

Microsoft CEO Nadella: 'Bots are the new apps'



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(Photo: Theresa Chong for USA TODAY)

SAN FRANCISCO – Microsoft CEO [Satya Nadella](#) kicked off the company's Build developers conference with a vision of the future filled with chatbots, machine learning and artificial intelligence.

"Bots are the new apps," said Nadella during a nearly three-hour keynote here that sketched a vision for the way humans will interact with machines. "People-to-people conversations, people-to-digital assistants, people-to-bots and even digital assistants-to-bots. That's the world you're going to get to see in the years to come."

Onstage demos hammered home those ideas. One involved a smartphone conversing with digital assistant [Cortana](#) about planning a trip to Ireland, which soon found Cortana bringing in a Westin Hotels chatbot that booked a room based on the contents of the chat.

Another featured a blind Microsoft engineer who helped design technology that allows him to take photos with a pair of smartglasses and have either a menu's contents or people's emotions described to him.

Nadella placed such human/AI interactions under an umbrella he called Conversations as a Platform. "It's about taking the power of human language and applying it more pervasively to all of our computing," he said. "We will infuse intelligence about us and our context into computers."



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The integrative AI-focused approach to the way humans interact with their digital lives comes not a moment too soon given the pressure Microsoft faces in this Conversation as a Service sector from Amazon with Alexa and Google with Google Now, says Holger Mueller, analyst with Constellation Research. "All these new conversation canvases need cloud as the delivery platform and Microsoft needs utilization to achieve economies of scale," as it

builds out its own cloud storage and services function, Azure.

AFTER TAY, 'BACK TO THE DRAWING BOARD'

Nadella drew a collective laugh from the 5,000 attendees when — in the context of heralding the future of bots — he acknowledged the rough start it had in the arena with an entertainment-focused chatbot just last week.

Tay, the AI-powered chatbot that was designed to talk to 18- to 24-year-olds over Twitter and Kik messaging, was up for only a day before hackers made it spew racist and anti-Semitic comments.

Microsoft [apologized and took the chatbot offline \(/story/tech/news/2016/03/25/microsoft-deeply-sorry-chatbot-offenses/82270312/\)](/story/tech/news/2016/03/25/microsoft-deeply-sorry-chatbot-offenses/82270312/). "We are back to the drawing board," he said. "Technology has to have the best of humanity, not the worst."

That led to comments from the CEO about the need for a "principled approach" to this emerging technology, an oblique reference to the big drama that recently unfolded between Apple and the FBI.

"We need to make choices about how we build technology," Nadella said. "Our design, economic and social choices must ensure that technology helps us make progress as a society."

WINDOWS 10, STILL FREE

One significant bit of news out of the morning session was that a forthcoming update to Windows 10 will be free, effectively extending the one year free trial of Microsoft's most popular operating system ever. To date, some 270 million people have downloaded Windows 10, said Windows exec Terry Myerson.



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[Microsoft 'deeply sorry' for chatbot offenses](#)

[\(http://www.usatoday.com/story/tech/news/2016/03/25/microsoft-deeply-sorry-chatbot-offenses/82270312/\)](http://www.usatoday.com/story/tech/news/2016/03/25/microsoft-deeply-sorry-chatbot-offenses/82270312/)

The so-called Anniversary Update for Windows 10 includes biometric ID capability to apps as well as Microsoft Edge and expanded functionality of Windows Ink, the company's digital pencil.

Microsoft's ongoing mission under Nadella's two-year stewardship to be a cloud- and mobile-first company that welcomes partnerships was in evidence at Build. One of the biggest cheers from developers came when it was announced that "the Bash shell is coming to Windows 10" for the new update, Microsoft's Kevin Gallo said. The news boils down to making it easier for Linux-based developers to build apps for Microsoft's OS.

By making it easier for developers, Microsoft is "taking something they aren't really great at, which is a mobile operating system, and leveraging their core competency, namely their Azure cloud, to get in the game," says analyst Patrick Moorhead of Moor Insights and Strategy. "Microsoft is saying (to developers), 'Hey, we're Switzerland, we know you're building for Android and iOS, but come use our tools to do the job,' and that's a way to stay a part of this revolution."

The conference also cast the spotlight on a number of Microsoft projects, including [HoloLens](#) (the \$3,000 augmented reality device shipping now to developers), Cortana (which is being enhanced to interact with commercial bots) and the company's Bot Framework (which renders chatbot creation easier for developers).

Microsoft's HoloLens, which is now shipping out to developers, also is expected to draw much attendee attention at Build as Microsoft looks to them to build new applications for the augmented reality headset. The device took center stage with a demo showcasing how Case Western University professors are teaching med students with the augmented reality device.

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