# A Prediction-based Online Cost Optimization Algorithm for 5G Vertical

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## Introduction

- Vertical industry focuses on a **particular** niche, eg : automotive, education, manufacturing and real-estate.
- Fast-paced change in business ecosystems move towards digitalization of Vertical Industries.
- **5G** will be a **major** technology in **growing** industrial digitalization, such as immersive gaming, autonomous driving, remote robotic surgery and augmented reality.



# **Requirements of Vertical and it's Sharing**

Each verticals have **different service requirements** in terms of Key Performance Indicators (**KPIs**) such as throughput, delay and reliability, and network requirements such as isolation and special authentication.

• Through SLA, requirements are shared between the operator and the Vertical, which determines the **guaranteed** level of performance and corresponding **cost**.



# **5G Enabler for Verticals and Need of Cost Optimization**

- Mechanism of **network slicing** is one of the key **enablers for 5G** networks to support the architecture.
- 5G network slicing is a network **architecture** that **enables** the multiple independent **logical networks** on the same physical network infrastructure to **provide** telecommunication services.
- With **increasing demand** of verticals, resource requirement increases.
- Due to limited resources and higher cost, effective allocation of resources are required.



### **Main Obstacle in Cost Optimization**

Dynamic traffic demand of verticals.

**Online Problem** 

Based on the concept of **online algorithm**, which processes its input piece-by-piece **without having the entire input** available from the start.

The goal of this problem is to **minimize/maximize the objective** function without having the entire information available at start.



# Vertical's Resource Reservation

Verticals can reserve resources in two ways :

- Long-time reservation of resources (SLA update/ Long-term Plan)
- On-demand reservation of resources (Short-term Plan)

Per-day charge of resources **decreases** as the leasing period **increases** due to discounted long-term plans.

Service Provider	Plan (p)	<b>Contract Period</b> (w)	Price (s in \$)	Per day rate (r in \$)
Jio	2 GB/day	28 days	3.4	0.12
Jio	2 GB/day	84 days	8.2	0.11
Airtel	2 GB/day	28 days	4.09	0.14
Airtel	2 GB/day	84 days	9.6	0.11

Pricing of Bandwidth Resources by Multiple Service Providers



### **Motivation**

- Traffic variation of Verticals in 5G is **unknown** to the Verticals and Provider.
- Rate of resources decreases with increase in leasing period, how we can utilize this information for cost optimization in dynamic traffic environment.

### **Problem Formulation**

Select a cost-effective plan to support the uncertain traffic demand of verticals via mapping with a multi-slope variant of ski-rental problem.



### **Online Ski-Rental Problem**

- A skier needs to decide between **buying skis at cost b** and **renting** them at the cost of 1 per day.
- But, the skier **does not know** the length of the ski season in advance.
- Deterministic strategy for the skier is to rent for b-1 days and buy at b<sup>th</sup> day, which achieves best worst case competitive ratio of approx 2.
- Randomized strategy achieves best worst case competitive ratio of approx 1.58.



# **Proposed Prediction-based Online Cost Optimization Algorithm for Verticals**

- Data Preprocessing Phase
- Traffic Prediction Phase
- Plan Selection Phase



## **Data Preprocessing Phase**

- Telecom Italia has open-sourced a user interaction dataset from the city of Milan and the Province of Trentino, which contains CDRs for each 10 minutes .
- Call Detail Records (CDRs) are collected from each grid of Milan and Trentino.
- Each time a user initiates a telecommunication interaction, a Radio Base Station (RBS) starts a new CDR recording.
- Mapped the each grid's CDRs traffic to the traffic of network slice.
- Generated a **normalized aggregated per day** traffic dataset using CDRs of each day.



### Dataset

:		1	2	3	4	5	6	7	8	9	10	91	92
	0	93.724525		114,880818	267.477315		-	314.069895		-		 207.879692	
		243.589731	234.137541			557.610767	763.080380	681.351742					363.593934
	2	112.172493	109.916621	124.632083	301.576681	324.152691	439.332003	388.829577	192.156226	175.431736	201.202183	 243.587628	273.646687
	3	158.303830	151.822996	160.461245	317.717487	354.137755	479.632251	431.861673	208.858100	249.719621	271.944320	 295.400164	338.311128
	4	93.780078	97.841884	115.968455	192.387388	212.470888	286.552975	253.793839	142.697457	143.608276	166.551650	 215.348924	197.136609
1	292	84.224500	79.730052	88.224452	185.832099	201.310738	262.708440	245.796943	135.936380	95.720888	113.456286	 343.385628	260.082297
1	293	123.710273	122.146803	113.758355	256.952113	280.840076	345.634485	314.588165	192.517047	117.309073	159.525139	 421.074217	350.696610
1	294	93.986241	96.319440	90.547909	174.411435	191.030156	241.004327	212.815626	115.359299	77.806505	110.420934	 310.018248	243.040804
1	295	<b>114.859605</b>	149.535939	190.271113	232.030345	235.671418	324.936449	299.596130	160.559475	106.293249	157.338722	 400.829646	315.012177
1	296	29.630386	39.928679	57.652265	62.202624	60.007671	86.672490	82.997526	53.269741	35.897018	48.652206	 104.631513	91.869955



### **Traffic Prediction Phase**

- **LSTM** model is used to **predict future traffic** to improve the effectiveness of the decision-making.
- LSTM is a special kind of RNN and is widely used for time-series prediction due to its ability to learn long-term context.
- The accuracy of the LSTM model improved by retraining continuously on recently available data.
- **Continual learning** is beneficial in an environment where the data trend keeps changing.

Activation Function	ReLU
Optimizer	Adam
Number of training Dataset	900 days
No. of Layers	256
Epochs	50
Time Steps	7 days

#### **LSTM Model Configuration Parameter**



### **Plan Selection Phase**

- Multi-slope online plan-selection algorithm utilizes prediction information of LSTM model to chooses a suitable plan from a set of plans.
- Algorithm decides whether to on-demand a plan or update the existing plan..
- Computes the online cost and competitive ratio for competitive analysis.
- With new stream of data, reiterate all phases to improve the accuracy of model and better optimize the cost.



### **Competitive Analysis**

- **Competitive analysis** is a method invented for analysing performance of online algorithm.
- The performance of an online algorithm is compared to the performance of an optimal offline algorithm that can view the sequence of requests in advance.
- An algorithm is competitive if its competitive ratio is bounded.



### **Proposed Algorithm**

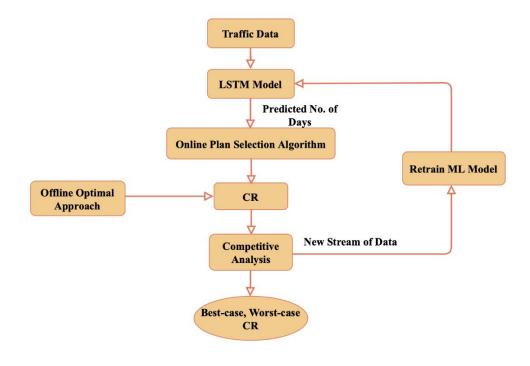
Algorithm 1: Online plan selection algorithm 1 Input:  $LSTM_{prediction} \rightarrow \{B_p, m\},\$  $Offline_{optimal} \rightarrow \{C_{opt}\}, B_c, C_c.$ 2 Output:  $C_o$ , CR3 while (w days stream of data) do // competitive analysis if  $B_p > B_c$  then // comparison between 4 predicted and acquired bandwidth if  $m * r_i >= s_i$  then // comparison 5 between on-demand cost and SLA update cost reserve  $s_i$  resource at start; 6  $C_o = s_i;$ 7 else 8 on-demand additional resource at  $r_i$ ; 9  $C_o = C_c + m * r_i;$ 10 end 11 else 12 13  $C_o = C_c;$ end 14  $CR = \frac{C_o}{C_{opt}}$ 15 16 end

#### **Simulation Parameters**

On-demand duration	1 Day				
SLA Contract Period (w)	28 Days				
Current Bandwidth $B_c$	160 GB				
Current Cost $C_c$	\$932				



# **Flow of Proposed Model**





# **Offline Optimization Algorithm for Cost Computation**

minimize 
$$f(x,y) = \sum_{t=0}^{T} \sum_{i=1}^{n} (x_{ti}r_i + y_{ti}s_i)$$
 (1a)

subject to 
$$\sum_{i=1}^{n} p_i * x_{ti} + p_i * y_{ti} >= d_t \forall t,$$
 (1b)

$$x_{ti}, y_{ti} \in \{0, 1\},$$
 (1c)

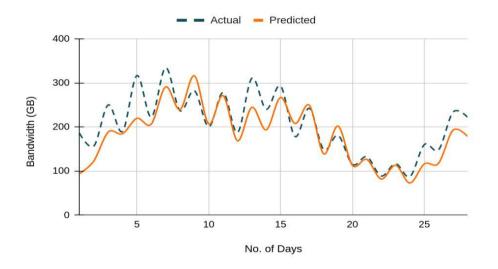
$$d_t, p_i, r_i, s_i \ge 0. \tag{1d}$$

Where,

- $\mathbf{x}_{ti}$  and  $\mathbf{y}_{ti}$  are the binary decision to indicate the selection of short-term or long-term plan
- On-demand cost r
- Long-term plan cost s<sub>i</sub>
- bandwidth demand  $\mathbf{d}_{t}$  enters the system at time t.
- **p**<sub>i</sub> corresponds to the allocated bandwidth.



# **Prediction on Dataset diagram**



X-axis represents to the number of days. Y-axis represents to the bandwidth in GB.



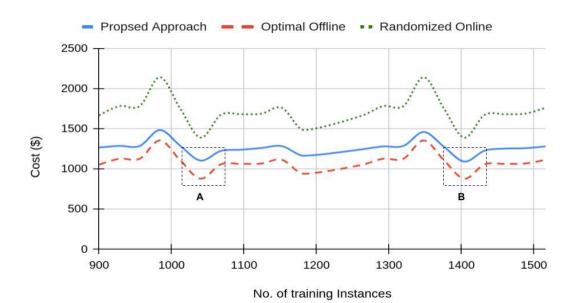
# **Competitive Ratio Analysis**



- Competitive analysis of proposed algorithm with best worst-case CR of randomized algorithm.
- The **dynamic change** in **demand** and **low prediction** accuracy caused the worst case CR at point A and B.



### **Cost Comparison Analysis**





### **Summary**

- This work addresses the plan selection problem for vertical industries with dynamic traffic demands.
- The proposed algorithm can help the different industry verticals to optimize the operational cost by choosing a network slice plan.
- The performance evaluation on the real-world dataset suggests that the proposed algorithm improves over **randomized algorithm by 20%** and **deterministic algorithm by 37%** in worst case scenario.



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