GRADO EN TURISMO

Introducción a la Economía

Questions and Exercises

Unit 5

1. Why in Perfect Competition does marginal revenue coincide with price and in Monopoly it does not?

2. In a city there are several ice cream shops in which the price of ice cream is € 2, the marginal cost is € 2 and the average cost is € 1.5. Do you think these companies are making short-term profits? What will happen in the long term?

3. Which of the following is an example of price discrimination?
    a. The price difference between the train ticket and the bus ticket for the route Cartagena - Madrid
    b. The price difference between bunk wagon and comfortable bed wagon on a night train
    c. The most expensive express fee to access the museum without queuing
    d. All are correct

4. indicate similarities and differences in terms of:
    a. Number of firms
    b. Company's power to set the price
    c. Product differentiation
    d. Barriers to entry
    For each of the following types of market: perfect competition, monopoly, oligopoly, monopolistic competition.

5. Why is advertising important in monopolistic competition markets? Give examples of this type of market.