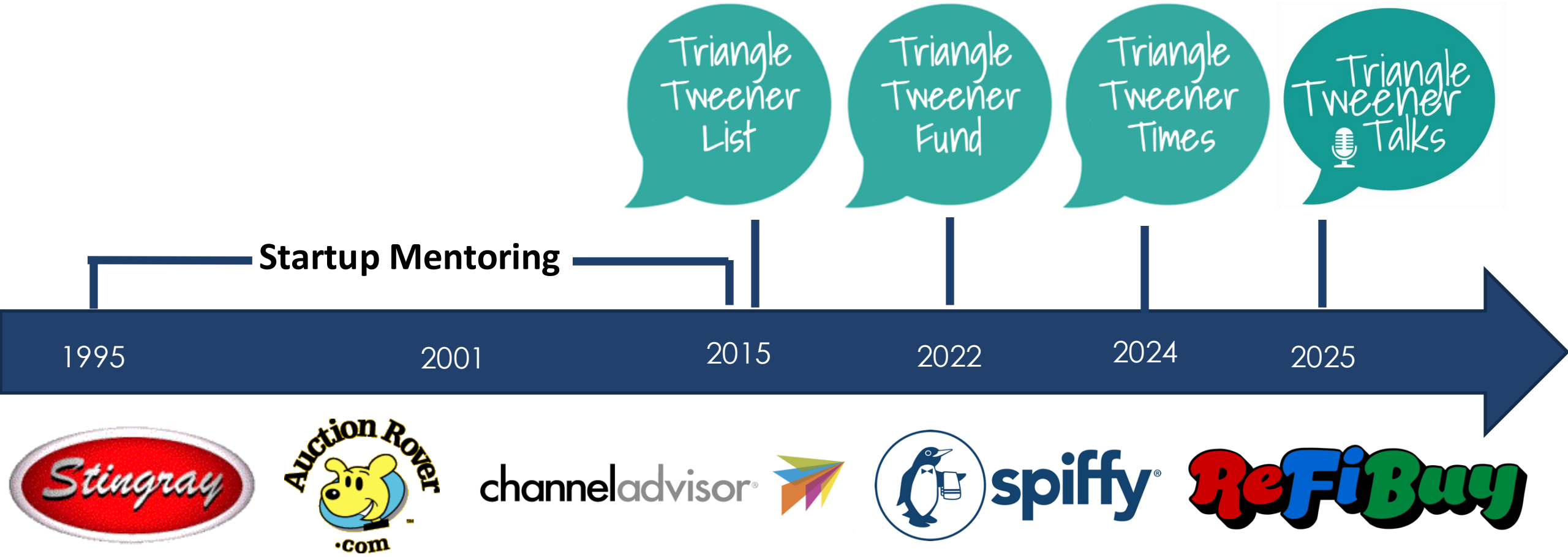
How AI Is Changing The Startup Landscape

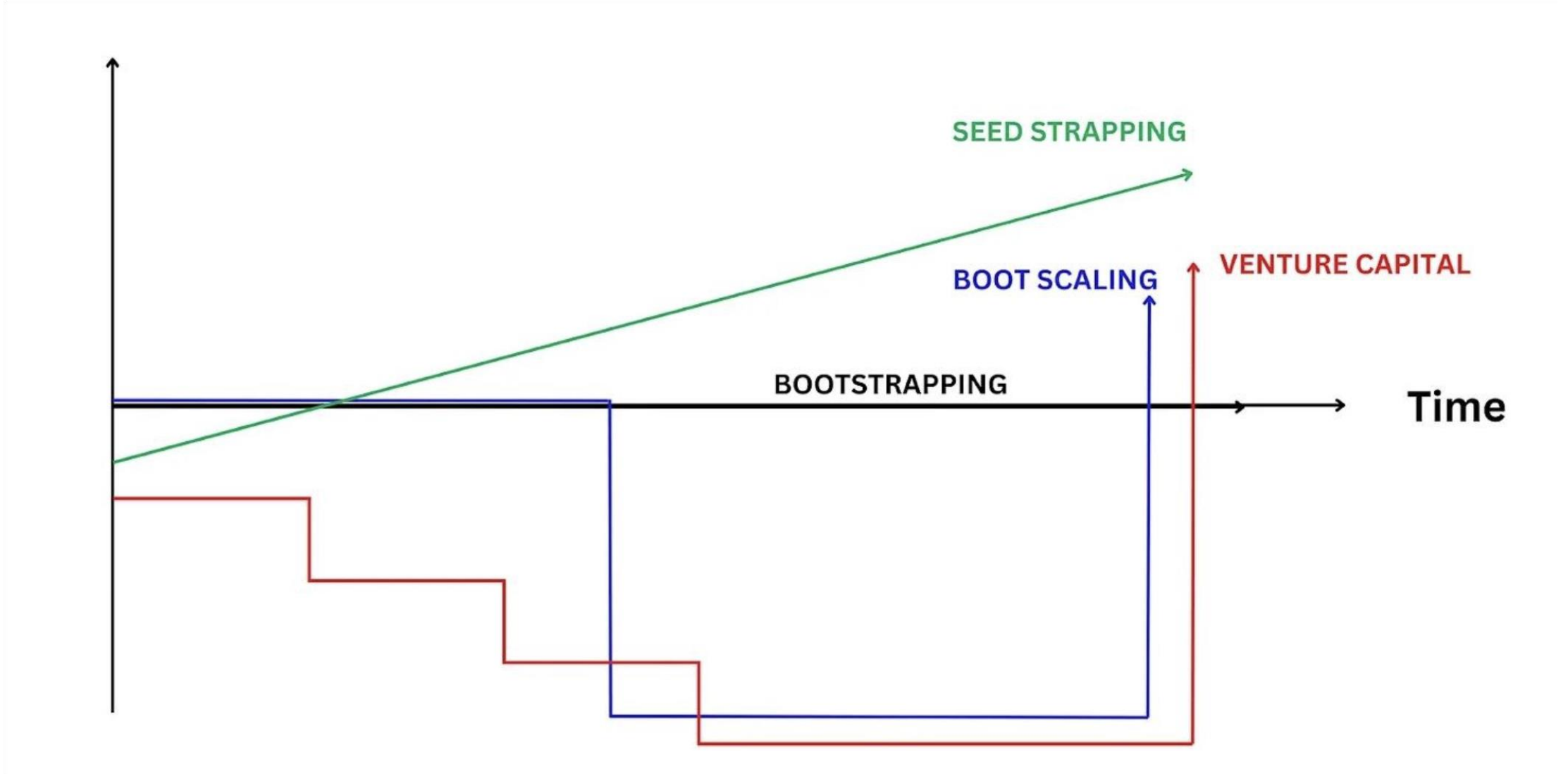
May 15, 2025

ReFiBuy

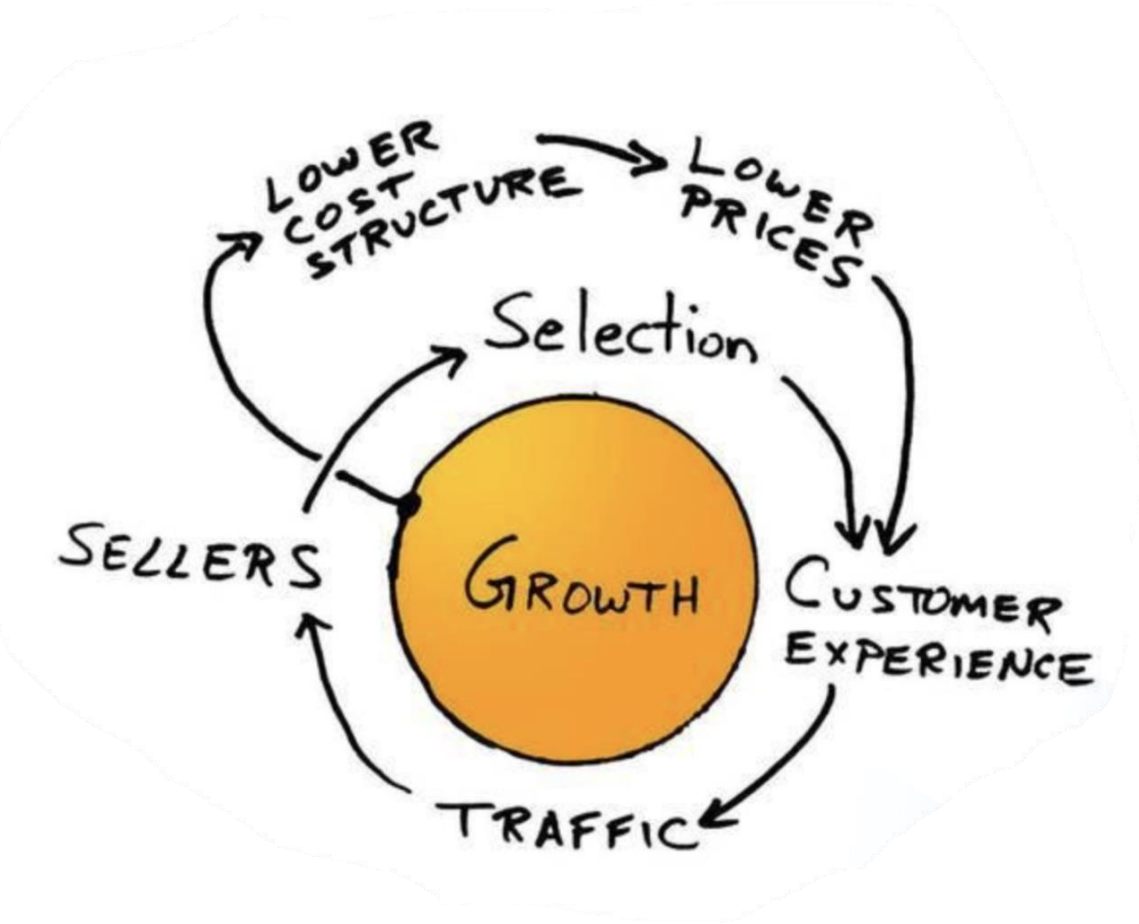
Triangle Tweener Fund

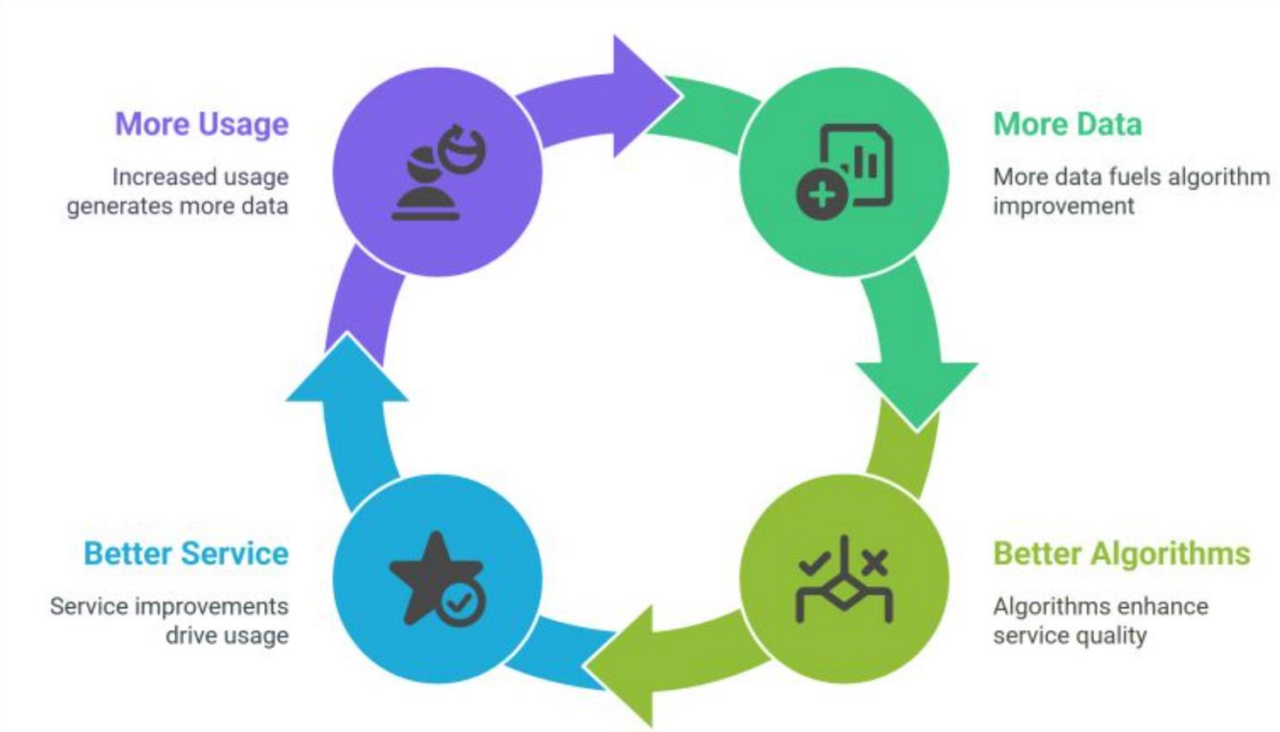

Triangle Tweener List
Triangle Tweener Fund
Triangle Tweener Times
Triangle Tweener Talks
Startup Mentoring
1995
2001
2015
2022
2024
2025
Stingray
Auction Rover .com
channeladvisor
spiffy
ReFiBuy

#1: Seedstrapping



#2: Data is the New Network Effect





#3: Building at AI Native Speed

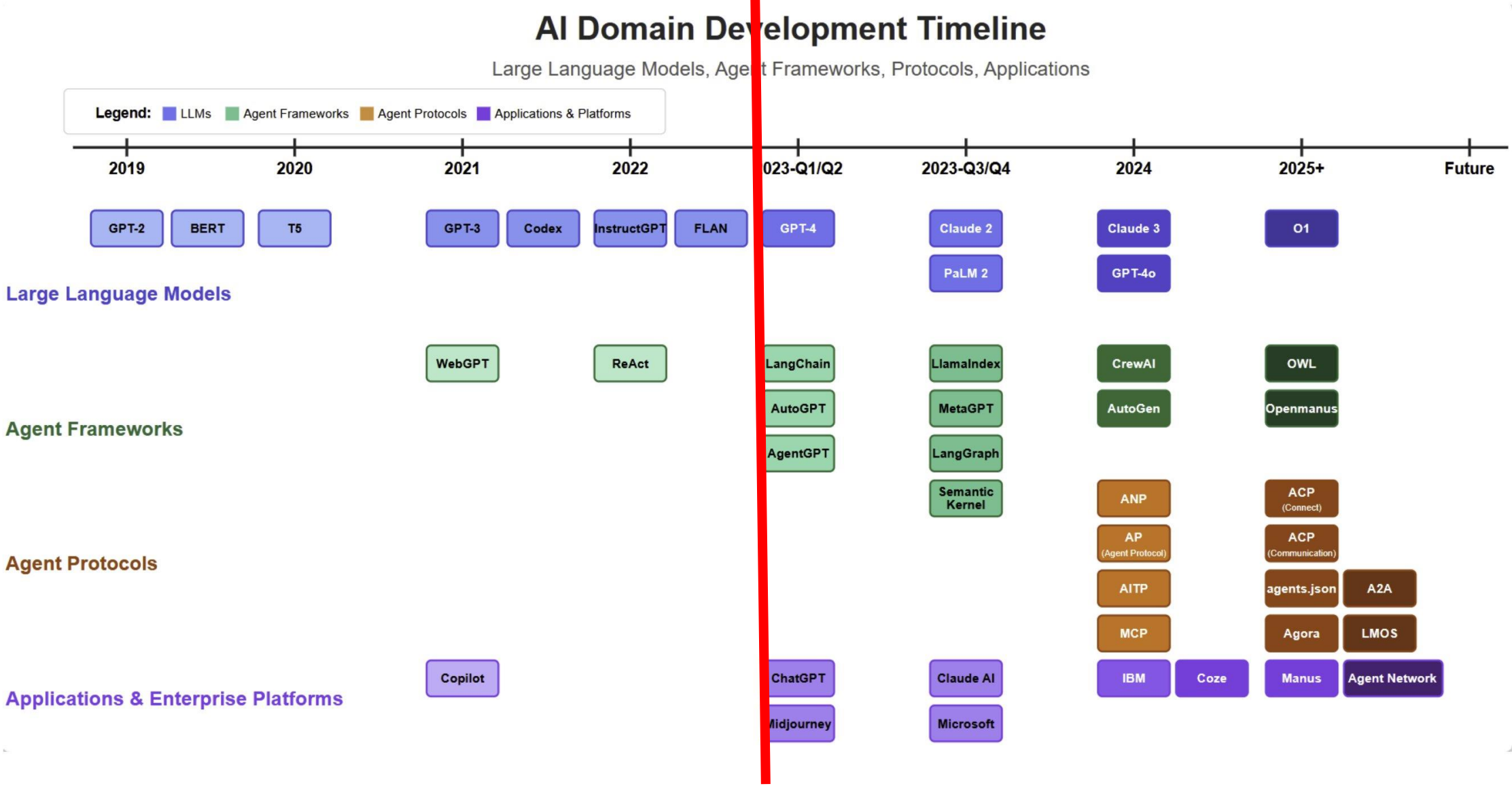
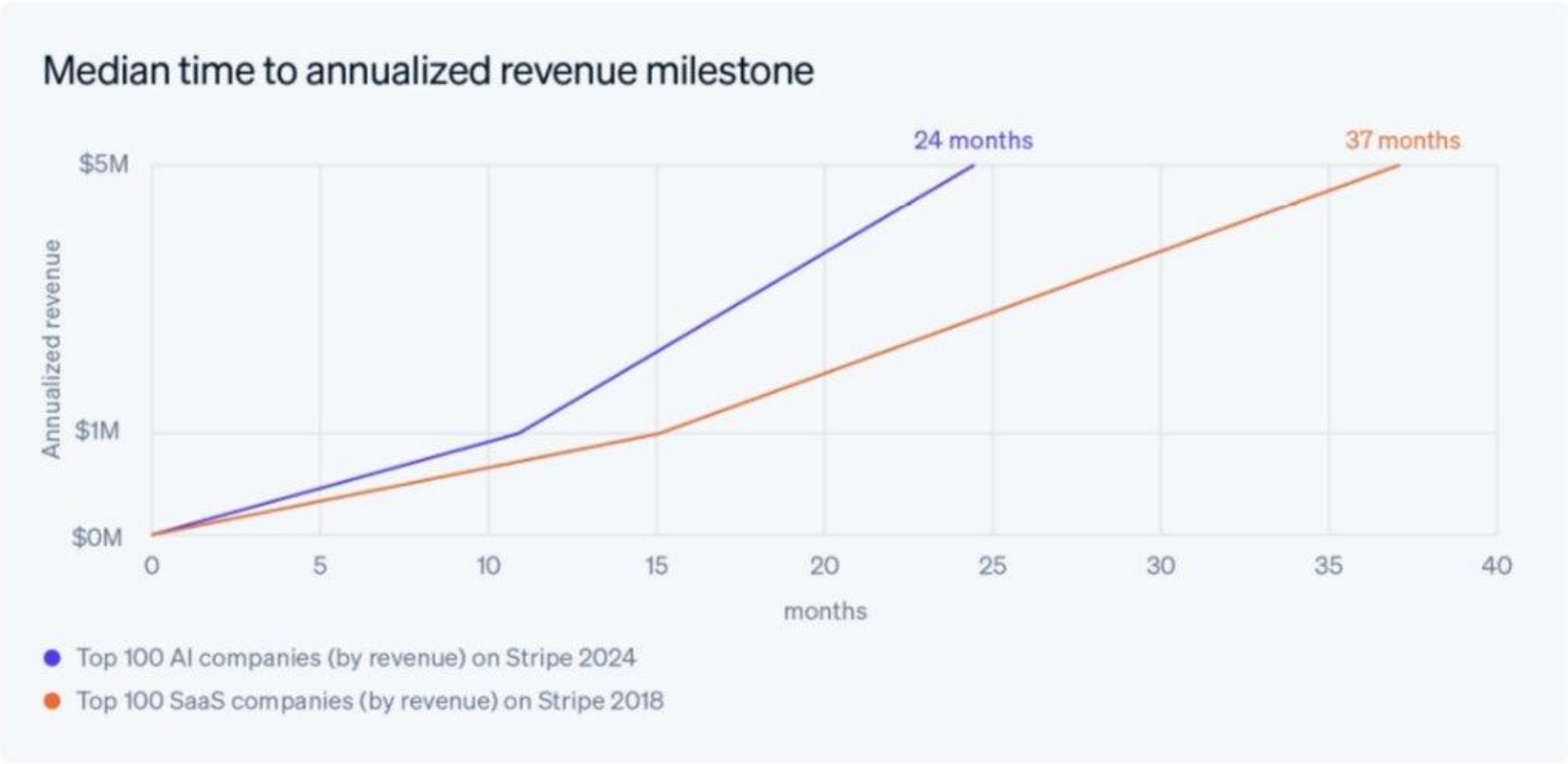
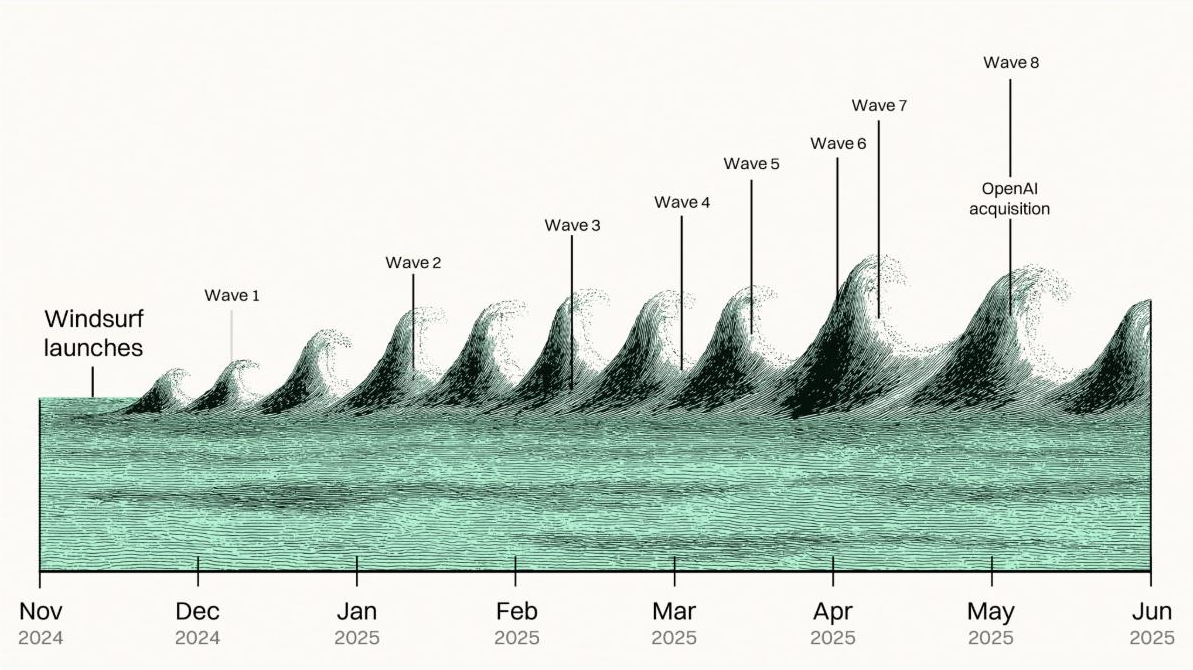


Figure 2: A glance at the development of agent protocols.

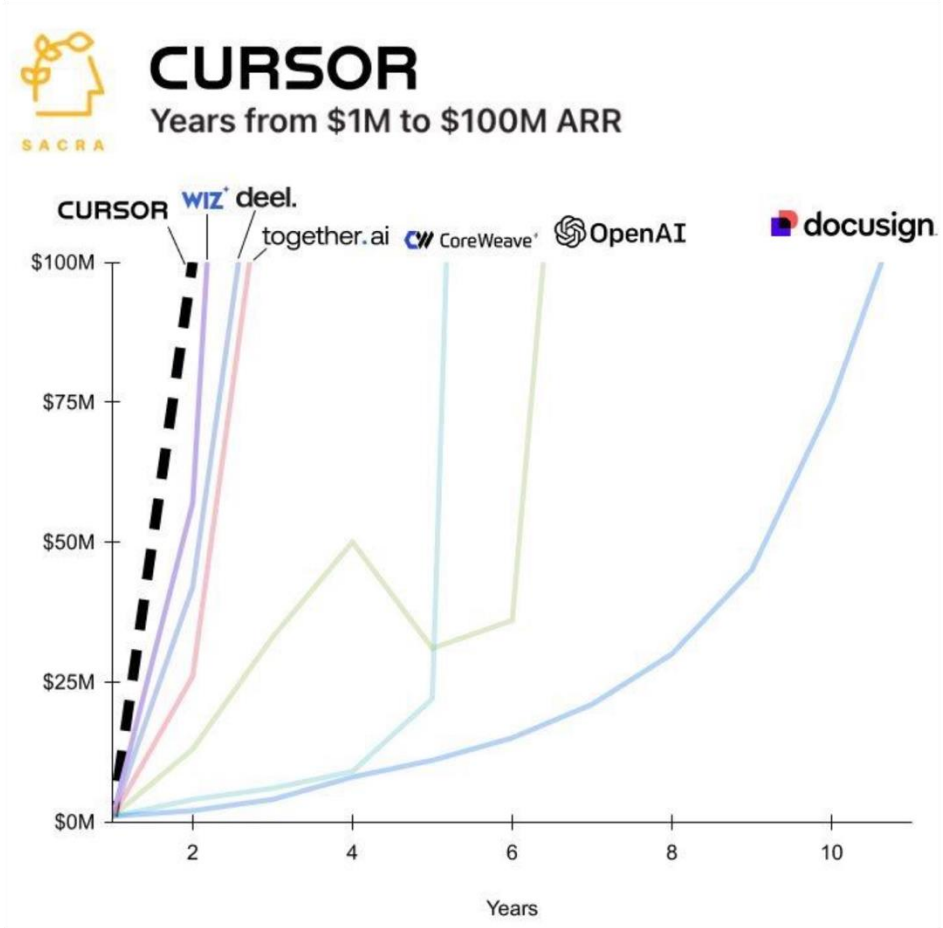
#3: Great Speed



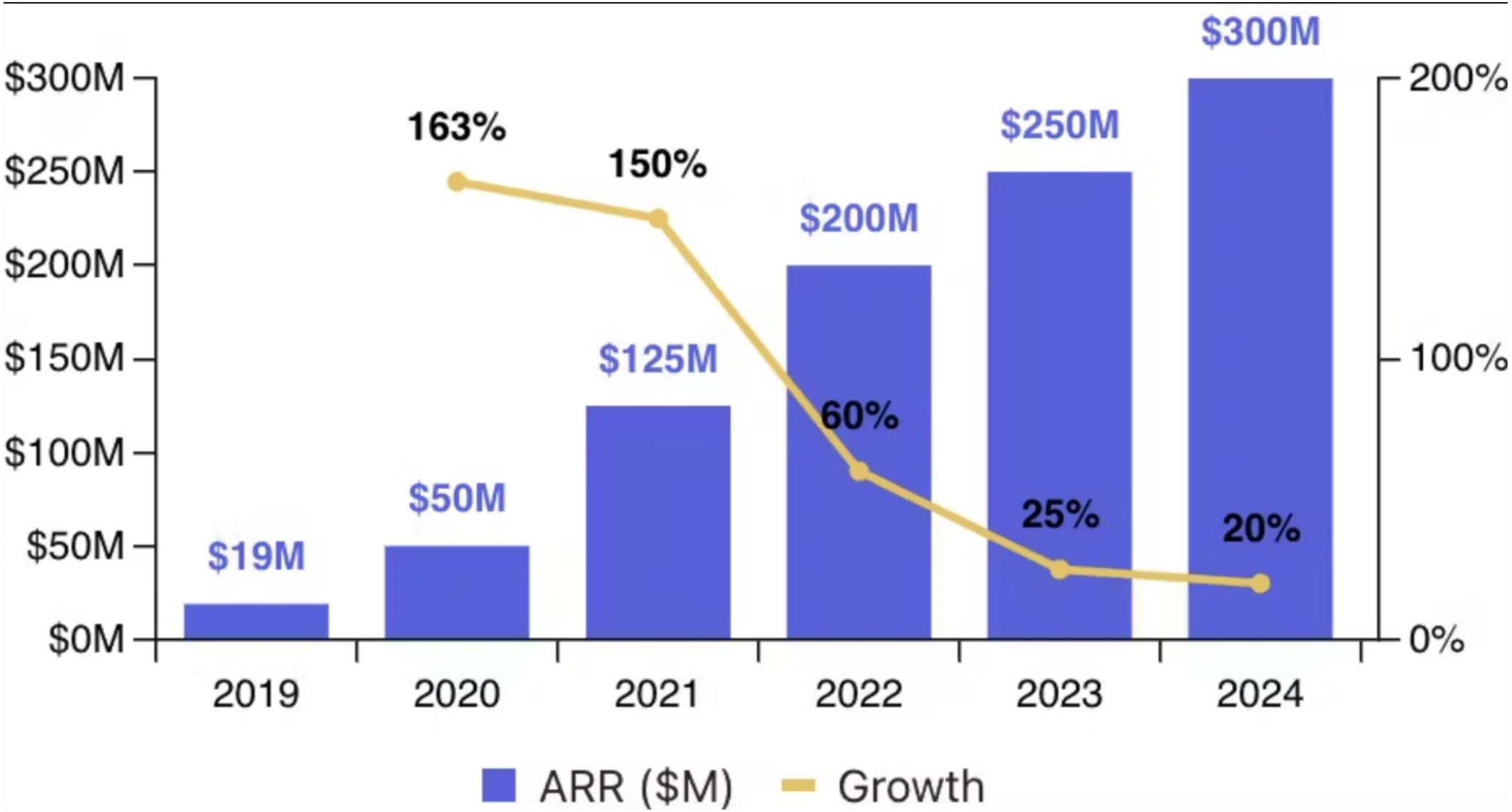
#3: Wacky Speed



A timeline of Windsurf's development. Every illustration.



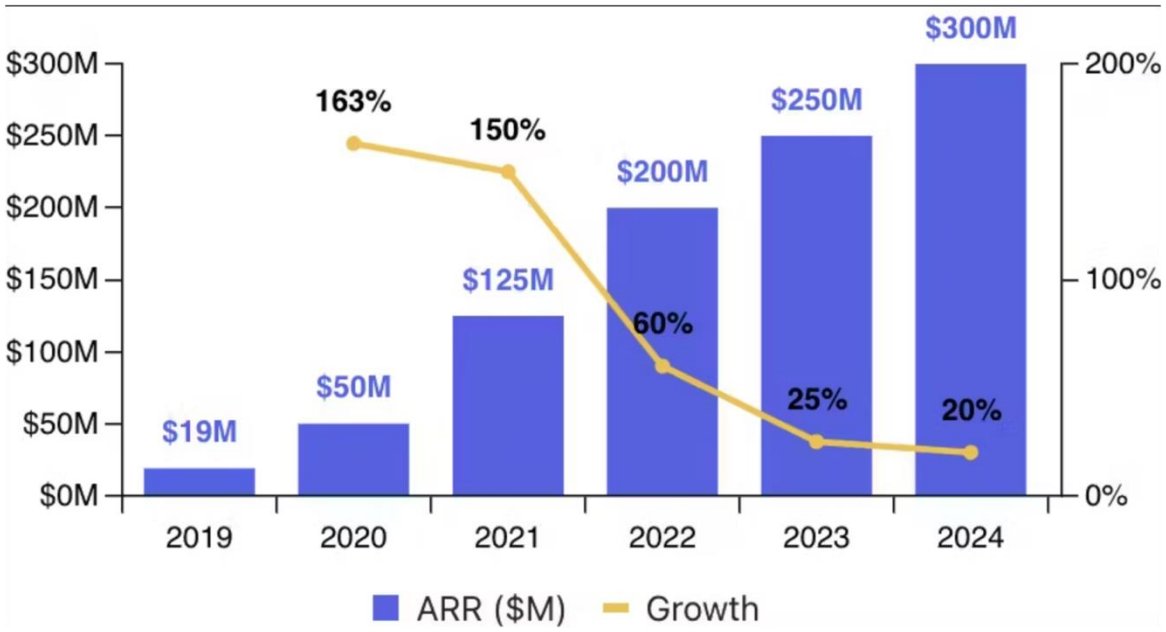
#3: Insane Speed



#3: Insane Speed and…

Amzn: $315k
MSFT: $1m
Apple: $2.4m
NFLX: $2.5m

#3: Insane Speed and Hyper Efficient 😲😱



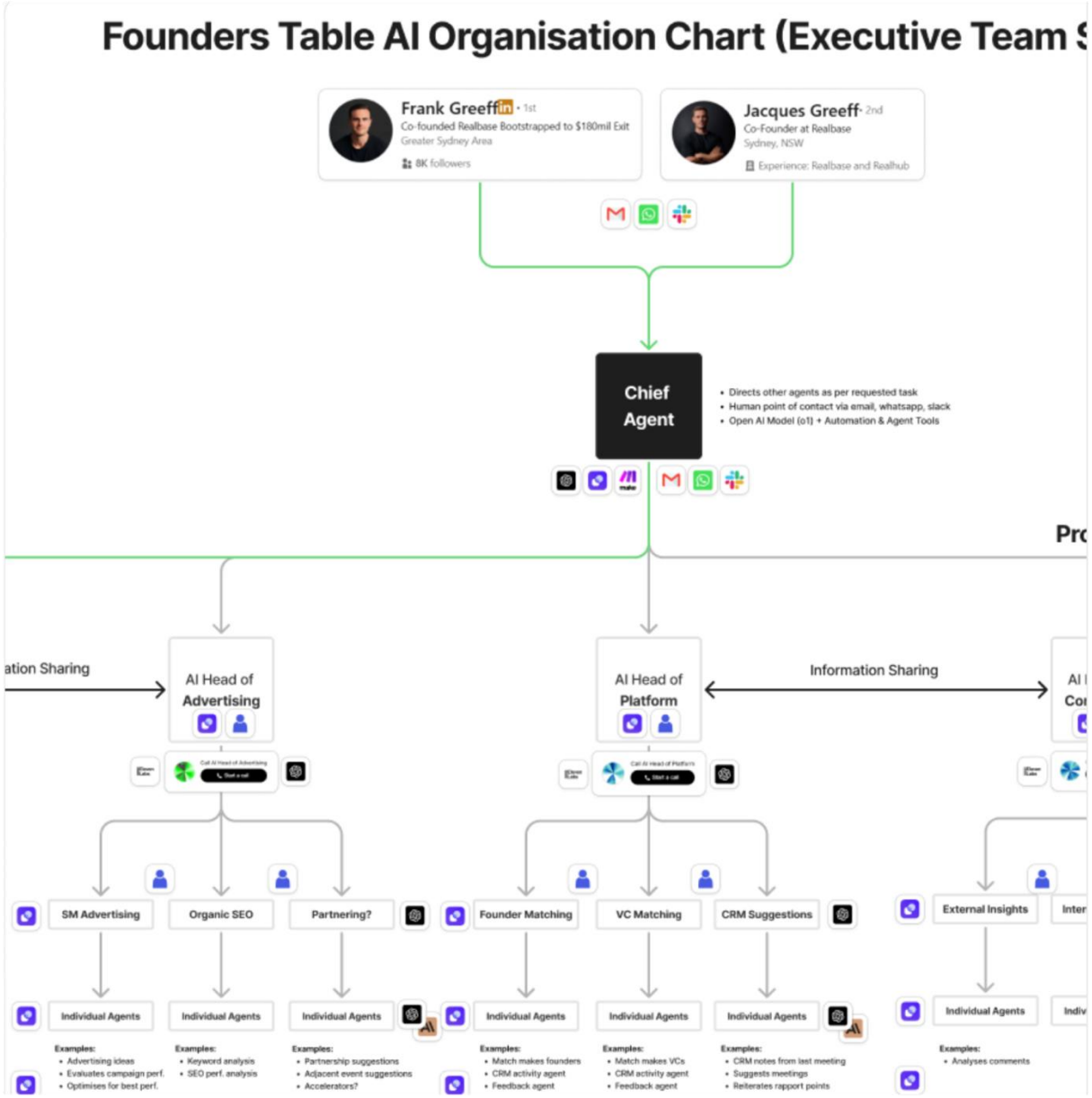
Amzn: $315k
MSFT: $1m
Apple: $2.4m
NFLX: $2.5m

60 people!!

$300m ARR

$5m/person/yr

#4 Non Humans on the Org Chart



#5 AI is vacuuming up all the capital

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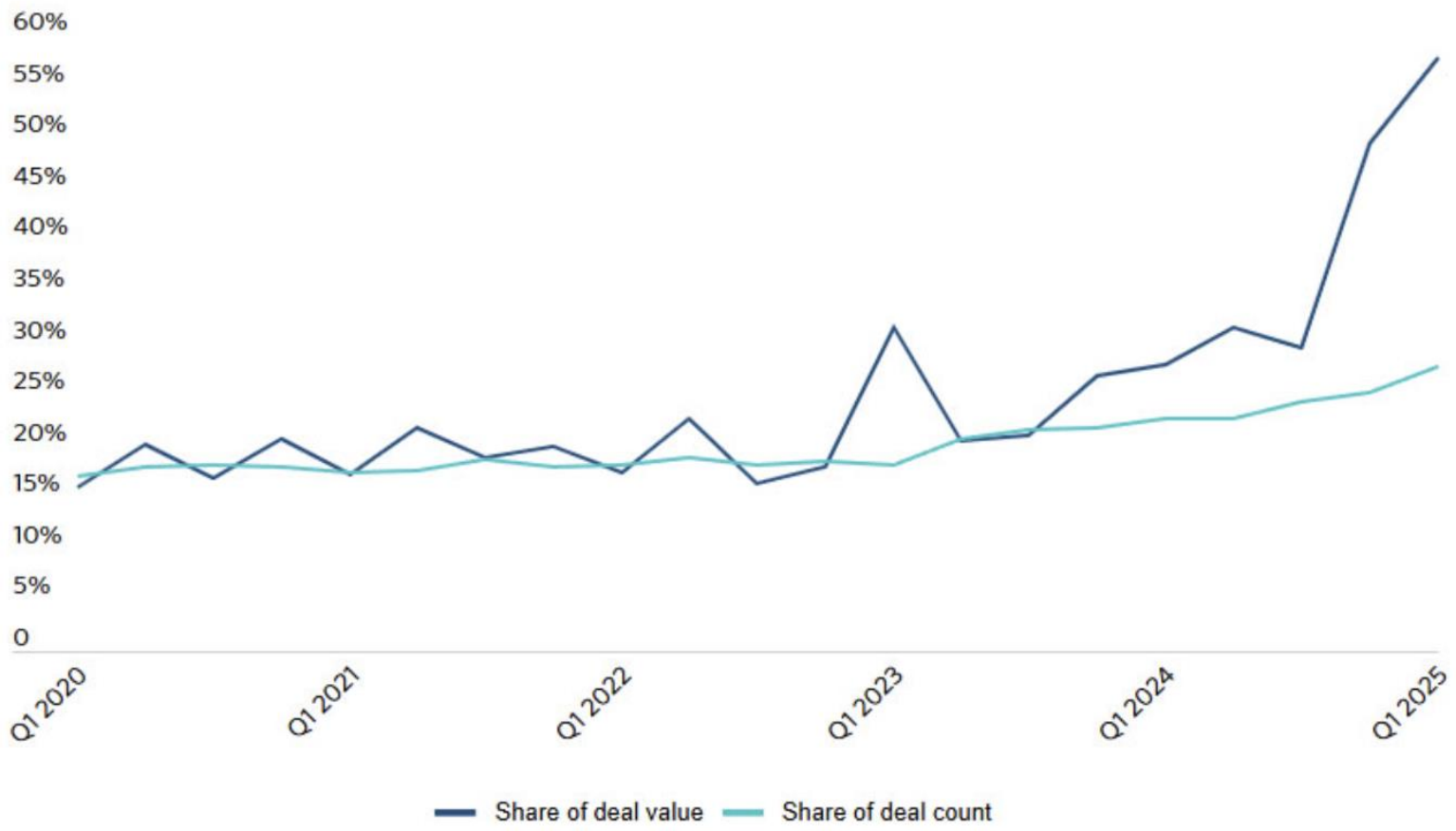

AI deals as a share of all global VC deal activity. Source: PitchBook

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#6 Tokens are the new vanity metric.

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> *"We processed over 100t tokens this quarter, up 5x year over year, including a record 50t tokens last month alone."*

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#7 Seats are OUT, Usage is IN

TODAY'S SOFTWARE TRENDS MANDATE CHARGING BASED ON USAGE, NOT USERS

Automation

Software increasingly automates manual processes. The more successful a product is, the fewer user seats a customer needs. **Seat pricing doesn't scale with the value of automation.**

zapier

Zapier reports 61% of all knowledge workers already rely on automation.

AI

AI takes automation a step further, eventually eliminating the need for whole teams of people for ongoing tasks. **Monetization can no longer be tied only to human users of a product.**

databricks

Databricks has seen over a million downloads per month for its machine learning product.

API

For many of the fastest growing software companies, the value is in the API—software talking directly to other software—rather than the UI. **There doesn't need to be a user to see value.**

twilio

In 2019 Twilio processed 600 billion API-based transactions.

#7 Seats are OUT, Usage is IN

USAGE-BASED PUBLIC SAAS COMPANIES SEE SIMILAR GROWTH DYNAMICS

COMPARISON OF USAGE-BASED PUBLIC SAAS COMPANIES TO THE BROADER SAAS INDEX*

	Usage-based	Broader SaaS index	Difference (%)
YoY revenue growth (TTM)	17%	13%	**+31%**
Net dollar retention	125%	114%	**+9%**
Revenue scale ($, in millions)	$917	$597	**+54%**
Rule of 40	36.5%	36.2%	**+1%**

USAGE-BASED PRICING OUTPERFORMS

Usage-based businesses see continued growth at scale, driven by best-in-class net retention.

#7 Seats are OUT, Usage is IN

#8 8090-ification

OR

Don’t get 8090’d

8090

I’m starting an incubator. Funded entirely by me. It’s called 8090.

Tell us what enterprise software you use and my team and I will build you an 80% feature complete version at a 90% discount.

We are using AI and offshoring to make this happen.

— Chamath Palihapitiya (@chamath) January 11, 2024

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7 Ways AI is changing the Startup Landscape

1. Seedstrapping
2. Data is the new network effect
3. AI Native Speed
4. Org Chart with non-humans
5. AI is vacuuming up all the capital
6. Tokens are the new vanity metric
7. Seats are out, usage based pricing (UBP) is in
8. 8090'ification of 'Big SaaS'

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