Google considers an AI chatbot Search demo and more generative AI products

Article

The news: A company presentation indicates that **Google** is planning to compete with **OpenAI**'s **ChatGPT**.

The tech giant is planning to **release over 20 new products and a Search demo using generative AI this year**, per Insider.

- The demo would provide search answers, not just related links.

- The news comes in the wake of the Search giant issuing a "code red" about the threat ChatGPT poses to its revenue.

- Google is under increasing pressure given Microsoft's confirmation that it'll invest **$10 billion** in OpenAI and integrate ChatGPT into all its products including **Bing**.

  Why Google needs to act fast: Since its viral debut last year, ChatGPT is on track to rapidly permeate society.

- Close to **30%** of nearly **4,500** professionals from companies like Google, **Amazon**, **Meta**, **Twitter**, **Bank of America**, and **JPMorgan** have said they're using ChatGPT or another AI program in their work, according to a Fishbowl survey, per Mint.

- A slew of startups are getting VC funding: **Scenario** landed **$6 million** for a generative AI gaming asset creator that can avoid copyright violations.

- Then there's Irish startup **Engage XR**, which is powering its interactive virtual employee **Athena** with ChatGPT and **DALL-E**.

  The case for caution: Google has crucial strategic decisions to make. It has to hit the bullseye on the timing, pricing, and safeguards for its upcoming generative AI products.

- With test users reporting that **ChatGPT Professional costs $42** per month, **deploying these tools at sufficiently affordable prices could be tricky given the technology's high compute costs**.

- We can expect public pressure for AI chatbot search results to live up to high standards, such as featuring sources and accurate information.

- Beyond still-unresolved copyright infringement issues, generative AI has potential to cause significant adverse consequences for other technologies and society at large. Those could be **fodder for other lawsuits that companies like Google want to avoid**.

Most Commonly Adopted AI Use Cases According to IT Professionals Worldwide, Aug 2022

% of respondents

Service operations	
Service operations optimization	24%
Contact center automation	16%
Product and/or service development	
Creation of new AI-based products	20%
New AI-based enhancement of products	19%
Marketing and sales	
Customer service analytics	19%
Customer segmentation	19%
Risk	
Risk modeling and analytics	15%
Fraud and debt analytics	11%
Manufacturing	
Predictive maintenance	13%
Yield, energy, and/or throughput optimization	11%
Simulations (e.g. using digital twins, 3D modeling)	11%
Supply chain management	
Sales and demand forecasting	10%
Logistics network optimization	9%
Human resources	
Optimization of talent management	10%
Performance management	5%
Strategy and corporate	
Capital allocation	7%
Treasury management	4%
M&A support	4%

Note: among respondents whose organizations have adopted AI
Source: McKinsey & Company, "The State of AI in 2021," Dec 6, 2022

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