

# LEVEL 0 SUMMARY TEMPLATE

---

## Instruction

This summary will be shared with L1, L2 and L3. Keep in mind that these levels do not have a full understanding of the subject. Try to write something easy to understand but not simplistic. Your summary should explain the main contribution of the paper with your own words. Furthermore, you can use simple examples, if necessary, to better explain the main ideas. Your grade will take into account the quality of your summary, the formal English language in which it has been written, and whether it helps the levels above in their own work.

---

**Name of student:** Alice CARDORELLE

**Name of your Level 1:** Edson SEMEDO BRITO

**Source (e.g. scholars.google.com):** <https://www.springer.com/fr>

**Paper title:** Value creation and value capture for AI business model innovation: a three-phase process framework

**Keywords specific to the paper:** AI, Value creation, business model

This paper is about the fact that AI (Artificial Intelligence) technologies help companies to create additional value for their customers. AI contributes to developing a proactive approach, managing uncertainty, improving cost efficiency and increasing revenue. Nevertheless, AI technology is not enough to be the most efficient, therefore companies need to develop AI business models. Indeed, the paper specifies that companies need to innovate their business model. Thus, the aim of the paper is to show how AI provides value creation and value capture to develop commercially viable AI business models.

To achieve AI business model innovation and commercialization companies need to perform key activities concerning value creation and value capture. It consists of a framework of three phases, identify prerequisites for AI value creation, matching value capture mechanisms and developing AI business model offer. Moreover AI providers need to test and develop several AI business models and operate them simultaneously. These models will be beneficial for companies because AI facilitates the creation of additional value for customers.

AI techniques allow to mimic customers behavior and automate the procedure of finding the solution to complex problems. Searchers think that AI improves operational efficiency and accelerates innovation by analyzing large data sets. Some searchers think that AI applications efficiency in business requires major investments and long development cycles. Searchers think that it is important to understand how the technology can be commercialized by using appropriate business models, companies optimize AI solutions through their business models.

Business models are described as “a mediating construct between technology and economic value” and can be divided into two functions, value creation mechanism and value capture mechanisms. In other terms, the business model is a set of activities which goal is to satisfy the final customer and optimize operational activities. That is why, with the arrival of new technologies business models need to be transformed to be adapted to these technologies. Further research is crucial to understand how to use AI solutions efficiently because AI cannot replace all aspects of human cognition.

Value creation is an essential function of the business model, it is at the core of customers satisfaction. It describes activities needed to create a service or product to solve problems and meet customer expectations. Moreover, the value creation is about how to use resources to create the value desired. Value creation procedures linked to AI are divided into different categories, activities related to increasing efficiency and cost reduction and activities related to revenue and growth. Activities to increase efficiency and cost reduction goal is to improve and refine existing operations like maintenance. Activities to grow and revenue goal is to show that AI can improve business growth. AI enables managers to make more efficient decisions under conditions of uncertainty. Moreover, AI encourages revenue growth because it accelerates innovation and the development of new solutions. Value capture is the mechanism making sure that an economic return from value creation and profits are shared in the value creation network. Therefore, value capture mechanisms ensure that profits are fairly distributed throughout the value creation network.

To conclude, AI provides value creation and value capture to develop commercially viable AI business models. AI creates value but companies need to understand how to use AI to create value. More research need to be done to really understand AI applications.