Patrocinadors | Patrocinadores:

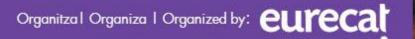
Amb el suport de I Con el apoyo de:

## Joan Mas

# Director Àrea Tecnologies Digitals EURECAT

@eurecat\_events | @eurecat\_news

# FUTURE INDUSTRY CONGRESS





## **WORKSHOP 4**

INTEL·LIGÈNCIA ARTIFICIAL APLICADA A LA INDÚSTRIA: MITE O REALITAT?

Joan Mas | EURECAT

Director Àrea Tecnologies Digitals





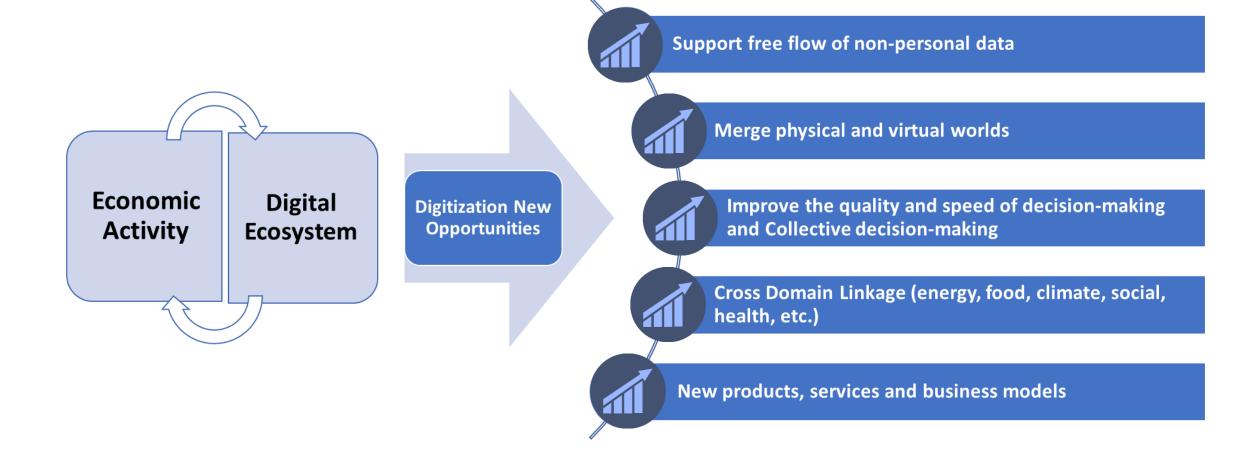
Challenges







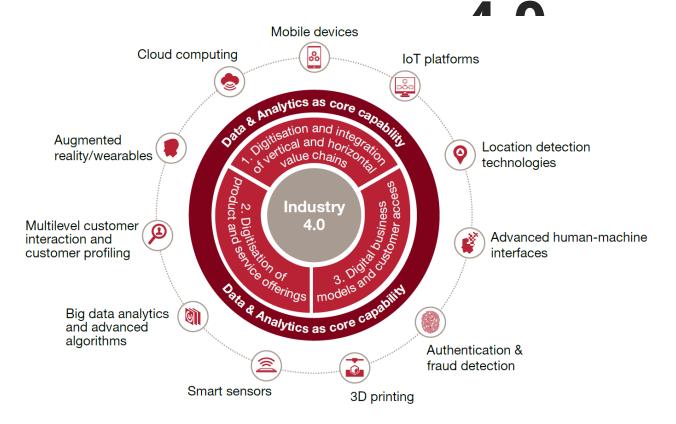
# **Digital Opportunity**







# Industry transformation powered by



## **Principles**

- Interoperability
- Decentralization
- Virtualization
- Real time
- Service oriented
- Modularity

(\*) pwc, 2016 Global Industry 4.0 Survey







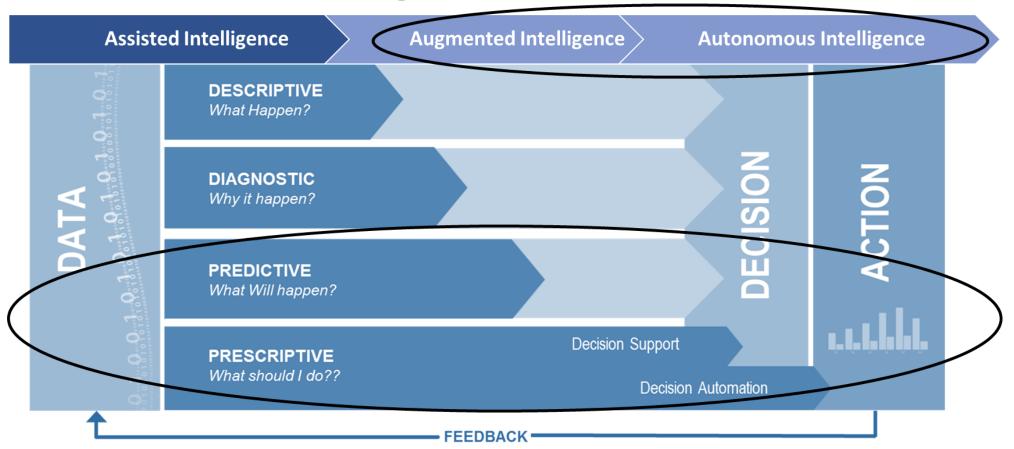








# Self-Diagnosis, Optimization, Organization









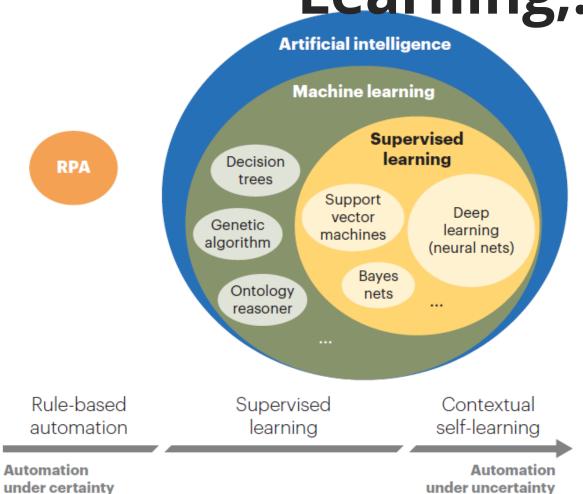






## eurecat

Artificial Intelligence, Machine Learning,...



#### Robotic process automation (RPA):

Virtual resources that can automate highly repetitive, structured tasks with very specific, linear decision criteria future industry congress

#### **Artificial intelligence (AI):**

The discipline of making analytical machines intelligent, enabling an entity to function appropriately and with foresight in its environment

#### Machine learning:

Techniques for learning and performing cognitive functions (examples include algorithms for supervised and unsupervised learning)

#### **Deep learning:**

A statistical machine-learning approach based on deep neural networks that attempts to mimic brain architecture for learning















# New surge in AI development



**Computer power** 

Increases in computing speeds enable systems to collect and process rapidly vast amounts of data. Computers process 10 to 100 times faster, powering growth in neural network computational models



Costs

Costs are falling as computing speeds accelerate (costs of 1 million transistors are dropping 33% annually). Capital requirements are down and potential returns up



**Talent availability** 

<u>Growing interest in AI among minded students</u> has led universities to create programs focused on the technology. Graduates from them expand talent pool for companies building autonomous systems



**Cultural acceptance** 

Cultural barriers to AI are crumbling as **consumers grow more comfortable with "smart"** features in a range of everyday items.









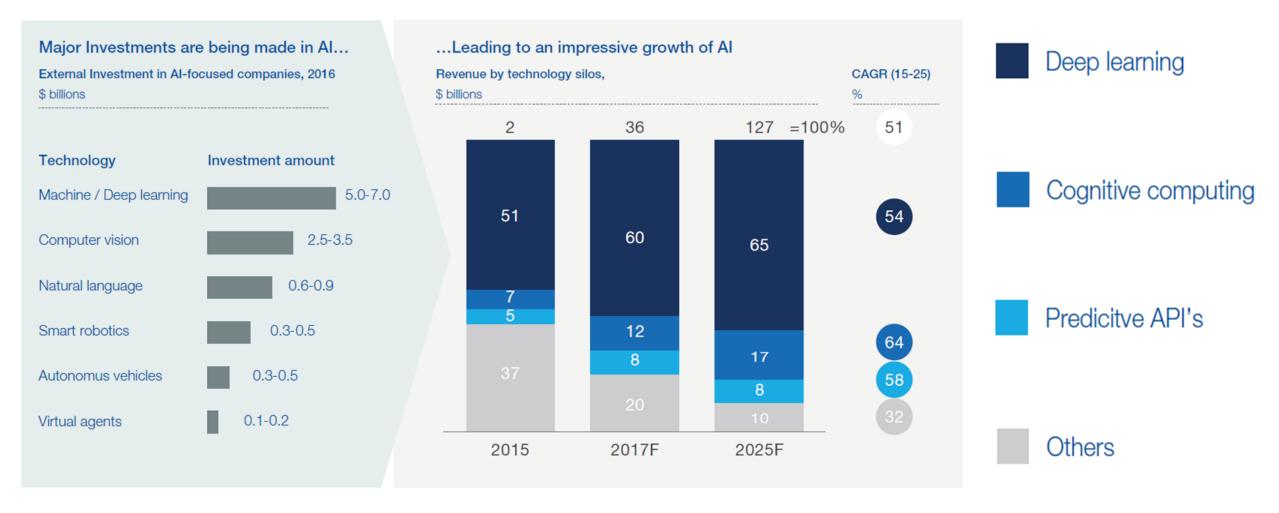


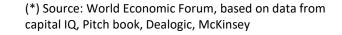






# Al has expanded fast













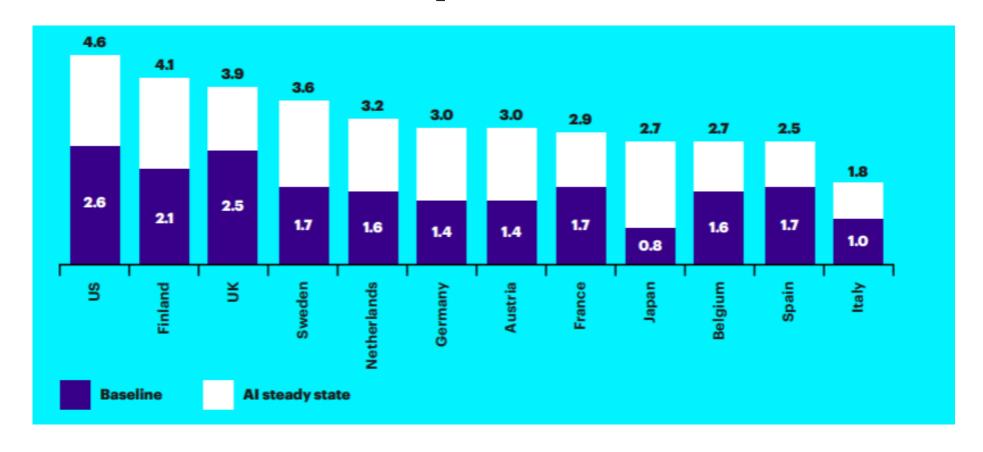








## The economic impact of Al on countries









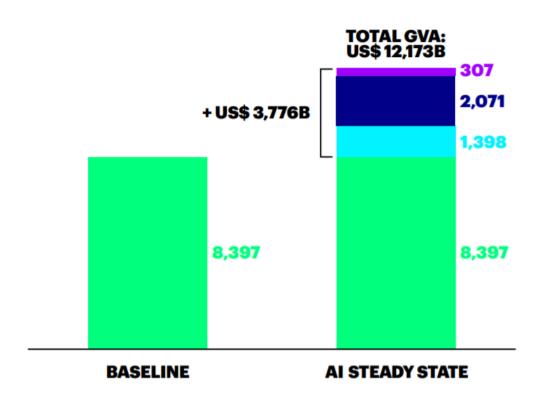


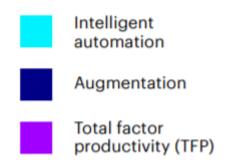






# Manufacturing GVA in 2035 (US\$ billion)





Growth rates in 2035 of gross value added (a close approximation of GDP), comparing baseline growth in 2035 to an artificial intelligence scenario where AI has been absorbed into the economy.

















## **AI Industrial Services**

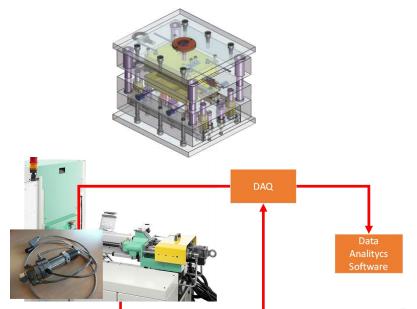






Predictive Quality: Plastic Injection





- Supervised Machine Learning
- Signal Processing techniques
- Data Fusion
- Soft Real time Performance (time cycle)
- Flexible:
  - Binary problems, multiclass problems
  - User defined defects, parameters
- Automated: Controls de production of different machines in parallel without required major user inputs















## **Success Story: KPIs**

### **Prediction processing time:**

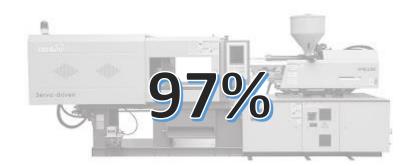
- Objective: within cycle-time: 22s
- Measured: 3 machines running in parallel
  - Receiving data (4 sensors) : 243ms
  - Processing and predicting: 823ms
  - Total = 1.066s

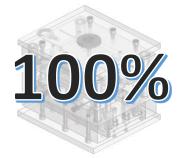
#### **Prediction accuracy:**

- Defect detection > 95% for the PCS in the 4 demonstrations
- 10 samples of preventive alarms
- >80% over 40 machine configurations

### **Scalability:**

- On an i7 laptop
- Max scenario tested 5 injection machines
- Scale up well up to 20 machines
- Single threat approach















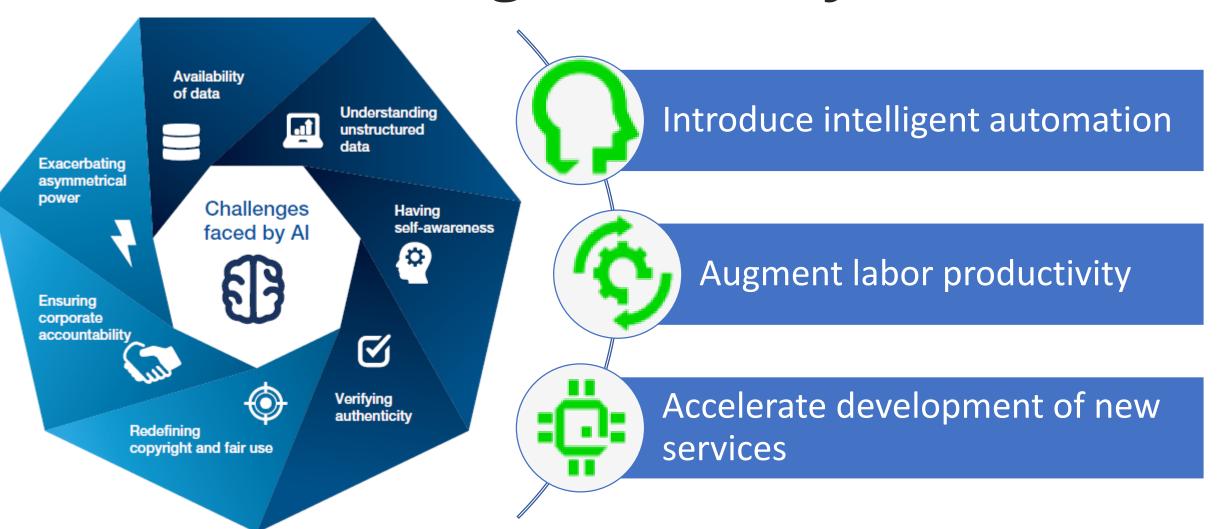








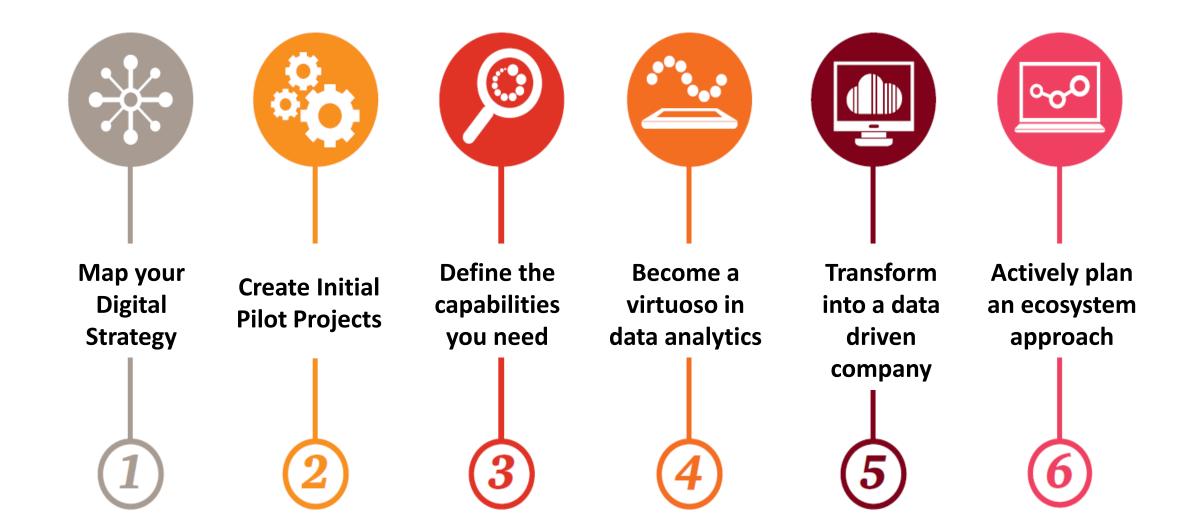
# **Challenges Faced by Al**







## The Pathway







## **WORKSHOP 4**

# INTEL·LIGÈNCIA ARTIFICIAL APLICADA A LA INDÚSTRIA: MITE O REALITAT?



Àngel Freixó | CREATECH360



Ricardo Simon Carbajo | CeADAR



Fernando Vilariño | CVC



Lali Soler | EURECAT













eurecat

# THANK YOU

"innovating for business"



Joan Mas
Director Digital Area
Eurecat
Joan.mas@Eurecat.org









Àngel Freixó

Gerent

CREATECH360

www.createch360.com

@CREAtech360 | @angel.freixo





# Nueva generación de estaciones de tratamiento de aguas inteligentes

Angel Freixó General Manager FUTURE INDUSTRY CONGRESS

Organitza | Organiza | Organized by: **eurecat** 

#### **Empresa**

Especialistas en soluciones de control inteligente para la optimización de procesos y ahorro energético en depuradoras

#### **EXPERIENCIA**

- OMás de 150 instalaciones a nivel global
- OPlantas urbanas e industriales
- OProveedor de los principales operadores de aguas























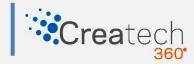




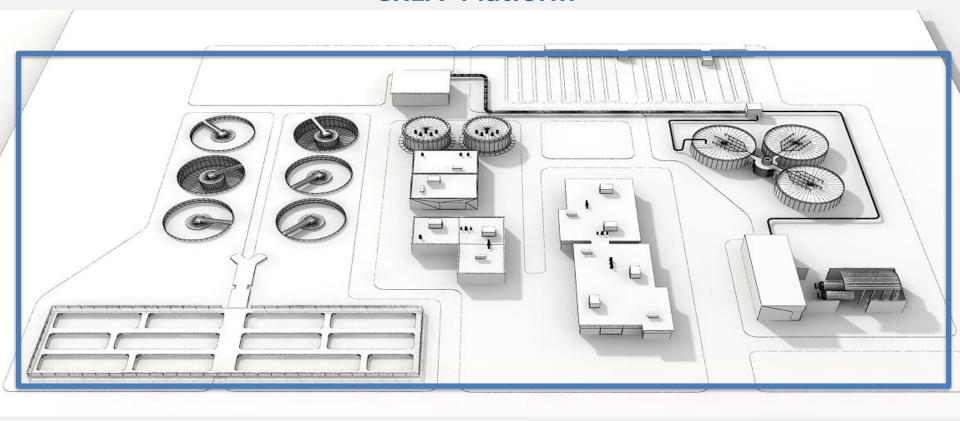




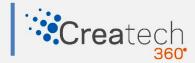




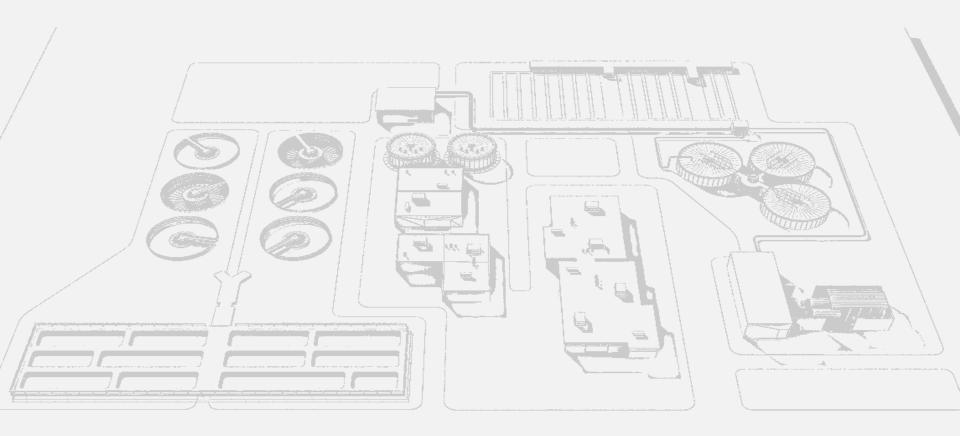
### **CREA® Platform**

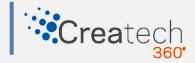


## Visión integral 360º

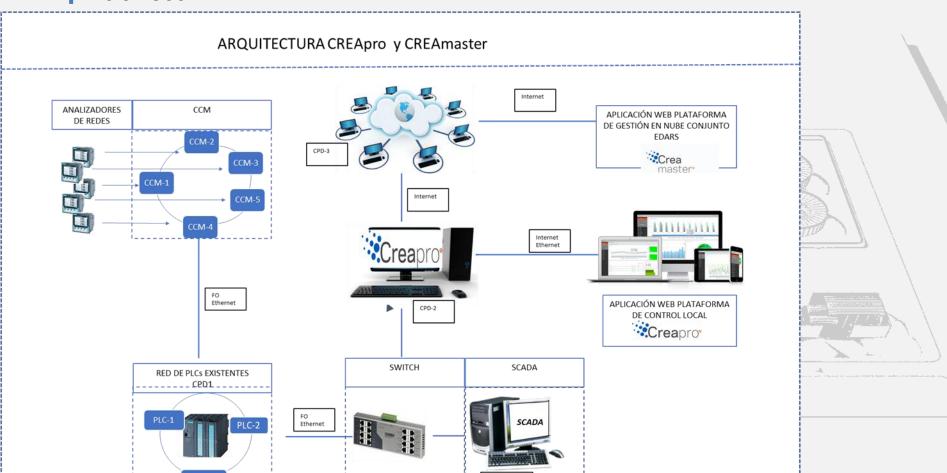


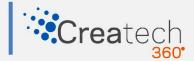
#### Visión 360º



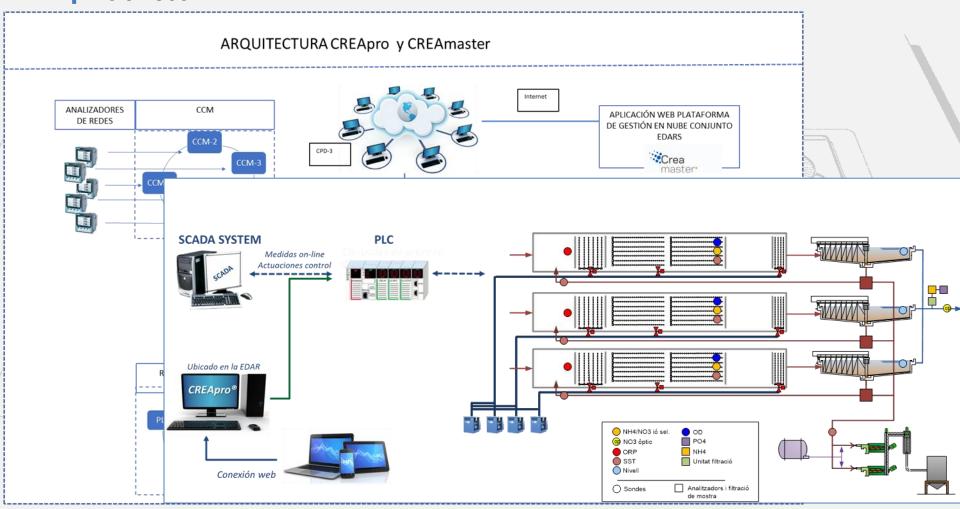


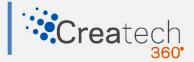
#### Visión 360º





#### Visión 360º





#### Visión 360º

#### **BENEFITS**



#### INTEGRAL MANAGEMENT

Key processes optimization: aeration, sludge line, anaerobic digestion, cogeneration, etc.



#### **CONTROL STRATEGIES**

Feed-back, Feed-forward, adaptive - predictive, energy tariff, equipment management



#### **REAL-TIME DATA MONITORING**

Quality parameters, equipment performance, energy cost evolution, weather forecast.



#### PROCESS INTELLIGENCE

Decision support dashboards, automatic reporting based on advanced data analytics and Key Performance Indicators (KPIs)



#### INTELLIGENT CONTROL LOGICS

Classical mathematical models + Expert knowledge based on fuzzy logic, pattern recognition and machine learning.



#### **TRAINING & SUPPORT**

Full assistance, training and after-sale service to platform users



Up to
40%
Reduction
in kWh
consumption



Up to 35%
Reduction in chemicals consumption

Up to
10%
Reduction in sludge treatment cost

Average payback 1-3 years!





#### Nuevas herramientas

#### **SENSÓRICA**

- Análisis de la calidad de las medidas on-line
- Menor dependencia instrumentación
- Virtualización de sensòrica
- Mayor fiabilidad procesos
- Mayores ahorros energéticos

#### **PROCESOS Y EQUIPOS**

- Optimización lazos de control automático
- Solución a problemas complejos
- Uso de la experiencia de casos anteriores
- Mayor fiabilidad procesos
- Mayores ahorros energéticos

## GESTIÓN DE LA INFORMACIÓN

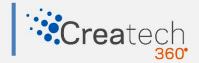
- Obtención de indicadores de rendimiento de gran volumen de datos
- Análisis cruzados de datos determinar rendimientos o deficiencias de equipos

#### ARTIFICIAL INTELLIGENCE



#### **DATA ANALYTICS**





**Proyecto IDM4water** – Intelligent Data Management for Up-graded Smart Control in Wastewater Treatment Plants



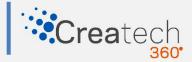
#### **OBJETIVOS**

Asegurar la fiabilidad de los sistemas de control inteligente minimizando el riesgo de toma de decisiones erroneas debida a la mala calidad de señales on-line

**S** 

Dotar al control de capacidad de aprendizaje

Empaquetar estas capacidades de IA en un módulo IDM que pueda se incorporado en nuevas Plataformas de control y en Plataformas existentes







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ACCIÓ

Generalitat
de Calellunya

Amb el suport de I Con el apoyo de:

## Dr. Ricardo Simon

# Head of Innovation & Development CeADAR (Dublin, Ireland)

www.ceadar.ie | @CeADARIreland





# CeADAR

**National Centre for Applied Data Analytics and Machine Intelligence** 

Dr. Ricardo Simon Carbajo Head of Innovation & Development ricardo.simoncarbajo@ucd.ie







• The National Technology Centre for Applied Data Analytics and Machine Intelligence



Funded by Enterprise Ireland (EI) and the Industrial Development Authority (IDA)





- Universities:
  - University College Dublin (UCD)
  - Dublin Institute of Technology (DIT)

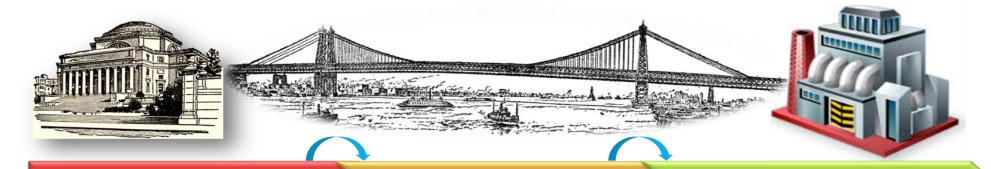




- **Senior** R&D staff
- Applied R&D exclusively directed at industry challenges
- Development and deployment of AI & Big Data Analytics for the competitive advantage of Industry in Ireland
- Machine Learning | Big Data | Predictive Analytics | Real time analytics | Deep Learning | Blockchain



## CeADAR – bridging the gap



## University

## **CeADAR**

## Enterprise

- Basic research & technology creation
- Market push
- Technology driven

- Application development & proof of concept
- · Business-value driven
- Market pull/need-driven

Product development and commercialisation



Basic principles observed

Technology validated in lab

System prototype demo'ed in operational environment

System proven through full commercial application





- 80+ Member Companies
- SMEs & Large Enterprises
- Members Only Events





## 1. Core-Funded Open-Innovation Service

- Demonstrators funded from CeADAR core funds
- Applied R&D exclusively directed at industry challenges
- Approx. 8 demonstrators delivered per year
- Demonstrator rapid prototyping delivered in 6 months
- No-charge trials of existing CeADAR technologies
- Quick wins with CeADAR's extensive IP catalogue
- Each project delivers:
  - ✓ State-of-the-art review
  - ✓ Technical specification
  - ✓ A demonstrator
  - ✓ Industry evaluated demonstrator performance









As well as the core-funded engagement model, companies also engage with CeADAR in:

- Collaborative research
- Consultancy
- Training

#### Leveraging:

- National Funding
- ENTERPRISE IRELAND
  where innovation means business
- El & IDA instruments (Innovation Partnerships)
- **EU Horizon 2020** instruments











## advisory



## bespoke solutions

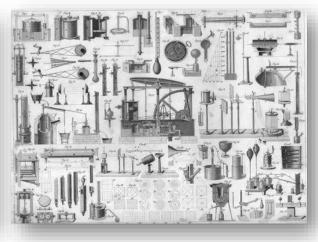


**business seminars** 



collaborative work

### demonstrators





flagship projects





### **Expertise & 50+ Demonstrators**

- Machine Learning
- Big Data
- Predictive Analytics
- Real time analytics
- Deep Learning
- Blockchain

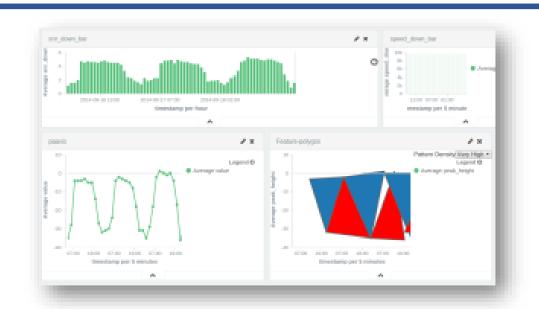
- Contact Centre Analytics
  - Customer Analytics
- Fraud Behaviour Analytics
  - Social Media Analytics
- Location-based Analytics
  - NLP & Text Analytics
  - Sentiment Analytics
- Video & Image Analytics
  - Precision Agriculture
- Predictive Maintenance

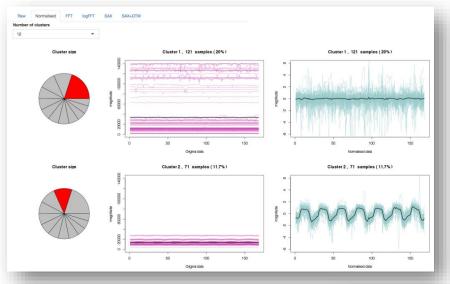




### **Time Series Analytics**

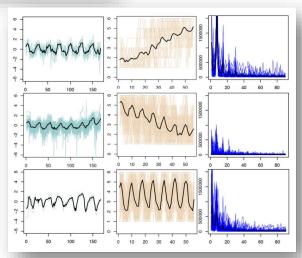






#### Telecommunications Analytics

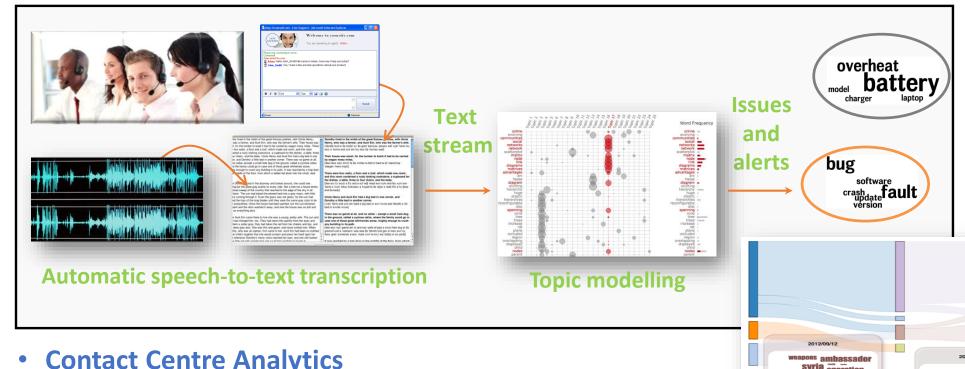
- This tool enables the user to extract patterns/events from time series
  data and to search for patterns/events that are approximately similar to a
  search pattern or to cluster search patterns across multiple time series
- Router's Network Traffic Issues







military united american



- **Contact Centre Analytics** 
  - Automatic topic and issue extraction over large volume audio dialogue
  - Alerting to **new and trending** topics and **tracking of known topics**
  - **Applications** 
    - contact centre data
    - online video transcription data
    - large-volume speech audio domains

## **Image/Video Analytics**



#### Logo Recognition

- Track brand mentions
- Improved sentiment analysis
- Measure sponsorhip ROI
- Find visual influencers
- Identify moments of consumption

#### Precision Agriculture

Major player in infrastructure for the poultry & livestock industry

 Real-time analysis of livestock metrics from multiple distributed and networked sensors













- Wind Turbine Predictive Maintenance
  - Reduced inspection, intervention and maintenance costs
  - Early Fault Detection
- Wind Turbine Power Output Optimization
  - Wind Turbine Configurable Parameters (Blade, Nacelle)
- Wind Turbine Farm Power Forecast
  - Accurate Energy Production (weather, historical)











- Pump & Valve Predictive Maintenance
  - Degradation, Schedule Maintenance
  - Maintenance of Subsea Pipeline in Oil & Gas









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ACCIÓ

Generalitat
de Catalunya

Amb el suport de l Con el apoyo de:

### Fernando Vilariño

### Associate Director

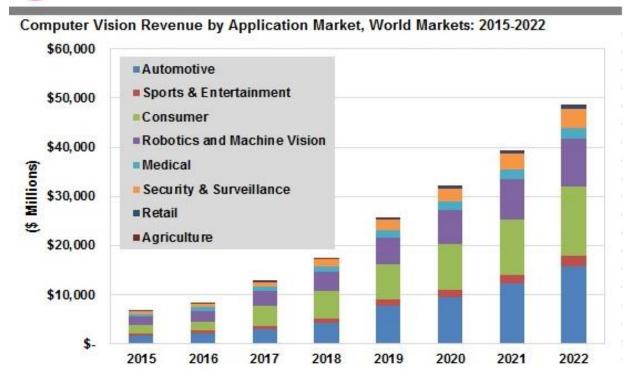
## Centre de Visió per Computador (CVC)

www.cvc.uab.es | @CVC\_UAB



### Computer Vision Market



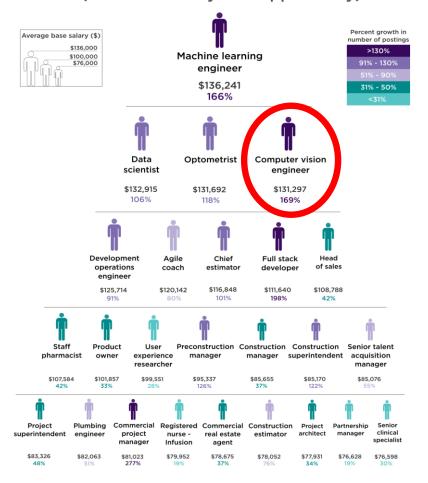


#### Article & Sources:

https://howmuch.net/articles/the-best-jobs-in-usa-2018 https://www.indeed.com

#### The Best Jobs in the U.S. 2018

(Based on Salary and Opportunity)



# Catalan Computer Vision Ecosystem



# Catalan Computer Vision Ecosystem



+700 professionals



**75**Pure Player companies



+ 1 M€

Incomes



**+90 M€**Total incomes

Ecosystem of Computer Vision in Catalonia **2017** 



+250

Publications in high impact index journals



+130

Funded projects



+ 50

Thesis

#### **Incomes per market sector:**

Health & Wellbeing 3 M€

Security & control 26 M€

Advanced processes (Industry 4.0) 33 M€

Marketing/ Retail 11 M€

Dealers 25 M€



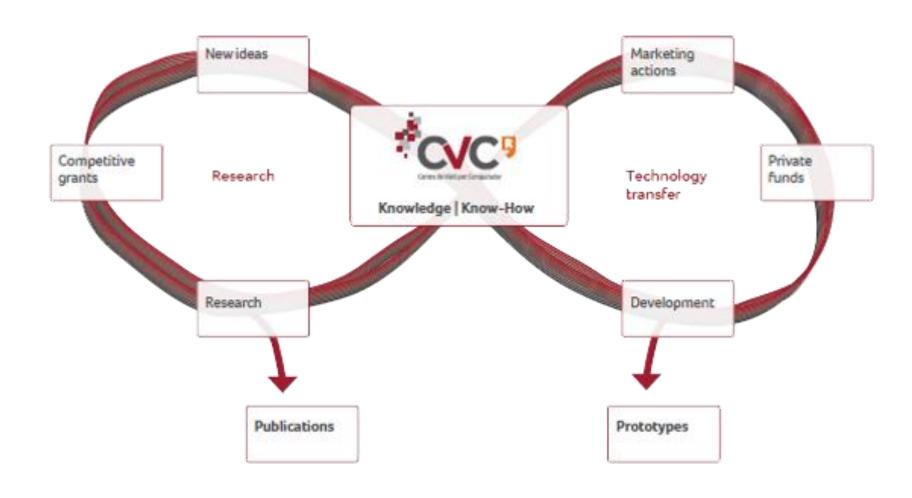
Only Center in Europe fully devoted to Computer Vision

23 Years

+64 Staff

€2,8 M€/year Income

### **CVC** Model



## Facts & Figures 2017





### 21 Competitive projects obtained:

**5** R+D projects of national calls (255 K€)

1 R+D project of european calls (18 K€)

3 R+D of other calls (233 K€)

12 HHRR grants (FI, DI, FPI, FPU, Cofund).

CVC is partner of the **Marie Curie Cofund P-Sphere** project within the UAB hiring 6 post-doctoral researchers in 2017.

## Facts & Figures 2017





#### **Scientific Production**

- **40** JCR indexed Journal articles
- **54** Papers in International Conferences
- 7 book chapters
- 4 books (3 thesis)



#### Media

- 29 Articles in national and International press
- 4 clips in TV national and regional broadcasters
- 5 Radio interviews
- 10 web publications
- + 2.000 Social network followers



#### PhD Thesis

- 6 defended Thesis, within the Informatics PhD programme of the UAB. One of them co-directed with the Caen-Basse University.
- **59** ongoing PhD Thesis. 2 in co-supervision with the Université de Monastir and the Chinese NPU. **12** industrial PhDs.



#### **Human Resources**

- 49 Post-doc and senior researchers
- **59** PhD students



We have been granted with the **HR Excellence in Research** distinction in the year 2015.

### Facts & Figures 2017





**Tech Transfer** 

**36** new contracts signed, with a total budget of 752.000 €.

**50** active projects with a total budget of 1.098.000 €.

4 license contracts granted for a total amount of 110 K€.

































































## Spin-offs













Year	Spin-offs
1998	VISIÓ I ROBÒTICA APLICADA (VyRA) Computer Vision Solution
2001	VISUAL CENTURY Video Indexing
2002	ICAR VISION SYSTEMS Systems for personal document
2003	INSPECTA Cork quality Control
2005	DAVANTIS Smart surveillance
2012	CLOUD SIZING SERVICE Sizing clothing
2012	VISUAL TAGGING SERVICES Mobile apps
2014	CROWDMOBILE, SL Crowd Sourcing Solutions (Knowxel)
2015	CARE RESPITE Indoor Intelligent Visual System for Dependence
2016	ORAIN TECHNOLOGIES Intelligent Vending Machines









### Research











#### Health and well-being

Computer assisted diagnosis, intervention and planning;

Augmented modelling;

Well-being and ambient assisted living.

#### **Mobility and transport**

Advanced driving systems and autonomous driving;

Virtual worlds for ADAS;

Unmanned Aerial Vehicles.

#### **Culture & Experience-based technologies**

Cultural heritage (AR/VR)

Reading Systems – Document analysis

Surveillance

#### **Industry 4.0**

Quality control

AR/VR technologies for industry 4.0

Robotic Vision

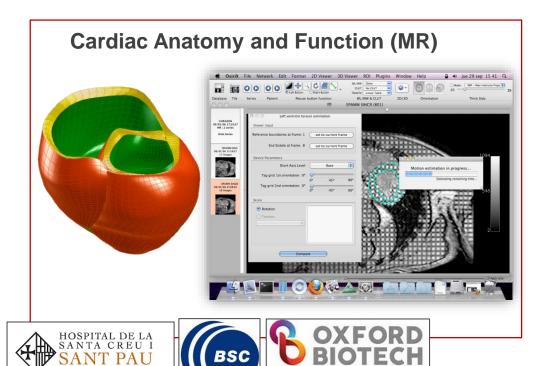


### Health

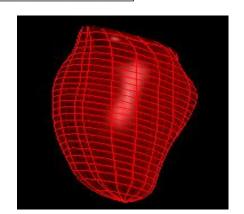


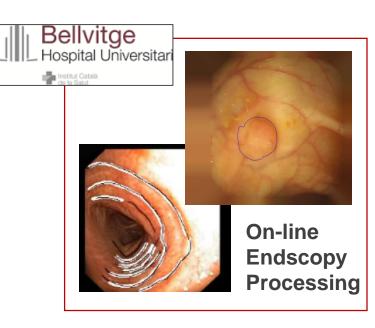






UNIVERSITAT AUTÒNOMA DE BARCELONA







## Well-being

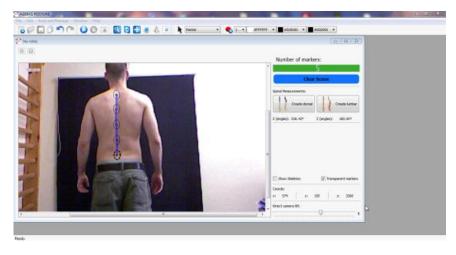






#### **Body posture**





#### **Person identification**





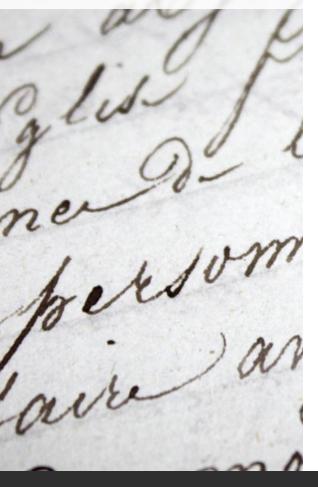




# Culture and Experience-based Technologies



New User Experiences in Cultural Heritage



Virtual reconstruction



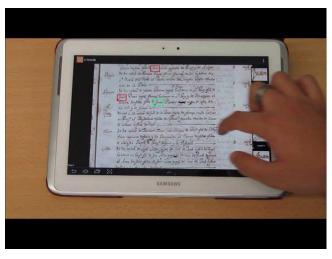
**Engraving Analysis** 







#### **Word spotting**



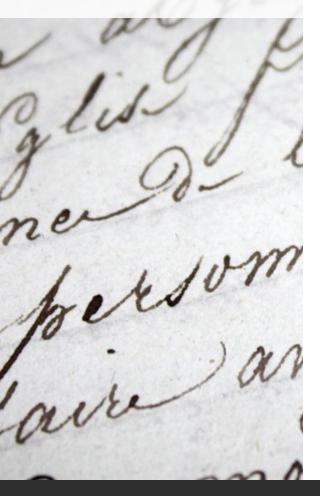
#### **Handwriting Recognition**



### Intelligent Content & Media



### Intelligent Content & Media



## Document Capture and Analysis



999.0</InvoiceTotal>
'Concept>
3456789123456</InvoiceKey</pre>

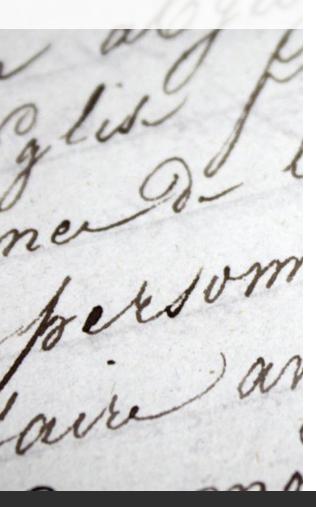
#### Large scale indexing and retrieval



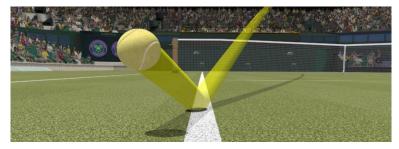
### Intelligent Content & Media



Intelligent Content & Media



Trajectory and game reconstruction











**Body posture analysis** 



**Player tracking** 

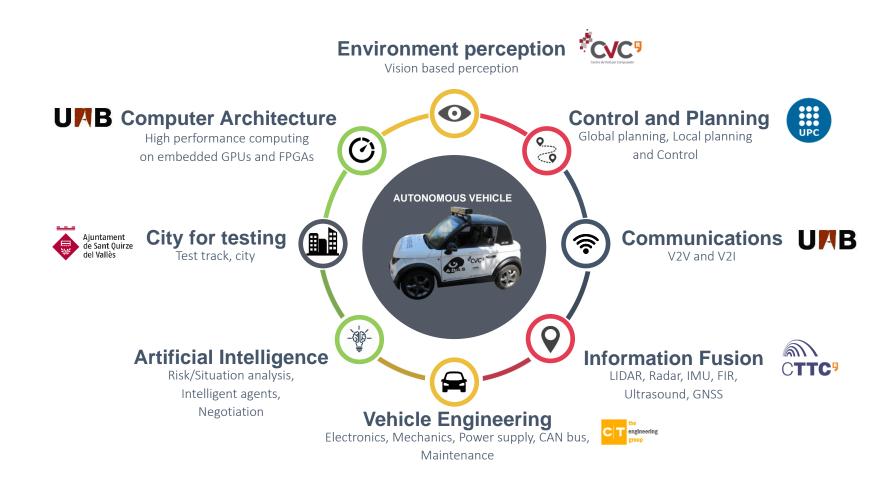


### **Mobility and Transport**



**Advanced Driver Assistance Systems** 





### **Mobility and Transport**



## **Simulators for ADAS**



#### SYNTHIA

A synthetic collection of annotated images of driving scenarios

#### **CARLA**

End-to-end driving open source simulator for research in autonomous driving







### **Mobility and Transport**

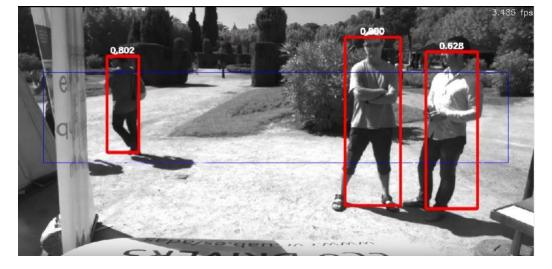


Pedestrian protection systems



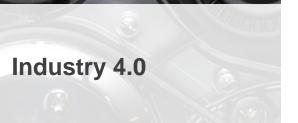








### RIS3CAT



















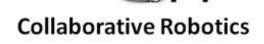


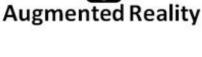


















### AR technologies for training in processes



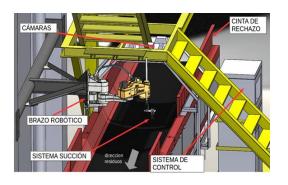




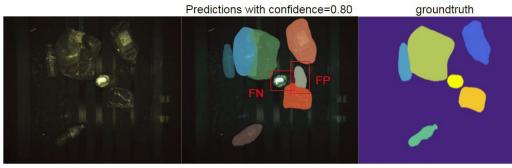




### Deep learning for selective sorting









#### **RUBSEE: AI REVOLUTION IN THE WASTE FIELD BEYOND SORTING**



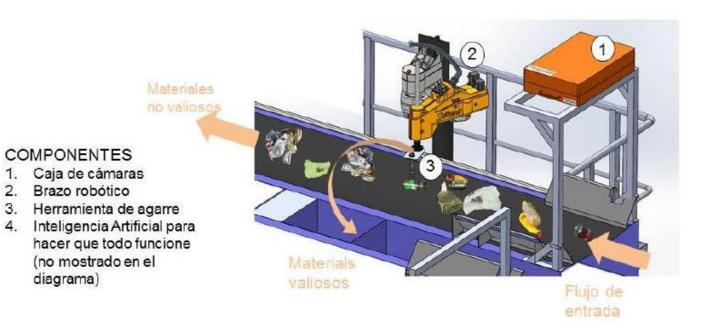


Current manual classification





Computer vision and robotics for specific intelligent sorting:



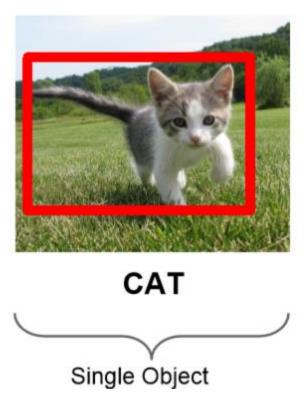


Specific training of Neural Networks for instance segmentation:

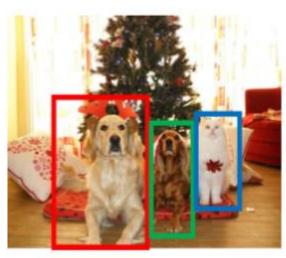
### Semantic Segmentation



Classification + Localization

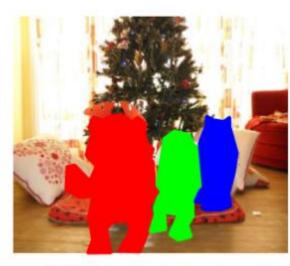


Object Detection



DOG, DOG, CAT

Instance Segmentation



DOG, DOG, CAT

Multiple Object

**Object Classification** 



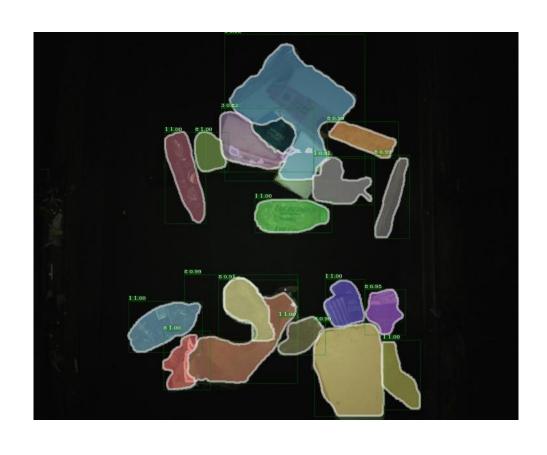
**Semantic segmentation** 



Instance Semantic segmentation



### **Neural Network: MaskRCNN**





### **Training**



#### MASTER IN COMPUTER VISION











- Master designed to offer students an updated program of cutting edge methods and foundations of computer vision.
- This master degree program attempts to tackle the need for qualified personnel in this field, with an agile approach and an emphasis in Deep Learning techniques.
- Possibility for third-parties to offer MSc studentships:
  - MSc project focused on challenges from company
  - Internship at the company premises

### Entrepreneurship



# AI4ALL

The objective is to bring the participants closer to AI technologies, generate new market ideas and help promote the competitiveness of the region in this field.



UAB
Universitat Autònoma de Barcelona
Escola d'Enginyeria



With the support of:









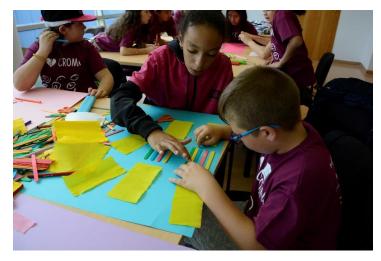
# **School Visits & Fairs**













**INVESTIGA AMB RECERCAIXA** 

**MAKER FAIRE** 

**ESCOLAB** 

**PROGRAMA CROMA** 

FESTA DE LA CIÈNCIA

# **High Impact Events**





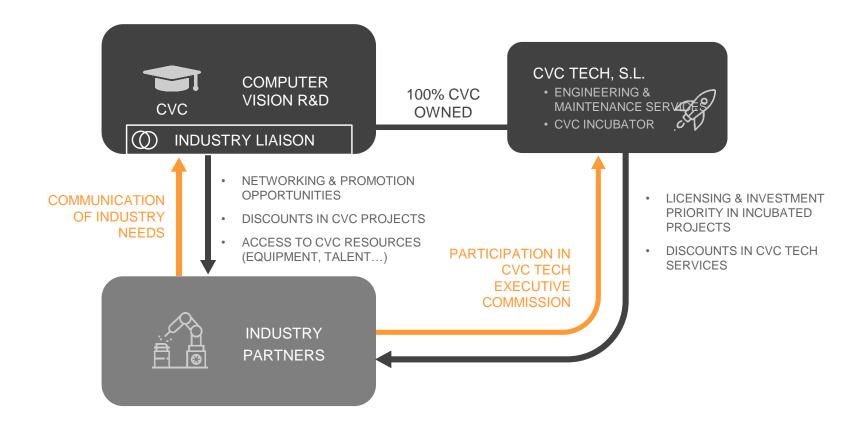


# How to collaborate with us



# INDUSTRY LIAISON PROGRAMME (CVC-ILP)

CVC-ILP has been defined to **streamline industry collaborations** with the CVC and put new technologies in the market, leveraging CVC's know-how.





# **Address**

Edifici O, Campus UAB 08193 Bellaterra Barcelona

# Thank You

**E-contact** 

cvc-ktt@cvc.uab.es

Phone & Fax

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Fax: +34 93 581 1670

www.cvc.uab.cat





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# Lali Soler

# Data Analytics Business Manager **EURECAT**

@eurecat\_events | @eurecat\_news





# Reshaping Business with Artificial Intelligence

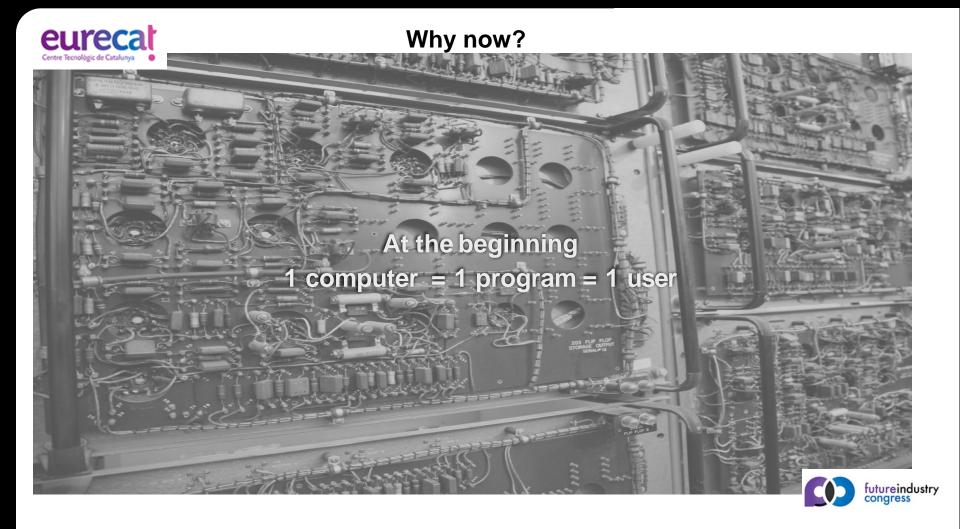
Lali Soler Data Analytics Business Manager, Eurecat lali.soler@eurecat.org



# 01

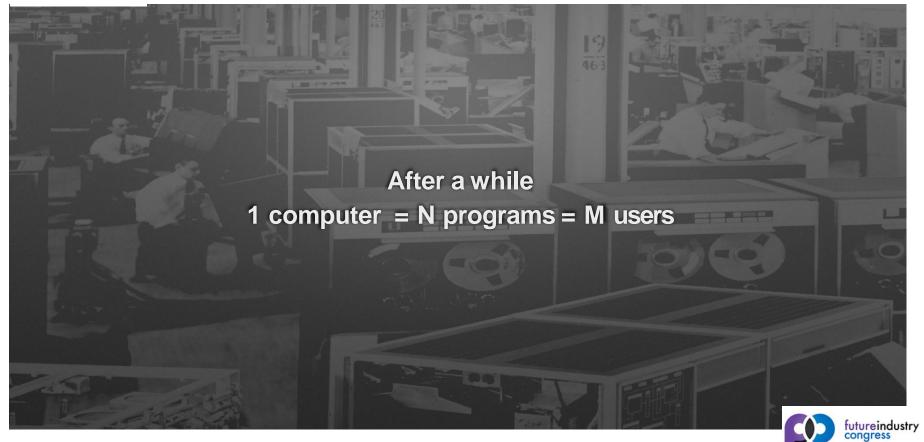
# Introduction





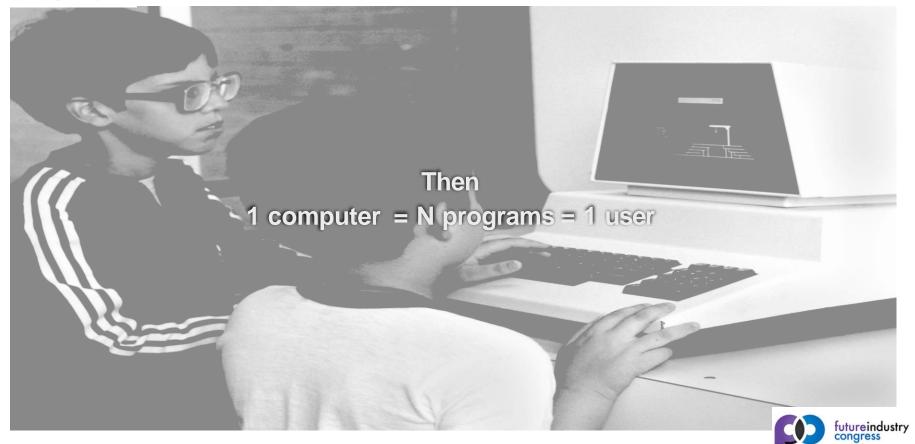


# Why now?





# Why now?





# Why now?

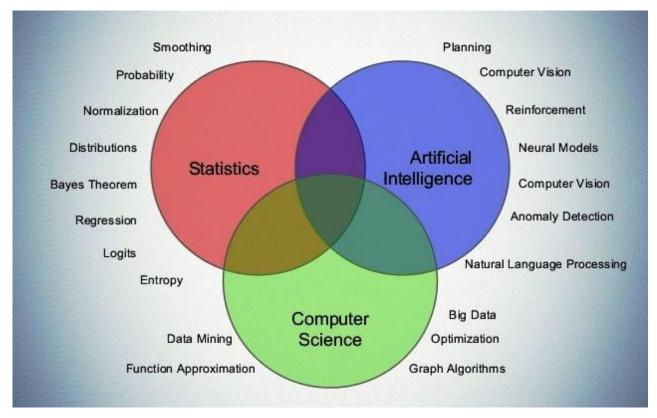
A few years ago we reach the present situation. From a user perspective:

M computers = N programs = 1 user





# A bit of terminology

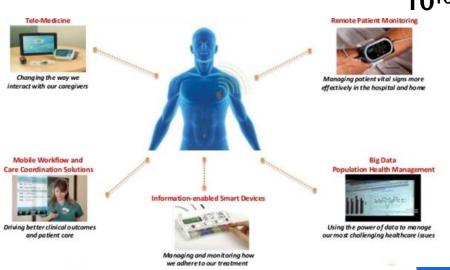






# **Big Data**

Wal-Mart handles over one million customer transaction per hour, the information is stored on a database sized in excess of 2.5 Petabytes (2,0  $\times$  10<sup>16</sup> bits).



By 2016 it is likely that a typical hospital will create 665 terabytes ( $5.32 \times 10^{15}$  bits) of data a year.





# **Big Data**



## With a personal computer:

- You can find an element in a 1 MB file in less than a second.
- You can find an element in a 1 GB file in less than a minute.
- You can find an element in a 1 TB file in less than sixteen hours.
- You can find an element in a 1 PB file inless than two years.
- You can find an element in a 1 EB
   file inless than two thousar

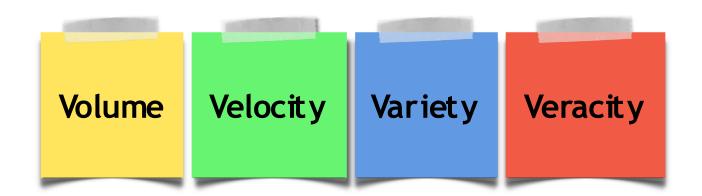
futureindustry





Big data is more than size.

It is commonly characterized with four V







## **Big Data**

We are rendering into data many aspects of the world that have never been quantified before:

business networks books I'm reading location

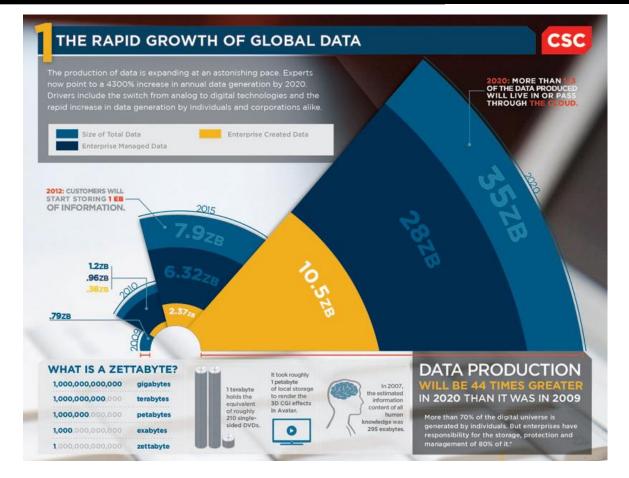
physical activity consumed food purchases

physiological signals straight thoughts friendship

gaze driving behavior













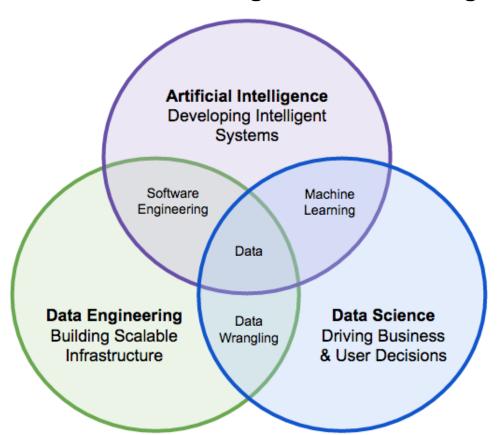
# 02

# Artificial Intelligence and Big Data





# How is Artificial Intelligence related to Big Data?

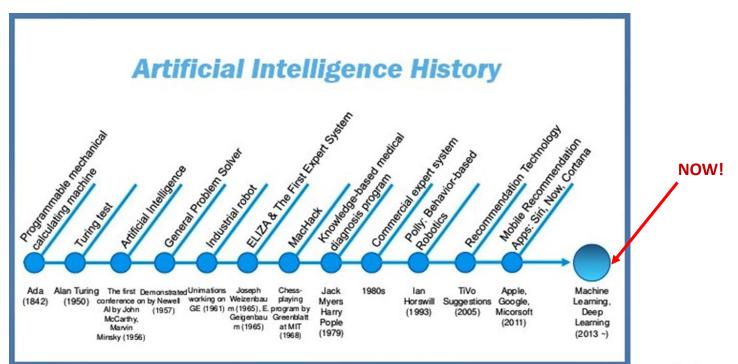






## **Artificial Intelligence is nothing new**

Artificial Intelligence is nothing new...







# **Machine learning**

Supervised Learning

Unsupervised Learning

Reinforcing Learning









Historical metaphors of the brain:

Hydraulic (blood cooler, spirits), Mechanical (clock, steam machine),...

In 1943, neurophysiologist Warren

McCulloch and mathematician Walter

Pitts wrote a paper on how neurons

might work. In order to describe how

neurons in the brain might work, they

modeled a simple neural network using

electrical circuits.



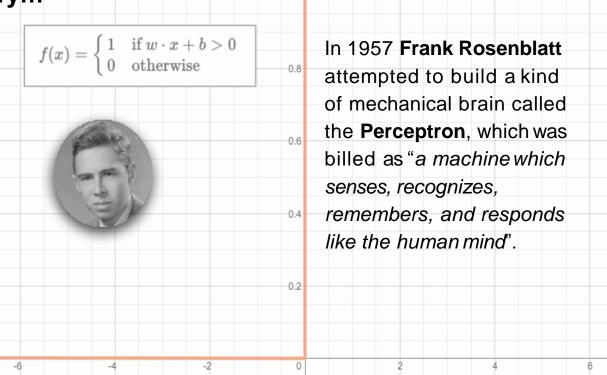




In 1949, Donald **Hebb** wrote *The*Organization of Behavior, a work which pointed out the fact that **neural**pathways are strengthened each time they are used, a concept fundamentally essential to the ways in which humans learn.















A critical book written in 1969 by Marvin
Minsky and his collaborator Seymour Papert
showed that Rosenblatt's original system was
painfully limited, literally blind to some simple
logical functions like "exclusive-or".



# 70's: First neural network winter







In 1982, interest in the field was renewed. John Hopfield of Caltech presented a paper to the National Academy of Sciences. His approach was to create more useful machines by using bidirectional lines. Previously, the connections between neurons was only one way.

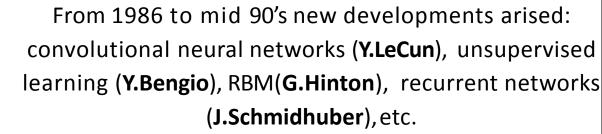


In 1986, the problem was how to extend the Widrow-Hoff rule to multiple layers. Three independent groups of researchers, which included David E. Rumelhart, Geoffrey E. Hinton and Ronald J. Williams, came up with similar ideas which are now called back-propagation networks because it distributes pattern recognition errors throughout the network.











But, by this point **new machine learning methods** had begun to also emerge, and people were again beginning to be skeptical of neural nets since they seemed so intuition-based and since computers were still barely able to meet their computational needs.















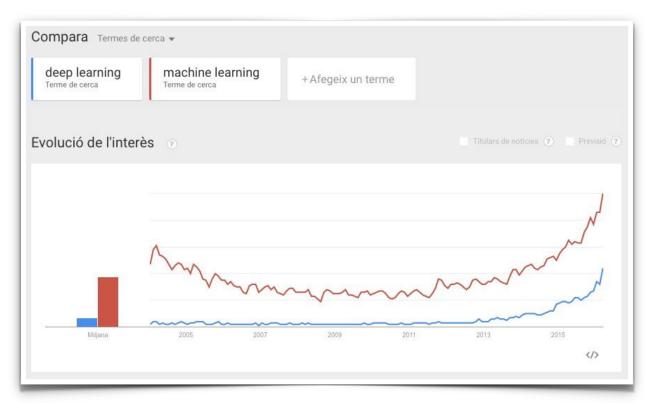


With the ascent of Support Vector Machines and the **failure of backpropagation**, the early 2000s were a dark time for neural net research.

- Then, what every researcher must dream of actually happened: G.Hinton, S.Osindero, and Y.W.Teh published a paper in 2006 that was seen as a breakthrough, a breakthrough significant enough to rekindle interest in neural nets: A fast learning algorithm for deep belief nets.
- After that, following Moore's law, computers got dozens of times faster (GPUs) since the slow days of the 90s, making learning with large datasets and many layers much more tractable.



# **Neural Networks Reborn**







 NN and DL currently provide the best solutions to many problems in image recognition, speech recognition, and natural language processing.







### Face recognition.







Who is this?

Who is this?

Who is this?







Who is this?

Who is this?

Who is this?

DeepFace (Facebook): Accuracy of 97.35%





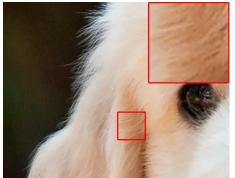
### New applications: navigation and mapping.

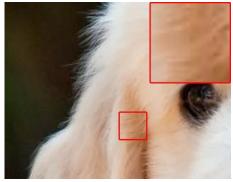






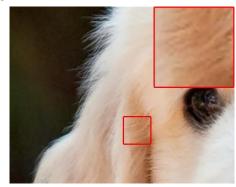
### New applications: Image Upscaling (Flipboard)





Original

Bicubic

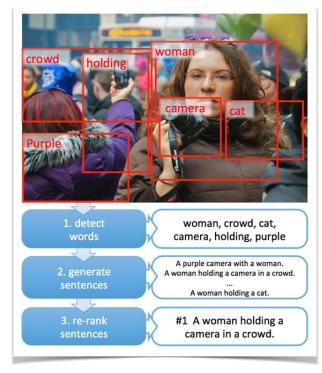


Model





### New applications: Automatic Image Captioning







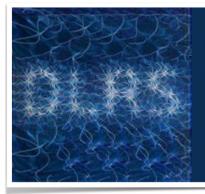
### Speech translation







#### Recommenders



1st Workshop on Deep Learning for Recommender Systems

in conjunction with RecSys 2016 15 September 2016, Boston, USA





#### Music Generation







#### Go







### **Start Ups**















# 03

# Artificial Intelligence in Business





# The Effectiveness of Personalized Product Recommendations

#### MarketingSherpa Study, 1.5 billion shopping sessions, 2015:

The recommendations used a variety of different common phrases on a product page, home page, shopping cart, category page or site wide. The actual product recommendations were dynamic and personalized based on visitor data, behavior, and history the whole, 11.5% of the revenue (whether from more volume or higher value of products) generated in the shopping sessions was attributable to purchases from the product recommendations.

 The companies that used the most common "visitors who viewed this product also viewed" on the product page had the highest success, with a remarkable 68% of all revenue of those companies coming from the product recommendations.



- The phrasing "you might also like," correlating to 16% of that group's revenue to the recommendations.
- The popular phrasing <u>"customers also bought"</u> on the cart page generated only <u>8% of revenues</u> from recommendation sales.







HMV, a British entertainment retailing company (music Retailer) realized that sending the same campaign message to all its customers is not appropriate anymore, as people start treating emails as spam and do not open them. The company uses **a recommendation system**, which analyses customer click streams and which products fits the customer's preferences. HMV sends out personalized recommendations, which increased the emails opening by over 70% on mobile phones, and PC mails by 50 %.



#### In 2013 Item-to-Item collaborative filter:

35% of all sales are estimated to be generated by the recommendation engine. In May 2016, Amazon opened up **DSSTNE** as open source software so that the promise of deep learning can extend beyond speech and object recognition to other areas such as search and recommendations



After a long refinement process,
Netflix finally released its first "global"
recommendation engine in December,
2016. Netflix will invest 1 billion of the
total 5 billion of its budget in
recommendation and personalization.
Why?? Netflix estimates that only 20%
of its subscriber video choices come
from search, with the other 80%
coming from recommendations

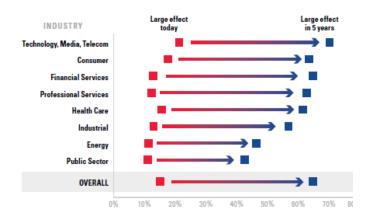
**futureindustry** 



## **Adoption of AI in business**

#### Expectations for Al adoption across industries: impact on offerings

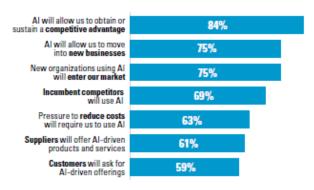
To what extent will the adoption of AI affect your organization's offerings today and five years from today?



Percentage of respondents who expect a large ("a lot" or "great") effect on a five-point scale

#### Reasons for adopting AI

Why is your organization interested in AI?



Percentage of respondents who somewhat or strongly agree with each statement

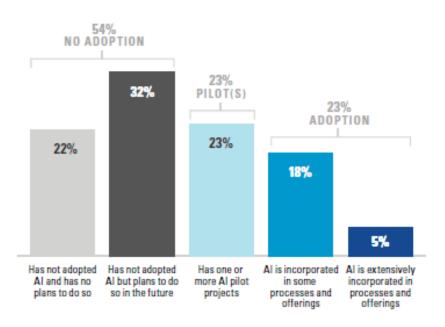




# **Adoption of AI in business**

#### Adoption level of Al

What is the level of Al adoption in your organization?



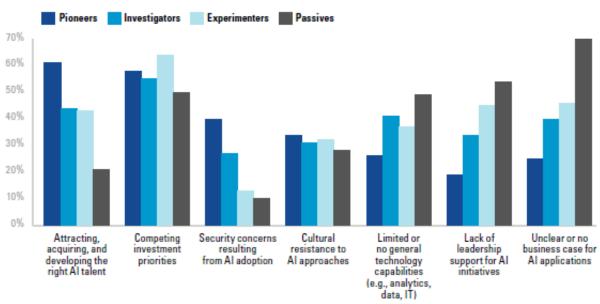




# **Adoption of AI in business**

#### Barriers to Al adoption

What are the top three barriers to Al adoption in your organization?



Percentage of respondents ranking the selection as one of the top three barriers



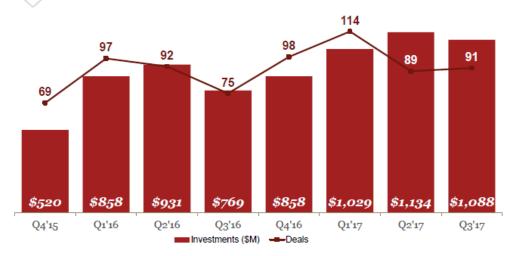


# Is Al profitable?

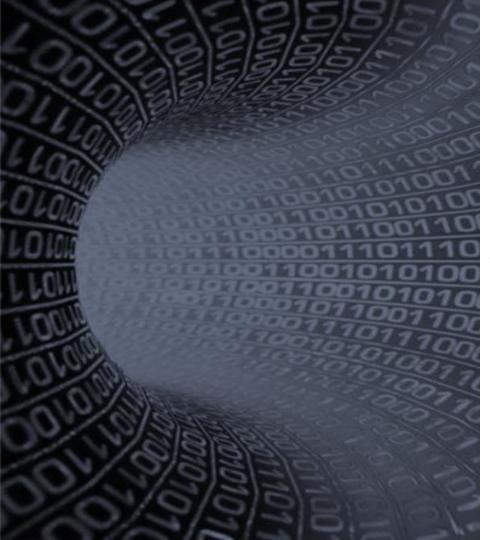
### AI: US funding over time

#### US artificial intelligence funding exceeds \$1B for third quarter in a row

- Both deals and dollars to US AI companies showed continued momentum in Q3'17, with \$1B invested across 91 deals. Quarterly funding was particularly healthy, nearly matching last quarter's high.
- The \$1B quarter was led by companies such as NAUTO (\$159M Series B), Indigo Agriculture (\$156M Series D), and Cerebras Systems (\$60M Series B).









# Thank you

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