

Personal Purchase Market Classifier

Analyze your regular purchases by market structure to understand your consumer power

Instructions

For each of your 10 regular purchases, analyze:

- Number of Options:** How many sellers can you realistically choose from?
- Product Differentiation:** Are products identical or different across sellers?
- Can You Negotiate?** Do you have leverage to get a better price?
- Market Structure:** Perfect Competition, Monopolistic Competition, Oligopoly, or Monopoly
- Your Power:** How much control do you have as a consumer?

Purchase/Service	# of Options	Differentiation?	Negotiate?	Market Structure
Example: Cell phone plan	3-4 major carriers	Slightly different	Yes (when switching)	Oligopoly
1. Electricity	e.g., 1	None/Slight/High	Select... ▾	Select...
2. Internet service	e.g., 2-3	None/Slight/High	Select... ▾	Select...
3. Groceries (store)	e.g., Many	None/Slight/High	Select... ▾	Select...
4. Gasoline	e.g., Many	None/Slight/High	Select... ▾	Select...
5. Streaming services	e.g., 5-7	None/Slight/High	Select... ▾	Select...
6. Restaurant meals	e.g., Many	None/Slight/High	Select... ▾	Select...
7. Clothing	e.g., Many	None/Slight/High	Select... ▾	Select...
8. Car insurance	e.g., 5-10	None/Slight/High	Select... ▾	Select...
9. Banking services	e.g., Many	None/Slight/High	Select... ▾	Select...

Purchase/Service	# of Options	Differentiation?	Negotiate?	Market Structure
10. Water/sewer	e.g., 1	None/Slight/High	Select... ▾	Select...

Part B: Analysis Questions

1. Monopoly/Oligopoly Purchases

Which purchases have monopoly or oligopoly structure?

List purchases...

Total monthly cost for these?

\$

2. Competitive Purchases

Which have monopolistic or perfect competition?

List purchases...

Do you shop around for these?

Why/why not?

Your answer...

3. Most Negotiating Power

Which purchase gives you the most power?

Purchase name...

Why do you have power here?

Many options, easy to switch, etc.

4. Least Negotiating Power

Which purchase gives you the least power?

Purchase name...

Why is your power limited?

Few alternatives, necessity, etc.

5. Monthly Spending by Market Structure

Monopoly goods

Oligopoly goods

Monopolistic Competition

\$

/month

\$

/month

\$

/month

Perfect Competition

\$

/month

% of budget in non-competitive markets:

%

Key Insight: The less competitive the market, the more of your money goes to seller profits rather than actual production costs. Understanding this helps you focus your shopping efforts where they matter most and advocate for more competition where you lack consumer power.

PFL Academy - L-51: Market Structures and Consumer Choice