SUPPLIER ECONOMICS · BEFORE YOU RENEW

AI changed the service. *What should procurement check before renewal?*

You can't count on your supplier's AI saving. **But you can test their price.**

WHO KEEPS THE GAIN DEPENDS ON THE DEAL YOU SIGNED

PRICING MODEL	WHAT AI MAY CHANGE	WHAT TO CHECK
Time or hourly	Fewer hours may be needed	Are billed hours actually falling, or are rates rising to offset it?
FTE or capacity	Automation can free capacity	Are minimum headcount commitments trapping the gain?
Fixed price	The supplier may keep the gain	Is the price still competitive in today's market?
Unit price	Cost per transaction may fall	Is the unit rate still competitive? Do minimum volumes trap the gain?
Outcome-based	The supplier keeps the gain by design	Is the old baseline still meaningful?

THREE QUESTIONS BEFORE YOUR NEXT RENEWAL

1. Under the deal we signed, who keeps the efficiency gain?
2. Which parts of this service would we buy differently today?
3. When is our next real chance to reprice — and what needs to be ready by then?

WHERE YOUR LEVERAGE IS

Your leverage isn't what your supplier saved. It's what you could do instead.

A low price that only works if unproven AI savings appear later isn't necessarily value. It may just move the commercial problem into delivery.

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