

# INDUSTRY ANALYSIS

LESSON 8





## 1. Market Structure

Refers to how many firms exist in an industry and how they compete.

- **Perfect Competition** – many sellers, same products
  - **Monopolistic Competition** – many sellers, differentiated products
  - **Oligopoly** – few large firms dominate
  - **Monopoly** – single seller controls the market
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## **2. Demand and Supply Conditions**

- **Demand** shows how much consumers are willing to buy.
  - **Supply** shows how much producers are willing to sell.
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### **3. Cost Structure**

Includes costs of production such as:

- Raw materials
  - Labor wages
  - Rent and utilities
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## **4. Barriers to Entry**

Factors that make it hard for new firms to enter an industry:

- **High capital requirements**
  - **Government regulations**
  - **Strong brand loyalty of existing firms**
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## 5. Competition

Measures how intense rivalry is among firms:

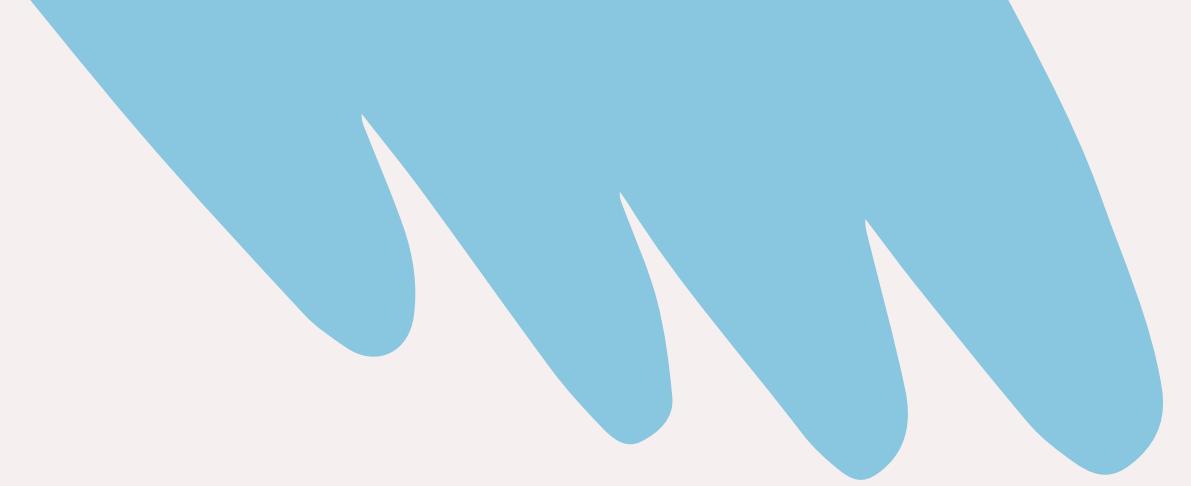
- Price wars
  - Advertising and promotions
  - Product innovation
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## 6. Role of Government

Government influences industries through:

- Taxes
  - Regulations
  - Subsidies
  - Trade policies
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## Importance to Filipino Entrepreneurs

Industry analysis helps Filipino entrepreneurs:

- Choose the right industry to enter
- Avoid high-risk sectors
- Develop strategies to survive competition
- Make informed business decisions



**THANK YOU**