

SERIES 11: EXTREME PERSONALISATION

Unlock the secret to next-level personalisation

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PETER HINSSEN: I am a Technologist by training. I did start-ups when I was younger. And today I teach at London Business School and primarily I do a lot of keynotes around the world trying to get people excited about new things about innovation and everything that is tech related. So I am a nerd at heart, but passionate on how companies can use the power of technology to really innovate.

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PETER HINSSEN

ENTREPRENEUR, KEYNOTE SPEAKER & AUTHOR

I've written five books. There's a new book coming out by the summer called "The Uncertainty Principle".

Post-COVID I think a lot of people realised the extreme volatility that was happening. We've now pretty much accepted that as the new norm. That's why I didn't want to talk about the never normal again, but I wanted to talk about how do you use that as a lever. That idea of leveraging the uncertainty is something where I see a lot of companies still struggling with because they realise the complexity that is out there. Everything seems to change every couple of weeks. How do you really organise yourself to maximise that. How do you find ways to unlock the potential. And I still see a lot of companies that are trying to hedge themselves against uncertainty. Fine. I really want to focus on how you use that. How do you weaponise, how do you find the leverage mechanism for that uncertainty and I think this is where a lot of companies are still trying to figure that out.

Our expectations are rising every single day. I remember years ago when we would have the first algorithms that would cater to us as consumers. We thought wow this is amazing, it's fabulous 'cause I've shopped with that company a few times and they already know me, and look at what suggestions they have! I remember in the early days of Netflix people were wowed by the idea that the algorithm would get them and that they would suggest content that people said "oh my god this is exactly me!" Now most people are intensely frustrated with Netflix. They say "oh yeah it's terrible and there's nothing interesting for me, it doesn't suggest anything that is even remotely to what I want." And I don't think it's the algorithms fault, I think it's that our expectations have been rising significantly. I mean the bar is raising every single time.

We constantly have to adapt as companies to live up to those expectations. But the idea of personalisation is a really old idea. I remember when the first websites started to appear back in the mid-90's of the last century people said oh this is not just going to present stuff to you, this will be able to be completely tailored to your tastes. And this idea has been around for 25-30 years. And the expectations are rising, and the capabilities are increasing, so it's a constant game where you have to make sure that you really hit the mark.

I honestly believe that generative AI is maybe the most exciting technology I have seen in 30 years. The interesting thing is that AI as such has been around for a long time, but it's now culminating into something which is main-streaming in a way that I have never seen before. I mean it's not just technology for the few happy nerds out there. This is becoming mainstream movement and every time we have one of those mainstream movements it has the capacity to fundamentally change things, like the web did you know 25 years ago or mobile did 15 years ago. I also believe that we're in a phase where we're now over-hyping so much that we're probably only going to get disappointed in the short term. But that is typically how it happens. The S-curve is slow and then fast and then normal. And in the beginning we tend to over-hype so you know we're disappointed but don't underestimate the medium to long term impact of this.

When you look at companies they have built databases and data warehouses and they have really focused on getting the structured side of things absolutely right. If you have an address of a customer you want that address to be completely correct. The orders that they have made that is the data side. The content side is the documents that are floating around. These might be different versions of emails. These might be different iterations of documents. And I call it the Jaws effect because what we've done is we've kept buying bigger boats. Every time that a file server was full we said "oh let's buy a bigger boat." Most data structured environments in companies is well maintained. But the content side is a mess! It is something where we've never really cleaned it up. It has been a continuous growing Jaws phenomenon of bigger and bigger boats. But now we see that the quality of content is going to be as important as the quality of data. And I think if you really want to leverage the power of information it's those

two sides of the coin. It's data and content at the same time.

And I think companies who can really understand that spectrum of information will be able to harness the power of AI and will be able to deliver these personalised experiences to customers that I think are absolutely necessary. There is an immense business opportunity because I really believe that if you take the time as a consumer to engage with a company, with a brand, where you like their service, the way that they approach you want to invest in that. And I think if you see that these companies actually take the time, take the effort to maximise that relevance there is a gigantic business opportunity. But it will mean that companies have to evolve, and probably faster and faster. I'll give you a very practical example.

I've been using eBay for 25 years. I can buy something somewhere on the planet that somebody has an attic and get it delivered to my house that is just brilliant. But I'm getting more and more frustrated with the interface. I still have to manually type in what I would like to have and then see if there's some textual match, where I might want to just talk to eBay, or have a conversation, explain what I really want, or even show things that could you find something that looks like this. These technologies could bring a whole new level of interaction and therefore unlock an extreme potential of personalisation.

I really believe that agentic is not just a buzz word. I think agentic, the fact that it's not only capable of generating but actually performing, actually executing, doing something, is going to be revolutionary. I've tried it a few times now where you could ask a generative AI to not just generate an image or a text but actually perform a task and the first time you have a little bit of uneasy feeling in your stomach. You think, really? I mean I honestly think the moment I'm going to give my credit card to an AI agent and say book me this and just make it happen that is going to feel a little awkward in the beginning. But honestly when I typed in the first URL back in 1995 and I was typing `http://` I also thought oh what am I doing here so I think it might be a natural threshold that we have to get over. I think we're going to get used more and more to not just generating things but asking it to execute things and I honestly think it's probably very soon going to feel as natural as just opening up a web browser.

I like the comparison of it's like the personal shopping experience, which used to be something that was only for the very elite, that you would have people who would run around and look at all the different stores because you didn't have time to do that they would do it for you and they'd say we found the perfect suit for you, we found the perfect bag for you. I think agents could be out there scouting for you what you really want. And I think the better that we as consumers can tailor our demands, that we can really articulate what we really want, then the better these agents are going to be in actually finding the stuff out there. But there's another side to this because it also means that companies are going to have to find ways that these agents can actually talk to them really easy.

Today most internet environments, websites, are really good for humans to browse. But if you want agents to quickly understand if what they're looking for is in your environment then we're going to have to build websites that are really good for agents to be used. And that's going to be a whole new opportunity because it means that we're going to have to redefine e-commerce, rethink how we engage with AI and we might get into a situation where maybe only 10% of the traffic on a website will be human traffic but maybe 90% of the traffic will be agents browsing what we have. Today we don't have websites optimised for agents but I think this is something that we might see very soon.

What I believe is going to be crucial if you can take your unique content and knowledge signature, the thing that makes you special, and then graft that with the power of AI then I think we're going to see magic happens. And it also means that as a business leader you need to understand what is necessary to get you to that point. Maybe you're good in data but you have to beef up on content. Maybe you have to rethink your knowledge architecture to really enable AI to flourish. But I really believe that out of the box it's going to be meagre gains, but if you can really build a journey to really graft your unique content and knowledge with the power of AI then you have an absolute goldmine in front of you.

It's certainly not easy also for technology leaders just to keep up. I spend a lot of time with CIO's and CDO's and CTO's and they say my god this is crazy because we need to work on building the foundations at the same time the market just keeps changing all the time. One thing is clear is you need to have an open mind. You need to experiment as much as possible. And I think in the end you're going to have to double down on partners that are reliable, that are going to have that sustainable open mindset going forward.

What I'm extremely excited about is where I see these technologies crossing over into domains where we haven't made progress. I mean healthcare is one of the domains that have been the slowest moving in terms of making progress in digitalisation. But if you can unlock the potential of helping patients with the power of information, the power of intelligence, and if you think what AI could do to just completely put healthcare into the 21st Century that is amazing!

Of course I don't want my personal, deeply personal information that is encoded into my genetics to hinder me in some way, but at the same time if I could share my experiences as a patient with a lot of other people and that could help find mechanisms, unlock cures, I would love and cherish this idea that by sharing more that I could contribute to actually advancing science or making the world a better place. It's a balance between the me and the we. And I think this is also deeply cultural. You have some cultures who hate to share, while others find sharing the most natural state of actually doing that.

I think this is not a hard-line. This is not something carved in stone. I think this is also going to become much more flexible over time. But in that whole

me and we debate there is one guiding line, you will only share more if you feel that it's going to benefit society at large, benefit the company you work for. I think that is the balance that we need to have. If there's no balance then I think it's going to be a very hard sell. We're now in a situation where consumers, I think they're happy to give you more insights, but only if there's something in it for them.

But it's not enough as a company to be essential for your customers, you have to continuously raise the bar in terms of relevance. And what you've seen in a number of markets is that you're essential but if your relevance goes down you become a dumb pipe, you erode and you really can't make the difference anymore. How can you use the power of information technology to be more relevant, how can you personalise the experience, I think that relevance is the gain certainly in the age of AI.

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