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PwC's AI performance study

Decoding ROI from AI in Africa

Contents

Introduction

African business leaders have learned to make strategic decisions under constraints. Capital constraints, infrastructure gaps, skills scarcity, currency volatility, and the need to protect fragile operating performance have made building resilience a business imperative. As AI reshapes competition, companies with higher AI fitness are realising outsized returns, which may widen the gap in market leadership and profitability over time. In today's business environment, African CEOs cannot afford to let constraints slow reinvention, as delay may limit their ability to compete for emerging sources of growth.

PwC's AI performance study shows the companies seeing the biggest returns from AI are not simply chasing improved productivity or cost savings. They are making bold decisions, using AI to drive growth and new value creation. The study surveyed 1,217 large companies globally, including 85 in Africa, and found that the top 20% capture 74% of AI-driven financial returns. The highest performers do three things consistently: they aim AI at growth and reinvention, build fit-for-purpose foundations, and embed AI across the enterprise.

Africa's AI Fitness Index sits at the global median, yet the region trails AI leaders across every major dimension of AI-driven performance. This gap suggests that the challenge is not adoption, but execution at scale. The opportunity for the region is not to do more AI. It is to scale the right AI, deliberately and decisively.

01

What leaders in Africa must do now to capture ROI from AI

PwC's AI performance study shows that organisations generating ROI from AI make a distinct set of strategic choices. For business leaders in Africa, the opportunity now is to apply these lessons.

Strategic principle: Aim AI at growth not just efficiency.

Current reality in Africa: Many organisations are realising early AI value in productivity and cost savings.

What leaders should do: Use AI to drive revenue, new business models and market expansion; not only cost reduction. In Africa this includes reaching underserved markets, reworking value chains and targeting emerging growth areas.

Strategic principle: Run AI like a capital portfolio not an innovation lab.

Current reality in Africa: High participation in AI pilots has not been translated to enterprise-wide scaling.

What leaders should do: Concentrate investment on a limited number of high value use cases, track business impact and scale proven solutions across the enterprise rather than running disconnected pilots.

Strategic principle: Invest less broadly more decisively.

Current reality in Africa: AI investment levels remain below AI leaders and many organisations report investment constraints.

What leaders should do: Leading organisations invest more in AI but do so with discipline, reallocating resources toward higher-value opportunities and funding long term returns even when short term ROI is unclear.

Strategic principle: Build only the foundations required to scale priorities.

Current reality in Africa: Gaps remain in data and technology readiness, workforce capability and investment sufficiency.

What leaders should do: Upgrade data, technology and operating capabilities specifically to support priority AI use cases instead of pursuing wide transformation programmes without clear focus.

Strategic principle: Use governance to accelerate not constrain.

Current reality in Africa: Governance maturity remains uneven and many organisations lack formal Responsible AI structures.

What leaders should do: Apply governance risk and trust frameworks to build confidence in AI driven decisions, reduce friction and enable faster, safer scaling.

Strategic principle: Use workforce confidence as a strategic advantage.

Current reality in Africa: Workforce participation in AI is rising, but trust in AI-driven decision making remains below AI leaders.

What leaders should do: Invest in skills, role redesign and decision support to convert workforce openness to AI into adoption trust and measurable business impact.

Strategic principle: Design for ecosystems not sectors through convergence.

Current reality in Africa: Organisations in Africa are less likely than AI leaders to use AI for sector convergence.

What leaders should do: Use AI to address cross industry challenges, build ecosystem partnerships, and capture shifting value pools that sit across traditional sector boundaries.

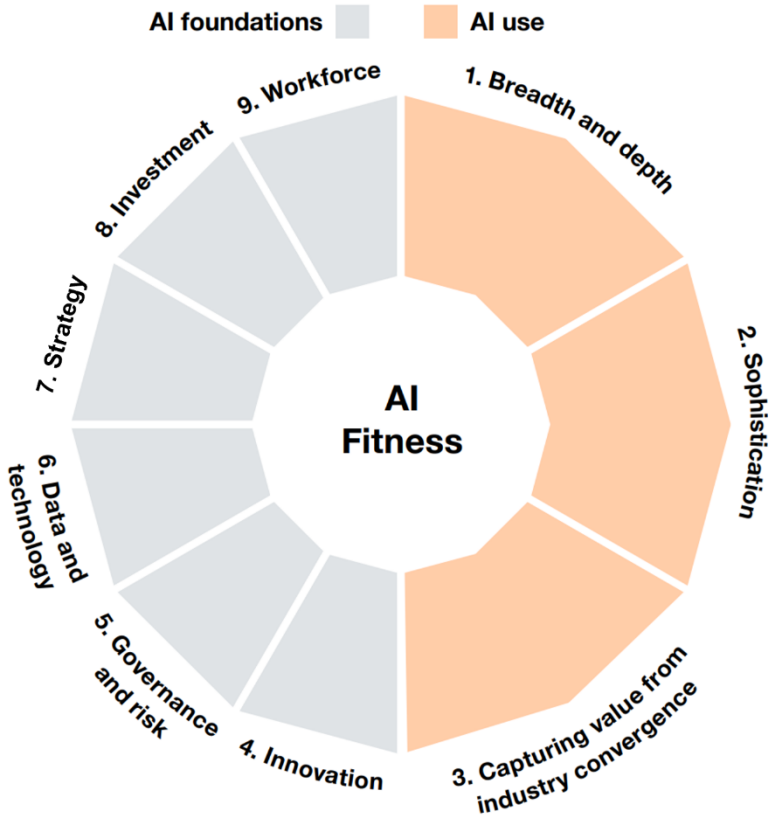
The organisations that act on these lessons faster may be better positioned to capture the next wave of ROI from AI-driven growth in Africa.

02

Africa's AI challenge is scale

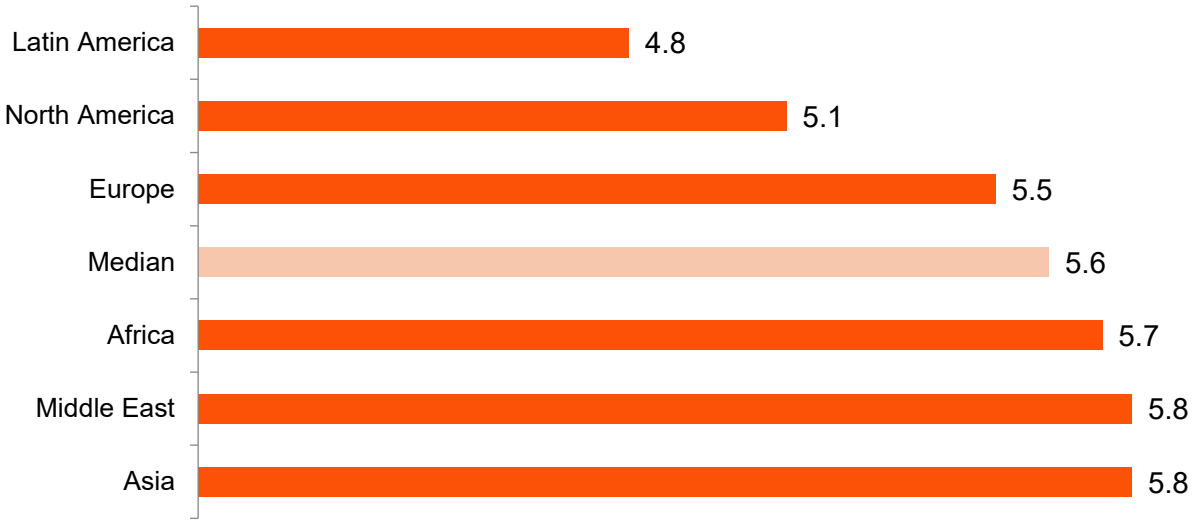
Findings from the study show that the most AI-fit companies generate 7.2 times greater AI-driven performance than others on an industry-adjusted basis. They capture more AI-driven revenue growth, achieve greater efficiency and cost improvements, and realise more substantial operating model transformation.

To understand what drives these returns, PwC assessed 60 management and investment practices across nine factors in two broad areas: AI foundations and AI use. These measures form the AI Fitness Index, which assesses how effectively organisations combine capabilities such as strategy, investment, governance, data, workforce and innovation with the breadth, sophistication and growth-oriented use of AI across the business.



- Source: PwC's AI performance study.

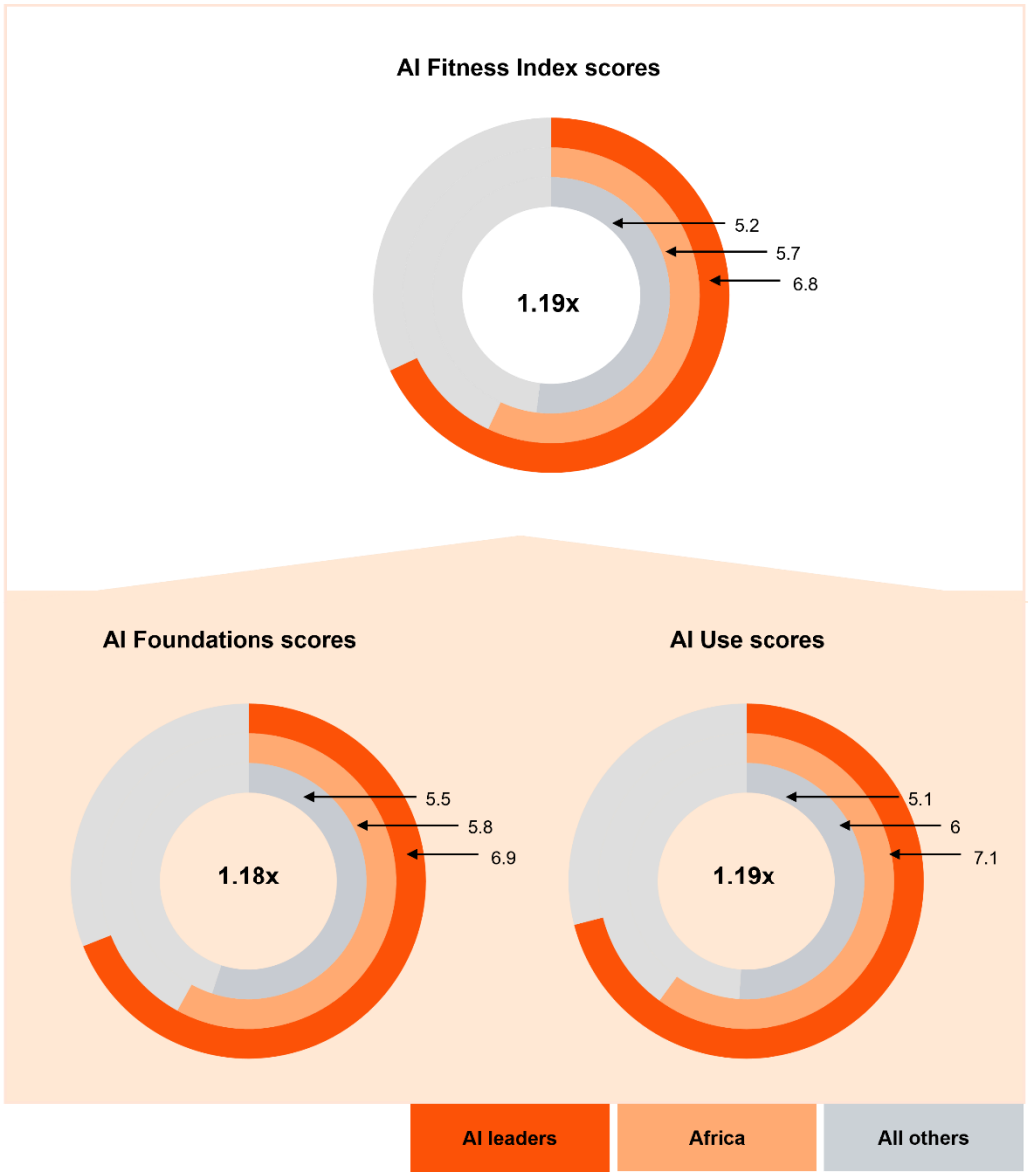
Africa performs better in AI use and ranks around the median in AI foundations compared with other regions. Many organisations in Africa are already adopting and testing AI: Eighty-two percent report participating in AI pilots, compared with 88% of AI leaders, and 85% in other regions. However, low levels of investment, data and technology readiness, and workforce preparedness indicate that many organisations are not yet equipped to scale AI002E



Average AI Fitness Index score by region, out of 10

- Source: PwC's AI performance study.

The scale gap becomes clear when Africa is compared with AI leaders. Africa trails AI leaders across all main dimensions of AI-driven performance, with AI foundations showing the smallest gap. Governance and risk performs closest to the leaders, while using AI for sector convergence lags furthest behind. Many organisations in Africa are adopting and testing AI, with more than 82% having participated in AI pilots, but fewer are scaling it across the enterprise or using it to unlock new sources of value.

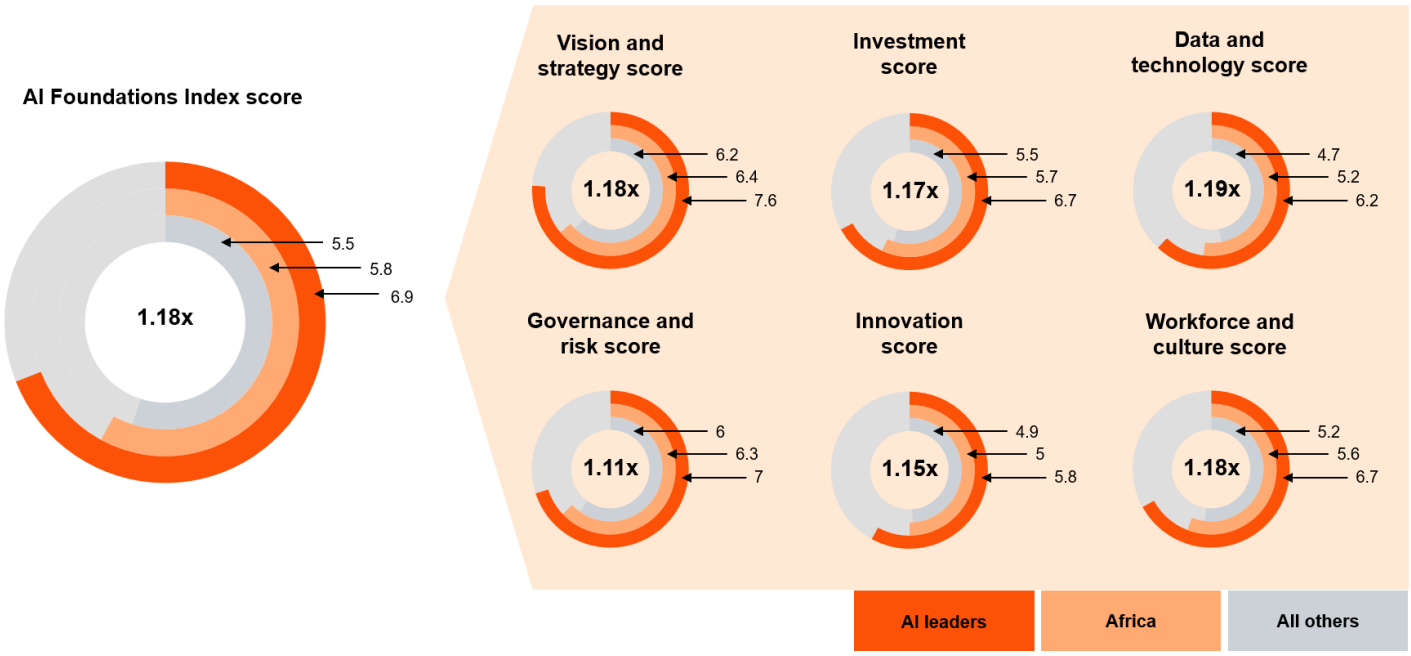


Average scores out of 10, multiple reflects AI leader score vs. region average score

- Source: PwC's AI performance study.

Only 32% of organisations in Africa believe their level of AI investment is sufficient to achieve their goals, compared with 55% of AI leaders, and median AI spend is 2% of revenue compared with 5% among AI leaders. These capabilities determine whether AI can scale safely, consistently and at the pace required to create value.

Average scores out of 10, multiple reflects AI leader score vs. region average score



- Source: PwC's AI performance study.

On AI use, the sharpest gaps stem from collaborating across sectors to unlock new value and achieving operating model transformation through full AI portfolios.

AI leaders are more likely to define how AI supports business objectives, prioritise AI roadmaps across short and long horizons, assign accountability for outcomes and track business impact. A clearly defined strategy and vision shape how organisations allocate investment, build the capabilities required to scale and embed AI across the enterprise. These differences help explain why AI leaders are more effective at turning AI use into operating model transformation and new sources of growth.

03 The Africa AI paradox: optimism without reinvention

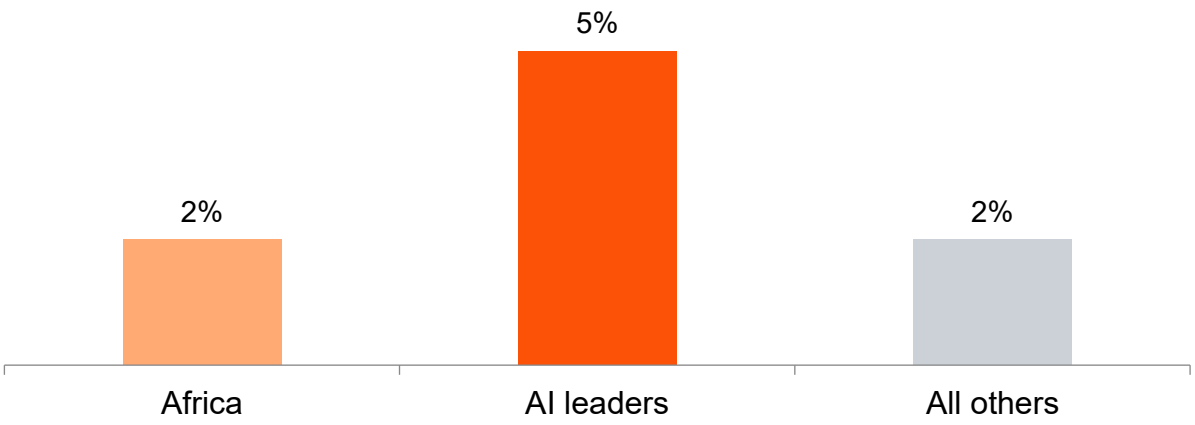
Earlier this year, PwC's 29th Africa CEO Survey identified a divergence between sentiment and strategic action. CEOs across the region report positive expectations for economic conditions and confidence in their ability to navigate disruption, yet many prioritise stability over transformation in strategic decision-making. Half of African CEOs report that their primary concern is the pace at which their organisations are transforming to keep up with technological change, including AI. This concern is not matched by corresponding levels of investment or execution.

Twenty-six percent of African CEOs report that their current level of AI investment is sufficient to achieve their goals. Forty-one percent report having clearly defined AI roadmaps, and 37% report having formal Responsible AI and risk frameworks in place. These indicators point to gaps between intent, planning and execution, which may limit the ability to scale AI across the enterprise.

Years of navigating economic volatility, regulatory shifts, infrastructure constraints and geopolitical disruption have reinforced a focus on resilience among many African businesses. In uncertain operating environments, protecting current performance can often take precedence over long-term transformation. This orientation may influence the pace at which organisations commit to AI-driven change.

PwC's AI performance study shows that organisations generating higher AI-driven performance allocate a greater share of revenue to AI, scale AI across the enterprise and apply it to operating model transformation and new sources of value. Differences in investment, scale and application are associated with differences in outcomes.

AI spend, as a percentage of revenue



How much is your organisation spending on AI this year as a percentage of revenue, median spend

- Source: PwC's AI performance study.

PwC's Value in Motion research shows that value is shifting across industries as technology, climate transition and changing customer needs reshape markets. In this context, delayed investment and execution can affect the ability to capture emerging sources of growth. This raises the question of where future growth and AI-driven returns will come from, and how organisations position themselves to capture them.

04

Focusing AI on growth and reinvention drives ROI

PwC's AI performance study shows that the strongest AI-driven returns are being created when organisations direct AI towards growth and reinvention. The most AI-fit companies are more likely to use AI to create new revenue streams, reinvent business models and reposition early to capture new sources of value.

The companies generating the strongest returns are managing AI with the same focus as other strategic priorities. They track business impact, invest in what works, learn from what does not and scale the winners faster.

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23%

of CEOs who have invested in AI reported revenue increases, while 25% reported cost reductions over the past year.

In Africa, many organisations are already using AI pragmatically and seeing early returns. In PwC's 29th Africa CEO Survey, 23% of CEOs who have invested in AI reported revenue increases, while 25% reported cost reductions over the past year. Much of this early value is likely being realised through efficiency gains and cost control, particularly in support functions and existing operations.

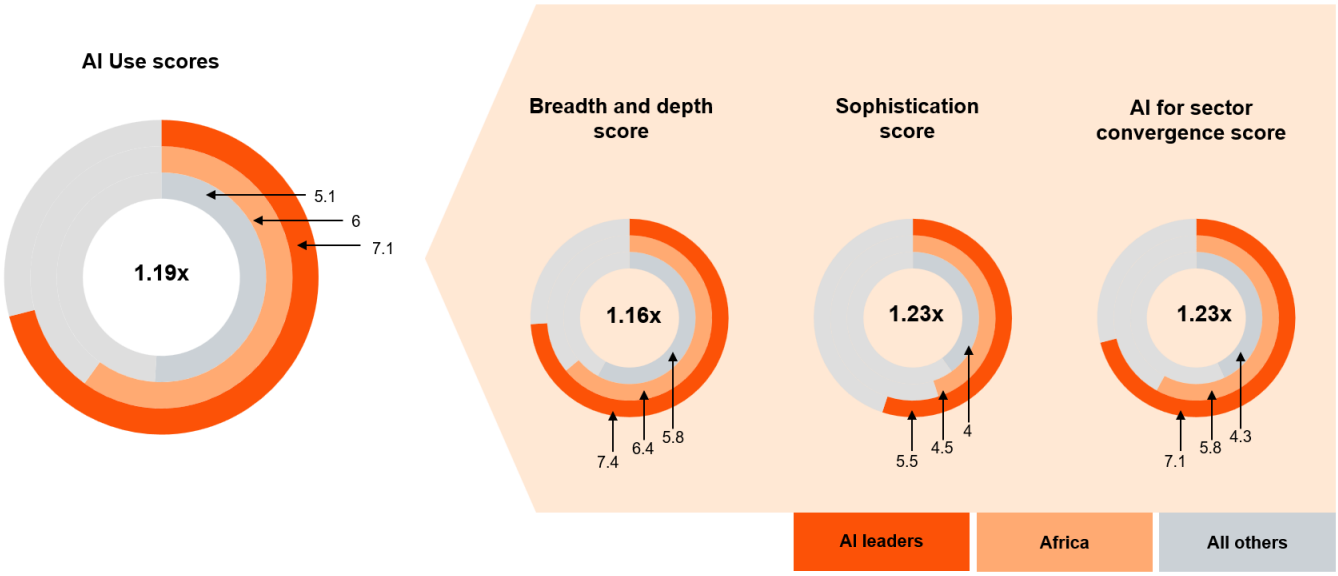
The more significant opportunity lies in applying AI to Africa's structural growth challenges. AI can help expand access to underserved markets, redesign value chains under infrastructure and supply chain constraints, and create new products, services and business models across sectors such as financial services, energy, health, logistics and agriculture. AI can do more than improve efficiency; it can redefine how value is created and delivered.

As global competitors move faster to scale AI and redesign business models, organisations focused only on incremental efficiency risk falling behind. For businesses in Africa, growth-led AI is becoming increasingly defensive: it is how firms protect future relevance while capturing the next wave of AI-driven returns.

05 Industry convergence is Africa's biggest missed opportunity

PwC's Africa AI performance study shows that organisations in Africa are less likely than AI leaders to use AI to unlock growth through industry convergence. Africa scores 5.8 in sector convergence compared with 7.1 among AI leaders, making it one of the widest gaps in the study. This gap reflects a lower use of AI to collaborate across sectors, compete beyond traditional industry boundaries and capture new sources of value as industries converge.

Average scores out of 10, multiple reflects AI leader score vs. region average score



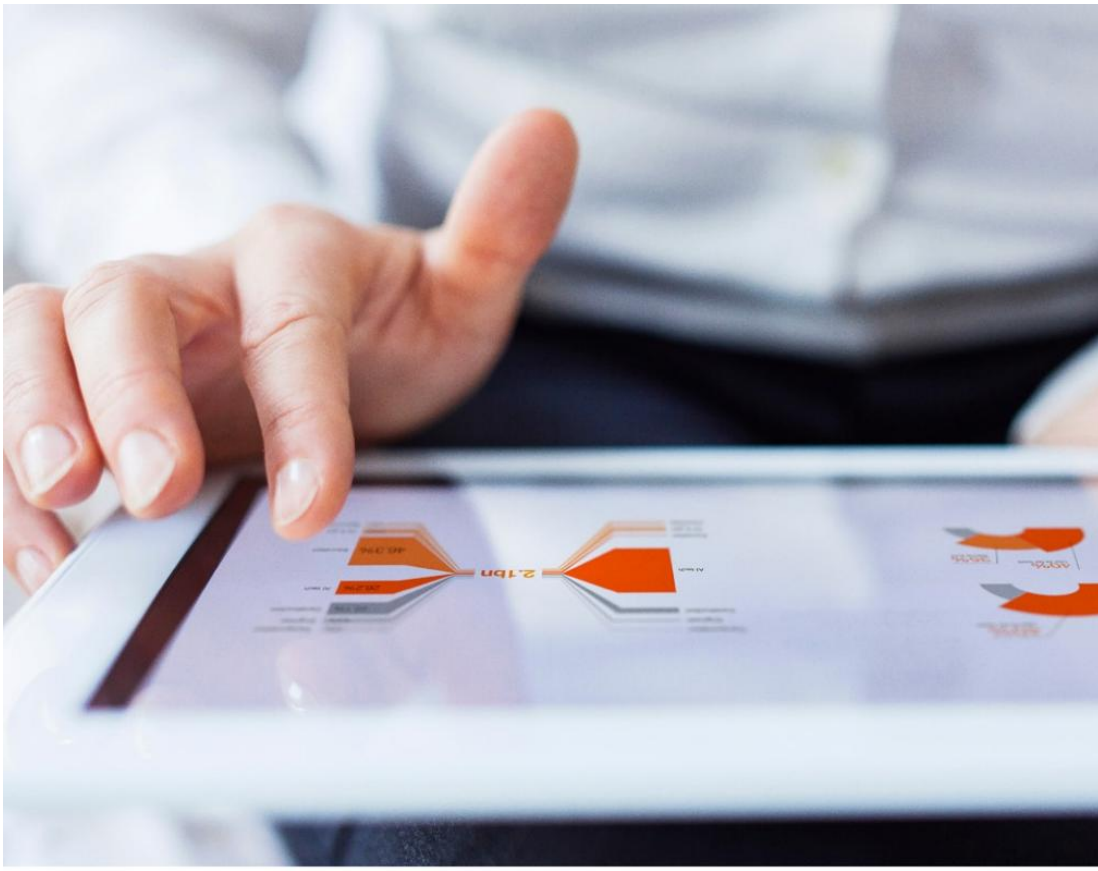
- Source: PwC's AI performance study.

This matters in Africa because many of the continent's biggest challenges and largest growth opportunities sit between industries rather than within them. For example, financial inclusion depends on the convergence of banking, telecommunications and retail. Energy access depends on collaboration across energy, mining and infrastructure. Agricultural productivity increasingly depends on logistics, finance and climate intelligence. Healthcare access is being reshaped by the intersection of data, insurance, payments and care delivery.

PwC's global AI performance study confirms that one of the strongest drivers of AI-driven performance is the use of AI to pursue growth through industry convergence. Organisations generating the strongest returns are more likely to collaborate across sectors and create new business models beyond traditional boundaries.

PwC's Value in Motion research explains why this matters now. As AI, climate change and other megatrends collide, industries are fragmenting and recombining into broader domains of growth. PwC estimates that more than US$7 trillion in value could shift across industries in 2025 alone as companies reinvent their business models in response.

For CEOs in Africa, treating AI primarily as a tool for efficiency and cost reduction may deliver short-term gains, but it risks missing the continent's most scalable value pools. The leaders that use AI to solve cross-sector problems, build ecosystem partnerships and compete across emerging domains will be better positioned to capture disproportionate returns.

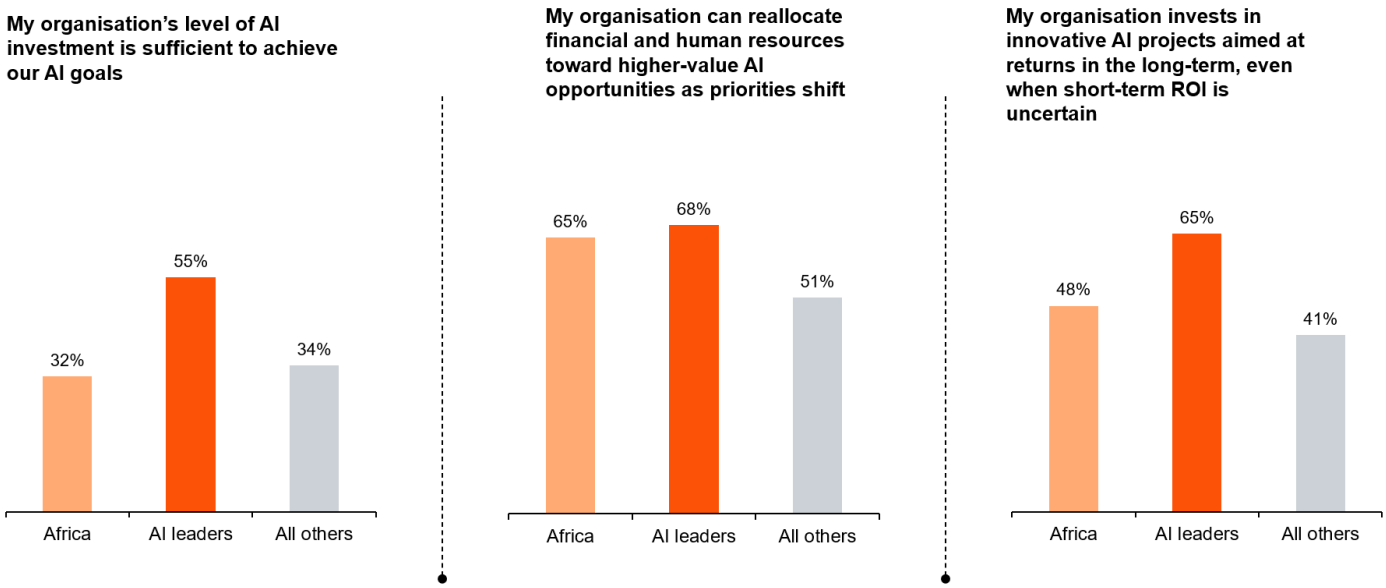


06

The AI foundations gap is constraining AI-driven returns in Africa

PwC's AI performance study shows that many organisations in Africa are not yet building the capabilities required to scale AI into sustained returns. The constraint lies in how organisations translate AI investment into scaled execution and measurable outcomes—particularly across investment, data and technology, governance, and workforce capability.

In the same study, 32% of organisations in Africa report that their current level of AI investment is sufficient to achieve their goals, compared with 55% of AI leaders. Median AI spend is 2% of revenue in Africa and 5% among AI leaders. This reflects a gap in the investment dimension of the AI Fitness Index, where capital allocation does not yet match the requirements of scaling AI across the enterprise.



- Source: PwC's AI performance study.

PwC's Africa Cloud Business Survey highlights related constraints in execution. Thirty-three percent of organisations report having modernised data architecture across many parts of the business, and fewer than one in three have deployed multi-cloud strategies, cloud-native applications or legacy modernisation at scale. Thirty-three percent report established FinOps practices, while 41% cite budget constraints and 33% cite governance and control issues as barriers to achieving measurable value from cloud.

As organisations scale AI, governance and Responsible AI frameworks are critical for balancing innovation, resilience and trust. Investment, technology and governance gaps continue to limit the ability to deploy and scale AI consistently across the enterprise.

Investment, data and technology, governance, and workforce capability are not yet aligned to support enterprise-wide AI execution. As organisations in Africa pursue growth through business model transformation and industry convergence, these gaps are becoming harder to ignore. Without stronger foundations, AI investments are less likely to scale into sustained returns. However, beyond infrastructure and operating constraints, Africa may hold an overlooked advantage in the race to scale AI.

07

Workforce trust is Africa's hidden AI accelerant

PwC's Africa Workforce Hopes and Fears Survey suggests that Africa's workforce may be more ready for AI than many organisations realise. Workers across the region are more open to AI, more optimistic about its impact and, in many cases, more trusting of leadership than their global peers. This creates an overlooked advantage for organisations that can move quickly to scale AI.

According to PwC's Africa Workforce Hopes and Fears Survey, African workers are already adopting AI faster than the global average. Sixty-four percent have used AI at work in the past 12 months, compared with 54% globally. Seventy-six percent say GenAI improves the quality of their work, and 72% expect it to improve productivity over the next three years. Workers in Africa also report higher trust in management and stronger psychological safety than global averages, creating conditions that may support faster adoption and experimentation.

Yet workforce optimism does not always translate into organisational confidence. In PwC's AI performance study, only 36% of organisations in Africa say employees trust AI-generated insights and act on them when making decisions, compared with 60% of AI leaders. Organisations in the region are also less likely to say leaders embrace AI and less able to attract technical AI specialists. This may slow enterprise-wide adoption even where workforce sentiment is positive.

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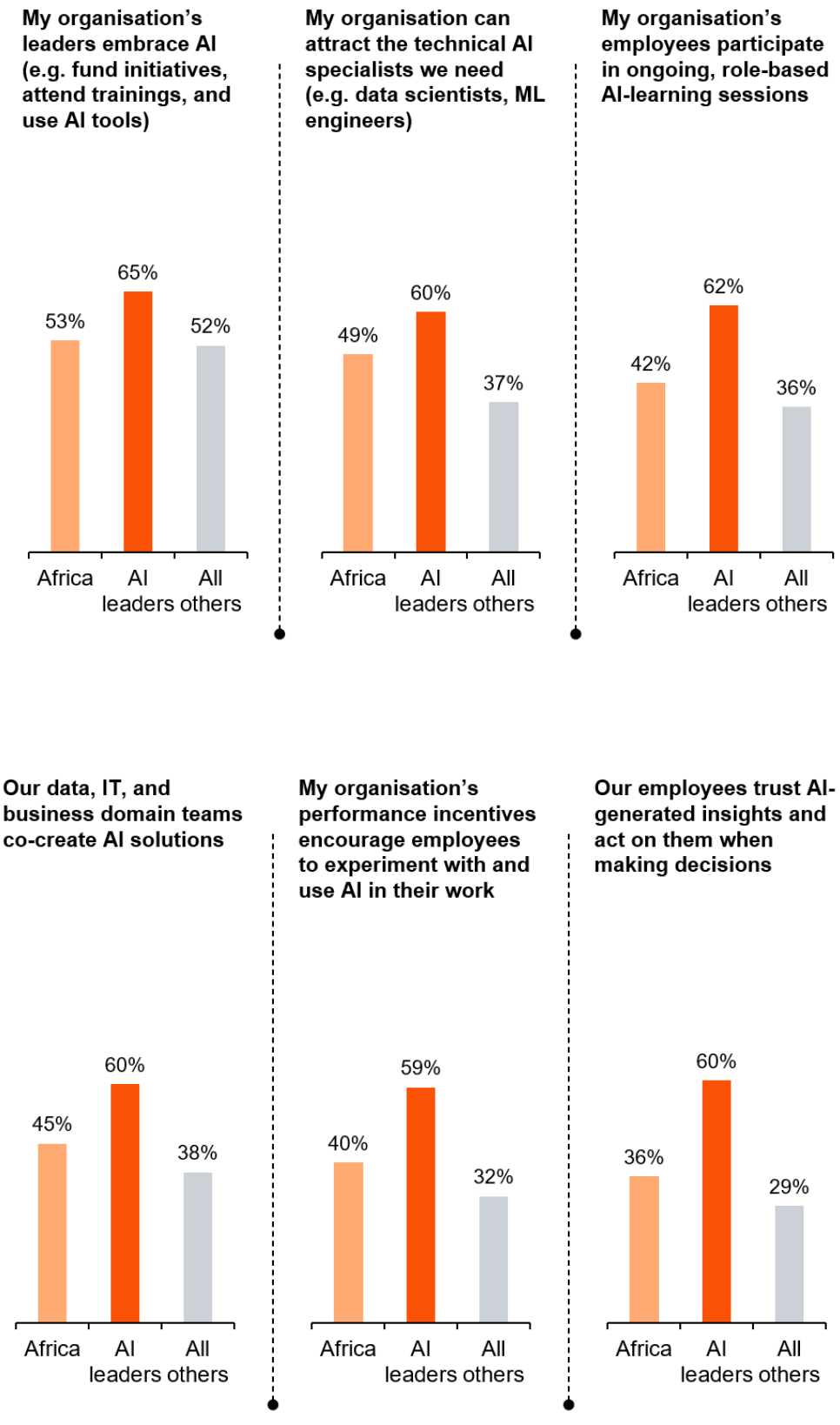
76%

of African workers say GenAI improves the quality of their work, and 72% expect it to improve productivity over the next three years.

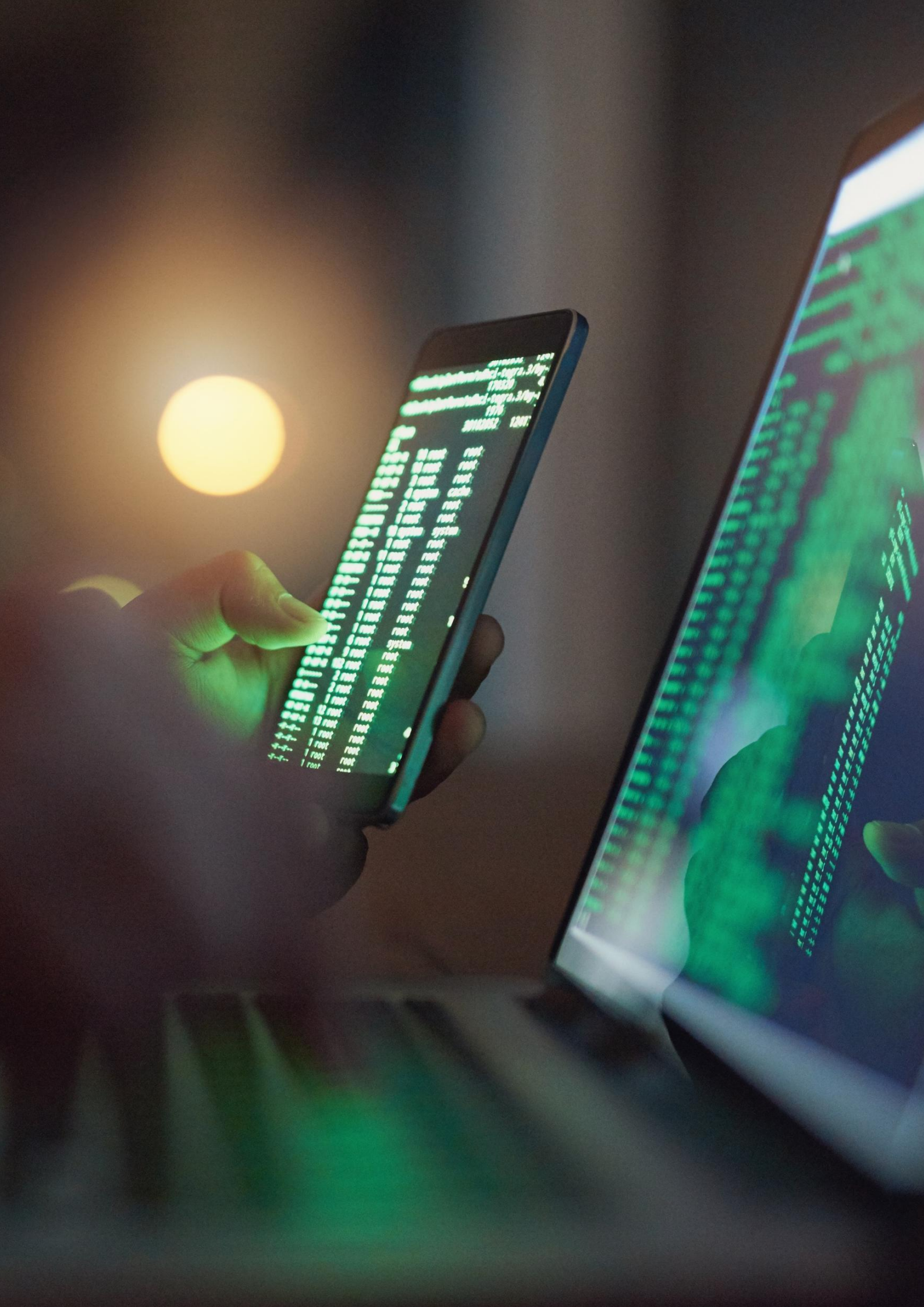


- Source: PwC's AI performance study

African organisations are using AI for revenue generation and trust-related business objectives at rates close to AI leaders. Twenty-nine percent cite revenue generation as the main business objective of their AI applications, compared with 31% of AI leaders, while 29% cite trust-related objectives, compared with 26% of AI leaders. The evidence suggests that many organisations understand where AI can create value, but are less confident in scaling AI-driven decisions across the enterprise. Further, high participation in AI pilots (82%) in Africa has not translated to a similar level of confidence in AI-driven decision making seen among AI leaders. Lower trust in AI outputs and weaker use of incentives may limit how consistently employees act on AI insights, slowing enterprise-wide scaling. Organisations that build trust in AI-generated insights are more likely to see employees use AI in decisions, which supports broader adoption and improves the ability to scale select AI use cases.

Africa allocates a similar share of AI spending to people and new hires as AI leaders, at about 14% each, but a lower share to training and upskilling, at 11% compared with 13% among AI leaders. Only 35% of workers believe their current skills will remain relevant in three years. This points to a workforce that may be willing to adapt faster than organisations are investing to help them do so.

Africa's workforce may already provide a hidden advantage in the race to scale AI. Trust, openness and willingness to adapt may give organisations in the region a faster path to adoption than many global peers. Leaders that invest in skills, strengthen confidence in AI-driven decision-making and put the right guardrails in place may be able to convert that workforce advantage into faster AI adoption and stronger returns. In that sense, workforce trust may already be the accelerant—if execution catches up.



Conclusion

Africa's organisations are not lacking in ambition for AI. Across PwC's research, the intent is visible in CEO optimism, workforce readiness to adopt AI, and the growing use of AI for revenue, trust and productivity.

Yet ambition is not translating into ROI from AI at the pace seen among global AI leaders. Many organisations remain in pilot mode, move cautiously on reinventing their business models and underinvest in the capabilities required to scale.

The organisations generating the highest returns are not experimenting with AI at the margins. They are using it to drive revenue, reinvent business models and reshape how value is created. In PwC's AI performance study, the most AI-fit companies generate 7.2 times greater AI-driven performance than others. These leaders also scale selectively, building only the capabilities needed to deliver on their objectives, avoiding broad, unguided transformations.

The decision facing CEOs in Africa is whether to continue treating AI as a set of experiments—or to treat it as an engine of growth and reinvention. There is a sharp fork in the road: Use AI to defend today's margins, or to shape tomorrow's markets.

Research methodology

PwC's AI performance study gathered survey responses from 1,217 senior executives—all director-level or above—primarily from publicly listed companies (91% of the sample) with US$1 billion or more in revenue (76% of the sample) in 25 sectors across Africa, Asia, Europe, the Middle East, North America, and South America. Fieldwork was conducted in October and November 2025.

We analysed the companies' AI-driven performance, defined as the sectoradjusted proportion of revenue and efficiency/cost gains attributable to AI. We then tested the effect of 60 areas of management and investment practice on AI-driven performance. We grouped these practices into nine factors across two categories: AI foundations (the capabilities that make AI reliable and scalable) and AI use (how broadly, deeply, and sophisticatedly AI is applied, and whether it is pointed at growth opportunities).

These categories make up our AI fitness index— their sum equates to the AI fitness index score. The AI fitness index is positively and significantly linked to AI-driven performance, making it a robust basis for analysis. This makes it meaningful to compare AI leaders with other companies across the index's underlying factors to identify the management practices that set the leaders apart.

Percentages shown in charts may not add up to 100% due to rounding, multi select response formats, and the exclusion of certain categories (e.g. "Other," "Not applicable," "Don't know").

This research and thought leadership was undertaken by PwC Global Thought Leadership, which develops bold, trusted, actionable insights through proprietary research.

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