

# ServiceNow M&A Market Update

YTD 2026

May 4, 2026

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Includes: Recent ServiceNow acquisitions announced,  
ServiceNow partner mergers (systems integrators)



## Our View

ServiceNow has emerged as the most aggressive acquirer in enterprise workflow software, deploying \$10B+ in M&A capital across late 2025 and YTD 2026. The platform has executed a deliberate three-pronged strategy: (1) agentic AI via Moveworks, (2) a cybersecurity fortress built through Armis and Veza, and (3) data intelligence layering through Pyramid Analytics, Traceloop, and data.world. This consolidation materially expands NOW's TAM, raises competitive barriers against Salesforce, SAP, and ITSM rivals, and signals ambition to become the enterprise AI control tower of record. The consulting ecosystem remains red-hot — demand for certified SIs continues to outstrip supply, sustaining M&A multiples of 3–4× revenue and 15–25× EBITDA.

### 01 Agentic AI Capability

**Moveworks** (\$2.85B) delivered conversational AI, enterprise search & agentic workflows — creating an AI-native employee front door

### 02 Cybersecurity Fortress

**Armis** (\$7.75B) + **Veza** (~\$1B) + **Traceloop** together triple NOW's security & risk TAM and close the attack-surface-to-identity loop

### 03 Data Intelligence Layer

**Pyramid Analytics** + **data.world** give NOW a semantic analytics layer; AI agents and human operators can query business metrics conversationally

**\$10B+**

M&A Capital Deployed  
H2'25–YTD'26

**3X**

Security TAM  
Expansion

**~100**

Partner Ecosystem  
M&A Since 2017

**3X–4X**

SI Revenue  
Multiple

## ARMIS SECURITY

**\$7.75B | Closed Apr 2026**

ServiceNow's Largest Acquisition Ever

### ● Cyber Asset Discovery

Real-time agentless visibility across IT, OT, IoT, medical devices & physical AI

### ● Attack Surface Coverage

Trusted by 9 of Fortune 10; 35%+ of Fortune 100; government & critical infrastructure

### ● TAM Impact

Expected to more than 3x NOW's security & risk market opportunity

### ● Financial Advisors

Tidal Partners (lead), J.P. Morgan, Barclays advised ServiceNow

### ● Israel Angle

4th cybersecurity acquisition in past year; NOW names Israel 'cyber center of excellence'

## VEZA

**~\$1.0B | Closed Mar 2, 2026**

Identity Security & AI Agent Governance

### ● Access Graph

Patented; maps access relationships across human, machine & AI agent identities in real-time

### ● NHI Governance

Governs non-human identities — API keys, tokens, agents — critical for agentic AI trust

### ● Customer Base

~150 global enterprise customers incl. Blackstone; 230 employees; founded 2020

### ● Competitive Context

Followed Palo Alto's \$25B CyberArk deal; NHI market flagged as likely M&A hotspot

### ● Platform Fit

Veza Access Graph + NOW CMDB + Armis asset discovery = complete identity-to-device security stack

# SERVICENOW DIRECT ACQUISITIONS — YTD 2026

TARGET	CATEGORY	VALUE	STATUS	CLOSE	STRATEGIC RATIONALE
<b>Armis Security</b>	Cyber Exposure Mgmt / OT Security	<b>\$7.75B</b>	CLOSED	Apr 2026	Largest deal ever; unifies cyber asset visibility (IT/OT/IoT) with NOW workflow remediation. Expected to 3x security & risk TAM. Tidal Partners / J.P. Morgan / Barclays advised.
<b>Veza</b>	AI-Native Identity & Access Security	<b>~\$1.0B</b>	CLOSED	Mar 2, 2026	Patented Access Graph governs human, machine & AI agent identities. Critical for secure agentic AI deployment. Blackstone, 150 enterprise customers. Closed within 90 days of announcement.
<b>Pyramid Analytics</b>	AI-Powered Business Analytics & BI	<b>~\$200-400M</b>	CLOSED	Mar 10, 2026	Semantic layer lets users query data conversationally; reduces time-to-insight from weeks to <30 min. Connects insight to workflow action without tool switching. Tuck-in; ~200 employees.
<b>Traceloop</b>	AI Observability & LLM Governance	<b>\$60-80M</b>	CLOSED	Mar 2026	3rd Israeli acquisition in <3 months. YC-backed; adds LLM tracing & audit for AI agents in prod. Aligns with FedRAMP + AI Governance push. Strengthens 'AI Control Tower' narrative.
<b>Moveworks</b>	Agentic AI / Enterprise Search	<b>\$2.85B</b>	CLOSED	Dec 15, 2025	(FY2025 — context) Agentic AI front door for employee workflows; NLU + enterprise search. Combined with NOW workflows = unified AI self-service platform. Took 9 months to close.

Source: ServiceNow press releases, SEC filings, market reports. \*Moveworks shown for context; closed Q4 2025.

# CONSULTING & SI PARTNER ECOSYSTEM M&A (Selected)

**~100**

Total Partner M&A  
Transactions Since 2017

**3X-4X**

Revenue Multiple  
Pure-Play NOW SIs

**15X-25X**

EBITDA Multiple  
Pure-Play NOW SIs

**6**

Global Elite Partners  
(Accenture, Deloitte, DXC,  
KPMG, EY, IBM)

ACQUIRER	TARGET	EST. VALUE	FOCUS AREA	PERIOD
<b>Cognizant</b>	<b>Thirdera</b> (ServiceNow Elite boutique)	~\$420M	Anchored Cognizant as Global Elite NOW partner; 4x revenue exit for Sunstone Partners after 3 years	2024
<b>Accenture</b>	<b>CyberCX</b> (cybersecurity consulting)	~\$650M	1,000+ security professionals; synergistic with NOW's expanding Armis/Veza SecOps suite	Aug 2025
<b>NTT Data</b>	<b>The Cloud People</b>	N/D	One of the largest pure-play ServiceNow partners in Europe, with offices in the U.S., Norway, Brazil and Northern Europe.	December 2025
<b>Synechron</b>	<b>RapDev</b>	N/D	Boston-based consultancy specializing in Datadog and ServiceNow DevOps and AI workflows	Oct 2025
<b>Capgemini</b>	<b>WNS Holdings</b> (AI-powered BPO)	\$3.3B	Largest IT services deal of past 12 months; ServiceNow embedded across WNS process automation	Jul 2025
<b>Wipro</b>	<b>HARMAN Digital Transformation Solutions</b>	\$375M	Engineering & connected-device focus; complements Wipro's NOW OT/IoT workflows post-Armis	Aug 2025

Source: Solganick & Co. research, ChannelE2E, company press releases. N/D = not disclosed.

# VALUATION BENCHMARKS & TRANSACTION MULTIPLES

## SERVICENOW PLATFORM (NOW)

Market Capitalization ~\$94B

ARR Run Rate \$10B+

FY2026E Rev. Growth Guide 21.5%

FCF Margin ~30%+

Net Revenue Retention ~99%

Share Buyback Authorization \$5.0B

Security & Risk ACV (Q3'25) \$1B+ (crossed threshold)

Stock Split 5-for-1 (Dec 17, 2025)

## TRANSACTION COMPARABLES

**Armis Security (2026)** \$7.75B cash

Largest NOW deal ever; funded cash + debt

**Veza (2026)** ~\$1.0B

Identity security; closed within 90 days

**Pyramid Analytics (2026)** ~\$200-400M

Tuck-in analytics; ~200 employees

**Traceloop (2026)** \$60-80M

AI observability; YC-backed; Israeli target

**Moveworks (2025)** \$2.85B

Agentic AI front door; 9-month close

**Thirdera → Cognizant (2024)** ~\$420M / ~4x Revs.

Pure-play NOW SI; 3-yr PE exit

**GlideFast → ASGN (2022)** \$350M / ~25x EBITDA

Pure-play NOW SI; benchmark multiple

**CyberCX → Accenture (2025)** ~\$650M

Cybersecurity SI; 1,000+ professionals

### 01 Security Is NOW's New Growth Vector

The Armis + Veza stack positions ServiceNow as the only vendor offering unified cyber asset visibility, identity governance, workflow remediation & agentic AI trust in a single platform. Worldwide infosec spend is projected at \$240B in 2026 (+12.5% YoY per Gartner). NOW's Security & Risk ACV crossed \$1B in Q3 2025 — it could become a multi-billion dollar standalone segment within 2–3 years.

### 02 The Israeli Corridor Is Deliberate Strategy

Armis, Veza, Pyramid Analytics & Traceloop = four Israeli acquisitions in <5 months. CEO McDermott has explicitly designated Israel as NOW's 'cyber center of excellence.' Bankers covering Israeli-domiciled enterprise software assets should expect continued NOW appetite in OT security, identity, AI observability & analytics.

### 03 Partner Multiples Remain Elevated and Defensible

Despite macro uncertainty, certified ServiceNow SIs continue to trade at 3–4× revenue / 15–25× EBITDA — well above the broader IT services sector. Structural driver: the ServiceNow talent pool cannot keep pace with 20%+ platform growth. PE-backed aggregators building to GSI exit remain the most active buyer archetype in the sub-\$50M EBITDA cohort.

### 04 Agentic AI Is Now a Table-Stakes Requirement

Accenture's NeuraFlash, IBM's consulting buildout & Deloitte's 2026 Workflow Automation Outlook all signal the same demand: enterprises are moving from AI pilots to production agentic deployments. Only partners with deep NOW expertise and proven AI integration skills command premium rates. Boutique partners without an AI story face valuation compression.

### 05 NOW Will Not Acquire Consulting Capacity

ServiceNow's partner strategy is explicit: do not compete with the GSI ecosystem that drives growth. McDermott's 'invest-in-partner' philosophy replicates his SAP playbook. Global Elite partners (Accenture, Deloitte, KPMG, EY, DXC, IBM) remain motivated co-sellers. Any direct professional services push from NOW would be a material market signal worth monitoring.

# M&A WATCH LIST & SECTOR THEMES — H2 2026 OUTLOOK

## NHI / IDENTITY

### Aembit, Entro Security, Oasis

Remaining NHI specialists post-Veza. Omdia flagged these as acquisition targets. Market still developing; NOW has appetite.

## CRM / REVENUE

### CPQ & Revenue Lifecycle Vendors

Logik.ai (FY2025) opened NOW's CRM push. Additional CPQ capabilities would deepen competition with Salesforce Revenue Cloud.

## FIELD SERVICE

### FSM SaaS Platforms

NOW's FSM module growing rapidly. A bolt-on targeting utilities and industrial verticals would expand OT/asset management workflows.

## AI OPS

### AI Ops / Observability Platforms

Competitors Dynatrace and PagerDuty remain independent. A NOW move here would challenge Splunk (Cisco) and strengthen ITOM.

## CONSULTING PARTNERS

### Mid-Market Pure-Play SIs

NewRocket, Cask, BRIGHTIDEA — PE-backed boutiques sub-\$150M revenue — offer attractive build-to-sell profiles at 3-4x revenue for GSI buyers.

## VERTICAL AI

### Healthcare, FinServ & GovTech AI Agents

NOW targets healthcare and telecom for vertical expansion. Sector-specific agentic AI startups represent logical tuck-ins post-Moveworks.

## SECTOR OUTLOOK

Demand for specialty IT consulting firms supporting ServiceNow remains the strongest in the IT services sector per Solganick research. Both strategic buyers (Accenture, IBM, Capgemini, Cognizant, Wipro) and private equity firms are competing for platform-aligned assets. We expect deal volume to continue increasing through H2 2026 as AI, cloud migration, cybersecurity, and ServiceNow consulting converge. Scalable, AI-capable partners with \$20M+ revenue meeting Rule of 40 standards command premium exits. Boutique partners without AI proof points or clear vertical focus face multiple compression.

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## SECTOR COVERAGE

- AI & Data Analytics
- Cybersecurity
- Technology Services & IT Consulting
- Software & SaaS
- Healthcare Technology
- Education Technology