

Date: 2021 (Economic) (Sast Paper)

1) Quantity demand:-

It represents the relationship b/w price and quantity of a product that consumers are willing to buy.

2) Quantity supply:-

It represents the relationship b/w price and quantity of a product or service that producers are willing to produce and sell.

3) Market equilibrium:-

Market equilibrium occurs when the quantity demanded by consumers matches the quantity supplied by producers at a specific price. It is called Market equilibrium.

4) Perfect competition:-

Perfect competition is a market structure where there are many buyers and sellers, homogeneous product, perfect information and free entry and exit.



5) Monopoly :-

Monopoly is when there's only one seller or producer of a product, giving them control over the market.

6) Normal goods :-

Normal goods are products for which demand increases as income elasticity of

Normal goods are products that people tend to buy more of as their income increases. They are things like higher-quality goods.

7) Inferior goods :-

Inferior goods are products that people tend to buy less of as their income increases. They are usually lower quality or less desirable goods.

8) Price taker :-

A price taker is a market participant who has no control over the price of a product and must accept the prevailing market price.



## 9) Market economy:-

The allocation of resources and the production of goods and services are primarily determined by the interactions of buyers and sellers in the market price.

## 10) Economy :- <sup>(V. Imp short Question)</sup>

refers to the system of production, distribution, and consumption of goods and services with in a region or country is called economy

## 11) Business strategy :-

refers to the long term plan or approach that a company adopts to achieve its goals and objective. It involve,

- marketing decision
- compete in market
- how to allocate resources.

## 12) Cost leadership strategy :-

By providing products or services at a lower-cost companies can attract price-sensitive customers and potentially capture a large market share.