From SaaS to Systems of Action

Why generic SaaS is being repriced and where software value is moving next

April 2026

1. SaaS Is Not Dying; Generic SaaS Is Being Repriced

TechCrunch is broadly right on the "SaaSpocalypse," but the real shift is not weaker software demand. It is a repricing of generic SaaS as customers and investors become more selective about what software is truly worth paying for.

What is breaking is the old SaaS compact. The most vulnerable products are seat-based, workflow-light, easy to replicate, and weak in proprietary data or control over the customer workflow.

The broader market data supports that distinction: Gartner expects software spending to reach about \$1.43 trillion in 2026, up 14.7% YoY, while public-cloud SaaS spending reached about **\$299.1 billion** in 2025, **up 19.2%.**

EMCLOUD's +501.5% return

What public markets are resetting is not software as a category, but the old valuation premium attached to generic SaaS. Bessemer's public cloud index now sits at an average 5.9x revenue multiple with 18.7% average revenue growth, far below 2021-style exuberance

Table 1: *The BVP Nasdaq Emerging Cloud (EMCLOUD) Index 2026*

Index	Mar 26, 2026	Aug 16, 2013	Change
EMCLOUD	\$1,310	\$218	+501.5%
NASDAQ	\$21,930	\$3,603	+508.7%
S&P 500	\$6,592	\$1,656	+298.1%
DOW JONES	\$46, 429	\$15,081	+207.9%

Software is still a healthy growth category: Gartner projects \$1.43T of software spending in 2026, up 14.7%, above overall IT growth of 10.8%. Together with the AI-led surge in data center spending, this suggests not a collapse in software demand, but a market rotation toward higher-value, more differentiated software.

Coding agents are accelerating this repricing by shifting the build-vs-buy equation. As software gets cheaper to build, more companies can justify internal tools and push back on seat-based pricing. That is a structural threat to broad horizontal SaaS, not to software overall.

Table 2: *Worldwide IT Spending Forecast (\$M) 2026*

Category	2025 Spending	2025 Growth (%)	2026 Spending	2026 Growth (%)
Data Center Systems	496,231	48.9	653,403	31.7
Devices	788,335	9.1	836,417	6.1
Software	1,249,509	11.5	1,433,633	14.7
IT Services	1,717,590	6.4	1,866,856	8.7
Communications Services	1,303,651	3.8	1,365,184	4.7
Overall	**5,555,316**	**10.3**	**6,155,493**	**10.8**

Source: *Gartner 2026* , *Gartner 2024*, *BVP 2026, TechCrunch 2026*

2. Why the shift is happening, and what it looks like

The shift is not from "old SaaS" to "AI SaaS," but from software as access to software as executed work. Instead of enabling manual workflows, software is now expected to complete tasks and deliver outcomes. The unit of value is moving from seats to usage, transactions, and results.

Three forces are driving that transition:

- 1st software is getting cheaper to build as coding agents and APIs lower development and maintenance costs.
- 2nd AI systems are advancing to handle repeatable, multi-step tasks, not just generate text.
- 3rd Customers now have more options: buy a seat, use a model, deploy an agent, or build in-house - making pricing a strategic lever.

This is a shift from systems of record to systems of action. The value is easier to measure, defend, and price, especially in fintech and other regulated sectors where customers care more about speed, accuracy, auditability, and outcomes than abstract AI features.

3. Case studies: how the shift is already appearing

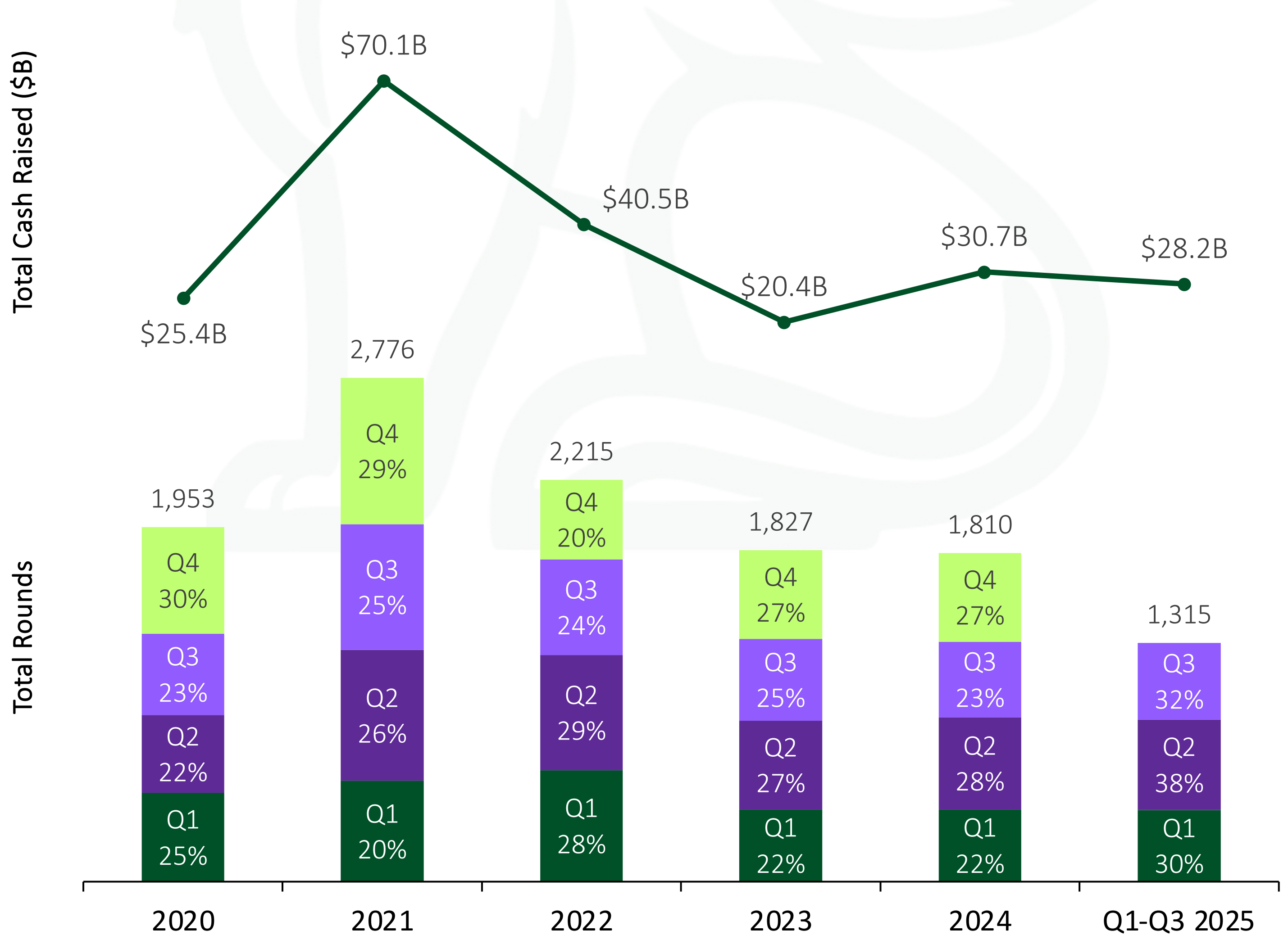
Enterprise AI is no longer just chat layered on top of existing tools.

- OpenAI reports that over 1 million businesses use its products, with ChatGPT volume up 8x and reasoning-token use per organization up 320% YoY - suggesting adoption is moving into real workflows.
- Pricing is shifting too. Stripe is leaning further into usage-based billing. Market is in hybrid phase, where legacy SaaS and usage-based AI models still coexist.

4. Capital is still flowing, but it is flowing selectively

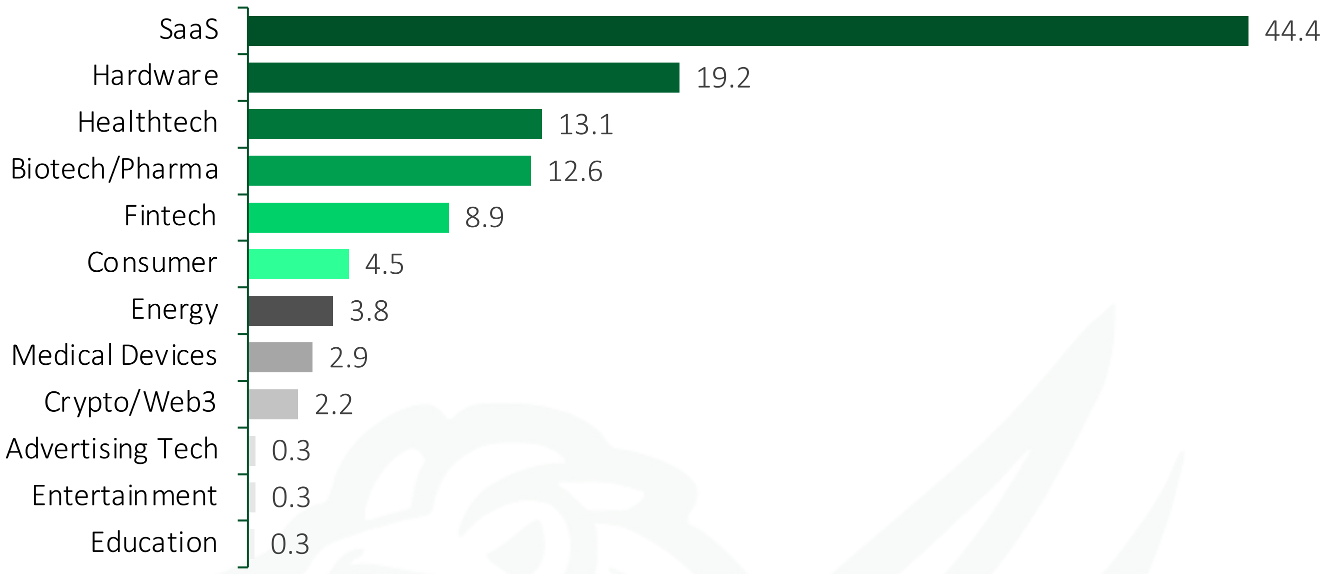
Capital has not left software, but the bar is much higher than before. Carta reports startups raised nearly $120B in 2025 (+17% YoY), with AI concentrating capital into fewer, larger rounds. SaaS reflects the same trend: $28.2B raised in the first three quarters (+25% YoY) with flat deal count, implying larger average rounds.

Figure 1: *Total rounds and total cash raised by year | SaaS | Q1 2020–Q3 2025*



Source: OpenAI Report 2025, TechCrunch 2026, Stripe Annual Letter 2025, Carta SaaS Spotlight Report 2025, BVP Report 2025

Figure 2: *Total cash raised by industry | Q1 2025–Q4 2025*



Capital has not left software; it is concentrating in AI-integrated SaaS, where companies are scaling faster - reaching $100M ARR in 5.7 years vs. 7.5 years on average, and earning stronger valuation premiums. The same report notes that AI has become the most valuable category in Cloud 100 for a second straight year and describes AI companies as being valued at “eyepopping multiples,” even while broader private cloud multiples continue to reset from 2021 peaks.

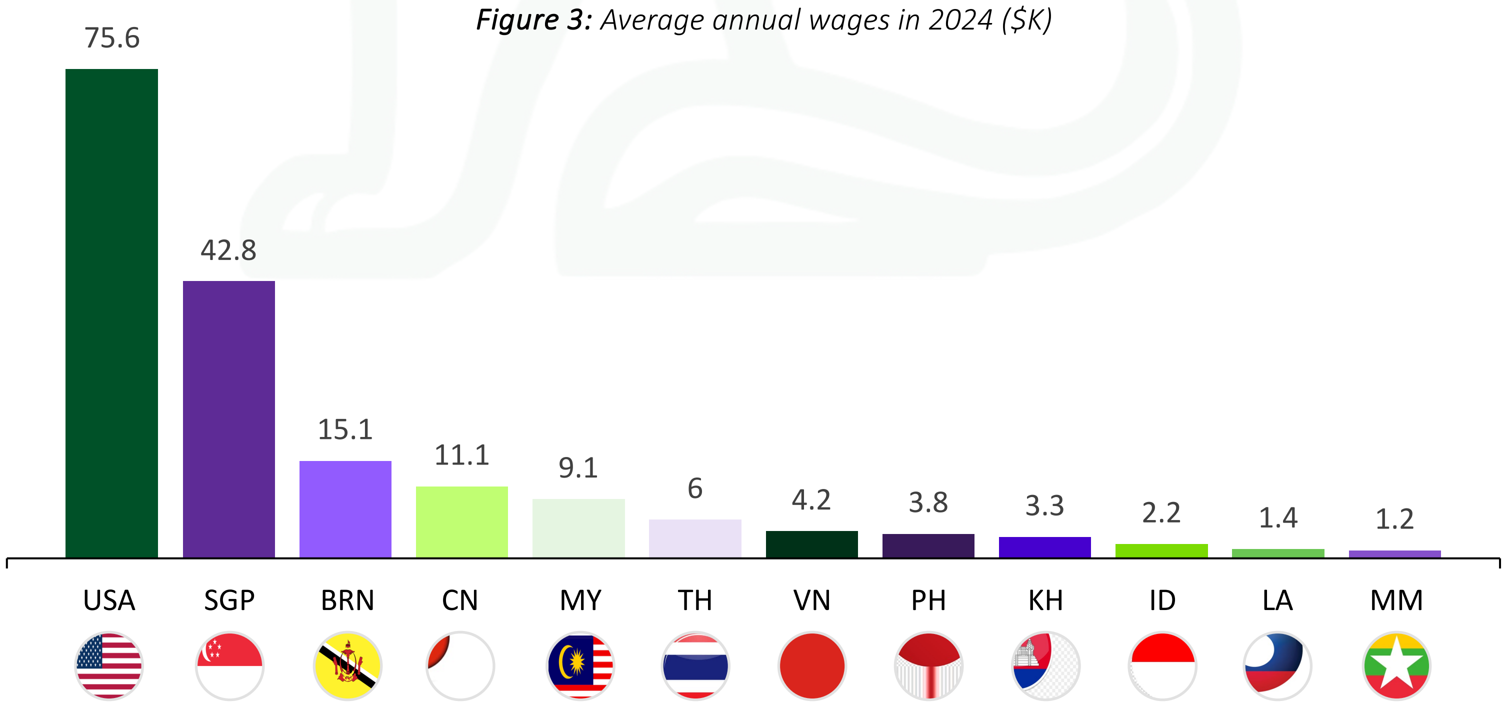
5. Why Southeast Asia is the most interesting SaaS testbed

Southeast Asia is where this story becomes more nuanced and more investable. Bain’s eConomy SEA 2025 reports that private funding in the region rose 15% to $7.7 billion, with digital financial services taking 45%-50% of total funding.

SaaS selection therefore matters even more in the region. Fragmented regulation, higher compliance complexity, and relatively low labor costs make AI ROI harder to justify when the value proposition is primarily labor substitution. Broad horizontal SaaS often struggles for the same reason: replacing internal coordination, generic reporting, or low-cost back-office work does not always create a compelling payback period.

By contrast, products that improve underwriting, fraud reduction, collections, compliance, claims, payments, or merchant onboarding can demonstrate value much more directly. **The strongest SaaS products in Southeast Asia are therefore not those that simply digitize work, but those that measurably improve economically critical workflows.** As a result, software vendors are competing not only with other SaaS tools, but also with “good enough” general-purpose AI.

Figure 3: *Average annual wages in 2024 ($K)*



Thank you!

www.6igmaventures.com
info@6igmaventures.com