AI Project Outline

## Scenario: **Product Recommendation**

**What is the business problem that needs solving?**

Our business has a twofold problem:

1. *The checkout system makes recommendations however it is very basic and not effective. Clients rarely follow the recommendation*
2. *We are missing out on demographic identification which can assist with overall marketing and improved point of sale outcomes*

**How can AI solve this problem?**

1. *We can utilize AI to assist in assessing compiled data sets in order to predictably understand what a specific customer is most likely to add to their cart from the recommendations. Additionally, we can utilize this data to drive new marketing campaigns*

**What are tools/resources needed to implement the solution?**

1. *We’ll need a data scientist who can assist with gathering, structuring the data and modelling the data. We’ll also need to decide where and how to store the data safely. We’ll also need a developer who is knowledgeable about Python and licenses for the associated software for the necessary activities*

**What ethical challenges might arise?**

1. *The first is privacy, essentially, we are “spying” on what folks buy. We’ll need to let folks know that we are “watching” them. We’ll need marketing to come up with messaging to reassure the customer that we are only watching their purchases in order to make proper recommendations*
2. *The second is making potentially harmful recommendations that are profitable to us, but harmful to the client. For example, a client that is purchasing diabetic equipment ethically should not be encouraged to purchase high sugar content products.*

**What are some tactics for addressing these ethical challenges?**

The 2 tactics we can use are:

1. *Enable membership scheme whereby customers give consent as part of a points system that allows us to make recommendations; these recommended items would be discounted and based on a point reward system*
2. *The algorithm would address the potential health concern stated earlier by making recommendations based on dietary observations. This means ‘healthy’ suggestions would be primarily suggested.*