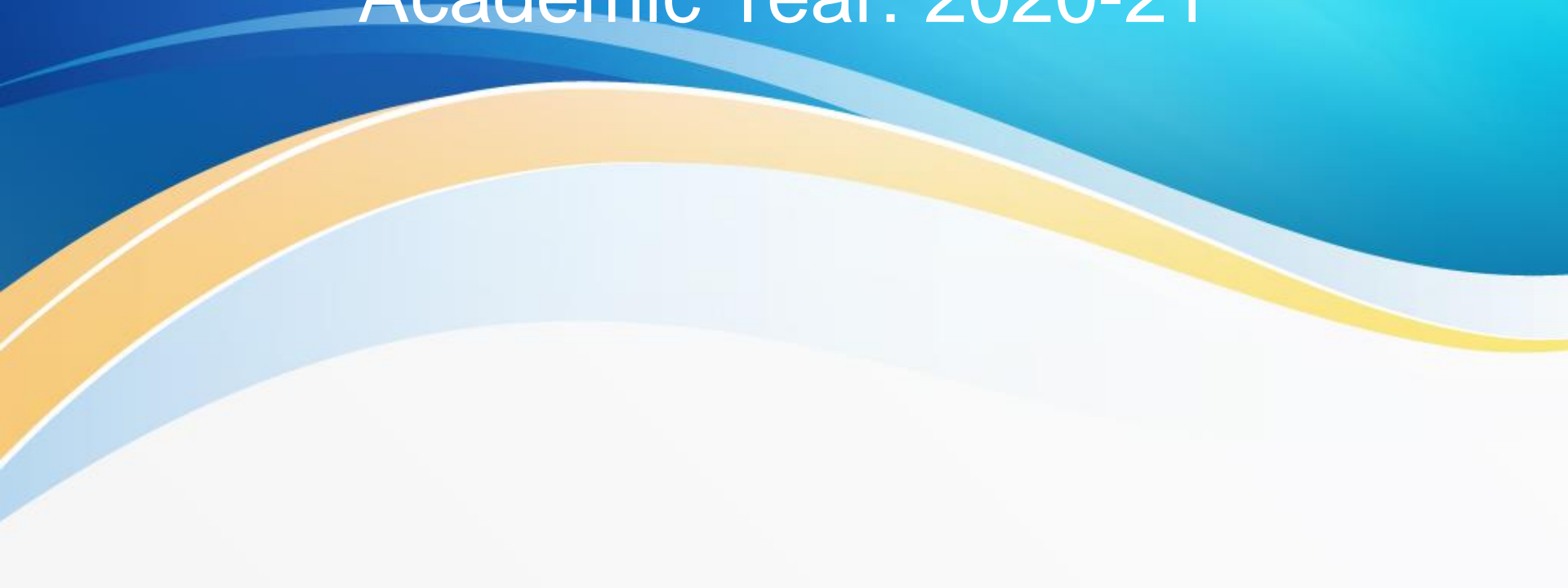


Duopoly
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- A duopoly is a form of oligopoly, where only two companies dominate the market.
- The companies in a duopoly tend to compete against one another, reducing the chance of monopolistic market power.
- Visa and Mastercard are examples of a duopoly that dominates the payments industry in Europe and the United States.

- A duopoly is a situation where two companies together own all, or nearly all, of the market for a given product or service. A duopoly is the most basic form of oligopoly, a market dominated by a small number of companies. A duopoly can have the same impact on the market as a monopoly if the two players collude on prices or output.

- Collusion results in consumers paying higher prices than they would in a truly competitive market, and it is illegal under U.S. antitrust law.
- In a duopoly, two competing businesses control the majority of the market sector for a particular product or service they provide. A business can be part of a duopoly even if it provides other services that do not fall into the market sector in question.

- For example, Amazon is a part of the duopoly in the e-book market but is not associated with a duopoly in its other product sectors, such as computer hardware.

- A duopoly is a form of oligopoly, and should not be confused with monopoly, where only a single producer exists and controls the market. With a duopoly, each company will tend to compete against the other, keeping prices lower and benefiting consumers.

- However, since there are only two major players in an industry under a duopoly, there is some likelihood that a monopoly could be formed, either through collusion between the two companies, or if one goes out of business

- An oligopoly exists when a few businesses control the vast majority of the market sector. While a duopoly qualifies as an oligopoly, not all oligopolies are duopolies. For example, the automobile industry is an oligopoly because there are a limited number of producers, but more than two, who must respond to worldwide demand.

- Boeing and Airbus have been considered a duopoly for their command of the large passenger airplane manufacturing market. Similarly, Amazon and Apple dominate the e-book marketplace. While there are other companies in the business of producing passenger planes and e-books, the market share is highly concentrated between the two businesses identified in the duopoly.