

Increasing Economies of Scale Through Combining AI With SaaS

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Software as a service (SaaS) companies are beginning to explore the use of artificial intelligence (AI) to automate numerous business operations and increase their overall productivity. With this technology enabling providers to automate routine operations, enhance decision-making, and give customers a more tailored experience, this may result in **increased leverage, increased scalability, and eventually, a higher corporate valuation.**

In order to make data-driven decisions and spur revenue growth, SaaS organizations should leverage AI to better understand and analyze customer behavior. AI may help SaaS businesses remain ahead of the competition and boost their overall market value by processing enormous volumes of data in real-time, while also offering insightful information about consumer behavior and industry trends. Let's examine some of the benefits companies are seeing:

Increased Leverage

SaaS businesses may be able to accomplish more with fewer employees by using AI to automate many of their business operations like data entry, customer support, sales, and marketing. For instance, AI-powered chatbots can respond to client questions and offer immediate assistance, freeing up customer service employees to concentrate on more complicated problems. Additionally, AI is capable of data analysis and prediction, which enables businesses to make deft choices while using fewer resources. A further business development-centric benefit is the ability to automate processes like lead scoring, account segmentation, and email marketing, freeing up sales and marketing staff to concentrate on more strategic efforts. By leveraging AI, SaaS companies can streamline these processes, reduce costs, and increase efficiency, ultimately allowing them to scale their business and achieve their goals with fewer people.

Increased Scalability

Businesses could further increase their customer base and sales with AI while becoming more capital-efficient. SaaS providers can customize their approach and offer targeted, pertinent content to prospective customers by integrating AI into their sales and marketing processes. By doing so, they can reach more customers with the same resources and enhance conversion rates - freeing up salespeople to concentrate on completing deals. AI can also automate lead generation and

qualification, study customers' behavior and preferences, and enable businesses to offer tailored recommendations and upsell possibilities that boost revenue. A more capital-efficient business model can be achieved by SaaS enterprises by utilizing AI to boost sales and customer engagement while simultaneously lowering the need for larger or growing sales and marketing teams.

Increased Valuation

Increased leverage and scale using AI will inevitably lead to increased valuations. In a SaaS company with fewer employees, increased leverage can raise valuations because it improves productivity, scalability, and profitability. Businesses can reduce the number of personnel required to carry out specific operations by automating repetitive processes and enhancing decision-making through the use of AI. This not only lowers expenses but also frees up workers to concentrate on more value-adding jobs that spur growth and boost earnings. Additionally, because it has lower overhead costs and isn't burdened by a large staff, a SaaS company with a thinner workforce can scale its operations more readily. Higher profitability, a crucial component in evaluating a company's worth, can result from this scalability in combination with efficiency advantages from automation. Scaling up a business results in more customers being served for the same cost, which boosts revenue growth and profitability and raises the company's valuation. A SaaS company using AI can raise income without proportionally increasing costs by growing its customer base. This not only boosts revenue but also displays the company's capacity to expand its customer base and scale back operations, which attracts investors.

Case Study

[GoodWork](#) is a great case in point of the power of AI within a SaaS platform to increase leverage and scale with the goal of increased valuation. GoodWork has a platform powered by AI that makes it possible for flexible, fractional teams to come together and deliver premium creative work without the friction and expense normally associated with these projects. Using their AI Assistant, GoodWork automatically forms and matches a creative team to meet project requirements, automates the onboarding and project management processes, and streamlines all project communications. "Our AI Assistant makes it possible for creative freelancers to come together in flexible teams and work directly with companies in a way that simply wasn't possible until now" said Tom Zampini, CEO of GoodWork. "In our earliest days of the platform, Foley's sector approach enabled us to quickly access Cloud and AI advice that informed the best way to structure our platform and platform agreements to deliver a seamless and modern customer and member experience."

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