

2027 Planning Executive Survey

Key findings to support 2027 planning

Survey responses collected September through mid-October 2026

RESPONDENT PROFILE

Industry

Consumer products and durables	30%
Industrial equipment and machinery	25%
Healthcare and life sciences	15%
Technology, business services and education	15%
Energy, chemicals, aerospace and defense	15%

Company revenue

Over \$5 billion	40%
\$1 billion to \$5 billion	40%
Under \$1 billion	20%

Respondent role

CEO or president	45%
CFO	40%
Other senior executive	15%



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2027 Planning Survey Results at a Glance



GROWTH

70%

are more optimistic about 2027 than a year ago

6.1%

average 2027 growth target
9.4% for those in very strong demand markets
1.6% for those in slow-growth consumer markets

64%

of the average 2027 growth target comes from new initiatives

EARNINGS

95%

cite input cost inflation as a top headwind

100%

plan cost reduction, including administrative process automation

80%

plan pricing actions for 2027

Notes: Initiative benefit averages use range midpoints, and 12% for over 10%.

Source: Arcpath 2027 Planning Executive Survey, September to October 2026. Findings also reflect interviews conducted alongside the survey.

How We Grouped Respondents

Respondents are grouped by the market demand they expect in 2027, based on the tailwinds they cited, rather than by industry.



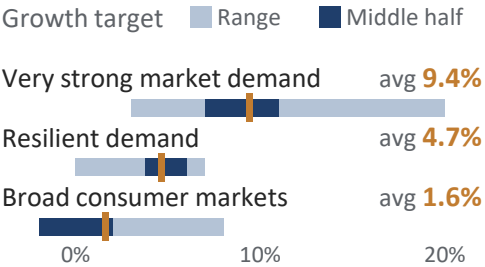
Use these results as reference points for your 2027 plan.
Compare your growth and cost targets (pages 5 and 7), headwinds and tailwinds (page 6) and initiatives (pages 8 to 10), then review the recommendations (page 11).

Source: Arcpath 2027 Planning Executive Survey, September to October 2026. Findings also reflect interviews conducted alongside the survey.

Key Findings

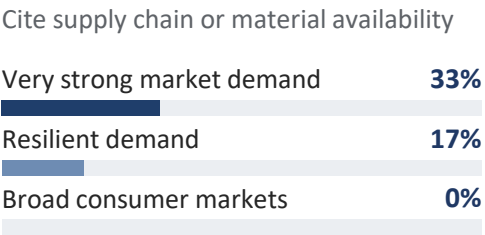
1 Executives are optimistic about 2027

70% are more optimistic than a year ago. Demand supports that view in AI supply chain, aerospace and defense, and high-end consumer markets. Elsewhere, growth targets rest on new initiatives, as base businesses grow slowly or shrink.



3 Very strong demand, led by AI supply chain, brings capacity constraints

56% plan automation or capital investment, more than any other group. They expect to price for these constraints while still growing earnings. The risk is meeting demand while it stays strong and before new entrants or solutions alter those markets.



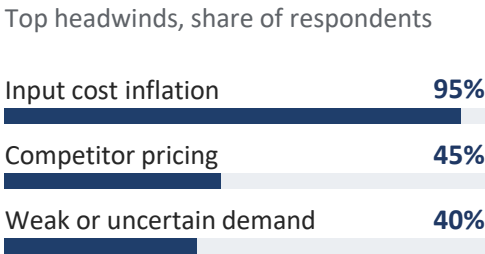
5 Pricing is critical to meet performance targets for 80% of respondents

Strategic pricing (new business or pricing models) builds long-term relationships and captures value, and **56% of companies with very strong demand reference it**. As demand weakens, companies shift to tactical pricing (price, discount and rebate actions) to support volume and offset cost inflation.



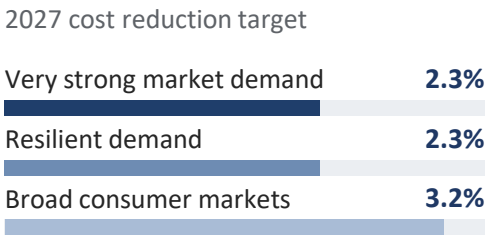
2 Input cost inflation is a shared earnings risk

95% of respondents cite input cost inflation as a headwind. **Every respondent plans cost reduction** to hedge it, and 80% plan direct labor productivity improvements.



4 Cost reduction is key for all, critical for slow growth, especially consumer

Companies with very strong and resilient demand both target cost reduction of 2.3% of net sales; **consumer companies target 3.2%**. Those savings are critical to meeting earnings targets as inflation raises costs and revenue grows slowly.



6 Broad consumer markets are squeezed

Consumer companies without a significant tailwind face weak demand and are at earnings risk. **100% plan price, discount or rebate actions** to drive demand, against 11% of companies with very strong demand.



Notes: Cost averages use range midpoints, and 3.5% for over 3%.

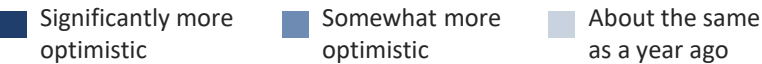
Source: Arcpath 2027 Planning Executive Survey, September to October 2026. Findings also reflect interviews conducted alongside the survey.

Executives are more optimistic about 2027 than a year ago, with growth driven by new initiatives



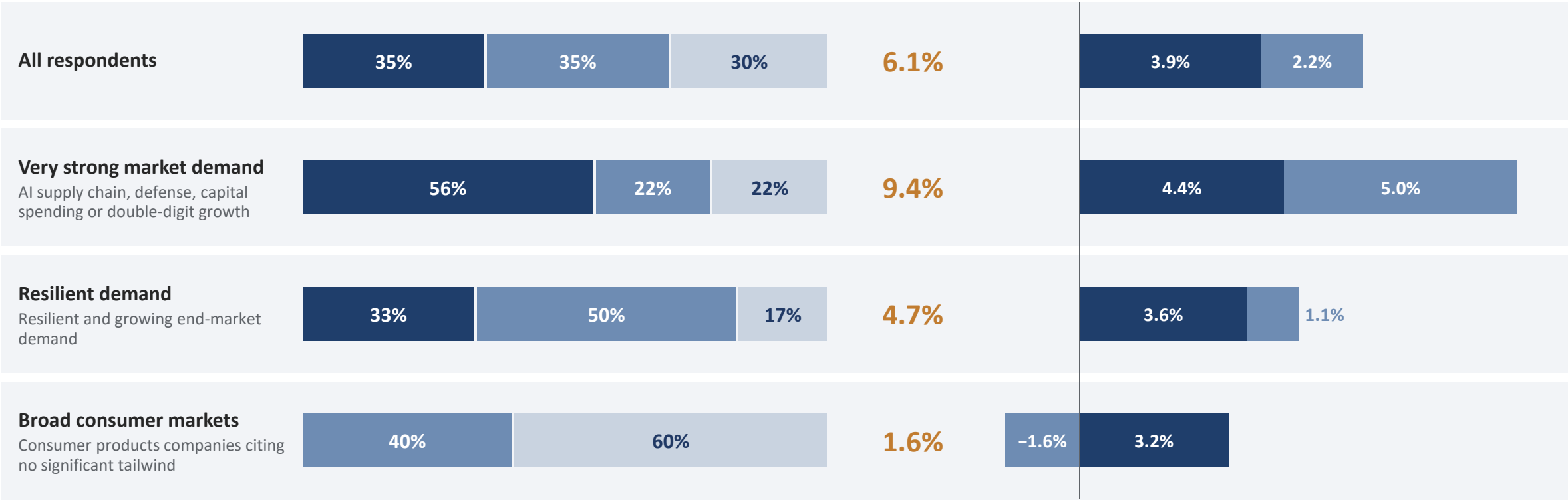
Prospects for 2027 compared with a year ago

Share of respondents. None is less optimistic than a year ago.



2027 revenue growth target and its sources

Average, percent of revenue



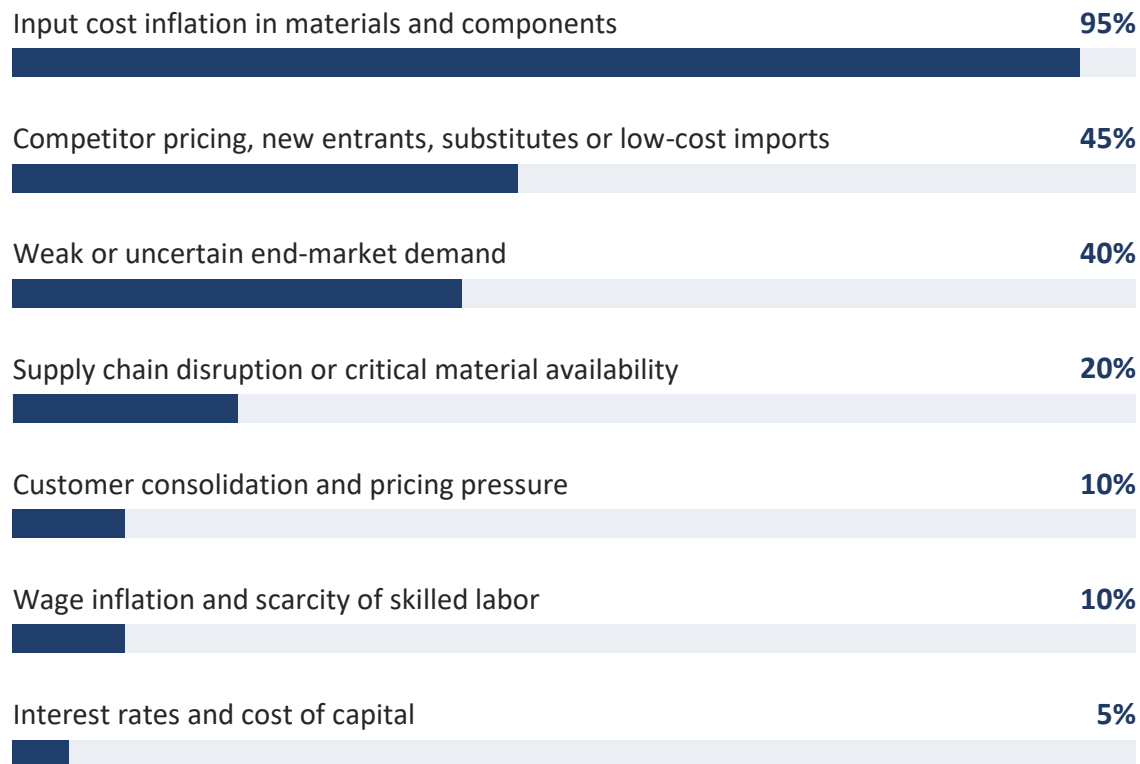
Notes: Initiative benefit averages use range midpoints, and 12% for over 10%.

Source: Arcpath 2027 Planning Executive Survey, September to October 2026. Findings also reflect interviews conducted alongside the survey.

Inflation leads 2027 headwinds; resilient demand leads tailwinds

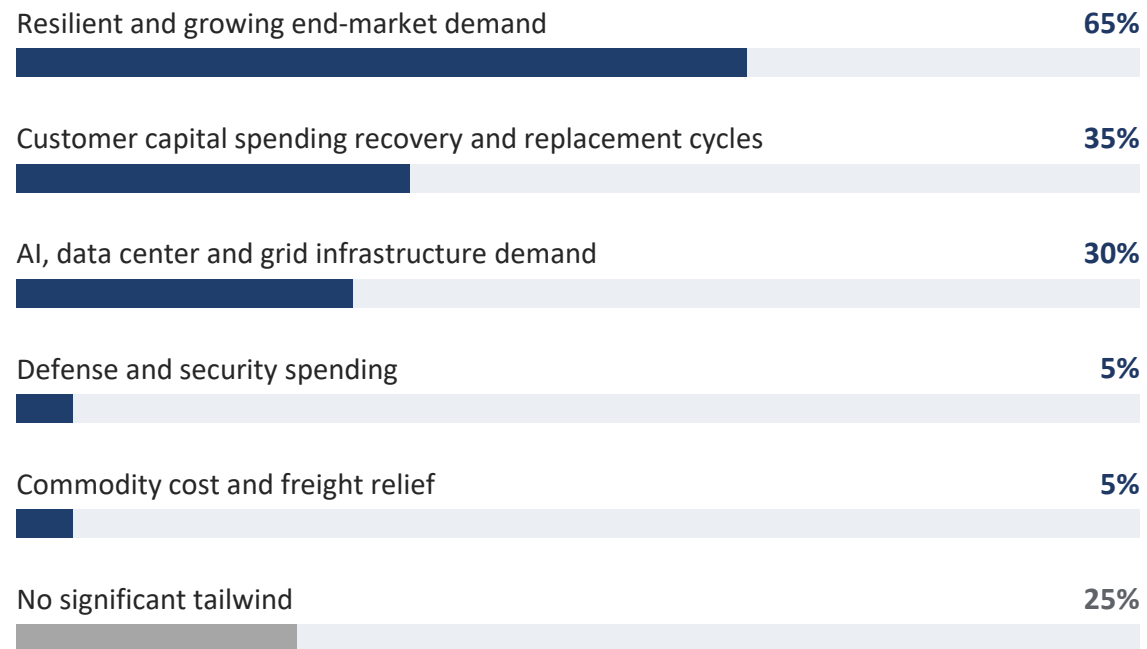
Most significant headwinds for 2027

Share of respondents, up to three selections



Most significant tailwinds for 2027

Share of respondents, up to three selections



AI supply chain companies are also reflected in the top two tailwinds.

Every company citing AI, data center and grid demand also cites resilient demand, capital spending recovery or both. They account for 71% of companies citing capital spending recovery and 38% of those citing resilient demand.

Notes: Commodity cost and freight relief was written in as an other response.

Source: Arcpath 2027 Planning Executive Survey, September to October 2026. Findings also reflect interviews conducted alongside the survey.

Very strong demand puts capacity on the agenda; consumer companies cut costs most



Headwinds and 2027 actions

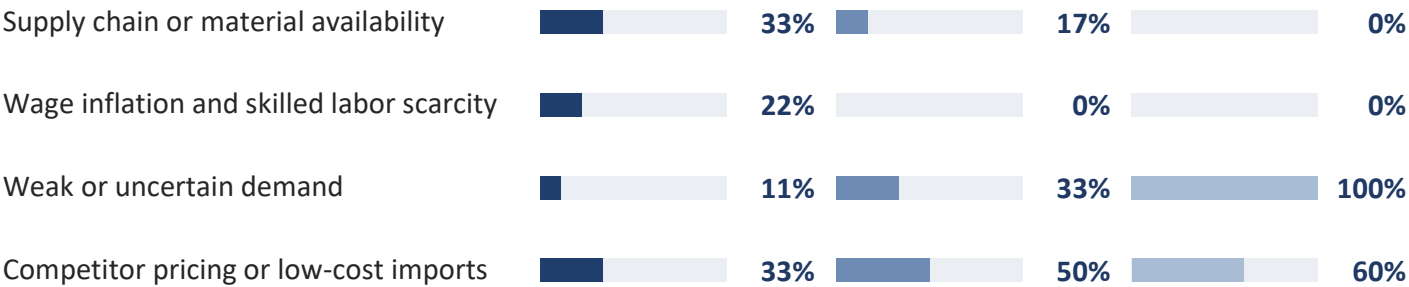
Share of companies in each group



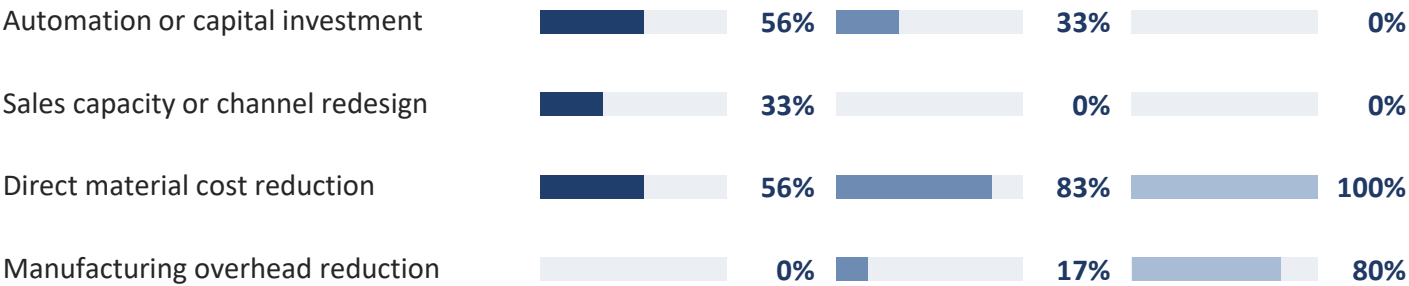
Average 2027 targets



HEADWINDS CITED



2027 ACTIONS PLANNED



Revenue growth 9.4% 4.7% 1.6%

Cost reduction
Percent of net sales, cost of goods sold and G&A 2.3% 2.3% 3.2%

Cost of goods sold
Included in cost reduction 1.2% 1.4% 2.5%

Notes: Cost averages use range midpoints, and 3.5% for over 3%.

Source: Arcpath 2027 Planning Executive Survey, September to October 2026. Findings also reflect interviews conducted alongside the survey.

80% plan pricing actions, shifting from strategic to tactical as demand weakens

Pricing actions planned for 2027

Share of respondents



Strategic pricing

New business or pricing models, such as subscription or outcome-based pricing, to encourage long-term relationships and value capture.

Tactical pricing

Price, discount or rebate actions to offset cost inflation and drive demand.

Use of each approach by market demand

Share of companies in each group

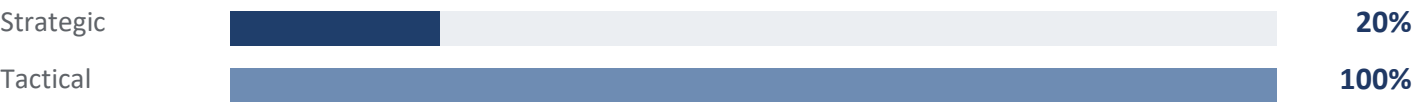
Very strong market demand



Resilient demand



Broad consumer markets

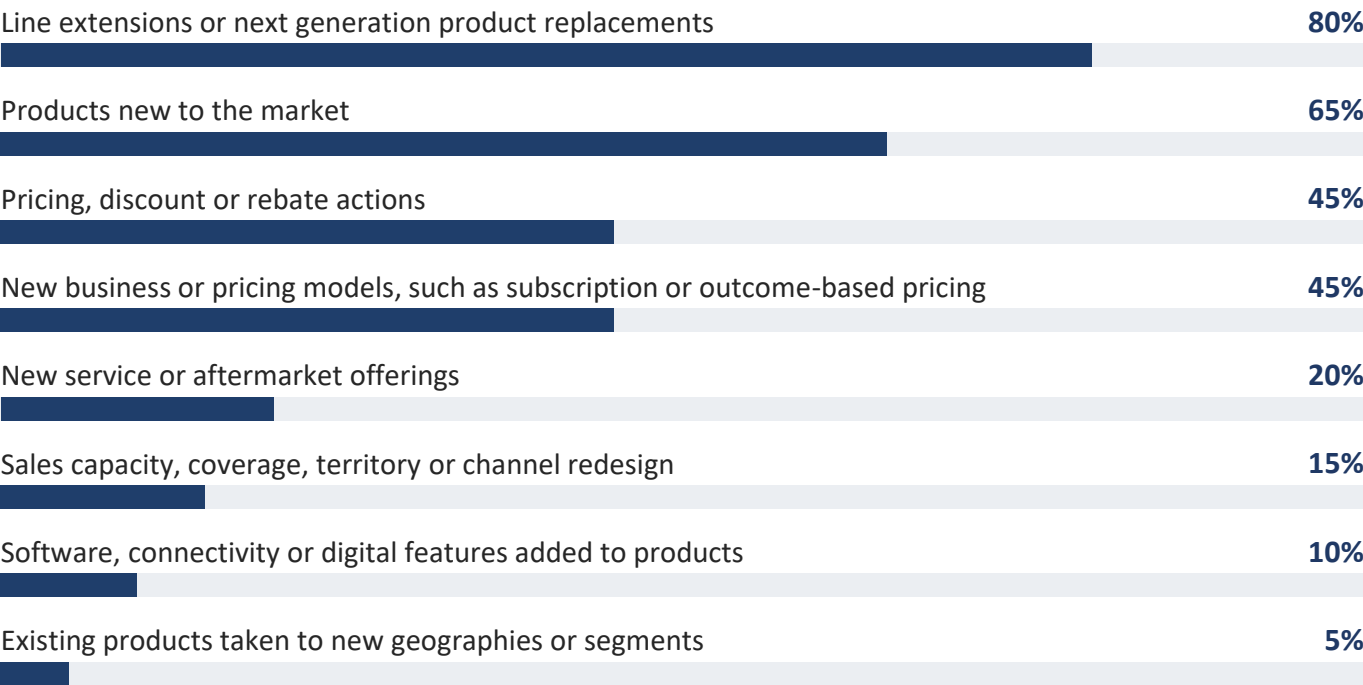


Source: Arcpath 2027 Planning Executive Survey, September to October 2026. Findings also reflect interviews conducted alongside the survey.

Very strong demand companies add sales capacity; others lean on new products

Growth initiatives planned for 2027

Share of respondents, up to three selections



Only very strong demand companies add sales capacity or digital features.

They plan sales capacity (33%), digital features (22%) or new geographies (11%). Products new to the market are planned by 83% of resilient demand companies and 80% of consumer companies, against 44% of very strong demand companies.

Notes: Initiative benefit averages use range midpoints, and 12% for over 10%.

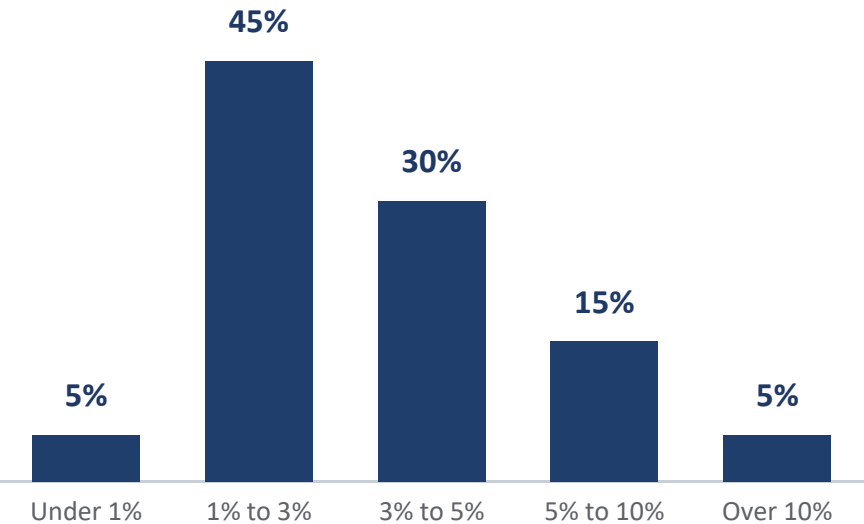
Expected revenue benefit

Of planned growth initiatives, percent of revenue

3.9%

Average expected benefit in 2027

Share of respondents by expected benefit



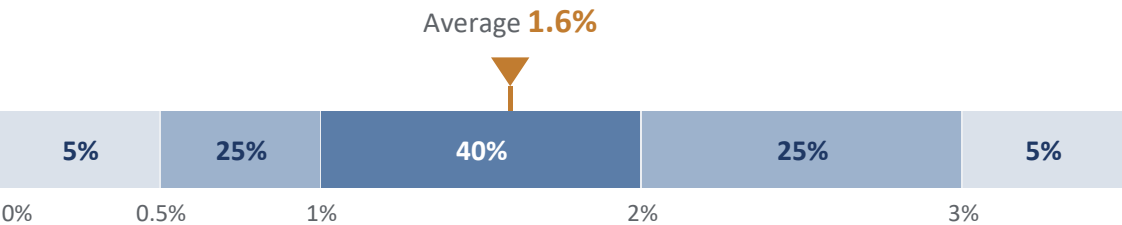
Source: Arcpath 2027 Planning Executive Survey, September to October 2026. Findings also reflect interviews conducted alongside the survey.

All respondents plan cost reduction for 2027

(all respondents are targeting administrative process automation)

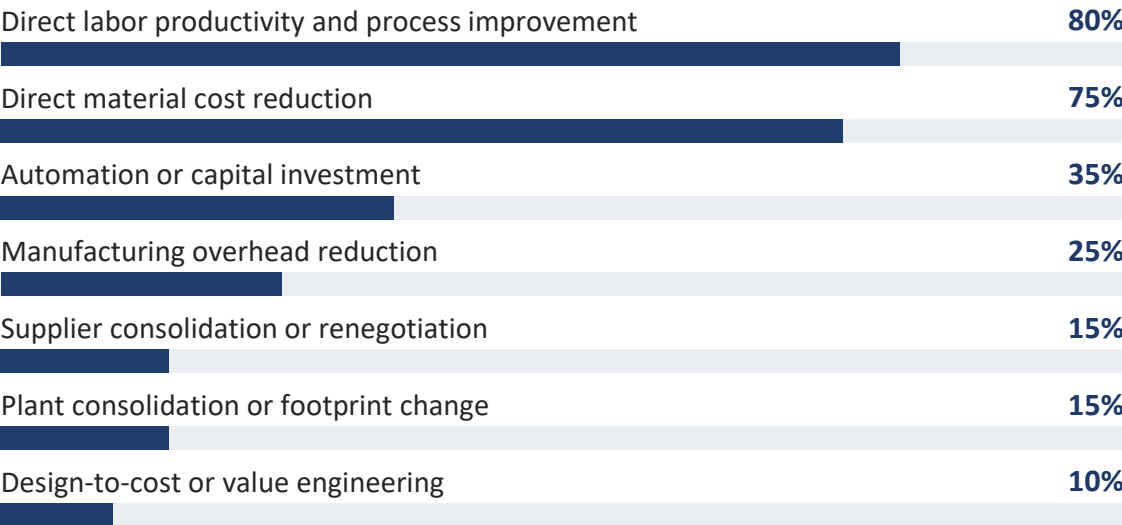
Cost of goods sold

Expected 2027 benefit as a percent of net sales



Labels show the share of respondents in each range; under 0.5% includes none planned

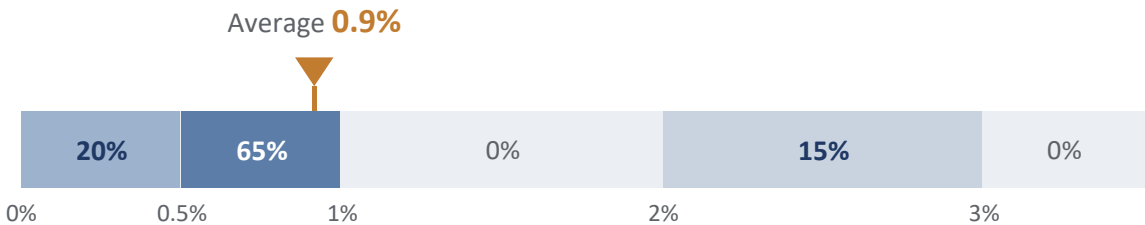
Initiatives planned, share of respondents



Notes: Up to three initiatives each. Cost averages use range midpoints, and 3.5% for over 3%.

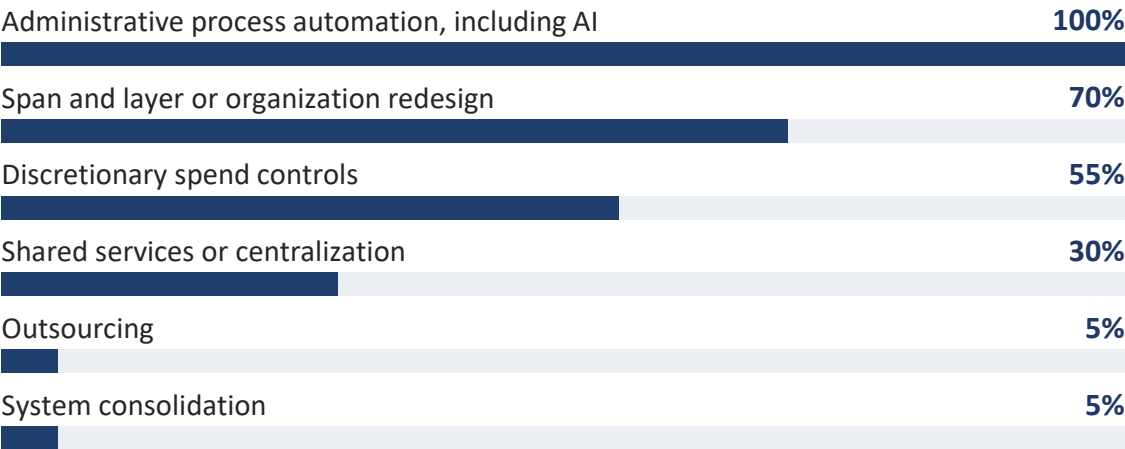
Administrative and G&A

Expected 2027 benefit as a percent of net sales



Labels show the share of respondents in each range

Initiatives planned, share of respondents



Larger G&A targets come with major operating model transformation.
The 15% targeting 2% to 3% are planning consolidations or spinoffs.

Implications for 2027 Planning

RECOMMENDATION	KEY ACTIONS	WHAT THE SURVEY SHOWS
1 Set challenging but achievable growth targets by line of business – optimism is not a strategy	- Base targets on market potential: capture share in growing markets and protect it in slow-growth markets - Separate base business from new initiatives and set a target for each initiative - Set separate targets for price, volume and mix, rather than revenue alone, so price increases do not hide weaker volume or mix - Allocate resources and set cost reduction goals consistent with these targets	70% are more optimistic, but outside very strong demand, new initiatives deliver 77% or more of 2027 growth targets.
2 Explicitly define and govern pricing strategies	- Define new pricing models that build long-term partnerships and capture value in growing segments - Price to offset cost inflation where possible - Establish promotional pricing plans with governance to manage the return on discounting - Consider menu-based pricing to capture revenue for added services, such as handling and freight	80% plan pricing actions. Price, discount and rebate actions rise from 11% to 100% as demand weakens.
3 Aggressively target direct and overhead cost reduction to offset inflation and protect earnings	- Set targets by initiative and tie each to specific P&L lines so savings are realized - Use AI and other technologies for continuous cost improvement, starting with administrative processes - Reinvest part of the savings in growing businesses; let the rest reach earnings	95% cite input cost inflation. Every respondent plans cost reduction and administrative process automation.
4 Strategically align capacity and capital	- Add capacity to support growing businesses - Remove excess capacity in declining or cost-pressured businesses - Set return on invested capital hurdles that reflect higher interest rates and capital costs	Among very strong demand companies, 33% cite supply chain or material availability as a headwind and 56% plan automation or capital investment.
5 Integrate target setting with strategic and operating plans	- Build from a 3–4 year strategic plan; year one becomes the operating plan - Check top-down targets against bottom-up plans - Use a short, consistent set of metrics across business units - Review quarterly and tie incentives to the targets	2027 growth targets range from –2% to 20% and average 6.1% .

Notes: Initiative benefit averages use range midpoints, and 12% for over 10%.

Source: Arcpath 2027 Planning Executive Survey, September to October 2026. Findings also reflect interviews conducted alongside the survey.

Business transformation, from board-level strategy through implementation

Arcpath is a business transformation consulting firm built for a market that traditional consulting models no longer serve well. Senior practitioners who have run transformations, rather than only advised on them, bring deep analytical rigor and structured, repeatable methods.

Client engagement is made faster and more consistent by an AI platform that uses benchmarks, models and proven templates from one engagement to the next. The outcome is strategy through execution in a single disciplined process, at a fraction of the traditional timeline.

Areas of focus

Strategic planning

Commercial and revenue management

Operations and supply chain

Overhead and G&A

Finance

HR

Information technology

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THE TRANSFORMATION JOURNEY



Leadership

Dave Sievers, Founder and CEO

Dave has spent more than thirty years leading large-scale transformations. A former partner at Deloitte Consulting, he founded Archstone Consulting and grew it into a nationally recognized strategy and operations firm before its acquisition by The Hackett Group, where he led one of the industry's foremost strategy and business transformation practices. He holds an MBA from Columbia University and a degree in mechanical engineering from Lehigh University.

Related white papers

- [Strategic Planning & Management: Art... or Science?](#)
- [Channel Pricing and Promotion: Are You Subsidizing Your Own Base?](#)
- [Sizing Overhead to Strategy](#)
- [Sales & Operations Planning as Transformation](#)
- [Product Line Management as a Component of Business Transformation](#)