Probabilistic Analysis of Stable Matching in Large Markets with Siblings

Anonymous Author(s) Affiliation Address email

Abstract

 We study a practical matching problem that involves assigning children to daycare centers. The collective preferences of siblings from the same family introduce complementarities, which can lead to the non-existence of stable matchings, as observed in the well-studied hospital-doctor matching problems involving couples. Intriguingly, stable matchings have been observed in real-world daycare markets, even with a substantial number of sibling applicants.

 Our research systematically explores the presence of stable matchings in these markets. We conduct a probabilistic analysis of large random matching markets that incorporate sibling preferences. Specifically, we examine scenarios where daycares have similar priorities over children, a common characteristic in practical markets. Our analysis reveals that as the market size approaches infinity, the likelihood of stable matchings existing converges to 1.

 To facilitate our investigation, we introduce significant modifications to the Sorted Deferred Acceptance algorithm proposed by [Ashlagi et al.](#page-9-0) [\[2014\]](#page-9-0). These adapta- tions are essential to accommodate a more stringent stability concept, as the original algorithm may yield matchings that fail to meet this criterion. By leveraging our revised algorithm, we successfully identify stable matchings in all real-life datasets examined. Additionally, we conduct comprehensive empirical investigations using synthetic datasets to validate the efficacy of our algorithm in identifying stable matchings.

1 Introduction

 Stability is a foundational concept in preference-based matching theory [\[Roth and Sotomayor, 1990\]](#page-10-0), with significant implications for both theoretical frameworks and practical applications [\[Roth, 2008\]](#page-10-1). Its importance was underscored by the awarding of the 2012 Nobel Prize in Economics. This fundamental concept is crucial for the success of various markets, including the National Resident Matching Program [\[Roth, 1984\]](#page-10-2) and public school choice programs [\[Abdulkadiroglu and Sönmez,](#page-9-1) ˘ [2003,](#page-9-1) Abdulkadiroğlu et al., 2005].

 Despite its significance, the challenge posed by complementarities in preferences often leads to the absence of a stable matching. A persistent issue in this context is the incorporation of couples into centralized clearing algorithms for professionals like doctors and psychologists [\[Roth and Peranson,](#page-10-3) [1999\]](#page-10-3). Couples typically view pairs of jobs as complements, which can result in the non-existence of a stable matching [\[Roth, 1984,](#page-10-2) [Klaus and Klijn, 2005\]](#page-9-3). Moreover, verifying the existence of a stable matching is known to be NP-hard, even in restrictive settings [\[Ronn, 1990,](#page-10-4) [McDermid and Manlove,](#page-10-5) [2010,](#page-10-5) [Biró et al., 2014\]](#page-9-4).

 Nevertheless, real-life markets of substantial scale do exhibit stable matchings even in the presence of couples. For example, in the psychologists' markets, couples constituted only about 1% of all

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 participants from 1999 to 2007. [Kojima et al.](#page-9-5) [\[2013\]](#page-9-5) and [Ashlagi et al.](#page-9-0) [\[2014\]](#page-9-0) demonstrate that if the proportion of couples grows sufficiently slowly compared to the number of single doctors, then a

stable matching is very likely to exist in a large market.

In this paper, we shift our attention to daycare matching markets in Japan, where the issue of waiting

children has become one of the most urgent social challenges due to the scarcity of daycare facilities

[\[Kamada and Kojima, 2023\]](#page-9-6). The daycare matching problem is a natural extension of matching with

 couples, analogous to hospitals and doctors, with the notable distinction that the number of siblings in each family can exceed two. We are actively collaborating with multiple municipalities, providing

advice to design and implement new centralized algorithms tailored to their specific needs.

 The objective of this research is to gain a more nuanced understanding of why stable matchings exist in practical daycare markets. Recently, stable matchings have been reported in these markets where optimization approaches are utilized, but the underlying reasons have not been thoroughly examined [\[Sun et al., 2023,](#page-10-6) [2024\]](#page-10-7). Furthermore, theoretical guarantees established in prior research on matching with couples may not readily extend to the daycare market, primarily due to two key factors. Firstly, a distinctive characteristic of Japanese daycare markets is the substantial proportion, approximately 20%, of children with siblings. This stands in contrast to the assumption of near-linear growth of couples in previous research [\[Ashlagi et al., 2014\]](#page-9-0). Secondly, we consider a stronger stability concept tailored for daycare markets. Our proposal has been presented to government officials and esteemed ϵ economists, who concur that this modification better suits the daycare markets^{[1](#page-1-0)}.

Our contributions can be summarized as follows:

 Firstly, we formalize a large random market that mirrors the characteristics of realistic daycare markets, incorporating family preferences and daycare priorities generated through probability distributions. A significant trait observed in practical markets is the tendency for daycares to exhibit similar priorities over children. Our central result demonstrates that, in such random markets, the probability of a stable matching existing approaches 1 as the market size tends to infinity (Theorem [1\)](#page-5-0). To the best of our knowledge, this is the first work to explain the existence of stable matchings in these practical daycare markets. Secondly, we modify the Sorted Deferred Acceptance algorithm [\[Ashlagi et al., 2014\]](#page-9-0) to address our

 stronger stability concept, as the original algorithm may not produce a matching that satisfies this criterion (Theorem [2\)](#page-5-1). We carefully rectify and extend the algorithm to meet the stronger stability requirement (Theorem [3\)](#page-6-0). Notably, we employ our modified algorithm to successfully identify stable matchings in all encountered real-life datasets. Additionally, we generate a large number of synthetic datasets that closely resemble real-life markets to assess the algorithm's effectiveness across diverse

scenarios.

$71 \quad 2 \quad$ Related Work

 We next provide a brief summary of some papers that are closely related to our work. A more detailed literature review is presented in Appendix [A.](#page-11-0) A classical work on matching with couples, conducted by [Kojima et al.](#page-9-5) [\[2013\]](#page-9-5), illustrates that as the market size approaches infinity, the probability of a stable matching existing converges to 1, given the growth rate of couples is suitably slow in relation to the market size, e.g., when the number of couples is \sqrt{n} where *n* represents the number of singles.
⁷⁶ to the market size, e.g., when the number of couples is \sqrt{n} where *n* represents the number of singles. [Ashlagi et al.](#page-9-0) [\[2014\]](#page-9-0) propose an improved matching algorithm, building on the foundation laid by [Kojima et al.](#page-9-5) [\[2013\]](#page-9-5). This refined algorithm demonstrates that, even if the number of couples grows 79 at a near-linear rate of n^{ϵ} with $0 < \epsilon < 1$, a stable matching can still be found with high probability. In contrast, [Ashlagi et al.](#page-9-0) [\[2014\]](#page-9-0) highlight that as the number of couples increases at a linear rate, the probability of a stable matching existing diminishes significantly. In practical applications, the National Resident Matching Program employed a heuristic based on the incremental algorithm proposed by [Roth and Vate](#page-10-8) [\[1990\]](#page-10-8). [Biró et al.](#page-9-7) [\[2016\]](#page-9-7) proposed a different approach involves the utilization of the Scarf algorithm [\[Scarf, 1967\]](#page-10-9) to identify a fractional matching. If the outcome proves to be integral, it is then considered a stable matching. Moreover, researchers have explored the application of both integer programming and constraint programming to address the complexities of matching with couples [\[Manlove et al., 2007,](#page-10-10) [Biró et al., 2014,](#page-9-4) [Manlove et al., 2017\]](#page-10-11). Notably,

¹To preserve anonymity, their identities are not disclosed in this submission.

⁸⁸ these methodologies have recently been adapted in the daycare matching market as well [\[Sun et al.,](#page-10-6)

⁸⁹ [2023,](#page-10-6) [2024\]](#page-10-7).

⁹⁰ 3 Preliminaries

⁹¹ In this section, we present the framework of a daycare market, expanding upon the classical problem ⁹² of hospital-doctor matching with couples. We also generalize three fundamental properties that have

⁹³ been extensively examined in the literature of two-sided matching markets.

⁹⁴ 3.1 Model

95 The daycare matching problem is represented by the tuple $I = (C, F, D, Q, \succ_F, \succ_D)$, where C, F ⁹⁶ and D denote sets of children, families, and daycare centers, respectively.

97 Each child $c \in C$ belongs to a family denoted as $f(c) \in F$. Each family $f \in F$ is associated with a 98 subset of children, denoted as $C(f) \subseteq C$. In cases where a family contains more than one child, e.g., 99 $C(f) = \{c_1, \dots, c_k\}$ with $k > 1$, these siblings are arranged in a predefined order, such as by age.

¹⁰⁰ Let D represent a set of daycare centers, referred to as "daycares" for brevity. A dummy daycare 101 denoted as d_0 is included in D, signifying the possibility of a child being unmatched. Each individual 102 daycare d establishes a quota, denoted as $Q(d)$, where the symbol Q represents all quotas.

103 Each family f reports a strict *preference ordering* ≻ f, defined over tuples of daycare centers, reflecting 104 the collective preferences of the children within $C(f)$. The notation $\succ_{f,j}$ is used to represent the j-th 105 tuple of daycares in ≻f, and the overall preference profile of all families is denoted as ≻F.

106 **Example 1.** *Consider family* f with $C(f) = \{c_1, c_2, \ldots, c_k\}$ where the children are arranged in a p *predetermined order.* A tuple of daycares in \succ_f , denoted as $(d_1^*, d_2^*, \ldots, d_k^*)$, indicates that for each $i \in \{1,2,\ldots,k\}$, child c_i is matched to some daycare $d_i^* \in D$. It's possible that $d_i^* = d_j^*$, indicating μ ¹⁰⁹ *that both child* c_i *and child* c_j *are matched to daycare* d_i^* .

110 Each daycare $d \in D$ maintains a strict *priority ordering* \succ_d over $C \cup \emptyset$, encompassing both the set of 111 children C and an empty option. A child $c \in C$ is considered acceptable to daycare d if $c \succ_d \emptyset$, and 112 deemed unacceptable if $\emptyset \succ_d c$. The priority profile of all daycares is denoted as \succ_D .

113 A *matching* μ is defined as a function $\mu : C \cup D \rightarrow C \cup D$ satisfying the following conditions: 114 i) $\forall c \in C$, $\mu(c) \in D$, ii) $\forall d \in D$, $\mu(d) \subseteq C$, and iii) $\forall c \in C$, $\forall d \in D$, $\mu(c) = d$ if and only 115 if $c \in \mu(d)$. Given a matching μ , we designate $\mu(c)$ as the *assignment* of child c and $\mu(d)$ as the 116 assignment of daycare d. For a family f with children $C(f) = \{c_1, ..., c_k\}$, we denote the assignment 117 for family f as $\mu(f) = (\mu(c_1), ..., \mu(c_k)).$

¹¹⁸ 3.2 Fundamental Properties

¹¹⁹ The first property, individual rationality, stipulates that each family is matched to some tuple of ¹²⁰ daycares that are weakly better than being unmatched, and no daycare is matched with an unacceptable ¹²¹ child. It is noteworthy that each family is considered an agent, rather than individual children.

¹²² Definition 1 (Individual Rationality). *A* matching µ *satisfies individual rationality if i)* ∀f ∈ 123 $F, \mu(f) \succ (d_0, \dots, d_0)$ *or* $\mu(f) = (d_0, \dots, d_0)$ *, and ii*) $\forall d \in D, \forall c \in \mu(d), c \succ_d \emptyset$ *.*

¹²⁴ Feasibility in Definition [2](#page-2-0) necessitates that i) each child is assigned to one daycare including the 125 dummy daycare d_0 , and ii) the number of children matched to each daycare d does not exceed its 126 specific quota $Q(d)$.

127 **Definition 2** (Feasibility). A matching μ is feasible *if it satisfies the following conditions: i*) $\forall c \in C$, 128 $|\mu(c)| = 1$ *, and ii*) $\forall d \in D$ *,* $|\mu(d)| \leq Q(d)$ *.*

 Stability is a well-explored solution concept within the domain of two-sided matching theory. Before delving into its definition, we introduce the concept of a *choice function* as outlined in Definition [3.](#page-3-0) It captures the intricate process by which daycares select children, capable of incorporating various [c](#page-9-8)onsiderations such as priority, diversity goals, and distributional constraints (see, e.g., [\[Hatfield and](#page-9-8) [Milgrom, 2005,](#page-9-8) [Aziz and Sun, 2021,](#page-9-9) [Suzuki et al., 2023,](#page-10-12) [Kamada and Kojima, 2023\]](#page-9-6)). Following the work by [Ashlagi et al.](#page-9-0) [\[2014\]](#page-9-0), our choice function operates through a greedy selection of children based on priority only, simplifying the representation of stability.

136 **Definition 3** (Choice Function of a Daycare). *For a given set of children* $C' \subseteq C$ *, the* choice function

 α *of daycare d, denoted as* $\text{Ch}_d(C') \subseteq C'$, selects children one by one in descending order of \succ_d 138 *without exceeding quota* $Q(d)$.

¹³⁹ [I](#page-9-0)n this paper, we explore a slightly stronger stability concept than the original one studied in [Ashlagi](#page-9-0) ¹⁴⁰ [et al.](#page-9-0) [\[2014\]](#page-9-0). It extends the idea of eliminating blocking pairs [\[Gale and Shapley, 1962\]](#page-9-10) to address ¹⁴¹ the removal of blocking coalitions between families and a selected subset of daycares.

142 **Definition 4** (Stability). Given a feasible and individually rational matching μ , family f with i ⁴³ children $C(f) = \{c_1, ..., c_k\}$ and the j-th tuple of daycares $\succ_{f,j} = (d_1^*, ..., d_k^*)$ in \succ_f , form a ¹⁴⁴ blocking coalition *if the following two conditions hold,*

(1) family f *prefers* $\succ_{f,j}$ *to its current assignment* $\mu(f)$ *, i.e.,* $(d_1^*,...,d_k^*)\succ_f \mu(f)$ *, and*

146 (2) for each distinct daycare d in $(d_1^*,...,d_k^*)$, $C(f, j, d) \subseteq \text{Ch}_d((\mu(d) \setminus C(f))) \cup C(f, j, d))$ holds, 147 *where* $C(f, j, d) \subseteq C(f)$ *denotes a subset of children who apply to daycare d with respect to* $\succ_{f,i}$.

¹⁴⁸ *A feasible and individually rational matching satisfies stability if no blocking coalition exists.*

149 Consider the input to $Ch_d(\cdot)$ in Condition 2. First, we calculate $\mu(d)\setminus C(f)$, representing the children 150 matched to d in matching μ but not from family f. Then, we consider $C(f, j, d)$, which denotes the 151 subset of children from family f who apply to d according to the tuple of daycares $\succ_{f,j}$.

152 This process accounts for situations where a child c is paired with d in μ but is not included in 153 $C(f, j, d)$, indicating that c is applying to a different daycare $d' \neq d$ according to $\succ_{f, j}$. Consequently, 154 child c has the flexibility to pass his assigned seat from d to his siblings in need. Otherwise, child c 155 would compete with his siblings for seats at d despite he intends to apply elsewhere.

¹⁵⁶ In contrast, the original concept by [Ashlagi et al.](#page-9-0) [\[2014\]](#page-9-0) does not take siblings' assignments into ¹⁵⁷ account. We illustrate the differences between the two concepts in Example [2.](#page-3-1) More detailed ¹⁵⁸ motivation for our definition and further discussions are provided in Appendices [B.1](#page-12-0) and [B.2.](#page-12-1)

159 **Example 2** (Example of Stability). *Consider one family* f with two children $C(f) = \{c_1, c_2\}$. There 160 *are three daycares:* $D = \{d_0, d_1, d_2\}$, each with one slot. The preference profile of family f is 161 (d_1, d_2) \succ_f (d_2, d_0) *. Each daycare prefers c₁ over c₂.*

162 *The matching* (d_2, d_0) *is deemed stable by [Ashlagi et al.](#page-9-0)* [\[2014\]](#page-9-0), but it is not considered stable by 163 *Definition* [4.](#page-3-2) This is because it is blocked by family f and the pair (d_1, d_2) *. Here, child* c_1 passes his ¹⁶⁴ *seat at* d² *to* c2*, allowing both children to potentially be matched to a more preferred assignment.*

 It is well-known that a stable matching is not guaranteed when couples exist [\[Roth, 1984\]](#page-10-2). We provide an example to illustrate that even when each family has at most two children, and all daycares have the same priority ordering over children, a stable matching may not exist. Please refer to Appendix [B.3](#page-12-2) for details.

¹⁶⁹ 4 Random Daycare Market

¹⁷⁰ To analyze the likelihood of a stable matching in practice, we proceed to introduce a random market ¹⁷¹ where preferences and priorities are generated from probability distributions. Formally, we represent a random daycare market as $\tilde{I} = (C, F, D, Q, \alpha, \beta, L, P, \rho, \sigma, D_{\succ 0, \phi}, \varepsilon).$

173 Let $|C| = n$ and $|D| = m$ denote the number of children and daycares, respectively. Throughout 174 this paper, we assume that $m = \Omega(n)$. To facilitate analysis, we partition the set F into two distinct 175 groups labeled F^S and F^O , signifying the sets of families with and without siblings, respectively. 176 Correspondingly, C^S and C^O represent the sets of children with and without siblings, respectively. 177 The parameter α signifies the percentage of children with siblings. Then we have $|\bar{C}^O| = (1 - \alpha)n$ 178 and $|C^S| = \alpha n$. For each family f, the size of $C(f)$ is constrained by a constant β , expressed as 179 $\max_{f \in F} |C(f)| \leq \beta$.

¹⁸⁰ 4.1 Preferences of Families

 We adopt the approach outlined in [Kojima et al.](#page-9-5) [\[2013\]](#page-9-5) to generate family preferences through a two-step process. In the first step, we independently generate preference orderings for each child 183 from a probability distribution $\mathcal P$ on daycares D. Subsequently, we employ a function ρ to aggregate the individual preferences of children within each family into a collective preference ordering.

- 185 The procedure for generating preference orderings for each child operates as follows. Let $\mathcal{P} =$
- 186 $(p_d)_{d\in D}$ be a probability distribution, where p_d represents the probability of selecting daycare d. For
- 187 each child c, start with an empty list, independently choose a daycare d from P , and add it to the ¹⁸⁸ list if it is not already included. Repeat this process until the length of the list reaches the maximum
- 189 length L, a relatively small constant in practice.
- ¹⁹⁰ We adhere to the assumption that the distribution P satisfies a *uniformly bounded* condition, as ¹⁹¹ assumed in the random market by [Kojima et al.](#page-9-5) [\[2013\]](#page-9-5) and [Ashlagi et al.](#page-9-0) [\[2014\]](#page-9-0).
- 192 **Definition 5** (Uniformly Bounded). For all $d, d' \in D$, the ratio of probabilities $p_d/p_{d'}$ falls within 193 *the interval* $[1/\sigma, \sigma]$ *with a constant* $\sigma \geq 1$ *.*
- 194 Lemma 1. Under the uniformly bounded condition, the probability p_d of selecting any daycare d is ¹⁹⁵ *limited by* σ/m *where* m *denotes the total number of daycares.*
- ¹⁹⁶ For families with multiple siblings, we do not impose additional constraints on the function ρ that ¹⁹⁷ aggregates individual preferences into collective preferences.

¹⁹⁸ 4.2 Priorities of Daycares

- ¹⁹⁹ A notable departure from previous work [\[Kojima et al., 2013\]](#page-9-5) and [\[Ashlagi et al., 2014\]](#page-9-0), is our ²⁰⁰ adoption of the Mallows model [\[Mallows, 1957\]](#page-10-13) to generate daycare priority orderings over children. 201 In the Mallows model, represented as $\mathcal{D}_{\succ 0,\phi}$, a reference ordering \succ_0 is first determined. New ²⁰² orderings are then probabilistically generated based on this reference, controlled by a dispersion 203 [p](#page-10-14)arameter ϕ . This model is widely used for preference generation in diverse contexts [\[Lu and](#page-10-14) ²⁰⁴ [Boutilier, 2011,](#page-10-14) [Brilliantova and Hosseini, 2022\]](#page-9-11). Let S denote the set of all orderings over C.
- 205 **Definition 6** (Kendall-tau Distance). *For a pair of orderings* ≻ and ≻' in S, the Kendall-tau distance, *denoted by* inv(≻, ≻′ ²⁰⁶)*, is a metric that counts the number of pairwise inversions between these two orderings. Formally,* $inv(\succ,\succ') = |\{c,c' \in C \mid c \succ' c' \text{ and } c' \succ c\}|.$
- 208 **Definition 7** (Mallows Model). Let $\phi \in (0,1]$ be a dispersion parameter and $Z = \sum_{\succ \in S} \phi^{\text{inv}(\succ,\succ,\succ_0)}$. 209 *The* Mallows distribution *is a probability distribution over* S. The probability that an ordering \succ in
- ²¹⁰ S *is drawn from the Mallows distribution is given by*

$$
\Pr[\succ] = \frac{1}{Z} \phi^{\text{inv}(\succ, \succ_0)}.
$$

211 The dispersion parameter ϕ characterizes the correlation between the sampled ordering and the 212 reference ordering \succ_0 . Specifically, when ϕ is close to 0, the ordering drawn from $\mathcal{D}_{\succ_0,\phi}$ is almost 213 the same as the reference ordering ≻₀. On the other hand, when $\phi = 1$, $\mathcal{D}_{\succ 0,\phi}$ corresponds to the 214 uniform distribution over all permutations of C .

²¹⁵ In the practical daycare matching market, every municipality assigns a unique priority score to each ²¹⁶ child, establishing a strict priority order utilized and slightly adjusted by all daycares. Siblings within ²¹⁷ the same family usually share identical priority scores, with ties being resolved arbitrarily.

- 218 Motivated by this observation, we construct a reference ordering \succ_0 as follows: Begin with an empty 219 list and include all children C^O in the list. For each family $f \in F^S$, add children $C(f)$ to the list 220 with a probability of $1/n^{1+\epsilon}$, and include f in the list with a probability of $1-1/n^{1+\epsilon}$ for a constant 221 $\varepsilon > 0$. Subsequently, shuffle all permutations of the elements in the list. Finally, \succ_0 is drawn from a ²²² uniform distribution over all permutations of the shuffled elements in the list. In other words, with a 223 probability of $1/n^{1+\epsilon}$, we treat siblings from the same family separately, and with a probability of $1 - 1/n^{1+\epsilon}$, we treat them as a whole, or more precisely, as a continuous block in ≻0.
- 225 **Definition 8** (Diameter). *Given a reference ordering* \succ_0 *over children C*, we define the di-226 ameter *of family* f, denoted by diam_f , as the greatest difference in \succ_0 among $C(f)$. For- \mathcal{L}_{227} mally, $\text{diam}_f = \left| \left\{ c \in C \mid \max_{c' \in C(f)} c' \succ_0 c \succ_0 \min_{c'' \in C(f)} c'' \right\} \right| + 2$ *where* $\max_{c \in C(f)} c$ *(resp.*) $\min_{c \in C(f)} c$ refers to the child in $C(f)$ with the highest (resp. lowest) priority in \succ_0 .
- 229 The methodology employed to generate the reference ordering \succ_0 above adheres to the following 230 condition. For each family f with siblings, we have $Pr[\text{diam}_f \geq |C(f)|] \leq \frac{1}{n^{1+\epsilon}}$ from the ²³¹ construction.
- 232 We concentrate on a random market \tilde{I} where all parameters are set as mentioned above. Our main ²³³ result is encapsulated in the following theorem.

Theorem 1. Given a random market \tilde{I} with $\phi = O(\log n/n)$, the probability of the existence of a *stable matching converges to* 1 *as* n *approaches infinity.*

 We will prove Theorem [1](#page-5-0) by demonstrating that an algorithm, namely the Extended Sorted Deferred Acceptance algorithm (to be defined in the next section), produces a stable matching with a probability that converges to 1 in the random market.

5 Extended Sorted Deferred Acceptance

 In this section, we propose the Extended Sorted Deferred Acceptance (ESDA) algorithm, a heuristic approach that has proven effective in computing stable matchings across a variety of real-life daycare datasets. Importantly, the ESDA algorithm serves as a foundational component in our probability analysis for large random markets.

 [T](#page-9-0)he ESDA algorithm is an extension of the Sorted Deferred Acceptance (SDA) algorithm [\[Ashlagi](#page-9-0) [et al., 2014\]](#page-9-0), originally designed for matching with couples. More details of the SDA algorithm are presented in Appendix [C.3.](#page-14-0) In the following theorem, we demonstrate that the SDA algorithm may not produce a stable matching with respect to Definition [4](#page-3-2) when it terminates without failure. The proof of Theorem [2](#page-5-1) is presented in Appendix [C.4.](#page-14-1)

Theorem 2. *The matching returned by the original SDA algorithm may not be stable.*

 We next give an informal description of ESDA. The algorithm begins by computing a stable matching 251 without considering families with siblings, denoted as F^S , using the Deferred Acceptance algorithm (see Appendix [C.1\)](#page-13-0). Subsequently, it sequentially processes each family, denoted as f, based on a 253 predefined order denoted as π . Children without siblings who are displaced by family f are processed individually, enabling them to apply to daycare centers from their top choices in their preference 255 orderings. If any child from family $f' \in F^{\tilde{S}}$ with siblings is rejected during this process, a new order 256 π' is attempted, with f being inserted before f'. If the outcome before inserting family f becomes 257 different after processing family f , then we check whether family f can be matched to a better tuple of daycares from their top choices. The algorithm terminates and returns a failure if any child from family f is rejected or if the same permutation has been attempted twice.

 We offer a brief elucidation on the differences between our ESDA algorithm and the original SDA. Firstly, the input to the choice function of daycares differs. In our algorithm, children have the option to transfer their allocated seats to other siblings, a feature not present in the original SDA. Secondly, we meticulously examine whether any family could establish a blocking coalition with a tuple of daycares that previously rejected it whenever the assignment of any child without siblings is changed. In contrast, SDA goes through each tuple of daycares once without performing this check.

 We illustrate how ESDA works through Example [3.](#page-5-2) A formal description of ESDA is presented in Algorithm [1](#page-16-0) in Appendix [D,](#page-14-2) along with all technical details.

Example 3. *Consider three families* f_1 *with* $C(f_1) = \{c_1, c_2\}$, f_2 *with* $C(f_2) = \{c_3, c_4\}$ *and* f_3 *with* $C(f_3) = \{c_5, c_6\}$. There are five daycares denoted as $D = \{d_1, d_2, d_3, d_4, d_5\}$, each with one *available slot. The order* π *is initialized as* {1, 2, 3}*. The preference profile of the families and the priority profile of the daycares are outlined as follows:*

> $\succ_{f_1}: (d_1, d_2), (d_1, d_4) \longrightarrow_{d_1}: c_1, c_5 \longrightarrow_{d_2}: c_6, c_2$ $\succ_{f_2}: (d_3, d_4), (d_5, d_4) \longrightarrow_{d_3}: c_3, c_5 \longrightarrow_{d_4}: c_6, c_4, c_2$ $\succ_{f_3}: (d_1, d_4), (d_3, d_4), (d_5, d_2) \longrightarrow_{d_5}: c_3, c_5$

Iteration 1: With order $\pi_1 = \{1, 2, 3\}$, family f_1 secured a match by applying to daycares (d_1, d_2) , *followed by family* f_2 *obtaining a match with applications to* (d_3, d_4) *. However, family* f_3 *faced* z^{74} *rejections at* (d_1, d_4) *and* (d_3, d_4) *before successfully securing acceptance at* (d_5, d_2) *, leading to the displacement of family* f_1 *. Thus we generate a new order* $\pi_2 = \{3, 1, 2\}$ *by inserting* 3 *before* 1*.* **Iteration 2:** With order $\pi_2 = \{3, 1, 2\}$, family f_3 secures a match at (d_1, d_4) . Then family f_1 applies

 to (d_1, d_2) and also secures a match, resulting in the eviction of family f_3 . This leads to the generation 278 *of a modified order* $\pi_3 = \{1, 3, 2\}$ *with* 1 *preceding* 3*.*

279 *Iteration 3:* With order $\pi_3 = \{1, 3, 2\}$, family f_1 secures a match at (d_1, d_2) . Subsequent applications 280 *by* f_3 *result in a match at* (d_3, d_4) *, but* f_2 *remains unmatched due to rejections at* (d_3, d_4) *and* (d_5, d_4) *.* 281 *The algorithm terminates, returning a stable matching* μ with f_1 *matched to* (d_1, d_2) *and* f_3 *matched* 282 *to* (d_3, d_4) , while f_2 *remains unmatched.*

²⁸³ 5.1 Termination without Failure

²⁸⁴ We demonstrate that ESDA always generates a stable matching if it does not terminate with failures. ²⁸⁵ Our proof relies on the following two facts, which are formally presented in Appendix [D.1.](#page-15-0) First, ²⁸⁶ we establish that the number of matched children at each daycare does not decrease as long as no 287 family in F^S is rejected and no child passes their seat to other siblings during the execution of ESDA. 288 Second, we prove that for a given order π over F^S , if the rank of the matched child at any daycare 289 increases, then ESDA cannot produce a matching with respect to π . The detailed proof for Theorem [3](#page-6-0) ²⁹⁰ is presented in Appendixes [D.1](#page-15-0) and [D.2.](#page-18-0)

²⁹¹ Theorem 3. *Given an instance of* I*, if ESDA returns a matching without failure, then the yielded* ²⁹² *matching is stable. In addition, ESDA always terminates in a finite time, either returning a matching* ²⁹³ *or a failure.*

²⁹⁴ 5.2 Two Types of Failure of ESDA

²⁹⁵ Theorem [3](#page-6-0) states that if the algorithm successfully concludes, it results in a stable matching. Con-²⁹⁶ versely, the algorithm returns failures in two scenarios, suggesting that a stable matching may not ²⁹⁷ exist, even if one indeed exists.

298 Formally, a *Type-1 Failure* happens when, during the insertion of a family $f \in F^S$, a child $c \in C(f)$ 299 initiates a rejection chain that ends with another child $c' \in C(f)$ from the same family, where all ³⁰⁰ other children in the chain do not have siblings. This failure is further divided into two cases based 301 on whether $c = c'$ holds: Type-1-a Failure when $c = c'$ and Type-1-b Failure when $c \neq c'$.

302 A *Type-2 Failure* occurs if there exist two families $f_1, f_2 \in F^S$ satisfying the following conditions: i) 303 f_1 appears before f_2 in the current order π , ii) There exists a rejection chain starting from f_2 and 304 ending with f_1 where all other families in the chain have an only child, and iii) A new order π' , 305 obtained by placing f_2 in front of f_1 , has been attempted and stored in the set of Π , which keeps ³⁰⁶ track of permutations tried during the ESDA process.

³⁰⁷ These two types of failures are crucial when analyzing the probability of the existence of stable ³⁰⁸ matchings in a large random market. Detailed examples illustrating these two types of failures can be ³⁰⁹ found in Appendix [D.3.](#page-19-0)

310 **6** Skecthed Proof of Theorem [1](#page-5-0)

³¹¹ Our main approach to proving Theorem [1](#page-5-0) is to set an upper limit on the likelihood of encountering ³¹² the two types of failure in the ESDA algorithm.

313 The following two lemmas establish that as n approaches infinity, Type-1-a and Type-1-b Failures are 314 highly unlikely to occur when the dispersion parameter ϕ is on the order of $O(\log n/n)$. We defer

³¹⁵ the proofs for these results to Appendices [E.2](#page-20-0) and [E.3,](#page-21-0) respectively.

316 Lemma 2. *Given a random market* I with $\phi = O(\log n/n)$ *, the probability of Type-1-a Failure in* 317 *the SDA algorithm is bounded by* $O((\log n)^2/n)$ *.*

318 **Lemma 3.** *Given a random market* \tilde{I} *with* $\phi = O(\log n/n)$ *, the probability of Type-1-b Failure in* 319 *the SDA algorithm is bounded by* $O((\log n)^2/n) + O(n^{-\varepsilon})$.

³²⁰ We introduce concepts of *domination* and *nesting* to analyze the case of Type-2 Failure.

221 Definition 9 (Domination). Given a priority ordering \succ , we say that family f dominates f' w.r.t. $\text{max}_{c \in C(f)} c \succ \min_{c' \in C(f')} c' \text{ where } \max_{c \in C(f)} c \text{ (resp. } \min_{c \in C(f)} c \text{) represents the child in } \frac{c}{c}$ 323 $C(f)$ *with the highest (resp. lowest) priority under the priority ordering* ≻*.*

324 In simple terms, if f dominates f' , then there is a possibility that f' will be rejected by daycares with 325 a certain order \succ due to an application of f.

³²⁶ Intuitively, a Type-2 Failure can arise from a cycle in which two families with siblings reject each ³²⁷ other. We introduce the concept of *nesting* as follows.

- **Definition 10** (Nesting). *Given a priority ordering* ≻, two families f and f' are said to be nesting if *they mutually dominate each other under* ≻*.*
- 330 **Example 4.** Consider three families $F = \{f_1, f_2, f_3\}$, each with two children: $C(f_1) = \{c_1, c_2\}$, $C(f_2) = \{c_3, c_4\}$, and $C(f_3) = \{c_5, c_6\}$. Suppose there is a priority ordering ≻*:* c_1 , c_3 , c_5 , c_2 , c_4 , 332 c₆. In this case, all pairs in F nest with each other with respect to \succ .
- 333 We next show that if any two families do not nest with each other with respect to \succ_0 , then Type-2 Failure is unlikely to occur as n tends to infinity in Lemma [4.](#page-7-0) We defer the proof to Appendix [E.4.](#page-22-0)

335 Lemma 4. *Given a random market* \tilde{I} *with* $\phi = O(\log n/n)$ *, and for any two families* $f, f' \in F^S$ 336 *that are not nesting with each other with respect to* \succ ₀, then Type-2 *Failure occurs with a probability* 337 *of at most* $O(\log n/n)$.

338 Following an analysis of the probability that any two pairs of families from F^S nest with each other 339 with respect to the reference ordering \succ_0 , we establish the probability of Type-2 Failure in Lemma [5.](#page-7-1)

140 Lemma 5. Given a random market \tilde{I} with $\phi = O(\log n/n)$, the probability of Type-2 Failure 341 *occurring is bounded by* $O(\log n/n) + O(n^{-2\varepsilon})$.

 Lemma [2,](#page-6-1) Lemma [3,](#page-6-2) and Lemma [5](#page-7-1) imply the existence of a stable matching with high probability for the large random market, thus concluding the proof of Theorem [1.](#page-5-0) Further elaboration and details can be found in Appendix [E.](#page-19-1)

7 Experiments

 In this section, we conduct comprehensive experiments to eval- uate the effectiveness of our proposed ESDA algorithm. The experimental results demonstrate our hypothesis that a stable matching exists with high probability when daycare centers

have similar priority orderings over children.

 We analyze two types of datasets. Firstly, we evaluate our algorithm using six real-life datasets provided by three munic- ipalities. In Appendix [F.2,](#page-25-0) we provide a detailed description of the practical daycare matching markets based on datasets. In addition, we introduce slight modifications to daycare priorities while keeping other factors constant. Secondly, we generate synthetic datasets that mirror the characteristics of real-life mar- kets but on a much larger scale. By adjusting the dispersion parameter in the Mallows model, we create daycare priorities with varying degrees of similarity.

 Given the limitations of the ESDA algorithm in computing stable matchings in certain scenarios, we employ a constraint programming (CP) approach as an alternative. This method consistently generates a stable matching whenever one exists

[\[Sun et al., 2024\]](#page-10-7). We implement them in Python and execute

them on a standard laptop without additional computational resources. To generate priorities from

the Mallows distributions, we utilize the PrefLib library [\[Mattei and Walsh, 2013\]](#page-10-15)

7.1 Experiments on Real-life Datasets

 We present the experimental results on the six real-life datasets. It is noteworthy that the ESDA algorithm not only successfully identifies a stable matching but also consistently produces the same outcome as the constraint programming (CP) solution for all datasets. Moreover, the ESDA algorithm achieves a computation time that is more than 10 times faster than the CP (see Table [5](#page-25-1) in Appendix [F.2\)](#page-25-0).

 To investigate the importance of similarity in daycare priorities on the performance of ESDA, we generate new datasets by perturbing the original real-world data using Mallows distributions. For each daycare, we independently sample priority orders from the Mallows distribution with varying

Figure 1: Results of experiments on real-world data perturbed by the Mallows distributions.

 dispersion parameters and replace the original priority order. We consider dispersion parameters ranging from 0.0 to 1.0 in increments of 0.1 and conduct 100 experiments for each case. Figure [1](#page-7-2) illustrates the results, demonstrating that ESDA successfully computes a stable matching in more than 380 80% of cases when the dispersion parameter ϕ is at most 0.8. It is worth noting that when $\phi = 0.0$, daycare priorities are identical to the original priorities. However, when the dispersion parameter is large, the ESDA may only find a stable matching in less than 50% of cases, even if one may exist.

7.2 Experiments on Synthetic Datasets

 We illustrate the steps to generate synthetic datasets. Initially, we define the number of families, 385 denoted by $|F|$, drawn from the set $\{500, 1000, 2000, 3000, 5000, 10000\}$. We next fix the parameter 386 α , representing the percentage of children with siblings C^S , as $\alpha = 0.2$. For families with siblings, 387 denoted as F^5 , 80% of them consist of two children each, while the remaining 20% have three 388 children each. The number of daycares, denoted by |D|, is set to $0.1 * |F|$. For each child c without 389 siblings in C^O , we randomly select 5 daycares from D. For each family f in F^S with siblings, we 390 generate an individual preference ordering of length 10 uniformly from D for each child $c \in C(f)$ and create all possible combinations. Finally, we uniformly choose a joint preference ordering of 392 length 10. The dispersion parameter ϕ varies within the range {0.0, 0.3, 0.5}, while the parameter ε 393 used to generate common priorities \succ_0 remains fixed at 1. For each specified setting, we generate 10 instances. The figures in the first row show the number of successful runs out of the 10 experiments. In the second row, we report the mean computational complexity along with its 95% confidence intervals, calculated only for the instances where the algorithm successfully found a stable matching.

 Regarding the experimental findings, the ESDA algorithm consistently identified a stable matching in all experiments. In addition to stability analysis, we conducted a comparison of the running time between the ESDA algorithm and the CP algorithm. Despite the potential requirement for the ESDA

400 algorithm to check all permutations of F^S in the worst case scenario, it consistently demonstrated notably faster performance than the CP algorithm across all cases.

Figure 2: Results of experiments on synthetic data.

8 Conclusion

 In this study, we investigate the factors contributing to the existence of stable matching in practical daycare markets. We identify the shared priority ordering among all daycares as one of the primary reasons. Our contribution includes a probability analysis for such large random markets and the introduction of the ESDA algorithm to identify stable matchings in practical datasets. Experimental results demonstrate the utility of ESDA under various conditions, suggesting its potential scalability to larger markets where optimization solutions, such as integer programming or constraint programming, may exhibit much longer processing times.

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A Related Work

 [Ronn](#page-10-4) [\[1990\]](#page-10-4) initially established that verifying the existence of stable matchings in the presence of couples is an NP-hard problem, even if each hospital offers only one position. Follow-up work by [McDermid and Manlove](#page-10-5) [\[2010\]](#page-10-5) showed this computational intractability result still holds even when couples' preferences are limited to pairs of positions within the same hospital. Furthermore, [Biró et al.](#page-9-12) [\[2011\]](#page-9-12) demonstrated that it remains NP-hard when all doctors are ranked according to a common order adopted by all hospitals.

 A classical work on matching with couples, conducted by [Kojima et al.](#page-9-5) [\[2013\]](#page-9-5), illustrates that as the market size approaches infinity, the probability of a stable matching existing converges to 1, given the growth rate of couples is suitably slow in relation to the market size, e.g., when the number of 510 the growth rate or couples is suitably slow in relation to the market size, e.g., when the number or couples is \sqrt{n} where *n* represents the number of singles. [Ashlagi et al.](#page-9-0) [\[2014\]](#page-9-0) propose an improved matching algorithm, building on the foundation laid by [Kojima et al.](#page-9-5) [\[2013\]](#page-9-5). This refined algorithm 513 demonstrates that, even if the number of couples grows at a near-linear rate of n^{ϵ} with $0 < \epsilon < 1$, a stable matching can still be found with high probability. In contrast, [Ashlagi et al.](#page-9-0) [\[2014\]](#page-9-0) highlight that as the number of couples increases at a linear rate, the probability of a stable matching existing diminishes significantly.

 [Kojima et al.](#page-9-5) [\[2013\]](#page-9-5) devised the Sequential Couples Algorithm to address matching problems involving couples, which follows a three-step procedure. First, it computes a stable matching without considering couples, using the DA algorithm. Next, it handles each couple according to a predefined order denoted as π . Single doctors displaced by couples are accommodated one by one, allowing them to apply to hospitals based on their preferences. However, if an application is made to a hospital where any member of a couple has previously submitted an application, the algorithm declares a failure and terminates, even though a stable matching may indeed exist.

 The Sorted Deferred Acceptance (SDA) algorithm, as introduced by [Ashlagi et al.](#page-9-0) [\[2014\]](#page-9-0), follows a similar trajectory to the Sequential Couples Algorithm. We extend its application to the context of daycare matching with siblings. The algorithm begins by computing a stable matching without con s_{27} sidering families with siblings, denoted as F^S , using the DA algorithm. Subsequently, it sequentially 528 processes each family, denoted as f, based on a predefined order denoted as π . Children without siblings who are displaced by family f are processed individually, enabling them to apply to daycare sso centers according to their preferences. If any child from family $f' \in F^{\bar{S}}$ with siblings is affected 531 during this process, a new order π' is attempted, with f being inserted before f'. The algorithm terminates and returns a failure if any child from family f is affected or if the same permutation has been attempted twice.

 One potential solution to overcome the non-existence of stable matchings is to explore restricted preference domains. In this regard, [Klaus and Klijn](#page-9-3) [\[2005\]](#page-9-3) investigated a restricted preference domain known as weak responsiveness, ensuring the presence of stable matchings in the presence of couples. [Hatfield and Kojima](#page-9-13) [\[2010\]](#page-9-13) introduced the concept of "bilateral substitute" within the framework of matching with contracts [\[Hatfield and Milgrom, 2005\]](#page-9-8), encompassing matching with couples as a specific case, and they demonstrated that weak responsiveness implies bilateral substitutes.

 In practical applications, the National Resident Matching Program employed a heuristic based on the incremental algorithm proposed by [Roth and Vate](#page-10-8) [\[1990\]](#page-10-8). [Biró et al.](#page-9-7) [\[2016\]](#page-9-7) proposed a different approach involves the utilization of the Scarf algorithm [\[Scarf, 1967\]](#page-10-9) to identify a fractional matching. If the outcome proves to be integral, it is then considered a stable matching. Moreover, researchers have explored the application of both integer programming and constraint programming to address the complexities of matching with couples [\[Manlove et al., 2007,](#page-10-10) [Biró et al., 2014,](#page-9-4) [Manlove et al.,](#page-10-11) [2017\]](#page-10-11). Notably, these methodologies have recently been adapted in the daycare matching market as well [\[Sun et al., 2023,](#page-10-6) [2024\]](#page-10-7).

 Another trend in the literature explores the combination of bandit algorithms with matching market design. In these studies, preferences are initially unknown and are learned through the interactions between the two sides of agents (see [\[Das and Kamenica, 2005,](#page-9-14) [Liu et al., 2020,](#page-10-16) [Basu et al., 2021,](#page-9-15) [Liu et al., 2021,](#page-10-17) [Jagadeesan et al., 2021,](#page-9-16) [Kong et al., 2022\]](#page-9-17)). This contrasts with our setting, where preferences and priorities are submitted to the system in advance.

B Discussion on Stability

B.1 Motivation

 The primary reason for modifying the stability concept lies in the differing selection criteria between hospital-doctor matching and daycare allocation. In the hospital-doctor matching problem, hospitals have preferences over doctors. In contrast, daycare centers use priority orderings based on priority scores to determine which child should be given higher precedence. The priority scoring system is designed to eliminate justified envy and achieve a fair outcome, treating daycare slots as resources to be allocated equitably.

 Additionally, it is crucial that siblings do not envy each other, especially when they are not enrolled in the same daycare. Allowing children to transfer their seats to other siblings can potentially reduce waste and increase overall welfare.

 We presented this new stability concept to multiple government officials from different municipalities and several renowned economists. They all agreed that the modification is more appropriate for the daycare matching setting.

B.2 ABH-Stability

 The stability concept studied in [\[Ashlagi et al., 2014\]](#page-9-0) was originally designed for matching with couples and defined by enumerating all possible scenarios. To distinguish it from our concept, we refer to their stability as ABH-stability, named after the authors' initials.

 In Definition [11,](#page-12-3) we consolidate these scenarios into a concise format, which highlights the differences 572 from our definition. The primary distinction from Definition [4](#page-3-2) lies in the input to $Ch_d(\cdot)$ in condition 573 2: it uses $Ch_d(\mu(d) \cup C(f, j, d))$, instead of $Ch_d(\mu(d) \setminus C(f) \cup C(f, j, d))$.

 Definition 11 (ABH-Stability). *Given a feasible and individually rational matching* µ*, family* f s ^{to} with children $C(f) = \{c_1, ..., c_k\}$ and the j-th tuple of daycares $\succ_{f,j} = (d_1^*, ..., d_k^*)$ in \succ_f , form a blocking coalition *if the following two conditions hold,*

577 (1) $(d_1^*,...,d_k^*) \succ_f \mu(f)$ *, and*

 (2) for each distinct daycare d included in $(d_1^*,...,d_k^*), C(f, j, d) \subseteq Ch_d(\mu(d) \cup C(f, j, d))$ *, where*

579 $C(f, j, d)$ *denotes a subset of f's children who apply to daycare d with respect to* $\succ_{f, j}$.

A feasible and individually rational matching satisfies ABH-stability if no blocking coalition exists.

ABH-Stability maintains alignment with the stability notion presented by [Kojima et al.](#page-9-5) [\[2013\]](#page-9-5). In

 the latter study, the authors explore a responsive preference domain in which daycare priorities are defined over sets of children. Despite differences in the choice function employed, the foundational

idea of defining stability exhibits conceptual coherence between these two works.

B.3 Non-existence of Stable Matchings

Example 5 (Non-existence of Stable Matchings). *Consider three families:* f_1 *with children* $C(f_1)$ = ${c_1, c_2}$, f_2 *with children* $C(f_2) = {c_3, c_4}$, and f_3 *with children* $C(f_3) = {c_5, c_6}$. There are three *daycares:* $D = \{d_1, d_2, d_3\}$, each with a single slot. The preference profile of the families and the *priority profile of the daycares are as follows:*

$$
\succ_{f_1}: (d_1, d_2) \succ_{f_2}: (d_2, d_3) \succ_{f_3}: (d_3, d_1)
$$

\n
$$
\succ_d: c_1, c_6, c_3, c_2, c_5, c_4 \quad \forall d \in D
$$

 We denote the option of being unmatched as ∅ *for brevity. There are three feasible matchings except for the empty matching which can not be stable, namely:*

592 • *Matching* μ_1 *where* $\mu_1(f_1) = (d_1, d_2), \mu_1(f_2) = (\emptyset, \emptyset),$ and $\mu_1(f_3) = (\emptyset, \emptyset)$.

593 • *Matching* μ_2 *where* $\mu_2(f_1) = (\emptyset, \emptyset)$ *,* $\mu_2(f_2) = (d_2, d_3)$ *, and* $\mu_2(f_3) = (\emptyset, \emptyset)$ *.*

594 • *Matching* μ_3 *where* $\mu_3(f_1) = (\emptyset, \emptyset), \mu_3(f_2) = (\emptyset, \emptyset),$ *and* $\mu_3(f_3) = (d_3, d_1)$ *.*

595 *Matching* μ_1 *cannot be stable, because family* f_2 *could form a blocking coalition with a pair of* 596 daycares (d_2, d_3) , where $\text{Ch}_{d_2}(\{c_2, c_3\}) = \{c_3\}$ and $\text{Ch}_{d_3}(\{c_4\}) = \{c_4\}$. Similarly, matching μ_2 is

 blocked by family f_3 *and daycares* (d_3, d_1) *, and matching* μ_3 *is blocked by family* f_1 *and daycares* 598 (d_1, d_2) . Consequencely, none of the matchings μ_1 , μ_2 , and μ_3 is stable.

C Previous Algorithms

C.1 Deferred Acceptance (DA)

 The Deferred Acceptance (DA) algorithm is a classical algorithm in matching theory under pref- erences [\[Gale and Shapley, 1962,](#page-9-10) [Roth, 1985\]](#page-10-18). The (children-proposing) DA algorithm proceeds iteratively through the following two phases. In the application phase, children first apply to their most preferred daycares that have not rejected them so far. In the selection phase, each daycare selects children based on its priorities from the pool of new applicants in the current round and the temporarily matched children from the previous round without exceeding specific quotas. The algorithm terminates when no child submits any further applications. An essential property of the DA algorithm is that it always converges to a stable matching within polynomial time when siblings are not involved.

Definition 12 (Rejection Chain). *When a child* c_1^* applies to a daycare d_1^* that is already at full *capacity, daycare* d ∗ ¹ *must reject some child* c ∗ 2 *(which could be* c ∗ 1 *). The rejected child* c ∗ 2 *then applies* 612 to the next available daycare d_2^* . If daycare d_2^* is also full, another child c_3^* must be rejected by d_2^*
613 and apply to the subsequent daycare d_3^* . This sequence continues, forming a rejection c σ_1^* *as* $c_1^* \rightarrow c_2^* \cdots \rightarrow c_t^*$, where t *represents the length of the chain.*

 σ *Similarly, rejection chains of families can be defined in the same manner by substituting* c_i^* with f_i^* , 616 *where* $c_i^* \in C(f_i^*)$.

617 **Definition 13** (Rejection Cycle). A rejection chain, represented as $c_1^* \to c_2^* \cdots \to c_t^*$, is termed a rejection cycle *if it satisfies two additional conditions: i) at least one child in the chain is different* f *from* c_1^* , *i.e., there exists* $c' \in \{c_1^*, c_2^*, \cdots, c_t^*\}$ *such that* $c' \neq c_1^*$ *, and ii) the rejection chain forms a* ϵ ₂₀ *cycle, commencing and concluding with* c_1^* , *i.e.*, $c_1^* = c_t^*$.

 In the case of a rejection cycle involving families, we mandate that i) at least two distinct families are present in the rejection chain, and ii) the rejection chain initiates and concludes with the same s ₂₃ family. It is possible that the starting child c_1^* and the ending child c_t^* are different, but they are from *the same family.*

 In cases where no child has siblings, rejection cycles may occur, but they are guaranteed to eventually terminate. This termination is ensured by the following reasons: i) When a daycare reaches its quota, the number of matched children remains constant, even though the set of matched children may vary. ii) Children cannot be matched to a daycare that previously rejected them, as a daycare never regrets rejecting a child with lower priority than its currently matched children when it meets its quota. Consequently, a child does not need to reapply to any daycare that has rejected them.

 However, these arguments do no longer hold in the presence of siblings. This is because when one child is rejected by a daycare, their sibling may be compelled to leave the matched daycare, due to their joint preferences over tuples of daycares, rather than a rejection. Consequently, vacancies arise at a daycare that was previously full, enabling a previously rejected child to reapply. This suggests that a rejection cycle may persist indefinitely.

C.2 Sequential Couples

 The Sequential Couples algorithm, devised by [Kojima et al.](#page-9-5) [\[2013\]](#page-9-5) to address matching problems involving couples, follows a three-step procedure. First, it computes a stable matching without considering couples, using the DA algorithm. Next, it handles each couple according to a predefined 640 order denoted as π . Single doctors displaced by couples are accommodated one by one, allowing them to apply to hospitals based on their preferences. However, if an application is made to a hospital where any member of a couple has previously submitted an application, the algorithm declares a failure and terminates, even if a stable matching indeed exists.

⁶⁴⁴ C.3 Sorted Deferred Acceptance

⁶⁴⁵ The Sorted Deferred Acceptance (SDA) algorithm, as introduced by [Ashlagi et al.](#page-9-0) [\[2014\]](#page-9-0), follows a ⁶⁴⁶ similar trajectory to the Sequential Couples algorithm. We extend its application to the context of ⁶⁴⁷ daycare matching with siblings. The algorithm begins by computing a stable matching without con- $_{648}$ sidering families with siblings, denoted as F^S , using the DA algorithm. Subsequently, it sequentially 649 processes each family, denoted as f, based on a predefined order denoted as π . Children without 650 siblings who are displaced by family f are processed individually, enabling them to apply to daycare 651 centers according to their preferences. If any child from family $f' \in F^{\bar{S}}$ with siblings is affected 652 during this process, a new order π' is attempted, with f being inserted before f'. The algorithm 655 terminates and returns a failure if any child from family f is affected or if the same permutation has ⁶⁵⁴ been attempted twice.

⁶⁵⁵ C.4 Proof of Theorem [2](#page-5-1)

- ⁶⁵⁶ Theorem 2. *The matching returned by the original SDA algorithm may not be stable.*
- ⁶⁵⁷ *Proof.* We present a counterexample in Example [6](#page-14-3) to prove Theorem [2.](#page-5-1)
- 658 **Example 6.** *Consider two families:* f_1 *with children* $C(f_1) = \{c_1, c_2\}$, f_2 *with children* $C(f_2)$ = $659 \quad \{c_3\}$. There are three daycares: $D = \{d_1, d_2, d_3\}$, each with a single slot. The preference profile of ⁶⁶⁰ *the families and the priority profile of the daycares are as follows:*

$$
\succ_{f_1}: (d_1, d_2), (d_2, d_3), \quad \succ_{f_2}: d_2 \succ_d: c_1, c_3, c_2 \quad \forall d \in D.
$$

 $_{661}$ *Then, SDA produces a matching* $\mu(f_1)=\{(d_2,d_3)\}$ *while leaving child* c_3 *unmatched. However, by*

⁶⁶² *Definition [4,](#page-3-2) this matching is not stable. This is because family* f¹ *could form a blocking coalition*

663 *with* (d_1, d_2) *by allowing* c_1 *to transfer his seat at* d_2 *to sibling* c_2 *.*

⁶⁶⁴ This completes the proof of Theorem [2.](#page-5-1) Note that no matching for this example satisfies stability in ⁶⁶⁵ Definition [4.](#page-3-2) П

⁶⁶⁶ D Formal Description of ESDA

⁶⁶⁷ The ESDA algorithm commences with the application of the Deferred Acceptance (DA) algorithm 668 to families without siblings F^O . The resulting matching is denoted as μ^O . The ESDA algorithm 669 operates with an order π defined over the set $\{1, \dots, |F^S|\}$. To keep track of attempted permutations, 670 we introduce the collection Π , initialized with $\{\pi\}$.

 671 The pivotal step in the ESDA algorithm involves the sequential insertion of families F^S based on the

672 order π. Let $\pi(i)$ denote the *i*-th element in π, starting with $i = 1$, and let $F_{\pi(i)}^S$ denote the $\pi(i)$ -th

673 family in F^S . We define μ as the current matching during the ESDA process, and μ^i denotes the 674 matching before processing the $\pi(i)$ -th family in F^S . Both μ and μ^i are initialized with μ^O .

675 Consider the π(i)-th family $f \in F^S$, denoted as $f = F^S_{\pi(i)}$. Family f makes proposals to the j-th 676 tuple of daycares, denoted as $\succ_{f,j}$, with the initialization of j at 1. Define $D(f, j)$ as the set of 677 distinct daycares in ≻ f, j . For each daycare $d \in D(f, j)$, we calculate $C(f, j, d)$, representing the set 678 of children from family f applying to daycare d w.r.t. $\succ_{f,i}$.

679 According to the choice function outlined in Definition [3,](#page-3-0) the input is $\mu(d) \setminus C(f) \cup C(f, j, d)$, 680 excluding siblings from $C(f)$ who do not apply to daycare d w.r.t. ≻f,j. If $C(f, j, d)$ cannot be 681 chosen by all $d \in D(f, j)$, the algorithm advances to the next tuple of daycares by updating $j \leftarrow j+1$. 682 Otherwise, family f can be matched to $\succ_{f,j}$ in μ .

-
- 683 Let A denote a set of children who i) do not belong to family f and ii) are involved in the rejection 684 chains when matching f to $\succ_{f,j}$. Two possibilities can arise.
- Case 1) If any child from family $f' \in F^S \setminus \{f\}$ is involved in A, i.e., $A \cap C(f') \neq \emptyset$, a new order π' 685
- 686 is generated by inserting f before f'. If π' has been attempted previously, the algorithm terminates,
- ⁶⁸⁷ returning failure (Type 2), a concept that will be detailed shortly. Otherwise, the algorithm restarts 688 with the new order π' and add π' to Π .

689 Case 2) If only children without siblings are involved in A, then match f with ≻ f, j and leave each 690 child in A unmatched. Let B denote the set of children in C^O who are matched differently under 691 μ^{i} (the matching before processing family f) and μ (the current matching). Create a temporary 692 matching $\mu^T \leftarrow \mu$, which is used to verify whether μ will be modified later. Then the algorithm 693 proceeds to stabilize children in B. Select one child, denoted as $b \in B$, and let him apply to a daycare 694 denoted as $x \leftrightarrow_{f(b),h}$ starting with $h = 1$. If any child from $C(f)$ is rejected during this process, 695 the algorithm terminates, returning failure (Type 1). If any child from family $f' \in F^S \setminus f$ is rejected, 696 a new order is generated following the process described in Case 1). If child b is rejected by daycare 697 x, the algorithm explores his next preferred daycare with $h \leftarrow h + 1$, if available. If child b is chosen, 698 then match b to x in μ and remove b from B. Subsequently, if there is a rejected child, it is added to 699 B , and the algorithm proceeds to the next child in B .

700 Once B becomes empty, we verify whether μ^T equals μ . If they are not identical, we revisit family f 701 by setting $i \leftarrow i$; otherwise, we update $\mu^{i+1} \leftarrow \mu$ and proceed to the next family in F^S by setting 702 $i \leftarrow i + 1$.

⁷⁰³ D.1 Two Lemmas for Proving Theorem [3](#page-6-0)

⁷⁰⁴ Our proof that ESDA always generates a stable matching if it does not terminate with failures, relies ⁷⁰⁵ on the following two lemmas. First, we establish that the number of matched children at each daycare 706 does not decrease as long as no family in F^S is rejected and no child passes their seat to other siblings 707 during the execution of ESDA. Then, we prove that for a given order π over F^S , if the rank of the 708 matched child at any daycare increases, then ESDA cannot produce a matching with respect to π .

 τ ₀₉ Lemma 6. For a given order π over families F^S , let $\mu^i(\pi)$ denote the matching obtained during τ ¹⁰ *the ESDA procedure before processing family* $F_{\pi(i)}^S \in F^S$. The number of matched children at any τ ¹¹ daycare d does not decrease under matching $\mu^{i+1}(\pi)$ if the following three conditions hold: i) The ⁷¹² *algorithm does not encounter any type of failure. ii) The order* π *remains unchanged. iii) No child*

 τ ¹³ *from family* $F_{\pi(i+1)}^S$ *transfers their seat to other siblings during the ESDA process.*

Proof. If the first two conditions hold, then no child from any family $f \in F^S$ is rejected when 715 inserting family $F^S_{\pi(i+1)}$. Consequently, only children without siblings are involved in rejection ⁷¹⁶ chains, and each time one child is replaced by another one with a higher daycare priority when the ⁷¹⁷ capacity is reached.

718 Let $f = F_{\pi(i+1)}^S$. If the third condition holds, when family f applies to any tuple of daycares $\succ_{f,j}$, 719 the input to the choice function Ch_d(·) can be simplified as Ch_d($\mu(d) \cup C(f, j, d)$), as no child 720 $c \in C(f)$ passes their seat to other siblings. After the stabilization step, if f reapplies to any tuple $721 \succ_{f,k}$ that is better than $\mu(f)$, then f is still rejected as each matched child at $d \in D(f, j)$ has a ⁷²² weakly higher priority. Thus, f cannot create new vacancies by moving to a better tuple of daycares. ⁷²³ Consequently, the number of matched children at each daycare does not decrease. П

724 For a given matching μ and a daycare d, let $L(\mu, d)$ represent the rank of the matched child with 725 the lowest priority at daycare d , where 1 denotes the highest priority. Imagine that all vacant slots 726 at each daycare are initially occupied by dummy children assigned the rank $|C| + 1$. As the ESDA ⁷²⁷ algorithm progresses, these dummy children are gradually rejected and replaced by children with 728 higher priorities, resulting in a decrease in $L(\cdot)$.

⁷²⁹ We will now demonstrate the following lemma.

730 **Lemma 7.** Given an order π over families F^S , if, during the ESDA process, the rank $L(\mu, d)$ ⁷³¹ *increases for any daycare* d*, then ESDA fails to generate a matching under the current order* π *over* 732 *families* \check{F}^S .

733 *Proof.* We next prove Lemma [7](#page-15-1) by examining the changes in $L(\mu, d)$ at each daycare d throughout 734 the execution of the ESDA algorithm under a given order π .

735 **[Line 1]** The ESDA algorithm begins by employing the DA algorithm on families F^O . At each step of ⁷³⁶ the DA algorithm, a rejected child is substituted by another child with a higher priority. Consequently, 737 for each daycare d, the value of $L(\mu, d)$ either decreases or remains unchanged.

Input: an instance $I = (C, F, D, Q, \succ_F, \succ_D)$ and a default order $\pi = 1, 2, ..., |F^S|$ **Output:** a stable matching or a failure 1: Apply DA to F^O and denote the obtained matching as μ^O 2: Initialize $\Pi \leftarrow {\{\pi\}}$, storing the permutations of π that have been attempted 3: Initialize $i \leftarrow 1$ with $\pi(i)$ being the *i*-th element in π 4: Initialize $\mu \leftarrow \mu^O$ (current matching) and $\mu^i \leftarrow \mu^O$ (the matching before processing the $\pi(i)$ -th family in F^S) 5: while $i \leq |F^S|$ do {Iterate through F^S according to π } 6: Let $f = F_{\pi(i)}^S$ be the $\pi(i)$ -th family in F^S 7: Initialize $j \leftarrow 1$ 8: while $j \leq |\succ_f|$ do {f proposes to $\succ_{f,j}$ }
9: Compute $D(f, j)$, the set of distinct d: 9: Compute $\overline{D}(f, j)$, the set of distinct daycares w.r.t. ≻ f, j
10: For each $d \in D(f, j)$, compute $C(f, j, d)$, the set of chil For each $d \in D(f, j)$, compute $C(f, j, d)$, the set of children from family f who apply to d w.r.t. $\succ_{f,j}$ 11: **if** $\exists d \in D(f, j)$ s.t. $C(f, j, d) \nsubseteq \text{Ch}_d(\mu(d) \setminus C(f) \cup C(f, j, d))$ then {f cannot be matched to $\succ_{f,j}$ } 12: $j \leftarrow j + 1$ {Consider the next tuple of daycares in ≻f} 13: **else** {*f* can be matched to $\succ_{f,j}$ } 14: $A \leftarrow \bigcup_{d \in D(f,j)} (\mu(d) \setminus \text{Ch}_d(\mu(d) \setminus C(f) \cup C(f,j,d))) \setminus C(f)$ {Rejected children from families $F \setminus \{f\}$ 15: **if** $\exists f' \in F^{S} \setminus \{f\}$ s.t. $C(f') \cap A \neq \emptyset$ then {some child from $f' \in F^{S} \setminus \{f\}$ is rejected} 16: Create a new order π' by inserting f prior to f'. 17: **if** $\pi' \in \Pi$ then 18: **return** Failure (Type-2). 19: else 20: $\Pi \leftarrow \Pi \cup \{\pi'\}$ and go to line 3 with $\pi \leftarrow \pi'$ {Start over with π' } 21: end if 22: end if 23: $\mu(f) \leftrightarrow_{f,j}$ and $\forall c \in A$, $\mu(c) \leftarrow d_0$ {f is matched to $\succ_{f,j}$ and children A are unmatched} 24: $B \leftarrow \{c \in C^O \mid \mu^i(c) \neq \mu(c)\}\$ {Children in C^O matched differently under μ^i and $\mu\}$ $25:$ $\mu^T \leftarrow \mu$ {Check whether μ is changed later} 26: while $|B| > 0$ do {Stabilize children B} 27: Choose one child $b \in B$ and initialize $h \leftarrow 1$ 28: **while** $h \leq |\succ_{f(b)}|$ do 29: $x \leftrightarrow_{f(b),h}$, the h-th most preferred daycare in $\succ_{f(b)}$ 30: $R \leftarrow \mu(x) \setminus \text{Ch}_x(\mu(x) \cup \{b\})$ 31: **if** $C(f) \cap R \neq \emptyset$ then 32: return Failure (Type-1) 33: **else if** $\exists f' \in F^S \setminus \{f\}$ s.t. $C(f') \cap R \neq \emptyset$ then 34: Go to line 16 35: end if 36: if $R = \{b\}$ then 37: $h \leftarrow h + 1$ 38: else 39: $\forall c' \in R, \mu(c') \leftarrow d_0 \text{ and } B \leftarrow B \cup \{c'\}$ 40: $\mu(b) \leftarrow x, B \leftarrow B \setminus \{b\}$ and go to line 26 41: end if 42: end while 43: $B \leftarrow B \setminus \{b\}$ 44: end while 45: if $\mu^T \neq \mu$ then 46: Go to line 6 with $i \leftarrow i$ {Check f one more time} 47: else 48: Update $\mu^{i+1} \leftarrow \mu$ and go to line 6 with $i \leftarrow i+1$ {Check the next family in F^S } 49: end if 50: end if 51: end while 52: end while 53: **return** A matching μ . 17

Algorithm 1 Extended Sorted Deferred Acceptance (ESDA)

738 **[Line 2-6]** Subsequently, the algorithm advances through F^S based on the given order π . Consider 739 the insertion of family $\dot{f} = F_{\pi(i)}^S$ into the market, commencing with $i \leftarrow 1$. The following argument

 τ ₇₄₀ applies for any i under the condition that no child from family $F^S_{\pi(i)}$ transfers seats to other siblings.

741 **[Line 7-12]** Family f first applies to the tuple of daycares $\succ_{f,j}$, initialized with $j \leftarrow 1$ (line 7-8). If 742 family f cannot be accepted by all $d \in D(f, j)$, then the set of matched children at each daycare d

743 remains unchanged, i.e., $L(\mu, d)$ remains the same, and the algorithm proceeds to $j + 1$ (line 9-12).

744 **[Line 13]** If $D(f, j)$ still have vacant seats to accommodate family f, then we can imagine that dummy 745 children are substituted by $C(f)$, resulting in a decrease in $L(\mu, d)$ at each daycare $d \in D(f, j)$. 746 Subsequently, the algorithm proceeds to the next family $F_{\pi(i+1)}^S$.

747 **[Line 14]** Now, assume that some child is involved in the rejection chain A during the insertion of 748 family f. In this scenario, two possibilities arise.

749 [Line 15-22] Case i) If a child from another family $f' \in F^S \setminus \{f\}$ is rejected, it can lead to either a restart with a new permutation or result in a Type-2 Failure. In either case, it is equivalent to filling all seats at each daycare with dummy children assigned the rank $|C| + 1$, resulting in an increase in $L(\cdot)$. This indicates that the current order π is unable to generate a matching.

753 [Line 23-25] Case ii) If only children in C^O are affected during the insertion of f, we match f to 754 ≻ f, j and assign any child in A to the dummy daycare. In this scenario, $L(·)$ decreases at each daycare 755 $d \in D(f, j)$.

756 Let B denote the set of children in C^O matched differently under μ^i and μ . We define μ^T as the 757 matching before stabilizing the children in set B .

758 **[Line 26-35]** While stabilizing B, if a child from family $f'' \in F^S$ is rejected, the algorithm may 759 either restart with a new permutation or terminate with failure. In either case, the current π is ⁷⁶⁰ inadequate for producing a matching, as discussed in Case i).

761 [Line 36-44] Next, let's consider the scenario where only children from C^O are involved in B during ⁷⁶² the stabilization process. In this case, if a child is rejected, it is replaced by another child with a 763 higher priority, resulting in a decrease in $L(\cdot)$ at the corresponding daycare.

764 [Line 45-49] We need to verify whether μ differs from μ^T after stabilization. If they remain the same, 765 $L(\cdot)$ does not change, and we proceed to the next family.

766 [Back to Line 6-22] Conversely, if μ differs from μ^T , a supplementary check is conducted for family 767 f by allowing it to propose to $\succ_{f,j}$, staring with $j \leftarrow 1$. If family f cannot be matched to a better 768 tuple than $\mu^T(f)$, then μ as well as $L(\cdot)$ remain unchanged, and we move on to the next tuple.

769 Suppose family f is matched to ≻ f,j in matching μ^T , and now family f is matched to a better tuple 770 denoted as $\succ_{f,k}$ in μ . It's important to note that this scenario is possible because family f is already 771 matched under μ^T , and some child can pass their seat to other siblings when reapplying to a better 772 tuple than $\mu^T(\dot{f})$.

Formally, when family f was rejected by $\succ_{f,k}$ in μ^T , there must exist a daycare $d \in D(f,k)$, children 774 $c, c' \in C(f)$, and a child $c^1 \in C^O$ such that: i) Child c^1 , with the lowest priority, is matched to d in 775 μ^{i} (before processing family f). ii) The priority ordering at daycare d satisfies: $c' \succ_{d} c^{1} \succ_{d} c$. iii) 776 Child c' is matched to $\succ_{f,j}$ in μ^T by replacing c¹. When family f reapplies to $\succ_{f,k}$ in matching μ , child c passes their seat to c', resulting in an increase in $L(\mu, d)$.

778 [Line 23-44] Since child c^1 is matched differently under μ^i and μ , we have $c^1 \in B$. When stabilizing 779 B again, child c^1 applies from their most preferred daycare. If c^1 reapplies to d, then it causes the 780 rejection of c and leads to a Type-1 Failure.

781 Let's assume that c^1 is matched to some daycare, say d^1 , in μ which is more preferred than d, leading 782 to an increase in $L(\mu, d^1)$. It's important to recall that d^1 was full under μ^i (before processing family 783 f), and d^1 can accommodate c^1 in μ only if family f causes some child c^2 , who was matched to d^1 in 784 μ^{i} , to be affected in the rejection chain. Following the same argument, suppose c^{2} could be matched 785 to some daycare, say d^2 , which is better than d^1 , and d^2 was full under μ^i and some child c^3 was 786 rejected when inserting f under μ .

 787 Following the same argument, we can continue this chain until we reach a child, say c^t , who cannot 788 be matched to a better daycare d^t than $\mu^i(c^t)$ in μ . If daycare d^t has a vacant seat under μ , it implies 789 that d^t must have had a vacant seat under μ^i before processing family f. However, this contradicts 790 the fact that c^t was rejected by d^t under μ^i . Therefore, all the children $c^t, c^{t-1}, c^{t-2}, \ldots, c^1$ could 791 form a rejection chain ending with child c , leading to a Type-1 Failure.

792 Continuing this reasoning, we must arrive at some child, say c^t , who cannot be matched to a better 793 daycare $d^{\bar{t}}$ than $\mu^{i}(c^t)$ in this way. This is because family f cannot create more vacancies than 794 the number of children rejected by it when changing from $\succ_{f,k}$ to $\succ_{f,j}$, unless other families from 795 $f' \in F^S \setminus \{f\}$ is rejected. However, in that case we will go to lines 15-22 instead. Therefore, we can 796 conclude that the children c^t , c^{t-1} , c^{t-2} , \cdots , c^1 , c could form a rejection chain ending with child c , ⁷⁹⁷ resulting in a Type-1 Failure.

⁷⁹⁸ Having meticulously examined all conceivable scenarios during the ESDA procedure, it is evident 799 that π is incapable of leading to a matching if $L(\mu, d)$ experiences an increase for any daycare d. ⁸⁰⁰ This completes the proof of Lemma [7.](#page-15-1) П

801 D.2 Proof of Theorem [3](#page-6-0)

⁸⁰² Theorem 3. *Given an instance of* I*, if ESDA returns a matching without failure, then the yielded* ⁸⁰³ *matching is stable. In addition, ESDA always terminates in a finite time, either returning a matching* ⁸⁰⁴ *or a failure.*

805 *Proof.* Suppose the ESDA in Algorithm [1](#page-16-0) returns a matching μ without encountering any failures. 806 Let $\tilde{\pi}$ denote the finial order over families F^S when ESDA terminates.

sor Let $w = |F^S|$ denote the number of families in F^S , and consider the last family $f^w = F^S_{\tilde{\pi}(w)}$ in the sos order $\tilde{\pi}$. Case i) If family f^w is matched to $\mu(f) \Rightarrow f_{,j}$ without causing any child to be rejected, i.e., 809 the stabilization step is not invoked, then for any $k \leq j$, family f cannot be matched to a better tuple 810 of daycares $\succ_{f,k}$, as the set of matched children remains unchanged at any $d \in D(f,k)$. Case ii) 811 Suppose some children A are rejected when inserting family f^w . We know $A \setminus F^S = \emptyset$, otherwise 812 ESDA would terminate with a failure or restart with a new permuation. Thus $A \subseteq F^O$. After 813 stabilizing all children B (containing A) who are matched differently under μ^w and μ , family f 814 reapplies to a better tuple of daycares by allowing for children $C(f)$ to pass their seats to other siblings. 815 If this happens, then the rank of matched children $L(\cdot)$ at some daycare decreases, contradicting 816 Lemma [7,](#page-15-1) which implies that $\tilde{\pi}$ can produce a matching. Thus, we know f cannot be matched to a 817 better tuple even if passing seats are allowed. For both cases, we conclude that family f^w cannot 818 pariticipate in a blocking coalition w.r.t. matching μ .

819 Moving on to the second last family f^{w-1} , we apply a similar reasoning. When inserting family 820 f^{w-1} into the market, if it can be matched to a better tuple after the stabilization step, it contradicts 821 Lemma [7.](#page-15-1) After family f^w is introduced into the market, two key observations hold: i) the number 822 of matched children does not decrease at any daycare, as per Lemma [6,](#page-15-2) and ii) for each daycare d , 823 $L(\mu, d)$ does not increase, meaning no daycare accepts a child with a lower priority, per Lemma [7.](#page-15-1) 824 Consequently, family f^{w-1} still cannot be matched to a better tuple of daycares after the insertion of 825 the last family f .

826 Continuing this logic through induction, we conclude that no family $f^i \in F^S_{\pi(i)}$ can be matched to a sez better tuple of daycares under the order $\tilde{\pi}$. In other words, none of the families in F^S can participate 828 in a blocking coalition. For the same reasons, it follows that any family $f \in F^O$ cannot be matched ⁸²⁹ to a better daycare either.

830 For each permutation of π , the algorithm may iterate multiple times of checking f for lines 45-831 46, if the current matching μ changes after the stabilization step. Since the choices in each only ⁸³² child's preference ordering are finite, the check terminates in a finite time or returns with a failure. 833 Furthermore, the total number of permutations of π is also finite, thus ensuring the algorithm's ⁸³⁴ termination. This concludes the proof of Theorem [3.](#page-6-0) □

835 D.3 Two Types of Failure of ESDA

Example 7 (Type-1-a Failure). *Consider three families* f_1 *with children* $C(f_1) = \{c_1, c_2\}$, f_2 *with children* $C(f_2) = \{c_3\}$ and f_3 with children $C(f_3) = \{c_4\}$. There are three daycares denoted as $D = \{d_1, d_2, d_3\}$ *, each with one available slot. The preferences of the families and the priorities of the daycares are outlined as follows:*

$$
\succ_{f_1}: (d_1, d_3) \succ_{f_2}: d_1, d_2 \succ_{f_3}: d_2, d_1
$$

$$
\succ_{d_1}: c_4, c_1, c_3 \succ_{d_2}: c_3, c_4 \succ_{d_3}: c_2
$$

 $_{840}$ The initial matching μ^O is obtained through the Deferred Acceptance (DA) algorithm, where $\mu^{O}(c_3) = d_1$ and $\mu^{O}(c_4) = d_2$. Upon inserting family f_1 , child c_1 is matched to daycare d_1 , 842 *and child* c_2 *is matched to daycare* d_2 *, resulting in the rejection of child* c_3 *from daycare* d_1 *. Subse-*843 *quently, when child c₃ applies to daycare d₂, it leads to the rejection of child c₄. Finally, when child* 844 c_4 *applies to daycare* d_1 *, it results in the rejection of child* c_1 *.*

845 *Thus, a rejection chain is formed:* $c_1 \rightarrow c_3 \rightarrow c_4 \rightarrow c_1$, and the ESDA algorithm terminates with δ *failure. However, it's important to note that a stable matching* μ' *does exist, where* $\mu'(c_3) = d_2$ *and* $\mu'(c_4) = d_1$. Despite of its existence, the ESDA algorithm fails to discover it.

848 **Example 8** (Type-1-b Failure). *Consider two families* f_1 *with children* $C(f_1) = \{c_1, c_2\}$ *and* f_2 849 *with children* $C(f_2) = \{c_3\}$. There are two daycares $D = \{d_1, d_2\}$, each having one available slot. ⁸⁵⁰ *The preferences of the families and the priorities of the daycares are outlined as follows:*

$$
\succ_{f_1}: (d_1, d_2) \rightarrow_{f_2}: d_1, d_2
$$

$$
\succ_{d_1}: c_1, c_3 \rightarrow_{d_2}: c_3, c_2
$$

 $_{851}$ The initial matching μ^O is obtained through the Deferred Acceptance (DA) algorithm, with $\mu^O(c_3) =$

852 d₁. Upon the introduction of family f_1 , child c_1 secures a place at daycare d_1 , and child c_2 is matched

853 *with daycare* d_2 , consequently leading to the rejection of child c_3 *from daycare* d_1 . As child c_3 *applies*

854 *to daycare* d_2 , it results in the rejection of child c_2 from daycare d_2 in turn.

855 *This sequence forms a rejection chain:* $c_1 \rightarrow c_3 \rightarrow c_2$, prompting the ESDA algorithm to terminate ⁸⁵⁶ *with a failure. Notably, no stable matching is found to exist for Example [8.](#page-19-2)*

Example 9 (Type-2 Failure). *Consider two families* f_1 *with children* $C(f_1) = \{c_1, c_2\}$ *, and* f_2 *with children* $C(f_2) = \{c_3, c_4\}$ *. There are three daycares, denoted as* $D = \{d_1, d_2, d_3\}$ *, each with one slot. Suppose the initial order is* $\pi = \{1, 2\}$ *. The preferences of the families and the priorities of the daycares are outlined as follows:*

$$
\succ_{f_1}: (d_1, d_2), (d_1, d_3) \rightarrow_{f_2}: (d_2, d_3)
$$

$$
\succ_{d_1}: c_1 \rightarrow_{d_2}: c_3, c_2 \rightarrow_{d_3}: c_2, c_4
$$

861 *When family* f_1 *is inserted, it secures a match with* (d_1, d_2) *. Subsequently, when family* f_2 *is added, child* c_2 *from family* f_1 *is rejected, prompting a change in the order to* $\pi' = \{2, 1\}$ *and a restart of* ⁸⁶³ *the algorithm.*

 ϵ ⁸⁶⁴ *Now, if we add family* f_2 *first in the revised order* π' *, it obtains a match with* (d_2, d_3) *. However, when* 865 *family* f_1 *is added and applies to* (d_1, d_2) *, child* c_2 *has a lower priority than child* c_3 *, resulting in the* 866 *rejection of family* f_1 *. Consequently, family* f_1 *applies to* (d_1, d_3) *, causing family* f_2 *to be evicted in* ⁸⁶⁷ *turn.*

 s ⁸⁶⁸ *This leads us to modify the order* $π'$ to $π$ ^{*} = {1, 2}*, which has been attempted previously. Thus, the* ⁸⁶⁹ *ESDA algorithm terminates due to a Type-2 Failure.*

870 E Proof of Theorem [1](#page-5-0)

⁸⁷¹ In this section, we outline the proof for Theorem [1.](#page-5-0) Our main approach is to set an upper limit on the ⁸⁷² likelihood of encountering the two types of failure in the ESDA algorithm.

 σ **373 Theorem 1.** *Given a random market* \tilde{I} *with* $\phi = O(\log n/n)$ *, the probability of the existence of a* ⁸⁷⁴ *stable matching converges to* 1 *as* n *approaches infinity.*

- 875 We leverage the following lemma in our proof. It asserts that if an ordering ≻ is generated from a
- 876 given Mallows distribution $\mathcal{D}_{\succ 0,\phi}$, the probability of child c' being ranked higher than child c in ≻ is

877 no greater than $4\phi^{\text{dist}(c,c')}$, given that $c \succ_0 c'$, where $\text{dist}(c, c')$ represents the distance between c 878 and c' in \succ_0 .

879 **Lemma 8** ([\[Levy, 2017\]](#page-10-19)). *If* ≻ *is a random ordering drawn from the Mallows distribution* $D_{\succ 0,\phi}$ *,* 880 *then for all* $c, c' \in C$ *,*

$$
\Pr\left[c' \succ c \mid c \succ_0 c'\right] \le 4\phi^{\text{dist}(c,c')}
$$

881 *where* $dist(c, c') = |\{c'' \in C \mid c \succ_0 c'' \succ_0 c' \}| + 1$.

⁸⁸² E.1 Proof of Lemma [1](#page-4-0)

883 Lemma 1. *Under the uniformly bounded condition, the probability* p_d *of selecting any daycare d is* 884 *limited by* σ/m *where* m *denotes the total number of daycares.*

885 *Proof.* For each daycare d, we have $1/\sigma \leq p_d/p_{d'} \leq \sigma$. Therefore, $p_{d'}/\sigma \leq p_d \leq \sigma \cdot p_{d'}$. If we sum sse this inequality over each $d' \in D$, we obtain $m \cdot p_d \leq \sum_{d' \in D} \sigma \cdot p_{d'} = \sigma$. Thus, $p_d \leq \sigma/m$. \Box

887 E.2 Proof of Lemma [2](#page-6-1)

888 Lemma 2. *Given a random market* \tilde{I} with $\phi = O(\log n/n)$ *, the probability of Type-1-a Failure in* 889 *the SDA algorithm is bounded by* $O((\log n)^2/n)$.

890 *Proof.* We first consider a Type-1-a Failure, where a rejection chain $c_1 \to c_2^* \to \cdots \to c_\ell^* \to c_1$ ess exists. Here, child c_1 belongs to a family $f \in F^S$ with multiple children, while the other children 892 $c_2^*, \cdots, c_\ell^* \in C^O$ have no siblings.

893 Let $\mathcal{E}_{\ell}^{\text{a}}$ represent the event of such a rejection chain $c_1 \to c_2^* \to \cdots \to c_{\ell}^* \to c_1$, with length $\ell \geq 3$. 894 We next show that, for any \succ_0 , we have

$$
\Pr[\mathcal{E}_{\ell}^{\mathbf{a}} \mid \succ_0] \le \frac{16\sigma\phi^2}{m}.\tag{1}
$$

895 Suppose that in this rejection chain, child c_1 applies to daycare d_1 , while children c_i^* apply to d_i^* for 896 $i \in \{2, 3, ..., \ell-1\}$. The last child in the cycle, c_{ℓ}^* , applies to daycare d_1 . It is important to note that ⁸⁹⁶ $i \in \{2, 3, ..., \ell-1\}$. The fast child in the cycle, ℓ_{ℓ} , applies to day calculate a_1 . It is important to note that $d_i^* \neq d_{i+1}^*$ holds for $i \in \{1, ..., \ell-2\}$, even though there could be repetitions among the 898 $c_2^*,..., c_\ell^*$ and the daycares $d_2^*,..., d_{\ell-1}^*$.

899 Let \succ_1 represent the priority ordering of daycare d_1 . For $i \in \{2, \ldots, \ell-1\}$, let \succ_i denote the priority soo ordering of daycare d_i^* . Recall that for each $i = 1, \ldots, \ell - 1$, the priority ordering \succ_i is drawn from 901 the Mallows distribution $\mathcal{D}_{\succ_{0},\phi}$. We consider two cases.

902 Case (i): Suppose the reference ordering \succ_0 satisfies the following condition

$$
c_{\ell}^* \succ_0 c_{\ell-1}^* \succ_0 \cdots \succ_0 c_2^* \succ_0 c_1.
$$
 (2)

⁹⁰³ By Lemma [8,](#page-20-1) we have

$$
\Pr[c_{\ell}^* \succ_1 c_1 \succ_1 c_2^* \mid \succ_0] \le \Pr[c_1 \succ_1 c_2^* \mid c_2^* \succ_0 c_1] \le 4\phi.
$$

904 For all $i = 2, ..., \ell - 1$, we also have

$$
\Pr[c_i^* \succ_i c_{i+1}^* \mid \succ_0] \le 4\phi.
$$

905 From $d_1^* \neq d_2^*$, we know \succ_1 and \succ_2 are independent. Then we have

$$
\Pr\left[\mathcal{E}_{\ell}^{a} \mid \succ_{0}\right] \leq \Pr\left[c_{1} \succ_{1} c_{2}^{*} \mid \succ_{0}\right] \cdot \Pr\left[c_{2}^{*} \succ_{2} c_{3}^{*} \mid \succ_{0}\right] \cdot \Pr\left[c_{\ell-1}^{*} \text{ applies to } d_{1}\right]
$$

$$
\leq 16\phi^{2} p_{d_{1}}.
$$

906 Lemma [1](#page-4-0) states that $p_{d_1} \leq \sigma/m$. Then we have

$$
\Pr\left[\mathcal{E}_{\ell}^{\mathsf{a}} \middle| \succ_{0}\right] \le 16\phi^{2} p_{d_{1}} \le \frac{16\sigma\phi^{2}}{m}.\tag{3}
$$

Case (ii): If \succ_0 does not satisfy the condition in Formula [\(2\)](#page-20-2), then $Pr[c^*_{\ell} \succ_1 c_1 \succ_1 c^*_{2} | \succ_0] \leq 4\phi^2$ 907 908 holds or there exists $i \in \{2, ..., \ell-1\}$ such that $Pr[c_i^* \succ_i c_{i+1}^* \mid \succ_0] \leq 4\phi^2$. From this, we obtain

$$
\Pr\left[\mathcal{E}_{\ell}^{a} \mid \succ_{0}\right] \le 4\phi^{2} \cdot \Pr\left[c_{\ell-1}^{*} \text{ applies to } d_{1}\right]
$$

\n
$$
\le 4\phi^{2} p_{d_{1}}
$$

\n
$$
\le \frac{4\sigma \phi^{2}}{m}.
$$
\n(4)

909 From Inequalities [\(3\)](#page-20-3) and [\(4\)](#page-21-1) above, for both cases (i) and (ii), we have $Pr[\mathcal{E}_{\ell}^{a} | \succ_0] \leq \frac{16\sigma\phi^2}{m}$. This ⁹¹⁰ completes the proof of Inequality [\(1\)](#page-20-4).

911 Given that ≻₀ is drawn from a uniform distribution over all permutations of C, we can derive 912 the following inequality for the probability of encountering Type-1-a Failure, denoted as \mathcal{E}_{ℓ} , for a 913 particular length ℓ of the rejection chain:

$$
\Pr[\mathcal{E}_{\ell}^{\mathsf{a}}] \leq \sum_{\succ_0 \in S'} \Pr[\mathcal{E}_{\ell}^{\mathsf{a}} | \succ_0] \cdot \Pr[\succ_0]
$$

$$
\leq \frac{16\sigma\phi^2}{m} \sum_{\succ_0 \in S'} \Pr[\succ_0]
$$

$$
= \frac{16\sigma\phi^2}{m}
$$

914 where S' denotes all permutations on the set of children C that is used to generate \succ_0 .

⁹¹⁵ To obtain the overall probability of Type-1-a Failure, we sum up the probabilities for all possible 916 lengths ℓ and for all children F^S . Recall that the length of each child's preference ordering is bounded 917 by L, and the length of a rejection chain is upper bounded by $(1 - \alpha)n \cdot L$ and lower bounded by ⁹¹⁸ 3. Thus, the probability that there exists a rejection cycle leading Type-1-a Failure is bounded from ⁹¹⁹ above by

$$
\alpha n \cdot \sum_{\ell=3}^{(1-\alpha)nL} \Pr\left[\mathcal{E}_\ell^\text{a}\right] \le 16\alpha(1-\alpha)L\sigma\frac{n^2\phi^2}{m}.
$$

If $\phi = O(\log n/n)$, the probability of there being a Type-1-a Failure is $O\left(\frac{(\log n)^2}{n}\right)$ 920 If $\phi = O(\log n/n)$, the probability of there being a Type-1-a Failure is $O\left(\frac{(\log n)^2}{n}\right)$, which converges 921 to 0 as *n* approaches infinity. \Box

922 E.3 Proof of Lemma [3](#page-6-2)

923 Lemma 3. *Given a random market* \tilde{I} with $\phi = O(\log n/n)$ *, the probability of Type-1-b Failure in* 924 *the SDA algorithm is bounded by* $O((\log n)^2/n) + O(n^{-\varepsilon})$ *.*

925 *Proof.* We next proceed to Type-1-b Failure, where a rejection chain is denoted as $c_1 \to c_2^* \to \cdots \to c_n^*$ 926 $c_{\ell}^* \to c_1'$. Here, c_1 and c_1' are siblings of the same family $f \in F^S$, while $c_2^*, \ldots, c_{\ell}^*$ are children 927 without siblings. Suppose that c_i^* applies to d_i^* for each $i = 2, 3, ..., \ell - 1$.

928 If children c_1 and c'_1 have nearly identical priorities in \succ_0 ($\text{diam}_f \leq |C(f)|$), the analysis aligns ⁹²⁹ with that of Type-1-a Failure. Consequently, in this scenario, the probability of the rejection chain 930 occurring is at most $16\sigma\phi^2/m$ for any \succ_0 and for any $2 \leq \ell \leq (1-\alpha)nL$.

931 If children c_1 and c'_1 have significantly different priorities in \succ_0 (diam $f > |C(f)|$), then it only 932 occurs with a probability at most $1/n^{1+\epsilon}$ ($\epsilon > 0$). Therefore, even in the worst-case scenario where 933 \succ_0 satisfies $c_1^* \succ_0 c_2^* \succ_0 \cdots \succ_0 c_\ell^* \succ_0 c_1'^*$, the probability that the last child c_ℓ^* causes c_1' to be 934 rejected, is bounded by $\frac{\sigma}{n^{1+\epsilon}m}$.

Let $\mathcal{E}_{\ell}^{\rm b}$ denote the event where the rejection chain of length ℓ starting with c_1 and ending with c_1' 935 936 occurs. For any ℓ and \succ_0 , we have

$$
\Pr[\mathcal{E}_{\ell}^{\mathrm{b}} \mid \succ_0] \le \frac{16\sigma\phi^2}{m} + \frac{\sigma}{n^{1+\varepsilon}m}.
$$

937 We next sum up the probabilities for all possible lengths ℓ and for any two children in families with ⁹³⁸ multiple children. The probability of Type-1-b Failure occurring is bounded by

$$
\alpha n \cdot \left(\frac{\bar{k}}{2}\right) \cdot \sum_{\ell=2}^{(1-\alpha)nL} \Pr[\mathcal{E}_{\ell}^{b}]
$$

\n
$$
\leq \alpha (1-\alpha)L\bar{k}^{2}n^{2} \left(\frac{16\sigma\phi^{2}}{m} + \frac{\sigma}{n^{1+\epsilon}m}\right)
$$

\n
$$
= O\left(\frac{(\log n)^{2}}{n}\right) + O(n^{-\epsilon}).
$$

939 Here, we used $m = \Omega(n)$ and $\phi = O(\log n/n)$. This concludes that Type-1 Failure does not happen ⁹⁴⁰ with high probability. \Box

941 E.4 Proof of Lemma [4](#page-7-0)

⁹⁴² In addition to the concept of domination, we define the notion of *top-domination*.

Definition 14 (Top Domination). *Given a priority ordering* ≻, we say that family f top-dominates f' 943 944 *w.r.t.* $\succ if$

$$
\max_{c \in C(f)} c \succ \max_{c' \in C(f')} c'.
$$

945 Lemma 4. *Given a random market* \tilde{I} *with* $\phi = O(\log n/n)$ *, and for any two families* $f, f' \in F^S$ ⁹⁴⁶ *that are not nesting with each other with respect to* ≻0*, then Type-*2 *Failure occurs with a probability* 947 *of at most* $O(\log n/n)$.

948 *Proof.* Consider any two families $f, f' \in F^S$ that do not nest with each other. Without loss of 949 generality, we assume that f top-dominates f' , and f' does not dominate f, otherwise they would ⁹⁵⁰ nest with each other. Then we have,

$$
\forall c \in C(f), \forall c' \in C(f'), c \succ_0 c'.
$$
 (5)

951 Suppose f' appears before f in the order π over families F^S , and f' is currently matched. When f is 952 inserted into the market, we observe that the probability of f causing the rejection of f' is bounded 953 by σ/m , i.e., $Pr[f$ rejects $f' \leq \sigma/m$, given that preferences are uniformly bounded.

Next, consider a new order π' in which f is placed before f'. We aim to analyze the probability of f' 954 955 causing the rejection of f in a rejection chain of length ℓ .

956 We begin with $\ell = 2$. Suppose a child $c \in C(f)$ is currently matched to daycare d_1 , and another child 957 $c' \in \tilde{C}(f')$ also applies to daycare d_1 , resulting in the rejection of child c. As shown in Formula [\(5\)](#page-22-1),

958 we have $c \succ_0 c'$. Since $c' \succ_1 c$, we can deduce that $Pr[c' \succ_1 c \mid \succ_0] \leq 4\phi$ from Lemma [8.](#page-20-1)

959 Let \mathcal{E}'_0 be the event where f rejects f', followed by f' rejecting f. The probability that one child in 960 $C(f')$ applies to d_1 is upper-bounded by σ/m . Therefore, we can derive:

$$
\Pr\left[\mathcal{E}_0'\right] \le \left(\frac{\sigma}{m}\right)^2 4\phi = \frac{4\sigma^2 \phi}{m^2}.
$$

961 Next, we consider the scenario where a rejection chain of length $\ell + 2$ occurs, where ℓ represents the ⁹⁶² number of children without siblings participating in the rejection chain. Suppose the rejection chain 963 follows the pattern $c \to c_1^* \to c_2^* \to \cdots \to c_\ell^* \to c'$, where $c_1^*,...,c_\ell^* \in \tilde{C}^{\tilde{\mathcal{O}}}$. In this case, we have 964 $1 \leq \ell \leq (1-\alpha)nL$.

965 Let \mathcal{E}'_l be the event where f rejects f', and subsequently f' rejects f using a rejection chain of length 966 ℓ . For any \succ_0 , the replacement by the Mallows distribution must happen at least twice. Thus, for 967 each $\ell = 1, 2, \ldots, (1 - \alpha)nL$, we have

$$
\Pr\!\left[\mathcal{E}_\ell'\left|\succ_0\right]\leq\left(\frac{\sigma'}{m}\right)^216\phi^2\leq\frac{16\sigma'\phi^2}{m^2}.
$$

968 We sum up the probabilities for all possible \succ_0 , and achieve $Pr[\mathcal{E}'_\ell] \leq \frac{16\sigma'\phi^2}{m^2}$ for each $\ell =$ 969 $1, 2, \ldots, (1 - \alpha)nL$. Then we obtain

$$
\sum_{\ell=1}^{(1-\alpha)nL} \Pr[\mathcal{E}'_{\ell}] \le \frac{16(1-\alpha)L\sigma n\phi^2}{m^2}.
$$

970 Finally, since $m = \Omega(n)$ and $\phi = O(\log n/n)$, we get

Pr [there exists a pair of families with siblings cause rejections with each other]

$$
= \sum_{f,f' \in F^S} \Pr\left[\bigcup_{\ell=0}^{(1-\alpha)\bar{k}n} \mathcal{E}'_{\ell}\right]
$$

\n
$$
\leq \sum_{f,f' \in F^S} \sum_{\ell=0}^{(1-\alpha)nL} \Pr[\mathcal{E}'_{\ell}]
$$

\n
$$
= \sum_{f,f' \in F^S} \left(\Pr[\mathcal{E}'_0] + \sum_{\ell=1}^{(1-\alpha)nL} \Pr[\mathcal{E}'_{\ell}]\right)
$$

\n
$$
\leq (\alpha n)^2 \left(\frac{16\sigma\phi}{m^2} + \frac{16(1-\alpha)\bar{k}\sigma n\phi^2}{m^2}\right)
$$

\n
$$
= O\left(\frac{\log n}{n}\right).
$$

971 E.5 Proof of Lemma [5](#page-7-1)

972 Lemma 5. *Given a random market* \tilde{I} with $\phi = O(\log n/n)$, the probability of Type-2 Failure 973 *occurring is bounded by* $O(\log n/n) + O(n^{-2\varepsilon}).$

⁹⁷⁴ *Proof.* We first consider the probability that any two pairs of families with multiple siblings nest with 975 each other w.r.t. the reference ordering \succ_0 .

976 For any two families f and f', if they nest with each other, then the diameters of both f and f' are large, 977 i.e., $\text{diam}_f > |C(f)|$ and $\text{diam}_{f'} > |C(f')|$. Thus, the inequality $\Pr[\text{diam}_f \geq |C(f)|] \leq \frac{1}{n^{1+\epsilon}}$ ⁹⁷⁸ implies that

$$
\Pr\bigl[f \text{ and } f' \text{ nest with each other}\bigr] \le \left(\frac{1}{n^{1+\varepsilon}}\right)^2.
$$

⁹⁷⁹ Hence, we have

 $Pr[$ there exist two families who nest with each other

$$
\leq \sum_{f, f' \in F^S} \Pr[f \text{ and } f' \text{ nest with each other}]
$$

\n
$$
\leq {(\alpha n) \choose 2} \cdot \left(\frac{1}{n^{1+\varepsilon}}\right)^2
$$

\n
$$
\leq \alpha^2 n^2 \cdot \left(\frac{1}{n^{1+\varepsilon}}\right)^2
$$

\n
$$
= O(n^{-2\varepsilon}).
$$

980 Since $\varepsilon > 0$ is a constant, the probability that any two families do not nest with each other approaches 981 1 as *n* tends to infinity.

⁹⁸² We now upper-bound the probability of Type-2 Failure. In cases where two families nest with each ⁹⁸³ other, Type-2 Failure may occur with a constant probability. However, we have demonstrated that the 984 probability of two families nesting with each other is at most $O(n^{-2\varepsilon})$. In instances where no two 985 families nest with each other, Type-2 Failure happens with a probability of at most $O(\log n/n)$ as ⁹⁸⁶ shown in Lemma [4.](#page-7-0) Therefore, we can express the probability of Type-2 Failure as follows:

$$
Pr[Type-2 Failure happens] = O(n^{-2\varepsilon}) + O(\log n/n).
$$

⁹⁸⁷ This completes the proof.

⁹⁸⁸ Lemma [2,](#page-6-1) [3](#page-6-2) and [5](#page-7-1) imply the existence of a stable matching with high probability for the large random ⁹⁸⁹ market, thus concluding the proof of Theorem [1.](#page-5-0)

990 F More on Experiments

991 F.1 Features of Real-life Markets

⁹⁹² We are collaborating with several municipalities in Japan, and as part of our collaboration, we provide ⁹⁹³ a detailed description of the practical daycare matching markets based on data sets provided by three ⁹⁹⁴ representative municipalities.

⁹⁹⁵ Firstly, the number of children in each market varies from 500 to 1600, with the proportion of children 996 having siblings consistently spanning from 15% to 20% , as shown in Table [1.](#page-24-0)

	fraction	$#$ children	
Shibuya 21	16.24%	1589	
Shibuya 22	15.38%	1372	
Tama 21	16.45%	635	
Tama 22	16%	550	
Koriyama 22	20.68%	1383	
Koriyama 23	19.14\%	1458	

Table 1: Fraction of children with siblings. This table presents the proportion of children with siblings, along with the total number of children in each dataset.

⁹⁹⁷ Secondly, the preference ordering of an only child is relatively short compared to the available ⁹⁹⁸ facilities, averaging between 3 and 4.5 choices. Likewise, children from families with siblings exhibit

⁹⁹⁹ a similar average of 3 to 4.5 distinct daycares in their individual preferences. Furthermore, siblings

¹⁰⁰⁰ within the same family often share a similar set of daycares in their joint preference ordering. The

¹⁰⁰¹ details are presented in Table [2.](#page-24-1)

Table 2: Average length of preferences. The second column pertains to families with only one child, while the third column represents families with siblings. The last column displays the average number of distinct daycares in the corresponding individual preference lists for children with siblings.

 Thirdly, a critical aspect not mentioned in Section [3.1](#page-2-1) is that each child is associated with an age ranging from 0 to 5. Drawing inspiration from prior work [\[Sun et al., 2023\]](#page-10-6), we make the assumption that there are six copies of the same daycare, each catering to a specific age. The distribution of children participating in the market is uneven, with a notable majority being aged 0 and 1. In Table [3,](#page-25-2) we present the count of families with siblings and twins (i.e., pairs of siblings of the same age).

 Fourthly, despite the total capacity of all daycares exceeding the number of applicants, there exists a significant imbalance between demand and supply across different ages. Specifically, there is a shortage of slots for children aged 0 and 1, while there is a surplus of slots for ages 4 and 5, as shown in Table [4.](#page-25-3)

 \Box

	$#$ children in the family				
			≥ 3		
$#$ families	total	twin	total	twin	
Shibuya 21	120	14	6		
Shibuya 22	101	25	3	3	
Tama 21	42	3	3	3	
Tama 22	44	8			
Koriyama 22	123	10	13	っ	
Koriyama 23	130	12			

Table 3: Number of families with siblings and twins. The second and third columns represent families with 2 children, while the last two columns represent families with 3 or more children.

Table 4: Demand and supply by age

 Fifthly, municipalities assign priority scores to children, with siblings from the same family typically sharing identical scores. Subsequently, daycares make slight adjustments to these priority scores to establish a strict priority ordering. As a result, all daycares tend to have similar priority orderings over the children.

¹⁰¹⁵ F.2 More Experiments

 We employ both the Extended Sorted Deferred Acceptance (ESDA) algorithm and the constraint programming (CP) algorithm to find a stable matching for each real-life dataset. The results demon- strate that both algorithms successfully produce a stable matching. We compared the computational efficiency of the ESDA and CP approaches in terms of their runtime performance in Table [5.](#page-25-1)

 In the experiments with synthetic datasets, the ESDA algorithm consistently identifies a stable 1021 matching whenever one exists, provided that the dispersion parameter ϕ does not exceed 0.5 (refer to Figure [2](#page-8-0) in Section [7.2\)](#page-8-1). However, as the dispersion parameter approaches 1, the ESDA algorithm may fail to find a stable matching, even when one exists. This is illustrated in Figure [3.](#page-26-0) Interestingly, 1024 even when $\phi = 1$, stable matchings are present in more than half of the cases. It is unclear why stable matching still exist in such settings with a high probability, and we leave it as an open question.

Table 5: Results of computation times (seconds) for experiments on real-world data.

Figure 3: Results of experiments on synthetic data when $\phi = 1.0$.

NeurIPS Paper Checklist

1. Claims

- Question: Do the main claims made in the abstract and introduction accurately reflect the paper's contributions and scope?
- **Answer:** [Yes]

 Justification: Our objective is to elucidate why stable matchings exist in practical daycare markets. Through a realistic probabilistic model, we have theoretically demonstrated that stable matchings occur with high probability, and numerical experiments using real world data and synthetic data further reinforce this contribution.

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- The answer NA means that the abstract and introduction do not include the claims made in the paper.
- The abstract and/or introduction should clearly state the claims made, including the contributions made in the paper and important assumptions and limitations. A No or NA answer to this question will not be perceived well by the reviewers.
- The claims made should match theoretical and experimental results, and reflect how much the results can be expected to generalize to other settings.
- It is fine to include aspirational goals as motivation as long as it is clear that these goals are not attained by the paper.

2. Limitations

- Question: Does the paper discuss the limitations of the work performed by the authors? **Answer:** [Yes]
- Justification: Our theoretical contribution are made under assumptions which are motivated by real-world datasets and we give full description of these assumptions in the paper.

