

# Module 13 (Case: Ant Financial)

## Artificial Intelligence & Digital Ecosystems

*Please click on the following links to have direct access to the modules. Modules 1 - 15 are indic*

### M 1

(<https://canvas.vt.edu/courses/168287/pages/module-1>)

### M 2

(<https://canvas.vt.edu/courses/168287/modules/35867>)



### Overview

Welcome to Module 13! This module will last from Monday, April 17 @ 12:01 AM to Sunday, April 23 @ 11:59 PM. This unit continues our previous discussions regarding business model design, the design of operating architectures, and artificial intelligence. Business models are defined as the activity systems through which firms create for and capture value from customers in ways that are superior to their competitors. Business models are a crucial complement (i.e., enhancer) to product innovations, but can serve as sources of innovation in their own right as well. Towards this end, we will build on the business model discussion to discuss the transition in digital strategy from a focus on products to business models to AI-powered ecosystems.

In this module, we will focus our discussion to highlight the ongoing transition from business models to AI-powered operating architectures as a critical step of ecosystem design. According to our reading, operating architectures refer to the "boundaries and linkages between the components of the operating model." Just as the Bezos memo highlights, AI-powered firms use APIs (application programming interfaces) as a critical component of coordinating complex activities across the organization. Without such interfaces, firms face runaway coordination costs as the organization continues to grow.

Product/technology ecosystem design strategies are emerging in many sectors as a critical point of emphasis to build sustainable, long-term competitive advantages through the creation and robust alignment of a virtuous cycle of mutually reinforcing products, services, and customer engagement. The incorporation of AI-tools across the organizations, mediated through APIs, as different units within the firm utilize information technology tools and capabilities to create new forms of organizational design and strategy that require new ways of strategic thinking and action.



## Objectives

*Upon completion of this module, students will be able to:*

- Design key elements of a firm's AI-powered operating architecture
- Evaluate the critical challenges in transitioning from business models to full ecosystem strategies
- Evaluate the role of artificial intelligence in aiding the construction of an ecosystem business model



## Readings (45 Minutes)

### Required:

- Smart Business: Cha 3-4 (from HBSP Coursepack)
- Competing in the Age of AI: Cha. 5 (from HBSP Coursepack)

### Optional:

- [Designing Human-centered, AI Products](https://www.youtube.com/watch?v=rf83vRxLWFQ) [\\_ \(https://www.youtube.com/watch?v=rf83vRxLWFQ\)](https://www.youtube.com/watch?v=rf83vRxLWFQ)



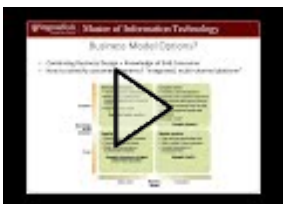
[\\_ \(https://www.youtube.com/watch?v=rf83vRxLWFQ\)](https://www.youtube.com/watch?v=rf83vRxLWFQ)

- [Machine Learning APIs \(Google Developers Conference\)](https://www.youtube.com/watch?v=ETeeSYMGZn0) [\\_ \(https://www.youtube.com/watch?v=ETeeSYMGZn0\)](https://www.youtube.com/watch?v=ETeeSYMGZn0)
- [SlideShare Presentation on Ant Financial's Rural Finance Practice](https://www.slideshare.net/ExternalEvents/ant-financial-our-rural-finance-practice) [\\_ \(https://www.slideshare.net/ExternalEvents/ant-financial-our-rural-finance-practice\)](https://www.slideshare.net/ExternalEvents/ant-financial-our-rural-finance-practice)



## Watch (60 minutes)

- [Lecture 13.2: The Evolution from Business Models to Ecosystems](https://youtu.be/3k8N26FX5cM) [\\_ \(https://youtu.be/3k8N26FX5cM\)](https://youtu.be/3k8N26FX5cM)



[\\_ \(https://youtu.be/3k8N26FX5cM\)](https://youtu.be/3k8N26FX5cM)

- [PPT Deck for Lecture 13.2](https://canvas.vt.edu/courses/168287/files/26483920/download?wrap=1) [\\_ \(https://canvas.vt.edu/courses/168287/files/26483920/download?wrap=1\)](https://canvas.vt.edu/courses/168287/files/26483920/download?wrap=1)

**Class Activities**

- Read Overview of Module 13
- Complete Assigned Readings
- Attend Optional Office Hours for Discussion of Class Material
- **Quiz #13** (<https://canvas.vt.edu/courses/168287/quizzes/421335>)
- **Case #10 Discussion: Ant Financial**  
([https://canvas.vt.edu/courses/168287/discussion\\_topics/1525894](https://canvas.vt.edu/courses/168287/discussion_topics/1525894))
- **Continue Work on AI Project** (<https://canvas.vt.edu/courses/168287/assignments/1681431>)

**Assignment (4 hours)**

*These are the graded components of the Class Activities listed above.*

- **Quiz #13** (<https://canvas.vt.edu/courses/168287/quizzes/421335>)
- **Case Discussion #10: Ant Financial**  
([https://canvas.vt.edu/courses/168287/discussion\\_topics/1525894](https://canvas.vt.edu/courses/168287/discussion_topics/1525894))
- **Continue Work on AI Project** (<https://canvas.vt.edu/courses/168287/assignments/1681431>)

**Recitation (1 hour)**

- *Please note that you are not required to attend the weekly optional office hours from 7-8 PM on Thursdays. All weekly Zoom meetings will be recorded. The optional session will be recorded for everyone who cannot attend. You will be able to access the video after it finishes processing (usually 24-48 hours after it is recorded) through the Media Gallery (Course) on the left-hand side of the screen here on Canvas.*
  - <https://virginiatech.zoom.us/j/81038408606> ➦ (<https://virginiatech.zoom.us/j/81038408606>)

**Optional Materials**

*Please find the following optional materials for the module.*

- **AI & Digital Ecosystems (long video)** ➦ (<https://www.youtube.com/watch?v=d8upEaMMeuM>)



<https://www.youtube.com/watch?v=d8upEaMMeuM>

- **Value Capture in Ecosystems (Ted Talk)** <https://www.youtube.com/watch?v=dxQHSyk5oyc>



<https://www.youtube.com/watch?v=dxQHSyk5oyc>