20 Markets and competitors

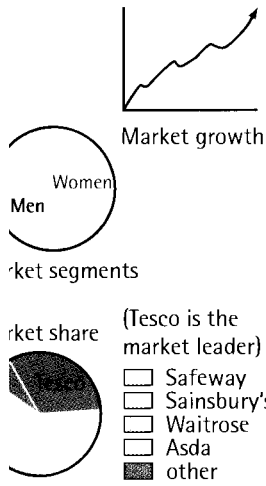
A Companies and markets

You can talk about the people or organizations who buy particular goods or services as the **market** for them, as in the 'car market', 'the market for financial services', etc. Buyers and sellers of particular goods or services in a place, or those that might buy them, form a **market.**

If a company:

enters **penetrates**		it starts selling there for the first time.
abandons **gets out of** **leaves**		it stops selling there.
dominates	**a market**	it is the most important company selling there.
corners **monopolizes**		it is the only company selling there.
drives another company out of		it makes the other company leave the market, perhaps because it can no longer compete.

B More word combinations with 'market'



'Market' is often used in these combinations:

market	**growth**	In the late 1990s, Internet use was doubling every 100 days. **Market growth** was incredible.
	segment	Women are a particularly interesting target for the Volvo V70. They are an important **market segment** for Volvo.
	segmentation	The Softco software company divides the software market into large companies, small companies, home office users, and leisure users. This is its **market segmentation.**
	share	Among UK supermarkets, Tesco sells more than any of the other chains. It has the highest **market share.**
	leader	Tesco is the **market leader** among UK supermarkets as it sells more than any of the other chains.

C Competitors and competition

Companies or products in the same market are **competitors** or **rivals.** Competitors **compete** with each other to sell more, be more successful, etc.

The most important companies in a particular market are often referred to as **key players.**

Competition describes the activity of trying to sell more and be more successful. When competition is strong, you can say that it is **intense, stiff, fierce** or **tough.** If not, it may be described as **low-key.**

The competition refers to all the products, businesses, etc. competing in a particular situation, seen as a group.

20.1 Use the correct form of the words in brackets to complete the sentences.

1 European films do not export well: European movies barely ..... (abandon/corner/penetrate) the US market.

2 In the 1970s, Kodak ..... (corner/enter/leave) the instant photography market, until then ..... (abandon/dominate/penetrate) by Polaroid.

3 The Hunt brothers tried to fix silver prices and to ..... (corner/enter/leave) the silver market, ... (enter/drive out/monopolize) all competitors.

4 In the 1940s, MGM ..... (abandon/get out of/monopolize) the market on film musicals. But by the late 1950s, Warner Bros had also started buying film rights to musicals.

20.2 Replace the underlined expressions with expressions from B opposite. You may need to add a verb in the correct form.

I'm Kalil and I'm marketing manager for CrazyCola in a country called Newmarket. In this market, we (1) sell more than any other cola. In fact, we (2) have 55 per cent of the market. (3) Sales are increasing at seven to eight per cent per year. There are two main (4) groups of users: those who drink it in cafés, bars and restaurants, and those who buy it to drink at home. Of course, many users belong to both groups, but this is our (5) way of dividing our consumers.

20.3 Read this description of a language training market. Answer the questions.

In Paris, 500 organizations offer language training to companies. However, 90 per cent of sales are made by the top five language training organizations. The market is not growing in size overall. Organization A has 35 per cent of the market, and faces stiff competition from B, which has about 25 per cent of the market, and from C, D and E, who each have 10 per cent, but who are trying to grow by charging less for their courses.

1 How many competitors are there in this market?
2 Is competition in the market strong?
3 Who is the market leader?
4 Who are the two key players?
5 Who mainly makes up the competition, from the market leader's point of view?
6 If one competitor increases its market share, can the others keep their market share at the same level?

Over to you

Answer the questions in 20.3 about a market that you know, for example the market that your company, or a company you would like to work for, is in.