



Executive  
Perspectives

# AI-First Companies Win the Future

**Move Fast, Scale Smart**

*June 2025*

## Introduction

We meet often with CEOs to discuss AI—a topic that is both captivating *and* rapidly changing. After working with over 2,000 clients in the past 2+ years, we are **sharing our most recent learnings in a new series designed to help CEOs navigate AI**. With most sectors going through major shifts, the focus in 2025 is on how to leverage AI to **fully transform organizations** and create **new sources of competitive advantage**.

In this edition, we discuss the AI-first future, and the role AI will play in turbocharging growth. Future editions will dive into sector-specific insights to help leaders unlock value and accelerate transformation. We address key questions on the minds of executives:

- How can I leverage AI to win with the new economic equation?
- What does an AI-first enterprise look like?
- What are leaders doing differently and how are they using AI solutions to accelerate their transformation?
- How do I get started...and how do I get this right?

**This document is a guide for executives to cut through the hype around AI and understand what creates value now and in the future.**

**In this BCG  
Executive Perspective,  
we articulate  
the vision and value  
of AI-first companies**



# Executive summary | Start your AI-first transformation journey

## WHY

now is the right time to act

The rise and rapid adoption of AI are transforming how organizations operate, **lowering barriers to entry, and enabling smaller players to scale fast**. As **automation reshapes business economics and AI-first companies grow with lean teams**, those who don't act now risk falling behind

## WHAT

an AI-first organization looks like

To respond to these shifts, companies need to **rethink how they operate and transform to become AI-first**:

- **Wider competitive moat**: Increased ability to capitalize on key assets such as brand, IP, talent
- **Reshaped P&L model**: High tech spending to support AI, unlocking value for reinvestment
- **Decentralized tech foundation**: Business units leading AI adoption, with IT providing scalable platforms
- **AI-first operating model**: Streamlining operations via reusable AI workflows and reduced duplication
- **Specialized, scalable talent**: Lean, high-performing teams focused on strategy, judgment, and AI collaboration

Companies must be prepared to address **broader societal implications** in the ever-evolving landscape of AI

## HOW

to start the journey to transform into an AI-first org

E2E transformation can start with a series of **no-regrets moves**:

- **Make a business-led AI agenda**: Define tangible priority outcomes from AI
- **Embrace AI in your daily work**: Set the tone by role-modeling AI adoption across your teams
- **Anticipate impact on your workforce**: Pinpoint where and how roles will shift and develop upskilling strategy
- **Prove impact and scale**: Identify and prioritize a few high-value initiatives to test and show measurable impact
- **Create space to fund what works**: Allocate resources toward quick wins and build a plan to budget for AI

AI-first organizations will take different shapes across sectors – our **upcoming Sector of the Future series** explores key trends, transformations, and how to begin the journey at the sector level

Major trends  
are reshaping  
how companies  
operate—and  
those that don't  
adapt risk  
falling behind

- 1 Access to AI is becoming democratized**  
Foundational models and AI agents are now widely accessible, reducing barriers to entry and allowing smaller players to compete on speed and automation

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- 2 AI is rapidly changing business economics**  
The costs of knowledge, labor, and task delivery are falling due to automation, while revenue potential is increasing for companies that set up for success now

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- 3 Headcount is no longer a prerequisite to scale**  
AI-first companies are redefining productivity, unlocking rapid growth with smaller, highly skilled teams (e.g., Cursor reaching \$100M ARR in under two years)

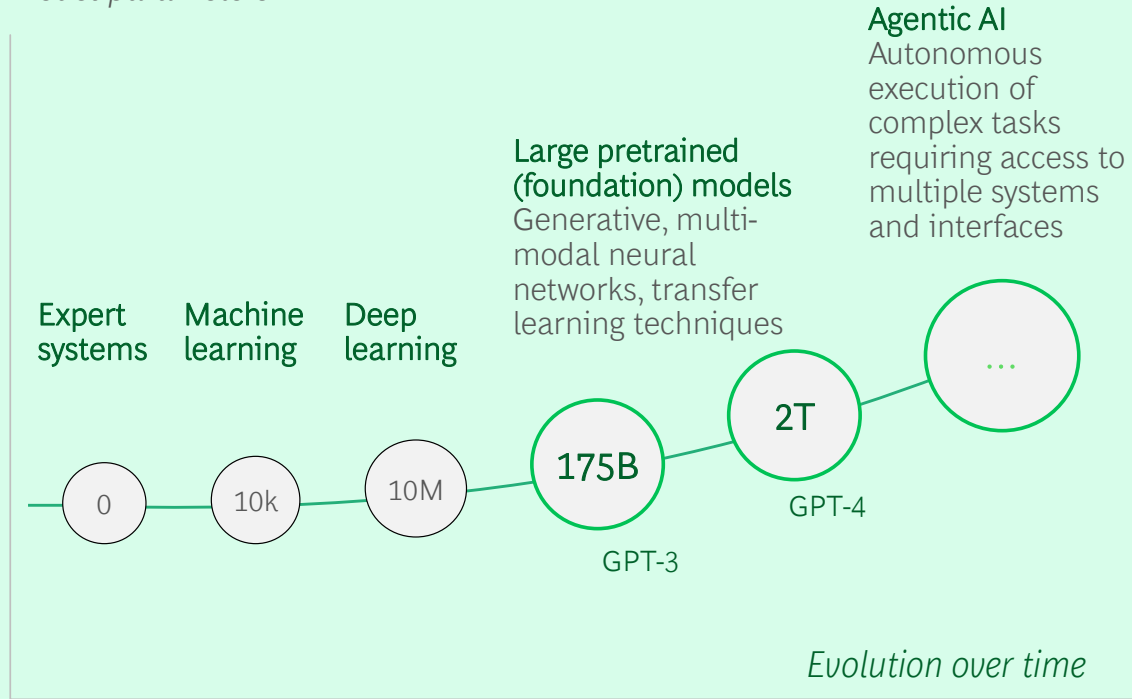
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- 4 Technology spending is growing rapidly**  
As AI-driven tech budgets surge, companies that fail to match the pace risk being left behind by faster-moving competitors

# The rapid advancement of AI is reducing barriers to entry and scale

## Computational power over time

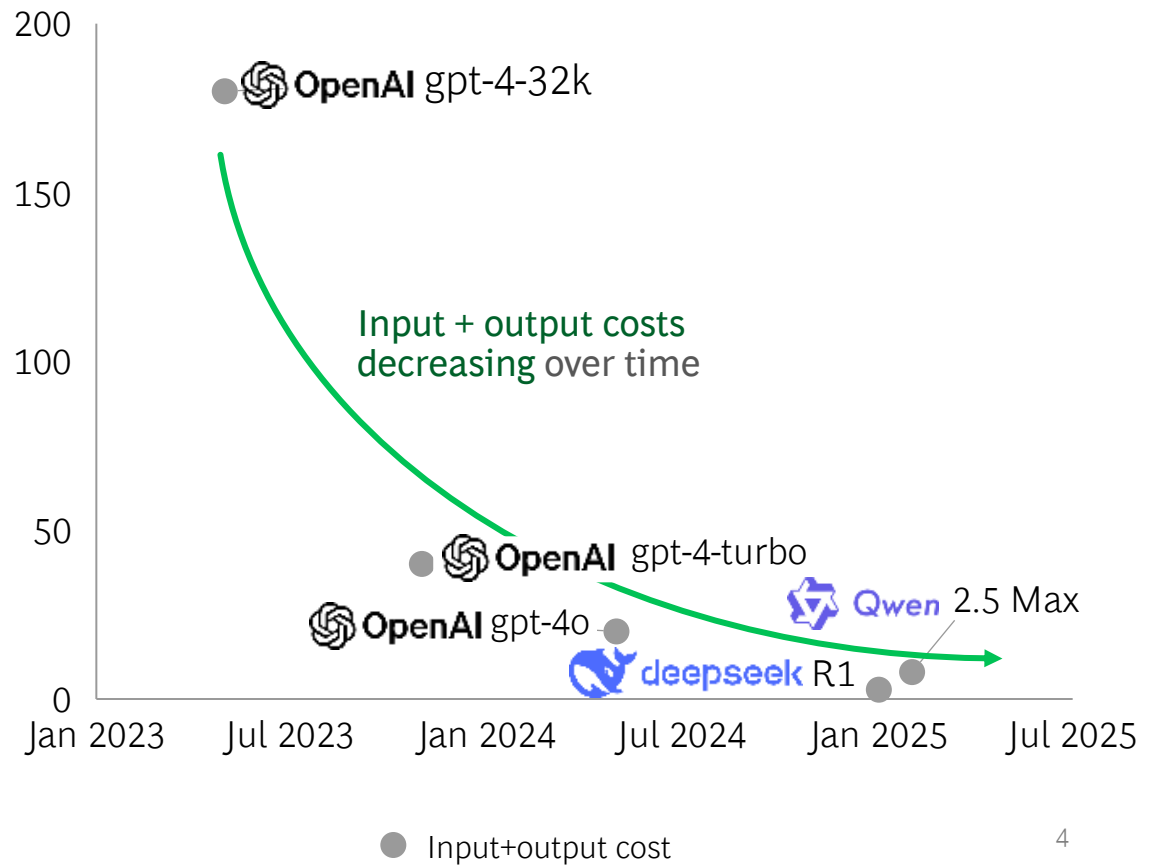
Power  
model parameters



Source: OpenAI, DeepSeek, Qwen

## Token cost of models over time

\$/M tokens



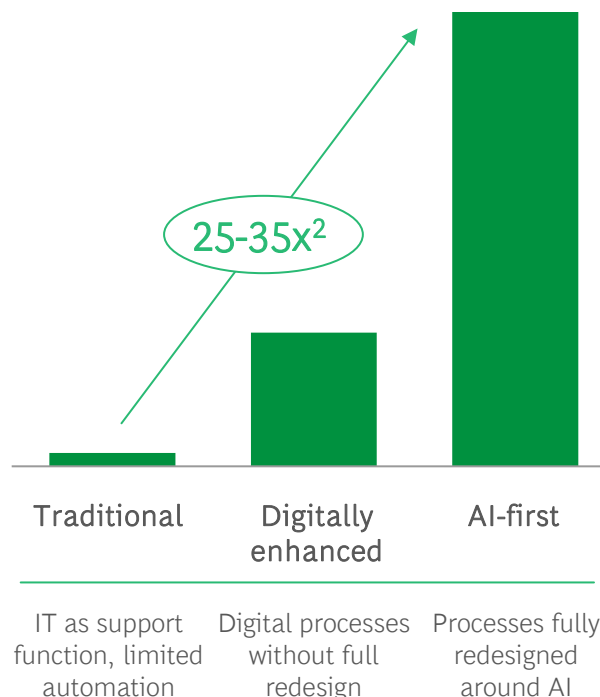
# Well-positioned firms can unlock value from low costs and high revenues

While major cost drivers are trending downward...

<b>High-value task delivery</b>	High-skill employee (e.g., PhD) research... <b>&gt;\$100K/yr</b>	>	AI agent-powered task delivery (e.g., Deep Research)... <b>~\$2-3K/yr</b>
<b>Advisory costs</b>	In-person client advice cost per interaction... <b>~\$5</b>	>	AI enabled-advisory, cost per conversation... <b>\$0.20 - \$0.30</b>
<b>Time to access knowledge</b>	Manual analysis of market media taking... <b>3 hrs</b>	>	AI rapidly gathering and synthesizing data in... <b>5 mins</b>

... revenue potential is increasing for AI-first firms

Revenue per employee across different company types<sup>1</sup>



Companies set up for success can unlock maximum value creation

- Lemonade**: Customer acquisition costs cut by 90%
- Klarna.**: 50% reduced workforce and 73% increase in revenue per FTE
- ByteDance**: 80% of policy-violating content removed autonomously by AI
- Electrolux**: 60% of support calls resolved by AI without human agent

Efficiency gains have potential to significantly increase margin, highlighting importance of setting up for success now

1. 70+ companies included in analysis, 2. Value varies by sector  
Source: Harvard Business School, Wharton AI & Analytics Initiative, BCG analysis

# AI-native firms highlight how AI supports scaling with limited headcount

AI-native firms are built with AI at the core, which enables rapid, capital-efficient scaling...



Despite staggering venture funding, AI-native startups can now **scale rapidly with minimal external capital**



Small teams leverage **AI-powered coding, marketing, and administrative tools** to accelerate growth with fewer employees



AI automation reduces reliance on venture funding by **enabling profitability sooner with minimal resources**

Source: BCG analysis

... and proves AI-centric models can deliver high ARR with lean teams



**\$50M** ARR in 24 months with 30 people



**\$100M** ARR in 12 months with 20 people



**\$40M** ARR in 5 months with 15-20 people



**\$10M** ARR in 2 months with 15 people



**\$10M** ARR in 2 years with 9 people

# Digital natives expanded tech spending—AI-first will accelerate the trend

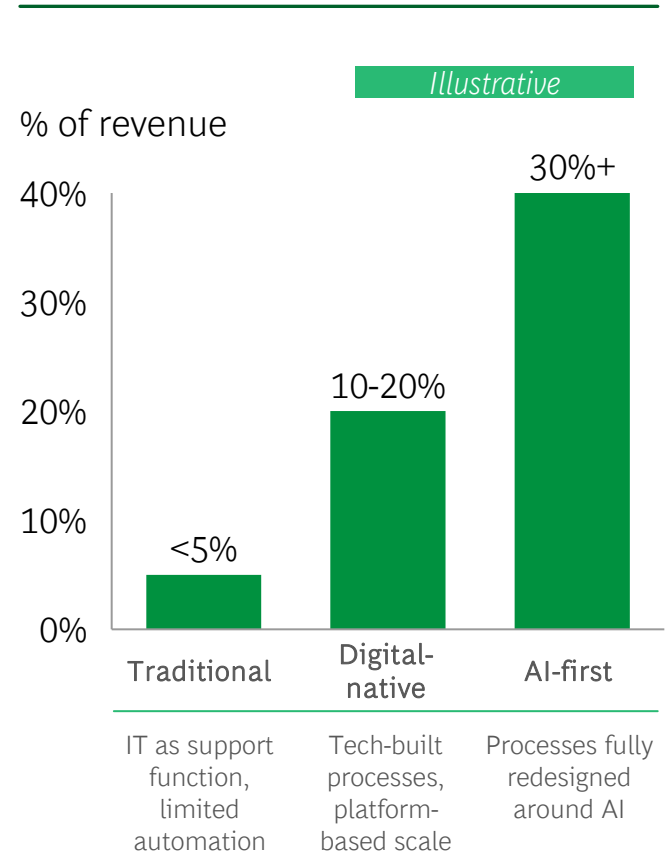
## Traditional-firm tech spending<sup>1</sup>

Global payments technology company	~4% of revenue
Multinational retail corporation	~3% of revenue
Major US insurance provider	~2% of revenue
Energy mgmt. and automation firm	~2% of revenue

## Digital-native tech spending<sup>1</sup>

US-based fintech platform	~12% of revenue
Large-scale online marketplace	~14% of revenue
Digital-first insurance platform	~16% of revenue
Industrial 3D-printing tech leader	~14% of revenue

## % of revenue spent on tech for different firm types



1. All company examples anonymized  
 Source: Company 2024 10-Ks, GlobalData

# Companies face key challenges as they prepare for an AI-first future



01

Evolving competitive advantage

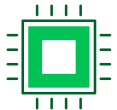
Given that broad adoption means AI will not be a new source of competitive advantage, how do I rethink my existing sources of competitive advantage?



02

Shifting P&L structure

What happens when tech investment surpasses all other cost centers in the P&L?



03

Changing role of the IT function

How does the role of the IT function change in an AI-first organization?



04

Reimagined operating model

How do we manage a workforce where AI agents outnumber people, and how must human roles evolve?



05

Transformed shape of the workforce

How do I upskill people to drive adoption while also retaining critical thinking skills and avoiding overreliance on AI?

# To overcome these challenges, firms need to adopt AI-first traits



01

Wider competitive moat

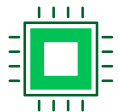
- Increased ability to capitalize on key assets, such as brand, IP, and talent
- Reduced barriers to scale across talent, content, and reach



02

Reshaped P&L model

- High tech spending to support AI, with value redeployed toward growth
- Reinvestment of returns into innovation and intelligent automation of routine work via agents and other AI systems



03

Decentralized tech foundation

- Enterprise-wide AI platforms and agent ecosystems maintained by IT
- Business units given autonomy to own and deploy AI solutions with increased speed and independence



04

AI-first operating model

- Streamlined operating model that minimizes redundancy
- Reusable AI workflows that support consistent, scalable deployment across the enterprise to accelerate time-to-value



05

Specialized, scalable talent

- Lean, elite teams with specialized skills; ~50–70% fewer people and 1.5–2X compensation for top talent
- Roles focused on judgment, strategy, and human-AI collaboration

# 1 | AI is redefining the sources of lasting competitive advantage



## Increasing strategic importance

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**Brand trust becomes a key differentiator** as AI-generated content and automation become ubiquitous

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**Direct relationship and access to customers** become critical as AI commoditizes content and advice

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Owning innovations, including **patents, trademarks, and copyrights**, is crucial as AI becomes democratized

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**Exclusive, high-quality, diverse data sets** drive value when effectively leveraged, fueling better AI models

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**Attracting and retaining top AI-fluent talent** are a necessity due to high competition for skill sets

Source: BCG analysis



## Decreasing strategic importance

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**Operational scale with large back-office functions** becomes redundant through AI-driven efficiencies

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**Large physical customer service teams lose edge** as AI agents handle customer engagement more efficiently

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Diffused expertise across teams loses value as AI **rapidly acquires, synthesizes, and applies disparate knowledge**

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**Expensive content production** becomes less important as AI drastically lowers content generation costs

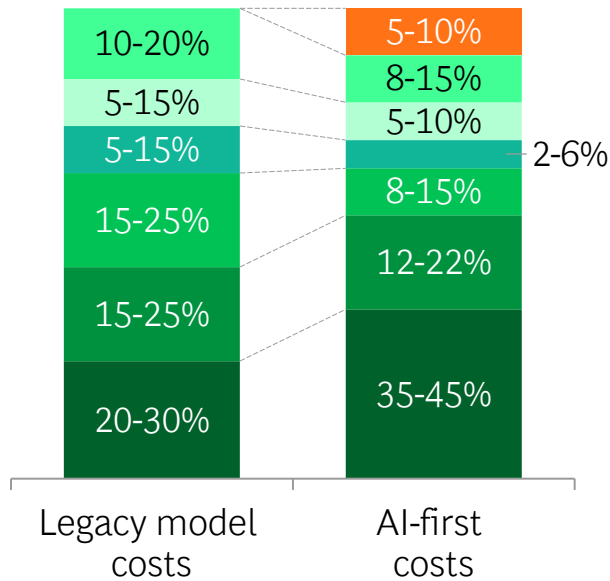
# 2 | Companies must account for shifting P&L in the age of AI



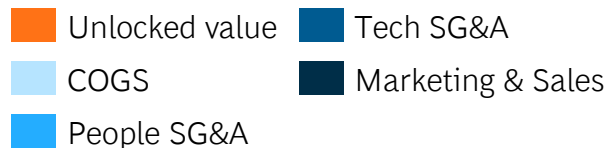
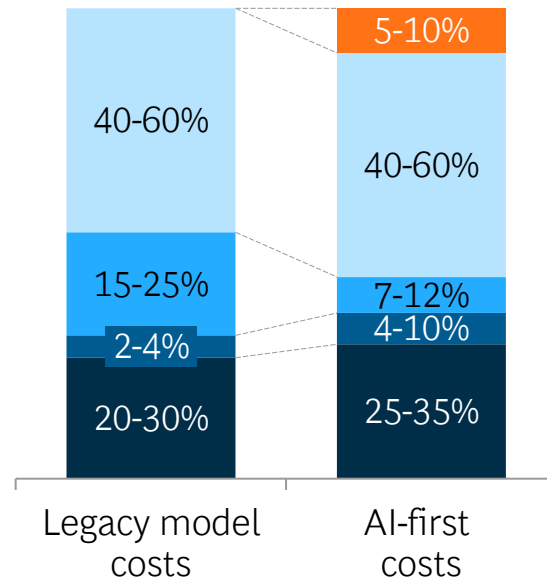
## Example P&L impact on AI-first companies

Illustrative and directional

### Retail Banking



### Consumer Packaged Goods



## AI-first reshapes cost structures

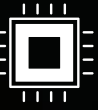
**~25-45%** decline in labor spending as AI reduces reliance on people-driven processes

**~1-2x** increase in tech spending as technology shifts from support role to strategic core

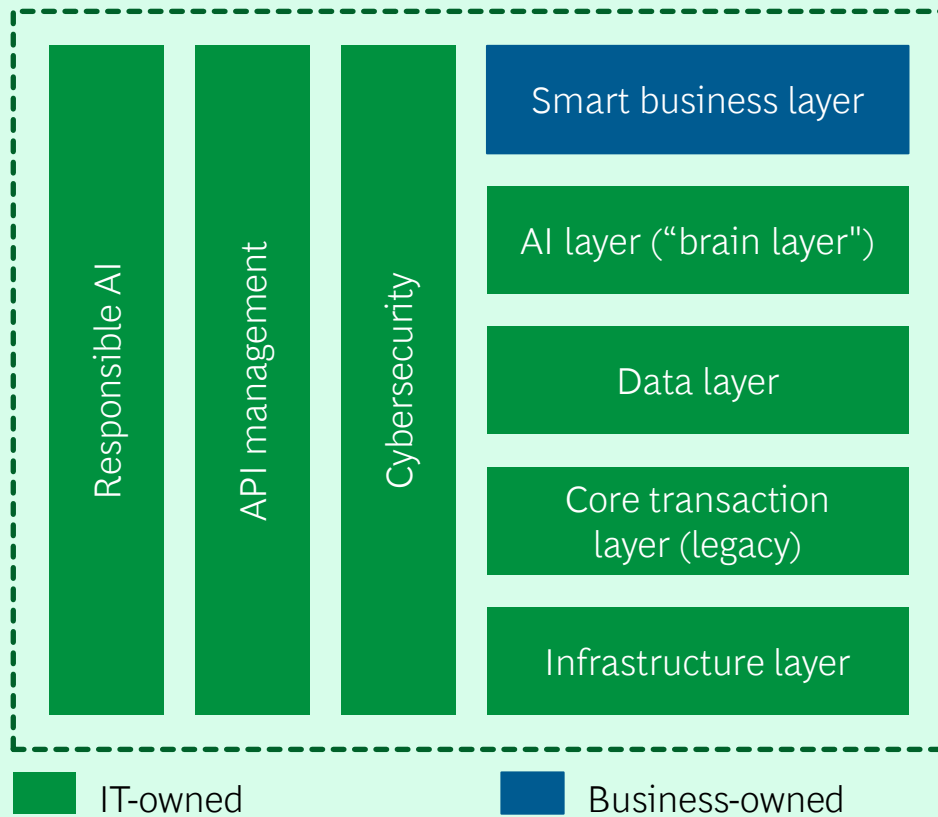
Value unlocked by AI is redeployed into growth priorities, boosting operating margin

Note: All figures are illustrative and represent simplified directional ranges  
Source: BCG analysis

### 3 | Increased tech spending redefines the role of IT across the org



#### AI-first architecture



Business functions **design and execute tailored AI workflows**, leveraging the IT-powered frame



Business includes tech-savvy talent with both **operational and AI skills**, reducing the need for business domain experts within IT



IT **maintains the tech, data, and cyber foundation** (the "frame") that enables the build of AI solutions

# 4 | The AI-first operating model rewires how organizations work



## Digitally enhanced op model | AI as enabler

**People are the core drivers**, with digital tools included.  
AI used incrementally to boost efficiency



Core processes  
built around **people**

+



Supplemented by  
**digital tools incl. AI**

### Key characteristics

- **Function-led workflows** with digital support
- Governance via **reporting and analytics** with undefined, ad hoc, or **static AI policy** and risk management
- **Static roles** enhanced by digital tools
- Culture focused on **efficiency gains**
- **Business relying on IT-owned digital enablers**

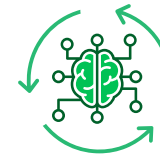
Source: BCG analysis



Illustrative

## AI-first op model | AI as integral

**AI agents are the core drivers**, with human oversight  
to close gaps



Core processes built  
around **AI agents**

+



Supplemented  
by **people**

### Key characteristics

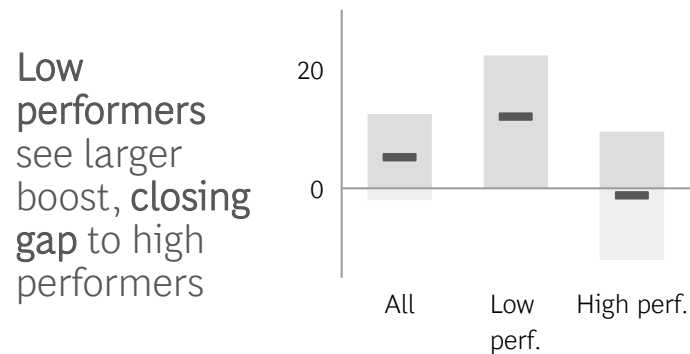
- **Flattened hierarchies** with AI agents executing AI-led decisions
- Real-time governance backed by **executive alignment**, embedded AI policy, and **responsible AI guardrails**
- Skills, roles, and responsibilities **reshaped around AI agents**
- AI-embracing culture built on **trust, speed, and adaptability**
- Business-owned tech and **scalable tech infrastructure**

# 5 | As AI transforms the workforce, the value of skills and tasks shifts



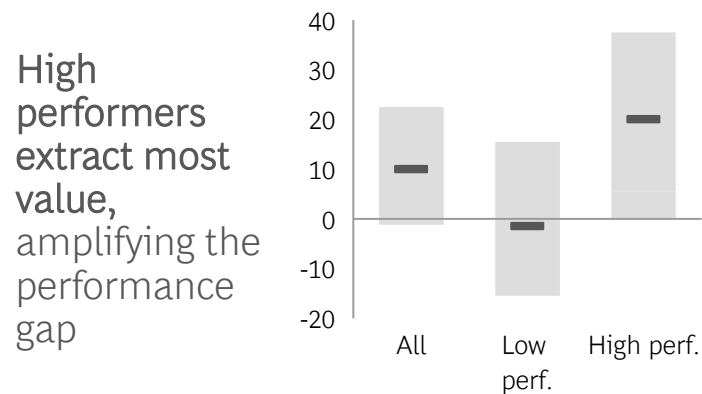
## AI impact on workforce productivity varies depending on the task

### Repetitive / structured tasks (% boost)



- AI narrows performance gaps—a short-term advantage
- Routine tasks are automated, reducing headcount and reshaping roles
- Fewer expert roles, as AI facilitates access to knowledge

### Complex, judgment-based tasks (% boost)



- AI removes high “toil” tasks, boosting top-performer productivity and satisfaction
- War for talent intensifies as top performers remain rare and command a premium
- Enablement and empowerment drive performance – not simply providing tools

Source: Economist, BCG analysis

## Examples of impacted skills



### Closing gap between top and bottom performers

- Coding efficiency
- Writing documents/presentations
- Product design
- Ad effectiveness
- Legal analysis
- ..



### Increasing performance disparity

- Profits and revenue
- Debating points
- Investment decisions
- Material discovery
- ...

# Getting started | The journey to AI-first begins with critical next steps



1. Make a business-led AI agenda

Define tangible priority outcomes from AI, and ensure that business leaders take ownership



2. Embrace AI in your daily work

Use a variety of AI tools to increase your proficiency, and set the tone by modeling adoption across your teams



3. Anticipate impact on your workforce

Identify where and how roles will shift, and develop a strategy to upskill teams to work effectively with AI



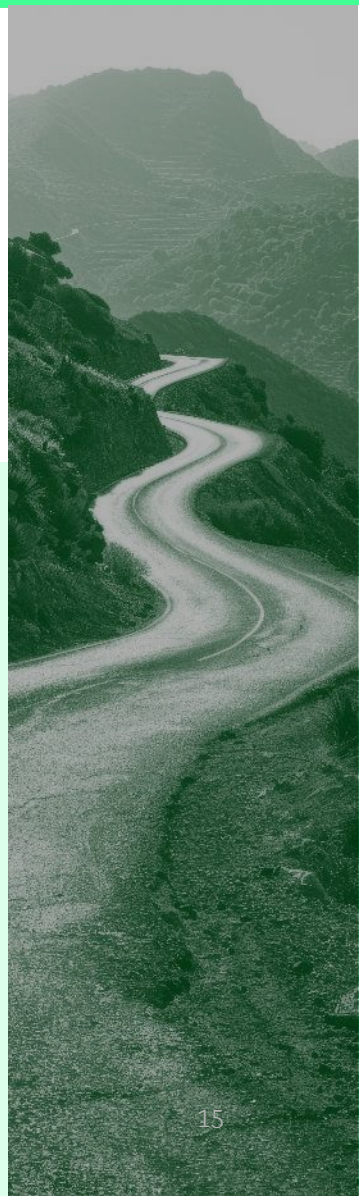
4. Prove impact and scale

Focus on a few high-value initiatives to show measurable impact and rapidly build momentum to scale



5. Create space to fund what works

Allocate resources toward early wins, and build a plan to budget for AI investments that deliver value



# BCG experts | Key contacts for AI transformation

## Americas



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**Ramsey Baker**  
Travel, Cities & Infrastr.



**Julie Bedard**  
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**Dylan Bolden**  
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**Sesh Iyer**  
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**Djon Kleine**  
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**Matthew Kropp**  
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**Renee Laverdiere**  
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**Amanda Luther**  
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**David Martin**  
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**Steven Mills**  
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**Suchi Srinivasan**  
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**Vladimir Lukic**  
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**Beth Viner**  
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**Vinciane Beauchene**  
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**Nicolas de Bellefonds**  
Consumer



**Akira Abe**  
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**Aparna Kapoor**  
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**Antoine Gourévitch**  
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**Christoph Hilberath**  
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**Nina Kataeva**  
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**Nipun Kalra**  
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**Romain de Laubier**  
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**Andrej Levin**  
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**Daniel Lopez**  
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**Nigel Markey**  
Healthcare



**Jeffrey Walters**  
Consumer; Tech & Digital



**Chris Meier**  
Healthcare



**Dan Sack**  
Consumer; ; Tech & Digital



**Richard Sargeant**  
Travel, Cities & Infrastr.



**Marc Schuring**  
Energy; Tech & Digital



**Marcus Wittig**  
Tech, Media & Telco



**Robert Xu**  
Consumer

## Asia-Pacific



**BCG**