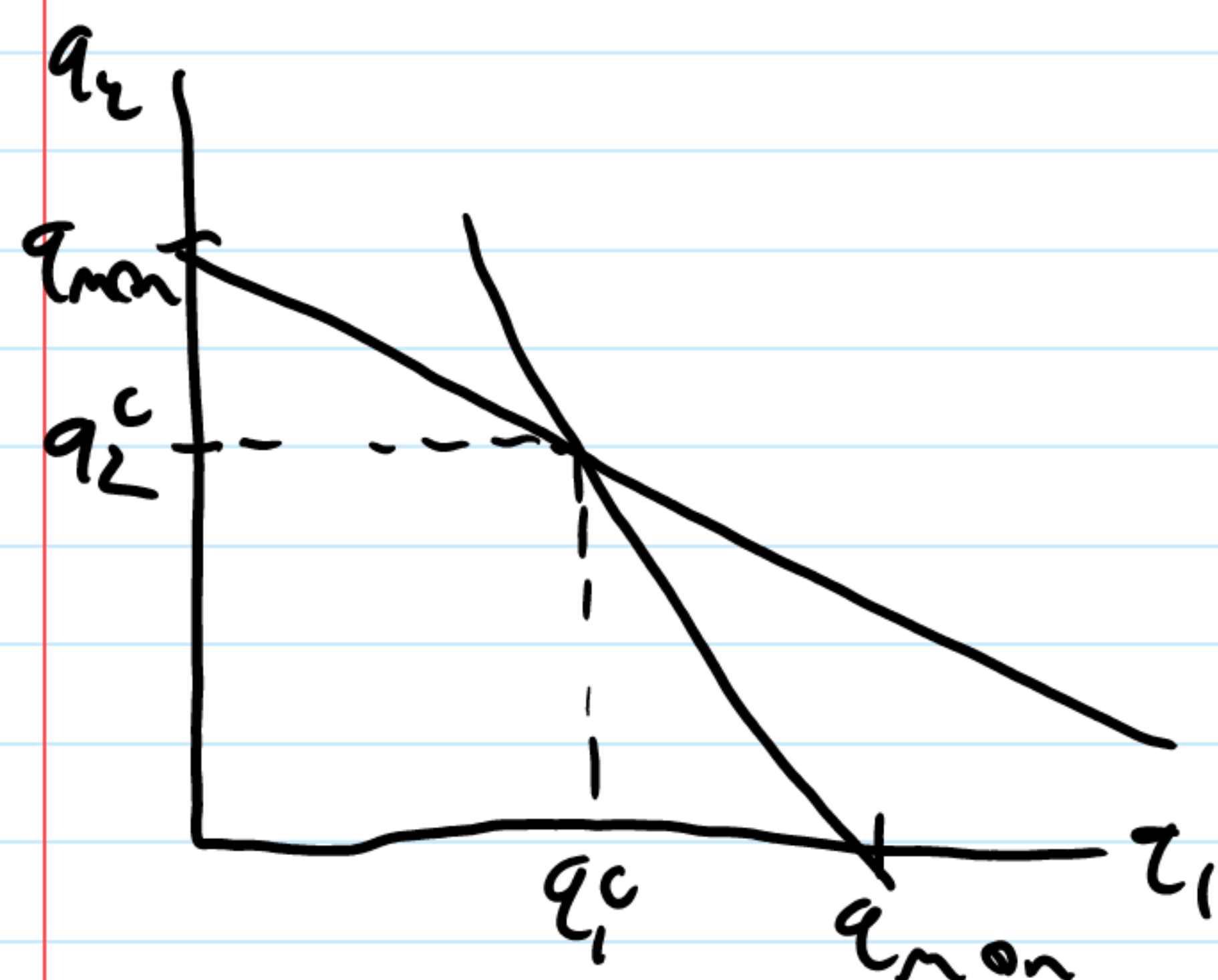


## 15.4 Homogeneous Product Markets 4

Saturday, April 3, 2021 12:08 PM

Strategic cost reductions in homogeneous product oligopoly



Advertising

Adv ↑ size of the firm's market

firm 1 spends on ads,  $q_{1mon}$  goes up