

# Machine Learning Applications in the Real World





[www.datascienceassn.org](http://www.datascienceassn.org)

michael.walker@datascienceassn.org

## **Michael Walker**

Managing Partner

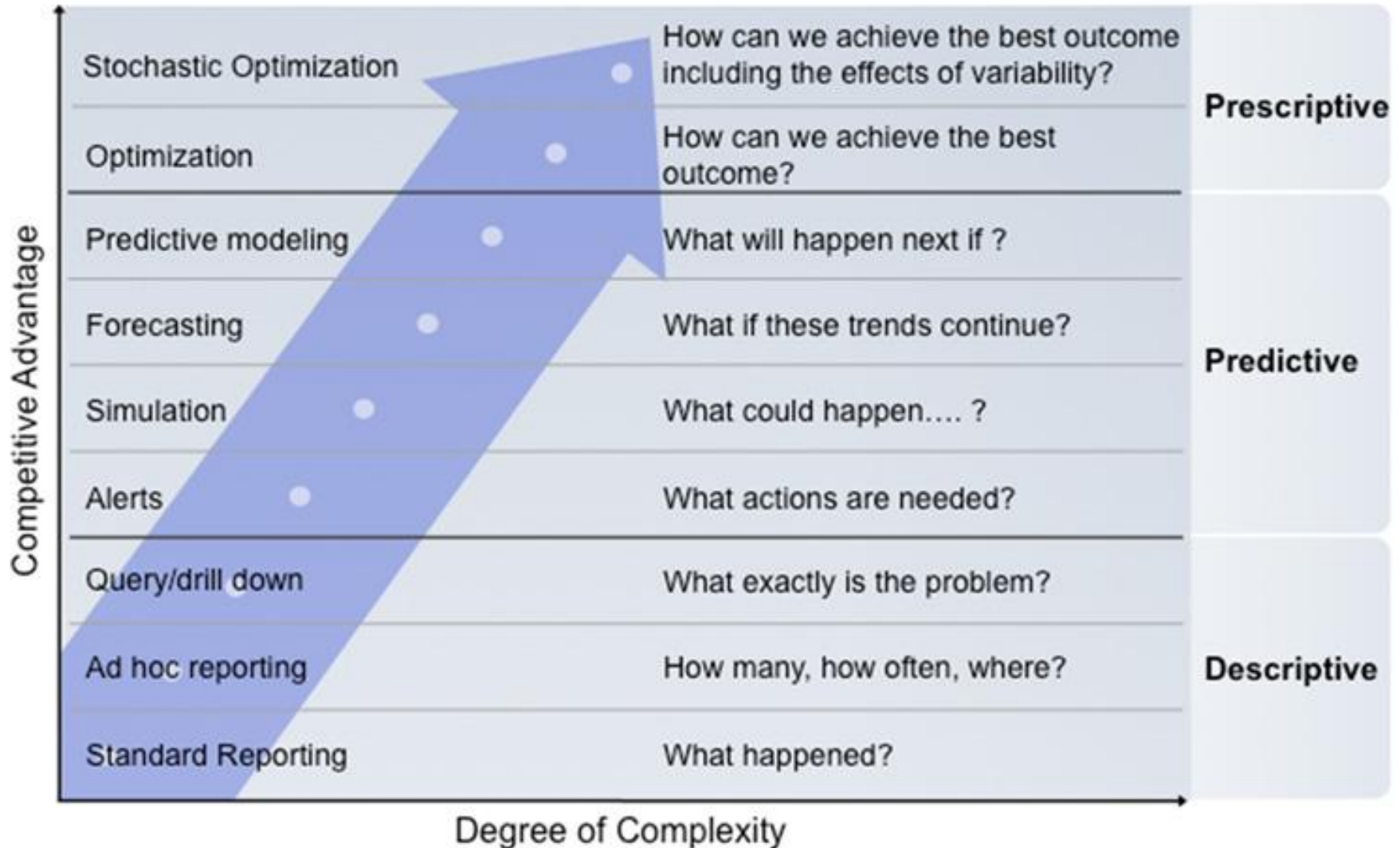
720.373.2200

m@rosebt.com

<http://www.rosebt.com>



# Types of Analytics



Based on: Competing on Analytics, Davenport and Harris, 2007

# **Machine Learning Definition**

Continuously upload new data to improve and modify a set of algorithms in processes that continuously inform and improve functional capabilities.



# Machine Learning Skills Pyramid v1.0

Will the real  
"Data Scientist"  
please stand up?

ML  
Researcher  
Creates  
Algorithms

## Machine Learning Researcher/Scientist:

- Research novel machine learning problems
- Creates new mathematical models and algorithms
- Publishes papers on research results
- Typically PhD/MA Level: Robotics, Machine Learning, Cognitive Science, Applied Statistics, Engineering, Operations Research, Math, etc.
- Skills: Builds mathematical models, Breaks ground in research, Establish new paradigms, Scientific Formalism, Experiment design

ML  
Engineer  
Applies Algorithms  
Create Solutions

## Machine Learning Engineer:

- Solves business/data learning problems
- Creates ML solutions to achieve an organization's objective
- Applies established algorithms
- Uses ML algorithm libraries
- Understands strengths and weaknesses of different algorithms
- Typically BS/MA Level: Computer Science, Math, Other Technical
- Skills: Software Eng. PLUS Data Analysis, ML Algorithm Selection, Cross Validation, Metrics/Scoring, Feature Engineering

Data Engineer  
Creates Data-Software Infrastructure

## Data Engineer:

- Develops code in support of Machine Learning Solutions
- Data extraction, transformation, scraping, joining, cleaning
- Summary Statistics, counting, sampling on request
- Skills: Platform/DB/Language specific expertise, Performance, Parallel and Distributed Computing, Quality, Reliability, Map/Reduce-Hadoop, VMs/Cloud, SQL/noSQL, Production Scaling etc.

# Machine Learning Domains

Finance

Retail

Marketing / sales

Human resources

E-commerce / advertising

Health care / biotech / pharma

Legal system / law enforcement

National and business security

Government services

Non-profit / education

Energy

Manufacturing / IOT

# Machine Learning Applications

Dynamic pricing capabilities

Decision support systems

Predict market trends

Predict customer needs

Create customized offers for each segment and channel

Predict changes in demand and supply - supply chain

Hire the right people

Manage the workforce

Predict who is likely to quit their job

Predict market-price volatility - production plans

Manage risk



# **Machine Learning Applications**

Fraud detection

Collection analytics

Cross-selling

Customer retention

Portfolio design and management

Product design

Economic forecasts

Insurance underwriting

# **Machine Learning Applications**

Business - Dynamic Pricing Capabilities

Health-care

Finance

Marketing

Decision Support Systems

# Dynamic Pricing Capabilities



**ORBITZ**

**Sabre**

 HomeAway®

**priceline.com**

**Travelport** 

 tripadvisor®

 **Expedia**®

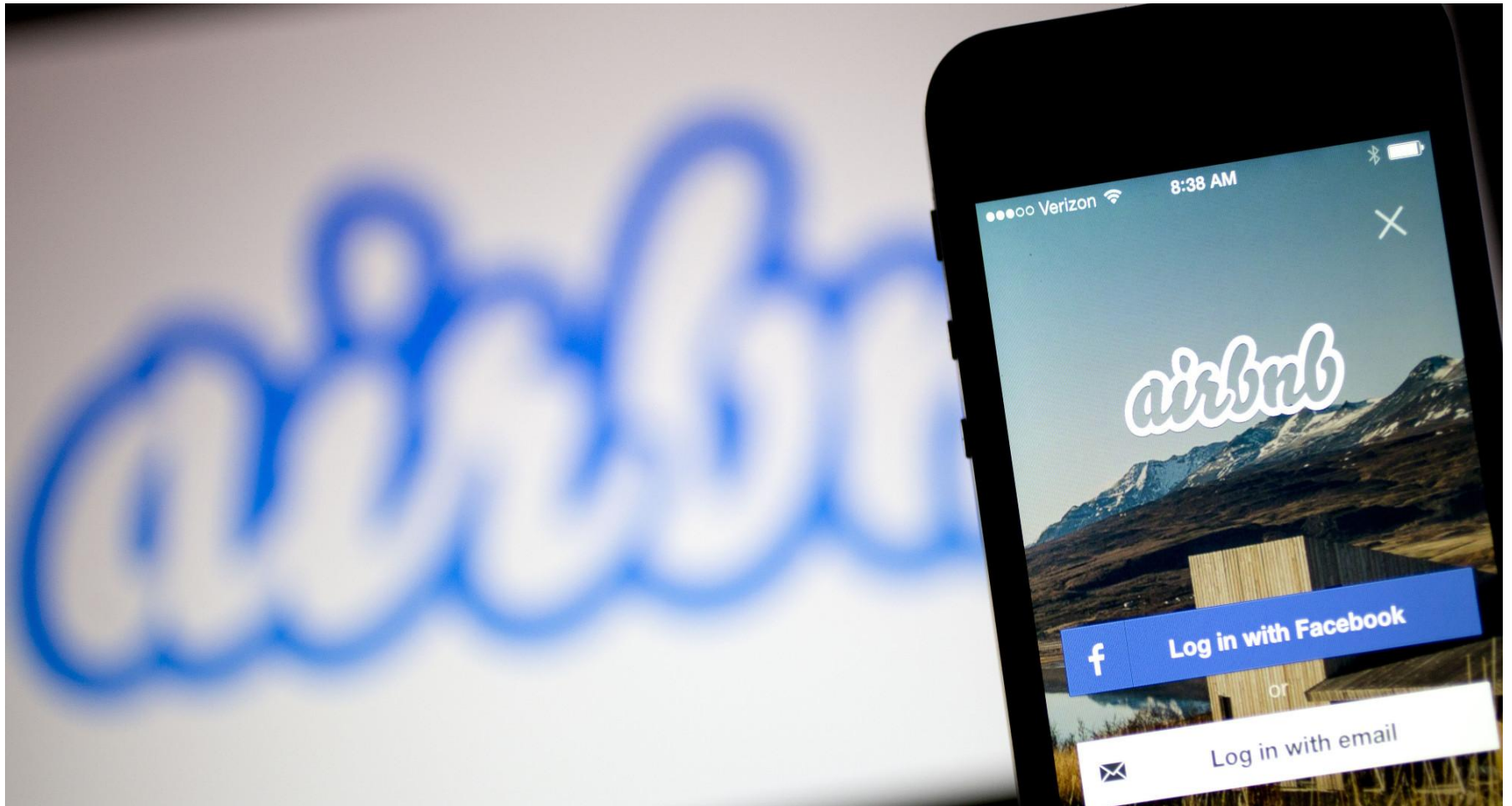
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 **airbnb**

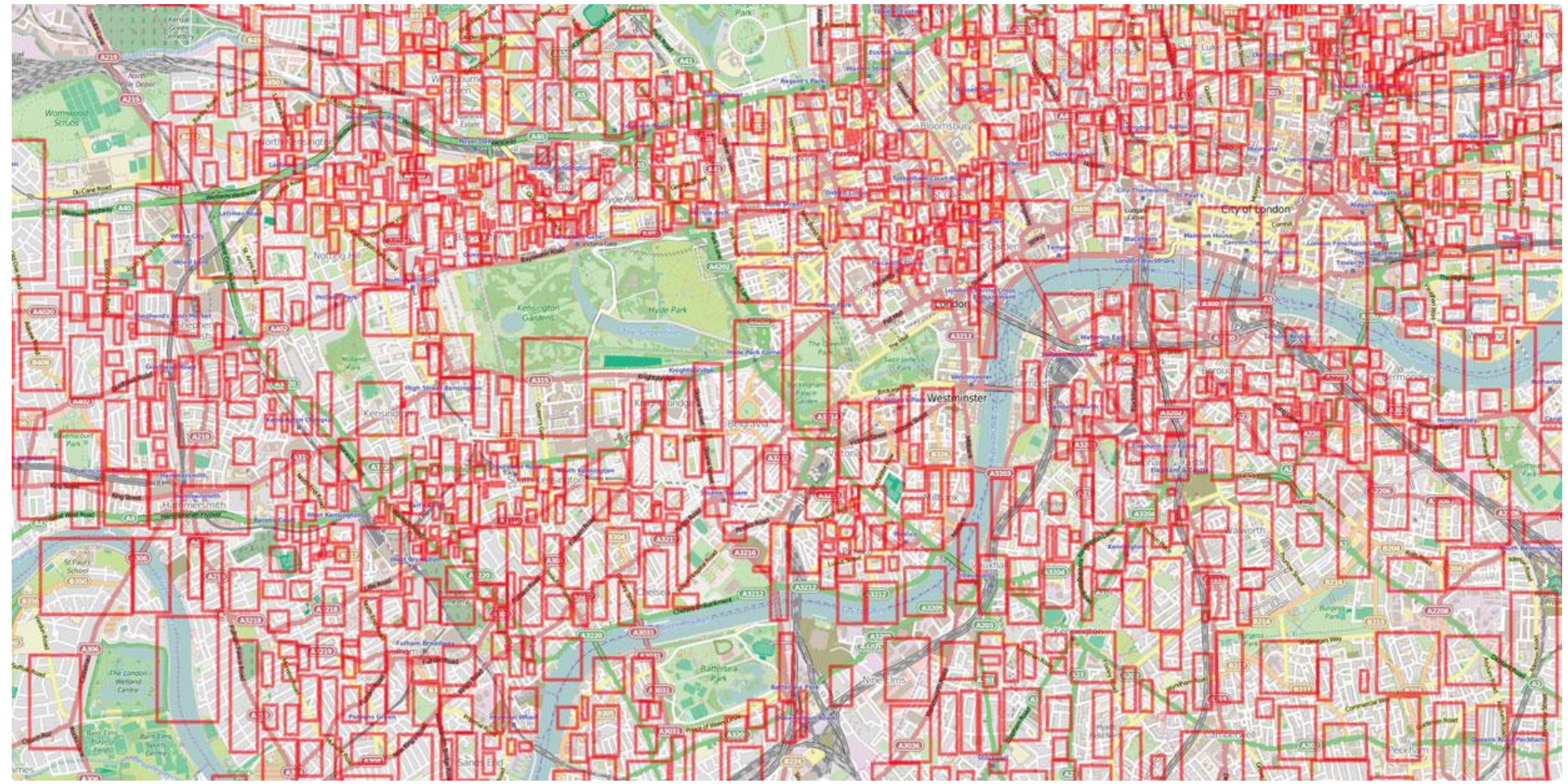
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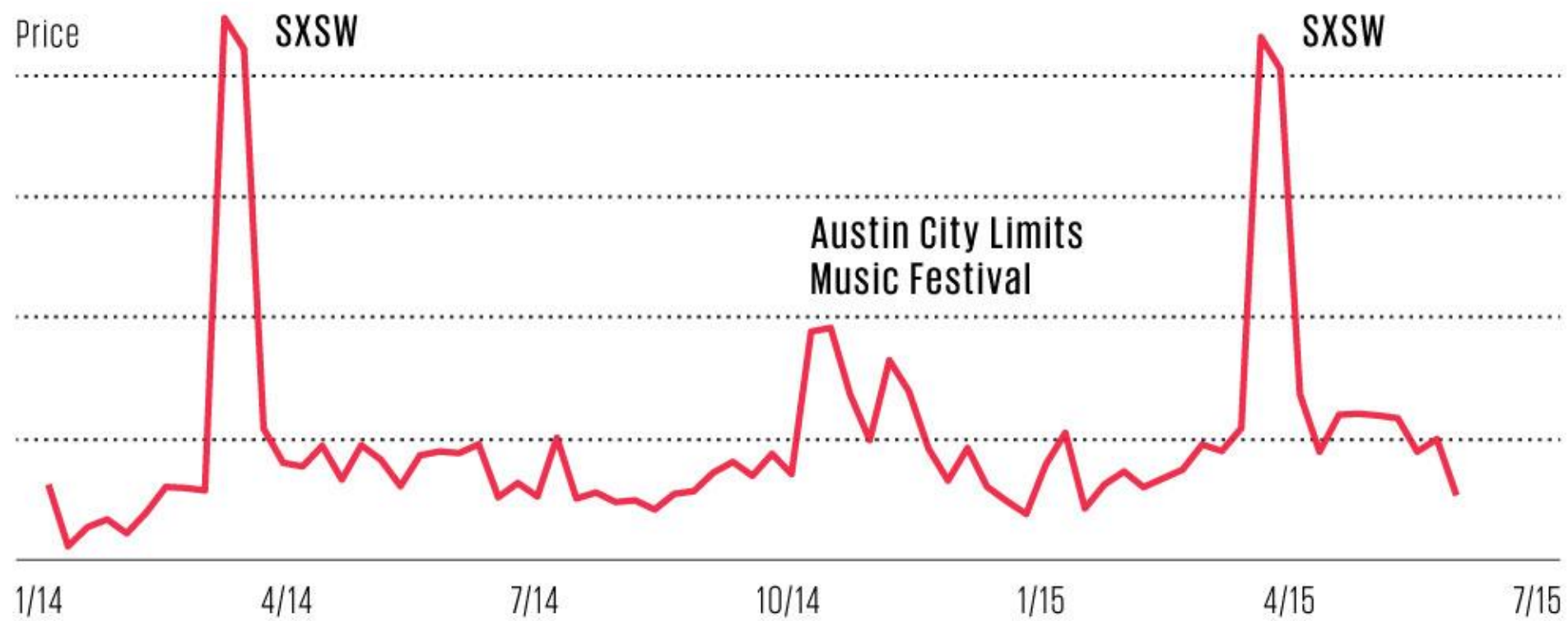
 **skyscanner**

**cheapOair**®













U B E R

**Walmart**

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**Health-care**



UnitedHealth Group<sup>SM</sup>



Employs machine learning to generate multi-dimensional probability distribution graph containing tens of thousands of nodes (e.g., symptoms, diseases and patient data points) and their weighted connections strengths in real-time.

Results can help identify patients who need urgent hospitalization, follow-up visits, medication plan, etc.

Raised 10 Million in VC

# ENLITIC

Employs deep learning to assist doctors in the diagnosis and prognosis of diseases.

Compares patient data (radiology, pathology, genomic, EHR, etc.) with similar data from millions of other patients to build its decision case.

Raised 5 Million in VC



Personalized physiology data analytics platform - works with body sensors. Calculates summary indices based on vital health inputs signs and acts as an early warning detection system.

Builds a personalized machine learning model for each patient that focuses on comparing patient data (heart rate, respiration rate, oximetry, and blood pressure, etc.) with her own baseline indicators and not with the population mean.

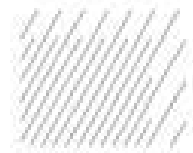
Raised 4.6 Million in VC



# Finance

Goldman  
Sachs

**Renaissance**





**TWO SIGMA**

# Marketing

# Machine Learning Scenarios for Retail

A/B Testing

Recommendation Engines

Predictive Maintenance

Retail Fraud

Price Optimization - dynamic pricing algorithms

Inventory Forecasting

Location Analytics

**Walmart**

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amazon

The Amazon logo, featuring the word "amazon" in a lowercase, sans-serif font. The letters "a", "z", and "n" are dark gray, while "m", "a", "o", and "n" are light gray. A thick, orange curved arrow starts under the "a" and points to the "z", resembling a smile.

**facebook**



**GILT**





**TARGET®**

# Decision Support Systems



Google





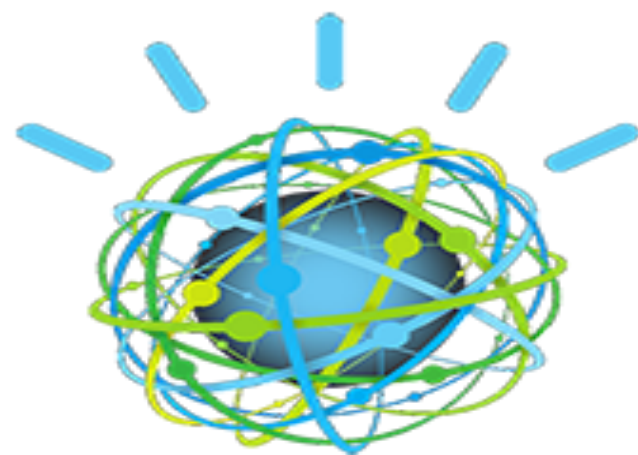
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IBM **Watson**



# Thank You

Presentation by:



DATA SCIENCE  
ASSOCIATION

Michael Walker

Rose Business Technologies

720.373.2200

m@rosebt.com

<http://www.rosebt.com>

