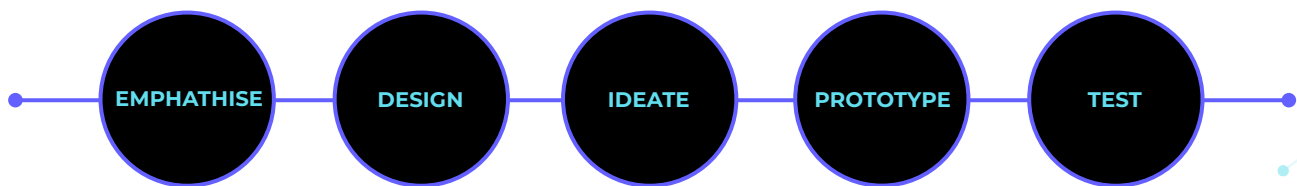


REVOLUTIONISING CORPORATE INNOVATION WITH GenAI

In today's fast-evolving business landscape, AI and GenAI are no longer just buzzwords — they're powerful tools driving true innovation within organisations. Over the past decade, I've observed a profound shift in the consultative sales process, now focused on helping customers unlock new value through technology. My team and I have embraced new methods to achieve this, from organising and facilitating design thinking workshops to creating innovation labs, building partnerships with academic research centres, and hosting hackathons that invite start-ups and students to infuse fresh ideas and insights from novel research and diverse industries. Among the primary challenges we've faced are adapting innovative ideas to fit each customer's unique context and market, and finding the most efficient, effective ways to test those ideas. This is where AI — and particularly GenAI — play a pivotal role. In this article, I'll take you on a journey exploring how AI converges with innovation to drive unprecedented business value.

THE DESIGN THINKING PROCESS



AI's Role in Innovation

Driving corporate innovation in large, established companies has long been a challenge. Over the years, I've seen first-hand the value of applying design thinking in innovation workshops, where many transformative digital initiatives were born. These sessions brought together cross-functional teams and followed design thinking principles, consistently sparking new ideas that shaped business transformation.

With the rise of GenAI, innovation has entered a new era. Visionary teams are now harnessing AI & GenAI to accelerate and enhance the innovation process, particularly in three key areas: data sorting, idea generation, and idea testing.

1. Data Sorting: Unleashing the Power of Corporate Data

AI excels at organising and unlocking the potential of corporate data, empowering teams to generate and test new product and service ideas more efficiently. By automatically categorising and indexing vast amounts of structured and unstructured data, AI makes information more accessible. Tools like Natural Language Processing (NLP) extract key



insights and emerging trends from text, fuelling innovation efforts. Furthermore, integrating third-party data enriches corporate datasets, enabling machine learning models to detect patterns and highlight opportunities for product development or service improvements.

Additionally, the combination of large language models (LLMs) and Retrieval-Augmented Generation (RAG) techniques allows businesses to use their own data and policies to refine public AI models, adding context and guardrails to improve return on investment while ensuring safety and security.

Furthermore, AI-powered data visualisation tools further enhance this process by transforming complex datasets into intuitive formats, helping teams quickly understand essential insights. With the integration of AI-driven analytics platforms, employees can run simulations and test scenarios using real-time data, ensuring new ideas are grounded in solid evidence. The result is a more innovative, agile corporate environment that promotes rapid ideation and decision-making.

2. Idea Generation: Tailoring Innovation to the Business

AI has the potential to revolutionise idea generation by analysing a company's data, market position, talent, and internal culture to propose tailored solutions. AI algorithms can examine historical data, operational workflows, market trends, and competitive landscapes to identify unique gaps and opportunities. By leveraging the company's strengths, such as its workforce and culture, AI can generate feasible ideas that align with strategic objectives.

Interestingly, as one corporate innovation leader shared with me recently, GenAI can also be used to handle the “obvious” ideas — those that are simplistic and often consume valuable workshop time. This approach frees human creativity to focus on more complex, transformative innovations, accelerating the ideation process.

“We use GenAI to state the easy ideas so the team can focus on coming up with novel ones.”

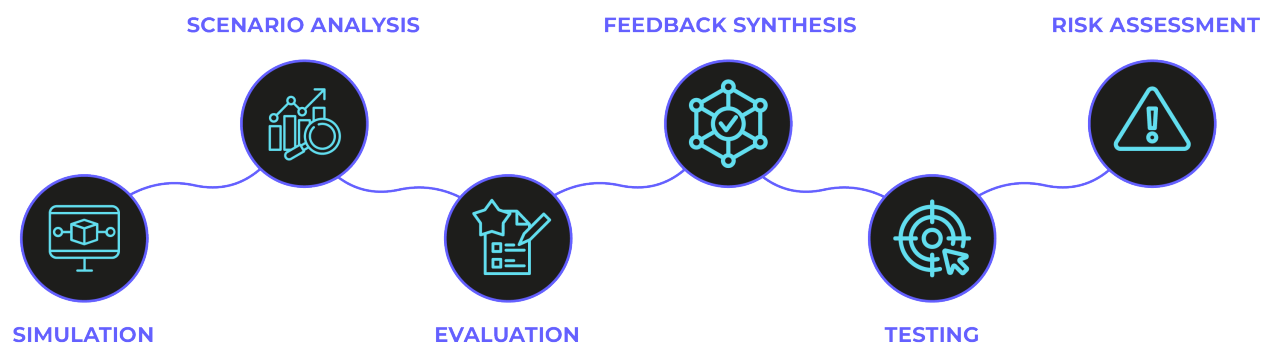
3. Testing and Refining Ideas with GenAI

Once ideas are generated, AI can simulate various business environments using synthetic data, allowing companies to evaluate potential impacts before moving forward. GenAI takes this further by simulating real-world scenarios, predicting outcomes, and analysing the viability of ideas. Here's how GenAI refines and tests concepts:

- ▶ **Simulation:** GenAI generates multiple variations of an idea by adjusting parameters, helping businesses explore different prototypes. For instance, a company developing a new product design can use GenAI to create various prototypes and simulate their performance.
- ▶ **Scenario Analysis:** GenAI simulates market conditions, customer behaviour, and competitive actions, helping businesses evaluate how an idea would perform in different scenarios.



- ▶ **Data-Driven Evaluation:** GenAI compares new ideas against historical data and industry benchmarks, helping companies assess whether a new strategy is likely to outperform existing ones.
- ▶ **Feedback Synthesis:** By aggregating feedback from sources like surveys and social media, GenAI synthesises key insights, allowing businesses to refine or eliminate ideas based on potential impact.
- ▶ **Iterative Testing:** GenAI conducts iterative cycles of testing, generating new variations based on feedback, and continuously refining the idea through simulations.
- ▶ **Risk Assessment and Mitigation:** GenAI predicts potential risks by simulating adverse scenarios, allowing businesses to develop mitigation strategies proactively and ensure only the most viable ideas move forward.



AI for Innovation use cases across industries

Several industries are already leveraging AI and GenAI to drive innovation and generate business value. Here are some examples:

Product Development in Pharmaceuticals: Traditionally, AI has been used in pharmaceuticals to organise clinical trial data, patient records, and research papers into unified databases, making it easier for researchers to access and analyse relevant information. However, GenAI is taking this a step further by simulating complex drug interactions and predicting their efficacy much earlier in the development process.

Using GenAI, researchers can generate potential drug compounds and immediately test them in virtual environments, drastically reducing the time and cost involved in laboratory-based prototyping. GenAI models can simulate clinical trial outcomes by synthesising patient response data, predicting side effects, and even forecasting how new drugs will perform across different demographics. This shift from traditional AI data analysis to GenAI-powered simulations allows pharmaceutical companies to bring safer, more effective drugs to market much faster than before.

Financial Services Innovation: In the financial services industry, AI has traditionally been used to consolidate transaction histories, customer profiles, and market data, helping analysts detect emerging market trends and customer needs. While this was groundbreaking in itself, GenAI is now transforming the game by enabling hyper-personalised financial products tailored to each individual customer.

GenAI can analyse vast amounts of historical customer data and external economic conditions to design customised investment portfolios, loan offers, or insurance policies that adapt to real-time market shifts. Additionally, GenAI models can simulate various financial scenarios — such as sudden market downturns or changing customer behaviours — allowing institutions to assess risks in real-time and respond proactively. This shift from static data analysis to dynamic, scenario-based modelling makes financial services not only more responsive but also more resilient.

Enhancing Retail Customer Experience: AI has long been used to analyse customer purchase history, browsing behaviour, and social media feedback to inform product development and marketing strategies. GenAI, however, revolutionises this process by predicting customer needs before they even arise and providing deeper insights into customer sentiment.

Retailers can also use GenAI to simulate customer behaviour across different shopping environments and anticipate trends. By generating synthetic datasets that mimic customer purchasing patterns, GenAI can predict which product lines will be most successful in specific segments or regions. Furthermore, it allows virtual A/B testing of marketing strategies or product features, refining them in real-time based on simulated customer feedback and sentiment analysis. This forward-looking approach not only helps retailers stay ahead of trends but also enables them to craft personalised, emotionally resonant shopping experiences that drive deeper customer loyalty.

Furthermore, beyond traditional AI tools, GenAI is a powerful resource for understanding customers verbatim, extracting context, and analysing emotions expressed in reviews, feedback, and social media posts. This capability goes beyond the surface-level metrics of traditional CSAT tools, allowing retailers to gain rich, actionable insights about how customers truly feel. For example, if customers express frustration over a product's usability in their reviews, GenAI can detect these emotions and highlight specific areas for improvement, driving real value in product refinement.

AI's Transformative Power in Innovation

AI is revolutionising the corporate innovation process by enhancing data sorting and analysis, sparking creative thinking, and streamlining the testing and refinement of ideas. With AI's ability to deliver data-driven insights and automate routine tasks, teams can focus on strategic collaboration, resulting in more productive workshops and faster ideation. As businesses increasingly adopt AI — particularly the advanced capabilities of GenAI — they gain a competitive advantage by accelerating idea generation and refining concepts with greater accuracy and speed. This powerful integration not only drives transformative growth but also enables companies to innovate at scale, ensuring they stay ahead in the ever-evolving digital landscape.

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