

AI @ SWAROVSKI OPTIK CIO KONGRESS WEST

NOVEMBER 20/21 2024



SEE THE UNSEEN



SWAROVSKI
OPTIK

WORLDWIDE LEADING MANUFACTURER OF HIGHPRECISION SPORT OPTICS

- Total no. of employees worldwide:
more than 1,000
- Consolidated turnover 2023:
EUR 197 million
- Export share:
91%
- Production site:
Absam, Tyrol (A)
Guntramsdorf (A)
Cranston (US)



OPTICS



SWAROVSKI OPTIK

THE PERFECT PRO





SWARDVEKI OPTIK

COMPANY PRESENTATION | 2024

THE PERFECT PRODUCT



FOR OUR CONSUMERS' NEEDS

BEYOND SEEING

HOW TO INVENT THE FUTURE

ATION | 2024



CONSUMERS' NEEDS

BEYOND SEEING: AX VISIO

HOW TO INVENT THE WORLD'S FIRST SMART BINOCULARS

FROM HYPE TO REALITY:
HOW ARTIFICIAL INTELLIGENCE WILL BE
BENEFICIAL FOR SWAROVSKI OPTIK



CURRENT SITUATION

- Another AI hype because of Generative AI like ChatGPT, Bing Co Pilot, Microsoft Co Pilot
- Most of us already using AI – but are not aware of that
- Software vendors and cloud providers try to push their solution -> risk of double licensing
- Know-How of employees (potential, awareness..) to be created
- „Some“ Advanced Analytics activities

OUR APPROACH

- **Crossfunctional team to work on:**



Creation of common Understanding/Knowledge of AI relevant for the focus group



Where AI already used, where concrete plans



List of possible use cases at Swarovski Optik



Priorization of possible use cases and decision on next steps

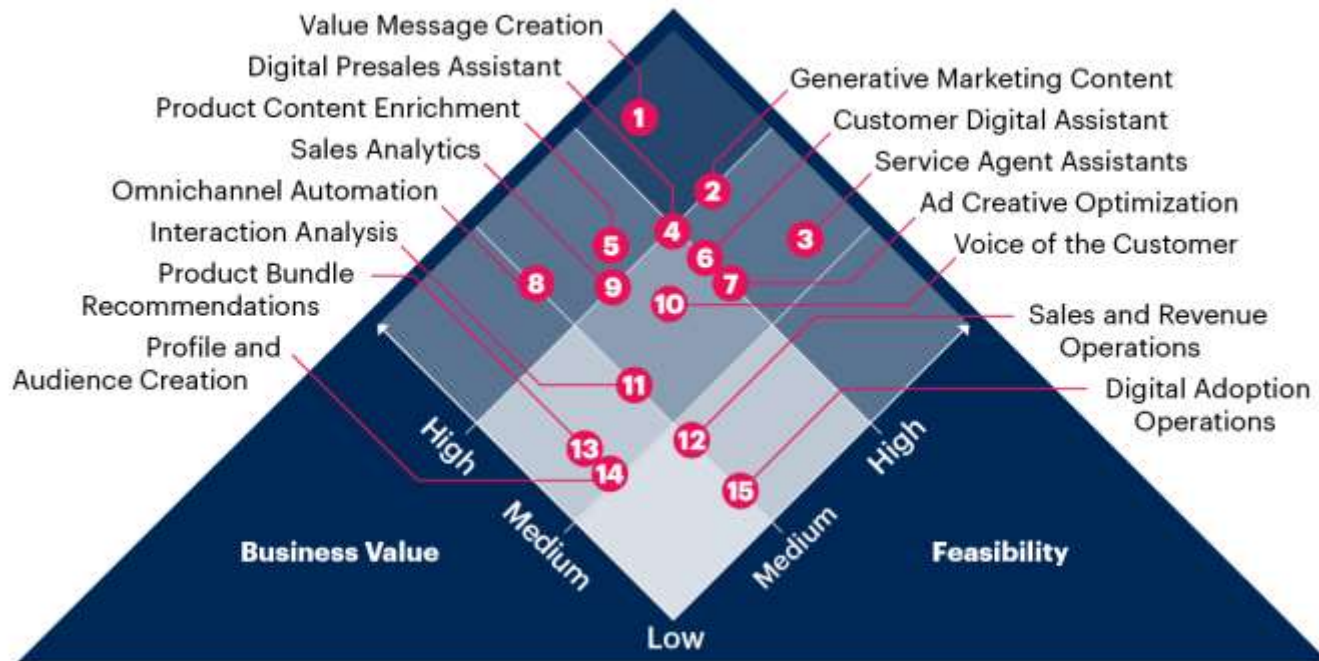


List of possible risks

GARTNER USE CASE PRISM APPROACH



Generative AI Use-Case Prism for CRM



Source: Gartner
796990_C

RESTRICTED DISTRIBUTION

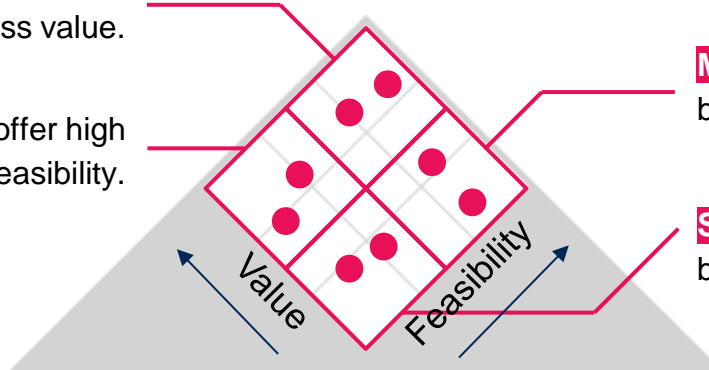
Gartner AI Use Case Prism - How to Use

Likely Wins offer a great combination of high feasibility and high business value.

Calculated Risks offer high business value but low feasibility.

Marginal Gains are highly feasible but offer low business value.

Selective Exceptions offer low business value and low feasibility.





OUR USE CASE PRISM APPROACH



COLLECTING USE CASE IDEAS



Use case	Description	Value	Feasibility	Idea created by	Status
Chatbot Customer Service	Problem: Customer service should be improved: 7/24 support, latest information available and limited internal resources to focus on specific high priority problems.	high	mid	Berger Herbert	First rough idea
	answer customer inquiries via chatpot with GenAI and automatically create a case for customer service, if it cannot be answered. Prompts need to be up to date - ongoing effort				
	Problem: limited resources in IT and globally distributed users - standard problems for these users should be automatically answered and IT only to focus on complicated				

answered and IT only to focus on complicated high priority issues.

answer IT user inquiries via chatpot with GenAI and automatically create a case for IT service, if it cannot be answered. Prompts need to be up to date -> ongoing effort. Standard solution DB like Microsoft Tips and Tricks to be used? Infor Knowledge Management to be created and maintained. Internal Incidents DB with proposed solutions to be integrated.

mid

mid

Berger
Herbert

First
rough
idea

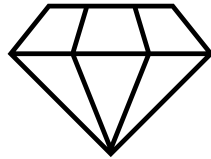
Chatbot IT First
Level Service



PRISM VALUES/FEASIBILITY CRITERIA ELABORATED FOR:



- Manufacturing/QA
- CRM
- IT
- HR
- Transportation-Supply Chain
- Finance Controlling
- Retail-Sales





CRITERIA VALUES/FEASIBILITY HR

Values

Employee Engagement	Operational Efficiency	Employer Brand/Employee Value Proposition (EVP)
This is the degree to which employees feel pride in working for their employer, are committed to stay and demonstrate discretionary effort. Engagement also extends to employee experience or the employee's perceptions and related feelings caused by the one-off and cumulative effect of interactions with their employer' customers, partners, leaders, teams, processes, policies, tools and overall work environment	This is primarily focused on process efficiency for HR teams and the line managers that participate in them. It can also refer to a team or organization's overall operational efficiency.	Extent to which an organization understands and effectively reacts to labor market constraints and opportunities and effectively articulates and manages its EVP to attract the right talent.
50 %	20 %	30 %

Feasibility

Organizational Health	Technical Feasibility	Organizational Feasibility	External Feasibility
Extent to which an organization has the right climate, culture, and balance of skills to deliver on its current and future missions.	Ease of access to data and ability to build models to predict meaningful outcomes in multiple contexts, readily available with competitive off-the-shelf solutions on the market.	Includes internal stakeholder adoption, infrastructure readiness, organizational maturity, available staffing and/or access to supplementary resources	Includes regulatory constraints (especially labor law), bargaining unit/represented worker agreement constraints, ethical considerations (especially privacy as well as nondiscriminatory employment practices), employer brand risks/reputation and external infrastructure..
15 %	30 %	15 %	40 %

CRITERIA VALUES/FEASIBILITY MANUFACTURING



Values

Increased Revenue	Increase Efficiency	Managed risk	Nonfinancial Value
<p>The ability of the use case to deliver additional financial sources to the organization through sales of products and services, government allocations, or grant funding that will result in top-line growth.</p>	<p>The ability of the use case to meet or exceed current performance goals with equal or fewer resources, resulting in reduced costs</p>	<p>The ability of the use case to remove uncertainty from the organization's future performance by reducing potential reputational, security or operational risks or creating agility to respond to future market disruptions.</p>	<p>The ability of the use case to assist the organization in meeting it's nonfinancial or mission-related goals. These goals can include the nonfinancial value of innovation, diversity, equity and inclusion; sustainability, or community development.</p>
20 %	45 %	25 %	10 %

Feasibility

Technical Feasibility	Internal Readiness	External Readiness
<p>The ability of an organization to meet the technical requirements of a use case. Considerations include the core capabilities of the AI technology itself, the availability of vendor support, the current state of the organization's technology infrastructure and the technical talent required by the use case. This also includes the availability and quality of the data needed for the use case.</p>	<p>The organization's ability and openness to use and incorporate the use case. This includes the willingness of internal stakeholders to understand, trust and effectively execute the use case.</p>	<p>The extent to which the environment outside of the organization is conducive to successful execution of the use case. This includes consideration of the legal and regulatory environment, public opinion of the use case, and the digital access, literacy and engagement required by the use case.</p>
50 %	30 %	20 %

CRITERIA VALUES/FEASIBILITY RETAIL/SALES



Values

Increased Revenue	Increase Efficiency	Managed risk	Nonfinancial Value
The ability of the use case to effectively deliver additional funding to the organization through sales of products and services, government allocations, or grant funding that will result in top-line growth.	The ability of the use case to meet or exceed current performance goals with equal or fewer resources, resulting in reduced costs	The ability of the use case to remove uncertainty from the organization's future performance by reducing potential reputational, security or operational risks or creating agility to respond to future market disruptions.	The ability of the use case to assist the organization in meeting its nonfinancial or mission-related goals. These goals can include the nonfinancial value of innovation, diversity, equity and inclusion; sustainability, or community development.
40 %	25 %	30 %	5 %

Feasibility

Technical Feasibility	Internal Readiness	External Readiness
The ability of an organization to meet the technical requirements of a use case. Considerations include the core capabilities of the AI technology itself, the availability of vendor support, the current state of the organization's technology infrastructure and the technical talent required by the use case. This also includes the availability and quality of the data needed for the use case.	The organization's ability and openness to use and incorporate the use case. This includes the willingness of internal stakeholders to understand, trust and effectively execute the use case.	The extent to which the environment outside of the organization is conducive to successful execution of the use case. This includes consideration of the legal and regulatory environment, public opinion of the use case, and the digital access, literacy and engagement required by the use case.
60 %	30 %	10 %



SCORING USE CASES EXAMPLE

Infographic: AI Use Case Prism for XYZ
This infographic identifies **10** of the most prominent AI use cases that can improve **XYZ**. Data and analytics leaders in **XYZ** can use this as a starting point for further fine-tuning.

One or two line description of the use case (max. 300 char)

Use Case Name	Use Case Description
Example Use Case 1	
Example Use Case 2	
UC1	
UC2	
UC3	
UC4	
UC5	
UC6	
UC7	
UC8	
UC9	
UC10	
UC11	
UC12	
UC13	
UC14	
UC15	
UC16	
UC17	

Business Value	
Dimension	Weight
Cost Reduction	30%
Revenue Optimization	40%
CX Improvement	30%
DA	
DS	

Technology

Feasibility	
Dimension	Weight
Technical	30%
Internal	40%
External	30%
DA	
DS	

Industry
Lorem ipsum


clideo.com



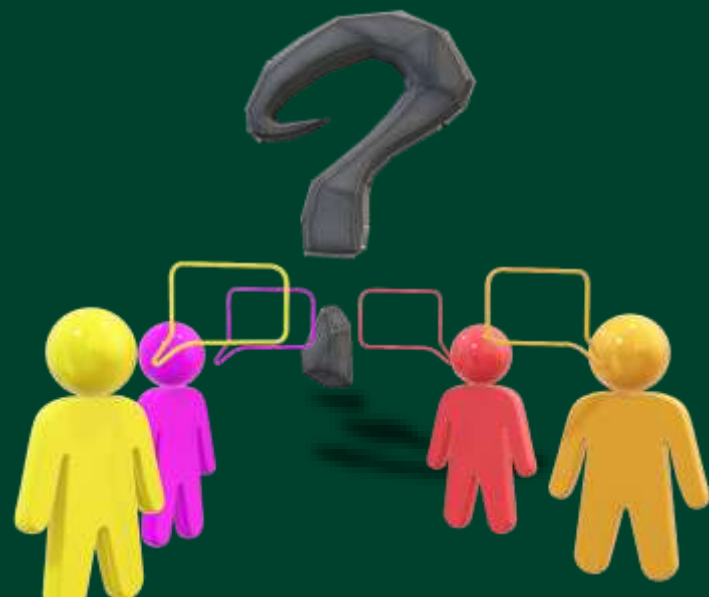
INSIGHTS GAINED





-  Top Management Awareness
-  Discussion Organizational Changes
-  Basic AI Infrastructure Awareness
-  Focus Group -> AI-Community
-  Common Use Case Discussions -> Learning From Each Other
-  Lunch & Learn
-  Hype -> Reality





The world belongs to those who can see beauty.
Experience the moment. SEE THE UNSEEN.

OR STRUCTURE THE UNSTRUCTURED





SWAROVSKI
OPTIK