

Artificial Intelligence

# Introduction to Neural Networks

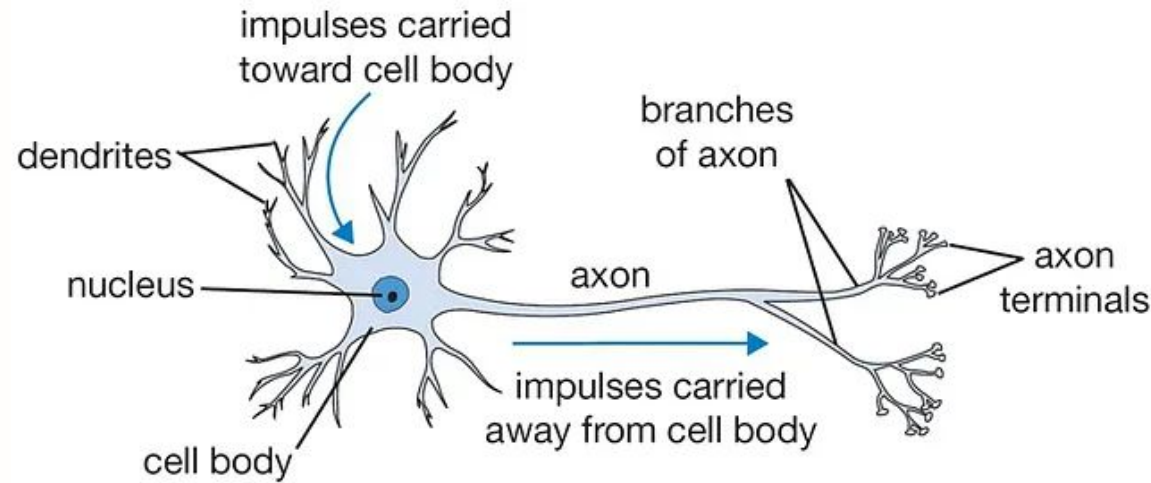
# Outline

- 
- Neural Network Definition, Purpose, and Applications
  - Exploring the Structure, Concept, and How It Works
  - Hands On Neural Networks with Python

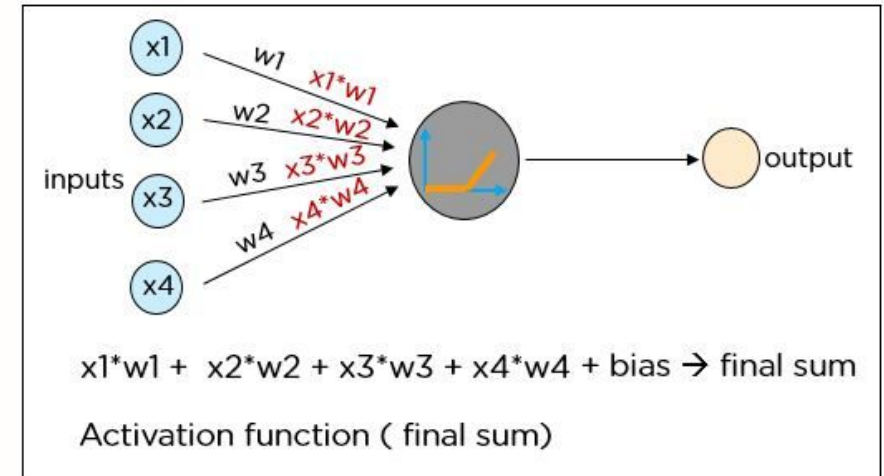
## Neural Networks

# Definition, Basic Concept, and Applications

# Biological Inspiration of Neural Networks



biological neuron



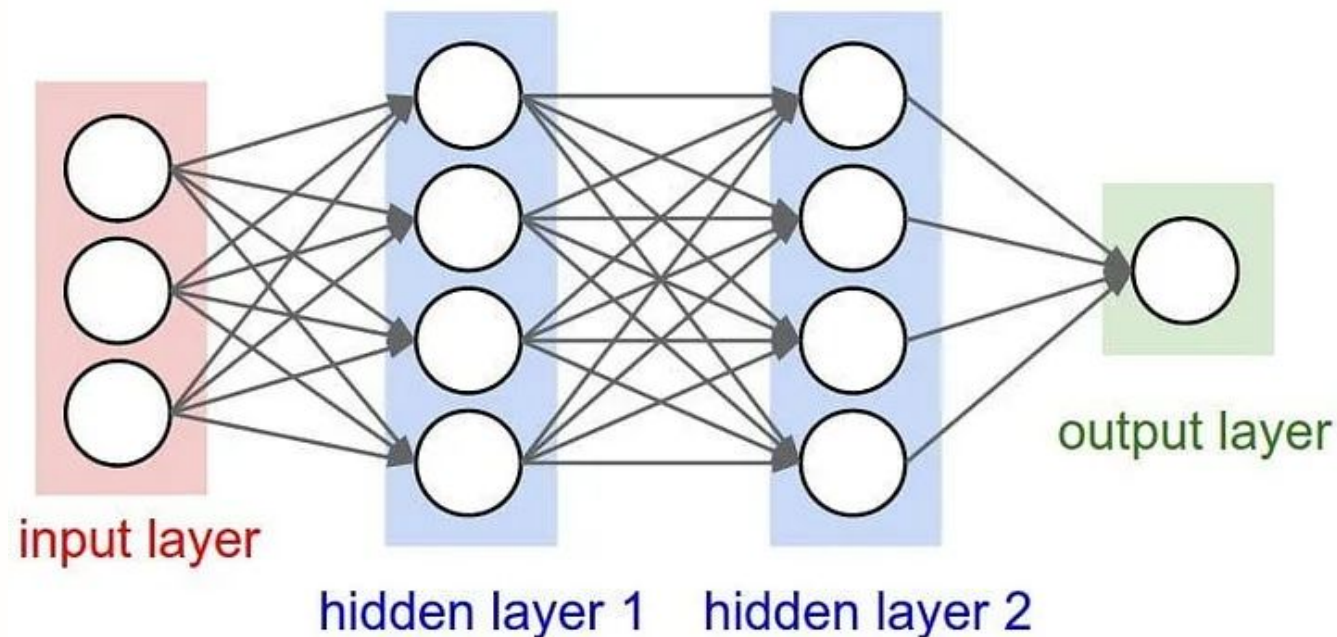
mathematical model

# About Neural Networks

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- A Neural Network is a computational model inspired by the human brain, consisting of layers of interconnected nodes (or neurons) that process data by adjusting the strength of connections (weights) through learning.
- It is designed to recognize patterns and relationships in data, making it useful for tasks such as classification, regression, and image or speech recognition.
- Neural networks learn from examples, improving their performance over time without being explicitly programmed with rules.

# Basic Structure of Neural Networks

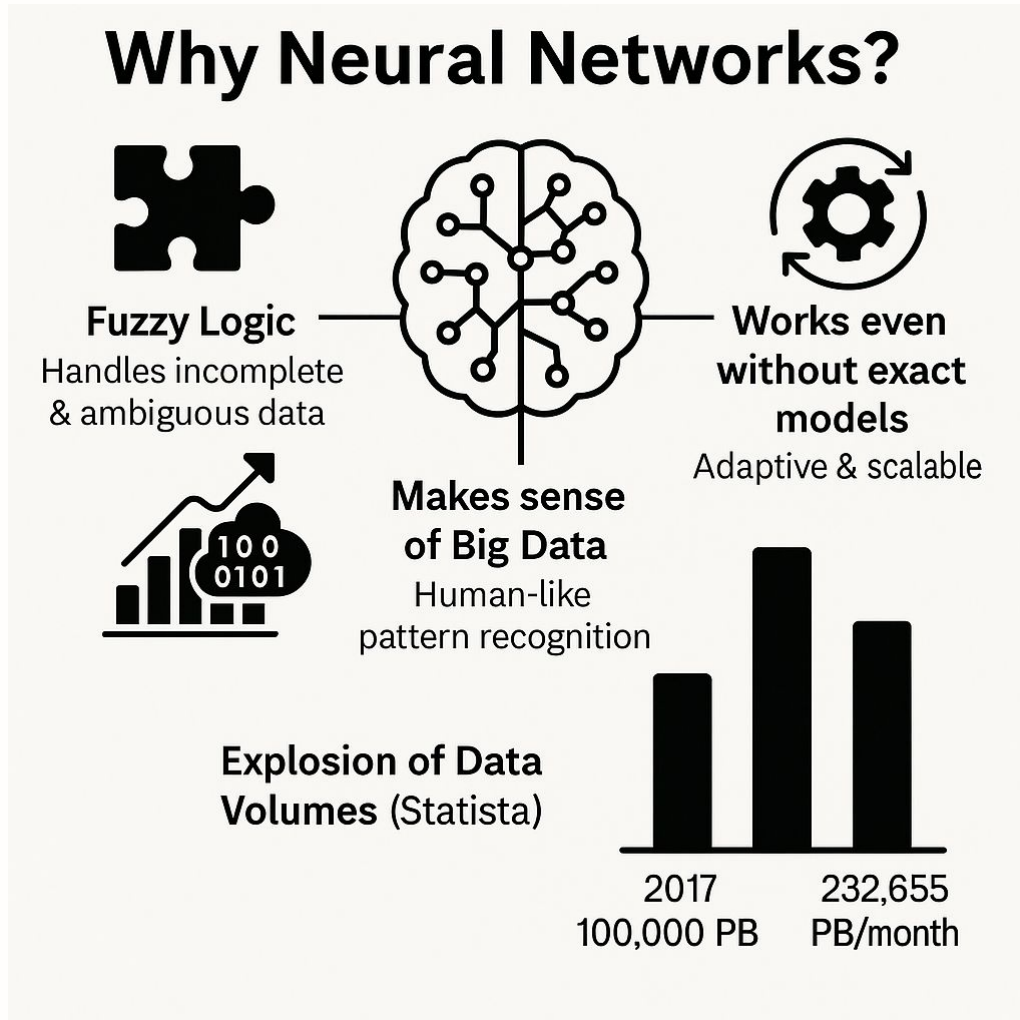


**Input Layer:** Takes in the raw data and passes it to the next layers.

**Hidden Layers:** Process the data to find useful patterns.

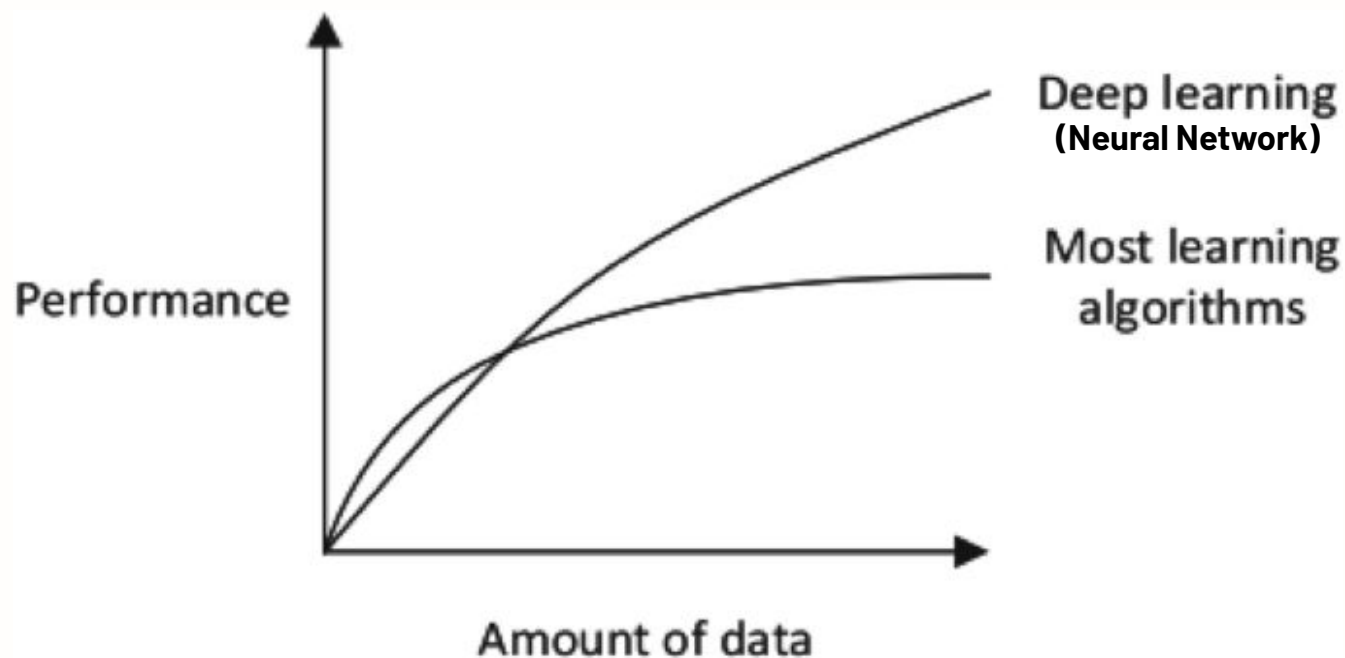
**Output Layer:** Gives the final prediction or result.

# Why using Neural Networks?



- Mimics the way the human brain works
- Capable of handling ambiguous & incomplete data
- Works even without a definite model
- Effectively processes big data
- Global data continues to increase drastically

# Why using Neural Networks? (cont'd)





# Neural Networks Applications

## 1 Finance & Banking

- stock forecast
- fraud detection
- credit scoring

## 2 E-Commerce

- recommendation system
- forecasting product sales
- product classification

## 3 Healthcare

- medical diagnosis
- drug discovery

## 4 Social Media

- sentiment analysis
- social network analysis
- topic modeling

## 5 Transportation

- self-driving cars
- traffic optimization
- predictive maintenance for vehicles.

## 6 Entertainment

- content recommendation
- image recognition in video games

## 4 Manufacturing

- quality control (visual inspection)
- predictive maintenance
- supply chain optimization

## 5 Retail

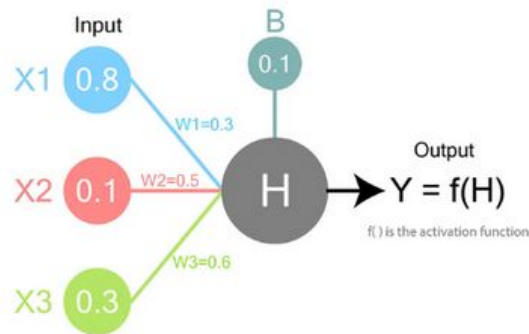
- inventory management
- customer segmentation
- personalized recommendations

## 6 Education

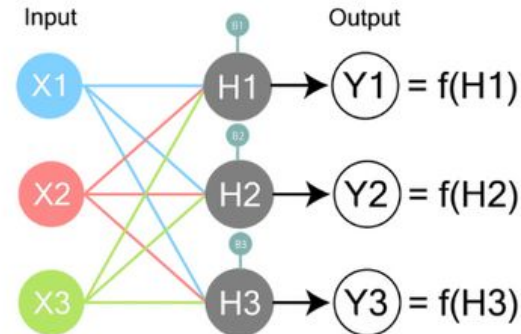
- personalized learning
- automated grading and assesment

# Neural Network to Deep Learning

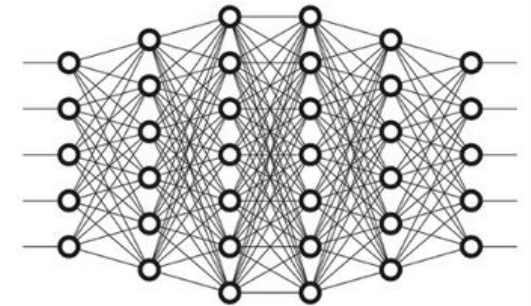
single perceptron



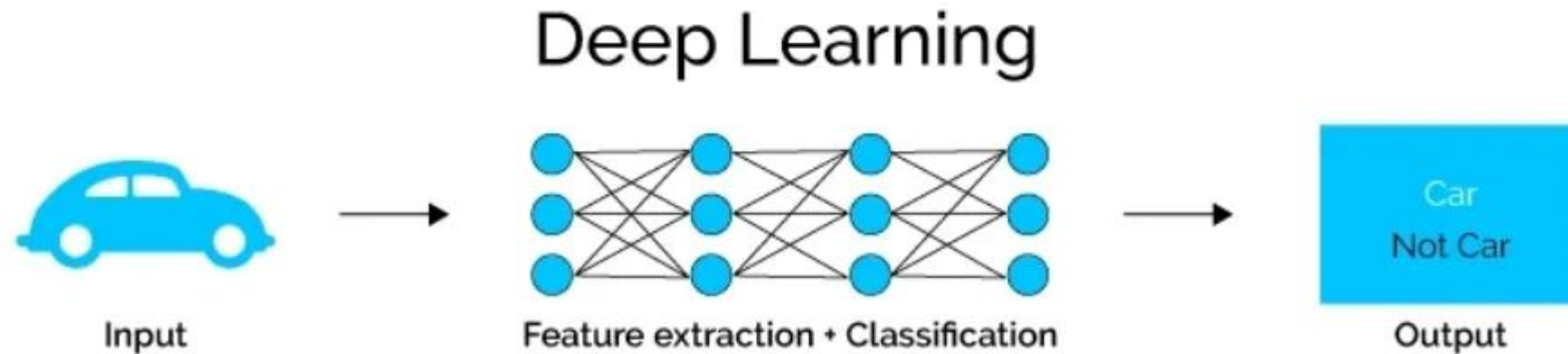
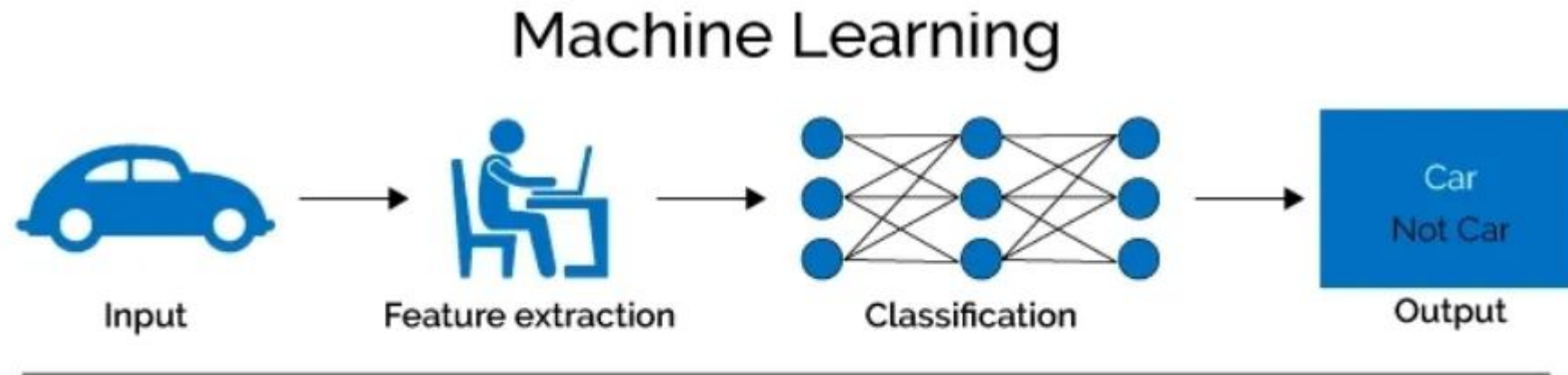
multi layer perceptron



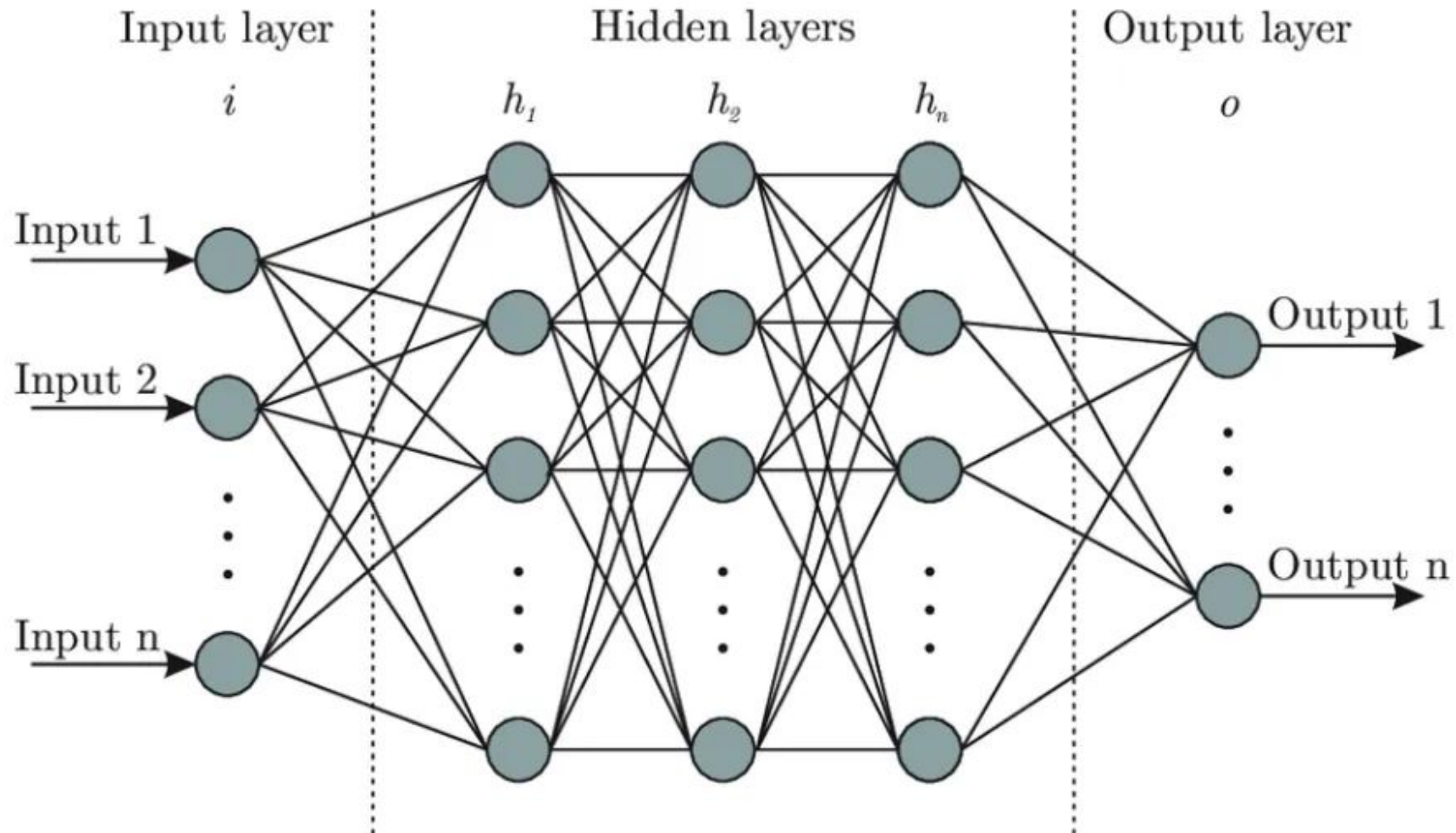
deep learning



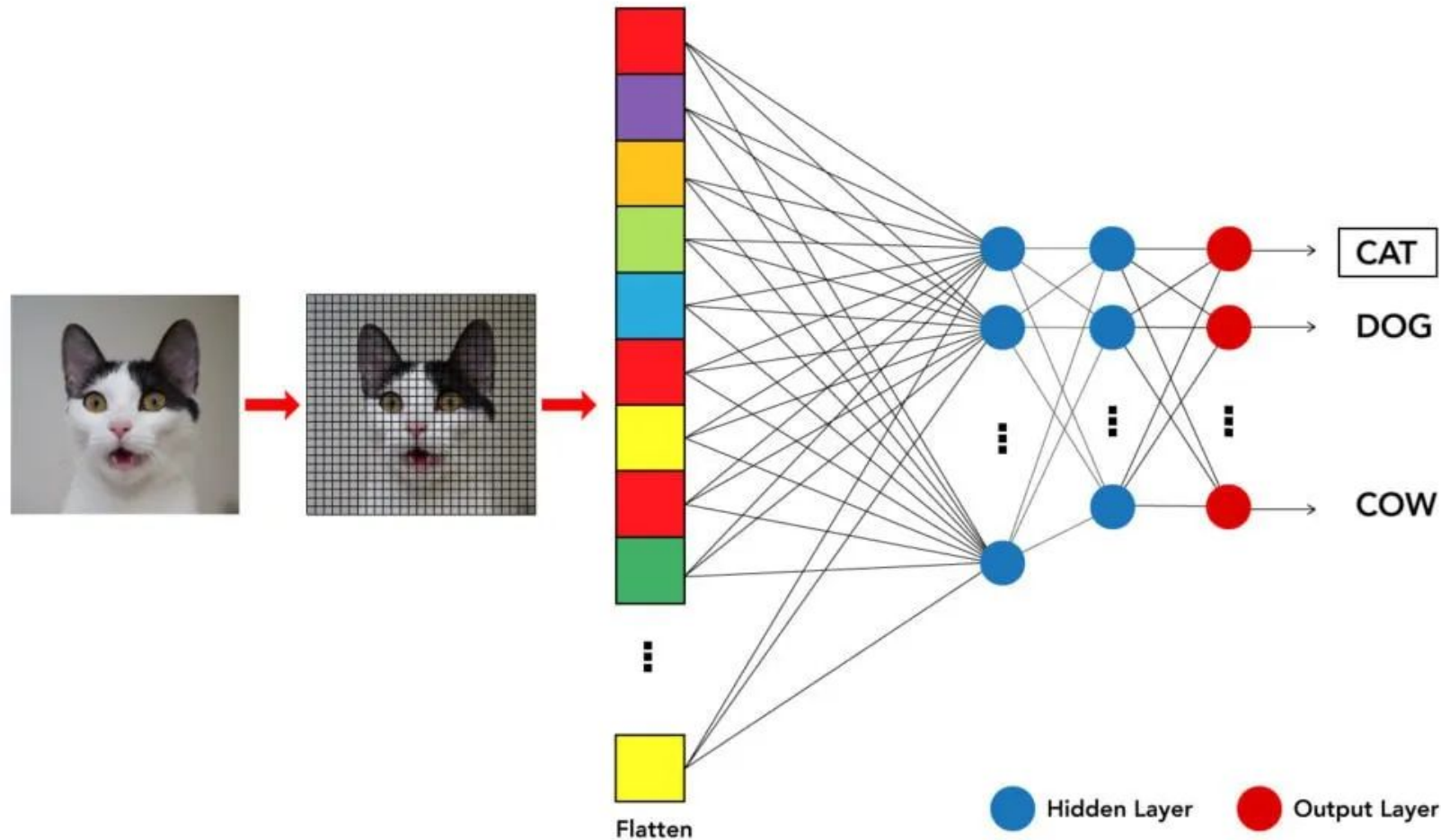
# What's the Difference between ML and DL?



# How Neural Networks Learn Numerical Data



# How Neural Networks Learn Image Data



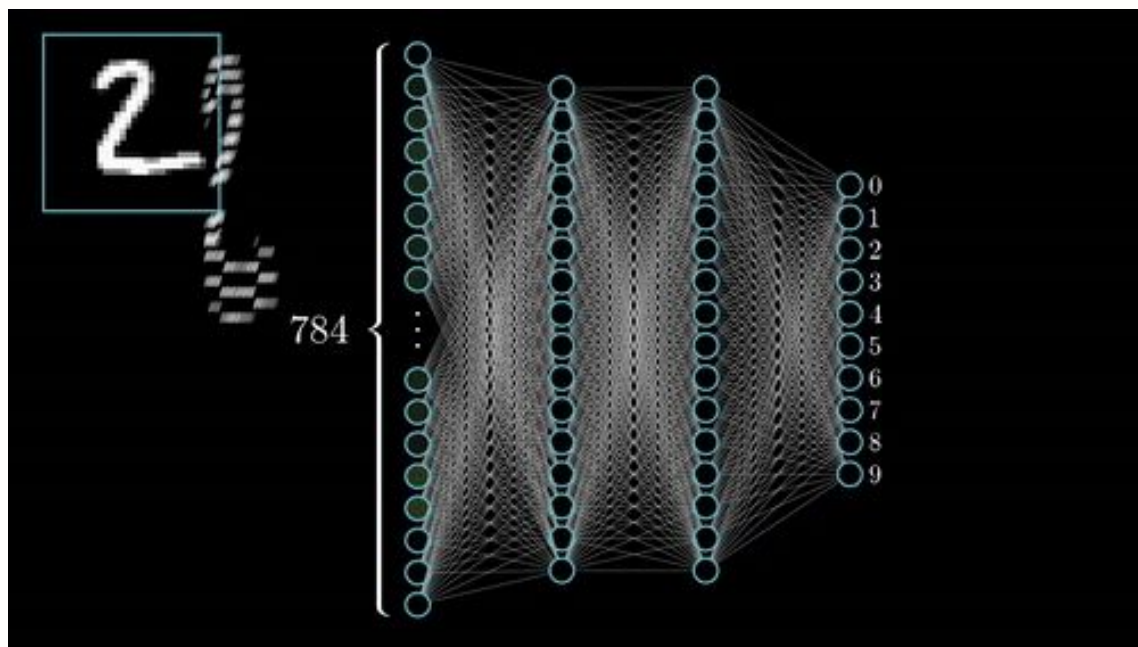
**Neural Networks**

# **Exploring the Structure, Concept, and How It Works**

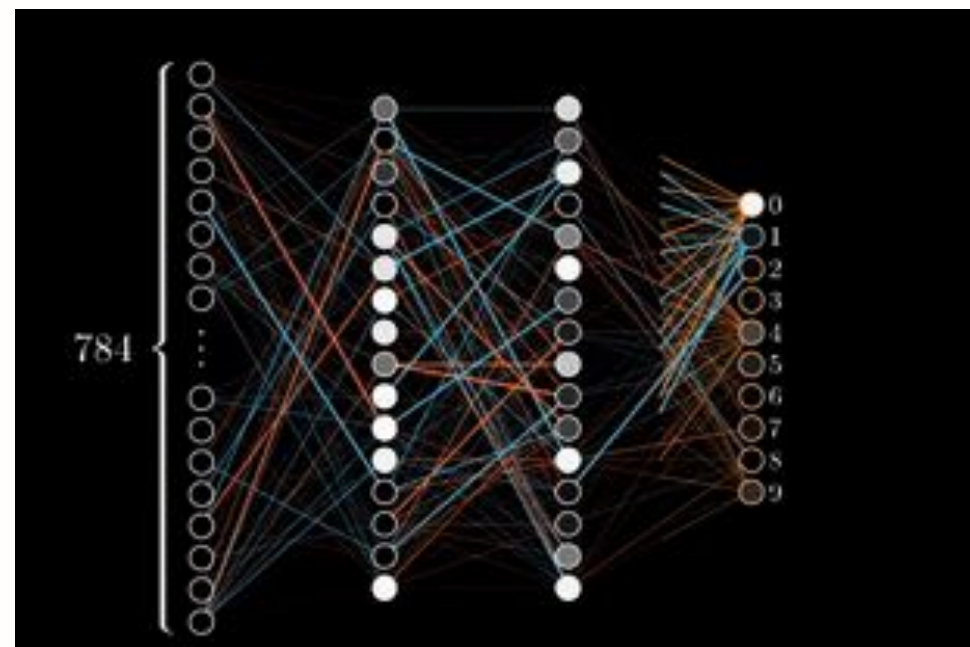


# Feedforward and Backpropagation

Feedforward



Backpropagation

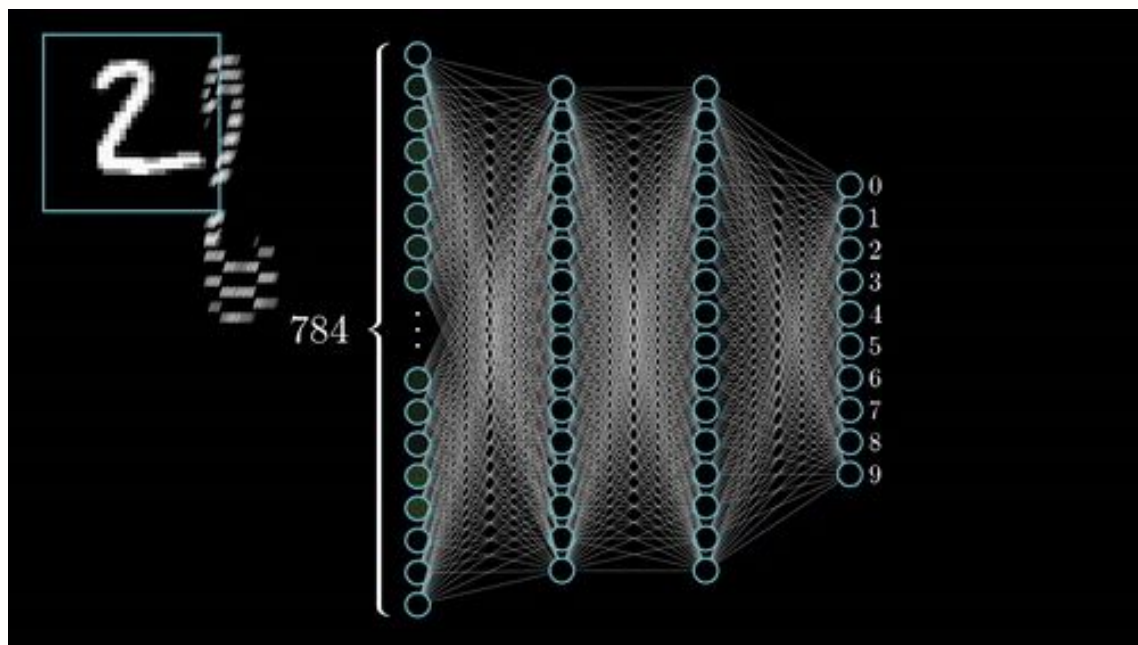


## Neural Networks

# Layers of Feed Forward Neural Network

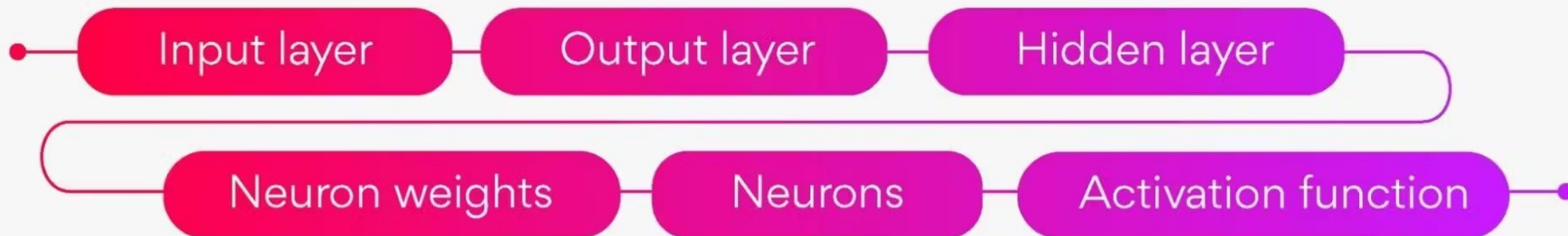


# Feedforward Neural Network

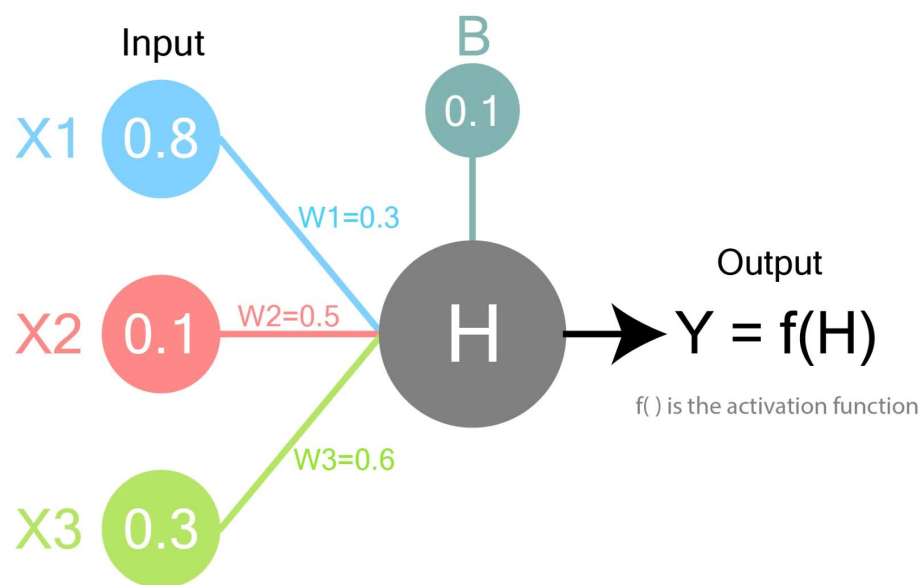


Feedforward neural network is an artificial neural network where connections moving the information in only one direction, forward, from the input nodes, through the hidden nodes (if any) and to the output nodes.

# Feedforward Neural Network Layers



# Main Components from Perceptron



$$H = X1 * W1 + X2 * W2 + X3 * W2 + B$$

$$Y = f(H)$$

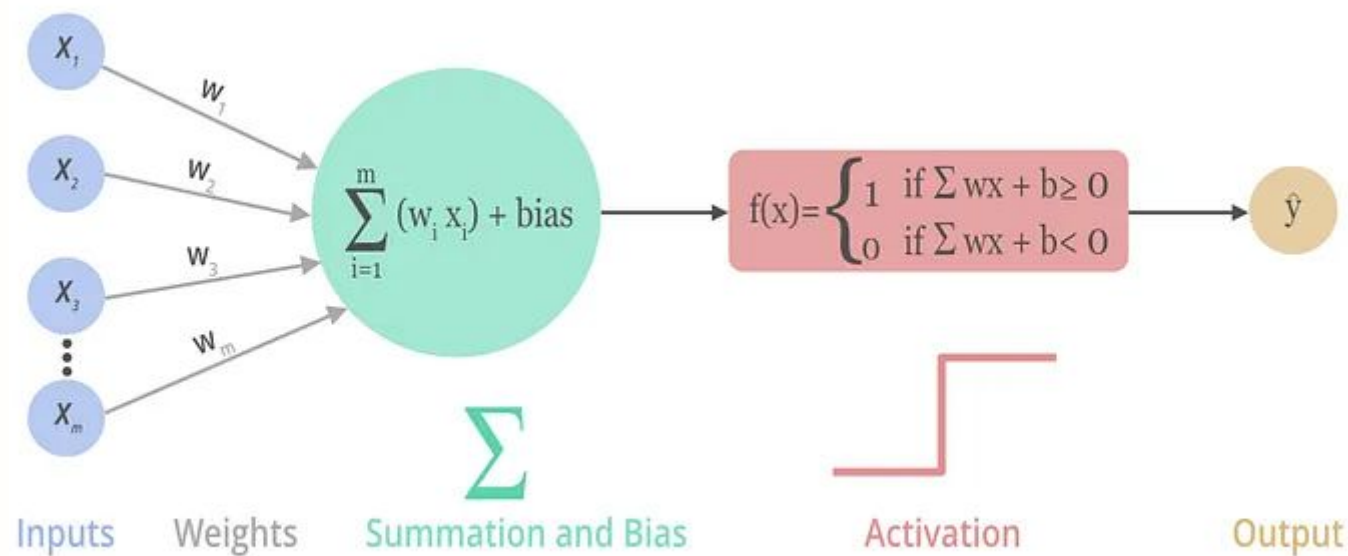
- **Y** is the final value of the node.
- **W** represents the weights between the nodes in the previous layer and the output node.
- **X** represents the values of the nodes of the previous layer.
- **B** represents bias, which is an additional value present for each neuron. Bias is essentially a weight without an input term. It's useful for having an extra bit of adjustability which is not dependant on previous layer.
- **H** is the intermediate node value. This is not the final value of the node.
- **f( )** is called an Activation Function and it is something we can choose.

# Main Components from Feedforward Process

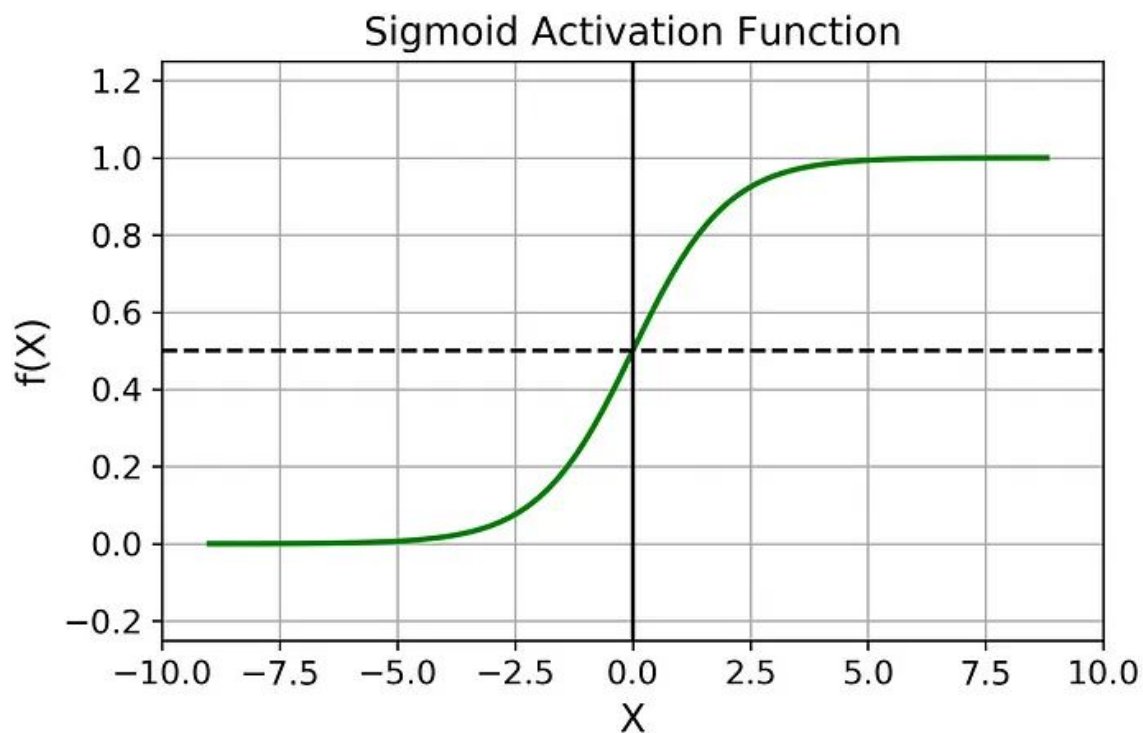
- **Input Layer:** Receives raw data and passes it to the next layers. The number of neurons matches the number of input features.
- **Output Layer:** Produces the final prediction based on the model's objective (e.g., classification or regression).
- **Hidden Layer:** Sits between input and output layers, often stacked in multiple layers to process data through transformations and learn complex patterns.
- **Neuron Weights:** Weights determine the strength of connections between neurons, similar to coefficients in linear regression. They typically range between 0 and 1 and are adjusted during training.
- **Neurons:** Modeled after biological neurons, they compute weighted input sums and apply activation functions (linear or nonlinear) to process data. Neurons and their weights are key to learning in neural networks.

# Activation Function

An activation function is a function that is added to an artificial neural network in order to help the network learn complex patterns in the data.

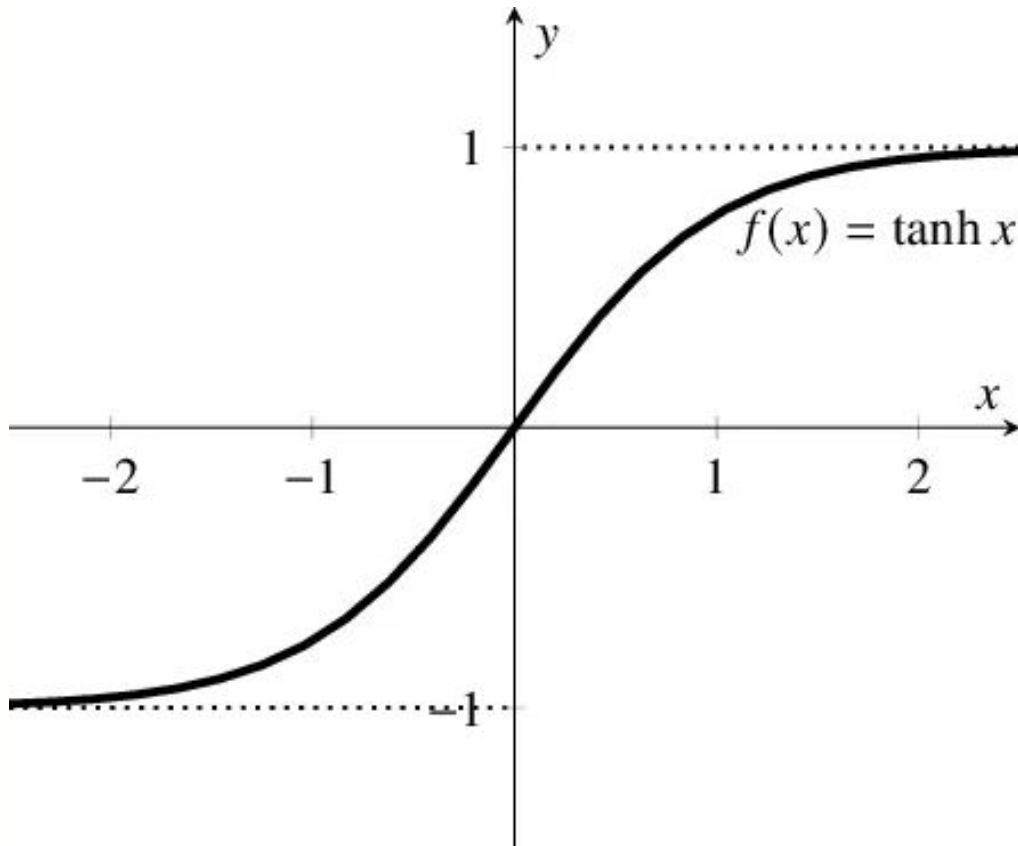


# Sigmoid Activation Function



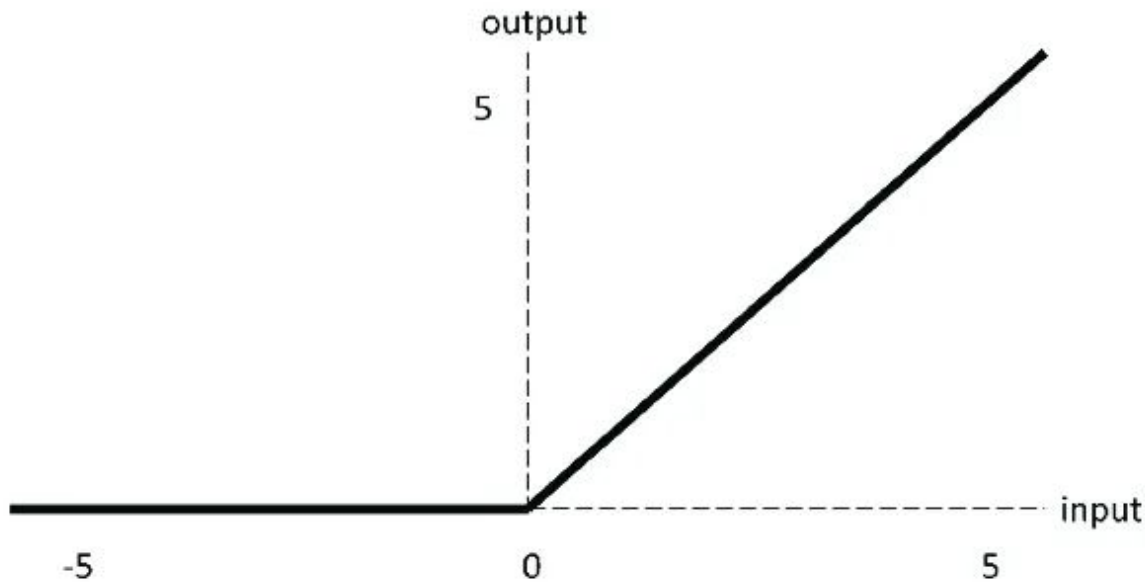
- **Formula** :  $f(x) = 1 / (1 + e^{(-x)})$
- **When to Use**: Commonly used in binary classification problems, especially in the output layer to produce probabilities between 0 and 1. However, it can suffer from vanishing gradient issues, making it less suitable for deep networks.

# Tanh or Hyperbolic Tangent Activation Function



- **Formula** :  $f(x) = (e^x - e^{-x}) / (e^x + e^{-x})$
- **When to Use**: Preferred over sigmoid in hidden layers as it outputs values between -1 and 1, centering the data and often leading to faster convergence. Still, it can also face vanishing gradient problems in deep networks.

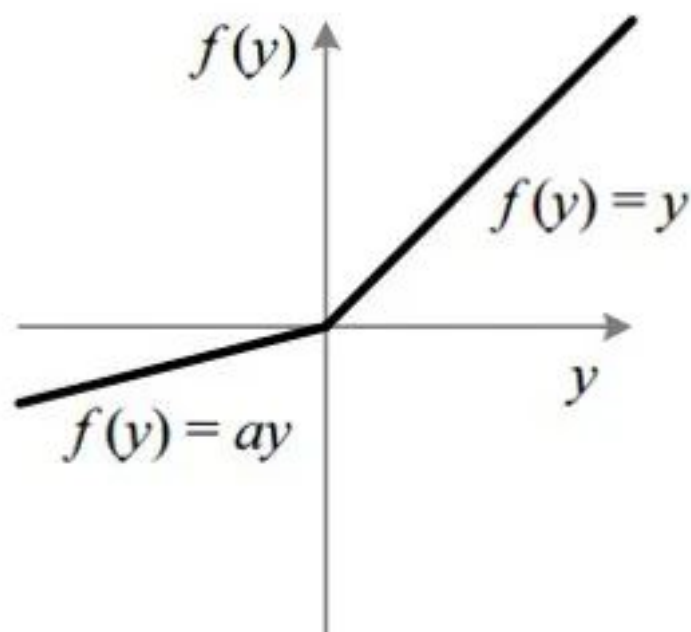
# ReLU (Rectified Linear Unit) Activation Function



- **Formula** :  $f(x) = \max(0, x)$
- **When to Use**: Widely used in hidden layers of deep neural networks due to its simplicity and efficiency. It helps mitigate the vanishing gradient problem. However, neurons can "die" during training if they output zero consistently.



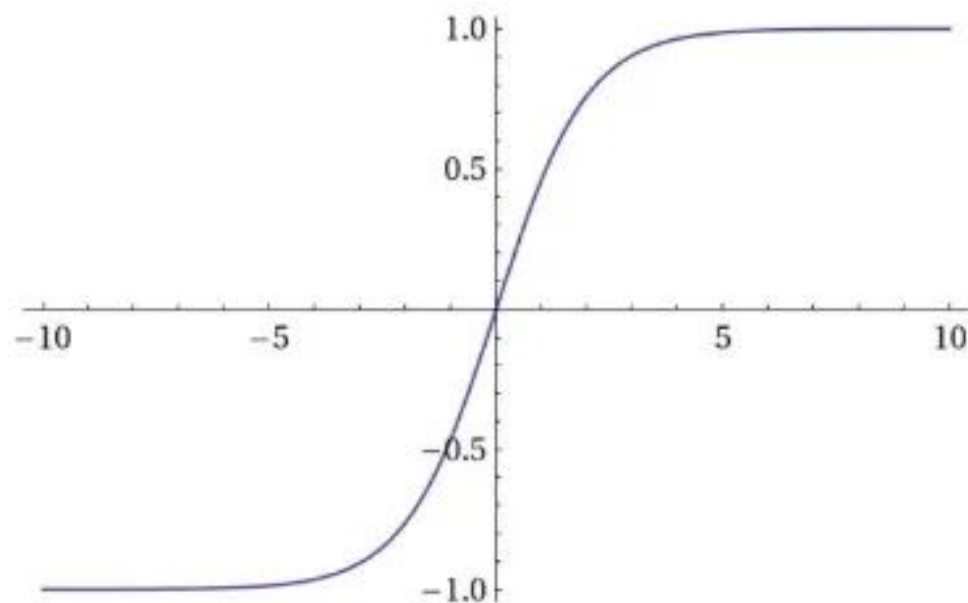
# Leaky ReLU Activation Function



- **Formula** :  $f(x) = x$  if  $x > 0$ ;  $\alpha x$  if  $x \leq 0$   
(where  $\alpha$  is a small constant, e.g., 0.01)
- **When to Use**: Addresses the "dying ReLU" problem by allowing a small, non-zero gradient when the unit is not active. Useful in deep networks to ensure neurons continue learning.

# Softmax

Softmax Activation Function



- **Formula** :  $f(x_i) = e^{(x_i)} / \sum e^{(x_j)}$  for  $j$  in all classes
- **When to Use**: Used in the output layer for multi-class classification problems to produce a probability distribution over classes.

# Function in Feed Forward Neural Network

- **Loss Function**

The loss function is a mathematical expression that evaluates how well the neural network's prediction matches the true output for a single training example. It guides the learning process by providing feedback on prediction errors, which are minimized during training through optimization techniques like gradient descent.

**cross-entropy loss for binary classification**

$$L_i = -[y_i \log(\hat{p}_i) + (1 - y_i) \log(1 - \hat{p}_i)]$$

**cross-entropy loss for multiclass classification**

$$L(\Theta) = - \sum_{i=1}^k y_i \log(\hat{y}_i)$$

# Function in Feed Forward Neural Network (cont'd)

- **Cost Function**

The cost function is a mathematical formula that evaluates how well a neural network's predictions match the actual target values. It calculates the total error across all training examples, guiding the learning process by indicating how the model's parameters should be updated to improve accuracy.

**cross-entropy loss for binary classification**

$$J(\theta) = -\frac{1}{N} \sum_{i=1}^N [y_i \log(\hat{p}_i) + (1 - y_i) \log(1 - \hat{p}_i)]$$

- $J(\theta)$  = cost function
- $N$  = amount of total samples
- $y_i$  = Target (0 or 1)
- $p_i$  = Predict probability model for class 1

**Neural Networks**

# Backpropagation Process

# What is Backpropagation?

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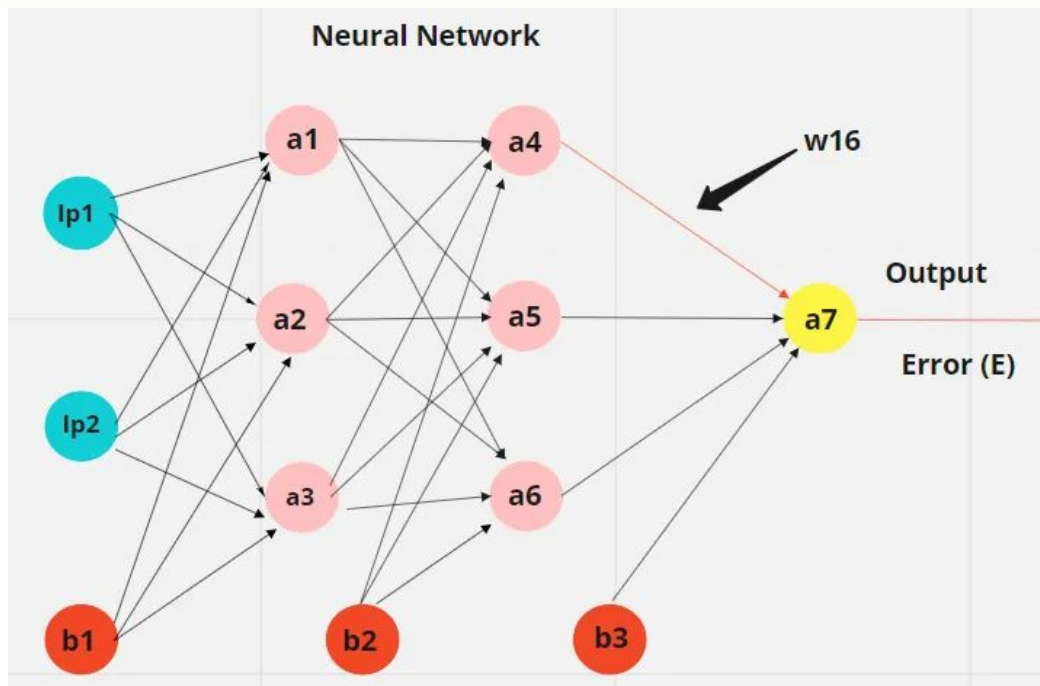
Backpropagation is an algorithm that makes an ANN learn based on the prediction error it makes. The algorithm can be summarized into three steps:

- Input data is passed forward through the network and the ANN makes a **prediction** based on its initial weights.
- The output of the network is then compared with the desired results (also called target values). The difference between the two is considered as an **error** of the network.
- The error is then passed backwards through the network and the weights of the neuron connections are **adjusted** depending on their influence on the error.

This way the backpropagation algorithm guarantees an approximation to the desired output with each learning iteration

# How's Backpropagation Works?

## 1. Assume we have this network



## 2. Calculate the gradient of w16

$$\frac{\partial E}{\partial w_{16}}$$

Derivative of loss

w.r.t w16

## 3. partial derivative of error by w16 with chain rule

$$\frac{\partial E}{\partial w_{16}} = \frac{\partial E}{\partial y} * \frac{\partial y}{\partial net} * \frac{\partial net}{\partial w_{16}}$$

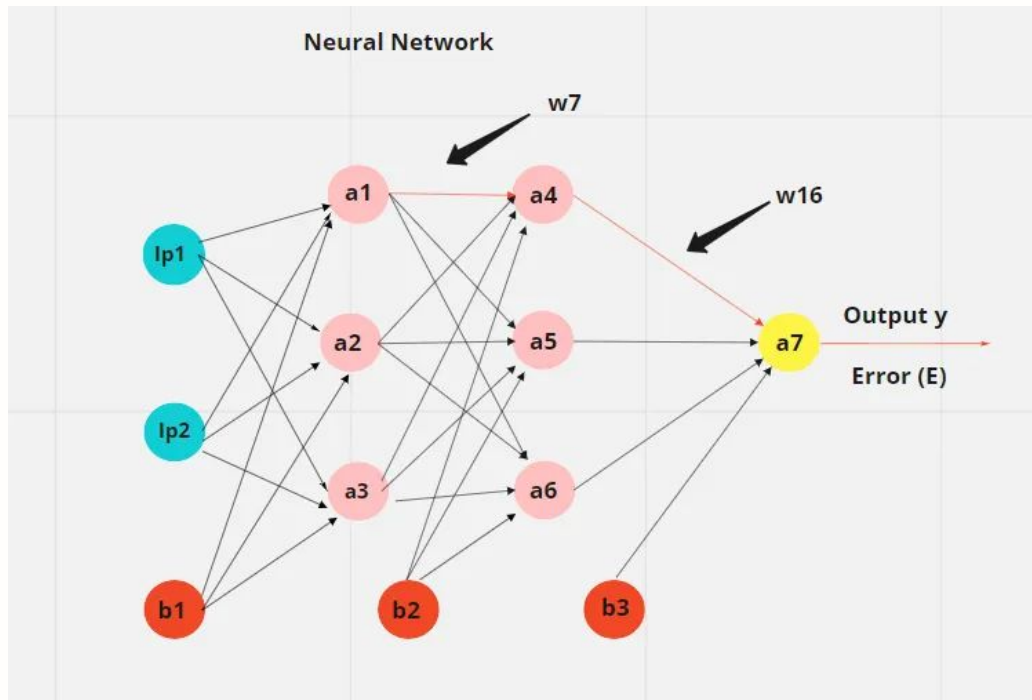
The derivation of output w.r.t the affine

The derivative of error w.r.t output

derivative of affine w.r.t the weight

# How's Backpropagation Works? (cont'd)

4. We repeat the same process for all the weights in the last layer. Now we focus on  $w_7$



5. When we compute the derivative of  $w_7$ , we must keep in mind that it affects the value of  $w_{16}$  as well, so we have to account for it when we expand using the chain rule. Using the same formula as above, we get:

$$\frac{\partial E}{\partial w_7} = \frac{\partial E}{\partial a_4} * \frac{\partial a_4}{\partial net_7} * \frac{\partial net_7}{\partial w_7}$$

6. derivative of the error with respect to  $a_4$

The derivation of output w.r.t the affine

$$\frac{\partial E}{\partial a_4} = \frac{\partial E}{\partial y} * \frac{\partial y}{\partial net} * \frac{\partial net}{\partial a_4}$$

The derivative of error w.r.t output

derivative of affine w.r.t the activation 4

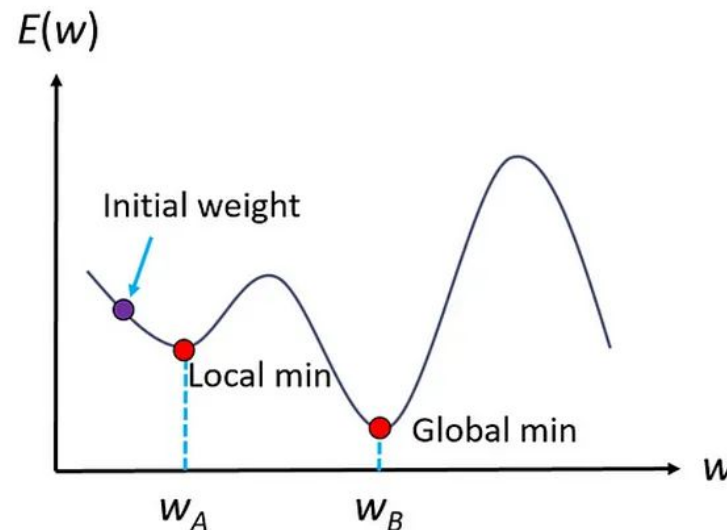
Putting it all together we get formula:

$$\frac{\partial E}{\partial y} * \frac{\partial y}{\partial net} * \frac{\partial net}{\partial a_4} * \frac{\partial a_4}{\partial net_7} * \frac{\partial net_7}{\partial w_7}$$

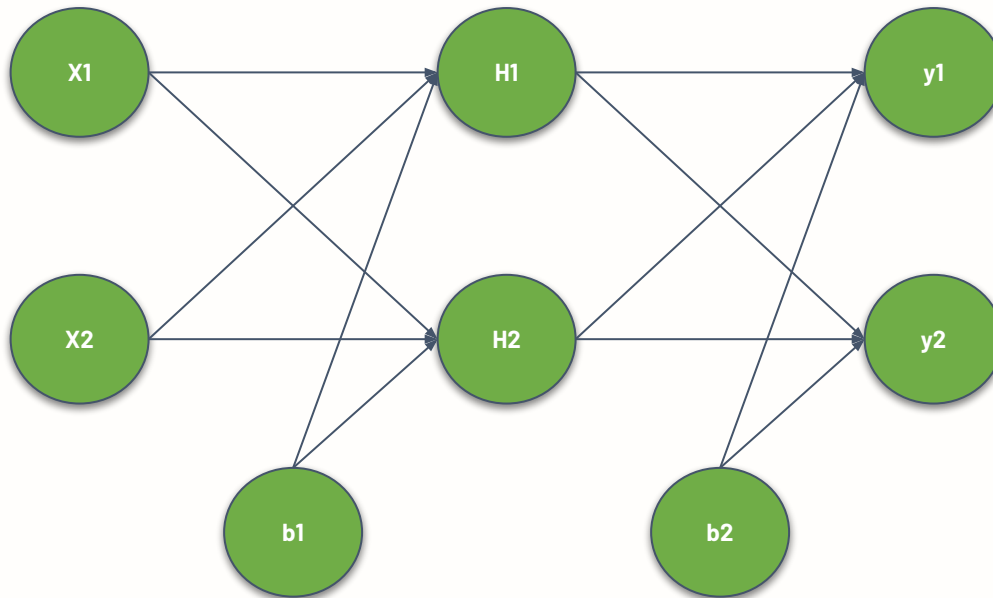


# How's Backpropagation Works? (cont'd)

- We repeat the same process for all weights in a Neural Network and update the weights.
- All weight updates are done in one iteration, and we perform a number of n-iterations as we define the number of epochs or steps.
- By updating the weights, we hope to obtain output values that are close to the ground truth and minimize the error (obtain the global min).



# Example



Input:

$X1 = 0.05$

$X2 = 0.10$

Target Values:

$\hat{y}1 = 0.01$

$\hat{y}2 = 0.99$

Biases:

$b1 = 0.35$

$b2 = 0.60$

Activation Func:

Sigmoid

Initial weights:

$W1 = 0.15$

$W2 = 0.20$

$W3 = 0.25$

$W4 = 0.30$

$W5 = 0.40$

$W6 = 0.45$

$W7 = 0.50$

$W8 = 0.55$

# Example (cont'd)

## Feed Forward Process

$$\begin{aligned}\text{In H1} &= (x1 * w1) + (x2 * w2) + b1 \\ &= (0.05 * 0.15) + (0.10 * 0.20) + 0.35 \\ &= 0.3775\end{aligned}$$

$$\begin{aligned}\text{Out H1} &= \frac{1}{1 + e^{-in H1}} \\ &= \frac{1}{1 + e^{-0.3775}} \\ &= 0.593269992\end{aligned}$$

$$\begin{aligned}\text{In H2} &= (x1 * w3) + (x2 * w4) + b1 \\ &= (0.05 * 0.25) + (0.10 * 0.30) + 0.35 \\ &= 0.3925\end{aligned}$$

$$\begin{aligned}\text{Out H2} &= \frac{1}{1 + e^{-in H2}} \\ &= \frac{1}{1 + e^{-0.3925}} \\ &= 0.5968843783\end{aligned}$$

# Example (cont'd)

## Feed Forward Process

In  $\hat{y}_1$

$$= (\text{out } H1 * w5) + (\text{out } H2 * w6) + b2$$

$$= (0.593269992 * 0.4) + (0.5968843783 * 0.45) + 0.6$$

$$= 1.105905967$$

$$\begin{aligned} \text{Out } \hat{y}_1 &= \frac{1}{1 + e^{-\text{in } \hat{y}_1}} \\ &= \frac{1}{1 + e^{-1.105905967}} \\ &= 0.75136507 \end{aligned}$$

In  $\hat{y}_2$

$$= (\text{out } H1 * w7) + (\text{out } H2 * w8) + b2$$

$$= (0.593269992 * 0.5) + (0.5968843783 * 0.55) + 0.6$$

$$= 1.2249214041$$

$$\begin{aligned} \text{Out } \hat{y}_2 &= \frac{1}{1 + e^{-\text{in } \hat{y}_2}} \\ &= \frac{1}{1 + e^{-1.2249214041}} \\ &= 0.772928465 \end{aligned}$$

# Example (cont'd)

## Feed Forward Process

$$\text{Out } \hat{y}_1 = 0.75136507$$

$$\text{Out } \hat{y}_2 = 0.772928465$$

$$\begin{aligned} E_{\text{total}} &= 1/2 \sum (\text{target} - \text{output})^2 \\ &= 0.5(0.01 - 0.75136507)^2 + 0.5(0.99 - 0.772928465)^2 \\ &= 0.274811083 + 0.023560026 \\ &= 0.298371109 \end{aligned}$$

# Example (cont'd)

## Back Propagation Process

$$\text{Error at } w5 = \frac{\partial E_{total}}{\partial w5}$$

$$E_{total} = \frac{1}{2}(\text{target } \hat{y}_1 - \text{out } \hat{y}_1)^2 + \frac{1}{2}(\text{target } \hat{y}_2 - \text{out } \hat{y}_2)^2$$

$$\text{Out } \hat{y}_1 = \frac{1}{1 + e^{-in \hat{y}_1}}$$

$$in \hat{y}_1 = (\text{out } H1 * w5) + (\text{out } H2 * w6) + b2$$

$$\frac{\partial E_{total}}{\partial w5} = \frac{\partial E_{total}}{\partial \text{out } \hat{y}_1} * \frac{\partial \text{out } \hat{y}_1}{\partial in \hat{y}_1} * \frac{\partial in \hat{y}_1}{\partial w5}$$

$$\begin{aligned} a) \quad \frac{\partial E_{total}}{\partial \text{out } \hat{y}_1} &= 2 * \frac{1}{2} (\text{target } \hat{y}_1 - \text{out } \hat{y}_1)^{2-1} * -1 + 0 \\ &= -(\text{target } \hat{y}_1 - \text{out } \hat{y}_1) \\ &= -(0.01 - 0.75136507) \\ &= 0.74136507 \end{aligned}$$

$$b) \quad \frac{\partial \text{out } \hat{y}_1}{\partial in \hat{y}_1} = \frac{1}{2(\cosh(in \hat{y}_1) + 1)} = \frac{1}{2 * (1.6764359889828 + 1)} = 0.186815602$$

$$\begin{aligned} c) \quad \frac{\partial in \hat{y}_1}{\partial w5} &= (\text{out } H1 * w5) + (\text{out } H2 * w6) + b2 \\ &= 1 * \text{out } H1 * w5^{1-1} + 0 + 0 \\ &= 0.593269992 \end{aligned}$$

$$\begin{aligned} \frac{\partial E_{total}}{\partial w5} &= \frac{\partial E_{total}}{\partial \text{out } \hat{y}_1} * \frac{\partial \text{out } \hat{y}_1}{\partial in \hat{y}_1} * \frac{\partial in \hat{y}_1}{\partial w5} \\ &= 0.74136507 * 0.186815602 * 0.593269992 \\ &= 0.082167041 \end{aligned}$$

# Example (cont'd)

## Back Propagation Process

$$w5 = w5 - \mu * \frac{\partial E_{total}}{\partial w5}, \text{ Learning Rate } (\mu) = 0.5$$

$$\begin{aligned} w5 &= w5 - 0.5 * \frac{\partial E_{total}}{\partial w5} \\ &= 0.4 - 0.5 * 0.082167041 \\ &= 0.35891648 \end{aligned}$$

$$w6 = 0.408666186$$

$$w7 = 0.511301270$$

$$w8 = 0.561370121$$

# Example (cont'd)

## Back Propagation Process

$$\text{Error at } w1 = \frac{\partial E_{total}}{\partial w1}$$

$$\frac{\partial E_{total}}{\partial w1} = \frac{\partial E_{total}}{\partial out\ H1} * \frac{\partial out\ H1}{\partial in\ H1} * \frac{\partial in\ H1}{\partial w1}$$

A                      B                      C

$$\begin{aligned} \text{A) } \frac{\partial E_{total}}{\partial out\ H1} &= \frac{\partial E1}{\partial out\ H1} + \frac{\partial E2}{\partial out\ H2} \\ &= \left( \frac{\partial E1}{\partial in\ \hat{y}1} * \frac{\partial in\ \hat{y}1}{\partial out\ H1} \right) + \frac{\partial E2}{\partial out\ H2} \\ &= \left( \left( \frac{\partial E1}{\partial out\ \hat{y}1} * \frac{\partial out\ \hat{y}1}{\partial in\ \hat{y}1} \right) * \frac{\partial in\ \hat{y}1}{\partial out\ H1} \right) + \frac{\partial E2}{\partial out\ H2} \\ &= 0.74136607 * 0.186815602 * 0.4 + (-0.019049119) \\ &= 0.0363503805 \end{aligned}$$

$$\text{B) } \frac{\partial out\ H1}{\partial in\ H1} = \frac{1}{2(\cosh(in\ H1)+1)} = 0.241800709$$

$$\text{C) } \frac{\partial in\ H1}{\partial w1} = 1 * x1 + 0 + 0 = 0.05$$

$$\begin{aligned} \frac{\partial E_{total}}{\partial w1} &= 0.0363503805 * 0.241800709 * 0.05 \\ &= 0.000438568 \end{aligned}$$



# Example (cont'd)

## Back Propagation Process

$$w1 = w1 - \mu * \frac{\partial E_{total}}{\partial w1}, \text{ Learning Rate } (\mu) = 0.5$$

$$\begin{aligned} w1 &= w1 - 0.5 * \frac{\partial E_{total}}{\partial w1} \\ &= 0.15 - 0.5 * 0.000438568 \\ &= 0.149780716 \end{aligned}$$

$$w2 = 0.19956143$$

$$w3 = 0.24975114$$

$$w4 = 0.29950229$$

# Conclusion

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- The concept of neural networks is inspired by biological neural networks.
- Neural networks can process data better than traditional machine learning.
- The complexity of neural network calculations is very high so that the computational process required is greater.
- The neural network architecture is more customizable and the depth of the layer can be adjusted.
- The activation function will help the neural network calculation process to obtain more accurate results.
- The results of backpropagation are expected to obtain new weights that can reduce the prediction error values.

**Neural Networks**

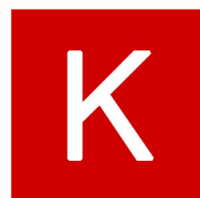
# **Hands On Neural Networks with Python**

# Required Library

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TensorFlow



Keras



pandas



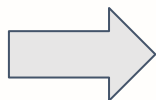
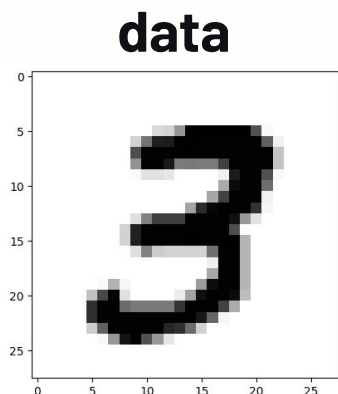
NumPy

matplotlib



# Prepare the Data

- Load data
- Perform all necessary data processing
- All features in numeric vector
- Label/target transformed to one hot vector



## numeric vector

```
print(f"x_train_1d shape: {x_train_1d.shape}")  
print(f"x_test_1d shape: {x_test_1d.shape}")
```

x\_train\_1d shape: (60000, 784)

x\_test\_1d shape: (10000, 784)

# Define Neural Network Model

```
# design ANN architecture
model = Sequential()
model.add(layers.Input(shape=(x_train_1d.shape[1],)))
model.add(Dense(64, activation='relu'))
model.add(Dense(32, activation='relu'))
model.add(Dense(10, activation='softmax'))
```

## Compile mode

- Set loss = "sparse\_categorical\_crossentropy" for multi-class classification
- Choose optimizer, in this example "adam".
- Set metrics based on use case.

## Model architecture

- Define every layers of Neural Network
- Define activation function
- For multi-class classification task, add softmax in last layer
- Set value of last Dense equal to number of unique label/target

```
# compile model
model.compile(loss='sparse_categorical_crossentropy',
              optimizer='adam', metrics=['accuracy'])
```

# Train Your Neural Network

```
history = model.fit(x_train_1d, y_train, epochs=10, batch_size=128, validation_split=0.2)
```

Epoch 1/10

375/375 ————— 2s 3ms/step - accuracy: 0.7847 - loss: 0.7724 - val\_accuracy: 0.9352 - val\_loss: 0.2264

Epoch 2/10

375/375 ————— 1s 2ms/step - accuracy: 0.9382 - loss: 0.2136 - val\_accuracy: 0.9521 - val\_loss: 0.1695

Epoch 3/10

375/375 ————— 1s 2ms/step - accuracy: 0.9565 - loss: 0.1540 - val\_accuracy: 0.9592 - val\_loss: 0.1420

Epoch 4/10

375/375 ————— 1s 2ms/step - accuracy: 0.9636 - loss: 0.1216 - val\_accuracy: 0.9617 - val\_loss: 0.1290

Epoch 5/10

375/375 ————— 1s 2ms/step - accuracy: 0.9692 - loss: 0.1038 - val\_accuracy: 0.9632 - val\_loss: 0.1225

Epoch 6/10

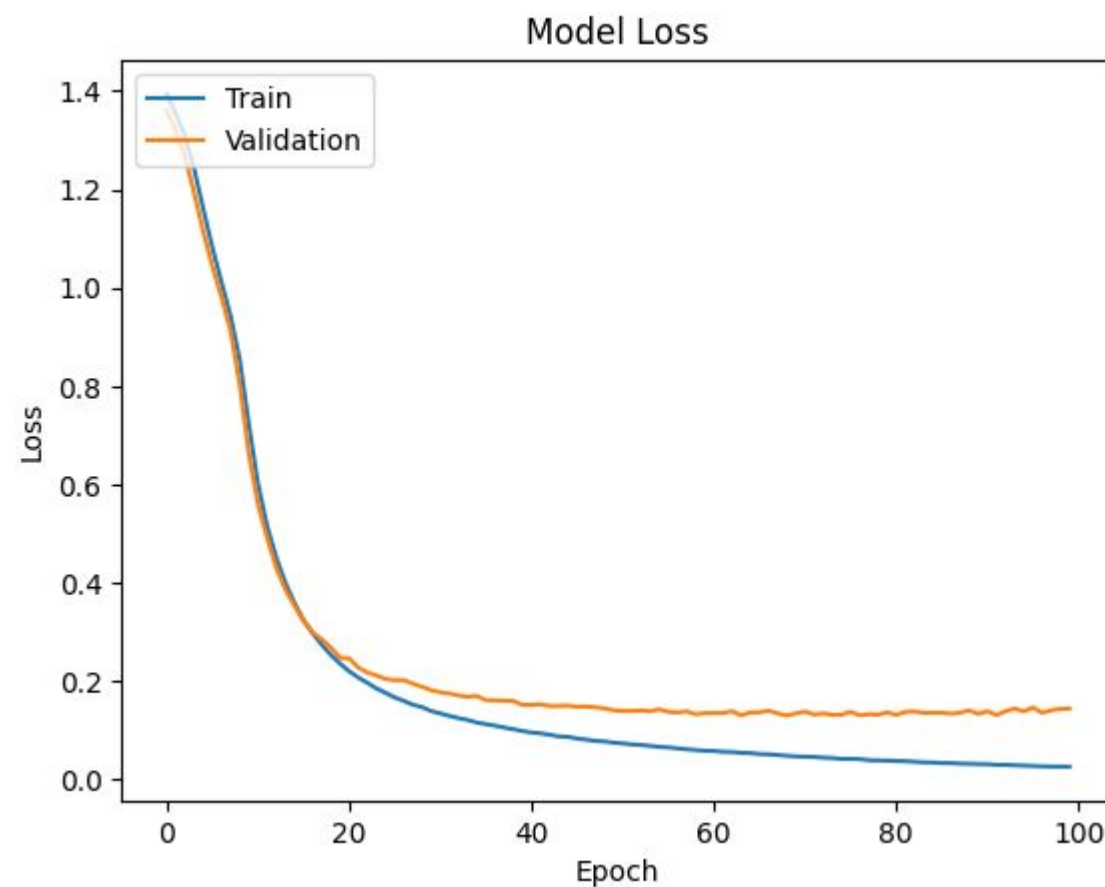
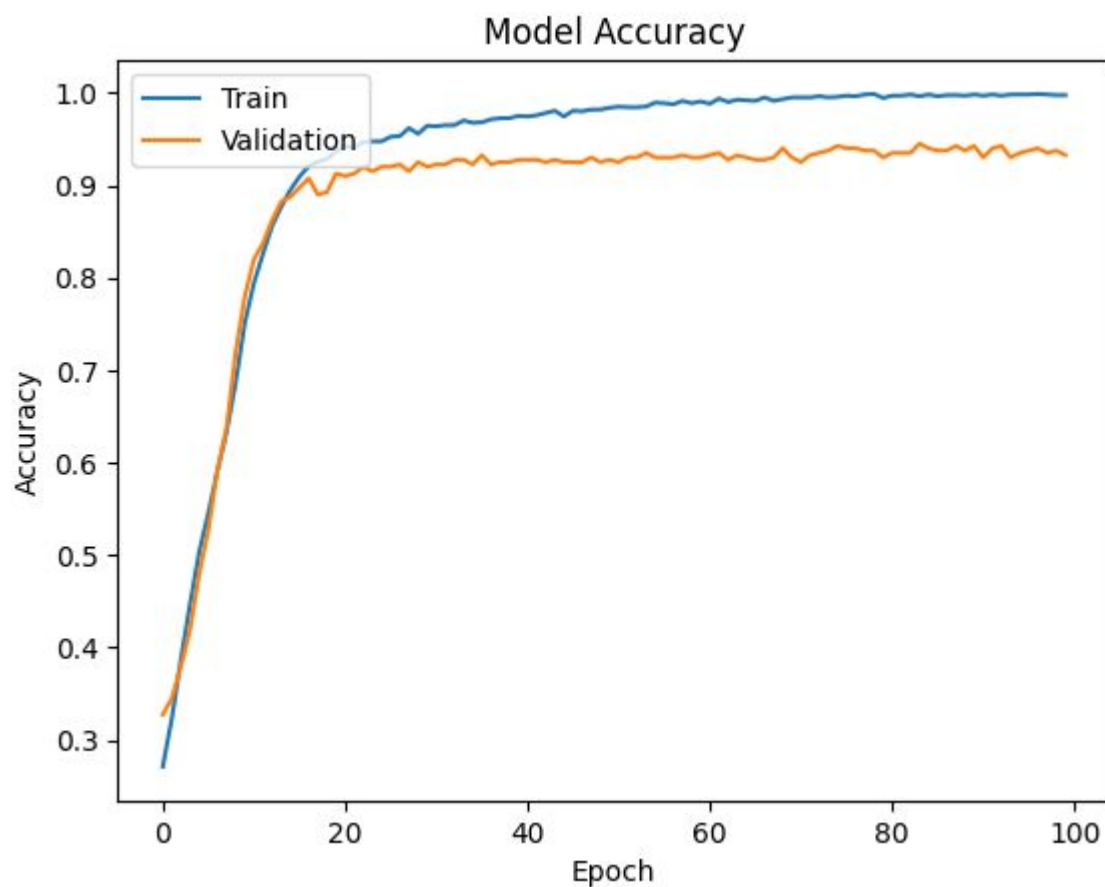
375/375 ————— 2s 3ms/step - accuracy: 0.9748 - loss: 0.0862 - val\_accuracy: 0.9671 - val\_loss: 0.1110

epoch number

loss & accuracy on data train

loss & accuracy on data test

# Learning Curve Neural Network





# Model Evaluation

```
# calculate metric performance
y_pred = model.predict(X_test)
y_pred_classes = np.argmax(y_pred, axis=1)

print(classification_report(y_test, y_pred_classes))
```

```
13/13 ————— 0s 5ms/step
              precision    recall  f1-score   support

     0         0.95         0.91         0.93         105
     1         0.90         0.95         0.92          91
     2         0.92         0.93         0.93          92
     3         0.95         0.94         0.95         112

 accuracy          0.93         0.93         0.93         400
 macro avg         0.93         0.93         0.93         400
 weighted avg         0.93         0.93         0.93         400
```

# THANK YOU

