



AN IDC INTELLIGENCE BRIEFING FOR TECH SELLERS

The European AI Market Playbook 2026

Data-Driven Go-to-Market for Tech Sellers in Europe

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Why Europe and why now?

This playbook is written for tech sellers running go-to-market (GTM) campaigns in Europe. Between IDC’s data and our regional analysts, we can see clearly where headquarters thinking and regional reality part company. Do campaigns built at HQ actually travel?

It is not always obvious straight away: the pipeline loses momentum, the messaging does not land, or a deal slips to a competitor who understood the local buying logic better. By the time that becomes clear, the cost is already real: wasted investment, misaligned positioning, lost revenue. The chapters that follow set out where we see the differences, so you can target campaigns more efficiently.

Five key assumptions the data corrects

The US-derived assumption	What IDC data shows about Europe
AI adoption follows a US-led timeline	63% of EMEA organisations are still in the two lowest AI maturity stages, and only 2% have reached the point of scaling effectively. The window for sellers to establish a position will not stay open for long.
Buyers respond to feature differentiation and speed	European buyers want demonstrable trust: auditing, logging, transparency and governance features they can point to.
Infrastructure economics are broadly comparable	European IaaS, server and storage investment runs structurally lower than in the US. This directly shapes how AI solutions must be packaged and sold.
Regulatory compliance is a cost of doing business	GDPR, the EU AI Act and sovereignty requirements shape buying decisions at CIO and legal level. Regulatory leadership is a differentiation lever, not just a constraint.
The market is dominated by a handful of large enterprise accounts	The European mid-market and SMB segment is the most underestimated volume pipeline in AI, growing at 59.5% CAGR through 2030. Most sellers are over-indexed on enterprise.

The core message

Most tech sellers are working the European AI market without solid data underneath them. This playbook provides the numbers to ground GTM decisions, chapter by chapter: starting with where the market actually stands, and ending with a concrete way to sequence outreach for the rest of 2026.

The European AI market today

Spending on AI in Europe reached \$104.6 billion in 2025, and IDC expects it to grow to \$468.8 billion by 2030, a CAGR of 35.0%. AI has stopped being a side conversation. It now sits at the centre of the wider technology budget.

Within that, generative AI is growing even faster: from \$30.2 billion in 2025 to \$272.8 billion by 2030, roughly nine times over in five years.

For sellers, this is really about timing. Budget conversations for 2027 planning are happening now, in H2 2026, and every account team needs a current, Europe-specific view of the market to hold its own in those conversations, not a global deck with Europe tucked into a footnote.

\$104.6B

European AI spending, 2025

35.0%

CAGR, 2025-2030

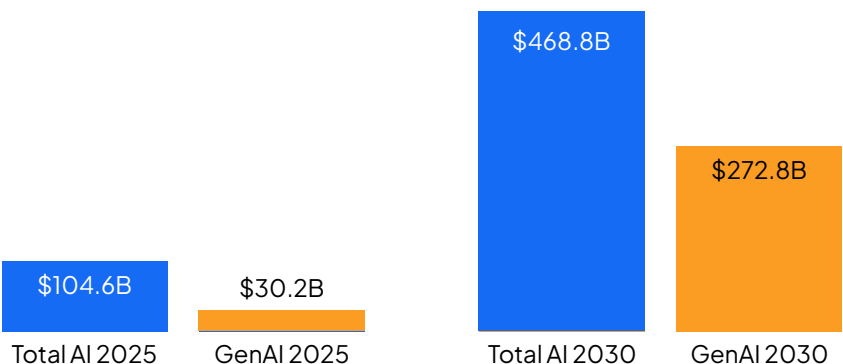
\$468.8B

European AI spending, 2030

\$272.8B

GenAI spending, 2030
(~9x 2025)

European AI spending VS. Generative AI Spending



What this means for your GTM

Stop selling AI as a separate line item. It now sits inside every technology budget your buyers hold, rather than competing as a discrete request for new funding. In practice, that means asking early which existing budget lines already cover AI-adjacent work, such as cloud migration, data platforms or automation, and positioning your proposal inside one of those conversations rather than opening a new one.

IDC Worldwide AI and Generative AI Spending Guide (IDC_P33198), August 2026.



European buyer behaviour

European buyers are not short on ambition. 85% of European organisations are increasing their Cloud AI budgets in 2026, and more than half now put over a quarter of that budget specifically towards agentic AI. The appetite is clear, though not all of it sits with public cloud: a meaningful share of European organisations are pursuing AI in private or hybrid cloud environments too, often driven by data residency and compliance requirements.

What is missing is execution capacity. IDC's MaturityScape Benchmark, across 583 EMEA organisations, shows 63% still sitting in the two lowest AI maturity stages, with only 2% having reached the point of scaling effectively across the business. Even where experimentation is under way, 75% of organisations are still piloting Gen AI, and only 16% have it running extensively in production.

This is the real sales conversation: how to move from pilot to production without the initiative losing momentum. 42% of the broader C-suite now expects the CIO to own that transition, with a mandate that increasingly includes new revenue, not just cost control.

85%

increasing Cloud AI budgets in 2026

63%

in the two lowest AI maturity stages

2%

effectively scaling AI today

16%

running GenAI extensively in production

What this means for your GTM

Reframe the pitch around the pilot-to-production gap, not AI adoption in the abstract. The buyer already has budget and belief; what they lack is a credible path past the pilot stage. Come prepared with a short, named list of the specific blockers that typically stop European pilots from scaling, and show concretely how your solution removes each one. That level of specificity is what wins the CIO's attention, not another generic adoption pitch.

Sources: IDC MaturityScape Benchmark EMEA 2026 (N=583); WW C-Suite Tech Survey EMEA (N=300); IDC Survey: Cloud AI Budgets and Agentic AI Deployment in Europe (EUR154596226); AI and GenAI Infrastructures in the European Union (EUR152845725).



The SMB blind spot: where the real volume pipeline sits

Most European AI GTM strategy is built around a small number of large, well-known accounts. That is a reasonable instinct, though it has a considerable blind spot.

Small and medium business AI platform spending in Europe is growing at a 59.5% CAGR through 2030, reaching \$52.7 billion by then. This segment will not move at enterprise pace, but there is real volume here, and vendors are currently under-serving it: their GTM strategy, pricing and content are still built for selling to much larger accounts.

The one real obstacle is compliance. 34.2% of SMB buyers cite it as their top barrier to AI adoption, ahead of both cost and skills gaps. That is a fixable problem: shipping compliance-ready AI packaging built for smaller buyers closes the gap.

59.5%

SMB AI spending CAGR, Europe,
through 2030

52.7B

European SMB AI spend by 2030

34.2%

cite compliance as the top
adoption barrier

What this means for your GTM

Rebalance pipeline targets toward SMB and mid-market: this is where volume growth is actually happening. It is not only a GTM change, though: product and service capabilities need to adapt as well. Lead with features that support compliance as the differentiator, not as fine print. Removing that friction early is often what turns interest into a signed deal in this segment.

Sources: IDC Worldwide ICT Spending Guide: Enterprise and SMB by Industry (IDC_P33207), Forecast V2 2026, for SMB AI platform spending; The SMB AI Adoption Journey, Part 1 (US54219826), for the compliance barrier; IDC FutureScape: Worldwide SMB 2025/2026 Predictions



Segmenting effectively

Europe is not one market. It moves at different speeds by size and by geography, and blanket segmentation strategies underperform as a result.

Size matters as much as sector. 53% of European mid-market firms are already using AI work models in production, and a further 47% plan to roll them out within 18 months: this segment is moving now, not eventually. On the infrastructure side, 32% of European enterprises now choose their cloud provider mainly on AI and GenAI capability, with AI security and compliance (27%) and AI expertise (25%) the next most important criteria. That is where the technical conversation actually gets won.

53%

European mid-market firms already using AI work models

32%

European enterprises select cloud provider by AI/GenAI capability

Top cloud provider selection criteria, European enterprises



European Cloud AI Capabilities: Adoption Trends and Vendor Differentiation (EUR154538626)

What this means for your GTM

Build segment-specific plays, by size, rather than stretching one AI narrative across every account. That usually means different proof points, different reference cases, and often a different person leading the conversation.

Sources: IDC MaturityScape Benchmark EMEA 2026 (N=583); WW C-Suite Tech Survey EMEA (N=300); IDC Survey: Cloud AI Budgets and Agentic AI Deployment in Europe (EUR154596226); AI and GenAI Infrastructures in the European Union (EUR152845725).



What works in AI messaging for Europe, and what doesn't

Trust is critical in Europe, and it can be the deciding factor in a purchase decision. Explainability and audit trails are not compliance add-ons here: they are what gets a solution onto the shortlist in the first place. Opaque AI platforms, however capable, will struggle to clear procurement.

In fact, 44% of Western European enterprises cite data quality and security as a top implementation concern for AI: readiness and governance matter more than feature lists. GenAI assistants, meanwhile, are fast becoming mainstream among European mid-market firms: 67% have already deployed them or plan to within the next 18 months, with the fastest growth in customer service, marketing and sales, and IT. Practical, everyday use cases are winning out over ambitious, experimental ones.

Regulation adds to this. GDPR, the EU AI Act and sovereignty requirements now shape buying decisions at CIO and legal level at the same time. Vendors who treat regulatory alignment as a differentiator, rather than a constraint to apologise for, are the ones who get invited back into the room.

44%

Western European firms: data quality is a top AI concern

67%

European mid-market firms using GenAI assistants

3

fastest-growth areas: service, marketing/sales, IT

2x

sign-off: CIO and legal, together

What this means for your GTM

Lead pitches with governance, evidence and explainability, not a capability list. Frame regulatory readiness as a competitive edge your buyer can use internally, and put data quality front and centre early: it is the barrier buyers name first, well before questions about model performance come up.

Sources: European Artificial Intelligence Market Forecast, 2025–2029 (EUR152873625); IDC Survey: Europe Midmarket Adoption of AI Agent Platforms and Orchestration Tools (EUR154461526); AI-Ready Data Storage Infrastructure: Market Overview (US54337726); IDC AI & Data Summit Germany 2026; Market Analysis Perspective: European Business Automation Strategies, 2026 (EUR152842325); IDC FutureScape: European AI and Automation 2026 Predictions



Prioritisation matrix: where is the pipeline in H2 2026 (and 2027)?

Bringing the previous five chapters together: where should a European AI commercial team actually point its limited selling time in H2 2026 and beyond?

Two forward indicators matter most. First, budget is already shifting toward agentic AI: more than half of Cloud AI budgets are now allocated there, ahead of broad market messaging catching up. Second, the commercial model is shifting with it. IDC predicts that 70% of software vendors globally will refactor pricing around consumption, outcomes or capability by 2028, moving away from pure seat-based licensing. Accounts already asking about outcome-based pricing are telling you where they sit in that transition.

Combine usage signal with segment readiness: mid-market accounts already running AI work models (53%, per Chapter 4), SMB accounts with compliance-ready requirements (Chapter 3), and enterprise accounts stuck between pilot and production (Chapter 2). A simple two-axis matrix emerges: segment maturity against agentic AI budget intent. Sequence outreach against that matrix rather than spreading effort evenly across the account list.

>50%

of Cloud AI budget going to
agentic AI

70%

of vendors shifting to outcome-
based pricing by 2028

53%

mid-market already using
AI work models

2 axes

segment maturity × agentic AI
budget intent

What this means for your GTM

Build a simple prioritisation matrix, segment maturity on one axis, agentic AI budget signal on the other, and sequence account outreach against it, starting with the accounts where both signals are strongest.

Sources: IDC FutureScape: Worldwide Agentic AI 2026 Predictions; IDC Survey: Cloud AI Budgets and Agentic AI Deployment in Europe (EUR154596226); EMEA IT Market 2026 Q2 Update; "The Next Phase of AI in Europe Is Scaling What Works" (EUR254512926, Ewa Zborowska)



From data to action: how IDC can help

The six chapters above give you a data-grounded view of the European AI market. Turning that view into pipeline is the next step, and it is one IDC can support in more than one way.

Every data point in this playbook came from months of IDC analyst research. That is the depth your GTM decisions deserve, but your next account question will probably not wait months for an answer. IDC Quanta puts that same analyst-grade intelligence directly into your workflow: ask a market question about your segment, your vertical or your account, and get an evidence-based answer in minutes, not weeks.

See IDC Quanta in action →

IDC Quanta is one part of how IDC works with tech sellers in Europe. Our GTM solutions go well beyond it: Business Value Studies that put a number on the impact your solution delivers for buyers, Content Marketing Services that turn your positioning into evidence-based content, and placement across our portfolio of European events, from focused analyst dinners to flagship conferences.

Wherever your GTM strategy stands today, we would like to talk it through with you. [Contact us today.](#)