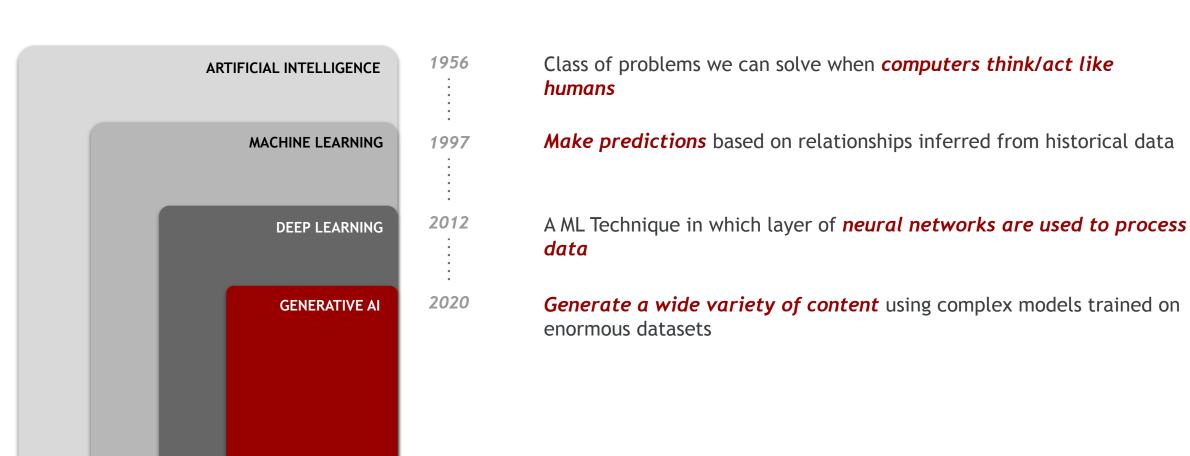
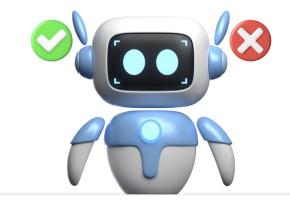


# Machine Learning is a type of AI, and Generative AI (GenAI) is a type of machine learning

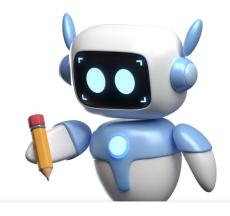


## Deep Learning Key Model Types



#### **DISCRIMINATIVE MODEL**

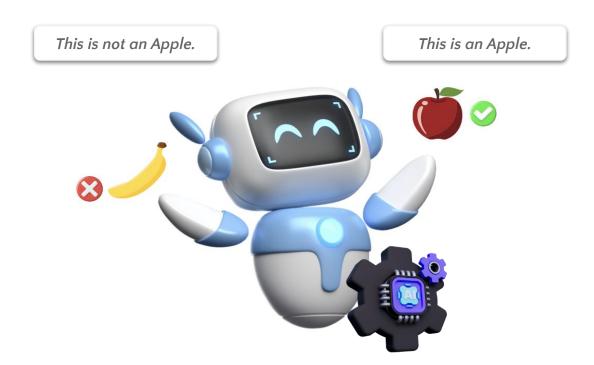
Used to classify or predict



#### **GENERATIVE MODEL**

Generates new data

#### Discriminative Models





## Generative Language Model

Read this huge pile of books on apples

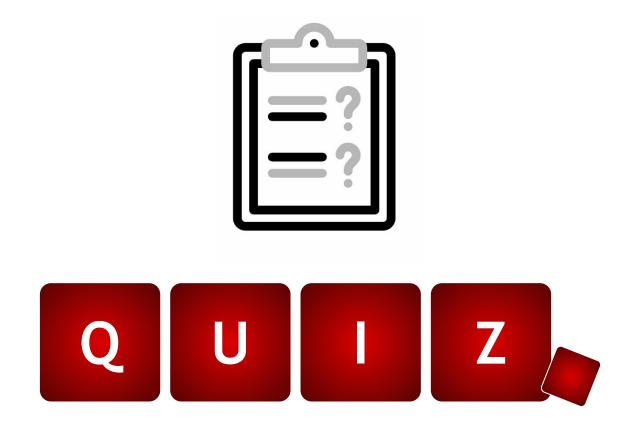


So, you have read about apple and its various types

Now tell me what is an apple?

An apple is a ...





Question: InnovateTech Solutions is developing an AI-driven platform to revolutionize content creation for digital marketing campaigns. The company aims to generate creative and personalized content to enhance user engagement. As the Chief Data Scientist, you are leading the team in selecting the most suitable ML model for this task. Which of the following key ML models is pivotal for InnovateTech Solutions for generating new and personalized content for digital marketing campaigns?

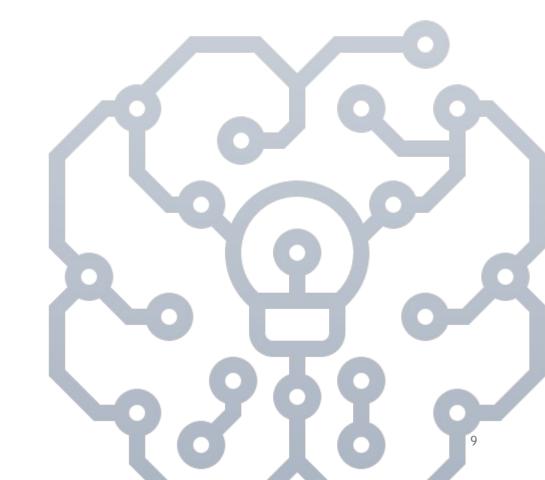
- **A.** Descriptive Model
- B. Generative Model

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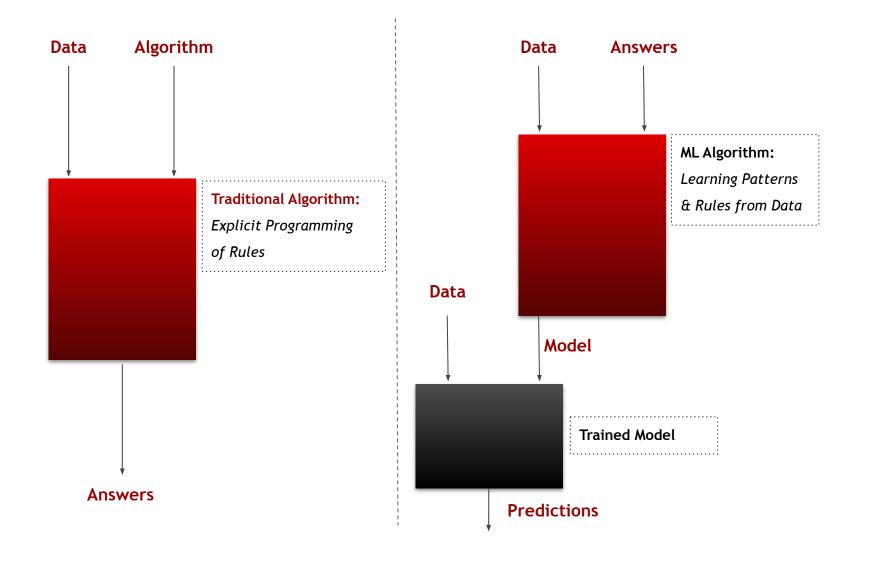
- A. Descriptive Model
- P. Generative Model

## Machine Learning allows computers to learn without explicit programming

- In traditional programming, the programmer writes the code to perform a task
- In machine learning, algorithms are trained to make predictions using historical data
  - Computers iterate over the algorithm making adjustments to find the best solution



## Traditional Systems vs ML based Systems



#### Generative Al Overview

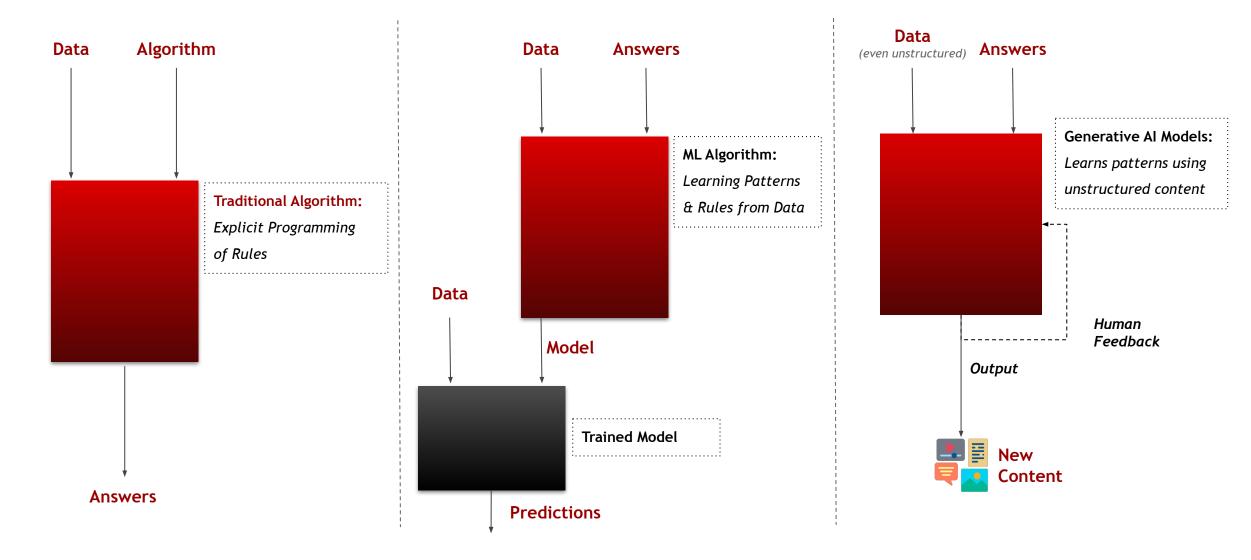
Generative AI is a type of artificial intelligence that can create new content,
 such as text, images, or music

• It works by learning from large datasets of existing content and then using that knowledge to generate new content that is similar to the training data

https://www.thispersondoesnotexist.com



## Traditional Systems vs ML based Systems vs Generative AI Systems



#### Generative Al Overview

Write code faster, Solve more complicated problems, and Build experiences not possible before

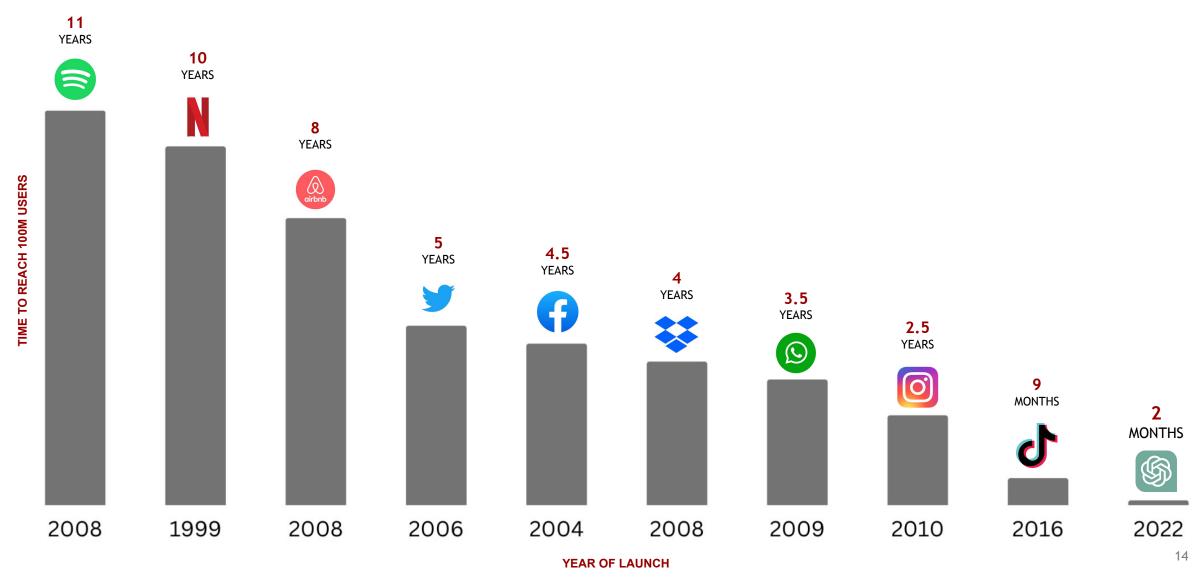
#### How much of your work involves these things?

- Finding Information Googling errors, Debugging
- Explaining Concepts Learning new technologies
- Generating and Fixing Code Writing scripts, tests, functions, components etc.
- Building new applications Natural language processing,
   speech-to-text

#### Gen Al's great at...

- Finding Information
- Explaining Concepts
- Generating and Fixing Code
- Building new applications

#### A New Wave!!



#### A New Wave!!



#### 90% of My Skills Are Now Worth \$0

...but the other 10% are worth 1000x



In my experience, the most successful software development projects are those that are driven by a combination of human creativity and expertise, as well as the efficient use of tools like ChatGPT. Rather than seeing the rise of AI technology as a threat to our skills, we should view it as an opportunity to enhance and augment our abilities as software developers.

Rather than allowing our skills to become obsolete, we should focus on finding ways to integrate AI tools like ChatGPT into our work in a way that complements our human expertise and creativity.

#### As per Gartner

By 2025

30% of outbound marketing messages from large organizations will be synthetically generated. That's up from less than 2% in 2022

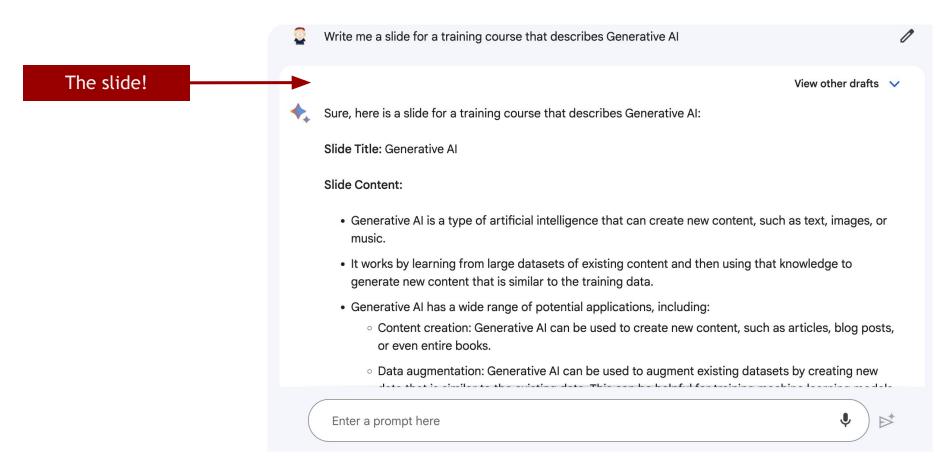
By 2025

The use of synthetic data will reduce the volume of real data needed for machine learning by 70%

By 2025

35% of large organizations will have a Chief AI Officer who would report to CEO or COO

#### A New Wave!!



Bard is Google's

consumer-oriented

Generative AI tool for

creating custom text-based

content

## Why Generative Al?

even human voice) based on prompts

Generate creative text copies based on context and target audiences' persona It can generate audio (music, sounds, and Summarize and explain the long chapters, It can generate or complete the code in literary articles, and complex topics most programming languages Generate never-before images based on prompts

Chatbots can automatically engage

stakeholders like employees & customers

## Journey to Generative Al

2010

## Mastering the Meanings of Words

2014

In 2014, language models began to make sense of varied meanings of words in natural language text by analyzing the context in which the word appeared

2017

## Large Language Foundation Models

2022

Advances made from 2017 to 2022 resulted in language models that can serve as a foundation for customization.

Creating foundation models is cost-prohibitive, but once created, they can be customized using a small amount of additional data to achieve state-of-the-art performance on new tasks without significant investment

2023

#### Conversational Large Language Foundation Models

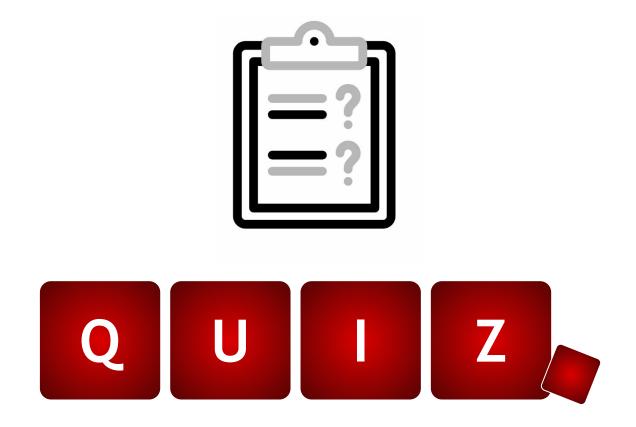
2023 marked the arrival of Bard, which gave users a simple way to access a large language foundational model. The brilliance of Bard is not just in the incredibly advanced model at its core; equally it is the ability to converse in Natural Language

of Natural Language

Around 2010, AI

**Near-Perfect Translation** 

researchers working on
natural language
translation discovered that
models exposed to vast
amounts of text produced
much better results than
models using top-down
grammatical rules



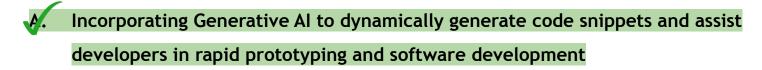
**Question**: DataSolutions Tech (a leading IT organization focused on data-driven solutions) aims to boost its software development process by leveraging the best features of Generative AI. As the CIO, you want to explore how Generative AI can contribute to the innovation and efficiency of the organization's coding practices.

Which of the following best describes a key benefit or feature of Generative AI for an IT organization in the context of software development?

- A. Incorporating Generative AI to dynamically generate code snippets and assist developers in rapid prototyping and software development
- **B.** Applying Generative AI for cybersecurity measures, automatically identifying and mitigating potential threats to the IT infrastructure
- C. Integrating Generative AI to analyze and optimize network performance, ensuring seamless connectivity for all employees
- **D.** Utilizing Generative AI to automate routine IT tasks and administrative processes within the organization

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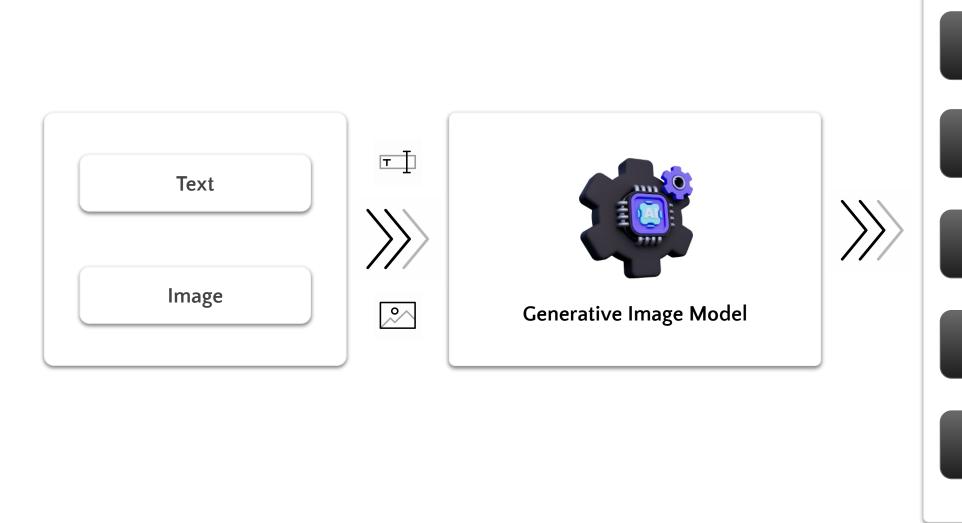
## Types of Generative Models



Generative Image Model

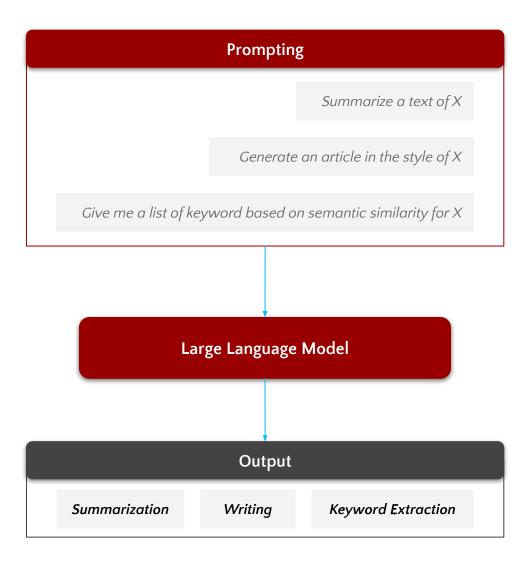
Generative Language Model

## Generative Image Model

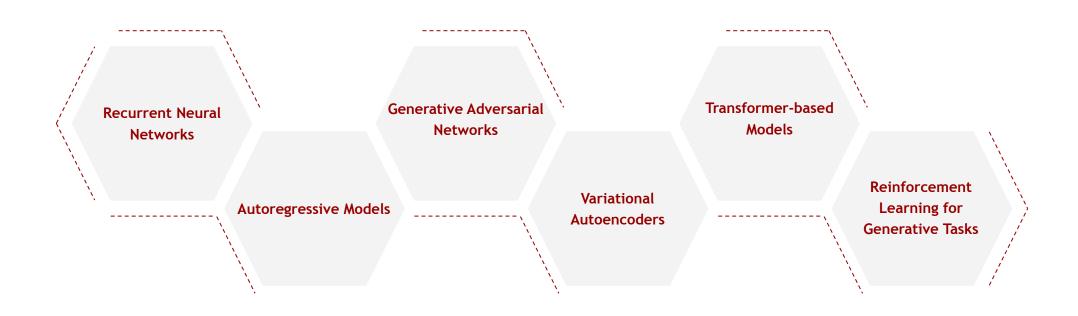


**Image Generation** Image Captioning Image Search Resolution Image Animation

## Generative Language Model

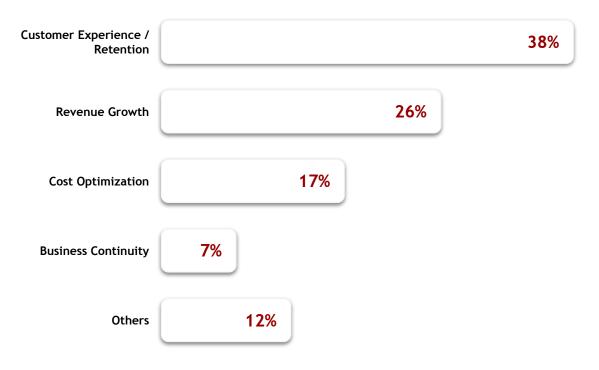


#### Various Generative Models



#### Primary focus of Generative Al

As per Gartner, following are the primary focus of Generative Al Initiatives

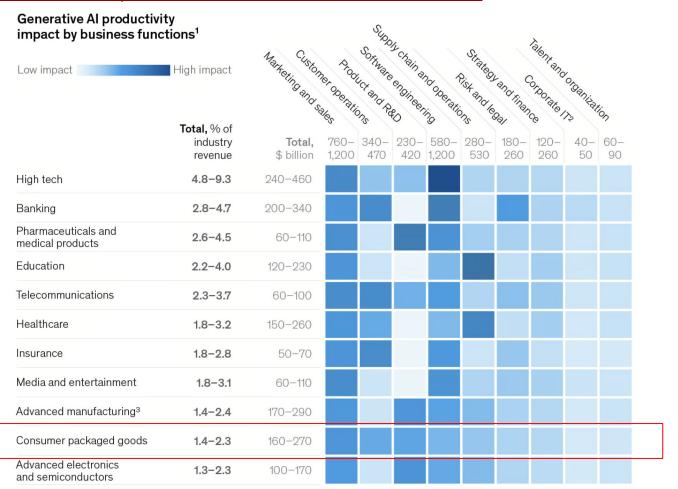


Source: <a href="https://www.gartner.com/en/topics/generative-ai">https://www.gartner.com/en/topics/generative-ai</a>



## Primary focus of Generative Al

#### Generative AI use cases will have different impacts on business functions across industries



Note: Figures may not sum to 100%, because of rounding. <sup>1</sup>Excludes implementation costs (eg, training, licenses). <sup>2</sup>Excluding software engineering. <sup>3</sup>Includes aerospace, defense, and auto manufacturing. <sup>4</sup>Including auto retail.

Source: Comparative Industry Service (CIS), IHS Markit; Oxford Economics; McKinsey Corporate and Business Functions database; McKinsey Manufacturing and Supply Chain 360; McKinsey Sales Navigator; Ignite, a McKinsey database; McKinsey analysis

#### Source:

## "To or Not To" adopt Generative AI for Retail & CPG

As per IBM,

**75**%

of CEOs believe that competitive advantage will depend on who has the most advanced Generative AI Al could make split second decisions about which content to display and how to assemble content modules based on consumer, segment, and content performance data

As per Adobe, there will be

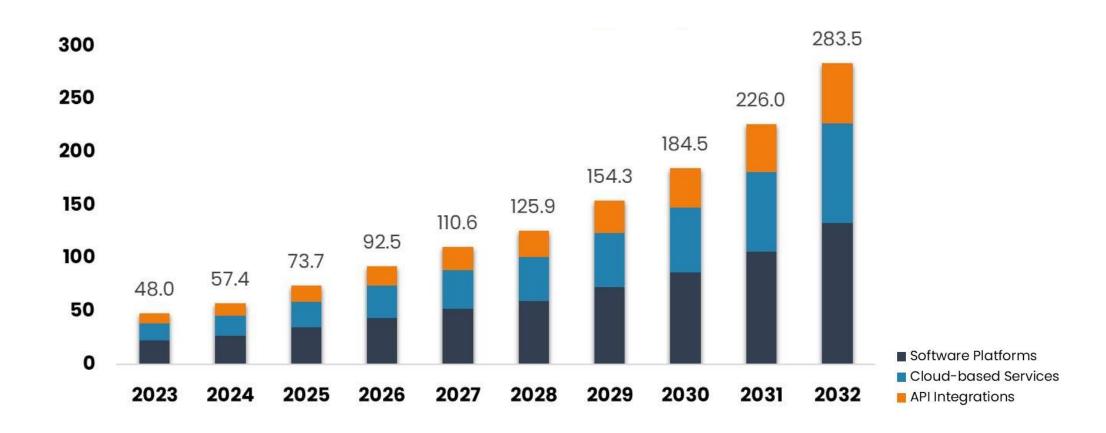
## 5X Growth

in content generation demand by the end of 2024 is anticipated by more than half of CPG marketers

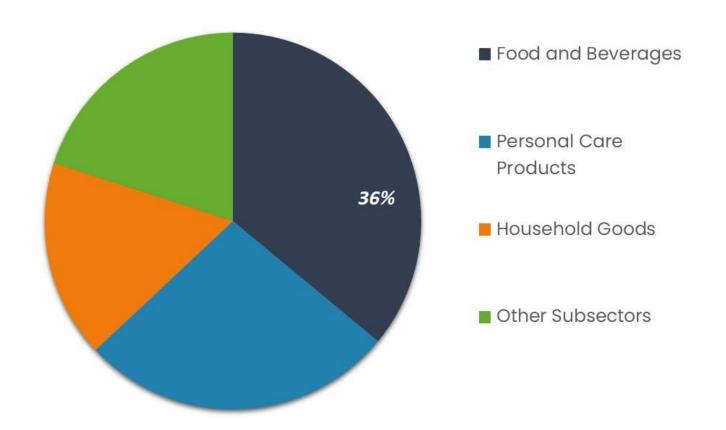


Bruce Richards
CPG Industry Strategy and Marketing Lead,
Adobe

Generative AI in the CPG market will grow at a CAGR of 22.5%, increasing from \$48 million in 2023 to \$283.5 million in 2032



Market Segmentations on the basis of CPG Sub-Sectors



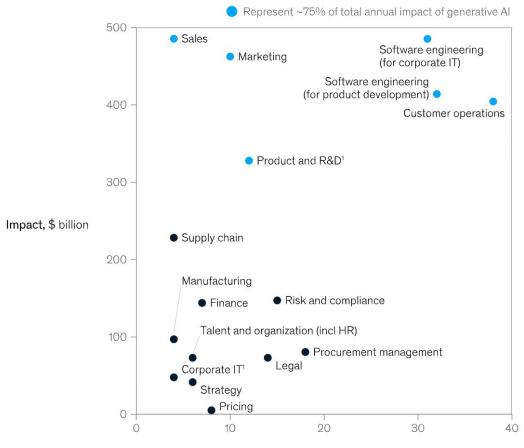
#### **Based on Solution Type**

- Software Platforms
- Cloud-based Services
- API Integrations

#### **Based on Application Area**

- Product Development
- Marketing and Advertising
- Demand Forecasting
- Supply Chain Optimization
- Customer Insights
- Data Analytics

Using generative Al in just a few functions could drive most of the technology's impact across potential corporate use cases



Impact as a percentage of functional spend, %

Note: Impact is averaged.

\*Excluding software engineering.

Source: Comparative Industry Service (CIS), IHS Markit; Oxford Economics; McKinsey Corporate and Business Functions database; McKinsey Manufacturing and Supply Chain 360; McKinsey Sales Navigator; Ignite, a McKinsey database; McKinsey analysis

#### Generative Al could deliver significant value when deployed in some use cases across a selection of top industries

Selected examples of key use cases for main functional value drivers (nonexhaustive)					Value potential of function for the industry	- High
	Total value potential per industry, \$ billion (% of industry revenue)	Value potential, as % of operating profits <sup>1</sup>	Product R&D, software engineering	Customer operations	Marketing and sales	Other functions
Banking	200-340 (3-5%)	9-15	Legacy code conversion Optimize migration of legacy frameworks with natural-language translation capabilities	■ Customer emergency interactive voice response (IVR) Partially automate, accelerate, and enhance resolution rate of customer emergencies through generative Al-enhanced IVR interactions (eg, for credit card losses)	Custom retail banking offers  Push personalized marketing and sales content tailored for each client of the bank based on profile and history (eg, personalized nudges), and generate alternatives for A/B testing	Risk model documentation Create model documentation, and scan for missing documentation and relevant regulatory updates
Retail and consume package goods <sup>2</sup>		27-44	Consumer research Accelerate consumer research by testing scenarios, and enhance customer targeting by creating "synthetic customers" to practice with	Augmented reality—assisted customer support Rapidly inform the workforce in real time about the status of products and consumer preferences	Assist copy writing for marketing content creation  Accelerate writing of copy for marketing content and advertising scripts	Procurement suppliers process enhancement Draft playbooks for negotiating with suppliers
Pharma and medical products	60-110 (3-5%)	15-25	Research and drug discovery  Accelerate the selection of proteins and molecules best suited as candidates for new drug formulation	Customer documentation generation  Draft medication instructions and risk notices for drug resale	Generate content for commercial representatives  Prepare scripts for interactions with physicians	Contract generation  Draft legal documents incorporating specific regulatory requirements

## Generative AI supports key value drivers in Retail & CPG

The technology could generate value for the retail and consumer packaged goods (CPG) industry by increasing productivity by 1.2 to 2.0 percent of annual revenues, or an additional \$400 billion to \$660 billion

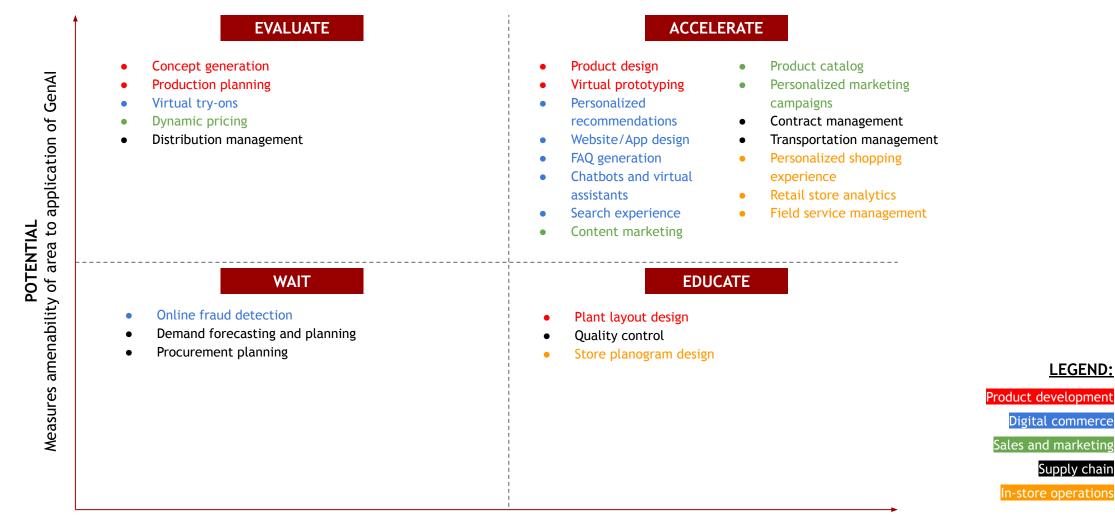
1-2%

~\$400B-\$600B

#### of global industry revenue

- To streamline processes, generative AI could automate key functions such as customer service, marketing and sales, and inventory and supply chain management
- Technology has played an essential role in the retail and CPG industries for decades
- Traditional AI and advanced analytics solutions have helped companies manage vast pools of data across large numbers of SKUs, expansive supply chain and warehousing networks, and complex product categories such as consumables
- In addition, the industries are heavily customer facing, which offers opportunities for generative AI to complement previously existing AI solutions

#### Generative AI at work in Retail & CPG



#### **EASE OF ADOPTION**

Measures roadblock or lack thereof in the path of adoption

#### Leveraging GPT API to deliver business value

- In recent months, Unilever has developed a number of new technology applications to help its lines of business in the markets of tomorrow
- Alex, powered by GPT API, filters emails in Unilever's Consumer Engagement Center,
   sorting spam from real consumer messages
- For the legitimate messages, it then recommends responses to Unilever's human agents
- Alex has helped Unilever reduce the amount of time agents spend drafting an answer
   by more than 90%
- Another Unilever tool, called Homer, leverages GPT API to generate content. It's a neural network that takes a few details about a product and generates an Amazon product listing, with a short description and long description that matches the brand tone
- Another AI-based tool that Unilever launched on the week of US Thanksgiving supports the
   Hellmann's mayonnaise brand to reduce food wastage



## AB InBev's Beck's makes 'futuristic' beer using artificial intelligence

Beck's is producing the world's first beer and entire marketing
 campaign made with artificial intelligence

- The AB InBev-owned brand said the beer, called *Beck's Autonomous*, was selected by AI as its favorite among millions of different flavor combinations it generated. The "futuristic concoction" contains water, malts, hops, yeast and AI
- F&B companies are aggressively using Gen AI to expedite product development and/or plan for the future



## Validating new product ideas & generating marketing research report

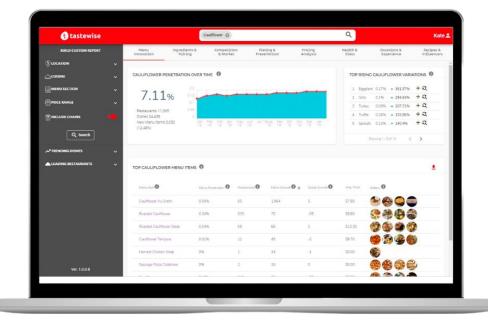
- **Nestlé** and other CPGs, including **Campbell's**, **Mars**, **Givaudan**, are reportedly using a generative AI platform called Tastewise, which helps CPGs validate new product ideas and generate market research reports
- The platform uses a proprietary AI and a dataset on food consumption to provide insights into best-selling restaurant items, a home cooking panel, and billions of real-life moments of consumption
- Generative AI is helping companies to analyze information on trends, ingredients, flavors, and health benefits from social media, online publications, and other web sources











#### Driving Disruptive and Creative Innovation



- One of the world's leading consumer packaged goods
   (CPG) companies, Coca-Cola has embraced the realm
   of generative AI, employing this technology to craft
   their latest advertisement
- Introducing Masterpiece, an AI-powered campaign

  launched by Coca-Cola, which has swiftly captured

  global attention

- This extraordinary initiative features a mesmerizing display of esteemed artworks from the annals of history, skillfully brought to life through groundbreaking artificial intelligence
- By leveraging generative AI, Coca-Cola aims to create tailored and engaging content that resonates with individual consumers,
   fostering deeper connections and driving brand loyalty

#### Personalized Nutrition

- Generative AI is taking personalization to new heights by creating customized nutrition plans
- Al models generate a personalized meal plan based on input data like age, health condition, dietary restrictions, lifestyle, and food preferences
- It can also adapt, learning from user feedback to improve the recommendations
- Companies like *Nutrino* use AI algorithms to offer personalized dietary advice, assisting people in making informed food choices for a healthier lifestyle



## Reimagine Product Marketing using Generative Al

- Using Photoshop's recently-introduced Generative Fill Al Tool, TikTok
  user @pictelate transformed the famous 17th century painting, Girl
  with a Pearl Earring by Johannes Vermeer, into a speculative
  advertisement (spec ad) for Nike
- Pictelate used Generative Fill text prompts to extend the painting background and turn it into a gym
- He made the girl 'wear a Nike headband, a Nike sports top, and transformed the image to show that the girl is taking a selfie
- The tagline reads, "Cancel Gym Selfies, If you're gonna work out,

  JUST DO IT!"



## Tailoring shopping experience as per Individual Customers

- Stitch Fix uses Gen AI to suggest style choices based on customer preferences
- Stitch Fix stylists use text-to-image generation to visualize clothing articles tailored to individual customers, facilitating a more personalized shopping experience
- Additionally, Gen AI can be leveraged to create next-generation apps to enhance customer interactions, improve customer value management, and increase cross-selling and upselling opportunities
- Stitch Fix is leveraging GPT-3 for text generation for writing product descriptions to see unprecedented time savings and scalability without sacrificing the quality of product descriptions





keywords: Everyday, Casual

title1: Everyday essentials

title2: Everyday style

title3: Your go-to basics



