

MIDDLE EAST TECHNICAL UNIVERSITY | DEPARTMENT OF ECONOMICS

WEEK 05 / 14

Platform Distribution: Vertical Video & the Growth Funnel

Algorithms as matching markets — and the official start of your term project.

Economics Concept: **Market Design & Algorithmic Matching**

CORE CONCEPT

Algorithms as **Matching Markets**

- A recommendation feed is a two-sided market: it matches content supply to audience demand, continuously, at scale.
- The currency the algorithm actually prices is **retention** — watch-time-per-swipe, not likes or comments.
- Vertical, full-screen video formats are optimized specifically to maximize that one metric.



OPTIMIZED FOR: WATCH-TIME-PER-SWIPE

GROWTH MECHANICS

Audience Design, Not Audience Deception

- Thumbnail and caption A/B testing, posting cadence, and format tuning are legitimate market research, aimed at the algorithm rather than at people directly.
- Call it "social engineering of the feed" — you are still producing real content for real viewers, just shaped for the matching engine's known preferences.
- This is the exact toolkit your term project will require.

INSTRUCTOR'S NOTE

Optimizing for a known matching function isn't manipulation. It's what every rational seller does in a market with visible rules.



TERM PROJECT LAUNCH

Your Account Goes Live Today

- Launch an anonymous incubation account this week. Everything from here on is graded evidence.
- The 60-day organic growth window begins today and concludes at the Week 14 Final Audit.
- Target: 1,500 organic followers. See the syllabus grading table for the full rubric.



CLOCK STARTS: TODAY

TAKEAWAY OF THE WEEK

The Algorithm Is a Market, Not a Mystery

Every growth tactic in this course is downstream of one fact: the feed is a matching market with a visible objective function. Design for it accordingly.

NEXT WEEK → FROM CLOSED COMMUNITIES TO CURSED IMAGES