

The Procurement Imperative

A chief operating officer perspective

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In 2026 procurement remains central to business decision-making. But the function is at a crossroads. Procurement teams are being asked to do more: cut costs, manage disruption and drive digital change. But confidence in their ability to deliver on that broader mandate, and in its alignment with wider corporate strategy, is slipping.



The latest iteration of Economist Enterprise's research takes the pulse of the C-suite on procurement's evolving role, tracking its transformation over the past five years. The findings are anchored in a survey of 2,648 C-suite executives across Asia-Pacific, Europe, Latin America, the Middle East, the Nordics and North America, including **535 chief operating officers (COOs)**.

Artificial intelligence now shapes procurement's agenda

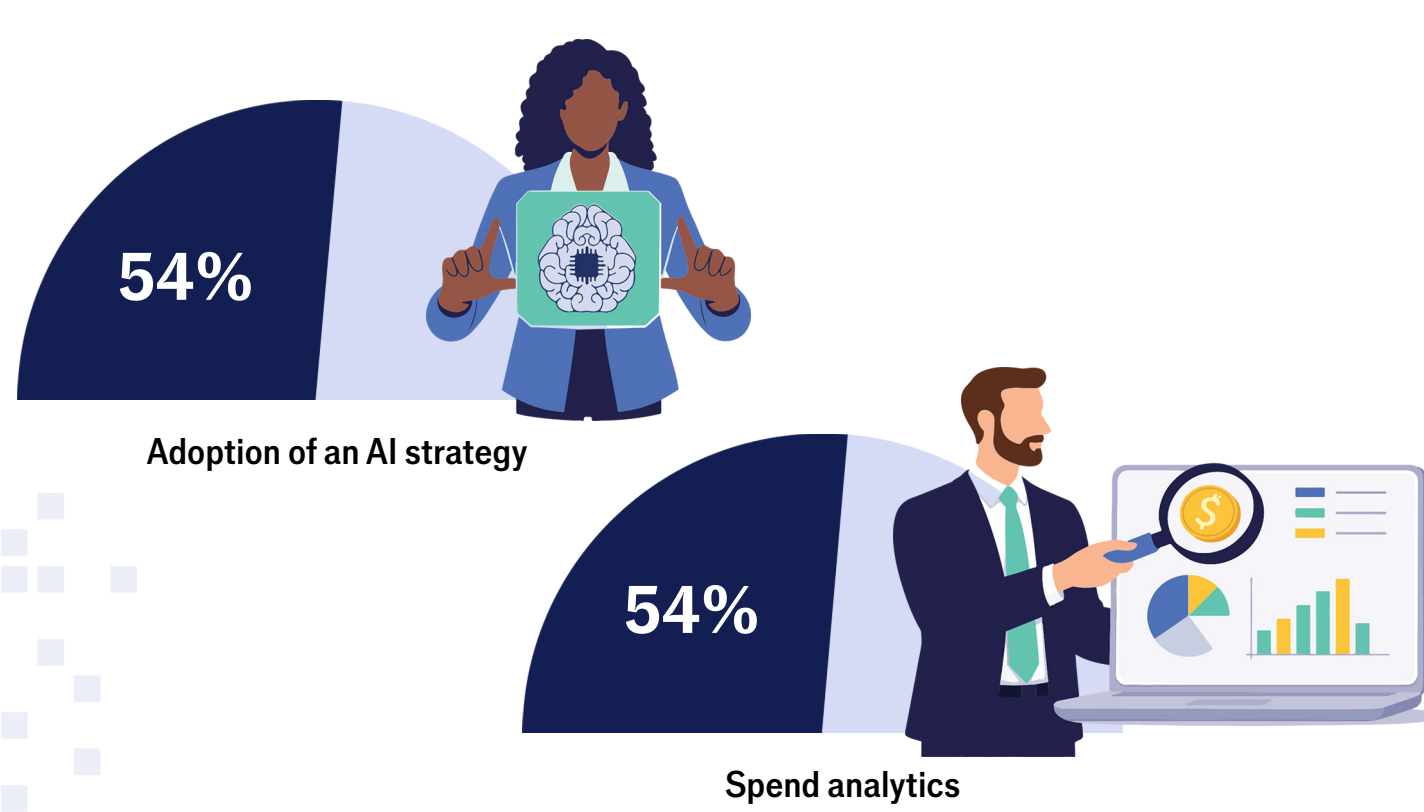
COOs increasingly see procurement as a data-led function, with digital transformation topping procurement's short-term priorities.

Top short-term strategic priorities for procurement among COOs



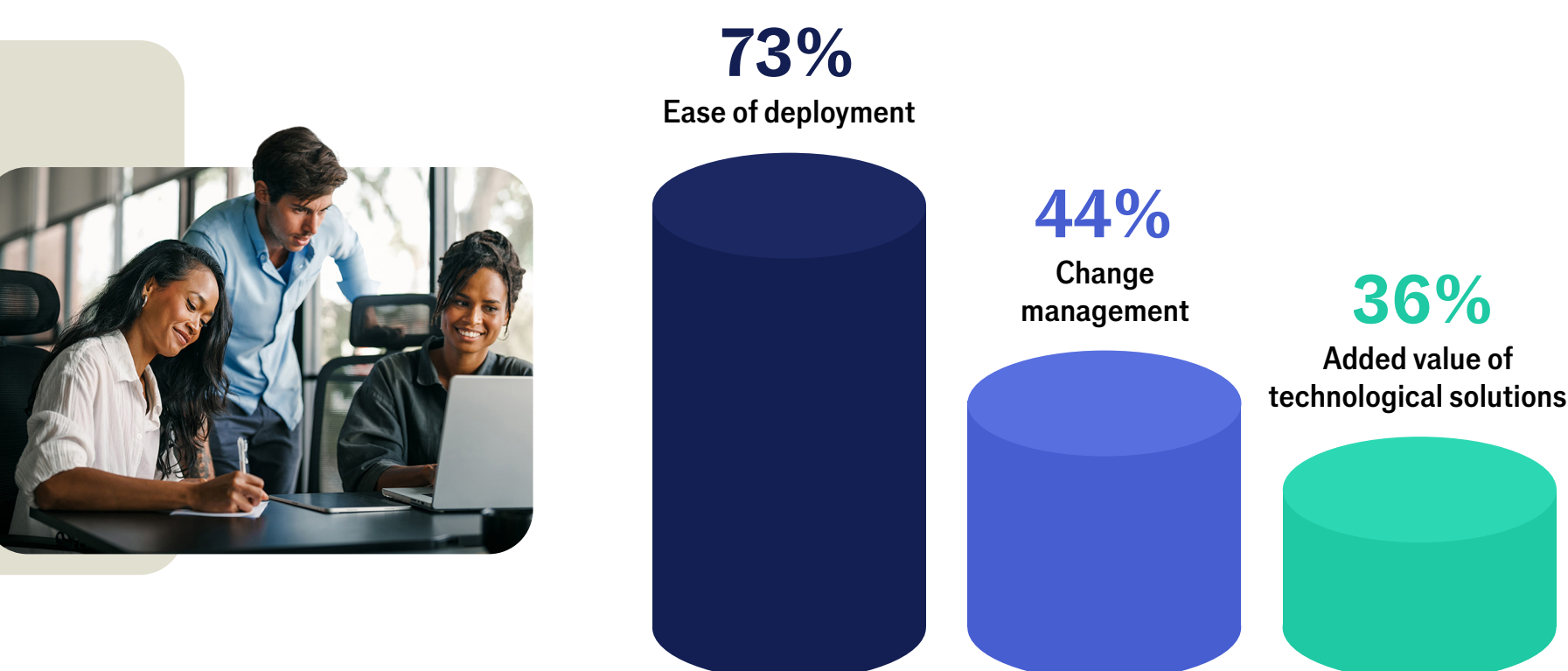
AI sits at the centre of this shift. The adoption of AI strategies and spend analytics are driving digital transformation, and agentic AI is emerging as the technology most likely to shape procurement's future.

Top drivers of digital transformation in procurement according to COOs



But AI adoption has so far yielded mixed results and faces technical obstacles.

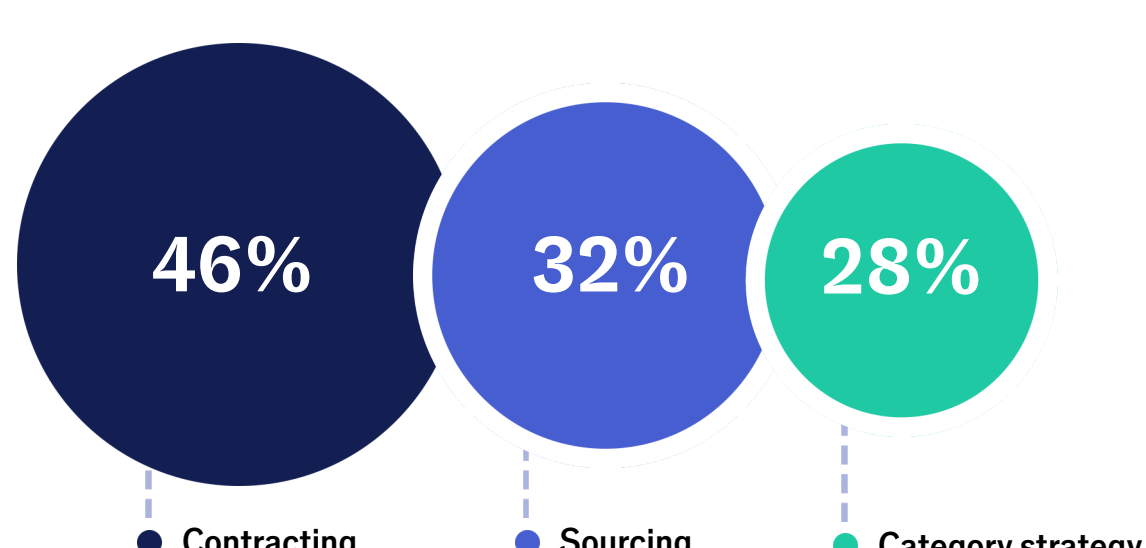
Top barriers to adopting or scaling AI according to COOs



Procurement is aiming AI at its biggest bottlenecks

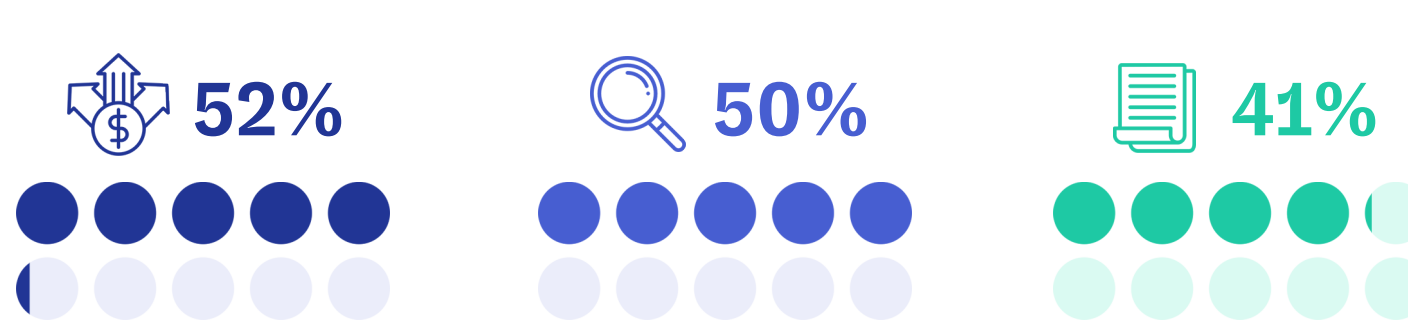
Even as AI climbs the agenda, several core processes remain stubborn sources of delay.

Areas experiencing the biggest delays in procurement processes according to COOs



COOs are pointing AI at these same pain points. The outlier is spend classification, which owes its prominence less to delay than to the data-led ambition behind digital transformation—echoing the strength of spend analytics as a driver above.

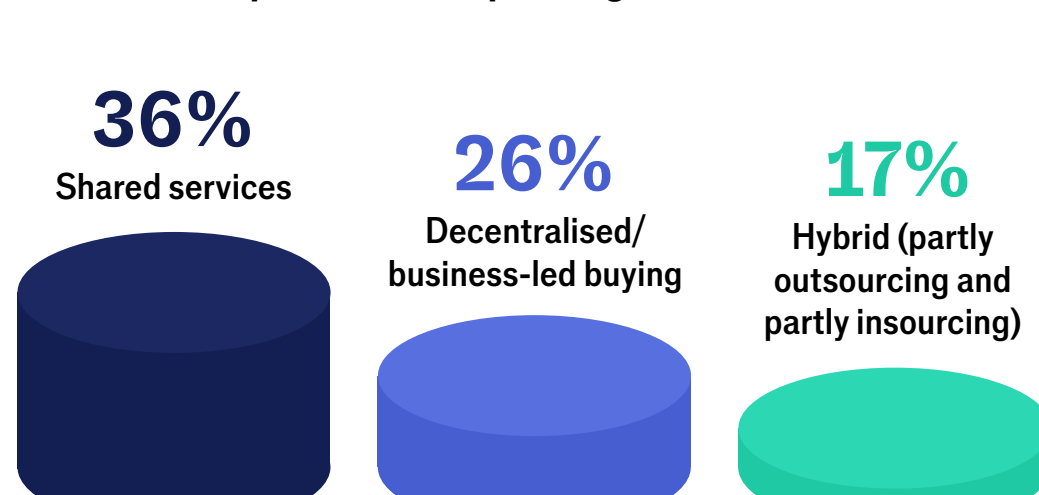
Procurement processes to be improved through the use of AI over the next 12 to 18 months according to COOs



Procurement is becoming more centralised, but not larger

For COOs, procurement's transformation is as much about operating models as technology. As organisations prepare to scale new technologies, they are rethinking how procurement is organised.

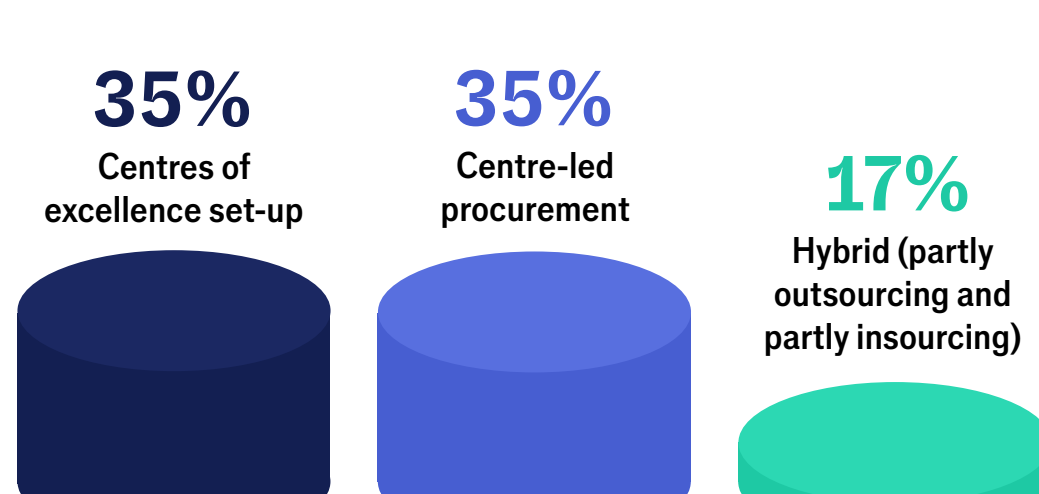
Expected evolution of the procurement operating model over the next 12 to 18 months



In the short term, organisations are balancing central control with operational flexibility. But over time, COOs expect procurement to become more centralised.

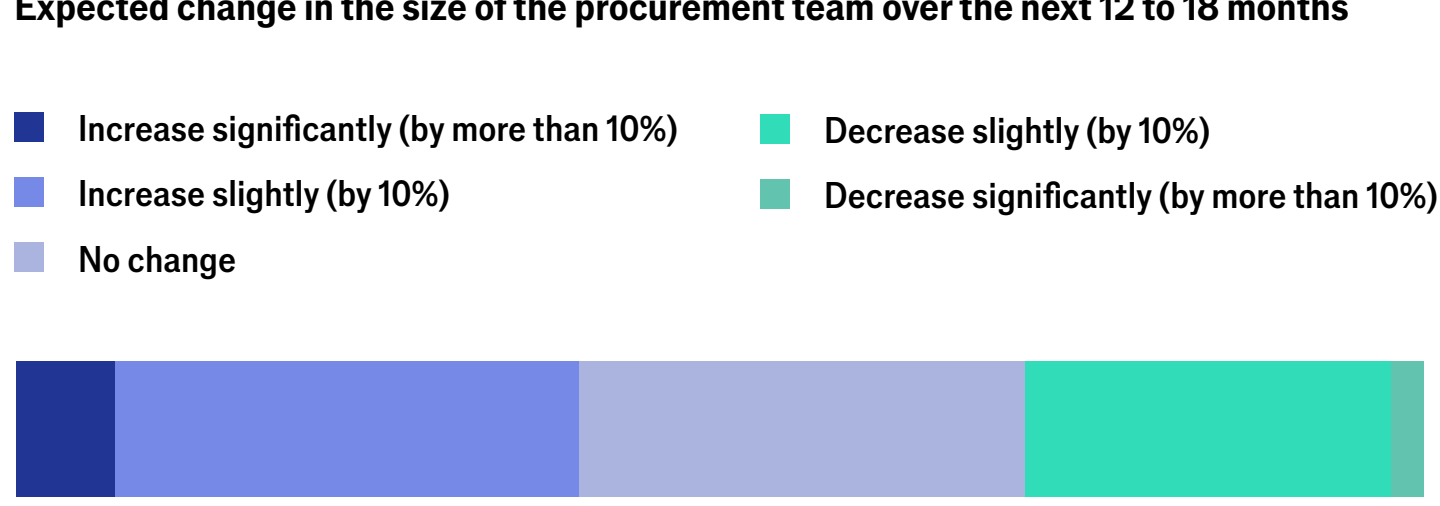
AI and advanced analytics work best when organisations can draw on consistent data, common processes and shared governance. As procurement becomes more digital, fragmented operating models may become harder to sustain.

Expected evolution of the procurement operating model over the next three to five years



Yet this shift is not expected to bring a large increase in headcount.

Expected change in the size of the procurement team over the next 12 to 18 months



Find out more about how procurement is changing—and what it means for your organisation—in our [full analysis](#).

