

# infogain

Machine Learning

### Agenda

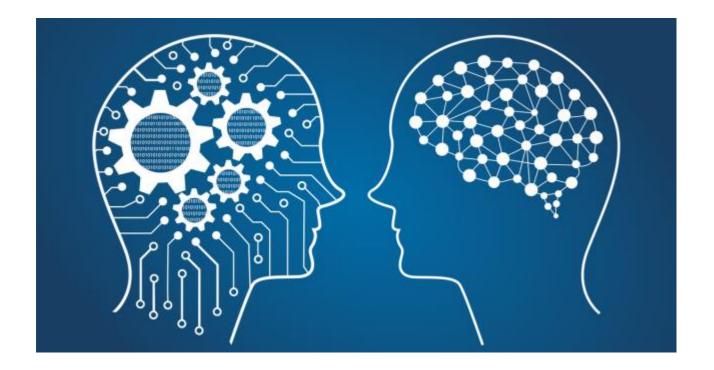


- What is Machine Learning?
- Real-World Application Areas
- Machine Learning Use Cases
- Machine Learning Challenges and Workflow
- Machine Learning techniques
- Applications in Infogain
- What next....

#### What is Machine Learning?



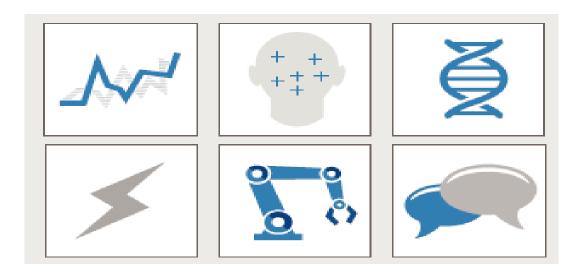
- Teaches computers to do what comes naturally to humans and animals: learn from experience.
- Uses computational methods to "learn" information directly from data without relying on a predetermined equation as a model.
- Adaptively improves performance as the number of samples available for learning increases.



#### Real-World Application Areas



- With the rise in big data, machine learning has become particularly important for solving problems in areas like these:
  - Computational finance, for credit scoring and algorithmic trading
  - Image processing and computer vision, for face recognition, motion detection, and object detection
  - Computational biology, for tumor detection, drug discovery, and DNA sequencing
  - Energy production, for price and load forecasting
  - Automotive, aerospace, and manufacturing, for predictive maintenance
  - Natural language processing



#### Machine Learning Use Cases



- Credit Risk and Fraud:
  - Citibank: collaboration with Portugal based fraud detection company Feedzai to identify and eliminate fraud in online and inperson banking by alerting the customer.
  - PayPal: uses machine learning to fight money laundering.
- Healthcare for Personalized Treatment
  - machine learning plays a vital role in finding what kind of genetic makers and genes respond to a particular treatment or medication.
- Focused Account Holder Targeting
  - machine learning is used to identify a group of home maker moms in Florida with huge social media presence to be their most
    influential and preferred banking customers in terms of referrals.
- Retail
  - Product Recommendations
  - Improved Customer Service

#### Machine Learning Challenges



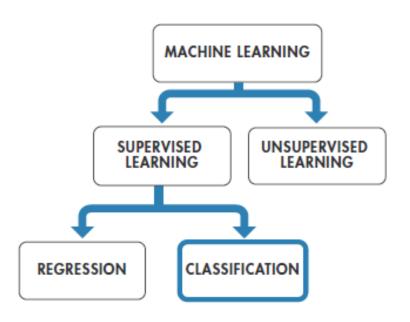
- Handling your data and finding the right model.
- Data comes in all shapes and sizes.
- Preprocessing data requires specialized knowledge and tools.
- Finding the best model to fit the data.



#### Questions to Consider Before You Start

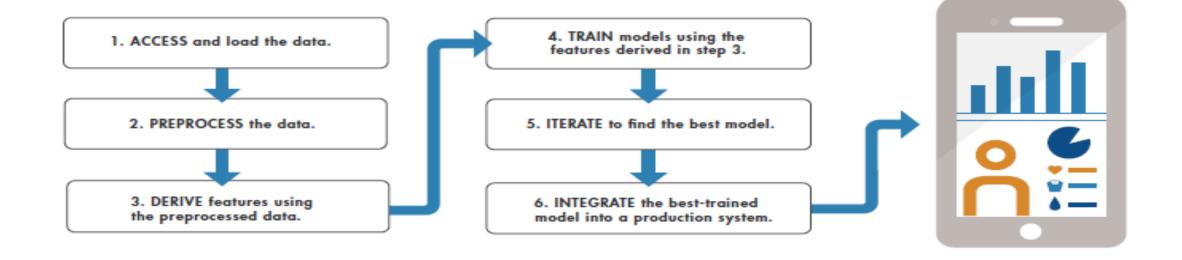


- Every machine learning workflow begins with three questions:
  - What kind of data are you working with?
  - What insights do you want to get from it?
  - How and where will those insights be applied?



#### Workflow at a Glance

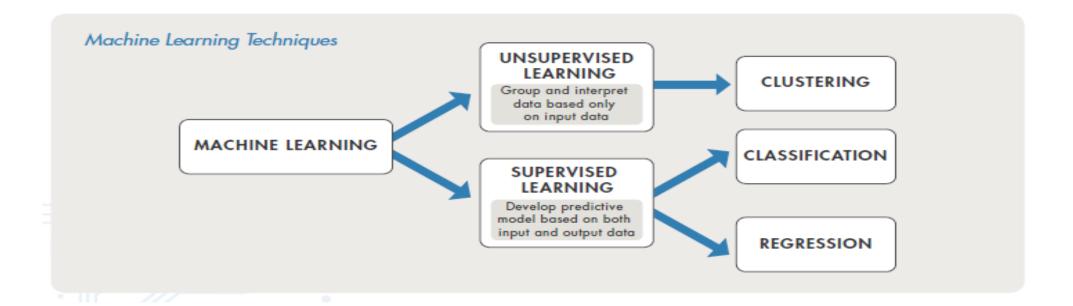




#### How Machine Learning Works



- Machine learning uses two types of techniques:
  - Supervised learning: trains a model on known input and output data so that it can predict future outputs
  - Unsupervised learning: finds hidden patterns or intrinsic structures in input data.



#### Supervised Learning

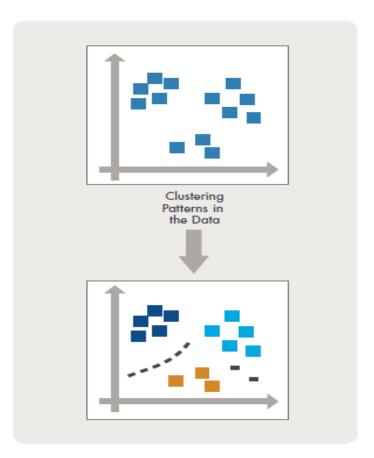


- Makes predictions based on evidence in the presence of uncertainty.
- Takes a known set of input data and known responses to the data (output) and trains a model to generate reasonable predictions for the response to new data.
- Uses classification and regression techniques to develop predictive models.
- Classification techniques
  - predict discrete responses—for example, whether an email is genuine or spam, or whether a tumor is cancerous or benign.
  - classify input data into categories. Typical applications include medical imaging, speech recognition, and credit scoring.
- Regression techniques
  - predict continuous responses— for example, changes in temperature or fluctuations in power demand.
  - Typical applications include electricity load forecasting and algorithmic trading.

#### Unsupervised Learning

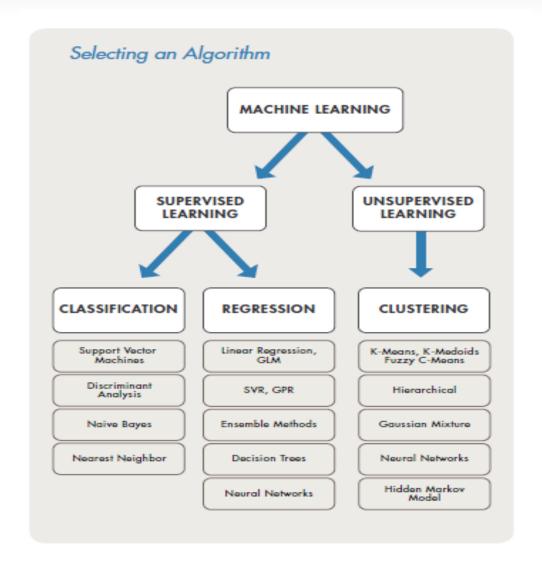


- Finds hidden patterns or intrinsic structures in data. It is used to draw inferences from datasets consisting of input data without labeled responses.
- Clustering
  - the most common unsupervised learning technique.
  - used for exploratory data analysis to find hidden patterns or groupings in data.
  - Applications for clustering include gene sequence analysis, market research, and object recognition.



### Which Algorithm to Use

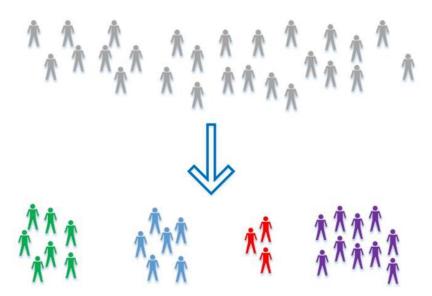




### Unsupervised Learning Techniques



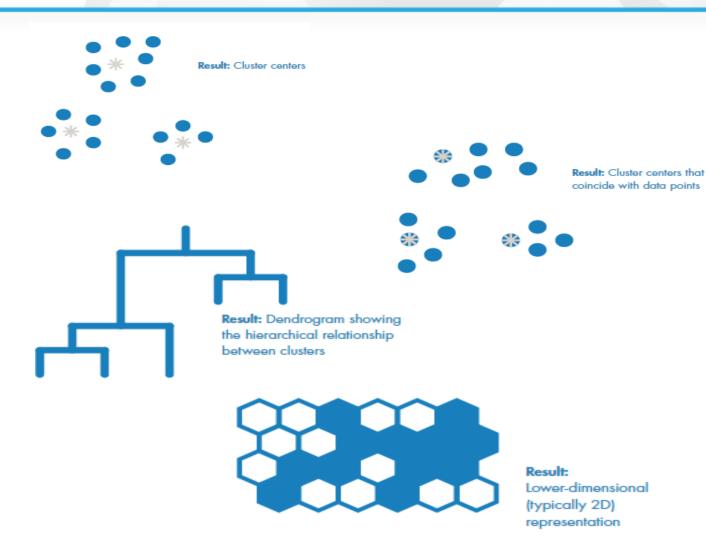
- Most unsupervised learning techniques are a form of cluster analysis.
- Cluster analysis
  - data is partitioned into groups based on some measure of similarity or shared characteristic.
  - Clusters are formed so that objects in the same cluster are very similar and objects in different clusters are very distinct.
- Clustering algorithms fall into two broad groups:
  - Hard clustering, where each data point belongs to only one cluster
  - Soft clustering, where each data point can belong to more than one cluster
- You can use hard or soft clustering techniques if you already know the possible data groupings.



### Common Hard Clustering Algorithms



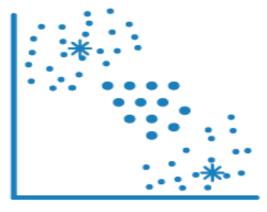
- k-Means
- k-Medoids
- Hierarchical Clustering
- Self-Organizing Map



### Common Soft Clustering Algorithms



Fuzzy c-Means



Result: Cluster centers (similar to k-means) but with fuzziness so that points may belong to more than one cluster Gaussian Mixture Model



Result: A model of Gaussian distributions that give probabilities of a point being in a cluster

### Supervised Learning Techniques



- All supervised learning techniques are a form of classification or regression.
- Classification techniques predict discrete
- Regression techniques predict continuous

### Common Classification Algorithms



- Logistic Regression
- k Nearest Neighbor (kNN)
- Support Vector Machine (SVM)
- Neural Network
- Naïve Bayes
- Discriminant Analysis
- Decision Tree

#### Common Regression Algorithms



- Linear Regression
- Nonlinear Regression
- Gaussian Process Regression Model
- SVM Regression
- Regression Tree

#### Applications in Infogain



- Team Mitchell is using ML in a lot of applications:
  - Smart Recommender: A recommendation engine for car insurance claims on broken parts
  - Image Processing: to recognize car's color from the image.
  - Image Processing: identify point of impact on car based on damaged area
  - Driver injury detection
  - Smart triach: a questionnaire based insurance recommender.

#### What next....



- Learn more about Machine Learning
  - Coursera Courses
  - CDP: Infogain Certified Machine Learning Developer
- Skills Required:
  - Data Analytics basic knowledge
  - Programming language working knowledge: Python/R/Java
- Time Commitment:
  - 20 weeks (5-6 hrs/week) for a good hold

## Questions...







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