COMPUTATIONAL PRINCIPLES OF CHOICE GROUP GENERATION

FOR SELECTIVE MENUS

by

Joseph L. Balintfy

and

Prabhakant Sinha

Technical Report No. 5

October, 1972

Prepared under Contract N00014-67-A-0230-0005 (NR 047-100) for the Office of Naval Research

Reproduction in Whole or in Part is Permitted for any Purpose of the United States Government

This document has been approved for public release and sale; its distribution is unlimited

School of Business Administration
Department of General Business and Finance

and

School of Engineering
Department of Industrial Engineering and Operations Research

University of Massachusetts
Amherst, Massachusetts
A computational procedure is presented to explore and formulate the quantitative relations between the preference distribution of a population for menu items and a corresponding set of optimum choicegroups on a selective menu schedule. The investigation is limited to the decision rules applicable for the determination of a single choicegroup, and it is carried out in two stages. First, it is shown that for any preference matrix a unique process of choicegroup augmentation exists with the properties that the augmented choicegroup will provide a maximum increase in population preferences along with the probability estimates of selections. Second, it is shown that if the preference matrix is updated in the function of time and predicted selections, a multistage process of choicegroup generation can determine a sequence of choicegroups with optimal properties concerning the size or preference contribution involved. A computer program which operates on these principles is attached, and is being utilized for column generating functions of constrained optimization models of selective menu scheduling.
<table>
<thead>
<tr>
<th>Key Words</th>
<th>LINK A</th>
<th></th>
<th>LINK B</th>
<th></th>
<th>LINK C</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Food Preferences</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Menu Planning</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Food Service</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unconstrained Optimization Techniques</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
# TABLE OF CONTENTS

## I. Introduction

II. The Mathematical Background of Choicegroup Augmentation

III. The Preference-Time Function and the Updating Process

IV. Multistage Scheduling of Optimum Choicegroups

## TABLES

1. A preference matrix generated from actual preference-time functions evaluated on an arbitrary day.

2. Updated preference matrix on the day subsequent to that depicted by Table 1, if a specified subset of menu items is offered on the day corresponding to Table 1.

## FIGURES

1. The percentage of maximum preference achieved as a function of choicegroup size for realistic data and for simulated preferences from selected theoretical distributions.

2. The change of preferences over time due to a specified selected pattern over a thirty day period for a menu item-person combination with hypothetical preference-time function parameters.

3. Sample Output from a CGDP run, with choicegroup size fixed at 3.

4. Sample Output from a CGDP run, with the percentage of the maximum achievable preference to be achieved fixed at 85%.

## APPENDIX

## REFERENCES

## ABSTRACT (DD Form 1473)
I INTRODUCTION

Menus are shopping lists of ready to eat products, called menu items, which are displayed or considered to be available for the consumer at food service establishments. From an economic point of view, these products fall naturally into well defined categories according to the existence of complementary or substitution effects in their use. The categories between which complementary effect is normally assumed are the courses on the menu. This means that most people prefer a meal containing a complementary combination of menu items such as appetizers, entries, vegetables, deserts, beverages, etc. If this combination is fixed by the management, the menu is called nonselective, and it leaves the trivial choice for the consumer of either eating the predetermined set of items, or only a subset of the items. That is, there is no substitution effect to speak of. On the other hand, if the menu lists more than one item in a course category, these items are considered to be substitutes in use, and a selection is allowed from them, mostly on a mutually exclusive basis. Such menus are called selective menus, and the set of items associated with one given course is referred to as a choice-group. In these terms, any selective menu can be regarded as a list of more or less non-overlapping choicegroups.

Since the practical size of any choicegroup on a menu is much less than the number of menu items eligible for a particular course, food service management repeatedly faces a decision problem: which items and how many of them should be included in a choicegroup. Judged from the varying sizes of choicegroups seen on the menus of basically similar food service organizations
and the various expert opinions on the subject [4] there seems to be no common policy or rule of thumb in use, and definitely no sign of theoretical work which is considered acceptable or followed by food service managers. Although the problem is closely related to the process known as product diversification [3] in the economic literature, the corresponding mathematical relations are not applicable to the specific short run character of selectivity on the menus.

Decisions concerning choicegroups are repeatedly made in the process of scheduling a menu, but the essential elements of the decision problem are the same for each choicegroup. For this reason, the present study focuses on the limited problem of analysing the conditions under which an internally consistent decision rule can be found for determining the set membership and size of a single choicegroup — disregarding for the time being other choicegroups of the menu.

The point of departure for the analysis is the realization that every selection from a choicegroup is incidental with revealing a particular consumer's preference for an item in the choicegroup relative to the others. The selections in general, therefore, are the manifestations of preferences existing in the population for menu items. An earlier study of the authors' [2] and others [5] have shown that the preferences for menu items are measurable quantities, although the exact relation between an individual's preference rating and his behavior at the choicepoint are not yet fully understood. Nevertheless, for the purpose of this study it will be assumed that the quantitative values of the preferences of individuals at the time of selection are known deterministically. This assumption serves only exposi-
tory purposes by creating manageable conditions for the formulation of a mathematical model which will define optimum decision rules. It is hoped that by understanding and analyzing an abstraction of reality, progress can be continued toward more realistic applications of the principles determined by this study.

In part II of the report the hypothetical conditions concerning population preferences for a set of menu items are formulated in terms of a preference matrix. It is shown that within this structure the concept of the most preferred choicegroup and the population preference increment due to increased choicegroup size can be uniquely determined. An essential by-product of this formulation is full information on the relative proportions of item selections from choicegroups.

Part III presents a review of the assumed time dependent behavior of preferences studied by the authors earlier, and describes the process of updating the preference matrix of a population in the function of individual selections from a choicegroup.

Part IV deals with the process of finding the most preferred choicegroups for a sequence of meals or days with the choicegroup size limited to a predetermined value or to a predetermined level of population preference, but with no other constraints such as cost or nutrition considered.

The study of the choicegroup generation principles formulated under Parts II and IV has been accomplished by a computer program written for this purpose and attached in the Appendix.
II THE MATHEMATICAL BACKGROUND OF CHOICEGRCUP AUGMENTATION

Consider the \((m \times n)\) matrix \(H\) of preference ratings for a class of \(n\) menu items belonging to the same course as rated by \(m\) individuals. The general element \(h_{ij}\) of \(H\) is the preference rating of the \(i\)-th individual on a like-dislike scale for menu item \(j\). It is known that the matrix \(H\) is not defined without consideration for the history of exposure of the items to the population. Only \(h_{ij}(t)\) is defined well enough for mathematical treatment, and techniques for its estimation have been developed [2]. First assume that the \(h_{ij}(t)\) values are all known for any arbitrary \(t\) value, and thus the time effect can be taken out of consideration. Table 1 illustrates such a matrix \(H\) for \(m = 15\) and \(n = 10\).

Let \(h_j\) be the \(j\)-th column vector of \(H\), i.e., the preference ratings of \(m\) individuals for item \(j\). Then the number \(h(j)\) and \(\overline{h}(j)\) are defined as follows:

\[
h(j) = \sum_{i=1}^{m} (h_{ij} \mid h_{ij} > t_i)
\]

\[
\overline{h}(j) = \frac{h(j)}{m}
\]

\(h(j)\) is the total population preference for item \(j\), \(\overline{h}(j)\) is the average population preference for item \(j\), with \(t_i\) being the threshold level of preference below which "skipping" takes place. If \(j^*\) is the one single item most preferred by the population,

\[
h(j^*) = \max_j h(j)
\]
Although $h(j^*)$ is a maximum, this does not imply that item $j^*$ is the most preferred item among all the $n$ items for all individuals in the population. In other words, it does not imply that for all $i$ (individuals), $h_{ij^*} > h_{ij}$ for any $j$. This phenomenon is well known in the food service business, and leads intuitively to the policy of offering selective menus.

Any choicegroup of size $k$ constitutes $k$ items that can be offered from any course on a selective menu. Let $\Omega_k$ be the set of all choicegroups of size $k$ taken from $n$ items, and let $s_k$ be a general element of $\Omega_k$ defined by

$$s_k = \{j_1, j_2, \ldots, j_k\}$$

Just as $h_j$ was defined as the $j$-th column of the preference matrix $H$, with $h_{ij}$ being the preference of the $i$-th individual for the $j$-th item, a column vector, $h_{s_k}$ can now be defined with $h_{is_k}$ being the preference of the $i$-th individual for choicegroup $s_k$. The $i$-th element of $h_{s_k}$ is defined as

$$h_{is_k} = \max_{j \in s_k} \{h_{ij}\} \quad (2)$$

The important underlying assumption in (2) is that the preference of a person for a choicegroup is equal to the person's preference for the menu item he prefers most in the choicegroup. The total population preference with choicegroup $s_k$ on the menu schedule is defined as

$$h(s_k) = \sum_{i=1}^{m} \{h_{is_k} \mid h_{is_k} > t_i\} \quad (3)$$
Note that we differentiate between \( h(s_k) \) and \( h_{s_k} \). The latter is a column vector of preferences of individuals for choicegroup \( s_k \) whereas the former is the total preference of the population for choicegroup \( s_k \). Thus \( h_{s_k} \) is a vector, while \( h(s_k) \) is a scaler.

The number of persons out of \( m \) who will select item \( j \) of the choicegroup \( s_k \) is given by

\[
m_j = \sum_{i=1}^{m} \left[ 1 \mid h_{ij} \leq h_{is_k}, h_{ij} > t_i \right]
\]

(4)

The number \( m_j \) is therefore the number of persons whose preferences for item \( j \) exceed the preferences for all other items in choicegroup \( s_k \). Thus the preference matrix has information not only about what the preference for a choicegroup is, but also about what proportion of a population will select a particular item if it is offered together with other specified menu items in a choicegroup. This, therefore, gives the sales estimates for the items in a given choicegroup.

The choicegroup \( s_k^* \) for which the population preference is a maximum is such that

\[
h(s_k^*) = \max_{s_k \in \Omega_k} h(s_k)
\]

(5)

It is thus possible to determine which choicegroup of size \( k \) is most preferred by evaluating all the \( \frac{n!}{(n-k)!k!} \) combinations of \( n \) items taken \( k \) at a time, and applying (3) in the summations.

An example is given to illustrate the inherent simplicity of the mathematics of preferences as given by the above formula for \( m=5 \) and \( n=3 \). (Also see [1].)
Let $H = \begin{bmatrix} 8 & 7 & 8 \\ 4 & 7 & 6 \\ 3 & 8 & 7 \\ 9 & 7 & 7 \\ 7 & 4 & 6 \end{bmatrix}$

Let $t_i = 4, \quad i = 1, 2, \ldots, 5$

By (1), $h(1) = 28, \ h(2) = 33, \ h(3) = 34$

The single item with the highest preference total is $j^* = 3$.

By (2) and (3)

$h_{12} = \begin{bmatrix} 8 \\ 7 \\ 9 \\ 7 \end{bmatrix} \quad h_{13} = \begin{bmatrix} 8 \\ 6 \\ 7 \\ 7 \end{bmatrix} \quad h_{1,2} = 39 \quad h_{1,3} = 37$

$h_{23} = \begin{bmatrix} 8 \\ 7 \\ 7 \\ 6 \end{bmatrix} \quad h_{2,3} = 35 \quad h_{123} = \begin{bmatrix} 8 \\ 7 \\ 9 \\ 7 \end{bmatrix} = h_{12}$

Hence the most preferred choice group of size 2 should contain items 1 and 2.

By (4), $m_1 = 3$ and $m_2 = 2$ if items 1 and 2 are offered in a choice group. Item number 3, although the most preferred single item, is not present in the most preferred choice group of size 2. In fact, $h_{123} = h_{12}$, which means that item 3 does not contribute to the preference of the choice group, and is dominated by the column vectors corresponding to the preferences for items 1 and 2.

Suppose it is possible to describe the values of preferences of the $j$-th item over the population by a probability density function $f_j(x)$ and its associated distribution function $F_j(x)$. This implies that the probability that the preference of the $i$-th individual for the $j$-th
item lies between any arbitrary limits \( a \) and \( b \), is given by the following:

\[
P[a < h_{ij} < b] = \int_a^b f_j(x) \, dx
\]

and

\[
F_j(x) = P[h_{ij} \leq x] = \int_{-\infty}^x f_j(z) \, dz
\]

The number \( h(s_k) \) is the total preference derived from choice group \( s_k \) by the population, and let \( \overline{h}(s_k) \) be the average preference derived per person from the population. Since the density function of the distribution of preferences for all the items is assumed to be known, it is now possible to find an expression for the expected value of \( \overline{h}(s_k) \) in terms of arbitrary density and distribution functions.

The probability that for any individual, item \( j \) has a preference between \( x \) and \( x+dx \), and is more preferred than all other items in the choice group \( s_k \) is given by

\[
P[h_{ij_1} < x, h_{ij_2} < x, \ldots, h_{ij_k} < x] = f_{j_1}(x)dx \cdot F_{j_2}(x) \cdot F_{j_3}(x) \cdots F_{j_k}(x)
\]

where \( x \geq t \), the threshold preference level.

Putting

\[
G_j(x) = \prod_{l \neq r} F_{j_l}(x)
\]

the above expression becomes

\[
f_{j_1}(x) \cdot G_j(x) \cdot dx
\]
The probability of selection of item \( j_1 \) if choicegroup \( s_k \) is offered is therefore
\[
\int_{-\infty}^{\infty} f_{j_1}(x) \cdot G_{j_1}(x) \cdot dx
\]
In general, the probability of selection of item \( j_r \) in choicegroup \( s_k \) is
\[
\int_{-\infty}^{\infty} f_{j_r}(x) \cdot G_{j_r}(x) \cdot dx
\]
(6)

This probability also gives the fraction of the population which can be expected to select item \( j_r \) if choicegroup \( s_k \) is offered. The skipping probability with a threshold preference level \( t \) is thus given by
\[
\sum_{j_r \in s_k} \int_{-\infty}^{t} f_{j_r}(x) \cdot G_{j_r}(x) \cdot dx
\]

It is instructive to show that the skipping probability, together with the selection probabilities as given by (6) for all the items, does indeed sum to 1.

To show
\[
I = \sum_{j_r \in s_k} \int_{-\infty}^{\infty} f_{j_r}(x) \cdot G_{j_r}(x)dx = 1
\]
The first term of the summation in the above expression is
\[
I_1 = \int_{-\infty}^{\infty} f_{j_1}(x) \cdot G_{j_1}(x)dx
\]
(7)

Differentiating
\[
G_{j_1}(x) = F_{j_2}(x) \cdot F_{j_3}(x) \cdots F_{j_k}(x)
\]
\[
G^{'}_{j_1}(x) = \sum_{j_2 \in s_k} f_{j_2}(x) \cdot F_{j_3}(x) \cdots F_{j_k}(x)
\]

-9-
Integrating (7) by parts results in

\[ G_{j_1}(x) \cdot F_{j_1}(x) \bigg|_{-\infty}^{\infty} - \int_{-\infty}^{\infty} \sum_{j \in s_k} \sum_{j \neq j_1} f_{j_1}(x) \cdot F_{j_1}(x) \]

which is equivalent to

\[ I_1 = 1 - \sum_{j \in s_k} \int_{-\infty}^{\infty} f_{j_1}(x) \cdot G_{j_1}(x) \cdot dx \]  

(8)

However

\[ I_1 + \sum_{j \in s_k} \int_{-\infty}^{\infty} f_{j_1}(x) \cdot G_{j_1}(x) \cdot dx = I \]

Therefore, by (8) \( I = 1 \). This completes the proof.

The sales estimate for item \( j_r \) for choicegroup \( s_k \) on the schedule is given by

\[ m \int_{-\infty}^{\infty} f_{j_r}(x) \cdot G_{j_r}(x) \cdot dx \]

where \( m \) is the number of persons in the population. But to be able to make the primary decision about which choicegroup is to be on the schedule, it is necessary to know the average preference that each person may be expected to derive from each choicegroup. This expected value \( E[\bar{h}(s_k)] \) is given by

\[ E[\bar{h}(s_k)] = \sum_{j \in s_k} \int_{-\infty}^{\infty} x \cdot f_{j_r}(x) \cdot G_{j_r}(x) \cdot dx \]  

(9)

The choicegroup of size \( k \) which is most preferred is \( s_k^* \), and has the property that \( E[\bar{h}(s_k^*)] = \max_{s_k \in \Omega_k} E[\bar{h}(s_k)] \).
If there are \( n \) possible items from which a choicegroup of size \( k \) must be selected, the **maximum achievable preference**, (or the total preference of the population if all \( n \) items are offered) is given by \( h(s_n) \) in the case where the matrix \( H \) is explicitly known, and \( E[h(s_n)] \) in the case where only the density functions of the column of preferences in the \( H \) matrix are explicitly defined. The average maximum achievable preference is then \( \bar{h}(s_n) \) and \( E[\bar{h}(s_n)] \) respectively.

For any choicegroup size \( k \) under consideration, it will be convenient to use as a reference point the case where all the \( n \) items are offered, and so one can look at the fraction \( E[\bar{h}(s^*_k)]/E[\bar{h}(s_n)] \) (or just \( \bar{h}(s^*_k)/\bar{h}(s_n) \) if the matrix \( H \) is explicitly known) or its associated percentage, which expresses the percentage of the maximum preference actually achieved.

If \( f_j(x) \) is known for \( j=1, \ldots, n \), application of (9) to all the \( n!/[(n-k)! \cdot k!] \) different choicegroups yields the choicegroup of size \( k \) which is most preferred. \( E[\bar{h}(s^*_k)]/E[\bar{h}(s_n)] \) then gives the percentage of the maximum preference achieved.

As an illustrative example, consider the case where

\[
\begin{align*}
  f_1(x) &= f_2(x) = \ldots = f_n(x) = f(x)
\end{align*}
\]

This assumption implies that the density function and the expected preference from all choicegroups of equal size is the same. In spite of its lack of realism, this simplifying assumption affords the analytical simplicity to illustrate the effect of increasing choicegroup size.

Relation (9) now reduces to

\[
E[\bar{h}(s^*_k)] = E[\bar{h}(s^*_k)] = k \int_{t}^{\infty} x \cdot f(x) \cdot [F(x)]^{k-1} dx
\]

(10)
Relation (10) can be used to determine $E[h(s_k^*)]$ for any choicegroup size $k$ if $f(x)$ is known. The integral in (10) may not always yield to analytical attack for all $f(x)$, but its numerical evaluation is always possible, as the examples below indicate.

(i) Suppose, for example, that $f(x)$ follows the uniform distribution as defined by

$$f(x) = \begin{cases} \frac{1}{b} & \text{for } 0 < x < b \\ 0 & \text{Otherwise} \end{cases}$$

Then

$$F(x) = \frac{x}{b}$$

If the threshold preference $t=0$, applying (10)

$$E[h(s_k^*)] = k \int_0^b x \cdot \frac{1}{b} \cdot \left(\frac{x}{b}\right)^{k-1} dx$$

$$= \frac{k}{b} \int_0^b x^k dx$$

$$= \frac{k}{b} \left[ \frac{x^{k+1}}{(k+1)} \right]_0^b$$

$$= \frac{bk}{k+1}$$

So $E[h(s_n^*)] = \frac{bn}{n+1}$

Therefore the fraction of the maximum preference that can be expected to be achieved with choicegroup size $k$ is

$$\left(\frac{bk}{k+1}\right) / \left(\frac{bn}{n+1}\right) = \frac{k}{(k+1)} \cdot \frac{(n+1)}{n}$$
This formula provides the first analytical insight with regard to the expected benefits of a population due to choicegroup augmentation. By increasing the size of the choicegroup, the percentage of the maximum preference achievable by the population will increase proportionally with \( k/(k+1) \), i.e., at a decreasing rate. Figure 1 shows the monotonically increasing step-function associated with this process in case of uniformly distributed preferences.

(ii) Let \( f(x) \) follow the exponential distribution as defined by:

\[
f(x) = \begin{cases} \lambda e^{-\lambda x} & \text{for } x > 0 \\ 0 & \text{Otherwise} \end{cases}
\]

\[
F(x) = \int_0^x \lambda e^{-\lambda z} \, dz = (1-e^{-\lambda x})
\]

Computations similar to the case of the uniform distribution yield

\[
E[h(s_k^*)] = \frac{k}{\lambda} \sum_{i=1}^{\infty} \frac{1}{i(k+1)}
\]

Figure 1 shows the stepfunction of the percentage of the maximum preference achieved by augmenting the choicegroup in the case of exponentially distributed preferences. It is noticeable that the preference effect of choicegroup augmentation is significantly less than before.

(iii) If it is assumed that \( f(x) \) is normally distributed, analytical expression for (10) is no longer available, but the percentage of the maximum achievable preference of the population still can be estimated by simulation techniques. The result of the simulation is shown on Figure 1, and
compares well with the analytically defined values.

In each of the above described cases identical distribution of preferences was assumed over a population of indefinite size to facilitate analytically well defined conclusions concerning the effects of choicegroup augmentation. The results displayed in Figure 1 exhibit the rapidly diminishing utility of adding additional items to the choicegroup, irrespective of the assumed probability density function of $f(x)$.

This effect became even more prevalent when the choicegroup augmentation process was applied to a (15x10) matrix of preferences of 15 individuals for 10 dessert items as shown in Table 1. The matrix entries were computed from estimated parameters of realistic preference-time functions observed by experiments [2] and the data were initialized so they reflect past histories of selections as it would occur in reality. The maximum achievable preference in this case is the sum of the row maximums. Offering one choice alone (item 1) as Figure 1 shows, would realize only 71.69% of the maximum. The best choicegroup of two items (1 and 8) would increase the percentage by 13.09%, and the addition of a third item would contribute only 6.78%. Moreover, 8 out of 10 items are sufficient to achieve the maximum. The conclusion for the realistic case is that convergence to the maximum achievable preference is much faster than in all the cases with assumed identical density functions of the preferences. The discrepancy can be easily explained by the arbitrary assumption made in the simulated cases that all items are, on the average, equally preferred. In reality, it is expected that there will
be a wide variation, even in the average preference of the population for different items. As a consequence, the most preferred item will contribute most heavily to the maximum achievable preference, and the contributions will diminish more rapidly as we keep adding less and less preferred items.

In order to test the validity of this explanation, uniformly distributed preferences were simulated with uniformly distributed means producing a mixture of preferences with nonidentical means. Figure 1 shows that it is very likely that the heterogeneity of the population preferences is causing the sharp initial increase in the achievable maximum population preference. The points corresponding to the mixed uniform preferences are indeed fairly close to the points obtained from realistic data.

It is noticeable that under any assumption the achievable population preference is monotonically increasing as the choicegroup is augmented. This is to say that in terms of the previously adopted notations, the property \( h(s_k^*) \leq h(s_{k+1}^*) \) holds as the set \( s_k \) is augmented by one item, resulting in set \( s_{k+1} \). Hence the notation:

\[
\Delta h_{k+1} = h(s_{k+1}^*) - h(s_k^*)
\]

will express the increment in preferences due to the addition of the \( k+1 \)-st item to the choicegroup. It is instructive to reconstruct this \( \Delta h_{k+1} \) value directly from the elements of the preference matrix \( H \). Suppose \( k=1 \) and thus \( k+1=2 \), i.e., a noneffective choicegroup is augmented to a selective one according to (5). Let \( S \) denote the set of \( m \) individuals. If \( \{j_1\}=s_1^* \) and \( \{j_1, j_2\}=s_2^* \), then \( S \) can be partitioned into two subsets such that
\( S = S_1 \cup S_2 \) where

\[
S_1 = \{i \in S \mid h_{ij_1} > h_{ij_2} \}
\]

\[
S_2 = \{i \in S \mid h_{ij_1} < h_{ij_2} \}
\]

Consequently \( S_2 \) is the set of individuals who will be benefited by the second choice. One can also write that

\[
h(s_2^*) = \sum_{i \in S_1} h_{ij_1} + \sum_{i \in S_2} h_{ij_2}
\]

and thus the increment of preferences due to the \( j_2 \) item is

\[
\Delta h_2 = h(s_2^*) - h(s_1^*) = \sum_{i \in S_2} (h_{ij_2} - h_{ij_1})
\]

which means that the preference gain is generated only over a subset of the population. This result can be generalized to the case where the \( k+1 \)-st item is added to \( k \) existing ones where \( k > 1 \). In this case \( S \) can be partitioned into \( k \) disjoint subsets according to the number of individuals who prefer any one of the \( k \) elements of \( s_k^* \) over the others. Consequently \( S_k \) is defined as

\[
S_k = \{i \in S \mid h_{ij_k} > h_{ij} \} ; i \neq k, j \in s_k^*, j_k \in s_k^*
\]

and

\[
\bigcup_{k=1}^{k} S_k = S
\]

Then each \( S_k \) can be partitioned in turn into \( S_k \) and \( S_{k+1} \) when the \( k+1 \)-th
item is included in $s_{k+1}$ as follows:

$$s_{k+1} = \{ i \in S \mid h_{i,k+1} > h_{ij} \}$$

and

$$s_k = S - s_{k+1}$$

Consequently the general expression of preference increment due to the new $k+1$-st item in the choicegroup is

$$\Delta h_{k+1} = \sum_{\ell=1}^{k} \sum_{i \in S_{\ell}^k} (h_{i,k+1} - h_{ij})$$

It should be noted that the quantity in the parenthesis is always non-negative by virtue of the definition of the $S'$ set, and if $\Delta h_{k+1}$ is zero increasing the choicegroup size by $k+1$ is unwarranted. This effect includes the side benefit of eliminating skipping - or lost demand - by increasing the choicegroup.

The increase of population preference due to choicegroup augmentation is a measure of the benefits of selective menus which, however, cannot be realized without incurring some cost due to the increased number of items to produce. The production cost of a menu item can be viewed as made up of two parts: the set up cost, or fixed cost of putting the item on the menu, and the variable cost, which is proportional to the number of items sold or selected. Let $n_{k+1}$ be the cardinality of $S_{k+1}$ and consider $S$ unchanged while $s_k$ is augmented to $s_{k+1}$.
The incremental cost $\Delta c_{k+1}$ is then:

$$\Delta c_{k+1} = a_{k+1} + n_{k+1}c_{k+1} - \sum_{l=1}^{k} n_{k+1}c_{j_l}$$

where $a_{k+1}$ is the fixed cost of item $k+1$ and $c_{k+1}$ is the variable (unit) cost of the new item, while $n_{k+1}$ is the cardinality of the union of the $S_k$ sets, i.e., the total number of item $(k+1)$ demanded.

The negative terms in the expression indicate the reduction in the total cost due to a reduction in the demand of the other items. Since $S$ is assumed to be unchanged, the quantity of $k$ items will be decremented proportionally with their variable cost. The addition of the $k+1$-st item, if it gives a strictly positive value for $\Delta h_{k+1}$, can never reduce the demand of any of the original $k$ items to zero. Suppose this were possible. Let $j \in S_k$ be one of the items (or the only one) whose demand is driven to zero. Let a choicegroup $s^*$ consist of all the $k+1$ items of $S_{k+1}$ except item $j$. Then, as item $j$ does not contribute to the preference of the choicegroup, $h(s^*) = h(s^*_{k+1})$. But $h(s^*_{k+1}) > h(s^*)$, and hence $h(s^*) > h(s^*)$. This contradicts the fact that $s^*$ is the most preferred choicegroup of size $k$.

The development of expressions for $\Delta h_{k+1}$ and $\Delta c_{k+1}$ thus far has involved the important assumption that $j \in S_k \Rightarrow j \in S_{k+1}$, i.e. that the best choicegroup of size $k+1$ includes all items from the best choicegroup of size $k$. This need not be true for an arbitrary matrix $H$. Consider two preference matrices $H_1$ and $H_2$ of size 2x3, defined by

$$H_1 = \begin{bmatrix} 4 & 8 & 2 \\ 7 & 6 & 5 \end{bmatrix} \quad H_2 = \begin{bmatrix} 2 & 7 & 6 \\ 7 & 3 & 6 \end{bmatrix}$$

With a threshold preference level of zero, the matrix $H_1$ yields $s^*_1 = \{2\}$. 

-18-
and $s_2^* = \{1, 2\}$, and therefore $s_1^* \subset s_2^*$. But for the matrix $H_2$, $s_1^* = \{3\}$ and $s_2^* = \{1, 2\}$, and $s_j^* \notin s_2^*$. 

Consider a general case in which a choicegroup $s_k$ of size $k$ is augmented by adding a set of $r$ items, $s_r$, none of which are in $s_k$. The set $S_k$ of persons who will prefer item $j$ to all others in choicegroup $s_k$ is defined as

$$S_k = \{i \in S \mid h_{ij} \geq h_{ij_p} \}; \; p \notin s_j, \; j \in s_k, \; j_p \in s_k$$

It may be noted that no condition is laid down at this stage about $s_k$ being the best choicegroup of size $k$. If $h_{s_r}$ is constructed according to (2), and if $S_{s_r}$ is the subset of individuals from $S_k$ who are benefited by the introduction of item $j$ of the set $s_r$, then

$$S_{s_j} = \{i \in S_k \mid h_{is_s} > h_{ij_s} \} \text{ for } j \in s_r$$

and $S_{s_j}$, the set of persons who prefer item $j$ in $s_k$ in spite of the additional choice is given by

$$\hat{S}_{s_j} = S_k - \sum_{j \in s_k} S_{s_j} \text{ for } j \in s_r$$

The set of individuals $\hat{S}_j$ who are benefited by the introduction of the item $j$ of set $s_r$ is given by

$$\hat{S}_j = \sum_{r=1}^{k} S_{s_j} \text{ for } j \in s_r$$

It is conceivable that a certain number of the sets $S_{s_j}$ will be empty. This implies that the augmentation of $s_k$ by $s_r$ has resulted in the demand
for some existing items going to zero. Also, $S_j \in \mathcal{S}_r$, may be zero, implying that there is no demand for some of the items from $s_r$. Let $p$ be the number of sets from \( \{S_l \mid j \in \mathcal{S}_r \} \) which are empty, and let $v$ be the number of sets from \( \{S_j \mid j \in \mathcal{S}_r \} \) which are empty. As all items whose demand is zero do not contribute to the preference of the choice group, they can be dropped from the choice group. So the effective choice group size by uniting $s_k$ and $s_r$ into one choice group is $k + r - p - v$.

If $\tilde{r} = r - p - v$, the general expression for the preference increment due to the addition of the set $s_r$ is then given by

$$\Delta h_{k+\tilde{r}} = \sum_{l=1}^{k} \sum_{\mu \in S_r} \sum_{i \in S_{\tilde{r}}} (h_{is_r} - h_{ij})$$

The incremental cost is then given by

$$\Delta c_{k+\tilde{r}} = \sum_{\mu \in S_r} (a_{\mu} + n_{\mu}c_{\mu}) - \sum_{\mu \in S_k} \Delta n_{\mu} c_{\mu} - \sum_{\mu \in S_k} a_{\mu}$$

where $a_{\mu}$ is the fixed cost of including the $\mu$-th item on the schedule, $c_{\mu}$ is the variable per unit cost of item $\mu$, $n_{\mu}$ is the cardinality of $S_{\mu}$, and $\Delta n_{\mu}$ is the cardinality of $(S_{\mu} - \tilde{S}_{\mu})$ for $\mu \in S_k$. The first negative term indicates the reduction in total cost due to a reduction in demand, and the second negative term indicates the fixed cost savings because of demand being reduced to zero.

If the choice group of size $k$ being augmented is $s_r^*$, a necessary condition for $s_r^*$ to result is that $\tilde{r}=1$, and it is not required that $r$ be 1.

In conclusion, the computational rules of the cost benefit analysis of

-20-
choicegroup augmentation is fully provided. The values of $\Delta h_{k+T}$ above, with the values $\Delta c_{k+T}$ at every step of augmentation are uniquely determined with the above formulas. The computation and comparison of these values relative to a given preference matrix and cost structure will enable food service management to evaluate and balance the marginal benefit and cost of changing the choicegroup size. One of the options of the Choicegroup Generator Demonstration Program (CGDP) listed in the Appendix is to compute the maximum achievable preferences for different choicegroup sizes relative to a given preference matrix $H$, and hence to calculate the increased preference achieved by choicegroup augmentation. A by-product of these computations is the sales estimates for items in any choicegroup, and the change in sales estimates due to choicegroup augmentation. The points of the curve in Figure 1 for the realistic case were derived from the CGDP relative to the preference matrix of Table 1.
III THE PREFERENCE TIME FUNCTION AND THE UPDATING PROCESS

As has been asserted earlier, the preference of an individual for a familiar menu item depends on the history of exposure of the item to the individual. Experimental data from a recent study support this hypothesis and provide a functional relation which makes possible the estimation of these preferences at any time. A brief review of the results of the above mentioned study, pertinent to this report, is included here.

First, assume that the preference of an individual for an item is related only to the time the item was consumed last; the effect of previous exposures being ignored. If \( f_{ij}(t) \) is the preference of the \( i \)-th person for the \( j \)-th item at an elapsed time \( t \) from last consumption of the item,

\[
f_{ij}(t) = a_{ij} - b_{ij}e^{-c_{ij}t}
\]

where \( a_{ij}, b_{ij} \) and \( c_{ij} \) are parameters which depend on the individual and the item, and are identifiable from questionnaires. The above formulation implies that the time since last consumption determines the preference. In doing so, the formulation ignores the effect of the history prior to the time at last consumption. Now let \( t_{ij} \) be the time elapsed since last consumption of menu item \( j \) by person \( i \) and let \( h_{ij} \) be the person's preference for the item at last selection. If \( h_{ij}(t) \) is the preference of the person for the item at absolute time \( t \), then the effect of history of eating can be included in the recursive relation.
where \( r > 0 \) is a parameter also identifiable from questionnaires and \( f_{ij}(t_{ij}) \) is defined by (11). Methods for the routine estimation of the parameters of the preference time function have been developed. To be able to determine \( h_{ij}(t) \) from (11) and (12), the parameters \( a_{ij}, b_{ij}, c_{ij}, r_{ij} \) must be known, and so must the time elapsed since last consumption \( t_{ij} \), and \( h_{ij}' \) the preference at last consumption. Each of the parameters of the preference-time function can be conceived of as embodying some characteristic of the function. The parameter \( a_{ij} \) is the preference of the individual for the item if he has not consumed it for a very long time. It is also the asymptotic maximum which cannot be exceeded by \( h(t) \). The intuitively appealing premise for the existence of \( a_{ij} \) is that a person would desire a familiar item most if he were not exposed to it for the longest time. The parameter \( b_{ij} \) is the decrease in preference ensuing immediately after consuming an item, because of the consumption of the item. So if an item is consumed after a very long time, the preference for it is \( a_{ij}' \). As soon as it is consumed, the preference drops to \( (a_{ij} - b_{ij}) \). As we get further away in time from the consumption of an item, the immediate satiation effect \( b_{ij} \) wears off. The rate of decay of satiation, or looking at it from another viewpoint, the rate of buildup of desire for the item, is controlled by the parameter \( c_{ij} \). The larger the value of \( c_{ij} \), the faster the effect of satiation wears off. The parameter \( c_{ij} \) can be expected to be large for staples like bread. Thus the effect of satiation is embodied in the term

\[ b_{ij} \exp(-c_{ij}t_{ij}) \]

When \( t_{ij} = 0 \) (the item has just been consumed), the term...
is equal to $b_{ij}$; as $t_{ij}$ grows, $b_{ij} \exp(-c_{ij}t_{ij})$ declines. Finally, the parameter $r_{ij}$ determines how much the effect of history prior to last consumption of an item affects the current preference for the item. The larger the value of $r_{ij}$, the less the previous history affects current preference for an item.

The use of (11) and (12) to determine the preference at any time can best be illustrated by an example.

Let

- $a_{ij} = 100.00$
- $b_{ij} = 40.00$
- $c_{ij} = 0.05$
- $r_{ij} = 0.40$
- $t_{ij} = 9$ on day 1
- $h'_{ij} = 67.00$ on day 1

Suppose the item is not consumed at time $t = 1, 2, \ldots, 8$. The preference at $t = 9$ is given by

$$h(9) = 100 - 40e^{-0.05(17)} - e^{-0.40(17)}(100-67) = 82.87$$

If the item is offered on the 9th day, it may still not be consumed. If it is not consumed, $h'_{ij}$ and the reference point for $t_{ij}$ do not change, and the preferences can be determined for subsequent days just as $h(9)$. On the other hand, if it is consumed, $t_{ij}$, the time at last consumption, is measured from $t = 9$, and $h'_{ij} = 67.00$ must now be replaced by $h'_{ij} = 82.87$.

Figure 2 illustrates the preference change over a 30 day period for an item characterized by (13). As the sharp preference drops in the figure
indicate, the item is consumed on day 9, 16, 19, and 28.

Relation (11) and (12) thus provide a means for the day to day updating of the preferences of all individuals for all the items, if the initial conditions and the parameters of the preference-time functions are known.

Table 1 shows a matrix of preferences for an arbitrary day. Relative to this preference matrix, repeated application of (2) and (3) to all possible choicegroups of size 2 indicated that items 1 and 8 constitute the best choicegroup of size 2. An asterisk after an element $h_{ij}$ of Table 1 indicates that item $j$ is in the best choicegroup of size 2, and the $i$-th person will select item $j$. The symbol "\*" indicates an item offered but not selected. Table 2 shows how the preferences look on a subsequent day. Upward and downward arrows in columns corresponding to items 1 and 8 indicate the increase and decrease of preferences after offering items 1 and 8 on the previous day. For each location in the $H$ matrix bearing an asterisk in Table 1, the preferences have dropped to the levels indicated in Table 2. For each location in the $H$ matrix of Table 1 bearing the symbol "\*" (item offered but not selected) or having no symbol at all (item not offered), the preferences have increased to the levels indicated in Table 2. The preference-time function parameters used for obtaining these preferences were computed from responses to questionnaires and by the method outlined in [2]. The initial conditions were arbitrarily selected.
IV MULTISTAGE SCHEDULING OF OPTIMUM CHOICEGROUPS

The mechanism of continuously updating the elements of the preference matrix $H$ from day to day can now be used in conjunction with the method of evaluating all $n!/(n-k)!$ choicegroups of size $k$ to find and schedule, i.e., generate, the optimum choicegroups of menu items from day to day.

Let $H(t)$ be the preference matrix for the $t$-th day. Clearly, $H(t+1)$ and $H(t)$ are not independent. In fact, $H(t+1)$ is obtained from $H(t)$ in a manner depending on which items are offered on the $t$-th day, and which items are selected from those offered. A change of a single item on any day can affect the preferences for all choicegroups on all subsequent days. Even for a small number of items and a small choicegroup size, the number of distinct schedules becomes astronomical. For example, with 10 items and a choicegroup size of 2, the number of distinct choicegroups possible on any day is $10!/(8!2!) = 45$. The number of distinct schedules for a 7-day cycle is $(45)^7 = 373669453125$. This clearly points to the need for a highly selective technique to explore the maze of possible solutions.

A logical stage of a multi-day schedule is a day itself, and this suggests a technique to circumvent the problem of a combinatorially burgeoning solution space. The problem of selecting the optimum choicegroups can be tackled sequentially from day to day, without consideration of the following days, hence the name "multistage scheduling." It may seem that the practical effect of this simplification is a loss of guaranteed optimality.
This is true if the required schedule is for a finite period of p days, and 
p is relatively small. Otherwise the multistage schedule will likely arrive 
at a steady state — some time after initialization — exhibiting an inter-
ally defined period p; thus in this case the period is no longer a con-
straint on the schedule, and it does not affect the optimality. The problem 
here is, however, that this internal period may be too long for practical 
considerations. This problem area is currently the subject of further 
investigation.

The most trivial case of multistage scheduling is a sequence of non-
selective, i.e., unit size, choicegroups. This schedule contains the se-
quence of the most preferred menu items as defined by the successive up-
dating of the H(t) matrices. Computational experience and Figure 1 suggest 
that the percentage of achievable preference of the population will fluctu-
ate around 70% for such nonselective schedules. If the sequence was gener-
ated from n menu items, the steady state period, i.e., a nonrepeating 
subsequence of the items will usually exceed the value of n by several 
times.

At this point food service management may consider a selective menu 
for improving acceptability. There are two ways to proceed. Management 
can decide on a fixed choicegroup size k in which case the multistage 
process will find the optimum choicegroup $s_k^*$ from each updated preference 
matrix H(t) and the optimum schedule will contain a sequence of $s_k^*$ choice-
groups. The principles laid out in section II will assure that on any day 
the percentage of the achievable preference is at maximum, and choicegroups
of size $k$ in the steady state will therefore achieve higher population preference than choicegroups of size $(k-1)$. Consequently, the findings of choicegroup augmentation can be directly applied to the multistage schedule.

The other possible policy for management is to prescribe the percentage of the achievable preference for the population, and leave it to the choicegroup generating process to determine the necessary size $k$ for every day or meal of the schedule. This policy will tend to maintain a uniformly acceptable menu schedule over time, but will require flexibility in adjusting the choicegroup size.

For the purposes of studying these policies, the principles of choicegroup generation have been incorporated in an experimental demonstration program CGDP (Choicegroup Generator Demonstration Program). A program listing is given in the Appendix. The listing corresponds to a Fortran IV version of the CGDP currently operating in an on-line time-sharing environment on the UMASS (Unlimited Machine Access from Scattered Sites) system at the University of Massachusetts. A sample run, including user-computer dialogue during program execution, follows the program listing in the Appendix.

**Summary of computational procedures for algorithmic steps**

(i) Computing elements of matrix $H$ for current day $t$: when entering any day, for each person $i$, and each menu item $j$, there are available the parameters $a_{ij}$, $b_{ij}$, $c_{ij}$, and $r_{ij}$, the days since last selection of item $j$ by person $i$, $t_{ij}$, and the
preference at last selection, $h_{ij}$. By applying (11) and (12), each element $h_{ij}(t)$ of the preference matrix $H(t)$ is computed as follows:

If $$f_{ij}(t) = a_{ij} - b_{ij} e^{-c_{ij} t_{ij}}$$

then $$h_{ij}(t) = f_{ij}(t) - e^{-c_{ij} t_{ij}} (a_{ij} - h_{ij}^*)$$

(ii) Calculating maximum achievable preference ($p_{max}$):

$$p_{max} = \sum_{i=1}^{n} \left\{ \max_{1 \leq j \leq n} \{ h_{ij} \} \mid \max_{1 \leq j \leq n} \{ h_{ij} \} \geq \text{thresh} \right\}$$

where $\text{thresh}$ = threshold preference level below which no item is selected.

(iii) Generating best choicegroup of size $k$:

Generate all possible choicegroups of size $k$, and $s_k^*$ is the best choicegroup if $$h(s_k^*) = \max_{s_k \in k} \{ h(s_k) \}$$

where, if $s_k = j_1, j_2, \ldots, j_k$, by relation (2) and (3)

$$h(s_k) = \sum_{i=1}^{n} \left\{ \max_{1 \leq \ell \leq k} \{ h_{ij_\ell} \} \mid \max_{1 \leq \ell \leq k} \{ h_{ij_\ell} \} \geq \text{thresh} \right\}$$

The percentage of the maximum achievable preference actually achieved = $100 \frac{h(s_k^*)}{p_{max}}$

(iv) Calculating of sales estimates of menu items:

Let the best choicegroup of size $k$ be

$s_k^* = \{ j_1^*, j_2^*, \ldots, j_k^* \}$

If $m_{j^*}$ is the sales estimate of item $j$,

$$m_{j^*} = \sum_{i=1}^{n} \left( 1 \right) \left\{ h_{ij_{j^*}} = \max(h_{ij_1}, h_{ij_2}, \ldots, h_{ij_k}, h_{ij_{j^*}}) \mid h_{ij_{j^*}} \geq \text{thresh} \right\}$$
Updating $t_{ij}$ and $h_{ij}^-$:

If $h_{ij_k}^* = \max(h_{ij_1}, h_{ij_2}, \ldots, h_{ij_k})$, $h_{ij_k}^* > \text{thresh}$

then set $t_{ij_k}^- = 0$ and $h_{ij_k}^- = h_{ij_k}^*$

For every $i$ and $j$, set $t_{ij} = t_{ij} + 1$

Figure 3 illustrates a sample output from a CGDP run with the choice-group size fixed at 3. A schedule for only 2 days is presented. As can be expected, none of the menu items scheduled on the first day appear on the subsequent day. Figure 4 shows an output with the percentage of the maximum achievable preference that must be achieved fixed at 85%. For the first day, the menu items are thus exactly the same as those on the first day in Figure 3. But on the second day only two items are able to achieve 85% of the maximum achievable preference.

The above described method basically formulates a multistage, unconstrained optimization process for choice-group generation in the sense that for an indefinite period, $p$, the optimum sequence of choicegroups is determined parametrically for any desired choicegroup size or population preference level. Relative to this indication of optimality, conventional menu schedules appear to have two principal flaws. One is the tendency to pair up equally liked or disliked items in the same choicegroup. Such policy is not corroborated by the results shown of Figures 3 and 4, and it is likely to lead to suboptimal schedules from the point of view of acceptability.

* It is a coincidence that the percentages of the maximum achievable preferences for the two days are so close to one another.
The other is the tendency to rotate short menu cycles when the computational evidence indicates that the hypothetical distribution of population preferences would favor periods much longer than presently used.

In conclusion, the two immediate potential uses of the results of this study deserve mention. One is the educational, training and demonstration aspect of operating the CGDP program as it is documented. The other is the extension of the approach to constrained optimization problems, i.e., realistic selective menu scheduling problems, where the population preference is to be optimized subject to food cost, capacity and nutritional constraints. Essential elements of the CGDP program are constructed to serve as column generators for the pivoting rules of a stochastic programming model of menu scheduling, which is under development by the authors. In this approach the concept of choicegroups can be extended to the more realistic concept of choicegroups of pairwise combinations of items as is suggested in [1].
A preference matrix \( H \) for \( n=15 \) and \( n=10 \). The elements of the matrix were generated from actual preference-time functions evaluated on an arbitrary day. With respect to a choice group of size 2 comprising items 1 and 8, for each individual, a "c" indicates the more preferred item between the two, and a "i" indicates the less preferred of items 1 and 8.

Table 1.

Table 2.

The updated preference matrix \( H \) on the day subsequent to that depicted by Table 1, when items 1 and 8 were offered on the day corresponding to Table 1. Upward and downward arrows after preferences indicate the rise and drop of preferences with respect to Table 1 for offered items selected and not selected respectively.
Figure 1. The percentage of maximum preference achieved as a function of choice-group size with n=10 for preferences from (a) realistic data (b) uniform distribution in the interval (0,100) (c) normal distribution with mean 50 and standard deviation $50/\sqrt{3}$ (d) exponential distribution with mean 50, and (e) an arbitrary mixture of uniform distributions.
Figure 2. The change of preference over time when the item is consumed on days 9, 16, 19 and 28, the item having been consumed 9 days prior to day 1. The parameters of the preference-time function used for this plot are: $a = 100$, $b = 40$, $c = 0.05$, $r = 0.4$. 
day number 1
maximum achievable preference = 495.65
size of choice group = 3
total preference achieved = 453.84
percentage of maximum = 91.56 percent

<table>
<thead>
<tr>
<th>item num.</th>
<th>number of persons</th>
<th>proportion(%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>8</td>
<td>53.33</td>
</tr>
<tr>
<td>2</td>
<td>4</td>
<td>26.67</td>
</tr>
<tr>
<td>8</td>
<td>3</td>
<td>20.00</td>
</tr>
<tr>
<td>omitted</td>
<td>0</td>
<td>00</td>
</tr>
</tbody>
</table>

day number 2
maximum achievable preference = 501.47
size of choice group = 3
total preference achieved = 458.53
percentage of maximum = 91.44 percent

<table>
<thead>
<tr>
<th>item num.</th>
<th>number of persons</th>
<th>proportion(%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>4</td>
<td>6</td>
<td>40.00</td>
</tr>
<tr>
<td>7</td>
<td>3</td>
<td>20.00</td>
</tr>
<tr>
<td>10</td>
<td>6</td>
<td>40.00</td>
</tr>
<tr>
<td>omitted</td>
<td>0</td>
<td>00</td>
</tr>
</tbody>
</table>

Figure 3. Sample output from a CGDP run with the choice group size fixed at 3 for 2 days. The preference matrix for the first day is depicted on Table 1.
**********
day number 1
maximum achievable preference = 495.65
size of choice group = 3
total preference achieved = 453.84
percentage of maximum = 91.56 percent

item num. number of persons proportion(%)  
1 8 53.33
2 4 26.67
8 3 20.00
omitted 0

**********
day number 2
maximum achievable preference = 501.47
size of choice group = 2
total preference achieved = 433.85
percentage of maximum = 86.51 percent

item num. number of persons proportion(%)  
4 8 53.33
10 7 46.67
omitted 0

Figure 4. Sample output from a CGDP run with the percentage of the maximum preference to be achieved fixed at 85% for 2 days. The preference matrix for the first day is depicted on Table 1.
APPENDIX

A. Choicegroup Generator Demonstration Program (CGDP) listing, including instructions for using the program.

B. Sample user-computer dialogue during CGDP execution, and resulting output.
1. program code
2. choice group generator demonstration program (cdm)
3. developed by J.I. Balint and F. Szima under o.m.r.
4. contract nr-047-100 at the univ. of man. feb. 1972
5. this experimental program determines the most pref.
6. choice group of menu items relative to the preference
7. ratings of a population.
8. ***************************************************************
9. instructions for use:
10. problem size values and other options will be requested
11. by the program during execution. answer all mentions
12. by "yes" or "no" except where otherwise specified.
13. hypothetical preference-time function parameters for
14. the data can be generated in the program itself, or the
15. parameters can be externally supplied by amending them
16. to the end of the program, i.e. from line 500 onwards.
17. or place them in a binary file. the unit number where
18. the data is located will be requested by the program.
19. if preference-time function parameters for all pairwise
20. combinations of the "m" individuals and the "n" items
21. are externally supplied, they must be in the following
22. order (format free)
23. (no statement no. required if data in a binary file)
24. 5000 a(1,1),b(1,1),c(1,1),r(1,1),time(1,1),last(1,1)
25. 5005 a(1,2),b(1,2),c(1,2),r(1,2),time(1,2),last(1,2)
26. .... a(1,n),b(1,n),c(1,n),r(1,n),time(1,n),last(1,n)
27. 5010 a(2,1),b(2,1),c(2,1),r(2,1),time(2,1),last(2,1)
28. .... a(2,n),b(2,n),c(2,n),r(2,n),time(2,n),last(2,n)
29. 5015 .... a(3,1),b(3,1),c(3,1),r(3,1),time(3,1),last(3,1)
30. .... a(3,n),b(3,n),c(3,n),r(3,n),time(3,n),last(3,n)
31. .... a(n,1),b(n,1),c(n,1),r(n,1),time(n,1),last(n,1)
32. whcere a(i,j),b(i,j),c(i,j) and r(i,j) are the parameters
33. of the preference-time function of the jth person
34. for the jth item.
35. time(i,j) is the number of days since the jth
36. person selected the ith item and last(i,j) is the
37. preference of the jth person for the jth
38. item at last selection of the item.

39. the options and requests during program execution include:
40. 1) printout of preference matrix
41. 2) threshold preference level, i.e. preference below
42. which no menu item is selected.
43. 3) number of persons and number of menu items
44. 4) generation of fictitious data by person or menu
45. 5) of data by user by amending to the end of the p item
46. 6) or by placing in a numbered binary file.
47. 7) numbers for internal generation of data from uniform,
48. normal or truncated normal distributions.
49. 8) task preference matrix, varying choice group size
50. 9) to observe effect of increasing choice group size,
51. 10) or, multi-day schedule with fixed choices among size
52. 11) or, multi-day schedule with fixed percentage of max.
53. ***************************************************************

54. common (days, kmin,kmax,m,n,k,range,m,n,stand,1.0,3,6-3.16,t0,tn,ln,0,11,10),
55. 7th(50,25), time(50,25), a(50,25), c(50,25), h(50,25), p(50,25),.promise(10),
56. 7nth(50,25), loop(10), thresh, num(10), mnx, pref,p(10), pare
57. 79 do 78 iol=3
58. 78 read 83, (exts(1),ilo)
59. 79 print 82, (exts(1),ilo)
60. 80 print 81
61. 81 print Input, blanks
62. 82 format(5x,1f8.8)
63. 83 kpo=0 if (ianes .eq., ayes)e
64. 84 print 100
65. 100 format(* type inthreshold preference level which no
66. 101 * item selected (floating point))
67. input, thresh
68. 110 print 100
69. 111 format(* type in the number of persons - not more than 50 end/
70. 112 * the number of menu items - not more than 24(integers))
71. 113 input,m,n
72. 120 if (m .le. 5) go to 140
73. 130 print 140 if (m .le. 2) go to 140
74. 140 format(* not more than 50 persons - please*)
75. 150 if (m .le. 10) go to 140
76. 150 print 140 if (m .le. 10) go to 140
77. 160 format(* not more than 24 items - please*)
78. 170 continue
79. 170 print 170
80. 175 format(* type in unit number(integers) where data is located*)
81. 176 * type zero if data is to be generated by the program*
82. 180 exta(1),m,n
83. 180 if (ianes .eq., ayes) go to 230
84. 190 read (l2,bl,cl,dl,fl)
85. 190 time(1,1),last(1,1),m,n
86. 194 print 194
153  extra(10)=1;
154  do 201 i=1,10
155  end
156  201  call random(i)
157  return
158  end
159  tim=l/time(1,j)
160  r(i,j)=exp(-time(1,j)*c(i,j))
161  extra(10)=3;
162  extra(10)=2;
163  return
164  end
165  format(8f8.4)
166  extra(10)=3;
167  return
168  end
169  format(8f8.4)
170  extra(10)=3;
171  return
172  end
173  format(8f8.4)
174  extra(10)=0;
175  return
176  end
900 continue
910 print 130
925 format('i type 1 to continue, 0 to terminate')
935 input(); if(input() eq. 1) go to 79
940 end
1000 subroutine print2
1030 common idays,klin,kmax,n,k,zance,ex,stdx,tl,cur,jp,br(10)
1035 ax(50,25),bx(50,25),cx(50,25),dx(50,25),exa(10),
1100 hiants(50,25),isol(10),thrsh,nun(10),spmax, pref.p(10),pere
1105 print 1060
124 format('x12,x10(1k,5.1)),
129 format(9)
130 if(j=0, eq. nil return
131 return
133 return
135 print 1077,(l.l,1,4),
136 print 1093
140 format('persons')
140 do 1290 i=l,n
155 print 1077(i) (h(i,j), j=1,n)
1470 go to 1020
150 end
155 end
2000 subroutine normal
222 common idays,klin,kmax,n,k,zance,ex,stdx,tl,cur,jp,br(10)
223 ax(50,25),bx(50,25),cx(50,25),dx(50,25),exa(10),
230 hiants(50,25),isol(10),thrsh,nun(10),spmax, pref.p(10),pere
2370 en 2120 i=l,n
245 in 2120 j=1,n
250 end
265 end
280 do 280 n=1,12
200 return
287 n=14
203 return
297 k=ex('num-6.')(ex
300 if(1.1.1, eq. nil go to 2050
315 h(i,j)=x
320 return
325 end
330 subroutine uniform(c1)
340 common idays,klin,kmax,n,k,zance,ex,stdx,tl,cur,jp,br(10)
345 ax(50,25),bx(50,25),cx(50,25),dx(50,25),exa(10),
350 hiants(50,25),isol(10),thrsh,nun(10),spmax, pref.p(10),pere
357 do 2400 n=1,m
365 go 2330 i=1,n
370 return
375 end
380 subroutine normal(n)
388 common idays,klin,kmax,n,k,zance,ex,stdx,tl,cur,jp,br(10)
393 ax(50,25),bx(50,25),cx(50,25),dx(50,25),exa(10),
398 hiants(50,25),isol(10),thrsh,nun(10),spmax, pref.p(10),pere
400 subroutine update
408 common idays,klin,kmax,n,k,zance,ex,stdx,tl,cur,jp,br(10)
413 ax(50,25),bx(50,25),cx(50,25),dx(50,25),exa(10),
420 hiants(50,25),isol(10),thrsh,nun(10),spmax, pref.p(10),pere
427 format('num-6.',ex
437 do 2000 i=1,m
447 k=ex('num-6.',ex
460 return
467 return
475 return
480 return
485 return
490 return
500 return
505 return
510 return
515 return
520 return
525 return
530 return
535 return
540 return
545 return
550 return
555 return
560 return
565 return
570 return
575 return
580 return
585 return
590 return
595 return
600 return
605 return
610 return
615 return
620 return
625 return
630 return
635 return
640 return
645 return
650 return
655 return
660 return
665 return
670 return
675 return
680 return
685 return
690 return
695 return
700 return
705 return
710 return
715 return
720 return
725 return
730 return
735 return
740 return
745 return
750 return
755 return
760 return
765 return
770 return
775 return
780 return
785 return
790 return
795 return
800 return
805 return
810 return
815 return
820 return
825 return
830 return
835 return
840 return
845 return
850 return
855 return
860 return
865 return
870 return
875 return
880 return
885 return
890 return
895 return
900 return
905 return
910 return
915 return
920 return
925 return
930 return
935 return
940 return
945 return
950 return
955 return
960 return
965 return
970 return
975 return
980 return
985 return
990 return
995 return
16H

choice group generator demonstration program (agdp)
if you are totally unfamiliar with this program, stop it
and list 1,50 for instructions...good luck.

run agdp

do you want to print the preference matrix?
yes

type in threshold preference level below which no
teen selected (floating point)


type in the number of persons - not more than 10 and
two number of menu items - not more than 20 (integer)


type in unit number (integer) where data is located
type zero if data is to be generated by the program


type 1 if numbers to be generated from normal distr.
type 2 if numbers to be generated from uniform distr.


type mean, standard dev. for normal distr. (real)


type 1 if you want truncated normal, 3 otherwise


type in lower limit, upper limit for truncation (real)


type 1 if you want to see the effects of increasing the
choice group size with a fixed preference matrix

type 2 if you want a multi-day schedule with a fixed size
of choice group for each day


type 3 if you want to fix the percentage of the maximum
preference which must be achieved for a multi-day schedule
(options 2 and 3 use the day to day updating feature)


specify number of days (integer) and percentage of maximum
(real) to be achieved

?2 20.0
### Day Number 1
#### Preference Matrix

<table>
<thead>
<tr>
<th></th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
<th>8</th>
<th>9</th>
<th>10</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>1.1</td>
<td>6.4</td>
<td>7.8</td>
<td>37.4</td>
<td>9.3</td>
<td>5.2</td>
<td>15.5</td>
<td>10.0</td>
<td>2.5</td>
<td>4.0</td>
</tr>
<tr>
<td>2</td>
<td>1.4</td>
<td>6.4</td>
<td>10.1</td>
<td>14.6</td>
<td>9.3</td>
<td>6.4</td>
<td>12.9</td>
<td>16.0</td>
<td>2.5</td>
<td>18.0</td>
</tr>
<tr>
<td>3</td>
<td>1.4</td>
<td>6.4</td>
<td>10.1</td>
<td>14.6</td>
<td>9.3</td>
<td>6.4</td>
<td>12.9</td>
<td>16.0</td>
<td>2.5</td>
<td>18.0</td>
</tr>
<tr>
<td>4</td>
<td>1.1</td>
<td>6.7</td>
<td>12.7</td>
<td>18.0</td>
<td>13.1</td>
<td>12.7</td>
<td>14.7</td>
<td>16.0</td>
<td>2.5</td>
<td>18.0</td>
</tr>
<tr>
<td>5</td>
<td>2.1</td>
<td>6.7</td>
<td>12.7</td>
<td>18.0</td>
<td>13.1</td>
<td>12.7</td>
<td>14.7</td>
<td>16.0</td>
<td>2.5</td>
<td>18.0</td>
</tr>
<tr>
<td>6</td>
<td>2.1</td>
<td>6.7</td>
<td>12.7</td>
<td>18.0</td>
<td>13.1</td>
<td>12.7</td>
<td>14.7</td>
<td>16.0</td>
<td>2.5</td>
<td>18.0</td>
</tr>
<tr>
<td>7</td>
<td>2.1</td>
<td>6.7</td>
<td>12.7</td>
<td>18.0</td>
<td>13.1</td>
<td>12.7</td>
<td>14.7</td>
<td>16.0</td>
<td>2.5</td>
<td>18.0</td>
</tr>
<tr>
<td>8</td>
<td>2.1</td>
<td>6.7</td>
<td>12.7</td>
<td>18.0</td>
<td>13.1</td>
<td>12.7</td>
<td>14.7</td>
<td>16.0</td>
<td>2.5</td>
<td>18.0</td>
</tr>
<tr>
<td>9</td>
<td>2.1</td>
<td>6.7</td>
<td>12.7</td>
<td>18.0</td>
<td>13.1</td>
<td>12.7</td>
<td>14.7</td>
<td>16.0</td>
<td>2.5</td>
<td>18.0</td>
</tr>
<tr>
<td>10</td>
<td>2.1</td>
<td>6.7</td>
<td>12.7</td>
<td>18.0</td>
<td>13.1</td>
<td>12.7</td>
<td>14.7</td>
<td>16.0</td>
<td>2.5</td>
<td>18.0</td>
</tr>
</tbody>
</table>

### Maximum Achievable Preference = 402.93

#### Size of Choice Group = 2

### Total Preference Achieved = 332.75

### Percentage of Maximum = 82.93%

#### Item Number

<table>
<thead>
<tr>
<th>Item</th>
<th>Number of Persons</th>
<th>Proportion (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>10</td>
<td>50.00</td>
</tr>
<tr>
<td>2</td>
<td>10</td>
<td>50.00</td>
</tr>
<tr>
<td>omitted</td>
<td>0</td>
<td>0.00</td>
</tr>
</tbody>
</table>
REFERENCES


-44-