A MAGNUS PERSPECTIVE FOR PROCUREMENT LEADERS

The Go-to-Market Operating System

A buyers guide to AI-enabled GTM solutions.

Jason Ryan · AI Strategy, Magnus Consulting

Foreword by Mike Lander, Founder, Piscari

This guide is written for procurement, finance, legal, IT and commercial leaders who need to evaluate a supply model that combines things normally bought separately.

MAGNUS
CONSULTING

CONTENTS

Table of Contents

FOREWORD

How to buy AI: a procurement perspective

Mike Lander, Founder, Piscari

Mike works with organisations on procurement, commercial models and agency transformation.

I've spent a large part of my career buying, selling and negotiating complex deals. From a procurement perspective, the AI-enabled GTM market has a very familiar feel: suppliers are asking to be treated as strategic partners before they have proved strategic value.

The label may be new, but the job for the buyer is the same. Work out what is really being bought, what risk is being taken, what value can be evidenced, and what happens if the supplier has to be replaced.

Great procurement takes more than hard negotiations. Anyone can squeeze a supplier on price. The real work is balancing savings and ROI, innovation, quality, reliability, DEI and sustainability, with the risk sitting underneath all of it.

AI makes that balance harder. It can create efficiency, speed and growth. It can also create weak ownership, hidden dependency, poor offboarding, data exposure and a supplier relationship that becomes much harder to unwind than anyone expected.

That is the value of this guide from Magnus Consulting. It gives procurement leaders a way to slow the buying conversation down just enough to test the AI story before it becomes the buying logic.

If a supplier wants the treatment of a strategic partner, they need to be willing to engage in a clear conversation about value creation, governance, ownership, measurement and a credible exit route.

Why this guide exists

Mike Lander's foreword sets the procurement challenge plainly: if suppliers want strategic-partner treatment, they need to evidence strategic value. This guide takes that challenge into the specific world of AI-enabled GTM services, where suppliers increasingly blend advice, infrastructure, automation, human judgement and measurement into one running engagement.

Over the last 18 months we have seen the same pattern appear, in different forms, across the go-to-market supplier market. The shape of what clients are being asked to buy has changed.

AI has not just made existing services more efficient. It is changing the unit of value itself. Some suppliers are no longer offering neat, familiar units of consultancy, software or managed service. They are bundling strategy, infrastructure, automation and human judgement into one commercial model. That creates a procurement question.

What this combination amounts to, in practice, is a **go-to-market operating system**: strategy, embedded infrastructure, AI-enabled execution and ongoing measurement, fused into a single running engagement. The category does not yet have a settled name in procurement frameworks. This guide treats it as a buying problem worth testing, and works through the questions it raises for classification, value, contracting and governance.

Not because procurement has missed something obvious. Good teams are already alert to supplier risk, value leakage, commercial accountability, lock-in, governance and exit. The issue is that some of the supplier models now arriving in front of them combine things that have historically been evaluated, priced, contracted and governed separately.

This point became much sharper through a series of conversations with Mike Lander, a long-term collaborator and Founder of Piscari. Mike's work on the changing agency model, particularly through his Agency Reset report and the Cockpit, Cabin and Engine framing, helped crystallise the issue in a very human way. The market is not just becoming more automated. It is being reorganised around new control points: judgement, orchestration, measurement, data, workflow and commercial accountability.

Classification drives treatment. If a hybrid model is filed in the wrong box, it gets evaluated with the wrong criteria, priced against the wrong unit of value, contracted for the wrong obligations and governed against the wrong measures. If an engagement is treated simply as consultancy, the buyer may overpay for inputs and miss the operating dependency. If it is treated simply as SaaS, the buyer may under-govern human judgement, adoption and performance risk. If it is treated simply as a managed service, the buyer may miss the platform, data, IP and exit issues.

The issue is not whether "platform-enabled managed service" becomes a permanent industry label. The issue is that familiar buying models each imply a different value proposition: expertise, a finished deliverable, access to capability, usage at scale, managed operation or measurable outcomes. AI-enabled GTM suppliers increasingly blend these propositions. The task is to make the blend explicit, price it honestly, contract for control and exit, and govern value from day one.

A typical buying problem looks like this: a supplier proposes to define ICPs, ingest account signals, configure CRM workflows, generate sales plays, recommend next actions, run weekly pipeline governance and report commercial impact. Is that consultancy, SaaS, managed service, RevOps support, agency work or outcome delivery? **The answer matters** because each classification implies a different buying route, pricing logic, contract and exit plan.

THE SCEPTICAL QUESTION

Is this genuinely a different supply model that calls for different treatment – or is it a supplier using AI language to justify a preferred commercial model?

How to use this guide

This guide is written from the seller side, but with a buyer-side test. If a blended AI-enabled GTM model cannot explain what is being bought, what value is created, what risk is taken, what the buyer owns, how performance is measured and how the relationship can be exited – it is not yet ready for serious procurement scrutiny.

The guide follows five phases.

Diagnose understands what you are looking at.
Decide aligns the room and chooses whether to buy.
Source evaluates suppliers and structures the commercials.
Contract writes the protection.
Govern runs the post-signature obligations, controls and renewal

.

STEP	PHASE	WHAT IT ASKS
01	Diagnose	What has changed in the GTM supplier market
02	Diagnose	Where this purchase sits on the spectrum from hours to outcomes
03	Decide	Have we aligned the internal stakeholders before sourcing
04	Decide	Do we buy this capability at all
05	Source	What model this supplier is offering – classification
06	Source	Is the supplier genuine or cosmetic
07	Source	Which commercial structure matches value and risk
08	Contract	How to architect AI governance, IP, data, portability and exit
09	Govern	How this fails and how to design risk controls
10	Govern	How to track benefits realisation and own the renewal decision

What changed in the GTM supplier market

Procurement has seen disruption before. Internet services, digital agencies, SaaS, cloud platforms, performance marketing, managed services and outsourced operations all created classification and governance challenges in their time. What is different now is convergence inside a single engagement, and the speed at which it is arriving.

1 **Input pricing tells less of the truth**

Rate cards still matter. They remain useful for benchmarking effort, comparing roles and controlling change. But in AI-enabled GTM services, day rates are no longer a sufficient proxy for value. A supplier may use AI to compress research, analysis, production and reporting time significantly. That productivity gain can be passed to the client as lower prices, retained as margin, or converted into a more accountable operating model. The task is to decide what unit of value is being bought: time, deliverables, outputs, retained capability or outcomes.

2 **The language layer is noisy**

Most suppliers now describe themselves as AI-enabled, platform-led, data-driven or agentic. Some are genuinely building repeatable infrastructure. Others are using standard tools behind a new deck. The issue is not the language itself – it is evidence. The supplier's case is stronger when it can show what is repeatable, where the data lives, what is automated, what remains human, what the client owns and what would change if the supplier stopped operating the service.

3 **Classification is under pressure**

The clean distinction between consultancy, SaaS and managed service is becoming harder to apply. A single engagement can now include senior growth strategy, configured workflows, knowledge graphs, AI agents, CRM or marketing automation integration, content operations, signal detection, data visualisation, adoption support and ongoing governance. Each component is familiar. The combination is what creates classification pressure. Mike Lander's *Agency Reset 2026* frames this as a movement toward Cockpit and Cabin: judgement, orchestration, measurement, signals, insight and commercial accountability – separating low-differentiation execution from the control points a supplier may be trying to own.

4 **Stakeholder buying pathways are fragmenting**

Commercial teams often encounter AI-enabled tools and services before procurement sees a formal requirement. Buying pathways are becoming more fragmented, especially where entry costs are low, trials are easy and vendors can sell directly to functional leaders. The procurement question is practical: when does experimentation become material supplier dependency? Once a tool or service influences customer data, revenue operations, sales workflows, marketing decisions or external communications, it needs governance proportionate to the risk.

5 **Spend visibility is harder, not impossible**

Well-run procurement teams will already have spend cubes, category taxonomies and supplier master data. The issue is that hybrid spend can appear under several headings: consultancy, software, agency, data, training, managed service, revenue operations or transformation. That fragmentation can make it harder to answer: which suppliers are building overlapping GTM capabilities? Which tools duplicate existing CRM or RevOps capability? What would stop, degrade or become manual if a supplier were removed? Which costs are run cost, change cost, licence cost, implementation cost or performance-related cost?

6 **The risk register has expanded**

AI-enabled GTM services introduce familiar risks in new combinations: data handling, model dependency, AI transparency, human oversight, IP ownership, hallucination risk, brand safety, buyer journey impact, record keeping, portability, auditability and exit. The supplier may be touching strategic decisions, customer data, commercial workflows and external market communication at the same time. That combination is hard to evaluate without a joined-up risk view across procurement, legal, IT, data protection, finance and the commercial function.

7 **Procurement's role is becoming more influential**

Procurement already balances cost, risk, value, supply market expertise, stakeholder alignment and long-term optionality. What is changing is the level of strategic judgement required in GTM services. Procurement may be drawn into a broader business decision: not only who to buy from, but also whether to buy, build, rent, partner, consolidate or stop.

THE PATTERN

Most AI-enabled suppliers are not a new category. But where strategic advice, embedded infrastructure, managed execution and commercial accountability are bundled together, the buying conversation might benefit from a more precise framework.

IN OTHER WORDS,

the procurement question is not whether to engage with AI-enabled GTM services. It is whether the model in front of the buyer calls for a different classification, a different contract, and a different governance regime from the ones already available.

The purchase spectrum

What are you actually buying? Every GTM engagement sits somewhere on a spectrum from hours to outcomes. This is a useful diagnostic before deciding route to market, pricing logic, governance and contract structure.

UNIT	WHAT IS BEING BOUGHT	WHEN IT FITS	WHAT TO WATCH
1 · Hours	Time at a rate card. The supplier is paid for effort.	Where the work is uncertain, exploratory or genuinely advisory.	AI productivity blurs the day rate.
2 · Deliverables	Defined artefacts: strategy document, ICP model, market map, campaign plan, pricing analysis, operating model.	When value is in the thinking or recommendation.	May not change behaviour.
3 · Outputs	A working capability: live signal engine, configured workflow, data model, dashboard, content cadence or revenue playbook embedded into the buyer's systems.	When the operating capability matters, not just the recommendation.	Centre of gravity for AI-enabled GTM services.
4 · Outcomes	A commercial result: pipeline generated, conversion improved, cycle time reduced, cost-to-serve lowered or revenue influenced.	When measurement is mature, attribution is clean, baselines exist.	Dispute risk if mis-specified.

Pricing models are value propositions in disguise

Activity-based pricing sells expertise: you are buying the supplier's judgement. It works when the problem is uncertain. It weakens when AI compresses the work and the buyer suspects senior rates are masking machine-assisted production.

Deliverable-based pricing sells a finished asset: you will have this thing at the end. It weakens when the deliverable is stale on arrival or never changes behaviour.

Consumption-based pricing sells scalable usage: you pay as you use. It weakens when usage is hard to forecast and finance cannot control exposure.

Access-based pricing sells always-on capability. It weakens when the platform is underused or turns out to be a thin wrapper around generic tools.

Outcome-based pricing sells skin in the game. It works only where baselines, attribution and supplier influence are clear. In most hybrid AI-enabled GTM engagements, it is better treated as a capped performance layer, not the whole commercial model.

AI-enabled GTM is a hybrid model that blends these propositions. They are consequently hard to price simply as they are rarely selling one kind of value.

The realistic centre of gravity

Many buyers would like to buy outcomes. Many suppliers would prefer to sell activity, access or deliverables. For AI-enabled GTM services, the practical centre of gravity is usually **outputs with a capped outcome layer.**

That means a fixed-fee strategy and build phase creates a working capability, followed by a subscription or managed service fee to operate, improve and govern it. A capped performance band can then sit on top, tied to a small number of agreed lead and lag indicators.

Each step of the spectrum changes the risk allocation between buyer and supplier. The further right you move, the more the supplier carries value risk – and the more measurement, governance and baselining matter up front.

THE BUYER'S POSITION

The buyer is not paying for hours. The buyer is paying for a capability that works, is governed, is adopted and can be measured.

Align the room

Before the organisation decides buy or build, five internal questions should be aligned. Decisions made without this alignment may unwind at contract. This is the pre-source governance step that makes everything downstream possible.

A hybrid GTM service will rarely be owned by one function. It may touch marketing, sales, revenue operations, finance, IT, legal, data protection and procurement – and each group sees a different risk. In a PEMS-like engagement, stakeholder alignment is not a courtesy step. It is the first governance control. The CRO may see speed and commercial upside. Finance may see unclear renewal logic. IT may see data exposure and integration risk. Legal may see AI, IP and liability questions. RevOps may see workflow disruption. Procurement's role is to turn these partial views into one buying architecture before the supplier shapes the decision.

STAKEHOLDER	PRIMARY QUESTION	WHAT THEY NEED
CMO / CRO	Will this improve growth and speed?	Clear use cases, time to value, adoption plan, commercial impact
Finance / CFO	What is the economic case and what happens if we stop?	Baseline, benefits model, TCO, renewal logic, cancellation impact
Procurement	What are we buying and how should it be governed?	Classification, market alternatives, commercial structure, supplier risk
IT / Security	Where does data go and what is integrated?	Architecture, data flow, security evidence, AI model disclosure
Legal / DPO	What are the contractual, data and AI risks?	DPA, IP schedule, audit trail, liability, compliance obligations
RevOps / Sales Ops	Will this fit the operating system?	CRM impact, workflow design, admin ownership, reporting integration
Board / ExCo	Is this strategically important and controlled?	One-page business case, risk summary, benefits and exit route

THE ALIGNMENT MOVE – FIVE QUESTIONS TO AGREE BEFORE SOURCING

1. What business constraint are we trying to reduce?
2. What capability do we need to own versus rent?
3. Which systems, data and workflows will be affected?
4. What value needs to be demonstrated in the first 90 and 180 days?
5. What needs to be true for us to renew, scale, pause or exit?

A sourcing decision taken without these five answers will produce a contract that does not survive its first benefits review. A sourcing decision taken with these five answers gives procurement, the GTM owner and the board a shared evaluation frame before the supplier has spoken.

Do we buy this at all?

The first question is not which supplier, or even what kind of supplier. It is whether to own this capability at all. This is a make-versus-buy, own-versus-rent, control-point decision — and it comes before any supplier is in the room.

1 **What business problem are we solving?**
Avoid starting with the supplier category. Start with the constraint in the growth system. Is the problem pipeline quality, conversion, sales velocity, market insight, content throughput, customer relevance, measurement, orchestration or something else? What is the current cost of that constraint? How will the business know it has been reduced?

2 **Is this a source of sustainable competitive advantage?**
If the capability creates long-term advantage, the ownership question becomes explicit. Does the data model need to be ours? Does the workflow logic need to be ours? Does proprietary market intelligence need to be ours? Is the operating expertise better kept external because it benefits from supplier scale and learning across clients?

3 **Does it duplicate what we already have?**
A hybrid GTM supplier may overlap with CRM, martech, RevOps, data, insight, agency, sales enablement, customer success or internal transformation teams. Before approval, the map needs to show what would be duplicated, integrated, replaced or stopped.

4 **Where are the critical control points?**
A control point is a place in the system that shapes decisions, improves with use, influences resource allocation and is difficult to replace without performance loss. In AI-enabled GTM, likely control points include: customer and market signal design, data quality and ontology, measurement architecture, experimentation design, workflow orchestration, AI governance and exception handling, senior commercial interpretation, and knowledge assets built from the client's own data.

5 **What will we stop, consolidate or replace?**
If approval creates only additive spend, the business case is weaker. A stronger proposal identifies what the supplier will replace, reduce, accelerate or make unnecessary – agency retainers that no longer match the operating model; unused martech or sales enablement tools; duplicated research or insight spend; manual reporting work; disconnected campaign planning processes; one-off strategy projects that are not operationalised.

6 **What is the route out?**
If the supplier builds capability inside a critical GTM workflow, the exit view matters before signature. What do we own at the end? What can we export? What remains live if the supplier stops operating? What internal capability would be required to run the static system? What is the transition cost?

The discipline not to buy

Walking away is not failure if the business problem is unclear, the supplier duplicates capability already in the organisation, the value cannot be measured, or the exit route is weak. In those cases, the disciplined answer is not to force a commercial model around an attractive proposition. It is to stop, clarify the constraint, or design the capability differently.

The Buy / Build / Partner / Walk Away matrix

BUY

When the supplier brings a scarce capability: repeatable infrastructure, strong governance, credible evidence, and a better route to value than building internally.

BUILD

When the capability is a strategic control point that may need to sit inside the business – and the organisation has the data, skills, time and leadership capacity to do it properly.

PARTNER

When the capability is strategic but slow to build. The market is moving faster than internal hiring or platform development can support.

WALK AWAY

When the problem is unclear; the supplier duplicates existing internal capability; the exit route is weak; or the value cannot be measured.

Classify the model

You have decided this capability is worth buying rather than building. Now you are assessing suppliers, and the place to start is what each one is actually offering. Classification drives treatment: it sets how you evaluate the supplier, price the work, write the contract and govern the relationship. File a hybrid model in the wrong box and every downstream decision inherits the error.

The procurement question is not, "Has the supplier invented a new category?" That is the supplier's question. The procurement question is, "What treatment does this buying situation require?" A hybrid classification is only useful if it survives three practical tests.

Test 1 – Does the engagement create an operating dependency?

Ask what would remain useful if the supplier stopped operating the service tomorrow. A consultancy engagement may leave valuable analysis, recommendations and decision support. A SaaS engagement may leave access to a tool and configured settings. A managed service may leave process documentation and performance history.

For the classification to hold, the engagement needs to leave more than a document and more than a login. It creates embedded workflows, data structures, configured agents or automations, knowledge assets, dashboards and operating routines that have continuing value inside the client's environment.

> THE BETTER QUESTION
> What capability has been created, where does it live, who can operate it, and what degrades if the supplier stops?

Test 2 – Does the commercial model share value risk?

Traditional consultancy is often priced around rates and hours as the underlying cost driver, even where fees are fixed. SaaS is priced around access and usage. Managed service is priced around recurring operation.

The hybrid case is stronger where the commercial model connects fee, renewal, scope or performance to the value of the running capability. That does not mean an uncapped outcome model – in most cases it should not – but there needs to be a clear logic connecting price to outputs, adoption, service levels, usage, capability transfer and, where appropriate, a capped performance layer.

Test 3 – Are IP, data and portability clear?

The supplier may bring background IP: frameworks, schemas, methods, benchmarks, orchestration patterns or software components. The client may create foreground IP through the engagement: bespoke playbooks, data models, workflows, prompts, knowledge graphs, measurement structures and commercial intelligence built from the client's data.

If the supplier cannot explain what the client owns, what the client licenses, what can be exported and what happens on termination – **the proposition is not yet ready for serious procurement scrutiny.**

Is this a new category or a smart description of the blend?

It does not need to be a new industry category to call for different treatment. The buyer's question is more practical: does this engagement combine build, run, access, governance and performance accountability in a way that creates operating dependency, value-risk sharing and material data, IP or exit issues? If yes, the familiar categories may not be enough on their own.

A WORKING LABEL

Platform-Enabled Managed Service (PEMS)

A practical classification for a supplier model that combines: strategic and commercial judgement; embedded data and workflow infrastructure; AI-enabled automation; ongoing human governance; managed operation; measurable value accountability; and material switching and exit considerations.

Two layers worth naming for governance

L1 · INFRASTRUCTURE

Data models, workflows, knowledge schemas, agent configuration, integrations, monitoring, guardrails, dashboards and operating routines.

This layer is specific enough to inspect, document, test and govern when the model is mature.

L2 · GOVERNANCE

Prioritisation, interpretation, play design, exception handling, change leadership, commercial review and board-level reporting.

The human judgement that turns platform outputs into decisions and action – where the supplier earns its margin if the model is genuine.

The threshold test

Treat the engagement as PEMS-like only where three conditions are present together:

1. The supplier creates or operates capability embedded in the buyer's GTM environment.
2. The supplier's value depends on ongoing governance, judgement or orchestration, not only tool access or labour.
3. Exit, portability, data ownership or value measurement would be material if the supplier stopped.

When to use the PEMS label

THE LABEL IS USEFUL WHEN

- The work is revenue-critical or commercially material
- The supplier builds bespoke assets in the buyer environment
- Ongoing operation requires supplier judgement
- Data, AI governance, IP and exit are material
- The supplier's value comes from orchestration, not just tools or labour
- Switching costs are likely to be real

THE LABEL IS LESS USEFUL WHEN

- The supplier is delivering a one-off diagnostic or report
- The buyer is simply licensing a point tool
- Internal teams can configure and operate the platform without the supplier
- The engagement has no ongoing operating dependency
- The supplier's AI claim is mainly internal productivity

A NOTE ON THE WORD "PLATFORM"

The relevant question is not whether the supplier has a portal. It is whether there is a data, workflow and governance layer embedded into the buyer's operating environment. If the platform is primarily a portal the client logs into, it looks more like SaaS with services attached. If it is infrastructure inside the client's CRM, data warehouse and workflow tools, it looks more like embedded capability and needs to be contracted accordingly.

Comparison with familiar models

DIMENSION	TRADITIONAL CONSULTANCY	SAAS PLATFORM	MANAGED SERVICE	PEMS / HYBRID AI-ENABLED GTM
Primary unit of value	Advice, analysis, recommendations	Access to software	Ongoing execution	Running capability plus governed adoption
Typical pricing logic	Rates, days or fixed project	Subscription, seats or usage	Retainer or service fee	Fixed build, subscription or managed service, optional capped performance layer
What remains when the engagement ends	Documents, analysis, decisions	Configured tool while subscription continues	Process documentation and performance history	Data structures, workflows, knowledge assets, dashboards and operating routines in the client environment
Buyer risk	Recommendation may not be operationalised	Adoption and configuration may sit with the buyer	Supplier may optimise activity rather than business impact	Dependency, data/IP boundary, adoption, performance and exit need to be governed together
Supplier risk	Usually delivery risk	Product performance, support	Service levels	Output availability and adoption, governance and continuous improvement
AI role	Supplier productivity and analysis	Product feature set	Operational efficiency	Embedded workflow, decision support and governed execution
Kraljic treatment	Depends on scarcity and impact	Depends on integration and alternatives	Depends on operational criticality	Often strategic if high impact, scarce supply and high switching cost – but assess rather than assume

Note: PEMS is a practical procurement classification, not an industry standard. It is most useful where the combination of infrastructure, governed execution and switching cost is present – not simply because a supplier describes itself as AI-enabled.

Evaluate, genuine or cosmetic

Most suppliers can describe a compelling AI story. The useful distinction is whether there is operating evidence underneath that story. Two gateway questions, then an eight-dimension scorecard.

GATEWAY QUESTION 1

What changes if we stop?

If we cancelled the service, what specifically would stop, degrade, become manual or lose freshness inside our business? A strong supplier can answer in operational terms: named workflows, data feeds, dashboards, playbooks, automations, governance routines and decision processes. A weak supplier will talk mainly about access, reports or generic support.

GATEWAY QUESTION 2

Where does the infrastructure live?

Where do the data, workflows, configurations, agents and outputs live, and who can operate them? If the answer is inside the supplier's environment only, the buyer is taking a different risk from a model built in the client's environment. Neither is automatically wrong, but they require different contracting, security, portability and exit treatment.

The eight-dimension scoring framework

A 1–5 scale can be used per dimension, multiplied by weight. A minimum weighted threshold can be set for progression – for example, 3.5 / 5.0. A score below 2 on security, compliance, AI transparency or portability is a signal for remediation before progression, regardless of the weighted total.

DIMENSION	WEIGHT	EVIDENCE OF MATURITY	EVIDENCE TO LOOK FOR	RISKS TO EXAMINE
Platform & infrastructure maturity	15%	Repeatable architecture, documented patterns, stable integrations	Architecture map, deployment examples, technical documentation	Everything is bespoke, no repeatable method
Governance model	15%	Clear human oversight, review workflow, quality control and exception handling	RACI, escalation, error handling documentation	No human-in-the-loop design
Security, compliance & AI transparency	15%	Clear model disclosure, data handling, audit trail and regulatory alignment	DPIA, DPA, AI model register, security evidence	Cannot say which models are used or where data goes
Evidence of value	15%	Named metrics, baselines, comparable case evidence, referenceable clients	Case studies, before / after data, reference calls	Testimonials only, no measurement method
Strategic clarity & GTM thesis	10%	Clear point of view on how growth works and where the constraint sits	Published methodology, playbooks, sample diagnostics	"We tailor everything" with no underlying method
Data model quality	10%	Disciplined ontology, ownership model and update process	Schema, entity model, data lineage	Knowledge assets live in disconnected spreadsheets
Commercial model & cost predictability	10%	Transparent TCO, clear change control, escalation caps	Pricing model, assumptions, exit costs	Opaque pricing, undefined extras, punitive exit economics
Capability transfer & portability	10%	Clear ownership, export formats, transition support and plan	Export demo, IP schedule, transition plan	Supplier retains everything, no practical export off-ramp

Evidence hierarchy

Prefer evidence in this order:

1. Live demonstration of a comparable operating workflow.
2. Architecture and data-flow documentation.
3. Export or portability test.
4. Before-and-after metrics with a clear baseline.
5. Referenceable client evidence.
6. Supplier narrative, testimonials or deck claims.

The scorecard is a decision aid, not a substitute for judgement. A supplier who scores well on paper still needs to prove the operating model through demonstrations, references and portability evidence.

SEPARATING GENUINE FROM COSMETIC

Evidence is the separator, not language.

A credible supplier can answer the gateway questions in operational terms. A supplier who can name the workflows that would degrade, the data feeds that would go stale, and the dashboards that would stop updating – is different from one who talks in category descriptions. Assess the operating evidence, not the narrative.

07 · SOURCE

Commercial structures that work

Once the model is classified and the supplier is credible, the commercial structure needs to make the value proposition visible. The common mistake is to negotiate an AI-enabled operating model as if the only question is day rate.

The commercial structure is one way the proposition proves itself. If the supplier claims to build capability, provide access, run operations, govern judgement and share value risk, the pricing model should show where each commitment sits. Price points, notice periods, termination rights, performance bonuses and off-ramp provisions are not secondary contract details. They are part of the offer.

THE STANDARD COMMERCIAL SHAPE

A balanced structure often has three parts. One PO can include all three, but each line should have its own obligations, acceptance criteria and termination logic.

1. **Fixed-fee strategy and build** – a scoped phase that creates a working output or operating capability.
2. **Subscription or managed service fee** – recurring operation, governance, monitoring, optimisation and support.
3. **Optional capped performance layer** – a defined upside band tied to agreed metrics.

M1 · FIXED-FEE STRATEGY AND BUILD

Useful where the buyer needs a defined capability built from a clear scope. Clarifications include:

- Acceptance criteria for the operating output
- Clear distinction between discovery, design, build and handover
- Defined artefacts and infrastructure components
- Ownership and portability terms from the start

M2 · 30-DAY POC TO SUBSCRIPTION

A short proof of concept where the supplier is new or the buyer needs evidence before committing. Clarifications include:

- Success criteria agreed before start
- Limited but representative data access
- Clear go / no-go decision point
- No hidden dependency created during the POC
- Stated path from POC to implementation

Why 30 days rather than 90? A 90-day pilot can create mutual sunk cost – both sides can feel trapped. A 30-day POC is meant to prove technical feasibility, operating fit and value logic before a larger commitment, not to solve the whole GTM problem.

M3 · SUBSCRIPTION PLUS GOVERNANCE WRAP

Useful where the capability needs to run continuously. The buyer pays for the engine and the team that keeps it relevant, governed and useful.

- Define what sits inside the subscription boundary
- Define service levels, reporting, governance cadence and change control
- Cap annual escalation
- Distinguish run activity from new build activity
- Include adoption and benefits measures, not just availability measures

M4 · SUBSCRIPTION PLUS CAPPED PERFORMANCE BAND

Useful where measurement is mature enough to support a limited outcome component. A capped band – often 10% to 20% of base fee – rewards agreed performance.

- Define lead and lag KPIs before signature
- Baseline performance before implementation
- Agree attribution and dispute process
- Cap the upside
- Avoid paying twice for results already priced into the base fee

M5 · GAINSHARE

Best used sparingly – only where there is mature trust, clean attribution, clear baselines and strong finance governance. Without that, it creates audit and dispute risk.

- Written measurement methodology
- Capped gain and excluded factors
- Right to audit calculations
- Termination treatment for partially realised benefits

COMMERCIAL DISCIPLINE

Gainshare without clean attribution, capped exposure and audit rights is not a performance model. It is a negotiation waiting to happen.

PROVING VALUE TO FINANCE

The source of truth is stronger when it sits in the buyer's environment.

If the business is paying £100k a year for a running GTM capability, finance will eventually ask what economic value it creates. The answer is weaker if it lives only in the supplier's case study. From day one, baseline lead and lag indicators in HubSpot, Salesforce, the BI platform or finance reporting. The supplier can help interpret and improve the metrics – not control them.

Matching structure to situation

FACTOR	M1 FIXED BUILD	M2 POC → SUB	M3 SUB + GOVERNANCE	M4 + PERFORMANCE	M5 GAINSHARE
Best for	Defined operating output	New supplier or proof need	Always-on operation	Mature measurement	Mature trust & clean attribution
Budget certainty	High	High at POC stage	High	Medium	Lower
Buyer risk	Medium	Lower	Medium	Medium	Higher
Finance approval	Usually easier	Easier if bounded	Easier with TCO	Needs KPI discipline	Hardest
Control to clarify	Acceptance criteria	Go / no-go criteria	Subscription boundary	Measurement method & cap	Audit rights & cap

Contract architecture

Hybrid AI-enabled GTM services need a contract architecture that covers consultancy, SaaS, managed service and data processing issues together. This section is guidance for procurement and legal – not legal drafting.

In a PEMS engagement, the contract is not only a protection mechanism. It is the architecture for continuity, control and exit. The more the supplier's infrastructure, workflows, AI outputs and judgement become embedded in the buyer's GTM system, the more the contract needs to clarify what can be inspected, operated, exported, paused, continued or replaced.

A · AI governance and transparency

The areas to clarify include:

- Which AI models are used, where and for what purpose
- Whether client data is used for model training or fine-tuning
- Human oversight requirements before outputs reach customers, prospects or sales teams
- The error, hallucination and harmful-output escalation process
- The audit trail for AI-generated recommendations, content or decisions
- The model update notification process
- Record keeping and compliance responsibilities

B · IP ownership and licensing

The areas to clarify include:

- Supplier background IP and licence terms
- Client foreground IP and ownership
- Ownership of data, derived data, prompts, workflows, configured playbooks and knowledge graphs
- Rights to use supplier methods after termination if embedded in client assets
- Restrictions on supplier reuse of client-specific intelligence
- Treatment of improvements created during the engagement

> **IP CLARITY BEFORE SIGNATURE**
>
> If the supplier cannot explain what the client owns, what the client licenses, what can be exported and what happens on termination – the case for a written IP schedule before contract execution is strong.

C · Data, portability and exit

The areas to clarify include:

- What data enters the system
- Where data is stored and processed
- Data residency and subprocessor position
- Export formats and export frequency
- Deletion or return of data on termination
- Transition support obligations
- Practical handover requirements – not just a data dump

D · Performance and termination

The areas to clarify include:

- Output acceptance criteria
- Service levels and adoption measures
- Benefits reporting cadence
- Remediation steps for missed KPIs
- Termination for cause and convenience
- Change of control treatment
- Post-termination support obligations

THE OFF-RAMP CLAUSE

A critical GTM operating dependency is difficult to justify without a practical off-ramp.

A strong off-ramp should include: export of client data and derived client-owned assets in machine-readable format; documentation of workflows, configurations, schemas and integrations; transition support for a defined period; a priced option to continue using the static system or embedded configuration; clarity on what will no longer be updated by the supplier; and clarity on any continuing licence fee for supplier background IP.

If the supplier resists portability, the risk is better made explicit, priced and approved – not discovered at exit.

How this fails

Procurement does not operate the supplier service – the GTM function does. What procurement often owns or heavily influences after signature is governance: obligation monitoring, remediation triggers, the renewal decision, the exit architecture.

A useful way to evaluate a supplier is to ask how the engagement would fail and then look for controls against those failure modes. Six common failure patterns and how to prevent them.

1 **Strategy that never becomes operational**

The supplier produces strong thinking, but it never changes commercial behaviour. The organisation receives another deck and the operating system remains the same. The buyer pays for thinking but receives no change in operating behaviour.

> CONTROL
> The proposal shows how strategy becomes workflow, dashboard, playbook, cadence or governed decision process.

2 **Orphaned AI agents**

Agents, automations or AI workflows are deployed without ownership, monitoring or escalation. Outputs may be plausible but wrong, off-brand, non-compliant or commercially irrelevant. The risk is not simply poor output; it is unowned output entering commercial workflows.

> CONTROL
> Documented oversight architecture, named owners, exception handling and audit trail.

3 **Capability overhang**

The technology exists, but the organisation cannot absorb it. Adoption stalls because teams do not trust the output, do not understand the workflow, or do not see how it helps them. The buyer then owns a capability in theory but not in behaviour.

> CONTROL
> Adoption KPIs, enablement, role design and behavioural measures are visible in the contract.

4 **Hidden lock-in**

The supplier builds valuable workflows and knowledge assets in an environment the buyer cannot access, export or operate. The buyer's renewal leverage weakens because switching now threatens operating continuity.

> CONTROL
> Data, IP, portability and off-ramp rights are clarified before signature. Export is tested during the POC.

5

Innovation without commercial control

New agents, modules, datasets or integrations are added without clear pricing or governance. The engagement expands faster than the business case. What began as a controlled capability becomes an open-ended spend channel.

> CONTROL
>
> Subscription boundaries and change control are clear. Innovation sits inside the governance cadence – not an open-ended spend channel.

6

Invisible value

Twelve months in, stakeholders cannot explain what the supplier does, what decisions it improves or what would break if it stopped. Renewal becomes a debate based on belief rather than evidence. The buyer has dependency without a clear benefits case.

> CONTROL
>
> Benefits realisation is built into the engagement from day one. The supplier agrees and baselines lead and lag indicators before the service goes live. (See Section 10.)

Benefits realisation and the renewal decision

Benefits realisation is part of the buying architecture, not an afterthought. Procurement often owns or heavily influences the renewal decision; renewal owns the exit option. Both depend on evidence that is captured from day one.

Renewal is designed at signature. If the buyer does not baseline value, define lead indicators and keep evidence in its own systems from day one, the renewal decision will be shaped by sentiment, dependency and internal politics.

Build a benefits map before contract signature

The benefits map should connect: the business constraint; the supplier activity; the operating output; the behavioural change expected from internal teams; the lead indicators; the lag indicators; the financial or strategic benefit; and the owner of each benefit. This sequence is not bureaucracy – it is the logic that makes renewal defensible.

Use lead and lag indicators

LAG INDICATORS

The commercial outcomes the board cares about:

- Revenue and pipeline
- Conversion and win rate
- Sales cycle time
- Customer acquisition cost
- Margin or retention

LEAD INDICATORS

The behaviours and system signals that move earlier:

- Account coverage and decision-maker mapping
- Content usage and adoption
- Signal quality and freshness
- Campaign test velocity
- Opportunity progression rate

Baseline before implementation

Before the system goes live, capture the current state. Without a baseline, the buyer cannot distinguish value creation from normal business movement.

- ☐ Current process and cycle times
- ☐ Current tool usage and adoption rates
- ☐ Current data quality and completeness
- ☐ Current conversion or progression rates
- ☐ Current manual effort and reporting cadence
- ☐ Current stakeholder satisfaction

Keep the dashboard in the buyer's system

The supplier may provide reporting, but the source of truth should sit in the client's CRM, BI platform, finance reporting or agreed data environment. This protects continuity, improves trust and reduces dependency on supplier-controlled narratives.

REVIEW ON A FIXED CADENCE

- **Monthly operational review** – usage, adoption, issues, fixes.
- **Quarterly value review** – lead indicators, lag indicators, business changes, benefits confidence.
- **Six-month renewal checkpoint** – scale, remediate, pause or exit view.
- **Annual strategic review** – make-versus-buy reset, scope and supplier landscape.

The turn-off test

Ask the commercial team: if we switched this off today, what would break, degrade or become manual, and how quickly would we feel it? A good answer is concrete. A poor answer is vague. The test should be used before renewal – not after renewal has become urgent.

The renewal test

A renewal decision made without baseline evidence is not governance. It is a stakeholder sentiment check.

Six months before renewal, ask the CMO, CRO, Finance and Procurement independently:

1. What does the supplier do that we could not easily do without?
2. What value can we evidence from our own systems?
3. What risk or dependency has increased?
4. What do we scale, renegotiate, internalise or stop?

CLOSING POSITION

Classify clearly. Ask sharper questions. Contract for value and exit.

If the answers to the renewal test are aligned, renewal is a governance decision. If they diverge, the engagement needs remediation before renewal. The toolkit below is the working set: an RFP question bank, a supplier scorecard, a commercial structure matrix, a contract checklist and a stakeholder one-pager.

For suppliers, the implication is equally clear. A credible PEMS-like offer needs to make its value logic visible. It should show which part of the fee relates to build, access, operation, governance, adoption and performance. If the pricing structure cannot explain the proposition, the proposition is not ready for procurement scrutiny.

TOOLKIT

Annexes A–E

Five annexes that can be adapted into a sourcing pack: an RFP question bank, a weighted supplier scorecard, a commercial structure decision matrix, a contract checklist, and a one-page stakeholder alignment summary. The annexes translate the argument into sourcing materials – prompts for a more disciplined buying conversation: what value is being sold, what capability is being created, what evidence supports it, what the buyer owns, and how the relationship can be governed or exited.

A **RFP question bank**
Thirty-two questions in eight groups. Score each response against the eight-dimension framework in Section 06.

B **Supplier scoring template**
Weighted scorecard table. Use a 1–5 scale per dimension. Set a minimum weighted threshold internally – for example, 3.5 / 5.0.

C **Commercial structure decision matrix**
Side-by-side comparison of the five commercial structures introduced in Section 07.

D **Contract checklist**
Four parts covering AI and data governance, IP and portability, performance and benefits, and commercial and termination terms.

E **Stakeholder alignment one-pager**
A single-page summary for cross-functional briefing before the sourcing process begins.

ANNEX A

RFP Question Bank

Thirty-two questions in eight groups. Score each response against the eight-dimension framework in Section 06.

1 – Buy versus build

- What client-side capability do you believe is best owned internally versus rented from you?
- Which existing systems, teams or suppliers do you expect to integrate with, replace or depend on?
- What business constraint are you designed to reduce?
- What would you advise us not to buy from you?

2 – Platform & infrastructure

- Describe the core architecture, including data models, workflows, agents, integrations and monitoring.
- Where does the data live?
- Which elements are hosted by you, by us or by third parties?
- Show examples of the same architecture deployed in comparable environments.

3 – Governance & human oversight

- Describe the human oversight model for AI-generated outputs.
- What happens when the system produces an incorrect or unsafe recommendation?
- Who approves outputs before they reach sales teams, customers or prospects?
- How are exceptions logged and reviewed?

4 – AI transparency & security

- Which AI models are used, where and for what purpose?
- Is client data used for training, fine-tuning or improvement of shared models?
- What audit trail exists for AI-generated outputs?
- Provide your data processing, security and subprocessor documentation.

5 – Evidence & value

- Provide comparable case evidence with baselines, outputs and measured impact.
- What lead indicators do you expect to influence directly?
- What lag indicators do you believe the engagement can credibly contribute to?
- How will value be measured in our systems rather than yours?

6 – Commercial model

- Provide a 12–month TCO with all assumptions.
- Distinguish build cost, run cost, licence cost, support cost and performance-related cost.
- What is included inside the subscription boundary?
- What change requests typically arise and how are they priced?

7 – IP, data & portability

- Define background IP and foreground IP.
- What do we own at the end of the engagement?
- Demonstrate export of data, workflows or knowledge assets.
- What is the transition plan if we terminate?

8 – Adoption & benefits realisation

- How will you drive adoption across commercial teams?
- What adoption measures do you recommend?
- What remediation applies if adoption is below target?
- What is reviewed at 90, 180 and 365 days?

SCORING GUIDANCE

Score responses in operational terms, not category descriptions. Weak answers on groups 3, 4 and 7 are signals for remediation before progression.

ANNEX B

Supplier Scoring Template

Use a 1–5 scale per dimension. Multiply by weight. Minimum threshold for progression: define internally – for example, 3.5 / 5.0 weighted average. Any score below 2 on security, compliance, AI transparency or portability should trigger remediation before progression.

DIMENSION	WEIGHT	SCORE (1–5)	WEIGHTED SCORE	NOTES
Platform & infrastructure maturity	15%			
Governance model	15%			
Security, compliance & AI transparency	15%			
Evidence of value	15%			
Strategic clarity & GTM thesis	10%			
Data model quality	10%			
Commercial model & cost predictability	10%			
Capability transfer & portability	10%			
Total	**100%**			

Hard minimum: Any score below 2 on dimensions 3 (security/AI), 4 (evidence) or 8 (portability) is a signal for remediation before a recommendation to proceed, regardless of the weighted total. Record the specific evidence behind each score – a 3 supported by detailed before/after data from a named client is different from a 3 supported by a generic testimonial.

ANNEX C

Commercial Structure Decision Matrix

A side-by-side comparison of the five commercial structures introduced in Section 07. Use as a decision guide alongside the classification output from Section 05.

FACTOR	M1 FIXED BUILD	M2 POC → SUB	M3 SUB + GOVERNANCE	M4 + PERFORMANCE BAND	M5 GAINSHARE
Best for	Defined operating output	New supplier or proof need	Always-on operation	Mature measurement & attribution	Mature trust, clean attribution
Budget certainty	High	High at POC stage	High	Medium	Lower
Buyer risk	Medium	Lower	Medium	Medium	Higher
Supplier risk	Delivery	Proof & conversion	Service quality	Performance contribution	Outcome contribution
Finance approval	Usually easier	Easier if bounded	Easier with TCO	Needs KPI discipline	Hardest
Control to clarify	Acceptance criteria	Go / no-go criteria	Subscription boundary	Measurement method & cap	Audit rights & cap
When to avoid	Ongoing operation needed	Supply market well-known	Outcomes measurable	Attribution unclear	Finance governance weak

Most AI-enabled GTM engagements will use M3 as the base, with M1 as the build phase and an optional M4 layer once measurement matures. M5 is best kept rare.

ANNEX D

Contract Checklist

Four parts covering AI and data governance, IP and portability, performance and benefits, and commercial and termination terms. Each item is worth addressing in the contract or a named schedule before execution.

D1 · AI AND DATA GOVERNANCE

- ☐ AI model disclosure
- ☐ Data processing agreement
- ☐ Human oversight model
- ☐ Error escalation process
- ☐ Audit trail
- ☐ Model change notification
- ☐ Data residency and subprocessor position

D2 · IP AND PORTABILITY

- ☐ Background IP definition
- ☐ Foreground IP ownership
- ☐ Derived data ownership
- ☐ Export format and timeline
- ☐ Transition support obligations
- ☐ Deletion or return certification
- ☐ Priced off-ramp or continuity option

D3 · PERFORMANCE AND BENEFITS

- ☐ Output acceptance criteria
- ☐ Lead and lag KPI definitions
- ☐ Baseline agreement
- ☐ Reporting cadence
- ☐ Adoption measures
- ☐ Remediation process
- ☐ Renewal checkpoint

D4 · COMMERCIAL AND TERMINATION

- ☐ Pricing structure
- ☐ Escalation caps
- ☐ Change control
- ☐ Termination for convenience
- ☐ Termination for cause
- ☐ Early termination costs
- ☐ Dispute resolution

USING THIS CHECKLIST

This is a review list before legal sign-off, not a contract template. Items in D1 and D2 are the most likely to be under-specified in early commercial terms, so they deserve early attention in negotiation. Each item needs drafting by qualified legal counsel with jurisdiction-specific advice.

ANNEX E

Stakeholder Alignment One-Pager

For briefing cross-functional stakeholders before the sourcing process begins. Adapt for internal use.

WHAT WE ARE EVALUATING

A supplier model that combines strategic advice, embedded data and workflow infrastructure, AI-enabled automation, managed execution and human governance. We are not assuming it is a new category. We are testing whether it calls for hybrid procurement treatment.

Why procurement is involved early

The engagement may affect commercial workflows, customer data, AI governance, IP ownership, supplier dependency, measurement and exit. Those issues need to be designed before the business commits.

What we need to decide

- ☐ Should we buy, build, partner or stop?
- ☐ What capability must we own versus rent?
- ☐ What existing spend or capability will this replace?
- ☐ What value must be evidenced in our own systems?
- ☐ What off-ramp protects continuity?

Recommended commercial shape

Fixed-fee strategy and build, followed by subscription or managed service for operation and governance, with an optional capped performance layer where measurement is mature enough.

Renewal criteria

Renewal is easiest to justify where the supplier can show adopted capability, measurable value, controlled risk, clear ownership and a continuing make-versus-buy rationale.

Sources: UK Cabinet Office PPN 017 – Improving Transparency of AI Use in Procurement (gov.uk, Feb 2025) · Peter Kraljic, "Purchasing must become supply management," *Harvard Business Review*, Sep–Oct 1983 · Gartner B2B Buying Journey research, 2024 (632-buyer survey) · GDS/OAI AI guidance, referenced in PPN 017 Annex A

MAGNUS
CONSULTING

Magnus is an award winning B2B growth consultancy, recognised as one of the UK's leading Management Consultancies in 2025 and 2026 by the Financial Times.

hello@magnusconsulting.co.uk

magnusconsulting.co.uk

Certified B Corporation

FT FINANCIAL TIMES statista

UK'S LEADING MANAGEMENT CONSULTANTS 2025

Sources: UK Cabinet Office PPN 017 – Improving Transparency of AI Use in Procurement (gov.uk, Feb 2025) · Peter Kraljic, "Purchasing must become supply management," Harvard Business Review, Sep–Oct 1983 · Gartner B2B Buying Journey research, 2024 (632-buyer survey) · GDS/OAI AI guidance, referenced in PPN 017 Annex A