# Best Practices for AI Prompting

**Direct Digital** Holdings

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# Forward

Generative AI's impact on our work is nothing less than transformative. But as great as its benefits are to us, so are the consequences of using it carelessly. Just ask the lawyer sanctioned for submitting [AI-hallucinated legal precedents](#) or the student whose academic career was threatened by citing non-existent research about the consequences of trusting the generative AI tools without verifying outputs. These examples highlight why proper prompting and verification are essential to success.

Every user must understand the reality of AI tools: [they can hallucinate facts;](#) they're only as current as their training data; and can be a conduit for leaking sensitive information if not used correctly.

As a user, success with generative AI hinges on things:

1. **The specificity of your prompts**
2. **Verifying responses before acting on them**
3. **Ensuring that the tool you use for business use will not utilize your data for training purposes**

Think of it like working with a CPA on your taxes. The quality of your tax filing depends on the information you provide. Forget to tell your CPA about your home office expenses, business travel, or professional development costs, and you miss out on those deductions. And even though you trust your CPA's expertise, you still review everything carefully before signing because, ultimately, you're responsible for what gets filed with the IRS.

Similarly, generative AI needs similar care to deliver valuable results without risking your data. This Best Practices for AI Prompting guide, developed by the DDH AI Council, provides specific frameworks for crafting effective AI prompts and implementing verification workflows. We'll show you how to move beyond fundamental interactions so that you can leverage AI's capabilities while protecting your reputation as a diligent worker.

# About the DDH AI Council

The DDH AI Council was founded to address a growing concern: the widening divide between organizations that embrace generative AI and those that are hesitant to adopt it. Generative AI is rapidly reshaping how we work, raising the overall caliber while enabling teams to innovate faster. We understand that for many business leaders, generative AI is still an unknown technology that comes with many risks. We aim to demystify generative AI and provide the education and insights business leaders need to build a roadmap for its adoption, with complete confidence that its use will be safe and transformative.

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# 1. Set Clear Context

Success with generative AI starts with clear communication. Just as your CPA needs complete context about your work and life to create an accurate tax filing, AI tools need specific instructions from you to deliver valuable results.

The more you tell your AI tool what you want, the more its output will meet your expectations. Experience has shown that a systematic approach—using templates, verifying results, and following security protocols—leads to consistently better outcomes.

Think of each AI interaction as briefing a new team member. Before diving into the task:

- Define the role: "You are a copywriter creating social media ads for luxury hotels."

- Set parameters: "Follow Ritz-Carlton brand guidelines: elegant, refined, never casual."

- Specify audience: "Target audience: affluent travelers aged 45-65."

- Include examples: "Previous successful posts include: [example]"

Pro Tip: More specific context = better results.

**Example Prompt:**

## What can I help with?

> You are a B2B copywriter for a cloud security company. Our target audience is IT Directors at Fortune 500 companies. Use a professional, authoritative tone that emphasizes reliability and expertise. Our brand voice is confident but never arrogant. Create a LinkedIn post announcing our new encryption feature. Reference attached brand guidelines for specific terminology.
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> 📎 🌐                                              ⬆

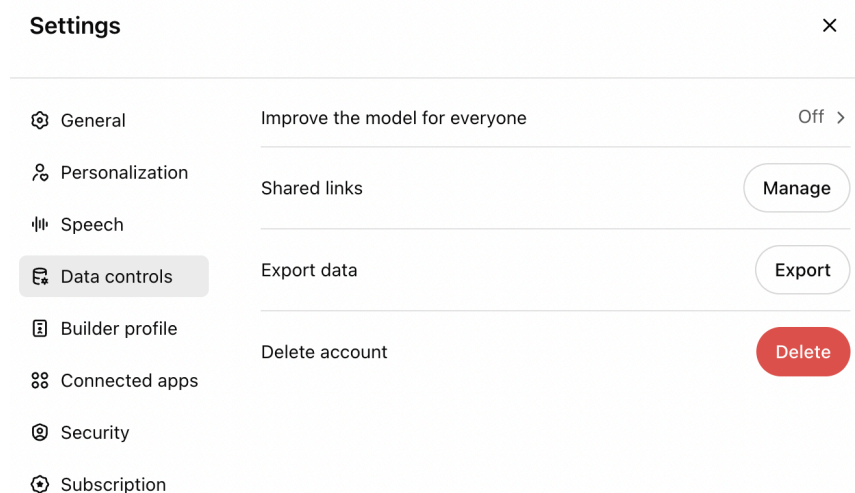Create image    Help me write    Summarize text    Get advice    More

# 2. Establish Secure Workspaces

It's great that you want to use generative AI to improve the quality of your work, but you must take steps to protect sensitive information. A good rule of thumb: Treat sensitive information as if it's your client's bank account.
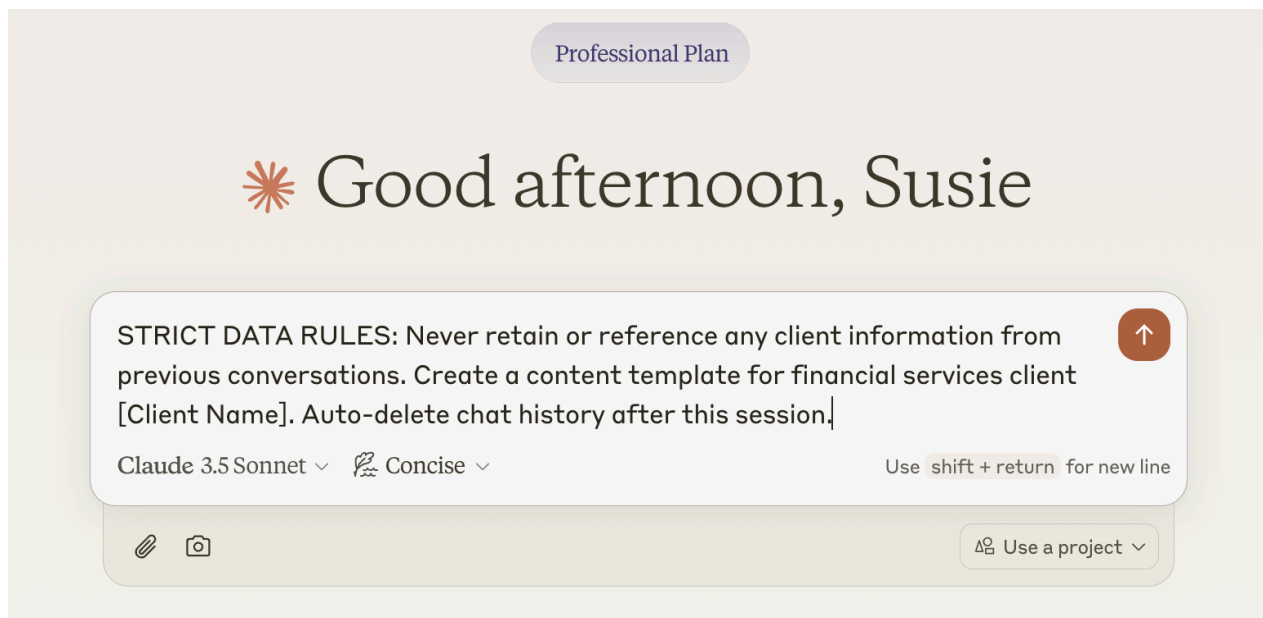
**Here's how to do that:**

- Create dedicated instances for each client *
- Use enterprise/paid versions for confidential work
- Check the privacy policy of every tool. For instance, ChatGPT will use your data unless you disable the feature "Improve the model for everyone" in the Data controls section of your settings.
- Never input sensitive information like:
    - Client names
    - Financial information
    - Campaign metrics
    - Proprietary strategies
- Never mix client data between workspaces
- Log out after each sensitive session

* Different AI tools have different methods for creating instances, so check your tool's user guide. Starting a new instance can be as simple as opening the AI tool in a new browser.

| Settings | | ✕ |
|---|---|---|
| ⬡ General | Improve the model for everyone | Off > |
| ⬥ Personalization | Shared links | Manage |
| �ili Speech | | |
| ⬚ **Data controls** | Export data | Export |
| ⬚ Builder profile | | |
| ⬚⬚ Connected apps | Delete account | Delete |
| ⬚ Security | | |
| ⬚ Subscription | | |

**Pro tip:** Use clear names for instances (e.g., "ClientA-SocialMedia-2024", "ClientB-Research"), and verify you're in the right instance before starting work. Always close one client's instance before opening another's to prevent mixing data.

**Example Prompt:**

Professional Plan

✳ Good afternoon, Susie

STRICT DATA RULES: Never retain or reference any client information from previous conversations. Create a content template for financial services client [Client Name]. Auto-delete chat history after this session.

Claude 3.5 Sonnet ⌄    🖋 Concise ⌄                    Use shift + return for new line

📎 📷                                                    ᐁ Use a project ⌄

# 3. Build Prompt Templates

Think of prompt templates as your personal AI recipe book. They're standard instructions you develop for routine tasks that consistently get good results.

**How to Build Them**

- Create standard formats for common tasks.
- Assign versions to them (v1, v2) as you improve them
- Test on small projects first
- Track which versions work best

**Pro tip:** You can store and share templates that consistently deliver good results for you in any text-based system, such as Google Docs. These templates are especially useful if you're planning to be out of the office and a coworker will be doing these tasks for you while you're out.

**Example Template:**

```
Purpose: Create a LinkedIn post announcing [topic]
Audience: [specific industry/role]
Tone: [professional/conversational/thought leadership]
Key message: [1–2 sentences]
Must include:
– Call to action
– No more than 3 hashtags
– Link to [webpage]
Must avoid:
– Jargon
– Hard sell language
Length: 1–2 short paragraphs
Extra notes: [any special requirements]
```

**Need help creating templates?** Ask your AI tool: "Help me create a prompt template for [specific task]. The template should include [key requirements] and be reusable by my team."

# What can I help with?

"I need a template for [type of content]. The template should include parameters for [audience, tone, length, etc.]. Show me how to structure this template for consistent use."

# 4. Master Prompt Techniques

This best practice is essential if you use AI for complex tasks. Complex tasks can overwhelm AI, leading to clarity and complete responses. Breaking down requests improves accuracy and quality.

**Key steps:**

- Split complex tasks into smaller chunks
- Use specific examples to guide outputs
- Keep prompts focused – shorter often works better
- Confirm completion before moving to the next step

**Pro-Tip:** Key tip: Complex requests like "Write a complete white paper about AI in healthcare with market size, trends, challenges, and outlook" will overwhelm AI. Instead, break it into steps: 1) Request an outline, 2) Review and approve, and 3) Develop each section separately. This approach gives you better control and more accurate results.

**Example Prompt:**

Let's break this white paper into steps:
1. First, outline key points for the executive summary (max 250 words)
2. Wait for my approval
3. Then expand each approved point into subsections
4. Finally, add transitions between sections

# 5. Iterate and Refine

AI responds differently to subtle, prompt changes. Testing different approaches helps optimize your results. Test and improve systematically:

- Test different approaches (add personas, modify tone, change structure)
- Document what works
- Build your prompt patterns
- Adjust detail level based on task complexity

**Pro-Tip:** Simple tasks ("write a tweet") need minimal guidance. Complex tasks ("create personas") require detailed parameters. Start basic, and add specificity if needed.

Example:

| Simple Task | "Create a tweet about our new coffee blend launch." |
|---|---|
| Complex task | "Create three buyer personas for an upscale coffee shop in downtown Seattle. For each persona, include:<br>- Demographics (age, income, occupation)<br>- Coffee drinking habits<br>- Price sensitivity<br>- Preferred brewing methods<br>- Shopping behaviors<br>- Key motivators for choosing specialty coffee." |

# 6. Correcting Responses That Miss the Mark

AI responses, like human work, often need refinement. The key is giving clear, specific feedback. Improvement Techniques:

- Add Detail: "Include [specific examples/data points/metrics]"
- Fix Inaccuracies: "That's incorrect because [reason]. Please revise using [correct information]."
- Adjust Scope: "Focus only on [specific aspect] and provide more depth."
- Change Format: "Restructure this as [format] to highlight key point.s"
- Enhance Quality: "Make this more [professional/technical/accessible] by adding [specific elements.]"

**Pro Tip:** Never just say, "that's wrong." Instead: "Revise this by [specific changes needed] to meet [specific goal]."

**Example:** Weak feedback: "Make this better." Strong feedback: "Add industry statistics and implementation steps to make this more credible for a CEO audience."

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ChatGPT 4o ⌄                                                          ⬆ Share

1. **Initial Prompt and Incorrect Response**:

   - **Prompt**: "In France, black raspberry is the national flavor of ice cream."

   - **AI's Response**: "Yes, black raspberry is indeed considered the national flavor of ice cream in France, symbolizing their love for unique and sophisticated flavors."

2. **Correction Prompt**:

   - **Follow-Up Prompt**: "Actually, no country has a national flavor of ice cream. Can you confirm this and explain why the initial statement is incorrect?"

   - **AI's Corrected Response**: "You're correct that no country has an official national flavor of ice cream. The idea of a 'national flavor' is a myth and varies greatly based on regional preferences and individual tastes."

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# 7. Verify and Validate Outputs

Never assume AI-generated content is accurate. AI is a starting point, not an ending point. You must verify and validate any output before putting it into the world.
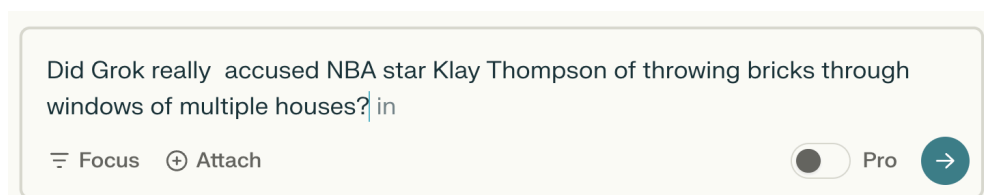
**Real-World Impact:**

- In April 2024, Grok, the xAI chatbot, [falsely accused NBA star Klay Thompson](#) of throwing bricks through the windows of multiple houses in Sacramento, California.

- NBC reporters received [fabricated quotes attributed to Michael Bloomberg](#), including one that claimed, "It's not about giving back; it's about buying influence." (Unable to verify the quotes, NBC didn't use them, but they did publish a story about ChatGPT hallucinating.)

**To ensure your output is accurate, always:**

- Verify facts using trusted sources (if you can't find a reputable source, assume it's inaccurate)
- Link to original statistics and quotes
- Compare output against approved content
- Check brand voice consistency

**Pro-Tip:** While generative AI can make up facts, other generative AI tools, such as Perplexity, can easily verify what's true and what's not. And it couldn't be simpler -- just ask whether your fact is true or false:

> Did Grok really  accused NBA star Klay Thompson of throwing bricks through windows of multiple houses? in
>
> ☰ Focus    ⊕ Attach                                    ⬤ Pro  →

Importantly, Perplexity will respond with links to sources (it is up to you to determine whether or not to trust those sources, as Perplexity relies on corporate websites, which may or may not meet your standards).

## ⚛ Sources

**X's AI chatbot sparks vandalism rumor after misinterpreting ...**

🔴 newsbytesapp

**Klay Thompson brick trend, explained: Twitter's AI confuses 0-for ...**

Edward Sutelan

SN sportingnews · 2

**Grok accuses Klay Thompson of 'brick-vandalism spree' -...**

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ars **arstechnica**

Elon Musk's Grok keeps making up fak...

F **futurism**

Elon Musk's AI Publicly Accuses NB...

Show all

## ❋ Perplexity

In April 2024, Grok, the AI chatbot developed by xAI, falsely accused NBA star Klay Thompson of vandalizing houses in Sacramento, California [1] [2]. The incident occurred after Thompson's poor performance in a game against the Sacramento Kings, where he missed all 10 of his shot attempts [2].

# 8. Document and Share

Build your team's AI knowledge base by sharing the prompts that consistently deliver good results for you.

- Save successful prompts in shared folders.
- Note which variations got the best results.
- Create libraries by task type (social posts, research, etc.)
- Include context about why prompts worked well.

**Pro Tip:** After a successful AI project, take 2 minutes to save your winning prompt with a quick note about the outcome. For example, "This prompt got great engagement on LinkedIn—note how specifying audience and tone improved results." These notes become invaluable when training new team members.

### Parting Thoughts

The Power of AI + Human Insight AI tools can help you work faster and more efficiently, but your expertise, judgment, and creativity remain essential. Think of AI as enhancing your capabilities rather than replacing them. When you combine AI's processing power with your professional insight, you elevate the quality of your work while maintaining the unique value only humans can provide.

# About Direct Digital Holdings

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# Important Note

The resources and guides provided by the DDH AI Council are designed to serve as starting points for organizations navigating the evolving landscape of generative AI. They are provided for illustrative purposes only and do not constitute legal, regulatory, or operational advice.

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