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### Alelo's AI Simulations are being used around the world to Practice and Assess Communication Skills



Dr. Lewis Johnson Chief Executive Officer

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Interview conducted by: Lynn Fosse, Senior Editor CEOCFO Magazine

#### CEOCFO: *Dr. Johnson, what was the vision when you started Alelo and where are you today?*

**Dr. Johnson:** Alelo started out as a research project funded by DARPA at the University of Southern California. The idea was could we use video game and AI technology to develop a better way of learning foreign languages. From that idea we developed an initial product that people could use, basically an immersive game in which you had to speak Arabic in order to play the game. It was a simulation of a day in the life or a mission in Iraq. These games proved to be hugely successful and helped people develop relations with people in other countries and it reduced tensions and saved lives.

I founded Alelo in order to build, develop, commercialize the technology and make it available to more people. Now we have an AI-based learning platform that is used around the world to overcome the communication problems that people face in the workplace or in daily life.

#### CEOCFO: How does the platform work?

**Dr. Johnson:** We create what we call AI simulations, which are basically immersive scenarios that are populated with AI driven avatars that can speak and understand natural language. These can be various tasks, anything from going into a travel office and buying a ticket or having a meeting with your boss and coworkers. You are playing the role of character in the scenario. This all runs in a web browser. You speak into your device and then the other characters will react and respond to what you say to create a simulation of a real-life encounter.

At the end of the scenario, you get a review of how well you did as well as recommendations of personalized practice focusing on the areas

"We have an AI-based learning platform that is used around the world to overcome the communication problems that people face in the workplace or in daily life." - Dr. Lewis Johnson where you need to improve. This proves to be very powerful, people can practice as much as they want without fear of embarrassment. They get quantitative metrics of how they are improving and those metrics can be useful for instructors so they can see where the students or trainees are having difficulty so it helps them to focus their own teaching.

#### CEOCFO: Who is using Alelo?

**Dr. Johnson:** We have currently two major classes of users. One is military personnel who are deploying overseas and they need some understanding of the local language and culture. We have developed cultural awareness training courses for over ninety countries. The latest we are developing for is Ukraine, so Americans can work better with their Ukrainian counterparts.

Another major category of users are people around the world who want to improve their spoken English skills. That includes students in college who want to improve their spoken English as well as prepare for jobs in English-speaking workplaces. Our platform is in use across Latin America, and there is also interest from China. We have been running some trials in Eastern Europe, so it has been very much of a global interest in the capability.

Now we are developing a product for workplace training in the United States. It can help anybody learn to communicate more effectively, to get their ideas across more clearly. We have been getting interest from companies that want to provide training to their employees to develop leadership skills, or prepare for customer-facing job functions of various types. That is what we are doing so far and the interest continues to grow.

#### CEOCFO: What is it about your solutions that engages people?

**Dr. Johnson:** You are engaging with a simulated human character. It is like a virtual person on the screen who understands and responds to you and people naturally relate to that much like they would interacting with a real person. I think that is what engages people and keeps it interesting, and keeps it from becoming just a boring routine activity.

## CEOCFO: You talked about cultural type courses in a variety of countries; how often do you review each course?

**Dr. Johnson:** We do review on a periodic basis, certainly every couple of years. Culture is a dynamic thing. For example, in our first cultural awareness course for people going to Iraq, we told people to take off their sunglasses and look people in the eye when they speak to them. Although that is good advice, by now Iraqis are quite used to dealing with people who wear sunglasses all the time so that is not an issue.

Even these basic norms of person-to-person interactions do change over time and we have to stay on top of it. Fortunately we have anthropologists on our staff who are skilled at cultural research, interviewing people who have recently been working and recently returning from different countries. That helps us to keep current with the cultural characteristics.

#### CEOCFO: *How do people find Alelo if they are looking?*

**Dr. Johnson:** People have been hearing about us through word-ofmouth. We do a lot of sales to institutions, to colleges and universities around the world. A lot of people learn about Alelo from their institution, or maybe they know someone who works at an institution that uses one of our products. That is one way they find out about us. If you are an employee of the federal government, you can go online to the learning portal and get some of Alelo's learning products there. We work with publishers, so that is one way of getting our product to people. It is bundled with a textbook or another learning product. We also host a webinar series.

#### CEOCFO: With so many areas for people to use what you do, how do you focus your time and why was it time to add the new communication simulation?

**Dr. Johnson:** Part of it is what we hear from prospective customers. Providing workplace training for future leaders, that was a problem that one of our customers brought to us. A lot of it is simply understanding where the most critical needs are, that our technology is well suited for. We look for those areas where we think we can make a big difference.

#### **CEOCFO:** *How is business?*

**Dr. Johnson:** Business is doing well. We are getting a lot of interest from around the world and I think we are benefitting from the increased interest in AI, we are emerging as an expert leader in that area. I do a series of webinars that are attended by people around the world, who are very interested in tracking what we are doing.

#### CEOCFO: What is your business model?

**Dr. Johnson:** We create simulations on a custom basis for particular customers. We are increasingly providing simulation based learning products as a subscription basis. People can sign up and then they can get unlimited access and we charge them on a monthly basis. That is the business model with the biggest growth potential because we can serve a much greater number of learners that way.

#### CEOCFO: What surprised you as Alelo has grown?

**Dr. Johnson:** I am constantly being surprised as we learn more from customers around the world. I am surprised at the difference that our products are able to make. For example, some learners who are using our product in Mexico to develop their English skills, they put together a video, testimonials that they gave in English of how our products have helped them improve their English skills. That was a very pleasant surprise.

# **CEOCFO:** *Why pay attention to Alelo? Why is the company important?*

**Dr. Johnson:** We have a potential to really make a difference in a critical area in learning, in training and education for communication skills. We have a technology which enables us to deliver effective solutions to people around the world at scale. This business model has a huge upside potential. We are taking advantage of the advances in AI that are making this possible. We have a unique capability to grow and to scale going forward. The time is very good for us to do that.