

The True Cost of Implementing AI & Data Solutions in 2025

A Comprehensive Guide for Business Leaders

Why AI & Data are Critical for Businesses

The global AI market is projected to surpass **\$500 billion** in revenue in 2025, according to **PwC** and **McKinsey**, emphasizing the increasing reliance on AI to drive business decisions and operational efficiency.

Key Pain Points that Cost Businesses



LACK OF EXPERTISE

Al talent shortage leads to project inefficiencies and missed opportunities costing up to \$300 billion globally.



DATA SILOS

Fragmented systems hinder data integration, resulting in poor AI performance and lost revenue.



HIGH COST

Significant upfront investment deters SMBs; 70% of companies fail to achieve substantial returns.



INTEGRATION FAILURES

Poor alignment with goals and workflows leads to delays, cost overruns, and frustration.

Impact of Pain Points on Business Success



FINANCIAL LOSSES

Overinvestment in underperforming AI can lead to significant financial setbacks.



MISSED OPPORTUNITIES

Ineffective AI integration prevents businesses from enhancing customer experiences and optimizing supply chains.



OPERATIONAL INEFFICIENCIES

Poorly implemented AI can create bottlenecks, reducing overall productivity.

Strategies for Businesses to Implement AI Effectively

- Invest in Expertise: Seek external AI professionals for complex implementations.
- Utilize Scalable Solutions: Leverage cost-effective AI options through cloud providers.
- Start Small: Initiate pilot projects and scale based on proven outcomes.

Real-World Examples of Al Failure



ZILLOW'S HOME-BUYING ALGORITHM

In 2021, Zillow offered overestimated property values, leading to hundreds of millions in losses and a 25% workforce layoff.

AMAZON'S HIRING TOOL

In 2014, this AI tool favored male candidates due to biased training data, resulting in reputational damage and operational issues.





IBM WATSON FOR ONCOLOGY

Delivered unsafe treatment recommendations from flawed datasets, leading to its discontinuation in 2018.



Boosted eCommerce's Path: A Case Study in Al Success

Overview

Boosted eCommerce, a rapidly growing online retail brand, faced challenges in inventory management and demand forecasting. Sales data from multiple markets caused issues with stock mismanagement. Recognizing Al's potential, they sought expert guidance for a tailored solution.

Challenges Faced



Inconsistent Demand Forecasting

• Seasonal fluctuations led to overstocking and stockouts.

Data Fragmentation

• Sales data dispersed across platforms hindered real-time insights.

Financial Strain

• High storage costs from overstocking and lost revenue from stockouts.

Centralized Data Integration

o Consolidated sales data into a cloud-based platform for seamless analysis.

AI-Driven Demand Forecasting

• Utilized machine learning to predict demand based on historical data and trends.

Inventory Optimization

• Adjusted stock based on predictions, reducing overstock by 20% and stockouts by 15%.

The Al Solution

Results Achieved



15% Sales Growth

• Ensured popular products were always in stock.

20% Cost Savings

• Reduced overstock lowered storage costs.

Improved Decision-Making:

• Accurate forecasts enhanced inventory strategies.

Seek Expert Guidance:

o Align AI implementation with business goals, even if it means seeking guidance.

Prioritize Data Integration:

• Centralized data is critical for AI success, so prioritize it accordingly.

View AI as a Long-Term Investment:

• Sustainable growth comes with time. Consider investing in experts for a long term.



Preparing for Your Al Journey

Boosted eCommerce's success shows that with the right approach, businesses can effectively adopt Al. The following sections will explore cloud costs in detail, ranging from data storage to warehousing to artificial intelligence & machine learning, and more.



Cost Layout for the end-to-end Data & Al Journey

01 :	Cloud Platform Costs: An Overview
02	Cloud Storage Costs: The Foundation of Al-Driven Systems
03	Data Warehousing for AI & Data-Driven Decisions
04	The Cost of Compute Power for Al Training
05 I	Business Intelligence: The Cost of Visualizing Insights
06 !	Cost Comparison: Cloud, Warehousing, Al, and Bl
07 :	A Hybrid Approach: Cost vs. Performance
80	Leveraging Partnerships for Al Success



Understanding Cloud Platform Costs

Navigating cloud pricing can be complex, with different costs associated with storage, data processing, machine learning, and business intelligence. This section breaks down these components to help you understand how they impact your cloud budget.

1



Cloud Storage

Basic Cloud Storage:

Fees based on storage size and access patterns (e.g., standard, cool, archival).

Data Transfer:

Costs for moving data in/out; egress charges may apply.

2



Data Warehousing

Storage Costs:

Active vs. long-term storage rates.

Compute Costs:

Charges for running queries (ondemand or reserved).

Data Integration/ETL:

Costs for data movement and transformation.

3



AI & Machine Learning

Training/Inference Compute:

Charges for using GPUs/TPUs.

Model Storage:

Fees similar to cloud storage.

Managed ML Services:

Additional compute expenses for managed services.

4



Business Intelligence

Tool Licensing:

Fees for BI tools like Power BI, Tableau.

Data Connectivity Costs:

Expenses for querying data warehouses.

Embedded Analytics:

Charges for sharing dashboards.

Cloud Platform Costs: Summary Table

Category	Cost Components	Examples
	Basic storage fees	Azure Blob, AWS S3, Google Cloud
Cloud Storage	Data transfer costs	Egress charges for data transfer out
	Storage (active and long- term)	Pricing tiers for data access
Data Warehousing	Compute (on-demand or reserved)	Charges based on data scanned
	Data Integration/ETL	Costs for data movement
	Training and inference compute	GPU/TPU usage, managed ML services
Al & Machine Learning	Model storage	Charged similarly to cloud storage
	Licensing or subscription fees	Power BI, Tableau licenses
Business Intelligence	Data connectivity	Costs tied to querying data warehouses
	Embedded analytics	Charges for sharing dashboards

How These Costs Fit Together

- Cloud Storage: Foundation for raw data storage accessed by other services.
- Data Warehousing: Structured storage and compute for analysis, with distinct query charges.
- Al & Machine Learning: Uses stored data for model training, incurring compute costs.
- Business Intelligence: Leverages data for analytics, potentially increasing query costs.



Cloud Storage Costs for AI & Data-Driven Systems

Cloud infrastructure is essential for managing the vast datasets needed for Al-powered solutions. Understanding the costs associated with different storage tiers is necessary for ensuring cost efficiency while maintaining performance.

Popular Cloud Storage Providers & Costs Breakdown

With multiple cloud service providers offering a variety of storage options, it's important to understand the costs associated with different storage tiers to ensure cost efficiency while maintaining performance.

Service	Storage Tier	Price Per GB/Month	Additional Costs	Example Cost (1 TB)	Pricing Guide
	S3 Standard (Hot)	\$0.02	\$0.0004/1,000 requests	\$23/month	A)A/C C7
Amazon S3 (AWS)	S3 Glacier (Cold)	\$0.00	Data retrieval costs vary	\$4/month	AWS S3 Pricing
	Hot Tier	\$0.02	\$0.234/10,000 requests	\$18/month	<u>Azure</u>
Azure Blob Storage	Cool Tier	\$0.01	Higher read costs	\$10/month	<u>Blob</u> <u>Pricing</u>
<u> </u>	Standard Storage (Hot)	\$0.02	\$0.02/1,000 operations	\$20/month	<u>Google</u>
Google Cloud Storage	Coldline Storage	\$0.01	_	\$7/month	<u>Cloud</u> <u>Pricing</u>

Pricing Factors: Cloud storage pricing depends on data volume, access frequency, and storage type.

Maximizing Cost Efficiency with Cloud Storage

Optimizing cloud storage is a priority for businesses handling large datasets, particularly in Al applications. Businesses need to know how they can effectively manage costs while ensuring data security and accessibility.

Choosing the Right Storage Tier



HOT STORAGE

Best for real-time data processing and active datasets.



COLD STORAGE

Suitable for archival data and infrequently accessed datasets.

Key Considerations for Cloud Storage Decisions



DATA LIFECYCLE

Automate data movement to lower-cost tiers based on usage patterns.



CLOUD ECOSYSTEM

Consider integration with Al services for better performance and reduced transfer costs.

Optimizing Cloud Storage for Al Workloads

To maximize cost efficiency, businesses can implement targeted storage strategies. For example:

- Storing 1 TB of frequently accessed data in AWS S3 Standard costs \$23/month
- Archiving 1 TB of less frequently
 accessed data in AWS Glacier costs
 just \$4/month.

This approach leads to a total monthly expenditure of **only \$27**, effectively balancing accessibility and cost for optimal performance.



By selecting the right cloud provider, storage tier, and implementing data lifecycle strategies, companies can effectively manage costs while ensuring data security and accessibility.



Data Warehousing for AI & Data-Driven Decisions

Data warehousing is vital for supporting Al and analytics by centralizing structured data for analysis. It ensures that Al models and Bl tools are fed clean, reliable data and scales with growing business needs.

Popular Data Warehousing Solutions & Costs Breakdown

For Al systems to perform effectively, they need access to vast amounts of clean, structured data. Data warehouses provide this and also enable organizations to scale their data capabilities in line with their Al-driven business goals.

Service	Pricing	Storage Cost	Features and Use Case	Example Cost	Pricing Guide
Amazon Redshift	\$0.25/hour per node	-	High- performance analytics with MPP, integrates with S3	\$372/month for moderate usage	Amazon Redshift Pricing
(3)	Serverless SQL: \$5/TB processed	\$0.04 per TB per	Flexible pricing, reserved capacity discounts	\$864/month for DW100c	<u>Azure</u> <u>Synapse</u> <u>Pricing</u>
Azure Synapse Analytics	Dedicated SQL Pool: \$1.20/hour	hour	Data movement and integration costs		
(II)	\$6.25/TiB of data processed	\$0.02/GiB per	Serverless data warehousing, ML capabilities	\$62.50 for 10 TB queries; \$20 for	<u>BigQuery</u> <u>Pricing</u>
Google BigQuery	Capacity Pricing: \$0.04/slot- hour	month	Storage discounts for long-term commitments	storing 1 TiB of active data.	

Optimizing Data Warehousing for AI Success

To maximize the effectiveness of AI models, businesses must optimize their data warehousing setup to ensure cost efficiency and high performance.

By utilizing features like **auto-scaling**, **data partitioning**, and **built-in machine learning**, businesses can **improve performance** and **make smarter**, **more cost-effective decisions**.

How Data Warehousing Supports AI



Centralized Data Access

Consolidate data from multiple sources into a single location for easy, reliable access by Al models.



Improved Data Quality

Use ETL processes to clean and organize data before it's used, ensuring high-quality input for Al.



Scalable Infrastructure

Cloud-based data warehouses scale easily, handling growing data volumes without performance loss.

Optimizing Your Data Warehousing Setup



Auto-Scaling

Automatically adjust compute resources based on query volume, ensuring cost efficiency.



Data Partitioning

Organize data by time or region to speed up queries and reduce costs.



Using ML Features

Use built-in machine learning features to train models directly in the warehouse, minimizing data movement.



The Cost of Compute Power for Al Training

Compute power is a requirement for Al model training. Whether using high-end GPUs for complex models or cost-effective solutions for smaller workloads, selecting the right compute option is important for optimizing costs without sacrificing performance.

Compute Options for AI Model Training

Different compute options offer varying price points and performance for AI model training. Choose the best option based on your project size, budget, and performance needs.

Service	Compute Option	On- Demand Price/ Hour	Spot/ Preemptible Price/ Hour	Savings Plans/ Discounts	Example Cost (100 Hours)	Pricing Guide
AWS SageMaker	ml.p3.2xlarge	\$3.83	\$0.76	Up to 64% savings on plans	\$382.50 on- demand, \$76 spot	<u>SageMaker</u> <u>Pricing</u>
Azure Machine Learning	NC6s v3	\$3.06	\$1.63	Up to 47% on long- term plans	\$306 on- demand, \$163 spot	Azure ML Pricing
Google Vertex Al	NVIDIA Tesla P100	\$1.68	N/A	Committed use contracts	\$167.90 for 100 hours	<u>Vertex Al</u> <u>Pricing</u>
CO	Free Tier	Free	N/A	-	Free for limited workloads	<u>Colab</u>
Google Colab	Pay As You Go	\$9.99 for 100 units	N/A	-	\$9.99 for extra compute power	<u>Pricing</u>

Cost-Effective AI Training Setup & Optimization

Optimize your Al training costs by using a mix of free tools, spot instances, and scaling options that align with your project size and budget.

Optimizing Compute Costs for Al Training



LEVERAGE SPOT INSTANCES & PREEMPTIBLE VMS

Best for real-time data processing and active datasets.



USE FREE TOOLS FOR LIGHT WORKLOADS

Suitable for archival data and infrequently accessed datasets.



AUTO-SCALE COMPUTE RESOURCES

Suitable for archival data and infrequently accessed datasets.

Example: A Cost-Effective Al Training Setup

Scenario

A **small team** builds a **sentiment** analysis model.

Step 1

Start with

Google Colab Free Tier

for initial tests.

Step 2

When scaling, use AWS Spot Instances for **100 hours** at **\$76** instead of **\$382.50** on-demand.



BI: The Cost of Visualizing Insights

Business Intelligence (BI) tools empower businesses to make real-time decisions, democratize data access for non-technical users, and leverage AI for predictive analytics. From retail to eCommerce, these tools enable teams to uncover trends, forecast outcomes, and generate actionable insights without relying heavily on IT.

Popular Business Intelligence Tools

The table below showcases popular Business Intelligence tools, their pricing, features, and best use cases. It highlights how tools like Power BI, Tableau, and Looker Studio provide diverse capabilities, from AI-powered insights to advanced data visualizations, catering to businesses of all sizes and needs.

Service	Pricing	Features	Use Case Example	Pricing Guide	
	\$9.99/user/ month for Pro	Al insights, Microsoft integrations, dashboards	Real-time dashboards for marketing teams	<u>Power Bl</u>	
Power BI (Microsoft)	\$20/user/ month for Premium	All Pro features + dedicated cloud, large data models	Enterprise reporting, advanced data models	<u>Pricing</u>	
8	Free for Looker Studio	Real-time reports with Google services	Cross-channel marketing reports for website traffic	<u>Looker Studio</u>	
Looker Studio (Google)	\$9/user/ month for Looker Studio Pro	Google Cloud support	Department- level BI	<u>Pricing</u>	
Tableau (Salesforce)	\$75/user/ month for Creator	Interactive dashboards	Financial reporting with interactive visuals	<u>Tableau</u> <u>Pricing</u>	

Optimizing BI for AI-Powered Insights

Optimize your Al training costs by using a mix of free tools, spot instances, and scaling options that align with your project size and budget.

Optimizing BI for AI Insights



INTEGRATE WITH DATA WAREHOUSING

Connect BI tools to platforms like Redshift or BigQuery for real-time, high-quality data.



LEVERAGE AI FOR PREDICTIVE ANALYTICS

Use built-in AI features like Power BI's Copilot to uncover trends and anomalies.



ADOPT A DATA-DRIVEN CULTURE

Encourage teams to regularly engage with data to make smarter decisions.

Example of Business Intelligence in Action



Case Study: Logistics Company with Tableau

Challenge:

Tracking delivery times across regions.

Solution:

The company integrated
Tableau with real-time
warehouse data to identify
delivery delays, optimize fleet
routes, and create interactive
dashboards for stakeholders
to visualize key performance
indicators (KPIs).

Feeling Overwhelmed by Al and Data?

That's Okay.

Navigating the world of AI and Data solutions can feel like venturing into the unknown.

The complex tools, soaring costs, and challenges of integrating new technologies with existing systems can leave even the most seasoned leaders feeling uneasy.

BUT TAKE A DEEP BREATH. YOU'RE NOT ALONE IN THIS.

From selecting the right tools to ensuring smooth integration, external partners simplify the journey so you can focus on what matters most:

DRIVING YOUR BUSINESS FORWARD.

With the <u>right guidance</u>, navigating AI and data becomes manageable, and a catalyst for growth.



Category	Service	Pricing Details	Example Cost	Pricing Guide
but I	AWS S3	S3 Standard: \$0.023/GB/month; S3 Glacier: \$0.004/GB/month	1 TB S3 Standard: \$23; S3 Glacier: \$4	AWS S3 Pricing
Cloud Storage	Azure Blob Storage	Hot Tier: \$0.018/GB/month; Cool Tier: \$0.01/GB/month	1 TB Hot Tier: \$18; Cool Tier: \$10	Azure Blob Pricing
	Google Cloud Storage	Standard Storage: \$0.020/GB/month; Coldline: \$0.007/GB/month	1TB Standard: \$20; Coldline: \$7	<u>Google Cloud Storage</u> <u>Pricing</u>
	Amazon Redshift	Compute: \$0.25/hour/node	Moderate use: \$372/month for 2 TB	Redshift Pricing
Data Warehousing	Azure Synapse	Serverless: \$5/TB processed; Dedicated SQL: \$1.20-\$360/hour	DW100c: \$864/month	Azure Synapse Pricing
	Google BigQuery	Compute: \$6.25/TiB processed; Storage: \$0.02/GiB/month	10 TB queries: \$62.50; 1 TiB storage: \$20	BigQuery Pricing
	AWS SageMaker	On-Demand: \$3.825/hour; Spot: \$0.76/hour	100 hours: \$382.50 on-demand; \$76 spot	SageMaker Pricing
Compute (AI/ML)	Azure Machine Learning	On-Demand: \$3.06/hour; Spot: \$1.63/hour	100 hours: \$306 on-demand; \$163 spot	Azure ML Pricing
	Google Vertex AI	On-Demand: \$1.679/hour	100 hours: \$167.90 on-demand	<u>Vertex Al Pricing</u>
	Google Colab	Free Tier; Pay As You Go: \$9.99 for 100 units	100 hours: Free	<u>Colab Link</u>
	Power BI	Pro: \$9.99/user/month; Premium: \$20/user/month	Real-time dashboards	Power BI Pricing
Business Intelligence	+++ +++ Tableau	Creator: \$75/user/month	Interactive financial reports	Tableau Pricing
	Looker Studio	Free; Pro: \$9/user/month	Real-time marketing reports	<u>Looker Studio Pricing</u>

Costing Real-World Business Scenarios

Whether you're starting small or scaling up to enterprise-level Al & data solutions, optimizing your cloud investments ensures a balance between performance and cost efficiency.

Scenario	Cloud Storage	Data Warehousing	AI/ML Compute	Business Intelligence	Total Cost
Small Business Al Startup	Google Cloud Coldline: \$7/month for 1 TB of archival data	Not needed at this stage	Google Colab Pro: \$9.99 per month	Looker Studio (Free): Create simple dashboards	\$17 per month
Mid-Sized E-Commerce	Azure Blob Hot Tier: \$90/month for 5 TB of data	Azure Synapse: \$864/month (DW100c for 720 hours)	Azure Spot VM: \$163 for 100 hours of GPU training	Power BI: \$9.99/user/month for creating custom sales dashboards	\$1,127 per month
Large Enterprise Al Solution	AWS S3 Standard: \$1,150/month for 50 TB of frequently accessed data	Redshift: \$1,488/month (2 nodes for high- performance data warehousing)	AWS Spot Instance: \$228 for 300 hours of GPU training	Tableau: \$75/user/month (10 users) for enterprise analytics dashboards	\$3,191 per month



Hybrid Cloud Strategy for AI & Data Success

Adopting a hybrid cloud strategy allows businesses to mix services from multiple providers, optimizing costs and performance for workloads. This approach enables scalability, flexibility, and compliance with industry standards.

Why Choose a Hybrid Cloud Approach?



LOWER COSTS

Combine affordable options like for archival storage and for Al training.



BETTER PERFORMANCE

Use Azure Synapse for realtime analytics and AWS EC2 for compute-heavy tasks.



FLEXIBILITY

Scale workloads up or down as needed, paying only for what you use.



DATA COMPLIANCE

Store sensitive data onpremise while running nonsensitive tasks in the cloud.

Low-Cost Strategy for Small Businesses

1. Start Small

- Use Google Colab Pro (\$9.99/month) for Al training.
- Try AWS Free Tier for basic storage and compute.

2. Scale Gradually

- Begin with simple use cases like recommendations.
- Use Azure Cool Blob Storage (\$0.01/GB/month) for lowaccess data.



Challenge:The Talent Dilemma

The shortage of skilled cloud architects and AI experts makes hybrid cloud adoption and integrations challenging.

Real-World Hybrid Cloud Example

A hybrid cloud approach allows businesses to select the most cost-effective provider for each service, optimizing performance and costs. However, due to the complexity of managing multiple cloud environments, it's necessary to have the right talent in-house or partner with external experts.

Hybrid Approach Example: A Retail Company

The example retail company below optimizes costs by using **Google Cloud Coldline** for low-cost storage, **Azure Spot VMs** for compute, **AWS Redshift** for real-time analytics, and **Tableau** for advanced reporting.

Service	Cloud Provider	Use Case	Cost	
Cloud Storage	Google Cloud Coldline	50 TB of archival data	\$350/month (\$0.007/GB)	
Data Warehousing	AWS Redshift	Real-time analytics for 5 TB of data	\$744/month (2 nodes, moderate use)	
Compute	Azure Spot VMs	Al model training (100 hours)	\$163 (47% discount on \$3.06/hr)	
Business Intelligence	++++ +++ Tableau	Advanced data visualizations	\$150 for 2 Creators (\$75 each) + \$300 for 20 Viewers (\$15 each) = \$450/month	
		Total Monthly Cost	\$1,707	

About Artiverse

Artiverse was founded with the mission to simplify AI and data solutions for businesses of all sizes.

Our team of experienced professionals is dedicated to helping organizations navigate the complexities of Al adoption, from data strategy design to seamless implementation.

We offer a wide range of data services, including strategy, cloud integration, AI model development, and business intelligence implementation, tailored and optimized to meet the unique needs of your business.

With Artiverse as your trusted data partner, you can unlock the full potential of Al and data to maximize your overall profits.

OrtiVerse

Schedule a free consultation today to begin your data journey!

https://artiverse.ai/admin@artiverse.ai