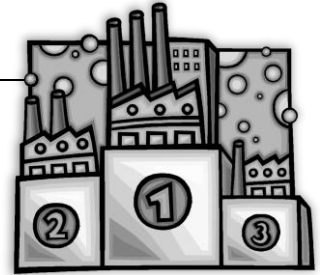


## Competitive Markets ... In Your Life

---



*We are just beginning our economics unit on competitive markets. This assignment will get you thinking about how competitive markets work and come up with examples of some competitive markets in your own lives. You can work individually or in pairs on this assignment (but each person should turn in their own worksheet).*

**Answers must be complete and thoughtful. Please hand write your responses below.**

### **Select a Competitive Market**

Choose a competitive market with which you are familiar. Start out by thinking about what products you buy and which companies make them. Try to come up with a market where there is a lot of competition between the products. What is your market? Why is this a good example of a competitive market?

### **Think About the Market**

Think about the market you selected. How do the products in this market compete against each other? How do the companies try to get you to buy their product over the competition? Summarize your competitive market by discussing WHO competes (the companies or products) and HOW they compete. Who buys the company's products or services? Who do you think has the best product at the most reasonable price? What is your personal opinion of the MARKET LEADER? (Who is it and why?)

### **Supply and Demand**

How does supply and demand affect the competitive market that you selected? What happens when there is more supply than there is demand for the product? What about when there is more demand than there is supply?

### **Effects of Competition**

What are the positive effects of competition? What is good for consumers? Is there anything good about it to the businesses?

What about negative effects of competition?