







State of SaaS 2026

Growth After the Hype

**Lead Consultant, Amanda Holmes,
explores the SaaS marketing reset for
2026 - and what it takes to win when
buyers are tougher than ever.**



Contents

	3
.....	
	4
.....	
	5
.....	
	6
.....	
	7
.....	
	8
.....	
	9
.....	
	10
.....	
	11
.....	
	12
.....	
	13
.....	
	14
.....	
	15
.....	
	16
.....	
	17
.....	
	18

SaaS has stepped over the hype threshold and emerged in a more demanding world – not because the model is broken or innovation has slowed, but because tolerance for risk has dropped.

More than half of organisations are reporting that budget pressure is actively driving SaaS consolidation or spending cuts, resulting in unused or underutilised apps being scrutinised more closely than ever*. As organisations head through 2026, software spend is no longer seen as a growth lever by default. It is seen as a cost line that needs defending.

This moment is not a blip. Growth rates in SaaS have been slowing even before AI entered the lexicon, and in 2026 buyers are reallocating budgets toward infrastructure, automation, and AI tooling rather than adding seats or new licences.

Across our SaaS clients, we consistently see the same shift. Buyers are under pressure. Boards are cautious. And every decision feels heavier. More people are involved, more questions get asked, and the cost of getting it wrong feels much higher.

In this landscape, what does this mean for SaaS marketers as they plan for the rest of 2026?

*BetterCloud



Amanda Holmes

Lead Consultant: SaaS &
Transformation - Fox Agency

The market landscape

Buying risk, longer cycles, and expanded buying groups

B2B SaaS buying in 2026 is defined less by speed and more by caution.

10 months

Average B2B buying cycle*

86%

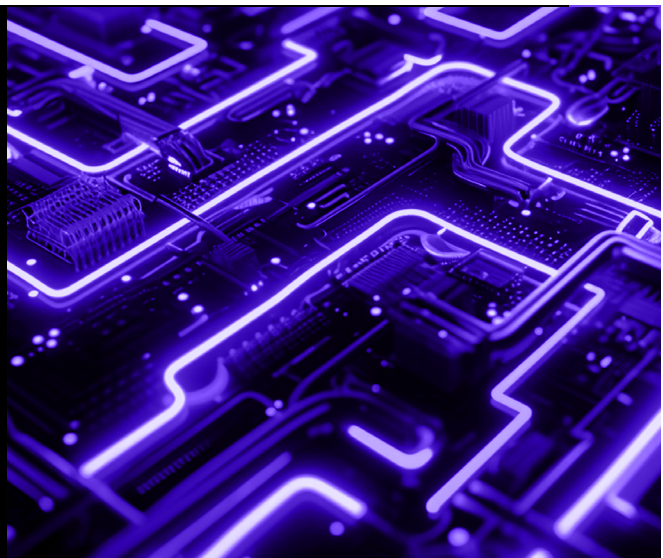
of buying decisions stall at some point*

Buying decisions now routinely involve six to ten stakeholders across IT, finance, legal, and functional leadership. Each brings different priorities, levels of engagement, and risk thresholds. As a result, alignment takes longer and internal justification carries far more weight.

Deals slow not because buyers are disengaged, but because choosing the wrong software now carries consequences across the organisation. As sales cycles extend, acquisition costs rise.

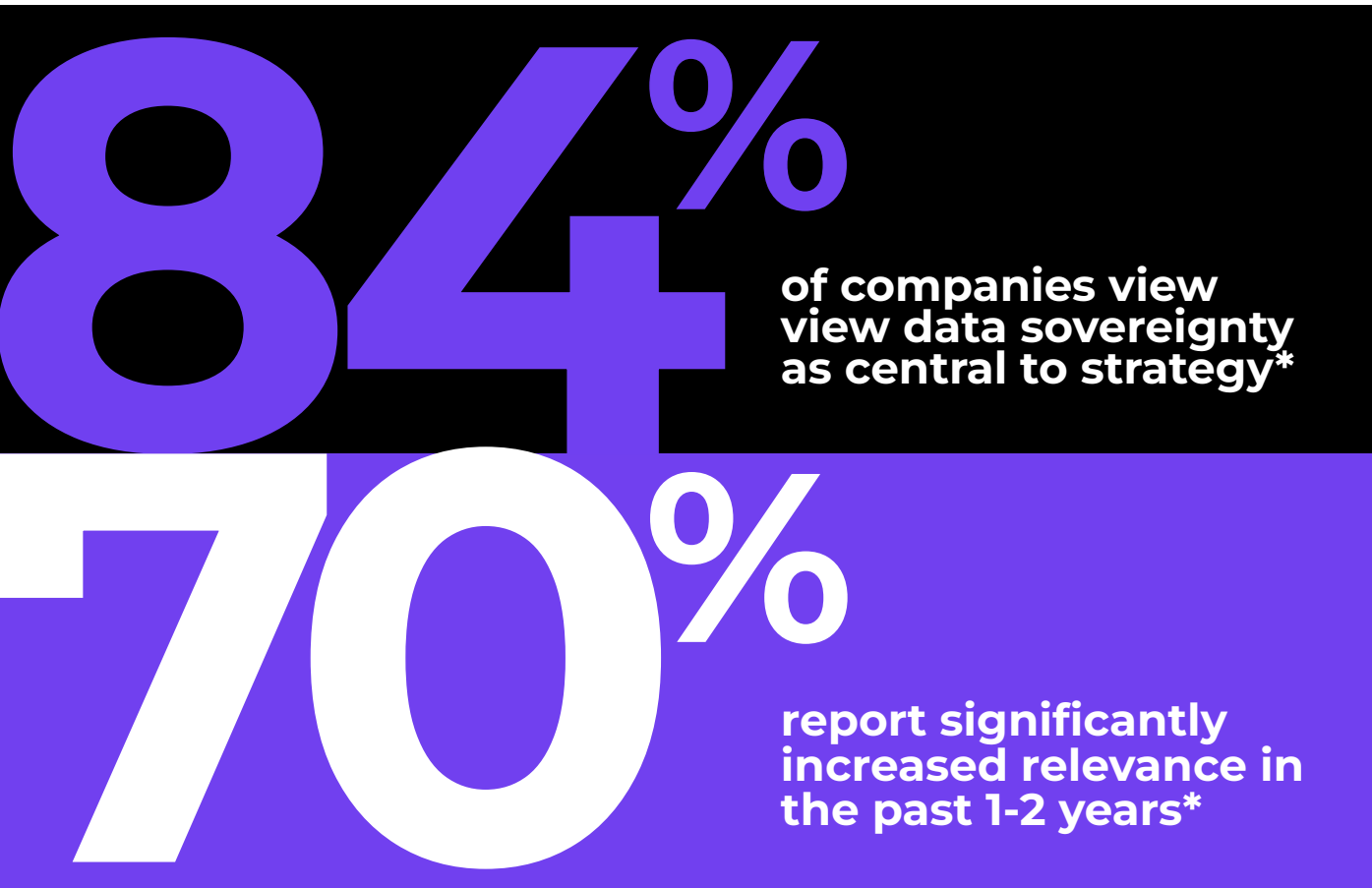
What this means for marketers

Success is no longer about persuading a single champion. It is about helping buyers build confidence across the organisation and making decisions easier to explain internally.



Regulatory complexity and data sovereignty

Regulation has moved from a background concern to an early-stage buying factor.



Privacy, cybersecurity, data residency, and sector-specific compliance requirements now appear much earlier in SaaS buying conversations. In Europe in particular, enforcement has become more visible at board level.

Buyers are not only asking whether data is secure. They want clarity on where it lives, how it is processed, and who ultimately has control. When this is unclear, deals slow regardless of product capability.

What this means for marketers

Regulatory clarity is no longer just a legal responsibility. It is a commercial one. The ability to explain governance and risk clearly has become part of earning trust.

*BARC/Exasol AG/AI Digital

Saturation, consolidation, and the pressure to simplify

The SaaS market is crowded – close to 200,000* worldwide - and buyers feel it.

374 > 342

Average SaaS stack shrinkage in 2025**

With so many SaaS tools in the market, many - if not most - look very similar. In many categories, products have ended up with the same core features, which makes them hard to tell apart. At the same time, CFOs and procurement teams are taking a hard look at software spend.

Underused tools are being cut, and overlap is being questioned, resulting in stack shrinkage as organisations consolidate redundant applications and prioritise spend optimisation.

Smaller, specialised tools can still succeed, but only if they clearly solve an important day-to-day problem. If the value is not obvious and easy to defend, they will lose out to consolidation.

What this means for marketers

Regulatory clarity is no longer just a legal responsibility. It is a commercial one. The ability to explain governance and risk clearly has become part of earning trust.

* Seo. ai
** Productiv

The invisible buying journey

Much of today's buying journey happens out of sight.

96% of decision process is complete before buyers engage with sales reps*

Up to **70%** of B2B buyers use social media to research vendors*

96% of IT buyers rely on social platforms as part of their evaluation process**

Buyers do extensive research before engaging vendors, often in private channels such as peer groups, closed communities, direct messages, and review platforms. Shortlists are formed long before sales conversations begin.

This dark funnel is difficult to measure, but its impact is real. Demand is shaped before it is captured, whether marketing can see it or not.

What this means for marketers

In this environment, brand presence is not a soft metric. It is how SaaS companies show up in conversations they do not control.

* HubSpot
** Sopro.io

AI everywhere

AI is now a product expectation, not a differentiator.

80%

of enterprise SaaS products will have deployed AI-enabled applications and features by 2026*

Buyers assume it is embedded. Investors reward credible AI narratives. Competitors treat it as table stakes. This has changed how products are positioned and how marketing teams feel pressure to show up. Especially when enterprise' AI budgets are growing faster than total IT budgets.

AI has become both a market narrative and a product reality. Most SaaS platforms now include predictive analytics, automation, copilots, or agent-based workflows as standard. However, ubiquity creates a paradox. The more universal AI becomes, the less it differentiates.

What this means for marketers

AI has raised expectations. It has not lowered the bar for trust. For marketers, the trap appears when AI becomes the message rather than the foundation. As more vendors lead with similar "AI-powered" claims, buyers hear the same language repeatedly, with little clarity on what actually changes for them.

Marketing budgets tightening and the false promise of efficiency

AI isn't the answer to everything.

One of the most consistent signals we are hearing from SaaS marketing leaders in 2026 is this: budgets are tightening at the same time expectations are rising.

AI is increasingly being positioned internally as a cost-saving lever. Content can be generated faster. Design can be automated. Campaigns can be launched with fewer people. On paper, this looks efficient. In practice, it often misunderstands what marketing is responsible for in a high-risk buying environment.

When teams default to AI tools without the time or mandate to think properly,

the outcome is predictable. Output increases. Activity increases. Meaning and differentiation decline. Messaging blurs into category noise. Many teams now recognise this pattern as AI slop. It is not bad marketing, but it is forgettable marketing.

The irony is that cutting marketing investment on the assumption that AI will compensate often creates the opposite commercial outcome. Acquisition costs rise. Conversion slows. Trust erodes. Buyers find it harder to tell one vendor from another, precisely at the moment when confidence and clarity matter most.



Amanda Holmes

Lead Consultant: SaaS & Transformation - Fox Agency

Viewpoint: Are we in an AI bubble?

This is a question I am asked regularly. There are signals of excess. Valuations have surged ahead of profitability in parts of the market, and AI narratives are often rewarded before commercial impact is proven. At the same time, this is not a repeat of previous technology bubbles.

Unlike earlier cycles, today's AI adoption is backed by real infrastructure investment and genuine enterprise use, even if uneven. Many organisations are reallocating existing budgets rather than experimenting on the edges.

The most likely outcome sits between extremes. Hype will cool. Scrutiny will increase. Companies with thin or poorly connected AI stories will struggle, while those that can demonstrate reliability and real-world impact will continue to grow.

2

Viewpoints

Our experts give their take on how SaaS marketers can successfully navigate 2026

Achieving strategic standout

In 2026, strategy is not about finding a clever angle or a louder message. Its job is to reduce buyer risk. Strategy exists to help buyers justify choices internally, not just to persuade them externally. If your positioning doesn't make decisions easier to defend in front of finance, IT, security, and leadership, it isn't strategic. It's just noise.



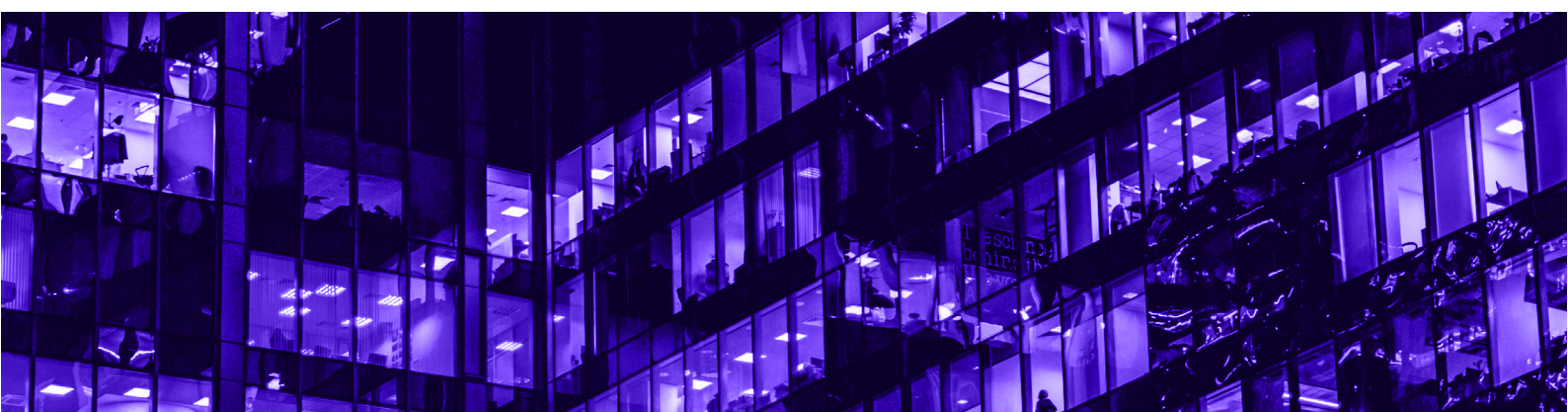
Julian Horberry

Head of Strategy - Fox Agency

The most effective SaaS positioning aligns fragmented buying groups around a shared definition of the problem. Deals stall not because products are weak, but because stakeholders are solving different problems in parallel. Good strategy collapses that complexity. It gives everyone the same language, the same frame, and the same reason for change, even when their individual concerns differ. This is why clarity beats coverage. Saying less, more deliberately, is how confidence is built across large committees.

Differentiation, in this environment, comes from conviction and trade-offs, not feature lists or buzzwords. "AI-powered" is not a position. It's a baseline assumption. What buyers respond to now is specificity: who the product is for, where it works best, what it prioritises, and what it deliberately doesn't try to be.

Ambiguity feels risky. Precision feels safe. The SaaS brands that win in 2026 will be the ones that sound like they know exactly what problem they exist to solve and are comfortable drawing lines around it.



Emotional differentiation in a crowded market



James Holland

Executive Creative Director - Fox Agency

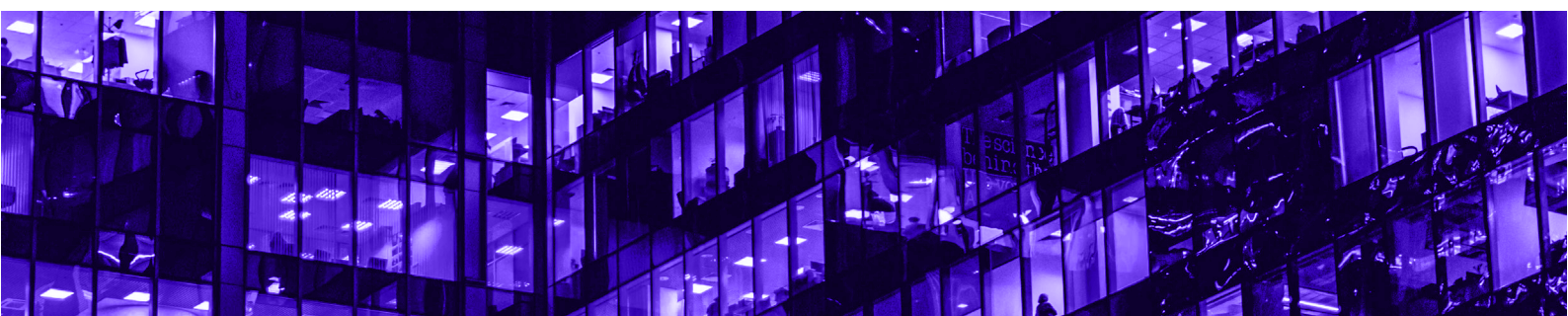
How do you stand out creatively when everyone has all the AI tools to make everything they could ever need? Or in the words of Syndrome from *The Incredibles*, “When everyone is special, no one will be”. In a world where anyone can create anything, the only way to differentiate from the startups is to invest in real craft, real people and not rely on AI shortcuts.

AI is an incredible (if frustrating) executor, but it can't have a good idea. A system that's designed to copy what already exists can't create something with a spark of originality in it. I'm not the first person to say that strategists, creatives, planners are still needed to produce that spark. These are tools to be used, but they augment, not replace good ideas. Please see the recent Coca Cola Christmas campaigns and the Dutch McDonalds AI ad for recent examples that show where AI hits its limits. It makes brands look small.

AI is still nascent technology and evolving rapidly. At Fox Agency, we already have AI-led campaigns out in market where the second

generation of the campaign has moved on in realism and quality from the first gen. But the ideas hold up throughout, and the technology is one of our tools to use, not the whole ball game.

SaaS companies shouldn't fear AI, but nor should they orientate their worlds around it. Instead, be aware of what it signals. It may not be what you really want. SaaS can be an echo-chamber of technology positivity at times. Where best practice is quickly copied and everyone is looking for a small edge. That edge will never be AI. But if you want to stand out, maybe it could be not-AI?



SEO, GEO, and authority in discovery

How buyers discover and evaluate SaaS brands is changing, fast. AI is increasingly shaping the first stage of the buying journey. Large language models are creating the initial shortlist, humans then step in to validate. For SaaS marketers, this changes where influence happens.



Kate O'Donnell

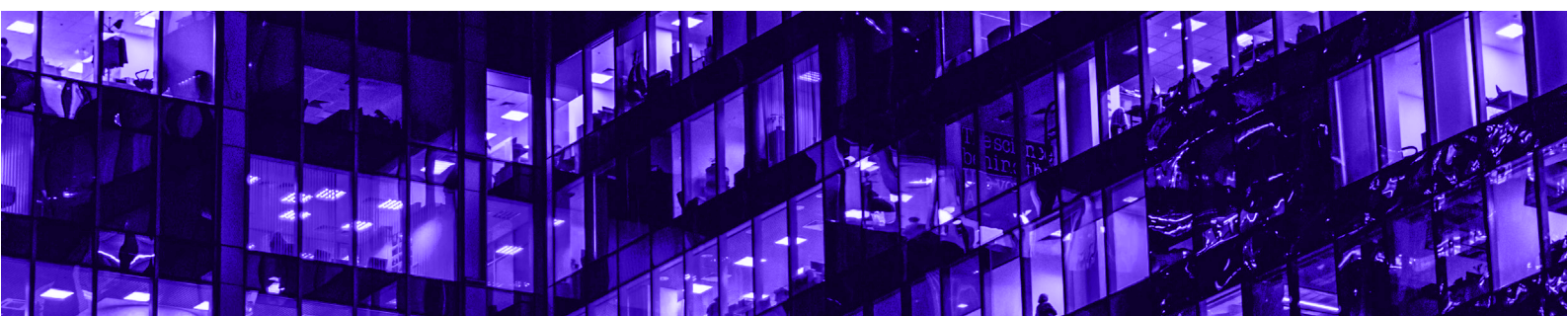
PR Associate Director - Fox Agency

Today, [the majority](#) (80%) of global B2B tech buyers use AI-driven discovery alongside traditional search when researching vendors. For many, it is becoming the fastest way to understand who exists in a category, what they do, and how they are perceived. What makes this challenging is that LLMs are still early. We're closer to an Ask Jeeves moment than a finished product. In this environment, the goal for SaaS marketers is not to chase algorithms or try to game emerging systems. The most effective response is simpler and harder at the same time. To become credible and quotable.

AI systems do not invent authority. They reflect it. They draw on content that is genuinely helpful and consistently

attributable to a real organization with a visible point of view. That means insight-led content, expert commentary, and material that can surface as a credible reference, not generic content padded out for volume.

This is why discoverability can no longer sit in a single channel or team. Authority is built through the integration of disciplines. PR creates external validation. Content communicates expertise. Digital marketing amplifies reach. Technical optimisation ensures that credibility is machine-readable. When these work together, brands are easier to find, easier to understand, and easier to trust.



Proving value in performance marketing



Conor Bant

Head of Media & Performance - Fox Agency

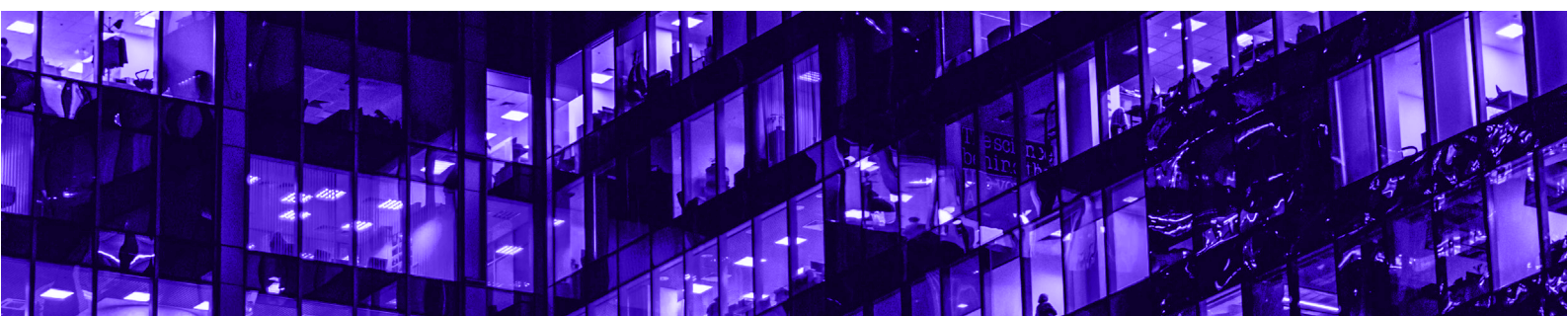
Today, boards are far less interested in activity metrics than they are in commercial impact. MQLs may still have a role, but they are no longer enough on their own. What matters now is how marketing contributes to opportunities, pipeline, and revenue, and whether that contribution stands up to scrutiny.

Budget pressure has sharpened this shift. But it's not just that budgets are tighter. Measurement has become more visible. In SaaS sales models, where there is a relatively direct line from brand to demand to acquisition, it is now possible to see marketing's influence on pipeline far more clearly. That transparency raises the bar. Marketing teams can no longer hide behind top-line numbers or vanity metrics. Performance now must show its value.

What we consistently see working is focus. Being clear about who you are targeting, and committing to that audience across multiple channels, builds higher share of voice in a smaller, more relevant space.

That consistency makes brands easier to recognise, easier to remember, and easier to trust.

Done well, this approach can also act as a leveller when budgets are under pressure. You do not need to outspend the market to win attention. You need to out-focus it. Strong creative, clear positioning, and disciplined targeting amplify the effectiveness of performance activity, rather than forcing paid media to do all the heavy lifting on its own.



3

**The SaaS
marketing
reset for
2026**

A practical reset for teams under pressure

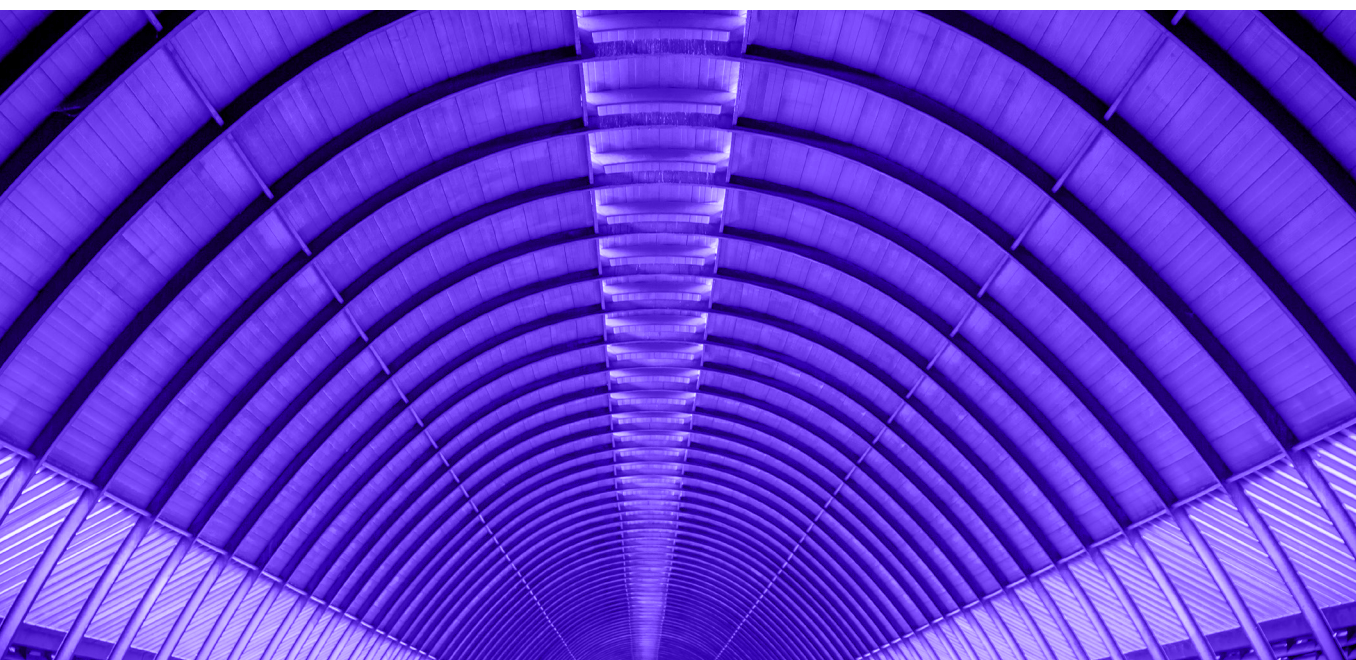
By now, most SaaS marketing teams are feeling the same pressure, regardless of category or maturity. Buyers are harder to convince. Buying groups are larger. Budgets are tighter. And almost every competitor sounds increasingly similar.

And AI? It will continue to reshape SaaS. That part isn't in question. What is, is how SaaS marketers should navigate this landscape.

The answer isn't chasing the next narrative. It's resetting around what actually helps convert demand in the environment we're in now.

In 2026, the SaaS companies that win will not be those with the loudest narratives or the longest feature lists. They will be the ones that earn trust faster, prove value sooner, and sound like real businesses when buyers encounter them.

They know who they are for. They know the problem they solve. They communicate clearly and consistently, without hiding behind buzzwords.



The SaaS marketing playbook for 2026

Use this as a diagnostic. If you can't confidently tick most of these boxes, your marketing strategy is likely making life harder than it needs to be.

Strategy

We are clear who we are for and the specific problem we solve

Our positioning helps buyers justify decisions internally, not just feel persuaded

We make deliberate trade-offs rather than trying to be everything to everyone

Creative and brand

Creative work feels distinctive and recognisable in our category

We prioritise original thinking over volume or frequency

Creative reinforces long-term confidence, not just short-term attention

Authority and trust

We are visible where buyers research and shortlist vendors

Our content is credible, attributable, and quotable

PR, content, digital, and technical optimisation reinforce each other

Performance and measurement

Marketing impact is measured in pipeline and revenue, not just leads

We understand which activity influences deals over time

Performance reporting stands up to board-level scrutiny

Targeting, creative, and channel strategy are aligned

What now?

If any of this has resonated, the most useful next step isn't another tool or tactic. It's a conversation about whether your story, visibility, and credibility are doing the work you need them to do.

No hard sell. Just an honest discussion about what's working, what isn't, and where the biggest opportunities sit.

If that sounds good, let's talk SaaS.

amanda@fox.agency

fox.agency/saas



Amanda Holmes

Lead Consultant: SaaS &
Transformation - Fox Agency