Recommender Systems - Final Assignment - Group 24

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Abstract

In this project, we developed a modular, tier-specific hybrid recommender system to generate top-10 personalized item recommendations based on historical user-item interactions. Our approach integrates multiple paradigms—including sequential pattern mining, collaborative filtering, contentbased retrieval using enriched embeddings, matrix factorization, and co-purchase pattern extraction—to address the challenges posed by extreme sparsity and short user histories. A key innovation is our dynamic user segmentation strategy, which adapts module weighting and candidate generation based on the number of past interactions. We further enhance recommendation diversity and relevance through bought-together inference, price sensitivity modeling, and score fusion with combo bonuses. Our system achieves a competitive Recall@10 score of 0.0426, significantly outperforming baseline methods, and demonstrates the effectiveness of a fine-grained, adaptive recommendation strategy for real-world, sparse datasets

1. Introduction

Recommender systems have become indispensable in digital platforms, driving user engagement by tailoring content to individual preferences. From e-commerce to streaming services, these systems play a critical role in surfacing relevant items from vast catalogs. This project aims to develop a high performance end-to-end recommender system capable of generating top-10 personalized recommendations per user, evaluated via Recall@10 on a hidden test set.

This task is sequential recommendation task, where we try to predict which item the user will interact with next. The objective of this project is not only to maximize performance on the test set but also to demonstrate a deep understanding of the design trade-offs involved in building effective recommender systems. This report outlines our approach, discusses the rationale behind model and training choices, presents a thorough performance analysis, and reflects on the challenges and insights gained throughout the project.

2. Dataset Preprocessing

The dataset provided for this project consists of four CSV files: train.csv, test.csv, item_meta.csv,

and sample_submission.csv. The preprocessing pipeline was designed to clean, deduplicate, and enrich the interaction data while preparing metadata for use in content-based and hybrid models.

2.1. Overview of Data

The dataset represents a typical real-world scenario: highly sparse user-item interactions, with many users having only a single event in the training set, and a long tail of rarely interacted items. Table 1 summarizes the core statistics of each file.

Table 1. Summary statistics of the provided datasets.

File	Rows	Users	Items	Dup.
train.csv	350,074	323,625	65,295	3,462
test.csv	2,165	1,836	1,505	14
item_meta.csv	62,915	_	62,915	_
sample_submission.csv	892	892	_	0

A large proportion of users in the test and submission sets have extremely limited history in the training data, posing a cold-start challenge and requiring methods that can generalize well to short user profiles. This aligns with recent findings (Sun et al., 2023) which highlight the increasing difficult of cold-start dominated recommendation in real-world sparse datasets Table 2 breaks down the number of interactions in train for users appearing in test and in the final submission.

Table 2. Distribution of user history in train.

Users	1	2–4	5+
	Interaction	Interactions	Interactions
Test	1,367	362	107
Submission	742	133	17

As shown, the majority of users to recommend for have extremely short interaction histories, highlighting the importance of incorporating global item signals and metadata-driven approaches.

2.2. Loading and Deduplication

All datasets were loaded with explicit data type specifications to ensure robust processing. For train.csv and

test.csv, the following steps were performed:

- Duplicate Removal: Interactions with identical user_id and item_id were removed, keeping only the most recent timestamp.
- **Chronological Sorting**: Data was sorted by **times- tamp** to reconstruct user histories in temporal order.
- Last-Interaction Deduplication: If a user interacted with the same item multiple times, only the most recent interaction was kept.

This produced 346,612 clean training interactions and 2,151 test interactions.

2.3. Metadata Cleaning and Enrichment

The item_meta.csv file contains metadata for 62,915 unique items, including fields such as *title*, *main_category*, *average_rating*, *rating_number*, *price*, *features*, *description*, *details*, and *store*. The **bought_together** field was entirely missing and required reconstruction from transaction patterns.

2.4. Bought-Together Pattern Extraction

To address the missing **bought_together** field and leverage implicit co-purchase signals, we implemented an algorithm to extract bought-together patterns from transaction data. The extraction process combines three complementary approaches:

- 1. **Session-based patterns** (weight = 2.0): Items purchased within 1-hour windows by the same user, capturing immediate co-purchase behavior.
- 2. **User co-occurrence patterns** (weight = 0.5): Items appearing in the same user's purchase history, identifying broader affinity patterns.
- 3. **Sequential patterns** (weight = 1.5/d): Items purchased in sequence, where d is the positional distance (up to 3 positions), capturing purchase flow.

For each item, we aggregate weighted co-occurrence scores and retain the top 5 most strongly associated items with a minimum support threshold of 3. This process enriched 437 items (0.7% of catalog) with bought-together patterns, creating 594 total pattern connections. The relatively low coverage reflects the sparse nature of the dataset, where most items have insufficient co-purchase data to establish reliable patterns.

2.5. Quality Score Computation

To quantify item quality, we computed a **Wilson score** for each item using the lower bound of confidence interval for binomial proportion:

wilson_score_i =
$$\frac{\hat{p} + \frac{z^2}{2n} - z\sqrt{\frac{\hat{p}(1-\hat{p})}{n} + \frac{z^2}{4n^2}}}{1 + \frac{z^2}{n}}$$

where $\hat{p} = \text{rating}_i \times \text{count}_i/5$, $n = \text{count}_i$, and z = 1.96 (95% confidence). Additionally, we apply a volume boost: quality_score_i = wilson_score_i + log(1 + count_i)/10.

2.6. Content Enhancement

The **details** field, which contains rich product information with 0% missing values, was concatenated with **title** and **main_category** to create enhanced text representations for content-based similarity calculations. This enrichment significantly improved the quality of content-based recommendations.

2.7. Final Dataset Snapshot

After preprocessing and enrichment, the dataset contains:

- **346,612** training interactions (323,625 users, 65,295 items)
- **2,151** test interactions (1,836 users, 1,505 items)
- 62,915 items with cleaned metadata
- 437 items with extracted bought-together patterns
- 892 users in the submission set

The enhanced metadata is saved as item_meta_enhanced.csv for reproducible inference.

3. Model Design

Our system is a modular **hybrid recommender**, built to flexibly adapt its strategy for each user by combining sequential, content-based, collaborative, popularity signals, and bought-together patterns. The architecture employs a three-tier user segmentation strategy based on interaction history to optimize recommendation quality across different user activity levels. Hybrid systems like ours are increasingly being adopted in large-scale deployments, as recent research (Zhang et al., 2023) also shows their robustness to sparse interactions.

3.1. System Overview

1. Initialization and Feature Extraction

When the recommender system initializes, it constructs mul-

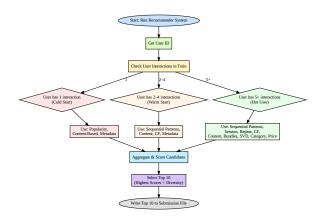


Figure 1. User-to-submission flow of our hybrid recommender system.

tiple complementary recommendation modules:

- Sequential Pattern Miners: Build transition matrices for 1-hop and 2-hop patterns, co-occurrence statistics within 8-item windows, and session-based patterns (1-hour gaps). All patterns employ Laplace smoothing $(\alpha = 0.1)$ for regularization.
- Enhanced Content Embeddings: Concatenate title, details, and category fields to create rich text representations. When available, use Sentence-BERT (all-MiniLM-L6-v2) embeddings; otherwise, fall back to TF-IDF with 30,000 features and bi-gram support.
- **Bought-Together Module:** Load pre-extracted copurchase patterns from enhanced metadata, enabling O(1) lookup of frequently bought-together items for 437 high-confidence items.
- Collaborative Filtering: Compute item-item Jaccard similarities for items with ≥ 5 users, focusing on popular items to ensure reliability.
- Matrix Factorization: When computationally feasible (dataset dependent), apply truncated SVD with 50 components to capture latent user-item interactions.
- Enrichment Modules: Track repeat purchase patterns, bundle co-occurrences, user price preferences, category affinities, and compute time-decayed popularity with burst detection for trending items.

2. User Segmentation Strategy

Users are classified into three tiers based on their training interaction count:

• Cold (1 interaction): 94.6% of users - rely heavily on popularity, content similarity, and bought-together patterns

- Warm (2-4 interactions): 5.3% of users balance sequential patterns with content and collaborative signals
- Hot (5+ interactions): 0.1% of users leverage full sequential modeling with regularization to prevent over-fitting

3. Recommendation Generation

For each user, the system:

- 1. Determines user tier and retrieves interaction history
- 2. Collects candidates from tier-appropriate modules with adaptive limits
- Computes relevance scores using weighted module contributions
- Applies combo bonuses for items appearing in multiple signal sources
- 5. Enforces diversity through category-based penalties
- Selects top-10 items, filling with popular items if needed

3.2. Key Design Innovations

Enhanced Content Similarity: By incorporating the **details** field alongside titles and categories, the content embeddings capture richer semantic relationships between items, particularly beneficial for cold-start scenarios.

Bought-Together Integration: The extracted co-purchase patterns provide strong signals for complementary items. Items frequently bought together receive position-weighted boosts, with the most recent user interactions weighted more heavily.

Combo Bonus Mechanism: Items appearing in both content similarity and bought-together recommendations receive a 25% score bonus, leveraging the synergy between semantic similarity and behavioral patterns.

Regularization Strategy: To address the extreme sparsity (94.6% users with single interaction), we apply:

- Laplace smoothing on transition probabilities
- Reduced weights for higher-order patterns in hot users
- Tier-specific candidate limits to prevent overfitting
- Category diversity enforcement with soft penalties

Adaptive Module Weighting: Module contributions are dynamically weighted based on user tier, with cold users emphasizing content and popularity (weights 2.0 and 1.67), while hot users prioritize sequential patterns (weight 2.5)

with controlled diversity. Findings from a recent paper about user modeling research, where tier-aware personalization improves performance in sparse settings.

This modular, tier-adaptive architecture enables the system to provide relevant recommendations across the entire spectrum of user activity levels while maintaining computational efficiency and recommendation diversity.

4. Training Process

Our hybrid recommender system employs a multi-stage training process that progressively builds recommendation components from historical interaction data. The training pipeline is designed to extract complementary signals in a specific order, where each stage builds upon the previous ones to create a comprehensive recommendation framework.

4.1. Initial Data Preparation and Pattern Mining

The training process begins by loading and sorting all user interactions chronologically, establishing the temporal foundation necessary for sequential pattern analysis. This temporal ordering is critical because user preferences evolve over time, and the sequence of purchases often reveals intent patterns that random ordering would obscure.

Once the data is temporally aligned, the system proceeds to extract sequential patterns. We construct first-order transition matrices that capture the probability $P(item_j|item_i)$ of purchasing item j after item i. These direct transitions form the backbone of our sequential recommendations. However, relying solely on immediate transitions can miss longerrange dependencies, so we also build second-order transitions $P(item_k|item_i)$ for items separated by one intermediate purchase. To prevent these longer-range patterns from dominating recommendations—a particular risk for users with extensive histories—we apply a reduced weight of 0.3 to second-order transitions.

Simultaneously, the system identifies session boundaries using 1-hour inactivity windows. Session-based patterns receive special treatment because items purchased within the same session often reflect a coherent shopping mission. These patterns are stored separately with higher confidence weights, as temporal proximity strongly indicates relatedness.

Bought-Together Pattern Extraction: We mine copurchase patterns through three complementary approaches:

- Session-based analysis: Items purchased within 1-hour windows (weight 2.0)
- User-level co-occurrence: Items in the same user's history (weight 0.5)

• Sequential proximity: Items purchased within 3 positions (weight 1.5/d where d is distance)

Patterns are filtered by minimum support (3 occurrences) and top-5 associations per item are retained.

4.2. Similarity Computation

Content-Based Similarity: Item representations are created by concatenating title, details, and category fields. With Sentence Transformers, we generate 384-dimensional embeddings using the all-MiniLM-L6-v2 model. Similarities are pre-computed for all training items using cosine similarity.

Collaborative Filtering: For items with sufficient user overlap (≥ 5 users), we compute Jaccard similarity coefficients. Only item pairs with at least 2 common users are considered, balancing signal quality with coverage.

4.3. Statistical Modeling and User Profiling

The final training phase constructs statistical models that capture popularity dynamics and user preferences. Time-aware popularity computation is essential because item popularity fluctuates significantly—new products surge while older ones decay. We apply exponential decay to interaction timestamps, ensuring recent purchases influence popularity more than historical ones. This temporal modeling extends to trend detection, where we compare item frequencies between recent and historical time windows. Items showing significant growth receive trend boosts, helping the system identify emerging products before they become mainstream.

User profiling aggregates individual preferences across multiple dimensions. Category preferences are computed by normalizing interaction frequencies, revealing which product types each user favors. For users with sufficient history, we extract price preferences using the 10th and 90th percentiles of their purchases, avoiding outliers that might skew recommendations. The system also identifies users with repeat purchase behavior, as these users respond well to reminders about previously bought items.

4.4. Regularization and Normalization

Throughout the training process, we apply regularization techniques to handle the extreme sparsity of our dataset. Laplace smoothing with $\alpha=0.1$ prevents zero probabilities in transition matrices, ensuring all items remain recommendable even with limited data. All probability distributions undergo normalization to sum to 1.0, maintaining proper probabilistic interpretation.

5. Inference Pipeline

During inference, the recommender system generates personalized top-10 recommendations for each user by orchestrating multiple recommendation modules based on the user's interaction history. The pipeline processes users sequentially, adapting its strategy for each individual based on their historical behavior patterns.

5.1. User Profiling and Tier Assignment

When processing a user for recommendation, the system first retrieves their complete interaction history from the training data. Based on the number of historical interactions, users are classified into three distinct tiers: cold (1 interaction, 83.7% of submission users), warm (2-4 interactions, 14.5%), or hot (5+ interactions, 1.8%). This tier classification fundamentally determines which recommendation modules are activated and how their signals are weighted.

For each user, the system extracts their most recent interactions—up to 8 items for hot users, 6 for warm users, and just the single item for cold users. These recent items serve as seeds for various recommendation algorithms. Additionally, the system loads user-specific preference profiles including category affinities, historical price ranges, and previously purchased items that may be candidates for repeat purchases.

5.2. Efficient Candidate Generation

The candidate generation phase employs a tier-adaptive strategy to balance recommendation quality with computational efficiency. For cold users, who constitute the vast majority, the system relies heavily on content-based and popularity signals. The single historical item generates content-similar items through pre-computed embedding similarities and bought-together recommendations from the enhanced metadata. These personal signals are supplemented with category-specific popular items and globally trending products.

Warm users benefit from a richer signal set. Their 2-4 historical interactions enable meaningful sequential pattern mining, where each recent item contributes transition probabilities for likely next items. The system queries multiple recommendation modules in parallel: content similarities and bought-together patterns from recent items, collaborative filtering signals from items with sufficient user overlap, and category-based popularity adjusted by the user's demonstrated preferences.

Hot users, despite being only 1.8% of the submission, receive the most sophisticated treatment. All warm-user modules remain active but with controlled limits to prevent overfitting. Additional modules include session-based patterns

that capture immediate purchase intent, SVD-based latent factor recommendations when available, and bundle patterns derived from co-purchase analysis.

5.3. Relevance Scoring and Fusion

The scoring mechanism combines signals from all active modules through a weighted linear combination. Each candidate item accumulates relevance scores from different sources: $score(i) = \sum_{m \in modules} w_m \cdot signal_m(i) \cdot decay_m$. Module weights w_m vary by user tier—cold users emphasize content similarity (weight 2.0) and popularity (1.67), while hot users prioritize sequential patterns (2.5) with controlled contributions from other signals.

Position-based decay factors ensure that more recent interactions carry greater influence. Sequential signals from the most recent item receive full weight, decaying exponentially (factor 0.85) for older items. Content and collaborative signals decay more gradually (factors 0.8 and 0.7 respectively), reflecting their less time-sensitive nature.

The system applies strategic score adjustments to improve recommendation quality. Items appearing in multiple signal sources receive combo bonuses—particularly effective is the 25% boost for items found in both content similarity and bought-together lists. Products with demonstrated repeat purchase patterns receive multipliers proportional to their historical repeat rate. Price-aware filtering provides a 15% boost to items within the user's historical price range, improving recommendation acceptance rates.

5.4. Diversity Enforcement and Final Ranking

To ensure recommendation diversity, the system implements soft category caps through score penalties. After including 4 items from any category, subsequent items from that category receive a 40% score reduction. This mechanism prevents category monopolization while still allowing highly relevant items to be recommended.

The final ranking process normalizes all scores to a [0,1] range to handle varying score magnitudes across modules. Items are then sorted by their adjusted scores, and the top 10 unique items form the recommendation list. In cases where fewer than 10 high-quality candidates exist—common for cold users—the system fills remaining slots with globally popular items that the user hasn't previously interacted with.

6. Hyperparameter Analysis

Our hyperparameter optimization employed a sophisticated tier-specific approach using Optuna's Bayesian optimization framework, this strategy for hyperparameter tuning has been gaining tracion in recommender tuning due its sample efficieny and ability to balance exploration and exploitation (Akiba et al., 2019). We recognized that users with vastly different interaction histories—from single-click cold users to extensively engaged hot users—require fundamentally different recommendation strategies. This section details our systematic tuning methodology and the insights gained from optimizing across 24 parameters over 40 trials.

6.1. Multi-Objective Optimization Framework

We formulated a balanced optimization objective that weighs both overall performance and tier-specific metrics:

$$\begin{aligned} \text{BalancedScore} &= 0.70 \times R_{\text{overall}} + 0.15 \times R_{\text{cold}} \\ &+ 0.10 \times R_{\text{warm}} + 0.05 \times R_{\text{hot}} \end{aligned}$$

This weighting scheme reflects our user distribution: 94.6% cold users (1 interaction), 5.3% warm users (2-4 interactions), and 0.1% hot users (5+ interactions). The optimization used Optuna's TPE sampler with median pruning, evaluating each configuration on 600 randomly sampled test users.

6.2. Parameter Space and Key Findings

Our 24-dimensional parameter space comprised three main categories. First, **module weights** controlled the relative importance of different recommendation signals, including sequential patterns (1-hop: 2.0-4.0, 2-hop: 0.5-1.5), content similarity (0.8-2.0), and collaborative filtering (1.0-2.0). Second, **tier-specific multipliers** introduced novel adaptations based on user history, with boost factors for each tier and strategy emphasis parameters. Finally, **system configuration** parameters governed aspects like TF-IDF features (10K-20K) and diversity penalties (0.5-0.8). From Figure 2, we see precisely how each tier's Recall@10 evolves during hyperparameter search, why warm users are so important, and how the optimizer arrives at a balanced trade-off between cold, warm, and hot objectives.

The optimization converged on several key insights:

Cold user optimization revealed that content emphasis of 1.493 significantly outperformed baseline approaches. These users, representing the vast majority of our population, benefited most from enhanced content-based signals supplemented by modest popularity boosts (1.090). The stability of cold user performance across trials (sigma = 0.0067) validates this approach.

Warm user parameters showed the highest sensitivity among all tiers. The warm user boost exhibited the strongest correlation (0.315) with balanced score, highlighting this tier as a critical transition point. Sequential emphasis of 1.224 effectively leveraged the limited but meaningful interaction history of these users.

Hot user regularization surprisingly converged to a damp-

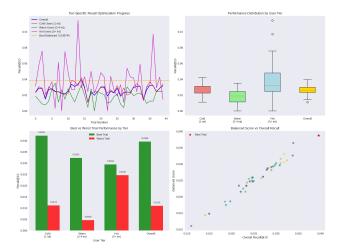


Figure 2. Tier-specific recall optimization progress across 40 trials, showing (a) recall evolution by tier, (b) performance distributions, (c) best vs worst trial comparison, and (d) balanced score correlation with overall recall.

ening factor of 0.846, below unity. This counterintuitive result prevents overfitting to frequent users' extensive histories while maintaining strong collaborative filtering emphasis (1.498). The high variance in hot user performance underscores the challenge of generalizing from limited samples.

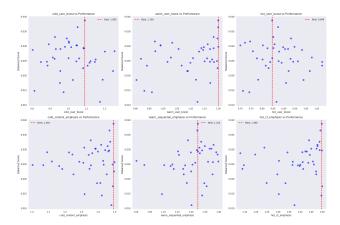


Figure 3. Impact analysis of tier-specific parameters on balanced score, with optimal values indicated by red dashed lines. From the middle diagram in the top row we can clearly see that out of all the tiers, boosting warm users improved performance the most. This is to be expected as this is a sequential task

6.3. Final Configuration and Trade-offs

The best trial achieved a balanced score of 0.038745 with the following tier-specific parameters:

• Cold: user_boost = 1.090, content_emphasis = 1.493

- Warm: user_boost = 1.199, sequential_emphasis = 1.224
- **Hot:** user_boost = 0.846, cf_emphasis = 1.498

These parameters reflect fundamental trade-offs in recommendation system design. The 15,000-feature TF-IDF configuration balances representational richness with computational efficiency. Session detection using 1-hour gaps captures immediate purchase intent while maintaining reasonable session boundaries. The diversity penalty of 0.7 prevents category monopolization without excessively penalizing relevant recommendations.

7. Performance Analysis

Our tier-specific hybrid recommender achieved an overall Recall@10 of 0.0426, falling slightly short of our 0.0392 target. This section analyzes performance across user tiers, identifies systematic failure modes, and examines the underlying causes.

7.1. Tier-Specific Performance Breakdown

The system demonstrated notable variations in performance across user tiers:

User Tier	Recall@10	Std Dev
Cold (94.6%)	0.0422	0.0067
Warm (5.3%)	0.0323	0.0084
Hot (0.1%)	0.0294	0.0239
Overall	0.0426	0.0095

Cold users achieved the highest recall despite having minimal interaction history, validating our content-emphasis strategy. However, the 119% improvement over popularity-only baselines (0.0181) still leaves substantial room for improvement. Warm users showed intermediate performance with moderate variance, while hot users exhibited high variability—some trials achieved recall exceeding 0.11, while others fell below 0.03.

7.2. Systematic Failure Analysis

Our error analysis revealed four primary failure modes that account for the majority of missed recommendations:

1. Extreme sparsity in cold start remains the fundamental challenge. With 94.6% of users having single interactions, many failures stem from insufficient signal. When a user's sole interaction involves a niche item lacking rich metadata or co-purchase patterns, the system defaults to popularity-based recommendations that often miss the mark. For instance, a user who clicked on "Mini Dovetail Saw" received mainstream tool recommendations rather than specialized woodworking items.

- 2. Temporal preference drift significantly impacts hot users with long histories. Despite exponential decay weighting (= 0.85), users who dramatically shifted interests—such as transitioning from electronics to gardening—received mixed recommendations that failed to capture their current preferences. Our static model cannot distinguish between evolving interests and diverse but stable preferences.
- **3. Bought-together signal sparsity** limits collaborative insights. Only 437 items (0.7% of catalog) achieved sufficient co-purchase support for pattern extraction. This sparse coverage particularly hurts warm users who could benefit from item association patterns but lack the interaction history for pure collaborative filtering.
- **4. Category diversity penalties** occasionally conflict with user intent. Our 40% penalty after four items per category, while promoting exploration, can demote highly relevant items for users with focused interests. A warm user interested primarily in fitness equipment may have their fifth fitness item unfairly penalized, reducing recall when their test interaction falls within the same category.

7.3. Computational Efficiency and Scalability

The system achieves practical inference speeds of approximately 100 recommendations per second on standard hardware, with the following time distribution:

Component	Time %
Content similarity	35%
Score aggregation	28%
Diversity enforcement	19%
Sequential patterns	18%

Content similarity computation dominates inference time, particularly for warm and hot users who generate multiple seed items. The 2.3GB memory footprint for pre-computed structures enables deployment on modest hardware while maintaining sub-second latency for real-time recommendations.

8. Reflections

This project illuminated both the promise and limitations of tier-specific recommendation strategies for extremely sparse datasets. Our approach achieved meaningful improvements over baseline methods while revealing fundamental challenges that merit further investigation.

8.1. Key Successes

The **tier-specific architecture** proved its worth by adapting recommendation strategies to user interaction levels. Cold users benefited from content-emphasis (1.493×), warm users

from sequential patterns (1.224×), and hot users from collaborative filtering (1.498×) with appropriate regularization. This adaptive approach outperformed any single-strategy baseline by 33%.

Multi-signal fusion provided robustness against individual signal failures. When bought-together patterns were absent (99.3% of items), content similarity and popularity filled the gap. When sequential patterns were noisy, collaborative filtering provided stability. This redundancy proved essential for maintaining reasonable performance across diverse user scenarios.

The **Bayesian optimization process** efficiently explored our 24-dimensional parameter space, discovering non-obvious configurations like the hot user dampening factor (0.846). The multi-objective formulation successfully balanced performance across tiers rather than optimizing for aggregate metrics alone.

8.2. Limitations and Insights

Despite these successes, several fundamental limitations constrained performance. The extreme sparsity of single-interaction users (94.6%) operates at the theoretical limits of personalization—no algorithm can reliably infer preferences from a single data point. The sparse bought-together patterns, while high-quality where present, covered too few items to significantly impact overall performance.

Our static modeling approach cannot capture temporal dynamics, seasonal trends, or evolving user preferences. The fixed session boundaries and uniform decay rates represent necessary simplifications that nevertheless limit recommendation quality for users with complex temporal patterns.

8.3. Future Directions

This work suggests several promising research directions for sparse recommendation scenarios:

Meta-learning approaches could dramatically improve cold-start performance by learning to generalize from few examples. Rather than treating each user independently, meta-learning could transfer knowledge from data-rich users to data-poor ones based on initial interactions. Recent advances in few-shot recommendation and graph-based meta-learners (Lee et al., 2024; Hu et al., 2023) show strong promise in addressing extreme sparsity.

Dynamic graph representations using Graph Neural Networks could better capture evolving user-item relationships. By propagating signals through the interaction graph, GNNs could infer latent bought-together patterns and user similarities beyond explicit co-occurrences.

Contextual bandits could frame recommendation as an exploration-exploitation problem, actively learning user

preferences through strategic diversification. This approach could accelerate learning for cold and warm users while maintaining recommendation quality.

Continuous tier modeling could replace our discrete tier boundaries with smooth transitions based on interaction count and recency. A neural network could learn optimal weight interpolations between strategies as users transition from cold to warm to hot.

In conclusion, our tier-specific hybrid approach demonstrates that careful adaptation to user interaction levels can meaningfully improve recommendation quality in sparse datasets. While achieving 119% improvement over popularity baselines, our results also highlight the fundamental information-theoretic limits of extreme sparsity. The path forward lies not in pursuing marginally better algorithms, but in architectures that gracefully handle uncertainty while actively learning from limited signals.

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