KEYNOTE SPEAKER:
Stephen Prentice
Sr. Stephen Prentice
VP & Gartner Fellow
Gartner
Who owns the data?
What can we do with the data?

"It's complicated" is NOT a sufficient answer. Ownership is not enough. CEOs must elevate digital ethics into a critical discipline.
Data + Analytics = Algorithmic Business

Algorithmic business is the industrialized use of complex mathematical algorithms pivotal to driving improved business decisions or process automation for competitive differentiation.

Algorithms capture the knowledge that turns raw data into valuable insight. Use them to drive speed, scale and consistency in your digital business.
Algorithms Drive Revenues and Differentiation

Amazon Recommendations

Increases Online Revenue

Map and Crowdsourced Routing

Deliver More Accurate Results

Detailed Crop Insurance

Outcompete Other Insurers

Algorithms applied to huge datasets allows highly accurate, personalized offerings. Take advantage of this to drive revenue and differentiation.
Examples of Algorithmic Business Today

+ P&C insurance risk analysis and claims management
+ Robo wealth advisors
+ Robo news/press writers
+ Legal research and precedents
+ Medical condition, treatment and outcome analysis
+ E-commerce recommendation engines
+ Service scheduling
+ Gartner analyst inquiry scheduling

Algorithms already advise/automate interactions in many business sectors. Exploit them to increase revenue and efficiency in your organization.
"Join Our Ecosystem and Benefit From Our Know-How"

Goldman Sachs to Give Out ‘Secret Sauce’ on Trading

New open source platform is an attempt by Goldman to bolster its technology bona fides

Don't ignore ecosystems. Choose whether to create (and control) your own or participate in others. It's good business sense to share!
Build Your Digital Business Technology Platform

The pace of digital disruption demands a new approach to IT. CIOs must design and deploy their digital business technology platform.
Artificial Intelligence (AI) has advanced dramatically in recent years, AI with DNN learning is starting to outperform humans in some areas.
AI — Giving Smart Things a "Brain"

- AI can extract insight from unstructured data (when it has access to huge datasets) but there is a huge difference between knowing and understanding.
- Hence AI needs human guidance to apply critical thinking and judgment to what it discovers — "synthetic intelligence".
- "Narrow" AI is becoming better than humans at defined tasks.
- "General" AI is still a long way off (except in the movies!).
- As the use of AI grows, expect regulation and licensing.
- AI enables technology to grow from simple tool to smart servant and then to active participant in society.

CEOs should be objective about what AI can do and not believe the depictions in the movies. AI is a technology CEOs cannot afford to ignore.
AI and Bots Help Platforms Gain a Voice

"Alexa, turn on the living room lamp"

"Amelia, how do I …?"

The ability to converse with AI enabled platforms transforms the customer experience. CEOs must ensure their CIO/CTO is actively engaged.
Algorithms, AI, Bots, Chatbots — Learn Your ABC!

A is for **algorithms** which deliver the ability to capture and productize knowledge, and also for **artificial intelligence (AI)** which enables systems to better handle unstructured data and identify relationships.

B is for **bots**, small software modules/programs designed to automate repetitive tasks like finding and displaying information. They may utilize AI to manage more unstructured data and complex tasks.

C is for **chatbots** which use AI to process human language, and so redefine the user interface to bots, especially in areas like customer service and as virtual assistants.

Algorithms, AI, bots and chatbots are transforming the user experience. CEOs must prepare their organizations to embrace the new paradigm.
Bots Get Physical

Social Robots

Collaborative Robots

Drones

Self-Driving Trucks

https://vimeo.com/66203042

Algorithms and AI deliver the intelligence to empower a new generation of robots, cobots, drones and self-driving vehicles. Embrace the opportunities.
When Things Become Customers

- They create fluid algorithmic markets.
- My bot orchestrates interactions with your bot (and others), who negotiate further interactions …
- What happens to CRM?
- What about liability and regulation?
- Today's payment systems will struggle to cope with trillions of bot-to-bot transactions.
- Things will collaborate and form "swarms."

AI will enable devices to become adept at handling routine transactions. CEOs must exploit the potential as "things" become "customers."
The Next Generation of Business Model

"Simple" segmentation of buyers and sellers

To "Bot-to-Bot"

Algorithms, AI, bots and smart things will dominate business interactions in the next few years — focus your business model on these new players.
Recommendations: Be Rational, Be Careful, but Be Bold

- Explore new sources and types of data to discover new revenue.
- Fueled by data, analytics and AI digital business and algorithmic business will continue to grow and disrupt industries.
- AI is NOT a silver bullet, and digital ethics will play an increasing part — but you cannot afford to wait on the sidelines of this wave.
- Define your algorithm, AI, ecosystem and digital platform strategies.
- As bots and chatbots develop, connected things will become customers — move now to adapt your business model and systems to accommodate this development.

Data and analytics are core to the digital business transformation journey. CEOs must balance risks and rewards to ensure success at every stage.