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**Article synthesis:**

Business Modeling Innovation Using Artificial Intelligence Technology

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The research endeavors to elucidate the intricacies of startups integrating artificial intelligence (AI) into their business models, seeking to discern the distinguishing features of these models vis-à-vis traditional IT-centric businesses. By examining a sample of 162 global startups, the study crafts a taxonomy encompassing four principal archetypes: Deep Tech Researcher, Data Analytics Provider, AI Product/Service Provider, and AI Development Facilitator.

One pivotal facet explored in this study revolves around the **innovative value propositions made feasible by AI technology.** These encompass a broad spectrum of capabilities, ranging from the generation of cognitive insights to the real-time detection of anomalies, all powered by the analysis of copious volumes of unstructured data. Furthermore, the study underscores the significance of ongoing learning as a fundamental component, illustrating how AI solutions continually evolve over time to enhance accuracy and efficacy, thereby solidifying their value propositions.

Moreover, the research delves into **the multifaceted applications** of AI technology, categorizing them into three primary types: machine learning **(inclusive of shallow and deep learning methodologies)**, robotics, and natural language processing/computer vision. Each of these AI types presents unique opportunities for value creation and differentiation within business models, reflecting the diverse landscape of AI startups.

Data emerges as a pivotal element in the value creation process, with startups harnessing various data sources—ranging from internally generated data to customer-provided datasets—to train their AI solutions effectively. Additionally, the study emphasizes the strategic importance of hardware provision as part of the business approach, exemplified by startups offering comprehensive platforms complemented by sensors or robotic components.

In terms of value delivery mechanisms, startups adopt diverse strategies, including software as a service **(SaaS),** platform as a service **(PaaS),** and standalone AI technology offerings. The level of customization varies across these models, with some startups offering fully configurable solutions tailored to individual client needs, while others provide standardized products or services. Additionally, the study classifies startups based on their target clientele (consumer or business) and industry scope (focused or agnostic), further highlighting the nuanced approaches within the AI startup ecosystem.

Regarding revenue models, startups employ a range of strategies, from offering free products to implementing subscription-based or transactional models. Each revenue model reflects the startup's unique value proposition, target market, and competitive positioning within the AI landscape.