**Market Structures – Ch.9**

In this unit we have learned about the various forms of competition that businesses face in their particular industries. Read the following characteristics and determine which market structure it describes. Write the appropriate letter(s) on the line provided. Some statements may describe more than one market structure. List all that apply.

**PC = perfect competition**

**MP = monopolistic competition**

**O = oligopoly**

**M = monopoly**

\_\_\_\_\_\_\_\_\_\_ 1. A few large firms dominate the market

\_\_\_\_\_\_\_\_\_\_ 2. Many sellers in the market, some price control

\_\_\_\_\_\_\_\_\_\_ 3. Market price determined completely by supply and demand

\_\_\_\_\_\_\_\_\_\_ 4. Firms are interdependent

\_\_\_\_\_\_\_\_\_\_ 5. Most numerous producers in the market

\_\_\_\_\_\_\_\_\_\_ 6. Product differentiation to attract customers

\_\_\_\_\_\_\_\_\_\_ 7. Single seller or producer in the market

\_\_\_\_\_\_\_\_\_\_ 8. “price takers”

\_\_\_\_\_\_\_\_\_\_ 9. Collusion to artificially raise prices in the industry

\_\_\_\_\_\_\_\_\_\_ 10. “price makers”

\_\_\_\_\_\_\_\_\_\_ 11. Lots of advertising to gain control over price

\_\_\_\_\_\_\_\_\_\_ 12. Easiest entry into market

\_\_\_\_\_\_\_\_\_\_ 13. Firms will produce lower quantities and charge higher prices than perfect competition

\_\_\_\_\_\_\_\_\_\_ 14. Firms and industry should reach market equilibrium

\_\_\_\_\_\_\_\_\_\_ 15. Very difficult (but not impossible) entry into the market

\_\_\_\_\_\_\_\_\_\_ 16. Inefficient

\_\_\_\_\_\_\_\_\_\_ 17. In many cases, formed through mergers

\_\_\_\_\_\_\_\_\_\_ 18. Must have no good substitutes available

\_\_\_\_\_\_\_\_\_\_ 19. No brand name recognition, identical products

\_\_\_\_\_\_\_\_\_\_ 20. Impossible to enter the market