Rise of Generative AI and ChatGPT

Understand how Generative AI and ChatGPT are transforming and reshaping the business world

> Utpal Chakraborty Soumyadeep Roy Sumit Kumar



Copyright © 2023 BPB Online

All rights reserved. No part of this book may be reproduced, stored in a retrieval system, or transmitted in any form or by any means, without the prior written permission of the publisher, except in the case of brief quotations embedded in critical articles or reviews.

Every effort has been made in the preparation of this book to ensure the accuracy of the information presented. However, the information contained in this book is sold without warranty, either express or implied. Neither the author, nor BPB Online or its dealers and distributors, will be held liable for any damages caused or alleged to have been caused directly or indirectly by this book.

BPB Online has endeavored to provide trademark information about all of the companies and products mentioned in this book by the appropriate use of capitals. However, BPB Online cannot guarantee the accuracy of this information.

First published: 2023

Published by BPB Online WeWork 119 Marylebone Road London NW1 5PU UK | UAE | INDIA | SINGAPORE

ISBN 978-93-55517-982

www.bpbonline.com

ii 📃

Dedicated to

Author: Utpal Chakraborty Dedicated to all AI enthusiasts in my Country.

Co-Author: Soumyadeep Roy

Dedicated to my parents and sister & family of my close friends.

Co-Author: Sumit Kumar

Dedicated to the Nation

About the Authors

- Author: Utpal Chakraborty is an eminent Data scientist, AI researcher, Quantum scientist, strategist, and thought leader having more than two decades of industry experience, including working as a Principal Architect in L&T Infotech, IBM, Capgemini, and other MNCs in his past assignments. He was also the Head of the Artificial Intelligence division of YES Bank. At the moment, he is the Chief Digital Officer at Allied Digital Services Limited. Utpal is a well-known speaker and writer on Artificial Intelligence, Quantum Computing, Web3 & Metaverse speaking at conferences, premier colleges, and universities around the world. He has authored five books on AI and Quantum Computing. He has also demonstrated a few completely out-of-the-box hybridized Agile & Lean implementations in different industries which have been recognized and appreciated by Agile & Lean communities worldwide. He has helped and mentored startups in their journey helping institutions like IITs in their different research programs. He is in the advisory body of many Govt., academic and private research institutions. Utpal has also been recognized as the AI Champion of India, and one of the top AI Influencers and Thought Leaders by reputed forums. He has also been recognized as the Global AI Ambassador 2022.
- **Co-Author: Soumyadeep Roy** is a dynamic and passionate individual who has a keen interest in the fields of AI, web3, crypto, and quantitative finance. Currently, he is the head of quant-based investments in DeFi at Neev Finance, based in Seattle, USA. He is also one of the founding members of this organization. He deals with developing new quantitative modules for investments across both DeFi and TradFi worlds with both Crypto and traditional capital assets and manages the funds of more than 800+ retail and accredited investors. Apart from his work in the finance industry, he is also an AI advisor

iv

at a Mental Health Tech startup called PrimaFace. He is from an engineering background, having graduated from the prestigious Indian Institute of Technology Bombay in 2022. He also had the opportunity to work with multiple universities across the globe as a research associate. He worked at the University of Sydney, the National University of Singapore, the University of Leeds, University College of London among others.

• **Co-Author: Sumit Kumar** is an IITian and Nation Cyber Security Strategist on a mission to build a Secure Nation for new-generation battlefields and Building of billionaires by implementing strategically planning and has vast experience in building start-ups and helping people and organisation safeguard them against any Cyber Risk by New Generation TechnoPolicy. Growing up, he was fascinated with technology leading to few early exposures to LEAs, Defence, State Police, MNCs and Tech Giants. Mr Kumar has also earned several technical certifications and awards for his achievements.

Mr Kumar's expertise in National Cyber Security Strategy, Entrepreneurship, Business Operations Strategy, Strategic Software Development, Cyber Crime Investigation, Datadriven Technologist, New Technology Implementation, Developing and executing business strategies has helped to capture and develop untapped global revenue, in Problem-Solving, Critical Thinking, Decision making and Corporate Expansion with Machine Learning & Artificial Intelligence. Mr Kumar was the Former Co-founder of Farmhike, PwrForensics and Doctecheasy and mentors for startup founders. Presently Working with Defence and Strategic Affairs in BECIL, in Government of India

About the Reviewer

Dr. Avik Sarkar is an accomplished data scientist, policy advisor, and educator with over 20 years of experience in artificial intelligence, data science, and analytics. He is currently associated with the Indian School of Business, where he works and teaches in the areas of Data, Emerging Technology, and Public Policy.

He has been recognized as one of the "Top 10 Data Scientists in India" in 2017 by Analytics India Magazine and nominated as a "LinkedIn Influencer" in the Technology space in 2015 for his contributions and engaging discussions on the LinkedIn platform in areas related to Big Data, Artificial Intelligence, Data Science, etc. Dr. Sarkar has made significant contributions to policy think-tanks in the Indian Government, including NITI Aayog, where he helped develop India's first AI Strategy and roadmap for the use of data, analytics, and artificial intelligence for governance and policymaking across various sectors. He has worked with companies like Accenture, IBM, Nokia, NASA, Persistent Systems, Zycus, etc. on various data and analytics related engagements. He has authored several technical publications and technology patents.

vi

Acknowledgements

Writing a book is never a solitary endeavor, and this project is no exception. We would like to express our deepest gratitude to the following people who have helped us bring this book to life.

First and foremost, we would like to thank our families for their unwavering support and encouragement throughout this process. Their love and patience have been a constant source of inspiration for us.

We are also grateful to our friends and colleagues, who have provided valuable feedback and insight. We would like to express our gratitude to each and every individual who has provided us with enough motivation and positivity throughout.

We would also like to extend our gratitude to the group of editors from BPB for their guidance in shaping this book and also for providing a more remarkable contribution to this book.

Lastly, we would like to express our sincere appreciation to the readers, who have given us the opportunity to share our thoughts and ideas. Thank you all for your unwavering support, encouragement, and patience. This book would not have been possible without you all's help and support. Preface

In recent years, the world has witnessed rapid growth in artificial intelligence and machine learning technologies. One of the most notable advancements has been in the field of natural language processing, which has enabled machines to understand, interpret, and generate human language. This has led to the development of powerful tools and systems that can generate human-like responses to various queries and tasks.

Among these systems, ChatGPT has emerged as a leading language model that has revolutionized the field of generative AI. ChatGPT is a state-of-the-art language model developed by OpenAI that can understand and generate human-like responses to a wide range of queries and tasks. Its advanced architecture and training methods have enabled it to achieve unprecedented levels of accuracy and fluency, making it a powerful tool for businesses across various industries.

In this book, we explore the rise of ChatGPT and other generative AI technologies and how they are transforming the way businesses operate. We delve into the various applications of ChatGPT, including customer service, content creation, and marketing, among others. We also provide a comprehensive guide on how businesses can effectively leverage ChatGPT to improve their operations and stay ahead of the competition.

This book is designed for business leaders, entrepreneurs, and anyone interested in learning more about the power of generative AI and its potential impact on the business landscape. With practical examples and real-world use cases, this book is a valuable resource for anyone looking to harness the power of ChatGPT and other generative AI technologies for their business.

viii

Coloured Images

Please follow the link to download the *Coloured Images* of the book:

https://rebrand.ly/8232hsu

We have code bundles from our rich catalogue of books and videos available at **https://github.com/bpbpublications**. Check them out!

Errata

We take immense pride in our work at BPB Publications and follow best practices to ensure the accuracy of our content to provide with an indulging reading experience to our subscribers. Our readers are our mirrors, and we use their inputs to reflect and improve upon human errors, if any, that may have occurred during the publishing processes involved. To let us maintain the quality and help us reach out to any readers who might be having difficulties due to any unforeseen errors, please write to us at :

errata@bpbonline.com

Your support, suggestions and feedbacks are highly appreciated by the BPB Publications' Family.

Did you know that BPB offers eBook versions of every book published, with PDF and ePub files available? You can upgrade to the eBook version at www.bpbonline.com and as a print book customer, you are entitled to a discount on the eBook copy. Get in touch with us at :

business@bpbonline.com for more details.

At **www.bpbonline.com**, you can also read a collection of free technical articles, sign up for a range of free newsletters, and receive exclusive discounts and offers on BPB books and eBooks.

Piracy

If you come across any illegal copies of our works in any form on the internet, we would be grateful if you would provide us with the location address or website name. Please contact us at **business@bpbonline.com** with a link to the material.

If you are interested in becoming an author

If there is a topic that you have expertise in, and you are interested in either writing or contributing to a book, please visit **www.bpbonline.com**. We have worked with thousands of developers and tech professionals, just like you, to help them share their insights with the global tech community. You can make a general application, apply for a specific hot topic that we are recruiting an author for, or submit your own idea.

Reviews

Please leave a review. Once you have read and used this book, why not leave a review on the site that you purchased it from? Potential readers can then see and use your unbiased opinion to make purchase decisions. We at BPB can understand what you think about our products, and our authors can see your feedback on their book. Thank you!

For more information about BPB, please visit **www.bpbonline.com**.

Join our book's Discord space

Join the book's Discord Workspace for Latest updates, Offers, Tech happenings around the world, New Release and Sessions with the Authors:

https://discord.bpbonline.com



x

Table of Contents

1.	Introduction to ChatGPT	.1
	Introduction	.1
	Technical overview of ChatGPT	
	Applications of ChatGPT	.2
	ChatGPT in business settings	
	Points to remember	.4
2.	History Of Generative Models	.7
	Introduction	.7
	History of generative AI	.7
	Developments in Generative AI	8
	Evaluating Generative AI	8
	Applications of Generative AI	.8
	Points to remember	.9
3.	Generative AI in Banking and Finance1	1
	Introduction1	11
	Applications and Use Cases	11
	Fraud Detection and Risk Analysis	11
	Personalized Customer Service	12
	Investment Recommendations	12
	Advantages 1	13
	Improved Efficiency 1	13
	Personalization	13
	Better Decision-making 1	13
	Improved Security	13
	Limitations and Challenges1	13
	Data Privacy and Security	14
	Ethical Concerns	14
	Regulatory Compliance	14
	Limited Availability of Skilled Talent	14
	Points to remember	

4. Regulatory and Legal aspects of Generative AI17
Introduction
Ethical and responsible use17
Intellectual property rights17
Privacy and data protection
Bias and discrimination
Safety and security
Points to remember
5. Generative AI and ChatGPT for Government Departments21
Introduction
Use cases for generative AI21
Content creation
Image and video analysis
Disaster response
Fraud detection
Decision-making
Predictive analytics
Personalized services
Generative AI in Government: Benefits and
Ethical Safeguards23
Use cases for ChatGPT23
Customer service
Natural language processing
Information retrieval
Language translation24
Policy analysis
Speech recognition
Virtual assistants
Points to remember24
6. Authenticity AI generated content27
Introduction
Limitations and challenges of generative
AI-generated content

xii

	xiii
Spread of Misinformation	
Amplification of Bias	
Creation of Fake Identities	
Job Displacement	
Security Risks	
Development of ChatGPT language model	
Points to remember	
7. ChatGPT Technical Overview: Introduction	
Introduction	
Introduction to Natural Language Processing	
Evolution of NLP	
GPT and ChatGPT	
GPT series by OpenAI	
Points to remember	
8. Brief of top other NLP models	
Introduction	
9. Historical flow and development of GPT series	43
Introduction	43
Generative Pre-trained Transformer - 1	44
Basic Framework	
Model training stages	
Model implementation specifications	
Evaluation	
Generative Pre-trained Transformer - 2	46
Base framework	
Model specifications	
Evaluation	
The introduction to GPT-3	51
Base Framework	
Model specifications	
Evaluation	
API development of GPT - 3	
Introduction of GPT - 3.5, InstructGPT	

xiii

xiv

Base Framework	56
Model specifications	56
Results	
Cost reduction in GPT -3 model API tokens	58
Introduction of Whisper	59
Overview of Whisper	
Introduction of ChatGPT	
Timeline Summary	63
Points to remember	
10. API Pricing model and technical limitations of Ch	atGPT65
Introduction	
Technical Limitations of ChatGPT	66
Points to remember	66
11. Customer Journey in ChatGPT free version UI	67
Introduction	
Points to remember	
12. Use Cases in Modern Era: Introduction	
Introduction	
Global AI Market Growth Projections and Trends Points to remember	
13. Use case in Content-marketing	
Introduction	
Content Creation	
ChatGPT for Blogging Content writing	
SEO optimization	
ChatGPT for Email marketing	
Other content related use-cases	
Points to remember	82
14. Education and e-learning abilities	83
Introduction	
Growth of the E-learning Market	83
ChatGPT in E-learning	85
Content creation	85

xv
Personalization
Feedback and assessment
Chatbot assistance
Language translation
Points to remember
15. Use case in Entertainments purposes
Introduction
AI in Entertainment Industry89
NLP in Entertainment Industry90
Market Growth of AI in the Media and Entertainment Sector90
ChatGPT and its potential applications in
Entertainment Industry
ChatGPT for Gaming Industry
ChatGPT for Music Industry
ChatGPT for Movie, OTT platforms and script writers 93
<i>ChatGPt for personalized contents for virtual assistants 93</i>
ChatGPT for Song lyrics writing:
A potential use case in Mental-health
Points to remember95
16. Potential of ChatGPT in Coding and Programming
Introduction
The Future of Coding and Programming:
Endless Opportunities
The Role of ChatGPT in Code Generation and
Summarization99
General Programming knowledge100
Code generation101
Code debugging101
Code completion102
Code professionalism and editing102
Points to remember103
17. Problem solving abilities (Quantitative)105
Introduction105
The Growing Importance of Quantitative Problem-Solving105

Basic Math and Statistics 106 Basic logic and reasoning 108 Points to remember 109 **18. Problem solving abilities (Qualitative) 111** Introduction 111 ChatGPT's Role in Qualitative Problem Solving 112 *Example 1* 112 Example 2 113 Example 3 114

	ChatGPT's Role in Qualitative Problem Solving	112
	Example 1	112
	Example 2	113
	Example 3	114
	Points to remember	114
19.	Use cases Financial Industry	115
	Introduction	
	Fintech and the Evolution of Banking	116
	Leveraging ChatGPT on banking and Fintech Industry.	118
	Customer experience improvement	118
	Fraud detection and prevention	118
	Personalization	118
	<i>Increase the overall efficiency and performance</i>	
	Enhance the speed and accuracy	
	Work as a robo-advisory	119
	Risk Management	120
	Points to remember	
20.	Use cases in Healthcare Industry	123
	Introduction	
	AI in Healthcare	123
	The Growing Market for AI in Healthcare	124
	Usage of ChatGPT on healthcare and medical industry	125
	A virtual digital medical assistant	125
	Healthcare data analyser and interpreter	126
	Advisor in medication maintenance	126
	Medical track record maintenance	126
	Medical writings	127

Drug information......127

xvi

Medical studies	128
Health monitoring framework	128
Responsibility in Deploying AI in Healthcare	
Points to remember	
21. Use cases in E-commerce Industry	121
Introduction	
Global Ecommerce Market Overview	
AI in E-commerce: Customer Experience and Efficie	
Usage of ChatGPT in E-commerce business:	
Personalized Chatbots	
Marketing strategies	
Optimizing the supply chain	
Create product descriptions	
Sentiment analysis on customer's feedback on produ Points to remember	
Points to remember	136
22. Use cases in Hospitality Industry	139
Introduction	139
AI in the Hospitality Industry	139
Usage of ChatGPT in hospitality business	
Chatbots	
Personalization	
Training new joiners and assisting the existing	
Digital marketing	
Other Industries	
Points to remember	143
23. Problem solving abilities of ChatGPT	
Introduction	
Potential for Problem-Solving in Various Fields	146
Problem-solving abilities of theorem	
Problem-solving abilities of Mathematical models	
Problem-solving abilities with writing Neural networ	
Problem-solving abilities with writing formulas	
Points to remember	

xvii

xv111	

xviii	
24. How beginner start ChatGPT for problem-solving	151
Introduction	151
Limitation	152
ChatGPT in Problem Solving: Conclusion	152
Points to remember	
25. ChatGPT for National Cyber Security and TechnoPolicy	155
Introduction	155
ChatGPT revolutionise National cyber security	156
ChatGPT: Is there a real threat to National Security?	157
Creating a code ransomware attack using ChatGPT	158
Creating a Phishing Content using ChatGPT	159
ChatGPT and generative AI used by cybercriminals	160
ChatGPT: Is it better for national security	
ChatGPT Accountability	163
Clarifying ChatGPT for Government	164
Law enforcement and defence forces use ChatGPT or	
Generative AI ?	165
Cyber Crime Investigator use ChatGPT or Generative AI	166
Lawyer and policy maker use ChatGPT or Generative AI	168
ChatGPT or AI boundaries for National Cyber Security	169
Conclusions	169
Points to remember	170
26. Use cases in edtech industry	173
Introduction	173
Beneficial or negative effect on the educational sector	174
Will the educational sector challenge be resolved	
by ChatGPT?	174
Understanding the topic	176
Solving writing crisis	176
Learning a language	177
Automating Workflows	178
Customized Education	178
Further work needed	179
Conclusion	180
Points to remember	181

27. Potential of ChatGPT in Research work	183
Introduction	183
Is using ChatGPT for research work acceptable?	184
Can ChatGPT be a co-author on a research work?	184
How to set up ChatGPT for beginners to do research work.	185
How to Conduct Research work using ChatGPT	186
Creating a research query using ChatGPT	187
Using ChatGPT, draught a study work outline	
Information Gathering With ChatGPT	189
Create Ideas With ChatGPT	190
Lastly, using ChatGPT to enhance research work	190
ChatGPT boundaries for research work.	
Advantages of ChatGPT for Research Work	192
Conclusion	192
Points to remember	193
29 Detential of ChotCDT in Coding and Drognomming	105
28. Potential of ChatGPT in Coding and Programming	
Introduction Can I code with ChatGPT?	
Code Generation	
Finding, Fixing Bugs in Code	
Understanding Algorithm and Comment Generation	
Is ChatGPT replace Developers?	
ChatGPT or Generative AI boundaries for Coding or	1))
programming?	200
Conclusion	
Points to remember	
29. Recent advancements that are made in ChatGPT	203
Introduction	
About the recent gradual releases:	
Introduction of ChatGPT Plus	
Next stage of Possible advancements	
Points to remember	206
30. ChatGPT and the market right now	209
Introduction: Market implications	

xix

ChatGPT: Rapid Growth and Challenges Ahead	210
Some ChatGPT alternatives	210
ChatSonic	210
Jasper	211
Character AI	212
Perplexity AI	212
From technical Perspective	212
Points to remember	
31. Generative AI and Chatgpt Help India G20 Summit.	215
Introduction	215
ChatGPT for G20 Multilingual Communication	215
Generative AI and ChatGPT solving Cyber issue of	
G20 Summit	218
Generative AI and ChatGPT solving the	
communication issue of the G20 Summit	218
Conclusion: G20 Cybersecurity with AI and ChatGPT	Г219
Points to remember	220
32. GPT- 4	221
Introduction	221
Technological capabilities of ChatGPT 4	222
Some use cases	223
Safety and ethics	225
Points to remember	
33. Future scope of ChatGPT	
Introduction	
ChatGPT's Potential in Natural Language Processing	
and Personalization	229
Points to remember	

xx

Снартея 1 Introduction to ChatGPT

Introduction

ChatGPT is one of the most talked about subjects in the last couple of months, and no doubt it has changed the complete perspective of what an AI system can do for the common mass. For many, it's kind of a magic that how an AI system can have that wealth of knowledge and how it can create responses so contextually and in such matured fashion. From answering queries on any topic to writing articles, blogs, whitepapers, software programs and even fixing an erroneous program code and what not.

Technical overview of ChatGPT

Now, a very common confusion among many of us about ChatGPT is probably it's been thought of as an advanced version of commonly used Chatbots. Although it may look somewhat like a chatbot and how it functions, in reality it is far different from a chatbot from a technical standpoint. ChatGPT is a generative model, meaning it can generate novel responses rather than just selecting a predefined

response from a list. This allows ChatGPT to have more natural and varied responses and makes it more suitable for use in openended conversations. **GPT** stands for "**Generative Pre-training Transformer**, " a transformer neural network architecture that is trained using a large dataset of human conversation to generate human-like responses to user input. Now, ChatGPT is optimized for dialogue generation and has been trained on a dataset of chat logs, documents, research papers etc. from various online platforms. So, in a way the intelligence that ChatGPT possessed is from the conversation that you had anytime in any of the social media or messaging platforms.

From a technical angle, ChatGPT is based on the transformer architecture which uses self-attention mechanisms to process input sequences with a large number of parameters (on the order of billions) and is trained using a variant of the **Masked Language Modeling (MLM)** objective. During training, the model is presented with a sequence of tokens and is asked to predict the next token in the sequence, with some of the tokens in the input sequence masked out. This forces the model to use context from the unmasked tokens to make a prediction for the masked token, which helps it learn generalpurpose language representation.

Applications of ChatGPT

ChatGPT can be used in a variety of applications, including chatbots for customer service, online education, and social media. It can also be used in virtual assistants and other conversational AI systems. It is particularly well-suited for applications where it is important to generate human-like responses and maintain a natural conversation flow.

Overall, ChatGPT is a powerful tool for building special purpose advanced chatbots and other conversational AI systems, and has the potential to revolutionize the way we interact with computers and each other online. One major advantage of ChatGPT is its ability to handle context and maintain coherence in a conversation. This is because it has been trained on a large dataset of chat logs, which allows it to learn about common conversational patterns and how to maintain a consistent conversation flow. In addition to its natural language generation capabilities, ChatGPT can also perform various language understanding tasks, such as named entity recognition, part-of-speech tagging, and sentiment analysis. This allows it to understand the meaning of user input and generate appropriate responses, rather than just blindly repeating back words or phrases.

Another interesting aspect of ChatGPT is its ability to learn and adapt over time. By continually interacting with users and learning from their responses, ChatGPT can improve its performance and become more accurate and engaging. This allows it to become more personalized and better able to meet the needs of individual users.

In terms of implementation, ChatGPT can be integrated into chatbot systems using various programming languages and frameworks. It can be accessed through an API or by using a pre-trained model in a deep learning library such as *PyTorch* or *TensorFlow*.

There are a number of ways that ChatGPT can be used in business settings to improve customer service, streamline processes, and reduce costs.

One common use case is to build chatbots that can handle customer inquiries and complaints. These chatbots can be integrated into a company's website or social media platforms and can provide instant responses to common questions, freeing up human customer service representatives to handle more complex issues. ChatGPT's ability to understand context and generate appropriate responses can make these chatbots more effective at handling a wide range of customer inquiries.

Another use case is to build chatbots that can assist with internal processes, such as employee onboarding, HR tasks, and scheduling. For example, a chatbot could be used to provide new employees with information about company policies and procedures, or to allow employees to request time off or schedule meetings. ChatGPT's ability to understand natural language input and generate coherent responses makes it well-suited for these types of applications.

In addition to these uses, ChatGPT can also be used to build chatbots for marketing and sales. For example, a chatbot could be used to provide information about a company's products or services, or to assist with lead generation and qualification. ChatGPT has the potential to greatly improve the efficiency and effectiveness of business processes, particularly in the areas of customer service and internal communication. Its ability to generate human-like responses and understand context makes it a powerful tool for building chatbots that can assist with a wide range of tasks.

ChatGPT in business settings

It is likely that ChatGPT is already being used by a number of companies in a variety of industries for a range of applications, such as customer service, internal communication, and marketing.

It is also worth noting that ChatGPT is a variant of the GPT language model, which has been widely adopted by companies and researchers for a variety of tasks. Some examples of companies that have implemented GPT or similar models include OpenAI, Hugging Face, and language model service providers like *Google's Cloud Language API* and *AWS's Comprehend*. These companies offer tools and services that allow businesses to build and deploy language-based AI systems without having to build and train their own models from scratch.

Points to remember

- ChatGPT is a generative model, meaning it can generate novel responses rather than just selecting a predefined response from a list.
- GPT stands for "Generative Pre-training Transformer ", a transformer neural network architecture that is trained using a large dataset of human conversation to generate human-like responses to user input.
- Overall, ChatGPT is a powerful tool for building special purpose advanced chatbots and other conversational AI systems, and has the potential to revolutionize the way we interact with computers and each other online.
- There are a number of ways that ChatGPT can be used in business settings to improve customer service, streamline processes, and reduce costs.

- In addition to these uses, ChatGPT can also be used to build chatbots for marketing and sales.
- ChatGPT has the potential to greatly improve the efficiency and effectiveness of business processes, particularly in the areas of customer service and internal communication.
- It is also worth noting that ChatGPT is a variant of the GPT language model, which has been widely adopted by companies and researchers for a variety of tasks.