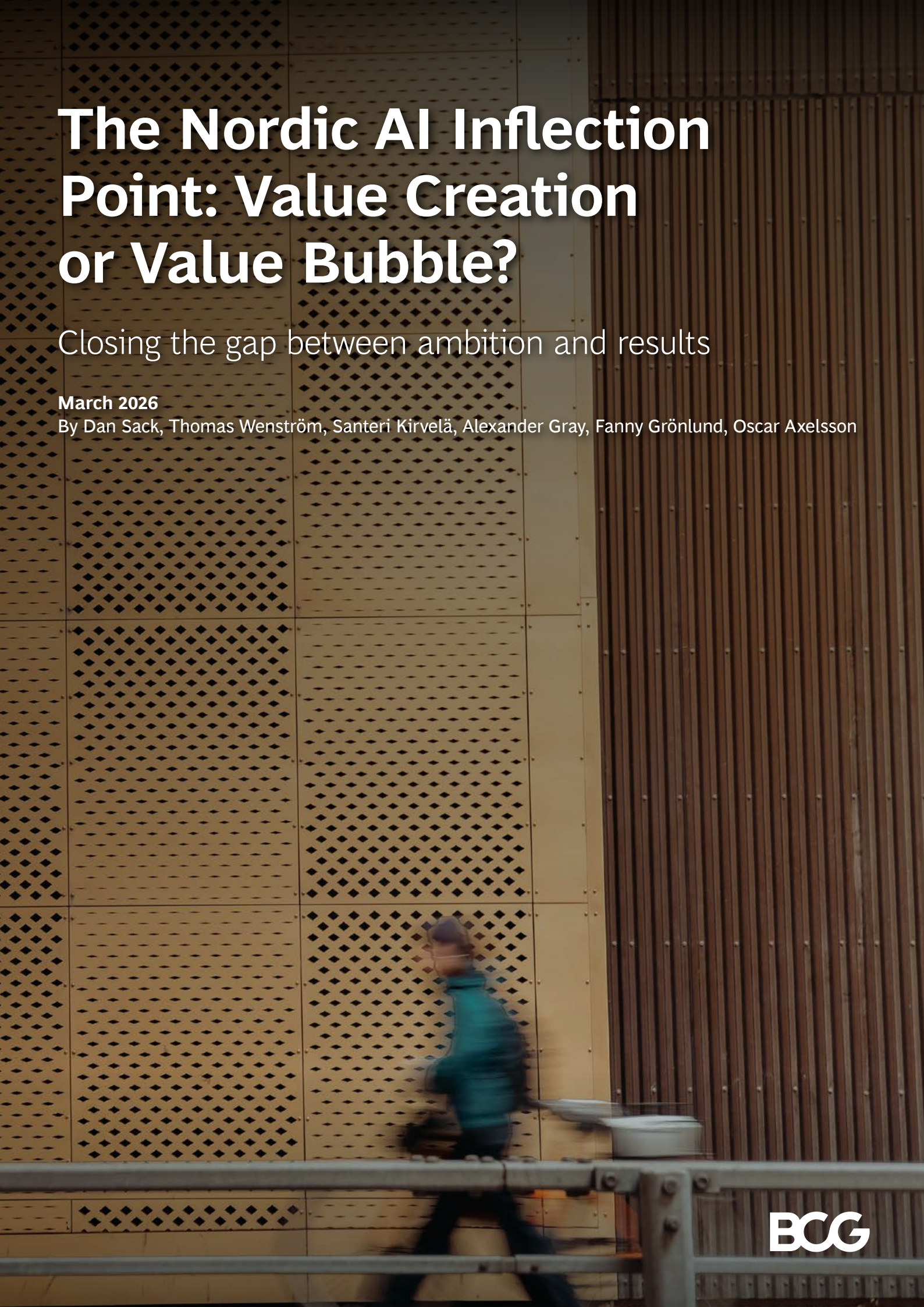


The Nordic AI Inflection Point: Value Creation or Value Bubble?

Closing the gap between ambition and results

March 2026

By Dan Sack, Thomas Wenström, Santeri Kirvelä, Alexander Gray, Fanny Grönlund, Oscar Axelsson

BCG

Boston Consulting Group partners with leaders in business and society to tackle their most important challenges and capture their greatest opportunities. BCG was the pioneer in business strategy when it was founded in 1963. Today, we work closely with clients to embrace a transformational approach aimed at benefiting all stakeholders—empowering organizations to grow, build sustainable competitive advantage, and drive positive societal impact.

Our diverse, global teams bring deep industry and functional expertise and a range of perspectives that question the status quo and spark change. BCG delivers solutions through leading-edge management consulting, technology and design, and corporate and digital ventures. We work in a uniquely collaborative model across the firm and throughout all levels of the client organization, fueled by the goal of helping our clients thrive and enabling them to make the world a better place.

Contents

1

Return in AI investments in the Nordics and the Contrast to Global Peers

The artificial intelligence revolution is well underway and transforming how companies operate. The technology already plays a key role in designing and pricing products, delivering services and customer support, moving goods through supply chains, and shaping how citizens interact with public services. What began as an IT side project is now a core, structural driver of competitiveness.

Yet, despite rapid adoption, AI is still falling short of its promise. Our findings show that across the Nordics, realized returns remain strikingly limited.
While AI capabilities are now widespread, only 4% of companies report achieving returns of at least five times their AI investment.

This gap between adoption and impact is cause for concern, although it is not unique to the Nordics. Our global research[1], alongside a growing body of international executive surveys[2] and investor commentary, points to similarly disappointing returns on AI investment across regions and industries.

At the same time, Nordic companies have moved decisively and successfully over the last year to close gaps in AI adoption. Our 2025 Nordic AI report, GenAI Complacency: The Costly Inaction in the Nordics[3], revealed that Nordic countries were falling behind their global peers in AI implementation and workforce upskilling.
Today, AI use in the region is almost universal, with 99% of companies reporting that they have implemented at least some AI capabilities.

To understand why widespread AI investments are not translating into sustained competitive advantage, we spoke to 300 executive leaders and managers across mid- and large-cap companies in the Nordics.

Our findings reveal a structural execution challenge. Compared with their global peers, Nordic companies tend to allocate a larger share of AI investments toward off-the-shelf tools that layer AI onto existing processes and target incremental productivity gains, while underinvesting in transformative initiatives that reshape workflows, operating models, and product offerings.

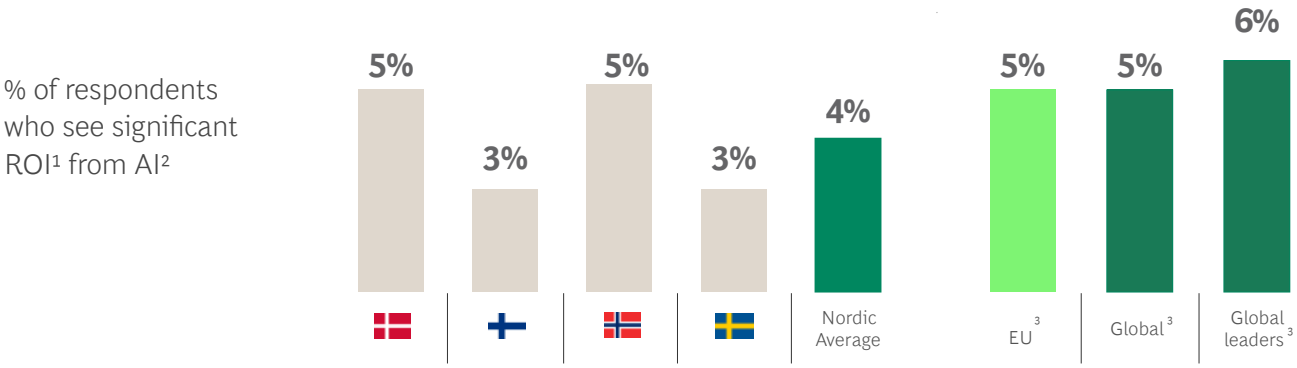
Paradoxically, this limited-impact investment strategy sits alongside exceptionally high expectations. Nordic companies report significantly stronger confidence in AI-driven value creation over the next three to four years than their global counterparts do.

Taken together, these dynamics point to a fundamental mismatch between ambition and execution.
If expectations continue to rise faster than realized value, the region risks creating a local AI value bubble with a gap between expected ROI impact and real value delivered to the P&L. However, if ambition is matched with sharper execution and a shift toward higher-impact initiatives, AI can become a powerful engine of value growth and help strengthen Nordic competitiveness on the global stage.

This creates a defining challenge that matters far beyond technology. The decisions that leaders make today will have far-reaching consequences not only for individual companies but also for the long-term prosperity of Nordic society.

EXHIBIT 01

Only 4% of Nordic companies see significant ROI[1] from AI efforts, on par with global competitors



Source: BCG 2025 NOR AI Perspective Study (n=300)
Note: 1. 5-6x+ ROI 2. Can you estimate your company's realized ROI from predictive AI/GenAI to date (considering both cost and revenue impact)? 3. BCG Build for the Future 2025 Global Study

2

About the Research

To understand how AI is creating—or failing to create—value in the Nordics, we focused this year's study on current AI investments and returns and compared them with future expectations and confidence.

- **300+ Nordic business leaders were interviewed,** spanning mid-sized companies and large multinationals, with respondents evenly split across Sweden, Denmark, Finland, and Norway.
- **Respondents represented both business and technology leadership roles** and covered major sectors including financial services, industrials, consumer goods, healthcare, and public-adjacent services.
- **63% of respondents are decision makers on digital and AI-related matters** within their organizations, while the remaining **37% reported having influence and strong oversight of AI investments.**
- **The interviews examined** current value creation, investment levels, operating model choices, expectations through to 2029, and key barriers to impact.
- Results were **benchmarked against BCG's global dataset** of 1,250 companies across 68 countries[1], enabling comparison with global and EU averages, as well as a subset of global and EU leaders—defined as AI "future-built" and "scaling" companies[1] that are already generating outsized returns from AI.

Together, these inputs and contributions enable us to assess Nordic AI readiness, investment patterns, and value realization, and to identify where the region is making progress and where meaningful gaps remain.

3

Rising Expectations and a Growing Value Gap

Realized returns from AI remain limited across the Nordics today; yet, at the same time, expectations on future value creation are extremely high. Belief in AI as a driver of productivity, growth, and competitiveness is evident in both the strategic priorities articulated by Nordic business leaders and their stated willingness to invest.

Our global research shows that all companies within the top 40% of AI maturity across sectors expect material financial impact from AI over the coming years. In Europe, these forward-leaning organizations anticipate revenue growth and cost reductions of approximately 9%–11% by 2028. Expectations across non-European markets are similarly ambitious.

Viewed against this benchmark, Nordic companies sit at the upper end of the ambition curve. The executives we spoke with expect AI to drive revenue increases of roughly 30% and cost reductions of around 25% by 2029. Importantly, these expectations reflect a belief that AI will serve as a dual lever, driving growth and improving efficiency in parallel.

This optimism is underpinned by confidence. When asked about their AI position, more than half of Nordic executives reported that AI is already being leveraged to build a meaningful competitive advantage, while over 10% went further and consider their companies to be market shapers in the use of AI. At the same time, 70% said they are confident they will reach their AI value targets.

And it is not just talk. Nordic leaders report that more than 10% of current IT budgets are allocated to AI and nearly 40% of leaders expect AI spending to increase by more than 25% over the next three years.

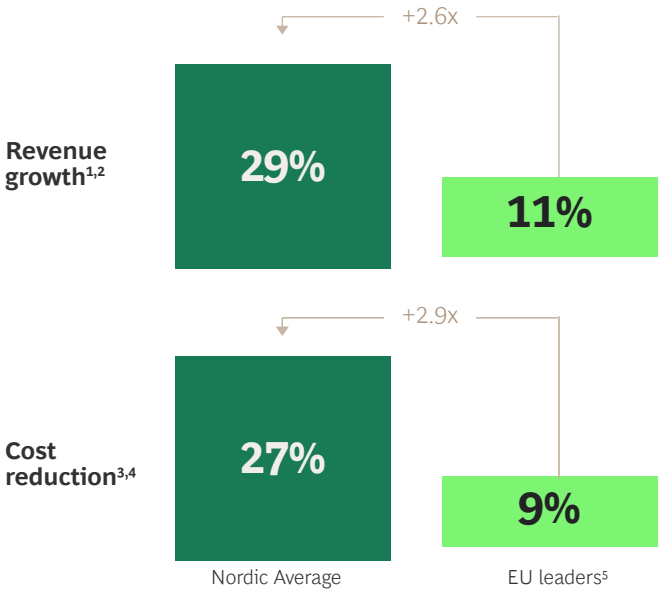
Taken together, ambition, confidence, and willingness to invest are strong among Nordic companies.

However, when it comes to the impact of that spend, the picture is more nuanced. The differences in investment focus, rather than the absolute level of spend, may ultimately determine whether Nordic companies convert AI ambition into competitive advantage or fall behind global peers.

EXHIBIT 02

In interviews, Nordic company executives said their value expectations are ~3x higher than those of EU competitors, despite comparable current ROI—increasing the risk of a local AI value bubble if ambitions are not achieved

Expected AI impact by 2029



Source: BCG 2025 NOR AI Perspective Study (n=300)
Note: 1. How much revenue growth do you expect from AI (in % of annual revenues) in your company by 2029? 2. EU: 9.8% 3. What percentage of cost reduction do you expect to achieve through AI efficiency gains (in % of total operational expenses) in your company by 2029? 4. EU: 7.4% 5. BCG Build for the Future 2025 Global Study

3.1

From Incremental Gains to Transformational Value

Nordic companies currently allocate more than 45% of AI investment to off-the-shelf solutions such as office productivity tools, meeting summarization, and coding support. Notably, this investment pattern holds across the entire Nordic sample, including companies that are generating the highest AI value today. Among the 40% most AI-mature companies in Europe, the corresponding share is much lower, at 10% or less.

Our experience indicates that these incremental solutions can deliver gains of 10%–20% in targeted activities, which is not insignificant.

However, BCG's global research shows that creating durable competitive advantage that will drive material changes in productivity and growth outcomes, and impact overall regional competitiveness, requires investment in transformative initiatives that reshape core workflows, customer journeys, and operating models end-to-end.

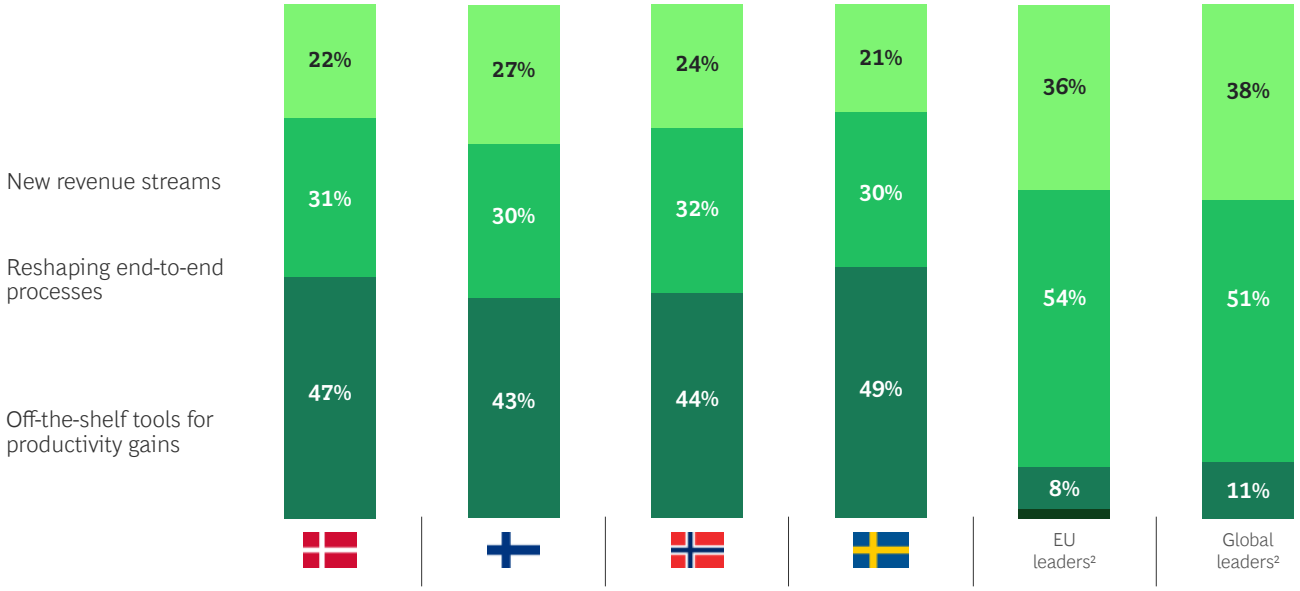
AI-mature companies globally and in Europe allocate more than 50% of their AI budgets to initiatives that fundamentally redesign how work gets done. By contrast, Nordic companies invest only around 30% of their budgets in this way.

Companies that successfully transform through AI can often achieve 30%–50% improvements in efficiency and effectiveness across functions. In marketing, for example, this might involve redesigning the full campaign life cycle—from customer insight generation and content creation to real-time personalization, activation, and performance optimization. In supply chain management, AI can be used to connect demand sensing, supply planning, inventory management, and execution decisions into a single, continuously updated process rather than a sequence of handoffs.

The companies making bold changes also tend to reinvest early gains more aggressively, creating a virtuous cycle that compounds value over time.

EXHIBIT 03

Nordic companies spend a disproportionate share of their AI budgets on off-the-shelf tools targeting incremental productivity gains



Source: BCG 2025 NOR AI Perspective Study (n=300)
Note: 1. Could you estimate the percentage distribution of your current AI investments across different focus areas? 2. BCG Build for the Future 2025 Global Study

4

Agentic AI: The Next Wave of AI Value Creation

AI technology is evolving rapidly. With agentic AI and related technologies already here, the imperative to move beyond incremental use cases is intensifying.

Realizing value from agentic AI requires a fundamentally different approach than earlier waves of automation did. Rather than applying AI to isolated tasks, companies need to reshape activities around agentic-first workflows and rethink processes end-to-end. This strategy is becoming essential for sustained competitiveness. As agentic AI begins to erode traditional advantages such as scale, process complexity, and information asymmetry, it also amplifies the consequences of failing to redesign core workflows.

This shift also introduces new challenges and opportunities. As more responsibility moves from human judgment to AI agents, companies must rethink workforce roles, organizational design, and governance. Clear oversight models, decision rights, and guardrails become critical—not as constraints, but as enablers of scale and trust.

Momentum is building globally. Recent joint research by MIT and BCG shows that 35% of organizations have already begun using agentic AI, with another 44% planning to do so in the near term.[4]

Nordic companies are actively engaging as well. In our conversations with Nordic executives, 54% reported experimenting with agents, while a further 24% said they are observing and planning as the technology matures.

However, investment levels tell a more cautious story. Compared with global leaders[1] in agentic AI, Nordic investment remains relatively limited. A majority—nearly 60% of Nordic companies—allocate less than 5% of their AI budgets to agentic initiatives, reflecting a broader hesitation to commit to the deeper process redesign that agentic systems require.

In practice, this means that Nordic companies are still automating fragments of tasks within existing workflows while leading global competitors are automating and transforming entire workflows. Nordic employees are given supportive tools; elsewhere, employees get digital coworkers that can trigger actions in core systems, follow up with customers, and manage complex processes with limited human intervention.

This matters. When deployed on top of existing processes, agentic systems deliver only incremental gains rather than step-change value. Capturing their full potential therefore requires the same shift as highlighted earlier: from task optimization toward deliberate, end-to-end process transformation.

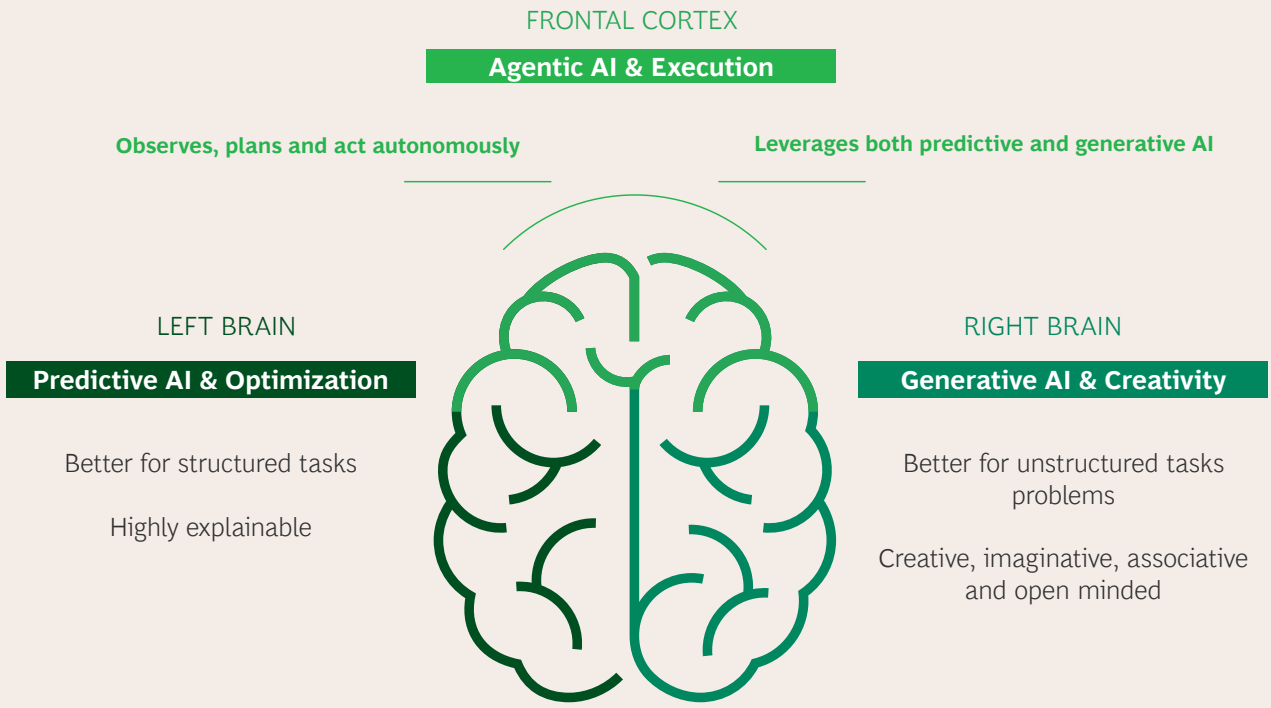
What is Agentic AI?

Agentic AI refers to systems that are designed to observe, decide, and act. Going beyond earlier AI approaches that primarily analyze data or generate content in response to prompts, agentic systems pursue goals, sequence actions, and adapt based on outcomes. In short, they are built to manage workflows autonomously rather than execute individual tasks.

A simple way to think about agentic AI is through a brain analogy. Predictive AI supports logic and optimization, while generative AI supports creativity and synthesis. Agentic AI acts as the executive function, connecting insight and creativity with action by deciding what to do next, which tools to use, and when to involve humans.

Consider a procurement example. An agentic system can monitor inventory levels, anticipate shortages, select suppliers based on predefined criteria, place purchase orders directly with suppliers, and manage confirmations and follow-ups. Depending on risk, value, and policy, this can happen with a human in the loop, or fully autonomously.

Agentic AI is the Executive Function that Connects Predictive and Generative AI



5

The Unique Nordic AI Value Challenge

Nordic companies clearly believe in AI and are prepared to invest. The critical question is, what is preventing investments from being consistently targeted toward the initiatives that will generate material business impact and ROI at scale?

Speaking with Nordic business leaders, a clear set of primary barriers emerges. These challenges are largely structural in nature—rooted in how companies are organized, how decisions are made, and how accountability and governance are set up.

The constraint most frequently cited is insufficient execution capacity and resources for priority initiatives. This is not primarily a shortage of talent, but rather a difficulty in freeing up critical domain experts and technical specialists, who often remain tied up in day-to-day operations while AI initiatives are expected to progress in parallel, limiting speed and impact.

The second most frequently mentioned barrier relates to organizational structures and steering. Many companies lack clear end-to-end ownership, decision rights, and governance mechanisms for prioritizing, funding, and driving AI initiatives that cut across functions or business units. As a result, AI is often treated as a technology or IT concern rather than a business transformation initiative, with responsibility split across teams. This division makes it harder to sustain momentum, scale successfully, and translate early progress into material business outcomes.

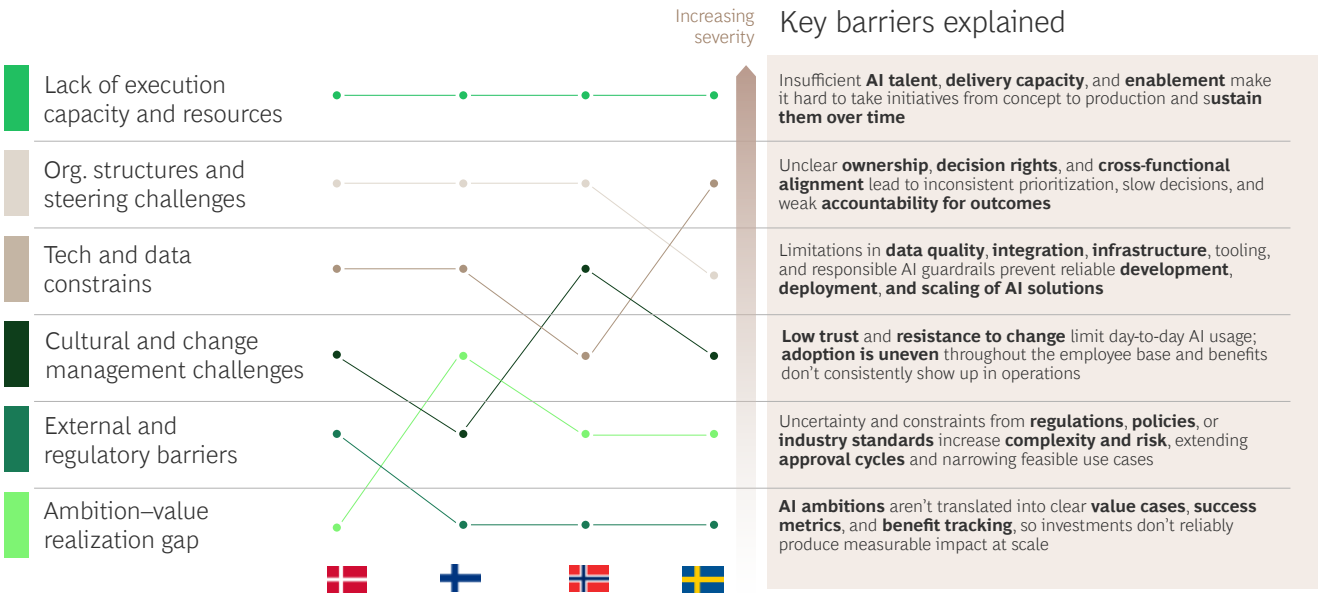
These barriers create a predictable pattern. AI remains additive, layered on top of existing ways of working, rather than reshaping processes. Employees are expected to advance AI initiatives alongside business-as-usual responsibilities, limiting progress and slowing adoption. In the absence of clear prioritization and decision-making, time and capacity are not freed up among critical business and technical resources.

In addition to organizational challenges, Nordic business leaders also highlight data quality and legacy systems as key constraints. Fragmented data landscapes, inconsistent standards, and tightly coupled core systems make it difficult to move AI initiatives beyond pilots and into scaled, production-grade impact.

This does not mean companies need perfect data or fully modernized systems to unlock AI value. Rather, success depends on prioritizing targeted investments in data and platforms that directly support business needs and AI initiatives.

EXHIBIT 04

Key barriers to unlocking AI value, ranked by severity



Source: BCG 2025 NOR AI Perspective Study (n=300)
Note: Based on the % ranking each barriers as the "most severe" barrier

5.1

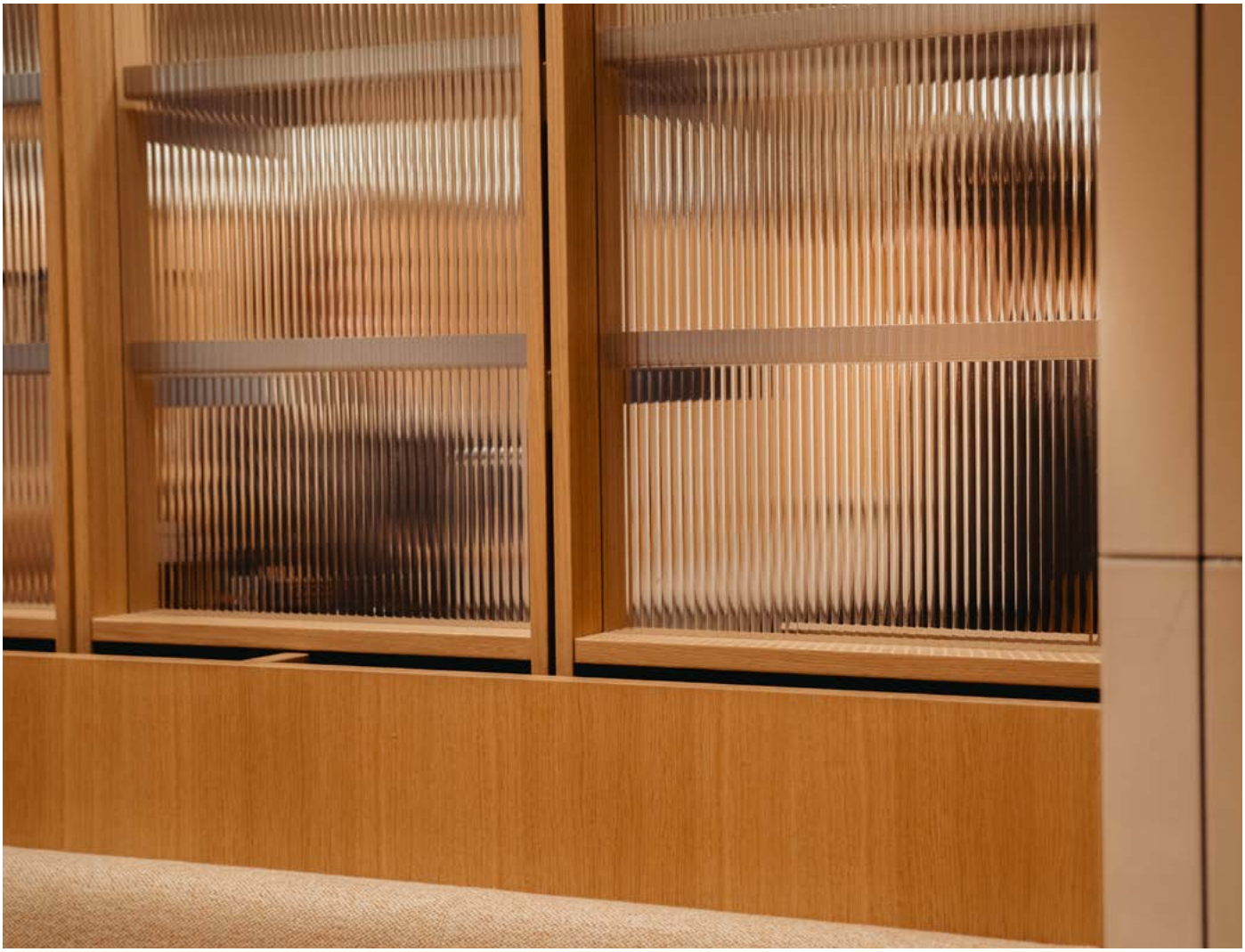
From Incremental Gains to Transformational Value

The way many Nordic companies are structured makes resource prioritization and organizational steering especially challenging. Of the Nordic companies we studied, 52% operate under a decentralized or federated model, with strong P&L ownership at the local or business-unit level. While this structure generally supports agility, our research shows that it also constrains AI value creation. Companies with decentralized structures capture roughly half the AI ROI of more centralized peers.

In decentralized environments, the risk is that AI efforts tend to fragment rather than compound. Typically, ownership of AI is spread across IT, digital, analytics, and business units, or subsidiaries, each optimizing within its own scope rather than for enterprise-wide outcomes. As a result, pilots proliferate, parallel solutions emerge, and scale remains elusive—raising costs while limiting impact.

Even more importantly, many of the largest and most internationally exposed Nordic companies are also those with the highest degree of decentralization. These structures have been deliberately built to support scale, local market responsiveness, and accountability across geographies. Consequently, the organizational models common among Nordic multinationals are also those that face the greatest complexity when it comes to coordinating and scaling AI initiatives end-to-end.

These companies are critical to Nordic competitiveness. They employ large parts of the workforce, anchor key ecosystems, and account for a significant share of exports and GDP. Finding ways to unlock AI value within decentralized structures is therefore not just a company-level challenge, but also a broader economic imperative to sustain productivity, growth, and competitiveness across the Nordic region.



6

Turning Nordic Strengths into AI Advantage

Nordic companies start from a strong position. The region benefits from high digital maturity, strong technology talent, and a concentration of globally leading companies across multiple industries and sectors, providing a solid foundation for capturing value from AI. The challenge is not capability or ambition, but how to translate these strengths into ROI at scale.

The main shift required is to move from investing primarily in incremental productivity tools toward transformative use cases and new revenue streams. Leading companies can achieve significantly higher returns by making this shift, with measurable impact on both revenue growth and cost reduction. However, making this work in practice—consistently and at scale—is far from a trivial undertaking.

This challenge is particularly pronounced in decentralized organizations, where transformative AI initiatives often need to span functions and business areas. Successful implementation at scale therefore requires a well-designed execution and governance model that enables clear prioritization, end-to-end ownership, and coordination across organizational boundaries.

Our experience shows that there are five key components required to design a model that enables transformative AI value creation:

01

Top-down strategic direction.
Executives define a strong vision for how to leverage AI for value, broken into concrete, high-impact areas along the value chain. These few, carefully selected areas provide strategic focus for the organization to drive AI use cases at scale.

02

Business ownership.
Accountability for AI use case outcomes must sit with P&L owners, and performance metrics should be explicitly tied to targeted revenue growth or cost reduction. If incentives are not aligned, AI initiatives will fall short of their original ambitions as other priorities and business-as-usual requirements take over.

03

Cross-functional teaming.
Successful high-impact AI initiatives require dedicated teams that combine business, operational, data, and technology capabilities and share accountability for results.

04

Executive governance.
AI leaders are provided with centralized budgets and executive-level governance, empowering them to ensure consistent prioritization over time, protect scarce resources, and resolve trade-offs across business units.

05

Parallel build-out of supportive technology.
Technology, data, and platform investments progress in parallel with priority initiatives, guided by concrete business needs rather than broad modernization efforts.

These components are not inherently different between centralized and decentralized organizations. However, they become significantly more critical in decentralized setups, especially top-down strategic direction and executive governance, which set the consolidated vision and drumbeat for an organization to march forward together.

Many Nordic companies face structural complexity, but these challenges are not insurmountable. When leaders apply focus, ownership, and discipline, even decentralized models can successfully translate AI ambition into tangible business value and sustainable competitive advantage.

7

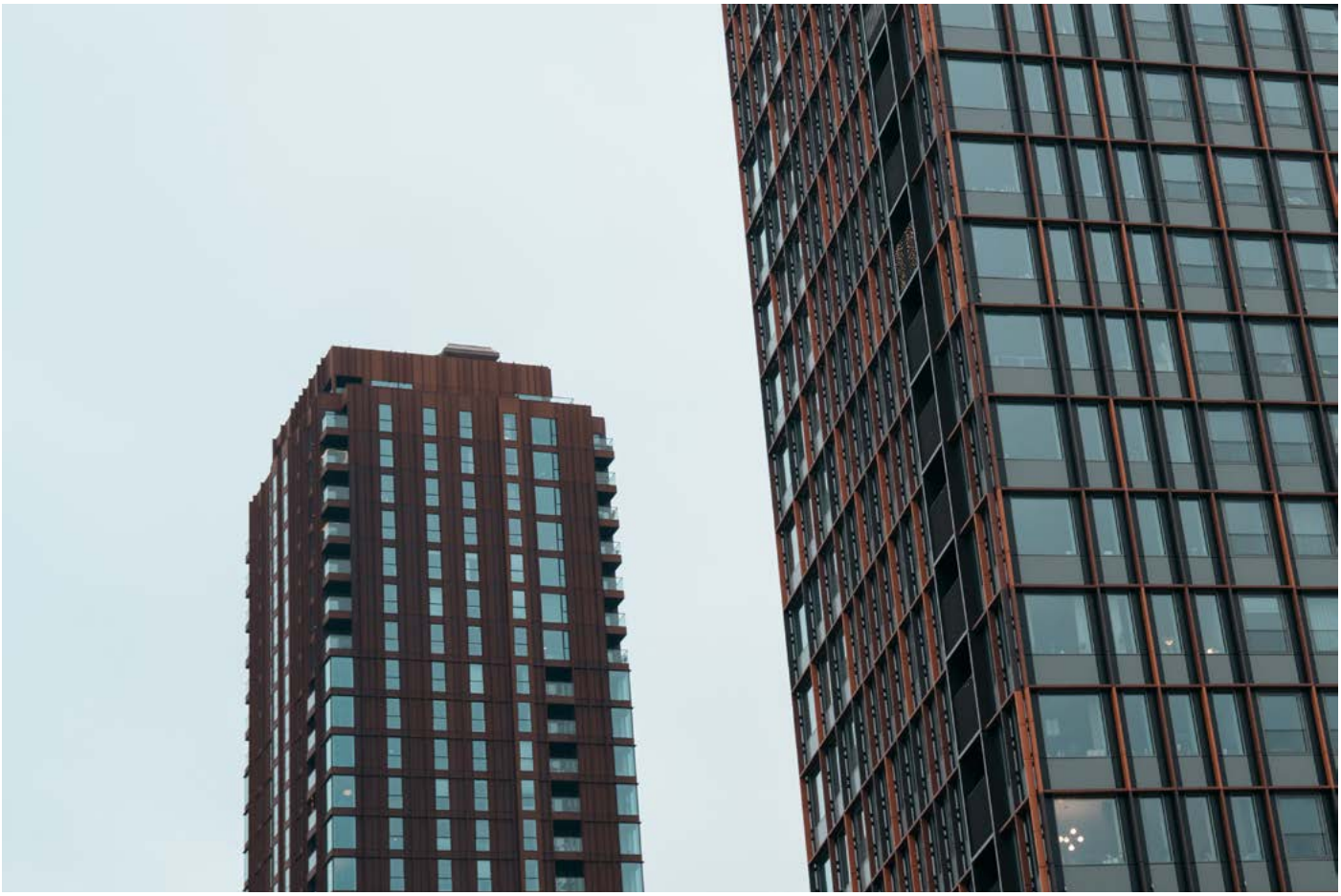
Nordic Companies at a Crossroads

One year on from our previous report, there are clear reasons for optimism. Nordic companies have made meaningful progress in AI adoption, with AI now firmly on the strategic agenda across sectors. Ambition is high, willingness to invest is strong, and leadership attention has intensified.

However, a step change is required in how most Nordic companies approach AI execution. Incremental productivity gains alone will not deliver the outcomes companies aspire to—particularly in the context of decentralized and federated operating models that dominate the Nordic landscape. Unlocking AI value at scale will require sharper prioritization, stronger ownership, and a deliberate shift toward transformative, end-to-end use cases.

The stakes are rising. AI technology is advancing at pace, and traditional sources of competitive advantage are being eroded. As new capabilities diffuse rapidly across industries, performance gaps will increasingly be defined by how effectively companies integrate AI into their core workflows and business models. If Nordic companies do not change course in their investment strategies, they risk creating an AI value bubble that will cause a failure to secure expected returns on their investments, loss of investor sentiment as valuations drop, and erosion of employee momentum and trust in the organization's AI vision and leadership.

With expectations for future performance exceptionally high, Nordic companies are now at a crossroads. Those that find the right model to translate AI investment into transformative value and sustained competitive edge can strengthen their position on the global stage. Those that do not find the right model risk seeing ambitions go unmet as competition accelerates around them. The window to act is open—but narrowing. Nordic companies must act decisively to capture the full value of AI before it closes and the bubble bursts.



Acknowledgements

The authors would like to thank Kate Allen, Clemens Nopp, Jacqueline Leksell, Luise Lollike, Maria Norheim, and the Nordic Marketing Team for their contribution to the report.

Photos provided by Atmos.

Endnotes

1. The Widening AI Value Gap, BCG Build for the Future 2025, September 30 2025,

2. The GenAI Divide: State of AI in Business 2025, MIT NANDA, July 2025.

3. GenAI Complacency: The Costly Inaction in the Nordics, BCG, 2025.

4. The Emerging Agentic Enterprise: How Leaders Must Navigate a New Age of AI, MIT Sloan Management Review and Boston Consulting Group, November 2025.

About the Authors

Daniel Sack is a Managing Director & Partner in BCG's Stockholm office. He leads BCG X in the Nordics and BCG's Agentic AI topic in EMEA. You may contact him by email at **Sack.Dan@bcg.com**

Thomas Wenstrom is a Managing Director & Partner at BCG Copenhagen. He leads BCG's Technology & Digital Advantage practice in the Nordics, and specializes in shaping and driving end-to-end digital transformations including value creation with AI. You may contact him by email at **Wenstroem.Thomas@bcg.com**

Santeri Kirvelä is a Managing Director and Senior Partner in BCG's Helsinki office, and the leader of BCG's Tech and Digital practice area in EMESA. Santeri's main focus is technology-enabled transformation. You may contact him by email at **Kirvela.Santeri@bcg.com**

Alexander Gray is a Managing Director, leads BCG Platinion in the Nordics, and is a core member of the Technology and Digital Advantage Practice. You may contact him by email at **Gray.Alexander@bcgplatinion.com**

Fanny Grönlund is a Managing Director & Partner at BCG's Stockholm office. She is a core member of the Consumer practice and has extensive experience from transforming Nordic companies with AI and data-driven ways of working. You may contact her by email at **Gronlund.Fanny@bcg.com**

Oscar Axelsson is a Partner at BCG's Stockholm office. He is a core member of BCG's Technology and Digital Advantage practice, focused on tech-enabled business transformations. You may contact him by email at **Axelsson.Oscar@bcg.com**