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CASE STUDY · MARLUC SYNOPSIS

Apollo portfolio AI value creation

IMPLEMENTED 2021–2026 · FINANCIAL SERVICES AND INSURANCE · US · BAND C · CLAIMED ONLY

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Apollo built a data, digital and AI team in its private equity business from 2021 and a centre of excellence that pushes AI use cases into portfolio companies. Reported results include 40% lower costs in some Cengage content production processes, a fivefold first-year return at Barnes Group and a procurement saving of more than 65% at one company from Apollo's own contract analysis system. The figures come from Apollo and its companies, relayed by MIT Sloan Management Review and Bain.

ABOUT THIS SYNOPSIS

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NOTICE WORDING LAST UPDATED 16 NOVEMBER 2026

AT A GLANCE

AI used: Generative AI tools, copilots and an AI sales agent at portfolio companies, plus Apollo's own AI system for comparing purchasing contracts and invoices.

Implemented: 2021–2026. Grade: band C, Process change, Claimed only.

Headline result, as reported: Apollo's own AI system analysed 15,000 software purchase agreements in minutes, helping one portfolio company cut procurement cost by more than 65%, per MIT Sloan Management Review

1 · The case

The facts, as reported by the 4 sources listed at the end. Where a source is silent, the field says "Not reported".

Organisation

Apollo Global Management. Alternative asset manager focused mainly on credit, with private equity as a significant strategy, per MIT SMR. Its procurement AI system covers purchasing data for over 40 portfolio companies. Canvas block: 4. Operations and process. Also 6. Data and technology, 2. Strategy and leadership.

Business challenge

The challenge. Apollo's private equity leaders wanted more value from digital capabilities in portfolio companies. Its Data, Digital and AI team identified value pools such as product engineering, sales and marketing, finance and customer care, and AI became the most critical because it enables most of the others, per MIT SMR.

How it was addressed. Apollo hired Vikram Mahidhar as an operating partner in 2021 to lead data and digital transformation across private equity portfolio companies; he now heads the Data, Digital and AI team, and Katia Walsh oversees execution of AI initiatives in portfolio companies (MIT SMR). Before an investment, Apollo assesses how AI affects the target and its industry, then runs diligence, often with external consultants, and builds an implementation plan for after the acquisition. Bain describes a centre of excellence staffed by two partners and an external advisory board that appraises vendors, evaluates use case return and asks each company for three to five use cases and a technology roadmap. In 2024 Apollo funds and 25madison launched the 25m Evolve incubator for B2B AI start-ups. Apollo also built its own AI system to compare prices across purchasing contracts and invoices from over 40 portfolio companies. In June 2026 Apollo said it assesses every new software investment for AI disruption risk, per Bloomberg Law. [1] [2] [3] [4]

Who implemented it

In-house (In-house): Apollo: its Data, Digital and AI team, led by Vikram Mahidhar, sets value pools, use cases and plans with portfolio companies and built the procurement AI system..
25madison (Industry partner): Venture capital firm that launched the 25m Evolve AI incubator with Apollo funds in 2024 to grow possible suppliers to the portfolio..
MIT SMR says diligence on AI often uses external consultants, who are not named. Vendors behind the portfolio tools: Not reported.

Technology (SEAM pillar E)

SEAM types: T1 Chat assistants, T7 AI agents. Deployment: Not reported. Vendors and products: Cengage Student Assistant, Infosec Skills Navigator.

Where it was built in: Apollo's own AI system over portfolio companies' purchasing contracts and invoices; at portfolio companies, AI-generated code, enterprise copilots, a generative AI solution that indexed product documents, a sales agent and AI features in products.

What changed

Before: digital and AI work depended on each portfolio company. After: AI is assessed before each investment, built into post-acquisition plans and supported by a central team. At Barnes Group, service technicians get product information directly instead of waiting for headquarters; across the portfolio, Apollo benchmarks prices in companies' contracts with its own AI system and plans to use the benchmark in diligence. [1] [2] [3] [4]

What it cost

Not reported

What it saved

Per MIT SMR, by the companies' and Apollo's account: Cengage costs down 40% in select content production processes, 15% to 20% in lead generation, 15% in customer care and 10% to 15% in software development; Yahoo copilots save an estimated hour per user per week; Barnes Group a five-times first-year return; one company's procurement cost down more than 65%. Per Bain: Shutterfly $5 million of new revenue from AI auto-fill and 22% productivity gains from code assist in a replatforming project. Savings at Apollo itself: Not reported. [1] [2] [3] [4]

Governance and control

Apollo's pre-investment assessment leaves out AI uses that pose high risk, per MIT SMR. The centre of excellence appraises vendors and evaluates use case return, per Bain. Named leaders: Vikram Mahidhar and Katia Walsh. No independent assurance or rules for human review are reported.

S2 · Accountable owner · Claimed
Vikram Mahidhar heads the Data, Digital and AI team and Katia Walsh oversees execution of AI initiatives in portfolio companies, per MIT SMR; Bain describes a centre of excellence staffed by two partners. [1] [2] [3]

A1 · Safe use · Claimed
Apollo's industry assessment guides it to the best uses of AI and leaves out uses that pose high risk, per MIT SMR. [1]

A2 · Human in the loop · Not reported
Not reported.

A3 · Monitoring and assurance · Claimed
The centre of excellence evaluates use case return and shares what is working across the portfolio, per Bain; no independent assurance is reported. [2]

A4 · Vendor AI · Claimed
The centre of excellence appraises vendors, per Bain, and Apollo's team can recommend AI tools and vendors to portfolio companies, per MIT SMR. [1] [2]

A5 · Agent controls · Not reported
Not reported for Univar's AI sales agent.

A6 · Standards and regulation · Not reported
Not reported.

What worked, what did not, what is unproven

WORKED

– Cost reductions in specific Cengage processes, by the companies' account in MIT SMR.

– A fivefold first-year return at Barnes Group from indexing product documents for service technicians, per MIT SMR.

– A procurement cost reduction of more than 65% at one company after Apollo's system analysed 15,000 software purchase agreements, per MIT SMR.

DID NOT

– Univar's AI sales agent was reported at pilot stage only, with a 30% engagement rate and no revenue figure.

– Not reported: no failed AI project in the portfolio was found in the sources.

UNPROVEN

– Whether the Cengage percentage cuts hold beyond the select processes measured.

– Whether the reported results are typical of the 40-plus companies or chosen examples.

Timeline

Aug 2021 Apollo hires Vikram Mahidhar to lead data and digital transformation in its private equity portfolio [3]

2024 Apollo funds and 25madison launch the 25m Evolve incubator for B2B AI start-ups [1]

Mar 2025 Bain describes Apollo's AI centre of excellence and results at Cengage and Shutterfly [2]

Jun 2025 MIT SMR reports portfolio results and Apollo's procurement AI system across over 40 companies [1]

Jun 2026 Apollo says it assesses every new software investment for AI disruption risk [4]

2 · Grade and SEAM assessment

MarLuc's opinion, made on the evidence above. How cases are graded: marluc.co.uk/case-studies/how-we-rate

Level of change and impact

Claimed: Not applicable. Grade: C, Process change. Proof: Claimed only. Level of change: Process change.

Process change (Level 2, band C) in selected portfolio processes and in Apollo's procurement benchmarking. No change in Apollo's own structure or headcount reported.

Apollo runs a defined process: AI assessment before investment, use cases and an implementation plan after acquisition, and a central team that shares results and evaluates return. Several portfolio processes changed, such as service technicians' access to product information at Barnes Group, and Apollo benchmarks prices across portfolio companies with its own AI system. The results are self-reported and chosen as examples.

The SEAM view and lessons learnt

Apollo's results come from a central team that assesses AI before investment and drives a short list of use cases in each company. The examples are chosen by Apollo and its companies, and the AI effect is not separated from other operating changes made under private equity ownership. Before copying, a leadership team should ask how use case returns are measured and checked after deployment, and who owns AI risk in each portfolio company.

1. Assess AI risk and opportunity before you invest.
2. Ask each company for a short list of use cases tied to strategy.
3. Pool portfolio data, such as contracts, to build shared benchmarks.

Evidence

Score 1 of 4. Self-reported: results from Apollo and its portfolio companies, relayed by MIT SMR columnists and Bain; no independent measurement.

3 · Original sources

Read these in full. To challenge a fact or a grade, use the contact form at marluc.co.uk or the link on https://marluc.co.uk/case-studies/apollo-portfolio-ai-value-creation

[1] MIT Sloan Management Review: Building AI Capabilities Into Portfolio Companies at Apollo (17 June 2025)
https://sloanreview.mit.edu/article/building-ai-capabilities-into-portfolio-companies-at-apollo/

[2] Bain & Company: Field Notes from the Generative AI Insurgency in Private Equity (3 March 2025)
https://www.bain.com/insights/field-notes-from-generative-ai-insurgency-global-private-equity-report-2025/

[3] Apollo: Apollo Hires Vikram Mahidhar as Operating Partner and Head of Data & Digital Transformation (12 August 2021)
https://www.apollo.com/insights-news/pressreleases/2021/08/apollo-hires-vikram-mahidhar-as-operating-partner-and-head-of-data-digital-transformation-130147529

[4] Bloomberg Law: Apollo Is Screening All Software Investments for AI Threat Risk (11 June 2026)
https://news.bloomberglaw.com/artificial-intelligence/apollo-is-screening-all-software-investments-for-ai-threat-risk

Apollo Global Management website: https://www.apollo.com

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