



Forget Bitcoin! I Think Artificial Intelligence Could Be The Next Big Growth Sector

Description

As ever, investors are always looking for the next big thing. In the last couple of years, there has been a considerable amount of interest in bitcoin. The virtual currency has increased significantly in value, but has also been exceptionally volatile. Some investors may have generated high returns from buying the cryptocurrency, while others are likely to have lost money after its decline from almost \$20,000 in December 2017 to around \$5,500 today.

However, with bitcoin seeming to lack real-world potential in terms of its application, its appeal could be relatively limited over the long term. In contrast, the future for artificial intelligence (AI) could be exceptionally bright.

Increasing usage

AI is essentially where a machine exhibits some degree of human intelligence. It has been around for a number of decades, but seems to be gaining traction across a variety of industries at the present time. For example, it is now used by a number of companies to perform administrative operations which would previously have been undertaken by people. As such, there is not only a potential cost saving, but machines may be faster and more efficient than their human counterparts when performing such tasks.

However, the application of AI is far wider than simple administrative tasks. It is being used in medicine to identify illnesses and diseases, the media sector is using it to create more focused advertising campaigns, while retailers are using AI to suggest online purchases based on a range of data that they have available.

AI's applications, therefore, are not only focused on profit. It is improving people's lives in a variety of areas, such as healthcare, leisure and security. As such, it seems likely to gain traction over the medium term, with investment in the segment likely to increase significantly as a result of its generally positive impact.

Investment potential

AI is already here and is helping to make businesses more efficient and profitable. Unlike bitcoin, there is not a question of whether it will become a reality in terms of replacing traditional currencies. As such, it may offer [less risk](#) than the virtual currency from an investment standpoint.

Certainly, it is unclear as to the rate of future development of AI, in which areas it will become increasingly prevalent and how policymakers will seek to regulate it as it becomes increasingly advanced. However, bitcoin arguably has more pressing problems, such as its lack of scalability and security concerns. As such, the potential for it to eventually replace traditional currencies seems to be relatively low.

With a number of listed companies investing heavily in AI, whether that is through their own technological development or the utilisation of existing technology in their processes, it could catalyse growth across a number of industries. Investing in it now may prove to be relatively high risk, but it could also lead to impressive profitability in the long run as it becomes an increasingly important part of all of our lives.

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