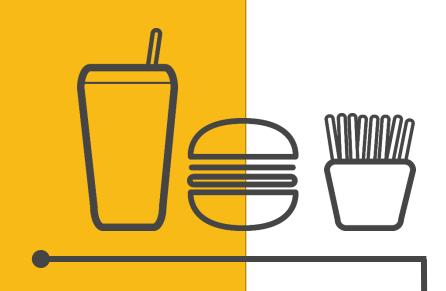


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Agenda

01 Topic

02 Problem Description

03 Data and Formulation

04 Solution

05 Suggestion



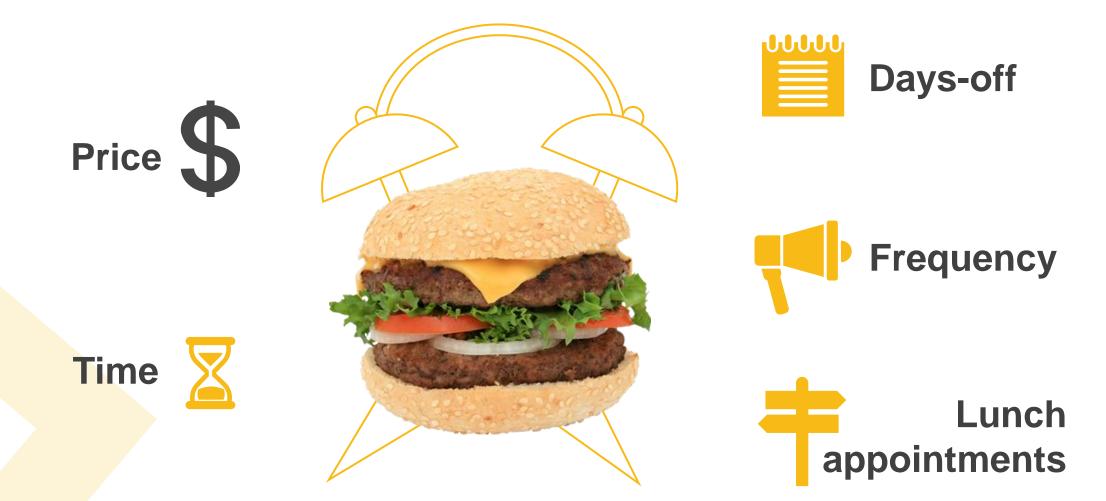
When you're trying to decide where to eat



Source: me.me



Factors



The Objective



FoodRestaurant
preferences.

Price
The amount of money saved

Time
The amount of time
saved

Goal: To maximize restaurant preferences + the amount of money saved + the amount of time saved



Data – Restaurant

We collected the information of 71 restaurants near NTU, including:

- The average price
- Days-off
- The average dining time
- The estimated traveling time







Also, we include a restaurant "None"

Data – Restaurant(Continued)

Name	Price	Days- off	Dining time	Traveling time*
鍋in	175	0	90	(4,5,6,3,7,6,6,5)
韓天閣	175	0	90	(4,5,6,3,6,6,7,4)
大埔鐵板燒	150	0	45	(4,5,6,3,7,6,6,5)
阿英滷肉飯	125	6	30	(4,4,4,4,4,6,8,3)
柒食貳	100	0	45	(4,4,4,4,4,6,7,3)
•••	• • •		• • •	

^{*(}共同,普通,新生,管一,新體,社科院,男一,女一), accordingly

Data – Student

As for the information of the student, we need:

- Where his/her morning class ends
- Where his/her afternoon class begins
- Available time for lunch
- Monthly budget
- The willingness to pay







Data - Student(Continued)

Weekdays	Mon	Tue	Wed	Thu	Fri
Available Time(mins)	Unlimited	Unlimited	120	70	10
Class- ending Location	無	管一	管一	管一	普通
Class- beginning Location	無	無	管一	新生	新體

Name	Willingness to pay	
鍋in	180	
韓天閣	100	
大埔鐵板燒	130	
阿英滷肉飯	100	
柒食貳	100	
•••		

Budget(NTD/Month)

4000

Data - Student(Continued)

- We also consider whether the student will have a date with someone on some specific day.
- Usually, the restaurant will be decided beforehand.
- Ex. On date i the student has a date with his close friends at restaurant j, then the value of x_{ij} will be 1.

Variables

• $x_{ij} = 1$ if on date i restaurant j will be chosen, 0 otherwise.

Parameters

For restaurant:

- Price: R_j is the average price of restaurant j
- Traveling time : B_{jk} is the traveling time from location ${\bf k}$ to restaurant j
- **Days-off** : $O_{ij} = 1$ if on date i restaurant j will be open, 0 otherwise
- Actual dining time : E_j is the average dining time of restaurant j, based on historical data on google maps

Parameters(continued)

For student:

- Class-ending location : $S_{ik}=1$ if on date i the student will finish his/her morning class at location k
- Class-starting location : $D_{ik} = 1$ if on date i the student will start his/her afternoon class at location k
- Available time : T_i is the available time for the student on date i, i.e. the time he/she have for a lunch break

Parameters(continued)

(continued)

- Willingness to pay: W_j is the price that the student is willing to pay for a meal of restaurant j
- Budget: M is the budget of the student (monthly)

Parameters(continued)

The others are:

- C_i is the number of weekdays on date i, 1 for Mondays, 7 for Sundays
- H is the basic hourly wage, in our model we set it to 158 NT dollars
- A is a constant used to calculate the decrease of willingness to pay

Notations

- i denotes date, from 1 to 31.
- *j* denotes the number of restaurants, from 1 to 71.
- k denotes the location where student have a class, from 1 to 9 (8 locations & no class).

Formulation

Objective Function → maximize total benefit

$$\max \sum_{i=1}^{31} \sum_{j=1}^{71} x_{ij} (W_j - R_j) + (M - \sum_{i=1}^{31} \sum_{j=1}^{71} (x_{ij} R_j)) - \sum_{i=1}^{31} \sum_{j=1}^{71} \sum_{k=1}^{9} (S_{ik} + D_{ik}) B_{jk} x_{ij} H +$$

$$\sum_{i=1}^{31} \sum_{j=1}^{71} x_{ij} H(T_i - E_j) - A \times \frac{1}{2} \left(\sum_{j=1}^{71} \left(\left(\sum_{i=1}^{31} x_{ij} - 1 \right) \left(\sum_{i=1}^{31} x_{ij} \right) \right) \right)$$



Objective Function(1)

Willingness-to-pay – actual pay = customer surplus

$$\max \sum_{i=1}^{31} \sum_{j=1}^{71} x_{ij} (W_j - R_j) + (M - \sum_{i=1}^{31} \sum_{j=1}^{71} (x_{ij} R_j)) - \sum_{i=1}^{31} \sum_{j=1}^{71} \sum_{k=1}^{9} (S_{ik} + D_{ik}) B_{jk} x_{ij} H +$$

$$\sum_{i=1}^{31} \sum_{j=1}^{71} x_{ij} H(T_i - E_j) - A \times \frac{1}{2} \left(\sum_{j=1}^{71} \left(\left(\sum_{i=1}^{31} x_{ij} - 1 \right) \left(\sum_{i=1}^{31} x_{ij} \right) \right) \right)$$





Objective Function(2)

Budget – total actual pay = the money you saved

$$\max \sum_{i=1}^{31} \sum_{j=1}^{71} x_{ij} (W_j - R_j) + (M - \sum_{i=1}^{31} \sum_{j=1}^{71} (x_{ij} R_j)) - \sum_{i=1}^{31} \sum_{j=1}^{71} \sum_{k=1}^{9} (S_{ik} + D_{ik}) B_{jk} x_{ij} H +$$

$$\sum_{i=1}^{31} \sum_{j=1}^{71} x_{ij} H(T_i - E_j) - A \times \frac{1}{2} \left(\sum_{j=1}^{71} \left(\left(\sum_{i=1}^{31} x_{ij} - 1 \right) \left(\sum_{i=1}^{31} x_{ij} \right) \right) \right)$$





Objective Function(3)

Total travel time

$$\max \sum_{i=1}^{31} \sum_{j=1}^{71} x_{ij} (W_j - R_j) + (M - \sum_{i=1}^{31} \sum_{j=1}^{71} (x_{ij} R_j)) - \sum_{i=1}^{31} \sum_{j=1}^{71} \sum_{k=1}^{9} (S_{ik}) + (D_{ik}) (B_{jk}) x_{ij} (H) + (C_{ik}) (B_{jk}) (B_{j$$

Location parameters

(binary)

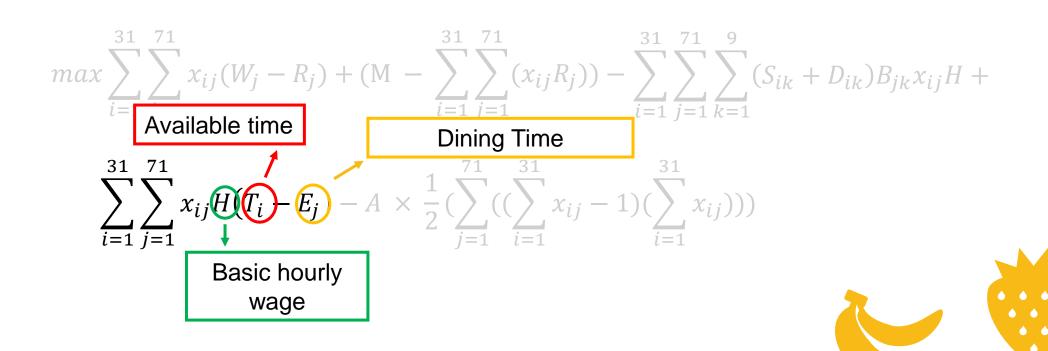
$$\sum_{i=1}^{31} \sum_{j=1}^{71} x_{ij} H(T_i - E_j) - A \times \frac{1}{2} \left(\sum_{j=1}^{71} (\sum_{i=1}^{31} x_{ij} - 1) (\sum_{j=1}^{31} x_{ij})^{\frac{31}{2}} \right)$$
 biking time between locations



Basic hourly

Objective Function(4)

Amount of time saved



Objective Function(5)

The decreasing amount of willingness-to-pay

The total decrease in willingness-to-pay:

$$A \times (0+1+...+\sum_{i=1}^{31} x_{ij})$$

$$\max \sum_{i=1}^{31} \sum_{j=1}^{71} x_{ij} (W_j - R_j) + (M - \sum_{i=1}^{31} \sum_{j=1}^{71} (x_{ij} R_j)) - \sum_{i=1}^{31} \sum_{j=1}^{71} \sum_{k=1}^{9} (S_{ik} + D_{ik}) B_{jk} x_{ij} H +$$

$$\sum_{i=1}^{31} \sum_{j=1}^{71} x_{ij} H(T_i - E_j) - A \times \frac{1}{2} \left(\sum_{j=1}^{71} \left(\left(\sum_{i=1}^{31} x_{ij} - 1 \right) \left(\sum_{i=1}^{31} x_{ij} \right) \right) \right)$$

Const (In our model, A = \$10)





Constraints(1)

Time Constraints

$$\sum_{j=1}^{71} (E_j x_{ij}) + \sum_{k=1}^{9} ((S_{ik} + D_{ik}) B_{jk} x_{ij}) \le T_i, \forall i$$

Budget Constraint

$$\sum_{j=1}^{71} \sum_{i=1}^{31} (x_{ij}) R_j \le M$$

Days-off Constraint

$$O_{ij} \ge x_{ij}, \forall i, j$$



Constraints(2)

Date Constraints

$$x_{ij} = 1$$
, for some i and j

Consecutive Constraint

$$\sum_{i=n}^{n+6} x_{ij} \le 1, \forall n = 1, 2...i - 6$$

Single Choosing Constraint

$$\sum_{j=1}^{71} x_{ij} = 1$$
, if date *i* is weekday

$$\sum_{j=1}^{n} x_{ij} = 0 \text{ , if date } i \text{ is holiday}$$





Solution

Date (Day)	Name of Restaurant	Date (Day)	Name of Restaurant
1 (Monday)	四面八方	8 (Monday)	四面八方
2 (Tuesday)	安好食 (新生)	9 (Tuesday)	咖哩戰線
3 (Wednesday)	鳳城燒臘	10 (Wednesday)	安好食 (新生)
4 (Thursday)	五九麵館	11 (Thursday)	鳳城燒臘
5 (Friday)	不吃	12 (Friday)	不吃

Objective (Total Benefit): 7060.767 NT dollars





Suggestions

Oversimplified the matter
 add more parameters, e.g. the weather, whether the student is with companions

Program effectiveness





Thank you