Exercise10:

The goal is to decide if someone buys a computer or not. Derive the best decision tree by calculating a little by hand (Shannon). At least the first split.

Calculating the Entropy and Gain for Decision Tree

Buy Computer

Buy		
Computer		
yes	no	sum
12	8	20

Age

	Buy	Buy	
	computer	computer	
	yes	no	sum
<30	2	6	8
3140	6	0	6
>40	4	2	6

Income

	Buy	Buy	
	computer	computer	
	yes	no	sum
high	3	2	5
medium	5	3	8
low	4	3	7

Student

	Buy	Buy	
	computer	computer	
	yes	no	sum
yes	8	1	9
no	4	7	11

Credit rating

	Buy	Buy	
	computer	computer	
	yes	no	sum
Fair	7	3	10
Excellent	5	5	10

Calculated with ID3 method from http://www.saedsayad.com/decision_tree.htm

Entropy Buy Computer

Entropy(BuyComputer, Age)

E(BuyCompter, Age) =
$$P(<30)*E(2,6) + P(31..40)*E(6,0) + P(>40)*E(4,2)$$

= $(8/20)*0.811 + (6/20)*0 + (6/20)*0.918$
= 0.6

Entropy(BuyComputer, Income)

E(BuyComputer, Income) =
$$P(high)*E(3,2) + P(medium)*E(5,3) + P(low)*E(4,3)$$

= $(5/20)*E(3,2) + (8/20)*E(5,3) + (7/20)*E(4,3)$
= $0.25*0.971 + 0.4*0.954 + 0.35*0.9855$
= 0.96

Entropy(BuyComputer, Student)

E(BuyComputer, Student) = P(IsStudent)*E(8,1)+P(noStudent)*E(4,7)
=
$$(9/20)*(E8,1) + (11/20)*E(4,7)$$

= $0.45*0.5044 + 0.55*0.9457$
= 0.747

Entropy(BuyComputer, CreditRating)

E(BuyComputer, CreditRating) = P(Fair)*E/7,3) + P(Excellent)*E(5,5)

Calculating the GAINs

G(BuyComputer,Age) = E(BuyComputer) - E(BuyComputer,Age)
$$= 0.971 - 0.6$$

$$= 0,371$$
G(BuyComputer,Income) = E(BuyComputer) - E(BuyComputer,Income)
$$= 0.971 - 0.96$$

$$= 0,011$$

$$G(BuyComputer,Student) = E(BuyComputer) - E(BuyComputer,Student)$$

$$= 0.971 - 0.747$$

$$= 0.224$$

$$G(BuyComputer,Creditrating) = E(BuyComputer) - E(BuyComputer,Creditrating)$$

$$= 0.971 - 0.941$$

= 0.03

Resume

So the most important impact ist the person's age, followed by is a student or not.

The most unimportant property in this example is the person's income, a surprising result for me.

So our decision tree should start with age, followed by property 'is student', then person's creditrating and at least person's income.