



Exploring Generative AI: Models, Applications, and Challenges in Data Synthesis

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ABSTRACT

Generative AI has emerged as a transformative field within artificial intelligence, enabling the creation of new data that mimics real-world information and expands the boundaries of what machines can autonomously generate. This study discusses the various models of generative AI, focusing on Variational Autoencoders (VAEs), Generative Adversarial Networks (GANs), and Auto-Regressive models, each offering distinct approaches and strengths in data generation. VAEs excel in learning latent representations, making them ideal for applications like anomaly detection and data imputation. GANs, renowned for their high-quality image synthesis, have found extensive use in tasks ranging from text-to-image conversion to super-resolution. Auto-Regressive models, on the other hand, are particularly effective in sequential data generation, such as text generation, music composition, and time series prediction.

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The paper highlights key applications of these models across diverse domains, including image synthesis, text generation, drug discovery, and simulation tasks in fields like healthcare, finance, and entertainment. Additionally, the study emphasizes the evaluation metrics are also called the comparative parameters crucial for assessing the performance of generative models, such as perceptual quality metrics, Inception Score (IS), and Fréchet Inception Distance (FID), which provide quantitative insights into the quality and diversity of generated data.

This study employs a systematic methodology comprising a comprehensive literature review, strategic search queries, and thematic data synthesis to explore generative AI. Key areas of focus include models (VAE, GAN, auto-regressive, flow-based), applications, evaluation techniques, challenges, and recent advances. The analysis identifies emerging trends, novel methods, and critical gaps in the field.

This study also compares the performance of three Gen –AI models along with the comparative parameters like data type, Data Type, Applications, Training Complexity, Output Quality, Interpretability, Limitations, Advantages, Computational Cost and Scalability.

Generative AI raises ethical concerns, including biases in training data that perpetuate stereotypes and marginalization. It can be misused for harmful purposes like creating deepfakes or spreading misinformation, impacting trust and privacy. Questions of accountability and ownership arise when AI-generated content infringes on intellectual property or causes harm. Addressing these issues is essential for responsible AI deployment.

Keywords: *Variational auto encoders (VAE); generative adversarial networks (GAN); auto- regressive models; image synthesis; text generation; inception score; frechet inception distance and perceptual quality metrics.*

1. INTRODUCTION

Artificial Intelligence (AI) is a branch of computer science aimed at creating systems that can perform tasks typically requiring human intelligence. These tasks range from problem-solving and language understanding to pattern recognition and decision-making (Bandi et al., 2023). AI has evolved over the decades, advancing from rule-based systems to complex machine learning models that can adapt and learn from data. A recent development in this field, Generative AI, has introduced models capable of generating entirely new content, such as text, images, and audio, based on patterns learned from existing data (Harshvardhan et al., 2020). Unlike traditional AI models that analyze or classify data, generative models focus on creating original outputs, showcasing the creative potential of AI and expanding its applications across numerous fields, from healthcare and entertainment to business and education. Unlike traditional discriminative models that classify or label data, generative models attempt to understand the underlying structure, often in high-dimensional spaces, to produce original content that is novel but consistent with the training data.

1.1 Key Components of Generative AI

1. **Data Representation and Learning:** Generative models need to learn a high-

level representation of data distributions. This requires sophisticated architectures and training techniques that can capture the essence of complex data (e.g., images, text, and audio).

2. **Probabilistic Modeling:** Many generative AI techniques leverage probabilistic modeling to generate data. By estimating the likelihood of various data points in a space, they can create outputs that are statistically similar to the training data while introducing random variations for uniqueness.

1.2 Evolution of Generative AI

The evolution of generative AI began with simple rule-based systems, which gradually advanced into more sophisticated machine learning models. In the 2010s, Variational Autoencoders (VAEs) and Generative Adversarial Networks (GANs) revolutionized the field by enabling the generation of highly realistic data. Auto-regressive models like GPT further advanced text generation capabilities (Baidoo-anu and Owusu Ansah, 2023). Flow-based models and diffusion models offered better control over the generative process, providing a balance between quality and interpretability. Recent innovations have integrated these techniques, making generative AI applicable in diverse fields like art, healthcare, and personalized experiences.

1.3 Types of Generative Models

This study paper focuses on three key generative models that have become foundational to the development of generative AI that are listed below,

- **Variation Auto Encoders (VAEs)**
- **Generative Adversarial Networks (GANs)**
- **Auto-regressive models**

Each of these models brings a unique approach to the generation of high-dimensional data, addressing different challenges related to model training, data quality, and scalability (Kumar and Sharma, 2024).

1.4 Rationale for Model Selection

The choice to focus on **Variational Autoencoders (VAEs), Generative Adversarial Networks (GANs), and Auto-regressive models** stems from their foundational role and diverse applications within the field of generative AI. Each of these models represents a distinct approach to data generation and reflects significant advancements in AI technology (Harshvardhan et al., 2020).

1. **VAEs** introduce a probabilistic framework that captures data distributions in a compressed latent space, making them particularly effective for encoding complex, high-dimensional data in a way that facilitates both data generation and reconstruction. VAEs offer insight into the probabilistic nature of generative AI, making them highly valuable for tasks that benefit from lower-dimensional representations, such as anomaly detection and recommendation systems.
2. **GANs** are among the most popular and impactful generative models, known for their ability to generate highly realistic images and videos. The adversarial framework, which involves a generator and discriminator in competition, exemplifies the innovative approaches that push the boundaries of AI's creative potential. GANs have set benchmarks in image synthesis and video generation, solidifying their place as critical models in the field (Goyal and Mahmoud, 2024).
3. **Auto-regressive models** represent a sequence-based approach ideal for text generation and time-series forecasting,

capturing dependencies over sequential data points. These models, including well-known examples like GPT, have reshaped natural language processing and opened up possibilities for generating coherent and contextually rich sequences, which are crucial for applications in conversational AI, predictive modeling, and beyond (Madaan et al., 2024).

1.5 Applications

Generative AI has broad **applications** across industries. In computer vision, it is used for image generation, super-resolution, and style transfer. In natural language processing (NLP), generative models enable the creation of coherent and contextually relevant text, as seen in models like GPT. In science, generative models are applied to drug discovery, molecular design, and even the generation of synthetic datasets for simulations and testing.

1.6 Challenges

Despite their successes, generative models face **challenges** that hinder their full potential. GANs, for example, are prone to instability during training and suffer from mode collapse, where the generator produces limited diversity in its outputs. VAEs, on the other hand, may struggle to produce sharp, detailed outputs. Furthermore, the ethical concerns surrounding the misuse of generative models, such as the creation of deep fakes and misleading information, add another layer of complexity to their deployment.

1.7 Purpose of the Study

The purpose of this study is to explore and analyze various generative AI models, including VAEs, GANs, and auto-regressive models, to understand their underlying mechanisms and capabilities. By evaluating their applications, challenges, and advancements, this research aims to provide insights into the strengths and limitations of these models. The study seeks to identify areas for improvement and potential future developments in generative AI. Ultimately, the goal is to contribute to the growing body of knowledge in AI, offering practical and theoretical perspectives on generative model innovations.

1.8 Contributions

- **Comprehensive Analysis:** A detailed examination of key generative models

such as VAEs, GANs, and auto-regressive models, highlighting their mechanisms and functionalities.

- Evaluation of Applications: A thorough investigation of the diverse applications of generative AI across domains such as healthcare, art, and natural language processing.
- Challenges and Limitations: Identification and discussion of the common challenges faced by generative models, including issues related to training stability, data bias, and evaluation metrics.

2. REVIEW OF LITERATURE

2.1 Various Generative AI Models

In (Bandi et al., 2023) the author investigates the essential aspects of generative AI systems, including hardware, software, and user experience requirements. It categorizes various generative models, classifies input-output formats, and discusses evaluation metrics to guide effective implementation and assessment. The findings aim to enhance understanding and advancement in generative AI applications. In (Harshvardhan et al., 2020) the author discusses the evolution and application of generative models in machine learning. Generative models are used to approximate the joint distribution of data and targets when discriminative models are impractical. Artificial intelligence (AI) has surged in popularity, with generative AI models like VAEs and GANs driving advancements in various fields, including the electronics industry. Gen-AI, the integration of AI with genetic algorithms, enables innovations like AI-driven chip design, self-repairing circuits, and neuromorphic computing while addressing challenges such as accuracy, fairness, IP infringement, and environmental concerns. Future applications focus on energy-efficient hardware, automated circuit design, adaptive systems, and sustainable electronics (Yadav, 2024).

2.2 Technologies Used in Generative AI

In (Lv, 2023) the author explains about Generative AI can autonomously create new content like text, images, and audio, offering innovative solutions for the metaverse. Technologies like ChatGPT enhance search experiences and information presentation, potentially disrupting traditional search engines. This paper reviews generative AI's role in

advancing metaverse technology and provides insights for boosting its creative content capabilities. In (Zant et al., 2012) the author explains that Contemporary AI's closed systems are inadequate for creating true intelligence; instead, open-ended systems with non-linear properties are needed. Generative AI uses both bottom-up approaches to create possibility spaces and top-down methods to refine these spaces, leveraging feedback and post-structural theories. This hybrid approach aims to develop more dynamic and adaptable artificial minds.

2.3 Tools Used in Generative AI

In (Kumar and Sharma, 2024) the review explores Generative AI, tracing its evolution from early milestones to the latest advancements. It highlights the significant impact of generative models across various domains and provides insights into their historical development and current achievements. The article aims to give readers a deep understanding of Generative AI's transformative potential and its future role in shaping artificial intelligence. In (Feuerriegel et al., 2024) the author describes that Generative AI refers to computational techniques that create new content like text, images, and audio from training data, revolutionizing communication and work through tools like DALL-E 2, GPT-4, and Copilot. Beyond artistic applications, generative AI assists with tasks such as IT support, knowledge work, and everyday needs like cooking and medical advice. This paper explores the broad potential and transformative impact of generative AI systems. In (Brynjolfsson et al., 2023) this paper examines the impact of a generative AI-based assistant on customer support agents' productivity, showing a 14% overall improvement, with novice workers benefiting the most (34%). The AI helps disseminate best practices, accelerates learning, and improves customer satisfaction and employee retention. The findings highlight how AI enhances productivity, with varying effects depending on worker experience.

2.4 Impact of Generative AI in Recent Scenarios

In (Baidoo-anu and Owusu Ansah, 2023) the study explores the impact of ChatGPT on education, highlighting its potential to revolutionize teaching and learning. Since its release in November 2022, ChatGPT has shown remarkable capabilities, such as promoting personalized and interactive learning and

generating formative assessment prompts. However, it also presents challenges, including generating incorrect information, data biases, and privacy concerns. The paper suggests collaboration among policymakers, educators, and experts to leverage ChatGPT's benefits while addressing its limitations, ensuring its safe and constructive use in education. In (Kaswan et al., 2023) the review paper surveys Generative AI, highlighting its role in creating synthetic data across domains like image synthesis, text generation, and drug discovery. It covers key models, including GANs, VAEs, flow-based models, and hybrid architectures, as well as training methodologies. The paper also explores applications, evaluation metrics like Inception Score and human assessments, and ethical issues such as bias, misuse, and intellectual property concerns. The objective is to provide a comprehensive overview of generative models, their performance, challenges, and the importance of responsible AI development.

2.5 Research landscape of Generative AI

In (Gupta et al., 2024) the paper examines the research landscape of Generative AI (GAI) by analyzing 1,319 records from Scopus (1985–2023), including journal articles, books, and conference papers. The analysis identifies seven key clusters of GAI research: image processing and content analysis, content generation, emerging use cases, engineering, cognitive inference and planning, data privacy and security, and GPT academic applications. The paper highlights key challenges and opportunities in GAI, offering a comprehensive overview of current themes in the field.

2.6 Diffusion Models

In (Chen et al., 2024) the author discusses about diffusion models. Diffusion models are powerful generative AI tools excelling in high-dimensional data modeling and controlled sample generation for diverse applications. While their empirical success is notable, theoretical understanding is limited, posing challenges for further innovation. This paper reviews their applications, explores their stochastic process-based workflow, and highlights advances and future directions to inspire new methodologies.

In (Wang et al., 2024) the author reviews the research directions of diffusion models like these models have emerged as a leading generative modeling approach, surpassing GANs with superior output quality, diversity, and training

stability. This survey explores their theoretical foundations, core approaches, algorithmic enhancements, and applications in areas like computer vision and multi-modal generation. It also provides a comparative analysis with other generative models and outlines future research directions.

3. METHODOLOGY

This study adopts a systematic approach to gather, analyze, and synthesize relevant literature on generative AI models, their applications, evaluation techniques, challenges, and recent advances. The research methodology is divided into the following stages:

3.1 Literature Review

A comprehensive literature review was conducted to identify and collect relevant sources related to generative AI. The focus was on academic papers, conference proceedings, technical reports, and reputable articles from journals, books, and online platforms. Key databases such as Google Scholar, IEEE Xplore, and Springer were extensively used.

3.2 Search Strategy

The following search terms were used to retrieve information on generative AI models and their developments

- **General terms:** "Generative AI," "generative models," "machine learning generation models".
- **Model-specific terms:** "Variational Autoencoder (VAE)," "Generative Adversarial Networks (GAN)," "Auto-regressive models," "Flow-based models".
- **Applications:** "Generative AI applications," "creative AI use cases," "AI in content generation".
- **Evaluation methods:** "evaluation of generative models," "metrics for generative AI," "model performance evaluation".
- **Challenges:** "generative AI challenges," "ethical concerns in AI," "limitations of generative models".
- **Recent advances:** "recent advancements in generative AI," "state-of-the-art generative models".

3.3 Data Collection and Synthesis

All the relevant sources were categorized based on the following themes: models (VAE, GAN,

auto-regressive, and flow-based models), applications, evaluation methods, challenges, and recent advancements. The data was synthesized by summarizing the key findings, comparing methodologies, and identifying gaps in current research.

3.4 Analysis

The collected data was analyzed to provide a comprehensive overview of the state-of-the-art in generative AI, with a particular focus on identifying emerging trends, novel techniques, and the challenges faced in real-world applications.

3.5 Inclusion and Exclusion Criteria

The selection of literature was guided by clearly defined inclusion and exclusion criteria to ensure the relevance and quality of sources:

- **Inclusion Criteria**
 - Articles published in peer-reviewed journals, conference proceedings, or reputable online platforms.
 - Papers discussing generative AI models, applications, evaluation techniques, challenges, or advancements.
 - Studies published in English within the last 10 years to ensure relevance to contemporary research.
- **Exclusion Criteria**
 - Non-peer-reviewed articles, preprints without substantial citations, or non-academic blog posts.

- Papers unrelated to generative AI or lacking sufficient detail on methodologies.
- Studies focused exclusively on theoretical aspects without practical insights or examples.

4. MODELS OF GENERATIVE AI

4.1 Variational Auto Encoders (VAEs)

VAEs encode input data into a compressed latent space and then decode it to reconstruct the original data. This probabilistic approach allows VAEs to generate new samples by sampling from the latent space. They are particularly useful for tasks like image generation and anomaly detection.

4.1.1 Overview of VAE

An auto encoder is a neural network architecture designed to learn a compressed representation (encoding) of input data, which it then uses to reconstruct the data as accurately as possible. A basic auto encoder consists of:

- **Encoder:** A neural network that compresses the input into a lower-dimensional latent space.
- **Latent Space:** A bottleneck layer containing the compressed representation of the input.
- **Decoder:** A neural network that reconstructs the input from the latent representation.

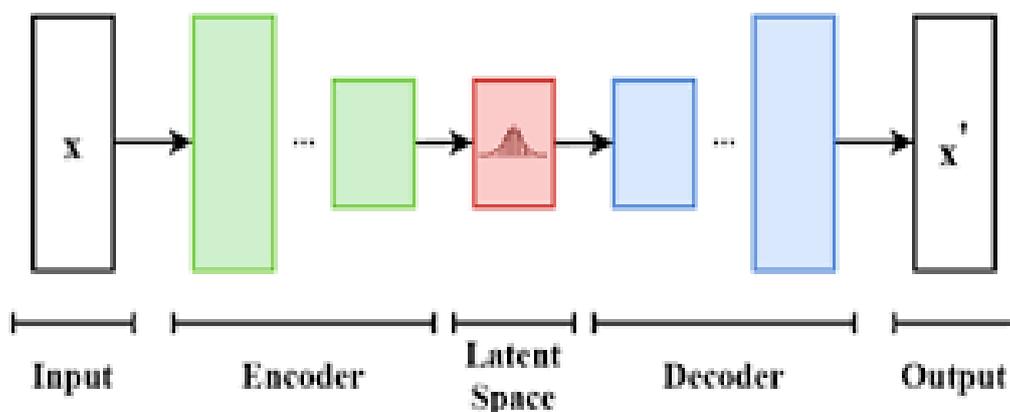


Fig. 1. Variational Auto Encoders (Google Developers)

4.1.2 Differences between traditional auto encoders and VAE

- **Latent Space as a Distribution:** The encoder in a VAE does not directly output a latent vector (https://en.wikipedia.org/wiki/File:VAE_Basic.png). Instead, it outputs two vectors: the mean (μ) and variance (σ^2) of a Gaussian distribution (Baidoo-anu and Owusu Ansah, 2023).
- **Sampling:** The decoder samples from this distribution to reconstruct the input, allowing for variability and the generation of new data.
- **Regularization via KL Divergence:** VAEs employ a regularization term to ensure that the learned latent space closely resembles a standard Gaussian distribution. This regularization is done using Kullback-Leibler (KL) divergence.

4.1.3 Applications of VAE

VAEs have been widely applied in various fields due to their ability to generate new data and learn meaningful representations:

- **Image Generation:** VAEs can generate realistic images after being trained on image datasets (e.g., MNIST, CIFAR-10).
- **Anomaly Detection:** By learning the distribution of normal data, VAEs can identify outliers or anomalies that do not conform to the learned distribution.
- **Data Imputation:** VAEs are used for missing data imputation by generating likely values based on the latent space.
- **Drug Discovery:** VAEs can generate novel molecular structures by learning the underlying distribution of chemical compounds.

4.1.4 Advantages of VAE

Variational Autoencoders (VAEs) offer several advantages in generative modelling. Their probabilistic nature enables them to generate new data by learning the underlying distribution of the input data, making them highly effective in applications like image generation, anomaly detection, and data imputation. VAEs also produce a smooth and continuous latent space, which ensures that even slight changes in the latent variables lead to meaningful and coherent variations in the generated outputs. This makes VAEs ideal for interpolation tasks and exploring

data variability. Additionally, the regularization introduced by the KL divergence helps prevent over fitting, ensuring that the learned latent space generalizes well to unseen data. Moreover, VAEs are relatively simple to train compared to other generative models, as they rely on standard back propagation techniques, which contributes to their versatility and ease of implementation.

4.1.5 Challenges of VAE

- **Blurry Outputs:** In image generation tasks, VAEs tend to produce blurrier images compared to models like GANs (Generative Adversarial Networks). This is due to the use of the reconstruction loss, which may encourage averaging across plausible outputs.
- **Less Sharpness in Latent Space:** The regularization term (KL divergence) can sometimes prevent the latent space from capturing very fine details in the data, leading to less detailed reconstructions.

4.2 Generative Adversarial Networks (GANs)

Generative Adversarial Networks (GANs), introduced by Ian Goodfellow in 2014, revolutionized the field of generative AI by introducing a framework where two neural networks, the **generator** and **discriminator**, are trained simultaneously in a game-like setup. GANs consist of two neural networks: a generator that creates data and a discriminator that evaluates its authenticity. Through adversarial training, the generator improves its ability to produce realistic data. GANs are widely used for generating images, videos, and even music. GANs are widely used for tasks such as high-quality image generation, text-to-image synthesis, and data augmentation.

4.2.1 Components of GAN

GANs have two main components:

4.2.1.1 Generator (G)

- The generator is a neural network that takes a random noise vector z (usually sampled from a standard normal distribution) and maps it to the data space.
- The goal of the generator is to produce data that resembles the real training data.

It tries to "fool" the discriminator by generating realistic outputs.

- The generator network is responsible for learning the mapping from latent space (noise) to the data distribution.

4.2.1.2 Discriminator (D)

- The discriminator is a binary classifier that takes as input either a real data sample (from the training set) or a fake sample (generated by GGG) and outputs a probability score between 0 and 1, indicating whether the sample is real or fake.
- The discriminator is trained to maximize the probability of correctly classifying real data as real and fake data as fake.

4.2.2 Applications of GAN

GANs have found applications in a wide range of fields due to their ability to generate realistic data, including:

- **Image Generation:** GANs are widely used to generate high-quality, photorealistic images, including human faces, landscapes, and even artwork.
- **Data Augmentation:** GANs can generate synthetic data to augment existing datasets, particularly in fields where labeled data is scarce, such as medical imaging.
- **Super-Resolution:** GANs can be used to generate high-resolution images from low-resolution inputs, enhancing image quality for tasks like satellite imaging or video processing.
- **Image-to-Image Translation:** GANs can translate images from one style or domain to another (e.g., converting day-time

images to night-time, or transforming sketches into photorealistic images).

- **Text-to-Image Generation:** GANs can generate images from textual descriptions, enabling tasks like generating images of objects or scenes based on natural language input.
- **Video Generation:** GANs are also applied to video generation tasks, such as generating realistic video frames or predicting future frames in a video sequence.

4.2.3 Challenges in GAN

Training GANs can be challenging due to the adversarial nature of the optimization process. Some common issues include:

Mode Collapse: In mode collapse, the generator learns to produce only a limited variety of outputs, often producing the same or similar data samples regardless of the input noise zzz. This occurs when the generator exploits a weakness in the discriminator, leading to poor diversity in generated samples.

Vanishing Gradients: If the discriminator becomes too strong, it may perfectly classify the generator's output as fake, resulting in very small gradients for the generator. This makes it difficult for the generator to improve its performance, as the loss function provides little useful information for its updates.

Imbalance between G and D: During training, if the generator becomes significantly stronger or weaker than the discriminator, one network may dominate, leading to poor training dynamics. For effective training, GANs require a balance between the generator and discriminator's learning progress.

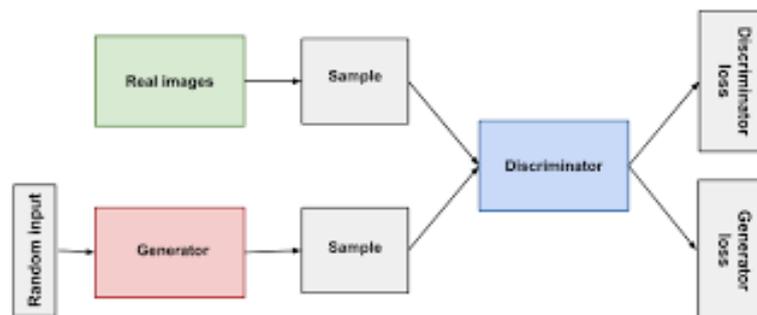


Fig. 2. Generative Adversarial Networks (GANs) (Chen et al., 2024)

4.2.4 Advantages of GANs

Generative Adversarial Networks (GANs) offer significant advantages in generating highly realistic data across various domains, particularly in image, video, and audio synthesis. One of the key strengths of GANs is their ability to produce new data samples that are often indistinguishable from real data, making them ideal for tasks like image generation, style transfer, and data augmentation. GANs also enable unsupervised learning, as they do not require labelled data for training, which makes them particularly useful when labelled datasets are scarce. Moreover, their adversarial training framework encourages the generator to continuously improve, leading to higher-quality outputs over time. Additionally, GANs have inspired numerous extensions and innovations, enhancing their versatility for tasks such as super-resolution, image-to-image translation, and even text-to-image generation. Despite their challenges in training, GANs are highly effective in pushing the boundaries of generative modelling.

4.3 Autoregressive Models

These models generate data by predicting the next item in a sequence based on previously generated data. Notable examples include GPT-3 for text generation and PixelCNN for image generation. These models excel in tasks that require sequential data generation, such as language modelling and text completion.

4.3.1 Characteristics of Auto Regressive Models

Linearity: AR models assume a linear relationship between the current value and past values. This makes them simple and interpretable. However, the assumption of linearity limits their ability to model complex, nonlinear patterns unless extended through transformations or nonlinear variants.

Stationarity: AR models assume that the underlying time series is stationary, meaning that its statistical properties (like mean and variance) do not change over time. If the time series is non-stationary, differencing or detrending techniques may be applied to transform it into a stationary series before applying an AR model.

Dependence on Lagged Values: The "order" p of the AR model determines how many past values are used to predict the current value. Choosing an appropriate value for p is crucial and typically done using model selection criteria like the Akaike Information Criterion (AIC) or Bayesian Information Criterion (BIC).

4.3.2 Applications of Auto Regressive models

Time Series Forecasting: Auto-regressive models are widely used in time series forecasting tasks such as predicting stock prices, weather conditions, or economic indicators. In these cases, the model learns from historical data to predict future outcomes based on past trends and patterns.

Natural Language Processing (NLP): In NLP, auto-regressive models are used to predict the next word in a sentence or the next character in a string. Language models like GPT (Generative Pre-trained Transformer) are fundamentally auto-regressive models, where each word or token is generated based on the previously generated tokens.

Image Generation: AR models are also applied in image generation tasks. For example, PixelRNN and PixelCNN are auto-regressive models that predict the next pixel value in an image based on previously generated pixels.

Speech Generation: Auto-regressive models are used in speech synthesis and audio generation tasks, where the next audio sample is predicted based on previously generated samples, ensuring smooth and coherent audio generation.

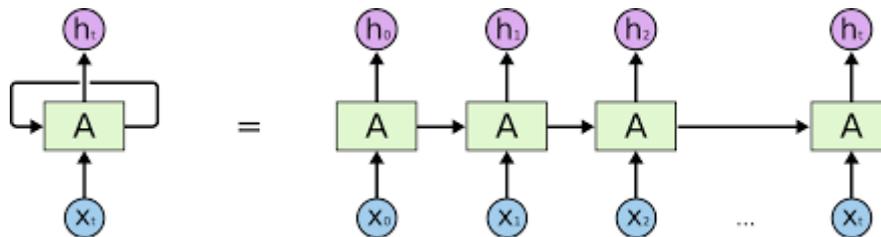


Fig. 3. Autoregressive Models

4.3.3 Advantages of ARs

- **Simplicity:** AR models are conceptually simple and easy to implement for many forecasting tasks.
- **Interpretability:** AR models offer clear interpretability since each prediction is based on previous values, allowing analysts to understand how past data influences current forecasts.
- **Effectiveness for Short-Term Forecasting:** AR models are well-suited for short-term prediction tasks, especially when data exhibits strong auto-correlation.

4.3.4 Challenges of ARs

- **Stationary Requirement:** Traditional AR models assume that the underlying time series is stationary. Non-stationary data must be transformed (e.g., differenced) before applying an AR model.
- **Fixed Lag:** AR models rely on a fixed number of past values (determined by p), which may limit their ability to capture long-term dependencies in sequences.
- **Non-Linearity:** AR models assume a linear relationship between past values and the current value, making them less suitable for modeling complex nonlinear patterns.

4.3.5 Applications of ARs

Auto-regressive models have applications in a variety of fields, including:

- **Economics and Finance:** Forecasting stock prices, interest rates, and economic indicators.
- **Weather Forecasting:** Predicting temperature, rainfall, and other meteorological variables based on historical data.
- **Natural Language Processing (NLP):** Language models, text generation, machine translation, and speech recognition tasks.
- **Healthcare:** Predicting patient health metrics or outcomes based on historical medical records.
- **Image and Video Generation:** Generating new images or predicting future frames in video sequences.

5. EVALUATION METRICS OF GENERATIVE AI MODELS

Evaluating Generative AI models is critical to ensure the quality, realism, and diversity of

generated outputs. Since generative models, unlike traditional models, create new data, evaluating them requires specialized metrics that can measure not only how similar the generated data is to real data but also its diversity, coherence, and utility (Bandi et al., 2023). Different tasks like image generation, text generation, or audio synthesis may require different evaluation techniques.

5.1 Inception Score (IS)

Usage: Primarily used in image generation tasks.

Description: Inception Score measures the quality and diversity of generated images. It is based on a pre-trained neural network (the Inception v3 model) that classifies the generated images.

How it Works: The score is computed by considering both the confidence of the classifier in its predictions (high confidence means high quality) and the diversity of these predictions (a wide range of class predictions means high diversity). It balances quality and diversity, assigning a higher score to models that produce diverse and realistic images.

Limitations: It may not accurately capture the real-world similarity between images since it relies on the performance of a pre-trained classifier that might be biased towards its training data.

5.2 Frechet Inception Distance (FID)

Usage: Commonly used in evaluating the quality of image generation models like GANs.

Description: FID measures the distance between the distributions of real images and generated images. It captures both the quality and diversity of the generated data by comparing the mean and covariance of feature representations from a pre-trained Inception network (Bandi et al., 2023).

How it Works: It calculates the Frechet distance (a type of Wasserstein distance) between two multivariate Gaussian distributions—one for real images and one for generated images.

Benefits: FID is more sensitive than Inception Score to differences in quality between generated images and real images. It has been found to correlate better with human judgments of image quality.

Limitations: It depends on the features extracted by the Inception network, which may not always align with human perception.

5.3 Precision and Recall for Generative Models

Usage: Evaluating both the quality and diversity of generative models.

Description: In this context, precision measures how many of the generated samples are realistic (i.e., lie within the real data manifold), while recall measures how many modes of the real data distribution are captured by the model (i.e., diversity) (Coroamă and Groza, 2022).

How it Works: High precision implies that most generated samples are close to real data, while high recall implies the model generates a diverse set of outputs, covering the data distribution well. This evaluation helps address the trade-off between generating realistic samples (precision) and covering the diversity of the real data (recall).

5.4 Perceptual Quality Metrics

Usage: Used in tasks like image and video generation, where perceptual similarity to real data is crucial.

Description: These metrics measure how perceptually similar generated data is to real-world data, based on human perception or pre-trained models (Coroamă and Groza, 2022).

Examples:

- **Structural Similarity Index (SSIM):** Quantifies perceived quality degradation in images by comparing luminance, contrast, and structure between generated and real images.
- **Peak Signal-to-Noise Ratio (PSNR):** Measures the fidelity of generated images by calculating the ratio between the maximum possible pixel value and the noise level between the generated and original image. Used mainly for tasks like image reconstruction.

Limitations: These metrics may not capture high-level features like texture or content but focus on pixel-level similarities.

The below table (Table 1) presents a comparison of the above mentioned evaluation metrics with all the three generative AI models.

Table 1. Evaluation Metrics – A Comparison with Generative AI Models

Metric	Variational Autoencoders (VAEs)	Generative Adversarial Networks (GANs)	Auto-regressive Models
Inception Score (IS)	Typically lower IS due to blurred outputs; struggles with realistic detail	High IS, especially in image synthesis, as GANs produce sharp, detailed visuals	Not commonly used, as IS is image-focused; may be adapted for specific tasks
Frchet Inception Distance (FID)	Moderate FID due to limitations in generating sharp details, but useful for measuring distribution alignment	Low FID (better) in high-quality GANs, making it a strong metric for GAN performance evaluation	Less applicable, FID mainly measures image similarity, limiting its relevance for sequential or text data
Precision and Recall	Effective for assessing VAE's distribution coverage but may reveal limited sample diversity	Precision and recall balance model diversity with fidelity; useful for understanding mode collapse in GANs	Relevant for measuring the balance between diversity and fidelity in generated sequences, especially in text
Perceptual Quality Metrics	Moderate perceptual quality, often lacking sharp details and realism	High perceptual quality due to GANs' adversarial nature, excelling in image and video	Perceptual metrics like BLEU or ROUGE are better suited here for evaluating text and sequence quality

6. REAL WORLD APPLICATIONS OF GENERATIVE AI

Generative AI has a wide range of real-world applications across various industries (Sedkaoui and Benaichouba, 2024):

- **Content Creation:** AI-generated art, music, and writing, including tools like DALL-E and GPT, help artists and writers create visual and textual content quickly.
- **Healthcare:** Generative AI is used to design new drugs, predict molecular structures, and generate synthetic medical data for training models.
- **Gaming and Virtual Worlds:** AI generates game characters, environments, and stories, enhancing realism and player experience in video games and virtual reality.
- **Data Augmentation:** Generative models create synthetic data to augment training datasets, improving the performance of machine learning models, especially in fields like computer vision.

- **Personalization and Recommendations:** AI-powered tools generate personalized marketing content, product recommendations, and advertisements based on user preferences and behaviors.

7. DISCUSSION

Generative AI models vary significantly in their approach and effectiveness depending on the application. VAEs are powerful for representation learning but may produce blurry outputs. GANs, while capable of generating highly realistic data, suffer from issues like mode collapse, where the generator produces limited variety. Autoregressive models are highly effective in text generation but are computationally expensive. Ethical considerations are paramount, as these models can be used to create misleading or harmful content, raising concerns about their societal impact. Additionally, the need for large amounts of training data and computational resources remains a significant barrier. The below table (Table 2) compares various parameters between the three generative AI models.

Table 2. Generative AI Models - A Comparison

Parameter	Variational Autoencoders (VAEs)	Generative Adversarial Networks (GANs)	Auto-regressive Models
Data Type	Suitable for structured and continuous data (e.g., images, audio)	Best for unstructured data like images and videos	Primarily sequential data (e.g., text, time-series)
Applications	Image generation, anomaly detection, recommendation systems	High-quality image and video synthesis, style transfer	Language generation, time-series forecasting, music
Training Complexity	Moderate complexity with stable training	High complexity with risk of mode collapse	Moderate complexity, often requiring large datasets
Output Quality	High-quality but often slightly blurry results	Highly realistic images and videos	Accurate text and sequence generation
Interpretability	Moderate and structured latent space used here.	Lower, as GANs are black-box models	Higher, interpretable in terms of sequence probability
Limitations	Limited to simpler tasks, outputs can lack sharpness and detail	Prone to training instability and mode collapse	Can be computationally intensive and require large datasets
Advantages	Good for encoding complex data distributions in low dimensions	Produces highly realistic results with rich detail	Best for generating sequential, context-rich data
Computational Cost	Generally lower compared to GANs, efficient for low-dimensional data	High computational cost due to complex model structure	Medium to high, depending on sequence length
Scalability	Scalable with moderate resources	Can be scaled but at a high computational expense	Scales with data but can be memory intensive

8. CONCLUSION & FUTURE ENHANCEMENTS

Generative AI has made significant strides in recent years, offering powerful tools for creating synthetic data across various domains. The models discussed in this paper—VAEs, GANs, and Autoregressive Models,—each offer unique strengths and applications. However, challenges such as computational complexity, ethical considerations, and the need for large datasets continue to pose hurdles. The future of generative AI will likely involve addressing these challenges while exploring new architectures and applications. Future enhancements in generative AI are likely to focus on improving the stability and efficiency of models, particularly GANs, which are prone to instability during training. There is also a growing need for models that require less data and computational power, making generative AI more accessible. Additionally, as the use of generative AI expands, there will be a greater emphasis on developing frameworks for the ethical use of these technologies, ensuring that they are employed responsibly and with consideration for potential societal impacts.

DISCLAIMER (ARTIFICIAL INTELLIGENCE)

Author(s) hereby declare that generative AI technologies such as Large Language Models, etc. have been used during the writing or editing of manuscripts. This explanation will include the name, version, model, and source of the generative AI technology and as well as all input prompts provided to the generative AI technology.

Details of the AI usage are given below:

1. Name: ChatGPT
2. Version: **ChatGPT-4 Turbo**.
3. Input Prompts: Generative AI Overview, Important Evaluation Metrics of Gen AI.

COMPETING INTERESTS

Authors have declared that no competing interests exist.

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