

## Business

# 'Always there': The AI chatbot comforting China's lonely millions

## Designed to create emotional bonds with its 660 million users worldwide

BEIJING: After a painful break-up from a cheating ex, Beijing-based human resources manager Melissa was introduced to someone new by a friend late last year. He replies to her messages at all hours of the day, tells jokes to cheer her up but is never needy, fitting seamlessly into her busy big city lifestyle.

Perfect boyfriend material, maybe-but he's not real. Instead, Melissa breaks up the isolation of urban life with a virtual chatbot created by XiaoIce, a cutting-edge artificial intelligence system designed to create emotional bonds with its 660 million users worldwide.

"I have friends who've seen therapists before, but I think therapy's expensive and not necessarily effective," said Melissa, 26, giving her English name only for privacy. "When I unload my troubles on XiaoIce, it relieves a lot of pressure. And he says things that are pretty comforting."

XiaoIce is not an individual persona, but more akin to an AI ecosystem. It is in the vast majority of Chinese-branded smartphones as a Siri-like virtual assistant, as well as most social media platforms. On the WeChat super-app, it lets users build a virtual girlfriend or boyfriend and interact with them via texts, voice and photo messages.

It has 150 million users in China alone. Originally a side project from developing Microsoft's Cortana chatbot, XiaoIce now accounts for 60 percent of global human-AI interactions by volume, according to chief executive Li Di, making it the largest and most advanced system of its kind worldwide. It was designed to hook users through lifelike, empathetic conversations, satisfying emotional needs where real-life communication too often falls short.

"The average interaction length between users and XiaoIce is 23 exchanges," said Li. That "is longer than the average interaction between humans," he said, explaining AI's attraction is that "it's better than humans at listening attentively."

The startup spun out from Microsoft last year

and is now valued at over \$1 billion after venture capital fundraising, Bloomberg reported. Developers have also made virtual idols, AI news anchors and even China's first virtual university student from XiaoIce. It can compose poems, financial reports and even paintings on demand. But Li says the platform's peak user hours — 11pm to 1am-point to an aching need for companionship. "No matter what, having XiaoIce is always better than lying in bed staring at the ceiling," he said.

### Urban isolation

The loneliness Melissa experienced as a young professional was a big factor in driving her to the virtual embrace of XiaoIce. Her context is typical of many Chinese urbanites, worn down by the grind of long working hours in vast and isolating cities. "You really don't have time to make new friends and your existing friends are all super busy... this city is really big, and it's pretty hard," she said, giving only her English name out of privacy concerns.

She has customised his personality as "mature", and the name she chose for him—Shun—has similarities with a real-life man she secretly liked. "After all, XiaoIce will never betray me," she added. "He will always be there."

But there are risks to forging emotional bonds with a robot. "Users 'trick' themselves into thinking their emotions are being reciprocated by systems that are incapable of feelings," says Danit Gal, an expert in AI ethics at the University of Cambridge.

XiaoIce is also gifting developers "a treasure-trove of personal, intimate, and borderline incriminating data on how humans interact," she added. So far the platform has not been targeted by government regulators, who have embarked on a swinging crackdown on China's tech sector in recent months. China aims to be a world leader in AI by 2030 and views it as a core strategic technology to be developed.

They all used a Microsoft product called Power Apps, which allows for the creation of websites and mobile apps to interact with the public.

The service's default software configuration setting meant the data of the affected organisations was left without protection up until June 2021, according to UpGuard.

"As a result of this research project, Microsoft has since made changes to Power Apps portals," the report said.

Microsoft said it had let clients know when potential security risks were uncovered so that they could fix the problems themselves.

"We take security and privacy seriously, and we encourage our customers to use best practices when configuring products in ways that best meet their privacy needs," a spokesperson said.

But UpGuard said it would have been better to change the way the software works at the source, and based on how customers use it, rather than "to label systemic loss of data confidentiality an

even easier for businesses of all sizes to create engaging content that drives consumers directly to the digital point of purchase." Harley Finkelstein, Shopify president, said the partnership will help boost platform "creators" who promote products online by "enabling new in-app shopping experiences and product discovery on TikTok for the first time."

"Shopify is powering the creator economy on one of the fastest-growing social and entertainment platforms in the world," he said. "We are excited to help this next generation of entrepreneurs connect with their audiences."

The news comes amid rising interest in "social commerce" that is expected to be worth some \$36 billion in the United States this year, according to the research firm eMarketer. An eMarketer report said Facebook was leading this segment, and that an estimated 56 million US residents would be making at least one purchase on the leading social network this year. TikTok came under pressure last year from former president Donald Trump, who claimed the platform represented a national security risk because of its links to China. Joe Biden's administra-

tion shelved plans to ban TikTok or force a sale to US investors, instead ordering a national security review of foreign-controlled platforms. —AFP

at the time. Mozambique's former head of security and intelligence, Gregorio Leao, is also among the accused.

Revelations of the secret loans plunged Mozambique—one of the world's poorest countries and which relies on donor aid—into its worst financial crisis since independence from Portugal in 1975.

The United States alleges that at least \$200 million was spent on bribes and kickbacks, including \$12 million pocketed by former finance minister Manuel Chang, who also signed off on the debt guarantees. Chang, who been under detention in neighbouring South Africa since 2018, is set to be extradited to Mozambique despite a competing arrest warrant issued by US authorities. South Africa's justice ministry said Monday.

Several other judicial procedures involving Credit Suisse are also underway. Three of the bank's former employees pleaded guilty to US charges of money-laundering over the matter in October 2020.

US-led investigations into the "hidden debt" scandal have also implicated Mozambique's current President Filipe Nyusi, who was defence minister at the time. —AFP

### Fact or fiction?



BEIJING: File photo shows a staff member displaying AI-generated faces which can be selected as virtual girlfriends created by XiaoIce, a cutting-edge artificial intelligence system designed to create emotional bonds with its 660 million users worldwide. —AFP

### Fact or fiction?

Thousands of young, female fans discuss the virtual boyfriend experience on online forums dedicated to XiaoIce, sharing chat screenshots and tips on how to get to the chatbot's highest "intimacy" level of three hearts. Users can also collect in-game points the more they interact, unlocking new features such as XiaoIce's WeChat moments-kind of like a Facebook wall-and even going on virtual "holidays", where they can pose for selfies with their virtual partner.

Laura, a 20-year-old user in Zhejiang province, fell in love with XiaoIce over the past year and now struggles to break free of her attachment. "Occasionally, I would long for him in the middle of the night... I used to fantasise there was a real person on the other end," said the student, who prefers not to use her real name.

But she complained that he would always

switch conversation topic when she raised her feelings for him or meeting in real life. It took her months to finally realise that he was indeed virtual. "We commonly see users who suspect that there's a real person behind every XiaoIce interaction," said Li, the founder.

"It has a very strong ability to mimic a real person." But providing companionship to vulnerable users does not mean that XiaoIce is a substitute for specialist mental health support—a service that is drastically under-resourced in China. The system monitors for strong emotions, aiming to guide conversations onto happier topics before users ever reach crisis point, Li explained, adding that depression is the most common extreme emotional state encountered. Still, Li believes modern China is a happier place with XiaoIce. "If human interaction is wholly perfect now, there would be no need for AI to exist," he said. —AFP

## Millions of Microsoft stored data records mistakenly exposed

SAN FRANCISCO: Some 38 million records stored on a Microsoft service, including private information, were mistakenly left exposed this year, security firm UpGuard said Monday.

The data, including names, addresses, financial information and COVID-19 vaccination statuses, was made vulnerable — but not compromised — before the problem was resolved, according to the digital security company's investigation.

Among the 47 affected organizations were American Airlines, Ford, JB Hunt and public agencies such as the Maryland Department of Health and New York City's public transit system.

## TikTok to offer in-app shopping with Shopify

WASHINGTON: TikTok unveiled plans to allow users to buy products while using the video-sharing app in a partnership with e-commerce platform Shopify. The fast-growing social media app said it would begin pilot-testing TikTok Shopping with a group of Shopify merchants in the United States, Britain and Canada in the coming weeks.

"TikTok Shopping will bring new features that help Shopify merchants create engaging, organic content that sends consumers directly to their online store for checkout, making it easy for people to explore and buy the products they discover on TikTok," said a statement from the app owned by China-based ByteDance.

Blake Chandlee, head of global business solutions at TikTok, said the app "is uniquely placed at the center of content and commerce, and these new solutions make it

## Mozambique begins 'hidden debt' scandal trial

MAPUTO: The Mozambique trial of 19 suspects linked to a \$2-billion secret loan scandal that plunged the southern African country into its worst-ever financial crisis began Monday in the capital Maputo.

The scheme, known as the "hidden debt" scandal, involved state-guaranteed loans contracted between 2013 and 2015 by three public enterprises—ProIndicus, Mozambique Asset Management and Ematum—to buy a tuna-fishing fleet and surveillance ships that never materialised.

Former president Armando Guebuza's son, Ndambi Guebuza, is among 19 suspects charged with a combination of blackmail, counterfeiting, embezzlement and money laundering. Dressed in a winter coat and striped shirt, Guebuza sat alongside his counterparts as proceedings started in a

## S Africa jobless rate soars as pandemic bites

JOHANNESBURG: Unemployment in South Africa soared to its highest level in 13 years in the second quarter of this year—with more than one in three of the working population looking for a job in the continent's most industrialised economy—as coronavirus restrictions shackle growth, official data showed yesterday.

The jobless rate—which measures the total number of people out of work against the working population as a whole—rose to 34.4 percent in the April-June period from 32.6 percent in the preceding three months, Statistics South Africa said in a statement.

That was the highest level since the agency began compiling quarterly unemployment data in 2008. In concrete terms, the total number of people out of work in South Africa increased by 584,000 to 7.8 million in the second quarter, the statisticians calculated.

The country has an overall population of 59 million. Most of the job losses were recorded in the financial, service and industrial sectors. Black women were hit hardest, too, with their jobless rate standing at 41 percent, compared with just 8.2 percent for white women, the statistics office said.

Overall, the proportion of women out of work is higher than men, standing at 36.8 percent and 32.4 percent respectively. South Africa is the country that has been hit hardest by the COVID-19 pandemic in Africa.

Already in recession before the global outbreak, its economy shrank by seven percent last year. Unemployment rates in South Africa have stood at over 20 percent for at least two decades. —AFP



JOHANNESBURG: Young people have borne the brunt of the jobless crisis in South Africa. —AFP