Conclusion

Market is a place where buyers and sellers meet and exchange goods or services. And now if we extend this concept a little more, there are certain conditions which create the structure of a market. Such conditions can be condensed in the following -

- Number of Buyers
- Number of sellers
- Buyer Entry Barriers
- Seller Entry Barriers
- Size of the firm
- Product Differentiation/ Homogeneous Product
- Market Share
- Competition

Thus, the following chart to provide the overall understanding of the varied market structures -

<table>
<thead>
<tr>
<th>Market Structure</th>
<th>No. of buyers</th>
<th>No. of Sellers</th>
<th>Buyer Entry Barriers</th>
<th>Seller Entry Barriers</th>
<th>Size of the firm</th>
<th>Product Differentiation</th>
<th>Market Share</th>
<th>Competition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Perfect Competition</td>
<td>Many</td>
<td>Many</td>
<td>No</td>
<td>No</td>
<td>Relatively Small</td>
<td>No, homogeneous product</td>
<td>Small</td>
<td>Fierce</td>
</tr>
<tr>
<td>Monopoly</td>
<td>Many</td>
<td>One</td>
<td>No</td>
<td>Yes</td>
<td>Relatively Small</td>
<td>Homogeneous goods/services</td>
<td>Highest</td>
<td>No competition</td>
</tr>
<tr>
<td>Oligopoly</td>
<td>Many</td>
<td>Few</td>
<td>No</td>
<td>Yes</td>
<td>Average</td>
<td>Homogeneous/differentiated</td>
<td>Average</td>
<td>High</td>
</tr>
</tbody>
</table>

However, perfect competition, monopoly and oligopoly can lead to deadweight loss. Governments around the world have responded to this by enacting laws that restrict the behavior of perfect competition, monopolies and oligopolies. They also have policies that aim to improve the efficiency of these market structures as well.