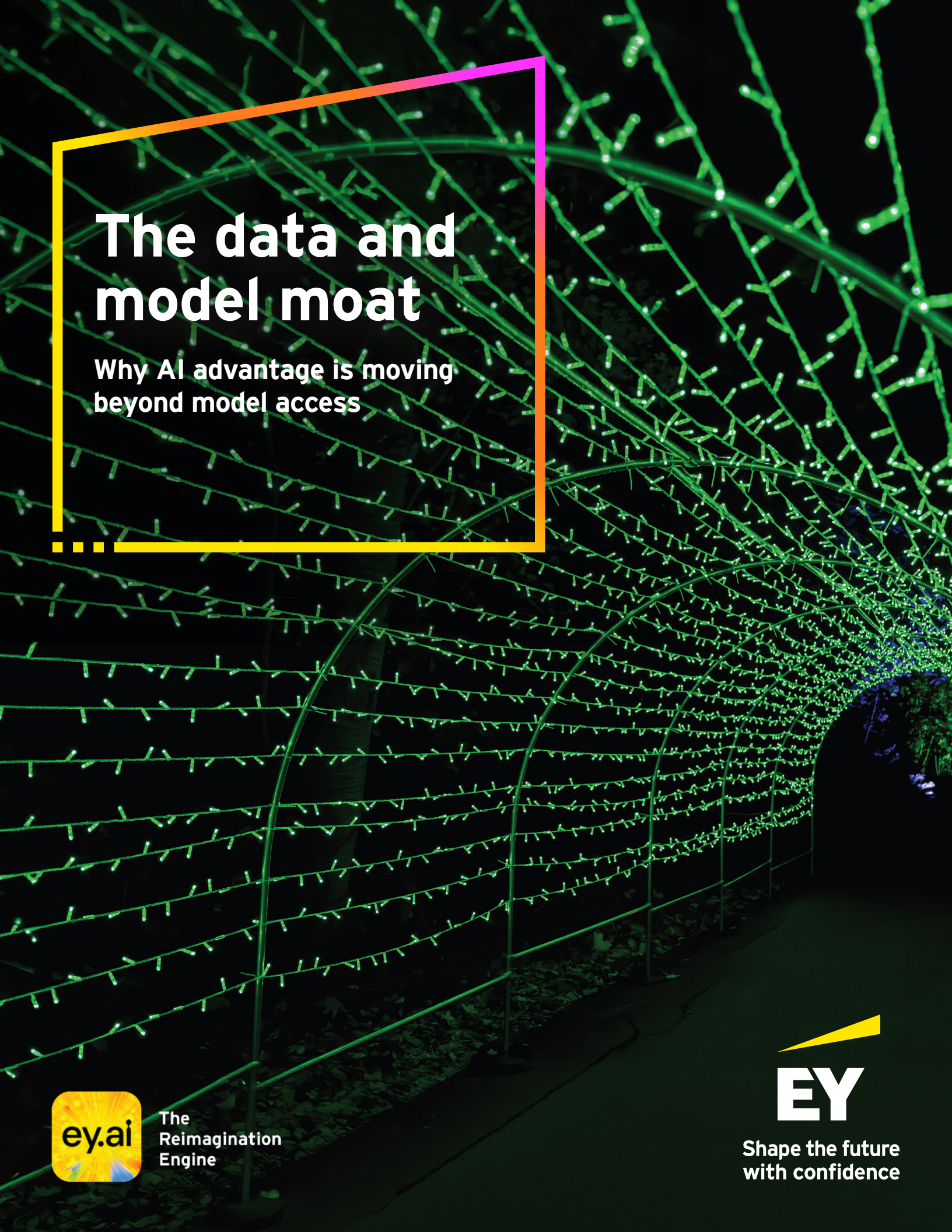




The data and model moat

Why AI advantage is moving beyond model access



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For the last two years, much of the enterprise AI conversation has centered on model access. Which frontier model is best? Which provider has the strongest benchmark performance? Which platform will define the next wave of adoption?

Those questions still matter, but they are no longer sufficient.

The more important question for tech sector leaders is becoming “What durable advantage can we build when model capability becomes more widely available and interchangeable?”

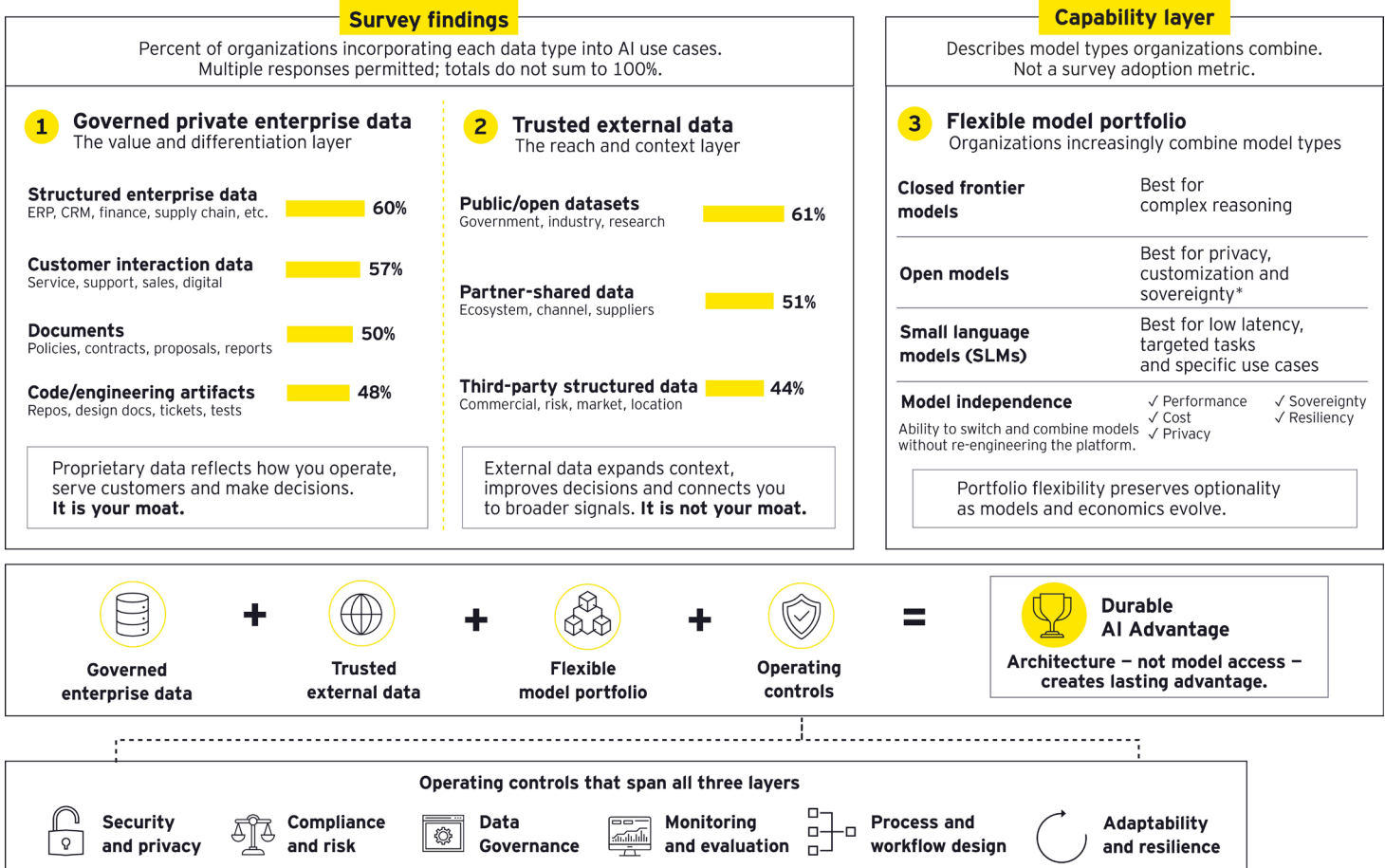
Increasingly, the answer is not simply “a better model.” The harness around the model – orchestration, retrieval and tooling – can also unlock incremental value, and model providers are already building some aspects of those capabilities into their own offerings. The more durable advantage lies in the ability to combine private enterprise data, governed external data and a flexible model portfolio in ways competitors cannot easily replicate. That is the foundation of the emerging AI moat. And increasingly, it is what enables better long-term decisions – about where to invest, how to match the right models to the

right needs and how to scale AI safely. In a market where models, economics and regulation are evolving rapidly, competitive advantage comes less from betting on a single technology and more from building an architecture that allows organizations to adapt without constantly rebuilding.

According to original EY and Oxford Economics data from a May-June 2026 survey of 1,500 global technology executives, organizations are already moving in this direction. Sixty percent of companies report incorporating structured enterprise data into AI use cases, followed by customer interaction data (56%), documents (50%) and code or engineering artifacts (48%). They are also incorporating public or open data sets (61%), partner-shared data (51%) and third-party structured data (44%).

AI is moving deeper into the operating fabric of the enterprise. It is no longer confined to copilots and chat interfaces. It is being connected to customer interactions, engineering assets, operational workflows and institutional knowledge.

Figure 1. The emerging AI moat: governed data, trusted external data, model flexibility and operating controls



* Open/self-hostable models can be run inside an organization's own environment, allowing sensitive data and inference activity to remain under organizational control and supporting privacy, data residency and sovereignty requirements.

Source: EY/Oxford Economics survey of 1,500 global technology executives, May-June 2026. Multiple responses permitted; totals may not sum to 100%.

This is where private data becomes strategically important. Proprietary enterprise data is not simply fuel for AI systems. It is the value layer. It reflects how an organization serves customers, builds products, manages risk, resolves exceptions and makes decisions. When properly governed and orchestrated, that data transforms general-purpose AI into enterprise-specific intelligence. Much of this value sits as tacit knowledge in how experienced employees serve customers, resolve exceptions and make judgment calls. Capturing that know-how in a structured, governed form so models can use it is the key step in unlocking enterprise AI value. External data plays an equally important, but different, role. It expands context. It helps organizations monitor markets, enrich customer understanding, improve forecasting and connect internal decisions to broader commercial signals. But unlike proprietary enterprise data, external data is rarely the source of sustainable competitive differentiation. It must be sourced, licensed, governed and continuously evaluated for quality, rights and provenance.

The data-specific findings reinforce the same message. Only 21% of executives described their organization’s data strategy as enterprise-grade, governed and AI-ready.

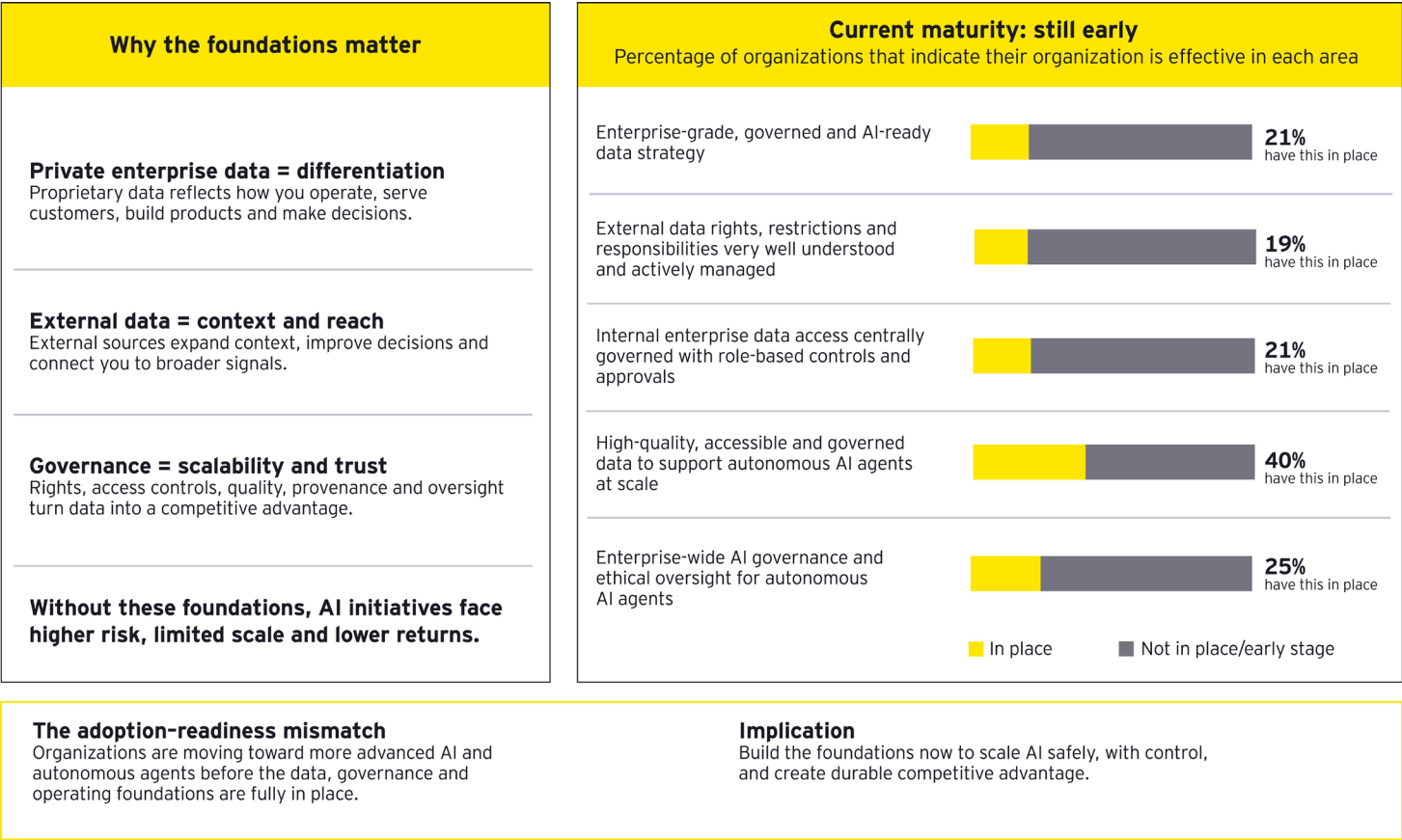
The survey suggests organizations understand this distinction. The challenge is that AI adoption is advancing faster than the operating foundations required to support it.

Consider confidence in core AI strategy capabilities – when asked how effectively their AI strategies address foundational elements, only 40% were very confident in their organization’s approach to safety, security, compliance and risk mitigation; 38% for their data strategy; 35% for responsible AI; and less than 25% for change management and adoption.

These are not peripheral capabilities. They are the foundation upon which scalable AI depends.

The data-specific findings reinforce the same message. Only 21% of executives described their organization’s data strategy as enterprise-grade, governed and AI-ready. Just 19% said the rights and responsibilities associated with external data are very well understood and actively managed. And only one in five organizations centrally govern internal data access through role-based controls.

Figure 2. The AI readiness gap: foundational data and governance capabilities remain early stage



Source: EY/Oxford Economics survey of 1,500 global technology executives, May-June 2026. Multiple responses permitted; totals may not sum to 100%.

The readiness gap becomes even more apparent when looking at autonomous AI agents.

More than three-quarters of organizations have already explored agent use cases. Nearly 60% have deployed pilots, and more than half have evaluated external providers.

Yet only 40% have confirmed their data is high quality, accessible and governed. Only 35% have implemented monitoring and control mechanisms. Just 37% have proactively redesigned business processes to support autonomous AI. And only one-quarter have established enterprise-wide AI governance and ethical oversight.

Taken together, these findings point to something broader than a governance gap. They suggest many organizations are optimizing for AI exploration, pilots and early deployment before they have established the operating architecture needed to support AI at scale.

That distinction matters.

Autonomous AI does more than generate content. It accesses enterprise systems, interprets data, executes workflows and increasingly acts on behalf of users. As AI becomes embedded across the enterprise, weaknesses in governance, monitoring, data quality or operating processes become amplified rather than hidden.

The organizations most likely to succeed will not necessarily be those deploying AI the fastest today. They will be those making

decisions that preserve flexibility as models improve, regulations evolve, economics shift and autonomous capabilities mature.

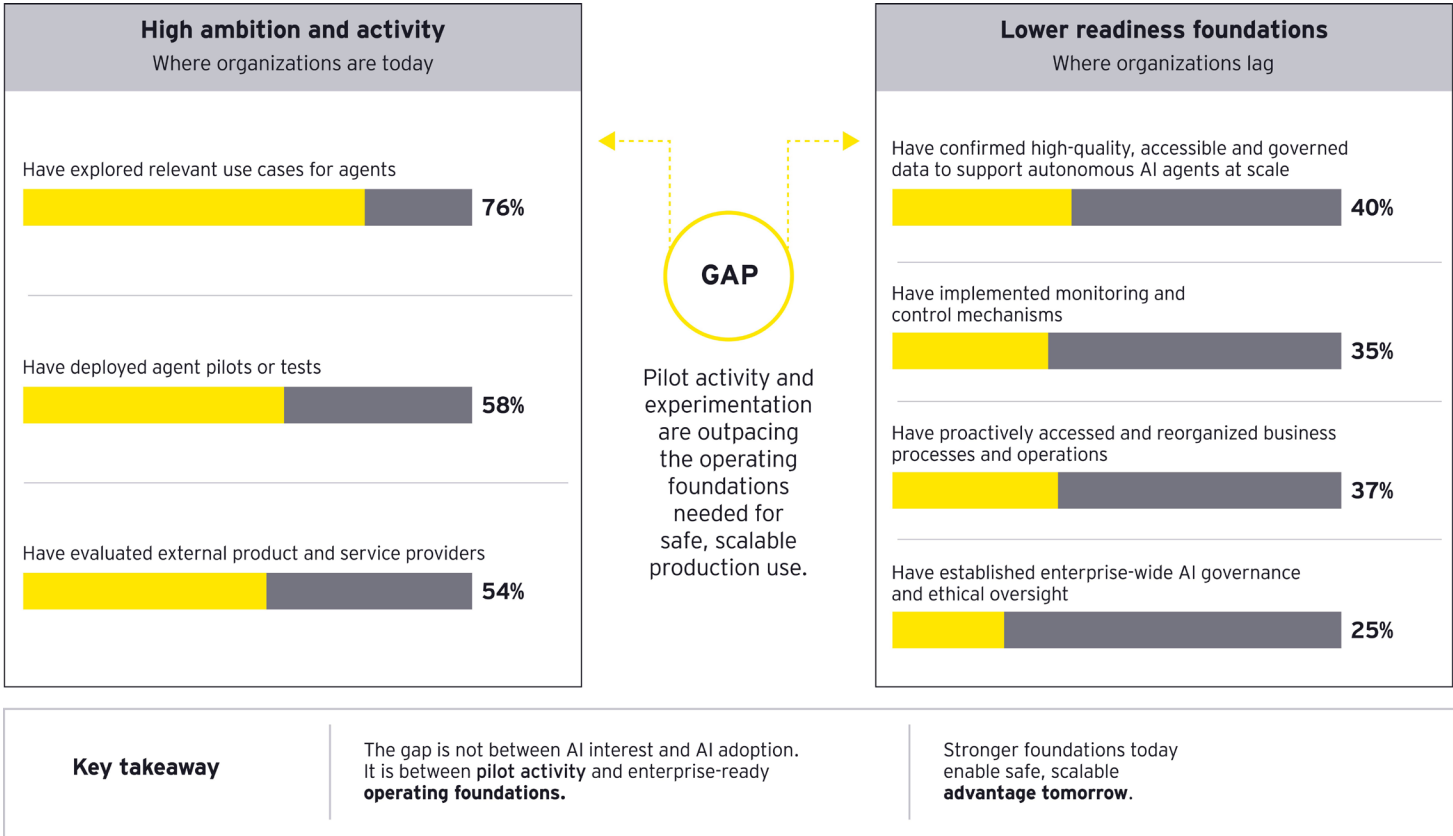
The same principle applies to model strategy.

The future is unlikely to belong to organizations that standardize on a single model. Most enterprises will instead operate model portfolios that combine frontier proprietary models, open models and small language models depending on the requirements of each workload.

The survey reflects this shift. Forty-three percent of respondents already describe their external-facing AI strategy as hybrid, combining multiple model approaches. Nearly two-thirds agree that open models have become good-enough substitutes for frontier closed models across many enterprise use cases. And when executives were asked what drives model strategy, security and privacy ranked first (51%), followed by unit economics and inference cost (45%).

The organizations most likely to succeed will not necessarily be those deploying AI the fastest today. They will be those making decisions that preserve flexibility as models improve, regulations evolve, economics shift and autonomous capabilities mature.

Figure 3. Agent ambition is running ahead of the operating foundations needed to scale safely



Source: EY/Oxford Economics survey of 1,500 global technology executives, May-June 2026. Multiple responses permitted; totals may not sum to 100%.

Model independence is therefore not an ideological preference for open models over closed ones. It is an architectural capability. It allows organizations to optimize simultaneously for performance, privacy, cost, sovereignty and resilience while avoiding unnecessary dependence on any single provider or technology.

Viewed together, the survey points toward an important shift in enterprise AI strategy.

Competitive advantage is moving beyond model selection toward enterprise architecture. The differentiator is increasingly the ability to connect governed private data, trusted external data, flexible model portfolios and robust operating controls into a coherent AI platform that can evolve over time.

In many respects, this is what a no-regrets AI strategy looks like.

Rather than attempting to predict which model provider, architecture or deployment approach will ultimately prevail, organizations build the capabilities that remain valuable regardless of how the market evolves. They invest in governed data instead of model lock-in. They establish operating controls before scaling autonomous systems. They maintain model flexibility instead of single-provider dependence. And they embed security, governance and risk management into AI from the beginning, not as barriers to innovation but as enablers of faster, more confident adoption.

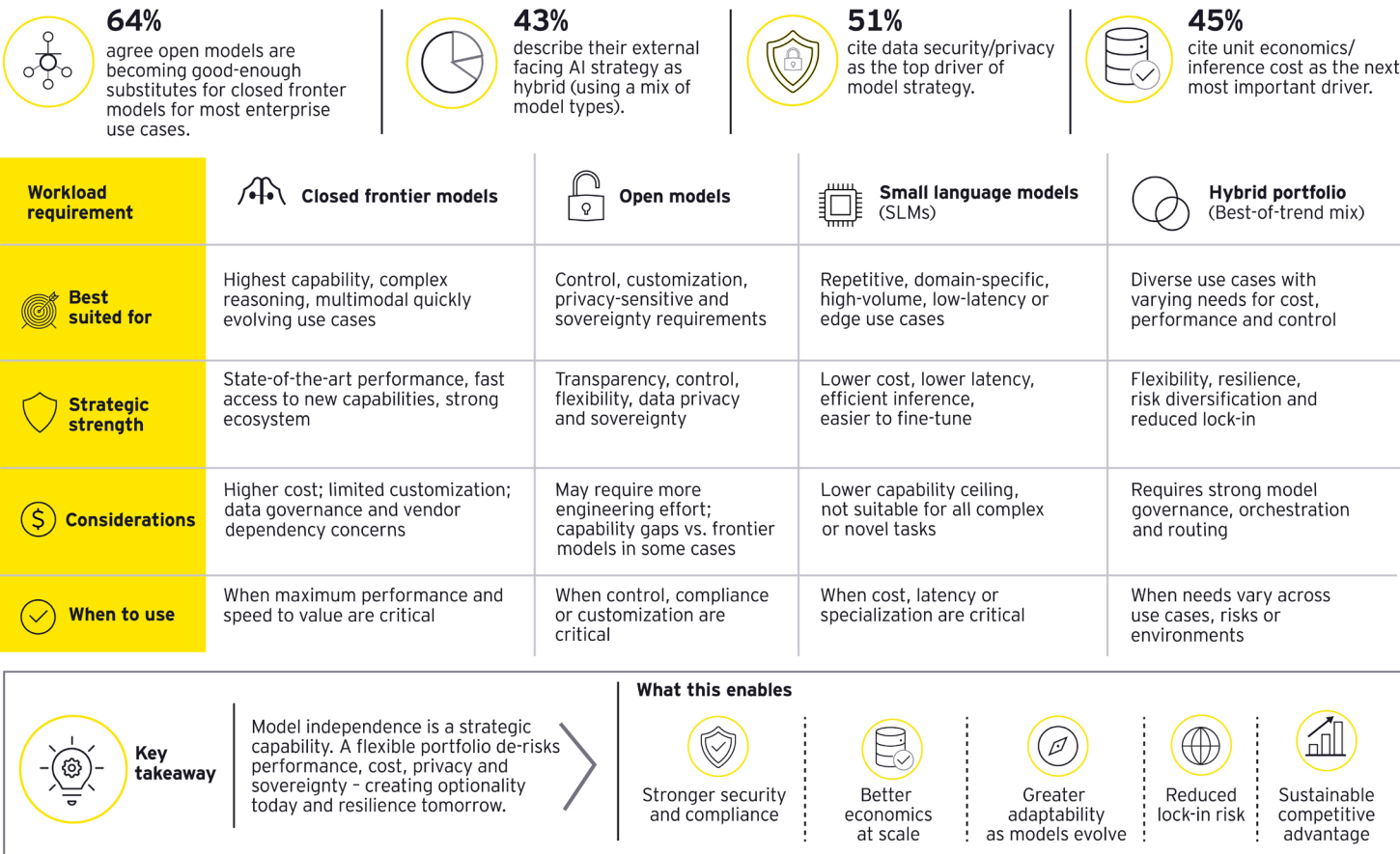
This shift demands a different approach to AI strategy. Success will not be determined by which model an organization selects today, but by its ability to continually adapt as models improve, economics evolve, regulations change and autonomous capabilities mature. The organizations that create lasting advantage will be those that build the foundations that endure: governed data, flexible model architectures, trusted operating controls and the ability to scale AI with confidence.

This is where the EY team can help. We work with technology leaders to move beyond experimentation and build the enterprise capabilities that turn AI ambition into sustainable business value. By bringing together data strategy, AI governance, technology risk, platform architecture and large-scale transformation experience, we help organizations create AI ecosystems that are resilient, adaptable and designed to evolve with the market rather than be constrained by it.

The question is no longer whether organizations can access powerful AI models. The challenge is whether they can build the data, governance and operating foundations needed to create lasting advantage from them. Those that do will be best positioned not only to scale AI safely today, but to capture the opportunities of tomorrow's AI economy.

How prepared is your organization to compete in a world where model access is increasingly commoditized? The EY team can help assess your AI readiness, identify capability gaps and define a roadmap for building a durable AI advantage.

Figure 4. Model portfolio logic



Source: EY/Oxford Economics, AI Models Survey, May-June 2026 (n=1,500 global technology executives).

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