

# Understanding Sentiment Models

## A SIDE-BY-SIDE COMPARISON

AI-based Sentiment analysis helps to identify, quantify, and analyze levels of emotion within text. Understanding sentiment can help investors and business professionals catch the subtle inflection points in language that move markets and provide early indicators of shifting corporate performance.

**AlphaSense Sentiment Analysis is a Deep Learning AI model trained on 10+ years of proprietary training data, and is the only such model in the market. Deep Learning AI models are the most advanced machine learning models, and reach their high performance only when trained on vast troves of carefully crafted training data.**

	DICTIONARY-BASED	RULES-BASED	DEEP LEARNING AI
HOW IT WORKS	<p>Word-counting based on dictionaries of terms that generally convey positive or negative sentiment.</p> <p>Sums the tonal words within a document to arrive at a crude overall estimate of the sentiment of the text.</p>	<p>Rules-based sentiment analysis applies a series of manually-crafted rules to classify subjectivity, polarity, opinion holders or targets, and other grammar indicators.</p>	<p>AI models leverage algorithms trained to learn and understand language variability without being confined to a rules-based system or lexicon. AI models process and understand the meaning and impact of language.</p>
PROS	<ul style="list-style-type: none"> <li>✓ Simple and easy to build</li> </ul>	<ul style="list-style-type: none"> <li>✓ Understands industry-specific terms</li> </ul>	<ul style="list-style-type: none"> <li>✓ Understands context</li> <li>✓ Continuously learns from its mistakes</li> <li>✓ High accuracy</li> </ul>
CONS	<ul style="list-style-type: none"> <li>✗ Does not understand context</li> <li>✗ Low accuracy, easily tricked by language variations</li> </ul>	<ul style="list-style-type: none"> <li>✗ Hand-written rules fail to scale to the breadth of human language</li> </ul>	<ul style="list-style-type: none"> <li>✗ Technically challenging and expensive to build and tune the required AI algorithms and the vast training data required</li> </ul>

<p><b>LEGACY APPROACH</b> Incorrect Verdict: Positive</p> <p>We're in the ninth inning of a <b>bull market</b> in other financial sectors. It's on fumes right now. It's been sustained by one-off tax reform. It's been sustained by massive amounts of borrowing, both federal, municipal, corporate, personal. The juice is just going to run out.</p>	<p>VS</p>	<p><b>ALPHASENSE AI MODEL</b> Correct Verdict: Negative</p> <p>We're in the ninth inning of a bull market in other financial sectors. <b>It's on fumes right now. It's been sustained by one-off tax reform. It's been sustained by massive amounts of borrowing, both federal, municipal, corporate, personal. The juice is just going to run out.</b></p>
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Source Q1 2019 InspireMD Inc Earnings Call

Request a demo for a personalized look at how our premier Sentiment tool works, and how it can elevate your research process.

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