



Applied Deep Learning

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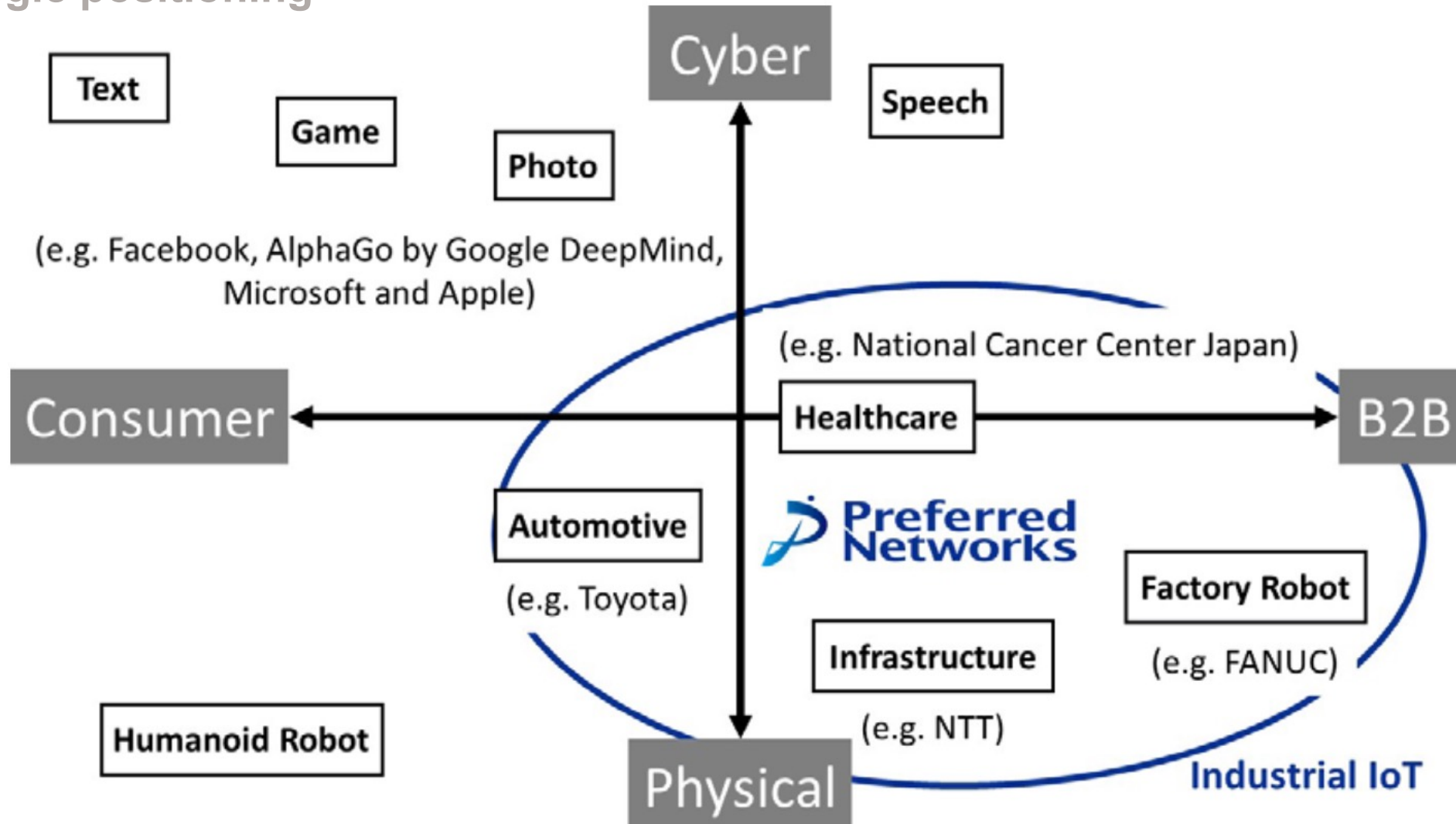
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Preferred Networks

- Founded in 2006 by Daisuke Okanohara and Toru Nishikawa as "Preferred Infrastructure"
- Original focus: search engines and natural-language processing
- Key strength: image analysis → attention from Sony
- Pivot in 2014 to "Preferred Networks"



Strategic positioning



Source: Company documents.



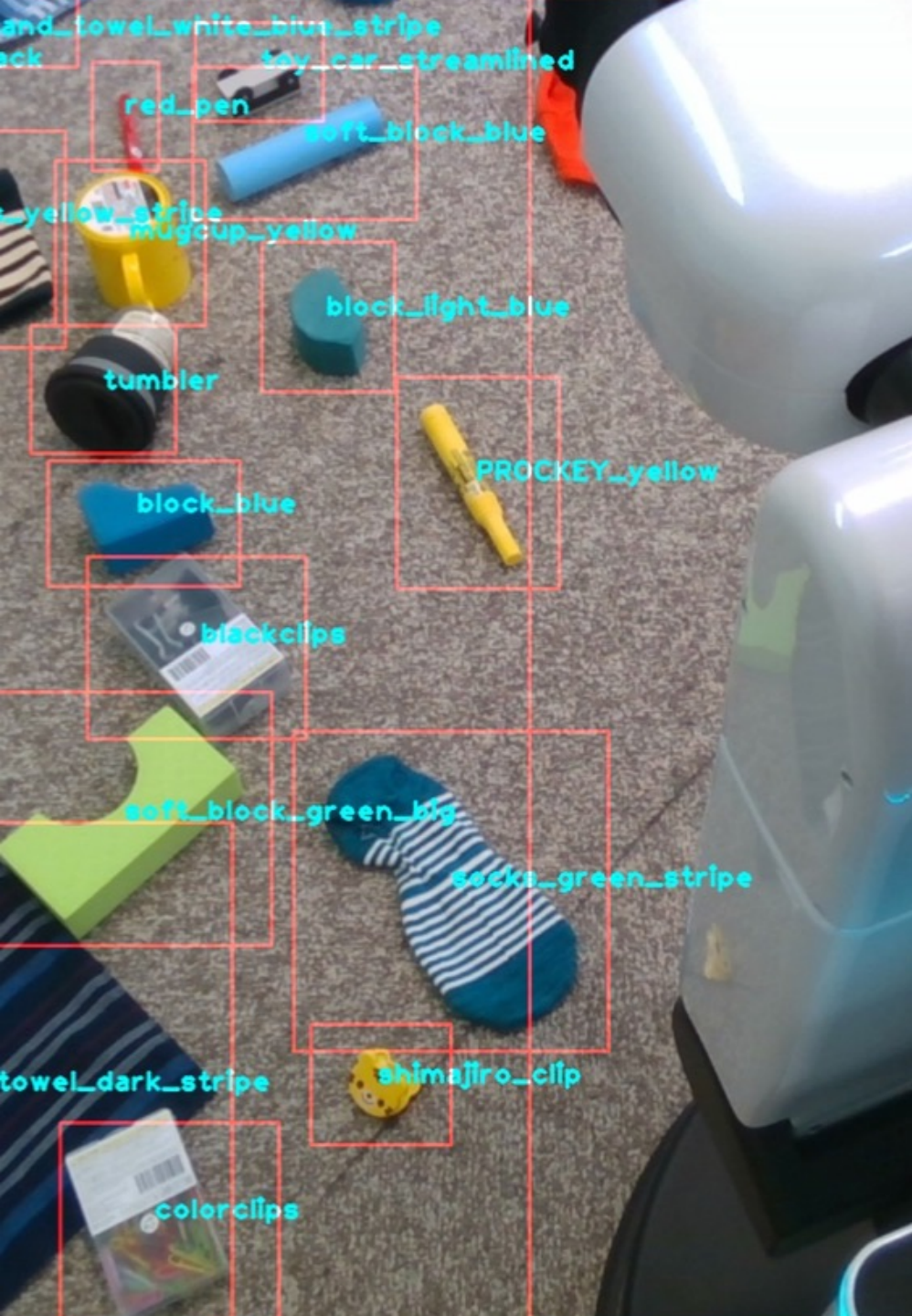
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How is the technology operating?

What business model might Preferred Networks use?



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In groups of 4-6, choose one business model for Preferred Networks and prepare arguments to defend your choice.

What are the pros and cons of each business model for a company like Preferred Networks?



What is deep learning?

Deep learning according to the case



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The traditional way of extracting features: pre-defined representations

x



Extract
features

Color Histogram



■ Red ■ Green ■ Blue

build
hypothesis

$$y = w^T \phi(x)$$

Source: Liang



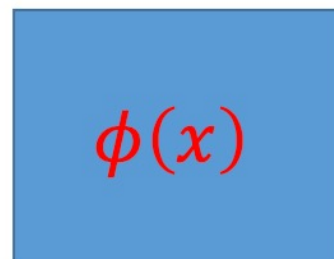
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Representation learning: learning the features to extract



x

Learn $\phi(x)$

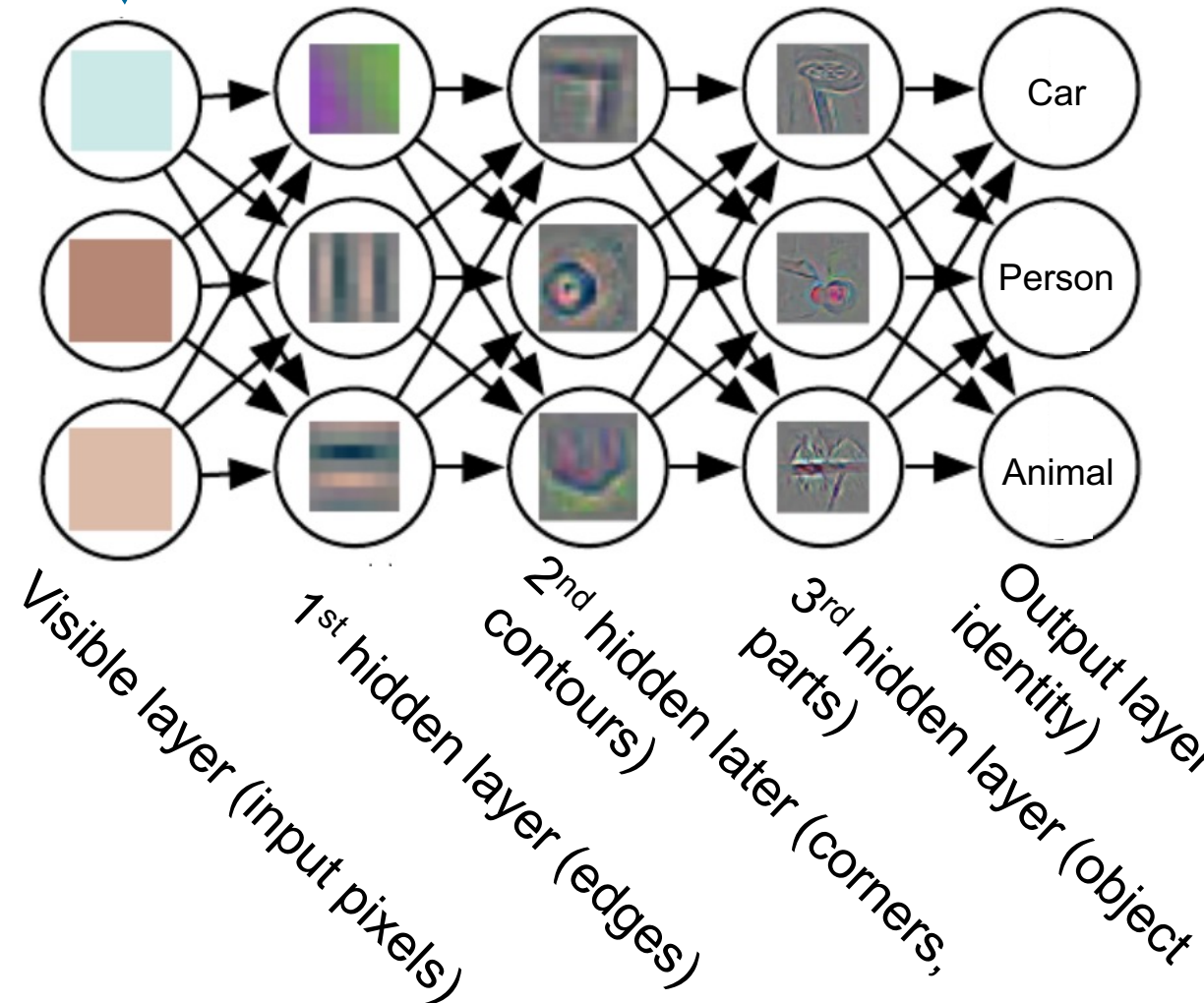


Learn w

$$y = w^T \phi(x)$$

Source: Liang

So what is the magic behind deep learning?

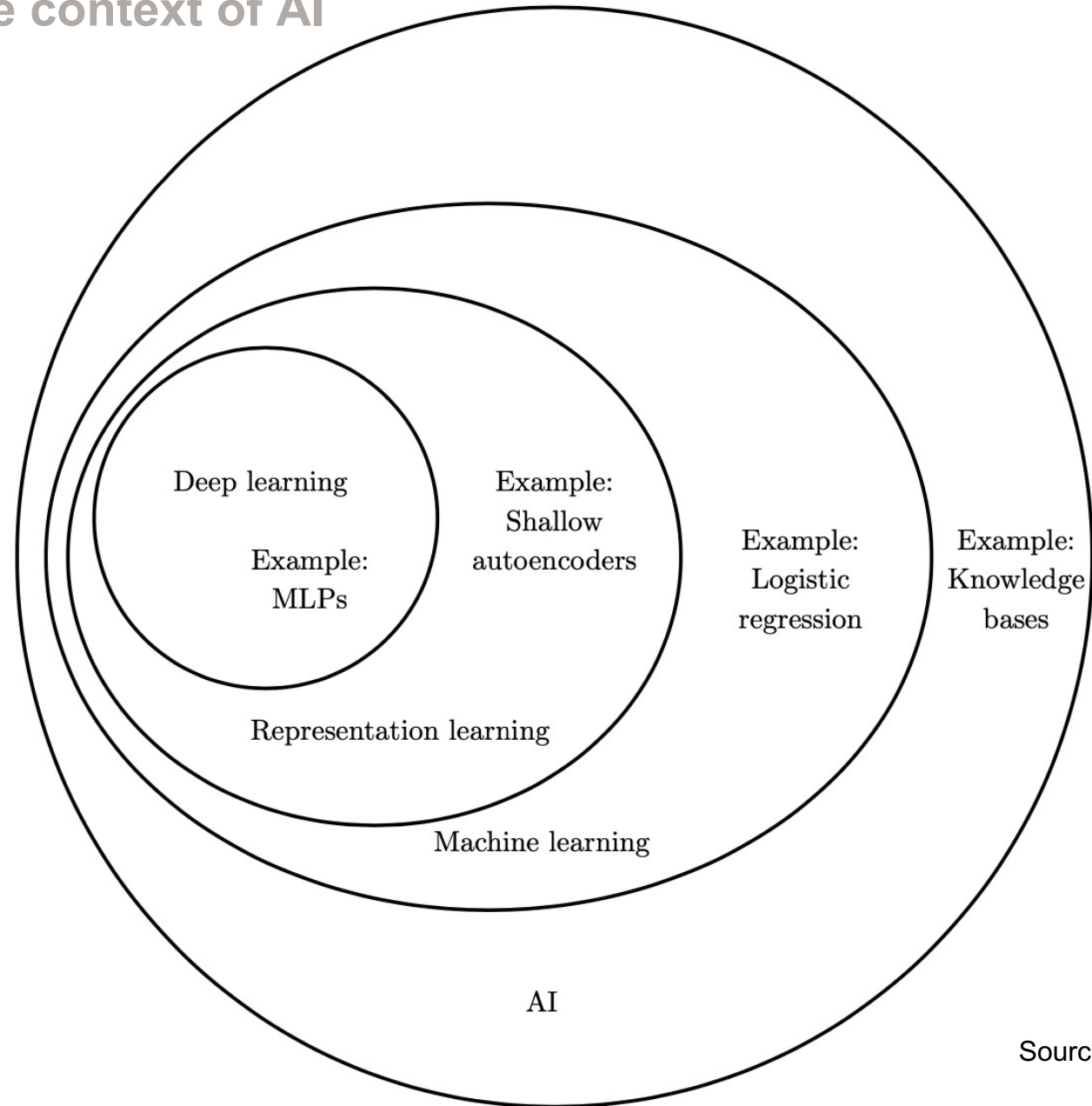


Source: Goodfellow et al.



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Deep learning in the context of AI

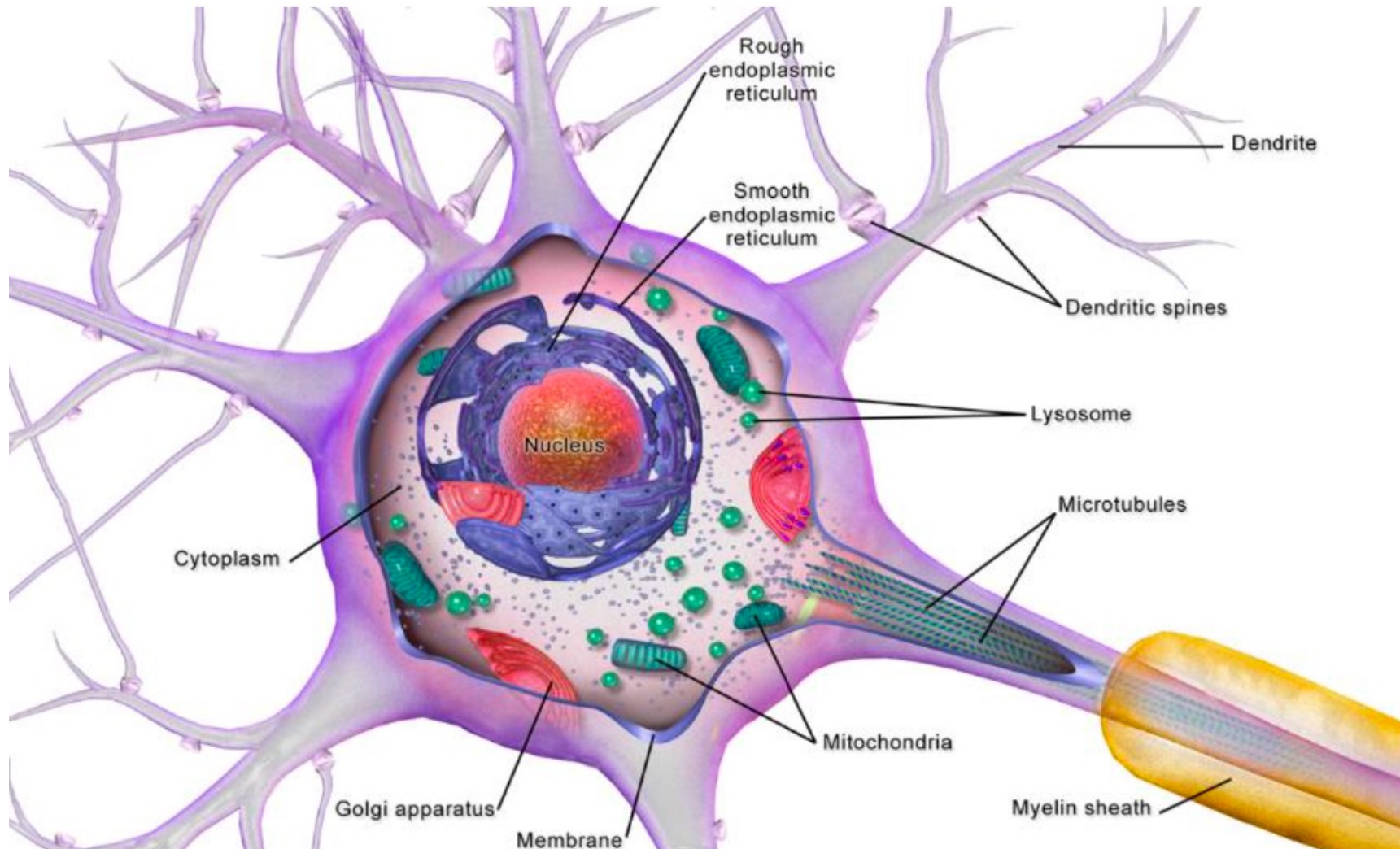


Source: Goodfellow et al.



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The biological inspiration for “neural networks”



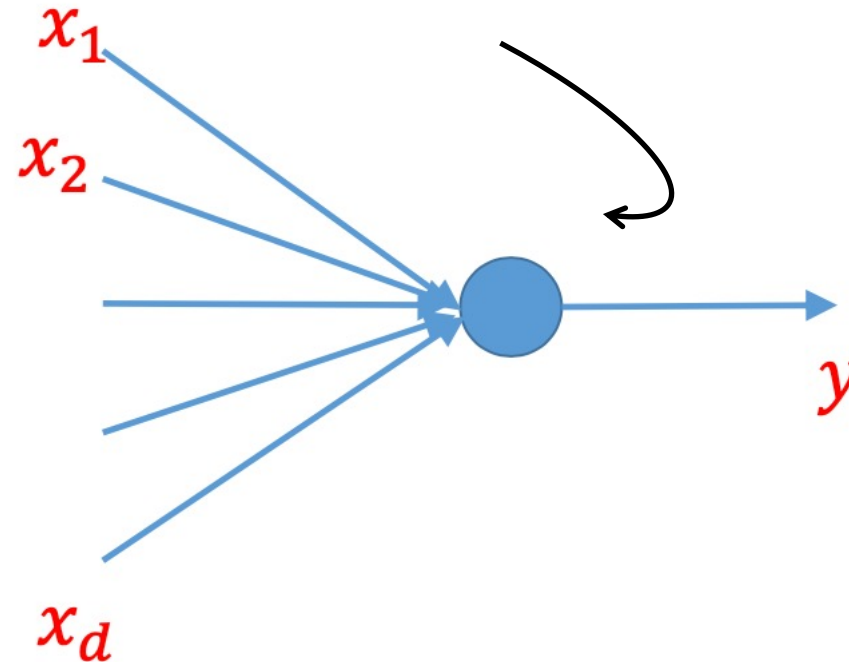
Source: Wikipedia



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An abstract model of a neuron

When the combined input signals reach a certain threshold, the neuron emits an output signal

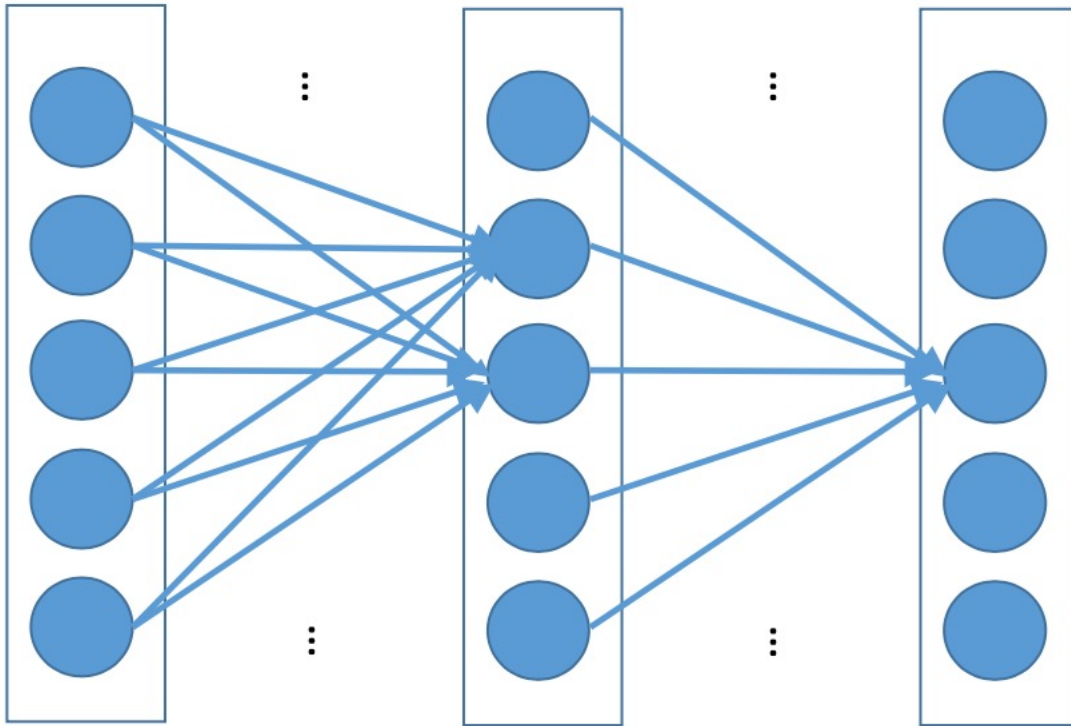


So where are the input signals coming from?

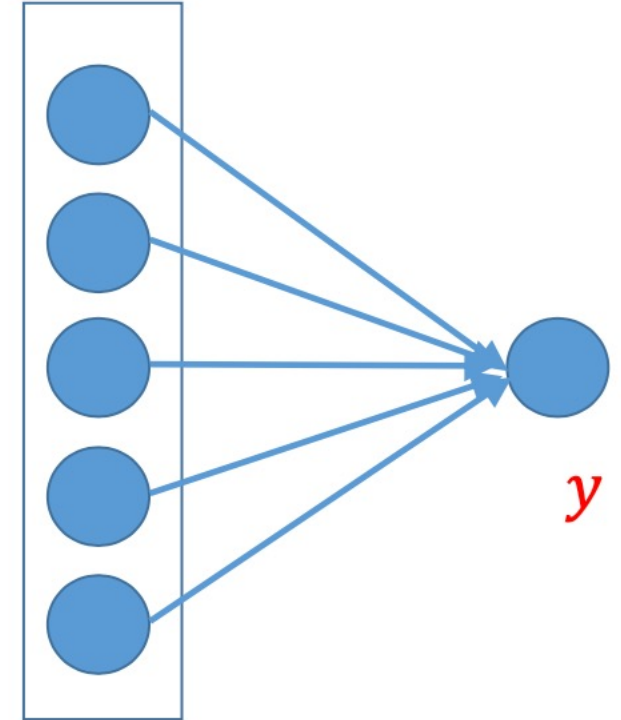


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A (deep) neural network



... ..



Source: Liang



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Some challenges of deep learning



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Learning objectives and modalities

General modalities

Lectures:

- Video and exercise material to study **before** class (broken up into digestible bits), mostly to introduce new concepts and tools. I will release videos before the live class on Moodle and update you by email
- Two hours of face-to-face lecture every week during the term. This will be **very interactive**, and you will get plenty of chance to practice your coding and learn-by-doing

Tutorials:

- Three tutorials throughout the term, two hours each
- Focused on repeating difficult parts of the previous lecture(s) and going into more depth



Hybrid class norms

Please arrive on time – or even a couple of mins ahead of schedule

Please make sure to wear a mask at all times to protect yourselves and others

Please only use your computers for the task at hand: no social media, no browsing

Camera on please on Zoom. Use chat for raising clarification questions.

Come prepared to class: lecture learnt, homework done

Learning objectives of the module

Goals: Provide you with the knowledge to

- feel comfortable with the key concepts relevant to deep learning
- be aware of the most important deep learning architectures
- know how to use TensorFlow to easily create neural networks in Python
- apply deep learning tools to solve relevant business problems

How will we do this?

- Some theory to understand the most fundamental concepts underlying neural networks
- Hands-on approach to programming neural networks
- Guided use of state-of-the-art frameworks and architectures



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A rough outline of the contents

- Introduction
- The necessary background: linear algebra and calculus
- Elements of neural networks
- Learning with neural networks (forward- and backward-propagation)
- Using programming frameworks, especially Keras and TensorFlow
- Advanced methods for programming neural networks: gradient descent improvements, regularization, hyperparameter tuning
- Convolutional neural networks: concepts
- Convolutional neural networks: content detection, facial recognition, and avoiding bias
- Recurrent neural networks: concepts
- Recurrent neural networks: recommender systems
- Recurrent neural networks: stock market price predictions



Assessment

Group assignment (50%):

- Mid-term project

Individual assignment (50%)

- Final project

Homeworks (ungraded)

- From time to time



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Communication and office hours

- Questions about assignments and homework will only be answered on the Q&A forum or during office hours
- Office hours:
 - Process: you know the drill
 - Time: Tuesday, 11 am – 12 pm, Link on Moodle (changes possible in some weeks, so take a look at the Moodle page first)



Time permitting: a first neural network

Using a neural network to predict outcomes

Open <https://playground.tensorflow.org/>

1. A simple case of binary classification:

- Change to the pattern on the lower left
- Set the level of “Noise” to 50
- Set “Ratio of training to test data” to 50%
- Set up the neural network: 1 hidden layer, 1 neuron, then press play
- Answer the following questions:
 - Did the training eventually find a model that seems to capture the pattern in the data?
 - How would you describe the pattern the model captured?
 - Record the “Training loss” and “Test loss”
- How do your answers change when you select the bottom at the top right? What about setting the noise to 0?



Using a neural network to predict outcomes

2. A shallow neural network:

- Stick with the pattern at the top right, a noise of 0 and a ratio of 50%
- Now use 3 neurons for your hidden layer
- Answer the following questions:
 - Did the training eventually find a model that seems to capture the pattern in the data?
 - How would you describe the pattern the model captured?
 - Record the “Training loss” and “Test loss”
- How do your answers change when you use 6 neurons instead?

3. A deep neural network:

- Use a second hidden layer, with three neurons each (and the other setups from 2.)
- Answer the following questions:
 - Did the training eventually find a model that seems to capture the pattern in the data?
 - How would you describe the pattern the model captured?
 - Record the “Training loss” and “Test loss”





See you next week!

Sources

- Goodfellow, Bengio, Courville, 2016, The Deep Learning Book: <http://www.deeplearningbook.org>
- Kireyev, Evgenious, Brandwein, 2019, Preferred Networks: A Deep-Learning Startup Powers the Internet of Things
- Liang, 2016, Introduction to Deep Learning: <https://www.cs.princeton.edu/courses/archive/spring16/cos495/>
- Wikipedia, n.d., Neuron: <https://en.wikipedia.org/wiki/Neuron>

