SBI
Driven by Insights
Delivered from Experience

CEO Value Creation Pulse: **Accelerating Growth with Artificial Intelligence**

FEBRUARY 2025

CEOs are entering 2025 with cautious optimism, bolstered by demand momentum and a strong 2024 for many. At the same time, they see both external risks and a continuing strain on commercial efficiency as potential weights on 2025 performance. To improve commercial efficiency, reduce risk, and boost overall performance, CEOs are beginning to treat artificial intelligence as a strategic imperative in 2025, rather than simply an area for experimentation. This is the year that AI begins to drive operating improvements. This report details four findings from our most recent pulsing of CEOs on their value creation strategies and progress, this time focused specifically on artificial intelligence:

- CEOs see AI's potential more in driving productivity gains than in delivering cost savings
- Progress applying AI so far has been limited, but scaling happens fast
- A lack of clear use cases and legacy mindsets are holding organizations back
- CEOs are shifting from ideas for applying AI to strategic plans in 2025.

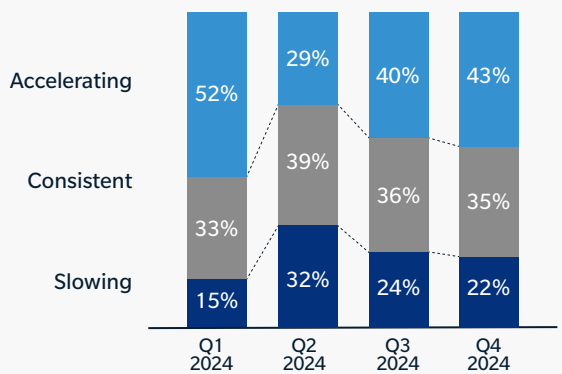
Entering the year with cautious optimism

CEOs are entering 2025 with a tone of measured confidence, tempered by the hard-won lessons of 2024. A solid majority (nearly 70%) met or exceeded their growth targets in 2024, a testament to both effective planning and quick adaptation as the year progressed. Yet this positive momentum is meeting an undercurrent of caution as the new year kicks off.

Our tracking of CEO perspectives reveals subtle but important shifts compared to the start of 2024. The portion reporting accelerating demand dipped to 43% as they exited the year, down from 52% who reported accelerating demand as 2024 began.

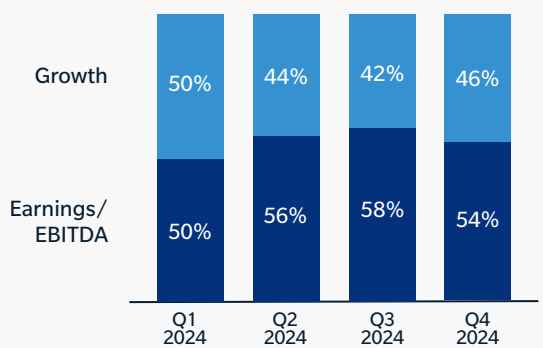
This hint of hesitation is further reflected in the rebalancing of priorities between growth and earnings. While CEOs entered 2024 with an even 50/50 emphasis on these two value drivers, they are now leaning more toward an earnings orientation (a 54/46 split). The portion centering their value creation strategies on accelerating growth also ticked downward by eight percentage points. Modest shifts, to be sure, but ones that suggest a recalibration informed by recent experience.

CEO Characterization of Demand



Q1 2024 N = 87; Q2 2024 N = 102; Q3 2024 N = 140; Q4 2024 N = 120
Source: SBI Q1 2024 CEO Survey; SBI Q2 2024 CEO Survey; SBI Q3 2024 CEO Survey; SBI Q4 2024 CEO Survey

CEO Perceived Relative Importance of Growth and Earnings to Investors



Q1 2024 N = 87; Q2 2024 N = 102; Q3 2024 N = 140; Q4 2024 N = 120
Source: SBI Q1 2024 CEO Survey; SBI Q2 2024 CEO Survey; SBI Q3 2024 CEO Survey; SBI Q4 2024 CEO Survey

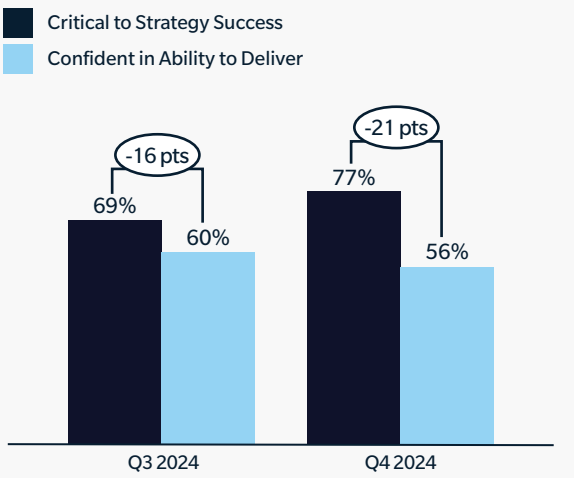
Two factors appear to be driving this cautious outlook. First is the memory of 2024's tough second quarter, when high early-year confidence collided with a dramatic deceleration in demand for many. Second, our conversations with CEOs point to lingering uncertainties around U.S. economic policy and its potential inflationary impacts as reasons to maintain a wait-and-see posture in the early part of the year.

In this environment of shifting conditions and continued growth uncertainty, commercial efficiency remains at the forefront of executive agendas. And for good reason. Our research reveals that while sales and marketing expenses have surged by 68% since 2020, the incremental growth revenue generated by this increase has actually declined by 56% over the same period. In other words, companies are spending more to achieve less — an unsustainable equation.

CEOs appear to be deepening their focus on addressing this trend. We saw an increase in our Q4 survey in the portion telling us that "Improving go-to-market efficiency" is critical to their value creation strategy — elevating it to the most commonly-cited area of high importance. At the same time, we saw a decrease in the portion expressing confidence in their ability to make progress in this area, raising the "gap" to more than 20% of CEOs lacking confidence in this critical driver of value.

Enter artificial intelligence. As the importance of go-to-market efficiency crystalizes, so too does recognition of the key role AI must play — and the operational deficits that currently constrain progress. Out of a dozen investment areas for driving organizational value, the two that saw the largest increase in the portion of CEOs rating them as critical were in the category of "Technology, Data, and Insights": (1) having the right digital capabilities and (2) having the right data and insights. This category is also the one with the lowest agreement that they currently have things right.

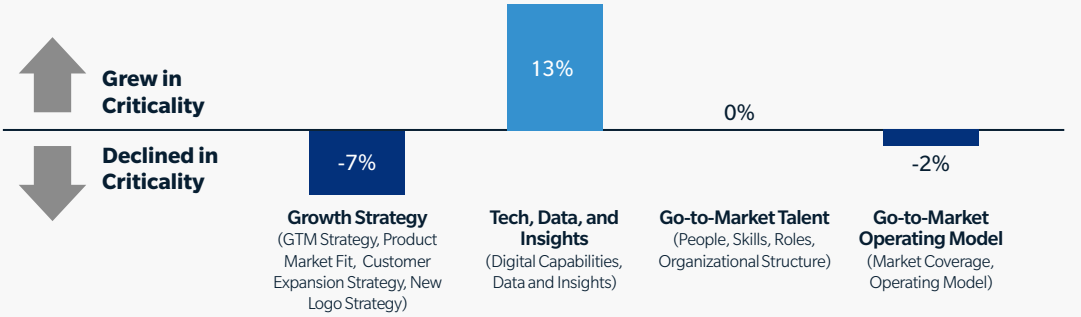
Improving Go-to-Market Efficiency – CEO Rating of Criticality and Execution Confidence
Percentage rating each as critical to success and confident in ability to execute



N = 120
Source: SBI Q4 2024 CEO Survey

CEOs are recognizing that 2025 is a year that AI becomes less of an area of operational experimentation and more of one where progress and gains are a requirement. In the remainder of this report we dive deeper into four findings that illustrate where organizations are on their journey to drive go-to-market efficiency using artificial intelligence, and what they are focusing on to accelerate its impact.

CEO Ratings of Criticality of Investment Areas, Q4 2024 vs Q3 2024
Average differences across all items in the category



N = 120
Source: SBI Q4 2024 CEO Survey

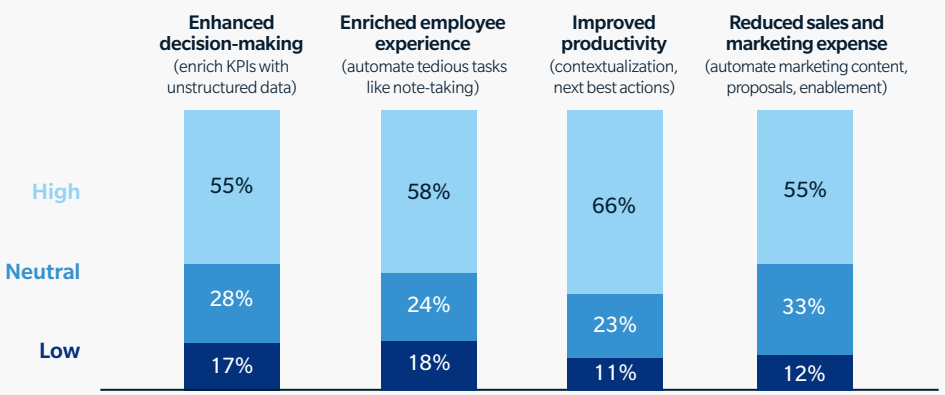
AI's potential lies more in productivity gains (outputs) than cost savings (inputs)

Artificial intelligence promises value on both the outputs and the inputs that stem from activities undertaken by commercial organizations. On the outputs, it can improve productivity by ensuring individuals take the right next actions or increase decision quality through enriched data coupled with advanced and predictive analytics. This not only saves time but more importantly ensures that time-spend is most often value-generating rather than value-compromising.

On the inputs, much ink has been spilled debating the job and headcount implications of artificial intelligence. Automation takes over tasks conducted by humans, allowing commercial organizations to do more with less. This is illustrated at its extreme by examples like Klarna's claims that AI has been able to do the work of 700 customer service reps, and influencing the company to stop hiring new employees.[1]

While most anticipate value from both sides of the equation, CEOs cite the potential for productivity gains as high more frequently than they cite gains from expense reduction. This aligns with our conversations. As one CEO told us, "In business-critical areas like go-to-market, we do expect productivity gains from AI. But most of that won't lead to headcount reductions. We just expect our teams to reinvest that time gained in more value creation."

CEO Ratings of the Value Creation Potential for Artificial Intelligence



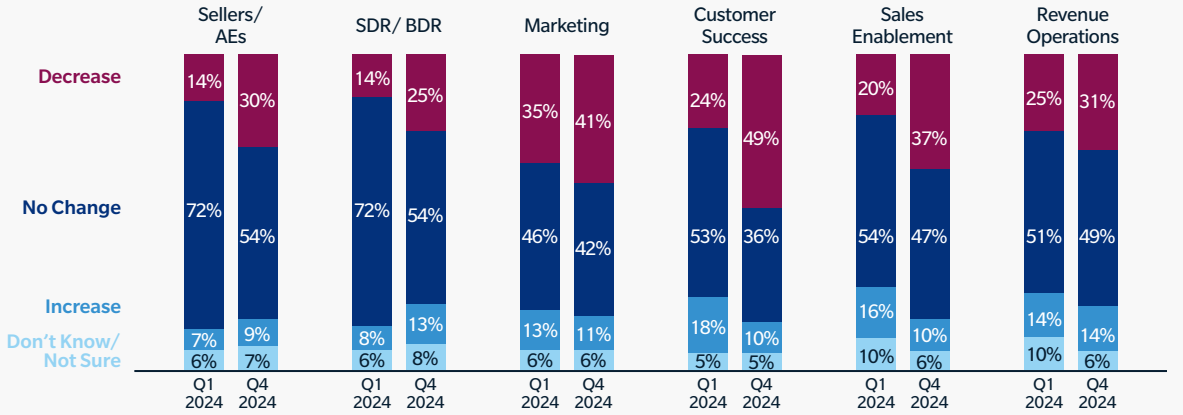
N = 120
Source: SBI Q4 2024 CEO Survey

Curiously, many may be under-estimating the value potential that AI brings through enhanced decision-making, with nearly half (45%) citing it as only neutral or low. We view this as a significant opportunity, and suspect that some of this lower enthusiasm may be driven by recognition of the steep hill to climb to have the data necessary to extract the potential value.

While they are similarly less enthusiastic about the value potential of reducing expenses, CEOs are beginning to warm to the notion that AI will enable headcount-related efficiency gains. Across all go-to-market roles, a higher proportion of CEOs reported that they expect headcount needs to decrease than did so at the beginning of the year. This was most pronounced in customer success, where not only did the proportion expecting headcount reductions double, but it came just short of reaching fully half of all CEOs. Similarly, the portion expecting seller headcount reduction also doubled, although it remains relatively low at only 30%. A very high proportion of CEOs in the software industry, in particular, expect headcount reductions in all roles except for sellers and SDRs/ BDRs.

1. "Klarna's New AI Tool Does The Work Of 700 Customer Service Reps", by Gene Marks at Forbes.com

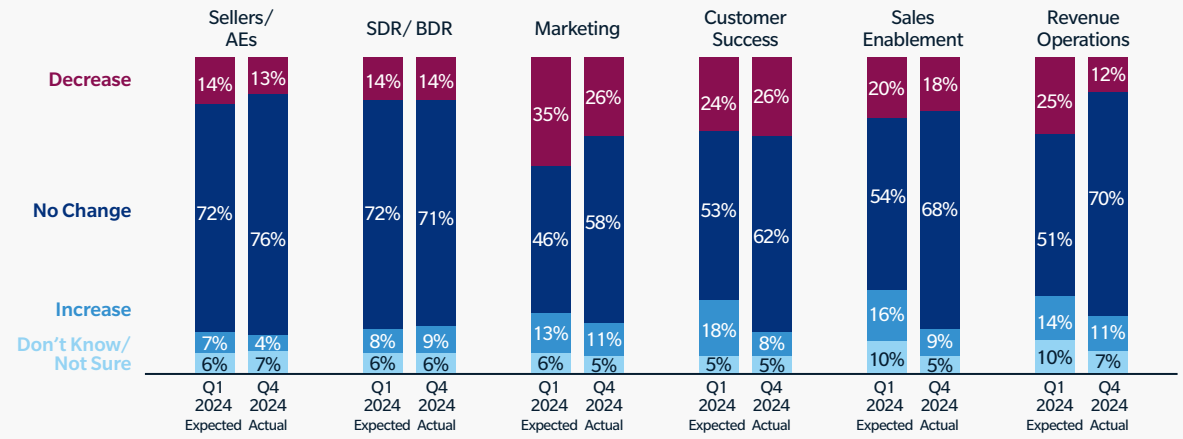
Expectations of Generative AI Impact on Headcount Needs



Q1 2024 N = 87; Q4 2024 N = 120
Question: What do you anticipate as the impact of generative artificial intelligence tools (e.g., ChatGPT) on your headcount needs in the following commercial areas by the end of 2025 [in Q1 2024 survey] / the beginning of 2026 [in Q4 2024 survey]?
Source: SBI Q1 2024 CEO Survey; SBI Q4 2024 CEO Survey

There is reason to take those estimates as reliable. We compared the portion who expected headcount decreases in Q1 with the portion who actually experienced them in Q4, and they were remarkably similar (within 1 – 2 percentage points) for sellers, sales development roles, sales enablement roles, and customer success roles. For marketing the expected headcount impacts did not quite materialize as planned, and in revenue operations their expectations were a good bit higher than reality. This is likely driven by a recognition that good data is key to good outcomes with AI, and many have work to do there.

Expectations of Generative AI Impact on Headcount Needs

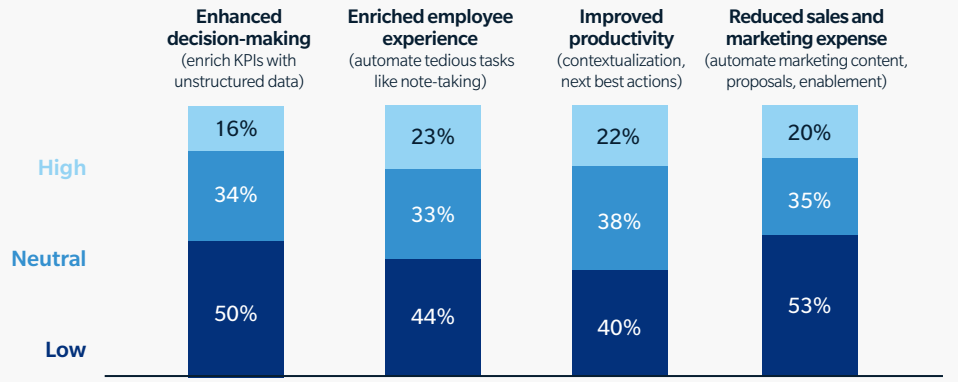


Q1 2024 N = 87; Q4 2024 N = 120CEO
Source: SBI Q1 2024 CEO Survey; SBI Q4 2024 Survey

Progress applying AI so far has been limited, but scaling happens fast

Very few CEOs report meaningful impact of artificial intelligence to date. The most commonly reported impact is an enhanced employee experience through automation of tedious tasks, yet that impact has been observed by only 23% of CEOs. Even fewer report impacts on operating expenses, productivity, or enhanced decision-making.

CEO Ratings of the Value Creation Impact to Date for Artificial Intelligence

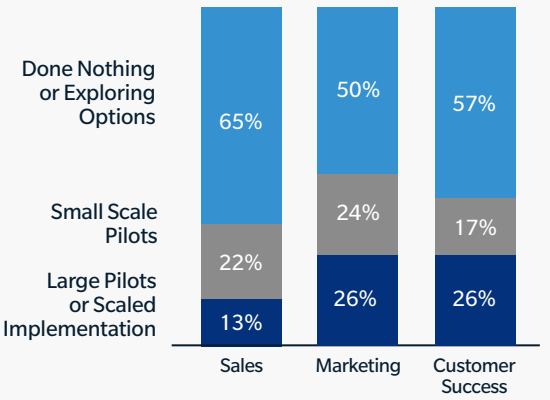


N = 120
Source: SBI Q4 2024 CEO Survey

This limited impact is likely driven by the reality that only a small minority of companies in our survey have applied artificial intelligence meaningfully in their go-to-market activities. Across the go-to-market organization, fully half or more of CEOs report that they have done nothing more than explore options when it comes to implementing AI in their go-to-market operations. This includes 58% who have done nothing in customer success, 50% who have done nothing in marketing, and 65% who have done nothing in sales. Interestingly, software is the industry least likely to have done anything at scale in sales (only 8%), but most likely in marketing (30%) and customer success (39%).

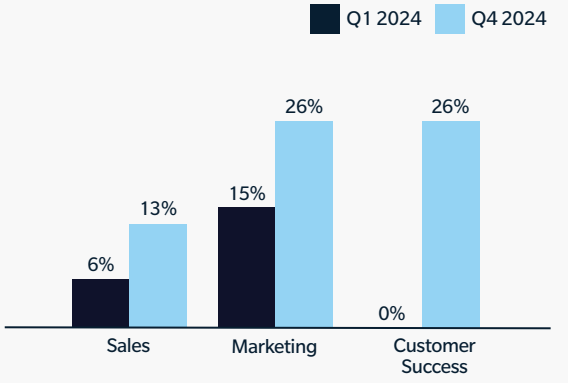
On the positive side, we do see that those who have been experimenting are beginning to scale their efforts. We saw the portion of CEOs reporting large-scale piloting or active scaling of AI efforts grow from 6% in Q1 to 13% in Q4 for sales, from 15% to 26% for marketing, and from 0% to 26% for customer success. This suggests that success and scaling are fairly rapid once teams commit to enhancing their operations with artificial intelligence.

Generative AI Utilization
Across the GTM organization



N = 120
Source: SBI Q4 2024 CEO Survey

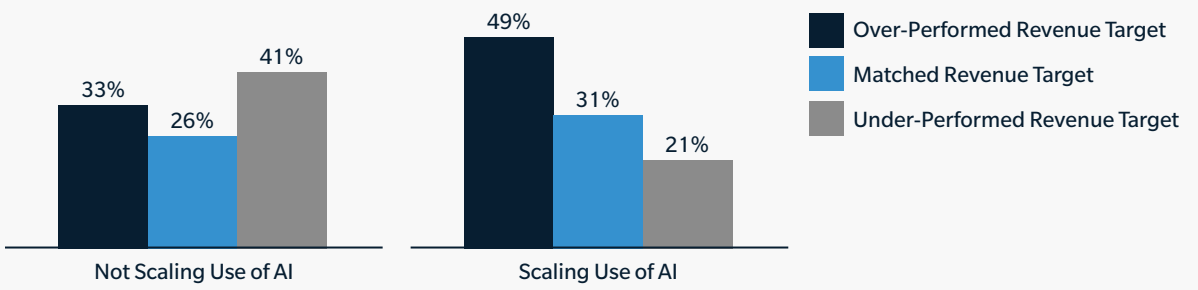
CEOs Reporting Large-Scale Pilots or Scaled Implementation of Generative AI
Q1 2024 vs Q4 2024



N = 120
Source: SBI Q4 2024 CEO Survey

This scaling is paying off. We looked at performance to 2024 revenue targets for those who have scaled use of generative AI across their sales organizations, or are running large-scale pilots, and compared that with those who are at best only doing small-scale pilots. Among those who are scaling, 80% met or beat their revenue targets, with more than half beating. For those who are doing very little, only 59% met or beat, and only a third beat. In fact, companies were 2x as likely to miss their revenue targets if they were not scaling use of generative AI in sales in 2024.

Performance to Revenue Target in 2024 Based on Extent of Use of Generative AI in Sales



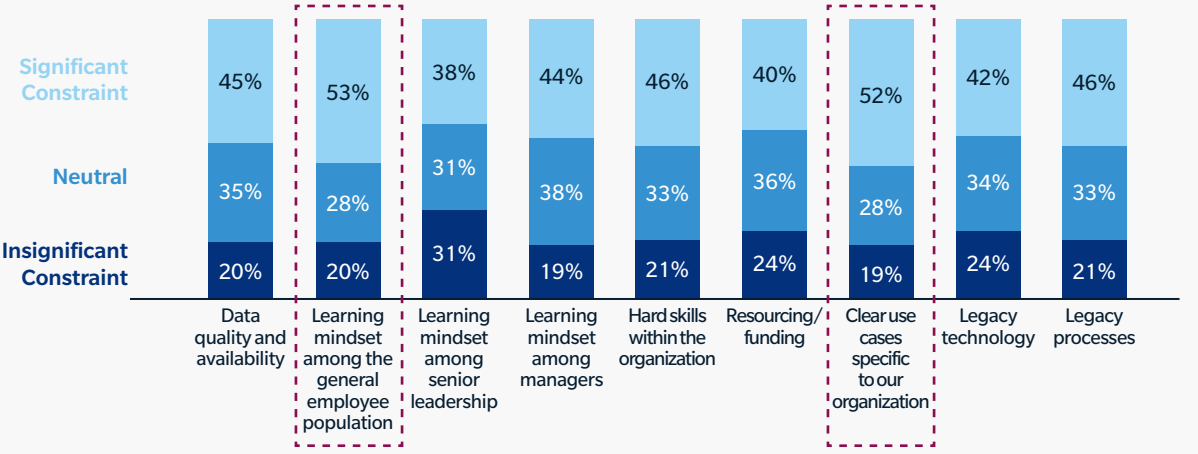
N = 100
Source: SBI Q4 2024 CEO Survey

So what is holding CEOs and their organizations back from doing more? We cover that next.

Use cases and mindsets are holding organizations back

CEOs face significant constraints that weigh on their ability to get more out of artificial intelligence in their organizations. Out of a list of nine that we presented to them, on average CEOs cited four as significant. More than 40% cited five or more as significant constraints. Among these constraints, the two most common, which do separate somewhat from the others, are worth deeper consideration.

CEO Ratings of Constraints to More Broadly Implementing AI in Their Organizations



N = 120
Source: SBI Q4 2024 CEO Survey

First is a feeling that their teams may not be up to the task of bringing AI meaningfully into their workflows and operations. More than half (53%) of CEOs cite the learning mindset among the general employee population (or in this case, the lack of one) as a significant constraint to getting the most out of AI in their operations. Interestingly, they are less likely to be concerned about the learning mindset of managers. And a learning mindset among senior leaders is the least significant reported constraint among all that we asked about.

While this is indeed an area of concern, and other analyses have indicated that AI adoption by the general employee population is uneven at best, many of the benefits of AI are available to organizations without widespread employee workflow or attitudinal shifts. For example, enhanced decision-making – something viewed as having high potential for 55% of CEOs – is more about back-end data cleansing and harvesting for strategic insights and requires very little employee behavior change. In fact, artificial intelligence gains like this are more likely to drive behavior change than they are to be dependent on behavior change.

> "I can easily ask [our private equity sponsor] for $10 million to implement new AI programs, as long as I can confidently say that we'll get $15 million back in revenue or efficiency gains."

The second most common constraint CEOs cite (52%) is having a clear use case for artificial intelligence specific to their organization. While this may be interpreted as a lack of imagination, more likely it is a function of real resourcing trade-offs and unproven returns for a relatively new and rapidly evolving field. Our conversations with CEOs suggest as much. As one software CEO articulated, "I can easily ask [our private equity sponsor] for $10 million to implement new AI programs, as long as I can confidently say that we'll get $15 million back in revenue or efficiency gains." The trick is having certainty on that $15 million. As a result, CEOs are looking for specific use cases where companies like theirs have successfully implemented AI for competitive advantage. Until they see them, many will remain hesitant to commit deeply.

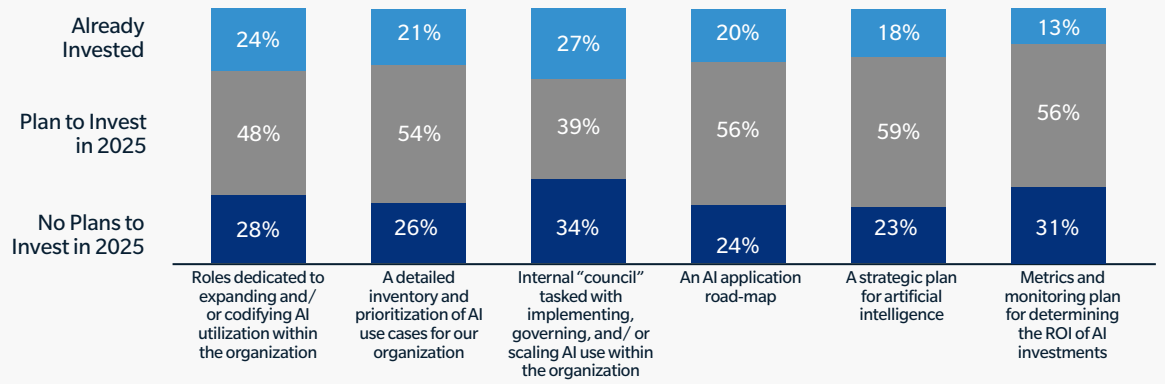
Shifting from ideas to plans in 2025

So how are CEOs planning to start realizing returns from AI, or meaningfully accelerate them? Two interesting trends appear in their responses in this area.

First, the idea of internal councils to coordinate and accelerate AI implementation is falling out of favor. It's the tactic most likely to have already been applied, although only by 27% of CEOs reporting. It is also, however, the tactic least likely to be applied this year, and most commonly reported as not in CEOs' plans at all.

Instead, CEOs appear to be getting more programmatic with their AI adoption in 2025. Nearly 60% expect to develop a strategic plan for artificial intelligence in the next twelve months. Further, 56% expect to build an AI application road map, and to adopt metrics for evaluating the ROI of AI investments.

CEO Investment/ Plans for Increasing Organizational Utilization of AI

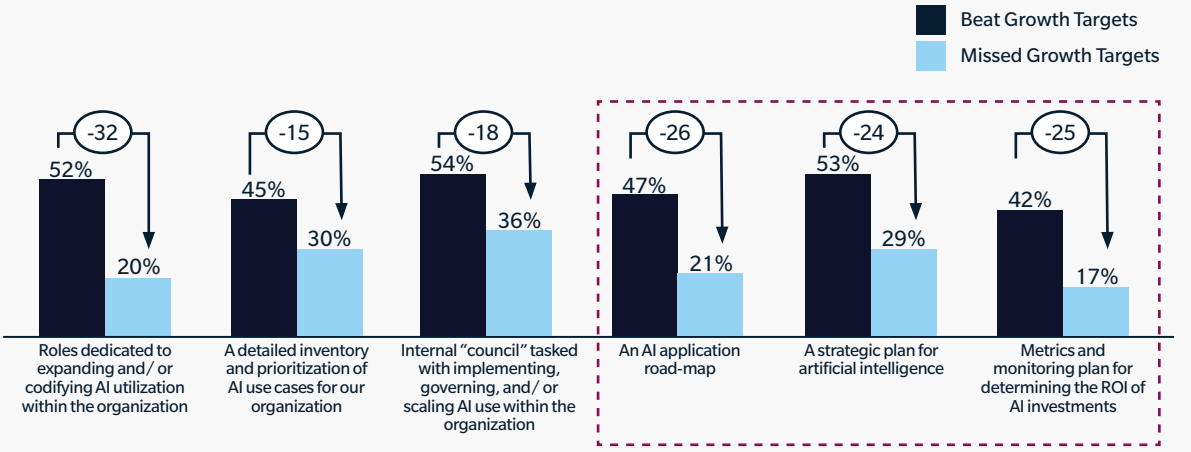


N = 120
Source: SBI Q4 2024 CEO Survey

CEO instincts here are well-founded. We looked at how companies that have implemented each of the strategies outlined performed relative to their growth targets in 2024. For the strategies CEOs are most favoring implementing in the coming year, those who had already implemented were 20+ percentage points more likely to have exceeded their growth targets than to have under-performed them.

This analysis also reveals that CEOs may be under-estimating an even more impactful strategy. Those who had roles dedicated to expanding AI utilization were 30+ percentage points more likely to beat their growth targets than to under-perform.

Portion of CEOs Reporting Beating or Missing Growth Targets in 2024
by Investments to Increase Organizational Utilization of AI



N = 100
Source: SBI Q4 2024 CEO Survey

What CEOs and their leadership teams should do now

CEOs are beginning to treat artificial intelligence as a strategic imperative. The potential returns are clear and significant, and directly in line with the broader strategic emphasis on cost-efficient growth. Now is the time to move from isolated experiments to programmatic bets with real business impact.

1. If you haven't already, get started now, and go beyond "experiments". The reality that more than half of CEOs report little to no formal experimentation with artificial intelligence for all parts of the go-to-market organization is surprising. More CEOs appear to expect to take action in 2025 in this space. Indeed, it is time to do so.

When evaluating ideal use cases for AI to start with, it helps to know if a particular area: (1) has higher friction and thus presents more opportunities to solve problems using AI, and (2) has higher stakes from having such major changes implemented. Generally, areas with higher friction will create prime opportunities for a company to experiment with AI, especially where the stakes are low. But in low-friction areas, it may not be worth the trouble to try out AI. And it may actually be harmful in areas with higher stakes.

2. Get serious about data enrichment and decision support. The more data available, the better the results will be from using artificial intelligence. This is true when using large language models, for example as a tool for sellers to understand their accounts, product specifications, or sales process. It is even more true when it comes to predictive analytics and other decision support that turn AI into a value multiplier for the enterprise.

This takes some work, so we recommend starting in a targeted way. Begin by identifying two or three specific data enrichment goals (we recommend starting with enhancing customer profiles, improving lead scoring, or running targeted campaigns). Then identify the critical internal data sources that impact those processes – CRM systems, marketing

platforms, sales data, customer feedback, etc. Follow that by identifying potential external sources of data enrichment (contact databases like Zoominfo, your own telemetry data, website scraping). Invest in data lakes or other integrated data platforms to centralize that information, with data cleansing, validation, and normalization standards. And most importantly, assign a small team to both govern and execute the enrichment process and produce initial insights on a defined timeline for leadership discussion and decision-making.

3. Audit and streamline the go-to-market tech stack. Tech stacks are bloated in many organizations, with some technologies that are barely used at all and others that are highly duplicative of features already available in other tools. Navigating this thicket is often a barrier to deriving value from artificial intelligence, or even to getting started. And it presents a budgetary barrier as executive teams naturally question any additional tech spend.

Evaluate tech stack utilization to understand where enhancements will have the highest return. Focus on those technologies and processes that commercial teams are already engaging with to ensure fast impact. Couple this with critical reviews of the tech stack, what is creating value and what is not.

4. Train the team using real-world application and practice. The impact artificial intelligence can have on individual productivity is its best-known use case, and it does produce real business returns. It has the potential to make SDRs more targeted and contextual in their outreach, sellers more focused on the right accounts and activities, and marketing professionals better able to scale and target their campaigns and content creation. Unfortunately, while widely referenced these use cases remain exceptional rather than commonplace.

Broadening individual usage of any AI investments or process enhancements requires awareness, training, and reinforcement, as with any other change. However, in the case of AI, real-world application is critical. Training often focuses heavily on the introduction of a new tool and a walk-through of a few use cases. While useful, these don't typically stick for go-to-market professionals who are time-constrained and driving toward a number.

Work with your revenue enablement and/ or learning and development teams to ensure they are building effective programs for driving more productivity through AI. Focus training on practice, not information transfer. Provide real customer scenarios. Set up brainstorming sessions to trigger discussions on how the team can adapt their workflows and find ways to reach their targets more effectively. And guide managers to use 1:1s for joint learning, where sellers can talk about how they used AI in previous weeks, what they learned from it, and how it has impacted their work.

About This Research

SBI surveyed 120 CEOs and senior go-to-market leaders across industries, with a particular emphasis on software, business services, and healthcare. Roughly 65% of respondents came from private equity-sponsored and public companies.

The survey was fielded in December 2024. It covered several aspects of their 2025 plans, their perspectives on artificial intelligence, and trends in customer demand, go-to-market team productivity, and go-to-market strategies.

Why SBI?

Driven by insights and delivered from experience, SBI continues to help clients grow their revenue, margin, and enterprise value in ways never before possible.

Working with us, go-to-market leaders can expect confidence and trust with experienced partners every step of the way. We engage and support our clients as an extension of their team, both guiding and working side-by-side to deliver relatable, practical strategies that work for today and tomorrow.

Connect with SBI today and talk to us about how we can help you on your growth journey.

SBI Growth Advisory

Driven by Insights
Delivered from Experience

550 Reserve Street
Suite 190
Southlake, Texas, 76092
www.sbigrowth.com