Monopolistically competitive markets have the following Characteristics:—

* There are many ~~products~~ producers and many consumers in the market, and no business has total control over ~~the~~ the market price.
* Consumers perceive that there are non-price difference among the competitors products.
* Producers have a degree of control over price.
* The principal goal of the firm is to maximize its profits.
* ~~factors Price an~~ Each firm earns only normal profit in the long run.

Monopoly - A firm with no competitors in its industry. A monopoly firm produces less output, has higher costs and sells its output for a higher price than it would if constrained by competition. These negative outcomes usually generate government regulation.

→ A market structure characterized by a single seller, selling a unique product in the market. In a monopoly market, the seller faces no competition, as he is the sole seller of goods with no close substitute.

→ In a monopoly market, factors like government license, ownership of resources, copyright and patent and high starting cost make an entity a single seller of goods. All these factors restrict the entry of other sellers in the market. Monopolies also possess some information that is not known to other sellers.

→ Characteristics associated with a monopoly market make the single seller the market controller as well as the price maker. He enjoys the power of setting the price for his goods.

Oligopoly: It is a form of imperfect competition and is usually described as the competition among a few. Hence oligopoly exist when there are two to ten sellers in a market selling homogenous differentiated products. A good example of an oligopoly is the cold drinks industry. In India, there are a handful of firms who manufacture cold drinks. These firms sell homogenous as well as ~~diff~~ differentiated products in the market.

~~Types of oligopoly~~ ~~is the~~

~~Types of the oligopoly~~.

Pure or perfect

One of the type of oligopoly is the perfect oligopoly. This occurs when the product is homogenous in nature (eg. Aluminium industry)

Differentiated or Imperfect.

This ~~occur~~ occurs when product differentiation exist (eg. Talcum powder industry.

Characteristics of oligopoly market.

① Interdependence

This interdependence in the decision - making of the few firms that make the industry is the most important characteristics of an ~~a~~ oligopolistic market. This is important because when the competitors are few, if a firm makes a small change in price, output, etc it can have a direct impact on its rivals.

In retaliation, the competitors might change their own prices, output, etc, too. Hence its is important for firms to consider the impact of the major decision they take on the market as ~~well~~ well as the other firms in the industry.

(2) Importance of advertising and selling costs.

Due to interdependence, firms have to employ aggressive and defensive marketing techniques to gain a bigger share of the market, Hence firms. ~~incurs~~ occurs a lost of cost in marketing and