



EDUCATES BUYERS ON EVALUATING AI VENDORS

INCLUDING DATA HANDLING,
SCALABILITY, AND INTEGRATION
DEPTH

Presented By
SDLC CORP

Buyer's Guide

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Summary

As artificial intelligence (AI) continues to reshape industries, choosing the right AI consultation company or vendor has become a mission-critical decision for any forward-thinking organization. The growing demand for AI-powered solutions—ranging from automation to predictive analytics—has also led to a surge in vendors claiming expertise in the field.

However, not all AI sellers are equipped to provide companies, secure and scalable solutions. This makes vendor evaluation more than a technical choice; it's a strategic imperative.

This white paper is designed to train buyers how they can effectively evaluate AI suppliers, using a framework built around three core columns:





Introduction

AI is no longer an alternative investment - it is a competitive discrimination. Organizations that implement AI effectively gain measurable advantages in customer engagement, cost reduction, forecasting, and product innovation.

But while AI technology evolves rapidly, so does vendor complexity. Business leaders should look beyond Fancy Demo and evaluate suppliers through a strategic lens: Are they safe? Are they scalable? Can they integrate with what you already use?

This white paper is for buyers, CIOs, CTOs, and digital transformation leaders who want a structured way to assess an AI consulting company or solution provider.

It offers:



**A clear
evaluation
framework**



**Practical
checklists
and questions
to ask**



**Guidance on
ensuring alignment
with compliance, IT,
and business goals**



Types of AI Vendors (and Which One You Need)



Different AI vendors serve different needs. Choosing the wrong type can result in cost overruns or incomplete solutions.

Vendor Type	Best For	Pros	Cons
AI Consulting Company	Custom solutions, enterprise AI strategy	Tailored to business needs, long-term value	Higher upfront investment
AI SaaS Platform	Quick deployment, common use cases (chatbots, etc.)	Fast, cost-effective, easy to scale	Limited customization
ML Framework Provider	Developers building AI in-house (TensorFlow, PyTorch)	Full control, open source options	Requires in-house expertise
Data Science Agencies	One-time models or MVP development	Fast POC delivery, affordable for SMBs	Often lack support for scaling
Big Tech Cloud Providers	Enterprise-scale infrastructure (AWS, Azure, GCP)	Scalable, robust, global support	Expensive, vendor lock-in possible



The 3 Core Pillars of AI Vendor Evaluation

Pillar	Evaluation Focus	Why It Matters
Data Handling	Security, Ownership, Compliance	Ensures privacy, legal compliance, and trust
Scalability	Architecture, Load, Licensing Flexibility	Avoids future rework and supports business growth
Integration	API Access, System Fit, Workflow Mapping	Reduces deployment friction and time to value





1. Data Handling: Ensuring Trust & Compliance

Any AI vendor will require access to your data - which makes data security and management a top concern. Incorrect data can cause fractures, fines and damaged reputation.

What to Evaluate:

- Security Protocols
 - Encryption in transit and at rest
 - Role-based access and audit logs
 - Adherence to standards (GDPR, HIPAA, SOC 2)
- Data Ownership
 - You should retain full ownership of your data and trained models
 - Ensure no reuse of your data across other clients
- Transparency & Contracts
 - Ask for a Data Processing Agreement (DPA)
 - Confirm data deletion and portability policies

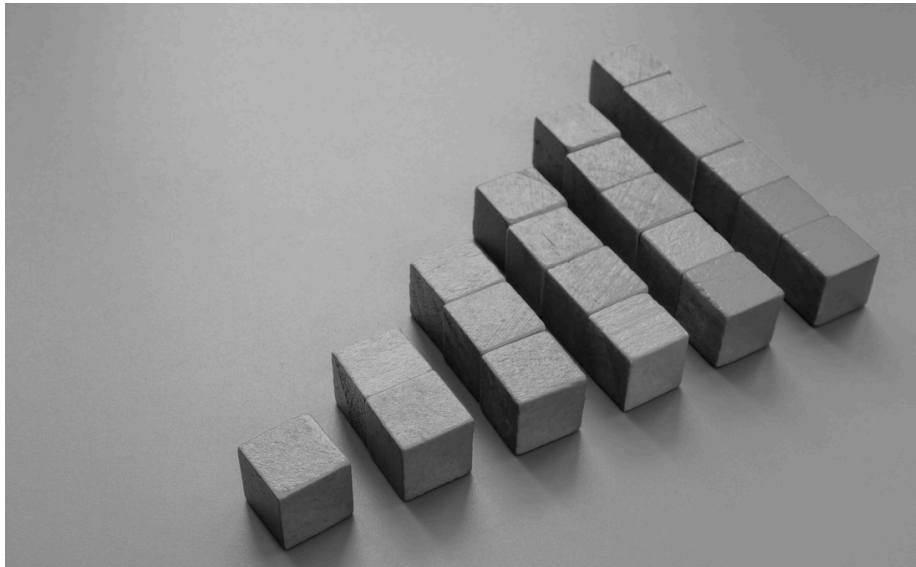
Best Practice: Choose vendors who offer full documentation and involve your legal team early.





2. Scalability: Growing With Your Business

An AI pilot might work for a department—but can it scale to support your global operations, product lines, or millions of data points?



What to Evaluate:

- Architecture Flexibility
 - Support for cloud, hybrid, or on-prem environments
 - Microservices or modular builds that allow future expansion
- Performance Readiness
 - Ability to handle real-time processing or large datasets
 - Uptime guarantees and SLAs
- Elastic Pricing
 - Pricing models that scale without hidden fees or licensing bottlenecks

Best Practice: Ask vendors for client references and case studies that demonstrate scale.



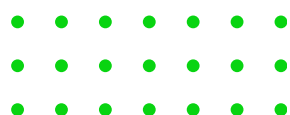
3. Integration Depth: Fitting Into the Tech Ecosystem

AI tools that cannot be integrated with your current stack will lead to siloed system and adoption failure.

What to Evaluate:

- APIs & Data Exchange
 - Open APIs, SDKs, and webhook support
 - Real-time data synchronization options
- Tool Compatibility
 - ERP, CRM, BI tool, and database integration
 - Middleware or data lake support
- Workflow Alignment
 - Can the AI solution be tailored to existing business processes?
 - Is training or retraining required for teams?

Best Practice: Insist on a technical walkthrough or sandbox demo to validate integrations before signing.



Pricing & Engagement Models

Understanding pricing structures helps set realistic budgets and expectations.

Model Type	Description	When to Use	Typical Price Range
Fixed Price	Pre-defined scope and deliverables agreed upfront	MVPs, pilots, or short-term AI builds	\$20K – \$100K+
Time & Material	Hourly/daily billing based on actual work hours	Complex, evolving, or research-heavy projects	\$50–\$250/hour
Subscription	Monthly or annual usage fees for AI platforms	Repetitive, low-touch AI tasks (e.g. chatbots, OCR)	\$50 – \$5,000/month
Retainer Model	Ongoing monthly engagement for consulting or support	Long-term AI roadmaps or optimization partnerships	5K – \$50K/month
Outcome-Based	Payment tied to specific performance metrics (e.g. ROI achieved)	Shared-risk, results-driven engagements	Highly variable – negotiated based on value

Step-by-Step Vendor Selection Process

Follow this structured process to streamline and de-risk your AI vendor selection:



- Step 1** **Define Your Business Goal**
 - What problem are you solving?
 - What outcome defines success?

- Step 2** **Align Internal Stakeholders**
 - Get buy-in from IT, data, operations, and leadership teams

- Step 3** **Create a Vendor Shortlist**
 - Based on use case, industry fit, and reputation

- Step 4** **Issue an RFP or Vendor Questionnaire**
 - Ask about data practices, case studies, architecture, support

- Step 5** **Conduct Technical & Business Evaluation**
 - Use the Vendor Matrix and check for demo alignment

- Step 6** **Pilot or Proof of Concept**
 - Start small, validate feasibility

- Step 7** **Finalize Contract with Ownership Clauses**
 - Include IP rights, SLAs, data protection, and exit terms



Common Mistakes When Choosing AI Vendors

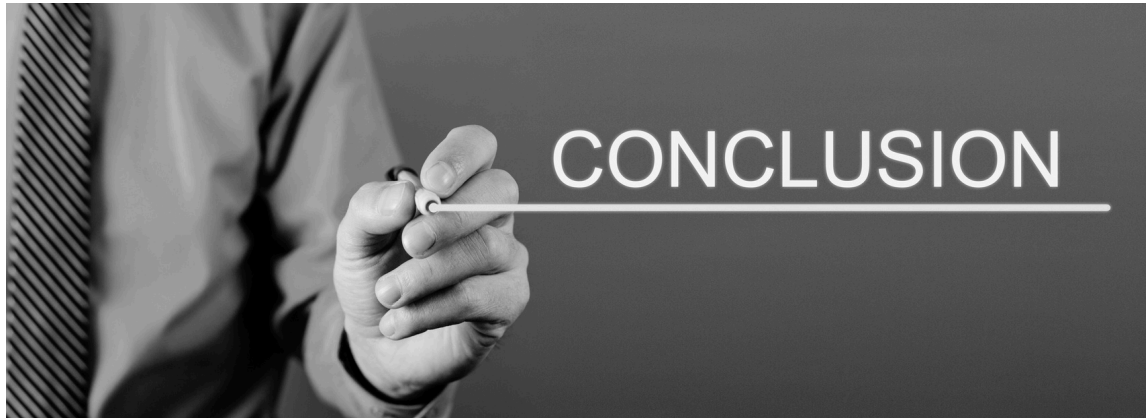


Avoiding these pitfalls can save time, money, and reputational risk:

- **✗ Choosing based on cost alone** – Cheap solutions often lack compliance, security, or scalability
- **✗ Skipping integration planning** – Solutions that don't fit your tech stack are hard to adopt
- **✗ Not asking about data ownership** – Ensure your organization retains model and data rights
- **✗ Ignoring long-term support** – Ask what happens post-deployment: training, maintenance, updates
- **✗ Misaligning business and technical teams** – Ensure all stakeholders agree on goals and KPIs



Conclusion



Choosing the right AI consulting company is one of the most important stages of your AI tour -and one of the most misunderstood.

Very often, organizations focus on surface levels: attractive demo, large name customers or fast delivery deadline. But without an intensive evaluation, how a seller handles control, enables scalability, and the system supports integration, even the most promising project can end in failure, cost overrun or lack of opportunities.

This white paper has equipped you with a practical framework to evaluate AI vendors on:

- **Data Handling** – Ensuring your sensitive information remains secure, compliant, and fully under your control.
- **Scalability** – Confirming the AI solution can grow in capacity and complexity alongside your business.
- **Integration Depth** – Guaranteeing smooth alignment with your current tools, workflows, and infrastructure.



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Thank You

