



IDC Directions

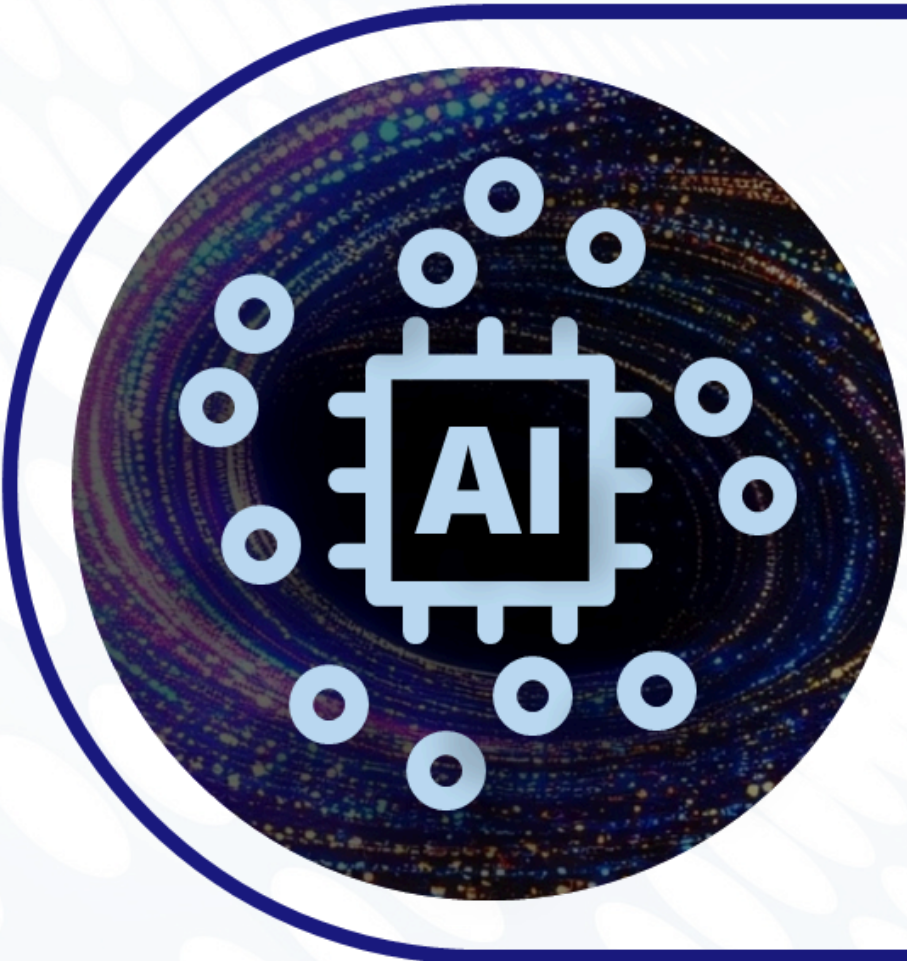
Reimagining ROI in an AI world

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GM and GVP
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In past 12 months, overcame major barriers to adoption

The AI Scramble



Costs

Better vetted use cases
Lower costs to develop AI apps

Skills

Limited AI skills,
especially GenAI skills

Governance
and trust

AI governance and
deployment frameworks

“

GenAI is not the game changer.
GenAI is the compelling event.
AI is the game changer!



Dietmar Koch
Head of Strategy, M&A for IT
Siemens Healthineers

”

Proof of Concept to Production Conversion

Clarity of business objectives and use cases is the most important factor for the success of agentic AI system deployments.



Traditionally, ROI means...

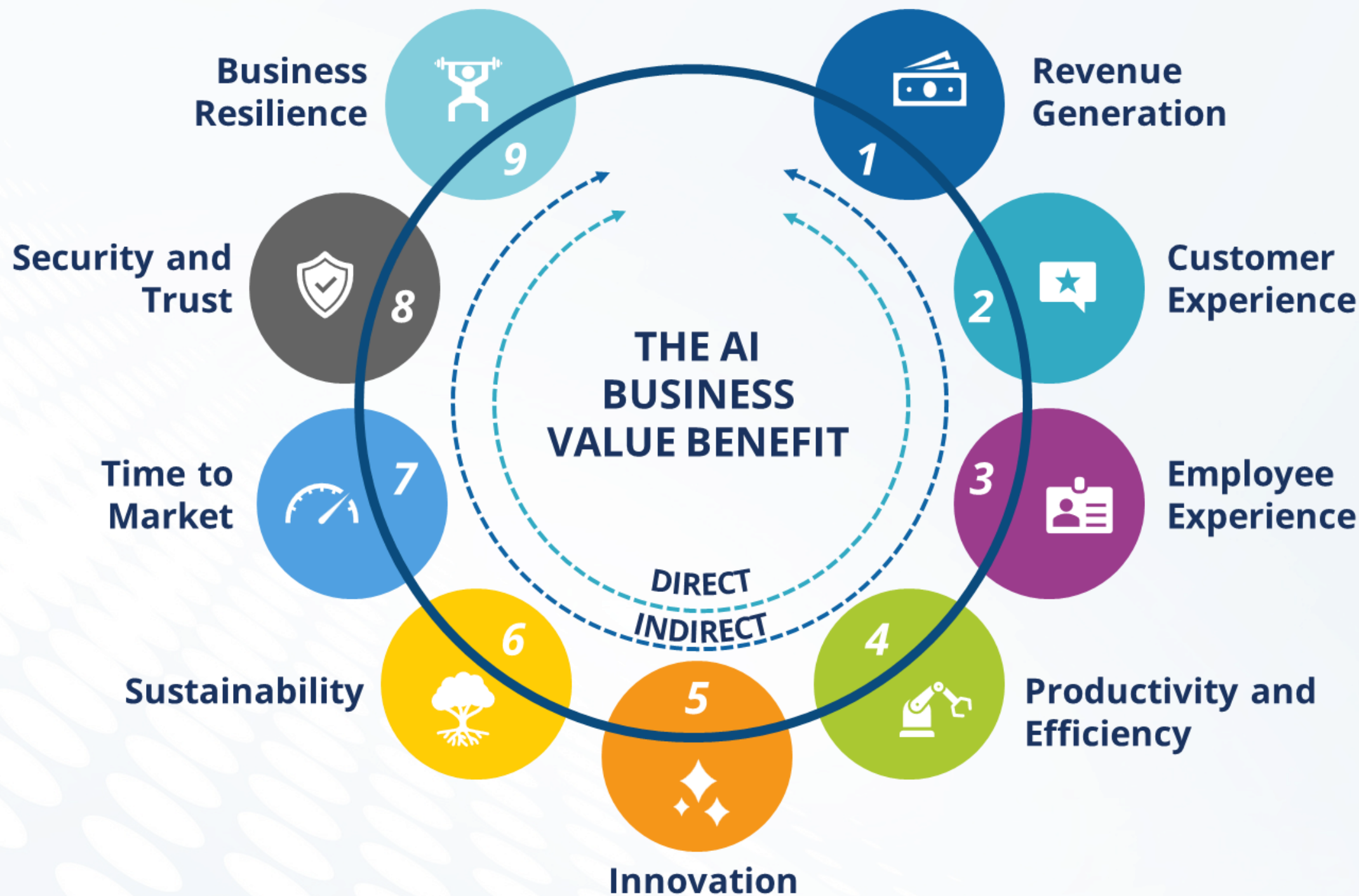
$$\text{Tech ROI} = \frac{\text{Net Income}}{\text{Cost of Investment}}$$

The reality is much more complex than this.

- **Direct and Indirect.** Focusing on “net income” only is reductive. There is a need for a broader “business value” benefit evaluation that consider both direct and indirect benefits.
- **Cost of investment includes multiple aspects.** Cost evaluation is about technology investment and includes ongoing costs, technical costs or nontechnical costs.
- **“Time” and “Success Probability” (AKA Risk)** must be considered.
- **Ultimately, it’s not about the technology but the use case.** Organizations must apply ROI assessment to concrete business challenges and digital use cases that drive utilization to overcome the technology ROI trap.
- **ROI evidence is needed across entire C-suite.** ROI evaluation has become more than CIO- and CFO-only affair. IT leaders will be increasingly involved.

Expanded Business Value Benefit of AI

IDC's AI Business Value Benefit Framework encapsulates key parameters needed when measuring ROI potential for AI use cases and projects. It involves nine categories — a mix of direct and indirect indicators.



Expanded Cost Concept

Many decision points impacting costs. IT leaders have options for location and cost.

43% of CIOs prefer agentic AI pricing under a subscription model.

69% of enterprises plan to deploy AI via a SaaS public cloud partner.

IT costs for AI-related projects	Models, Data, Compute, Software, Customization and Consulting, Infrastructure
Additional costs	Governance and Legal, Integration, Model training and tuning, Testing and monitoring, POC/Pilot, Infra and data costs (2+ Years), Change management (Training)

Reimagining the AI calculation

$$\text{Tech ROI} = \frac{\text{Net Income}}{\text{Cost of Investment}}$$



$$\text{AI*ROI} = \left\{ \frac{\text{AI Business Value Income}}{\text{Initial Cost of Investment} + \text{Annual Costs}} \right\} \times \text{Success Probability}$$

Recommended Resources



How is AI Shaping Industries of the Future?

An exclusive look into the future state of three core industries, along with expert guidance and actionable insights to help inform IT investment priorities and implementation strategies.

[DOWNLOAD](#)



Strategic Imperatives for CIOs

The CIOs roadmap to AI-powered transformation. Navigate the AI world with confidence and discover the key imperatives for successful AI implementation across your enterprise.

[DOWNLOAD](#)



From Hype to Impact: Scaling AI Maturity with Agentic AI

Does your organization have established workflows and the AI maturity to evolve into an AI-fueled business? Understand your AI maturity and why agentic AI matters for enterprise growth in this eBook.

[DOWNLOAD](#)

Redefining ROI in the Age of AI-Driven Intelligence

Traditional ROI models are no longer sufficient in this evolving digital landscape. How are you defining the ROI of AI? This eBook provides technology leaders with alternative ways of calculating ROI, shifting from a simple measurement to a more strategic method of calculation.

If you'd like to get more in-depth information on how AI is transforming the way organizations define ROIs and the impact of it, an IDC expert would be happy to connect with you. Click the button below to request to be contacted.

[Contact Us](#)

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