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What Does “the Death of SaaS” Mean?

A Structural Changes in the SaaS Industry Driven by AI Agents and Their Ripple Effects on the Economy, Society, and Employment

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Summary

- In early February 2026, software stocks were sold off and the phrase “the death of SaaS” rapidly spread through the market. This reaction stemmed from Anthropic’s release of “Claude Cowork” and its department-specific and function-specific plugins. While similar discussions occurred at the end of 2024, the market’s current response can be attributed to the fact that, following advances in AI agent implementation, what was previously an abstract future vision has now become clearer as a concrete idea.
- However, the “death of SaaS” does not signify the disappearance of SaaS as a service delivery model. Replacing SaaS with in-house solutions like AI agents requires not only operational accuracy but also significant compliance burdens, including security governance and audit logs. The load of designing, implementing, and maintaining these solutions individually is substantial for each company. Therefore, leveraging SaaS with embedded AI remains a practical choice. It is anticipated that SaaS itself will coexist while becoming more sophisticated through AI integration.
- Meanwhile, the SaaS business model is being forced to change. As the primary operator shifts from humans to AI, foundational aspects like external integration (APIs, etc.), permission management, and auditability may become key differentiators over UI/UX. Furthermore, traditional pricing structures based on user numbers are likely to be reevaluated. The competitive landscape will also vary. Areas requiring heavy regulatory compliance and exception handling may see relatively stable demand, while in general-purpose domains, the ability to create added value through AI will determine competitiveness, leading to intensified competition.
- As the SaaS industry moves toward an “agent-driven” model, client companies will increasingly redesign their business processes, raising expectations for productivity gains. However, during the transition period, skill shortages and

organizational capacity will become bottlenecks, requiring employers to adapt to changing roles and necessary skills. In Japan, amid tightening labor supply constraints, the key will be whether companies can systematically advance reskilling and job reassignments rather than letting employees go. These AI-driven changes to business models are not limited to the SaaS industry; it is appropriate to view them as leading examples for the broader redesign of white-collar work.

Attention

This report is a summary translation. The official document is only in Japanese.
