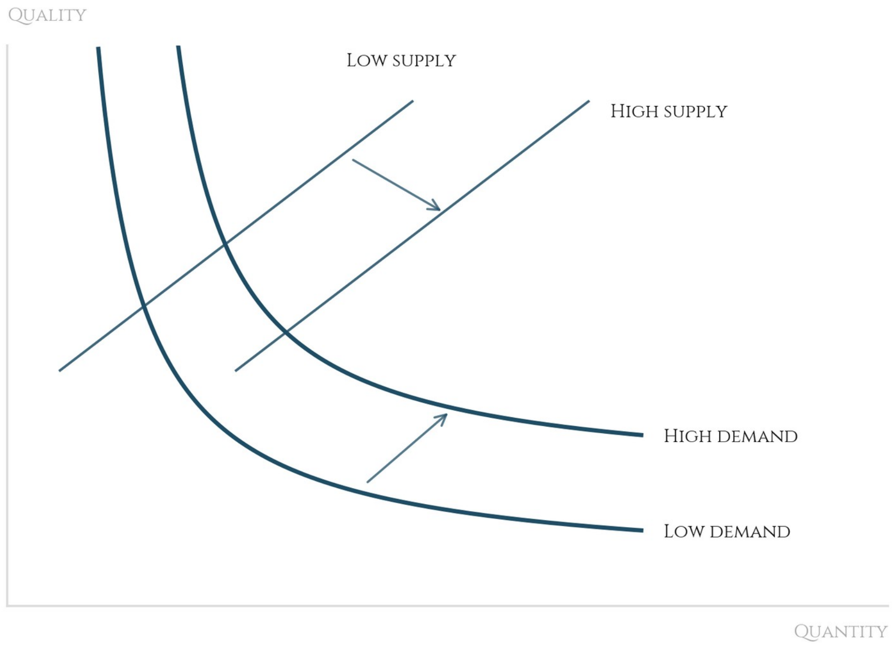
Dating Models

Five economic models, applied to the business of meeting someone. Each one ends in a quiz that tells you where you sit on it.

THE MODELS

I Supply and Demand

A supply and demand model explains how prices and quantities are set in a market through the interaction of buyers and sellers.



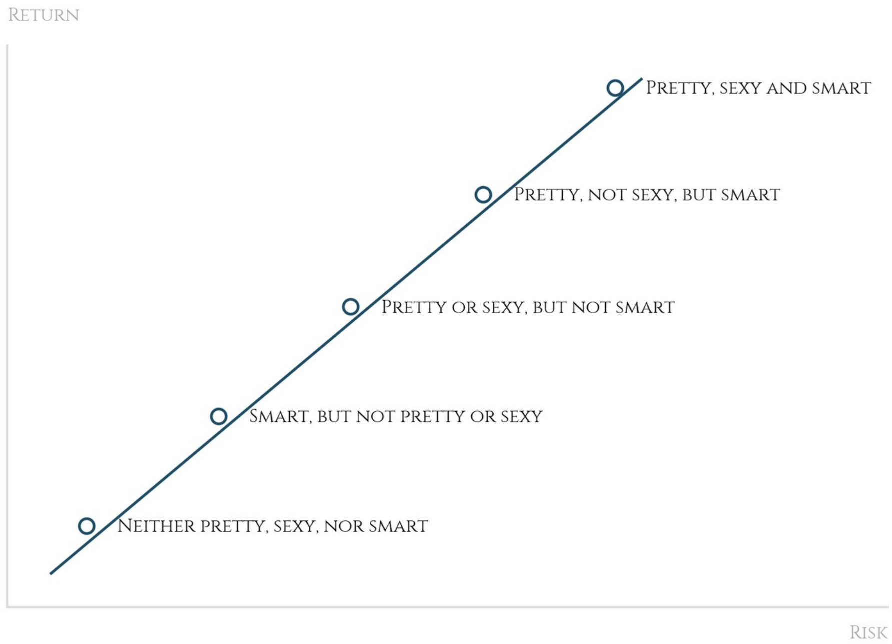
— Explore demand by taking the first quiz, and find the market you actually belong in.

— Then shift your own supply to the right by moving toward the region where you most likely belong.

Take the quiz: *Where do you belong?* ↗

11 *Risk and Return*

A risk and return model evaluates an investment by balancing the potential loss against the expected reward.



- Higher up the line is a better return, and every step up it costs you something in risk.
- Set the level that actually works for you rather than the one that sounds most impressive.

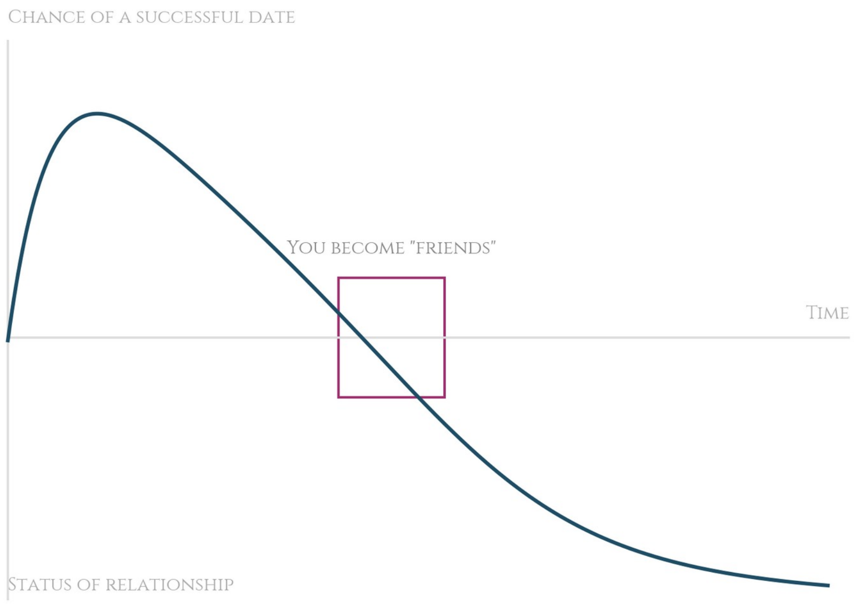
Take the quiz: *Who you are looking for?* ↗

III Portfolio Optimisation

A portfolio optimisation model is a framework for selecting the best mix of assets to maximise expected return at a given level of risk.

CONSIDER

- Idiosyncratic risk: the person you like might not like you.
- Market risk: stay in the market where you belong, from the first quiz.
- Idiosyncratic risk can be diversified away during the early dating stage. Market risk cannot.
- As time passes, additional dates can yield a negative return, because the chance of one turning into something declines.



Find your spot on the curve: *When do you make your move?* ↗

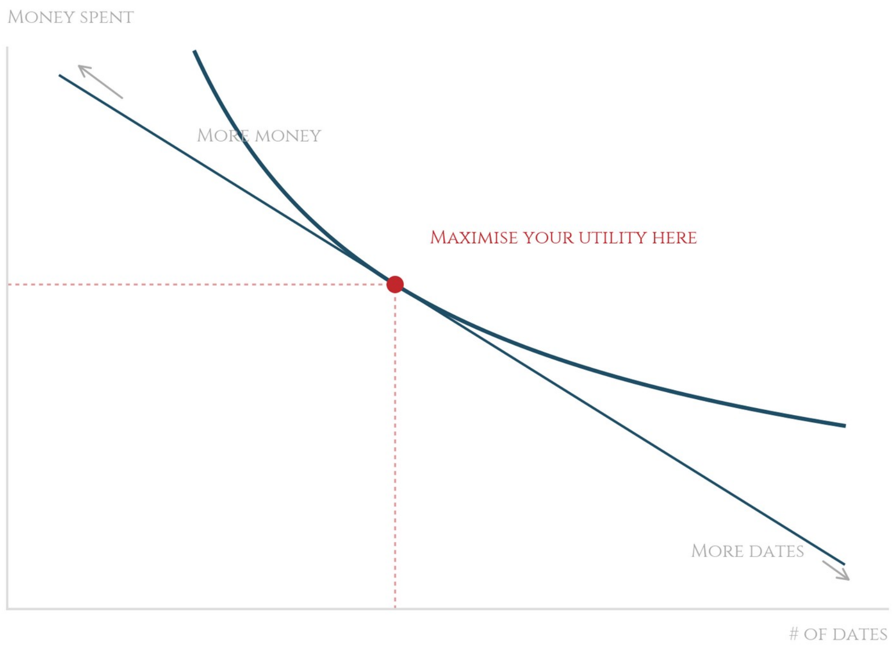
IV Utility Maximisation

The utility maximisation problem is an economic model showing how a consumer gets the most satisfaction from a limited budget.

CONSIDER

— Dating can be expensive.

— Find the point where you spend just enough to succeed with quality dates.



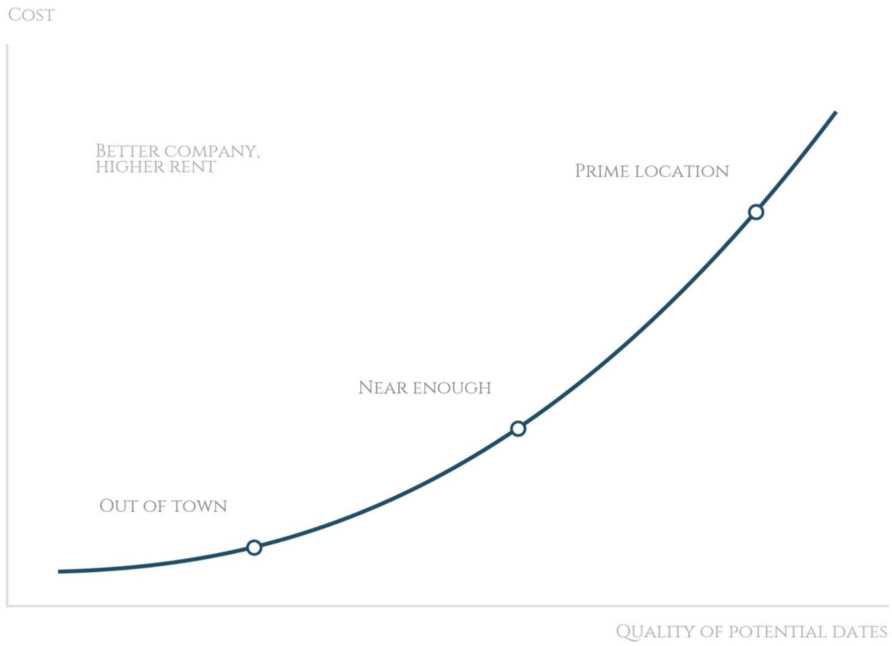
— Choose between how much you spend and how many quality dates you can get, and settle where the two curves touch.

Take the quiz: *What should a date cost you?* ↗

V Location

In microeconomics, location models examine how people and firms choose when space, distance and transport costs matter. For an individual it is still utility maximisation: the cost of travel or rent set against your ideal preferences.

— A prime location generally offers a higher quality of potential dates, and charges you for it.



The last quiz takes wherever you happen to be right now and gives you somewhere to start.

Take the quiz: *Where do you find your next date?* ↗

Save the result of each quiz. You will need all five when you apply for ACCESS & INTRODUCTIONS.