|  |
| --- |
| **MARKET STRUCTURES**  **INDIVIDUAL/ PARTNER PROJECT**  **UNIT 4** |

|  |  |
| --- | --- |
| **COMMUNICATION** | For your unit 4 project, you have the choice to either work alone or with a partner\* of your choice. You will demonstrate your understanding of the 4 Market Structures and how it relates to your world, by answering the 5 major questions below (or 3 if you are working alone). You are expected to challenge your sense of creativity in this project. You may create a podcast/voice recording/interview, video, animated infographic, or infographic. NO papers or PowerPoints permitted for this project. If you, or you and your partner would like to choose a different format (that is even COOLER than the format options above), then you must consult with Mrs. Lightman first. |

\*Choose a partner that has similar academic goals to you. You will both receive the same mark. No exceptions.

|  |  |
| --- | --- |
| **P/S/C** | Your answers and explanations should be specific to your very own opinions and experiences. **PLEASE DESCRIBE YOUR KNOWLEDGE OF THE MARKET STRUCTURES THROUGH A RELATIVE AND PERSONAL EXAMPLE.** |

|  |  |
| --- | --- |
| **THINK!** | Take this opportunity to think critically about the topics we have covered in this class and then use creative examples to apply what you learned. Creativity goes a long way in keeping information engaging for the reader (me!). |

|  |  |
| --- | --- |
| **Content: PERFECT COMPETITION** | **Market Prices and Profit Maximization** |
| 1. Choose an example of an industry that represents Perfect Competition 2. Provide the following details about that industry to explain how this is an example of perfect competition:    1. How many firms are in the industry?    2. What type(s) of product do the firms sell?    3. Who determines the price of the product? **WHY**?    4. How would you describe the competition between firms in this industry?    5. In the short run, what determines whether or not a firm should produce? If it does produce, **how much** should it produce? What does a profit, loss or breakeven point look like in this market structure? **Explain using graphs.**    6. What happens in the long run for Perfect Competition? Do firms make a profit? How will new entrants affect the industry? What would happen if they left? | |

|  |  |
| --- | --- |
| **Content: MONOPOLISTIC COMPETITION** | **Differentiation** |
| 1. Choose an example of an that represents Monopolistic Competition 2. Provide the following details about that industry to explain how this is an example of monopolistic competition:    1. How many firms are in the industry?    2. What type(s) of product do the firms sell?    3. Who determines the price of the product? **WHY**? How do these prices differ from perfectly competitive prices?    4. How do firms compete aside from altering prices?    5. Choose one firm in this industry and describe how they **differentiate** their product    6. In the short run, what determines whether or not a firm should produce? If it does produce, **how much** should it produce? What does a profit, loss or breakeven point look like in this market structure? **Explain using graphs**    7. What happens in the long run for Monopolistic Competition? Do firms make a profit? | |

|  |  |  |
| --- | --- | --- |
| **Content: OLIGOPOLIES** | **Cooperation** | |
| 1. Choose an example of an industry that represents Oligopolies 2. Provide the following details about that industry to explain how this is an example of an Oligopoly:    1. How many firms are in the industry?    2. What type(s) of product do the firms sell?    3. Who determines the price of the product? **WHY**? How do these prices differ from perfectly and monopolistic competitive prices?    4. Choose one firm in this industry and describe how they **differentiate** their product    5. What styles of cooperation and collusions are available for oligopoly firms? What are the advantages and disadvantages of these styles of cooperation?    6. In the short run, what determines whether or not a firm should produce? If it does produce, **how much** should it produce? What does a profit, loss or breakeven point look like in this market structure? **Explain using graphs**    7. What happens in the long run for Oligopolies? Do firms make a profit? How do they protect their profits? | | |
| **Content: MONOPOLIES** | | **Entry Barriers** |
| 1. Choose an example of a firm and industry that represents Monopolies 2. Provide the following details about that industry to explain how this is an example of a Monopoly:    1. How many firms are in the industry?    2. What type(s) of product do the firms sell?    3. Who determines the price of the product? **WHY**? How do these prices differ from perfectly, monopolistic and oligopoly competitive prices?    4. In the short run, what determines whether or not a firm should produce? If it does produce, **how much** should it produce? What does a profit, loss or breakeven point look like in this market structure? **Explain using graphs**    5. What happens in the long run for Monopolies? Do firms make a profit? How do they protect their profits?    6. Explain the types of entry barriers that this firm could use to protect their profits. Which type of barriers **do** they use? Do these barriers make it impossible to join the industry? If a new firm did manage to join the industry, what would happen to it? | | |

|  |  |
| --- | --- |
| **Content: ALL** |  |
| Come up with your own product idea (it could be an idea you have used before). Provide a brief description of your product idea then answer the following questions:   1. What type of industry is your firm apart of? 2. Who are your main competitors? 3. How will you determine the price of your product (do you have that option?) 4. What type of fixed and variable costs will you have to produce your product? 5. How will you differentiate your product? 6. What other ways do you plan to compete and differentiate your business? 7. What type of entry barriers could you use to protect your profits? 8. Is it an option for you to cooperate with any other firm in the industry? If so, how would you cooperate? 9. Is it possible for you to make a profit in the long run? | |

**Keywords:**

Market Structures, Firm, Industry, Price, Variable Costs, Fixed Costs, Total Costs, Marginal Cost, Marginal Revenue, Demand, Losses, Profits, Break-even, Homogenous, Differentiation, Collusion, Cooperation, Overt, Covert, Tacit, Cartels, The Basic Dilemma of Oligopolies, Entry Barriers, Natural Barriers, Created Barriers,

**Project Deadline:**