

BiSmart Forum 2016
Riga, Latvia



Cognitive Computing in the Real World

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Disruption is upon us



The largest retailer
carries no inventory.



airbnb

The largest accommodation
company owns no real estate.



The biggest media company
owns no content.

This disruption is fueled by three forces



The proliferation of
different types of
data

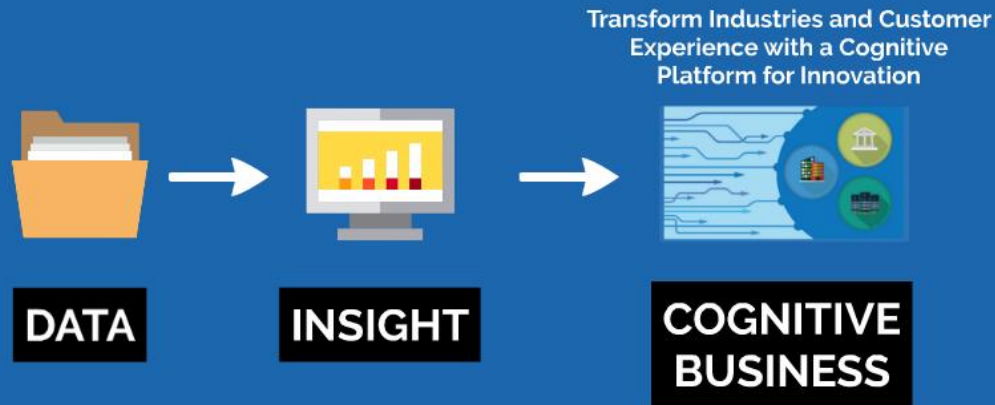


The ability to build
business in code
with the API
economy



The powerful capabilities
and outcomes brought
on by cognitive
computing

IBM Identified Key Shifts Leading to Cognitive Business



Healthcare

The equivalent of 300 million books of health related data is produced per human in a lifetime



Oil & Gas

80,000 sensors in a facility produce 15 petabytes of data



Energy & Utilities

680m+ smart meters will produce 280 petabytes of data by 2017



Public Safety

520 terabytes of data are produced by New York City's surveillance cameras each day

Three capabilities differentiate cognitive systems from traditional programmed computing systems...



Understanding



Reasoning



Learning

... allowing them to
interact with humans

Cognitive systems use collections of data and information ...and then leverage Watson APIs to apply cognitive capabilities



Data, information, and expertise create the foundation



50 underlying technologies



New Opportunities for Value



Cognitive Computing in the Real World

Real companies, Real solutions, Real journeys

Media editing-solution provider

By 2020

80%+ of internet content will be video

- Subtitling
- Closed Captions
- Dubbing
- Translations



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Disrupt an existing industry!

- SaaS vs. Licensing
- Automation
- Scaling up and out

60%

time saving

5X

lower cost

New
Markets

"We see cognitive computing technology as one of the pillars of our business model."

- CEO, France de Renault



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**New
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"We see cognitive computing technology as one of the pillars of our business model."

- CEO, Erwan de Keratem

Foreign Trading division of bank

3 Days

to answer clients' complex
foreign trade questions

Complex

trade rules and regulations

Central Expertise

limited by bandwidth



CaixaBank

Agents ask questions to **Watson Engagement Advisor** in Spanish

All agents gain access
+ **Watson Ranking** of answers
+ **Watson learns & refines** answers

Expand to other business domains
Added **contextual dialogue**

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3 Days

to answer clients' complex foreign trade questions

Complex

trade rules and regulation

Central Expertise

limited by bandwidth

99%

time saving

Increased

accuracy

Expertise

is maximized

"Watson allows our agents to respond to clients in real time and thus improve our customer service."
- MCI Juan Alvarez

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- MD, Juan Alcaraz

2X passenger volume by 2025
Share leader already in Russia
Growing foreign passengers market
Highly Targeted Campaigns



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Implementing new data analytics

- 300 data sources
- Internal hidden data + External global data

Timely, personalized offers to customers

Piloting Watson Explorer, to uncover useful patterns in customers' social media activity.



4% revenue increase expected

Increased conversion rate

More effective campaigns

"Using BigData Analytics and advanced analytics, Aeroflot will gain an advantage from its previous competitors and others who did not know even existed just a few years ago."
- CEO, Vsevolod

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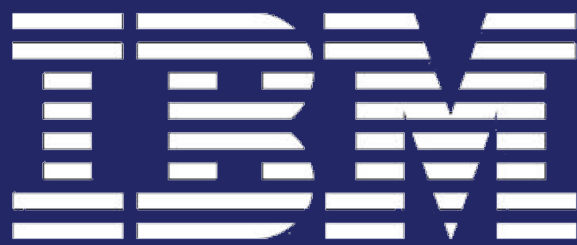
campaigns

"Using BigData technologies and advanced analytics, Aeroflot will gain an advantage from unobvious correlations and data we did not know even existed just a few years ago."

- CEO, Vitaly Savelyev



SO WHAT'S NEXT?



Thank you