State of PLM: Today's Market & Leading Trends

2026 Market & Industry Forum—9 April 2026

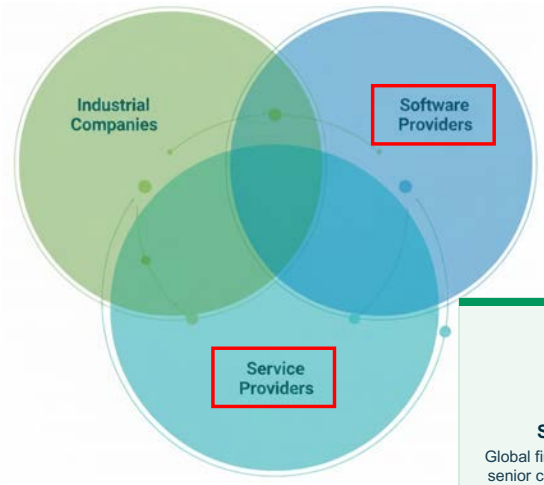
State of PLM: Today's Market & Leading Trends

2026 Market & Industry Forum—9 April 2026

Who Participated

CIMdata

55
respondents
Industrial Companies (IC)
Large enterprises in discrete manufacturing
Operational reality, not executive aspiration



28
respondents
Software Providers (SW)
Bimodal: PLM incumbents and recent AI entrants—half began offering AI in 2024 or later

35
respondents
Service Providers (SI)
Global firms and boutique implementers—senior consultants and solution architects

3

Key Takeaways

CIMdata

01 Providers Are All-In — Customers Are Not

- **87%** of software providers rate AI as top or high investment priority.
- **45%** of customers say 3+ years or never to standardize AI—a 2-year planning gap.

02 AI Monetization Remains Unsolved

- No dominant pricing model.
- **49%** of customers cite ROI as top selection factor; **31%** of software providers cite demonstrating ROI as a top monetization challenge.

03 Governance Is the Provider Blind Spot

- **0%** of software providers cite governance as a top challenge in developing and delivering AI capabilities.
- Meanwhile, **68%** of customers cite IP protection as #1 governance concern.

04 Integration Is #1 for Customers

- Integration is a top-3 selection factor for **62%** of customers, making it #1 overall.
- Only **46%** of software providers (-16 pts) and **30%** of service providers (-32 pts) agree.

05 The Innovation Disconnect

- **28%** of customers and **36%** of software providers report innovation as a realized benefit of AI
- However, **0%** of software providers expect customers will prioritize AI for innovation over the next 2-3 years.

4 6

State of PLM: Today's Market & Leading Trends

2026 Market & Industry Forum—9 April 2026

The Provider Community is All-In on AI

87%

of software providers rate AI as a top or high R&D priority

52%

have a comprehensive AI strategy with roadmap

vs. 6% of industrial customers

0%

of software providers expect AI investment to decrease

72%

cite competitive differentiation as primary roadmap driver

vs. customer demand at 52%

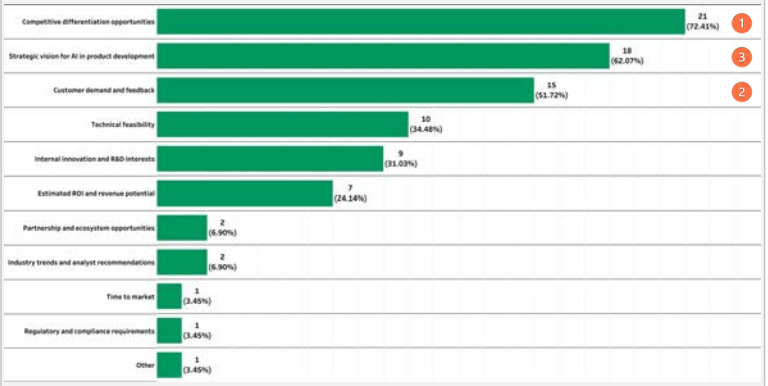
71%

expect 25%+ AI investment growth in two years

5

What Is Driving Provider Roadmaps

SW_11: Development Prioritization Factors: How does your organization prioritize AI capability development? (select top 3)



- Competitive differentiation (**72%**)[1] outranks customer demand (**52%**)[2] as a development driver.
- Customer demand ranks third[2], behind strategic vision (**62%**)[3].

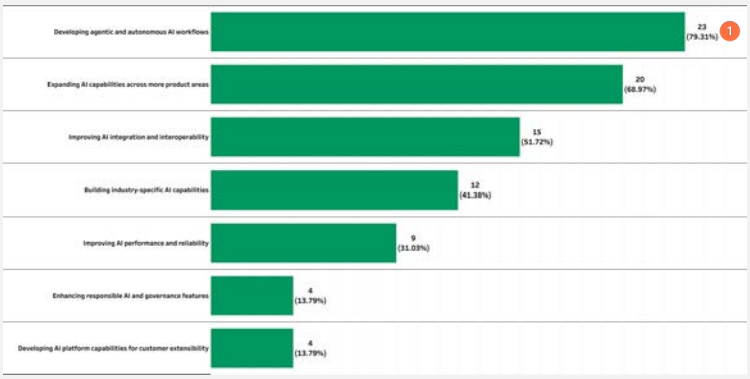
State of PLM: Today's Market & Leading Trends

2026 Market & Industry Forum—9 April 2026

Where Provider Investment is Going

CIMdata

SW_14: Development Focus Areas: Where are you focusing AI development in your organization's products? (select top 3)



- SW's #1 development focus: agentic AI workflows at **79%**[1].
- IC current agentic deployment: **19%** (not shown here).

The State of AI Monetization

CIMdata

Nobody has cracked AI monetization in PLM yet—and the data shows why

NO DOMINANT PRICING MODEL

Hybrid 24% · Add-on 24% · Usage-based 10% · 0% outcome-based or platform fee pricing

No consensus: software providers are trialing at least four models simultaneously

THE BUNDLING TRAP

33% of customers prefer bundled pricing · only 10% of SW delivers it

28% of software providers cite customers expecting AI in base product as a top challenge

THE COMPETITIVE DRIVER BACKFIRES

72% invest to differentiate · 81% of customers not yet using agentic AI

Building ahead of adoption makes the ROI story harder to tell

THE ROI CATCH-22

49% of customers cite ROI as top selection factor · 31% of SW cite demonstrating ROI as a top monetization challenge.

Both sides are waiting for the other to move first — a structural deadlock on AI value capture

THE STRUCTURAL CHALLENGE STACK

Cost uncertainty 38% · Price pressure 34% · No benchmarks 34% · High infra costs 34% · Unpredictable consumption 34%

Five converging headwinds—all near 34–38%—with no clear fix on the horizon

8

State of PLM: Today's Market & Leading Trends

2026 Market & Industry Forum—9 April 2026

The Timeline Disconnect

94%

of software providers expect AI to be standard in their portfolio within two years

45%

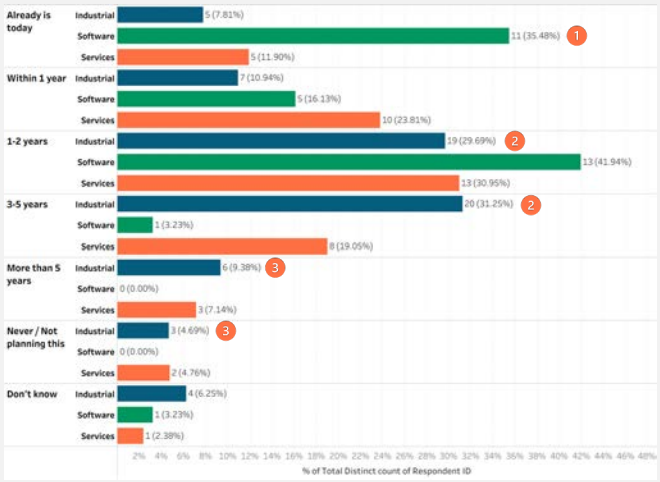
of industrial customers say "3+ years" or "never" to become a standard part of their product development workflow

0 software providers selected "5+ years" or "never"

9

The Timeline Distribution

IC_06/SW_05/SI_05: Timeline to Standardization: By when do you expect AI to become a standard part of your organization's product development workflow? (select one)



- SW clusters at "Already today" (**35%**)[1].
- IC distributes across 1-2 years, 3-5 years, and 5+ years[2].
- The IC tail (**14%** at 5+ years or never[3]) has no SW equivalent.

Where the Calibration is Strong

CIMdata

Not all divergence – provider field experience is producing real accuracy

SW maturity barrier scores match IC self-assessed maturity on 4 of 6 dimensions with near-exact precision:

Technical AI Skills		Data Engineering		AI Strategy	
2.83 SW	2.82 IC	2.78 SW	2.77 IC	2.66 SW	2.68 IC
Δ 0.01 • Near-exact match		Δ 0.01 • Near-exact match		Δ 0.02 • Near-exact match	

- Three-way alignment on core application areas: requirements management, search/knowledge, concept development
- These calibration successes reflect real deployment experience – SW field knowledge is working

11

Validation Confidence

CIMdata

5%

Of industrial customers are "very confident" they can validate AI outputs

33%

Of software providers believe their customers have robust validation approaches

A 6x gap

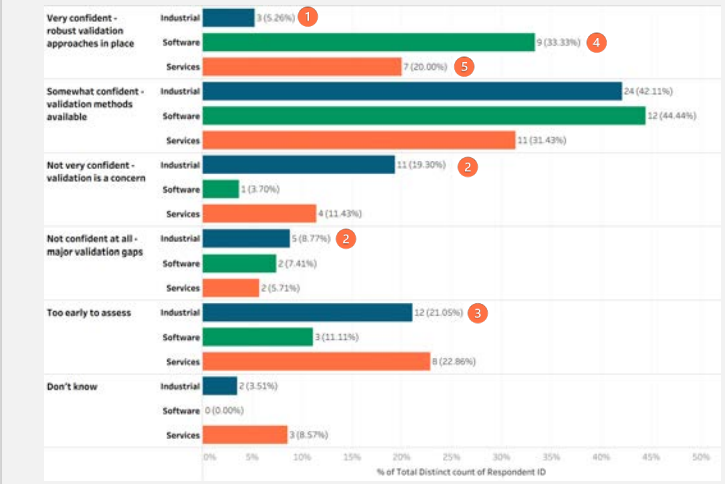
12

State of PLM: Today's Market & Leading Trends

2026 Market & Industry Forum—9 April 2026

The Validation Confidence Distribution

IC_19/SW_21/SI_18: Validation Confidence: How confident is your organization that AI can be validated and used safely in your product development processes? (select one)



- IC: **5%**[1] very confident, **28%**[2] not confident, **21%**[3] too early to assess.
- SW estimates **33%**[4] have robust validation. SI: **20%**[5] – closer but still 4x IC's rate.
- Calibration improves with operational proximity

Governance: The Provider Blind Spot

Customers have specific, urgent governance concerns – providers have largely removed governance from their development agenda

IC GOVERNANCE CONCERNS

IP Protection	68%
Output Reliability & Liability	46%
Transparency & Explainability	35%

All three rates are higher than either SW or SI cohort estimates – IC concerns are not being heard.

0% of SW respondents named governance as a top-3 internal development challenge

% of SW respondents confident in their organization's ability to address responsible AI requirements:

33% **Low confidence** AI liability

30% **Low confidence** Environ. impact

This gap will grow commercially consequential as regulation increases.

✓ **One alignment:** SW is most confident about data privacy (52% max confidence) – matching IC's top concern.

14

State of PLM: Today's Market & Leading Trends

2026 Market & Industry Forum—9 April 2026

The Barrier Mismatch

IC_18/SW_22/SI_20: Adoption Challenges: What are the biggest challenges your organization faces with AI adoption in product development? (select top 3)

	Industrial	Software	Services
DATA - Data quality issues (incomplete, inconsistent, or inaccurate data)	34 (59.65%) ①	10 (37.04%) ②	18 (51.43%)
BUSINESS CASE - Unclear business case or return on investment (ROI)	13 (22.81%) ⑤	12 (44.44%) ③	19 (54.29%) ④
DATA - Data access and integration challenges (siloed systems)	25 (43.86%)	8 (29.63%)	9 (25.71%)
SKILLS - Lack of internal AI expertise and skills	19 (33.33%)	5 (18.52%)	6 (17.14%)
RISK - Concerns about data security and IP protection	14 (24.56%)	5 (18.52%)	7 (20.00%)
READINESS - Don't know where to start or which use cases to pursue	9 (15.79%)	7 (25.93%)	8 (22.86%)
SKILLS - Change management and training requirements	5 (8.77%)	6 (22.22%)	4 (11.43%)
TECHNICAL - Lack of appropriate AI capabilities from software providers	6 (10.53%)	4 (14.81%)	3 (8.57%)
BUSINESS CASE - Limited budget for AI initiatives	5 (8.77%)	2 (7.41%)	5 (14.29%)
READINESS - Waiting for AI technology to mature	8 (14.04%)	1 (3.70%)	3 (8.57%)
RISK - Difficulty validating AI outputs and ensuring reliability	3 (5.26%)	6 (22.22%)	3 (8.57%)
CULTURE - Cultural resistance to AI adoption	5 (8.77%)	4 (14.81%)	2 (5.71%)
TECHNICAL - Legacy systems and technical debt	8 (14.04%)	1 (3.70%)	2 (5.71%)
TECHNICAL - Complexity of implementation and integration	7 (12.28%)	0 (0.00%)	3 (8.57%)
BUSINESS CASE - Lack of executive sponsorship or support	2 (3.51%)	2 (7.41%)	4 (11.43%)
TECHNICAL - Need for AI solutions that operate in air-gapped or disconnected environments	3 (5.26%)	2 (7.41%)	3 (8.57%)
STRATEGY - Other technology priorities take precedence	2 (3.51%)	3 (11.11%)	2 (5.71%)
RISK - Regulatory and compliance uncertainty	2 (3.51%)	0 (0.00%)	2 (5.71%)
STRATEGY - Satisfied with current processes and tools		2 (7.41%)	2 (5.71%)
Other	1 (1.75%)	1 (3.70%)	

- IC's #1 challenge: data quality at **60%**[1]. SW estimates **37%**[2] – a **23**-point underestimate.
- Both providers rate 'unclear ROI' as the top adoption blocker (SW **44%**[3], SI **54%**[4]) while IC reports only **23%**[5].

The Integration Blind Spot

IC_21/SW_24/SI_24: Selection Factors: What factors most influence your organization's selection of AI-augmented solutions for product development? (select top 3)

	Industrial	Software	Services
VALUE - Proven return on investment (ROI) and business value	27 (49.09%)	14 (53.85%)	16 (53.33%)
INTEGRATION - Integration with existing systems (PLM, CAD, CAE, ERP, etc.)	34 (61.82%) ①	12 (46.15%) ②	9 (30.00%) ③
READINESS - Production-ready AI capabilities (not beta/experimental)	24 (43.64%)	9 (34.62%)	12 (40.00%)
TRUST - Data security and compliance features	22 (40.00%)	11 (42.31%)	9 (30.00%)
USABILITY - Ease of use and user adoption	18 (32.73%)	9 (34.62%)	6 (20.00%)
VALUE - Pricing and total cost of ownership	10 (18.18%)	5 (19.23%)	8 (26.67%)
READINESS - Software provider product roadmap and continuous improvement	4 (7.27%)	2 (7.69%)	6 (20.00%)
READINESS - Software provider reputation and market leadership	2 (3.64%) ④	5 (19.23%) ⑤	4 (13.33%)
SUPPORT - Success stories from similar companies	5 (9.09%)	2 (7.69%)	4 (13.33%)
TRUST - Transparent and explainable AI decision-making	4 (7.27%)	4 (15.38%)	3 (10.00%)
INTEGRATION - Flexibility and customization/deployment options	3 (5.45%)	1 (3.85%)	4 (13.33%)
SUPPORT - Implementation and support quality	4 (7.27%)	0 (0.00%)	3 (10.00%)
SUPPORT - Industry-specific AI capabilities	2 (3.64%)	2 (7.69%)	2 (6.67%)
TRUST - Commitment to responsible AI practices	1 (1.82%)	2 (7.69%)	3 (10.00%)
USABILITY - Training and change management support	5 (9.09%)	0 (0.00%)	0 (0.00%)
Other			1 (3.33%)

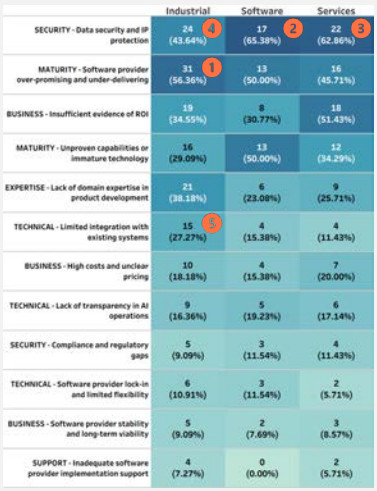
- IC: integration #1 at **62%**[1]. SW underestimates at **46%**[2] (**-16** pts).
- SI underestimates at **30%**[3] (**-32** pts) – larger than SW despite daily operational proximity to integration complexity.
- Provider reputation: IC **4%**[4], SW estimates **19%**[5].

State of PLM: Today's Market & Leading Trends

2026 Market & Industry Forum—9 April 2026

Three Concerns Providers are Misreading

IC_26/SW_25/SI_22: Provider Concerns: What concerns does your organization have about AI solution providers? (select top 3)



	Industrial	Software	Services
SECURITY - Data security and IP protection	24 (43.64%) 4	17 (65.38%) 2	22 (62.86%) 3
MATURITY - Software provider over-promising and under-delivering	31 (56.36%) 1	13 (50.00%)	16 (45.71%)
BUSINESS - Insufficient evidence of ROI	19 (34.55%)	8 (30.77%)	18 (51.43%)
MATURITY - Unproven capabilities or immature technology	16 (29.09%)	13 (50.00%)	12 (34.29%)
EXPERTISE - Lack of domain expertise in product development	21 (38.18%)	6 (23.08%)	9 (25.71%)
TECHNICAL - Limited integration with existing systems	15 (27.27%) 5	4 (15.38%)	4 (11.43%)
BUSINESS - High costs and unclear pricing	10 (18.18%)	4 (15.38%)	7 (20.00%)
TECHNICAL - Lack of transparency in AI operations	9 (16.36%)	5 (19.23%)	6 (17.14%)
SECURITY - Compliance and regulatory gaps	5 (9.09%)	3 (11.54%)	4 (11.43%)
TECHNICAL - Software provider lock-in and limited flexibility	6 (10.91%)	3 (11.54%)	2 (5.71%)
BUSINESS - Software provider stability and long-term viability	5 (9.09%)	2 (7.69%)	3 (8.57%)
SUPPORT - Inadequate software provider implementation support	4 (7.27%)	0 (0.00%)	2 (5.71%)

- IC's #1 concern: over-promising and under-delivering at **56%**[1].
- Both providers overestimate security/IP concerns (SW **65%**[2], SI **63%**[3] vs. IC **44%**[4]).
- Integration concern (IC **27%**[5]) underestimated by both – completing the three-question integration blind spot

The Innovation Disconnect

28%

Of industrial customers report it as a **realized** benefit

0%

Of software providers expect customers to prioritize design innovation over the next 2-3 years

36%

Of software providers report it too – 8th overall

6%

Of service providers expect the same

State of PLM: Today's Market & Leading Trends

2026 Market & Industry Forum—9 April 2026

The Prioritization Gap

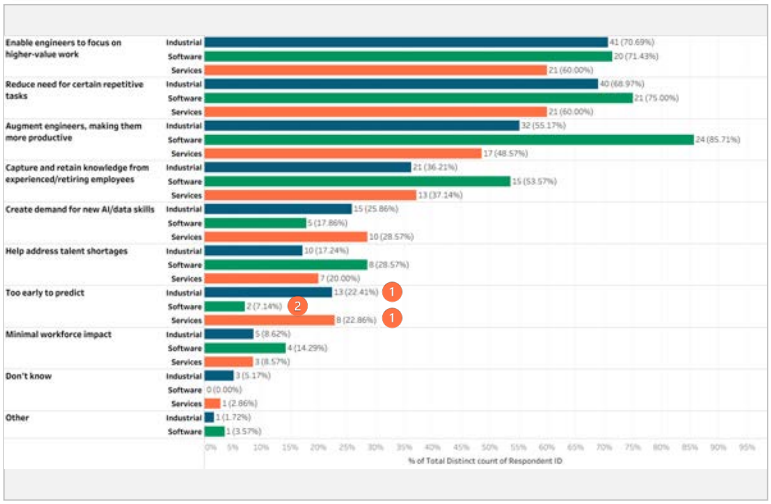
IC_16/SW_18/SI_15: Expected Benefits: Which benefits from AI in product development does your organization **expect** to prioritize over the next 2-3 years? (select top 3)

	Industrial	Software	Services
SPEED - Reduced design and development cycle time	53.45% (1)	50.00%	57.14%
EFFICIENCY - Reduced manual or repetitive tasks	51.72% (2)	46.43%	45.71%
SPEED - Faster access to information, designs, or knowledge	36.21%	50.00%	34.29%
COST - Reduced development costs (labor, materials, prototyping, etc.)	25.86% (5)	46.43% (6)	34.29%
QUALITY - Improved design quality or reduced defects	25.86%	10.71%	20.00%
COST - Reduced rework and error correction costs	8.62%	7.14%	28.57%
PERFORMANCE - More optimized designs (performance, weight, efficiency)	18.97%	10.71%	8.57%
INTEGRATION - Simplified navigation across multiple software provider systems and applications	12.07%	10.71%	11.43%
COMPLIANCE - Improved compliance with standards or regulations	5.17%	25.00%	5.71%
EFFICIENCY - Improved collaboration and workflow efficiency	8.62%	7.14%	14.29%
INNOVATION - Increased design innovation or exploration of alternatives	17.24% (3)	0.00% (4)	5.71%
WORKFORCE - Improved knowledge capture and retention	6.90%	10.71%	8.57%
RISK - Reduced risk (design errors, regulatory issues, delays)	5.17%	7.14%	11.43%
No specific expectations yet	10.34%	0.00%	5.71%
QUALITY - Improved manufacturability or production readiness	8.62%	3.57%	2.86%
WORKFORCE - Addressing talent shortages or skill gaps	1.72%	14.29%	5.71%
Other	3.45%		

- IC's top expected benefits: reduced cycle time (**53%**[1]), reduced manual tasks (**52%**[2]).
- Design innovation: IC **17%**[3], SW predicts **0%**[4].
- Cost reduction: IC **26%**[5], SW estimates **46%**[6] – nearly double.

The Workforce Uncertainty Gap

IC_17/SW_19/SI_16: Workforce Impact: How does your organization expect AI to impact your product development workforce? (select all that apply)



- IC and SI both at **22-23%**[1] "too early to predict" on workforce impact.
- SW: **7%**[2]. The augmentation narrative has three-way consensus.
- The confidence gap is on specific productivity outcome claims.

The Delivery Bottleneck

CIMdata

47%

Of service providers say the factor that would most improve their ability to deliver successful AI implementations is

More realistic client expectations about AI

Ahead of better methodologies (40%), improved client readiness (37%), more mature provider capabilities (30%), enhanced internal expertise (13%)

21

Where to Focus

CIMdata

What the combined data implies

01 STRONG CALIBRATION

Field experience is producing accurate customer readings

Customer maturity conditions and core application area priorities are well-understood—SW providers are reading the room correctly here.

02 RECALIBRATE

Four critical gaps are distorting provider strategy

Validation confidence, data quality as the real primary barrier, integration as #1 selection driver, and innovation priority moving forward.

6× validation gap

03 STRUCTURAL OPPORTUNITY

The usage gap is temporal and compressible

Customers are not stuck—they are moving. Invest in priority workflows and onboarding, not more features.

04 THE NARRATIVE GAP

Innovation value is recognized but not projected forward

Customers and providers both report innovation as a realized benefit. Yet 0% of providers expect customers to prioritize it. The space for an innovation narrative is wide open.

22

State of PLM: Today's Market & Leading Trends

2026 Market & Industry Forum—9 April 2026

Concluding Remarks

CIMdata

01 — Providers Are All-In — Customers Are Not

- **87%** of software providers rate AI as top or high investment priority.
- **45%** of customers say 3+ years or never to standardize AI—a 2-year planning gap.

02 — AI Monetization Remains Unsolved

- No dominant pricing model.
- **49%** of customers cite ROI as top selection factor; **31%** of software providers cite demonstrating ROI as a top monetization challenge.

03 — Governance Is the Provider Blind Spot

- **0%** of software providers cite governance as a top challenge in developing and delivering AI capabilities.
- Meanwhile, **68%** of customers cite IP protection as #1 governance concern.

04 — Integration Is #1 for Customers

- Integration is a top-3 selection factor for **62%** of customers, making it #1 overall.
- Only **46%** of software providers (-16 pts) and **30%** of service providers (-32 pts) agree.

05 — The Innovation Disconnect

- **28%** of customers and **36%** of software providers report innovation as a realized benefit of AI
- However, **0%** of software providers expect customers will prioritize AI for innovation over the next 2-3 years.

23 6

Questions & Answers

CIMdata

What's on your mind?

24

State of PLM: Today's Market & Leading Trends

2026 Market & Industry Forum—9 April 2026