martinwolf Identifies 'AI Disconnect' as the Defining Middle-Market IT M&A Trend of H1 2026

While some buyers are pausing major decisions, “AI enablers” command premium valuations

SCOTTSDALE, AZ, UNITED STATES, July 30, 2026 /EINPresswire.com/ -- martinwolf, a leading lower middle-market M&A advisory firm focused exclusively on the IT sector, sees uncertainty around AI and its implications for buyers, sellers, and end users, as the defining middle-market IT M&A trend of the first half of 2026.

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>
> *Seth Collins*

On the buyer side, martinwolf has seen some PE firms with long histories in IT Services shift their focus to industries less disrupted by AI, other firms change their model to include AI exposure and opportunities, and a third group who sees a value buying opportunity.

“There are still significant unknowns about how AI will impact IT services pricing and margin profiles—whether it will co-exist with or replace existing software solutions, and how much it will affect contract renewals and demand, as well as the size and duration of future projects,” said Seth Collins, Managing Partner at martinwolf. “Because of this uncertainty, we’ve seen buyers delay major purchase decisions as they reconsider how AI will affect client retention, margins, and ultimately, valuations of target firms.”

On the seller side, martinwolf sees firms benefitting from AI disruption. Businesses viewed as AI enablers, where AI will buoy growth and profitability, as well as AI-centric sub spaces such as those focused on data management, analytics, and simulation technologies, are attracting strong buyer interest and can command premium multiples.

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Surprisingly, while interest rates, inflation and geopolitical uncertainty were the dominant themes in broader economic discussions, martinwolf says that they had a limited effect on middle-market IT M&A activity during the first half of the year.

About martinwolf:
martinwolf is a leading M&A advisory firm specializing in IT cloud/tech-enabled services, software/SaaS, and IT supply chain. A trusted partner to IT business owners and buyers, the firm has advised on approximately 300 transactions in more than 20 countries, including eight divisions of Fortune 500 companies. martinwolf brings a strong personal commitment to every client and is relentless in its pursuit of the right outcome. Registered member of FINRA & SIPC. For more information, visit www.martinwolf.com.

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