invested in AI projects.

Top Business Areas where AI has Shown Positive Returns

1. Cybersecurity
2. IT
3. Finance
4. Data & analytics
5. Software development



AI Investments Priorities for the next 12 months

1. External AI consulting & other third-party AI services
2. Public cloud AI services
3. Deploying and supporting AI Infrastructure
4. On-premise AI infrastructure
5. Internal AI training (including non-IT staff)

Source: IDC's *CIO Playbook 2026 Survey*, commissioned by Lenovo; Europe & Middle East; n = 800

Eastern Europe Overview *(2/2)*

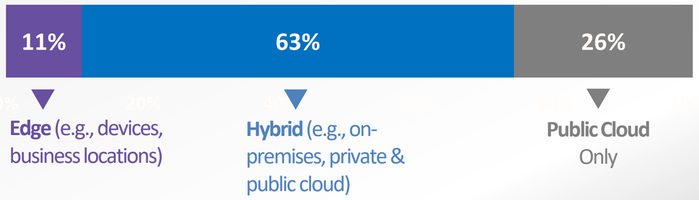
Inclusive of Czech Republic, Hungary, Poland, and Romania

Eastern Europe's approach to AI highlights the tension between ambition and governance readiness. Hybrid and cloud deployments dominate, offering scale and flexibility, yet firms still face trust challenges linked to data security, responsible AI, and IP risk. Interestingly, companies in the region do not see the standalone traditional on-premises model as a preferred platform for AI workloads. Adoption of agentic AI is growing as organizations automate security, finance, and customer-facing processes. Investments in hybrid infrastructure capabilities show that enterprises want both agility and greater control, building a foundation for more advanced AI use in the coming years.

Technology Foundations

"Deploying AI devices to enhance productivity and local inferencing"
is the **#1 ranked** IT investment priority for the next 12 months.

Preferred Primary AI Workloads / Deployment Models



Key Drivers for On-Premises AI Workload Deployment

1. Flexibility to customize & optimize infrastructure
2. Implementing advanced security strategies/measures to address emerging threats
3. Ensuring data privacy, regulatory compliance, and security protocols

Building AI Trust

Approach to AI Governance, Risk & Compliance

31% — **Comprehensive**
We have established AI governance policies, rules, guidelines, and practices that rigorously address security, data protection, privacy, and AI sovereignty. These frameworks are actively enforced and regularly reviewed.

51% — **Developing**
We are in the process of developing comprehensive policies. Some measures are in place, but they are not yet fully implemented.

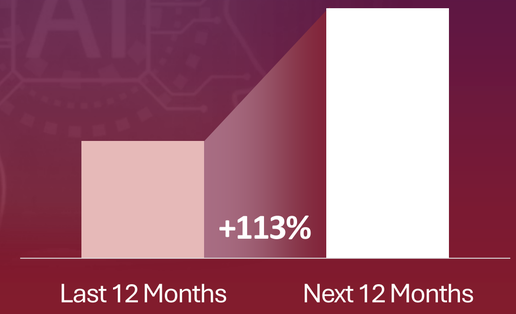
18% — **Ad-Hoc**
We have some security and data protection measures for AI, but they are inconsistent and lack formal governance policies.

Top AI Trust Concerns

1. Poor data security
2. Lack of Responsible AI
3. Intellectual property risks

The Agentic Future

Increasing Focus on Agentic AI



Where Agentic AI Is or Will Be Used

1. Cybersecurity
2. Financial Analysis and Reporting
3. Customer Service and Support

Source: IDC's *CIO Playbook 2026 Survey*, commissioned by Lenovo; Europe & Middle East; n = 800

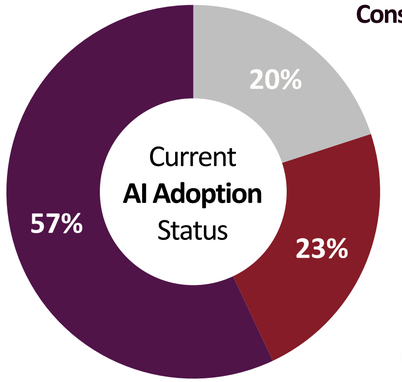
Scandinavia Overview *(1/2)*

Inclusive of Denmark, Finland, Norway, Sweden

Scandinavian organizations view their business priorities through a strong operational lens, focusing on supply chain resilience, productivity, and sustainability. Using AI to reinvent businesses sits lower on the list of priorities, but AI adoption continues. High ROI expectations reflect advanced digital maturity and clear use case alignment. Investment is being directed toward infrastructure, integration, and security. This indicates that enterprises want robust, scalable platforms before expanding their applications. Positive returns in IT, industry-specific functions, and analytics show AI's fit with data-rich and often standardized environments. Compliance awareness also shapes priorities, as firms prepare for stricter regulatory landscapes.

Business Priorities for 2026

1. Optimizing supply chain/inventory
2. Improving employee productivity
3. Improving sustainability
4. Improving regulatory compliance
5. Driving digital business innovation



Considering / planning AI adoption

Piloting / systematically **adopted AI**

Early stages of AI development

95% of the surveyed organizations anticipate a **positive return** on investment from their AI initiatives.

On average, organizations expect to generate **$3.16** in value for every dollar invested in AI projects.

Top Business Areas where AI has Shown Positive Returns

1. IT
2. Industry specific LOB
3. Data & analytics
4. Cybersecurity
5. Software development

AI Investments Priorities for the next 12 months

1. Deploying and supporting AI Infrastructure
2. AI integration with devices, infrastructure & enterprise systems
3. AI security, trust & transparency tools
4. AI pilot programs & POCs
5. Public cloud AI services

Source: IDC's *CIO Playbook 2026 Survey*, commissioned by Lenovo; Europe & Middle East; n = 800

Scandinavia Overview *(2/2)*

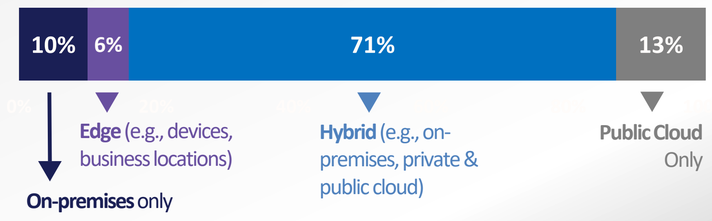
Inclusive of Denmark, Finland, Norway, Sweden

Scandinavia's AI evolution is marked by a rapid movement toward agentic capabilities, supported by strong hybrid deployment preferences. This trend stands out when compared with the picture in other countries. Organizations prioritize privacy, operational control, and advanced security for on-premises deployments, reflecting regulatory expectations and cultural care for individual rights and privacy. Governance maturity is improving, but concerns about data quality, responsible AI practices, and open source risks remain barriers. Agentic AI will focus on quality control and maintenance, customer service, and cybersecurity tasks that require consistent, intelligent automation. This indicates a market seeking dependable and repeatable AI outcomes rather than broad experimentation.

Technology Foundations

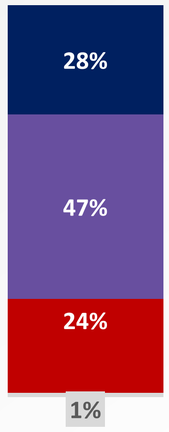
"Deploying and supporting AI infrastructure" and **"AI integration with devices, infrastructure, and enterprise systems"** are the **top 2** AI investment priorities for the next 12 months.

Preferred Primary AI Workloads / Deployment Models



Building AI Trust

Approach to AI Governance, Risk & Compliance



Comprehensive
We have established AI governance policies, rules, guidelines, and practices that rigorously address security, data protection, privacy, and AI sovereignty. These frameworks are actively enforced and regularly reviewed.

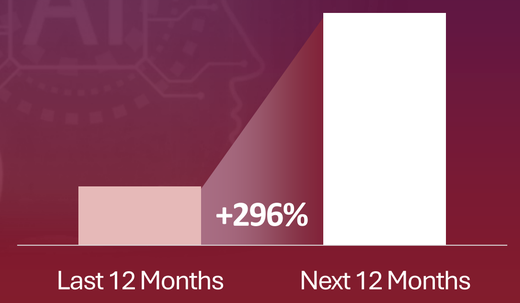
Developing
We are in the process of developing comprehensive policies. Some measures are in place, but they are not yet fully implemented.

Ad-Hoc
We have some security and data protection measures for AI, but they are inconsistent and lack formal governance policies.

Not Established
We currently do not have an established approach or specific policies regarding AI governance, security, privacy, or data sovereignty.

The Agentic Future

Increasing Focus on Agentic AI



Key Drivers for On-Premises AI Workload Deployment

1. Ensuring data privacy, regulatory compliance, and security protocols
2. Greater control over operations & data
3. Implementing advanced security strategies/measures to address emerging threats

Top AI Trust Concerns

1. Poor data quality
2. Poor knowledge / application of Responsible AI
3. Open-source vulnerabilities

Where Agentic AI Is or Will Be Used

1. Quality Control and Maintenance
2. Customer Service and Support
3. Cybersecurity

Source: IDC's *CIO Playbook 2026 Survey*, commissioned by Lenovo; Europe & Middle East; n = 800

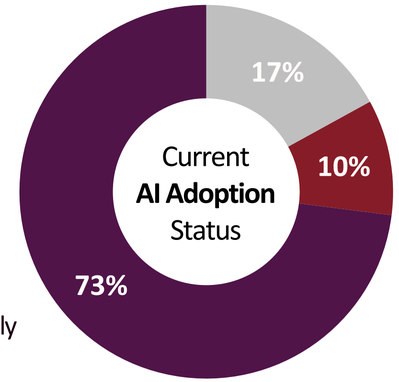
Middle East Overview *(1/2)*

Inclusive of Saudi Arabia, Kuwait, Qatar, and the UAE

Organizations in the Middle East are approaching AI with strong growth ambitions aimed at redefining the economy. They expect high ROI and are expanding already significant budgets to scale AI across core functions. Early value is seen in IT, cybersecurity, software development, and customer service. Investment priorities like agent development and infrastructure/data quality show that enterprises want to embed AI into workflows while strengthening trust. The combination of innovation and regulatory focus signals a market preparing for sustained, large-scale adoption.

Business Priorities for 2026

1. Reducing business risk & cyber threats
2. Enhance/innovate/reinvent our business with AI
3. Increasing revenues & profit growth
4. Improving customer experience & satisfaction
5. Improving regulatory compliance



Considering / planning AI adoption

Early stages of AI development

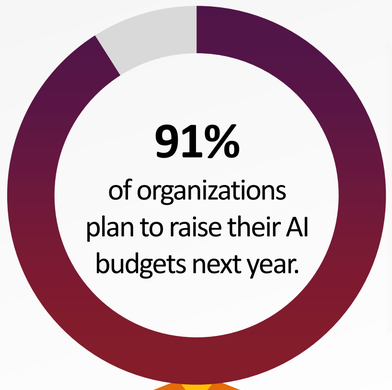
Piloting / systematically **adopted AI**

91% of the surveyed organizations anticipate a **positive return** on investment from their AI initiatives.

On average, organizations expect to generate **$2.74** in value for every dollar invested in AI projects.

Top Business Areas where AI has Shown Positive Returns

1. IT
2. Cybersecurity
3. Software development
4. Customer service
5. Data & analytics



AI Investments Priorities for the next 12 months

1. AI agent development, deployment & applications/solutions
2. Deploying and supporting AI Infrastructure
3. Data quality & governance improvements
4. AI security, trust & transparency tools
5. Public cloud AI services

Source: IDC's *CIO Playbook 2026 Survey*, commissioned by Lenovo; Europe & Middle East; n = 800

Middle East Overview *(2/2)*

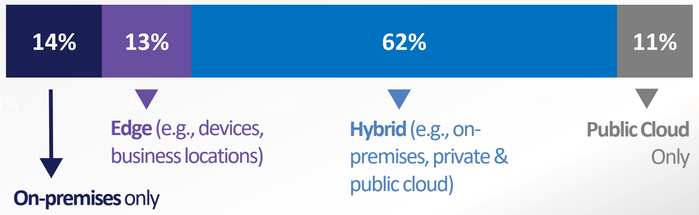
Inclusive of Saudi Arabia, Kuwait, Qatar, and the UAE

The region balances rapid AI expansion with a need to ensure governance and control. Hybrid and on-premises deployments are preferred to meet sovereignty and compliance expectations, especially in data-sensitive sectors. Organizations are advancing quickly toward agentic AI to automate security, improve quality control and maintenance, and reinvent customer service tasks. However, governance maturity varies, with persistent concerns around responsible AI and shadow AI, even though one-third of organizations already have comprehensive GRC policies in place. Investment in local infrastructure and security indicates that trust, resilience, and operational integrity remain central to AI scaling efforts.

Technology Foundations

Close to **1 in 4** organizations highlighted that **"deploying AI devices to enhance productivity and local inferencing"** is a key IT investment priority for the next 12 months.

Preferred Primary AI Workloads / Deployment Models



Key Drivers for On-Premises AI Workload Deployment

1. Greater control over operations & data
2. Flexibility to customize & optimize infrastructure
3. Ensuring data privacy, regulatory compliance, and security protocols

Building AI Trust

Approach to AI Governance, Risk & Compliance

33% — **Comprehensive**
We have established AI governance policies, rules, guidelines, and practices that rigorously address security, data protection, privacy, and AI sovereignty. These frameworks are actively enforced and regularly reviewed.

45% — **Developing**
We are in the process of developing comprehensive policies. Some measures are in place, but they are not yet fully implemented.

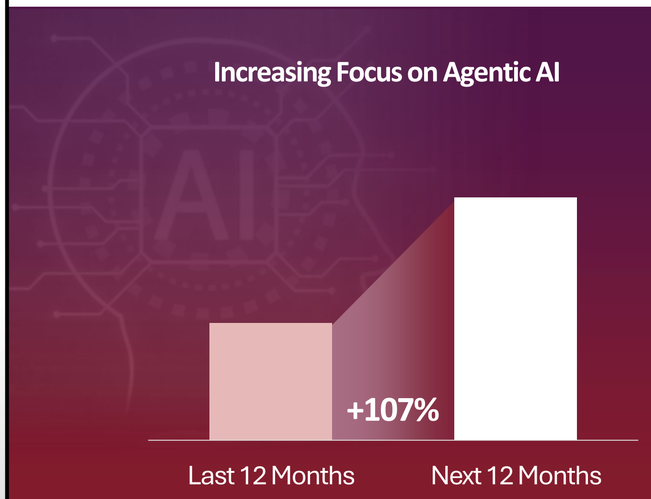
22% — **Ad-Hoc**
We have some security and data protection measures for AI, but they are inconsistent and lack formal governance policies.

Top AI Trust Concerns

1. Poor knowledge / application of Responsible AI
2. Shadow AI risks
3. Intellectual property risks

The Agentic Future

Increasing Focus on Agentic AI



Where Agentic AI Is or Will Be Used

1. Cybersecurity
2. Quality Control and Maintenance
3. Customer Service and Support

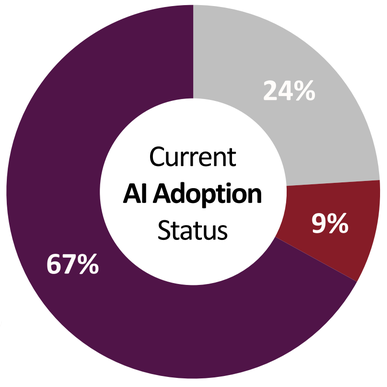
Source: IDC's *CIO Playbook 2026 Survey*, commissioned by Lenovo; Europe & Middle East; n = 800

Saudi Arabia Overview *(1/2)*

Organizations in Saudi Arabia treat AI as a strategic tool for securing operations and elevating customer experiences. High ROI expectations are accompanied by rising budgets to speed up investment. Early adoption is very broad, with IT, software, and analytics teams capturing the most positive gains. Priority investments in security, agent development, and internal training reflect a maturing market seeking both capability and trust. As quality foundations become essential with AI being embedded into daily business processes, companies are placing a stronger emphasis on data governance and infrastructure building. The overall approach reflects the country's political will to re-imagine the economy and make AI-enhanced technology a key sector in the future.

Business Priorities for 2026

1. Reducing business risk & cyber threats
2. Improving customer experience & satisfaction
3. Increasing revenues & profit growth
4. Enhance/innovate/reinvent our business with AI
5. Improving employee productivity



Considering / planning AI adoption

Early stages of AI development

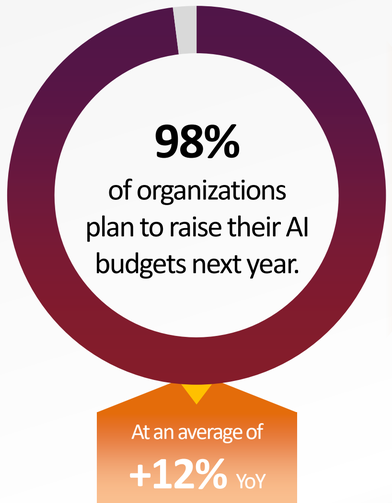
Piloting / systematically **adopted AI**

91% of the surveyed organizations anticipate a **positive return** on investment from their AI initiatives.

On average, organizations expect to generate **$2.97** in value for every dollar invested in AI projects.

Top Business Areas where AI has Shown Positive Returns

1. IT
2. Software development
3. Data & analytics
4. Operations
5. Cybersecurity



AI Investments Priorities for the next 12 months

1. AI security, trust & transparency tools
2. AI agent development, deployment & applications/solutions
3. Internal AI training (including non-IT staff)
4. Deploying and supporting AI Infrastructure
5. Data quality & governance improvements

Source: IDC's *CIO Playbook 2026 Survey*, commissioned by Lenovo; Europe & Middle East; n = 800

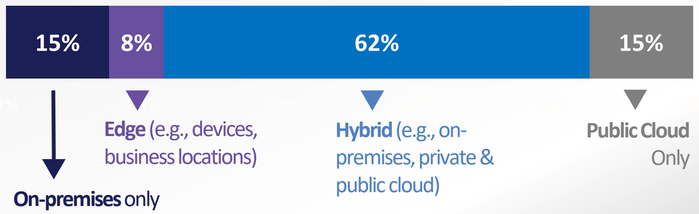
Saudi Arabia Overview *(2/2)*

Saudi Arabia's AI landscape combines huge ambition with a need for tight governance. Organizations gravitate toward hybrid deployments to maintain control over sensitive data while aiming to support distributed environments. This is strongly reflected in the country's investment in local datacenters built in collaboration with global vendors. Agentic AI adoption is accelerating, especially for customer service, quality maintenance, and marketing automation. But governance frameworks remain uneven, with gaps in responsible AI knowledge and risks from shadow AI. This mix of enthusiasm and caution signals a market moving quickly but aware that trust and structure must grow in parallel.

Technology Foundations

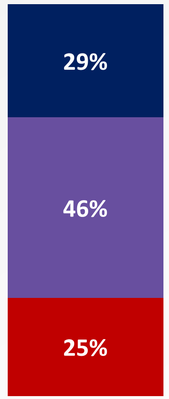
1 in 4 organizations highlighted that **"deploying AI devices to enhance productivity and local inferencing"** is a key IT investment priority for the next 12 months.

Preferred Primary AI Workloads / Deployment Models



Building AI Trust

Approach to AI Governance, Risk & Compliance



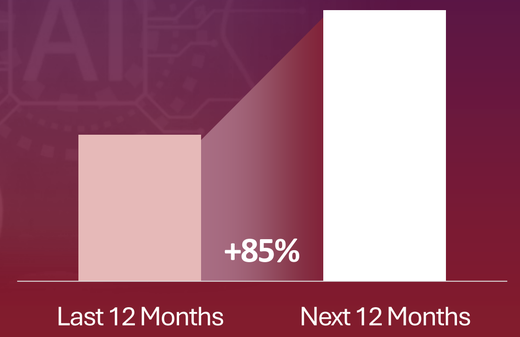
Comprehensive
We have established AI governance policies, rules, guidelines, and practices that rigorously address security, data protection, privacy, and AI sovereignty. These frameworks are actively enforced and regularly reviewed.

Developing
We are in the process of developing comprehensive policies. Some measures are in place, but they are not yet fully implemented.

Ad-Hoc
We have some security and data protection measures for AI, but they are inconsistent and lack formal governance policies.

The Agentic Future

Increasing Focus on Agentic AI



Key Drivers for On-Premises AI Workload Deployment

1. Greater control over operations & data
2. Support for distributed businesses, devices & data
3. Flexibility to customize & optimize infrastructure

Top AI Trust Concerns

1. Poor knowledge / application of Responsible AI
2. Shadow AI risks
3. Lack of Responsible AI

Where Agentic AI Is or Will Be Used

1. Customer Service and Support
2. Quality Control and Maintenance
3. Marketing Automation

Source: IDC's *CIO Playbook 2026 Survey*, commissioned by Lenovo; Europe & Middle East; n = 800

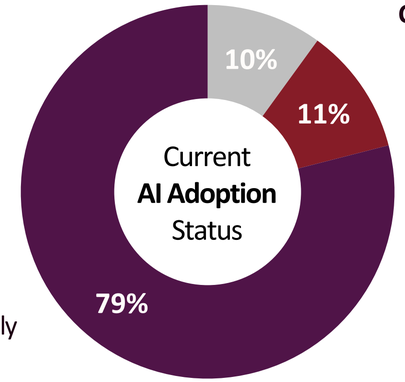
Rest of Gulf Overview *(1/2)*

Inclusive of Kuwait, Qatar, and the UAE

In the Rest of Gulf region, organizations are strongly focused on practical business outcomes, particularly improving decision-making, strengthening compliance, and managing costs and risk. AI is already widely embedded across organizations, with clear evidence that it is delivering value, especially in core areas such as IT, cybersecurity, customer service, and data-driven functions. This positive experience is reinforcing confidence in AI and encouraging organizations to increase investment. This is accompanied by a push to improve data foundations and governance. Looking ahead, spending priorities show a growing emphasis on AI agents, scalable platforms, and external expertise to support broader and more sustainable deployment.

Business Priorities for 2026

1. Enhancing decision-making
2. Enhance/innovate/reinvent our business with AI
3. Improving regulatory compliance
4. Decreasing or managing costs (e.g., moving from CAPEX to OPEX)
5. Reducing business risk & cyber threats



Considering / planning AI adoption

Early stages of AI development

Piloting / systematically **adopted AI**

89% of the surveyed organizations anticipate a **positive return** on investment from their AI initiatives.

On average, organizations expect to generate **$2.95** in value for every dollar invested in AI projects.

Top Business Areas where AI has Shown Positive Returns

1. IT
2. Cybersecurity
3. Customer service
4. Data & analytics
5. Finance

AI Investments Priorities for the next 12 months

1. AI agent development, deployment & applications/solutions
2. Data quality & governance improvements
3. Public cloud AI services
4. External AI consulting & other third-party AI services
5. Deploying and supporting AI Infrastructure

Source: IDC's *CIO Playbook 2026 Survey*, commissioned by Lenovo; Europe & Middle East; n = 800

Rest of Gulf Overview *(2/2)*

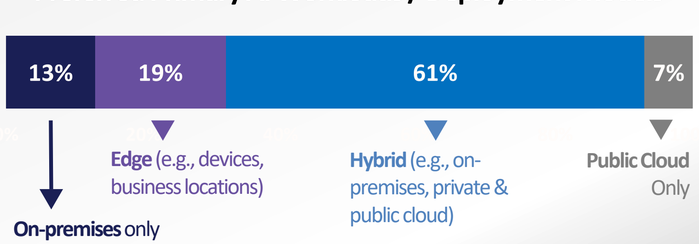
Inclusive of Kuwait, Qatar, and the UAE

Organizations in the Rest of Gulf region are strengthening their technology foundations to support AI at scale, with a clear preference for hybrid and edge approaches that enable local processing, greater control, and flexibility. This infrastructure focus is closely linked to a growing emphasis on GRC, as many organizations are still maturing their AI policies and addressing gaps in data protection and responsible AI practices. Trust remains a challenge, driven by concerns around security, intellectual property, and the competencies/expertise required to apply AI responsibly. At the same time, interest in agentic AI is accelerating, particularly in operational and customer-facing areas. Once the right foundations and safeguards for AI are in place, the next move will be toward more autonomous AI systems.

Technology Foundations

Close to **1 in 4** organizations highlighted that **"deploying AI devices to enhance productivity and local inferencing"** is a key IT investment priority for the next 12 months.

Preferred Primary AI Workloads / Deployment Models



Key Drivers for On-Premises AI Workload Deployment

1. Flexibility to customize & optimize infrastructure
2. Greater control over operations & data
3. Ensuring data privacy, regulatory compliance, and security protocols

Building AI Trust

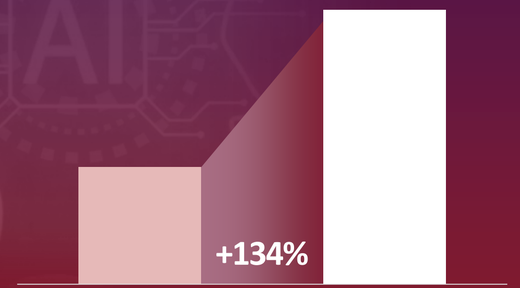
Approach to AI Governance, Risk & Compliance

Top AI Trust Concerns

1. Poor knowledge / application of Responsible AI
2. Poor data security
3. Intellectual property risks

The Agentic Future

Increasing Focus on Agentic AI



Where Agentic AI Is or Will Be Used

1. Cybersecurity
2. Quality Control and Maintenance
3. Customer Service and Support

Source: IDC's *CIO Playbook 2026 Survey*, commissioned by Lenovo; Europe & Middle East; n = 800

Research Methodology

CIO Playbook 2026 **Research Methodology**

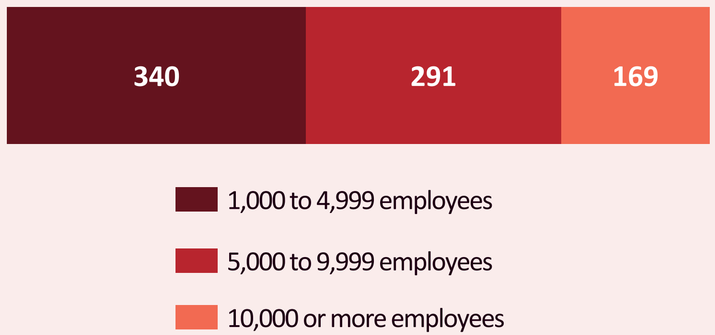
The playbook was developed based on a survey of 800 respondents, with the following sampling breakdown:

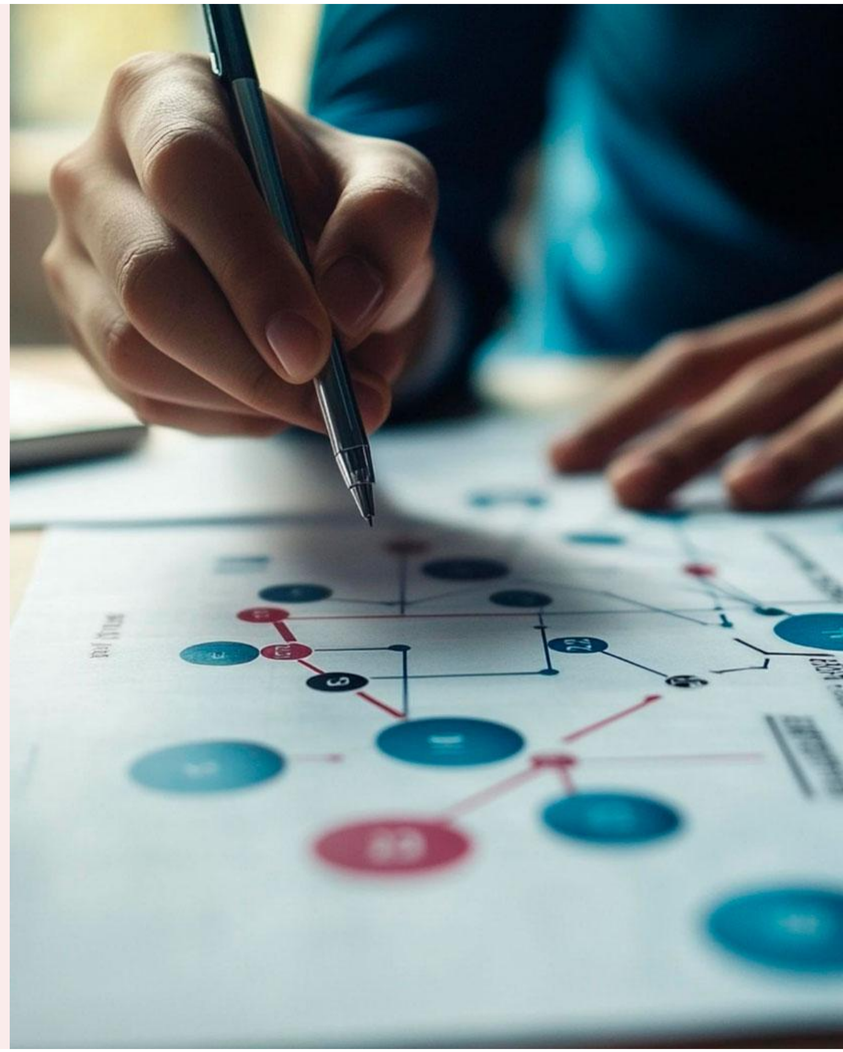
Markets Covered	Sample Size
France	**100**
Germany	**100**
Italy	**80**
Netherlands	**60**
Spain	**50**
United Kingdom	**100**
Eastern Europe	**80**
Scandinavia	**80**
Saudi Arabia	**80**
Rest of Gulf (Kuwait, Qatar, UAE)	**70**

Industries Covered	Sample Size
BFSI	**100**
Retail	**121**
Manufacturing	**102**
Telco / CSP	**117**
Healthcare	**81**
Government	**77**
Others	**202**

Sampling by **Organization Role**

Sampling by **Employee Size**





Source: IDC's *CIO Playbook 2026 Survey*, commissioned by Lenovo; Europe & Middle East; n = 800

Message from Sponsor

Shaping the Future of Enterprise AI Together: CIO Imperatives and Lenovo's Impact

	The CIO Agenda: 2026 **Strategic Imperatives**	**Lenovo's strengths you can count on**	
1	**AI Becomes a Core Engine of Business Performance**	Lenovo supports this shift by enabling AI deployment at scale – without added complexity.	• **Full-stack AI portfolio** spanning devices, hybrid infrastructure, and services • **End-to-end engineering** ensures production-ready AI solutions. • **Unified Hybrid Architecture** enables AI to run where data lives.
2	**AI Spending Rises as Value Proof Strengthens Across the Enterprise**	Lenovo helps you move from isolated pilots to measurable, repeatable impact.	• **Repeatable AI frameworks** accelerate enterprise deployment. • **Lenovo AI services help assess AI readiness,** manage change, and maximize ROI. • **TruScale IaaS and DaaS simplify AI implementation** with a single contract and point of support.
3	**Hybrid, Secure and Integrated Environments Become Essential Standard for Enterprise AI**	Lenovo delivers hybrid platforms purpose-built to support demanding AI workloads across environments.	• **Lenovo Hybrid AI Advantage** simplifies deployment of AI use cases and AI agents. • **80+ AI-ready platforms** are optimized for deployment from edge to cloud. • **Lenovo Neptune® 6th Gen liquid cooling** enables energy-efficient compute.
4	**Governance Maturity May Become the Gatekeeper for AI Scale**	Lenovo embeds highest governance and security standards across the AI lifecycle.	• **Lenovo managed services** ensure AI remains secure, trusted, and optimized for the future. • **ISO 22301 and ISO 20243 certifications** support continuity, resilience, and traceability. • **Lenovo's Trusted Supplier Program** ensures a secure, auditable AI supply chain.
5	**Agentic AI Emerges as the Next Step in Workflow Automation, However It Requires Control**	Lenovo enables you to unlock productivity gains while maintaining oversight and security.	• **An Enterprise-grade agent platform** enables governed deployment across devices, edge, and cloud. • **Reusable agent templates and the AI Library** accelerate creation of role- and industry-specific agents. • **The unified Lenovo AI stack** simplifies deployment and ensures agents run securely wherever data lives.

Message from Sponsor

Accelerate enterprise value with the Lenovo Hybrid AI Advantage™

Lenovo AI Library

Customizable personal and enterprise AI agents & use cases

Customer Service | Content Generation | Knowledge Assistant | Enterprise Concierge | Retail | Sports & Facilities | Mining & Utilities | Manufacturing | Vehicle Computing

Lenovo Hybrid AI Factory

Technical elements of AI integrated for performance, security, and control

AI Models & Agent Platforms

Data & Knowledge

Operating System | **Management & Orchestration**

Hybrid Infrastructure & Devices

Compute

AI Development | Inferencing | Agentic (scalable) | Training | Edge | AI PC

Networking

Network Infra
AI Fabrics

Storage

Block
File
Object
All flash

Lenovo Validated Designs

Lenovo Hybrid AI Services

Lenovo modular services and flexible financing options to accelerate value from AI use cases

+

Our global partner & ISV ecosystem

Global innovation driven by **18 R&D centers**, **30+ manufacturing sites**, and **~US$1.3B in annual R&D investment**, enabling rapid and secure delivery of AI solutions.