

IT Market Insights: As we move into 2026, Gray Wolf is expecting to see the cost of technology continue to increase. Artificial Intelligence has become the most prominent topic, and the IT Market has been flooded with major acquisitions as IT suppliers race to make the most from AI technologies. This will have a significant impact on pricing of technologies in 2026 and organizations need to start preparing.

January 2026

A Look Back - 2025 M&A and Market Dynamics

In 2025, AI megadeals reshaped the IT landscape. Vendors focused more on acquiring AI models, data platforms, security capabilities, and cloud optimization tools rather than building them in-house. This consolidation tightened ecosystems and increased switching costs, especially in cloud, collaboration, and security.

Two of the biggest and most notable AI acquisitions were:

- **Google**- acquisition of Wiz to strengthen Google Cloud's AI-powered security stack and compete more directly with Microsoft Defender and Palo Alto.
- **Palo Alto Networks** – finalizing the acquisition of CyberArk to unify identity, endpoint, and cloud security under a single AI-governed architecture.

Gray Wolf saw pricing changes due to AI investments that impacted our clients in 2025 that are expected to continue in 2026:

- **Microsoft** – after eliminating EA levels, they introduced multiple Copilot-driven price increases across M365, Power Platform, and Azure services.
- **AWS** - new AI services added cost layers rather than replacing existing ones.
- **Salesforce** - introduced new AI consumption-based pricing models.
- **Google Cloud** - pricing changes tied to AI-enhanced Workspace and BigQuery features.

Outlook for 2026

In 2026, CIOs and Procurement Leaders can expect their IT suppliers to continue to push more AI-premium tiers and platform bundles.

Instead of inflation increasing costs, expect to hear:

- “We’ve expanded the platform, so the value has increased.”
- “AI R&D costs are increasing.”
- “AI is now core to the platform, so pricing must reflect that.”

This means renewals will be harder, and price increases will be stickier unless buyers prepare early.

How to combat these increases:

- **Separate “AI Value” From “AI Hype”** – If they can’t show measurable value, you have grounds to reject AI-premium pricing.
- **Other Levers Against AI-Driven Price Increases**
 - Usage-based pricing
 - Role-based licensing
 - AI opt-outs
 - Pilot pricing
 - Value-based adoption metrics
 - Competitive benchmarks

AI is maturing, but progress and adoption are not yet hitting the marks set by these IT suppliers. They are still “building the plane while it is in flight” and Gray Wolf has experienced more flexibility in pricing lately due to the lack of adoption. We have seen Microsoft, for example, increase Copilot discounting upwards of 50% given the proper messaging during negotiations.

Fiscal Year Ends

Supplier	Fiscal Year End
Dell EMC	January 30, 2026
Autodesk	January 31, 2026
Cloudera	January 31, 2026
Coupa Software	January 31, 2026
CrowdStrike	January 31, 2026
DocuSign	January 31, 2026
MongoDB	January 31, 2026
Okta	January 31, 2026
Salesforce	January 31, 2026
Snowflake Computing	January 31, 2026
Splunk	January 31, 2026
Verint Systems	January 31, 2026
Workday	January 31, 2026
Zoom	January 31, 2026
Pure Storage	February 1, 2026
Redhat	February 28, 2025
BMC Software	March 31, 2026
Commvault	March 31, 2026
DXC Technology	March 31, 2026
Dynatrace	March 31, 2026
HCL Technologies	March 31, 2026
Hitachi March	March 31, 2026
Lenovo Group	March 31, 2026
McKesson	March 31, 2026
Computer Sciences Corporation	March 31, 2026
New Relic	March 31, 2026

