

# Incentive-Stable Matching Protocol for Service Chain Placement in Multi-Operator Edge System

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**Abstract**—Network Function Virtualization (NFV) enables the embedding of Virtualized Network Function (VNF) into commodity servers. A sequence of VNFs can be chained in a particular order to form a service chain (SC). This paper considers placing multiple SCs in a geo-distributed edge system owned by multiple service providers (SPs). For a pair of SC and SP, minimizing the placement cost while meeting a latency constraint is formulated as an integer programming problem. As SC clients and SPs are self-interested, we study the matching between SCs and SPs that respects individual’s interests yet maximizes social welfare. The proposed matching approach excludes any blocking individual and block pair which may jeopardize the stability of the result. Simulation results show that the proposed approach performs well in terms of social welfare but is suboptimal concerning the number of placed SCs.

## I. INTRODUCTION

Network Function Virtualization (NFV) exploits virtualization technique to embed network function into commodity servers, switches, and storages. It can help reducing the capital expenses (CAPEX), operating expenses (OPEX), and facilitating time-to-market [1] [2]. Network functions implemented as Virtualized Network Functions (VNFs) could be instantiated in virtual machines (VMs) hosted by different physical machines at various locations. Service Function Chaining (SFC) is to chain a sequence of VNFs in a particular order to form a *service chain* (SC). Service chain placement (SCP) is to deploy SCs into a physical or virtualized infrastructure. SCP consists of two tasks. 1) *VNF placement* (also known as Virtual Network Embedding [3]), which is to place VNFs with specific demands in the infrastructure. The goal is usually to minimize the placement cost. 2) *SFC routing*, which is to statically or dynamically determine the route between two consecutive VNFs in an SC. The goal is typically to minimize the latency.

Many SCP approaches assumed cloud data centers as the underlying infrastructure (e.g., [4]). This paper instead considers edge system, which places virtualized computation and storage resource in a location close to end users. Edge system enhances user experience by providing low-latency service. Existing approaches to SCP in edge system aim to minimize overall latency [5], minimize total expected end-to-end latency [6], or jointly minimize the traffic cost and operational cost [7]. Most studies assumed only one network operator or edge service provider (SP). With this assumption, a client, who intends to deploy SCs on an edge system, cannot benefit from choosing a best SP that meets the client’s demand yet costs the least. The research in [8] assumed multiple SPs and

minimized the overall monetary cost for clients to reach the client-beneficial result. By contrast, our work favors neither clients nor SPs.

We assume that multiple clients want to minimize their payments to SPs for SC placement whereas multiple SPs want to maximize their profits by minimizing their placement costs. In some sense, SPs and clients have conflicting interest since SP’s utilities can be increased if clients increase their payments. But doing so will decrease client’s utilities. Our goal in this study is to maximize *social welfare*, the sum of all the SP’s and client’s utilities, by matchings SPs with SCs. An SP is matched with an SC if the whole SC is placed in edge servers owned by the same SP. Since SPs and clients have their own interests, a set of matchings that maximizes the social welfare may not be the best choice of every SP or client. Explicitly, some SP or client may become a *blocking individual*, meaning that she or he can be better off by deviating from the matching result. Furthermore, a pair of SP and client that are not matched may become a *blocking pair* when both could be better off if they were matched to each other. Therefore, a crucial requirement on the solution is *stability*, which implies the exclusion of both blocking individuals and blocking pairs.

In this paper, we address the SCP problem in a multi-SP edge system. A VNF may demand a particular location to place (which is a locality constraint), yet every SC comes with a constraint on the aggregated latency including processing, propagation, and transmission delays. For a particular SC to be placed in a single SP, the objective of the SCP problem is to minimize the placement cost. The cost then becomes the minimal price for the placement. Since the prices may be different for different SPs and SCs, finding an optimal set of matchings between SPs and SCs that is stable yet maximizes social welfare is nontrivial.

We propose using the Deferred Acceptance (DA) algorithm [9] to generate a preliminary matching result. Because our definition of SP’s preference on SCs are *substitutable*, the result is stable [10]. However, the result is also the worst stable matching for SPs. We thus use the T-algorithm [11] to make the resulting matching egalitarian.

We conducted simulations to study the performance of the proposed approach and compared it with Boston Student Assignment Mechanism (BSAM) [12]. The result shows that the proposed approach can achieve higher social welfare yet fewer matching pairs than BSAM. Compared with pure DA, the proposed approach can improve SP’s interests when

placing many SCs.

The remainder of the paper is organized as follows. Section II reviews related works, present the system model, and formulates the problem. Section III defines preference functions for each client/SP and presents the proposed approach. Section IV shows our simulation results. Section V concludes the paper.

## II. BACKGROUND AND PROBLEM FORMULATION

### A. Related Work

Generally, VNF placement problem is to minimize the placement cost, either the cost by physical machines or the cost by traffic. The cost by physical machines comes in two major types, resource consumption [13] and computational cost [14]. Zanzi et al. [13] introduced multi-access edge computing (MEC) broker and modeled the problem as minimizing the overall capacity utilization over different MEC systems hosted in a 5G network. In [14], Benkacem et al. formulated the problem into two objectives, including minimizing the cost and maximizing the Quality of Experience (QoE) of virtual stream service in Content Delivery Network (CDN) slice. On the other hand, traffic cost is usually caused by system network traffic [15]. Carpio et al. [15] presented a way to improve load balancing in the NFV network by minimizing links utilization. Hyodo et al. [16] proposed a model that relaxes the visit order and no-loop constraints imposed by a logical network generated on an original physical network.

Apart from VNF placement, SCP also needs to address SFC routing. Some researches formulated routing cost based on the distance and allocated bandwidth between two consecutive VNFs [7] and aimed to minimize the traffic cost, including distance and allocated bandwidth of virtual links mapped to physical links, and operational cost represented by the number of active node between two consecutive time slot [7]. Luizelli et al. [17] tackled both propagation delay and processing delay by minimizing the number of VNFs mapped on the physical nodes. Cziva et al, [6] presented a dynamic placement scheduling solution for minimizing the expected end-to-end latency, considering the processing delay.

All studies mentioned above restricted the SCP problem to single SP. In reality, there may be more than one SPs with the same service coverage. This setting allows clients to select an SP that provides the lowest cost [8]. In this paper, we aim to maximize the sum of SP's profits and client's payoffs.

### B. System Model

We assume  $F$  as the set of all possible VNFs and  $S = \{s_1, s_2, \dots, s_{|S|}\}$  as the set of all SCs to deploy. Each SC  $s_k = (f_1^k, f_2^k, \dots, f_{q_k}^k)$ , where  $f_i^k \in F$ , is a sequence of  $q_k$  VNFs. The SC itself is associated with a latency constraint  $\theta_k$ . Associated with each VNF  $f_i^k$  in  $s_k$  is the amount of requested computation resource, a set of areas allowed for deployment, and the requested bandwidth allocated to the logical link to the next VNF in  $s_k$ . We quantify computation resource as a number of computing resource blocks (CRBs) [18] and let  $\gamma_i^k$  be the number demanded by  $f_i^k$ . Define

$G_k = (\gamma_1^k, \gamma_2^k, \dots, \gamma_{q_k}^k)$ . Assume that there are  $\eta$  areas in the system denoted by a set  $A = \{a_1, a_2, \dots, a_\eta\}$ . Let  $E = \{(u, v) | a_u, a_v \in A\}$  denote the set of physical links between every two areas  $a_u$  and  $a_v$ . Each VNF  $f_i^k$  in  $s_k$  is allowed to be placed in one of the areas in area set  $d_i^k \subseteq A$ . The set of areas allowed by each VNF in  $s_k$  is denoted by  $D_k = (d_1^k, d_2^k, \dots, d_{q_k}^k)$ . A logical link  $l_i^k = (f_i^k, f_{i+1}^k)$  is defined for each pair of two consecutive VNFs  $f_i^k$  and  $f_{i+1}^k$  in SC  $s_k$ . Each logic link is mapped onto a physical link. Let  $\text{band}_i^k$  be the amount of bandwidth requested by  $l_i^k$ . The set of bandwidth requested by each logical link in  $s_k$  is collectively denoted by  $B_k = (\text{band}_1^k, \text{band}_2^k, \dots, \text{band}_{q_k}^k)$ .

We also assume a set of SPs  $P = \{p_1, p_2, \dots, p_{|P|}\}$ . Each SP  $p_n \in P$  has accommodated NFV Management and Orchestration Architecture (NFV-MANO) and their own edge servers [19]. We use  $m_i^n$  to denote the edge server that  $p_n$  has placed in area  $a_i \in A$  ( $m_i^n = \emptyset$  if  $p_n$  does not place any edge server in  $a_i$ ). The set of edge servers owned by  $p_n$  in all areas can then be captured by  $M^n = (m_1^n, m_2^n, \dots, m_\eta^n)$ . To ease the deployment and management process, each SP  $p_n$  slices its resource and predetermines its quota  $q(p_n)$ , the maximum number of SCs allowed to place in  $p_n$ , and equally divides its computing resource into  $q(p_n)$  blocks. Let  $c_i^n$  be the number of CRBs available in server  $m_i^n$ . The amount of CRBs allocated to each SC in  $m_i^n$  is then  $c_i^n/q(p_n)$ .

For each SC  $s_k \in S$ , the associated client will broadcast an inquiry  $r_k = (s_k, G_k, D_k, B_k)$  to all SPs asking for possible placement. If an SP  $p_n$  is able to place  $s_k$ , it will send an ask price to the client. The client then selects one SP (possibly the one with the lowest ask price) to send a placement request with a bid price. If an SP receives more requests than it can accept, it reject some requests (possibly those with low profits). The clients with requests rejected may then turn to other SPs or raise their bid prices and resubmit their requests. SP  $p_n$  and the client  $s_k$  may need several rounds of negotiations to reach their final price  $b_k^n$ .

### C. Problem Formulation

Each SC  $s_k$  is associated with a budget  $\psi_k^n$ , the maximum price that the associated client is willing to pay to SP  $p_n$  for the placement of  $s_k$ . The budgets are differential because different SPs may provide different levels of quality of service (QoS). On the other hand, each SP  $p_n$  has a minimum selling price  $C_k^n$  for the placement of  $s_k$ . The value of  $C_k^n$  depends on  $p_n$ 's cost to place  $s_k$ . The matching between  $s_k$  and  $p_n$  is possible only if the final selling price  $b_k^n$  satisfies  $C_k^n \leq b_k^n \leq \psi_k^n$ . For this price, the client's utility is  $\psi_k^n - b_k^n$  whereas  $p_n$ 's utility is  $b_k^n - C_k^n$ .

Let  $z_k^n \in \{1, 0\}$  indicate whether  $s_k$  is matched with  $p_n$ . The social welfare is defined as the sum of all SP's and client's utilities:

$$\begin{aligned} & \sum_{p_n \in P} \sum_{s_k \in S} z_k^n ((\psi_k^n - b_k^n) + (b_k^n - C_k^n)) \\ & = \sum_{p_n \in P} \sum_{s_k \in S} z_k^n \cdot (\psi_k^n - C_k^n), \end{aligned} \quad (1)$$

Note that the social welfare has nothing to do with the final selling prices. Our objective is to maximize (1) subject to several constraints. The first few constraints concern **VNF placement**. First, each VNF in any SC is placed in at most one edge server. Let  $x_{i,j}^{k,n} \in \{1,0\}$  indicates whether VNF  $f_i^k$  is placed in edge server  $m_j^n$ . This constraint can be expressed as

$$\sum_{p_n \in P} \sum_{m_j^n \in M^n} x_{i,j}^{k,n} \leq 1, \quad \forall f_i^k \in s_k, \quad \forall s_k \in S. \quad (2)$$

Second,  $s_k$  is matched with  $p_n$  only if every VNF in  $s_k$  is placed in an edge server owned by  $p_n$ . Together with (2) we have

$$q_k \cdot z_k^n = \sum_{f_i^k \in s_k} \sum_{m_j^n \in M^n} x_{i,j}^{k,n}, \quad \forall p_n \in P, \quad \forall s_k \in S. \quad (3)$$

A VNF in  $s_k$  can be placed in area  $a_j$  only if  $p_n$  has placed an edge server there:

$$x_{i,j}^{k,n} \leq \delta_j^n, \quad \forall m_j^n \in M^n, \quad \forall p_n \in P, \quad \forall f_i^k \in s_k, \quad \forall s_k \in S, \quad (4)$$

where  $\delta_j^n = 0$  if  $m_j^n = \emptyset$  and  $\delta_j^n = 1$  otherwise. Also, an SC's aggregated CRB requirement on any edge server cannot exceed the capacity allocated to the SC. In other words,

$$\sum_{f_i^k \in s_k} \left( \gamma_i^k \cdot x_{i,j}^{k,n} \right) \leq \frac{c_j^n}{q(p_n)}, \quad \forall s_k \in S, \quad \forall p_n \in P, \quad \forall m_j^n \in M^n. \quad (5)$$

Yet another constraint is that the total number of SCs placed in any SP  $p_n$  cannot exceed  $p_n$ 's quota:

$$\sum_{s_k \in S} z_k^n \leq q(p_n), \quad \forall p_n \in P. \quad (6)$$

The next few constraints concern **SFC routing**. Let  $y_{u,v}^{k,n,i} \in \{1,0\}$  indicate whether the physical link  $(u,v)$  owned by  $p_n$  is allocated to logical link  $l_i^k$ . Any such allocation is allowed only if  $s_k$  is matched with  $p_n$ . That is,

$$y_{u,v}^{n,k,i} \leq z_k^n, \quad \forall l_i^k \in L_k, \quad \forall (u,v) \in E, \quad \forall p_n \in P, \quad \forall s_k \in S. \quad (7)$$

Furthermore, the aggregated bandwidth requirement on a physical link  $(u,v) \in E$  cannot exceed the bandwidth capacity. Let  $c_{n,u,v}^{\text{band}}$  be the bandwidth capacity of link  $(u,v) \in E$  owned by  $p_n$ , then this constraint is

$$\sum_{s_k \in S} \sum_{l_i^k \in L_k} \text{band}_i^k \cdot y_{u,v}^{n,k,i} \leq c_{n,u,v}^{\text{band}}, \quad \forall (u,v) \in E, \quad \forall p_n \in P. \quad (8)$$

To match  $s_k$  with  $p_n$ , we also must allocate an physical link to each logical link  $l_i^k$  in  $s_k$ . Eq. (9) ensures that the physical link allocated to  $l_i^k$  starts from the edge server where  $f_i^k$  is placed:

$$\sum_{m_v^n \in M^n \setminus \{m_u^n\}} y_{u,v}^{n,k,i} \geq x_{i,u}^{k,n}, \quad \forall f_i^k \in s_k, \quad \forall u \in M^n, \quad \forall p_n \in P. \quad (9)$$

Furthermore, (10) asserts that the logical link  $l_i^k$  from  $f_i^k$  to  $f_{i+1}^k$  is allocated a physical link from the edge server where  $f_i^k$  is placed to that where  $f_{i+1}^k$  is placed.

$$\sum_{m_v^n \in M^n} y_{u,v}^{n,k,i} - y_{v,u}^{n,k,i} = x_{i,u}^{k,n} - x_{i+1,u}^{k,n}, \quad \forall f_i^k \in s_k, \quad \forall (u,v) \in E. \quad (10)$$

Note that  $x_{i,u}^{k,n} = x_{i+1,u}^{k,n}$  if  $f_i^k$  and  $f_{i+1}^k$  are placed in the same edge server.

The latency constraint shown in (11) demands that  $s_k$  can be matched with  $p_n$  only if the total service latency does not exceed  $\theta_k$ .

$$z_k^n (L_{\text{proc}}(k,n) + L_{\text{trans}}(k,n) + L_{\text{prop}}(k,n)) \leq \theta_k, \quad \forall s_k \in S, \quad (11)$$

where  $L_{\text{proc}}(k,n)$ ,  $L_{\text{trans}}(k,n)$ , and  $L_{\text{prop}}(k,n)$  denote the total processing delay, transmission delay, and propagation delay, respectively, when  $s_k$  is matched with  $p_n$ . Processing delay is the time it takes for an edge server to process the work load generated by a VNF instance hosted by it. Assuming computation capacity  $\lambda_j^n$  of edge server  $m_j^n$  and work load  $w_i^k$  of VNF  $f_i^k$ , the total processing delay of  $s_k \in S$  matched with  $p_n$  can be estimated as

$$L_{\text{proc}}(k,n) = \sum_{f_i^k \in s_k} \sum_{m_j^n \in M^n} \frac{w_i^k}{\lambda_j^n} x_{i,j}^{k,n}. \quad (12)$$

Transmission delay is the amount of time required to push the traffic of logical link  $l_i^k$  into the allocated physical link. Assuming a traffic load  $t_i^k$  of link  $l_i^k$  and the bandwidth capacity  $c_{n,u,v}^{\text{band}}$  of physical link  $(u,v)$  owned by SP  $p_n$ , the total transmission delay of  $s_k \in S$  matched with  $s_p$  can be estimated as

$$L_{\text{trans}}(k,n) = \sum_{f_i^k \in s_k} \sum_{(u,v) \in E} \frac{t_i^k}{c_{n,u,v}^{\text{band}}} y_{u,v}^{n,k,i}. \quad (13)$$

Propagation delay is the time it takes to transmit some signal from the source to the destination. Assuming a signal speed as the speed of light  $c$  and letting  $h_{u,v}$  be the physical distance between two areas  $a_u$  and  $a_v$ , we can formulate the propagation delay as

$$L_{\text{prop}}(k,n) = \sum_{f_i^k \in s_k} \sum_{(u,v) \in E} \frac{h_{u,v}}{c} y_{u,v}^{n,k,i}, \quad \forall s_k \in S. \quad (14)$$

### III. PROPOSED MECHANISM

The first step of the solution is to find out the minimal selling price  $C_k^n$  for each  $s_k \in S$  and  $p_n \in P$ . The value of  $C_k^n$  is at least the cost of matching  $s_k$  with  $p_n$  with VNF placement decisions  $\{x_{i,j}^{k,n} \mid 1 \leq i \leq q_k, 1 \leq j \leq \eta\}$ . Let  $\alpha_j^n$  be the cost per CRB in edge server  $m_j^n \in M^n$ , we have

$$C_k^n = \min_{x_{i,j}^{k,n}} \sum_{f_i^k \in s_k} \sum_{m_j^n \in M^n} \left( x_{i,j}^{k,n} \cdot \alpha_j^n \cdot \gamma_i^k \right) \quad (15)$$

subject to (2) to (11). It is an integer programming problem, which be solved by a general problem solver (e.g., Gurobi).

### A. Individual's Preference

For the framework of matching, we need to define the *preference* of each each participant (either a client or an SP). A preference is a total order on the sets of all the possible matches for the participant. For SP's preference, we define a function  $\phi_n(S')$  for SP  $p_n$  to evaluate a possible matching with a set of SCs  $S' \subseteq S$ . Because every SP prefers a set of SCs that brings in the maximal potential profit, we have

$$\phi_n(S') = \sum_{s_k \in S'} (\psi_k^n - C_k^n). \quad (16)$$

Since SP has limited resource capacity with limited service coverage, it is not necessary that  $\phi_n(S') < \phi_n(S'')$  whenever  $S' \subset S''$ .

For clients, the client requesting SC  $s_k$  surely prefers an SP  $p_n$  to all other SPs if  $p_n$ 's minimal selling price,  $C_k^n$ , is the lowest among all others. However, the client should also consider possible resource surplus provided by each SP. An SC may receive non-zero resource surplus because SPs generally do not allocate the exact amount of computing resource requested by the SC (recall that each SP  $p_n$  partitions its CRBs into  $q(p_n)$  equal blocks). When an VNF  $f_i^k$  is hosted by an edge server  $m_j^n$ , the resource surplus is

$$\rho_{i,j}^{k,n} = c_j^n / q(p_n) - \gamma_i^k. \quad (17)$$

If an SC has more resource surplus, the SC is more resilient against sudden spurt of resource demand.

We consider two preference functions for clients which obey the law of diminishing return [20]. The law states that the additions of resource surplus yield progressively smaller, or diminishing, increases in benefits after the amount of resource surplus reaches some point. It is considered a general principle in Economics. The first preference function is defined as

$$\phi_k(p_n) = \sum_{f_i^k \in s_k} \left( \frac{c_j^n / q(p_n)}{C_k^n} \cdot \frac{\gamma_i^k}{\sum_{f_j^k \in s_k} \gamma_j^k} + \frac{\rho_{i,j}^{k,n} \cdot \int_{x=0}^{\rho_{i,j}^{k,n}} \lambda e^{-\lambda x} dx}{C_k^n} \cdot \frac{\rho_{i,j}^{k,n}}{\gamma_i^k} \right) \quad (18)$$

The second preference function is defined below:

$$\phi_k(p_n) = \sum_{f_i^k \in s_k} \frac{\gamma_i^k - \ln \left( \frac{c_j^n}{q(p_n)} - \gamma_i^k \right)}{C_k^n}. \quad (19)$$

With this function, the highest value occurs when the amount of resource allocated to  $s_k$  is exactly the same it demands. Fig. 1a and Fig. 1b show how the first and second preference functions, respectively, grow with increasing resource surplus.

With the definitions of preference functions, we can now define *preference relations*  $\succ_{s_k}$  on  $P$  for every  $s_k \in S$  and  $\succ_{p_n}$  on  $2^S$  for every  $p_n \in P$ . Formally, for each  $s_k \in S$ ,  $p_n \succ_{s_k} p_r$  (meaning that  $s_k$  prefers  $p_n$  to  $p_r$ ) if and only if  $\phi_k(p_n) > \phi_k(p_r)$ . Similarly, for each  $p_n \in P$ ,  $S' \succ_{p_n} S''$  ( $p_n$

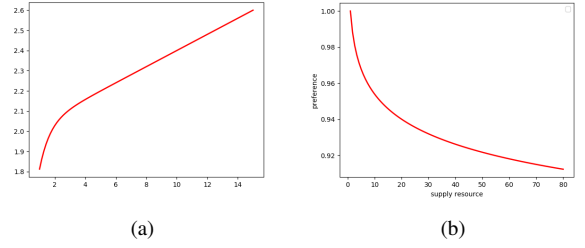


Fig. 1: (a) The first preference function and (b) The second preference function.

prefers  $S'$  to  $S''$ , where  $S'$  and  $S''$  are two subsets of  $S$ ) if and only if  $\phi_n(S') > \phi_n(S'')$ . Furthermore, we define  $Ch(\mathcal{S}, \succ_{p_n}) = \{S' \subseteq \mathcal{S} \mid \nexists S'' \subseteq \mathcal{S}, S'' \succ_{p_n} S'\}$  for each  $p_n \in P$ ,  $\mathcal{S} \subseteq S$ , and  $Ch(\mathcal{P}, \succ_{s_k}) = \{p' \in \mathcal{P} \mid \nexists p'' \in \mathcal{P}, p'' \succ_{s_k} p'\}$  for each  $s_k \in S$ ,  $\mathcal{P} \subseteq P$ .

### B. Proposed Mechanism

#### Algorithm 1 DA algorithm

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**Require:**  $S; P$

- 1:  $\mu_P(p_n) \leftarrow \emptyset, \forall p_n \in P$  ▷ initialize  $p_n$ 's matching result
- 2:  $\mu_S(s_k) \leftarrow \emptyset, \forall s_k \in S$  ▷ initialize  $s_k$ 's matching result
- 3:  $\forall s_k \in S: s_k^{\text{list}} \leftarrow \{p_n \mid C_k^n \leq \psi_j^n\}$
- 4:  $S_{\text{to\_match}} \leftarrow \{s_k \mid s_k \in S, s_k^{\text{list}} \neq \emptyset\}$
- 5: **while**  $S_{\text{to\_match}} \neq \emptyset$  **do**
- 6:      $R_n \leftarrow \emptyset, \forall p_n \in P$  ▷  $R_n$  keeps all requests to  $p_n$
- 7:     **for all**  $s_k \in S_{\text{to\_match}}$  **do**
- 8:          $p_n \leftarrow \arg \max_{p \in s_k^{\text{list}}} \phi_k(p)$  ▷ most preferred
- 9:          $R_n \leftarrow R_n \cup \{s_k\}$  ▷ new request to  $p_n$
- 10:          $s_k^{\text{list}} \leftarrow s_k^{\text{list}} \setminus \{p_n\}$  ▷ no revisiting  $p_n$
- 11:         **if**  $s_k^{\text{list}} = \emptyset$  **then**
- 12:              $S_{\text{to\_match}} \leftarrow S_{\text{to\_match}} \setminus \{s_k\}$
- 13:         **end if**
- 14:     **end for**
- 15:     **for all**  $p_n \in P$  such that  $R_n \neq \emptyset$  **do**
- 16:          $A \leftarrow Ch(R_n \cup \mu_P(p_n), \succ_{p_n})$  ▷ all accepted requests
- 17:          $\mu_P(p_n) = A$
- 18:          $J \leftarrow (R_n \cup \mu_P(p_n)) \setminus A$  ▷ all rejected requests
- 19:          $S_{\text{to\_match}} \leftarrow S_{\text{to\_match}} \setminus A$
- 20:         **for all**  $s_t \in A$  **do**
- 21:              $\mu_S(s_t) \leftarrow \{p_n\}$
- 22:         **end for**
- 23:          $S_{\text{to\_match}} \leftarrow S_{\text{to\_match}} \cup J$
- 24:         **for all**  $s_t \in J$  **do**
- 25:              $\mu_S(s_t) \leftarrow \emptyset$
- 26:         **end for**
- 27:     **end for**
- 28: **end while**
- 29: **return**  $(\{\mu_P(p)\}_{p \in P}, \{\mu_S(s)\}_{s \in S})$

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We propose using the well-known DA [9] (Algorithm 1) first to generate a preliminary matching result for SCs and SPs. The mission of Algorithm 1 is to define two matching functions. One is  $\mu_S : S \rightarrow P \cup \{\emptyset\}$ , which is a mapping such that, for all  $s_k \in S$ ,  $\mu_S(s_k) = p_n$  if  $s_k$  is matched with  $p_n$  and  $\mu_S(s_k) = \emptyset$  otherwise. The other is  $\mu_P : P \rightarrow 2^S$ , which is another mapping such that, for all  $p_n \in P$ ,  $\mu_P(p_n) = S'$  if  $p_n$  is matched with  $S' \subseteq S$  and  $\mu_P(p_n) = \emptyset$  otherwise. It is not difficult to see that Algorithm 1 ensures  $\mu_S(s_k) = \{p_n\}$  if and only if  $s_k \in \mu_P(p_n)$ . For that property we call  $\mu = \{\mu_S, \mu_P\}$  a *prematching*.

The prematching is not necessarily stable. In our problem, SP's preference is *responsive* and thus substitutable because each SP has a fixed quota and (16). For that property the prematching is stable. Although the result is optimal for SCs, it is also the worst stable matching for SPs.

To make the matching egalitarian, we use T-algorithm [11] to find another matching from the prematching  $\mu = \{\mu_S, \mu_P\}$ . It attempts identifying two groups of sets from  $\mu$ . The first  $U(p_n, \mu_S) = \{s_k \in S \mid p_n \succeq_{s_k} \mu_S(s_k)\}$  is defined for each  $p_n \in P$ . Intuitively, an SC  $s_k$  is in  $U(p_n, \mu_S)$  if either  $s_k$  is matched with  $p_n$  or  $s_k$  prefers  $p_n$  to the one matched with it. The second group of sets  $V(s_k, \mu_P) = \{p_n \in P \mid \exists S' \subseteq S, s_k \in S' \cap Ch(\mu_P(p_n) \cup S', \succeq_{p_n})\}$  is defined for each  $s_k \in S$ . Intuitively, an SP  $p_n$  is in  $V(s_k, \mu_P)$  if either  $p_n$  is matched with  $s_k$  or  $p_n$  would rather match with  $s_k$  than not match with  $s_k$  when considering the union of any subset of SCs that includes  $s_k$  and the set of SCs that is matched with  $p_n$ .

After identifying these two groups of sets, the T-algorithm iteratively updates the matching for each SC and SP. Explicitly, it updates  $\mu_P(p_n)$  to  $Ch(U(p_n, \mu_S), \succeq_{p_n})$  for each  $p_n \in P$  and updates  $\mu_P(s_k)$  to  $Ch(V(s_k, \mu_P), \succeq_{s_k})$  for each  $s_k \in S$ . The iteration terminates when the above updating does not change any matching. It has been proved that the output of T-algorithm is stable provided that its input is stable [11].

#### IV. NUMERICAL RESULTS

##### A. Simulation Settings

Our simulations considered 4 SPs. Each SP deployed edge servers in 5 to 8 areas. The total number of CRBs owned by each SP was uniformly distributed over [600, 700] with default value 650. Each SP equally allocated its CRBs to all its edge servers. There were 15 to 20 SCs (15 by default) in the simulations. We assumed 10 different types of VNFs. The numbers of VNFs in each SC followed a normal distribution with  $\mu = 3$  and  $\sigma = 15$  (truncated at 1 and 10). The quota of each SP was fixed to 4. Parameter  $\alpha_j^n$  in (15) was randomly selected from [1, 1.5]. The value of each  $\psi_k^n$  was uniformly distributed over [210, 300].

##### B. Performance Studies

1) *The Effect of The Length of SCs:* We assumed 20 SCs and set  $q_k$  (the length of SCs) by an exponential distribution. Each result is an average over 500 trials. Figs. 2a and 2b show how the social welfare and the number of matched SCs, respectively, changed when the mean of the distribution increased. Since the resource capacity of SPs was fixed, the increase in the resource demands (i.e., the mean number of VNFs requested) resulted in fewer deployed SCs and thus lower social welfare.

2) *The Effect of The Number of SP's Coverage Areas:* We varied the number of each SP's coverage areas. Since each SP equally allocated all its computing resource to all areas where the SP had deployed edge servers, the resource capacity of each edge server becomes smaller when the SP covers more areas. Figs. 3a and 3b show the social welfare and the number of matched SCs, respectively, with increasing number of SP's

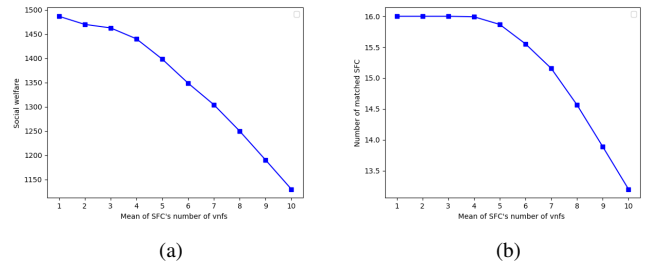


Fig. 2: (a) The social welfare and (b) the number of matched SCs with increasing mean of  $|s_k|$  (with 20 SCs)

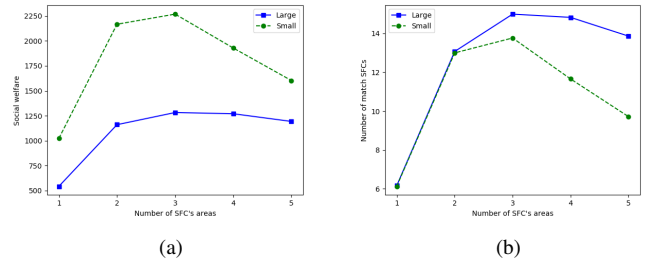


Fig. 3: (a) The social welfare and (b) the number of matched SCs versus the number of SP's coverage areas ('Large' has twice the resource capacity of 'Small')

coverage areas. Here each VNF is allowed to be deployed in one of three areas randomly selected from five areas. Both the number of matched SCs and the social welfare increase firstly. When an SP deployed edge servers in three out of five areas, for each VNF there is at least one area for the SP to deploy the VNF (by the pigeonhole principle). When an SP extends its coverage to more areas, the number of matched SCs as well as the social welfare drop because of relatively low resource capacity in each area. Lower resource capacity ('Small') had higher social welfare simply because it had smaller expected resource surplus and thus lower resource cost.

3) *The Effect of Different Quotas:* Fig 4 shows the curves of the social welfare and the number of matched SCs versus the value of SP's quotas. When we increased the quota to be larger than four, the number of matched SCs decreased due to lower resource capacity in each area. However, the social welfare still increased because of lower expected placement cost due to lower resource surplus.

##### C. Comparison with BSAM and Pure DA

We compared the proposed approach with BSAM [12] and pure DA. We varied the number of SCs from 5 to 20. The results indicate that BSAM is inferior to the other two counterparts concerning social welfare (Fig. 5a) but superior to the others concerning the number of matched SCs (Fig. 5b). This is because SPs in BSAM do not reject an SC after accepting it. Therefore, SPs may be matched with less preferred SCs.

The proposed approach and pure DA do not differ significantly in both metrics except the social welfare tested with 20 SCs. For each SP  $p_n$ , we use  $p_n$ 's preference function  $\phi_n(S')$

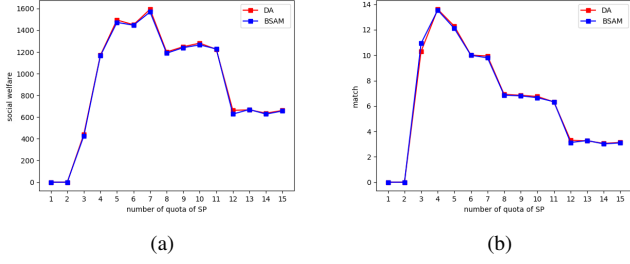


Fig. 4: (a) The social welfare and (b) the number of matched SCs versus the value of SP's quotas

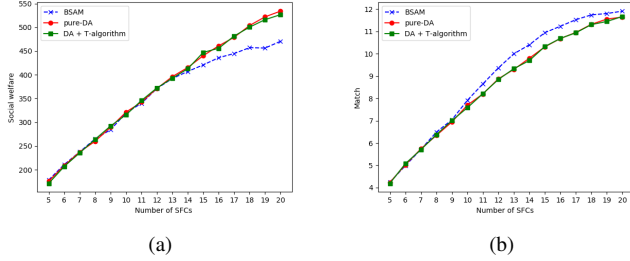


Fig. 5: a) The social welfare and (b) the number of matched SCs versus the number of SCs ( $q(p_n) = 3$ )

to sort all possible subsets of SCs,  $S'$ , in a non-increasing order. Fig. 6 shows the ordinal number of  $\mu_P(p_n)$  in the sorted list for each SP  $p_n$ . We can see that  $\mu_P(p_n)$  for each SP  $p_n$  has a slightly smaller ordinal number with the proposed approach (DA+T) than with pure DA. This confirms the effectiveness of the T-algorithm.

## V. CONCLUSIONS

We have studied SCP in multi-SC multi-SP edge system. We have formulated the social welfare maximization problem and proposed a two-sided matching mechanism based on DA and T-algorithm. The result is stable yet egalitarian. Simulation results show that social welfare may not be aligned with the number of matched SCs. The proposed approach outperforms BSAM in terms of social welfare but not in terms of matched SCs.

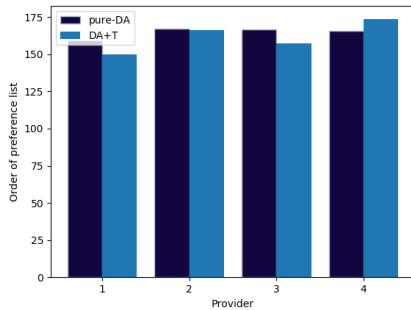


Fig. 6: The ordinal number of  $\mu_P(p_n)$  for each SP  $p_n$  ( $q(p_n) = 3$ ,  $|S| = 20$ )

In the future, we will add cloud data center into our system model. Cloud data center has plenty of computing resource which helps reducing the processing delay. However, its propagation delay is higher than edge systems. We will also consider an on-line approach to SCP, which handles SC placement requests in a one-by-one manner.

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