



ONLINE LIBRARY
(www.onekhmer.org/onlinelibrary)

Title: Market Structure

Name of Author	Sonariddh Mao
Name of University	Monash University
Country of Study	Australia
Major	Business Economics
Degree	Master
Course Title	Economics
Type of Document	Assignment
Year	

Industrial Nanotech Incorporate and its new product named “Nansulate Solar,” have surfaced on the news recently. The analysis is going to focus on the microeconomic issue of supply and demand based on the article. The analysis will be mainly used to discuss on the demand side of the market, with a brief mention of positive externality of the technology on the bystanders and the future consumers (Industrial).

First and foremost, the article is a microeconomic topic because of its relevance in accordance to the base definition of microeconomic, “the study of how households and firms make decision and how they interact in the market (Gans, King, Stonecash, & Mankiw, p 25).” For instance, Industrial Nanotech Incorporate is the producer and provider of technological goods to the market, thus their contributions to the market impacting on the determinant variables of the demand side of the market. This breakthrough and advancement in technology that contributed by Industrial Nanotech Incorporate is forecasted to grab the awareness of the consumers, thus motivating consumers to raise their demands for solar-powered products (Industrial). As seen above, the article is only focused on one market of the whole technological industry, thus making this article a microeconomic article.

Industrial Nanotech Incorporate is a firm in the Industry of Nanotechnology and Solar-powered technology. Being the first and only producer and supplier of the “Nansulate Solar” to the market, the firm has found a solution to lower the operating cost and increase the efficiency of solar-powered system when used on the solar water system. Industrial Nanotech Incorporate is an entity among many others firm that are involved in the solar and nanotechnology thus making up the industry, and they are operating in one market as well due to the small awareness of solar-powered technology and nanotechnology (Industrial). Consumers of solar-powered technology and nanotechnology are the demand part if the market (Industrial).

Many factors point out that this article is mainly connected the demand side of market, based on its impact on many determinants of the demand variables of the market. First factor mentioned on the article is the suggestion that the new technology will decrease the cost of running the solar system in household bases, which will ultimately expand to a more mainstream in the future, hence an emerging competition with the current technology that available in the market (Industrial). The decrease in price will effectively move along the demand curve, however, this article also contains other determinants such as tastes, expectations, and the number of buyers. As the article contains determinants impact the demand curve of the market, these variables will determine the movement of shifting according to the law of demand (Gans et al, p.). The article suggests that the solar equipment will be raised to three billion dollars in value, in accordance to this; the supply side of the market will not react to the increase in demand immediately. Further, the law of supply also suggests that the supply side should not react to the market unless there is a decrement in price in the market (Gans et al, P.).

List of References

Gans, Joshua., King, Stephen., Stonecash, Robin., Mankiw, N. Gregory. (2009).
Principles of Economics (4th ed.). Victoria: Cengage Learning Australia Pty Limited.