

**GAME THEORY - Managerial Economics.** **Game theory** concepts are **used** to develop effective competitive strategies for setting prices, the level of product quality, research and development, advertising, and other forms of nonprice competition in oligopoly markets.

**Game theory** is a powerful framework that enables **managers** to analyze systematically the ties among interactions between actors in a market and to develop appropriate competitive strategies.

**Game theory** can be described as the mathematical study of decision-making, of conflict and strategy in social situations. It helps explain how we interact in key decision-making processes.

**Game theory** is the process of modeling the strategic interaction between two or more players in a situation containing set rules and outcomes.