

WHITE PAPER

# India's Al Leap

## BCG Perspective on Emerging Challengers

## **Overview**

### **About this Report**

This report explores how Artificial Intelligence (AI) is reshaping India's business landscape. Unlike many technologies in the past, AI has a deep impact on expanding the total addressable market & revenue across sectors, while achieving higher efficiencies in operations and increasing agility & speed-to-market. Industries such as consumer & retail, financial services, media and entertainment, and real estate & mobility, amongst others, are embedding AI into their core operations to drive hyper-personalized experiences, automating complex decisions, and enabling new business models fueled by both traditional and gen-AI.

Our research indicates that successful AI adopters exhibit distinct patterns: a sharp focus on solving specific business challenges, strong investments in data infrastructure, a commitment to human–AI collaboration, and effective scaling strategies supported by ecosystem partnerships.

Through a combination of case studies, CXO-level interviews, proprietary surveys, and publicly available data, BCG India analyzed how leading Indian companies are translating AI ambition into tangible outcomes. Focused on four sectors—Consumer, Financial Services, Media & Entertainment, and Prop-Tech—this report highlights how AI is already delivering impact across customer engagement, personalization, operational efficiency, and decision-making. These examples are not exhaustive nor endorsements. They aim to provide a representative view of real-world AI adoption and together, these insights shape an AI Playbook and a forward-looking lens on where India's AI momentum is headed next.

With over 700 million internet users, high mobile penetration, and robust digital public platforms like UPI, India offers a unique launchpad for scalable, cost-efficient AI innovation.

# India's Al Moment

## A Market Ripe for Leap

Al is driving a profound transformation across industries worldwide. Both established players and emerging startups are leveraging AI to disrupt markets on multiple fronts. By enabling disruptive product innovations and hyper-personalized customer experiences, AI is expanding addressable markets. On the operational side, intelligent workflows & automation are delivering unmatched efficiency gains. Faster decision-making and accelerated prototyping have significantly improved speed to market. Unlike many past technologies, AI is as much a driver of innovation and growth as it is of enhancing performance & efficiencies, thereby unlocking entirely new growth pathways and redefining how businesses compete and scale.

India is no exception—businesses across sectors are rapidly embracing AI to solve local challenges, scale innovation, and drive competitive advantage. AI is significantly expanding the Total Addressable Market (TAM) by 1.2-1.5X across key Indian sectors<sup>3</sup>, while delivering unmatched efficiencies and speed. In financial services, AI-powered underwriting has reduced processing time by up to 70%, enabling micro-lending and low-premium insurance products for underserved populations. In retail and e-commerce, AI-driven personalization has boosted conversion rates by 10–15%, while enabling new use cases like regional-language commerce and visual search. In media and entertainment, AI-powered content creation tools are reducing production costs by over 80% and increasing speed by over 70%. This has enabled SMBs and content creators to shift their focus from time-consuming production processes to developing new offerings, experimenting with formats, and driving creative innovation. In education, AI tutors and adaptive learning platforms are serving vernacular-language learners and non-urban students at scale, with edtech providers reporting 30–40% user growth from new geographies. In healthcare, AI-led diagnostics and remote consultations have made medical services viable in Tier 2 and rural regions, increasing reach and contributing to expansion in addressable demand.

AI has evolved significantly overtime and a lot has changed under the hood to enable these applications of AI. This surge is powered by breakthroughs in multi-modal models, expanded context windows, the integration of quantum computing, and the emergence of agentic AI. Generative models are becoming dramatically faster and more cost-efficient—GPT-40, for example, significantly outperforms GPT-4 in both latency and pricing. These shifts are redefining productivity and unlocking new consumer use cases at scale.

India's domestic AI market is projected to more than triple to \$17 billion by 2027<sup>1</sup>, making it one of the fastest-growing AI economies globally. This momentum is fueled by rising enterprise tech investments, a thriving digital ecosystem, and a robust talent base. India already has 600,000+ AI professionals, with the number expected to double to 1.25 million by 2027<sup>2</sup>. The country accounts for 16% of the global AI talent pool, second only to the United States, a reflection of both its demographic advantage and STEM education pipeline.

Beyond talent, India's public platforms like Aadhaar, UPI, DigiLocker, and the Open Network for Digital Commerce (ONDC) create a scalable foundation for AI adoption across sectors. With over 700 million internet users and widespread smartphone penetration, India generates massive volumes of data, which is the fuel for training AI models. This scale, combined with open architecture, is enabling the development of population-scale AI solutions across sectors.

The supporting infrastructure is also evolving rapidly. India plans to add 45 new data centers by 2025, bringing 1,015 MW of additional capacity to an already robust network of 152 centers<sup>1</sup>. Under the government's IndiaAI mission, a ₹10,000 crore investment will build national AI compute capacity, including access to 10,000+ GPUs for model training and AI research.

India's startup ecosystem is keeping pace. With 4,500+ AI startups<sup>1</sup>, 40% of which were launched in the last three years, the country is fostering innovation across sectors, from health-tech and agri-tech to logistics and fintech. Many of these ventures are focused on solving uniquely Indian challenges using AI, making them globally relevant.

With its talent, scale, infrastructure, and policy tailwinds, India is not just poised to adopt AI, it is positioned to help define how AI shapes the global economy.

#### THE AI DILEMMA

AI is no longer a futuristic ambition—it is a present-day business imperative. While excitement and investment around AI are surging, there is still no singular path to success. Businesses are experimenting, piloting, and deploying AI across varied functions, but the maturity levels vary widely.

Some companies are in the early stages of exploration, while others have identified high-impact use cases and are scaling AI across their value chains. What began as back-end automation has now evolved to transform how companies operate, engage customers, and unlock new business models. AI applications now span a broad spectrum—from descriptive and predictive analytics to prescriptive and generative intelligence. This evolution is forcing organizations to rethink traditional approaches and reimagine entire workflows and products through an AI-native lens.

#### DECIPHERING THE FOUR FACES OF AI

AI capabilities can be viewed in four broad phases of maturity: descriptive, predictive, prescriptive, and generative – ranging from basic analytics to cutting-edge intelligence. Today, Indian enterprises are leveraging all four, often concurrently across different functions as outlined below.



Used to understand historical trends and identify operational patterns e.g., retailers use it to analyze customers' buying behavior, public transportation networks use it to optimize route planning & peak-time scheduling.

Enables organizations to anticipate outcomes and make proactive decisions. e.g., Financial institutions use it to assess credit risk, and forecast loan defaults. E-commerce platforms use it to forecast de-

Drive data-backed decision-making by recommending optimal actions. e.g., Logistics firms use it to optimize delivery routes based on traffic and weather data. Online platforms use it for dynamic pricing

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**Predictive AI** 

Prescriptive AI



based on supply-demand fluctuations. Create content and solutions on a scale. e.g., Marketing teams use it to generate localized ads in multiple languages, Edtech platforms use

it to create personalized learning materials and developers use it for AI-assisted code development & testing.

mand for sales events.

The leap from automation to intelligence is redefining how companies run their business. Traditional players are being forced to re-innovate as newer, AI-native disruptors carve out competitive moats through faster, cheaper, and more personalized offerings. Companies that embed AI in their core are capturing disproportionate market share with improved customer experience, and leaner operations.

# The theatre of AI Action

To identify where AI is delivering the most tangible disruption in India, we analyzed company mentions, investment patterns, and use case density across public sources, proprietary databases, and ecosystem conversations. We looked at the most frequently cited AI disruptors and the relevant sectors. While some sectors stood out in our analysis, it's important to note that AI activity is accelerating across almost every industry. What began as isolated pilots has now evolved into scaled deployments, with businesses increasingly realizing tangible value. The momentum is shifting from proof-of-concept to performance at scale.

personalization agrotech edtech regionerative prop-tech healthcareai public-services credit-scoring consumer-tech media content-automation fintech kyc bisitis dynamic-pricing entertainment logistics fraud-detection diagnostic supply-chain citizen-services

A word cloud of the industries that are being disrupted the most highlights four sectors – Fintech, Consumer, Media & Entertainment, and PropTech. These industries emerged as hotspots for innovation - combining rich data environments, high customer interaction, and pressing business challenges, makes them ideal ground for AI-led transformation. Accordingly, we deep dive into these four sectors to discuss how AI is already delivering measurable value and reshaping industry playbooks in India.

#### **1. Financial Services**

**Why this sector:** The financial services sector, particularly SME lending, has long struggled with complexity, documentation burdens, and exclusion. AI is enabling reimagination of the financial stack, enabling underwriting risk using alternative data, automating onboarding & compliance, and building intelligent workflows for fraud detection, service resolution, and sales enablement. These innovations are not only unlocking underserved customer segments but also improving efficiency and scale in a deeply regulated space.

## ARazorpay

#### Razorpay: AI-Native Fintech Stack for Indian Businesses<sup>4,5</sup>

REVENUE:	VALUATION:	CUSTOMER BASE:			
<b>\$300</b> Mn+	<b>\$7.5</b> Bn+	<b>10</b> Mn+			
<b>KEY OFFERINGS:</b> • Payment Gateway RazorpayX (neobanking) • Razorpay Capital (lending) • Razorpay POS					

Razorpay, one of India's leading full-stack fintech platforms, has strategically embedded AI across its ecosystem to drive efficiency, enhance customer experiences, and accelerate innovation. From merchant onboarding and risk assessment to fraud detection and customer support, AI is woven into every stage of the lifecycle—powering real-time decisions and hyper-personalized engagement at scale.

What sets Razorpay apart is its evolution beyond core payments. Its neobanking arm, RazorpayX, serves thousands of SMEs with digital payroll, vendor payouts, and corporate banking solutions. It also enables growth for its customers through engagement products like gift cards, loyalty programs, and wallets. Razorpay's modular platform, built with a developer-first ethos, allows businesses to embed financial services seamlessly via open APIs and ecosystem partnerships.

**Conversational AI for Merchant Support:** Razorpay's AI-powered chatbot currently handles merchant queries with ~90%+ accuracy, covering use cases such as payment status, onboarding assistance, and dashboard navigation. This automation of routine interactions has significantly improved resolution speed and freed up support agents to focus on more complex issues. The company aims to increase automation coverage to 90% of low complexity tasks through ongoing model training and refinement.

**Al-Assisted Onboarding & KYC Simplification:** Onboarding merchants onto financial platforms often involves complex regulatory checks, especially across varied entity types (e.g., proprietorships, LLPs, private limited). Razorpay now uses AI assistants to guide users through entity classification, fund flow mapping, and document verification. These assistants can pre-fill responses, validate inputs, and accelerate approvals.

**Agentic Tools for Internal Productivity:** Razorpay has built a suite of internal AI agents or "agentic toolkit"—to assist teams across functions such as sales, marketing, product, and operations. These include tools for strategic document generation, account-level insights, campaign optimization, and cross-sell opportunity identification. By acting as virtual teammates, these agents multiply team output and reduce dependence on manual analytics or data ops, enabling better & faster decision making.

**Engineering Efficiency via Al Integration:** The platform's engineering function has seen a step change in output with the adoption of tools like GitHub Copilot, Cursor, etc. From writing PRs faster to automating code testing and UI workflows, developers are now shipping features in days instead of weeks. These improvements have helped Razorpay scale without a linear increase in engineering headcount.

**Unified AI Architecture & Talent Strategy:** Rather than siloed initiatives, Razorpay's AI deployment is unified across the stack—spanning onboarding, customer support, fraud detection, and developer productivity. A dedicated AI and data science team leads model development, while cross-functional adoption is driven through enterprise licenses, internal hackathons, and organizational upskilling. Razorpay also layers custom wrappers on foundational models like Claude & Gemini to address domain-specific needs.

**Impact:** Razorpay's AI-led onboarding flows have simplified KYC and reduced drop-offs for thousands of SMEs, expanding the customer base. Internally, agentic tools and code assistants have boosted speed-to-market and unlocked faster decision-making speed across sales and marketing teams. Its AI deployment has improved support efficiency by automating routine merchant queries and slashed ticket resolution time.

**Contributing to the Ecosystem:** Razorpay's vision for AI goes beyond internal effectiveness—it is actively working to bring its AI capabilities to the broader financial ecosystem. This includes co-innovating with partners & offering AI toolkits to platform customers to enhance their own decision-making, and building ecosystem-grade APIs for intelligent automation. By democratizing access to applied AI, Razorpay aims to enable faster, safer, and more scalable financial services across India's digital economy.

## Embracing the AI revolution across the organization



#### 2. Consumer

**Why this sector:** Consumer retail in India is rapidly digitizing, and customers now expect personalized, seamless experiences both online and offline. This makes the sector ripe for AI-driven innovation in areas like customer engagement, supply chain, and store operations.





#### Lenskart's: AI-powered Personalization in Eyewear<sup>6,7</sup>



Lenskart has redefined eyewear in India by blending cutting-edge technology with customer-centric design. Its platform offers a seamless omnichannel experience, supported by AI-driven tools like virtual try-ons, face shape analysis, and personalized recommendations. These innovations simplify the eyewear buying journey, especially for first-time or remote users.

Beyond retail, Lenskart is evolving into a tech-enabled eyewear ecosystem. It invests in inhouse manufacturing, owns its lens lab, and has launched smart eyewear lines under brands like John Jacobs. With growing global ambitions, Lenskart continues to scale its technology, supply chain, and design capabilities to meet rising demand across India and Southeast Asia.



Immersive, Personalized Shopping Experience:

Lenskart's AI-powered 3D AR "Try-On" tool allows customers to virtually try on eyewear using real-time facial mapping, replicating the in-store experience from any device. This not only improves conversion for online buyers but also feeds customer data into the personalization engine, driving curated recommendations. In parallel, Lenskart leverages generative AI to generate product imagery and descriptions, enabling the rollout of over 1,000 new SKUs monthly without traditional photoshoots.

**Conversational AI and Service Automation:** Lenskart has deployed AI-powered WhatsApp and app chatbots that handle over 100,000 weekly service interactions. These bots respond instantly to customer queries and guide purchase decisions. Additionally, the team is building an AI "co-pilot" for in-store sales associates—designed to standardize complex eyewear consultations and improve staff productivity, regardless of experience level.

**Al-Augmented Offline Retail with Tango Eye:** Through its acquisition of vision tech startup Tango Eye, Lenskart has embedded computer vision across its 2,000+ store network. In-store cameras analyze shopper behavior in real time—tracking footfall, walk-in patterns, dwell time, and bounce rates. Centralized dashboards are used to identify missed sales, optimize layouts, and evaluate staff-customer interactions. Heatmaps and session mapping allow merchandising teams to identify areas to drive engagement and underperforming products. Planogram compliance is also tracked using AI models to validate visual execution across stores using live camera feeds. **Forecasting & Fulfillment:** AI is now central to Lenskart's supply chain and merchandising operations. SKU-level demand forecasts are generated per store using AI models. This improves inventory accuracy and reduces stockouts. For fulfillment, the company is optimizing warehouse picking and delivery operations using AI—supporting real-time delivery in 22 cities and preparing for expanded hyperlocal capabilities in the coming quarters.

**Impact:** Lenskart's end-to-end AI integration has transformed its operating model completely. With Gen-AI driven catalog creation, AI-enabled virtual try-on and personalization, and computer vision of retail outlets, Lenskart has boosted the online & offline conversion. Inventory turns have improved by ~20% due to better demand forecasting, and fulfillment is increasingly real-time. Service costs have come down as conversational AI handles a growing share of customer queries. Lenskart has built a defensible, scalable retail model that differentiates on speed, personalization, and execution.

#### 3. Media & Entertainment

**Why this sector:** Media and entertainment are being upended by AI, particularly with the rise of generative content. Streaming platforms, publishers, and content creators face insatiable demand for fresh content and personalized experiences. AI offers the ability to produce and tailor content at a pace and scale previously impossible.

## 🖻 Pocket FM

#### Pocket FM: An AI-Native Entertainment Platform<sup>8,9</sup>



Pocket FM is one of the world's fastest-growing audio entertainment platforms. With a strong presence in India and international markets like the U.S., the platform has emerged as a category leader in serialized audio storytelling. With over 75,000 audio series across genres like romance, thriller, and fantasy, the platform has built a diverse and immersive entertainment experience. Its content is available in multiple Indian and European languages like English, Hindi, German, Spanish etc., catering to a wide spectrum of listeners across demographics and geographies.

Pocket FM is building a new kind of entertainment model—AI-native from the ground up. A key innovation has been Pocket FM's use of AI to scale content production, generating serialized audio stories that blend human and machine narration. The company operates on a microtransaction-based subscription model, with users unlocking episodes as they go—driving high engagement and creating a binge-worthy format tailored for mobile-first audiences.

**Al Across the Content Value Chain:** Pocket FM has embedded Al throughout its content pipeline—from idea discovery to audio production. Its Al-powered "Blockbuster Identification Engine" accelerates pilot creation, reducing lead times by up to 90% and significantly enhancing title scouting efficiency. In addition, Pocket FM has Al-Enabled UGC Platform that allows writers to write scripts and have them converted into narrated audio episodes within a day using synthetic voice tech. This end-to-end automation enables scalable, low-cost content production.

**Al-Assisted Creator Ecosystem:** The AI co-writing tool overcomes writer's block by generating cliffhangers, story arc spin-offs, and real-time paragraph refinements. This reduces content production timelines and boosts writer productivity by up to 50%. The AI series are at \$12M ARR and contribute 10% of revenue and playtime in the US.

**Hyper-Personalized Content & Localization at Scale:** Pocket FM's in-house AI tool: "Atlas – Copilot" adapts stories across languages & cultures, adjusting with local references. This has accelerated international launches, such as German rollouts that hit \$10M annual revenue in just six months.



**Al-Powered Marketing & Format Expansion:** Al generates and optimizes marketing assets—trailers, banners, and posts—cutting production time by 50% and cost by 80%. Marketing campaigns are A/B tested by AI in real time, boosting performance by 20–30%. AI also powers "BLAZE!", Pocket FM's in-house comics generation tool, that transforms stories into comics 21X faster than traditional workflows.

**Business Impact & Scalable Model:** Pocket FM's AI-first strategy has transformed it into a pioneer of next-gen storytelling. Pocket FM has produced over 100,000 hours of content with AI-first processes, achieving up to 90% cost reduction in some areas. User engagement averages 2+ hours per day—double that of major video platforms. AI has also helped incubate blockbuster franchises like Saving Nora, proving the model's repeatability. Pocket FM is redefining what an AI-native media company can achieve, building assets that transcend languages, formats, and geographies.

#### 4. Proptech

**Why this sector:** India's residential real estate market has long been marred by inefficiencies—opaque pricing, high brokerage costs, and limited trust in listings. The digital shift promised convenience, but for many users, particularly older property owners, the experience remains complex. All has the potential to revolutionize the sector by removing intermediaries, verifying users, predicting prices with precision, and personalizing services.



#### NoBroker: India's AI-First Platform for Broker-Free Property Transactions<sup>10</sup>

<b>REVENUE:</b>	VALUATION:	customer base:	
<b>\$70</b>	\$1	<b>16</b>	
Mn+	Bn+	Mn+	
	<ul> <li>KEY OFFERINGS:</li> <li>Property listings</li> <li>Rental agreements</li> <li>Home insurance</li> <li>Property management</li> <li>Society management</li> </ul>		

NoBroker is India's largest customer-to-customer real estate platform, enabling users to buy, sell, and rent homes without brokers. The company has also expanded into services like home cleaning, painting, packers and movers, and legal support, turning the platform into a one-stop destination for property-related needs. NoBroker's continuous investment in automation and AI help reduce operational friction, improve trust, and scale service delivery across India's fragmented and traditionally broker-driven market.

NoBroker's tech-first approach, including AI-driven matchmaking and document automation, streamlines every step of the real estate journey, positioning NoBroker as a category-defining player in India's PropTech space. At the heart of this platform is a homegrown AI engine, developed entirely in-house, that powers everything from fraud detection and pricing intelligence to customer service and listing verification.

**Fraud Detection & Platform Integrity:** To safeguard platform trust, NoBroker has developed advanced AI systems, which uses behavioral signals and ML models to automatically detect and block suspicious users. This AI-led approach dramatically reduces fraudulent activity, ensuring genuine buyers, renters, and property owners transact confidently.

**Al-Powered Pricing Intelligence:** NoBroker's Rent-o-meter and Sell-o-meter tools use Al to provide highly accurate rental and sale price estimates. These models factor in location trends, property attributes, and neighborhood amenities. This transparency has improved deal closure rates and eliminated pricing guesswork.

**Conversational AI & Hybrid Support Model:** NoBroker's customer support and outbound operations are powered by ConvoZen.AI agents that handle routine inquiries through inhouse built Conversational models, offering users instant, natural interactions while also monitoring 100% of their human-customer interactions. Complex queries are escalated to human agents ensuring efficient management of large volumes while preserving service quality.

Image Verification with Iris: NoBroker uses Iris, an Al-driven camera system that screens listing images for doctored content or misleading visuals. This innovation addresses a common trust barrier in online real estate platforms by ensuring what users see is verified and real.

**Inclusive Design for Digital Adoption:** Understanding that older or less digitally savvy property owners may struggle with modern interfaces, NoBroker has rolled out features like WhatsApp-based listing submissions lowering the entry barrier for tech-hesitant users and increasing inventory.

Built In-House, Tailored for Scale: NoBroker's models are fully built in-house, ensuring alignment with domain-specific needs and giving the company control over accuracy, performance, and privacy.

Expanding AI Expertise into B2B with ConvoZen.AI: NoBroker has launched ConvoZen.AI, a B2B SaaS offering that packages its proprietary virtual assistant capabilities for external enterprises. This marks a strategic extension of NoBroker's AI stack beyond real estate, allowing other customer-facing businesses to deploy scalable, multilingual virtual agents.

**Impact:** NoBroker's AI-first strategy has reshaped India's real estate landscape by enabling faster, data-driven transactions, automating pricing through tools like Rent-o-meter and Sell-o-meter, personalizing search with AI-driven recommendations, and crowdsourcing listings via computer vision, significantly expanding its market reach & depth. It has also unlocked unprecedented efficiencies through AI-driven image verification to reduce audit costs and human-augmented AI agents to run a very lean support model.

# Winning Themes

Across sectors, the Indian companies leading in AI have moved from isolated pilots to business-wide programs with measurable ROI. What sets these leaders apart is not just technological maturity, but a clear understanding of what truly drives scale: people, processes, platforms, and precision. BCG's 70/20/10 framework—where 70% of success is driven by people, organization, and process; 20% by the technology stack; and 10% by the algorithms—offers a clear lens into what it takes to translate AI ambition into business outcomes.



#### People, Organization, and Process

Leading companies start with business-backed use cases tied to real metrics—revenue, cost, efficiency. They rewire workflows to combine human expertise with AI-driven insights, and redesign roles to enable agents & analysts to collaborate with AI. Change is supported by leadership sponsorship, clear KPIs, and org structures built for iteration and scale. AI is not a side project, it's infused into daily decision-making, reinforced through culture, incentives, and management routines.



#### **Technology Stack**

Leaders invest early in cloud-native infrastructure, real-time data pipelines, and standardized APIs that allow AI models to be deployed across use cases with speed and consistency. They prioritize scalable systems - choosing to build, buy, or partner based on required speed and differentiation. MLOps, AIOps, and experimentation frameworks are put in place to continuously deploy, monitor, and retrain models. The tech stack acts as the enabler for experimentation and value delivery.



#### Algorithms

Successful companies focus on building targeted models for specific problems—personalization, fraud detection, dynamic pricing, and more. But value only materializes when models are connected to high-quality data and continuously refined through feedback loops. Human-in-the-loop designs are critical to ensure that AI complements rather than replaces judgment, and that outputs are accurate, explainable, and actionable.

**What's Needed to Scale:** Five enablers consistently show up in companies that move from pilot to scale:

- Right ways of working within teams: Tight alignment between tech & business teams
- Right tech stack & ecosystem: High-quality, unified, real-time data
- Right org. conditions: Scalable org models like AI Centers of Excellence
- Right reskilling of workforce: Continuous upskilling of teams
- Right Governance: Human enablers & Improvement loop for responsible AI

These companies don't treat AI as a tech upgrade, but as a business capability that must be built, owned, and evolved cross-functionally.

### Key building blocks for a holistic AI-enabled transformation (The "WHAT")

	Inputs for a successful AI-enabled organization				Measures
Right ways of working within teams	Interaction models, cadence, & flow	Al-first mindset (e.g., reviewer vs. builder)	Tech Team best practice adoption (e.g., TDD)	Iterative tech debt mgmt. & decoupled architecture	
Right tech stack and ecosystem	Al-embedded workflows (e.g., coding assistants, agents)	Integrated toolchains & platforms	Reusable assets, APIs, & InnerSource	Tech standards & architectural vision	Measurement framework to track & drive efficiency across (>) inputs, outputs, outcomes
Right organizational conditions	Product/Platform Org & Op Model	Digital, customer & innovation mindset(s)	Agile Funding and Governance	Adaptive Risk, Responsible AI & Cyber Controls	
Right reskilling of workforce	Ongoing reskil & upskilling	ling Future-rea structure (* of the Fu	ady org Ne 'Pyramid pra iture'') recru	ext-gen talent actices (skills, iiting & rewards)	
Right human enablers and improvement loop	Improvement on biggest	loop focused bottleneck	C Te	<b>ech enablement team(s)</b> entify top bottlenecks and	propagate best practices

Source: State of GenAI Across Engineering Survey (N=100 CIOs/CTOs and 300 engineers), January 2025.

Scaling AI adoption in companies requires a carefully maneuvered strategy. BCG outlines 4 key pillars of scaling AI adoption from initial interest to measurable impact - process standardization, tailored skill-building, clear value proposition articulation, and behavioral nudges.

### From Interest to Impact: Winning playbook to scaling adoption (The "HOW")



Standardize processes to ease implementation

#### Process & data standardization

Common data schemas, taxonomies

Defined delivery modules

Reusable workflows

#### Tool & platform standardization

Similar tools across teams to reduce integration complexity Integrate AI into widely used platforms (e.g., Jira, SFDC, Adobe)

Shared APIs and libraries

Source: BCG case experience.



Implement tailored training for skill building

#### Training & Upskilling

Gen AI Basics and prompt engineering master classes Solutioning Masterclasses: Showcase tool capabilities

Customized learning paths

#### Systemic support

Contextualized solutioning assistance via experts for tools

Query resolution via helpdesks, Gen AI enabled digital tools

Provide repositories and Video documentation



Scientific tracking for value proposition articulation

#### Client output related metrics

Develop self-service calculator for clients

Interactive client dashboards for real time updates

#### Team metric tracking

Periodic benchmarking Reports/Mailers

Developer satisfaction survey

Behavioral nudges to overcome psychological barriers

#### Incentives

Tool adoption to be factored in performance reviews

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Rewards programs

#### CoE setup & executive sponsorship

Transition coaching

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PMO & Governance

Companies can leverage several behavioral interventions across the GenAI journey to drive adoption & sustaining momentum. The illustration highlights key milestones, emotional shifts and targeted interventions, ultimately transitioning users from basic activation to a GenAI-first mindset. It also emphasizes on the importance of managing sentiment, peer learning, and role-specific nudges to drive sustained usage.

### Example | Behavioral interventions across the journey to drive sustained AI use



#### Several other personas (e.g., senior leaders, team leads) also critical to orchestrating change journey

**Source:** State of GenAI Across Engineering Survey (N=100 CIOs/CTOs and 300 engineers), January 2025. <sup>1</sup>Behavioral milestones are not necessarily sequential.

**Risks to Watch:** Even top-performing organizations are not immune to risks that can stall or even reverse AI progress. One common barrier is pilot fatigue — a cycle where promising AI initiatives remain stuck in experimentation due to a lack of clarity on how to scale, absence of business ownership, or misalignment with strategic goals. At the same time, fragmented tooling and siloed deployments often result in inconsistent user experiences, duplicative effort, and mounting technical debt that becomes harder to unwind over time.

As adoption of GenAI grows, governance challenges come to the forefront. Without clear guardrails, companies risk privacy violations, fairness concerns, biased outputs, and reputational fallout, especially in consumer-facing use cases. The most advanced organizations recognize that true AI maturity is not just about deploying models—it's about embedding them responsibly. These leaders invest equally in capability building and control mechanisms —including explainability, compliance frameworks, and ethical review processes, ensuring they can move with speed and confidence without compromising trust, security, or long-term sustainability.

## Looking Ahead – Outlook and New Frontiers

Al is unleashing a storm of activity across the business landscape—cutting across sectors like finance, healthcare, media, retail, and real estate. We're no longer in the realm of hype; real traction is visible, real outcomes are emerging, and serious dollars are starting to flow. Business models are being rewritten, value chains restructured, and new categories are born overnight. This is a moment of inflection, and the message couldn't be clearer: Al is not a side project, it's the next growth engine. Those who move fast will lead; those who hesitate will watch opportunity and market shares slip away. The winners are already deploying Al against sharp, high-impact problems, running agile pilots, failing fast, learning faster, and scaling only what works. In this era, speed isn't just a strategy, it's survival.

For Indian business leaders, the call to action is urgent and absolute. Now is the time to double down: craft a focused AI strategy tied to business outcomes, invest in top-tier talent and scalable data infrastructure, and drive a culture of experimentation at every level. Don't try to build everything alone—partner with startups, technology leaders, and academia to accelerate your edge. Lead from the front. Act decisively. Make bold bets—but demand ROI. This is India's opportunity to lead the global AI wave—not by watching from the sidelines, but by rewriting the playbook. The companies that embed AI deep into their core will define the next decade of growth—not just for themselves, but for the nation.

## Sources

The data & insights has been sourced from BCG's research, proprietary knowledge base and case experience. Other secondary sources outlined below:

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## About the Authors

**Kanchan Samtani** leads the Principal Investors & Private Equity (PIPE) and Corporate Finance & Strategy practices in APAC and is a core member of the Technology, Media & Telecom (TMT) practice. Samtani.Kanchan@BCG.com.

**Mandeep Kohli** is a Managing Director & Partner in the New Delhi office of BCG. He is a core member of Telecommunications, Media & Technology (TMT) practice and has led many projects in the Growth Tech space. Kohli.Mandeep@bcg.com.

**Roshni Rathi** is a Managing Director & Partner in the Mumbai office of BCG. She is a core member of Principal Investments & Private Equity (PIPE) practice. Rathi.Roshni@bcg.com.

**Shaleen Sinha** is a Managing Director & Partner in the Bangalore office of BCG. He is a core member of Growth tech practice and has led many projects in this practice. Sinha.Shaleen@bcg.com.

**Karan Chadha** is a Partner in the New Delhi office of BCG. He is a core member of Growth tech practice and has led many projects in the Telecommunications, Media & Technology (TMT) practice. Chadha.Karan@bcg.com.

Special Mention:

Augustya Mudgal

Heena Acharya

**Rishabh Dusad** 

#### For Further Contact

If you would like to discuss this report, please contact the authors.

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