

Board Report

Feb 17-Feb 23, 2026 | Acme AI Corp

YOUR AI FEATURES ARE 44pp BELOW HEALTHY MARGINS

Current: 21.2% | Benchmark: 65% | Gap: 43.8pp | Unrealized: ~\$6.4K/mo

<p>AI SPEND</p> <p>\$11.5K</p> <p>\$138,000/yr</p>	<p>SAVINGS FOUND</p> <p>~\$5.7- K/mo</p> <p>~\$68,400/yr</p>	<p>NET MARGIN</p> <p>21.2%</p> <p>Target: 65%</p>	<p>ANNUAL ROI</p> <p>6-11x</p> <p>on \$499/mo</p>
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Savings Breakdown

Guaranteed:	~\$300/mo	AI Image Generation
Low-risk:	~\$3.2K/mo	AI Image Generation
Requires validation:	~\$2.5K/mo	Document Summarizer (model swap)
Strategic:	~\$690/mo	Repricing
Conservative: ~\$4.3K/mo Full: ~\$5.7K/mo		

Executive Summary

AI Margin identified ~\$4.3K--\$5.7K/mo in optimization potential. 4 of 5 features are profitable. 2 healthy, 1 losing money.

If no action taken: Annual shortfall vs benchmark: ~\$76,680.

AI Profitability Score: **63/100** MODERATE

Top Risk
AI Image Generation (-20.0% margin) — ~\$300/mo loss

Top Opportunity
Code Assistant margin is thin at 10% — Save ~\$1.6K/mo

Feature P&L

5 features tracked

FEATURE	REVENUE	AI COST	PROFIT/MO	MARGIN	STATUS
AI Image Generation	\$1.5K	\$1.8K	-\$300	-20.0%	LOSING
Document Summarizer	\$3.1K	\$2.8K	\$300	9.7%	WATCH
Code Assistant	\$4.0K	\$3.6K	\$400	10.0%	WATCH
AI Chatbot	\$3.2K	\$1.8K	\$1.4K	43.8%	HEALTHY
Smart Search	\$2.8K	\$1.5K	\$1.3K	46.4%	HEALTHY
TOTAL	\$14.6K	\$11.5K	\$3.1K	21.2%	

4 profitable | 1 losing money

Provider Breakdown



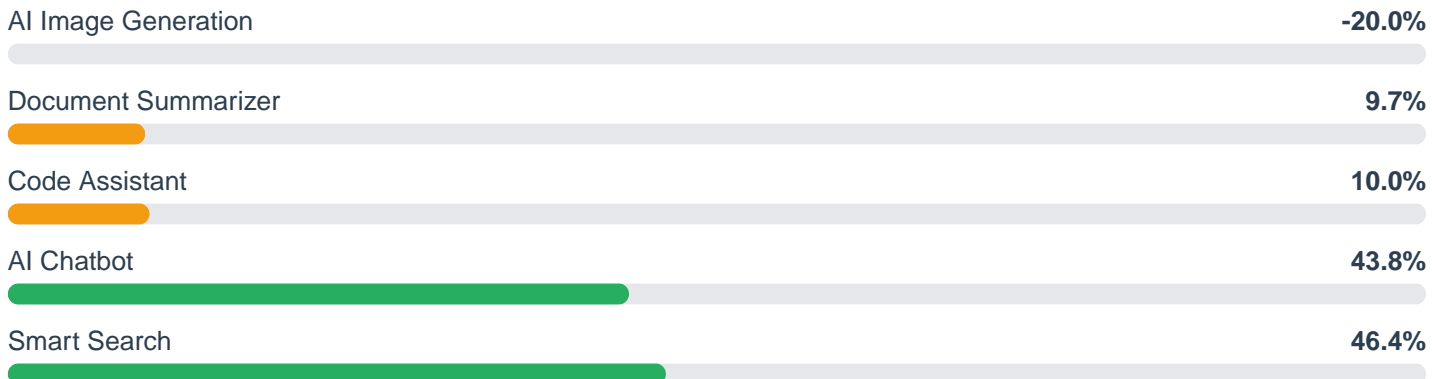
PROVIDER	COST/MO	SHARE	REQUESTS	MODELS
OpenAI	\$7.9K	68.7%	134.0K	4
Anthropic	\$3.6K	31.3%	12.0K	1

Model Detail

PROVIDER	MODEL	COST/MO	SHARE	REQUESTS	TIER
OpenAI	gpt-4o	\$4.1K	35.3%	53.0K	Frontier
Anthropic	claude-3.5-sonnet	\$3.6K	31.3%	12.0K	Frontier
OpenAI	dall-e-3	\$1.8K	15.7%	3.0K	Frontier

Margin Spread & Risk Exposure

Margin Distribution



Range: -20.0% to 46.4% (66.4pp spread)

Risk Exposure

Frontier Model Dependency

82.3% of spend on frontier models. Price cuts help but lock-in risk remains.

82.3%

Revenue Coverage

At 1.3x coverage, a 20% cost increase would reduce margin from 21.2% to 5.4%. Target: >2x.

1.3x

Single Provider Concentration

68.7% of spend with OpenAI. Consider multi-provider strategy.

68.7% OpenAI

Negative Margin Features

1 feature currently losing money. Immediate action required.

1 of 5

Scenario Sensitivity



SCENARIO	CURRENT	PROJECTED	IMPACT
Provider raises prices 20%	21.2%	5.4%	-15.8pp
Implement all low-risk swaps	21.2%	43.1%	+21.9pp
Implement all recommendations*	21.2%	60.2%	+39.0pp
Reprice to 65% target margin	21.2%	65.0%	+43.8pp

* Assumes successful execution and no revenue impact.

Smart Recommendations

IMMEDIATE ACTIONS (0-30 days)

CRITICAL AI Image Generation is losing money

\$300/mo

AI Image Generation has a -20% margin (\$1.5K revenue vs \$1.8K cost), resulting in a \$300 monthly loss. This feature is actively destroying margin.

Evaluate cheaper model alternatives on the Features page, or increase pricing to cover costs.

HIGH Code Assistant margin is thin at 10%

\$1.6K/mo

Code Assistant has a 10% margin (\$4K revenue vs \$3.6K cost). A healthy SaaS AI margin is typically 40-65%. At current levels, a 15% cost increase would push this feature into negative territory.

Evaluate cheaper model alternatives on the Features page, or adjust pricing to improve margin.

HIGH Document Summarizer margin is thin at 10%

\$1.3K/mo

Document Summarizer has a 10% margin (\$3.1K revenue vs \$2.8K cost). A healthy SaaS AI margin is typically 40-65%. At current levels, a 15% cost increase would push this feature into negative territory.

Evaluate cheaper model alternatives on the Features page, or adjust pricing to improve margin.

OPTIMIZATION OPPORTUNITIES (30-90 days)

MEDIUM Document Summarizer uses gpt-4o for summarization

\$2.5K/mo

Document Summarizer spends \$2.8K/mo on gpt-4o. For summarization tasks, gpt-4.1-mini typically delivers comparable quality at 60-70% lower cost.

Consider switching from gpt-4o to gpt-4.1-mini. Run A/B test to validate quality.

LEAKAGE ALERTS No cost leakage detected. All feature costs are within expected ranges.

TOTAL SAVINGS POTENTIAL

~\$5.7K/mo (~\$68,400/yr)

Conservative: ~\$4.3K/mo | Full potential: ~\$5.7K/mo

Action Plan

Prioritized actions with estimated impact

#1 AI Image Generation is losing money

Save ~\$300/mo

THIS WEEK Effort: Low | Payback: Immediate

AI Image Generation has a -20% margin (\$1.5K revenue vs \$1.8K cost), resulting in a \$300 monthly loss. This feature is actively destroying margin.

Action: Evaluate cheaper model alternatives on the Features page, or increase pricing to cover costs.

#2 Code Assistant margin is thin at 10%

Save ~\$1.6K/mo

0-30 DAYS Effort: Medium | Payback: 1-2 weeks

Code Assistant has a 10% margin (\$4K revenue vs \$3.6K cost). A healthy SaaS AI margin is typically 40-65%. At current levels, a 15% cost increase would push this feature into negative territory.

Action: Evaluate cheaper model alternatives on the Features page, or adjust pricing to improve margin.

#3 Document Summarizer margin is thin at 10%

Save ~\$1.3K/mo

0-30 DAYS Effort: Medium | Payback: 1-2 weeks

Document Summarizer has a 10% margin (\$3.1K revenue vs \$2.8K cost). A healthy SaaS AI margin is typically 40-65%. At current levels, a 15% cost increase would push this feature into negative territory.

Action: Evaluate cheaper model alternatives on the Features page, or adjust pricing to improve margin.

#4 Document Summarizer uses gpt-4o for summarization

Save ~\$2.5K/mo

30-60 DAYS Effort: High | Payback: 30 days

Document Summarizer spends \$2.8K/mo on gpt-4o. For summarization tasks, gpt-4.1-mini typically delivers comparable quality at 60-70% lower cost.

Action: Consider switching from gpt-4o to gpt-4.1-mini. Run A/B test to validate quality.

TOTAL POTENTIAL IMPACT

~\$5.7K/mo (~\$68,400/yr)

Score Breakdown



AI PROFITABILITY SCORE

Moderate

AI Profitability Score: Moderate

Your AI portfolio has moderate profitability with room for optimization.

Top Issue: AI Image Generation is losing \$300/mo

Quick Win: Switch Document Summarizer from gpt-4o to gpt-4.1-mini

Component Scores



Weighted average margin across 5 features



1 of 5 features losing money



Costs rising 8% month-over-month



62% frontier model usage

Methodology

Margin Health (40%)

Weighted average of feature margins, penalizing negative-margin features more heavily.

Loss Ratio (25%)

Proportion of features with negative or near-zero margins relative to total feature count.

Leakage Trend (20%)

Month-over-month cost trend analysis. Rising costs without revenue growth reduce the score.

Model Efficiency (15%)

Ratio of frontier vs. mid-tier model usage. Over-reliance on expensive models reduces efficiency.

This report is generated by AI Margin based on your connected provider data. Savings estimates are projections based on current usage patterns and model pricing. Actual savings may vary. Model quality assessments are heuristic-based. Always test model changes in staging before production deployment.