

How to Build a Successful GenAI Strategy for Your Organization

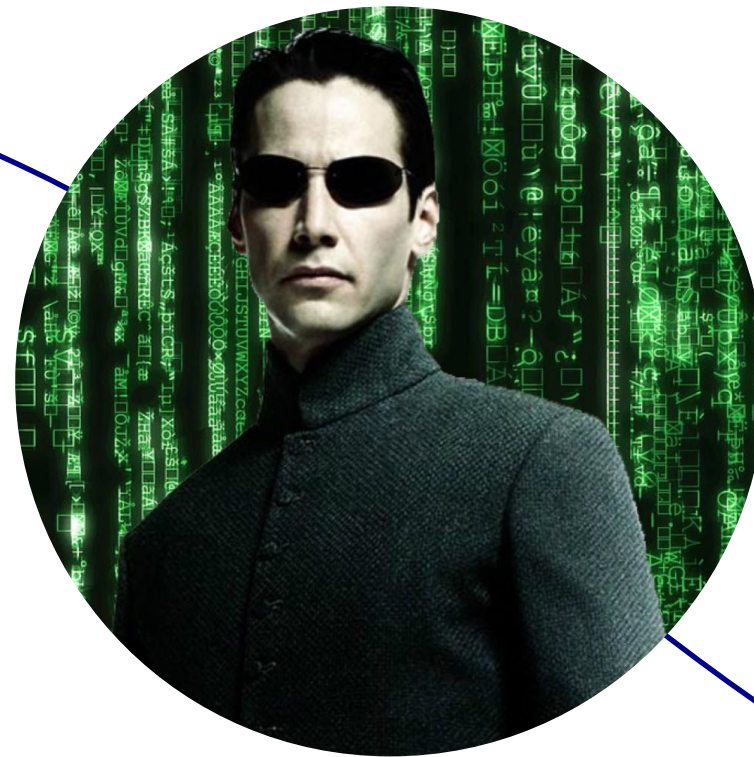
by Cristina Meniuc

Terrminator



AI and Ruthless Cyborgs Wage War
Against Humanity

Matrix



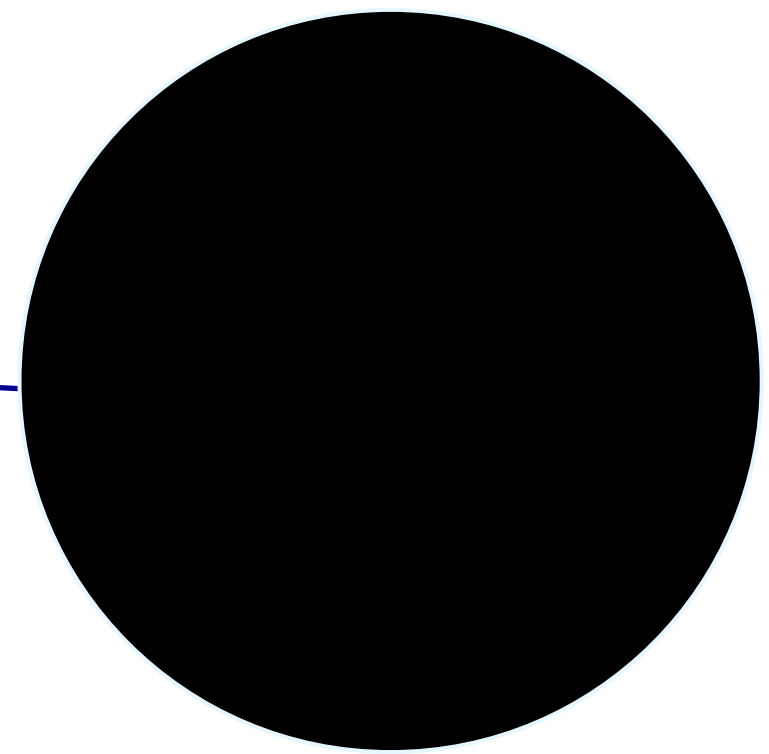
Reality is a Simulation Controlled
by Sentient Machines

Her



Deep Emotional Connection Between
a Lonely Writer and an Advanced AI
Operating System

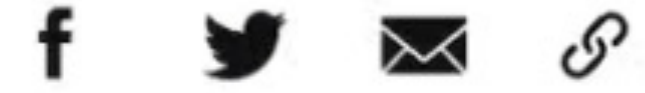
What's next?



AI Camera Mistakes Linesman's Bald Head For The Ball In Inverness Game



Josh Lawless



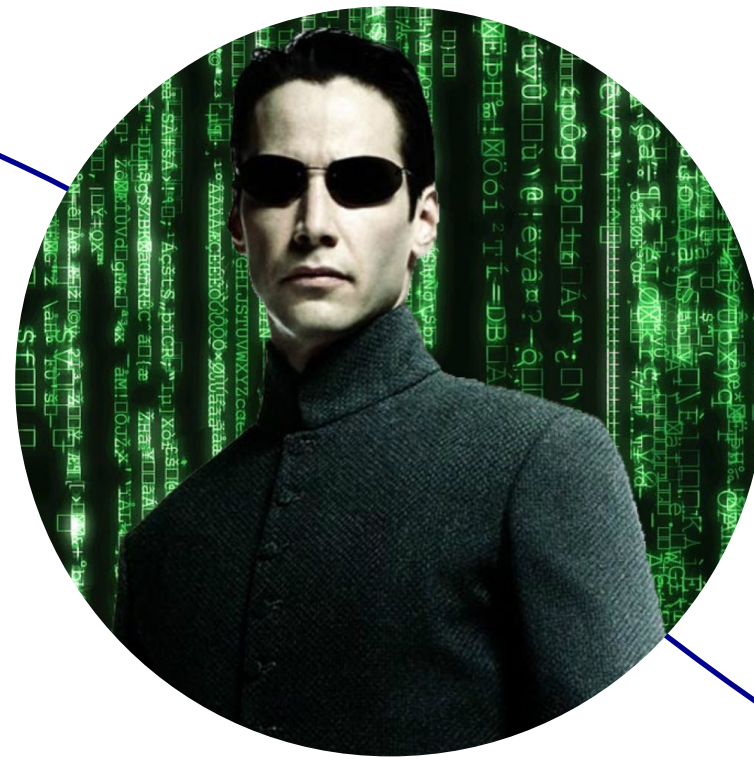
The perceived risk of AI: timeline 1984-2024

Terrminator



AI and Ruthless Cyborgs Wage War Against Humanity

Matrix



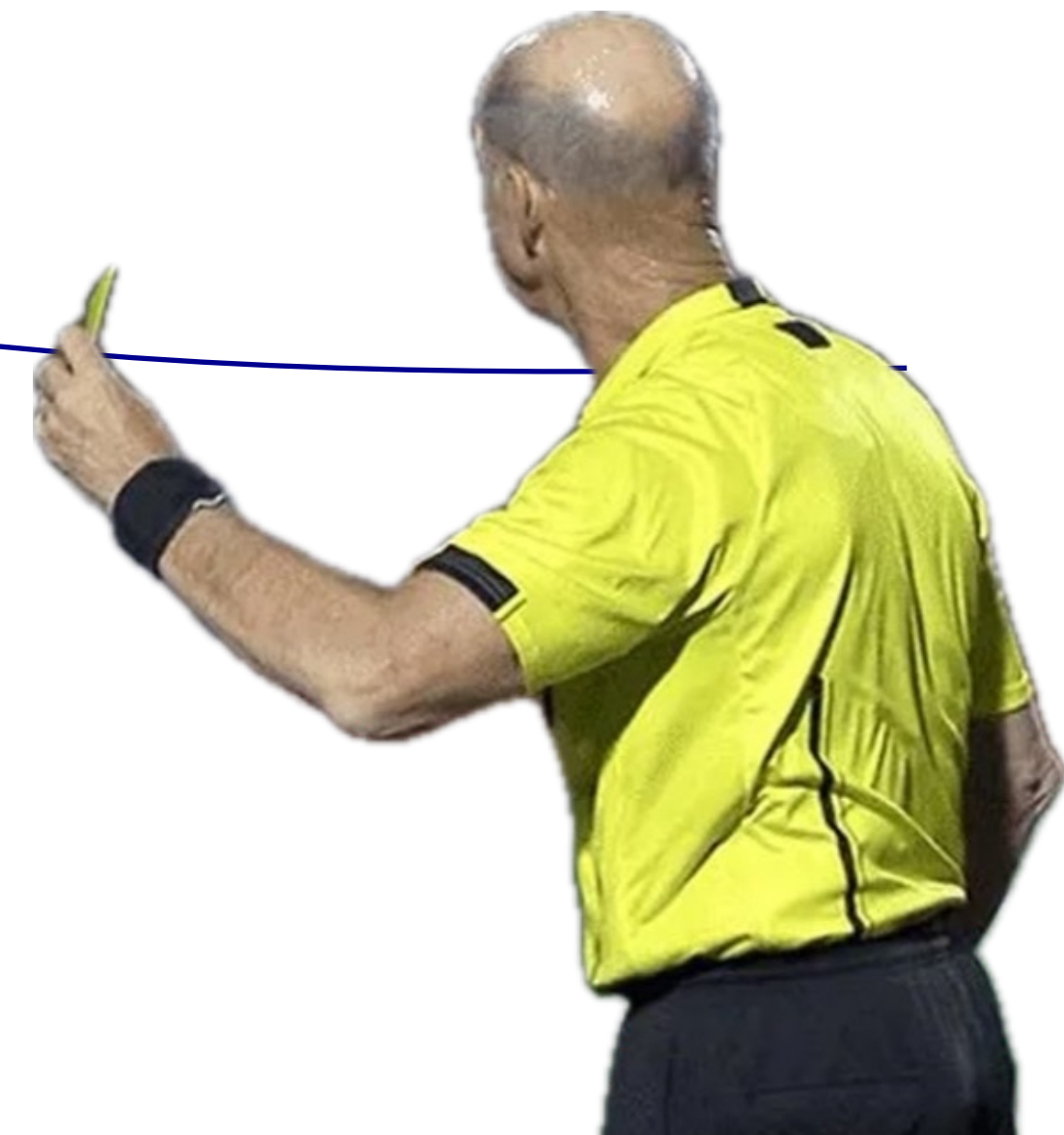
Reality is a Simulation Controlled by Sentient Machines

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Deep Emotional Connection Between a Lonely Writer and an Advanced AI Operating System

Entertainment gone wrong due to AI



Gen AI Strategy:

Why it's essential and how to get it right

by **Cristina Meniuc**
Experience Design Director | GenAI Strategy Lead
IBM iX



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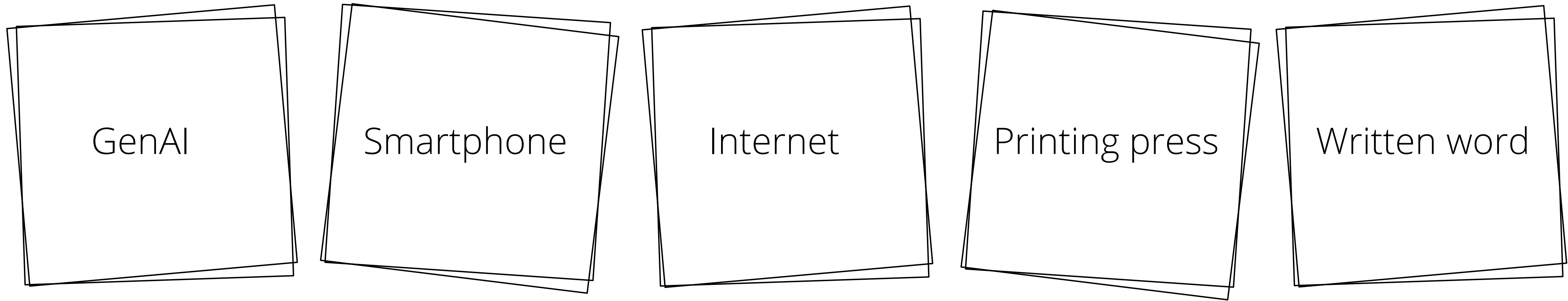
We live in an age disturbed, confused, bewildered, afraid of its own forces, in search not merely of its road but even of its direction. There are many voices of counsel, but few voices of vision; there is much excitement and feverish activity, but little concert of thoughtful purpose. We are distressed by our own ungoverned, undirected energies and do many things, but nothing long. It is our duty to find ourselves.

//

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Woodrow Wilson, 1907
28th US president



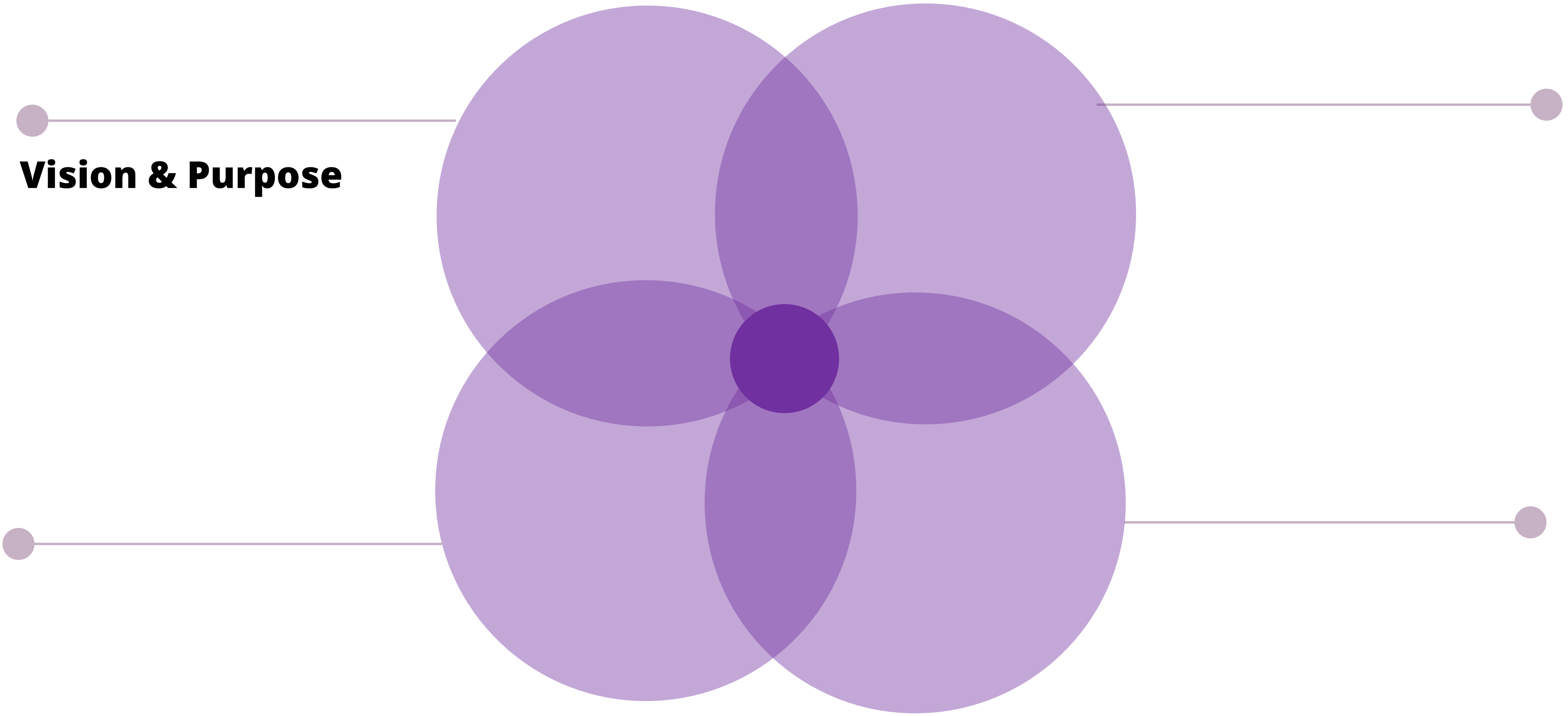
Brief timeline of humanity

**Humanity has centuries of
experience in dealing with
novelty, disruption, and the
fear of the unknown**

GenAI

The formula for dealing with ~~the unknown~~

Vision & Purpose



By 2030 Global GDP will have grown by 14%, the equivalent of \$15.7tr, as a result of AI.

Half of that will come from labor productivity savings, the other half from increased consumer demand as a result of AI-enabled product enhancements

Productivity gain

Consumer demand

85%

of the time, organizations invest in GenAI without a clear vision on how to derive business value

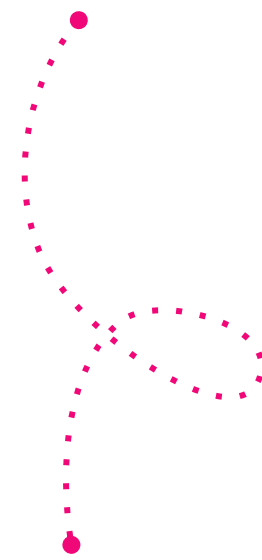
5%

of enterprise genAI pilots result in
a successful implementation

**The first question should
always be -
what are you trying to
achieve with GenAI?**

From

The long term
organizational strategy

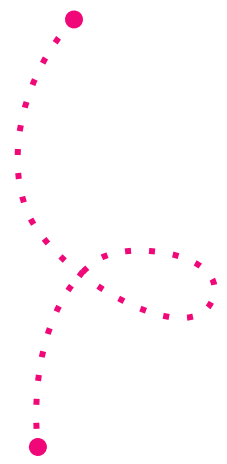


To

**Gen-AI infused
goal**

The long term organizational strategy

Develop top talent &
transform the culture



Colleague Engagement

**Become a career destination,
customized learning and
virtual coaches to guide
colleagues throughout their
career**

The long term organizational strategy

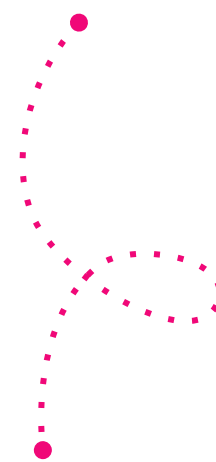
Develop top talent &
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Colleague Engagement

**Become a career destination,
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Enhance guest and
customer
personalization

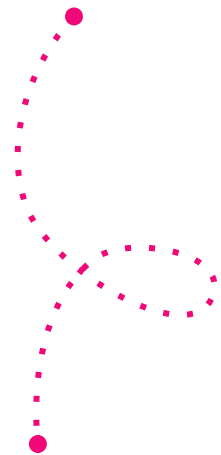


Tailor Guest Experience

**Extend the CX platform to
tailor experiences that
cultivate wellness &
wellbeing with guests;
create seamless experiences
across ecosystem**

The long term organizational strategy

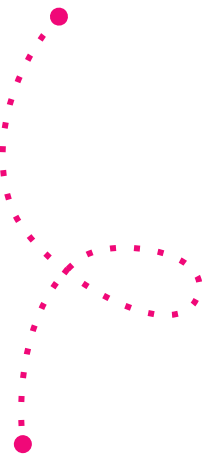
Develop top talent & transform the culture



Colleague Engagement

Become a career destination, customized learning and virtual coaches to guide colleagues throughout their career

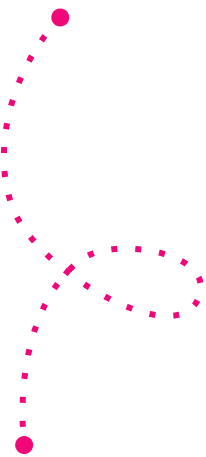
Enhance guest and customer personalization



Tailor Guest Experience

Extend the CX platform to tailor experiences that cultivate wellness & wellbeing with guests; create seamless experiences across ecosystem

Grow with intent by accelerating tech investment

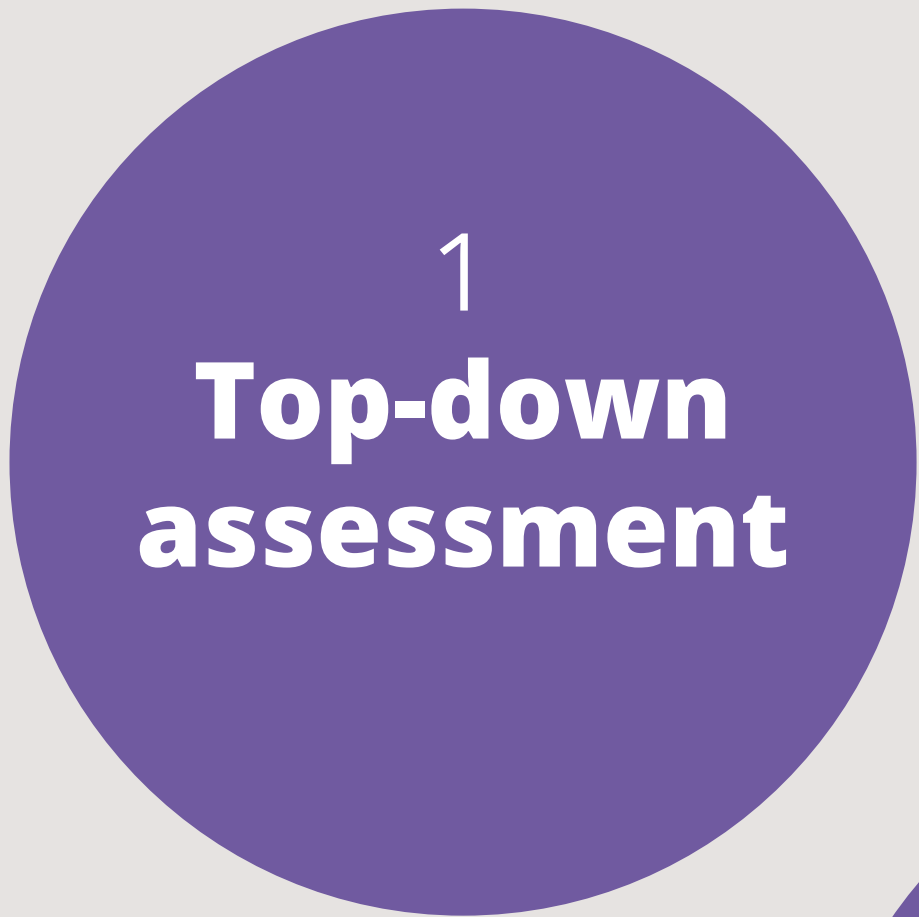


Cognitive care

Drive customized automation, insight into sentiment, customize onsite experiences (e.g., temp control, tailored amenities)

**GenAI strategy is about
moving from intent to plan,
and not the other way
around**

Moving from intent to plan



across all functions to identify high potential areas



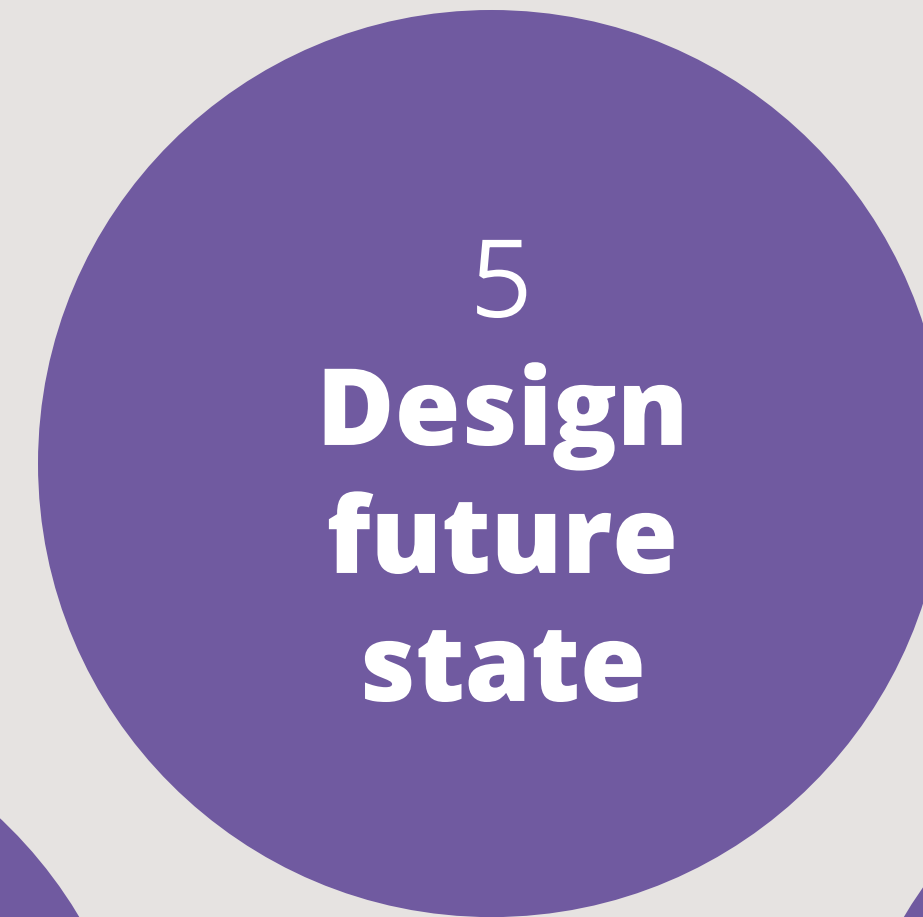
with high potential, in high potential areas



Ai-driven, leveraging design techniques



from implementing new workflows



identify AI techniques, data needs, and op model



to build AI driven workflows and capture value

How many people will
it impact?

Does it solve a real
problem?

Does it enable a bigger
play or ambition?

**Some questions to ask
yourself to validate
your GenAI Vision**

Does it align with your
company culture and
values?

Do we have the data?
Or how can we get it?

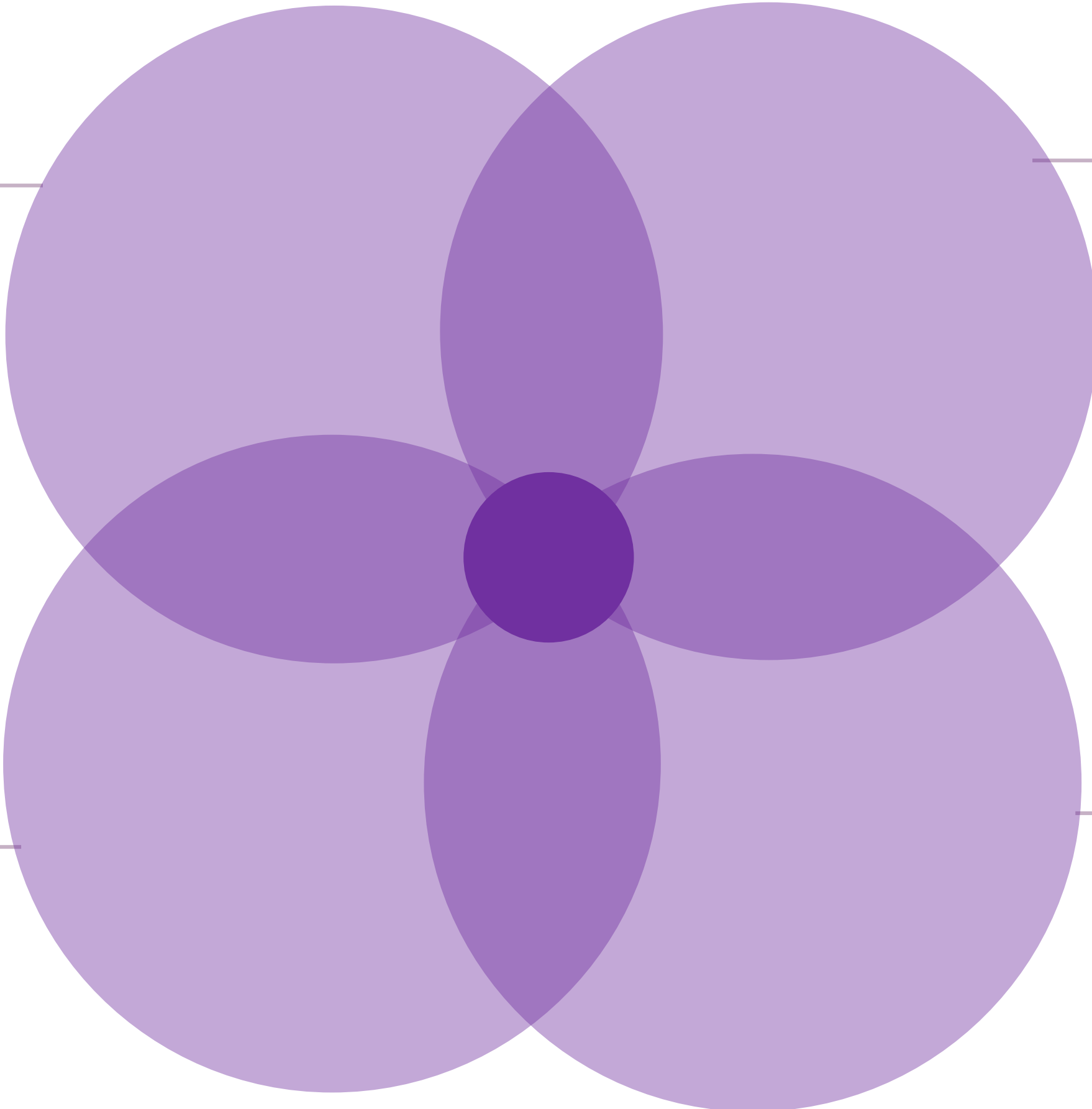
What happens if we
don't do it?

GenAI

The formula for dealing with ~~the unknown~~



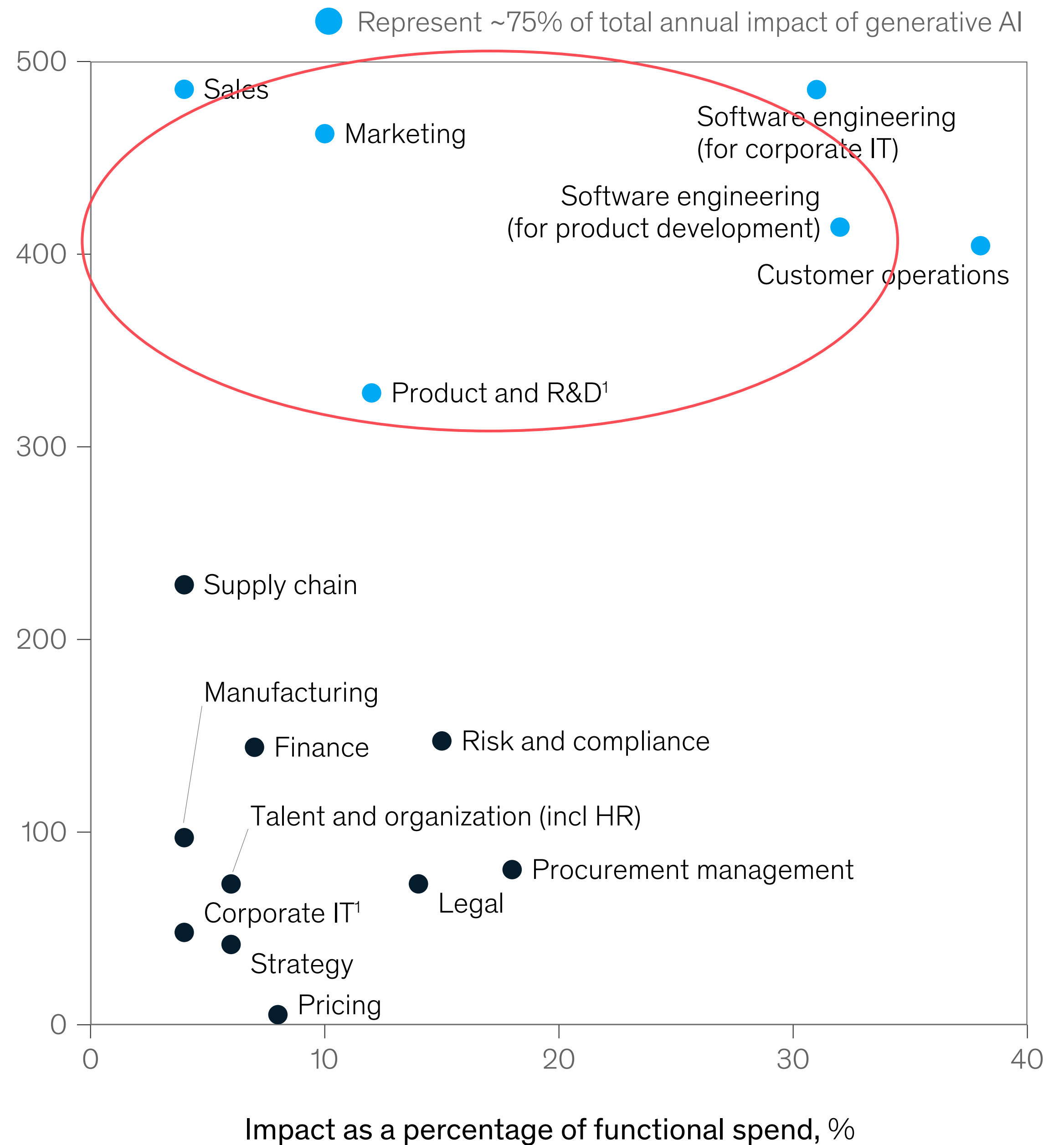
Vision & Purpose



Human-centric

**Human experiences are one
of the main winners from
GenAI**

75% of the total annual value from generative AI will come from 4 areas



*Gartner

Popular use cases

Customer segmentation & content personalization



Popular use cases

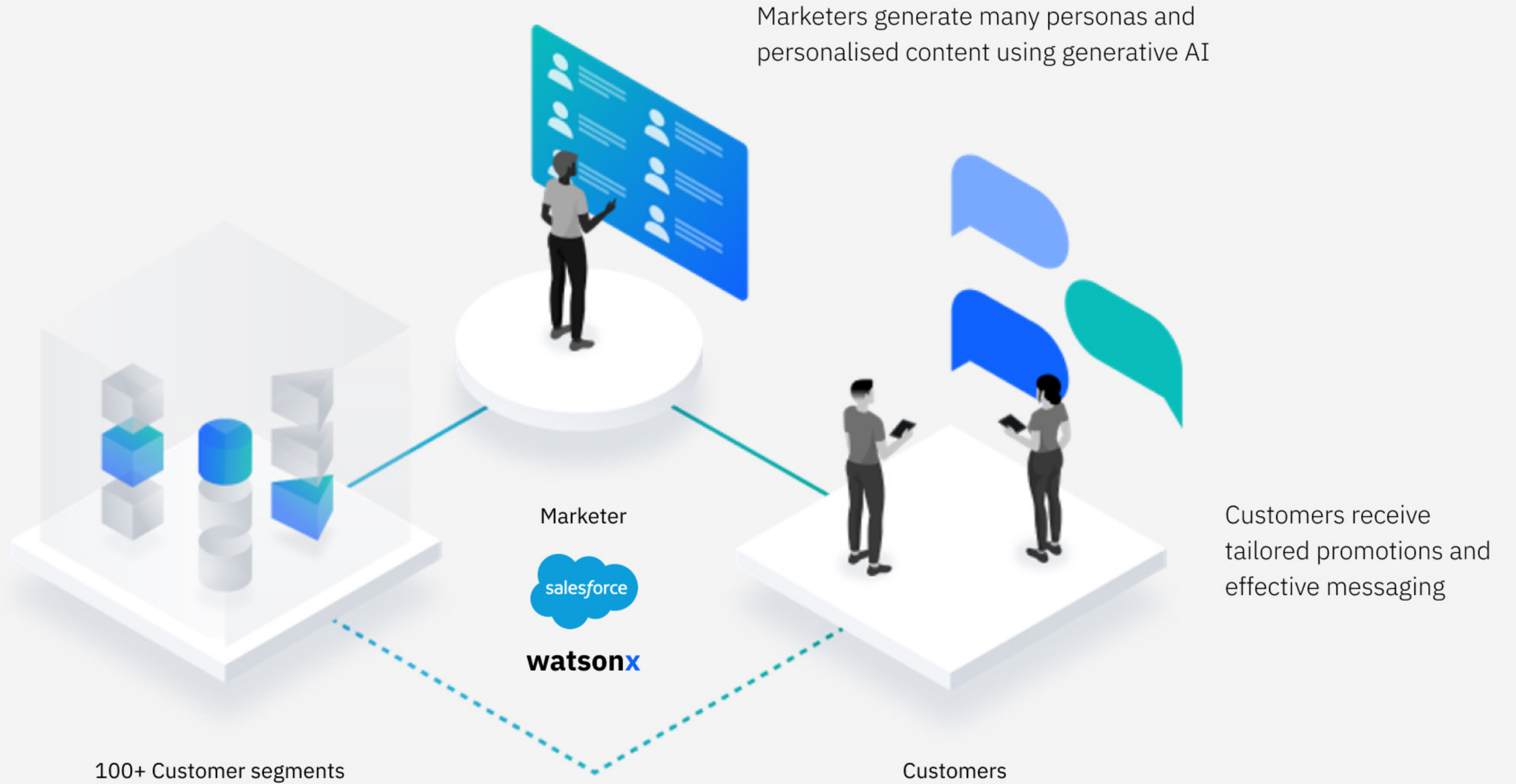
Multilingual and automated customer support

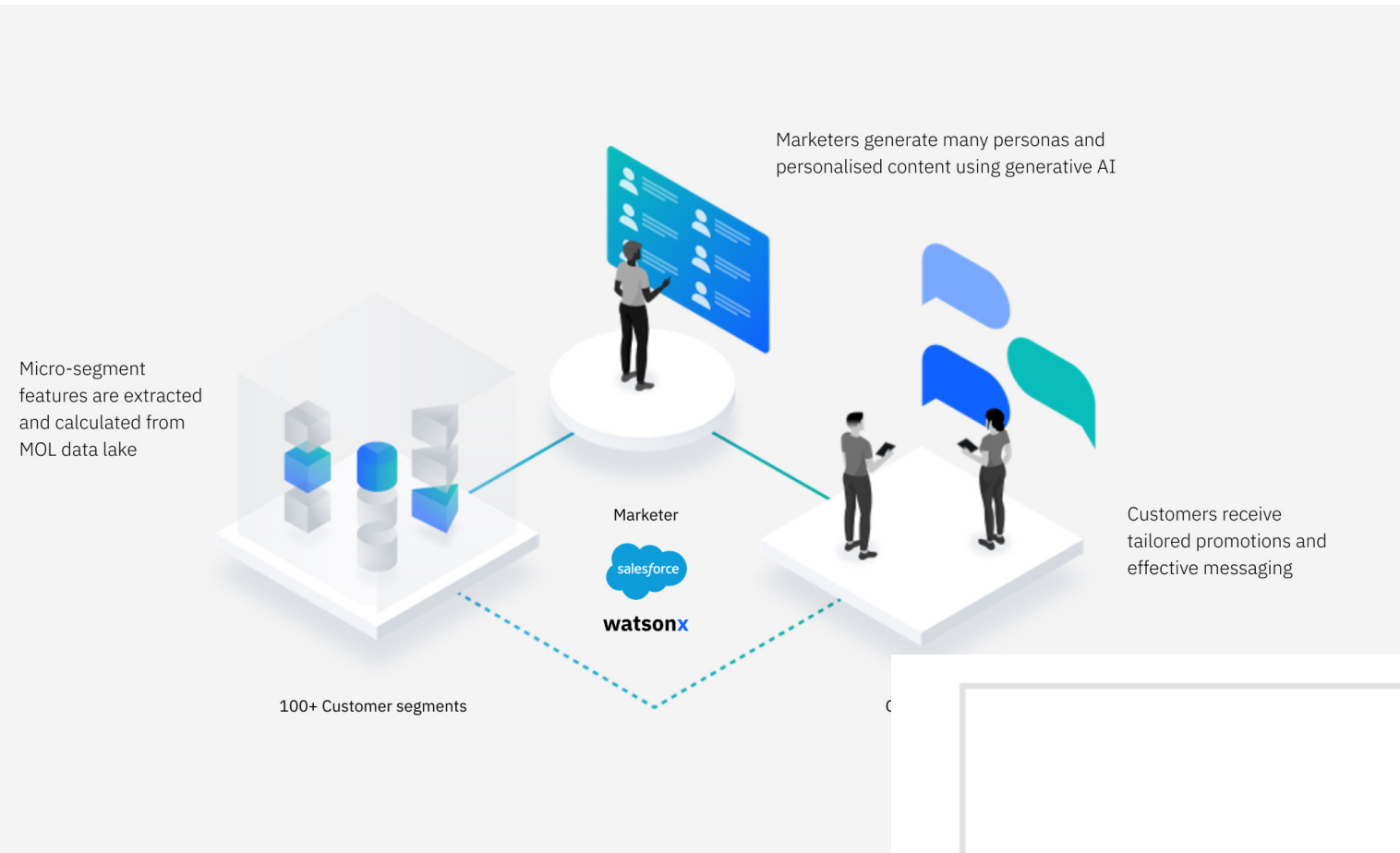




How can we use GenAI to drive higher customer margins with cross-sell and up-sell of hero products for a large gas stations chain?

Micro-segment features are extracted





+ 24 %

Voucher redemption rate and product sales

x 10

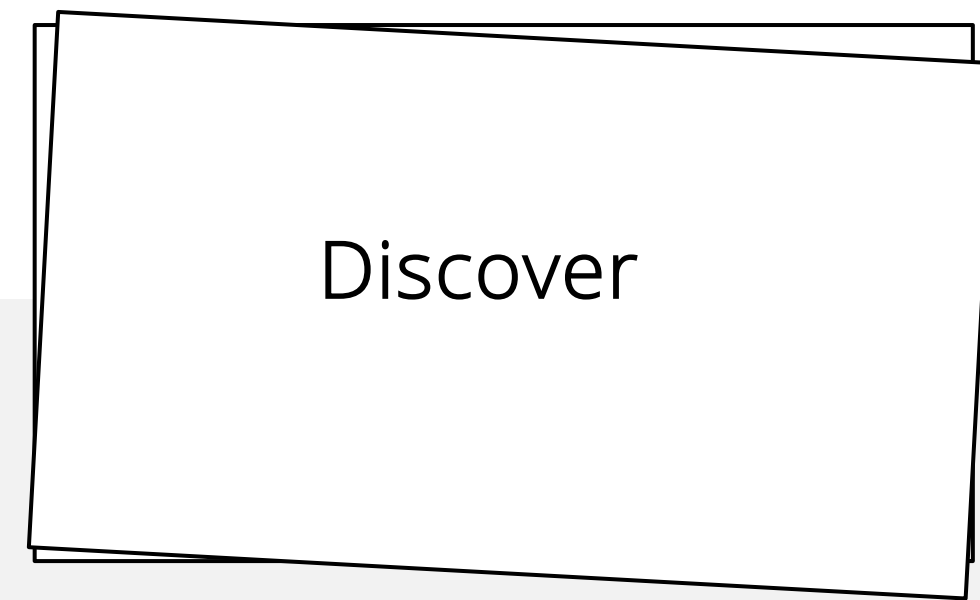
Marketeer efficiency (mid-term projection)

From 10s to 100s

Market segmentation increase

Business results from our pilot using e-mail and push notifications content created by generative AI

GenAI can bring value across the full customer lifecycle



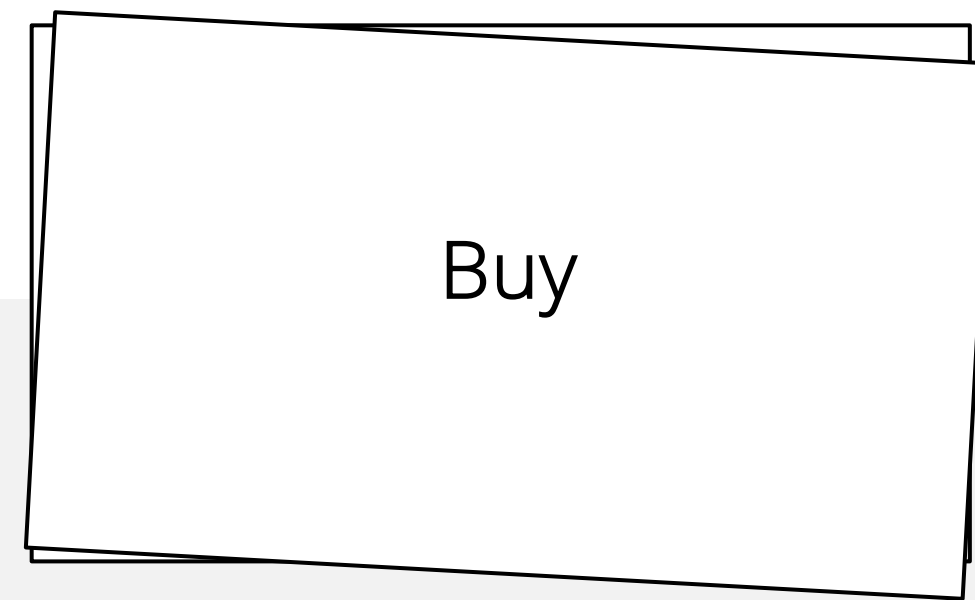
Discover

Customer Segmentation and Targeting

Content Generation & Personalization

Social Media Listening and Insights

SEO Optimization



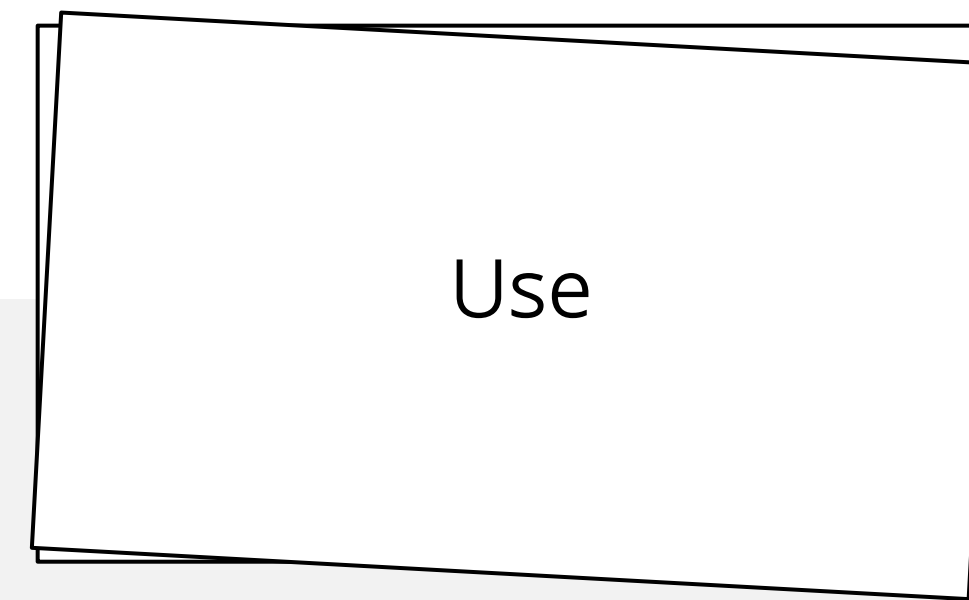
Buy

Product Content Generation

Personalized Product Recommendations

Visual Search

Virtual try-on



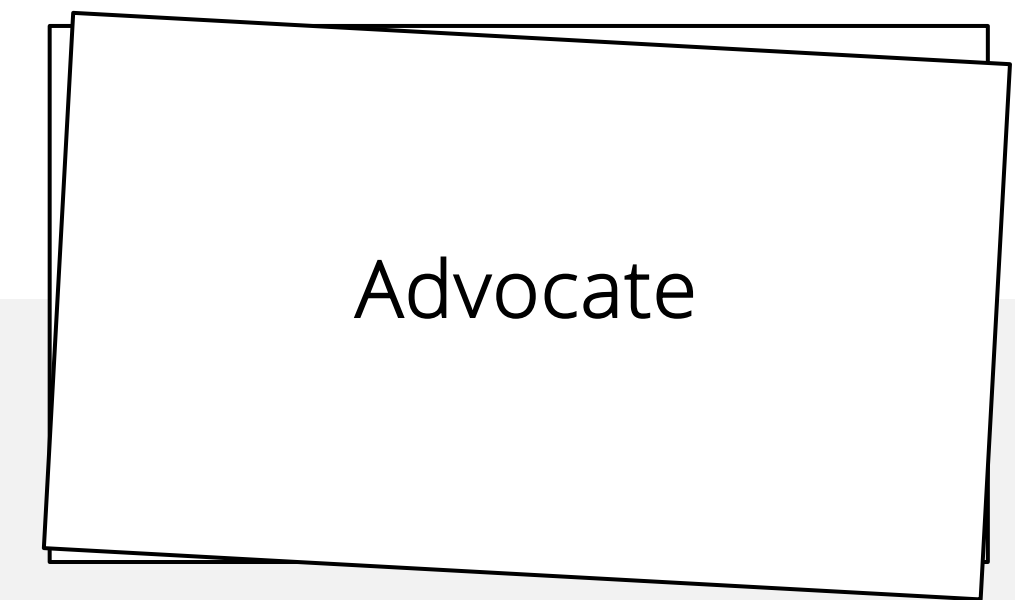
Use

Lead Scoring and Prioritization

Sales & Stock Forecasting

Cross-Selling and Upselling

Competitive Analysis & Retention Risk Prevention



Advocate

Automated Customer Support

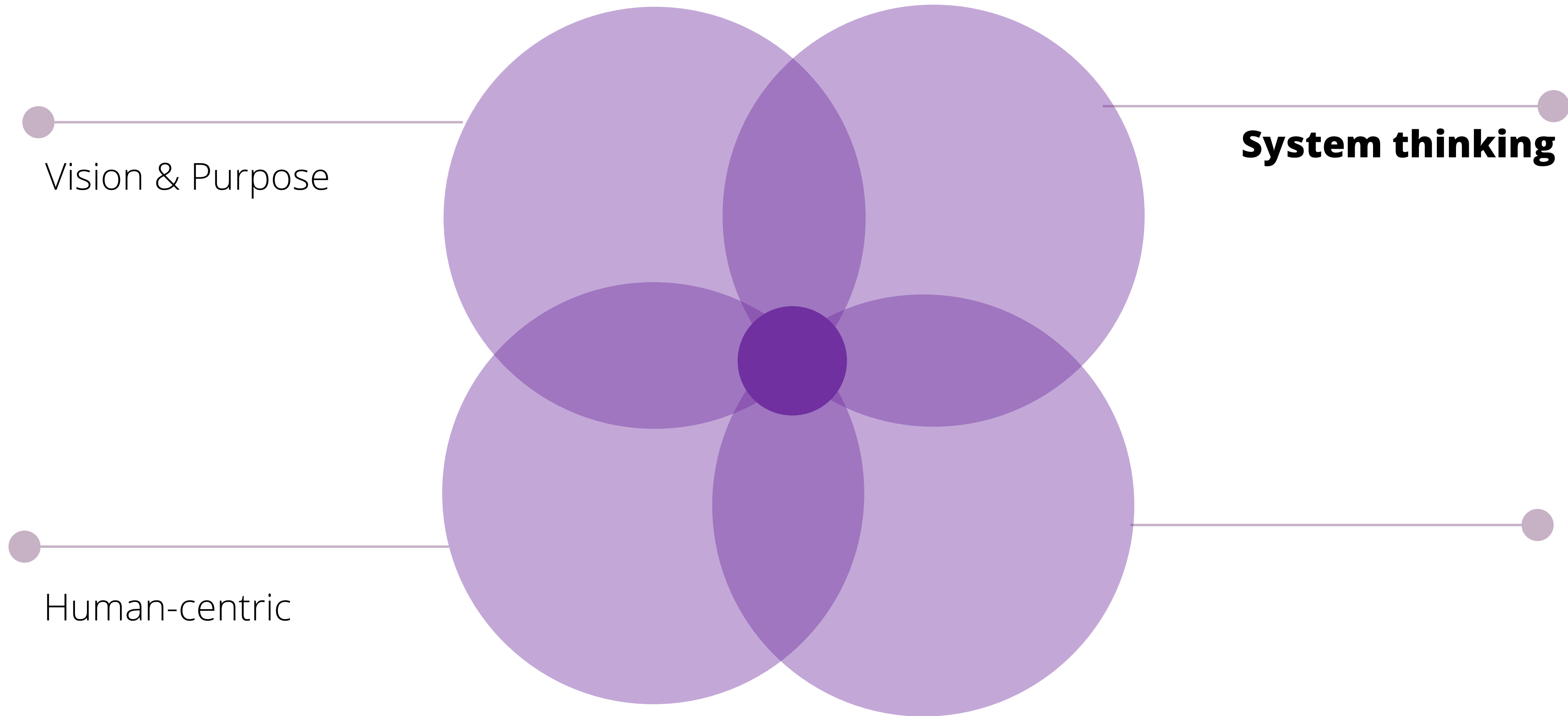
Multilingual Customer Support

Interactive FAQs and Knowledge Bases

Customer Feedback Analysis

GenAI

The formula for dealing with ~~the unknown~~



The butterfly effect



The butterfly effect



A small change in one state of a deterministic nonlinear system can result in large differences in a later state.

GenAI System thinking

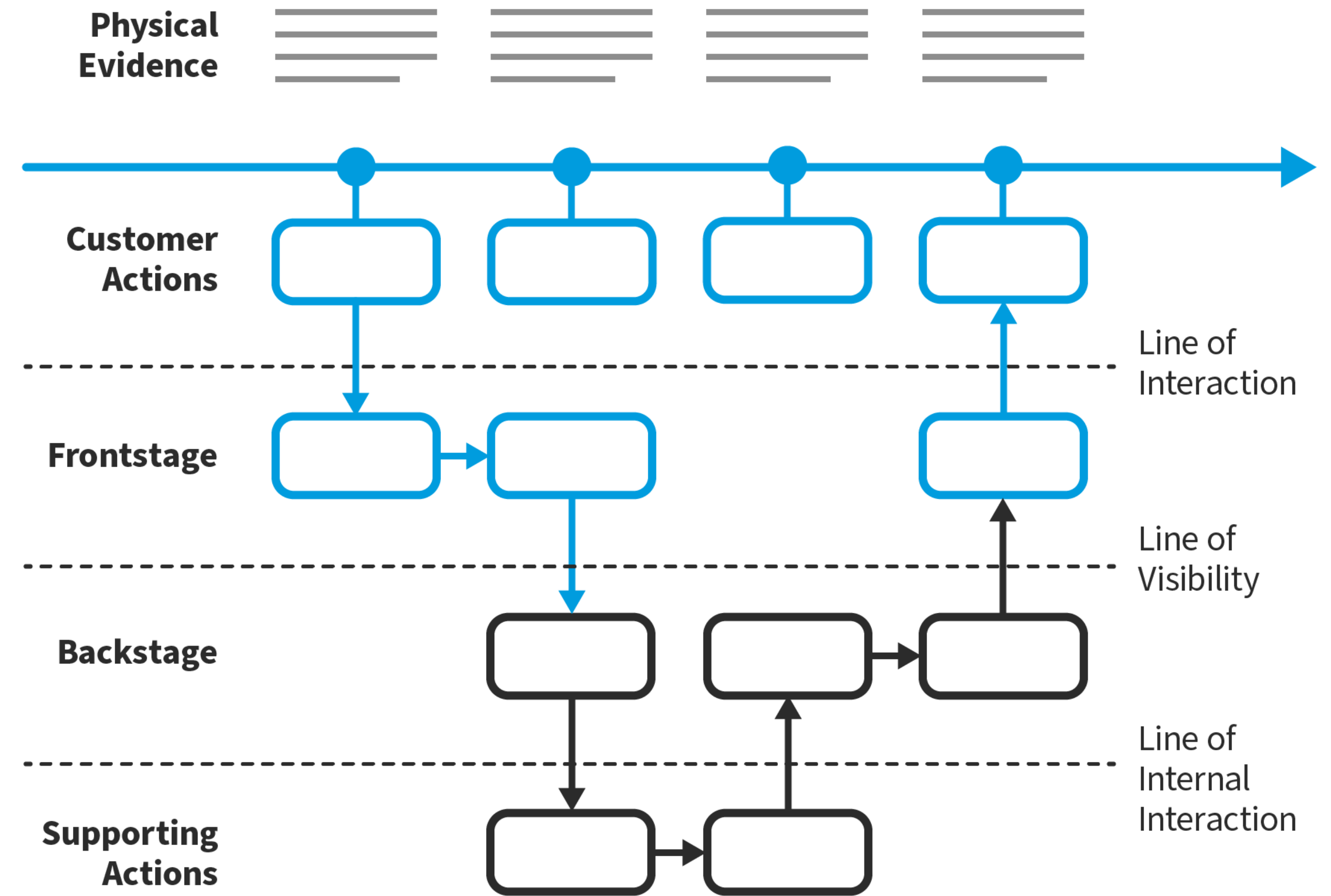
**Front stage
and back
stage**

**A clear target
operating
model**

**Ethics &
unintended
consequences**

Consider frontstage and backstage

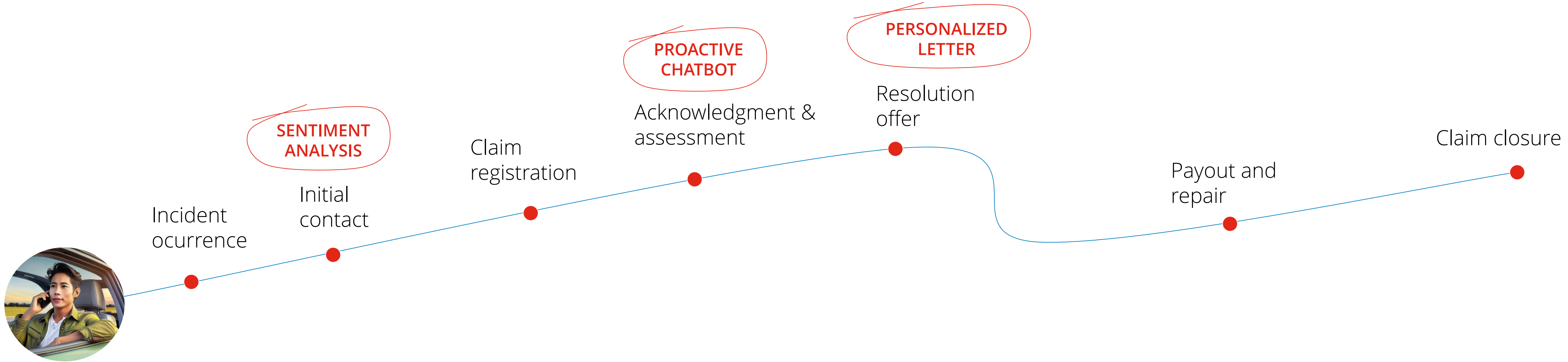
Service Blueprint Anatomy



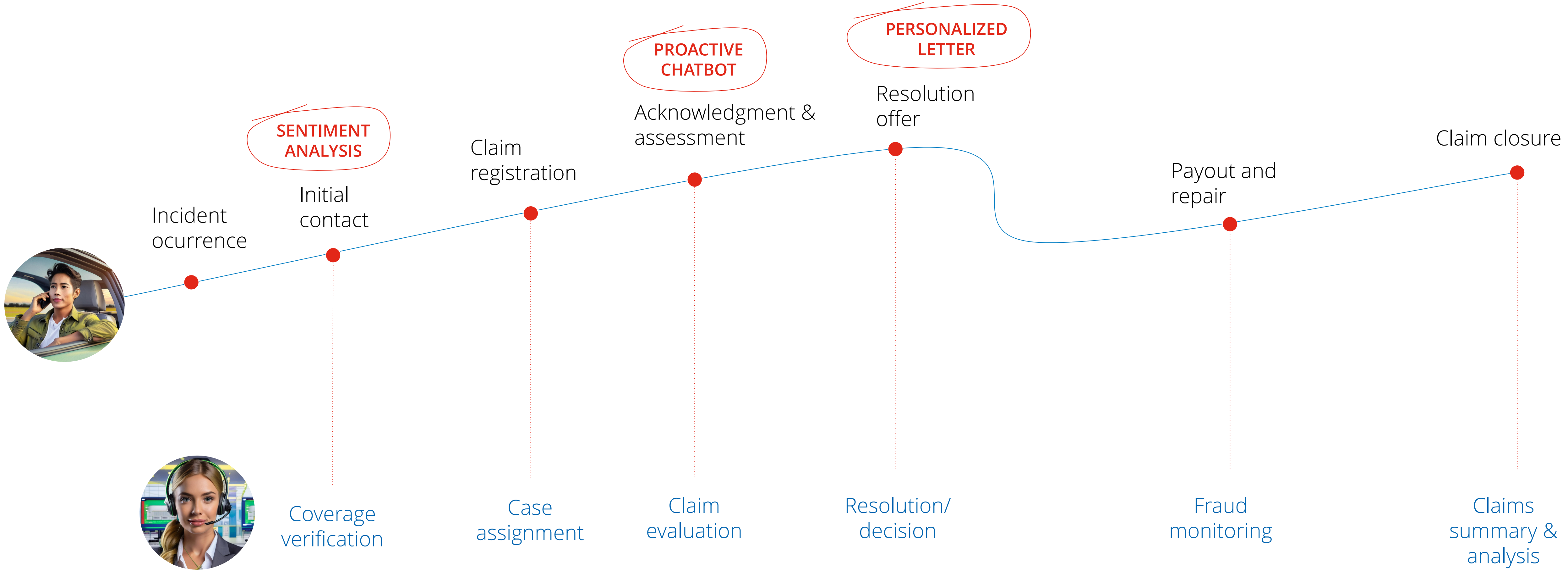
Example: car insurance claim



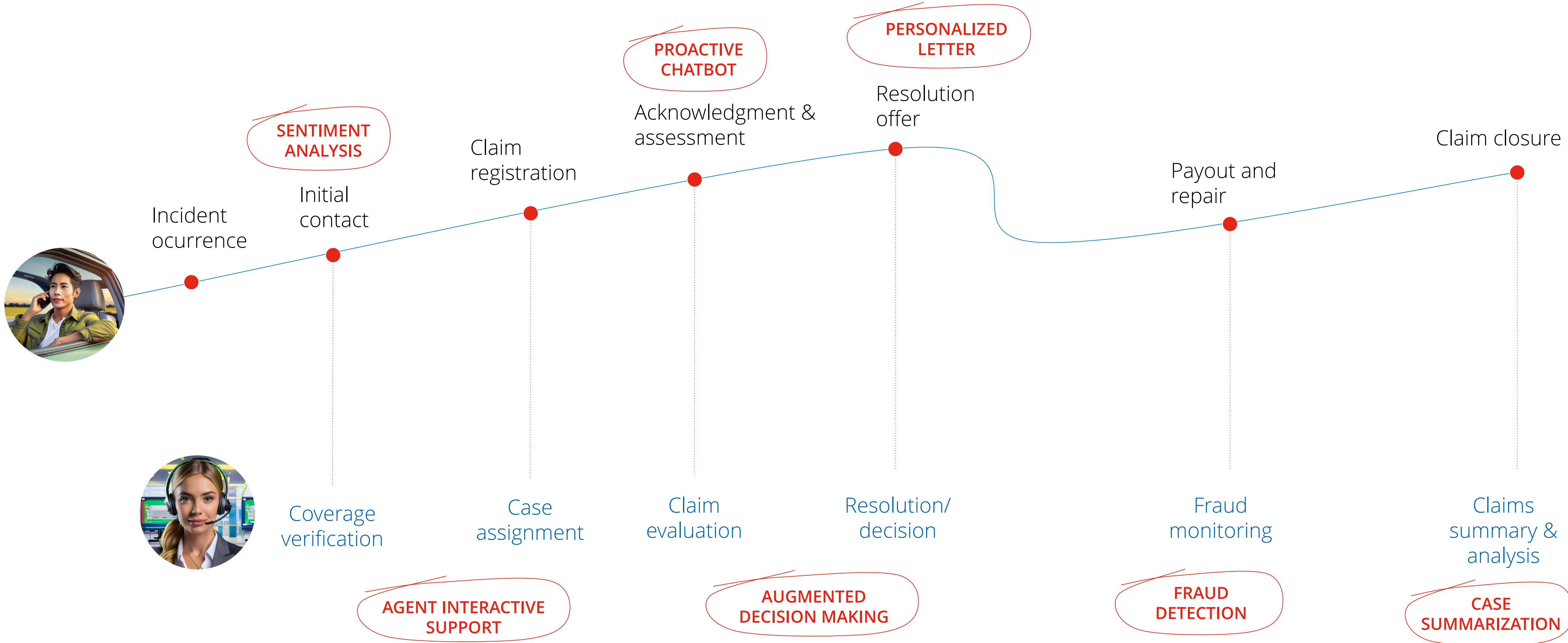
Example: car insurance claim



Example: car insurance claim



Example: car insurance claim



Target operating model

There are four archetypes of AI operating models, or four ways to structure genAI across an organization.



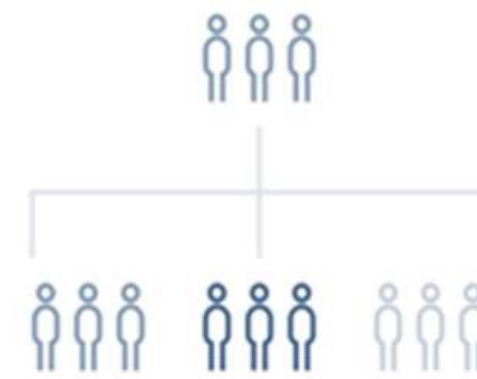
Functional

GenAI talent and power is spread out across teams. Each team has a designated genAI focal.



Center of Excellence

Operations and activities are coordinated and tracked from a single CoE. Servicing multiple parts of the organization.



Centralized

Cross-disciplinary GenAI team in a single location and cannot be accessed by units outside the centralized unit. Driving the genAI agenda in isolation.



Decentralized

GenAI talent dispersed across the org in silos with no view on initiatives outside their unit. Multiple teams exist in the org but are not joined together.

**You can break siloes even if
you're not in a position to
redesign the operating
model**

GenAI ethics is not just about compliance, but about ensuring the well-being of individuals and society

GenAI ethics is not just about compliance, but about ensuring the well-being of individuals and society

And it's everyone's responsibility. But designers can and should play a pivotal role in this.

Five principles of GenAI ethics for designers



Take **accountability** for the outcomes of your AI system in the real world, no matter your role.

Five principles of GenAI ethics for designers



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Be sensitive to a wide range of **cultural norms** and values, not just your own.

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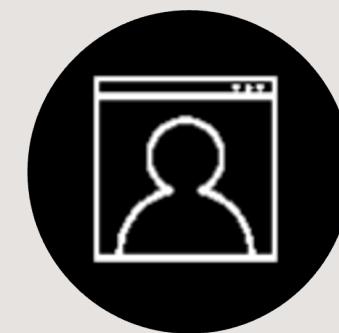


Work with your team to identify and **address biases** and promote inclusive representation.

Five principles of GenAI ethics for designers



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Ensure humans can perceive, detect, and understand an AI decision process.



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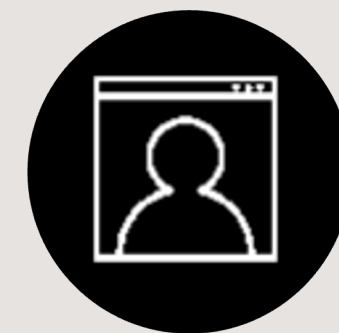


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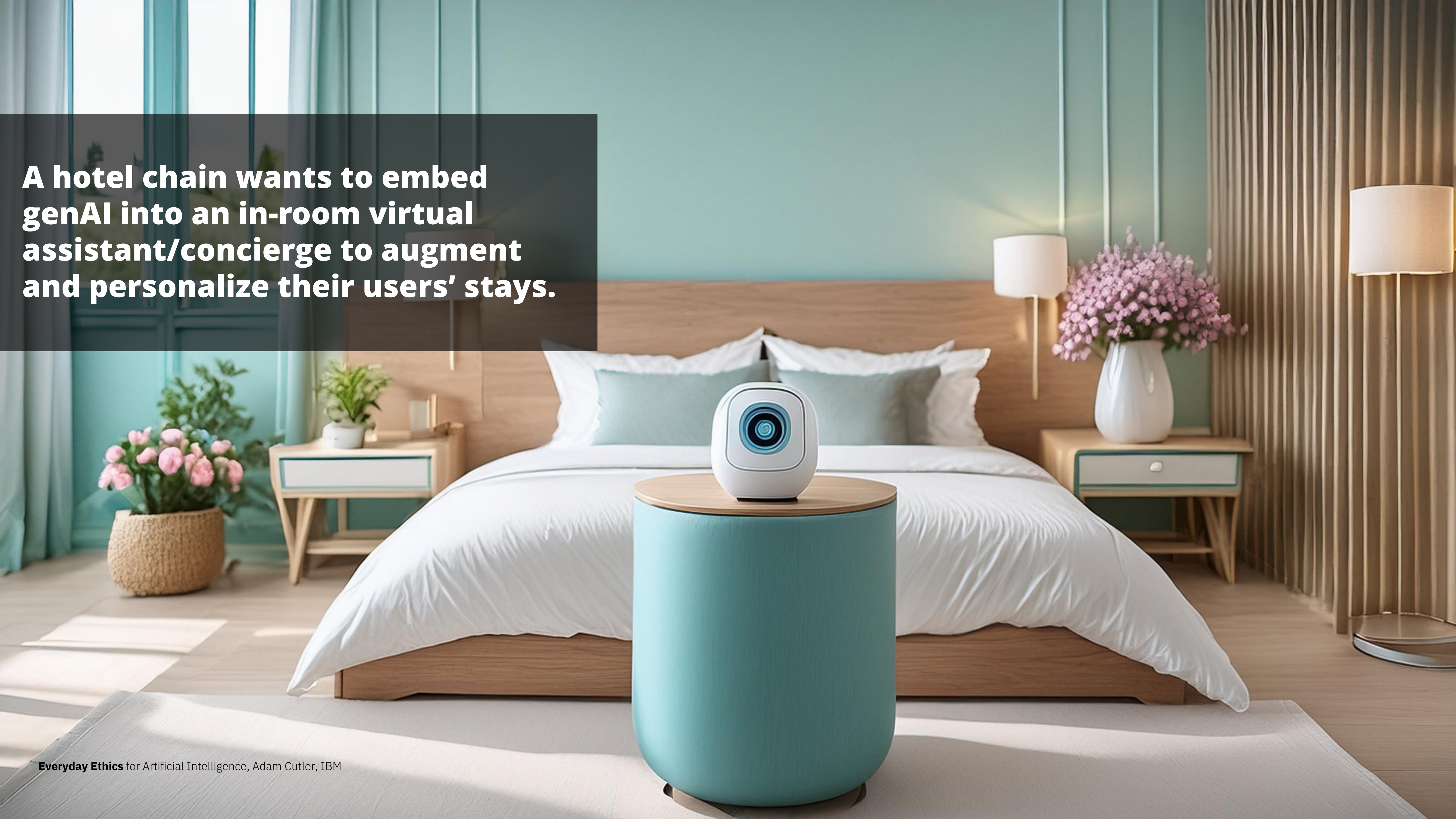


Preserve and fortify **users' power** over their own data and its uses.



Work with your team to identify and **address biases** and promote inclusive representation.

A hotel chain wants to embed genAI into an in-room virtual assistant/concierge to augment and personalize their users' stays.





Take **accountability** for the outcomes of your AI system in the real world, no matter your role.

The team utilizes design researchers to **contact real guests in the hotels** to understand their wants and needs through face-to-face user interviews.

The team considers their own responsibility when the hotel assistant's feedback does not meet the needs or expectations of guests. They have implemented a **feedback learning loop** to better understand preferences and have highlighted the ability for a guest to **turn off the AI assistant** at any point during their stay.



Ensure humans can perceive, detect, and understand an AI decision process.

The team ensures the guest must explicitly **opt in** to use the hotel room assistant.

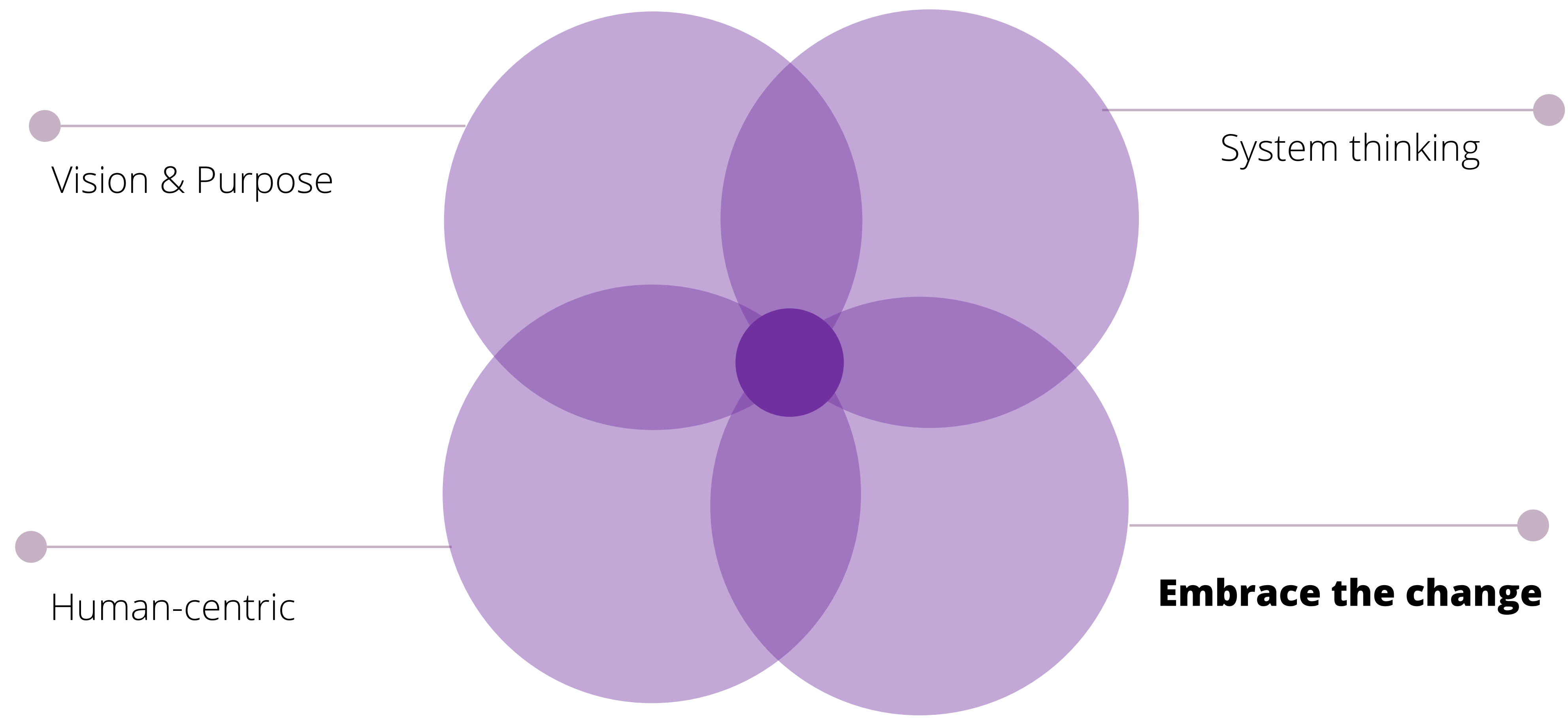
Guests are provided with a **transparent UI** in their room to show how the voice AI makes its recommendations.

The team provides consent mechanisms, through voice or graphic UI.

Guests can ask **why these recommendations are made** and which set of data is being utilized to make them.

GenAI

The formula for dealing with ~~the unknown~~



In the race against time, even designers often find themselves struggling to keep humans in the center



**GenAI can bring humanity back into
technology**

Putting GenAI to use for yourself

Power Point Presentations

75% Productivity Gains

Document analyzer

90% Productivity Gains

Notes Analyzer

90% Productivity Gains

Executive Summary

60% Productivity Gains

Delivering Pitch

65% Productivity Gains

Market Analysis

80% Productivity Gains

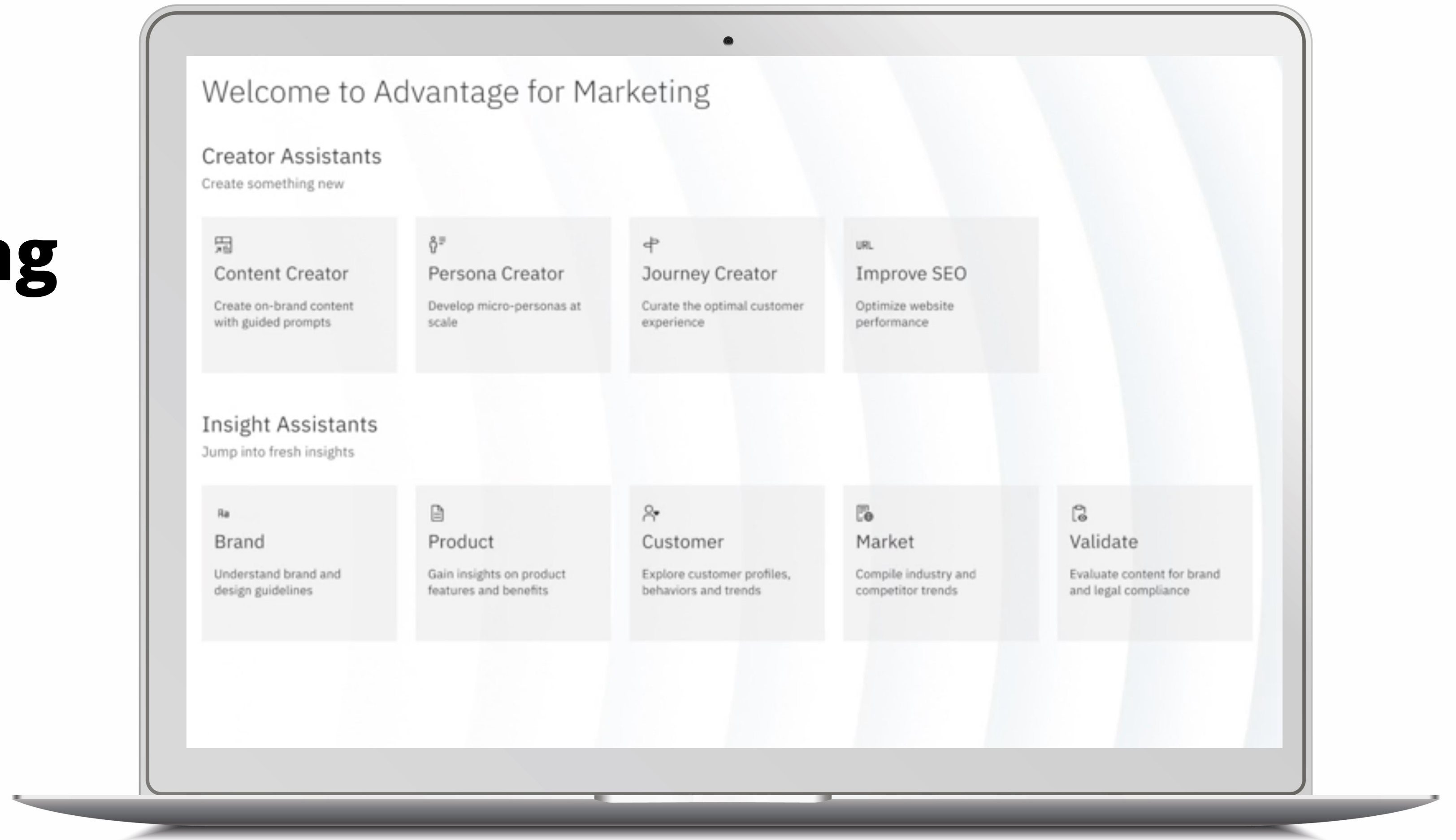
User Story/ Personas

65% Productivity Gains

Client Research

75% Productivity Gains

How our marketing team uses genAI



Generative AI Persona Creation and Augmenting

Use GenAI T to generate new starter personas for design thinking or experience design. Increasing Speed to Value.

Although GenAI can generate good personas generatively, we do augment and fine tune with Industry and Customer Research to produce valuable deep persona assets.

Allows user to provide follow-up corrections

Trained to decline inappropriate requests

⚠️ Limitations

May occasionally generate incorrect information

create a persona map for the following persona type for an EV mobile app
"Eco-Friendly: A user who prioritizes environmental sustainability and wants to reduce their carbon footprint."
A good persona map will contain
- Person Name
- Biography

SOPHIE GREEN

"Eco-Friendly" EV Mobile App User

The Advocate



Gender: Female

Age: 35

Education: Bachelor's degree in Environmental

Occupation: Sustainability Consultant

Address: San Francisco, California

Biography

Sophie is a 32-year-old female living in San Francisco, California. She has a degree in Environmental Studies and is currently working as a sustainability consultant for a tech company. In her free time, she enjoys hiking, volunteering for local environmental organizations, and reading about ways to reduce her carbon footprint.

motivations

- Reduce her carbon footprint
- Promote environmental sustainability
- Live a green and sustainable lifestyle

Goals

To adopt a completely zero-waste lifestyle

To switch to 100% renewable energy sources

Frustrations

Inefficient and unreliable public transportation options

Limited availability of electric vehicle charging stations

Lack of support from the government and local community

Behaviors

Regularly uses public transportation and bike-sharing

Avoids single-use plastic products and packaging

Supports local businesses that prioritize sustainability

personality

Introvert Extrovert

Thinking Feeling

Judging Perceiving

Sensing Intuition

Technology

Software

Social Media

Mobile App

brands

Tesla
Patagonia
Better World Goods

Creator Assistants

Content Creator

Persona Creator

Journey Creator

Improve SEO

Select attributes and add extra details for this Persona

Product

Turbonomic

Target Audience

CIO

Additional attributes

Prospect, sustainability focused

Generate a persona image?

Yes

No

Campaign Brief & additional documents
(optional)

Upload a file +

Clear X

Save Draft

Generate →

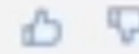
Generated Result

Download PDF

Regenerate

AI Confidence level: 95%

Rate this result:



Persona Name: Sarah CIO New Customer

Save to Library



Sarah

Edit

Age: 45

Gender: Female

Occupation: Chief Information Officer

Industry: Technology

Goals:

- Improve the efficiency and effectiveness of the company's resource allocation
- Increase the accuracy of resource planning and forecasting
- Enhance the company's ability to respond to changing market conditions and customer needs

Challenges:

- Limited visibility into resource utilization and availability across the organization
- Difficulty in accurate casting resource needs and allocating resources effectively
- Inefficient processes for managing resources, leading to wasted time and resources

Values:

- Efficiency and productivity
- Data-driven decision making
- Collaboration and teamwork

Personality:

- Analytical and data-driven, with a focus on using data to drive decision making
- Strategic thinker who can see the big picture and understand how resource simulation software can help the company achieve its goals
- Collaborative leader who values input from her team and is open to new ideas and perspectives
- Results-oriented and focused on achieving tangible outcomes from the use of resource simulation software

Pain points:

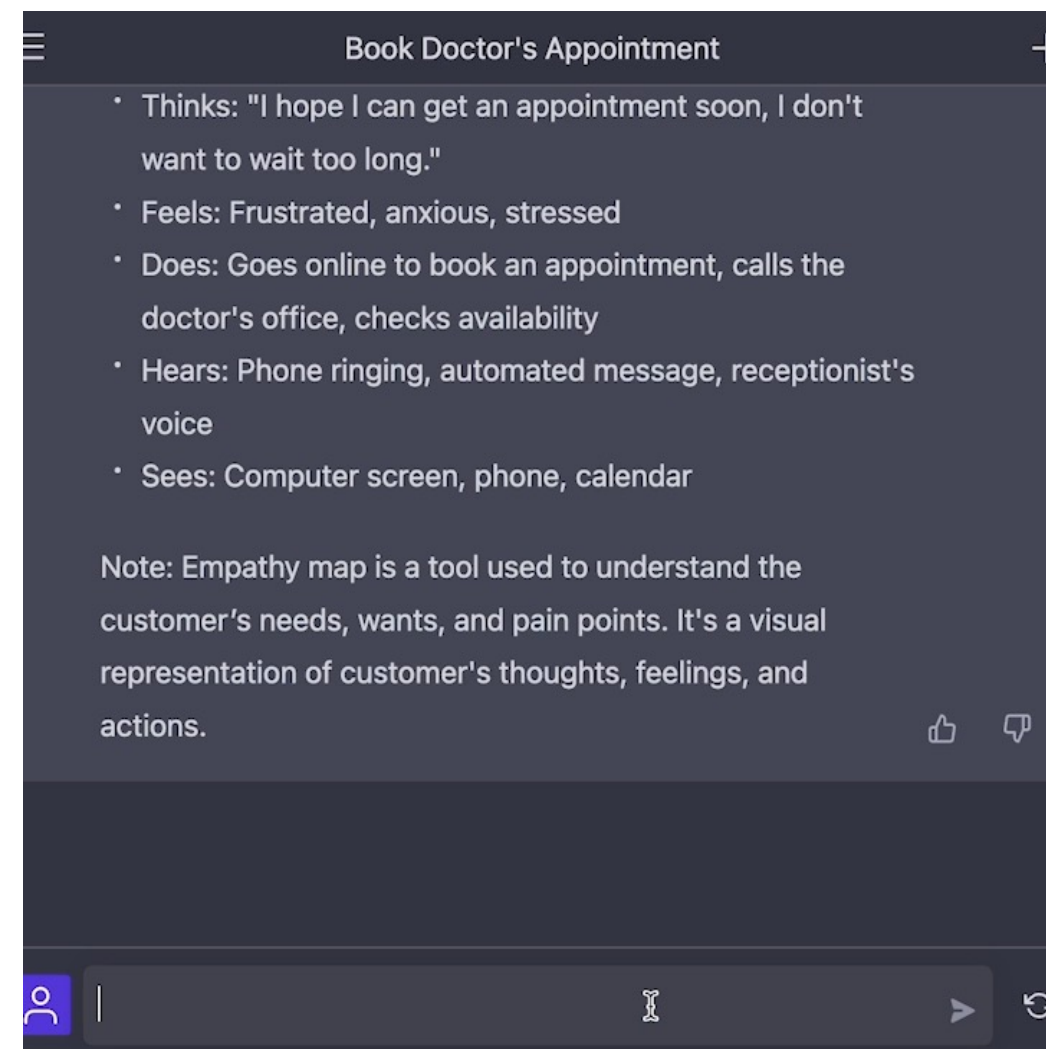
- Difficulty in getting accurate data on resource utilization and availability
- Inability to effectively forecast resource needs and allocate resources accordingly
- Inefficient processes for managing resources, leading to wasted time and resources
- Difficulty in collaborating with cross-functional teams and stakes to align on resource allocation and planning

Generative AI Journey Map development

Potential opportunities to utilize Design Assistant:

- Customized journeys to various segments
- Quickly develop multiple variations

Example: Booking a Doctor's Appointment



"I hope I can get an appointment soon, I don't want to wait too long."

Empathy Map

Feels: Frustrated, anxious, stressed	Does: Goes online to book an appointment, calls the doctor's office, checks availability	Hears: phone ringing, Automated message, receptionist's voice	Sees: Computer screen, phone, calendar
--	--	---	--

Journey Map

Awareness: becomes aware that they need to book an appointment with their doctor

Research: researches various options for booking an appointment, such as going online or calling the doctor's office

Selection: selects the method they prefer for booking an appointment, such as going online or calling the doctor

Scheduling: schedule an appointment by choosing the date and time that works for them

Confirmation: receives confirmation of their appointment, either via email or by phone

Reminder: receives a reminder of their appointment via email or SMS

Arrival: arrives at the doctor's office for their appointment

Check-in: checks in with the receptionist, and may have to fill out any necessary paperwork

Appointment: has their appointment

Follow-up: may need to schedule follow-up appointments or receive any necessary prescriptions or referrals

Feedback: may leave feedback on their experience booking and having the appointment

GenAI can also help the behind the scenes, e.g.
Product process (30%-40% efficiency gain)

Product Strategy

Product Strategy and Perspective
Product Visioning and Design
Product Definition and Validation

Market analysis and trend prediction

Idea generation

Pain point insights and tracking

Epic, feature, story generation

Data storytelling

Automated prototyping

Product Development

Product Development
Product Delivery
Product Launch

Rules and domain extraction

Value orchestration

Code generation and conversion

Automated test script generation

DevOps (Build and Deploy)

Roadmap Evolution

Product Performance

Product-Led Growth (Engagement)
Product Insights
Product Evolution

Hyper-personalization

Automated A/B testing

Value orchestration

Performance optimization

Price Optimization

Reporting and monitoring

However...

**When people over-rely
on GenAI, the collective
divergence of ideas
drops by 40%**

**When people over-rely
on GenAI, the collective
divergence of ideas
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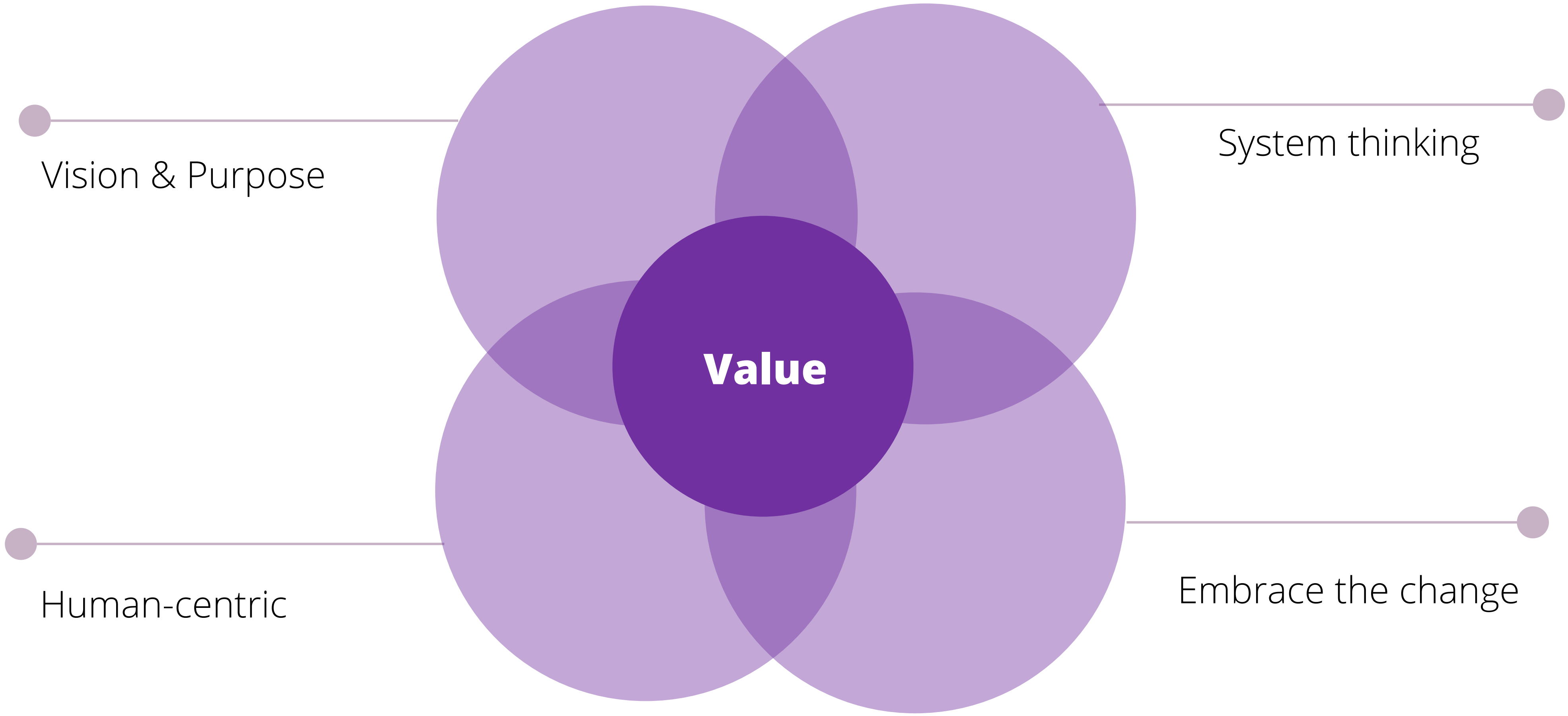
Find your GenAI talent, within your organization or within yourself

Train your talent to use GenAI

But ensure to keep the human creativity going

GenAI

The formula for dealing with ~~the unknown~~

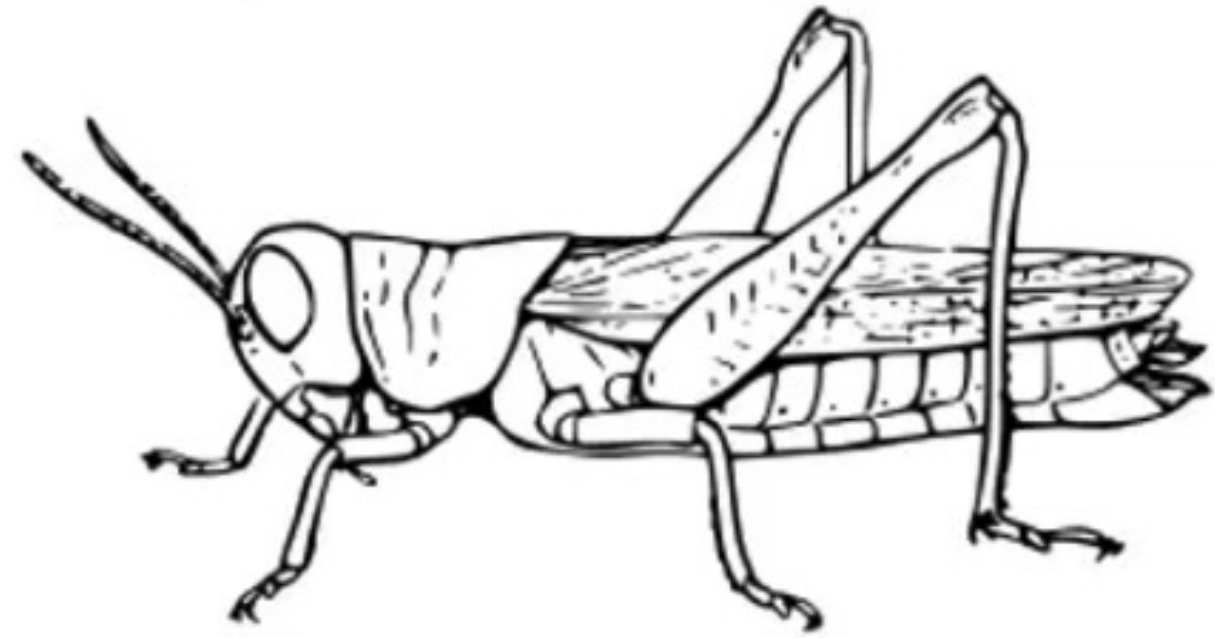


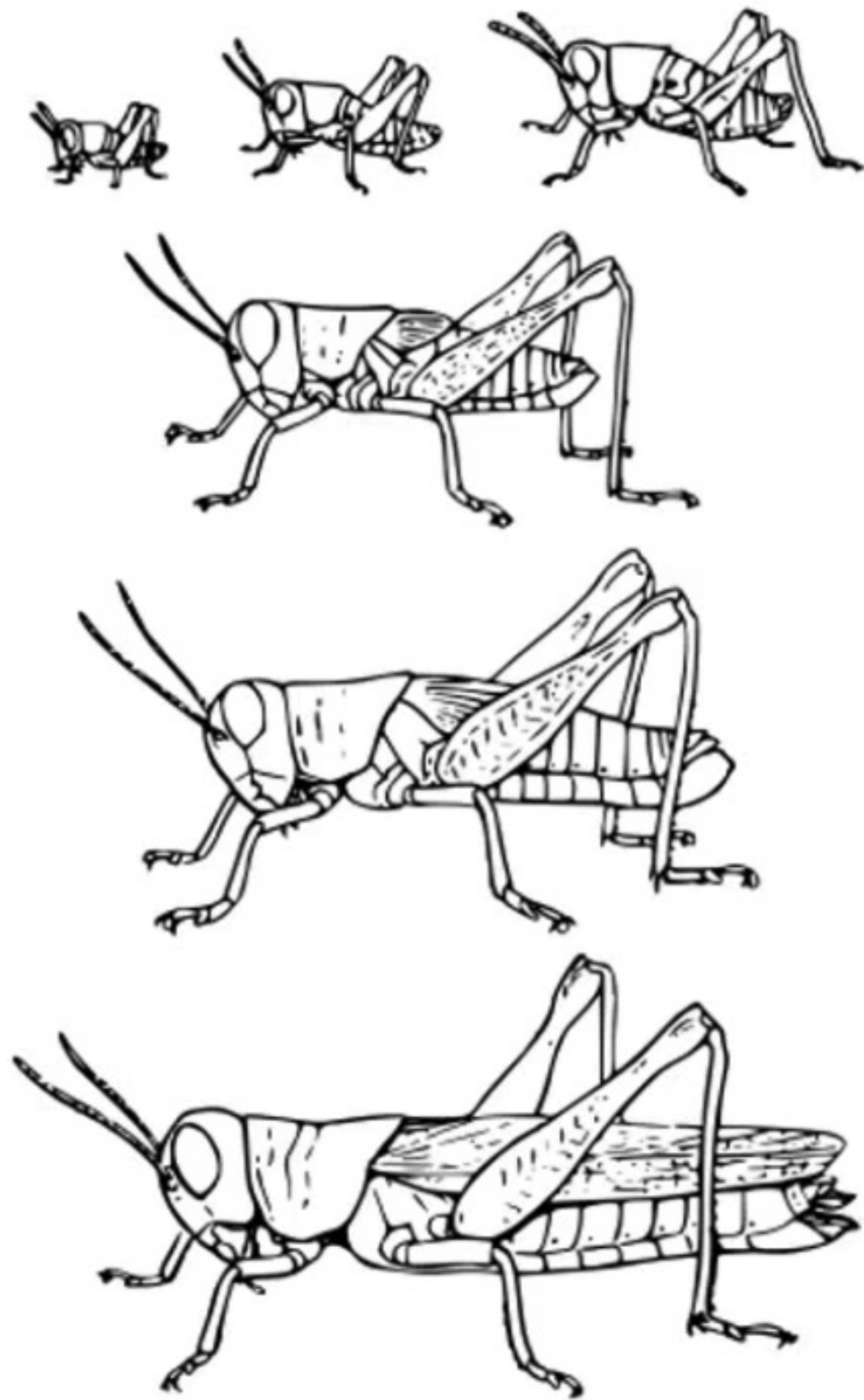
Vision & Purpose

System thinking

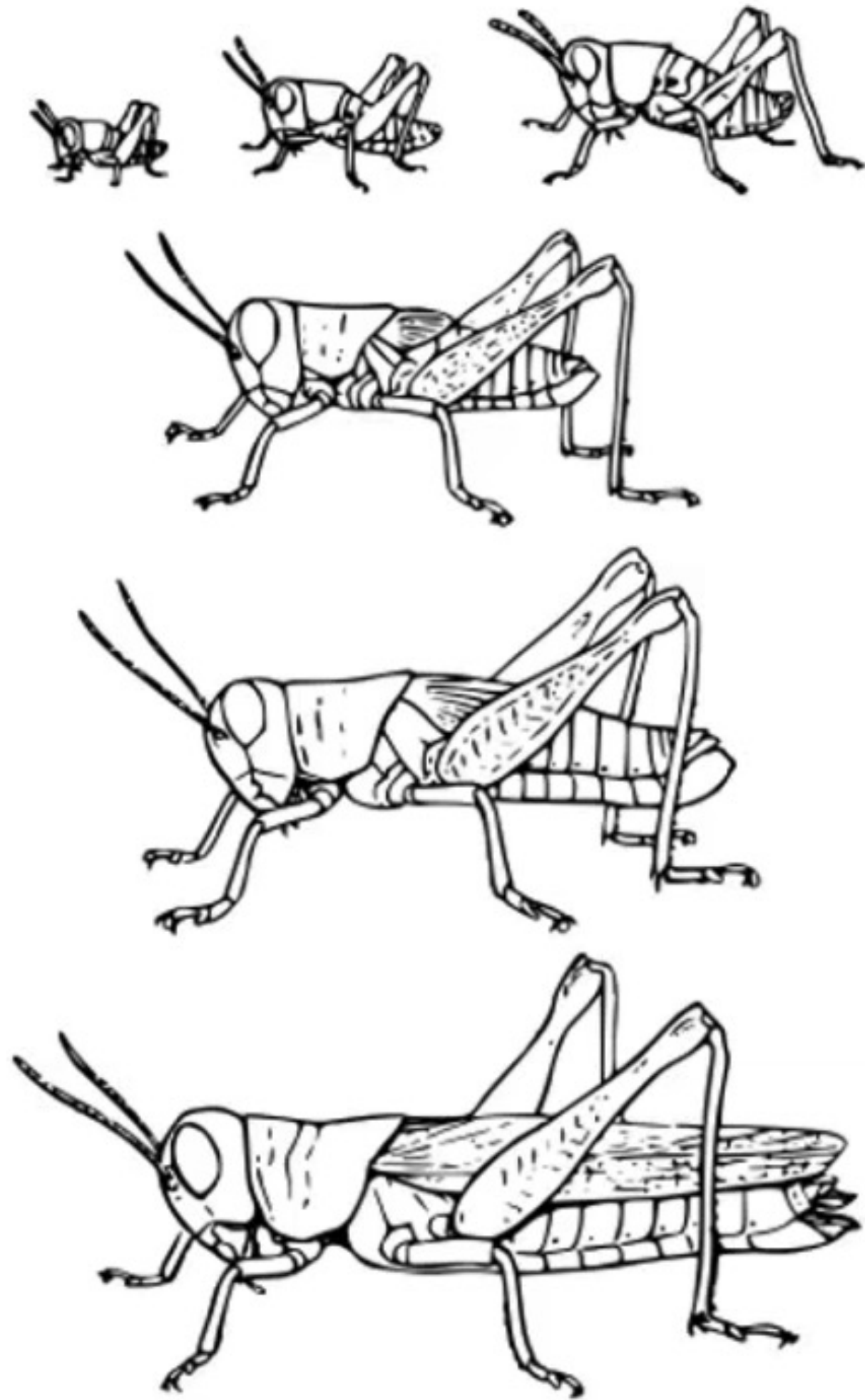
Human-centric

Embrace the change





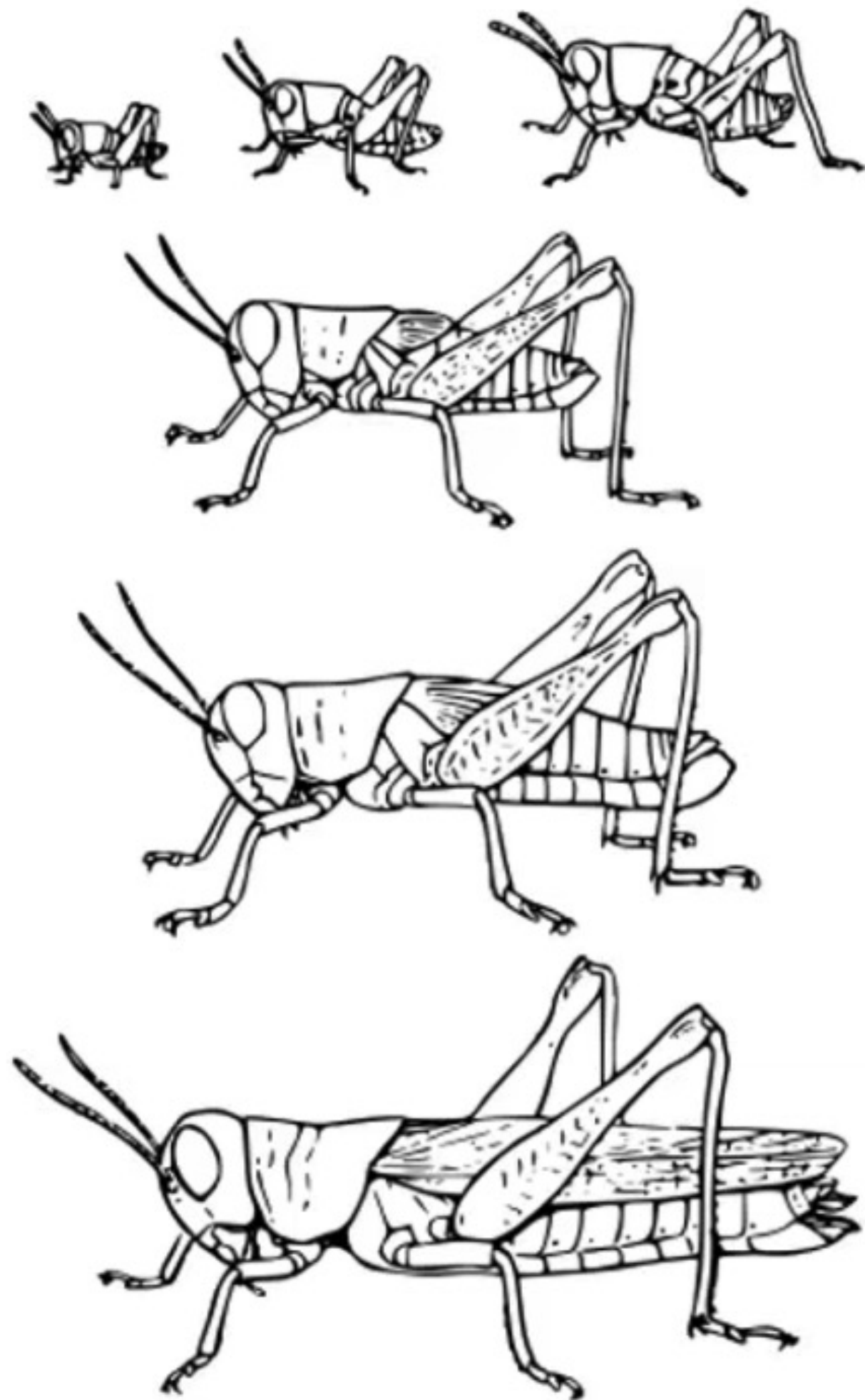
Optimizational value



Transformational value



Optimization value



=

Faster, more efficient way to perform tasks like content creation, product design, research

Reduced manual tasks so the team can focus on high value items

Achieve more with less

Transformational value

Enable entirely new ways
for customers to interact
with your brand

Introduce new business
models, products and
services

Fundamental shift in
company value
proposition

=









Most people can envision incremental progress but it takes a visionary to find entirely new ways to solve a problem.

**Transformational value can be hard to
envision and quantify, but
optimization is all about quantification**

Value case modeling approach

Value Case Steps

-  Workflow Tasks **1** Identify the major tasks across the target domain or sub-domain workflow
-  AI Enhancements **2** Describe how generative AI will be applied to automate, streamline, or enhance each workflow task
-  Metrics Impacted **3** Identify the specific value metrics impacted by the above enhancements, with focus on those directly tied to financial impact
-  Degree of Impact **4** Identify the % change expected in the above value metrics leveraging benchmarks
-  Absolute Impact **5** Quantify the financial value of each impacted metric, leveraging client data on current baseline values
-  Baseline assumptions **6** Document major assumptions regarding baseline values driving the above impact assessment

Value case example – Customer care

Cost-related

Increased self-service deflection

\$23M agent labor savings

Key assumptions

- 5,000 agents
- 3,778 contacts/year/agent
- 8 min avg handling time
- 30% increase in call deflection
- \$30 loaded hourly agent cost

Reduced handling time

\$11M agent labor savings

Key assumptions

- 13.2M call volume after lift in self-service deflection
- 8 min avg handling time
- 20% reduction in handling time
- \$30 loaded hourly agent cost

Growth-related

Reduced customer churn

\$51M retained cust. value

Key assumptions

- 18.2M current customer base
- 8% current customer churn
- 10% reduction in churn (to 7.2%)
- 2 yrs value at avg. rev of \$434/yr
- 40% contribution margin

Increased upsell/cross-sell

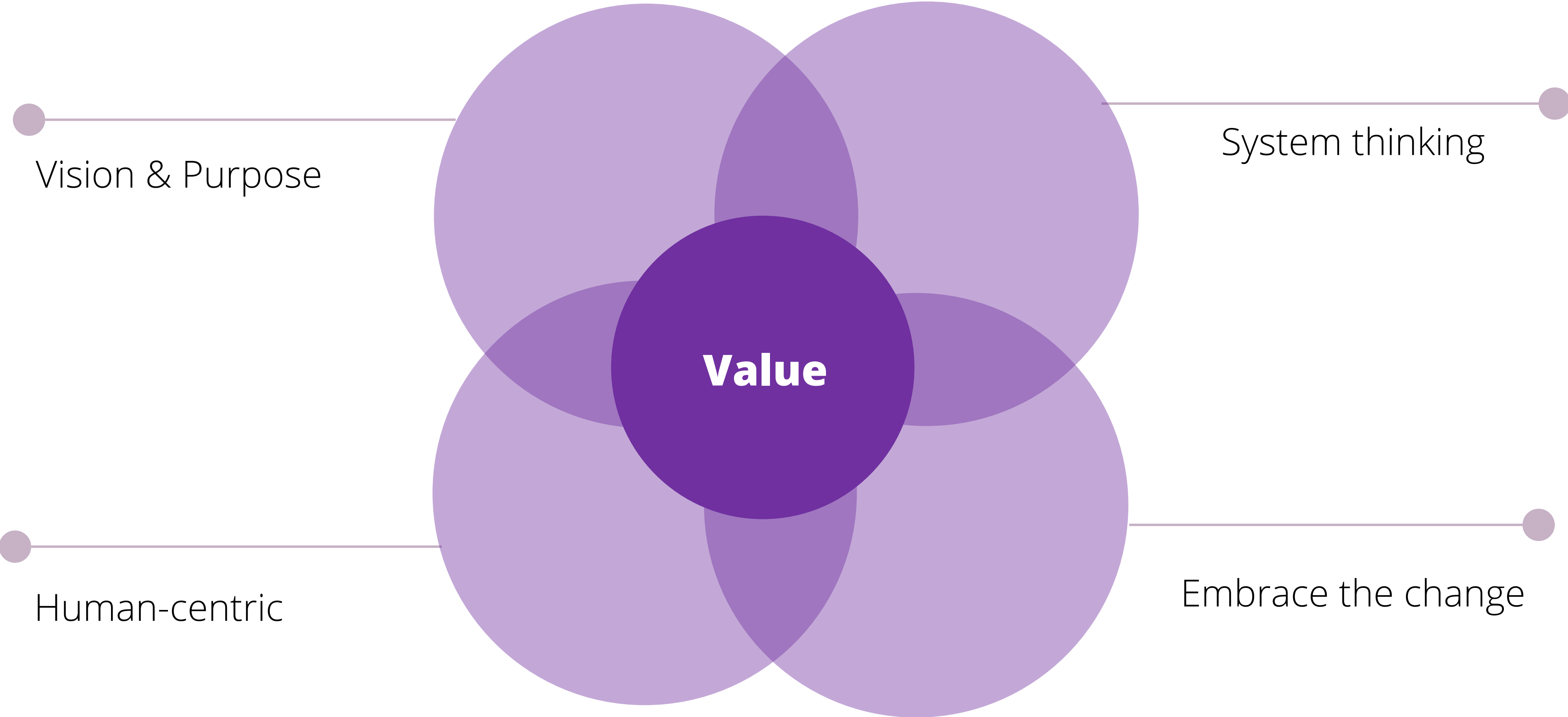
\$25M margin contribution

Key assumptions

- \$7.9B total sales
- 10% of current sales from cross-selling and up-selling
- 8% uplift in cross-sell/upsell (to 10.8% of sales)
- 40% contribution margin

GenAI

The formula for dealing with ~~the unknown~~



Now, we're
Voyaging

