

MANAGERIAL ECONOMICS

CONCEPTS & CASES



V L MOTE
SAMUEL PAUL
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MANAGERIAL ECONOMICS
Concepts and Cases

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Introduction

Introduction
The study of managerial economics is essential for the understanding of the economic behavior of the firm. It provides a framework for analyzing the firm's decisions in the context of the overall economy. The firm's decisions are influenced by the market structure, the technology available, and the resources at its disposal. The study of managerial economics helps the firm to make informed decisions that maximize its profitability and efficiency.

Managerial Economics
Managerial economics is the application of economic theory and methods to those business decisions that require rational economic analysis. It deals with the allocation of scarce resources to various uses in a firm. The firm's decisions are influenced by the market structure, the technology available, and the resources at its disposal. The study of managerial economics helps the firm to make informed decisions that maximize its profitability and efficiency.

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Managerial Economics deals with five important problem areas in management in which economic analysis has much to contribute—demand production and cost analysis, pricing, application of linear programming and capital budgeting. It is a unique book in that every chapter on the concepts and tools of analysis has corresponding case studies drawn from a variety of industries, which will be of immense help to students in understanding the real life applications of managerial economics and to gain some practice of problem-solving at the firm level. The concepts and applications of managerial economics discussed in this book draw heavily on micro-economic theory and only marginally on macro-economic theory.

Understanding the determinants of demand and the skills of market forecasting, the concept of relevant costs and price discrimination, are among the topics covered. It also describes how optimization problems can be analyzed within the framework of linear programming, and how capital budgeting is employed for the long-term allocation of resources.

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