

Session 5: Algorithmic Thinking II

- 1) **Describe** the task succinctly and precisely.
- 2) **Decompose** the task into components and describe how to do each in English.
- 3) **Translate** each component into code and test them independently.
- 4) **Combine** together and test.

Paper Coding Exercise (20 minutes)

Without using a computer, hand write Python code that implements the following logic: Given a list named `curVal`, representing the valuation (willingness to pay) of a customer for two products, as well as list named `priceVector`, representing the price of the two products, print "Purchase product 0" if the customer purchases the first product; print "Purchase product 1" if the customer purchases the second product; print "Purchase nothing" if the customer purchases neither.

Assumptions: If the customer's valuations for both products are greater than or equal to the corresponding prices, then the customer will purchase the product in which his/her valuation minus the price is the largest. If there is a tie, then the customer will purchase the first product.

For example, if the valuation of a customer is $[9, 8]$ then

- If `priceVector=[6,4]`, then the customer will purchase the second product because $8 - 4 > 9 - 6$.
- If `priceVector=[5,4]`, then the customer will purchase the first product because $9 - 5 \geq 8 - 4$.
- If `priceVector=[10,8]`, then the customer will purchase the second product.
- If `priceVector=[10,10]`, then the customer will purchase neither products.

```
[1]: # Input
    curVal=[25,15]
    priceVector=[25,10]
    # Write your code below
```

After you are done, trace through your code several times with different values of `curVal` and `priceVector` and check for syntax or logical errors.

Q2: Exchange your code with a neighbor and help one another check for errors. If you find an error, explain it to your neighbor with concrete inputs.

(Optional exercise if you finish early): Modify your code to work when `curVal` and `priceVector` are lists of arbitrary length. (Still do this on a piece of paper without the help of a computer.)

Case 8: Demand Estimation for Substitutable Products

Write a function named `demand` with two input arguments:

- `priceVector`: a list of length 2 containing two positive numbers, corresponding to the proposed prices for the two products.
- `values`: a list in which each element is a list of length 2, corresponding to the valuation of a customer for the two products.

The function should return a list of two numbers, representing the number of customers purchasing each product. Assume the same customer behavior as in the paper coding exercise.

```
values=[[25,15],[18,18],[30,20],[30,30]]
priceVector=[25,20]
demand(priceVector,values)
```

```
[2, 1]
```

I. Describe:

For each customer, figure out which of the products will he/she purchase, if any. Keep track of the total number of customers purchasing each product.

II. Decompose:

A. Loop through the customers.

B. Figure out which product will a given customer purchase, if any. (Paper coding exercise)

C. Keep track of the total number of customers purchasing each product: define a variable for each product tracking the number of customers purchasing that product so far, and incrementing this by one when needed.

III. Translate:

```
[2]: # A. Loop through...
      values=[[25,15],[18,18],[30,20],[30,30]]
      # Write your code below
```

```
25 15
18 18
30 20
30 30
```

```
[3]: # B. Figure out... (Paper coding exercise solution)
      curVal=[25,15]
      priceVector=[25,10]
```

```
Purchase product 1
```

```
[5]: # C. Keep track...
    count=[0,0]
    # Write your code below
```

```
    print(count)
```

```
[2, 1]
```

IV. Combine

```
[1]: # Intermediate version with print outputs and no function encapsulation
    values=[[25,15],[18,18],[30,20],[30,30]]
    priceVector=[25,20]
```

```
Current value vector: [25, 15]
    Difference of valuation and prices 0 -5
    Purchase product 0
    Count: [1, 0]
Current value vector: [18, 18]
    Difference of valuation and prices -7 -2
    Purchase nothing
Current value vector: [30, 20]
    Difference of valuation and prices 5 0
    Purchase product 0
    Count: [2, 0]
Current value vector: [30, 30]
    Difference of valuation and prices 5 10
    Purchase product 1
    Count: [2, 1]
```

```
[7]: # Code to test your final solution (after you encapsulate it in a function)
    values=[[25,15],[18,18],[30,20],[30,30]]
    priceVector=[25,20]
    demand(priceVector,values)
```

```
[2, 1]
```

Case 9. Queuing Analysis

A popular fast food restaurant is planning to open a branch in a new location and wants to decide how many servers to hire. To help them, write a function `queueLength` with two input parameters:

- `k`: the number of customers that can be served in a minute. (assumed to be integer)
- `demand`: a list of integers specifying how many customers arrive each minute. (For simplicity, assume that customers arrive at the beginning of each minute and up to `k` customers can be served instantly.)

Let T be the length of the list. The function should return the average queue length at the end of the given T minutes.

For example, if `k=3` and `demand=[2,3,6,8,10,2,1,0,1,0]`, the following table summarizes the evolution of the queue.

Minute	# of Arrivals	# Served	Queue Length at End of Minute
0	—	—	0
1	2	2	0
2	3	3	0
3	6	3	3
4	8	3	8
5	10	3	15
6	2	3	14
7	1	3	12
8	0	3	9
9	1	3	7
10	0	3	4
Average	3.3	—	7.2

To illustrate why this function is useful, according to a mathematical result known as Little's Law, the average queuing time of customers is

$$\frac{\text{Average Queue Length}}{\text{Average Arrival Rate}} = \frac{7.2}{3.3} \approx 2.2 \text{ minutes.}$$

I: Describe

II: Decompose

III-IV: Translate and Combine

Having this function allows the company to run the following analysis:

```
[9]: k=3
    demand=[2,3,6,8,10,2,1,0,1,0]
    print(f'Average queue length is {queueLength(k,demand)} customers.')
```

Average queue length is 7.2 customers.

```
[10]: import numpy as np
    print(f'Average queuing time is {queueLength(k,demand)/np.average(demand):.1f} minutes.')
```

Average queuing time is 2.2 minutes.

```
[11]: # Find the k needed to keep average waiting time at or below 1.5 minutes.
    demand=[2,3,6,8,10,2,1,0,1,0]
    k=1
    while (queueLength(k,demand)/np.average(demand)>1.5):
        k+=1
    print(f'Service rate needed to keep waiting time below 1.5 minutes: k={k}.')
```

Service rate needed to keep waiting time below 1.5 minutes: k=4.