IBM

IBM's Watson is the AI platform for business

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CB Insights Power Users of

Mosaic

Collections

Company Search

Deal Search

How IBM Uses CB Insights to Get Smart on AI Startups

As the Artificial Intelligence platform for business, IBM Watson has a range of applications that are transforming the way people and computers work.

IBM's Watson team commercializes Watson across many industries and professions. To inform their work, understand the competitive environment, and realize new opportunities, the team sought help from colleagues in IBM's Market Development and Insights (MD&I) group to identify key players in the AI space.

Mapping the AI Universe

While the team felt confident in their knowledge of larger vendors' AI solutions, MD&I wanted to learn more about the long tail of emerging AI startups that represent the next wave of innovation across industries.

They turned to the CB Insights platform.

As a first step, they quickly identified thousands of AI companies by relying on CB Insights' multi-tiered industry and technology taxonomy. This allowed them to find AI companies, ranging from those offering industry-specific products to core AI technology solutions. Project leads Emma Powers and David Titus then analyzed VC funding, company deal data, and CB Insight's National Science Foundation-funded Mosaic Scores to assess the health and momentum of each company.

"For such a nascent yet crowded space like artificial intelligence, the market is moving rapidly and it can be challenging to discern AI companies' differentiators and levels of traction in the market," said Titus. "CB Insights allowed us to build a clear view of the comprehensive AI landscape and draw out trends through a company by company analysis."

It was essential to have a shared central location for MD&I to manage the project given the number of people involved and the amount of companies being evaluated. The team relied on Collections to store and classify the growing list of companies in a dynamic, visual way.

CB INSIGHTS CASE STUDY

"CB Insights allowed us to break down the AI market into meaningful, informative segments. There are so many complexities to the AI landscape – for example, you can think about the market in terms of type of AI, business applications, industry relevance, and company maturity. With CB Insights, we were able to analyze all of those components to drive insights and better position the business," said Powers.

A shareable, dynamic AI Landscape

To make their analysis quickly accessible, Titus, Powers and the MD&I team were able to provide those from other business units with guest membership to the Collection.

Through interactive sorting, visualization and comparison tools based on their analysis, the team could better understand the companies that will impact their respective products and services. Enabling this macro perspective ultimately made the project, which began as a purely educational one, actionable for both Watson and IBM more broadly.

"CB Insights added depth and breadth to our view of artificial intelligence players", said Vice President Ron Dombroski. "The project was an important catalyst for several initiatives that will continue to pay dividends."

After the project, CB Insights continues to work on behalf of IBM and MD&I by algorithmically alerting them to new startups and developments in AI based on the companies and categories already identified. When the MD&I and Watson teams need to revisit their research in the future, they'll still have an exhaustive Collection of the space and won't have to repeat steps to gather and segment companies for analysis.