



How to Budget for Your 2026 Price Increases



Executive Summary

For the fourth consecutive year, Blue Ridge Partners has surveyed company CXOs to understand their current plans to raise prices in 2026. The information in this report can be used to help CEOs, CFOs, and boards forecast their own price increases as part of 2026 planning and budgeting.

Key Findings:




- CXOs currently expect 2026 revenue growth of 5-12% across sectors, company size tiers, and regions.
- In 2026, CXOs are planning on price increases of 3% to 6% depending on industry sector and company size, which were 1% smaller increases on average than last year.
- Additional findings detailed in the sector-specific sections that follow:
 - In 2026, the vast majority of companies (79-96%) are planning to do a significant pricing optimization initiative (such as online buyer surveys and/or comprehensive data analysis to set optimal price levels), indicating that in-depth pricing reviews are now standard annually.
 - Companies across sectors are already seeing AI having an impact on how prices are set (price levels, pricing metrics, pricing structure).



About the Survey




In August 2025, Blue Ridge Partners surveyed 267 CXOs from **software, industrial, and business services** companies in the US and Europe with revenue between \$100M and \$5B (and equivalent € and £ ranges). 55% of respondents were CEOs or CFOs, and 45% were COOs, CMOs, and CROs. Respondents were evenly distributed between the three sectors as well as three company size tiers: Small (\$100M - \$499M), Medium (\$500M - \$999M), and Large (\$1B - \$5B).

What REVENUE GROWTH are you forecasting for 2026 over 2025?

SECTOR		All	Large	Medium	Small	US	Europe	
	Software	MEDIAN	7%	5%	7%	12%	6%	8%
		MEAN	9.9%	7.0%	8.1%	14.5%	9.5%	10.7%
	Industrial	MEDIAN	7%	6%	8%	6.5%	7%	8%
		MEAN	8.0%	6.4%	8.3%	9.3%	8.3%	7.5%
	Business Services	MEDIAN	6%	5%	6%	10%	6%	8.5%
		MEAN	8.0%	5.8%	7.9%	10.3%	7.8%	8.3%

Small (\$100M - \$499M) Medium (\$500M - \$999M) Large (\$1B - \$5B) and equivalent € and £ ranges

What average PRICE INCREASE or DECREASE are you currently projecting for 2026?

SECTOR		All	Large	Medium	Small	US	Europe	
	Software	MEDIAN	4%	3%	4%	4%	4%	4%
		MEAN	4.4%	4.0%	3.4%	5.9%	4.0%	4.8%
	Industrial	MEDIAN	4%	4%	4%	4%	4%	4%
		MEAN	4.0%	4.0%	3.8%	4.4%	4.1%	4.0%
	Business Services	MEDIAN	3%	3%	3%	4%	3%	3%
		MEAN	3.8%	3.5%	3.2%	4.8%	3.9%	3.8%

Small (\$100M - \$499M) Medium (\$500M - \$999M) Large (\$1B - \$5B) and equivalent € and £ ranges



Software

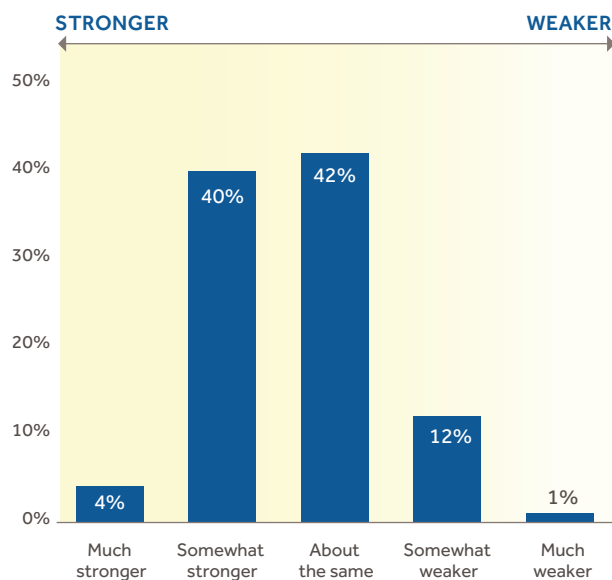
Software companies continue to raise prices aggressively, but companies expect a slightly lower increase in 2026. From our survey of software companies, a few clear themes emerged:

- Overall, software companies are expecting 5-12% revenue growth in 2026, with higher growth for smaller companies.
- Software companies are planning a 4% price increase in 2026 (median), and this is consistent across company size tiers and geographic regions (US and Europe). This price increase is 1% lower than companies' 2025 price increase.
- The average 2026 price increase for the top quartile of software companies is 9.6% while the 2nd through 4th quartiles are planning increases from 5% down to 0%. Our research has repeatedly shown that software companies raising prices more aggressively have not been met with materially more market pushback.
- Smaller software companies plan to raise prices an average of 5.9%, compared to 3.4% and 4.0% for medium and large companies, respectively.

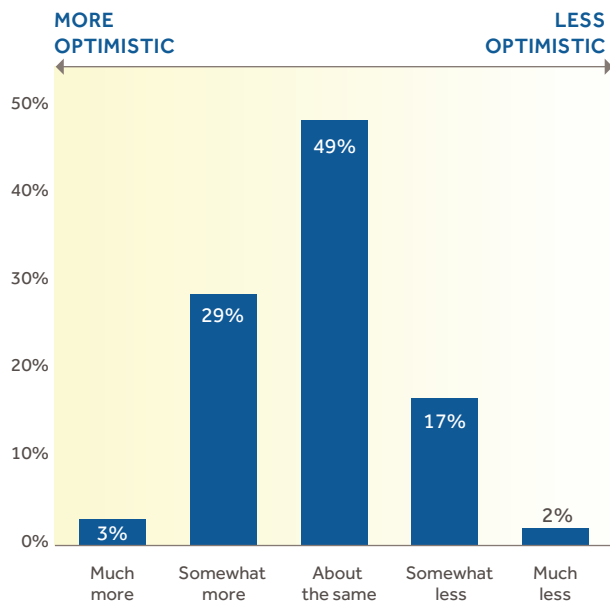
- Significantly more companies plan to conduct pricing research in 2026 than in 2025. In 2026, 96% of software companies plan to conduct a significant pricing update, including online buyer surveys ("willingness to pay") and/or comprehensive data analysis as well as updating bundles, compared to 76% in 2025. Pricing has become much more sophisticated and is an annual process.

Software companies are somewhat more optimistic about 2026 economic strength than 2025, with little change in these views over the past 90 days.

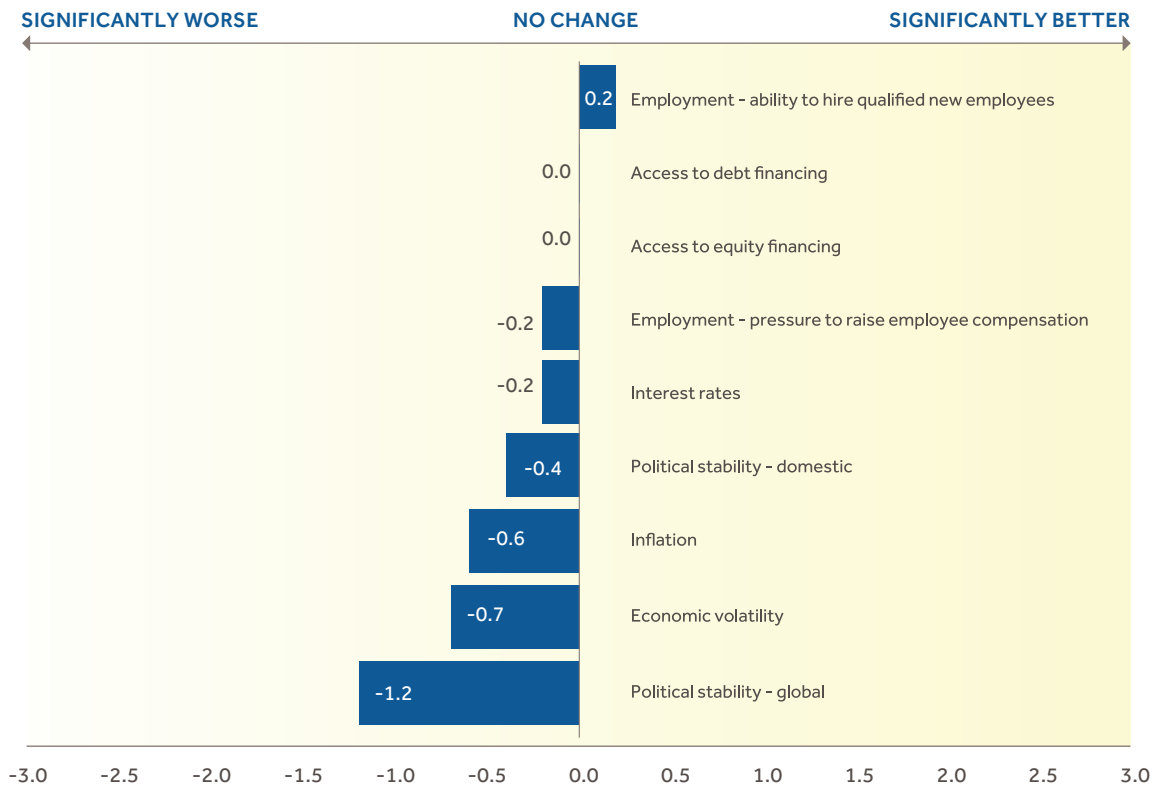
How much stronger or weaker do you anticipate the economy will be in 2026 versus 2025, considering economic trends which are relevant to your business?



How has your confidence in the economy changed in the last 90 days?

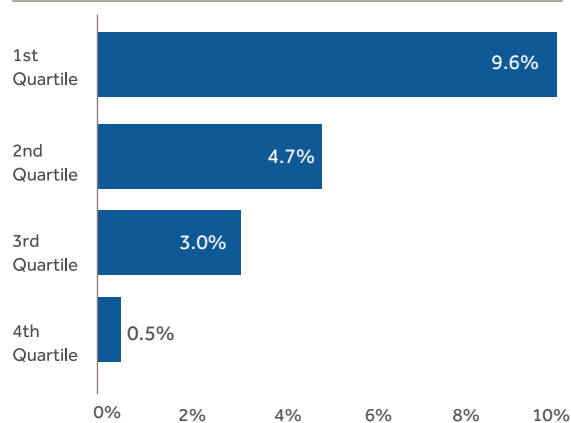


How have macroeconomic factors changed for your company in the past 90 days?

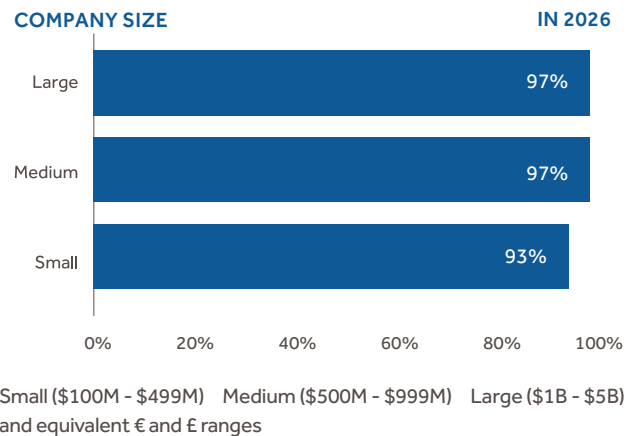


There continues to be a wide gap between software companies pushing price increases more aggressively and those that are falling behind, but nearly all software companies are planning a significant pricing initiative in 2026.

What average price increase or decrease are you currently projecting for 2026? (average by quartile)



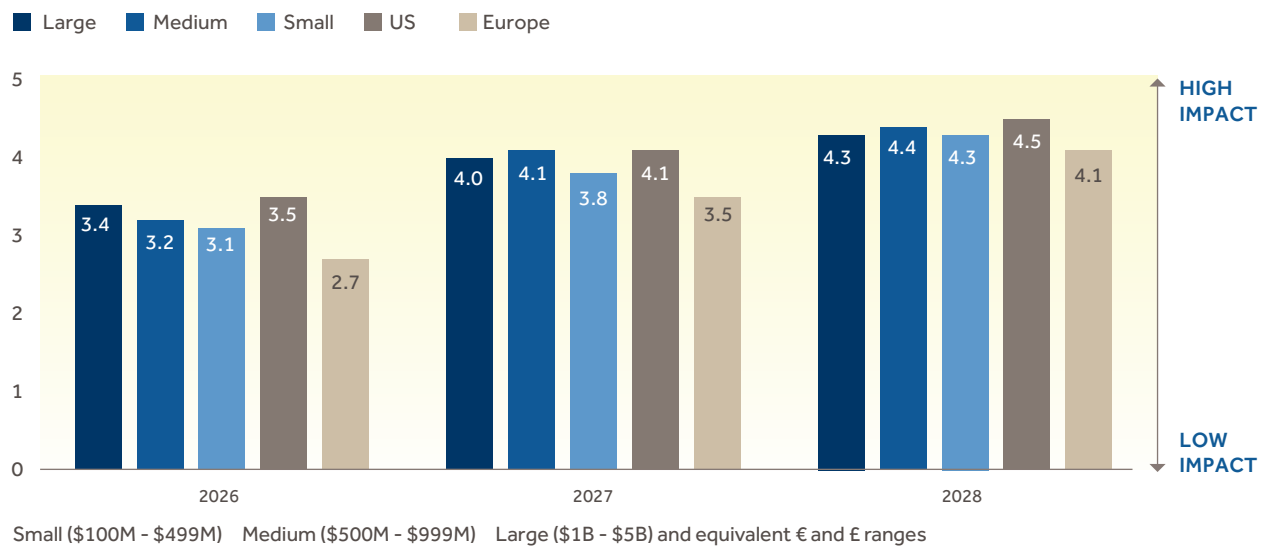
When is the next time you expect your company to conduct a significant pricing optimization initiative (such as online buyer surveys and/or comprehensive data analysis to set optimal price levels)?



AI has already become an important element of pricing for many software companies. The rise of agentic AI has led to many companies moving away from prior pricing metrics, like per-user pricing, to outcome-based pricing. However, this approach does not work for many companies, especially where buyers do not agree on the definition or measurement of outcomes.

Pricing-specific AI functionality in the products software companies are selling could also be implemented via premium bundles, platform fees, or AI-specific add-on modules. Our research has shown that there is so much change happening to pricing structures in the software industry that buyers are unusually open to changes, provided the rationale is sound.

How much do you expect AI to have an impact on how you price *(price levels, pricing metric, pricing structure)?*





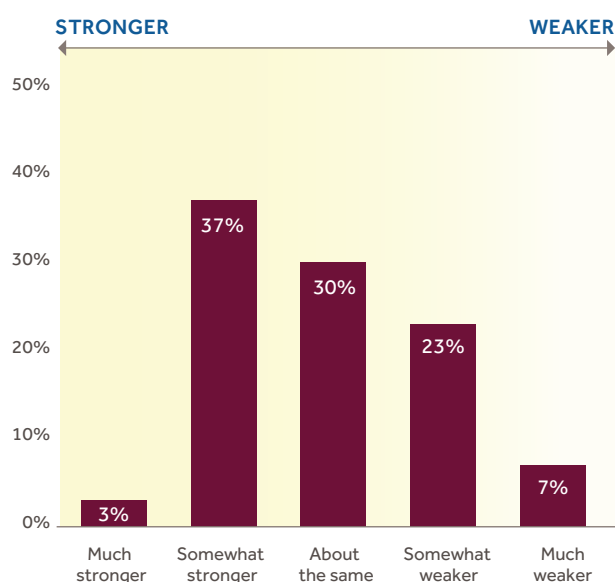
Industrial

Industrial, manufacturing, and distribution companies continue to raise prices, but companies expect a slightly lower price increase in 2026 than they executed in 2025. When we surveyed industrial companies, several themes stood out:

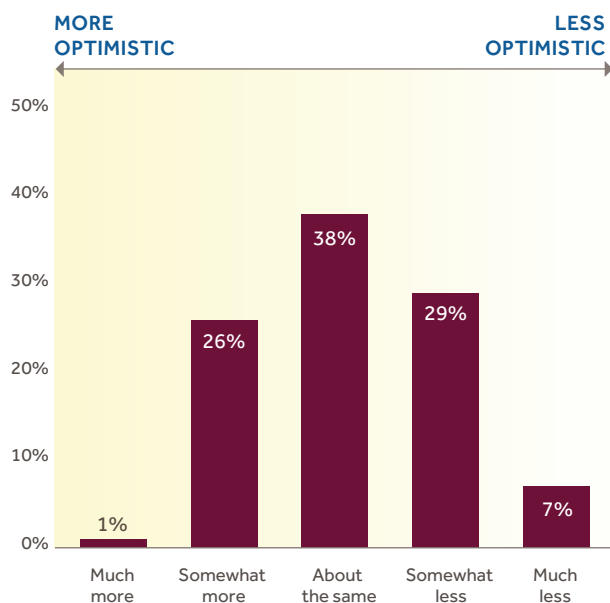
- Overall, industrial companies are expecting 6-8% revenue growth in 2026, with slightly higher growth for smaller companies than large, and in Europe versus the US.
- Industrial companies are planning a 4% price increase in 2026, and this is consistent across geographic regions (US and Europe). This price increase is 1% lower than companies' 2025 price increase.
- The average 2026 price increase for the top quartile of industrial companies is 7%, while the 2nd through 4th quartiles are planning increases from 5% down to 1%.
- Significantly more companies plan to conduct pricing research in 2026 than in 2025. In 2026, 76% of industrial companies plan to conduct a significant pricing update, compared to just 44% in 2025. A number of our clients have said that unpredictable tariffs have led them to increase the frequency of their pricing reviews.
- 90% of industrial companies are planning for one or more pricing updates during 2026, with 48% planning two or more and 15% planning three or more.

Industrial companies are somewhat more optimistic about 2026 economic strength than 2025, with no change in these views over the past 90 days.

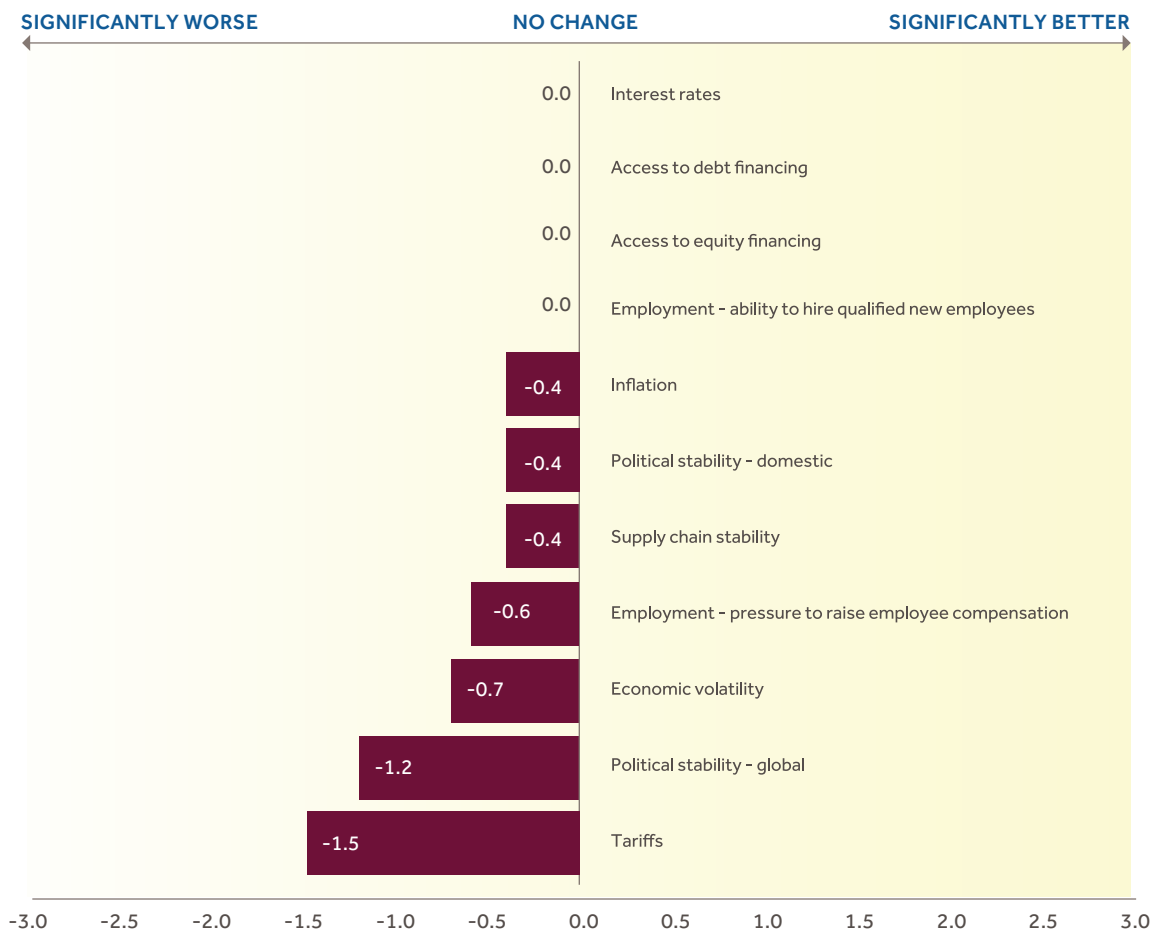
How much stronger or weaker do you anticipate the economy will be in 2026 versus 2025, considering economic trends which are relevant to your business?



How has your confidence in the economy changed in the last 90 days?

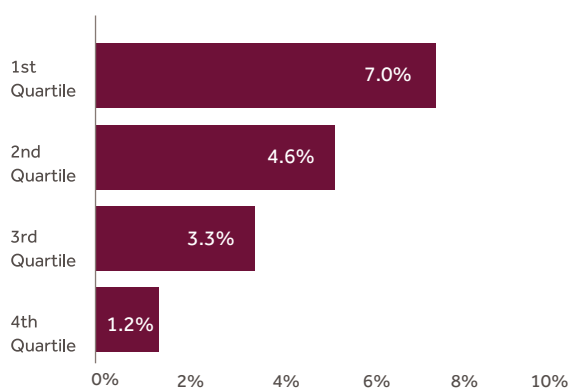


How have macroeconomic factors changed for your company in the past 90 days?

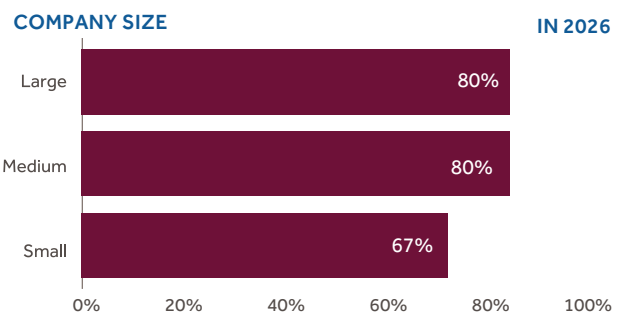


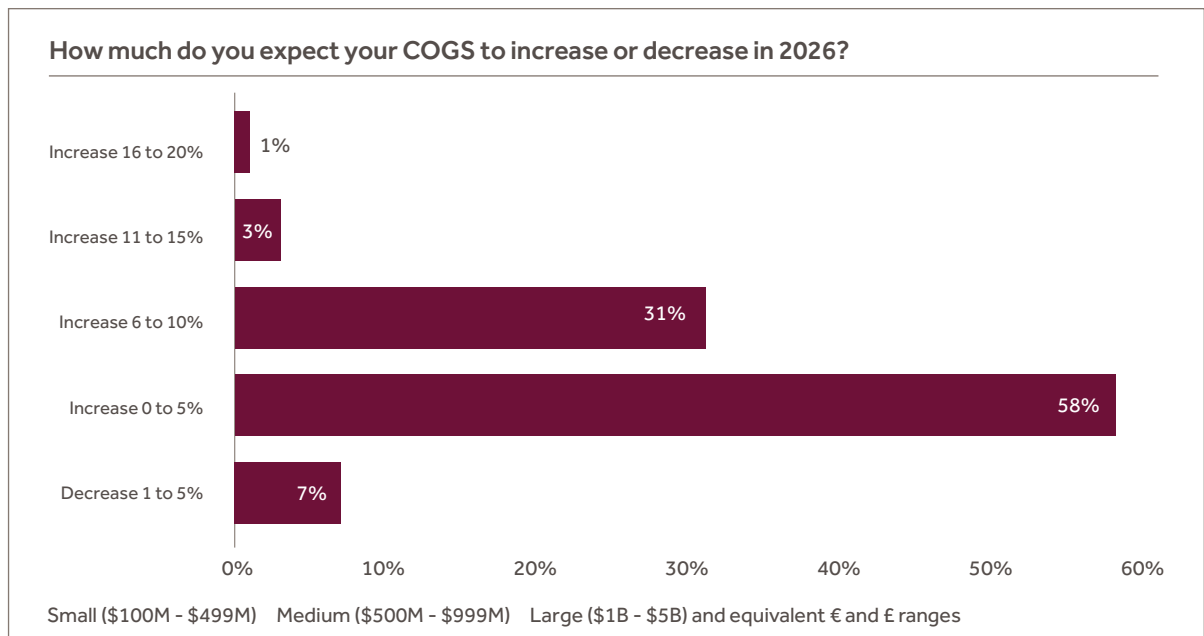
Although facing many similar tariff, supply chain and economic challenges, some industrial companies are pushing price increases more than others, with 4 out of 5 industrial companies planning a significant pricing initiative in 2026.

What average price increase or decrease are you currently projecting for 2026? (average by quartile)

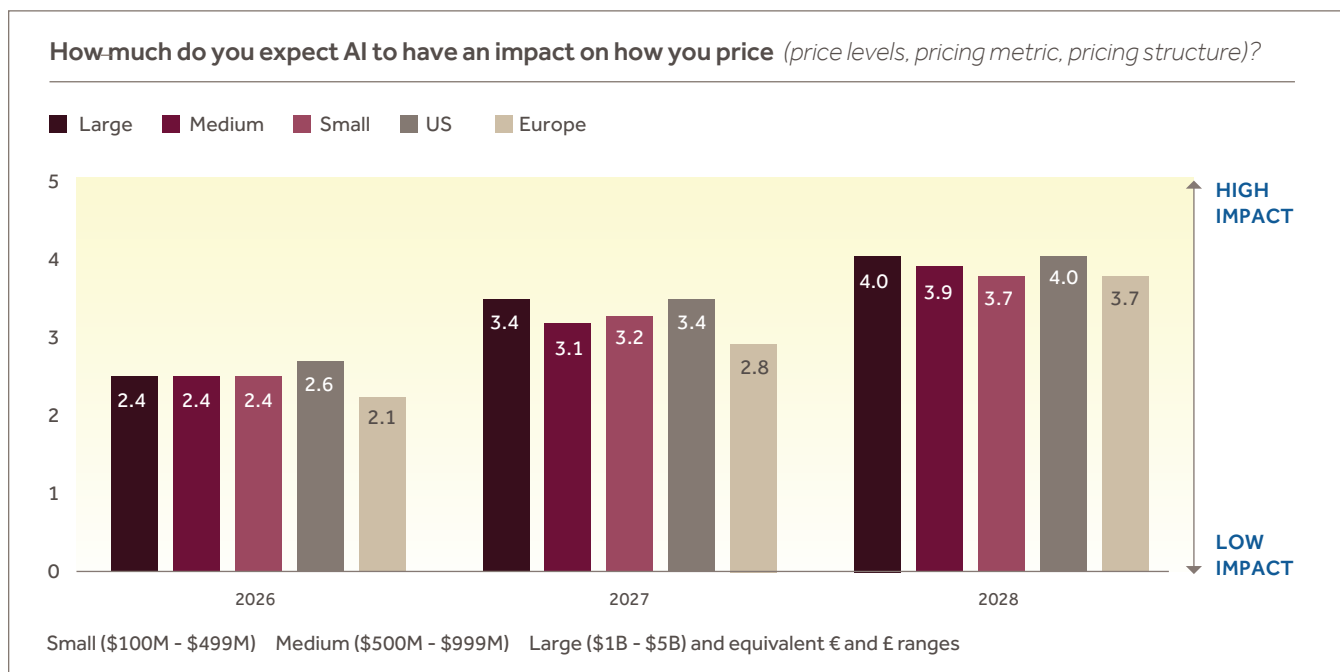


When is the next time you expect your company to conduct a significant pricing optimization initiative (such as online buyer surveys and/or comprehensive data analysis to set optimal price levels)?





AI is already impacting the way industrial companies develop and execute their pricing programs. Industrial pricing teams and deal desks rarely have the time to assess all products and deals, particularly the long tail of smaller ones. AI functionality is being added to leading pricing software platforms (e.g., Vendavo) to enhance pricing teams' capabilities. Given the large product sets and volume of transactions, AI will play an increasingly important role in industrial pricing.





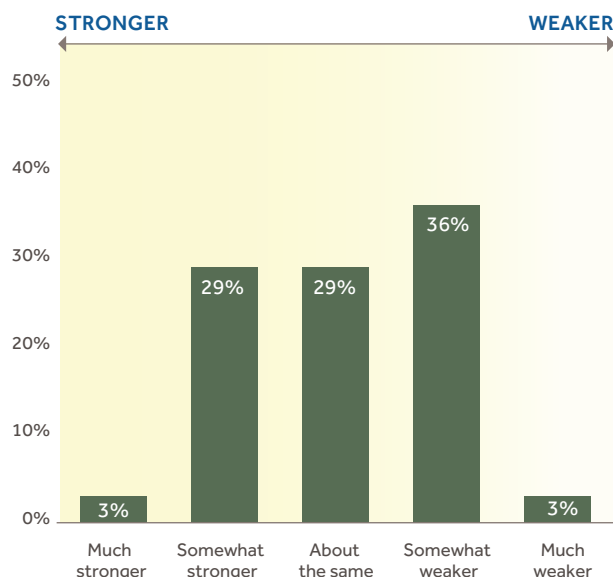
Business Services

Business services companies continue to raise prices, but at lower rates than other sectors. Our survey of business services firms highlighted a few key findings:

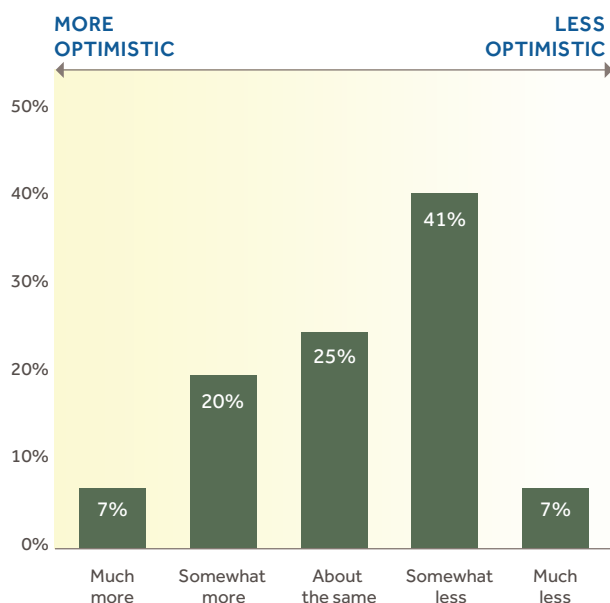
- Overall, business services companies are expecting 5-10% revenue growth in 2026, with higher growth projected for smaller companies.
- Business services companies are planning a 3% price increase in 2026, which is lower than increases in other sectors (4% in industrial and software), and consistent across geographic regions (US, Europe). This price increase is 1% lower than companies' 2025 price increase.
- The average 2026 price increase for the top quartile of business services companies is 8.9%, while the 2nd through 4th quartiles are planning increases from 4% down to 0%.
- Significantly more companies plan to conduct pricing research in 2026 than in 2025. In 2026, 88% of business services companies plan to conduct a significant pricing update, including online buyer surveys ("willingness to pay") and/or comprehensive data analysis, compared to 59% in 2025. Pricing has become much more sophisticated and is an annual process.

Business services companies are somewhat less optimistic about 2026 economic strength than 2025 and have become somewhat more negative in these views over the past 90 days.

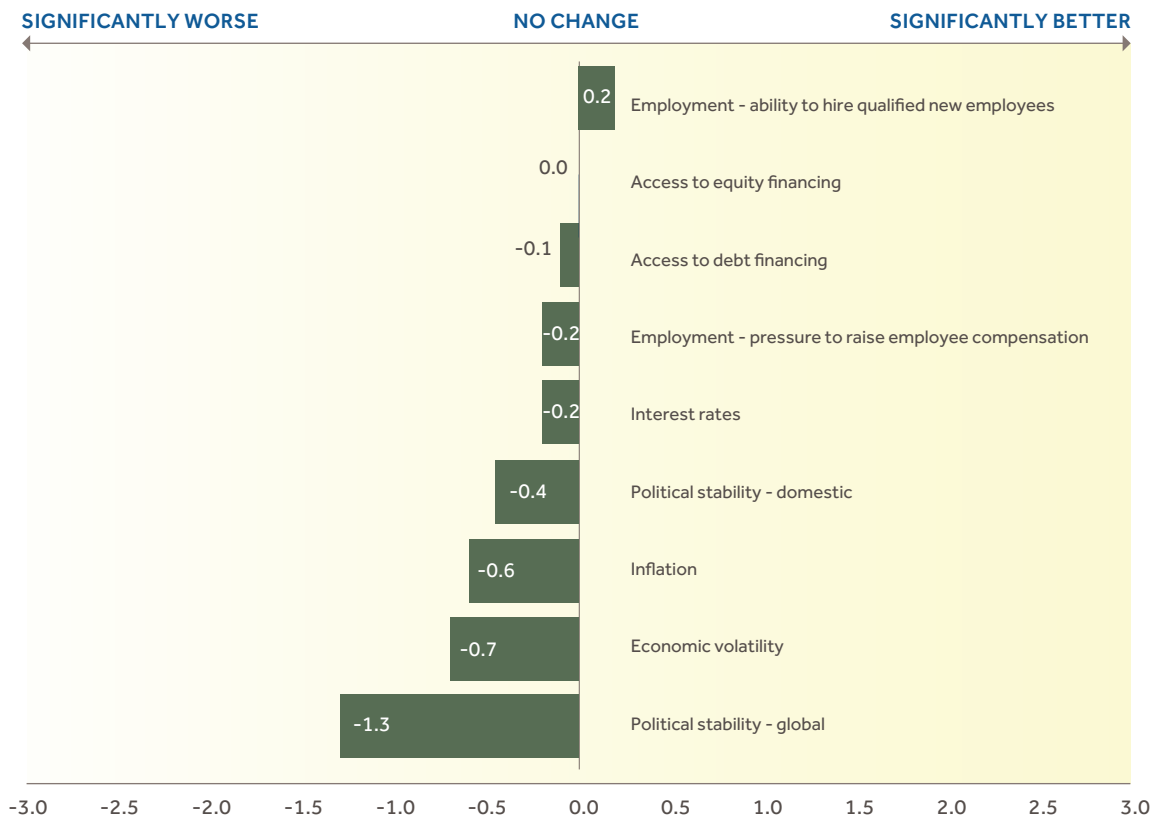
How much stronger or weaker do you anticipate the economy will be in 2026 versus 2025, considering economic trends which are relevant to your business?



How has your confidence in the economy changed in the last 90 days?

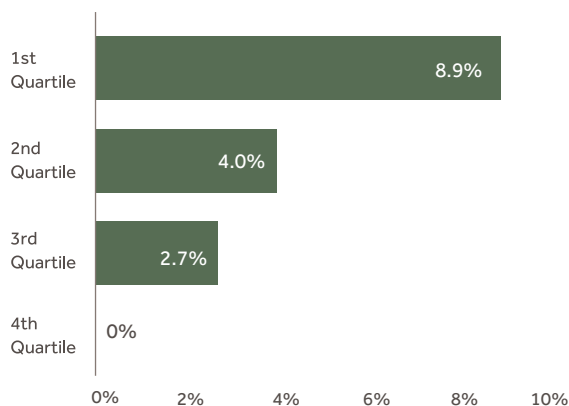


How have macroeconomic factors changed for your company in the past 90 days?



There is a wide gap between Business Services companies pushing higher versus lower price increases, with 90% of Business Services companies planning a significant pricing initiative in 2026.

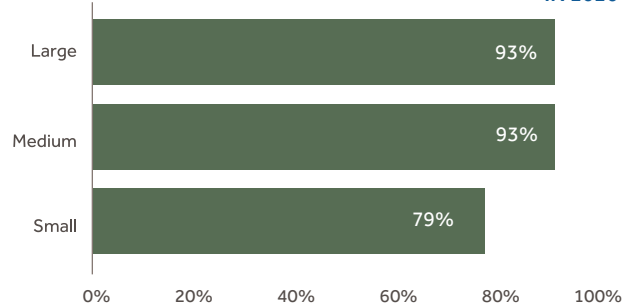
What average price increase or decrease are you currently projecting for 2026? *(average by quartile)*



When is the next time you expect your company to conduct a significant pricing optimization initiative *(such as online buyer surveys and/or comprehensive data analysis to set optimal price levels)?*

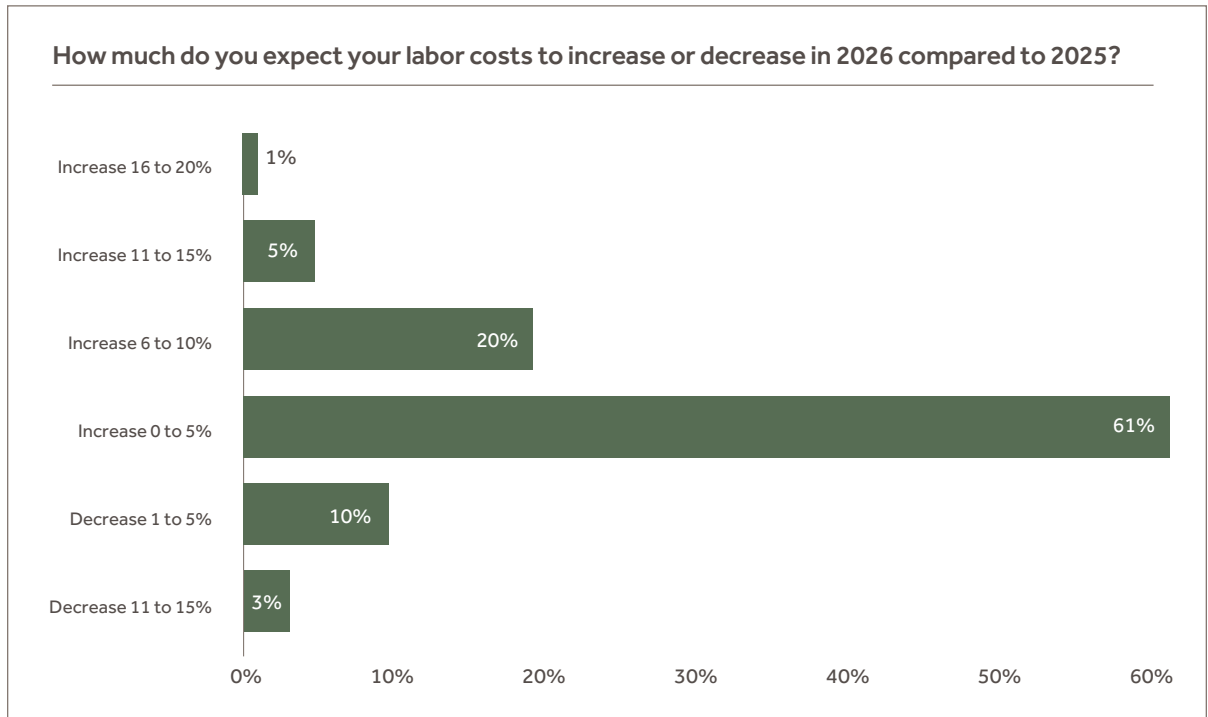
COMPANY SIZE

IN 2026

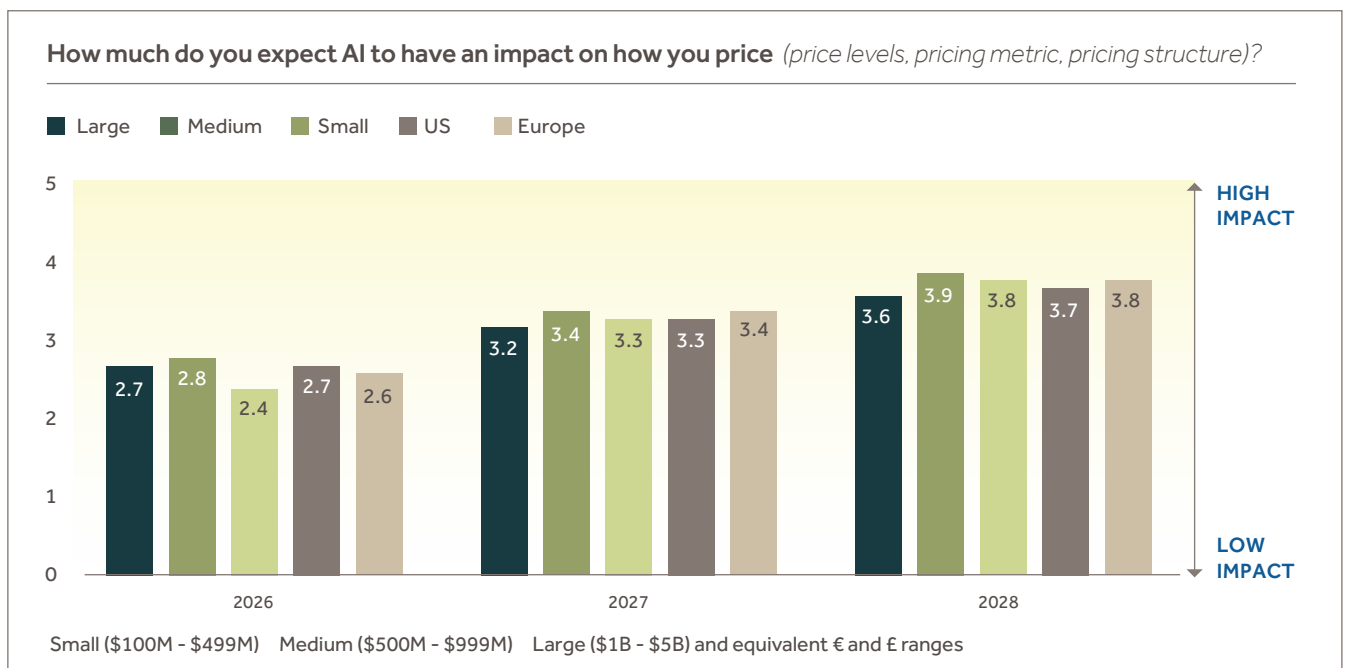


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and equivalent € and £ ranges

Business services companies have wide-ranging expectations on labor cost changes in 2026.



AI is already impacting the way business services companies develop and execute their pricing programs, and this is projected to increase in the coming years.



About Blue Ridge Partners' Pricing Practice

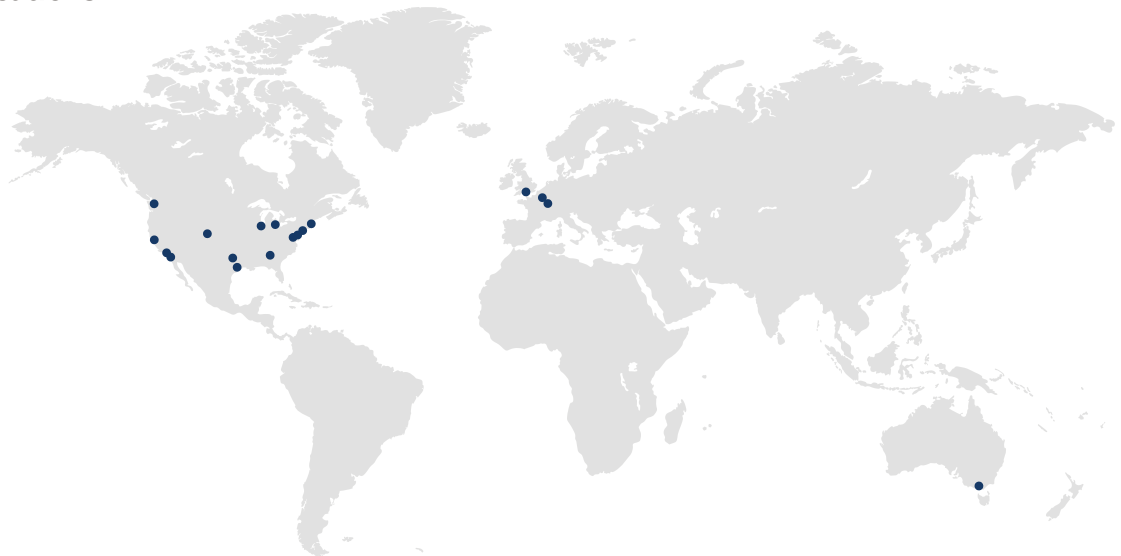
We have extensive experience assisting software, industrial and business services companies in the US and Europe to improve pricing performance, accelerate revenue growth, and expand margins and valuation. In addition to pricing strategy, structure, and list and discount price setting, we excel at enabling commercial teams to capture more of the pricing upside. We achieve this through a variety of sales enablement programs focused on price capture, such as sales positioning of pricing changes, cross-selling, and migration programs supported by sales plays and account targeting, training, and other tools. For more information, contact us at Pricing@BlueRidgePartners.com.

Why Blue Ridge Partners?

Blue Ridge Partners is recognized as the most experienced, impactful and respected firm that is exclusively focused on helping companies accelerate profitable revenue growth. We have worked with over 1,300 companies worldwide on commercial model transitions, strategic pricing engagements and due diligence assignments. We are known for rolling up our sleeves, being pragmatic in our analyses and delivering tangible results that focus on the "how" of execution. Based on our significant experience we have amassed extensive knowledge of the issues that affect revenue performance.

For further information please contact us at info@blueridgepartners.com or visit us at www.blueridgepartners.com.

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