

# EE481: Industrial Economics

## Price Discrimination (Extra on Two Two-part tariff)

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# Price-discrimination Mind-Map

- Firms can price-discriminate only when they have market power (not perfectly competitive)
- Type of price-discrimination used depends on the completeness of firms' information

# Consumers' Indifference Curves

Direction of Preference

Low-type vs. High-type Indifference Curves

# Comparing the two representations