

# THE BUSINESS TIMES

## OPINION

### A bright future for Artificial Intelligence throughout Asia

By Vinod Vasudevan

**S**ILICON Valley has long been viewed as the cradle of innovation when it comes to emerging technologies. As home to the likes of Google, Facebook and Apple, it is easy to see why. However, that dominance is being challenged. Today, Asia is rapidly becoming the home of the Next Big Thing in terms of Artificial Intelligence (AI). Just as the 2000s were the decade of web-enabling, and the late 2000s to mid-2010s signalled the time of mobile-enabling, we are now seeing the birth of the era of AI-enabling of every facet of our lives, from autonomous driving to virtual assistants.

Indeed, AI was one of the hot topics at CES 2018 in Las Vegas last month and Chinese web giant Baidu used tech's biggest annual exhibition as a platform to send a clear message to its global rivals in the sector – China is catching up to the US. In a presentation, the firm's COO and group president Qi Lu, a former Microsoft executive, noted that Baidu has more data than almost anyone else, thanks to its search business, while the talent level in China is also rising and government policy in the country is highly supportive of AI-related projects.

If you were a US rival of Baidu, you might have left the event a little worried. Meanwhile, in Singapore, the government has set up a national AI programme to spur innovation. The aim of the Research Programme on the Governance of Artificial Intelligence and Data Use, among other objectives, is to establish Singapore as a global thought leader in AI and data policies and regulations.

Equally, in India, there is a huge appetite for artificial intelligence and machine learning, and some incredible innovation is going on.

For example, the government has designated Trivandrum, the capital city of Kerala, where Flytxt has its R&D headquarters, as a hub for AI innovation along with other emerging technologies such as cybersecurity, blockchain and fintech. Elsewhere, we are seeing AI used in healthcare in India to improve the accuracy of diagnosis and in retail and e-commerce to personalise customer engagement.

The telecom and banking sectors are front runners in Asia, something we have witnessed firsthand through our work with Communication Service Providers such as Vodafone and Tune Talk. We are helping these companies, as well as some 100 others around the world, use machine and deep learning to drive automated marketing, engaging better with customers by learning their behaviour and predicting what they want in real time and responding.

There are issues of course, such as a shortage of skills and the costs involved, as well as an ongoing debate as to the implications of AI on employment. But these are not holding the industry back. A recent report by Intel India found nearly 70 per cent of organisations in the country have either adopted or have plans to adopt cognitive computing capabilities within the next 18 months, while one in five organisations has already deployed AI in some form. About 30 per cent of companies are also expected to expand their AI budgets by more than 10 per cent over the next 18 months.

Elsewhere in Asia, we have recently seen the deal between Fujitsu Limited and Microsoft Corporation to collaborate on AI, while AliCloud, a subsidiary of Alibaba, says it will use artificial intelligence to help alleviate road congestion in Kuala Lumpur, Malaysia. In fact, spending on AI systems in the Asia-Pacific region, excluding Japan, is predicted to reach US\$4.6 billion in 2021, with a compound annual growth rate (CAGR) of 72.9 per cent between 2016 and 2021, according to analyst firm IDC.

Of course, Silicon Valley is not taking this lying down.

The likes of Google and Facebook are continuing to invest aggressively in AI technology, as are many of their neighbours across industries. Google spent more than US\$500 million in 2016 to acquire the London-headquartered DeepMind, the creator of machine learning programme Alpha Go, which stunned many when it beat South Korea's top player of the boardgame Go, 18-time world champion Lee Sedol. The search giant is also using AI to moderate comments on YouTube and recently announced plans to set up an AI research centre in Beijing, the first of its kind in Asia. However, while the likes of Google, Facebook, Microsoft, IBM and Co may emerge as the dominant force in providing the infrastructure of artificial intelligence and machine learning, the real innovation in applying AI to solve problems and deliver value for enterprises will be a global playing field – with Asia ideally situated to take the lead.

Of course, competition can only be a good thing and will generate more and more innovation in artificial intelligence as companies across Asia and the US battle it out to be the market leaders in their sectors.

Who will come out on top? That is still to be seen, but one thing is sure – the smartest companies already understand the economic value of artificial intelligence.

■ The writer is CEO of intelligent customer engagement technology firm Flytxt, which produces artificial intelligence-driven marketing automation product NEON-dX.