

Let us Chat - let us ChatGPT to be more specific

OpenAI launched ChatGPT on 30 November 2022. The IT media platforms went ballistic about this new computer child named a bot – a computer that was taught to read billions of written texts in the form of blogs, books, and articles to fill its brain. As a user of the ChatGPT platform, you can now ask this whiz kid to tell you a story, answers questions, or make a suggestion. Mind-blowing was my own short experience of this bot's knowledge. It had a few flaws and said "sorry" for not knowing something. The adaptability of the platform in all spheres of the internet world will move fast and some are concerned that Google is at risk. Can you invest in it? Indirectly yes. But other than that, it might not be for the average Jo. Not yet I think.



**Willie
Pelsner**

The title of this edition might still not make absolute sense to you. If you are living off-grid, not just from Eskom but from social media and the internet, you will be excused for not knowing that over the last couple of weeks, the internet has been abuzz with excitement about ChatGPT.

The purpose of this article is not to come across as an expert on ChatGPT but at least at the end of this, you might just know a little bit more than the guy who has been in hibernation over Christmas. What stands out for me after all my reading about this new phenomenon is that information and the creation of information are advancing faster than the overflow of Midmar Dam and Howick Falls during the rainy season.

ChatGPT is an Artificial Intelligence (AI) based chatbot (a bot is a computer with "human-like conversational skills) system that uses natural language processing to generate conversations. On the platform, users can ask questions or tell a story and the bot will respond with relevant, natural-sounding answers and topics. ChatGPT is designed to simulate a human conversation and I can agree that has been my experience so far. It mimicked a real conversation, and the bot can explain and remember what was said earlier in the conversation and elaborate on ideas

"On the ChatGPT platform, users can ask questions or tell a story and the bot will respond with relevant, natural-sounding answers and topics."

- SPEED READ**
- Since November 2022, the IT world has been abuzz with the global launch of ChatGPT. The growth in its user base has outstripped that of Facebook and TikTok.
 - ChatGPT is not a search engine. It has human-like characteristics to give information based on Artificial Intelligence training from billions of written words.
 - ChatGPT is not another social media chatroom. Its application has wider reach than that.

when asked. It even apologized when it got things wrong. The apology did not sound like a real live conversation with your loved one!

OpenAI, a San Francisco-based AI and research company launched ChatGPT on 30 November 2022. Prior to this, top research labs have made huge inroads with AI-generated text tools, training the bots on billions of written words, including the fields of blogs, research articles, books, and yes perhaps everything written on the worldwide web.

These text-based generators are now available to us all. It begs the question of what the benefit would be for the average person on the street. Time will tell, but something is coming.

However, ChatGPT does have limitations, articulated on the opening page under the heading “Limitations”:

- May occasionally generate incorrect information. (Aren’t we tired of fake news?)
- May occasionally produce harmful instructions or biased content.
- Limited knowledge of the world and events after 2021. (It wasn’t too familiar with the latest Covid restriction in China – it told me to check Government Websites.)
- ...and before you ask, it doesn’t know which shares will never go down.

Where I see huge opportunity for ChatGPT is in customer service, online shopping, hiring, and training staff, streamlining operations, and providing more personalized customer experiences. Bernard Marr, an expert and futurist in the IT world listed the following cases for ChatGPT in an article he titled “Everything we really need to know.”

- Generating responses in a chatbot or virtual assistant, to provide more natural and engaging interactions with users.
- Brainstorming content ideas on keywords or topics.
- Creating personalized communication, such as email responses or product recommendations
- Creating marketing content like blog posts or social media updates.
- Translating text from one language to another.
- Using chatbot-generated answers to create automated customer service tools.
- Recapping long documents by providing the full text and asking ChatGPT to generate a shorter summary.

I have put his last bullet point to the test. Refer to the text box included in this article. The first question I posed to ChatGPT was: “Create a report of 500 words of the benefits of ChatGPT.” After a few seconds it give me a longer version than the one I pasted below. My follow-up question was: “Modify the report to just 300 words”. The bot can’t count, because the word count came to 352. However, the summarised version covered the same content and the experience was mind-boggling.

The application of ChatGPT has practical limitations as it stands right now. Although it is a powerful AI chatbot, its answers are based on the information it was trained on. It is



The firm behind the groundbreaking ChatGPT platform is Open AI which has just reached a staggering \$30bn valuation.

not a search engine, rather it uses the information it learned from training data to generate responses. We should be aware of the dangers of potential bias. If the data on which ChatGPT is trained is biased, the answers the bot provides will be biased as well. (Be careful of Politicians’ ChatGPT attempts!)

Even among investors, ChatGPT has caused a stir because of its potential to compete with Google. Elsewhere, it has led to worry about certain professions becoming obsolete. In the venture capital world, ChatGPT has created a buzz for another reason.

“ChatGPT reached 1 million users in just a week, which is faster than Facebook and TikTok did.”

Recently, OpenAI announced that it would be selling partial ownership in itself. According to the Wall Street Journal, OpenAI is in talks to sell a \$300 million stake in itself, which values the whole enterprise at \$29 billion. That’s a little more than double what the company was worth last year.

Which goes to show what a huge splash the app has made. It reached 1 million users in just a week, which is faster than Facebook and TikTok did. Many people think that ChatGPT could ‘disrupt’ Google Search, which is also used to retrieve information, and the app already has wreaked havoc in classrooms across the world. Certain schools in New York have already indicated a ban on using ChatGPT.

With all this hype I can already hear some traders and investors asking how they can get exposure to this new hype? Unfortunately, companies that are investing in ChatGPT now are not publicly traded entities. However, there is one company that lets you get indirect exposure to

ChatGPT.

Microsoft invested \$1 billion in OpenAI back in 2019. At the time Microsoft was able to pay for the deal with a combination of Azure credits and cash. We have mentioned before that we have exposure on behalf of clients to Microsoft. It also features as a point of discussion in our year-end presentation. Microsoft is a huge business with many moving parts. It has \$95 billion in tangible book value which leaves the \$1 billion OpenAI stake at around 1.05%.

We are not suddenly rushing out to buy Microsoft because of the ChatGPT hype. We have published our investment case for Microsoft before.

Furthermore, OpenAI must reveal much more financial information (which they are not obliged to as a private entity) before we can make assumptions of their growth path and the subsequently increased benefit for Microsoft.

In the meantime, happy Chatting, with a word of warning: if you are not in the internet environment around design, or programming, or an IT techie, then ChatGPT is probably not for you at this stage of its development. But I can assure you that it is not another social media chatroom! It is an exciting (and at times frightening) new era in the evolution of technology.

ChatGPT is a highly advanced language model that has been fine-tuned for conversational tasks, such as generating responses in a chatbot. It offers many benefits that make it an ideal choice for businesses and developers looking to build conversational systems.

One of the main advantages of ChatGPT is its ability to generate human-like responses. The model has been pre-trained on a large dataset of conversational data, which allows it to understand the nuances and subtleties of human language. This enables it to generate responses that are more natural and coherent than those generated by traditional rule-based or scripted chatbots.

Another benefit of ChatGPT is its ability to handle a wide range of conversational tasks. The model can be fine-tuned to perform a specific task, such as answering customer service inquiries or providing information about a product or service. Additionally, it can be used to generate responses in different languages and for different domains.

ChatGPT also possesses the ability to handle multi-turn dialogs, it can maintain context and follow up on previous conversation, which is a capability difficult to find in other models and make chatbot even more interactive. This allows it to generate more accurate and relevant responses based on the context of the conversation.

Additionally, ChatGPT can work offline which is great for companies that want to provide conversational services in areas with limited or unreliable internet connectivity. ChatGPT is also a cost-effective alternative to building and maintaining a large team of human customer service representatives. With ChatGPT, companies can provide 24/7 customer service and quickly respond to customer inquiries, improving customer satisfaction and reducing the workload on human representatives.

Finally, ChatGPT can be easily integrated with other systems, such as natural language understanding and natural language processing, making it a versatile tool for building conversational systems.

In conclusion, ChatGPT is a powerful language model that can generate human-like responses, handle a wide range of conversational tasks, maintain context and be used offline. It is a cost-effective way for companies to provide customer service and can be easily integrated with other systems, making it a versatile tool for building conversational systems.



Topic: **TBC**

Natal Midlands

Date:	TBC
Venue:	Oasis Conference Centre, 72 Main Road, Howick
Morning Time:	10am for 10.30am
Evening Time:	5.30pm for 6pm

Johannesburg

Date:	TBC
Venue:	Rosebank Union Church, Cnr William Nichol and St Andrews Road, Hurlingham
Time:	7am for 7.30am



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