

ISOM 3360: Data Mining for Business Analytics

Spring 2025

Course Name	Data Mining for Business Analytics
Course Code	ISOM 3360
No. of Credit	3 Credits
Instructor	Jing Wang, ISOM
Contact	Office: LSK 4044 Tel: 3469-2125 Email: jwang@ust.hk Begin subject: [ISOM3360] ...
Office Hours	By appointment
Course Schedule and Classroom	Lecture (L1) Tu/Th 03:00PM – 04:20PM (Rm6573, Lift29-30) LA1: Tu 01:30PM - 02:20PM (LSK G005) LA2: We 03:00PM - 03:50PM (LSK G005) LA3: Mo 04:30PM - 05:20PM (LSK G005) LA4: Mo 03:00PM - 03:50PM (LSK G005)
Course Webpage	Accessible from Canvas
Teaching Assistant	Sophie Gu (LSK 4065; Tel: 2358-7653) Email: imsophie@ust.hk
TA Office Hours	By appointment

Course Overview

“For every leader in the company, not just for me, there are decisions that can be made by analysis. These are the best kinds of decisions. They’re fact-based decisions.”

— Amazon’s CEO, Jeff This

course will change the way you think about data and its role in business.

Businesses, governments, and individuals create massive collections of data as a byproduct of their activity. Increasingly, decision-makers rely on intelligent technology to analyze data systematically to improve decision-making. In many cases, automating analytical and decision-making processes is necessary because of the volume of data and the speed with which new data are generated.

In virtually every industry, data mining has been widely used across various business units such as marketing, finance, and management to improve decision making. In this course, we discuss specific scenarios, including the use of data mining to support decisions in customer relationship management (CRM), market segmentation, credit risk management, e-commerce, financial trading and search engine strategies.

The course will explain with real-world examples the uses and some technical details of various data mining techniques. The emphasis primarily is on understanding the **business application** of data mining techniques, and secondarily on the variety of techniques. We will discuss the mechanics of how the methods work only if it is necessary to understand the general concepts and business applications. You will establish analytical thinking to the problems and understand that proper application of technology is as much an art as it is a science.

The course is designed for students with various backgrounds -- the class **does not** require any technical skills or prior knowledge.

After taking this course you should:

1. Approach business problems data-analytically (intelligently). Think carefully & systematically about whether & how data can improve business performance.
2. Be able to interact competently on the topic of data mining for business intelligence. Know the basics of data mining processes, techniques, & systems well enough to interact with business analysts, marketers, and managers. Be able to envision data-mining opportunities.
3. Be able to identify the right BI techniques for various business problems. Gain hands-on experience in using Python and get ready for the job positions that require familiarities with the data analytics.

2. Lecture Notes and Readings

- Course Materials

All courses' materials (lecture slides, assignments, and lab handouts) are available on Canvas course website.

- Supplemental books (optional):
 - ✧ *Data Mining for Business Analytics: Concepts, Techniques, and Applications in R*, by Galit Shmueli, Peter C. Bruce, Inbal Yahav, Nitin R. Patel, Kenneth C. Lichtendahl, ISBN: 1118879368
 - ✧ *Data Science for Business: What you need to know about data mining and data-analytic thinking*, by Foster Provost, Tom Fawcett, O'Reilly Media, 2013 ISBN: 1449361323
 - ✧ *Learning Data Mining with Python*, by Robert Layton, ISBN: 1787126781
- Software: *Anaconda Navigator (for Win-64, OSX-64, and Linux-64)*
 - ✧ Jupyter notebook, Python 3

3. Requirements and Grading

Your grades will be determined based on lab, class participation, homework assignments, group project, midterm exam, and final exam.

Component	Percentage
Lab	5%

Class Participation	10%
Homework Assignments (3)	10%
Group Project	15%
Midterm Exam	30%
Final Exam	30%

4. Important Notes on the Lab Session

This is primarily a lecture-based course, but lab participation is an essential part of the learning process in the form of active practice. You are **NOT** going to learn without practicing the data analysis yourselves. During the lab session, I will expect you to be entirely devoted to the class by following the instructions. And you should actively link the empirical results you obtained during the lab to the concepts you learned in the lectures.

During the lab session, you will gain hands-on experience with Python - a very popular programming language for programming beginners.

5. Homework Assignments, Term Project and Exams

There will be a total of **3 individual** homework assignments, each comprising questions to be answered and hands-on tasks. Completed assignments must be handed in via Canvas prior to the start of the class on the due date. Assignments will be graded and returned promptly.

Turn in your assignments early if there is any uncertainty about your ability to turn it in on the due date. Assignments up to 24 hours late will have their grade reduced by 25%; assignments up to one week late will have their grade reduced by 50%. After one-week, late assignments will receive no credit.

You are expected to complete a term project, which will be done in groups. Each team includes about 4 students. In this project, you will apply the data mining techniques you learned in the class to solve real-world problems. The deliverable is a written report summarizing what you have done and what you have achieved. More details will be provided later.

This course will have two closed-book exams. The midterm exam will test issues covered in the first half of the course. The final exam will cover the classes in the second half of the course. Review sessions will be scheduled to help you prepare for these examinations.

The midterm exam is tentatively scheduled on **Mar 20 7:00-8:30pm**. Let me know as early as possible if there is any unavoidable conflict. The final exam will be held during the final examination period; the date will be announced later in the semester.

Tentative Schedule of Lectures

Week	Date	Topics	Remarks
1	Feb 4	Overview of the Course	
	Feb 6	Data Mining Basics	
2	Feb 11	Data Understanding and Preparation	
	Feb 13	Decision Tree Learning (I)	
3	Feb 18	Decision Tree Learning (II)	Project Announcement
	Feb 20	Model Selection and Evaluation Measures	HW1 out
4	Feb 25	Cost-Sensitive Classification	Group Formation due
	Feb 27	Linear Regression	
5	Mar 4	Logistic Regression	
	Mar 6	Naïve Bayes Classifier	HW1 due
6	Mar 11	Midterm Review	Project Idea due
	Mar 13	Project Idea Meeting	
7	Mar 18	Text Mining and NLP	
	Mar 20	[No Class] Midterm Exam (7:00pm-8:30pm)	
8	Mar 25	Feature Selection/Extraction	
	Mar 27	Association Rule Learning	HW2 out
9	Apr 1	[No Class] Mid-Term Break	
	Apr 3	[No Class] Mid-Term Break	
9	Apr 8	K-Means Clustering	
	Apr 10	K-Nearest Neighbors	Project Progress Report due
10	Apr 15	Project Progress Meeting	
	Apr 17	Project Progress Meeting	HW2 due; HW3 out
11	Apr 22	Recommender System using Collaborative Filtering	
	Apr 24	Ensemble Learning	
12	Apr 29	Neural Networks	
	May 1	[No Class] Labor Day	HW3 due
13	May 6	Computer Vision and Image Recognition	Project Final Report due
	May 8	Final Exam Review	

Tentative Lab Schedule

Week	Date	Topics
1	Feb 3/4/5	No Lab
2	Feb 10/11/12	Introduction to Anaconda and Jupyter Notebook
3	Feb 17/18/19	Data Visualization and Data Preprocessing
4	Feb 24/25/26	Decision Tree
5	Mar 3/4/5	Overfitting/cross validation
6	Mar 10/11/12	ROC / Cost benefit analysis
7	Mar 17/18/19	Linear Regression
8	Mar 24/25/26	Logistic Regression
9	Mar 31, Apr 1/2	Cancelled for Mid-Term break
9	Apr 7/8/9	Text Mining & Sentiment Analysis
10	Apr 14/15/16	Association Rule
11	Apr 21/22/23	Clustering
12	Apr 28/29/30	k-nearest Neighbors
13	May 5/6/7	Recommendation System & Ensemble Learning