Viorum

Investment Banking Advisory for the Intelligent Economy SM

Navigating the Intelligent Economy

Spring 2026 Edition

A quarterly Perspective on the structural forces reshaping competitive positioning, valuation, and strategic timing across AI-defined markets in the lower middle market.

Key Takeaways

- **The AI Premium Is Bifurcating.** The performance gap between AI-Architected and AI-Native enterprises on one side and AI-Constrained enterprises on the other appears to be widening into a valuation gap. More than half of companies report no measurable return from AI investment, while survey data indicates that certain structurally advanced companies have historically reported materially higher revenue growth and shareholder returns. That disparity is now visible in transaction markets: nearly half of technology deals carry an AI rationale, and 70% of buyers in one survey report having walked away from at least one deal based on AI exposure concerns. The window for the AI-Constrained to reposition may be narrowing.
- **The New Competitive Moat Is Architectural.** In our analysis, durable advantage is compounding around three interlocking factors: proprietary data that improves with use, learning loops that accelerate decision-making, and deployment speed that builds over time. A fourth reinforcing dimension, Perimeter Intelligent Architecture, is emerging as energy costs rise, regulatory requirements expand, and enterprise demand shifts toward bounded, localized processing. Traditional moats remain relevant but may be increasingly insufficient on their own.
- **Strategic Inflection Signals Demand Attention.** When these signals converge, they may indicate that the current playbook is losing fit with the market. Delay can preserve optionality in the short term but may carry rising opportunity cost as compounding advantages widen the gap. CEO confidence in revenue growth has fallen to a five-year low. In our view, the question worth examining is which signals are active and what they imply for timing.
- **The Judgment Premium Is Rising.** As AI distributes analytical capability broadly, the competitive premium on those tools compresses. What does not compress is the premium on judgment: the capacity to weigh strategic trade-offs involving incomplete information, organizational dynamics, and sector-specific context. AI may provide better inputs. Judgment can provide better decisions. The outcomes that matter most tend to emerge from the disciplined combination of both.

Introduction

The global economy has entered a structural era shaped by the convergence of artificial intelligence, data infrastructure, and automation. At Viorum, we call this the Intelligent Economy. It is reshaping how value is created, defended, and ultimately transacted. Our focus is on where this shift tends to be the most acute: technology, software, and technology-enabled services sectors in the lower middle market.

Artificial intelligence has moved from a question of adoption to a question of architecture. For founders and operators in the lower middle market, the AI Premium is bifurcating along AI-readiness lines. We observe that companies successfully restructured around AI or built from inception with AI often position themselves favorably in competitive markets and during transaction evaluations. Those that have not may find their strategic options narrowing.

The data points in a consistent direction. More than half of companies report zero payoff from AI investment, while a narrow cohort classified as structurally advanced has historically reported 1.7x higher revenue growth and 3.6x stronger shareholder returns relative to peers. These outcomes reflect specific survey conditions and should not be read as projections.[1, 2] The architectural conversation has itself advanced; leading institutions now describe the next phase as agentic AI, where autonomous systems are restructuring not just workflows but decision-making itself.[3, 4]

This edition examines the bifurcation of the AI Premium across lower middle market technology sectors. It advances five areas: how bifurcation is reshaping valuation and transaction outcomes; three enterprise archetypes as a structural framing lens; the Compounding Architecture framework that explains how durable advantage builds; Perimeter Intelligent Architecture as an emerging reinforcing dimension; and Strategic Inflection Signals that help leadership teams recognize when the current playbook is losing fit with the market. It closes with why the premium on judgment is rising as AI distributes analytical capability, compresses decision cycles, and introduces governance demands that leadership frameworks have not yet absorbed.

The data cited throughout this Perspective is drawn from third-party research sources identified in the Endnotes. These figures reflect the methodologies and conditions of their respective studies and should not be treated as projections applicable to any individual company.

In our advisory work, we observe three distinct enterprise archetypes emerging in the Intelligent Economy. These describe structural conditions that inform competitive trajectory, valuation dynamics, and available strategic options.

The AI-Architected Enterprise seeks to build structural foundations beyond surface-level adoption, aiming to use artificial intelligence as a catalyst for innovation, though achieving this requires navigating significant integration and execution risks.

The AI-Native Innovator was designed from inception with AI as its central operating thesis. Unburdened by legacy technical debt, these enterprises carry AI as foundational DNA, though they face distinct risks including market timing uncertainty, capital intensity, and the challenge of proving unit economics at scale.

The AI-Constrained Enterprise is defined by siloed data pipelines, compounding technical debt, and surface-level deployment. Unable to realize measurable ROI or scale beyond isolated pilots, these companies face a widening valuation gap and a narrowing window in which to address structural limitations.

A note of balance is warranted. Pursuing AI-Architected status carries its own material risks. Integration failures, misallocated capital, organizational disruption, and the opportunity cost of pursuing the wrong AI strategy have produced negative outcomes for companies that moved too aggressively or without sufficient planning. Not every company's strategic context calls for the same pace or depth of AI integration.

With that context, the bifurcation plays out along these lines. In our advisory experience, we generally observe that AI-Architected and AI-Native firms tend to align with the premium side of valuations, while AI-Constrained firms often face valuation headwinds. The distance between them appears to be growing, and the factors that determine category placement are increasingly structural rather than discretionary.

The Valuation Shift: The Bifurcation of the AI Premium

If the factors that separate premium from compressed are structural, the evidence should be visible in performance data, capital flows, and transaction behavior. Based on the data reviewed, it is. And the pattern appears to be sharpening.

The adoption data tells one story. Organizational AI adoption reached 88% in 2025, up from 78% the prior year.[5] Generative AI reached 53% population adoption within three years, faster than the personal computer or the internet. Private AI investment in the U.S.

surged to $285.9 billion, part of $581.7 billion in total global corporate AI investment, a 130% increase over the prior year.[5] The capital markets have registered a clear directional view. But adoption data can mislead. Deployment does not equal transformation, and this distinction is where the bifurcation begins.

The performance data quantifies the divide. A narrow cohort, roughly 5% classified as structurally advanced, has reported 1.7x higher revenue growth and 3.6x stronger shareholder returns relative to peers.[2] These outcomes reflect specific conditions and should not be read as projections. The contrast is what matters: 60% of companies remain stagnant in AI maturity, more than half report zero payoff, and only 12% of CEOs say AI has delivered both cost and revenue benefits.[1, 2] CEO confidence in revenue growth has fallen from 56% in 2022 to 30% in 2026, a five-year low.[1]

The window for pragmatic timing appears to be narrowing, as compounding advantages may become increasingly difficult to replicate over time.

Where Returns Are Concentrating

The implication is not that AI is overhyped. Returns are concentrating. AI is becoming a foundational input, much as cloud computing once did, where access is increasingly universal but competitive advantage accrues to those who integrate it most deeply into their operating model.[6] In the Intelligent Economy, AI functions not as a tool applied to discrete workflows but as what we term AI as a structural variable. In our analysis, it is reshaping business models, redefining what may constitute a defensible competitive position, and compressing the timeline on which market dynamics play out. Not every sector is affected at the same pace, and not every organization faces the same exposure.

Consider where value concentrates. Roughly 70% of AI's potential economic value sits in core business functions: R&D, manufacturing, sales, and digital marketing.[2] This is not about adding chatbots to customer service. It is about restructuring the functions that generate revenue and margin. Structurally advanced firms have already deployed 62% of their AI initiatives, compared to just 12% among those further back in the maturity curve.[2] The gap is widening. Deployment at scale introduces its own risks, but the potential cost of inaction may be rising.

The Agentic Acceleration

Agentic AI is compressing the timeline on which these structural advantages compound. The length of tasks AI systems can reliably complete has doubled approximately every seven months since 2019 and every four months since 2024.[7] That acceleration has a

direct competitive consequence: AI-Architected and AI-Native firms can move from insight to execution in cycles that AI-Constrained competitors cannot match. In our analysis, the gap is no longer just structural; recent data suggests it may be widening. Execution risk remains material, and organizational and cultural readiness often determine whether speed translates to value. But the direction is clear: nearly three-quarters of companies now plan agentic AI deployment within two years.[8]

For lower middle market companies, this creates a pointed competitive dynamic. AI-Native Innovators can reset unit economics in established verticals. DeepSeek and comparable open-source models grew from approximately 1% to 15% combined market share in twelve months, achieving comparable performance at development costs under $6 million and inference costs approximately 27 times lower than leading proprietary alternatives.[9, 10] In AI-defined markets (sectors where AI capabilities are the primary basis of competition and value creation), cost structures and performance benchmarks can shift in months rather than years. For incumbents in vertical SaaS and technology-enabled services, one question worth examining is whether they can become AI-Architected: embedding data, workflows, and deployment velocity into a competitive architecture that compounds faster than a new entrant can erode it. That transition carries its own risks, including significant capital requirements, integration complexity, and the organizational disruption that accompanies structural change.

Infrastructure Economics as a New Axis

A parallel axis of bifurcation is emerging around infrastructure economics. AI's energy footprint is concentrating attention on the sustainability of cloud-dependent architectures. Data center power load is expected to nearly double between 2023 and 2026, reaching 96 gigawatts globally, with AI operations consuming over 40% of that capacity.[11, 12] AI data center power capacity has already reached 29.6 GW, roughly what it takes to power the state of New York at peak demand, and the environmental cost is compounding alongside it.[5] For lower middle market companies, this has a practical consequence. Companies whose AI architecture requires significant cloud compute face rising and increasingly unpredictable infrastructure costs. Companies that have shifted inference to the edge, deploying small, task-specific models on low-power hardware, may be building a structural cost advantage, one that could widen if energy constraints continue to tighten. The edge AI market is projected to grow at a compound annual rate exceeding 21% through 2033.[13] This is not a niche concern. It is a new dimension of the bifurcation, and it may favor AI-Architected and AI-Native firms whose architectures were designed, or have been deliberately restructured, for distributed deployment.

How the Bifurcation Is Reaching Transaction Markets

This competitive bifurcation is now registering directly in how companies are valued and transacted. Traditional frameworks centered on trailing EBITDA, comparable multiples, and revenue growth remain relevant, but they are increasingly incomplete when applied to companies whose competitive architecture is structurally defined by AI. Product cycles are compressing; what once required eighteen to twenty-four months can in many cases be achieved on a much shorter timeline, benefiting companies with tight learning loops while creating headwinds for those whose cadence assumes traditional development timelines.[14]

Proprietary data is registering as a distinct value driver. Organizations treating data as a formal strategic asset achieve two to three times the return on investment of peers that do not.[15] In lower middle market transactions, we observe that buyers and investors are increasingly scrutinizing data quality, provenance, and strategic optionality alongside traditional financial metrics.

The M&A market reflects the bifurcation directly. Almost half of all technology deals now carry an AI rationale, and one in five strategic acquirers have walked away from a deal because of AI's anticipated impact on the target's business.[16] In a separate survey, 70% of respondents backed out of at least one active deal based on AI exposure concerns, and performance-linked structures are increasingly used to bridge AI valuation gaps in technology transactions.[17] For founders and operators, the practical implication is this: the window during which AI capabilities and data infrastructure are treated as incremental upside rather than baseline expectations is narrowing. Companies that remain AI-Constrained risk being valued accordingly. Transaction outcomes remain dependent on process quality, timing, and competitive dynamics, but the lens through which buyers assess targets is shifting.

How buyers are applying these new valuation lenses and the specific metrics that distinguish premium outcomes from compressed ones is the subject of our forthcoming analysis of *Valuation Architecture in the Intelligent Economy*.

The New Competitive Moat: Compounding Architecture

What separates companies on the premium side of the bifurcation from those on the compressed side? In our analysis, the emerging foundation for sustained competitive advantage rests on three compounding factors: what we call the Compounding Architecture framework. This is a proprietary analytical framework, not a predictive model;

it reflects our observation of patterns across advisory engagements and third-party research. Unlike traditional moats such as scale, distribution, or proprietary technology, these factors tend to strengthen with use. Building them requires time, capital, and organizational commitment, and there is no certainty that any individual firm will achieve the same results as the data-driven composites cited in third-party research.

The first is proprietary data: data uniquely generated, curated, or enriched through a company's operations. The value lies not in volume alone but in exclusivity, context, and the degree to which it enables differentiated insight or product capability. The market increasingly reflects this: data monetization strategy adoption has expanded from 16% to 65% of organizations between 2023 and 2025,[15] a recognition that proprietary data is becoming a foundational pillar of AI-era business models.[7]

The second is continuous learning loops: the capacity of systems and teams to improve through iterative feedback. Companies with effective learning loops don't just deploy AI; they build environments where each interaction, transaction, or data point informs the next decision.[18] Among high-performing firms, 55% fundamentally reworked processes when deploying AI, nearly three times the rate of other organizations.[3] This level of organizational change is itself a source of execution risk, and not every firm is positioned to absorb it at pace.

The third is deployment speed: the velocity with which a company translates insight into operational change. In compressed markets, the interval between recognizing a shift and acting on it has material consequences.[7, 19] Deployment speed reflects decision-making cadence, organizational agility, and the capacity to move from analysis to execution. Firms that move quickly without adequate governance introduce their own risks, but firms that move slowly in consolidating markets face a different kind of exposure.

Unlike traditional moats, proprietary data, continuous learning loops, and deployment speed can compound with use rather than erode with competition.

These three factors form the core of the framework. Recent research identifies additional reinforcing dimensions: organizational plasticity (the capacity to restructure operations around AI at pace) and workflow ownership, where companies embed AI into the systems and processes their clients depend on, building switching costs that compound over time.[20] A further reinforcing dimension is emerging that cuts across all three compounding factors. We call this Perimeter Intelligent Architecture (PIA). This framework, which reflects our analysis of converging technology and regulatory trends, ensures AI processing

remains confined within secure, localized boundaries. It is enabled by three converging capabilities: confidential computing, which uses hardware-isolated enclaves to encrypt data during processing; edge computing, which pushes inference outward to servers physically closer to data generation; and on-device AI, which runs models entirely on local user hardware. While each layer offers distinct trade-offs regarding computational power, privacy, and control, they share a unified structural logic: bring the intelligence to the data and never let sensitive information cross the perimeter.

Bring the intelligence to the data. Never let sensitive information cross the perimeter.

The product architecture shift is already measurable. By 2027, organizations are projected to use small, task-specific AI models three times more frequently than general-purpose LLMs.[21] According to recent industry benchmarks, sub-billion-parameter models now handle tasks that required 7 billion parameters eighteen months ago, running on chips achieving 26 tera-operations per second at 2.5 watts. On-device deployment is cutting cloud costs by up to 70% in early implementations.[13, 21]

For AI-Architected and AI-Native enterprises, Perimeter Intelligent Architecture can compound across all three factors. On-device deployment deepens proprietary data advantages without regulatory exposure. Local inference tightens learning loops by eliminating cloud latency. These benefits come with trade-offs: on-device deployment constrains model complexity, edge infrastructure introduces maintenance overhead, and not every workload is suited to distributed processing. Where PIA does apply, regulatory readiness becomes a deployment speed advantage: companies structured for EU AI Act compliance can enter regulated markets while cloud-dependent competitors face conformity timelines measured in quarters. Early conformity assessment can reduce ongoing costs by 15 to 25 percent; misclassified systems increase outlays by 20 to 40 percent.[22, 23] The AI-Constrained, lacking the architectural foundation for bounded processing, remain dependent on centralized infrastructure whose constraints are tightening on every axis.

The bifurcation is structural. The Compounding Architecture framework, as we define it, offers one lens for understanding how advantage may build. The question that remains is more immediate: how does a leadership team recognize where its own company sits within this shift, and when the window for action is narrowing?

The Diagnostic: Identifying Your AI-Driven Inflection Point

An inflection point is not a crisis. It is a signal that the current playbook is losing fit with the market. In our experience advising technology and AI-enabled services companies, most firms navigating the Intelligent Economy encounter one or more recurring signals: what we refer to as Strategic Inflection Signals. These are not diagnoses or recommendations; they are frames for structuring strategic attention.

Viorum identifies nine recurring signals in the Intelligent Economy: the Capability Gap (client demand outpacing AI or data capabilities), the Growth Plateau (expansion flattening as markets consolidate around platforms), the Generational Competitor (an AI-Native resetting unit economics), the Data-Rich Insight-Poor problem (valuable data locked in legacy systems), the Unsolicited Offer (a buyer approaching with terms that discount strategic option value), the Leadership Bandwidth Limit (growth trajectory outpacing leadership capacity), the Regulatory Inflection (compliance reshaping product architecture), the Agentic Transition (autonomous AI systems restructuring workflows and economics), and the Operating Model Obsolescence Point (internal cost structure and staffing model falling out of step with AI-enabled peers as benchmarks reset across the sector).

The Capability Gap emerges when client demand outpaces a company's AI or data capabilities, and the binding constraint shifts from whether the technology exists to whether the organization can integrate it at the pace the market requires. The Growth Plateau appears when steady expansion flattens, sales cycles lengthen, and go-to-market tactics produce diminishing returns, often as markets consolidate around platforms. The Generational Competitor arrives when an AI-Native Innovator resets unit economics in your market, operating on a fundamentally different architecture that incumbents cannot replicate incrementally.[9]

The Data-Rich, Insight-Poor problem describes organizations sitting on years of valuable proprietary data that remains locked in legacy systems: unmonetized, underutilized, and invisible as a strategic asset.[15] The Unsolicited Offer surfaces when a buyer approaches with terms anchored to trailing EBITDA, discounting the strategic option value embedded in data assets and AI roadmap. The Leadership Bandwidth Limit hits when a company's growth trajectory or the technical demands of AI integration outpace leadership's capacity, and execution quality shows strain.[5]

The Regulatory Inflection has sharpened materially. The EU AI Act's high-risk obligations take full effect in August 2026, with penalties reaching €35 million or 7% of global turnover.[22] US state-level legislation continues to fragment. But the regulatory inflection is broader than compliance cost: it is restructuring product architecture. Companies designed for on-device deployment and data sovereignty find that regulation validates their trajectory. Companies dependent on centralized cloud AI face a compliance burden that compounds with each new jurisdiction. In one industry survey, 93% of US executives reported actively redesigning their data stacks, driven by a convergence of regulatory, sovereignty, and infrastructure concerns.[22, 24]

And the Agentic Transition captures the shift from tool-based AI to autonomous systems that restructure workflows, compress cycle times, and alter the economics of service delivery. The acceleration is measurable: in one benchmark study, the success rate of AI agents handling real-world tasks improved from 20% to 77.3% in a single year, with cybersecurity agents reaching 93% effectiveness under controlled conditions.[5, 7, 8]

The Operating Model Obsolescence Point emerges when a company's internal cost structure and staffing model fall out of step with what AI-enabled peers are demonstrating. It is distinct from the Agentic Transition: where the latter describes how AI restructures workflows externally, this signal is inward-facing. Major technology incumbents have initiated significant workforce reductions tied explicitly to AI-driven productivity gains rather than cyclical demand weakness. When well-capitalized operators restructure their own delivery cost base in response to AI capability, they reset the benchmark. Buyers, investors, and competitors recalibrate expectations for headcount ratios, gross margins, and delivery economics across the sector. For lower middle market companies, the reference model for what a comparable business should look like has moved, and the diligence implications follow.

These signals are not mutually exclusive. A capability gap may compound into a growth plateau; a data-rich, insight-poor problem can suppress the valuation narrative precisely when an unsolicited offer arrives. The agentic transition cuts across nearly all of them, intensifying the capability gap, accelerating the generational competitor dynamic, and raising the stakes on leadership bandwidth, while the operating model obsolescence point often follows as leadership teams delay translating that capability into structural change. The diagnostic value lies in recognizing which signals are active and how they interact within your specific context.

A detailed diagnostic framework for assessing these signals in the context of your specific business, including the Viorum Strategic Options Quadrant, follows in our companion *Strategic Transitions Perspective*.

Recognizing which inflection signals are active is the first step. The harder question is what to do about them, and that depends less on the sophistication of the analysis than on the quality of the judgment applied to it.

The Role of Judgment in the Intelligent Economy

When every participant has access to sophisticated models and automated analysis, the competitive premium on those tools compresses. What does not compress is the premium on judgment.

AI processes volume, identifies patterns, and generates options. What it does not do, at least not yet, is weigh strategic trade-offs involving incomplete information and the contextual understanding that comes from years of operating in a specific sector. The decision of whether to pursue an acquisition or how to position for a transaction requires the capacity to synthesize data with experience and act with conviction when analysis is inconclusive.

Yet the nature of decision-making itself is being restructured. By 2027, AI agents are projected to augment or automate half of all business decisions.[25] The distinction that matters is no longer between fast and slow decision-making, but between AI-augmented deliberation and unaugmented deliberation; the latter may become a competitive liability.

The evidence on this point is instructive. Executives using generative AI produced worse forecasts than peers who deliberated collaboratively, because the AI's authoritative tone reduced the perceived need for dissent.[26] Eighty percent of organizations have encountered risky behavior from AI agents, and of thirty agentic systems reviewed in one comprehensive index, twenty-five disclosed no results from internal safety investigations.[27,28] The transparency problem is worsening: the Foundation Model Transparency Index dropped from 58 to 40 points year-over-year, 80 of the 95 most notable models launched in 2025 were released without their training code, and over 90% of notable AI models are now created by private companies.[5]

When the systems themselves are less transparent, the premium on human judgment in evaluating, governing, and deciding when to trust AI outputs rises accordingly. Speed without governance introduces compounding risk; what researchers describe as silent

failures, where AI systems make cascading errors that do not trigger alerts. The corrective is deliberate: leaders who maintain decisional authority, treat AI outputs as analytical inputs rather than conclusions, and preserve the deliberative processes that complex strategic decisions require.

For founders and operators navigating inflection points, senior, experienced advisory is not diminished by AI. In our view, it is amplified. AI may provide better inputs. Judgment can provide better decisions. The outcomes that matter most tend to emerge from the disciplined combination of both.

The Strategic Imperative for Leaders

Better inputs and better judgment still require action. The bifurcation outlined in this Perspective is structural, not cyclical; the compounding dynamics that define the premium side accelerate as they mature. For AI-Constrained enterprises, the strategic window may be narrowing. For AI-Architected and AI-Native firms, the imperative is to sustain and deepen the advantages already in motion.

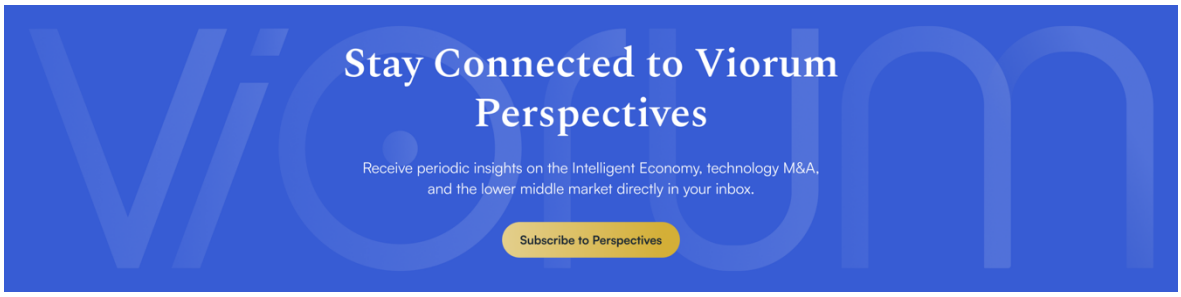
Decision cycles appear to be compressing. For AI-Constrained enterprises, deferred action may carry increasing opportunity cost, though outcomes depend on firm-specific circumstances and market conditions.[7] Four strategic pathways: capability acquisition through M&A, architectural transformation to rearchitect the operating model, a capital raise to accelerate investment, or organic development to deepen differentiation, each carry material trade-offs. Our companion *Strategic Transitions Perspective* examines each in detail.

Clarity and sequencing provide stability in uncertain markets. The aim is not to predict the future, but to position the organization to adapt as conditions evolve, from a foundation of strategic strength rather than reactive necessity. That foundation is built through disciplined attention to the compounding factors that define premium positioning, honest assessment of which inflection signals are active, and the judgment to act when the analysis points in a clear direction.

Strategic inflection signals mark moments of choice. Evidence-based decisions, informed by data, grounded in timing, and executed with discipline, may preserve flexibility and resilience. In our experience, the companies that navigate these moments with care share one characteristic: they treated the inflection point not as an interruption, but as the catalyst for their next phase of value creation.

If the themes in this Perspective resonate with your current positioning, we welcome a conversation. Reach out at collaborate@viorum.com.

This Perspective is updated quarterly. To receive future updates, subscribe below.



Endnotes

Content referenced in the endnotes is from third-party sources. Such content has not been created or endorsed by Viorum, and Viorum is not responsible for its accuracy or completeness. References to third-party research reflect general market data and do not constitute individualized projections or recommendations for any specific company.

1. PwC — 29th Annual Global CEO Survey (January 2026).
2. BCG — The Widening AI Value Gap: Build for the Future 2025 (September 2025).
3. McKinsey — The state of AI in 2025: Agents, innovation, and transformation (November 2025).
4. Accenture — Technology Vision 2025: New Age of AI to Bring Unprecedented Autonomy to Business (January 2025).
5. Sha Sajadieh, Loredana Fattorini, Raymond Perrault, Yolanda Gil, Vanessa Parli, Lapo Santarlasci, Juan Pava, Nestor Maslej, Russ Altman, Erik Brynjolfsson, Carla Brodley, Jack Clark, Virginia Dignum, Vipin Kumar, James Landay, Terah Lyons, James Manyika, Juan Carlos Niebles, Yoav Shoham, Elham Tabassi, Russell Wald, Toby Walsh, Dan Weld. "The AI Index 2026 Annual Report," AI Index Steering Committee, Institute for Human-Centered AI, Stanford University, Stanford, CA, April 2026.
6. Harvard Business Review — Competing in the Age of AI (January—February 2020).
7. McKinsey — The agentic organization: Contours of the next paradigm for the AI era (September 2025).
8. Deloitte — State of AI in the Enterprise, 7th Edition (2026).
9. Business Insider — Chinese AI lab DeepSeek massively undercuts OpenAI on pricing (January 2025).
10. Sequoia Capital — AI in 2025 (2025).
11. IEA — Energy Demand from AI (2025).
12. Uptime Institute, via Data Center Knowledge — 2026 Predictions: AI Sparks Data Center Power Revolution (2026).
13. Grand View Research — On-Device AI Market Size & Share | Industry Report, 2033 (2025).
14. McKinsey — Technology M&A: AI enters its industrial phase (2025).
15. Deloitte — Valuing data assets: Why and how to measure the value of your organization's data (December 2025).

16. Bain & Company — Global M&A Report 2026: Looking Back at M&A in 2025 (January 2026).
17. Lazard — 2025 M&A Review and 2026 Outlook (January 2026).
18. McKinsey — Seizing the agentic AI advantage (June 2025).
19. Harvard Business Review — How to Succeed in an Era of Volatility (March—April 2024).
20. Insight Partners — Building a Moat in the Age of AI (2025).
21. Dell — The Power of Small: Edge AI Predictions for 2026 (2026).
22. European Commission — EU AI Act: Shaping Europe's Digital Future (2024—2026).
23. SQ Magazine — EU AI Act Compliance Cost Statistics 2026 (2026).
24. AnalyticsWeek — AI Sovereignty: Why US Executives Are Redesigning Data Stack (2026).
25. Gartner — Top Data and Analytics Predictions (June 2025).
26. Harvard Business Review — Research: Executives Who Used Gen AI Made Worse Predictions (July 2025).
27. MIT CSAIL — The 2025 AI Agent Index (February 2025).
28. McKinsey — Deploying Agentic AI with Safety and Security (2025).

Disclaimer

This article has been prepared by Viorum Capital, LLC ("Viorum") for informational and educational purposes only and does not constitute financial, legal, tax, or other professional advice. Reading this material does not create an advisory or client relationship. You should consult your own professional advisors before making any business or investment decisions.

This article is based on public information sources believed to be reliable, but Viorum has not independently verified their accuracy or completeness. All information is provided "as is" without warranty of any kind, and Viorum expressly disclaims all liability for any errors or omissions.

The views expressed reflect Viorum's analysis as of the publication date and are subject to change without notice. Viorum assumes no obligation to update or revise this article to reflect subsequent events or conditions. This material may include forward-looking statements; actual outcomes may differ materially. Past performance is not a guarantee of future results.

Regulatory & Securities Disclosures

This article does not constitute an offer to sell or a solicitation of an offer to buy any securities. The recipient of this article agrees to the provisions of the disclaimers located at https://www.finalis.com/disclaimers, which are incorporated by reference. For the purposes of those disclaimers: (i) "Company" means Viorum Capital, LLC (and its affiliates); (ii) "Banker" means Gerald Noemdoe; and (iii) "Bank" means Finalis Securities LLC. The views and opinions expressed in this article are those of Viorum and do not necessarily reflect the views or opinions of Finalis Securities, LLC. Securities are offered through Finalis Securities LLC, Member FINRA/SIPC. Viorum Capital, LLC and Finalis Securities, LLC are separate, unaffiliated entities.

About Viorum

Viorum is an investment banking advisory firm focused on the Intelligent Economy, the convergence of AI, data, and connected platforms reshaping how technology businesses scale and create value.

We work with founders, management teams, and investors of emerging growth companies in the lower middle market. Our role is to assist clients in navigating strategic transactions and meaningful inflection points with clarity and discipline.

Viorum provides senior-led advisory across mergers and acquisitions and broader strategic alternatives. We bring a structured process and a considered point of view on market dynamics, buyer priorities, and value drivers, rooted in sector insight and hands-on execution. The same team that develops the thesis works directly with stakeholders, shapes the positioning narrative, prepares materials, and manages outreach and negotiations. Recommendations are anchored in data, operating realities, and the specific strategic objectives of our clients.

Across our engagements, we focus on helping clients articulate where they sit in the Intelligent Economy, how their products, data assets, and ecosystems create durable value, and what that implies for strategic positioning and transaction outcomes.

To learn more about Viorum, our sector focus, and how we work with founders, owners, and investors, please visit viorum.com or contact us at collaborate@viorum.com.

Viorum

Investment Banking Advisory for the Intelligent Economy SM