Making AI a Killer App for your Data: A Practical Guide

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AI could potentially deliver additional global economic activity of around $13 trillion globally by 2030\(^1\), or about 16 percent higher cumulative GDP compared with today

This amounts to about 1.2 percent additional GDP growth per year

Source: [1] McKinsey Global Institute – Notes from the frontier, Modeling the impact of AI on the world economy
Enterprises are acting on this transformative potential impact of AI

82% of organizations are in some stage of considering / adopting AI

28% of outperformers are in more mature phases vs. only 6% of all others

Source: 2018 AI Survey: AI1: Level of AI adoption; N=5001
* Outperformers are those organizations that self-identify as having outperformed their peers on revenue growth and profitability for private sector organizations or revenue growth and effectiveness at achieving objectives for public sector organizations
Enterprises have also become clearer and more discriminating in what is important to their enterprise AI strategy.

Top 5 value drivers for adopting AI for outperformers

- Customer satisfaction: 77% (2018), 58% (2016)
- Customer retention improvement: 70% (2018), 48% (2016)
- Customer acquisition cost reduction: 49% (2018), 47% (2016)
- Other operational cost reduction: 44% (2018), 15% (2016)
- Revenue growth from new market entry: 40% (2018), 36% (2016)

Companies are prioritizing driving top line growth with their investments in AI above cost considerations.

Source: (1) Percentages represent the number of respondents who selected 1 or 2 on a scale from -2 to +2. Source: Q14. If in which direction do you think the business landscape will change in 2-3 years?

Source (2): 2018 AI Survey - A2: What are the important value drivers for artificial intelligence/cognitive computing? N=5001

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However, they are facing a number of barriers to implement AI.

While lack of skills is a top barrier, enterprises need to tackle a host of other related issues to get to AI@Scale.
Data is the fuel that drives AI, however most enterprises are struggling in managing and utilizing the data that they have.

Differentiation will come from **creating powerful data supply chains** to locate, transform and move data to where it is needed.

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[1]: HfS Research 2018; Sample: Global 2000 Enterprise Buyers = 460

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Four success factors for starting your AI journey

- **Strategy**: Don’t forget the “why”
- **Data**: There is no AI without data
- **Execution**: Avoid AI tourism
- **Change**: Change heads, hearts and hands
1. Strategy

- Create a business-value-driven AI strategy
- Improving a business through digital transformation requires an enterprise-wide approach
2. Data

There is no AI without Data

- Don’t avoid AI because you think you have no usable data

- Internal, proprietary data is not your only source to power AI initiatives

- Make data the cornerstone of your delivery strategy

- Data privacy has to be a core part of the overall data management strategy
3. Execution

Avoid AI tourism

Four Success Factors for starting your AI journey

- Scale or fail
- Nothing has bold impact in isolation
- There is no singular starting point for automation and AI journeys
- Focus on re-imagining your processes rather than applying AI as patchwork
4. Change

Change heads, hearts and hands

- You need talent that understands the intersection of data and algorithms, as well as their impact on process chains and workflows

- Change management is key for the fundamental shifts in the workplace as humans and machines work side by side
Examples of AI deployments at scale

- **Crédit Mutuel**: AI systems augmenting and assisting 20,000 advisors across 5,000 branches
- Saves 200,000 working days annually
- Focused program to re-train advisors and drive adoption

- **Vodafone**: 70% of device troubleshooting, usage, and order tracking inquiries handled by TOBi (virtual agent) in the UK
- TOBi’s NPS: 60+
- Agents re-trained and re-focused to case management

- **Autodesk**: AVA (virtual agent) supports 30,000+ conversations per month
- Recognizes 40 unique use cases
- 99% faster resolutions from 1.5 days to 5 min

- **Woodside**: Built AI powered systems to capture knowledge of senior experts
- Employees used to spend 80% of their time researching problems and 20% fixing it. **AI system has reversed this**

Credit Mutuel Case Study
https://www.youtube.com/watch?v=bYqazJ5iy2k
Autodesk Case Study
Woodside Case Study
The four success factors for the AI journey

1. **Strategy**: *Don't forget the "why"*. Your AI strategy needs to be driven by the desired business values and outcomes. AI is a means to an end, not an end in itself. Start with the end goal in mind.

2. **Data**: *There is no AI without data*. When enterprise data is coupled with external data and made accessible via a platform, you can unlock endless AI opportunities. Without accessible data in the right format, there is no AI.

3. **Execution**: *Avoid AI tourism*. Understand the need, build the solution, and execute with scale in mind.

4. **Change**: *Change heads, hearts, and hands*. Building the necessary skills required to enable technological and process changes requires significant change management focus to successfully re-train your talent pool, maintain the culture, and achieve scale.
Thank you

Please visit the following link for more details on AI studies: