Universidad Europea

1. BASIC INFORMATION

Course	Competitor Analysis
Degree program	International Business
School	Social Sciences and Communication
Year	2
ECTS	6 ECTS
Credit type	UCR
Language(s)	English
Delivery mode	Campus-based
Semester	1st semester
Academic year	2019/2020
Coordinating professor	Jesús Muñoz Sepúlveda

2. PRESENTATION

This course offers an exhaustive view of the most common types of market structures in economics. Specifically, it focuses on the characteristics and effects on prices derived from the existence of perfect competition, monopoly and oligopoly. This will allow to understand the behaviour of the different markets and agents of the economy and to examine how market structure and concentration determine the firm's ability to capture value.

3. COMPETENCIES AND LEARNING OUTCOMES

Basic Skills:

- BS2: Students must apply their knowledge to their work and vocation in a professional way and must demonstrate their skills in sustaining arguments and solving problems within their field of study.

- BS3: Students must be able to gather data, usually within their field of study, interpret it and make judgments and considerations on relevant social, scientific or ethical issues.

Cross-disciplinary skills:

- CS1: Self-learning skills: The ability to choose the most effective strategies for controlling our own learning environment and acting autonomously throughout the learning process.

- CS4: Analysis and synthesis skills: Being able to break down complex situations into their constituent parts, and also to assess other alternatives and approaches in order to find

the best solutions. Synthesis seeks to reduce complexity in order to facilitate understanding and/or problem solving.

- CS5: Capacity to apply knowledge: Being able to use knowledge acquired in academic contexts in situations that resemble as closely as possible the reality of the chosen future profession.
- CS8: Information management: The ability to find, select, analyze and integrate information from different sources.
- CS16: Decision-making: The ability to make a choice between two or more existing alternatives to effectively resolve different situations or problems.

Specific skills:

- SS1: Capacity for evaluation and critical analysis of phenomena and agents that affect the social and political environment in different international scenarios.
- SS4: Ability to identify and analyze the economic aspects of globalization linked to the internationalization of companies, foreign trade, and the global economy.
- SS6: Ability to assimilate and take into account in decision-making the socio-economic reality of the different geopolitical, geo-economic and socio-cultural issues, as well as their particularities.
- SS15: Ability to perform market analysis prior to making decisions on international expansion and business growth.
- SS22: Ability to integrate oneself into different international environments, adapting successfully the business model to other geopolitical and cultural contexts.
- SS27: Ability to use the tools and criteria for the selection of suppliers and supply countries for the company.

Learning outcomes:

- LO1: The student will be able to measure and quantify the degree of market concentration.
- LO2: The student will be able to identify the existence of barriers of entry and understand its crucial role for undertaking international business.
- LO3: The student will be able to analyze the degree of competition in different countries and industries.

The following table shows the relationship between the competencies developed during the course and the learning outcomes pursued:

Competencies	Learning outcomes
BS3, CS4, CS5, CS8, SS4, SS15	LO1: The student will be able to measure and quantify the degree of market concentration.
BS2, CS1, CS5, CS16, SS1, SS4, SS6, SS15, SS22, SS27	LO2: The student will be able to identify the existence of barriers of entry and understand its crucial role for undertaking international business.
BS3, CS1, CS4, CS5, CS8, SS1, SS4, SS15, SS27	LO3: The student will be able to analyze the degree of competition in different countries and industries.

4. CONTENT

Unit 1. Market definition and firms' competitiveness

    1.1. Market definition

    1.2. Market structure and competition

    1.3. Measuring market concentration

Unit 2. Perfect Competition

    2.1. Short-run equilibrium

    2.2. Long-run equilibrium

Unit 3. Monopoly

    3.1. Long-run equilibrium

    3.2. Differences between monopoly and perfect competition

Unit 4. Game theory and firms' strategic behaviour

    4.1. Nash Equilibrium in pure strategies

    4.2. Nash Equilibrium in mixed strategies

Unit 5. Oligopoly

    5.1 Cournot duopoly

    5.2 Stackelberg duopoly

    5.3 Bertrand duopoly with homogeneous goods

    5.4 Bertrand duopoly with differentiated goods

5. TEACHING-LEARNING METHODOLOGIES

The types of teaching-learning methodologies used are indicated below:

- Master Classes: 40 hours
- Autonomous Learning: 30 hours
- Formative Assessment: 10 hours
- Problem Solving: 25 hours
- Tutorship Sessions: 10 hours
- Collective Work: 20 hours
- Case Studies: 15 hours

6. LEARNING ACTIVITIES

Listed below are the types of learning activities and the number of hours the student will spend on each one:

Campus-based mode:

Learning activity	Number of hours
Problem set 1: Questions and exercises about perfectly competitive markets. Analyze pricing process under this type of market structure. Measure the degree of market concentration in a specific market or industry.	4 hours
Problem set 2: Questions and exercises about monopolized markets. Examples of monopoly. Analyze pricing process under this type of market structure.	4 hours
Midterm test: 5 multiple-choice questions and one exercise about the units 1, 2 and 3 of the course.	10 hours
Problem set 3: Questions and exercises about game theory. Learn how to find the Nash equilibrium of a game in pure and mixed strategies.	4 hours
Problem set 4: Questions and exercises about the most important oligopoly models (Cournot, Bertrand and Stackelberg). Analyze pricing process under this type of market structures.	4 hours
Final Exam: 10 multiple-choice questions and two exercises about all units of the course.	20 hours

7. ASSESSMENT

Listed below are the assessment systems used and the weight each one carries towards the final course grade:

Assessment system	Weight
Activity 1: Problem set 1	7.5%
Activity 2: Problem set 2	7.5%
Activity 3: Midterm test	20.0%
Activity 4: Problem set 3	7.5%
Activity 5: Problem set 4	7.5%
Activity 6: Final exam	50.0%

When you access the course on the *Campus Virtual*, you'll find a description of the assessment activities you have to complete, as well as the delivery deadline and assessment procedure for each one.

7.1. First exam period

To pass the course in the first exam period, you must obtain a **final course grade of at least 5 out of 10 (weighted average)**.

In any case, **you will need to obtain a grade of at 4.0 in the final exam** in order for it to count towards the final grade along with all the grades corresponding to the other activities.

7.2. Second exam period

To pass the course in the second exam period, you must obtain a **final grade of at least 5 out of 10 (weighted average).**

In any case, **you will need to obtain a grade of at 4.0 in the final exam** in order for it to count towards the final grade along with all the grades corresponding to the other activities.

The student must deliver the activities not successfully completed in the first exam period after having received the corresponding corrections from the professor, or those that were not delivered in the first place.

8. SCHEDULE

This table shows the delivery deadline for each assessable activity in the course:

Assessable activities	Deadline
Activity 1: Problem set 1	Week 5-6
Activity 2: Problem set 2	Week 9-10
Activity 3: Midterm test	Week 10-11
Activity 4: Problem set 3	Week 13-14
Activity 5: Problem set 4	Week 16-17
Activity 6: Final exam	Week 17-18

This schedule may be subject to changes for logistical reasons relating to the activities. The student will be notified of any change as and when appropriate.

9. BIBLIOGRAPHY

Here is the recommended bibliography:

- Frank, R.H. (2014). Microeconomics and Behavior. Ed. MacGraw Hill, New York.
- Varian, H. R. (2009). Intermediate Microeconomics: A modern approach. WW Norton & Co. 8th edition.
- Perloff, J.M. (2017). Microeconomics. Pearson. 8th edition.

10. DIVERSITY MANAGEMENT UNIT

Students with specific learning support needs:

Curricular adaptations and adjustments for students with specific learning support needs, in order to guarantee equal opportunities, will be overseen by the Diversity Management Unit (UAD: Unidad de Atención a la Diversidad).

It is compulsory for this Unit to issue a curricular adaptation/adjustment report, and therefore students with specific learning support needs should contact the Unit at unidad.diversidad@universidadeuropea.es at the beginning of each semester.