

QUESTION 4

WHAT CHANGES IN THE MARKET?

CHANGES IN DEMAND

Changes in demand can affect a company's sales volume. A decrease in demand can lead to lower sales and profits, while an increase in demand can lead to higher sales and profits.

CHANGES IN SUPPLY

Changes in supply can affect a company's costs and profits. An increase in supply can lead to lower costs and higher profits, while a decrease in supply can lead to higher costs and lower profits.

CHANGES IN TECHNOLOGY

Changes in technology can affect a company's production processes and costs. New technologies can lead to more efficient production, lower costs, and higher profits, while old technologies can lead to less efficient production, higher costs, and lower profits.

CHANGES IN GOVERNMENT POLICIES

Changes in government policies can affect a company's operations and profits. Changes in tax laws, regulations, and trade policies can all impact a company's bottom line.

CHANGES IN ECONOMIC CONDITIONS

Changes in economic conditions can affect a company's sales and profits. An economic recession can lead to lower sales and profits, while a boom can lead to higher sales and profits.

CHANGES IN COMPETITION

CHANGES IN COMPETITOR'S STRATEGY

Changes in competitor's strategy can affect a company's sales and profits. If a competitor introduces a new product or service, it may steal market share from the company. If a competitor increases its prices, it may force the company to do the same, which can lead to lower profits. Conversely, if a competitor decreases its prices, it may force the company to do the same, which can lead to higher profits.

Changes in competitor's strategy can also affect a company's market position. If a competitor introduces a new product or service, it may change the way the company thinks about its own product or service. This can lead to changes in the company's marketing and sales strategies, which can ultimately affect its profits.

CHANGES IN COMPETITOR'S COSTS

Changes in competitor's costs can affect a company's sales and profits. If a competitor's costs decrease, it may be able to offer lower prices, which can lead to higher sales and profits. Conversely, if a competitor's costs increase, it may be forced to raise its prices, which can lead to lower sales and profits.