

COMMENTARY



AI in Business: The Hype and Finding Real Value

In today's rapidly evolving digital environment, artificial intelligence (AI) stands out as a transformative force. With the rise of generative AI, businesses are inundated with information about AI's potential. However, for small businesses, it is crucial to cut through the noise and understand how AI can be practically applied to enhance operations. Let's explore the current state of AI, its practical applications, and the necessary precautions businesses should take to leverage AI effectively.

The current state of AI

To better understand the current state of AI, the [Gartner Hype Cycle](#)¹ provides a framework for understanding the lifecycle of emerging technologies. It illustrates the typical progression of new technologies through phases of inflated expectations, disillusionment, and eventual productivity.

Until recently, AI was considered past the "peak of inflated expectations," heading towards the "trough of disillusionment" phase where initial excitement fades and the reality of implementation challenges sets in. The status quo has been disrupted by the recent launch of the Chinese DeepSeek platform, challenging the dominance of American tech giants in the AI sector. While the future of AI development is yet to be determined, we have arrived at an important stage for businesses to evaluate the true potential and practical applications of AI, and whether they fall short in real-world application.

Practical applications of AI for small businesses

- **Data analysis:** AI excels in analyzing vast amounts of data, making it invaluable for businesses in financial sectors, business process optimization, product evaluation, and productivity enhancement. By automating complex analytical tasks, AI enables businesses to pinpoint actionable insights swiftly and accurately.
- **Marketing and communication:** For businesses needing to generate written or visual content, AI offers a cost-effective solution. Whether it's creating social media posts, marketing materials, or other content, AI tools can significantly reduce the time and resources required. However, it's essential to use AI to complement human creativity rather than replace it entirely.

The rise of generative AI

Generative AI, a subset of artificial intelligence, has recently captured significant attention. This branch of artificial intelligence focuses on creating new content by learning patterns from existing data. Unlike traditional AI, which typically analyzes data to make predictions or decisions, generative AI can produce original outputs such as text, images, music, and even videos.

Since the launch of OpenAI's [ChatGPT](#)² in November 2022, generative AI has seen widespread adoption. A global [McKinsey & Co.](#) survey reported that by 2024, 65% of

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organizations had integrated generative AI into at least one business function. The applications of generative AI are extensive, ranging from automating content creation and enhancing personalization in marketing to generating synthetic data for training other AI models.

Despite its impressive capabilities, generative AI also comes with challenges. Issues such as data privacy, the potential for generating biased or inaccurate content, and the ethical implications of AI-generated media need careful consideration. Businesses must approach generative AI with a balanced perspective, leveraging its strengths while remaining mindful of its limitations and risks.

Adopting a balanced perspective

Opinions on AI's impact vary widely. Some view it as a groundbreaking innovation on par with the Internet, while others see it as a tool akin to Excel, enhancing efficiency. For small businesses, adopting a moderate approach is advisable. At its core, AI is a tool designed to augment human capabilities. Recognizing this fundamental truth is critical for leveraging AI effectively.

Cautionary notes on AI usage

While AI presents numerous benefits, it is not without risks. Public AI models retain information provided to them, posing potential privacy and security concerns. Businesses should avoid sharing sensitive information with public AI models. If sensitive data must be used, obfuscating sensitive data can mitigate risks.

Positive future impact for small businesses

AI holds immense promise for small businesses, but

it is crucial to approach its adoption with a balanced perspective. By understanding the current state of AI, the Gartner Hype Cycle, and recognizing AI as a tool to enhance existing processes, businesses can harness its potential effectively.

Practical applications in data analysis and marketing illustrate AI's significant utility for small businesses. By automating complex tasks and generating valuable insights, AI can drive efficiency and innovation. Ultimately, AI should be viewed as a powerful tool that has the potential to enable companies to achieve greater success without compromising their core values and operations.

About Kelly Albiston:

Kelly Albiston serves as the executive vice president and chief technology officer for Mountain America Credit Union. In his role, Kelly oversees the creation and execution of Mountain America's technology, digital, and data strategy, driving exceptional member experiences and ensuring robust information security. Since joining in 2013, Kelly has held various significant IT leadership positions. Before Mountain America, Kelly cofounded and grew Orbit Medical, establishing it as a top five national competitor in the medical equipment industry. Kelly holds an undergraduate degree from the University of Utah and an MBA from Brigham Young University.

¹ Gartner. (n.d.). [Gartner Hype Cycle Research Methodology.](#)

² <https://chatgpt.com/>

³ [Generative AI Trends 2025: AI Agents, Focus on Governance & More](#)