**Revision questions (35 marks; 35 minutes)**

1. What is a monopoly? (2)
2. Explain two reasons why monopolies exist. (4)
3. How may an increase in competition within the UK banking market affect shareholders of banks such as Lloyds and HSBC? (3)
4. Analyse two factors, which could decrease the level of competition within the car market. (6)
5. Outline two reasons why a supermarket such as Waitrose may be concerned if Mars and Cadbury merged into one business. (6)
6. Explain how product differentiation may help a firm to adjust to a more competitive market. (4)
7. Explain why many large firms prefer to buyout smaller rivals, rather than competing against them head-to-head. (4)
8. Discuss whether it is right for some firms to use tactics such as predatory pricing to influence market structure. (6)