

Quantity Oriented Agent

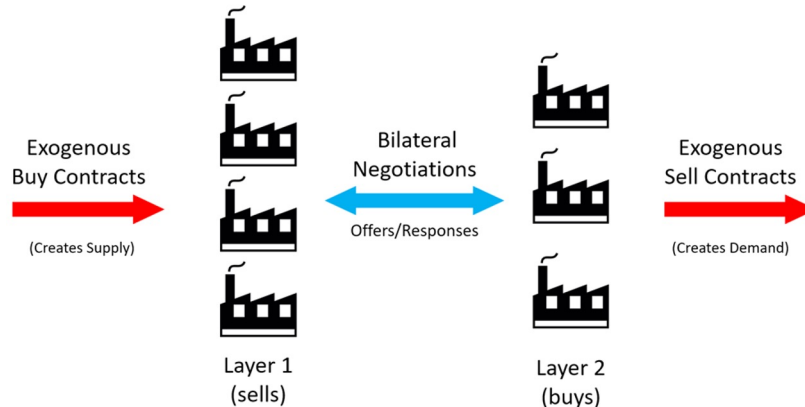
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The OneShot Simulation

- The simulation replicates a supply chain with **2 layers**, and each agent controls a factory.
- Each day, the agents are bound to and **exogenous contract**, that creates the supply and demand.
- The agents negotiate the **price** and **quantity** of the intermediary products, through contracts.
- The negotiations are made through alternating offers, with a time limit of **20 steps**.



SCML OneShot 2023 changes

In the SCML 2023 competition, the price range is reduced to 1.

That means that the maximum price is only 1 unit higher than the minimum price:

$$p_{\max} = p_{\min} + 1$$

This makes the **quantity** to be negotiated the single most important aspect to be considered.

Definitions: Quantities

- **Exogenous quantity:** the amount established by the exogenous contract, which must be matched during the negotiations:

$$\max \{q_{\text{exogenous}}\} = 10$$

- **Secured quantity:** the total number of products the agent successfully negotiated through all its contracts:

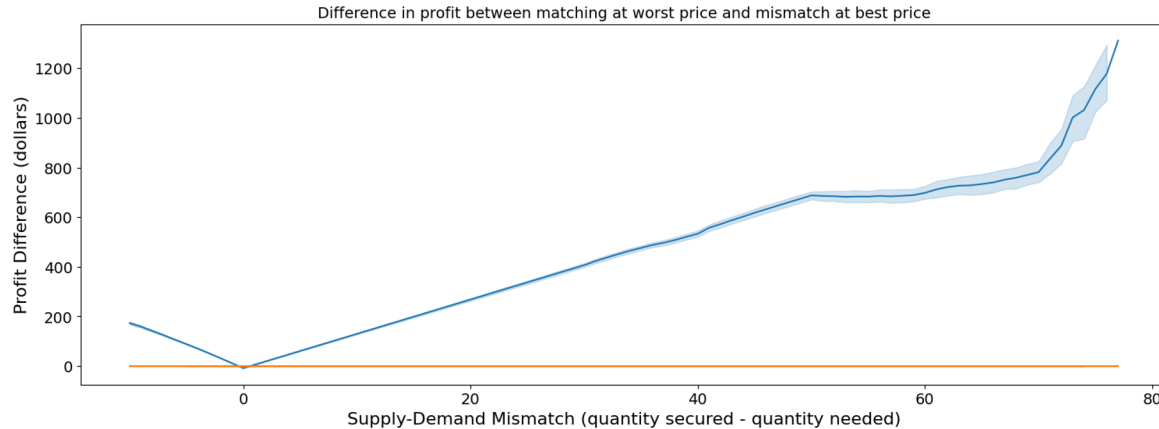
$$q_{\text{secured}} = \sum q_{\text{negotiated}}$$

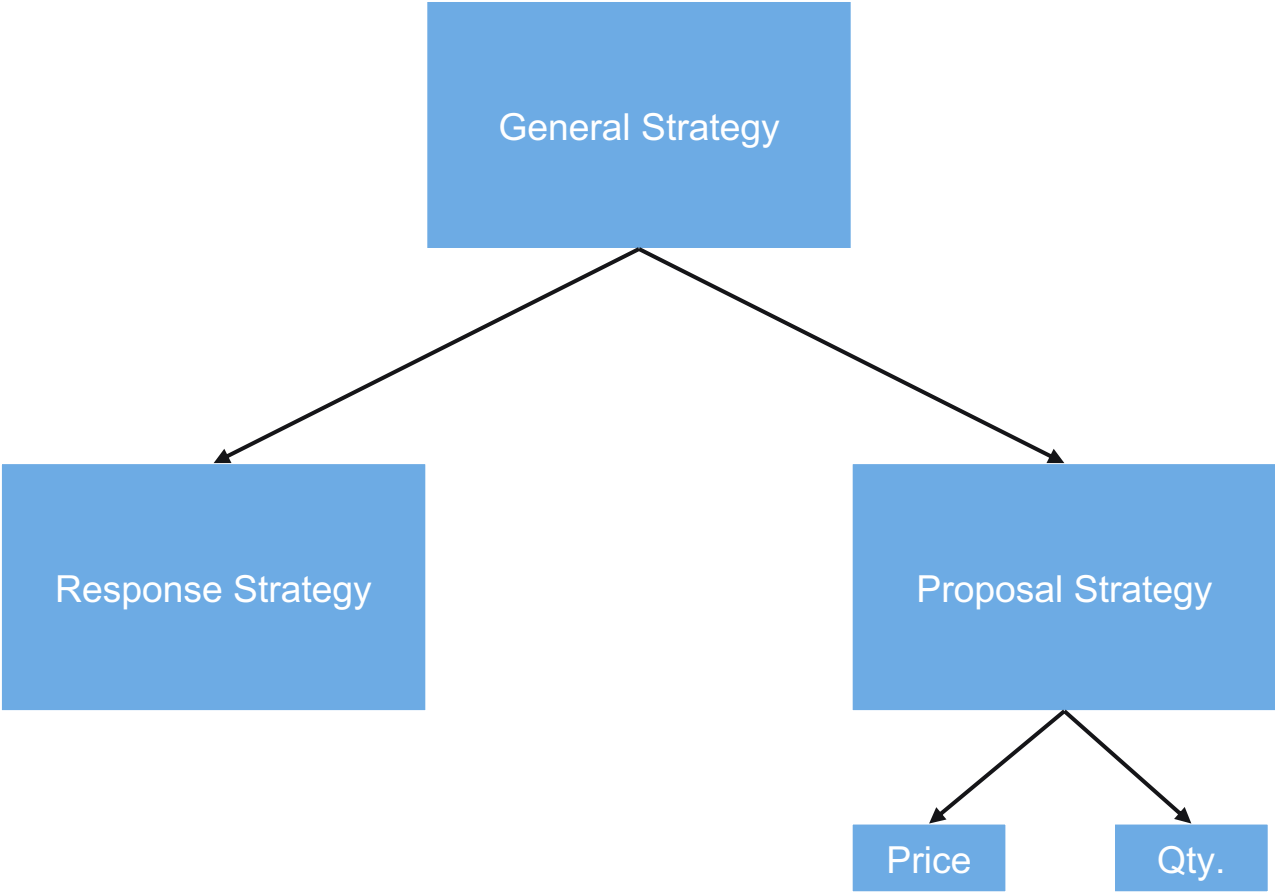
- **Agent's needs:** the difference between the exogenous amount and the secured amount. (The main objective of the agent is to nullify this value):

$$q_{\text{needs}} = q_{\text{exogenous}} - q_{\text{secured}}$$

General Strategy

- Minimize the difference between the exogenous quantity and the amount of products secured through contracts.
 - There are penalties are proportional to this difference (in modulus).
 - The price is not too relevant*





Response Strategy

Quantity Oriented Agent accepts *any* offers, as long as the amount offered is lower or equal to its needs.

Accepts if: $q_{\text{offer}} \leq q_{\text{needs}}$

At the **last offer** it receives, it attempts to minimize the modulus of difference between the quantity determined by the exogenous contract and the number of products negotiated.

Accepts if: $|q_{\text{needs}} - q_{\text{offer}}| < q_{\text{needs}}$

Proposal Strategy: Prices

- **Best Price:** the price that maximizes the agent's utility function.

Layer 1: $p_{\text{best}} = p_{\text{max}}$

Layer 2: $p_{\text{best}} = p_{\text{min}}$

- **Worst Price:** only at the very last offer sent, it is the price that minimizes the agent's utility function.

Layer 1: $p_{\text{worst}} = p_{\text{min}}$

Layer 2: $p_{\text{worst}} = p_{\text{max}}$

Proposal Strategy: Quantity

- With the objective of minimizing the risks of its offers being turned down based on quantity, the agent **divides its needs** by two , if its needs are superior, or equal to 5.

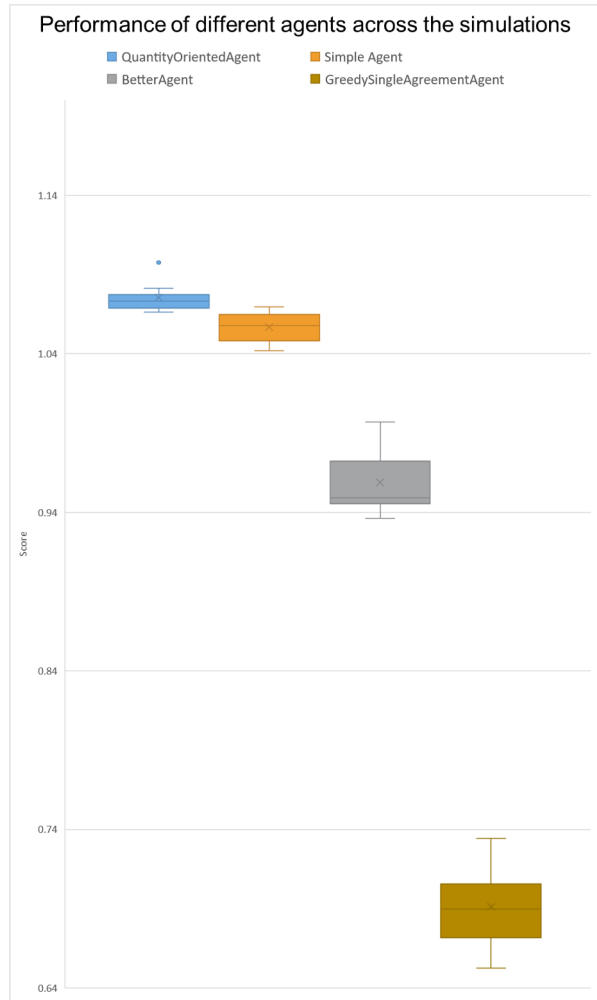
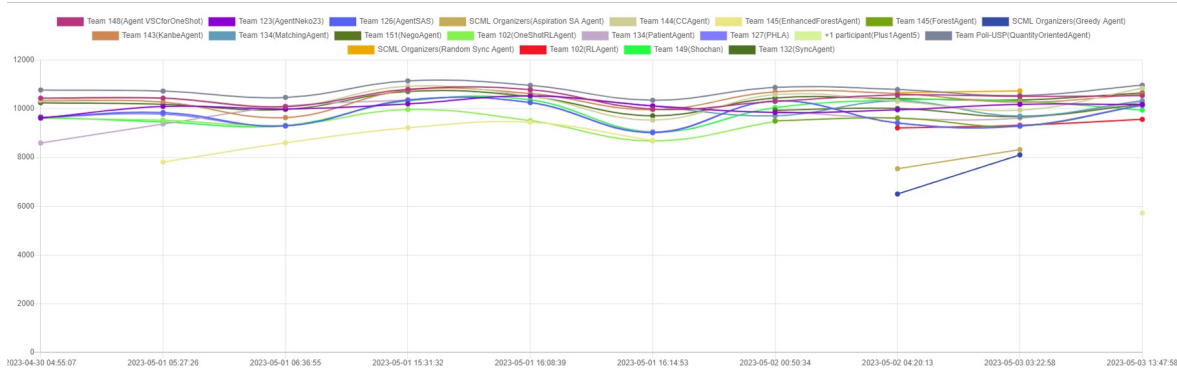
$$\text{Sets: } q_{\text{offer}} = \lfloor q_{\text{needs}} / 2 \rfloor$$

- Otherwise, it simply offers what it currently needs.

$$\text{Sets: } q_{\text{offer}} = q_{\text{needs}}$$

Performance

Higher mean, median and lower variance →
Generally more consistent than the competitions' standard agents.



Thank you!

References:

Y. Mohammad, "Developing an agent for SCML2023 (OneShot)- OneShotAgent" [www.yasserm.com. http://www.yasserm.com/scml/scml2020docs/tutorials/02.develop_agent_scml2020_oneshot.html#oneshotagent](http://www.yasserm.com/scml/scml2020docs/tutorials/02.develop_agent_scml2020_oneshot.html#oneshotagent) (accessed May 1, 2023).

Y. Mohammad, "Developing an agent for SCML2023 (OneShot)" [www.yasserm.com. http://www.yasserm.com/scml/scml2020docs/tutorials/02.develop_agent_scml2020_oneshot.html](http://www.yasserm.com/scml/scml2020docs/tutorials/02.develop_agent_scml2020_oneshot.html) (accessed May 1, 2023).