

FINANCIAL COMPETITION

Introduction:

1. Overview

2. Goals

Objectives:

1. Understanding the market

2. Identifying key players and their strategies
3. Analyzing market trends and forecasts
4. Evaluating the impact of competition on business performance

- 1. Identify the main competitors in the market
- 2. Analyze their strengths and weaknesses
- 3. Determine their market share and growth rate
- 4. Evaluate their marketing and sales strategies
- 5. Assess their financial performance and profitability
- 6. Monitor their activities and developments over time

Key Concepts:

- 1. Market Structure
- 2. Porter's Five Forces
- 3. Competitive Advantage
- 4. Market Entry Barriers
- 5. Industry Dynamics

Market Structure

- 1. Perfect Competition: Many small firms, identical products, price takers.
- 2. Monopoly: One firm, unique product, price maker.
- 3. Oligopoly: Few large firms, differentiated products, strategic interaction.
- 4. Monopolistic Competition: Many firms, differentiated products, price makers.

Porter's Five Forces:

- 1. Rivalry among existing firms
- 2. Threat of new entrants
- 3. Bargaining power of buyers
- 4. Bargaining power of suppliers
- 5. Threat of substitute products

Competitive Advantage:

- 1. Cost Leadership: Lowest cost producer in the industry.
- 2. Differentiation: Unique product or service.
- 3. Focus on Customers: Superior customer service.
- 4. Innovation: First-mover advantage.
- 5. Operational Excellence: Efficient production processes.

Market Entry Barriers:

- 1. Economies of Scale: Large volume discounts.
- 2. Capital Requirements: High initial investment.
- 3. Government Licenses: Regulatory hurdles.
- 4. Proprietary Technology: Patented processes.
- 5. Brand Loyalty: Established customer relationships.