THE AI PLAYBOOK

for Product Teams

12 Key Insights to Dodge the Distractors
for Tactical Business Growth

Dear Reader,

Welcome to the world of Bobcats Coding. As a digital product studio, we are a cohesive team of coders, UX & UI designers, and product managers, all dedicated to the craft of creating world-class digital products.

The year 2023 presented a unique set of challenges. The burgeoning AI revolution shifted the paradigms, and it became nearly impossible to hold a client meeting without discussing the potential integration of AI into their products. Over time, we discerned a pattern: many of our clients, both existing and prospective, grappled with similar challenges and decision points.

In response to this, we sought to stay at the forefront of emerging trends and to provide guidance. Collaborating with the research team at Neuron Solutions, we identified and addressed 12 crucial pain points that repeatedly surfaced in our client engagements. The culmination of our efforts is this whitepaper:
"12 Key Insights to Dodge the Distractors for Tactical Business Growth."

Consider this whitepaper a playbook – a guiding light for product teams navigating the choppy waters of this transformative period in tech history.

Whether you're flipping through the pages or scrolling on your screen, we genuinely hope that this document enriches your journey in digital product development.

Enjoy!

Warm regards,

Barbara FAZEKAS, CEO, Bobcats Coding
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Don't Mistime your Business Tactics Due to Investors' FOMO

Investor-driven FOMO (Fear of Missing Out) has become a significant force, pushing companies to adopt AI strategies, sometimes prematurely. While the potential of AI is undeniable, businesses must approach its integration with discernment and clarity.

Investor Pressure and the Rush to AI

The allure of AI's transformative potential has led to a surge in investor interest. As AI continues to permeate various sectors, investors are increasingly eager to capitalize on its promise, leading to heightened investor pressure on companies. This phenomenon has seen startups and even established entities feeling compelled to pivot or integrate AI into their business models, even if it doesn't align with their core strategy. The recent surge in cloud adoption, as highlighted by a16z.com, underscores the importance of understanding technological nuances before diving headfirst into adoption. The lesson? Don't adopt AI just for the sake of it; ensure it aligns with your business's core objectives.

According to a 2022 McKinsey Global Survey on AI, AI adoption has more than doubled since 2017. However, the proportion of organizations harnessing AI has plateaued between 50 and 60 percent in recent years. Despite this, a select group of companies are reaping significant financial returns from AI, outpacing their competitors. These frontrunners are making substantial investments in AI, adopting advanced practices to scale AI development rapidly, and positioning themselves competitively in the AI talent market.

Use Cases: The Double-Edged Sword of AI Adoption

- **Startup Shifts:** Many startups, driven by investor demand, are pivoting their core focus to integrate AI. For instance, a startup initially focused on traditional e-commerce might suddenly shift to AI-driven predictive shopping, even if it doesn't align with their original vision. Such shifts can lead to misaligned strategies and potential long-term challenges.

- **Mistimed Investments:** Under investor pressure, companies might rush into AI investments without a clear strategy. For example, a manufacturing company might hastily invest in AI-driven machinery without the infrastructure or expertise to support it, leading to wasted resources and missed opportunities.

Conclusion

The AI revolution is here, and its potential is vast. However, businesses must navigate the investor-driven AI FOMO with caution. Embracing AI readiness is crucial, but discerning its application is even more vital. Companies must ensure that their AI strategies are not just about technology adoption but about genuinely adding value to the business. The key lies in strategic alignment, readiness, and a deep understanding of AI's role in the company's future.

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The state of AI in 2022—and a half decade in review | McKinsey
Winning with AI is a state of mind - McKinsey

Create MVP's as Early as Possible with Minimal Effort

The Essence of MVP in AI Development

Historically, building an MVP required significant time, resources, and expertise, often becoming a barrier for many startups and entrepreneurs. However, advancements in AI have revolutionized this process, enabling faster, more efficient, and accurate MVP development. An MVP is essentially a version of a product with its core features, allowing companies to test its market viability before heavy investment in development. It serves as a feedback mechanism from customers, enabling adjustments based on their responses. While it's important to create MVP's as early as possible in the process of AI-driven product development, AI can also help in the MVP development process. Let's take a look at some of the benefits of integrating AI in MVP development:

- **Improved User Experience:** AI can tailor user experiences by offering personalized recommendations based on user behavior and preferences.
- **Increased Efficiency:** Automation of tasks like data entry or customer support through AI saves time.
- **Enhanced Data Analysis:** AI's capability to swiftly and accurately analyze vast data sets provides invaluable insights for product development.
- **Scalability:** AI allows startups to scale their products without proportionally increasing resources.
- **Cost Efficiency:** Automation leads to cost savings, allowing startups to allocate resources more strategically.

VentureBeat emphasizes the importance of starting with an MVP before launching a full-fledged machine learning model. This approach helps in understanding the market's response and refining the model accordingly. On the other hand, LinkedIn's article showcases how companies like Amazon and Zappos utilized MVPs to validate their business ideas. Amazon began as an online bookstore, and Zappos initially focused on shoes, using a drop-ship model. Both companies expanded their product lines after validating their MVPs.

Beyond Sentiment Analysis - Social listening and AI

While early social listening primarily focused on monitoring brand mentions and gauging sentiment, advancements in machine learning have taken it several notches higher. Today, businesses can delve deep into natural language content, monitor visual content like images and videos, and pinpoint specific triggers for consumer sentiment. This granular analysis allows companies to map customer preferences, understand their interconnected influences, and even tackle the challenge of unclean data.

For example Sprinklr, a leading player in the domain, emphasizes the potential of AI-powered social listening tools to tap into over 500 million daily conversations. These tools not only monitor conversations beyond core brand channels but also transform this vast unstructured data into actionable insights. Such insights are pivotal for driving business growth and enhancing customer experiences

Conclusion

In the age of AI, building an MVP is more than just a development phase; it's a strategic move. It allows companies to validate their AI-driven products in re-al-world scenarios, gather feedback, and refine their offerings. By leveraging AI technologies, companies can achieve accelerated development, gain a competitive edge, and adapt swiftly to market changes.

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Using AI to Build Your Minimum Viable Product (MVP) - LinkedIn
Building an AI app Minimum Viable Product the Smart Way - Day One
Social Listening Is Revolutionizing New Product Development
Social Listening Tool | Built on an AI Powered Platform - Sprinklr

Use Low Code and Synthetic Data for Rapid Prototypes and Abstract Validation

The integration of low-code platforms and synthetic data has emerged as a game-changer for rapid prototyping and abstract validation. These advancements streamline the prototyping process, reducing the need for numerous experts and users, and paving the way for more efficient and effective product development.

Rapid Prototyping and Abstract Validation: The New Norm

Low-code platforms offer a simplified approach to application development, allowing for faster deployment with minimal to none hand-coding. This approach is particularly beneficial for businesses looking to quickly test and validate their prototypes. On the other hand, synthetic data, generated artificially rather than being derived from real-world events, provides a safe and scalable way to test and validate these prototypes without compromising on user privacy or data security.

Use Cases and Practical Applications

- **AI-driven Interactive Mockups for User Feedback:** The 'Penji' platform offers an AI-driven UI generator that can produce high-fidelity mockups in minutes. This not only accelerates the design process but also facilitates immediate user feedback, ensuring that the final product aligns with user expectations.

- **Testing Landing Page Variations using AI Insights:** Leveraging AI for mockup-to-code solutions, as discussed on LinkedIn, can help in rapidly testing different landing page variations. By analyzing user interactions and feedback, businesses can optimize their landing pages for maximum engagement and conversion.

- **Synthetic User Data for UX Testing:** AI's impact on the UX design industry is profound. As outlined by DesignLab, AI tools can automate tasks like analyzing user data, creating user personas, and even automating design workflows. By using synthetic data, UX designers can conduct comprehensive user testing without the need for real user data, ensuring privacy while obtaining valuable insights.

Synthetic data possesses the potential to revolutionize UX testing by substantially reducing the requisite number of participants for a given research phase. For instance, the platform 'Synthetic Users' facilitates the validation and examination of concepts through tailored personas. While this offers a comprehensive approach to the interview process, it is currently imperative for researchers to retain human interactions and not entirely dismiss interviews with actual individuals. The congruences and discrepancies between synthetic data and real-life interviews can serve as foundational elements for subsequent research inquiries or developmental determinations.

The Power of Synthetic Data in Marketing

Survicate emphasizes the transformative potential of AI in the realm of marketing. AI-driven platforms can seamlessly analyze vast amounts of customer feedback, categorize issues, and even automate mundane processes. Tools like chatbots, powered by conversational AI, enhance customer experience by providing real-time responses. Such automation, combined with synthetic data, ensures accurate, unbiased, and actionable insights that can drive marketing strategies.

Conclusion

The fusion of low-code platforms and synthetic data is revolutionizing the way businesses approach prototyping and validation. By harnessing the power of AI and leveraging synthetic data, companies can achieve faster, more accurate results, ensuring that their products and services are not only innovative but also resonate with their target audience. As technology continues to evolve, it's clear that these tools will play an integral role in shaping the future of product development and market research.

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AI vs Low-code vs No-code: Which One is Right for Your Project?
7 Ways UX Designers Can Use AI to Their Advantage - Designlab
Use AI To Make Customer Feedback Analytics More Actionable
Synthetic Users - Test your idea or product with AI participants

Leverage AI in Every Aspect of Your Coding Process, but Remember It's Still a Coding Process

The integration of Artificial Intelligence (AI) into the coding and development process is not just a trend but a revolution. It's reshaping how developers approach problems, optimize solutions, and even how they learn. Here's a deep dive into how AI is enhancing the coding landscape:

AI as Digital Aid in Coding

The journey towards code perfection can sometimes be daunting. However, with advancements in AI, developers now have the opportunity to have a digital assistant by their side. This assistant can analyze every line of code, catch bugs and vulnerabilities, and suggest improvements that can elevate the quality of work from good to exceptional. For instance, AI tools like ChatGPT can be consulted for idea generation, especially when developers hit a mental block. By describing the problem in detail, ChatGPT can provide potential solutions or even code snippets to help developers get back on track.

Let's take a look at some of the potential use of AI in coding-related activities:

- **Code Reviews and Quality Assurance:** For budding developers, AI can be a boon in reviewing code. Tools like Rankode provide personalized reports highlighting strengths, areas of improvement, and an overall assessment of programming skills. Such feedback can be invaluable in tracking growth and ensuring that poor coding habits are kept at bay.

- **Code Completion:** While AI shouldn't be relied upon to code projects in full, it can be invaluable in assisting with code completion. For instance, when a developer has a concept in mind but struggles to translate it into code, AI tools can provide code snippets as guidelines. This not only aids in understanding but also ensures that the developer doesn't stray from best practices.

- **Bug Detection and AI-Driven Debugging:** One of the most tangible benefits of AI in coding is its prowess in bug detection. Tools like Github Copilot, supercharged by AI, act as built-in assistants, offering suggestions and maintaining code quality. Such tools reduce the likelihood of vulnerabilities, especially for less experienced programmers.

- **Performance Optimization:** Beyond just writing code, AI can also assist in optimizing performance. By checking back with AI tools, developers can ensure that their methods or functions are optimized for the best runtime. This proactive approach can significantly raise the bar of coding quality.

- **AI-Driven Documentation:** Clear and concise documentation is crucial, especially when working collaboratively. AI can assist developers in producing higher quality documentation by fleshing out explanations, correcting errors, and even beautifying guides with custom images and AI-generated icons.

Copilots and Assistants

Although Large Language Models (LLMs) have emerged in recent times, there exist notable instances of code-aiding systems. GitHub Copilot, an advanced artificial intelligence-driven mechanism, is engineered to operate in conjunction with developers within their respective editors. It proffers recommendations spanning entire lines to comprehensive functions. This system has undergone training on several billion lines of code, equipping it to convert natural language directives into coding suggestions across a diverse array of programming languages. Another example is Smol-developer, which emphasizes a human-centric methodology, facilitating coherent whole-program synthesis (the generation of code blocks from a single prompt) that is both modifiable and intelligible. Additionally, GPT Engineer stands out as a model designed for facile adaptation and extension, empowering AI agents to assimilate the desired code structure. This model is capable of producing an exhaustive codebase predicated on a given prompt.

Conclusion

The integration of AI into the development process is a game-changer. It's ushering in new levels of efficiency, accuracy, and creativity. However, it's essential to remember that while AI can amplify potential, the core coding process remains in the hands of the developer. AI should be considered as a tool to enhance skills, not replace them - in this paradigm, the role of humans is shifting from coder to supervisor.

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Github Copilot
Smol Developer - The Fully Remote Virtual Developer
GPT Engineer

A Generalist Empowered by AI Surpasses a Specialist Developer

In the rapidly evolving landscape of technology, the role of specialists and generalists in the workforce has been a topic of much debate. With the advent of AI and its increasing integration into various sectors, this debate has gained even more significance. Here's a deep dive into the subject, drawing insights from various sources.

Cheers to the Generalists

The AI-driven workplace is undergoing a significant transformation, and the role of generalists is becoming increasingly crucial. Kevin Joy, in his article titled "Embracing the Generalist Role in an AI-Driven Workplace", emphasizes the importance of generalists in the current AI landscape. He argues that as AI continues to shape the future of work, generalists, with their broad knowledge and adaptability, are better positioned to leverage AI tools and technologies across various domains. Jamil Joo, in another LinkedIn article, discusses the future of software in an AI-driven development environment. He highlights the need for a shift in mindset from specialization to generalization, given the versatility and wide-ranging applications of AI.

Another important topic - addressed by The CareerFoundry - describes the jobs that AI is taking over and underscores the importance of adaptability and a broad skill set in the face of AI-driven automation. While certain specialized roles might become obsolete, those with a generalist approach, equipped with AI tools, will thrive. The rise of AI can be viewed as the "master of all trades" and it will bring shifts and modifications on the horizon for the workforce.

Benefits of employing generalist developers in an AI-driven development landscape

The potential positive effects of employing a generalist over a specialist can be highlighted along the following arguments:

- **Adaptability Across Domains:** Generalists, with their broad knowledge base, can easily adapt to various domains. In an AI-driven environment, where tools and technologies have wide-ranging applications, this adaptability becomes a significant asset.

- **Leveraging AI Tools:** AI offers a plethora of tools that can be applied across different sectors. A generalist, familiar with multiple domains, can effectively leverage these tools, whereas a specialist might be limited to a particular niche.

- **Continuous Learning:** The dynamic nature of AI necessitates continuous learning. Generalists, with their inherent trait of curiosity and willingness to explore various fields, are better positioned to keep up with the rapid advancements in AI.

- **Problem Solving:** With their diverse knowledge, generalists can approach problems from various angles, leading to innovative solutions. In an AI-driven landscape, this ability to think out of the box becomes invaluable.

Rubber ducking 2.0

The "rubber duck debugging" method is a technique used by software developers to troubleshoot and identify issues in their code. The process involves the programmer explaining their code, line by line, to an inanimate object, such as a rubber duck. The act of articulating the code's logic and functionality out loud often helps the developer identify errors, inconsistencies, or logical flaws that they might have overlooked. For the formulation of an optimal prompt for an artificial intelligence coding agent, it is imperative to possess a comprehensive understanding of the software's objectives and architectural framework. Analogous to the "rubber duck" methodology, articulating these attributes to an AI agent can facilitate a more efficient and streamlined development procedure.

Conclusion

While specialists bring depth to the table, the AI-driven landscape demands breadth. Generalists, empowered by AI, not only bring versatility but also the adaptability required in this ever-evolving domain. As AI continues to permeate various sectors, the workforce needs to shift its focus from deep specialization to broad generalization, ensuring they remain relevant and valuable in the future.

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The Impact of Artificial Intelligence: Is AI Taking Over Jobs?

Understand Data Science Roles and Skills and Integrate them Properly into Your Teams

The Changing Landscape of Developer and Data Scientist Roles

Data scientists work with vast datasets, algorithms and machine learning models to derive valuable insights from raw data. However, gathering, refining and using this data requires management, leading to the emergence of the data science product manager role. This role bridges the gap between data science teams, product teams, data engineering teams, and product development teams, ensuring that data-driven insights align with product objectives.

Key Data Science Roles

- **Data Scientist:** Tasked with analyzing large datasets to derive meaningful insights. They utilize machine learning models, algorithms, and AI tools to predict trends and patterns.

- **Data Engineer:** Responsible for designing, constructing, and maintaining the architecture (like databases and large-scale processing systems), pipelines, and data sets data scientists use.

- **Data Science Product Manager:** A bridge between data science and product teams. They understand customer needs, identify AI and machine learning use cases, and ensure that product launches align with data insights.

Skills Required in a Data Team

- **Technical Proficiency:** A deep understanding of programming languages like Python and SQL, and tools like Tableau and Microsoft Office Suite.

- **Data Science Principles:** Knowledge of machine learning, deep learning, AI, and statistical models.

- **Product Management:** Ability to manage cross-functional product development and deployment processes.

- **Business Acumen:** Understanding of business needs and the ability to translate data insights into actionable business strategies.

Integrating Data Science Roles into Product Teams

Legacy companies often face challenges in leveraging data effectively. The introduction of data products, which are reusable datasets analyzed in various ways to address business problems, has necessitated the role of data product managers. These professionals don't necessarily possess the technical expertise to create models but have the capability to manage a cross-functional product development process.

Moreover, the integration of data science roles ensures that AI and analytics applications transition from mere models to actual production deployment. A cohesive team ensures that more than just a fraction of developed models see real-world application.

Conclusion

In the era of AI and data-driven decision-making, understanding and integrating data science roles is not just beneficial—it's essential. Companies must recognize the value these roles bring and ensure that they are an integral part of the product development process. Data can be produced and used all over the different divisions of a company, so data analysts and data scientists should be working horizontally in cooperation with other departments. By doing so, businesses can ensure that they remain competitive in an increasingly data-centric world, facilitating data-driven decisions.

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Why Your Company Needs Data-Product Managers
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11 Tips to Become a Truly Data-Driven Company - Sisense
How to Become a Data-Driven Company - Mode Analytics

Be aware: AI Startups have Different Economics from Classic SaaS Startups

To build or buy AI solutions: Let the use case be your guide.

The SaaS model, which has dominated the tech industry for years, is undergoing a transformation. As per a TechCrunch article, the architecture of SaaS impacts its pricing and profitability. The multi-tenant architecture, which allows multiple customers to share a single instance of an application, has been a cornerstone of the SaaS model. However, with the rise of AI, there's a shift towards single-tenant architectures, where each customer has a dedicated instance. This shift can lead to increased costs, challenging the traditional SaaS economic model. The journey of AI startups is fraught with challenges. According to Metaverse Post, approximately 70% of startups fail, with AI startups facing specific hurdles such as running out of money, insufficient demand, and ineffective business models. Factors like intense competition, regulatory changes, and internal disagreements further exacerbate these challenges.

On the brighter side, there are SaaS tools that can be a boon for businesses, especially in turbulent times. As Sifted reports, software spending is often the second major cut businesses make to extend their runway. Yet, certain SaaS tools remain indispensable. Tools like Infracost help businesses estimate cloud computing costs, while platforms like Silo Team optimize the onboarding process for developers. Sastrify assists companies in managing software licenses, and Budibase enables the rapid development of custom business applications.

Some of the use cases related to SaaS and transitioning to in-house solutions:

Startups facing unexpected high costs from AI SaaS: With the shift from multi-tenant to single-tenant architectures in SaaS, costs can escalate. AI startups need to be prepared for these unexpected expenses and strategize accordingly.

Successful transition from third-party AI solutions to in-house AI systems: Leveraging tools like Infracost and Budibase can aid startups in transitioning from relying on third-party solutions to developing in-house AI systems, optimizing costs, and enhancing efficiency.

Rise of the Platforms

AI development platforms are important tools that empower developers to design, manage, and deploy AI applications. These platforms offer the essential infrastructure for AI model development, including access to datasets and computing resources. They also facilitate the integration of data sources and the creation of workflows for managing machine learning algorithms. Moreover, they provide an environment for deploying models into production systems for end-user utilization. There is a strong competition between platforms created and maintained by Google, Amazon or Microsoft (just to name the big ones). Yet, no one knows which platform or ecosystem will be the winner of the AI race - in this chaotic state, it can be a valuable survival technique to build the competency of rapid prototyping and transition from one service to another.

Conclusion

While the allure of AI is undeniable, startups venturing into this domain must be cognizant of the unique economic challenges they might face. The decision to build or buy AI solutions should be guided by the specific use case, and startups should leverage available tools to navigate the complex landscape successfully. The AI development landscape is vast, with platforms catering to diverse needs, from data processing to model deployment. There are numerous choices of different platforms and services, and being able to make the transition from one to another is a valuable skill.

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As net retention plummets, AI could be the savior software - TechCrunch
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Top 10 AI Platforms by AI Magazine
Best AI Development Platforms 2023 - Review and Comparison

AI Roadmap - Plan Your Shift from Third-party AI solutions to In-house AI Systems Before AI SaaS Eats your Profit

In Artificial Intelligence (AI) development, the path to success is paved with strategic decisions. One of the most crucial choices businesses face is whether to rely on third-party AI solutions or to develop in-house AI systems. The answer, as with many things in the realm of technology, is not straightforward and requires a well-defined roadmap.

Directives to an AI Product Roadmap

It's hard to create an uniform roadmap for all the different variations of AI-based or AI driven products. However, there are some common directives which can be followed to increase the chances of success during the development and deployment phases:

1. **Gain experience:** It's not merely about understanding the theoretical underpinnings but also about hands-on experience in real-world applications. As AI continues to evolve, it's crucial for developers and organizations to immerse themselves in practical scenarios, pilot projects, and experimental deployments. This iterative learning process allows for the refinement of algorithms, the identification of potential pitfalls, and the understanding of the nuances of integrating AI into various product ecosystems.
2. **Build capabilities:** Building capabilities goes beyond just acquiring skills. It encompasses the establishment of a robust infrastructure, the cultivation of a multidisciplinary team, and the fostering of a culture of continuous learning and innovation. In the AI landscape, it's essential to have both the hardware and software capabilities to handle vast amounts of data, run complex algorithms, and deploy scalable solutions. Moreover, a team with diverse expertise—ranging from data scientists and machine learning engineers to domain experts and ethicists—can holistically approach AI product development, ensuring both technical proficiency and ethical considerations are addressed.
3. **Distinguish between core and non-core areas:** Not all aspects of an AI product are of equal importance to an organization's strategic goals. It's vital to delineate between what is core—integral to the product's value proposition and competitive advantage—and what is non-core, which, while essential, might not be a unique differentiator. By making this distinction, organizations can allocate resources more efficiently, prioritize research and development efforts, and streamline the product development process.

4. **Build in the core area and buy in the non-core area:** Once the core and non-core areas are identified, a strategic approach to development is required. For core areas, it's imperative to build in-house. This ensures that the organization has full control over the critical components that define its product's uniqueness and competitive edge. It allows for customization, proprietary innovations, and a deep understanding of the underlying technology. Conversely, for non-core areas, it might be more cost-effective and efficient to buy or license existing solutions. This approach reduces the time-to-market, leverages the expertise of external vendors, and allows the organization to focus its resources on its core competencies. By adopting a "build in the core, buy in the non-core" strategy, organizations can optimize their AI product development, ensuring agility, cost-effectiveness, and a strong market position.

Transitioning from Third-party to In-house Solutions

The decision to shift from third-party AI solutions to in-house systems is multifaceted. While third-party solutions offer quick deployment and scalability, they may not always align with the specific needs of an organization. Moreover, as highlighted in the provided articles, there's a significant cost implication associated with AI SaaS solutions. Startups, in particular, may find themselves grappling with unexpected high costs. On the other hand, in-house systems, though initially resource-intensive, offer customization, better integration with existing systems, and long-term cost benefits.

Conclusion

The journey of AI-driven application development demands a structured approach. Developers need roadmaps to guide them through the various stages of AI development, ensuring they harness the right tools at the right time. However, these roadmaps need to be case-tailored, there are valuable directives which can be taken in consideration, like the "build in the core, buy in the non-core" strategy.

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The AI Playbook: How to develop an AI strategy | by David Kelnar
Custom AI Solutions or Ready-To-Use Products? How to Approach …
Creating Roadmap For an AI Platform

Keep Your Eyes on Data Handling Regulations and Be Ready for Drastic Business Moves

The legal and ethical dimensions of Artificial Intelligence (AI) are important. Yet, many of these dimensions are still uncharted, presenting potential vulnerabilities for businesses and consumers alike. As AI continues to permeate various sectors, understanding the intricacies of data regulations becomes crucial for businesses to thrive and for consumers to be protected.

Data: The New Age Capital

Data, in the contemporary digital age, is akin to capital. It can be leveraged in myriad ways – some forbidden, some critical, and some free. The European Union's regulatory framework for AI underscores the importance of trustworthy AI, emphasizing human oversight, transparency, and accountability. This framework sets the stage for how data can be used, ensuring that AI systems are not only robust and reliable but also respect European values and rules. It highlights the importance of personal rights and personal decisions upon the usage of personal data. Unlike Europe, the US does not have a single, comprehensive federal data protection law. Instead, it comprises a mix of federal and state laws that address various sectors and data types (for example: Privacy Act of 1974, HIPAA, GLBA, COPPA or CCPA). Asia presents a diverse landscape when it comes to data protection, influenced by its varied cultural, economic, and political contexts. The region has seen a significant focus on data privacy rules, especially with the challenges posed by globalization and the COVID-19 pandemic. Because of the diversity in data protection regulations, many companies choose Asia as a starting point with AI development.
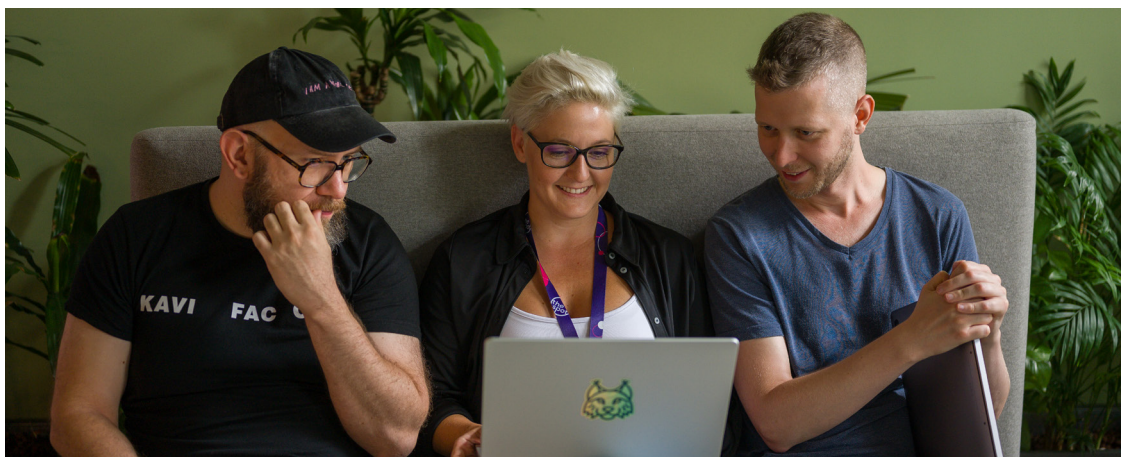
Geographic Strategy: More Than Just a Location

Choosing the location of a business or its target market is no longer just about logistics or market size. It's about navigating the complex web of data regulations. The location defines the regulations a company must adhere to, and in the realm of AI, this can significantly impact business operations. For instance, the European Union's AI Act aims to ensure that AI is used safely, respecting fundamental rights and values. Such regulations can influence a company's decision on where to operate or whom to target. While some companies might consider geographical relocation as a strategy to circumvent stringent data regulations, it's essential to remember that the target market often remains unchanged. The General Data Protection Regulation (GDPR) has had profound implications on various industries, including the relocation sector. It doesn't matter if the company is in Asia - if the target market is in Europe, the GDPR will apply to its operations. For example, tech giants like Facebook and Google had to make significant changes to their operations due to GDPR, showcasing the far-reaching consequences of such regulations.

Bias in Data: A Silent Threat

The "Blueprint for an AI Bill of Rights" from the White House emphasizes the importance of equitable automated systems. These systems should not contribute to unjustified discrimination based on race, gender, religion, or other protected classifications. As AI systems are trained on data, any inherent bias in this data can lead to skewed results, further perpetuating societal inequalities. Unfortunately - as the Netflix documentary Coded Bias demonstrated - these biases can be observed quite often, that's why regulations and cautious behavior is needed related to data validation and usage.
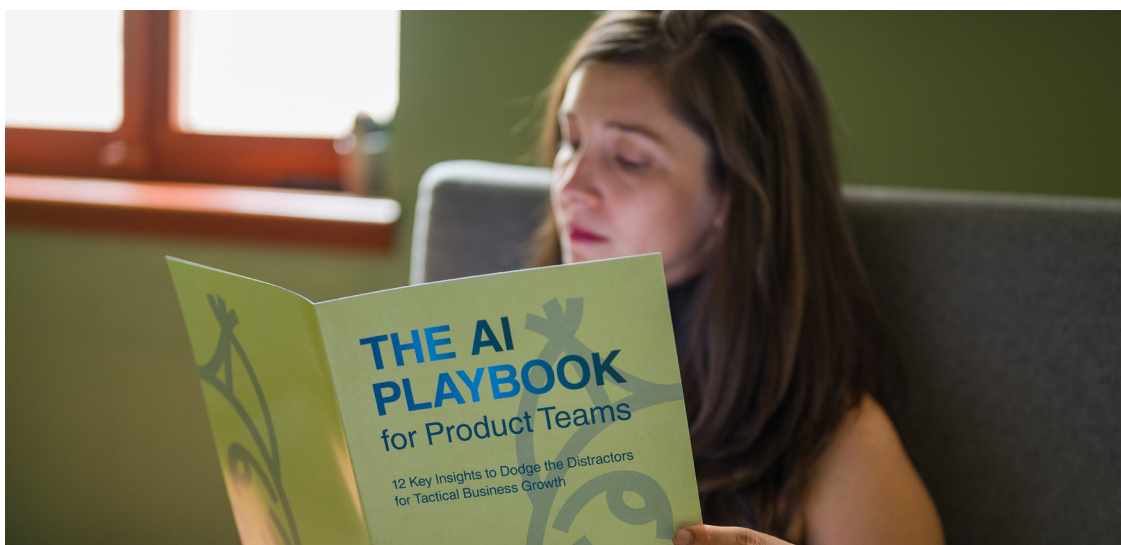
Use Cases: Navigating the Regulatory Maze

- **Data Security Concerns:** Different regions have varying concerns about data security. While Europe focuses on user rights and transparency, the U.S. emphasizes civil rights and democratic values in AI systems.

- **Relocating for Favorable Regulations:** Some companies have relocated to benefit from more favorable data handling regulations. However, this move can be a double-edged sword, as the primary market's regulations still apply.

- **Startups and GDPR:** Early-stage startups, especially those with AI-driven user interactions, have had to navigate the complexities of GDPR. Ensuring compliance while still delivering innovative solutions has been a challenge for many.

Conclusion

As AI continues to shape the future, businesses must remain vigilant about data handling regulations. Understanding and adapting to these regulations will not only ensure compliance but also foster trust among consumers. The uncharted territories of AI's legal and ethical dimensions present challenges, but with awareness and preparation, they can be transformed into opportunities.

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Blueprint for an AI Bill of Rights - The White House
How GDPR affected the relocation industry - Atlas Van Lines
These companies are getting killed by GDPR
Data localization and new competitive opportunities | McKinsey
European Union AI Act Explained

Five Useful AI Tools in 2023

AI tools have emerged as game-changers for product developer teams. These tools, powered by advanced algorithms and machine learning capabilities, are transforming the way teams operate, from management to developers. Here, we delve into five standout AI tools that are making waves in 2023.

1. **ClickUp: The All-in-One Project Management Tool**
   Best known for its project management capabilities, ClickUp offers a suite of features tailored for team collaboration and productivity. Its AI-driven platform allows for seamless scheduling of multiple projects, management of dependencies, and prioritization of tasks. With over 15 custom views, including Gantt charts and whiteboards, ClickUp stands out as a versatile tool for product managers.

2. **Otter.AI: Revolutionizing Voice Meeting Notes**
   Otter.AI is a must-have application for professionals inundated with meetings. This tool offers real-time transcription, turning voice into text and allowing users to review and browse content later. With its AI assistant, Otter.AI ensures that even when you're triple booked, you won't miss out on crucial meeting details.

3. **ChatGPT and Plugins: The NLP Powerhouse**
   ChatGPT, powered by OpenAI's GPT-3 and GPT-4 models, has become an indispensable tool for product managers. This natural language processing tool provides relevant answers to a myriad of questions, making it a go-to for professionals seeking clarity and insights. Its integration capabilities also mean that it can be seamlessly incorporated into various apps, enhancing productivity.

Let's take a look at some of the outstanding plugins of ChatGPT:

- **Webpilot:** This plugin enhances the browsing capabilities within ChatGPT, allowing users to seamlessly navigate the web and retrieve information.
- **Code Interpreter:** A valuable tool for developers, this plugin interprets and executes code, providing real-time feedback and solutions.
- **Retrieval:** This plugin aids in retrieving specific information, making it easier for developers to find relevant data or code snippets.
- **Zapier:** Known for automating workflows, the Zapier plugin for ChatGPT can integrate with numerous apps, streamlining processes for product development teams.
- **There's an AI for That:** The plugin for AI plugins - this tool can help find the appropriate plugin for all the different kinds of tasks which can be addressed through ChatGPT's interface.

4. **Collato: AI-Driven Knowledge Management**
Collato is redefining knowledge management by eliminating information silos and fostering collaboration. Its AI-driven platform integrates with popular tools like Notion, Jira, and Google Docs, ensuring that teams have access to the information they need, when they need it. From summarizing product knowledge to syncing data across platforms, Collato is a huge help for product teams.

5. **Synthetic Users: User Research Without the Headaches**
Synthetic Users offers a revolutionary approach to user research by allowing businesses to test their ideas or products with AI participants. This innovative platform promises to deliver decisions with confidence, eliminating the traditional challenges of scheduling and recruiting respondents for user testing.

Conclusion

The tools highlighted above are just a glimpse into the vast array of AI-driven solutions available to product developer teams in 2023. From enhancing productivity to streamlining workflows, these tools are set to redefine the future of product development. As AI continues to evolve, it's clear that its applications in the realm of product management are boundless.

Sources:

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See Through the Hype and Understand the Importance of Early Adaptation

In the era of rapid technological advancements, Artificial Intelligence (AI) stands out as a beacon of potential and promise. However, like any powerful wave, it comes with its own set of challenges. The key is not to get lost in the vast ocean of AI but to learn how to navigate its waters effectively.

Seeing Through the AI Hype Cycle

The AI hype cycle has been a significant distraction for many companies. The pressure to invest early in emerging technologies can be overwhelming, especially when the stakes are high in terms of gaining a competitive edge. However, as highlighted by hbr.com, it's crucial to differentiate between genuine opportunities and mere hype. The field of AI is rapidly evolving, with investments expected to rise from $33 billion in 2021 to $64 billion in 2025. Amidst this growth, generative AI, such as ChatGPT and DALL-E, has garnered significant attention, leading to an influx of funding. However, business leaders need to be cautious and ensure they are not swayed by oversold technologies. Giri Tatavarty, in his LinkedIn article, emphasizes the importance of moving beyond the gloom and doom associated with AI. He underscores the significance of generative models and their potential to revolutionize industries. However, the key lies in understanding their practical applications rather than getting lost in the surrounding noise.

Balancing AI Hype with Practicality

Szabolcs Kósa, in another insightful LinkedIn piece, draws a parallel between an old Chinese wisdom and the current AI scenario. The wisdom suggests that while a wise person focuses on the bigger picture, a fool gets distracted by superficial details. In the context of AI, it's essential to see beyond the hype and recognize the technology's real potential. Kósa suggests a multi-pronged approach for businesses:

- emphasizing simplicity
- focusing on internal productivity
- prioritizing transparency and ethics

While AI tools, like ChatGPT, offer immense potential, the surrounding hype can impede business leaders' ability to make informed decisions. It's essential to understand that technology bubbles are often based on narratives that might not always hold true. Business leaders need to be wary of these narratives and ensure they are grounded in reality. One way to not get lost in the hype and the opportunities of the AI revolution is to keep on experimenting, build a competent team and use an agile mindset to be able to test different approaches in a fast methodology.

The Early Bird Gets the Worm

In the realm of AI, early adopters have a distinct advantage. By integrating AI technologies at the nascent stages, businesses can gain a competitive edge, positioning themselves as industry leaders and innovators. Early adaptation allows companies to understand the intricacies of AI, refine their strategies, and optimize their operations long before their competitors catch up. As the adage goes, "The best time to plant a tree was 20 years ago. The second-best time is now." In the context of AI, the best time to adapt is now.

Conclusion

AI, with its dynamic nature, offers a plethora of opportunities. However, it's crucial for businesses to navigate its waters with a clear vision, focusing on practicality and experimentation, real-value assessment, and early adaptation. By doing so, they can harness the power of AI effectively, ensuring they reap its benefits while avoiding potential pitfalls.

Sources:

The AI Hype Cycle Is Distracting Companies - Harvard Business Review
Beyond the AI Hype & Gloom: A Practical Guide to Generative Models - LinkedIn
Finding Balance between AI Hype and Practicality - LinkedIn
Don't Get Distracted by the Hype Around Generative AI - MIT Sloan Review

Never Stop Assessing When and How to Leverage AI

AI's vast capabilities promise to revolutionize industries and redefine the boundaries of what's possible. Large Language Model-fueled technologies can be viewed somehow as general purpose AI tools, capable of many different tasks. However, as with any potent instrument, it's essential to recognize its boundaries and deploy it judiciously.

FOMO-Driven Decisions and Tech Booms

The Harvard Business Review article titled "3 Things AI Can Already Do for Your Company" suggests taking an incremental approach to AI adoption rather than a transformative one. It highlights that while AI can automate business processes, provide insights through data analysis, and enhance customer and employee engagement, it's essential to avoid decisions driven by the Fear Of Missing Out (FOMO). For proper use and adequate strategic decisions it's crucial to understand the real-world applications of AI and the challenges of scaling it. The 2022 Gartner Hype Cycle for Artificial Intelligence emphasizes that while AI offers numerous benefits, it's essential to pay attention to innovations expected to hit mainstream adoption in the next two to five years. There is an observable parallel between the AI revolution and past tech booms, suggesting that early adoption of innovations like composite AI, decision intelligence, and edge AI can provide significant competitive advantages.

Successes and Failures

AI's integration has seen both remarkable successes and notable failures. Successful integrations have transformed industries, offering solutions that genuinely added value. However, there have also been instances where AI implementations, driven more by hype than genuine need, have failed to deliver on their promises. For instance, while AI has the potential to automate business processes and provide insights, it's essential to ensure that these processes are suitable for automation. Similarly, while AI can enhance customer and employee engagement, it's crucial to ensure that the AI solutions deployed align with the company's broader goals and values.

Conclusion

AI offers a world of possibilities, but it's not a one-size-fits-all solution. Businesses must assess their specific needs, understand the true value of AI, and avoid decisions driven by hype. By doing so, they can leverage AI's vast capabilities while also recognizing its boundaries.

Sources:

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