

Law of Demand

Rush

September 2013

Auction!

- I have one can of Coke and want to make sure I get it to the consumer who values it the most.



How many willing to buy at ...

Suggested Price	Quantity Demanded
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10 cents	
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How many willing to buy at ...

Suggested Price	Quantity Demanded
-----------------	-------------------

10 cents	
----------	--

20 cents	
----------	--

How many willing to buy at ...

Suggested Price	Quantity Demanded
-----------------	-------------------

10 cents	
----------	--

20 cents	
----------	--

30 cents	
----------	--

How many willing to buy at ...

Suggested Price	Quantity Demanded
-----------------	-------------------

10 cents	
----------	--

20 cents	
----------	--

30 cents	
----------	--

40 cents	
----------	--

How many willing to buy at ...

Suggested Price	Quantity Demanded
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10 cents	
----------	--

20 cents	
----------	--

30 cents	
----------	--

40 cents	
----------	--

50 cents	
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How many willing to buy at ...

Suggested Price	Quantity Demanded
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10 cents	
----------	--

20 cents	
----------	--

30 cents	
----------	--

40 cents	
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50 cents	
----------	--

75 cents	
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How many willing to buy at ...

Suggested Price	Quantity Demanded
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10 cents	
----------	--

20 cents	
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30 cents	
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40 cents	
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50 cents	
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75 cents	
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1 dollar	
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Graph it

- Use the data we gathered.
- Make sure to label properly.

Think and discuss

- Did anyone choose not to bid on the Coke? Why?

Think and discuss

- What went through your mind before you made a bid?

Think and discuss

- Why does a higher price reduce the number of items demanded?

Think and discuss

- Once a price is established in the market, do you think it stays the same for long periods?

Can demand change?

Can demand change?

- Yes! Consumers are influenced by:
 - Income
 - Tastes and preferences
 - Price of related products
 - Expectations
 - Number of buyers

(These are called determinants of demand.)

Second auction!



How many willing to buy at ...

Suggested Price	Quantity Demanded
10 cents	
20 cents	
30 cents	
40 cents	
50 cents	
75 cents	
1 dollar	

Graph it

- Use the data we gathered.
- Make sure to label properly.

Think and discuss

- How did your buying decision change?

Think and discuss

- How do the two graphs compare?