

Answer on Question #43228, Economics, Microeconomics

Technology can help you greatly improve the way your staff carry out tasks. This can either speed up existing processes or allow new, more flexible ways of carrying out the job.

In order to work out the best technology for your purpose you should assess your current systems against your requirements.

The cost-saving innovation will gain higher profits in competitive market, because if you are a monopolist, you can rise your profits without improving the technology.

Profit Maximization - the MR=MC Approach

Profit-maximizing case

