

# Nash equilibria in Voronoi games on graphs

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dagstuhl mai 08

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this talk contains no  
random graphs, no  
approximation  
algorithms, no sugar

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# Ice vendors on a beach

[H.Hotteling, Stability in Competition, 1929]

*a beach* : a straight segment

*tourists* : buy from the closest vendor

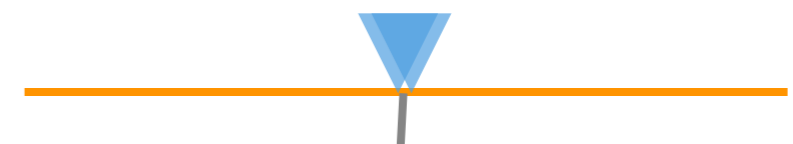
*gain of a vendor* : surface of its Voronoi cell

*social cost* : average distance to the closest vendor

(unique) **social optimum**



(unique) pure Nash **equilibrium**



*price of anarchy* : (here 2) worst ratio between the social cost of an equilibrium and the social optimum

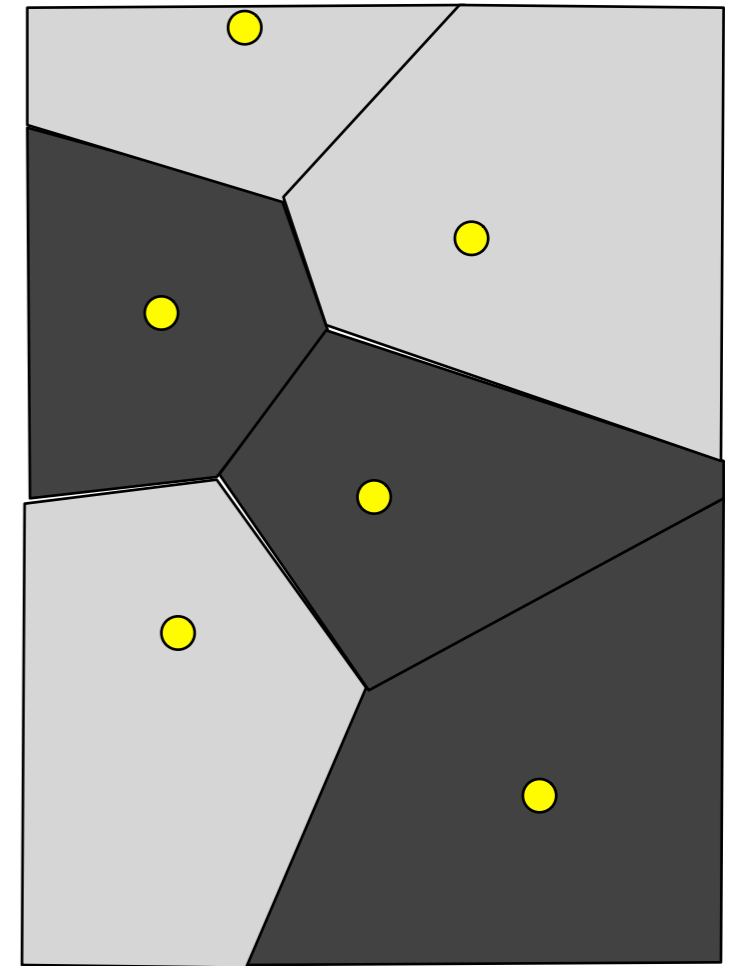
# Past work on rectangles

- A rectangle of ratio  $r \leq 1$ , 2 players:  
White places  $p$  vendors,  
then black places  $p$  vendors.

There is a strategy for black to win strictly more than half if and only if  $p \geq 3$  et  $r > \sqrt{2}/p$  or  $p=2$  and  $r > \sqrt{3}/2$ .

[Cheong,Har-Peled,Linial,Matoušek'02]

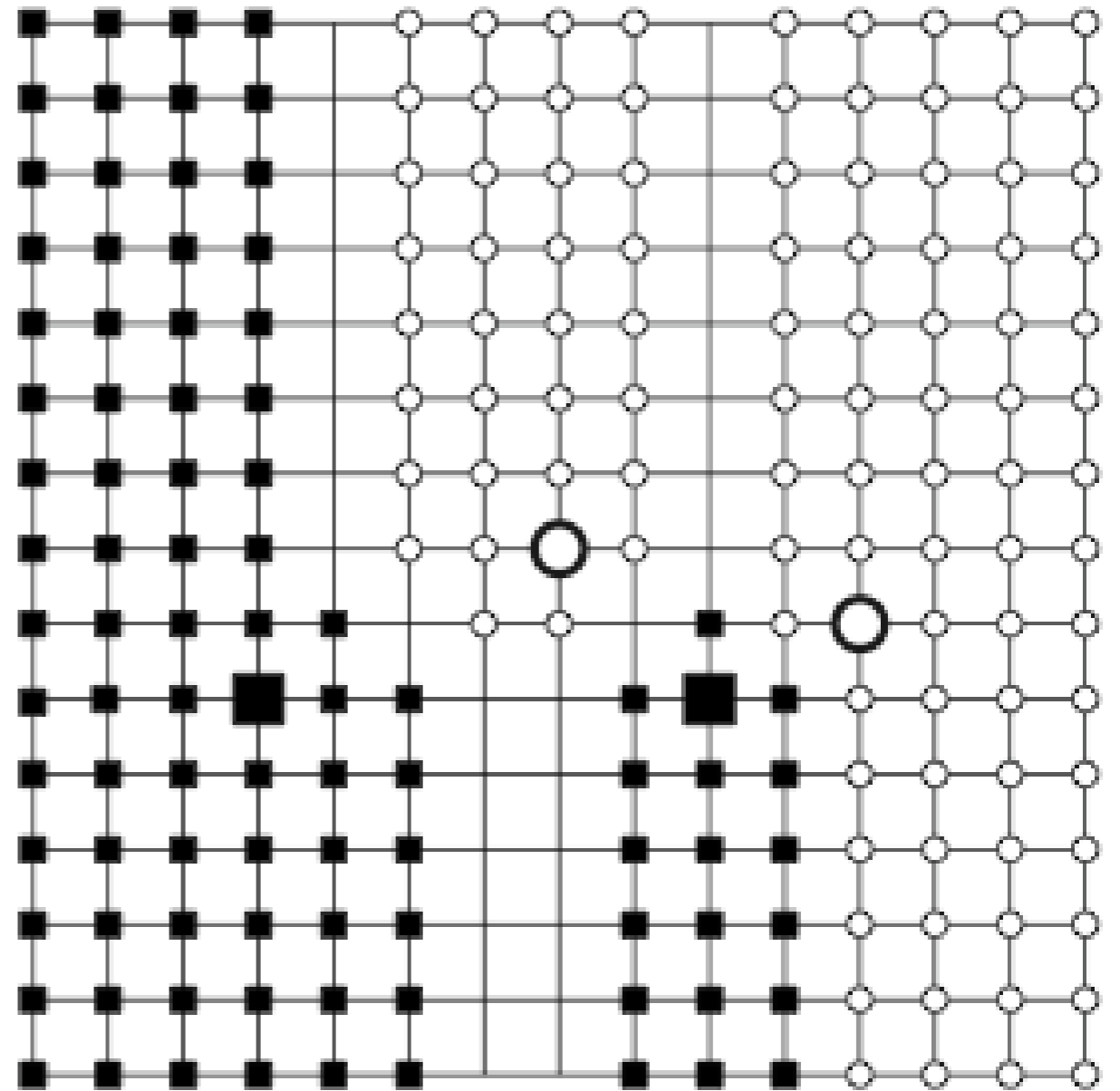
[Fekete,Meijer'03]



# Past work on graphs

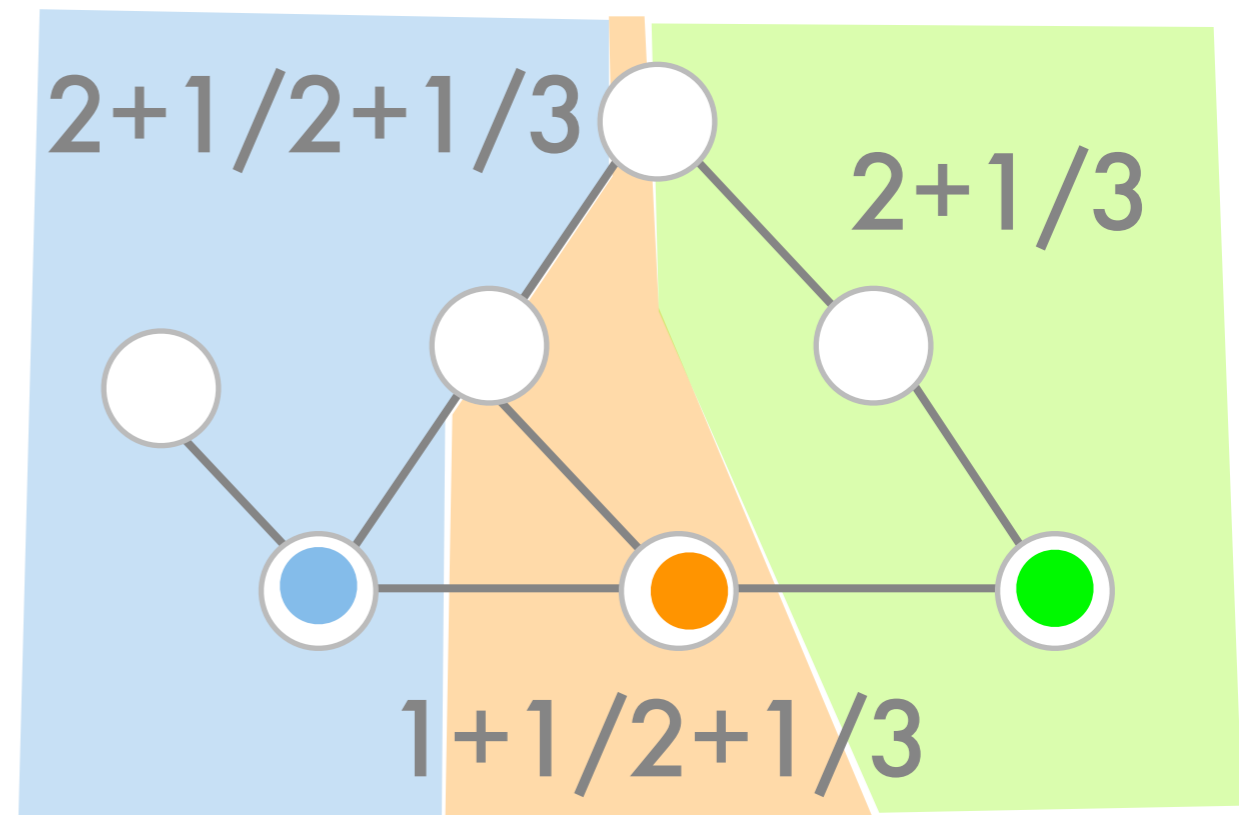
- For the same game on a graph, it is NP-complete to compute the best strategy for black (the 2nd player).

[Teramoto, Demaine, Uehara'06]



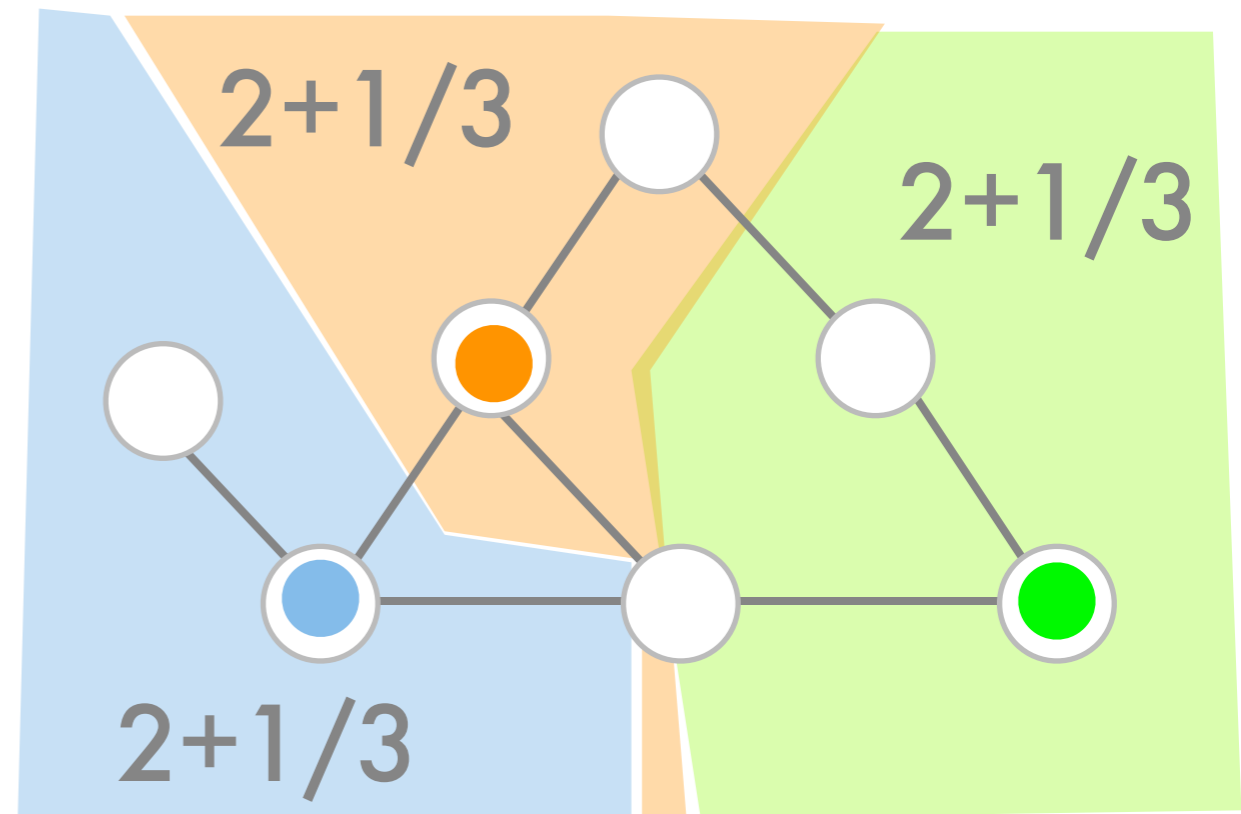
# What we studied

- discrete space :  $V$  with a distance given by  $G(V,E)$
- $k$  players, each is to place a single vendor on some vertex
- vertices are assigned to closest players, possible in equal fractions
- gain of a player = total amount of vertices assigned to to it
- strategy profile  $\in V^k$ , is a pure Nash equilibrium if no player can unilaterally increase its gain
- social cost = sum over all vertices of the distance to closest player = minimum  $k$ -median problem



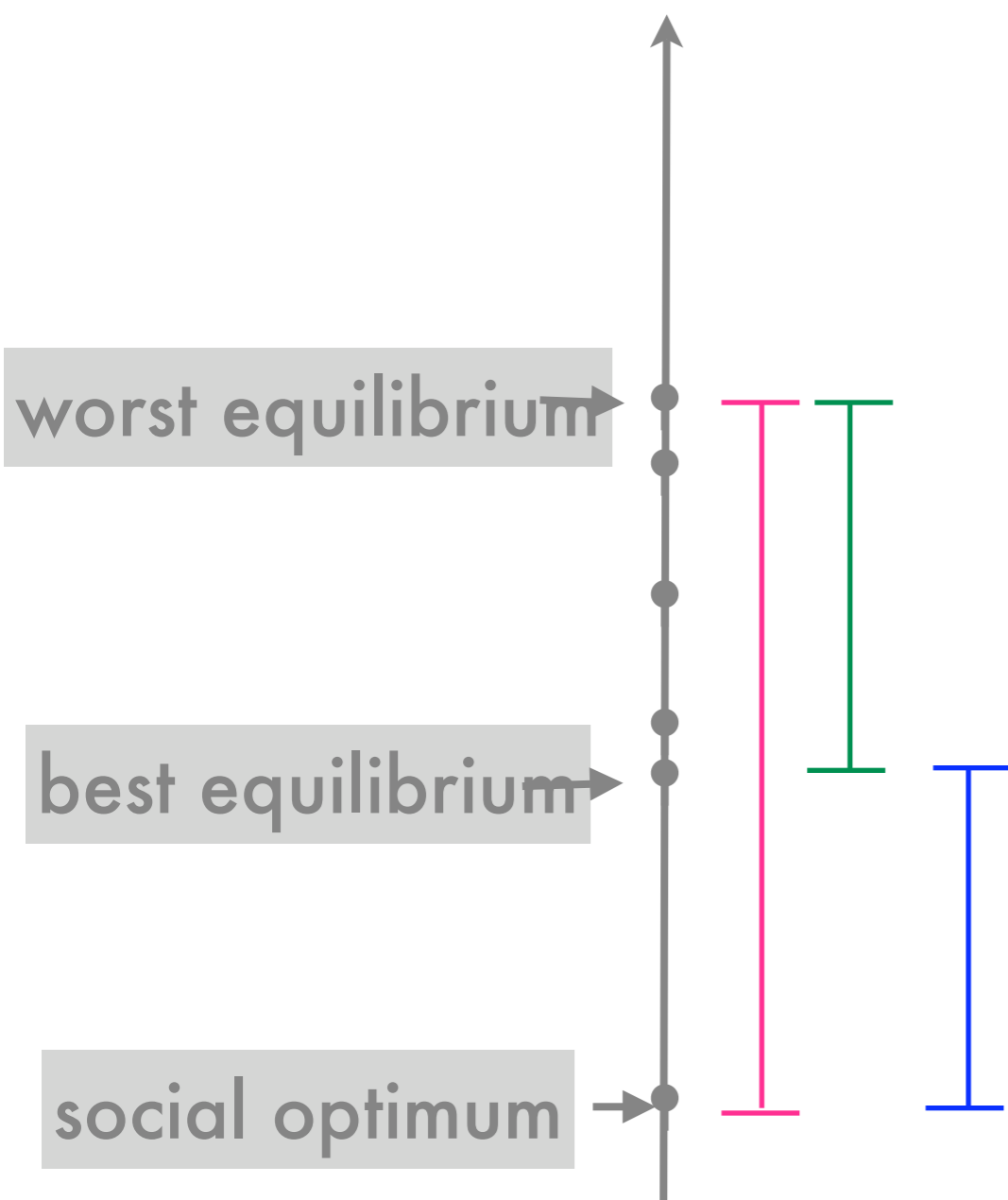
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# Price of anarchy

social cost



price of anarchy

social cost discrepancy

price of stability

*approximation ratio*: price to pay for being restricted to polynomial time running time

*competitive ratio*: price to pay for not knowing the future requests in advance

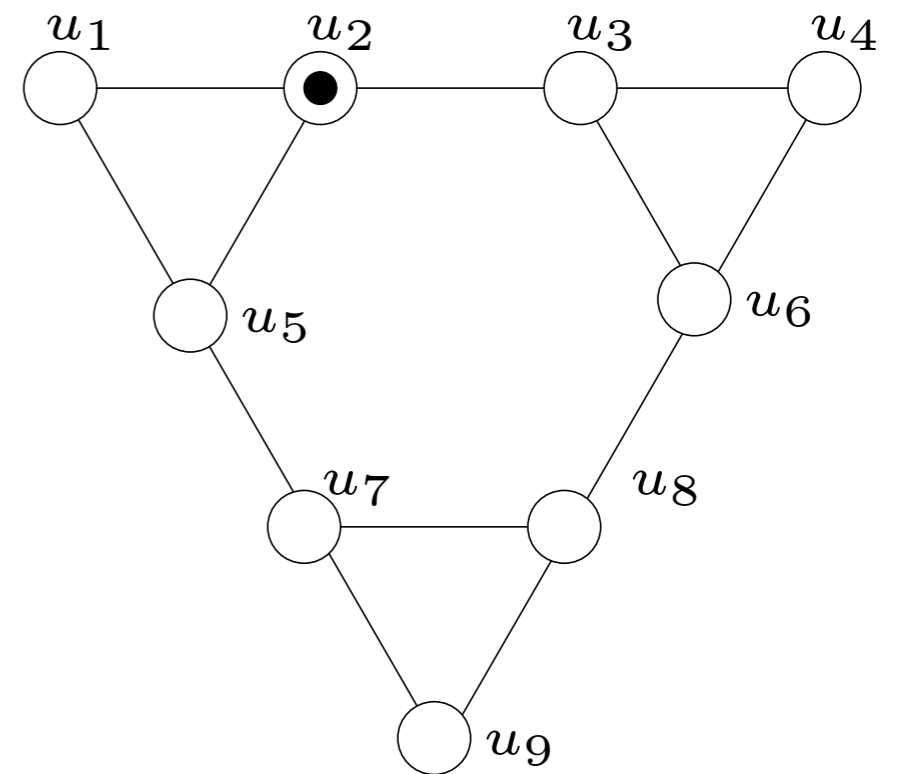
*price of anarchy*: price to pay for the lack of coordination



# Does an equilibrium exist ?

- The existence of an equilibrium is a kind of graph property, it depends on  $G(V,E)$  but also on the number of players  $k$ .  
**Our thm:** deciding which is the case is NP-hard.

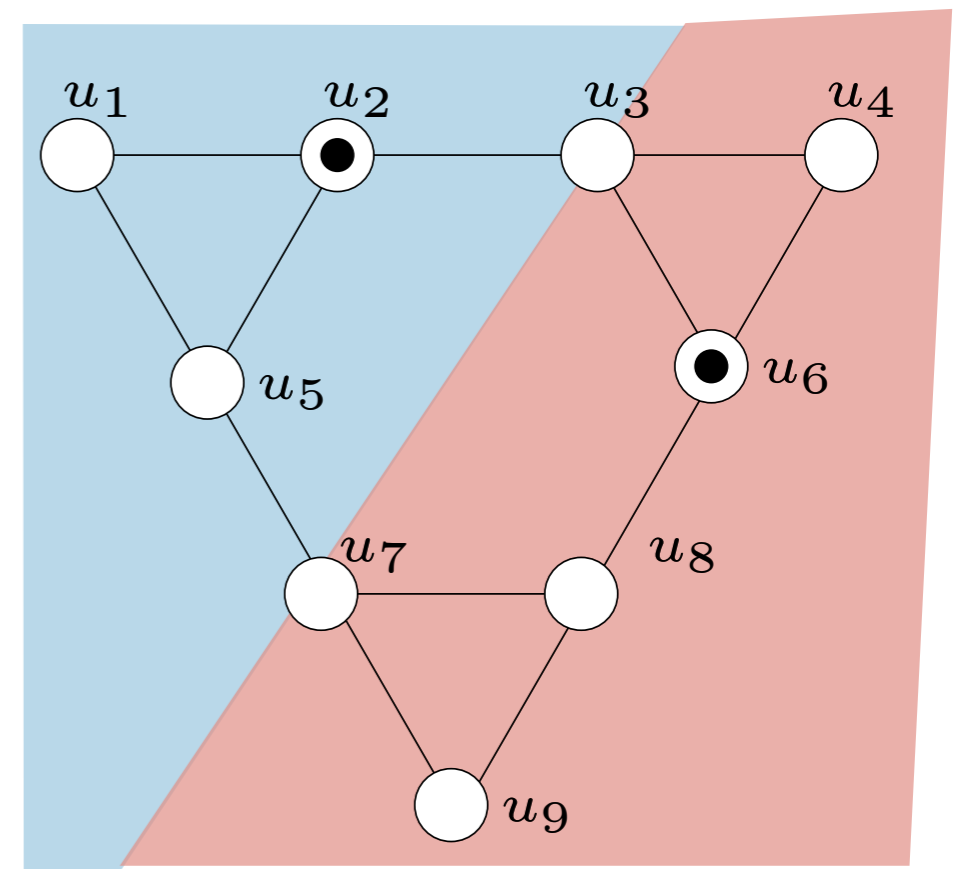
- For example this graph has no equilibrium for 2 players:  
Wlog, the 1st player places on  $u_1$  or  $u_2$ .  
The the 2nd player can place on  $u_6$ , and gain 5 (or 6), that's more than half. By sym. the 1st player can again change its strategy and gain more than half, and so on forever.



# Does an equilibrium exist ?

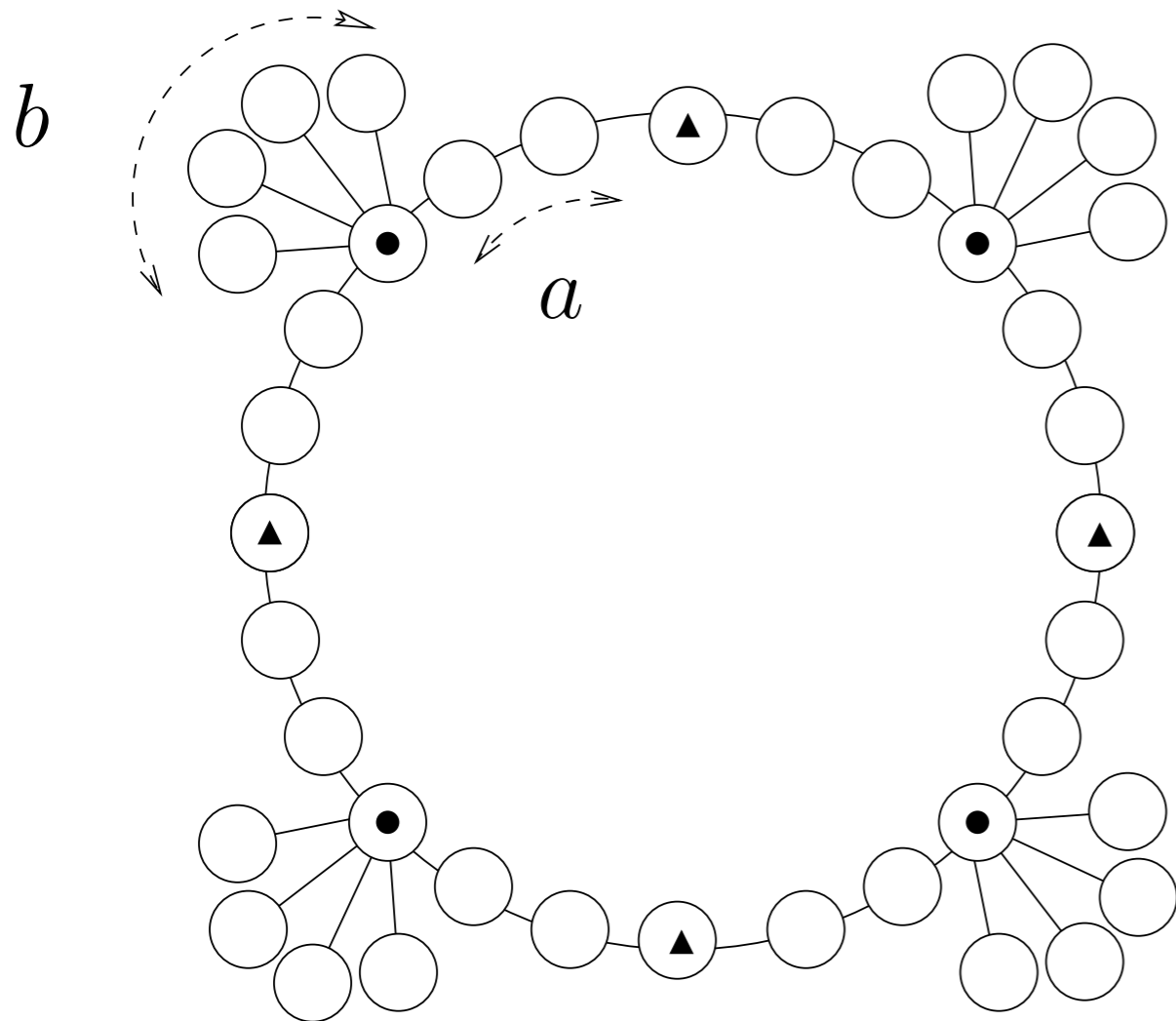
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# The social cost can differ by $\sqrt{n/k}$

How much do different equilibria differ with respect to social cost?

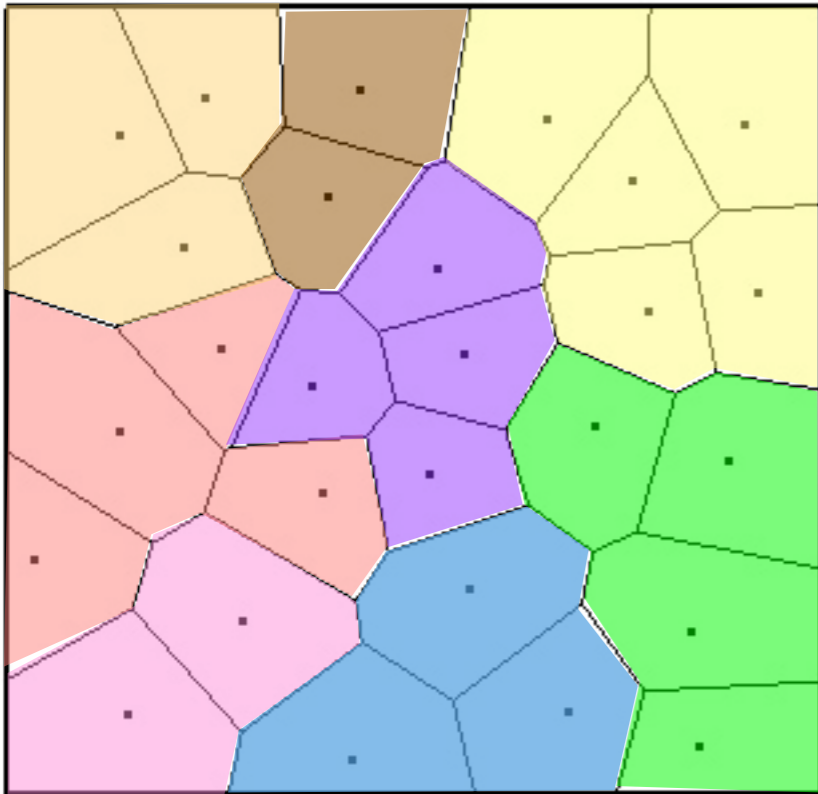


*equilibrium* ● :  
cost  $\Theta(kb+ka^2)$

*equilibrium* ▲ :  
cost  $\Theta(kab+ka^2)$

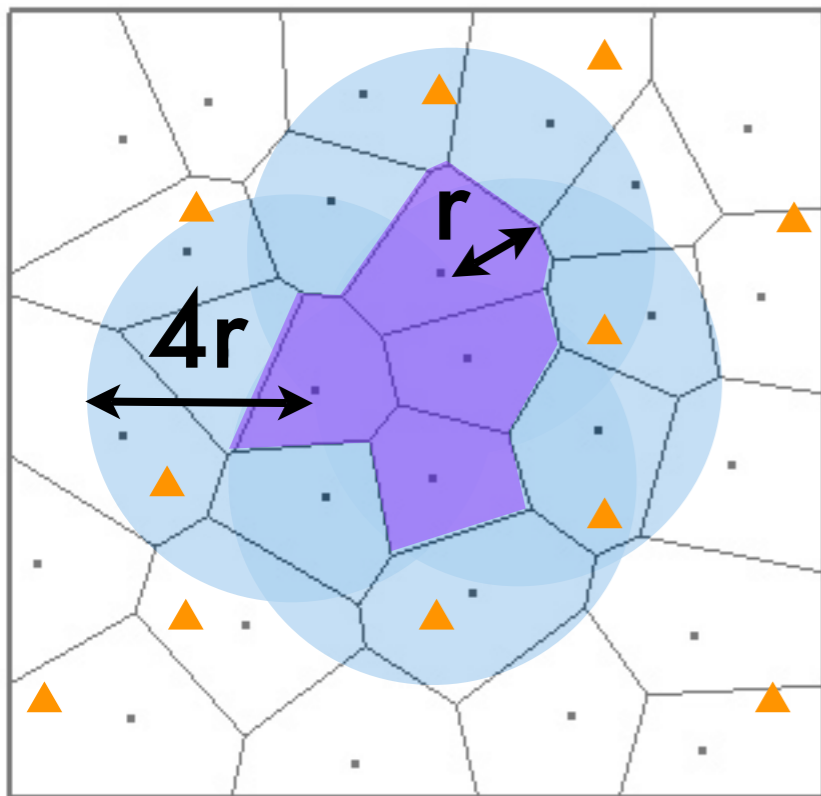
*worst ratio* :  
 $\Omega(\sqrt{n/k})$  when  $b=a^2$ .

# The social cost differs at most by $\sqrt{kn}$



- Let be 2 equilibria
  - and ▲
- We group the Voronoi cells defined by ● into *regions*

# The social cost differs at most by $\sqrt{kn}$



- For a fixed region, let  $r$  be the maximal distance from a vertex to the closest player
- We show that one of the  $\blacktriangle$  players must be at distance at most  $4r$  of every  $\bullet$  of this region

# and now?

- Close the gap for the social cost discrepancy between  $\sqrt{(n/k)}$  and  $\sqrt{(kn)}$
- Find the price of anarchy of this game
- Understand the structure of the game already for simple graphs, trees or cycles.

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