SIS Platforms

Software Market Review & Analysis – October 2025

Alkali Partners

Technology Investment Banking

Quarterly Spotlight: Investments In Student Information Systems

Student Information Systems (SIS) - a core EdTech sub-sector encompassing enrollment management, student records, grading, scheduling, and compliance reporting - is experiencing a wave of accelerated adoption. The global SIS market is projected to grow from $15.44 billion in 2025 to $30.90 billion by 2029, representing a searing compound annual growth rate (CAGR) of 15%.

Rapid Migration from Legacy to Cloud-Based SIS Solutions

- Districts and higher education institutions are increasingly adopting cloud-based SIS platforms, interoperability standards, and advanced analytics to stretch limited resources — making SIS one of the few EdTech categories demonstrating budget resilience and continued growth.

- Sustained investment in compliance, reporting, and modernization is driving reliable demand, while the shift toward cloud-native and integrated ecosystems positions SIS as a core system of record. This stability of the space is drawing interest from strategic acquirers and private equity.

Select Deals Show Rise In Valuations

- PowerSchool's $5.6B take-private by Bain Capital demonstrates the strong multiples SIS leaders are demanding. With recurring SaaS revenue and a central role in K-12 operations, PowerSchool was valued at 7.6x revenue, reflecting durable demand for core education platforms.

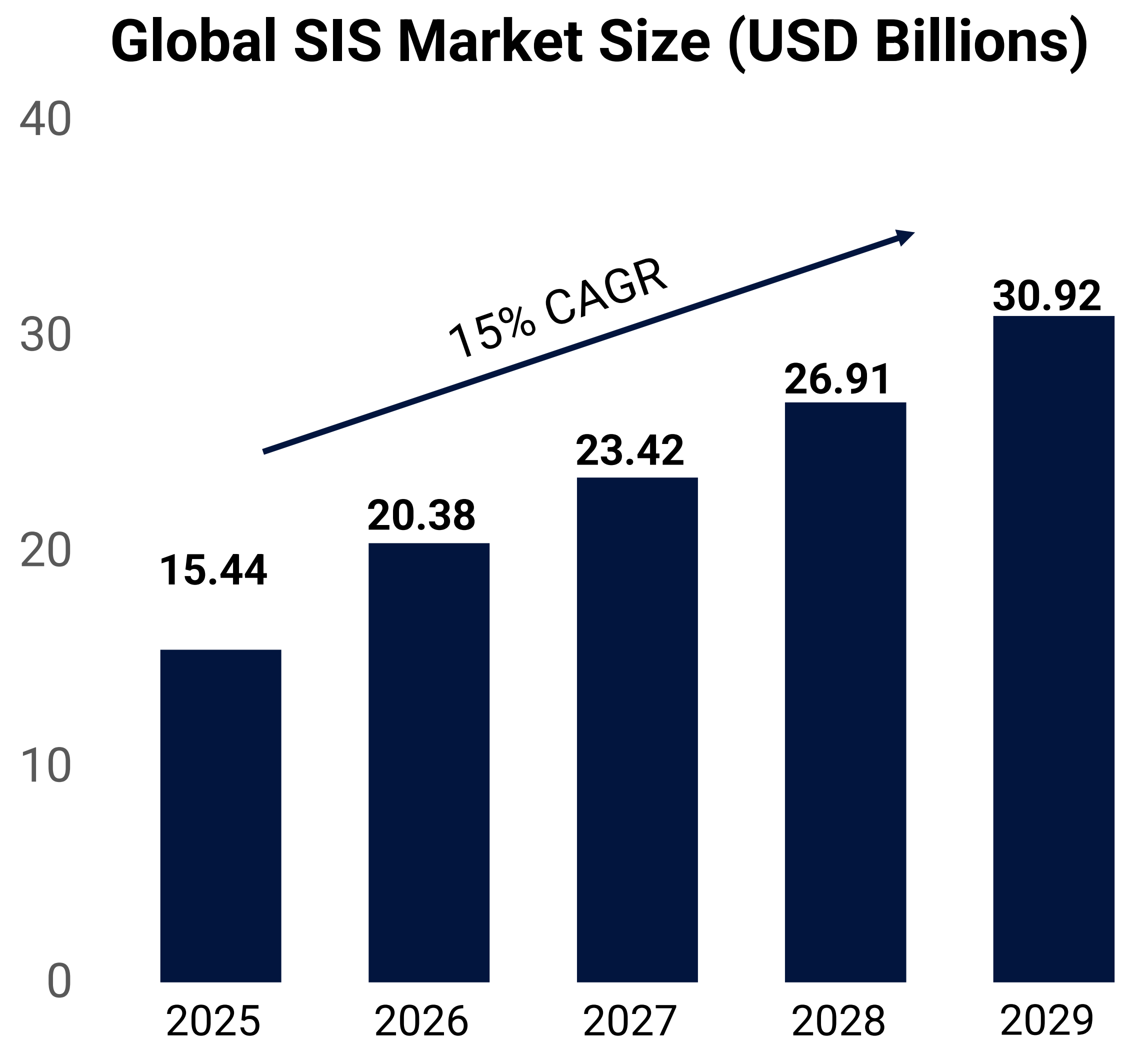
- RAROME's acquisition by Educhain signals growing momentum in K-12 student systems. As schools consolidate around integrated platforms, buyers are moving to combine SIS capabilities with credentialing and identity solutions.

Increasing Demand For Modern Student Information Systems

59% — Of institutions are planning SIS upgrades/replacements in the next two years

>85% — Of institutions are increasing their spending on digital transformation

72% — Of institutions are using SISs that are at least 20 years old



PowerSchool Was Taken Private by BainCapital	Deal Size $5.60B EV/Revenue 7.6x
rarome Was Acquired by Educhain	Deal Size Undisclosed Deal Type Buyout/LBO

Sources: Pitchbook, FRED, Mordor Intelligence, Alkali Research , GlobalGrowthInsights, Tambellini Group

Growth Drivers Reflected by Investments In Student Information Systems

SIS Growth Drivers Impact Analysis

Recent state-level data modernization mandates (e.g. HB 367 Montana) and federal guidance (AI DCL) are accelerating the need to upgrade legacy student systems. These shifts push SIS from a record keeper to a strategic platform — the foundation for compliance and analytics going forward.

Driver	Impact on CAGR Forecast (cumulative 15%, 2025 – 2030)	Impact Timeline
Growing cloud-first digital-transformation mandates	+3.2%	Medium Term (2 – 4 years)
Mandate for holistic data-driven student-success analytics	+2.8%	Long term (>4 years)
Heightened compliance and reporting burdens on institutions	+2.1%	Short term (<2 years)
Demand for unified EdTech stacks and API-ready SIS platforms	+2.5%	Medium Term (2 – 4 years)
Emergence of micro-credentialing/Lifelong-learning models	+1.8%	Long term (>4 years)
AI-powered predictive retention solutions embedded in SIS	+2.6%	Medium Term (2 – 4 years)

Proven Incumbents & Niche Players Attract Funding

The drivers are mirrored in funding trends: PE firms like Francisco Partners back incumbents such as Aeries for their stability and compliance strength, while early-stage investors like Westbound fund niche players like Bella that address underserved markets with modern, API-ready solutions.

Aeries

Received an Investment From

FRANCISCO PARTNERS

Deal Size
Undisclosed

Deal Date
2/5/2025

Deal Type
PE Growth

Alkali's Analysis

The Francisco Partners investment in Aeries shows that PE investors continue to back established SIS vendors. It validates K-12 SIS as a sticky, recession-resistant category, with entrenched district contracts and mission-critical workflows making it a safe scaling play. Expect more growth equity to target incumbents with renewal potential, strong retention, and opportunities to expand into modules like finance, analytics, and communications.

Bella

Received an Investment From

westbound

Deal Size
Undisclosed

Deal Date
9/1/2025

Deal Type
Early Stage

Alkali's Analysis

Bella's early-stage investment from Westbound shows venture capital backing new SIS entrants in underserved markets like vocational and technical schools. These niches face the same compliance and reporting burdens as K-12 and higher ed, but are often overlooked by legacy platforms. This suggests a wave of purpose-built SIS for specialized workflows that could become attractive bolt-ons or stand-alone plays in fragmented markets.

Sources: Pitchbook, FRED, Mordor Intelligence, Alkali Research , GlobalGrowthInsights, Tambellini Group, ed.gov, Alkali Partners

About Alkali

Storytellers.

SaaS specialists.

Sell-side experts.

Technology Investment Banking

Alkali Partners was founded as a change agent for the middle-market tech space. We advise and serve founders of high-growth tech companies through M&A and capital-raising transactions. Our team believes in our clients' stories and craft compelling narratives centered on their technology and growth opportunities.

Services

Mergers & Acquisitions

Advise sellers of privately held tech companies through M&A transactions

Capital Raises

Advise founders seeking capital for growth or risk diversification

Divestitures

Valuation services and corporate finance analysis with practical experience

Strategic Advisory

Advise boards seeking to restructure, reorganize, or prepare for liquidity events

Expertise

A Buyers' Lens

Our extensive buy-side experience helps us position our clients' stories, create a competitive market, and drive valuations.

Client Stories

We use compelling and cohesive growth anecdotes, powered by underlying financials, to sell our clients' narratives.

Relationships

We have deep, established relationships with both strategic buyers and premier technology investors.

Relevant Case Study: Sale of LineLeader

Alkali's software sector knowledge and timing of launch drove a competitive process, leading to a premium valuation

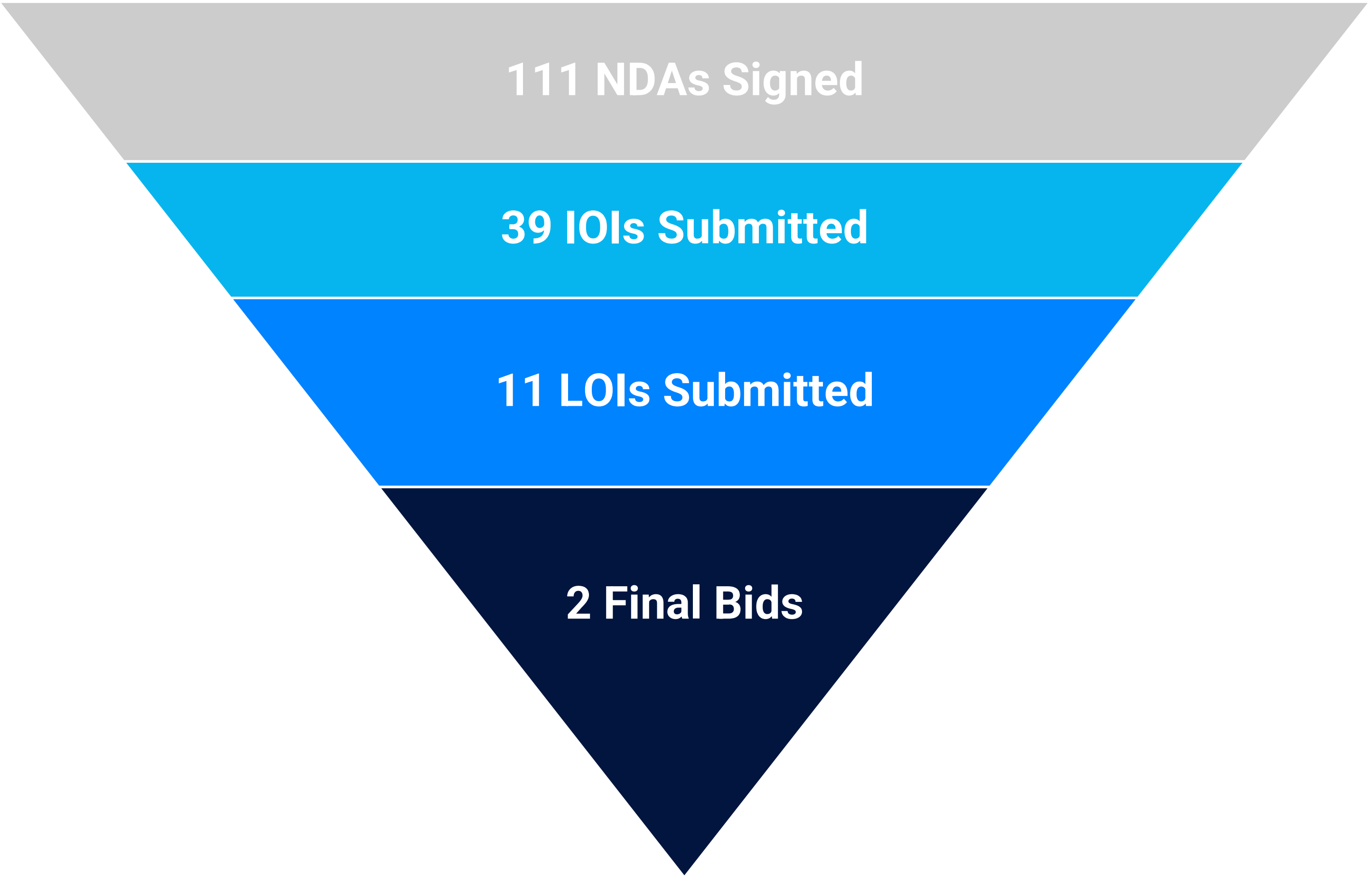
LineLeader Overview

- LineLeader (formally Childcare CRM) was founded in 2009 as a childcare center CRM and grew through acquisition into a full childcare center management system (CMS).
- LineLeader simplifies center management, its software combines lead management, marketing automation, family communication, and payment processing.

Challenges Faced During Transaction

- LineLeader's CRM platform was successful with enterprise customers; however, the market was primarily smaller, long-tail centers that saw CRMs as nonessential software.
- The MomentPath acquisition was only six months prior to LineLeader's process, and the tech was not fully integrated.
- Future success hinged on payment monetization and cross-selling centers on LineLeader's full-suite platform.

Effective Outreach Campaign



Acquired

Defeating Challenges Throughout the Process

- Knowing that valuation was dependent on uncapitalized opportunities, Alkali crafted messaging that identified known corporate headwinds while illustrating LineLeader's past success and current traction on its full-suite offerings.

Feb. 2023 Prepare Market Materials

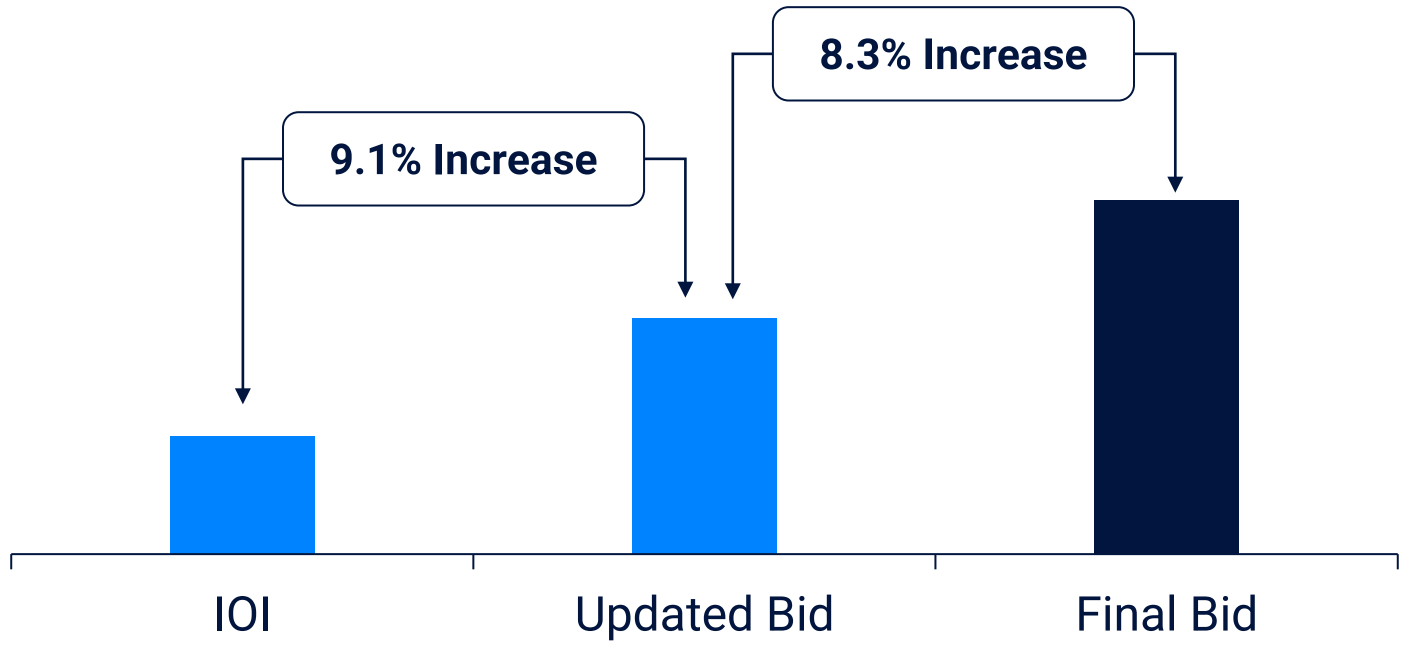
Mar. 2023 Distribute Market Materials

Apr. 2023 Receive Indications of Interest

May 2023 Management Presentations

Jun. 2023 Sign and Close

Process Delivered Impressive Results



SIS Software

Coverage Team

Overview

Mergers & Acquisitions

Advise sellers of privately held tech companies through M&A transactions

Growth Equity Investments

Advise founders seeking capital for growth or risk diversification

Recapitalizations& Buyouts

Advise sellers of privately held tech companies to financial sponsors

Operational & Strategic Advisory

Advise boards seeking to restructure, reorganize, or prepare for liquidity events

Domain expertise: Over 100 deals closed in enterprise software and technology in the last decade.

Sector specific coverage: Weekly tracking of Education Tech M&A, buyers, and market trends.

Experience: Multiple closed deals across EdTech, Childcare Management, and adjacent verticals.

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- $5B+ sell-side engagements over 15+ years
- Previously at Arbor Advisors and Goldman Sachs

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Director

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- $1B+ sell-side engagements over 10+ years
- Previously corporate development at major retailers

Long Cap

Associate

long@alkalipartners.com

- 4+ years of experience in banking and commercial due diligence

Select Software Transactions

- LineLeader By ChildcareCRM — Acquired By — Marlin Equity Partners
- cloudcover music — Acquired By — SiriusXM Satellite Radio
- Leadsx — Acquired By — unbounce
- Genbook — Acquired By — booksy
- smart Documents — Acquired By — banyan software
- Premier Virtual — Acquired By — careerminds
- Sovereign Sportsman Solutions — Acquired By — payit
- VONIGO — Acquired By — FULLSTEAM
- INRO — Acquired By — Bentley
- Kindful — Acquired By — bloomerang
- Acceptiva Empowering Nonprofits — Acquired By — Sphere powered by TrustCommerce
- Retail — Acquired By — DURA Software
- P PASS — Acquired By
- KinderSystems — Acquired By — FIRMAMENT
- FOUNDATION software — Acquired By — THOMABRAVO
- ServicePro™ — Acquired By — ServiceTitan

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