squirro

Building on the promise of
Artificial Intelligence

Why Augmented Intelligence
is the right kind of AI

May 2018

AI and transforming business performance

It seems strange to write about the next evolution in a technology's life cycle, when the current incarnation is still only really in its infancy. Having mostly been the domain of the early adopters, artificial Intelligence (AI) is just starting to play an increasingly prominent role in mainstream business, driving automation, insight and much more, having a genuine and tangible impact on many elements of business performance.

Yet just as AI moves into the mainstream – **recent Squirro research** revealed that 83% of top tier banks have evaluated AI and more than two-thirds are already using it – there is a more powerful and impactful technology that promises to transform business performance in ways that have previously been unthinkable.

Augmented intelligence is defined by tech dictionary WhatIs.com as 'an alternative conceptualization of artificial intelligence that is designed to enhance human intelligence rather than replace it'. Effectively this means people and machines working together, rather than the perception of AI as something that will see machines replace humans.

This partnership will see the augmentation and extension of human decision making, addressing deep but specific challenges within business (as opposed to the more general approach of AI) and provide insights and recommendations with reasons and with learning. It's a powerful proposition and one that has the potential to transform business.

But organizations need help understanding how to use augmented intelligence and how best to approach their augmented intelligence projects,. Squirro is uniquely placed to show how augmented intelligence can improve organizations' customer insight and understanding, and overhaul and transform many business processes.

This white paper sets out to explain in more detail how augmented intelligence differs from artificial intelligence and to offer best practice advice on how to approach augmented intelligence projects.
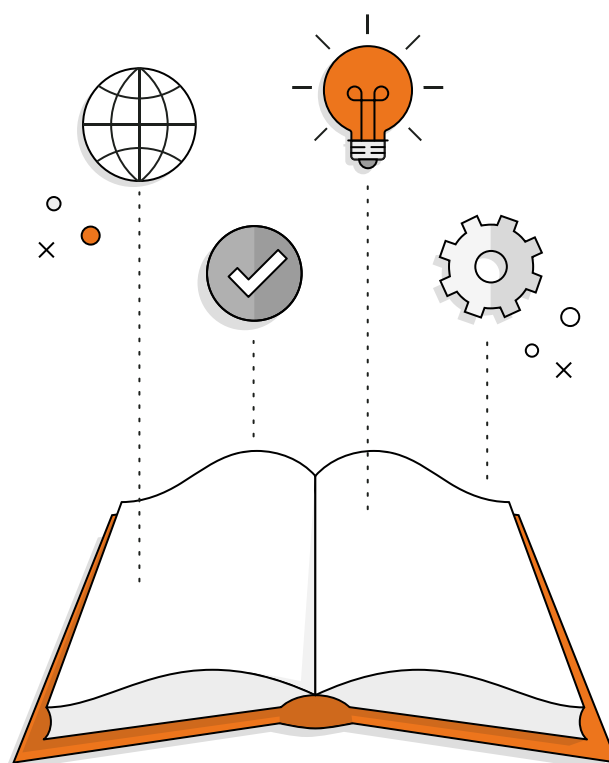
Building on the AI buzz

The hype around AI over the past few years has been astonishing. Almost immediately it got introduced into every conversation about IT, technology and the future, and just as quickly there was widespread hyperbole attached to it: From the end of the world as we know it to the dawn of the true meaning of mankind. And just about everything else in-between.

Some of that hyperbole is at least party justified. The advances in AI have been breathtaking, including: autonomous cars; computers beating the world's greatest chess players; automation of factory floors; Ecommerce sites understanding precisely what a customer's interests and likely next purchases will be and much more besides. At the core are two intertwined developments: ever cheaper computing power coupled with massive advances in algorithmic computing. Both are then applied to ever bigger data sets, with a depth, breadth and level of insight that was previously unimaginable.

This combination allows for ever more powerful algorithmic models to become computational reality. One thing that is often overlooked in this,

is that it's all about correlation and not causation. The ability to look beyond the horizon of experience through causation makes for human intelligence, which has given rise to the idea of augmented intelligence.

Computers can undoubtedly detect patterns in vast amounts of data and derive meanings that have yet to cross the horizon of experience. Yet artificial intelligence can fall short in situations where goals and inputs are complex. This is where augmented intelligence stands taller, building on the buzz and hype of AI, by enhancing human input and intelligence to create something infinitely more powerful.
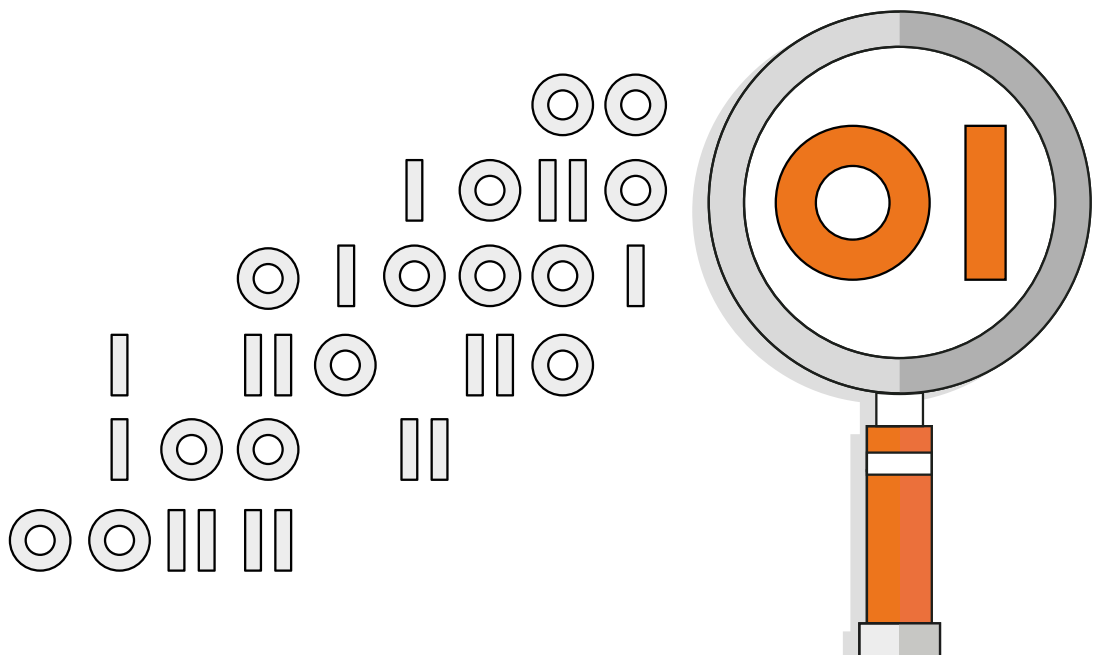
Entering the Augmented Intelligence revolution

That vast computing power multiplied with clever algorithms holds great promise. Autonomous cars (a great exercise in correlation) will eventually hit the streets, no doubt. A little earlier the same techniques may be applied to the enterprise to unlock great economic potential in any business.

Let's look at how businesses are deploying AI solutions today: most applied AI solutions are used to provide some level of automation (often referred to as Robotic Process Automation, RPA) or decision support by surfacing recommendations and insights that make decision-making more effective.

This decision-making support describes what augmented intelligence is all about – delivering better business outcomes for a company.

The second important element to recognize, is that AI is not functioning in a vacuum but in context of an existing business process (even if that process may be remodelled entirely). Context is therefore the second component that makes an augmented intelligence solution tangible. When insights are aggregated for humans, their natural cognition can take big data much further. While machines can discover insight, it is humans that take that insight and turn it into actions that really improve business results.
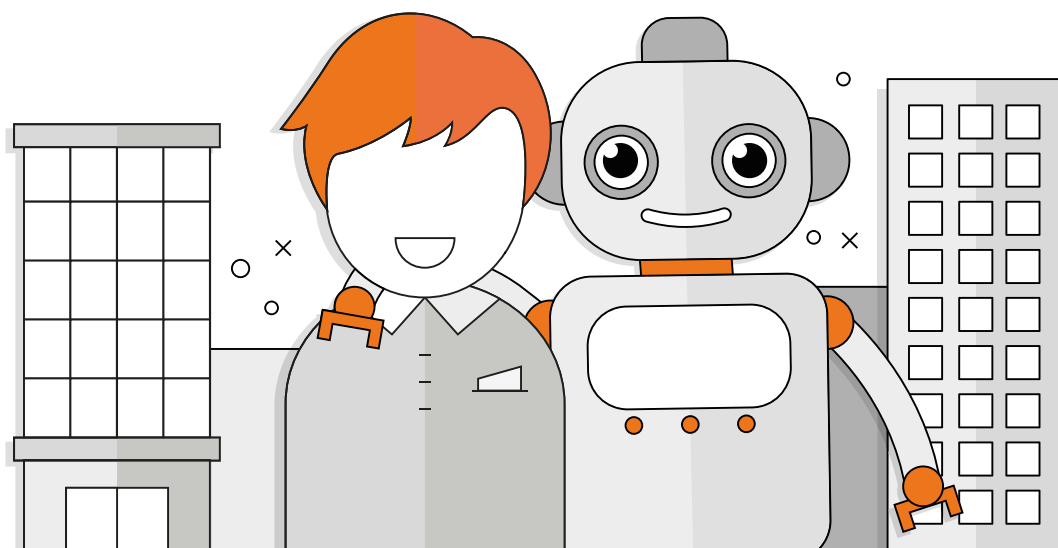
Tangible results from Augmented Intelligence

Augmented intelligence really can deliver for businesses in any number of ways. Here are just a selection of the ways in which it can produce tangible results:

360-DEGREE VIEW

Augmented intelligence-based platforms are powerful at gathering data (both structured and unstructured) from across disparate and siloed systems and presenting that data in a form that gives users a complete 360-degree view of each and every customer. This includes contextual information and trends that allow the user to make smarter decisions based on that data, and cognitive and contextual search across all data, so users can find what they are looking for (and be advised on what best suits their needs) much quicker.

DATA INSIGHTS

The insights that is delivered by augmented intelligence platforms is where it can really deliver for any organization. Because it is capable of managing and analyzing so much data, the insights extracted from that data and then presented to the user is deeper and greater than anything previously possible.

LEAD GENERATION

One way in which the data insight generated by augmented intelligence can help an organization is in lead generation, identifying opportunities for clients and recommending the best product or solution for them. Augmented intelligence will look at data on competitors, partners and markets and identify catalysts that provide additional upsell or cross-sell opportunities to existing clients, and fresh approaches to prospective clients.

SOLUTION FRAMEWORK

Augmented intelligence can also have a powerful impact on an organization's problem solving abilities. For example, in IT Service Management there are a bewildering volume of tickets in most enterprises, but the right platform will provide accurate resolution recommendations, with automated ticket routing meaning better allocation of services resourcing and facilitating self-service when appropriate. Squirro's augmented intelligence solution has realized a net mean time to resolution reduction of 30%.

NEXT BEST ACTION

Not only will augmented intelligence identify catalysts and triggers that could prompt contact with a customer or prospect, it will also factor in the context of each opportunity to recommend which is the best course of action to take. In fact, it will score and rank every opportunity and provide actionable recommendations to account handlers.

Squirro Augmented Intelligence Model
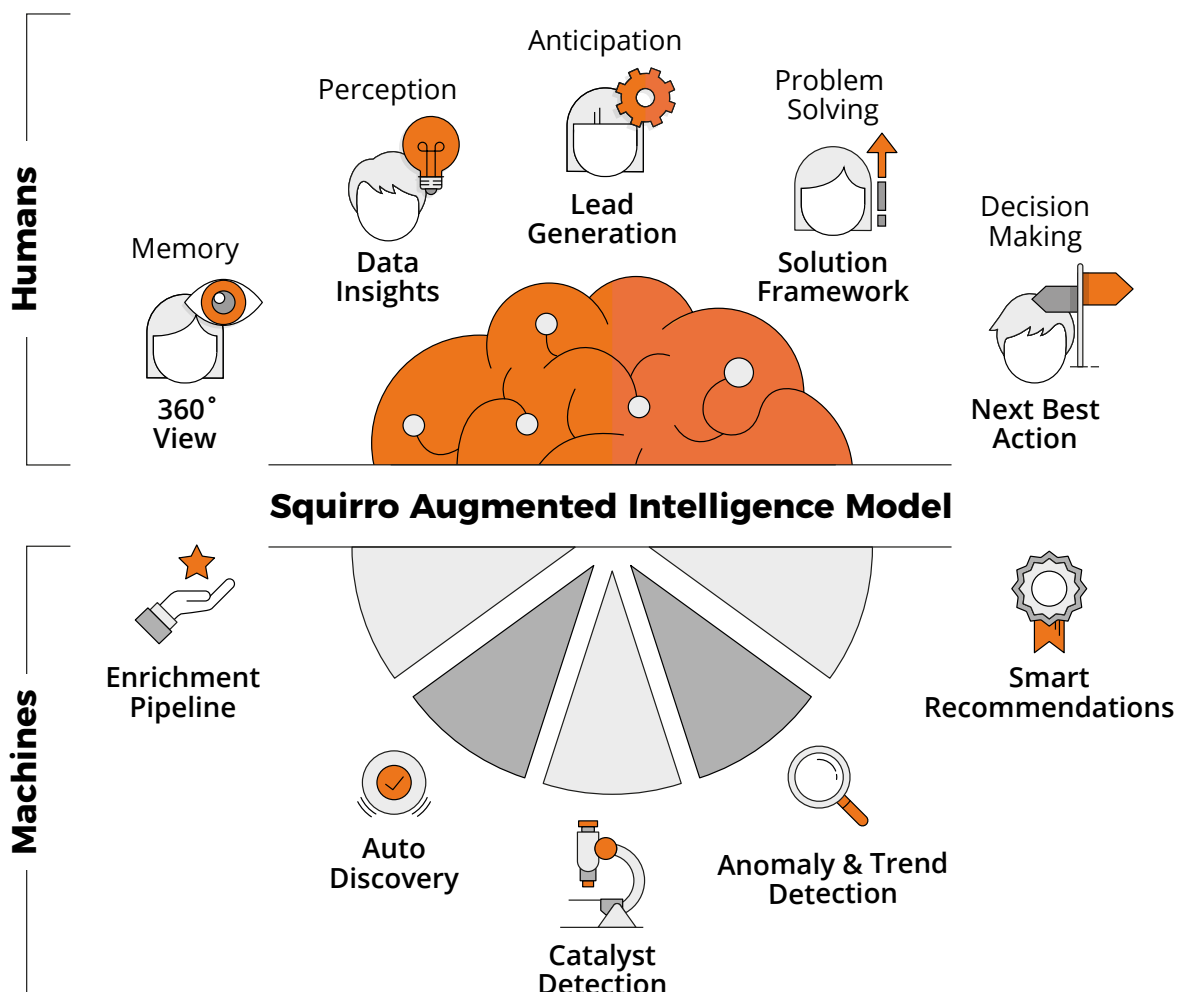
Augmented Intelligence as a Service

Augmented intelligence doesn't just happen. It requires careful setup and operation to produce maximum impact. Companies must consider the classic make versus buy decision. While today a number of (often open source) frameworks and toolkits are available, this approach requires a substantial effort to deploy and maintain such a service: IT infrastructure, data scientists, complex delivery and operational setups.

This contrasts with Augmented Intelligence as a Service: a working, scalable, full-service solution. Consumed by business users like any other enterprise services, it helps them to make better decisions using insights and recommendations embedded in the applications where they live and breathe everyday — without a data scientist or time-consuming and costly implementation. For augmented intelligence to be truly effective, the insights must be at this individual level.

The cornerstone of an augmented intelligence service is continuous learning. As more data is processed by machine learning algorithms every day, the recommendation confidence also improves. Human action and outcomes hone augmented intelligence as a service to drive business results without IT and data scientists.
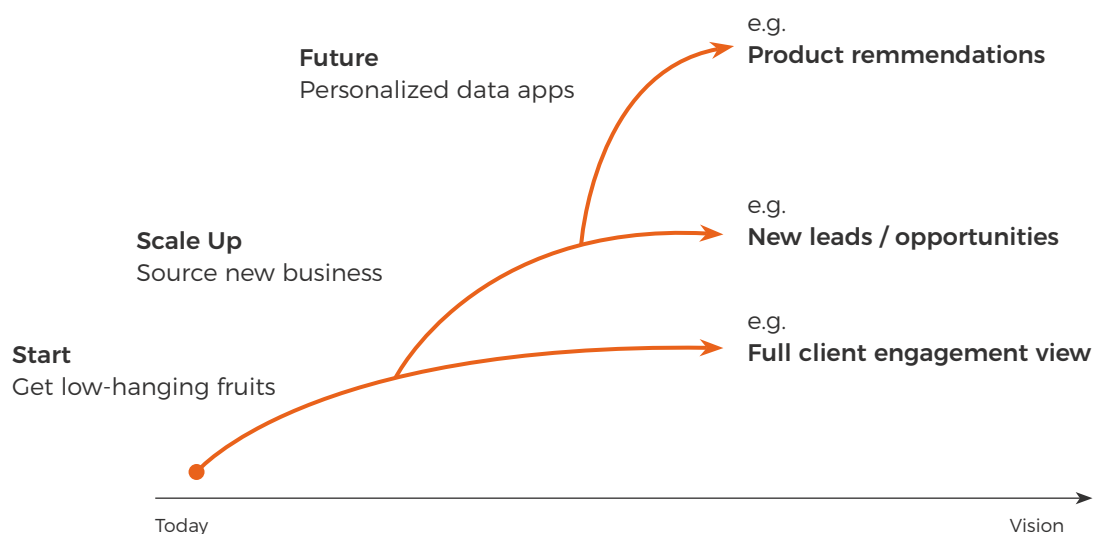
Deploying an Augmented Intelligence solution

For any organization that is considering augmented intelligence, there are a number of factors to consider when starting. It's important not to try and do too much, too soon. People within the organization need to get behind augmented intelligence and to do that they need to see that it delivers.

A staggered approach is best. Choose some low-hanging fruit initially, some straightforward measures where you know there can be instant value that people will be impressed with.

Low-hanging fruits – Providing the 360-degree view of clients is a perfect example of this. It's a relatively simple exercise, but augmented intelligence can deliver a view that is immediately useful to account handlers, providing an easy-to-digest view of all client activity, the ideal platform from which to develop use of augmented intelligence.

Scale up – The next step should be about scaling-up, sourcing and winning new business. This involves using the analytic power of your augmented intelligence platform across a variety of data sources – internal and external, structured and unstructured – and using it identify catalyst and triggers that could mean a new lead or opportunity for a client.

Future – From there, the next natural deployment is for product recommendations, using the insight generated to recommend the best product for a client to best suit their unique and specific requirement. Delivering this type of customer experience and service has an enormous impact on loyalty and churn, and ultimately the bottom line.

Future
Personalized data apps

e.g.
Product remmendations

Scale Up
Source new business

e.g.
New leads / opportunities

Start
Get low-hanging fruits

e.g.
Full client engagement view

Today   Vision

From Artificial to Augmented

It is true to say that the AI market has never been more mature, more innovative and more hype. But it is also true to say that augmented intelligence, which reinforces the role that human intelligence plays, can go beyond what AI has delivered.

Augmented intelligence matters because it can bring about the change and business impact that big data has promised. It turns every AI-supported professional into a multiplier. For augmented intelligence to have an impact though, the insights must be at the individual level. Each professional needs to understand how he or she can improve and drive results, no matter what their role is. If well applied, every professional is able to make quicker, confident, and more impactful decisions.

In turn, if every individual is more impactful then the overall effect on an organization is a powerful improvement. There is more customer insight, improved service, more efficient and effective operations and the impact on profit margins and revenues will be significant.

If you'd like to learn more about Squirro's augmented intelligence solutions, then please get in touch with us via email on **contact@squirro.com**, or call us on **+41 44 586 98 98**.

About Squirro

Squirro provides Augmented Intelligence solutions. Its unique technology marries Artificial Intelligence, Machine Learning and predictive analytics, empowering organizations to transform enterprise data into AI-driven insights. Organizations using Squirro take advantage of its ability to source leads and recommend the next best action in an automated way. Its real time 360 degree client cockpit provides a holistic and comprehensive understanding of the customer journey.

Squirro's applications for Corporate Financial Services, Insurance and Manufacturing are successfully used by leading global organizations, such as ING, Investec, Helvetia, AXIS Re, Sony and Bühler. Founded in 2012, Squirro currently has offices in Zurich, London, Munich, New York, San Francisco and Singapore.

For more information, please visit: **https://squirro.com/**

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