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### Master of Technology in Knowledge Engineering

#### **Unit 7:**

**Developing Intelligent Systems for Performing Business Analytics** 

### **Optimisation Workshop Hints**

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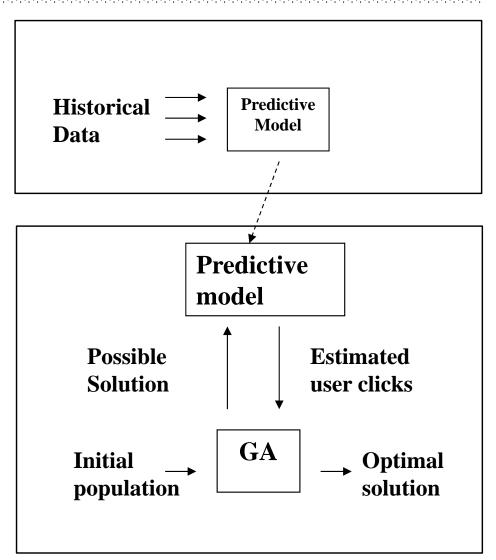
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### Workshop 1A: One Possible Solution Architecture

- A predictive model is built using the historical records. This model is then used as a fitness function for a GA-based search for an optimal plan.
- You may adopt any other architecture you think appropriate. Your system should use at least two different KE techniques.







### Suggested Steps

- Step1: Build a predictive model to forecast the user clicks
  - Regression model
  - Neural network **>>**
  - Data pre-processing? How to evaluate the model?
- Step2: Build a GA model to search for an optimal plan
  - Decide input variables
  - Write a fitness function which makes use of the predictive model output **>>**
  - How are the problem constraints to be handled? **>>**
  - Experiment with learning parameters (population size, mutation rate, etc). **>>**
  - Is there premature convergence? **>>**
  - Run the system many times to obtain the best plan **>>**





## Suggested Steps

### Step3: Evaluate the plan using the "real" model

- You must evaluate the advertising plan generated by your system to see if your system is performing well or badly. You can use the program **AdModel.exe**
- Is the result produced by your system different from the actual one obtained by inputting the plan into AdModel.exe? If yes, then how can your predictive or GA models be improved? Iterate from Step1 or Step2.



### Software

- Can undertake workshops using Excel Data Analysis + Excel Solver.
- Use Regression Analysis under Excel Data Analysis
- Use Excel Solver for GA





# **Optimisation Workshop 1B**





## Part B: Utilising Background Knowledge



- » the number of user clicks depends on the time of day in which the ads are displayed
- » the day is divided into three time periods within which the number of user clicks per hour is stable
- » the type of ads selected for each website can be modelled simply as a scale factor i.e.

User clicks achievable from ad<sub>j</sub> for display duration D using website W=

 $(dur-1*clk-1+dur-2*clk-2+dur-3*clk-3)*scalefactor_{i}$ 

Where clk-i is the user clicks achievable per hour for the i-th time period (i = 1 to 3) and dur-i is the time duration that  $\mathbf{ad}_{j}$  (j = 1 to 6) is displayed on website W during the i-th time period.

Note dur-1, dur-2, dur-3 form a continuous time period and dur-1 + dur-2 + dur-3 = D





## Part B: Utilising Background Knowledge

- How can your solution architecture be modified to make use of this background knowledge?
- Suggestions from the class!!!!!





## Suggested Steps for Workshop 1B

- Use Excel-Solver to build a model for the five websites
  - » i.e. learn the three time-periods and their associated clicks per hour for each website and learn the scale factor for each ad.
- Then use the built model instead of the regression model to optimise the advertising plan to meet the budget of \$300 (i.e. as in part-A).