

Section A

Answer **ONE** complete question (parts a + b)

1. (a) Distinguish between perfect competition and monopolistic competition. (10 marks)
- (b) Using real world examples, discuss the impact of large firms having significant market power. (15 marks)

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Plan 1b

P1 define oligopoly, monopoly
market power - price power

P2 RW example Apple

- R and D - apple vision
- Apple vs Samsung/Android

Bb P3 evaluation

Pros - econo of scale

- R and D

- Universality/cross industry - consumer convenience

Con - low comp

- high B+E

- low consumer choice

P4 conclusion

good + Bad = ~~winner~~

mix = best

Nice

