BluWave

4 STEPS TO
TRANSFORM YOUR
BUSINESS WITH AI

INTRO

58% OF PEOPLE HAVE IDENTIFIED A USE CASE FOR AI, WHILE **22.2%** FEEL THEY HAVE THE RIGHT SYSTEMS IN PLACE.

Data based on a poll of 81 business leaders who attended an AI-focused webinar hosted July 17, 2023 by BluWave. *View on Demand*

IT SEEMS LIKE EVERYONE'S TALKING ABOUT AI THESE DAYS.

The time it saves. The amazing ideas it hatches. The productivity it boosts.

> "AI is table stakes going forward," BluWave Head of Technology Houston Slatton said. "Investors are bringing on AI diligence groups to ask: 'Is it actually AI? Is it differentiated? Are there any competitive or wipeout threats to this tool?'"

But what does AI implementation look like practically? Which tools should you be using, and how? Is the payoff worth the investment?

In supporting more than 500 private equity firms' and thousands of companies' day-to-day operations, BluWave has a bird's eye view into the answers to these questions.

In creating this report, we spoke with some of the service providers in the Business Builders' Network who are on the cutting edge of artificial intelligence tools and use cases that are having the biggest impact on forward-thinking private equity firms, their portfolio companies, and private and public businesses. We also tapped into the proprietary data used to create our quarterly *Business Insights report*.

From all this research, a paradoxical duality has emerged: nearly everyone we speak to is eager to get started with AI tools, yet they're ill-equipped to implement them.

What follows is the sequence the leading AI experts in our network say every business must take to make the most of the latest artificial intelligence technology. While the path is often not linear, and you may find yourself with slightly fewer – or more – steps, we believe a tailored version of this journey will work for most businesses.

INTRO

One of the experts we spoke to is Michael Woods*, the CEO of a leading AI technology firm in our network. His team exclusively services artificial intelligence projects for clients.

> "I think that one of the interesting parts about AI is it really is new technology, and in many ways, it's bringing a different level of capability, analytics, automation and risks than perhaps a lot of other technologies," Woods said.

Many businesses that approach Woods' team, at least initially, either think too small or dream too big.

"If the data is already sitting in a database, quite frankly, we've developed pretty sophisticated tools to run all kinds of analytics against it," he said.

On the other hand, AI technology is not at a point where you can "set it and forget it." The most effective approach lies somewhere in between.

"You have to allow for some dimension of experimentation and marrying of technology with the business problem that you're trying to solve," Woods said. "Companies that are dated and more heritage-type businesses – this really could be one of those tools to help unlock a lot of value upon exit down the road as part of the company's transformation."

Whenever a PE firm, portfolio company, or private or public business asks us how they should be using AI, the first thing we ask *them* is what problem they want to solve. **THAT'S THE FIRST STEP IN THE AI ACTIVATION JOURNEY: DETERMINING YOUR USE CASE.**

Let's talk more about this foundational decision, including some of the most popular requests the world's top AI service providers are fielding.

ON A SCALE OF 1-5, **58.6%** OF PEOPLE FEEL THAT THEIR COMPANY IS LESS THAN A 3 IN TERMS OF AI READINESS.

Data based on a poll of 128 business leaders who attended an AI-focused webinar hosted July 17, 2023 by BluWave. *View on Demand*

The path to implementing AI for your business has parallels to the journey a five-star chef makes to serving a world-class meal. Here's a visual outline of those steps before we explore each in more detail.

Chapter 1
SETTING THE MENU

You wouldn't order from local purveyors before setting your menu. Neither should you implement artificial intelligence tools before understanding your use cases.

IDENTIFYING USE CASES

Chapter 2
TRUSTING YOUR SOUS CHEF

A renowned kitchen leader needs a great sous chef who understands their restaurant's particular cuisine. Great business leaders also need trusted, industry-specific advisors to guide them through the AI implementation process.

HIRING AN EXPERT ADVISOR

Chapter 3
CHOOSING THE RIGHT INGREDIENTS

The availability of the right ingredients – that is, your data – is crucial to building AI tools that work for your business. An industry-specific business intelligence and analytics firm will know exactly how to do this.

PREPARING YOUR DATA

Chapter 4
DINNER IS SERVED

Sometimes, it makes sense to buy something pre-made – like a special dessert or your wine selection – so long as quality isn't sacrificed. More often, though, a good meal created from a proprietary recipe that's been refined to perfection will taste much better. The same approach to your AI tools will enable you to not just keep up with, but stay ahead of, competitors.

DECISION: BUY OR BUILD?

When the meal is finally served, it can seem so simple to the unsuspecting guest. But you'll know how much planning, diligence and teamwork went into the final product.

SETTING THE MENU

DETERMINING YOUR USE CASE

The most popular AI use case BluWave and its service providers have seen this year is no use case at all. Allow us to explain.

"A lot of times people jump right to the end like, 'I heard about this cool tool. Let me go buy this and then I'll figure out what I'm going to do with it,'" Woods said.

Mike Datus*, a founding partner at one of the service providers in the Business Builders' Network that supports AI projects, explained it another way.

"You don't just go to the grocery store and say, I want Italian," he explained. "It could be anything. What meal are you making tonight?"

That lack of focus can slow down a company's ambitions to add a new tool. Fortunately, there are already many proven, accessible use cases business leaders are implementing.

"I think there is an angle for PE-backed companies: How do they find quick wins? What should be the right AI strategy that's going to deliver the timeline and value creation hypothesis of the PE firm?" Woods added. "Some of that is hard value, but some of it is also thinking strategically about the soft value that it creates on exit. Two, three, four years down the road, these types of technologies will be a lot more pervasive."

With the same approach, private and public companies can also boost their bottom line.

There is, however, such thing as poor use of AI tools.

"Bad use cases I think tend to be, 'We're not going to have any person involved in any part of this, and we're just going to assume that the AI is going to be able to interact in an intelligent way with customers or partners or external stakeholders,'" Woods said. "That's still a pretty big risk to take."

Datus thinks artificial intelligence has a long way to go before it truly turns the business world on its head.
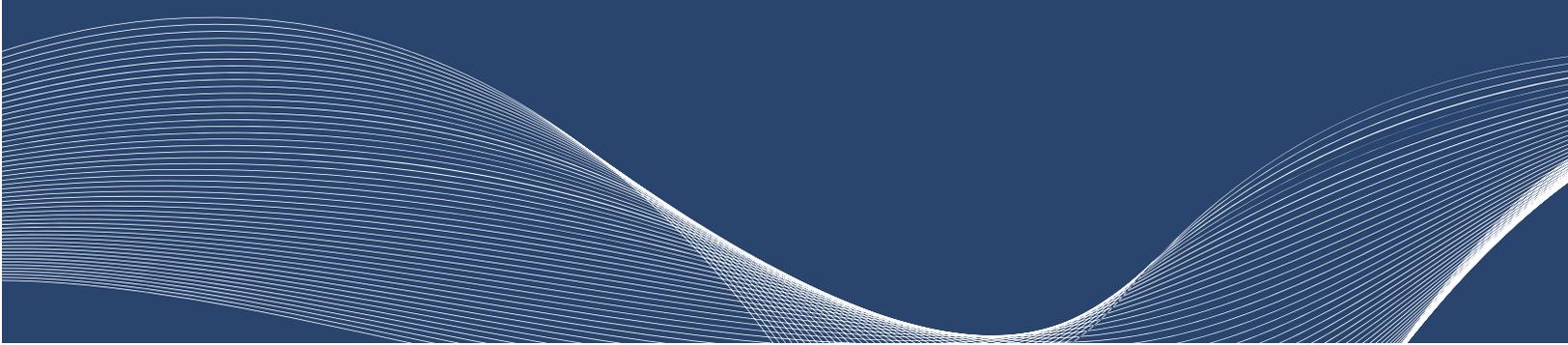
CHAPTER 1: SETTING THE MENU

"I actually don't think the majority of value extraction is going to happen for a very long time. I think there are certain use cases that can optimize workflows," he said. "But when it actually comes to analytics, I actually think it's a very, very down-the-road thing for general business intelligence."

While adoption of AI technology is relatively recent, enough businesses have gone before you to learn from their mistakes and avoid costly decisions.

"The majority of folks right now don't really know what the end-product could be," said Paul Thomas*, the co-founder and managing partner of another business intelligence and analytics firm that specializes in AI implementation. "I think that you have to have some idea first of what things are being done in the market already so that you can understand exactly what it is and what could be done in your particular industry."

While Datus is skeptical of the power of AI in its current state when it comes to advanced analytics, he does believe that vast new possibilities have already been unlocked by existing capabilities.

"In addition to, 'How many widgets am I selling and where am I selling them and how are each of my general managers doing?' I can get contextual insight on, 'What are people saying about my general managers? What are people saying about my products? What are people saying to my customer support reps in their conversations,'" he said. "And that's an area that has been completely unlocked."

BluWave's Slatton said that while AI won't replace many human roles in the near-term, "it will make many employees incredibly more productive if they know how to use the tools appropriately."

Here, then, are some of the more popular, and practical, ways our service providers are helping businesses activate these new tools.

1. COMPOSE FIRST DRAFTS

Sometimes, the most difficult part of writing an email or composing an engaging script to talk about your latest product is simply getting started.

> *"I do think that the best use cases for AI are where you're thinking about the AI doing that first level of the grunt work. The hard, heavy lifting to get something organized to prepare the first draft of an analysis. The AI's fantastic for that. But then ultimately that next step is having a person review it and there really isn't a substitute for that."*
> *-Woods*

CHAPTER 1: SETTING THE MENU

2. SUMMARIZATION

AI tools can give you a high-level overview of a dense piece of content, allowing you to dive deeper on the information that will have the biggest impact on your business.

> *"We see a lot of opportunity around the whole sphere from contracts and regulatory materials in M&A. We don't think an AI can do what the senior partner at a major law firm can do. There's no comparison to that. But a lot of the basic research, putting things in spreadsheets, basic summarization, key value extraction, question answering – all those kinds of capabilities that today are still largely manual, we believe a lot of those can be automated with AI."*
> *-Woods*

3. AUTOMATE CUSTOMER SERVICE TASKS

AI can handle routine customer inquiries and provide instant responses, freeing your team to focus on more complex issues.

> *"I think that there's a lot of stuff around customer interaction. So email automation, marketing campaign automation, sales function automation. That's happening a lot more often."*
> *-Thomas*

4. IMPROVE WORKFORCE PRODUCTIVITY

By analyzing employee data and patterns, AI can identify areas where productivity can be enhanced.

> *"I think the opportunities in the back office might be more than they are in the front office."*
> *-Woods*

CHAPTER 1: SETTING THE MENU

5. AUTOMATE CLIENT EXPERIENCE

Chatbots and virtual assistants can answer frequently asked questions, providing personalized recommendations.

> *"We've built a lot of technology that can automate and drive down the cost complexity so that we were able to ingest into our system a few hundred-thousand knowledge base articles in all different kinds of forms all over the place. In a few hours, we're able to do it completely automatically to make this whole pipeline work."*
> *-Woods*

6. PRODUCE VISUALS

Create high-quality images, videos and graphics that can be used for marketing, product design or other purposes.

> *"The project management process is happening a lot in AI, taking up mundane or back-office tasks around things like creating templates or walkthroughs."*
> *-Thomas*

7. PATTERN DETECTION

These ever-learning algorithms can analyze large volumes of data to identify patterns and trends that might be difficult for humans to spot.

> *"People are utilizing AI to inform pricing and price testing. So picking certain markets based on demographics or geographics or sales volumes and things like that to change pricing. But that only works with products that are variable, like candy bars or gasoline. People are using AI to vary that price on a regular basis and create an understanding of elasticity that hasn't been done before."*
> *-Thomas*

8. RISK MANAGEMENT

AI can assist in risk assessment and management by analyzing historical data, market trends and external factors to identify potential risks and provide proactive recommendations to mitigate them.

CHAPTER 1: SETTING THE MENU

9. REFINE DECISION MAKING

Decision support systems can simulate scenarios and provide insights to help leaders make informed decisions and optimize outcomes.

> *"I have seen some interesting work around accounting analytics or accounting AI where folks have used decision-making that they've done on closing their books at the end of the month or end of the quarter and use their historical outcomes to drive decisions in the future. That's pretty interesting from a value creation standpoint because it is specific to that business and the decisions they've made up to that point. That also saves a lot of time on manual effort spent handling that."*
> *-Thomas*

10. IMPROVE CYBERSECURITY

Enhance cybersecurity by continuously monitoring networks with AI, identifying potential threats and rapidly responding to security breaches.

These, however, are just some examples. Even the same use case will look different depending on your industry, company size and overall preparedness for implementation.
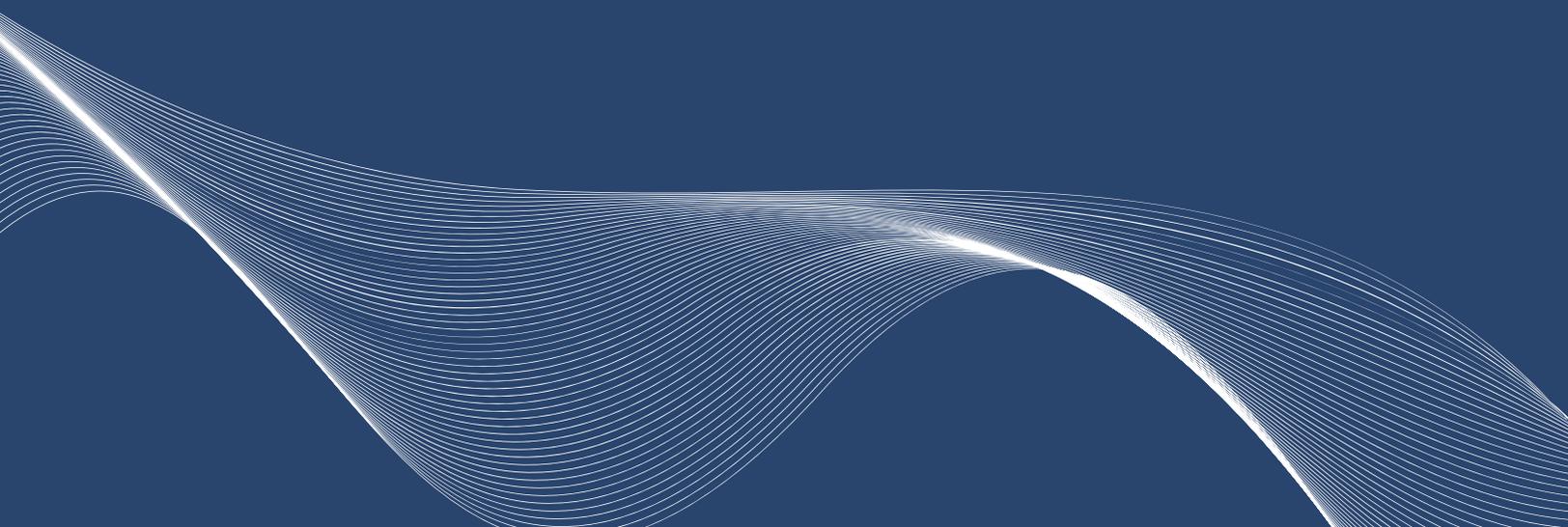
AI tools can be a huge value creator, but that doesn't mean they're ready to execute important processes from soup to nuts. As the CEO of one of our trusted service providers explains, more important and sensitive projects still require human oversight.

"I think it really depends on the kind of business. Take financial reporting as an example. I think you want to have somebody available to monitor that," Woods said. "The same for HR. You still want to have some manual interaction to ensure that you're not letting AI make all the hiring decisions. You want to have somebody involved at some point."

Slatton agreed, saying that AI still needs supervision when it comes to making binary "right or wrong" decisions.

"It's also important to pick the right tool or technique," he added. "As we've seen more recently with ChatGPT, you don't want to use an LLM to solve math problems.

FUTURE USE CASE

"From the private equity perspective, I think there's a lot of work around diligence and deal sourcing. I don't think that people have really cracked it yet because the majority of the data sets that they have are proprietary. So if you think of any of the BluWave clients, they don't necessarily want to populate all of their data into an open-source tool like ChatGPT, right? So they have to go with a proprietary solution. And I haven't worked with anyone that's necessarily taken that leap yet, but I think that that's where they want to go. They've already 'diligenced' thousands of deals over 10 years. There's a corpus of data that could help them to pick the next best deal or at least of the next hundred deals that come in, which 50 should they spend more of their time on compared to the other 50? That's something that I think is happening more and more in our space."

-Paul Thomas

CASE STUDY
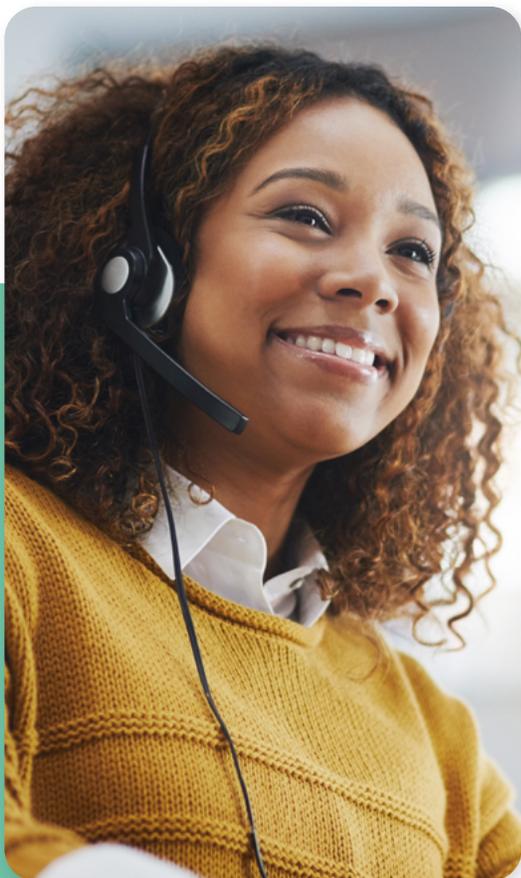
AI CAN BOLSTER **HIGH-TURNOVER** POSITIONS LIKE CUSTOMER SERVICE

CHALLENGE

The business was overly dependent on the longest-tenured members of its customer support team.

"It's the classic challenge that you're always bringing in new people to do support, and you wind up always depending on the most senior people who have the answer to the hardest questions." -Michael Woods

HOW THE SERVICE PROVIDER HELPED

The firm used generative AI to scour existing records in the company's database and be able to provide solutions faster.

"They've looked at years and years and years of customer support records and asked, 'Why can't we now in some way harvest that material to more programmatically predict how to feed the right information to that right client when they have a problem?' And how can we use generative AI to in effect read through that knowledge base and find the most relevant sources, read them, summarize them, and then give the right answer out to a client?" -Woods

THE SOLUTION

The AI firm built an automated tool that the business can use going forward, lessening dependency on its senior-most team members.

"We've built a lot of technology that can automate and drive down the cost complexity so that we were able to ingest into our system a few hundred-thousand knowledge base articles in all different kinds of forms all over the place. In a few hours, we're able to do it completely automatically to make this whole pipeline work." -Woods

TRUSTING YOUR SOUS CHEF

HIRING AN ADVISOR

BluWave has seen an unprecedented surge of AI-related service requests from private equity firms, portfolio companies and private and public companies in 2023.

In our *Q2 Business Insights report*, Business Intelligence, Analytics & AI jumped to the No. 4 most-requested value creation service. It had not been in the top 10 since the same quarter in 2020.
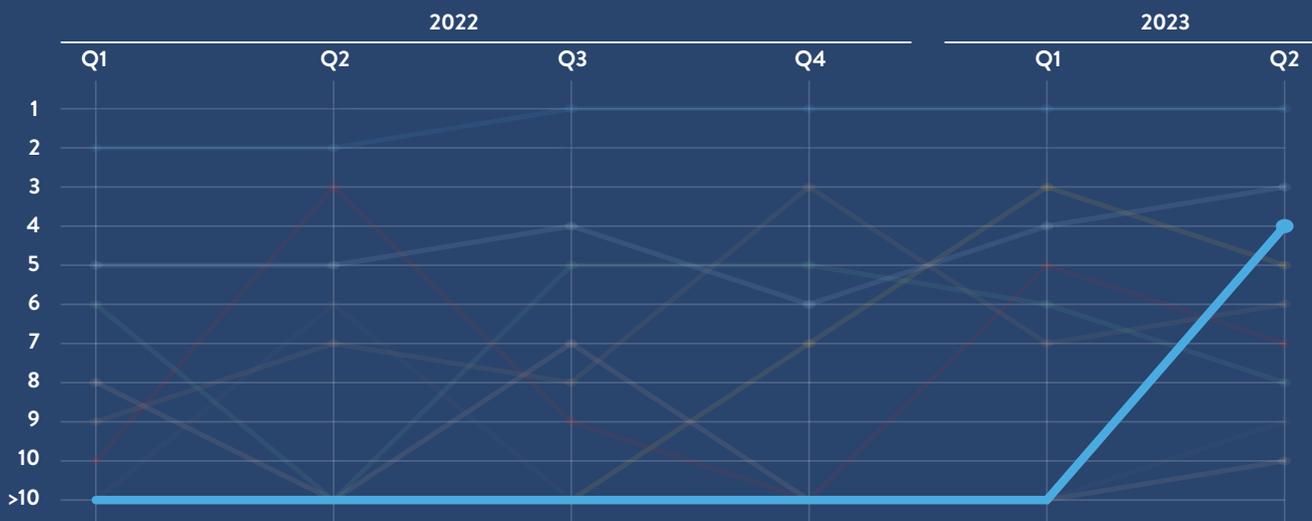
That speaks not only to the interest in artificial intelligence tools, but also the volume of projects the expert third parties that make up our invite-only network are performing.

"I do think speed, cost savings and practical value are very, very important considerations," Woods said of considering outside help. "We can show you some of the things that the technology can do well, we can help you understand the technology better, you can educate us on your business problem, and then we can triangulate among those to really figure out what would be a good place to get started."

Connecting with one of those experts is a significant advantage. In fact, if you're just getting started and don't have outside support, you're probably already behind.

"I think it depends on the expertise internally, and for the majority of middle-market private equity firms or private equity-backed companies, they frankly don't have the expertise," Thomas said. "It almost has to go to an external provider unless they're in more of a tech-forward or software-type space."

CHAPTER 2: TRUSTING YOUR SOUS CHEF

By connecting with resources that have been on the inside of early adopters' operations, you'll have access to insights that would otherwise be impossible to attain.

"Trying to evaluate the quality of your data is probably better suited for us to be able to review for your use case," Thomas said. "But I think the best step is to understand what's being done in your industry."

Thomas noted that one of his company's middle-market clients implemented an automated reporting tool that will save them significant time in the long-run.

"They were able to save 40 working hours per month from one person's effort on creating a daily flash report," he said. "When expanded to the whole organization, they estimate that would save between three and four full-time roles on reporting alone."

He added that the potential savings can be "dramatic" when shifting from a manual process to a largely automated one. Tasks that normally take weeks can be completed in a matter of minutes.

WHAT THE EXPERT SAYS

"Most of us are not going to come up with something that's so unique that no one's ever done it before. Try to find those use cases that are used elsewhere to get a good understanding of what you want to do with it so you're not just coming to the table saying, 'We want AI in our business.'"

-Paul Thomas
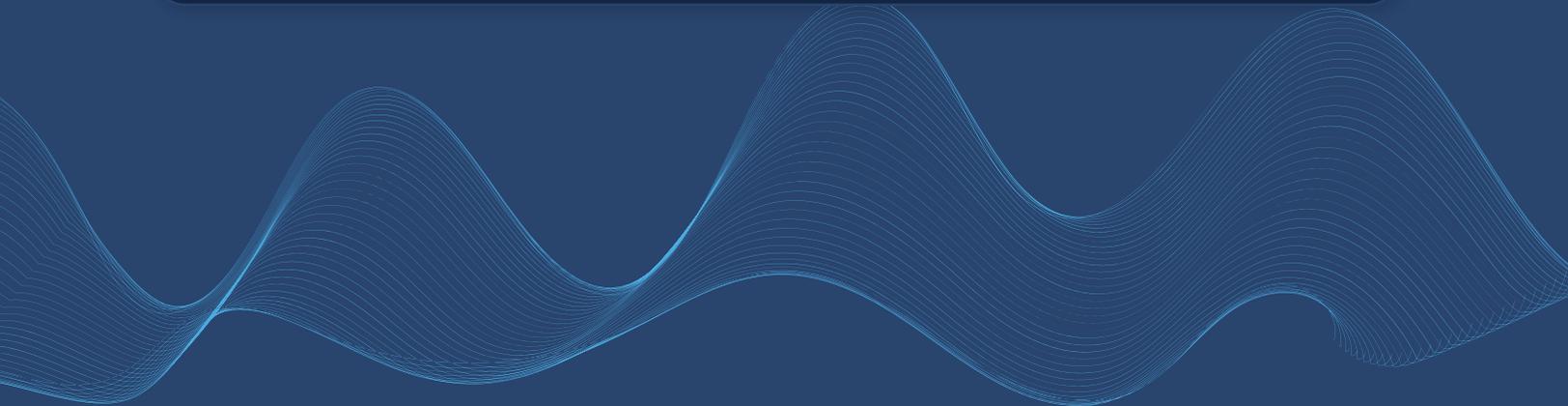
CASE STUDY

FILL UP YOUR TRUCK FIRST

One way to get the most out of AI is to first get the most out of your existing tools.

CHALLENGE

A logistics firm wanted to use AI to optimize its truck routes.

"The company originally wanted to utilize analytics better in their business. And the CEO and COO were like, 'We definitely need to get to an automated route tracking plan for all of our trucks to be routed properly.'" -Paul Thomas
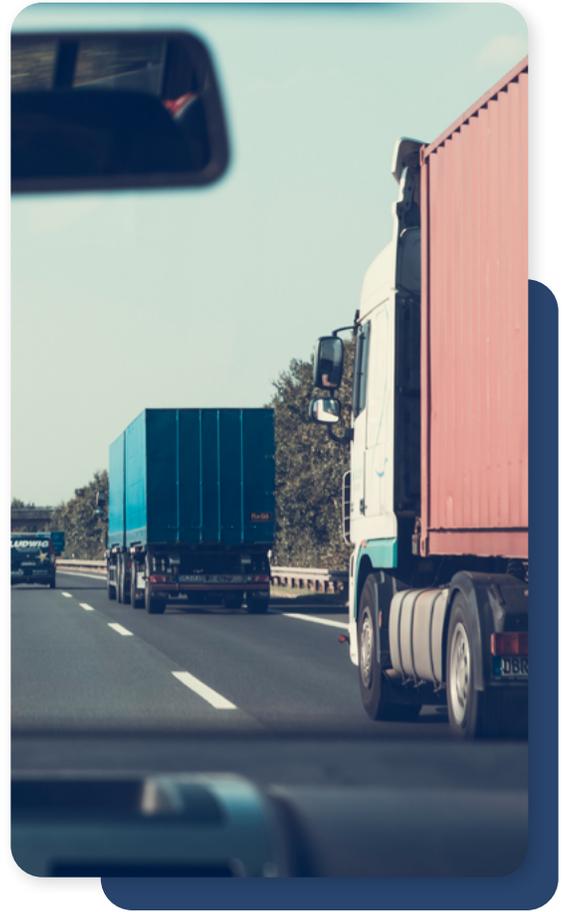
HOW THE SERVICE PROVIDER HELPED

"Once we started looking at their data, we said, 'Your average truck rolls out at 50 percent capacity anyway, so let's fill up your trucks first and then we'll worry about an automated routing plan.'" -Thomas

THE SOLUTION

Thomas's team helped the company maximize its existing resources first.

"We don't need a computer to pick and choose when and where to route this. Fill up your truck and then we'll worry about which stops to make." -Thomas

Utilizing the trucks to their full capacity on existing routes saved the company significant time and money. Only then were they prepared to consider whether they had a legitimate use case for AI.
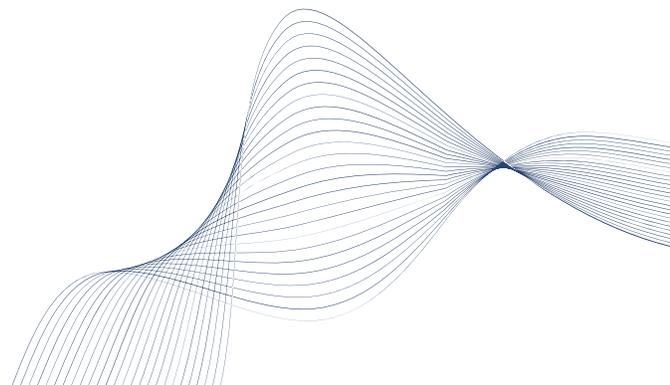
CHOOSING THE RIGHT INGREDIENTS

PREPARING YOUR DATA

Returning to our restaurant analogy, a chef must first have access to the right ingredients before making his or her dishes. If there's a potato shortage, the fries must come off the menu.

Having those ingredients, though, isn't enough. After all, who wants to eat sushi made with frozen fish? Quality counts just as much as quantity.

When implementing AI tools for your business, these two components are referred to as data availability and data hygiene.

"People always thought, 'AI's definitely what we need. We need to predict things in the future.' That's what AI is attempting to do. However, these people don't have their data in a state that they could even know what their use case is," Thomas said. "First, do you have the data to do it? Then if you have the data, is it in a clean and usable state?"

The good news is, the same experts who can help you zero in on what's possible (and what isn't) for your organization can often help with this, too.

"A lot of people want to jump to the model or the technology. 'What if we could do this with customers?' I think it's really important to start with, 'What is the data that we have at our disposal?'" Woods said. "Then just as importantly, 'Do we have any sense of the inaccuracies or things that could really lead us astray in that data?'

Let's look at both of these in more detail.

WHAT THE EXPERT SAYS

"You have to make sure that you have your house in order from a data perspective before you can even consider letting it run on its own."

-Paul Thomas

CHAPTER 3: CHOOSING THE RIGHT INGREDIENTS

DATA AVAILABILITY

Data availability is exactly what it sounds like. What can be challenging, though, is knowing if you have the right data for your particular use case.

"Starting with an inventory exercise of 'Where's the data?' both from an opportunity point of view and a risk point of view, I think, is a really important place to start," Woods said.

Thomas agreed: "You have to have an understanding of what's possible. Then, do you have data that can help to power that?"

While AI tools do many things faster and more accurately than humans, there's a simple way to evaluate whether the data you have is sufficient to power a new tool.

"The way that I always try to explain it is, if you saw X, Y, Z data points in front of you as a person, could you make the next logical decision from that?" Thomas asked. "If you can, then you have data that's available. If you don't have that and you can't make it as a person, then a computer's definitely not going to be able to do it."

Once you overcome that litmus test, you're ready to diagnose the quality of your data.

DATA HYGIENE

The beauty of a well-constructed AI tool is that it's self-sufficient. But the quality of its output will only be as good as the information it's fed.

"Way before you get there, you have to make sure your data hygiene quality is up to par," BluWave's Slatton said. "First, they need to bring in data analytics firms to clean and optimize their data structure, then, after that, they can layer on AI tools. AI tools will only be as effective as a company's data."

In other words, you may not be able to make sense of the information as quickly as a computer, but you *should* be able to make sense of it. That's where AI has turned the traditional definition of data hygiene on its head.

Datus offered advice for businesses who want to do some prep work before engaging with a resource such as he and his team.

"Is the data source a very nice new thing with very easy to read documentation that we could work with pretty easily?" he asked. "If they do have the data for answering key questions, when they bring it to a service provider like me I say, 'I can start doing research on these data sources.'"

CHAPTER 3: CHOOSING THE RIGHT INGREDIENTS

ONLY **40.7%** OF PEOPLE FEEL THAT THEIR COMPANY'S DATA IS CLEAN, COMPLETE AND UPDATING.

Data based on a poll of 81 business leaders who attended an AI-focused webinar hosted July 17, 2023 by BluWave.
*View on Demand*

A decade ago, data hygiene mostly meant consistent formatting, accuracy and being up to date. The challenge now centers on unstructured data. That is, the type of analysis that takes humans hours, if not days or weeks, to perform, when a computer could do it in minutes.

"Are you using the same type of categories for your particular process so that the AI could tag them," Thomas asked, "or is it so disparate that even a computer couldn't figure it out?"

Woods said unstructured information is still a significant challenge when it comes to data cleanliness.

"Highly categorical data that's readily available will be much easier for AI to interpret than freeform fields with unlimited inputs. Whether that means regulatory documents, training materials, vendor contracts, customer call transcripts, customer support, knowledge bases, emails, chats – all that stuff that you would say is really the domain of people. Our data hygiene around it is a disaster for most companies," he said. "It's sitting in a cloud repository somewhere or maybe in 10 different places. It's sitting on people's hard drives and how you start getting your hands around that information, bringing some kind of method to it, some structure, so you can start connecting it to AI – that's one of the key foundational challenges that we see most enterprises having."

This challenge highlights how important human involvement continues to be in the implementation process. Once your outside expert says you not only have the right data available, but it also has good hygiene, only then are you finally ready to implement a transformational AI tool.
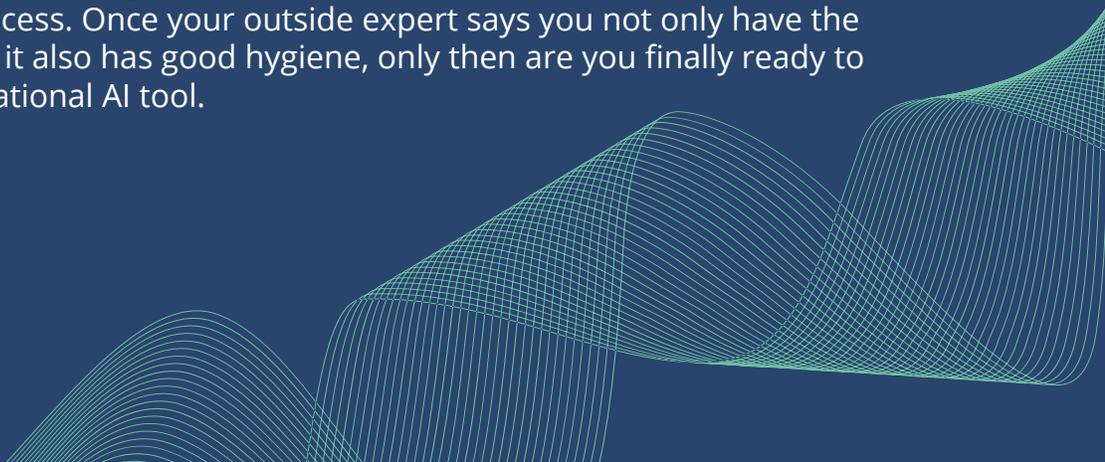
DINNER IS SERVED

BUY OR BUILD?

You're finally ready to serve your meal, but who's going to do it?

At this point, businesses must choose between using an off-the-shelf tool vs. building something more customized, if not proprietary.

"The conversation is more about, how unique do you want your solution to be?" Thomas said. "Off-the-shelf is going to be something prepackaged that everyone's using. Having somebody like us build a tool instead is going to be custom to you and we can add in your nuance for your business."

The first option has benefits. You don't have to expend further resources to implement the product, and with many other businesses likely already using this out-of-the-box tool, many of the kinks will have been worked out. If you do have a problem, the creators likely have dedicated support in place.

The downside? You're less likely to differentiate yourself from competitors, and customizing the program to your particular business needs may be challenging, if not impossible in some situations.

"Building your own can be a big risk, but it can provide a huge competitive advantage," Slatton said. "It has to be aligned with the strategy of your organization."

WHAT THE EXPERT SAYS

"We think the best of both worlds is, we can bring some of that advice to help you think through the problem, define a practical use case, get started quickly, and then we can bring in some of the tools. And on top of those tools, you can build whatever type of application you're ultimately looking for. So our tools just become a piece of the puzzle. They don't become a prescriptive thing that would say, 'You have to do it this way, or you have to do it that way.' It just becomes an accelerant to help you enable whatever project you're looking to deliver."

-Michael Woods

CHAPTER 4: DINNER IS SERVED

Chatbots, email campaigns and other basic customer interactions are good use cases for ready-made AI products. They have been around for years and have already gone through significant refinement and improving.

"If you just want AI to tell your investors that, 'We use AI in our business,' then sure, just pick the easiest thing off the shelf," Thomas added. "But if you really want to revolutionize your business, then you should try to find use cases that other businesses are using in other industries that you want to try to adapt to your business."

Another consideration, of course, is budget. BluWave's Slatton said building products is still best for middle-market companies and above.

"Doing a build could cost a couple hundred thousand dollars," he said, "which is a lot of money for lower-middle market companies."

For those who do prefer to go the other route – building a tool that's tailored to your business's challenges and data – it may take longer to get up and running, but you're more likely to see larger returns on your investment.

ONLY **19.8%** OF PEOPLE FEEL THAT THEY HAVE THE RIGHT PEOPLE IN PLACE FOR AI.

Data based on a poll of 81 business leaders who attended an AI-focused webinar hosted July 17, 2023 by BluWave. *View on Demand*

"Should a company go off and do this on their own? Generally, I would say no," Woods said. "And we may not be the right partner for them, but this is one of those areas where there are a lot of high-value steps and companies can spend a lot of money and time and not get the outcomes that they're looking for if they don't bring in the right expertise."

In fact, Woods' firm creates open-source solutions for clients so that they're not dependent on a single third party or even outside software program.

"We're trying to help our clients put all the pieces together to help you solve the problem in a practical way. But doing it also so that you aren't completely beholden – whether it's to us or any of the big tech players – or locked into this model or that model or this cloud platform," he said. "We actually think you should give people tools that enable them to capture a lot of the benefit of that value. But then at some point, if they want to change any of those variables, they'll still be able to leverage and reuse what they have."

CHAPTER 4: DINNER IS SERVED

Datus noted that most AI solutions, by their very nature, will be customized.

"Every business's context is different, every business's data stack is different," he said. "Very often you're dealing with legacy systems that are industry specific, but off the shelf they don't work so great."

Whatever route businesses choose, artificial intelligence is quickly becoming core to nearly all operations, regardless of the industry. While AI itself isn't new technology, it's reached a level of utility that's driving unprecedented appetites for implementation.

"Qualitatively there has been a huge increase in interest and awareness," Woods said. "A year ago, there were more questions from enterprise customers asking 'What would I do with AI? Do I really need it and does it actually work?' While the questions today are much more 'We fear being left behind and we know that there are so many use cases and applications of AI, our priority is not if, but how we get started? And that we pick the right projects where we can find quick wins.'"

Woods, like everyone we spoke to, deems AI a worthy investment if you follow the best path for your business.

"I think what's groundbreaking is really being able to do it very, very quickly at low cost and having it being accessible now," he said, "and not just to the biggest of the big companies."

Many businesses are battling AI FOMO, concerned with "falling behind" competitors who have been quicker to implement these new technologies. Datus, however, said those fears are largely unfounded – for now.

He pointed out that while the internet gained popularity in the mid-1990s, it wasn't until the turn of the century that it was mass-adopted by consumers. In other words, businesses who didn't have a website in the late '90s didn't necessarily miss out on crucial opportunities at the turn of the century.

"If you're sitting on the sidelines right now, you'll still be OK," he said. "In five years, you might have some issues."

He returned to the importance of making the most of existing resources and tightening up the rest of your business strategy before diving into the deep end of artificial intelligence.

CHAPTER 4: DINNER IS SERVED

"The tool set is still really clunky. People are still figuring out what the use cases are," he added. "Because the development process is really slow and unknown, I think the killer use cases or the way in which people use generative AI at their own companies will be slow going for a while."

Datus expects the dam of "killer use cases" to break within 3-5 years.

"Then again, I, like everybody else who's been in Silicon Valley in the machine-learning space for the last decade-and-a-half thought, 'You know, LLMs – that high-context conversational AI – wouldn't be here for another decade. So I could be wrong."
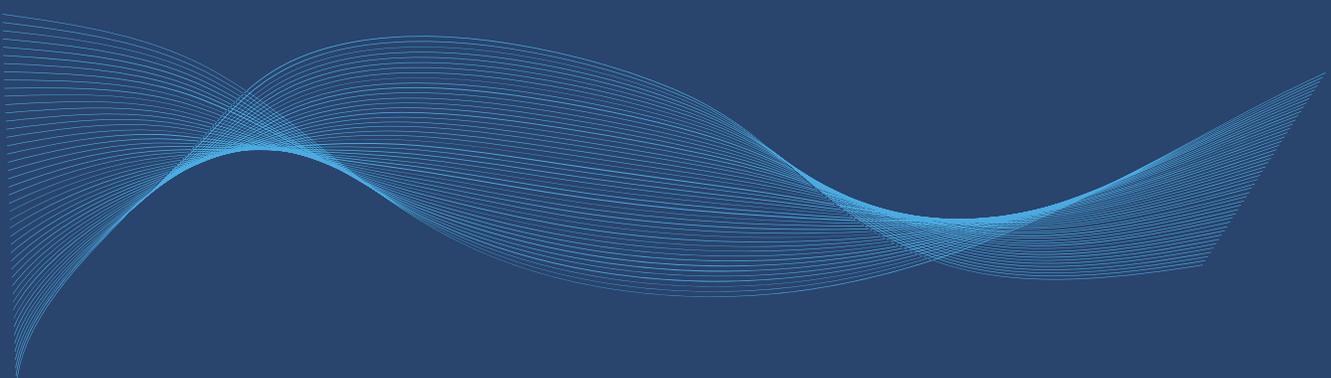
Just as you live and breathe your business, business intelligence & analytics experts live and breathe all the latest artificial intelligence tips and trends.

By working with one of them, you'll be able to answer the key questions discussed above: What's your use case? Do you have the data you need, and is it in a healthy state? Is the foundation in place for the rest of your business before you add a new tool? If so, should you buy or build?

If you already work with a world-class business intelligence service provider, you may have all the help you need at your disposal. If you're not sure where to start, though, BluWave already knows the best industry-specific third parties who can help you activate AI in a way that will have the biggest impact on your business.

BluWave's best-in-class network has service providers for data and AI needs as well as many other functional areas. If you would like to leverage the Business Builders' Network trusted by more than 500 private equity firms and thousands of proactive companies, contact us at info@bluwave.net or via our website.

*Privacy is important to us. While the source and company name have been changed, these are real quotations from a real service provider in the BluWave Business Builders' Network.