

MIT SLOAN SCHOOL OF MANAGEMENT

MIT COMPUTER SCIENCE AND ARTIFICIAL INTELLIGENCE LABORATORY (CSAIL)

# ARTIFICIAL INTELLIGENCE: IMPLICATIONS FOR BUSINESS STRATEGY

ONLINE SHORT COURSE

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MODULE 2 UNIT 2  
Casebook Video 1 Transcript

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THOMAS MALONE: So, there are two main ways of using machine learning in business – sensing and predicting. So, sensing means perceiving large amounts of data from sensors in the world and learning how to recognize what’s there. This is especially useful with images, but it can also be used for sensing things like sounds and vibrations and so forth. For example, sensing using machine learning could happen for recognizing faces, recognizing retinas or fingerprints, analyzing what is present in a scene, for instance we will hear about self-driving cars and how they use machine learning to recognize cars and dogs and pedestrians and other things in a visual scene.

The second way of using machine learning in business is for predicting things. Programs can use large amounts of data, of any kind, to predict what will happen in the future. For instance, programs based on massive amounts of data can help predict financial fraud, disease based on symptoms and lab tests, mechanical failure based on various kinds of sound and vibration data, even crop yields based on photographs of the fields and information about weather, and so forth. We will see several examples of using machine learning programs to do sensing and predicting.

Did you understand all the concepts covered in this video? If you’d like to go over any of the sections again, please click on the relevant button.