Alibaba's Ant Financial using artificial intelligence to advance

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Ever wonder about the connection between girls in tight jeans and cracked phone screens?  
A Chinese financial services company found, through data analysis, that young girls who like tight jeans have their phone screens replaced more frequently. It then launched "screen insurance" targeting the demographic.  
As artificial intelligence (AI) transforms the financial industry, Ant Financial, the Alibaba Group's financial affiliate, is trying to utilize AI technologies to target individuals and small businesses.  
"AI is ubiquitous like water. It's like nutrition to business development," said Alan Qi, vice-president and chief data scientist at Ant Financial.  
"In today's financial services sector, it supports key business, like payment experience and anti-fraud," he said.  
The company, which operates the popular mobile payment service Alipay in China, launched its "intelligent assistant" this month. The voice-recognition system enables users to buy airline tickets and book hotels by using their voice.  
The "smart customer service", a system launched in 2015 for automated customer calls, has recently surpassed human performance in terms of customer satisfaction, according to Qi.  
AI is an important technology that generates value from data, said Qi. The company has also utilized machine-learning technology (a segment of AI based on the principle that given enough training data, machines can learn to recognize images themselves) to launch an image-recognition system to aid vehicle insurance claims.  
The AI damage-assessment system allows users to take a photo of the vehicle's exterior damage with their smartphones and send it to the insurance company. The system will then enable the insurance company to assess the extent of the damage, and list nearby repair shops and their diff erent prices to fix the damage.  
Exterior damage claims comprise about 60 percent of the 45 million private-vehicle insurance claims filed in China each year, according to Ant Financial.  
"The purpose is to use technology to help the financial industry improve efficiency, reduce costs and control risk," said Qi.  
Last week, the company hosted a technology conference in Silicon Valley, gathering hundreds of industry professionals and academic experts to explore AI innovations in the financial services sector.  
The company's approach is to bring equal opportunities to the "little guys" and "underserved" that lack access to conventional financial services, said Qi.  
Ant Financial is expanding its interests outside of China, including the US. It met with a setback early this month as its plan to acquire the US moneytransfer service MoneyGram was blocked by the US government over national security concerns.  
"The temporary setback will not impact the big picture," said Qi. "China plays a big role (in globalization). The world is getting smaller and flatter."  
The company hasn't brought Alipay to the US, because existing financial systems provide less of an opportunity. But the service is available to Chinese tourists at an increasing number of retailers, such as duty free stores at San Francisco International Airport.

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